



英皇證券集團有限公司
Emperor Capital Group Limited

於百慕達註冊成立之有限公司 Incorporated in Bermuda with limited liability

ANNOUNCES 2016/17 INTERIM RESULTS DELIVERS SOLID REVENUE AND EARNINGS GROWTH

Financial Highlights

HK\$'000 (Unaudited)	Six months ended 31 March		Changes
	2017	2016	
Total revenue	627,425	460,153	+ 36.4%
Financing	426,459	372,732	+ 14.4%
Brokerage	64,872	61,395	+ 5.7%
Placing & Underwriting	114,594	16,120	+ 610.9%
Corporate Finance	21,500	9,906	+ 117.0%
Net profit	330,148	257,859	+ 28.0%
Earnings per share Basic and diluted	HK5.09 cents	HK4.49 cents	+ 13.4%
Dividend per share	HK1.38 cents	HK1.20 cents	+ 15.0%

(Hong Kong, 23 May 2017) **Emperor Capital Group Limited** (the "Group") (Stock code: 717), a one-stop comprehensive financial services institution in Hong Kong, today announced its interim results for the six months ended 31 March 2017 (the "Period").

During the Period, the Group's revenue registered a growth of 36.4% to HK\$627.4 million (2016: HK\$460.2 million), driven by the growth of interest income from the money lending business and commission income from placing and underwriting activities. Net profit grew by 28.0% to HK\$330.1 million (2016: HK\$257.9 million). Basic earnings per share was HK5.09 cents (2016: HK4.49 cents). The Group declared an interim dividend of HK1.38 cents (2016: HK1.20 cents) per share.

The Group maintained a strong financial position with sufficient liquid capital. As at 31 March 2017, aggregate of bank balances, cash and pledged bank deposits amounted to HK\$1,268.0 million (as at 30 September 2016: HK\$590.3 million). The total borrowings including bonds decreased to HK\$2,040.6 million (as at 30 September 2016: HK\$2,120.2 million), resulting in a decrease of gearing ratio to 41.7% (as at 30 September 2016: 50.0%).

China Taiping Insurance, a PRC state-owned financial and insurance group, joined the Group as a strategic shareholder following the completion of a share subscription exercise in December 2016. The aggregate net proceeds of HK\$404.5 million are intended to be used for expansion of money lending business and repayment of

outstanding loans. The addition of China Taiping Insurance, together with the support from another strategic shareholder China Huarong, enables the Group to realise a stronger financial position for future development and broaden its shareholder base.

Financing

During the Period, the financing segment achieved promising growth and its revenue grew by 14.4% to HK\$426.5 million (2016: HK\$372.7 million), accounting for 68.0% (2016: 81.0%) of total revenue.

With an aim to diversify credit risk on money lending, broaden its income sources and customer base, the Group has strived to expand its presence in property mortgage market. Thanks to the successful marketing campaigns, the Group saw a considerable increase in the number of new mortgage contracts and consolidated its position in the mortgage loan business. Meanwhile, the Group also expanded its team comprising of specialists who possess technical expertise and extensive experience in the provision of personal loan services.

Brokerage

Revenue from the brokerage segment increased slightly to HK\$64.9 million (2016: HK\$61.4 million), accounting for 10.3% (2016: 13.3%) of total revenue.

As at 31 March 2017, the Group operated 11 branches in Hong Kong and three liaison offices in China. In December 2016, the Group started to offer Northbound trading services for Shenzhen-Hong Kong Stock Connect initiative, which is the second trading link with mainland China.

Placing and Underwriting

During the Period, the Group secured a number of primary and secondary market financing projects. Revenue from the placing and underwriting segment surged 610.9% to HK\$114.6 million (2016: HK\$16.1 million), accounting for 18.3% (2016: 3.5%) of total revenue.

The Group acted as Bookrunner and Lead Manager in the share placing for the listing of Bar Pacific Group Holdings Limited, which was listed on the Growth Enterprise Market of the Stock Exchange in January 2017.

Corporate Finance

During the Period, revenue from the corporate finance segment increased by 117.0% to HK\$21.5 million (2016: HK\$9.9 million), accounting for 3.4% (2016: 2.2%) of total revenue.

Ms. Daisy Yeung, Chief Executive Officer of Emperor Capital Group, said, “We have an integrated business model that enables us to capture the full synergies across business lines and derive maximum corporate value. This year is the 10th anniversary of our listing in Hong Kong. I am pleased to witness our remarkable progress in the past 10 years. We will continue to accelerate the business development and expansion, to further advance the next stage of growth.”

Ms. Yeung continued, “The launch of the Shanghai- and Shenzhen-Hong Kong Stock Connect schemes affirms China’s commitment to liberalising its financial market for global investors. As cross-border accessibility improves, Hong Kong’s unique position as an international financial centre is likely to persist. Riding on our well-established reputation, solid base of quality customers and expertise on financial services, I believe that we are well-positioned to capture the business potential in Hong Kong’s financial sector.”

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About Emperor Capital Group Limited

Established in 1993, Emperor Capital Group Limited (717.HK) is a renowned Hong Kong based financial institution providing a wide range of financial services including (i) commercial and personal lending as well as margin and IPO financing; (ii) brokerage, wealth management and asset management; (iii) placing and underwriting services for listed issuers; and (iv) corporate finance advisory services. Currently, China Huarong and China Taiping Insurance are the strategic shareholders of Emperor Capital Group Limited. It has become one of the constituent stocks of MSCI HK Small Cap Index since 1 December 2015. For more information, please visit its website: www.emperorcapi.com

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