

Hong Kong Exchanges and Clearing Limited and the Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 EIHL and ECG announce that on 31 August 2011, Headwise entered into the First Tenancy Agreement, Second Tenancy Agreement with Profit Board in relation to the tenancy of First Property and Second Property respectively whilst Active Pace entered into the Third Tenancy Agreement with Profit Board in relation to the tenancy of the Third Property.

Headwise and Active Pace are indirect wholly-owned subsidiaries of EIHL. Profit Broad is an indirect wholly-owned subsidiary of ECG. EIHL and ECG are indirectly owned as to 73.08% and 60.13% respectively by the AY Trust, a discretionary trust set up by Dr. Albert Yeung, a deemed substantial shareholder of EIHL and ECG. As such, Profit Broad is a connected person of EIHL and Headwise and Active Pace are connected persons of ECG under Chapter 14A of the Listing Rules. Accordingly, the First Tenancy Agreement, the Second Tenancy Agreement and the Third Tenancy Agreement constitute continuing connected transactions for both of EIHL and ECG.

As the applicable percentage ratios on an annual basis calculated with reference to the Aggregate Annual Cap of both EIHL and ECG are more than 0.1% but less than 5% under Rule 14A.34 of the Listing Rules, the First Tenancy Agreement, the Second Tenancy Agreement and the Third Tenancy Agreement together with the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement (which are aggregated under Rule 14A.25 of the Listing Rules) and the Aggregate Annual Cap of both EIHL and ECG are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules but are exempted from the approval of independent shareholders in accordance with Rule 14A.34 of the Listing Rules.

The boards of directors of EIHL and ECG announce that on 31 August 2011, Headwise entered into the First Tenancy Agreement and Second Tenancy Agreement with Profit Broad in relation to the tenancy of the First Property and Second Property respectively whilst Active Pace entered into the Third Tenancy Agreement with Profit Board in relation to the tenancy of the Third Property.

FIRST TENANCY AGREEMENT DATED 31 AUGUST 2011

Landlord: Headwise

Tenant: Profit Broad

Premises: Unit 603, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 851 sq. ft.

Usage: for office

Term: from 15 October 2011 to 14 September 2013 (both days inclusive)

Rent: HK\$18,800.00 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance

Rent free period: 1 month from 15 October 2011 to 14 November 2011

Effective Rental: HK\$17,982.61 per month,

Deposit: HK\$70,144.80 which is equivalent to three months' rent, management fee and rates

SECOND TENANCY AGREEMENT DATED 31 AUGUST 2011

Landlord: Headwise

Tenant: Profit Broad

Premises: Unit 1605, 16/F with gross floor area of 941 sq.ft.
Unit 2006, 20/F with gross floor area of 1,431 sq.ft.
of Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong

Usage: for office

Term: from 15 September 2011 to 14 September 2013 (both days inclusive)

Rent: Unit 1605, HK\$23,500.00 per month
Unit 2006, HK\$38,600.00 per month
Each of them is exclusive of rates, management fees and all other outgoings, payable monthly in advance

Rent free period: 1 month from 15 September 2011 to 14 October 2011

Effective Rental: Unit 1605, HK\$22,520.83 per month
Unit 2006, HK\$36,991.67 per month

Deposit: Unit 1605, HK\$85,695.00
Unit 2006, HK\$138,801.70
Each of them is equivalent to three months' rent, management fee and rates

THIRD TENANCY AGREEMENT DATED 31 AUGUST 2011

Landlord: Active Pace

Tenant: Profit Broad

Premises: 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: from 15 September 2011 to 14 September 2013 (both days inclusive)

Rent: HK\$33,500.00 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance

Rent free period: 1 month from 15 September 2011 to 14 October 2011

Effective Rental: HK\$32,104.17 per month

Deposit: HK\$124,888.20 which is equivalent to three months' rent, management fee and rates

AGGREGATE ANNUAL CAP OF THE FIRST TENANCY AGREEMENT, THE SECOND TENANCY AGREEMENT, THE THIRD TENANCY AGREEMENT AND THE PREVIOUS TENANCIES

The Aggregate Annual Cap of EIHL for the First Tenancy Agreement, the Second Tenancy Agreement, the Third Tenancy Agreement, the First Previous Tenancy and the Second Previous Tenancy (which are aggregated under Rule 14A.25 of the Listing Rules) based on the total annual effective rental receivable under the First Tenancy Agreement, the Second Tenancy Agreement, the Third Tenancy Agreement, the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement for each of the years ending 31 March 2012, 2013, 2014 will be as follows:

	2012	2013	2014
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
First Tenancy Agreement	99,800	216,000	98,400
Second Tenancy Agreement	389,000	715,000	326,000
Third Tenancy Agreement	210,000	386,000	176,000
First Previous Tenancy Agreement	3,080,000	3,080,000	3,080,000
	<i>(Note 1)</i>		
Second Previous Tenancy Agreement	133,000	–	–
	<i>(Note 2)</i>		
	<hr/>	<hr/>	<hr/>
Total	<u>3,911,800</u>	<u>4,397,000</u>	<u>3,680,400</u>

Note

1. The sum includes the effective rental of HK\$1,284,000 received for the period from 1 April 2011 to 31 August 2011 under the First Previous Tenancy Agreement dated 28 February 2011 in respect of the First Previous Property. The First Previous Tenancy Agreement dated 28 February 2011 entered into between Headwise as landlord and Profit Broad as tenant in relation to the First Previous Property shall be expired on 31 March 2014.
2. The amount is calculated by the effective rental received/receivable for the period from 1 April 2011 to 16 September 2011 being the termination date in respect of the Second Previous Property as agreed between ECG and EIHL on 31 August 2011.

The Aggregate Annual Cap of ECG for the First Tenancy Agreement, the Second Tenancy Agreement, the Third Tenancy Agreement, the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement (which are aggregated under Rule 14A.25 of the Listing Rules) based on the total annual effective rental payable under the First Tenancy Agreement, the Second Tenancy Agreement, the Third Tenancy Agreement, the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement for each of the years ending 30 September 2011, 2012, 2013 and 2014 will be as follows:

	2011	2012	2013	2014
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
First Tenancy Agreement	–	208,000	207,000	–
Second Tenancy Agreement	32,000	715,000	683,000	–
Third Tenancy Agreement	18,000	386,000	369,000	–
First Previous Tenancy Agreement	2,824,000	3,080,000	3,080,000	1,540,000
	<i>(Note 1)</i>			
Second Previous Tenancy Agreement	157,000	–	–	–
	<i>(Note 2)</i>			
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>3,031,000</u>	<u>4,389,000</u>	<u>4,339,000</u>	<u>1,540,000</u>

Note

1. The sum includes the effective rental of HK\$1,284,000 paid for the period from 1 April 2011 to 31 August 2011 under the First Previous Tenancy Agreement and HK\$1,284,000 paid for the previous tenancy in respect of the First Previous Property for the period from 1 October 2010 to 31 March 2011. The First Previous Tenancy Agreement dated 28 February 2011 entered into between Headwise as landlord and Profit Broad as tenant in relation to the First Previous Property shall be expired on 31 March 2014.
2. The amount is calculated by the effective rental paid/payable for the period from 1 March 2011 to 16 September 2011 being the termination date in respect of the Second Previous Property as agreed between ECG and EIHL on 31 August 2011.

REASONS AND BENEFITS FOR THE FIRST TENANCY AGREEMENT, THE SECOND TENANCY AGREEMENT AND THE THIRD TENANCY AGREEMENT

EIHL is an investment holding company and its subsidiaries are principally engaged in property development and investment, and hotel operation. The First Property, the Second Property and the Third Property are held by EIHL as investment properties for rental income.

ECG is an investment company and its subsidiaries are principally engaged in the provision of financial services in Hong Kong, including (i) brokerage services for securities, futures and options, (ii) providing margin and IPO financings as well as loans and advances to its clients, and (iii) corporate finance advisory and wealth management services.

The terms of the First Tenancy Agreement, the Second Tenancy Agreement and the Third Tenancy Agreement are arrived at after arm's length negotiation and are on normal commercial terms. The rentals of the First Tenancy Agreement, the Second Tenancy Agreement and the Third Tenancy Agreement were determined with reference to the prevailing market rent of similar properties in the nearby locations. The directors of both EIHL and ECG (including the respective independent non-executive directors) consider that the First Tenancy Agreement, the Second Tenancy Agreement and the Third Tenancy Agreement are on normal commercial terms, in the normal course of business, fair and reasonable and in the interests both of EIHL and ECG and their respective shareholders as a whole. Ms. Luk Siu Man, Semon, a non-executive director and the Chairperson of EIHL, and Ms. Daisy Yeung, the Managing Director of ECG, who had to and did abstain from voting at the respective board meetings in view of their material interests in the transactions by virtue of being the spouse of Dr. Albert Yeung and being one of the eligible beneficiaries of the AY Trust respectively.

GENERAL

Headwise and Active Pace are indirect wholly-owned subsidiaries of EIHL and principally engaged in property investment. Profit Broad is an indirect wholly-owned subsidiary of ECG and principally engaged in the provision of nominee and group agent services for ECG and its subsidiaries.

EIHL and ECG are indirectly owned as to 73.08% and 60.13% respectively by the AY Trust, a discretionary trust set up by Dr. Albert Yeung, a deemed substantial shareholder of EIHL and ECG. As such, Profit Broad is a connected person of EIHL and Headwise and Active Pace are the connected persons of ECG under Chapter 14A of the Listing Rules. Accordingly, the First Tenancy Agreement, the Second Tenancy Agreement, and the Third Tenancy Agreement constitute continuing connected transactions for both of EIHL and ECG.

As the applicable percentage ratios on an annual basis calculated with reference to the Aggregate Annual Cap of both EIHL and ECG are more than 0.1% but less than 5% under Rule 14A.34 of the Listing Rules, the First Tenancy Agreement, the Second Tenancy Agreement and the Third Tenancy Agreement together with the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement (which are aggregated under Rule 14A.25 of the Listing Rules) and the Aggregate Annual Cap of both EIHL and ECG are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules but are exempted from the approval of independent shareholders in accordance with Rule 14A.34 of the Listing Rules.

TERMS USED IN THIS ANNOUNCEMENT

“Active Pace”	Active Pace Investment Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of EIHL and principally engaged in property investment
“Aggregate Annual Cap of EIHL”	the maximum amount of effective rental receivable under the First Tenancy Agreement, the Second Tenancy Agreement, the Third Tenancy Agreement, the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement based on the total annual effective rental receivable under the First Tenancy Agreement, the Second Tenancy Agreement, the Third Tenancy Agreement, the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement for each of the years ending 31 March 2012, 2013 and 2014
“Aggregate Annual Cap of ECG”	the maximum amount of effective rental payable under the First Tenancy Agreement, the Second Tenancy Agreement, the Third Tenancy Agreement, the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement based on the total annual effective rental payable under the First Tenancy Agreement, the Second Tenancy Agreement, the Third Tenancy Agreement, the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement for each of the years ending 30 September 2011, 2012, 2013 and 2014
“AY Trust”	The Albert Yeung Discretionary Trust, a discretionary trust set up by Dr. Albert Yeung
“Dr. Albert Yeung”	Dr. Yeung Sau Shing, Albert
“EIHL”	Emperor International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“ECG”	Emperor Capital Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“First Property”	Unit 603, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 851 sq. ft.
“First Tenancy Agreement”	a tenancy agreement dated 31 August 2011 entered into between Headwise and Profit Broad in relation to the tenancy of the First Property

“First Previous Property”	24/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 9,323 sq. ft.
“First Previous Tenancy Agreement”	a tenancy agreement dated 28 February 2011 entered into between Very Sound Investments Limited and Profit Broad in relation to the renewal of tenancy of the First Previous Property
“Headwise”	Headwise Investment Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of EIHL and principally engaged in property investment
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Previous Tenancies”	the First Previous Tenancy Agreement and the Second Previous Tenancy Agreement
“Profit Broad”	Profit Broad Development Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of ECG and principally engaged in the provision of tenancy agreement signing services to ECG and its subsidiaries
“Second Previous Property”	Unit 1702, 17/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 989 sq. ft.
“Second Previous Tenancy Agreement”	a tenancy agreement dated 28 February 2011 entered into between Headwise and Profit Broad in relation to the tenancy of the Second Previous Property
“Second Property”	Unit 1605, 6/F and Unit 2006, 20/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 941 sq. ft. and 1,431 sq. ft. respectively
“Second Tenancy Agreement”	a tenancy agreement dated 31 August 2011 entered into between Headwise and Profit Broad in relation to the tenancy of the Second Property
“ Third Property”	Unit 606, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 1,510 sq. ft.

“Third Tenancy Agreement”	a tenancy agreement dated 31 August 2011 entered into between Active Pace and Profit Broad in relation to the tenancy of the Third Property
“HK\$”	Hong Kong dollars
“sq. ft.”	square feet
“%”	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, 31 August 2011

As at the date hereof, the board of directors of EIHL comprised:

<i>Non-executive Director:</i>	Ms. Luk Siu Man, Semon (<i>Chairperson</i>)
<i>Executive Directors:</i>	Mr. Wong Chi Fai (<i>Managing Director</i>) Ms. Fan Man Seung, Vanessa (<i>Managing Director</i>) Mr. Cheung Ping Keung
<i>Independent Non-executive Directors:</i>	Mr. Chan Man Hon, Eric Mr. Liu Hing Hung Mr. Law Ka Ming, Michael

As at the date hereof, the board of directors of ECG comprised:

<i>Executive Directors:</i>	Ms. Daisy Yeung (<i>Managing Director</i>) Ms. Choi Suk Hing, Louisa Ms. Pearl Chan
<i>Independent Non-Executive Directors:</i>	Mr. Kwok Chi Sun, Vincent Mr. Cheng Wing Keung, Raymond Mr. Chu Kar Wing

* *for identification purposes only*