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**英皇集團（國際）有限公司\***  
**Emperor International Holdings Limited**  
(Incorporated in Bermuda with limited liability)  
(Stock Code : 163)



**英皇證券集團有限公司\***  
**Emperor Capital Group Limited**  
(Incorporated in Bermuda with limited liability)  
(Stock Code : 717)

## CONTINUING CONNECTED TRANSACTIONS

The boards of directors of Emperor International and Emperor Capital Group announce that on 31 March 2016 (after trading hours), (i) Headwise as landlord entered into the First Tenancy Agreement with Profit Broad as tenant in relation to the tenancy of the First Property; and (ii) Active Pace as landlord entered into the Second Tenancy Agreement with Profit Broad as tenant in relation to the tenancy of the Second Property.

Headwise and Active Pace are indirect wholly-owned subsidiaries of Emperor International. Profit Broad is an indirect wholly-owned subsidiary of Emperor Capital Group. Emperor International and Emperor Capital Group are both indirectly controlled by the AY Trust. As such, Profit Broad is a connected person of Emperor International whilst Headwise and Active Pace are connected persons of Emperor Capital Group under Chapter 14A of the Listing Rules. Accordingly, the First Tenancy Agreement and the Second Tenancy Agreement constitute continuing connected transactions for both Emperor International and Emperor Capital Group.

As the applicable percentage ratios (as defined in the Listing Rules) on an annual basis calculated with reference to the aggregate annual caps of both Emperor International and Emperor Capital Group are more than 0.1% but less than 5%, the First Tenancy Agreement and the Second Tenancy Agreement are subject to the announcement, reporting and annual review requirements, but exempt from the respective shareholders' approval of both Emperor International and Emperor Capital Group under Chapter 14A of the Listing Rules.

The boards of directors of Emperor International and Emperor Capital Group announce that on 31 March 2016 (after trading hours), (i) Headwise as landlord entered into the First Tenancy Agreement with Profit Broad as tenant in relation to the tenancy of the First Property; and (ii) Active Pace as landlord entered into the Second Tenancy Agreement with Profit Broad as tenant in relation to the tenancy of the Second Property.

### FIRST TENANCY AGREEMENT DATED 31 MARCH 2016

Landlord: Headwise

Tenant: Profit Broad

*\* for identification propose only*

First Property: Units 603 & 604, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 3,081 sq. ft.

Usage: for office

Term: 2 years from 1 April 2016 to 31 March 2018 (both days inclusive)

Rent: HK\$95,500.00 per month, exclusive of rates, management fees, air-conditioning charges and other outgoing charges

Deposit: HK\$360,749.10 which is equivalent to three months' rent, rates and management fee

## **SECOND TENANCY AGREEMENT DATED 31 MARCH 2016**

Landlord: Active Pace

Tenant: Profit Broad

Second Property: Unit 606, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 1,510 sq. ft.

Usage: for office

Term: 2 years from 1 April 2016 to 31 March 2018 (both days inclusive)

Rent: HK\$46,810.00 per month, exclusive of rates, management fees, air-conditioning charges and other outgoing charges

Deposit: HK\$176,731.20 which is equivalent to three months' rent, rates and management fee

## **AGGREGATE ANNUAL CAPS OF THE FIRST TENANCY AGREEMENT, THE SECOND TENANCY AGREEMENT AND THE PREVIOUS TENANCY AGREEMENTS**

### ***Aggregate Annual Cap of Emperor International***

The Aggregate Annual Cap of Emperor International for the First Tenancy Agreement, the Second Tenancy Agreement and the Fourth Previous Tenancy Agreement (which are aggregated under Rule 14A.81 of the Listing Rules) based on the total annual effective rental received / receivable thereunder by Emperor International for each of the years ending 31 March 2017 and 2018 will be as follows:

|                                   | <b>2017</b>      | <b>2018</b>      |
|-----------------------------------|------------------|------------------|
|                                   | <i>HK\$</i>      | <i>HK\$</i>      |
| First Tenancy Agreement           | 1,146,000        | 1,146,000        |
| Second Tenancy Agreement          | 562,000          | 562,000          |
| Fourth Previous Tenancy Agreement | 3,696,000        | -                |
| Total                             | <u>5,404,000</u> | <u>1,708,000</u> |

### ***Aggregate Annual Cap of Emperor Capital Group***

The Aggregate Annual Cap of Emperor Capital Group for the First Tenancy Agreement, the Second Tenancy Agreement and the Previous Tenancy Agreements (which are aggregated under Rule 14A.81 of the Listing Rules) based on the total annual effective rental paid / payable thereunder by Emperor Capital Group for each of the years ending 30 September 2016, 2017, and 2018 will be as follows:

|                                   | <b>2016</b>      | <b>2017</b>      | <b>2018</b>    |
|-----------------------------------|------------------|------------------|----------------|
|                                   | <i>HK\$</i>      | <i>HK\$</i>      | <i>HK\$</i>    |
| First Tenancy Agreement           | 573,000          | 1,146,000        | 573,000        |
| Second Tenancy Agreement          | 281,000          | 562,000          | 281,000        |
| First Previous Tenancy Agreement  | 143,000          | -                | -              |
| Second Previous Tenancy Agreement | 365,000          | -                | -              |
| Third Previous Tenancy Agreement  | 253,000          | -                | -              |
| Fourth Previous Tenancy Agreement | 3,696,000        | 1,797,000        | -              |
| Total                             | <u>5,311,000</u> | <u>3,505,000</u> | <u>854,000</u> |

### **REASONS AND BENEFITS FOR THE FIRST TENANCY AGREEMENT AND THE SECOND TENANCY AGREEMENT**

Emperor International is an investment holding company and its subsidiaries are principally engaged in property investments, property development and hospitality in the Greater China and overseas. The First Property and the Second Property are held by Headwise and Active Pace as investment properties for rental income.

Emperor Capital Group is an investment holding company and its subsidiaries are principally engaged in the provision of financial services in Hong Kong, including (i) commercial and personal lending as well as margin and initial public offering financing; (ii) brokerage, wealth management and asset management; (iii) placing and underwriting services for listed issuers; and (iv) corporate finance advisory services. Profit Broad is principally engaged in the provision of group tenancy agent services for Emperor Capital Group and its subsidiaries.

The terms of the First Tenancy Agreement and the Second Tenancy Agreement are arrived at after arm's length negotiation and the rental was determined with reference to the prevailing market rent of similar properties in the nearby locations. The directors of both Emperor International and Emperor Capital Group (including their respective independent non-executive directors) considered that the terms of the First Tenancy Agreement and the Second Tenancy Agreement are fair and reasonable and the transactions are on normal commercial terms, in the ordinary and usual course of business of both companies, and in the interests of both Emperor International and Emperor Capital Group and their respective shareholders as a whole.

### **GENERAL**

Headwise and Active Pace are indirect wholly-owned subsidiaries of Emperor International. Profit Broad is an indirect wholly-owned subsidiary of Emperor Capital Group. Both Emperor International and Emperor Capital Group are both indirectly controlled by the AY Trust. As such, Profit Broad is a connected person of Emperor International whilst Headwise and Active Pace are connected persons of Emperor Capital Group under Chapter 14A of the Listing Rules. Accordingly, the First Tenancy Agreement and the Second Tenancy Agreement constitute continuing connected transactions for both Emperor International and Emperor Capital

Group.

Ms. Luk Siu Man, Semon, the Chairperson of Emperor International, did abstain from voting on the relevant board resolution(s) of Emperor International in view of her deemed interest in the transaction by virtue of being the spouse of Dr. Yeung Sau Shing, Albert who is the founder of the AY Trust. Ms. Daisy Yeung, the Managing Director of Emperor Capital Group, did abstain from voting the relevant board resolution(s) of Emperor Capital Group in view of her deemed interests in the transaction by virtue of being one of the eligible beneficiaries of the AY Trust.

As the applicable percentage ratios (as defined in the Listing Rules) on an annual basis calculated with reference to the aggregate annual caps of both Emperor International and Emperor Capital Group are more than 0.1% but less than 5%, the First Tenancy Agreement and the Second Tenancy Agreement are subject to the announcement, reporting and annual review requirements, but exempt from the respective shareholders' approval of both Emperor International and Emperor Capital Group under Chapter 14A of the Listing Rules.

## **TERMS USED IN THIS ANNOUNCEMENT**

|   |   |
|---|---|
| “Active Pace”                                   | Active Pace Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Emperor International   |
| “Aggregate Annual Cap of Emperor International” | the maximum amount of effective rental received / receivable by Emperor International under the First Tenancy Agreement, the Second Tenancy Agreement and the Fourth Previous Tenancy Agreement for each of the years ending 31 March 2017 and 2018 based on the total annual effective rental received / receivable thereunder |
| “Aggregate Annual Cap of Emperor Capital Group” | the maximum amount of effective rental paid / payable by Emperor Capital Group under the First Tenancy Agreement, the Second Tenancy Agreement and the Previous Tenancy Agreements for each of the years ending 30 September 2016, 2017 and 2018 based on the total annual effective rental paid / payable thereunder           |
| “AY Trust”                                      | The Albert Yeung Discretionary Trust, a discretionary trust set up by Dr. Yeung Sau Shing, Albert   |
| “Emperor Capital Group”                         | Emperor Capital Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange   |

|                                     |  |
|-------------------------------------|--|
| “Emperor International”             | Emperor International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange   |
| “First Previous Property”           | Unit 603, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 851 sq. ft.  |
| “First Previous Tenancy Agreement”  | a tenancy agreement dated 13 September 2013 entered into between Headwise as landlord and Profit Broad as tenant in relation to the renewal of tenancy of the First Previous Property for the period from 15 September 2013 to 31 March 2016 (both days inclusive), details of which were set out in the announcement of Emperor Capital Group dated 13 September 2013 |
| “First Property”                    | Units 603 & 604, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 3,081 sq. ft.   |
| “First Tenancy Agreement”           | a tenancy agreement dated 31 March 2016 entered into between Headwise as landlord and Profit Broad as tenant in relation to the renewal of tenancy of the First Property   |
| “Fourth Previous Property”          | 24/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 9,323 sq. ft.   |
| “Fourth Previous Tenancy Agreement” | a tenancy agreement dated 31 March 2014 entered into between Very Sound as landlord and Profit Broad as tenant in relation to the tenancy of the Fourth Previous Property for the period from 1 April 2014 to 31 March 2017 (both days inclusive), details of which were set out in the announcement of Emperor Capital Group dated 31 March 2014                      |
| “Headwise”                          | Headwise Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Emperor International   |
| “HK\$”                              | Hong Kong dollars  |
| “Listing Rules”                     | The Rules Governing the Listing of Securities on the Stock Exchange  |

|                                     |  |
|-------------------------------------|--|
| “Previous Tenancy Agreements”       | the First Previous Tenancy Agreement, the Second Previous Tenancy Agreement, the Third Previous Tenancy Agreement and the Fourth Previous Tenancy Agreement  |
| “Profit Broad”                      | Profit Broad Development Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Emperor Capital Group  |
| “Second Previous Property”          | Unit 604, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 2,230 sq. ft.  |
| “Second Previous Tenancy Agreement” | a tenancy agreement dated 23 December 2014 entered into between Headwise as landlord and Profit Broad as tenant in relation to the renewal of tenancy of the Second Previous Property for the period from 1 January 2015 to 31 March 2016 (both days inclusive), details of which were set out in the joint announcement of Emperor International and Emperor Capital Group dated 23 December 2014 |
| “Second Property ”                  | Unit 606, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 1,510 sq. ft.  |
| “Second Tenancy Agreement”          | a tenancy agreement dated 31 March 2016 entered into between Active Pace as landlord and Profit Broad as tenant in relation to the renewal of tenancy of the Second Property   |
| “Stock Exchange”                    | The Stock Exchange of Hong Kong Limited  |
| “Third Previous Tenancy Agreement”  | a tenancy agreement dated 13 September 2013 entered into between Active Pace as landlord and Profit Broad as tenant in relation to the renewal of tenancy of the Second Property for the period from 15 September 2013 to 31 March 2016 (both days inclusive), details of which were set out in the announcement of Emperor Capital Group dated 13 September 2013                                  |
| “Very Sound”                        | Very Sound Investments Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Emperor International  |
| “sq. ft.”                           | square feet  |

“0%”

per cent

By order of the board  
**Emperor International Holdings Limited**  
**Luk Siu Man Semon**  
*Chairperson*

By order of the board  
**Emperor Capital Group Limited**  
**Daisy Yeung**  
*Managing Director*

Hong Kong, 1 April 2016

As at the date hereof, the board of directors of Emperor International comprises:

*Non-executive Director:* Ms. Luk Siu Man, Semon

*Executive Directors:* Mr. Wong Chi Fai  
Ms. Fan Man Seung, Vanessa  
Mr. Cheung Ping Keung

*Independent Non-executive Directors:* Ms. Cheng Ka Yu  
Mr. Wong Tak Ming, Gary  
Mr. Chan Hon Piu

As at the date hereof, the board of directors of Emperor Capital Group comprises:

*Executive Directors:* Ms. Daisy Yeung  
Mr. Chan Shek Wah  
Ms. Choi Suk Hing, Louisa  
Ms. Pearl Chan

*Independent Non-Executive Directors:* Mr. Chu Kar Wing  
Mr. Poon Yan Wai  
Ms. Wan Choi Ha