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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Emperor International Holdings Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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英皇國際集團有限公司
Emperor International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code : 163)

MAJOR TRANSACTION
PROVISION OF THE ADDITIONAL CORPORATE GUARANTEE

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” of this circular.

A letter from the Board is set out on pages 5 to 9 of this circular.

The transaction being the subject matter of this circular has been approved in writing by the controlling Shareholder of the Company in lieu of the holding of a general meeting pursuant to the Listing Rules and this circular is being despatched to the Shareholders for information only.

21 November 2022

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Acquisition”	the acquisition of the Sale Share and the Sale Loan by the Purchaser under the Sale and Purchase Agreement
“Additional Corporate Guarantee”	the additional guarantee given by the Company in favour of the Bank for an additional 10% of the obligations and liabilities of Talent Charm under the Facility pursuant to the Deed of Guarantee
“associates”	has the meaning ascribed to it in the Listing Rules
“AY Holdings”	Albert Yeung Holdings Limited, an investment holding company incorporated in the BVI and held by a private discretionary trust as set up by Dr. Albert Yeung
“Bank”	The Hongkong and Shanghai Banking Corporation Limited, an authorised institution under the Banking Ordinance, Cap. 155 of the Laws of Hong Kong
“Board” or “Directors”	the board of directors of the Company
“BVI”	the British Virgin Islands
“C C Land”	C C Land Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1224)
“Company”	Emperor International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition pursuant to the Sale and Purchase Agreement
“Consideration”	the sum of HK\$325.0 million payable by the Purchaser to the Vendor for the Sale Share and the Sale Loan pursuant to the Sale and Purchase Agreement

DEFINITIONS

“Corporate Guarantees”	collectively, the Additional Corporate Guarantee and Existing Corporate Guarantee
“CSI”	CSI Properties Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 497)
“Deed of Guarantee”	the deed of guarantee dated 27 October 2022 executed by the Company in favour of the Bank in relation to the Additional Corporate Guarantee
“Dr. Albert Yeung”	Dr. Yeung Sau Shing, Albert
“Existing Corporate Guarantee”	the guarantee given by the Company in favour of the Bank up to 40% of the obligations and liabilities of Talent Charm under certain loan facilities granted by the Bank to Talent Charm
“Facility”	the term loan facilities provided by the Bank to Talent Charm under the facility agreement entered into between Talent Charm and the Bank (as it may from time to time be amended, supplemented, novated, extended or restated)
“Group”	the Company and its subsidiaries
“Guarantor”	Mingfa Group (International) Company Limited, a company incorporated in the Cayman Islands, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 846)
“HIBOR”	the Hong Kong interbank offered rate.
“HK\$”	Hong Kong dollars, being the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“Latest Practicable Date”	17 November 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ming Fat”	Ming Fat Holdings (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, being a subsidiary of the Guarantor, and the nominated financier of the Vendor
“Property”	the residential development known as No.15 SHOUSON erected on all that piece or parcel of ground registered in the Land Registry as Rural Building Lot No.1198
“Purchaser”	Optimistic Horizon Limited, a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 16 September 2022 in respect of the Sale Share and the Sale Loan entered into between the Vendor, the Guarantor and the Purchaser
“Sale Loan”	50% of all loan(s), interests, indebtedness and sums owing by the Target Company to Ming Fat as at Completion
“Sale Share”	1 ordinary share held by the Vendor in the capital of the Target Company, being 10% of the entire issued shares of the Target Company
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholders”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Talent Charm”	Talent Charm Corporation Limited, a company incorporated in Hong Kong with limited liability, which directly holds the Property and its equity interest is wholly-owned by the Target Company

DEFINITIONS

“Target Company”	Superb Land Limited, a company incorporated in the BVI and the legal and beneficial owner of the entire issued share capital of the property holding company which directly holds the Property
“Target Group”	Target Company and its subsidiaries
“Vendor”	Easycrest Limited, a company incorporated in the BVI and a wholly-owned subsidiary of Guarantor
“%”	per cent

LETTER FROM THE BOARD



英皇國際集團有限公司 Emperor International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code : 163)

Non-executive Director:

Ms. Luk Siu Man, Semon (*Chairperson*)

Executive Directors:

Mr. Yeung Ching Loong, Alexander (*Vice Chairman*)

Mr. Wong Chi Fai (*Managing Director*)

Ms. Fan Man Seung, Vanessa (*Managing Director*)

Mr. Cheung Ping Keung

Independent Non-executive Directors:

Mr. Chan Hon Piu

Mr. Chu Kar Wing

Mr. Poon Yan Wai

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*

28th Floor
Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

21 November 2022

To the Shareholders

Dear Sir/Madam,

MAJOR TRANSACTION PROVISION OF THE ADDITIONAL CORPORATE GUARANTEE

INTRODUCTION

Reference is made to the announcement of the Company dated 27 October 2022 whereby the Board announced that the Completion took place on 27 October 2022 and the Company executed the Deed of Guarantee for the provision of the Additional Corporate Guarantee in favour of the Bank.

The purpose of this circular is to provide you with, amongst other, further information of the Deed of Guarantee and the provision of the Corporate Guarantees and other information as required under the Listing Rules.

LETTER FROM THE BOARD

PROVISION OF THE ADDITIONAL CORPORATE GUARANTEE

For the purpose of the Acquisition, on 27 October 2022, the Company upon Completion executed the Deed of Guarantee for the provision of the Additional Corporate Guarantee in favour of the Bank to guarantee up to an additional 10% of the obligations and liabilities of Talent Charm under the Facility as the Company has increased its indirect equity interest in Talent Charm by 10% from 40% to 50%. When aggregating the Additional Corporate Guarantee with the Existing Corporate Guarantee, the Company provides an aggregate guarantee of up to 50% of Talent Charm's due payment of its liabilities and due performance of its obligations under the Facility on a several basis, which is in proportion to the beneficial interest of the Company of 50% in Talent Charm after Completion.

Set out below are key terms of the Facility:

Lender	:	The Bank
Borrower	:	Talent Charm
Guarantor	:	(i) The Company; (ii) C C Land; and (iii) CSI
Amount of the Facility	:	HK\$2,330 million
Maturity Date	:	30 months from the date of the utilisation of the Facility, being 29 December 2025
Interest	:	the percentage rate per annum which is the aggregate of:– (a) 1.65%; and (b) the applicable HIBOR for the relevant interest period

LETTER FROM THE BOARD

- Security for the Facility : The Facility is mainly secured by:–
- (i) the Corporate Guarantees, the corporate guarantee provided by the Company, C C Land and CSI on several basis in accordance with their respective interest in Talent Charm;
 - (ii) the mortgage over the Property dated 9 December 2021;
 - (iii) the assignment of rental and the assignment of sales proceeds in respect of the Property given by Talent Charm; and
 - (iv) the share charge over 100% of the shares in Talent Charm

Pursuant to the Deed of Guarantee, no fee nor commission is payable by Talent Charm to the Company for the provision of the Corporate Guarantees. The amount of the Facility guaranteed by the Company under the Corporate Guarantees is HK\$1,165.0 million, being 50% of the amount of the Facility of HK\$2,330.0 million. The Corporate Guarantees are in force from the date of execution to the date when the guaranteed moneys have been repaid by Talent Charm in full.

The Board has assessed the relevant credit risk before the provision of the Additional Corporate Guarantee by, inter alia, (a) reviewing the financial position of Talent Charm, in particular, including but not limited to, the adjusted unaudited net asset value of Talent Charm of approximately HK\$2,955.7 million as at 30 September 2022 after taking into account the prevailing market price of the Property, to assess its repayment ability; (b) assessing the prevailing market price of the Property and noted that, as at 30 September 2022, the ratio of the amount of the Facility to the prevailing market value of the Property was approximately 30%; and (c) reviewing the recent sales performance of the Property as to evaluate the cash generating ability for meeting its repayment obligation under the Facility. The Company, based on the above findings of the credit risk assessment, taking into account factors such as repayment ability and cash generating ability of Talent Charm and the value of the Property, considered the credit risk for the provision of the Additional Corporate Guarantee was acceptable. The Group has sufficient internal resources to discharge its liabilities under the Corporate Guarantees.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Bank, being the lender of the Facility, and its ultimate beneficial owners are Independent Third Parties.

INFORMATION ABOUT TALENT CHARM

As at the Latest Practicable Date, Talent Charm is wholly-owned by the Target Company which is in turn owned as to 50% by the Purchaser, an indirect wholly-owned subsidiary of the Company, 40% by Land Magic Investments Limited and 10% by Modern Hero Global Limited. Land Magic Investments Limited is ultimately held by C C Land and CSI. Modern Hero Global Limited is a wholly-owned subsidiary of C C Land. The business of Talent Charm is to develop and hold the Property, being No. 15 SHOUSON project.

LETTER FROM THE BOARD

REASON FOR PROVISION OF THE ADDITIONAL CORPORATE GUARANTEE

The Company 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 Target Group was a joint venture formed in 2014 for the special purpose of development of the land known as Rural Building Lot No.1198 into the Property, being the No. 15 SHOUSON project, for sale.

In order to enable the Target Group to complete the No. 15 SHOUSON project and achieve its special purpose, the shareholders' agreement in respect of the Target Group provides, inter alia, that for the purpose of the Target Group obtaining external financing and where required, each of the Company, C C Land and CSI shall provide guarantee in proportion and up to its respective equity interests in the Target Company on several basis. It is common practice that a joint venture is financially supported by its joint venture partners and/or its ultimate shareholders so as to achieve its special purpose and no fee or commission is usually charged to the joint venture for this kind of financial support.

Prior to the Acquisition, the Company has been providing the Existing Corporate Guarantee for the development of the No. 15 SHOUSON project since 2014, which is subject to be refreshed in correspondence with the Facility whenever necessary. Upon Completion, the Target Company is ultimately owned as to 50% by the Company, 42% by C C Land and 8% by CSI. Accordingly, the Company shall provide the Additional Corporate Guarantee in line with its equity interests in the Target Company. The Board is of the view that the provision of the Additional Corporate Guarantee without charging any fee or commission is in line with the common practice as mentioned above and to facilitate the special purpose of the Target Group.

It is expected that the sale of the Property (or any parts thereof) will generate substantial profits to the Group which is in line with the Group's overall business strategy and interest in the long run. In view of the above, despite that no fee nor commission is payable by Talent Charm to the Company, the Directors are of the view that the terms and conditions of the Deed of Guarantee and the provision of the Corporate Guarantees are normal commercial terms, which are fair and reasonable and in the interests of the Company and Shareholders as a whole.

The provision of the Corporate Guarantees will not have any immediate effects on the earnings, assets and liabilities of the Company. As at the date of the Deed of Guarantee, the Company has estimated that the exposure of the provision of the Corporate Guarantees in the event of default of the Facility should not be more than HK\$1,165.0 million, being 50% of the amount of the Facility of HK\$2,330.0 million. If the Borrower fails to observe and perform its payment obligations and other obligations under the facility agreement in respect of the Facility and other finance documents which secure the obligations of the Borrower under the facility agreement, the Company, as guarantor, will be responsible for up to 50% of the then outstanding loans together with any outstanding interest, other bank charges, costs and expenses accrued thereon, and such amount of liabilities will be recorded in the Group's statement of financial position. Save as disclosed above, and taking into account of the market value of the Property, the Directors are of the view that the provision of the Additional Corporate Guarantee under the Deed of Guarantee will not have any material effect on the earnings, assets and liabilities of the Group.

LETTER FROM THE BOARD

IMPLICATIONS UNDER THE LISTING RULES

Prior to the Acquisition and upon Completion, the Target Company, together with Talent Charm, are not account for as subsidiaries of the Company. The highest applicable percentage ratio (as defined under the Listing Rules) in respect of the provision of the Additional Corporate Guarantee exceeds 5% but is less than 25% on a stand-alone basis. However, when aggregating the Additional Corporate Guarantee with the Existing Corporate Guarantee, the highest applicable percentage ratio in respect of the provision of Corporate Guarantees is greater than 25% but less than 100%, it constitutes a major transaction of the Company under Chapter 14 of the Listing Rules, and is subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.44 of the Listing Rules, Shareholders' approval may be obtained by way of written Shareholders' approval in lieu of holding a general meeting if (a) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the provision of the Corporate Guarantees, and (b) written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the voting rights at that general meeting to approve the provision of the Corporate Guarantees.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution(s) for approving the Corporate Guarantees if the Company were to convene a general meeting for the approval of the Corporate Guarantees. The Company has obtained a written approval from Emperor International Group Holdings Limited, being the controlling Shareholder holding 2,747,610,489 Shares, representing approximately 74.71% of the issued Shares, for the provision of Corporate Guarantees in lieu of holding a general meeting of the Company under Rule 14.44 of the Listing Rules. Accordingly, no general meeting of the Company shall be convened to approve the provision of the Corporate Guarantees.

RECOMMENDATION

The Board is of the view that the terms of the Deed of Guarantee have been negotiated on an arm's length basis, on normal commercial terms, fair and reasonable, and the provision of Corporate Guarantees is in the interests of the Company and the Shareholders as a whole.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

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

A. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the years ended 31 March 2020, 31 March 2021 and 31 March 2022 are disclosed in the following documents which have been published on the website of the Stock Exchange (<https://www.hkexnews.hk>) and the website of the Company (<https://www.EmperorInt.com>):

Annual report of the Company for the year ended 31 March 2020:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0710/2020071000511.pdf>

Annual report of the Company for the year ended 31 March 2021:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0712/2021071200738.pdf>

Annual report of the Company for the year ended 31 March 2022:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0713/2022071300690.pdf>

B. INDEBTEDNESS

At the close of business on 30 September 2022 (being the latest practicable date for ascertaining information regarding this indebtedness statement), the Group had an aggregate outstanding indebtedness amounting to approximately HK\$22,129.2 million, which consists of:

Bank borrowings

As at 30 September 2022, the Group had the secured, guaranteed bank borrowings of approximately HK\$13,524.7 million, which are secured and guaranteed by certain properties bank deposits of the Group and unsecured, unguaranteed bank borrowings of approximately HK\$5,870.0 million.

Other borrowings

As at 30 September 2022, the Group had:

- (i) Unsecured, unguaranteed borrowings from related companies, being wholly-owned subsidiaries of The Albert Yeung Discretionary Trust, of approximately HK\$1,213.1 million;
- (ii) Unsecured, unguaranteed borrowings from non-controlling interests of subsidiaries of approximately HK\$39.5 million; and
- (iii) The principal amount of unsecured, unguaranteed notes totalling HK\$1,446.1 million.

Lease liabilities

The Group measures the lease liabilities at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates. At the close of business on 30 September 2022, the Group had lease liabilities amounting to approximately HK\$35.8 million.

Guarantees

At the close of business on 30 September 2022, the Group had given corporate guarantee of HK\$932.0 million to a bank in respect of bank facilities granted to a joint venture of which HK\$932.0 million had been utilised.

Disclaimer

Save for the aforesaid and apart from intra-group liabilities, at the close of business on 30 September 2022, the Group did not have any debt securities issued and outstanding, or any other borrowings or indebtedness including bank overdrafts and liabilities under acceptances (other than normal trade payables) or acceptance credits or hire purchases commitments, or any other borrowings subject to mortgages or charges, or any other material contingent liabilities or guarantees.

C. WORKING CAPITAL

After taking into account the present internal financial resources available to the Group, including cash and bank balances as well as the available banking facilities, the Directors are of the opinion that the working capital available to the Group is sufficient for the Group's requirement for at least 12 months from the date of this circular.

D. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save as disclosed in the profit warning announcement of the Company dated 28 October 2022, that the Group expects to record a net loss of not more than HK\$1,150 million for the six months ended 30 September 2022, which is mainly due to (i) a decline in the sales revenue of the residential property development resulting in a drop in the Group's total revenue by approximately 60%; and (ii) a significant fair value loss of the Group's investment properties during the six months ended 30 September 2022 while a fair value gain was recorded in the same period last year, the Directors were not aware of any circumstances or events that may give rise to a material adverse change in the financial or trading position of the Group since 31 March 2022, being the date to which the latest audited consolidated financial statements of the Group were made up.

E. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

A number of ongoing unfavourable factors including geo-political tension, uncertainties in China's economic development, stock market turbulence and interest rate hikes in response to inflation in certain countries have led to an unstable macroeconomic environment, hence weakening the overall investment and consumption sentiment. Regarding the Covid-19 pandemic, domestic quarantine arrangements have eased further over the past few months, but the impact of relaxed border measures is yet to be seen. Despite the near-term headwinds and a lacklustre economy, Hong Kong remains an attractive investment spot within the Asia Pacific region in the long run, considering its strategic role in the Greater Bay Area and role as a vital link for access to the China market.

During the time of economic instability, the Group has strived to maintain a balanced investment property portfolio to diversify business risk. The Group has also established a solid development properties pipeline covering prime locations in Hong Kong, and will endeavor to seize the opportunities when the market revives. Besides, the Group is optimistic about the prospects of *No. 15 SHOUSON* as the project is situated at a prime location and is within the vicinity of a high priced residential area in the south side of Hong Kong Island and a network of prestigious schools, and believe that it would generate more income and provide capital appreciation to the Group in the future. Given the limited land supply and underlying demand for the residential units, the Group remains optimistic about the local residential property market outlook in the long term.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES

As at the Latest Practicable Date, the following Directors and chief executives of the Company were interested, or were deemed or taken to be interested in the following long and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to (a) be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors adopted by the Company (“**Model Code**”) to be notified to the Company and the Stock Exchange:

(a) Long positions interests in the Company

(i) Ordinary Shares

Name of Directors	Capacity/ Nature of interests	Number of issued Shares interested	% of issued voting Shares
Ms. Luk Siu Man, Semon (“ Ms. Semon Luk ”)	Interest of spouse	2,747,610,489 <i>(Note)</i>	74.71
Mr. Yeung Ching Loong, Alexander (“ Mr. Alex Yeung ”)	Eligible beneficiary of a private discretionary trust	2,747,610,489 <i>(Note)</i>	74.71
Ms. Fan Man Seung, Vanessa (“ Ms. Vanessa Fan ”)	Beneficial owner	10,500,000	0.29

Note: These Shares were held by Emperor International Group Holdings Limited (“**Emperor International Group Holdings**”), a wholly-owned subsidiary of AY Holdings. AY Holdings is held by First Trust Services AG (“**First Trust**”) in trust for a private discretionary trust set up by Dr. Albert Yeung. By virtue of being the spouse of Dr. Albert Yeung (founder of the private discretionary trust), Ms. Semon Luk had deemed interests in the same Shares whereas Mr. Alex Yeung also had deemed interests in the same Shares by being one of the eligible beneficiaries of such private discretionary trust.

(ii) Debentures

Name of Director	Capacity/Nature of interests	Amount of debentures held
Mr. Wong Chi Fai ("Mr. Bryan Wong")	Interest of controlled corporation	HK\$2,000,000

(b) Long position interests in ordinary shares of associated corporations of the Company

Name of Directors	Name of associated corporations	Capacity/Nature of interests	Number of ordinary shares interested	% of issued voting shares
Ms. Semon Luk	Emperor Entertainment Hotel Limited ("Emperor E Hotel")	Interest of spouse	851,352,845	71.63
	Emperor Watch & Jewellery Limited ("Emperor W&J")	- ditto -	4,298,610,000	63.41
	Emperor Culture Group Limited ("Emperor Culture")	- ditto -	2,371,313,094	73.80
	Ulferts International Limited ("Ulferts")	- ditto -	600,000,000	75.00
Mr. Alex Yeung	Emperor E Hotel	Eligible beneficiary of a private discretionary trust	851,352,845	71.63
	Emperor W&J	- ditto -	4,298,610,000	63.41
	Emperor Culture	- ditto -	2,371,313,094	73.80
	Ulferts	- ditto -	600,000,000	75.00

Note: These shares were ultimately owned by the respective discretionary trusts which are also founded by Dr. Albert Yeung. By virtue of being the spouse of Dr. Albert Yeung, Ms. Semon Luk had deemed interests in the same shares whereas Mr. Alex Yeung also had deemed interests in the same shares by virtue of being one of the eligible beneficiaries of such private dictionary trusts.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

As at the Latest Practicable Date, none of the Directors was a director or an employee of a company which had an interest or short position in the shares and underlying shares of the Company would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO.

3. DISCLOSURE OF SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, so far as is known to any Director or chief executives of the Company, the following persons or corporations (other than a Director or a chief executive of the Company) who had, or were deemed or taken to have an interest and short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group or had any option in respect of such securities:

Name	Capacity/Nature of interests	Number of Shares interested	% of issued voting Shares
AY Holdings	Interest in a controlled corporation	2,747,610,489 (L)	74.71
First Trust	Trustee of the private discretionary trust	2,747,610,489 (L)	74.71
Dr. Albert Yeung	Founder of a private discretionary trust	2,747,610,489 (L)	74.71

(L) = long position

Note: These Shares were the same shares as those set out under Section 2(a)(i) of “DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES” above.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors or chief executives of the Company, no other person or corporation (other than the Directors and chief executives of the Company) who had, or were deemed or taken to have, any interests or short positions in any Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, who was, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group or had any option in respect of such securities.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group which is not determinable within one year without payment of compensation other than statutory compensation.

5. COMPETING INTERESTS

As at the Latest Practicable Date, the interests of Directors or their respective close associates in the businesses which are considered to compete or are likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules were as follows:

- i. Ms. Semon Luk, being the spouse of Dr. Albert Yeung (founder of a private discretionary trust), is deemed to be interested in various companies under a discretionary trust which is also engaging in property investment and development. As Ms. Semon Luk is not involved in the Company's day-to-day operations and management, the Group is capable on its business independently of and at arm's length from such disclosed deemed competing business;
- ii. Mr. Cheung Ping Keung has directorship role in several companies under the aforesaid trust which is also engaged in property investment and development. Given that he cannot control the board of the Company and those several companies, the Directors considered the Group's interests are adequately safeguarded;
- iii. Mr. Alex Yeung, being one of the beneficiaries of the aforesaid trust, is deemed to be interested in various companies under such trust which are also engaged in property investment and development. He also had shareholding and directorship interests in private companies engaged in property investment. Given that (a) he cannot control the board of the Company and the companies under such trust; and (b) size and dominance of the portfolio of the Group, the Directors considered the Group's interests are adequately safeguarded; and
- iv. Mr. Bryan Wong and his associates and Ms. Vanessa Fan have shareholding and directorship interests in private companies engaged in property investment business. In light of the size and dominance of the portfolio of the Group, such disclosed deemed competing business is considered immaterial.

Saved as disclosed above, so far as is known to the Directors or chief executive of the Company, as at the Latest Practicable Date, none of the Directors or their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with business of the Group.

6. DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, save for the agreements listed below, there was no other contract or arrangement subsisting in which any Director (excluding Ms. Semon Luk and Mr. Alex Yeung who have deemed interests) was materially interested and which was significant in relation to the business of the Group:

- (a) The master leasing agreement dated 3 December 2020 entered into between the Company and Emperor W&J in relation to the tenancy transactions thereunder;
- (b) The master leasing agreement dated 3 December 2020 entered into between the Company and Emperor Capital Group Limited in relation to the tenancy transactions thereunder;
- (c) The master leasing agreement dated 3 December 2020 entered into between the Company and Emperor Culture in relation to the tenancy transactions thereunder;
- (d) The master leasing agreement dated 3 December 2020 entered into between the Company and Ulferts in relation to the tenancy transactions thereunder;
- (e) The master leasing agreement dated 3 December 2020 entered into between the Company and (1) New Media Group Investment Limited (struck off on 1 July 2022); (2) Albert Yeung Entertainment Holdings Limited; (3) Albert Yeung Financial Holdings Limited; (4) Albert Yeung Investments Holdings Limited; and (5) Albert Yeung Management Company Limited in relation to the tenancy transactions thereunder;
- (f) The master leasing agreement dated 3 December 2020 entered into between Emperor E Hotel and Emperor W&J in relation to the tenancy transactions thereunder; and
- (g) The master agreement dated 29 July 2020 entered into between the Company and Ulferts in relation to the furniture transactions thereunder.

7. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors has, directly or indirectly, any interest in any assets which have been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2022 (being the date to which the latest published audited accounts of the Company were made up).

8. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or claims of material importance and no litigation or claims of material importance were pending or threatened against any member of the Group.

9. MATERIAL CONTRACTS

Save for the Deed of Guarantee, during the two years immediately preceding the date of this circular up to and including the Latest Practicable Date, no contract (not being contracts entered into in the ordinary course of business of the Group) has been entered into by the Group and is or may be material.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.EmperorInt.com>) in accordance with the Listing Rules from the date of the circular and up to 14 days thereafter:

- (a) the Deed of Guarantee; and
- (b) this circular.

11. MISCELLANEOUS

- (a) The company secretary of the Company is Ms. Liu Chui Ying, who is a fellow member of both The Chartered Governance Institute in the United Kingdom and The Hong Kong Chartered Governance Institute.
- (b) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (c) The head office and principal place of business of the Company in Hong Kong is 28th Floor, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text.