英皇集團（國際）有限公司*

Emperor International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 163)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2015

FINANCIAL SUMMARY

	For the year ended 31 March		
	2015	2014	**Changes**
	HK$'000	*HK$'000*	
Revenue			
Lease of properties	**730,497**	639,276	**+14.3%**
Properties development	**12,750**	60,005	**-78.8%**
Hotel and hotel related operations	**2,078,226**	2,314,616	**-10.2%**
Total revenue	**2,821,473**	3,013,897	**-6.4%**
Gross profit	**2,124,427**	2,386,757	**-11.0%**
Revaluation gain on investment properties	**737,708**	1,385,251	**-46.7%**
Total segment profit (excluding revaluation gain)	**1,249,067**	1,494,273	**-16.4%**

* *For identification purpose only*

The board of directors (the "Board" or the "Directors") of Emperor International Holdings Limited (the "Company") is pleased to announce the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2015 (the "Year") together with the comparative figures for the corresponding year in 2014 as set out below:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2015

		2015	2014
	Notes	***HK$'000***	*HK$'000*
Revenue	3	**2,821,473**	3,013,897
Cost of properties sales		**(8,322)**	(24,982)
Cost of hotel and hotel related operations		**(635,647)**	(567,789)
Direct operating expenses in respect of leasing of investment properties		**(53,077)**	(34,369)
Gross profit		**2,124,427**	2,386,757
Other income		**129,598**	123,394
Fair value changes of investment properties		**737,708**	1,385,251
Other gains and losses		**(13,357)**	2,884
Selling and marketing expenses		**(563,316)**	(602,272)
Administrative expenses		**(492,566)**	(422,745)
Finance costs		**(296,432)**	(218,151)
Share of result of a joint venture		**(71)**	–
Profit before taxation	4	**1,625,991**	2,655,118
Taxation	5	**(350,298)**	(265,688)
Profit for the year		**1,275,693**	2,389,430

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

	Notes	2015 HK$'000	2014 HK$'000
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign subsidiaries		**5,725**	73,743
Total comprehensive income for the year		**1,281,418**	2,463,173
Profit for the year attributable to:			
Owners of the Company		**898,129**	1,858,140
Non-controlling interests		**377,564**	531,290
		1,275,693	2,389,430
Total comprehensive income for the year attributable to:			
Owners of the Company		**903,849**	1,931,444
Non-controlling interests		**377,569**	531,729
		1,281,418	2,463,173
Earnings per share	7		
Basic		**HK$0.24**	HK$0.51
Diluted		**HK$0.24**	HK$0.51

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2015

	Notes	2015 HK$'000	2014 HK$'000
Non-current assets			
Investment properties		**36,525,060**	33,140,675
Property, plant and equipment		**3,261,792**	3,088,093
Deposits paid for acquisition of investment properties/property, plant and equipment		**127,390**	6,399
Receivables related to a development project		**187,471**	187,244
Prepaid lease payments		**625,876**	644,578
Interest in a joint venture	8	**572,474**	–
Goodwill		**56,683**	56,683
Other assets		**4,092**	4,092
		41,360,838	37,127,764
Current assets			
Inventories		**14,827**	14,262
Properties held for sale	9	**202,071**	210,393
Properties under development for sale		**2,641,237**	2,148,806
Prepaid lease payments		**18,702**	18,702
Trade and other receivables	10	**941,085**	577,622
Derivative financial instruments		**3,241**	–
Taxation recoverable		**11,520**	10,490
Deposit in designated bank account for development properties		**10,072**	11,685
Pledged bank deposits		**2,450,870**	2,414,396
Short-term bank deposit		**–**	15,066
Bank balances and cash		**1,356,769**	764,769
		7,650,394	6,186,191

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	Notes	2015 *HK$'000*	2014 *HK$'000*
Current liabilities			
Trade and other payables	11	**2,138,073**	926,167
Amount due to a related company		**456,108**	424,257
Amounts due to non-controlling interests of subsidiaries		**152,576**	188,566
Derivative financial instruments		**1,084**	8,496
Taxation payable		**443,240**	384,536
Bank and other borrowings – due within one year		**2,861,948**	2,085,713
		6,053,029	4,017,735
Net current assets		**1,597,365**	2,168,456
Total assets less current liabilities		**42,958,203**	39,296,220
Non-current liabilities			
Amount due to a related company		**3,062,083**	3,041,701
Unsecured notes		**3,761,206**	850,717
Derivative financial instruments		**23,324**	15,141
Bank and other borrowings – due after one year		**6,665,704**	7,094,984
Deferred taxation		**998,088**	759,891
		14,510,405	11,762,434
		28,447,798	27,533,786
Capital and reserves			
Share capital		**36,718**	36,718
Reserves		**25,522,133**	24,915,862
Equity attributable to owners of the Company		**25,558,851**	24,952,580
Non-controlling interests		**2,888,947**	2,581,206
		28,447,798	27,533,786

NOTES:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (the "HKFRSs") and Hong Kong Accounting Standards ("HKASs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has applied for the first time in the current year the following amendments to HKFRSs and HKASs and a new interpretation (hereinafter collectively referred to as the "new and revised HKFRSs") issued by the HKICPA.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities
Amendments to HKAS 32	Offsetting financial assets and financial liabilities
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting
HK(IFRIC*) – INT 21	Levies

* IFRIC represents the International Financial Reporting Interpretations Committee.

The application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

Change of accounting policy

In the current year, the Group has reassessed and changed its accounting policy regarding how incremental costs to obtain property sales contracts are accounted for. HKFRS 15 "Revenue from contracts with customers" that was issued by the HKICPA in July 2014 provides specific guidance on how such incremental costs should be accounted for; such costs are recognised as an asset to the extent that the Group expects to recover the costs and will be expensed in the profit or loss when the related consideration from customers are recognised as revenue. Prior to the change, HKAS 18 did not provide guidance on this area and the Group expensed the costs immediately when the expenditures were incurred. In the opinion of the Directors, such a change better reflects the relationship between these costs and revenue and accordingly concluded that the change results in more relevant information being provided to users of consolidated financial statements. The change has been applied retrospectively and the change of accounting policy has no material effect to the Group's consolidated financial statements for the current and prior year.

New and revised HKFRSs issued but not yet effective

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective.

HKFRS 9	Financial instruments[1]
HKFRS 15	Revenue from contracts with customers[2]
Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle[5]
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle[3]
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle[4]
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture[4]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception[4]
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations[4]
Amendments to HKAS 1	Disclosure initiative[4]
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation[4]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants[4]
Amendments to HKAS 19	Defined benefit plans: Employee contributions[3]
Amendments to HKAS 27	Equity method in separate financial statements[4]

1 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

2 Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.

3 Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted.

4 Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.

5 Effective for annual periods beginning on or after 1 July 2014, with limited exceptions. Earlier application is permitted.

HKFRS 9 "Financial instruments"

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" ("FVTOCI") measurement category for certain simple debt instruments.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 "Financial instruments: Recognition and measurement" are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The Directors anticipate that the application of HKFRS 9 in the future may have a potential impact on the amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

HKFRS 15 "Revenue from contracts with customers"

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 "Revenue", HKAS 11 "Construction contracts" and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The Directors anticipate that the application of HKFRS 15 in the future may have a potential impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the full effect of HKFRS 15 until the Group performs a detailed review.

The Directors anticipate that the application of the other new and revised HKFRSs will have no material impact on the consolidated financial statements.

3. SEGMENT INFORMATION

The Group's operating and reportable segments are lease of properties, properties development and hotel and hotel related operations for the purpose of resources allocation and assessment of performance.

The segment information reported externally was analysed on the basis of their products and services supplied by the Group's operating divisions which is consistent with the internal information that is regularly reviewed by the executive directors of the Company (the "Executive Directors"), the chief operating decision makers, for the purposes of resource allocation and assessment of performance. This is also the basis of organisation in the Group, whereby the management has chosen to organise the Group around differences in products and services.

Principal activities of the operating and reportable segments are as follows:

Lease of properties	–	Completed investment properties held for rental purpose
Properties development	–	Properties development and redevelopment for sale purpose
Hotel and hotel related operations	–	Hotel and hotel related operations in Macau and Hong Kong, including operations of mass market, VIP room, slot machine operations and provision of gaming-related marketing and public relation services for Grand Emperor Hotel in Macau

The Executive Directors review the hotel and hotel related operations in Macau along with that in Hong Kong and hence they are grouped and identified as a single operating segment – hotel and hotel related operations.

Segment results represent the profit earned by or loss suffered from each segment without allocation of central administration costs, interest income, finance costs, share of result of a joint venture and fair value changes in derivative financial instruments. This is the measure reported to the Executive Directors for the purpose of resource allocation and performance assessment.

Information regarding the above segments is reported below:

Business segments

	Lease of properties *HK$'000*	Properties development *HK$'000*	Hotel and hotel related operations *HK$'000*	Total *HK$'000*
For the year ended 31 March 2015				
Segment revenue and results				
Segment revenue – from external customers	**730,497**	**12,750**	**2,078,226**	**2,821,473**
Segment results	**1,370,453**	**(64,293)**	**680,615**	**1,986,775**
Interest income				**89,929**
Unallocated corporate expenses, net				**(140,853)**
Net loss on fair value changes in derivative financial instruments				**(13,357)**
Finance costs				**(296,432)**
Share of result of a joint venture				**(71)**
Profit before taxation				**1,625,991**
Taxation				**(350,298)**
Profit for the year				**1,275,693**
Other information				
Amounts included in the measure of segment results:				
Reversal of allowance for doubtful debts	**–**	**–**	**2,612**	**2,612**
Depreciation of property, plant and equipment	**–**	**(683)**	**(155,266)**	**(155,949)**
Release of prepaid lease payments	**–**	**–**	**(18,702)**	**(18,702)**
Fair value increase of investment properties	**737,708**	**–**	**–**	**737,708**

Amounts regularly provided to the Executive Directors but not included in the measure of segment results (included in unallocated corporate expenses, net):

	HK$'000
Depreciation of property, plant and equipment, at corporate level	**28,503**

	Lease of properties *HK$'000*	Properties development *HK$'000*	Hotel and hotel related operations *HK$'000*	Total *HK$'000*
For the year ended 31 March 2014				
Segment revenue and results				
Segment revenue – from external customers	639,276	60,005	2,314,616	3,013,897
Segment results	1,958,064	24,245	897,215	2,879,524
Interest income				63,592
Unallocated corporate expenses, net				(72,223)
Net gain on fair value changes in derivative financial instruments				2,376
Finance costs				(218,151)
Profit before taxation				2,655,118
Taxation				(265,688)
Profit for the year				2,389,430
Other information				
Amounts included in the measure of segment results:				
Allowance for doubtful debts	–	–	(4,306)	(4,306)
Depreciation of property, plant and equipment	–	(1,154)	(137,189)	(138,343)
Release of prepaid lease payments	–	–	(8,866)	(8,866)
Reversal of write-downs of properties under development for sale	–	508	–	508
Fair value increase of investment properties	1,385,251	–	–	1,385,251

Amounts regularly provided to the Executive Directors but not included in the measure of segment results (included in unallocated corporate expenses, net):

	HK$'000
Depreciation of property, plant and equipment, at corporate level	22,206

No analysis of the Group's assets and liabilities by operating segment is disclosed as they are not regularly provided to the Executive Directors for review.

Geographical information

The Group's operations are located at Hong Kong, the People's Republic of China (the "PRC"), Macau and United Kingdom ("UK").

The Group's revenue from external customers and information about its non-current assets, other than receivables related to a development project and interest in a joint venture, by geographical location of the assets are detailed below:

	Revenue from customers For the year ended 31 March		**Non-current assets As at 31 March**	
	2015	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**764,196**	730,671	**30,488,098**	28,349,355
The PRC	**5,664**	6,024	**4,896,888**	3,892,164
Macau	**2,047,544**	2,277,202	**4,813,145**	4,699,001
UK	**4,069**	–	**402,762**	–
	2,821,473	3,013,897	**40,600,893**	36,940,520

Information about major customers

During the Year, revenue derived from one customer (2014: one) which contributed over 10% of the total revenue of the Group's revenue amounted to HK$1,735,421,000 (2014: HK$2,052,264,000). The revenue is related to the hotel and hotel related operations.

4. PROFIT BEFORE TAXATION

	2015	2014
	HK$'000	*HK$'000*
Profit before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	**184,452**	160,549
Release of prepaid lease payments	**18,702**	8,866

5. TAXATION

	2015	2014
	HK$'000	*HK$'000*
The charge comprises:		
Current tax		
Hong Kong Profits Tax	**(51,540)**	(47,230)
Macau Complementary Income Tax ("CT")	**(83,763)**	(110,764)
The PRC Land Appreciation Tax ("LAT")	**–**	(225)
	(135,303)	(158,219)
Reversal of CT provision in prior years	**21,846**	22,339
Over (under) provision in prior years		
Hong Kong Profits Tax	**120**	(4,994)
The PRC Enterprise Income Tax ("EIT")	**(3,369)**	–
	(3,249)	(4,994)
Deferred taxation		
Current year	**(233,592)**	(124,814)
	(350,298)	(265,688)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

The CT is calculated at the applicable rate of 12% of the estimated assessable profits for both years.

Pursuant to the CT law, the CT assessment on the estimated assessable profit in a year of assessment will be lapsed in five consecutive years after that year of assessment. At the end of the reporting period, the Directors reassessed the adequacy of the CT provision and determined to reverse part of the Group's relevant CT provision of HK$21,846,000 for the 2009 year of assessment (2014: HK$22,339,000 for the 2008 year of assessment) accordingly.

The provision of LAT in prior year was estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT had been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions including land costs, borrowing costs and the relevant property development expenditures.

6. DIVIDENDS

	2015	2014
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year:		
Final dividend paid for 2014: HK$0.059 per share (2014: HK$0.056 per share in respect of 2013)	**216,635**	205,339
Interim dividend paid for 2015: HK$0.05 per share (2014: HK$0.055 per share in respect of 2014)	**183,589**	201,948
	400,224	407,287

The final dividend of HK$0.06 per share in respect of the year ended 31 March 2015 (2014: final dividend of HK$0.059 per share) amounting to approximately HK$220,307,000 has been proposed by the Directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

7. EARNINGS PER SHARE

The calculations of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company are based on the following data:

	2015	2014
	HK$'000	*HK$'000*
Earnings		
Earnings (profit for the year attributable to owners of the Company) for the purpose of basic and diluted earnings per share	**898,129**	1,858,140

	2015	2014
Number of shares		
Weighted average number of ordinary shares in issue for the purpose of basic earnings per share	**3,671,776,192**	3,668,296,740
Effect of dilutive potential ordinary shares:		
Share options of the Company	**–**	3,163,576
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**3,671,776,192**	3,671,460,316

The calculation of diluted earnings per share is based on the profit for the year attributable to owners of the Company and the weighted average number of ordinary shares adjusted by the weighted average number of ordinary shares assumed to have been issued under the Company's share option scheme. The Company does not have any dilutive potential ordinary share for the Year. There is no dilutive effect on the exercise of share options of the Company's subsidiary, Emperor Entertainment Hotel Limited ("Emperor E Hotel") for the year ended 31 March 2015 as all share options of Emperor E Hotel were exercised during the year ended 31 March 2014. The dilutive effect on the exercise of share options of Emperor E Hotel was immaterial for the year ended 31 March 2014.

8. INTEREST IN A JOINT VENTURE

During the Year, the Group and two independent third parties formed a new entity named Superb Land Limited (formerly known as Powerland Holdings Limited) of which the Group holds 40% equity interest. Superb Land Limited holds 100% interest in Talent Charm Corporation Limited, being the property development company of a development project located at Rural Building Lot No. 1198, Shouson Hill Road West, Hong Kong.

9. PROPERTIES HELD FOR SALE

The properties held for sale comprise properties:

	2015	2014
	HK$'000	*HK$'000*
Situated in Hong Kong under:		
– long leases	**159,478**	159,998
– medium-term leases	**42,096**	49,898
	201,574	209,896
Situated in the PRC and held under land use rights with terms expiring within 50 years	**497**	497
	202,071	210,393

10. TRADE AND OTHER RECEIVABLES

An analysis of trade and other receivables is as follows:

	2015	2014
	HK$'000	*HK$'000*
Trade receivables	**200,371**	234,880
Chips on hand	**135,386**	87,239
Other receivables	**438,043**	211,738
Deposits and prepayments	**167,285**	43,765
	941,085	577,622

An aged analysis of the Group's trade receivables (net of allowances) based on either the date of credit granted or the invoice date at the end of the reporting period is set out below:

	2015	2014
	HK$'000	*HK$'000*
0–30 days	**179,172**	215,047
31–90 days	**6,715**	5,024
91–180 days	**856**	51
Over 180 days	**13,628**	14,758
	200,371	234,880

Chips on hand represent chips issued by a gaming concessionaire in Macau which can be exchanged into their cash amounts.

No credit period was granted to tenants of rental of premises. Before accepting any new tenant, the Group will internally assess the credit quality of the potential tenant. No credit period was granted to hotel customers generally except for those high credit rating customers to whom an average credit period of 30 days were granted.

For gaming operation, the Group normally allows credit periods of up to 60 days to its trade customers, except for certain credit worthy customers with long term relationship and stable repayment pattern, where the terms are extended to a longer period.

Included in other receivables are amounts due from related companies of HK$30,625,000 (2014: HK$29,900,000). These related companies are indirectly controlled by Albert Yeung Holdings Limited ("AY Holdings") which is held by STC International Limited being the trustee of The Albert Yeung Discretionary Trust (the "AY Trust") (Dr. Yeung Sau Shing, Albert is the founder of the AY Trust and a deemed substantial shareholder of the Company). The amounts are unsecured, interest free and repayable within one year.

Included in other receivables are deposits received for sale of the Group's properties under development for sale of HK$231,296,000 (2014: HK$71,240,000) under the custodian of the independent lawyers on behalf of the Group.

11. TRADE AND OTHER PAYABLES

An aged analysis of trade payables based on invoice date at the end of the reporting period is set out below:

	2015	2014
	HK$'000	*HK$'000*
0–90 days	**29,946**	26,321
91–180 days	**181**	569
Over 180 days	**9**	–
	30,136	26,890
Construction payables and accruals	**543,171**	510,147
Other payables and accruals	**266,361**	200,053
Rental deposits received	**251,973**	189,077
Deposits received from pre-sales of properties	**1,046,432**	–
	2,138,073	926,167

12. ACQUISITIONS

The Group had acquired the following material property interests:

(a) In February 2015, the Group acquired property interests located at 82 Hung To Road, Kowloon, Hong Kong through acquisition of Jade Talent Holdings Limited from an indirectly-owned subsidiary of AY Holdings at a cash consideration of HK$414,700,000.

(b) In January 2015, the Group acquired property interests located at 45-51 Kwok Shui Road, Kwai Chung, New Territories, Hong Kong through acquisition of Fine Gene Company Limited at a cash consideration of HK$418,000,000.

(c) In December 2014, the Group acquired property interests located at 81-85 Lockhart Road, Wan Chai, Hong Kong through acquisition of Bondwell Limited at a cash consideration of HK$818,888,000.

(d) In November 2014, the Group acquired property interests located at 181-183 Oxford Street, London, W1D 2JT, UK, at a cash consideration of £35,000,000 (approximately HK$425,303,000).

(e) In March 2014, the Group acquired property interests named Best Western Hotel Taipa Macau (to be renamed as Inn Hotel Macau), through acquisition of Himson Enterprises Limited and Longham Investment Limited at a cash consideration of HK$900,000,000.

(f) In September 2013, the Group acquired property interests named Wing Hang Finance Centre in Hong Kong through acquisition of Honfirst Land Limited at a cash consideration of HK$1,588,000,000.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group principally engages in property investments, property development and hospitality in the Greater China and overseas.

MARKET REVIEW

The global marketplace continued to face various uncertainties during the Year. The U.S. economy stayed on a recovery trend, while economic performance in the eurozone and Japan stabilised after the release of quantitative easing programmes. The global financial markets have experienced great volatility, with changing market conditions arising from competitive devaluations of other currencies as a result of the strengthening of the U.S. dollar and potential interest rate hikes in the U.S.

The Hong Kong property market has been facing challenges as a result of economic and property-related policies. Nevertheless, buying sentiment improved and primary transaction volume saw favourable growth. The growth was predominantly driven by solid demand from end-users, with an ongoing increase in household formation and rising personal income, in additional to more new project launches. Supported by the solid leasing demand for retail premises at the key tourist areas in Hong Kong and resilient private consumption, the overall rental levels in prime shopping areas in Hong Kong remained steady.

In November 2014, developments such as the establishment of the Shanghai-Hong Kong Stock Connect Scheme and the removal of the Renminbi ("RMB") daily conversion limit of RMB20,000 for Hong Kong residents, which again cemented Hong Kong's position as a global hub for Renminbi trade settlement induced more business travel to Hong Kong. Hence, market demand for hotel accommodation for business travellers and tourists remained strong.

FINANCIAL REVIEW

Overall Review

During the Year, the Group reported revenue of HK$2,821.5 million (2014: HK$3,013.9 million). Rental income from the Group's investment properties portfolio was resilient, as a result of the properties being in prime locations; they delivered growth of 14.3% to HK$730.5 million (2014: HK$639.3 million), representing 25.9% (2014: 21.2%) of total revenue, in spite of some of these properties remaining vacant during the Year, pending redevelopment for transformation to create better potential returns in the near future. Due to a softening in demand for gaming and hospitality services in Macau, revenue from the hospitality segment was HK$2,078.2 million (2014: HK$2,314.6 million), accounting for 73.7% (2014: 76.8%) of the total revenue.

Gross profit was HK$2,124.4 million (2014: HK$2,386.8 million). Revaluation gain on investment properties during the Year decreased to HK$737.7 million (2014: HK$1,385.3 million). The total segment profit excluding revaluation gain on investment properties was HK$1,249.1 million (2014: HK$1,494.3 million). Profit for the year attributable to owners of the Company was HK$898.1 million (2014: HK$1,858.1 million). Such decrease was mainly attributable to (1) a significantly lesser gain on fair value arising from the revaluation of the investment properties of the Group for the Year; and (2) the increase in the overall operating expenses and finance cost.

Basic earnings per share was HK$0.24 (2014: HK$0.51). The Group recommended the payment of a final dividend of HK$0.06 (2014: HK$0.059) per share. Together with the interim dividend of HK$0.05 (2014: HK$0.055) per share, the total dividends for the Year were HK$0.11 per share (2014: HK$0.114).

Liquidity And Financial Resources

The Group owned a key property portfolio with an area of over 5 million square feet. As at 31 March 2015, the Group's net asset value and net asset value per share amounted to HK$25,558.9 million (2014: HK$24,952.6 million) and HK$6.96 (2014: HK$6.80) per share, respectively.

The Group has cash, bank balances and bank deposits amounted to HK$3,807.6 million as at 31 March 2015 (2014: HK$3,194.2 million). The total external borrowings (excluding payables) amounted to approximately HK$16,959.6 million (2014: HK$13,685.9 million) and the Group's debt to total asset ratio was 34.6% (2014: 31.6%) (measured by total external borrowings as a percentage to the total asset value of the Group). In addition to its share capital and reserves, the Group made use of cash flow generated from operations, bank borrowings, unsecured notes and unsecured loans from a related company to finance its operation. During the Year, the Company issued unsecured notes of HK$2,950.0 million for the purpose of providing general working capital to the Group. Such notes carry fixed coupon rate of 5% per annum, payable semi-annually in arrears. HK$1,650.0 million of such notes become repayable by July 2017 and the remaining HK$1,300.0 million of such notes will be repayable between February and March 2020. The Group's bank borrowings were denominated in Hong Kong dollars and RMB and their interest rates followed market rates. The Group's bank balances and cash were also denominated in Hong Kong dollars, RMB and Macau Pataca ("MOP"). Since RMB and MOP are relatively stable with minor exchange fluctuations, the Group had limited and immaterial exposure to fluctuations in exchange rates.

BUSINESS REVIEW

Investment Property

During the Year, the overall occupancy rate of the Group's retail properties was over 99%, attributable to the majority of its premises being in prime locations.

Hong Kong – Retail Premises

The Group owns many premium investment properties, with a strong focus on street level retail space at the renowned shopping districts in Hong Kong. Key investment properties include the retail spaces at ***Nos. 8, 20 and 50-56 Russell Street, No. 76 Percival Street*** and ***Nos. 507, 523 Lockhart Road*** in Causeway Bay***, Nos. 4, 6 and 8 Canton Road, No. 81 Nathan Road, Nos. 35-37 Haiphong Road*** *and* ***Nos. 25-29, 43-49A Hankow Road*** in Tsim Sha Tsui, ***Fitfort Shopping Arcade*** in North Point and ***New Town Mansion Shopping Arcade*** in Tuen Mun. The positive rental reversions and nearly full occupancy rate and continued capital appreciation once again demonstrate the Group's expertise in value enhancement for its investment properties. During the Year, ***Nos. 22-24 Russell Street*** was under redevelopment, pending to be transformed into an upscale streetscape that would be re-launched in mid-2015. It has been pre-leased to La Perla, an Italian luxury lingerie brand, on a whole block basis, as La Perla's largest flagship store worldwide.

During the Year, ***The Pulse*** was soft-launched to the market. It is a 4-storey shopping complex with a gross floor area of approximately 167,000 square feet, in Repulse Bay, one of the world's most famous tourist spots, boasting the most dazzling beach in Hong Kong. ***The Pulse*** is differentiated from typical shopping malls in urban areas through being a hot-chic beach-front lifestyle complex, offering a unique experience that combines gourmet dining, 3D visual art museum, lifestyle merchandise, gymnasium, kidszone, playgroup and premier superstore. A fresh, fun, exciting and family-friendly image will help it stand out amongst Hong Kong's shopping malls. Pre-marketing promotion was conducted through channels including social and print media, plus outdoor and mobile advertising.

During the Year, the Group acquired a 7-storey (including basement) retail and office complex located at ***Nos. 181-183 Oxford Street, London***, with a total floor area of approximately 13,000 square feet. Subsequent to the Year, the Group further acquired a 8-storey (including basement) retail and office complex located at ***Nos. 25-27 Oxford Street, London***, with a floor area of approximately 12,000 square feet. Such acquisitions mark significant milestone for the Group to expand its property investment portfolio beyond the Greater China. Located at a prominent shopping hub in London, which is one of the popular tourist spots for international visitors, the Group is optimistic towards the potential rental increment and capital appreciation in the long-term.

Hong Kong – Office, Commercial & Residential Complexes

In addition to the above-mentioned retail spaces, the Group owns ***Emperor Group Centre*** and a commercial complex at ***No. 60 Gloucester Road*** in Wan Chai. The renovation and upgrading of the office tower of ***No. 60 Gloucester Road*** has been going ahead as planned during the Year. During the Year, the Group acquired ***Empire Land Commercial Centre*** in Wan Chai, ***New Media Tower*** in Kwun Tong, along with the complex at ***Nos. 45-51 Kwok Shui Road*** in Kwai Chung. These acquisitions can further diversify the Group's investment properties portfolio, hence increasing the rental revenue base. The Group anticipates achieving steady income growth through leveraging the balanced retail and office portfolio. During the Year, the Group also acquired land at ***Nos. 17-19 Yik Yam Street***, in Happy Valley. It has a total developable floor area of approximately 16,500 square feet, and it is planned to be developed into 21-storey residential complex with 60 units for leasing-out, with anticipated completion in 2017. The area is vibrant, conveniently located near Hong Kong's commercial districts and affording easy access to Hong Kong Jockey Club and Hong Kong Stadium for international sports events, and Hong Kong Sanatorium & Hospital for medical check-ups, helping to ensure solid short-term leasing demand.

Macau

In Macau, construction work at ***Nos. 71-75 Avenida do Infante D. Henrique & Nos. 514-540 Avenida da Praia Grande*** was in progress. Located at the city-centre shopping spot on the Peninsula, a traditional tourist and gaming area in Macau, it will become a signature complex in the town.

The PRC

In the PRC, work was in progress during the Year on the superstructure of the prime commercial site on ***Chang'an Avenue East***, Beijing. The site is set to be developed into a Grade-A office tower, with a gross floor area of approximately 1,000,000 square feet. The development will include multi-storey retail podium, entertainment hot spots and parking facilities, which will become another landmark building along this prominent street of the PRC's capital city in 2016.

Located in Yuyuan, Huangpu District, Shanghai, ***Emperor Star City*** will be developed into a shopping arcade and hotel or serviced apartment complex, at a prime site adjacent to the Shanghai M10 subway route. Foundation and basement excavation work for the development has been completed. With an expected gross floor area of approximately 1,300,000 square feet, the complex will include a multi-storey shopping arcade as its major component. The Group expects that upon completion, this project will generate substantial and stable rental revenue.

Property Development

There is good progress with the Group's various development projects. ***Upton***, a 42-storey luxury residential tower with panoramic views of Victoria Harbour, is on schedule for completion in the second half of 2015. It has a total floor area of approximately 185,000 square feet, with 125 flats. Its superstructure work was completed during the Year, and pre-sale commenced in December 2014. There was an overwhelming market response, and nearly 70% of the flats have been sold as at 31 March 2015. The related sales proceeds will be recognised in the financial year of 2015/16.

Another site, at ***Tuen Mun Town Lot No. 436, Kwun Fat Street, Siu Lam***, Tuen Mun, with a total floor area of approximately 39,000 square feet, will be developed into 14 low-rise detached or semi-detached houses. During the Year, site formation was in progress as planned. The entire project is expected to be completed in 2015.

A residential site with a sea view, at ***Tuen Mun Town Lot No. 490, Tai Lam***, Tuen Mun, with a total floor area of approximately 29,000 square feet, will be developed into a low-rise luxurious development comprising a mixture of detached houses and apartments. This project is expected to be completed in mid-2018. This site, together with the site in ***Siu Lam***, will be well served by a superb transportation network of Hong Kong–Shenzhen Western Corridor as well as the future Tuen Mun–Chek Lap Kok Link and Hong Kong–Zhuhai–Macau Bridge. The sites are also close to Harrow International School Hong Kong, the Hong Kong branch of the prestigious, UK-based Harrow School.

During the Year, the Group won the bid for a luxury residential site at ***Rural Building Lot No. 1198, Shouson Hill***, Hong Kong, by teaming up with two partners. The site has a total area of approximately 117,000 square feet. This development opportunity is very precious as it is in a traditional luxury residential area. It is planned to be developed into 20 low-density luxury houses, with comprehensive auxiliary facilities. This acquisition will enable the Group to optimise the land bank portfolio, with better capital appreciation in the near future. The entire project is expected to be completed in mid-2018.

Subsequent to the Year, the Group won the bid for a residential site at ***New Kowloon Lot No. 6538, Fuk Wing Street, Sham Shui Po***, Kowloon, and will undertake an urban redevelopment project with a total floor area of approximately 54,000 square feet. It is planned to be redeveloped into a 26-storey residential tower with 138 flats, with target completion scheduled in 2018.

Hotel Operations and Related Services

Dedicated to the Group's ongoing efforts and comprehensive development of hotel operations, ***Emperor Hotels Group*** was newly established during the Year, covering several hotels and serviced apartments in Hong Kong and Macau. ***Emperor Hotels Group*** is a multi-faceted brand with an emphasis on premium quality, delivering outstanding amazing services, fabulous food and an unrivalled hospitality experience. In Hong Kong, it currently covers ***Emperor (Happy Valley) Hotel, Inn Hotel Hong Kong, MORI MORI Serviced Apartments*** and a new hotel development project in Wan Chai. In Macau, it covers ***Grand Emperor Hotel*** and ***Inn Hotel Macau*** (to be renamed from Best Western Hotel Taipa), where income from hospitality and gaming has been consolidated with the Group.

Located in Happy Valley, ***Emperor (Happy Valley) Hotel*** is the Group's flagship project, with the classic beauty of European architecture and décor. It is a 26-storey hotel offering 150 guest rooms with a gross floor area of approximately 84,000 square feet. Golden Valley, a restaurant offering Cantonese and Sichuan cuisine in the hotel, has been awarded Michelin 1-star for the fifth consecutive year.

Construction of ***Inn Hotel Hong Kong*** in Yau Ma Tei, Kowloon, was completed during the Year. With a gross floor area of approximately 48,000 square feet, it is a 30-storey hotel offering 200 guest rooms. Easy access to established shopping areas and Ladies' Market in Mong Kok, as well as Jade Market in Yau Ma Tei, it is conveniently located in a major entertainment, shopping and dining district, ensuring guests will truly experience Hong Kong as a vibrant and fascinating city. It opened in April 2015.

Situated at the vibrant junction of Wan Chai and Causeway Bay, ***MORI MORI Serviced Apartments*** provides 18 stylish serviced apartments for expats, MICE visitors, business travellers and overseas professionals on short and long term leases. With state-of-the art facilities and professional customer services, ***MORI MORI Serviced Apartments*** redefines the contemporary way of living.

Meanwhile, foundation and superstructure work at ***No. 373 Queen's Road East***, Wan Chai, were in progress during the Year. With a gross floor area of approximately 115,000 square feet, it will be developed into a 29-storey hotel offering 300 guest rooms as well as leisure, dining and parking facilities. The hotel is expected to be completed in 2016. It will be regarded as a signature hotel project under ***Emperor Hotels Group***, which can further enhance brand recognition in the hospitality segment.

Grand Emperor Hotel is another of the Group's flagship projects, located on the Peninsula, Macau. With a gross floor area of approximately 655,000 square feet, it is a 26-storey hotel with 307 exquisite guest rooms, fine dining restaurants and bars, as well as gaming facilities. It has won an array of prestigious industry awards.

Inn Hotel Macau is a 17-storey hotel with total gross floor area of approximately 209,000 square feet, and 285 guest rooms. Through extending coverage from the Peninsula to Taipa, the Group can fully capture the potential of Macau's hospitality market.

OUTLOOK

The Group's rental income is expected to steadily increase, with overall positive rental reversions as well as sustained high occupancies and contributions from new investment properties. Given the solid leasing demand in key tourist areas and resilient private consumption, the Group believes that the growth of rental revenue will be robust, and this rental income will continue to be the key revenue growth driver in the long-run. ***The Pulse*** creates a unique and diverse shopping and lifestyle experience for different target customer groups and becomes a signature lifestyle image zone on the south coast of Hong Kong Island. The whole block at ***Nos. 22-24 Russell Street*** in Causeway Bay will be leased to Italian luxury lingerie brand La Perla in mid-2015, becoming its largest flagship store worldwide. Such transformation will once again demonstrate the Group's successful story of value creation and enhancement of the intrinsic value of the existing investment properties portfolio, resulting from conversion and upgrading both property and tenant quality. Meanwhile, the Group will continue to source quality and upscale investment properties with good potential in Greater China, to enhance its investment portfolio and optimise the balance between retail and non-retail premises.

The residential market is anticipated to remain positive, given the solid demand from end-users, with continuous growth in household formation and rising personal incomes. The Group is building a steady development projects pipeline for providing long-term contributions through the sale of residential units. ***Upton*** and the luxury residential site at ***Shouson Hill*** once again demonstrate the Group's strategic focus on premium residential projects on Hong Kong Island. Looking ahead, the Group will continue to replenish its land bank for strengthening earnings and shareholders' value.

Upcoming cross-border infrastructure developments – the Hong Kong-Zhuhai-Macau Bridge and Guangzhou-Shenzhen-Hong Kong Express Rail Link – will make travel between the mainland and Hong Kong more efficient and flexible, encouraging increased traffic flows. With growing market demand for hotel accommodation of business travellers and tourists, the Group is further expanding the hotel operations business. The Group believes that the hotel to be inaugurated at ***No. 373 Queen's Road East***, Wan Chai will serve as an attractive alternative for business travellers and regional tourists. The Group will continuously review and improve the service quality, to meet the needs of customers.

Supported by ongoing large-scale infrastructure construction and gradually increasing income levels, the economy in Hong Kong is expected to continue growing at a moderate pace in 2015/2016. The Group remains prudent in seeking investment opportunities to enhance shareholders' returns. With its management execution strength and market insight, the Group will strive to further enhance its competitive position, and aim to become a key property player in the Greater China region.

EMPLOYEES AND REMUNERATION POLICY

The total cost incurred for staff including Directors' emoluments amounted to HK$648.5 million during the Year (2014: HK$570.1 million). The number of staff was 1,733 as at the end of the Year (2014: 1,674). Employee's remuneration was determined in accordance with individual's responsibility, competence and skills, experience and performance as well as market pay level. Staff benefits include medical and life insurance, retirement benefits and other competitive fringe benefits.

To provide incentives or rewards to staff, the Company has adopted share option schemes, details of which will be set out in the section headed "Share Options' of the annual report of the Company.

ASSETS PLEDGED

As at 31 March 2015, assets with carrying value of HK$39,355.4 million (2014: HK$33,786.5 million) were pledged as security for banking facilities.

FINAL DIVIDEND

The Board recommended the payment of a final dividend of HK$0.06 per share ("Final Dividend") for the Year (2014: HK$0.059 per share), amounting to approximately HK$220.3 million (2014: HK$216.6 million). The Final Dividend, if being approved at the forthcoming annual general meeting of the Company ("AGM"), will be paid on 17 September 2015 (Thursday) to shareholders whose names appear on the register of members of the Company on 26 August 2015 (Wednesday).

CLOSURE OF REGISTER OF MEMBERS

For ascertaining shareholders' right to attend and vote at AGM

Latest time to lodge transfers	4:30 p.m. on 14 August 2015 (Friday)
Book close dates	17 and 18 August 2015 (Monday and Tuesday)
Record date	18 August 2015 (Tuesday)
AGM	18 August 2015 (Tuesday)

For ascertaining shareholders' entitlement to the proposed Final Dividend

Latest time to lodge transfers	4:30 p.m. on 24 August 2015 (Monday)
Book close dates	25 and 26 August 2015 (Tuesday and Wednesday)
Record date	26 August 2015 (Wednesday)
Final Dividend payment date	17 September 2015 (Thursday)

In order to qualify for the right to attend and vote at the AGM and for the proposed Final Dividend, all relevant share certificates and properly completed transfer forms must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration before the above latest time to lodge transfers.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2015 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR

The Audit Committee of the Company, which comprises the three independent non-executive directors of the Company, had reviewed the audited consolidated financial statements for the year ended 31 March 2015 in conjunction with the Group's auditor, Messrs. Deloitte Touche Tohmatsu. Based on this review and discussion with the management of the Company, the Audit Committee was satisfied that the audited consolidated financial statements were prepared in accordance with applicable accounting standards and fairly presented the Group's financial position as at 31 March 2015 and annual results for the Year.

CORPORATE GOVERNANCE

Corporate Governance Code

The Company had complied throughout the Year with all the code provisions of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry to the Directors, all of them confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the Year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

PUBLICATION OF THE AUDITED ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement is published on the websites of the Stock Exchange (http://www.hkex.com.hk) and the Company (http://www.EmperorInt.com). The annual report will be dispatched to the shareholders of the Company and will be available on websites of the Stock Exchange and the Company in due course.

By order of the Board
Emperor International Holdings Limited
Luk Siu Man, Semon
Chairperson

Hong Kong, 24 June 2015

As at the date hereof, the Board 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	:	Mr. Liu Hing Hung Ms. Cheng Ka Yu Mr. Wong Tak Ming, Gary