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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)**

**(I) VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION  
DISPOSAL OF ENTIRE EQUITY INTEREST IN TARGET COMPANY;  
(II) COMPLETION OF DISCLOSEABLE TRANSACTION;  
AND  
(III) DATE OF BOARD MEETING**

**THE DISPOSAL**

On 19 July 2024, the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the sale and purchase of the entire equity interest in the Target Company and the Sale Loan due from the Target Company to the Vendor at a Consideration of approximately HK\$1,154.7 million (subject to adjustments), which consists of (1) the net asset value of the Target Group with reference to the aggregated fair market valuation of the Properties; and (2) the Sale Loan. For details, please refer to the section headed “Consideration and payment terms” in this announcement.

The Disposal constitutes a very substantial disposal and connected transaction for the Company under Chapter 14 and Chapter 14A of the Listing Rules and is subject to reporting, announcement and Independent Shareholders’ approval requirements under the Listing Rules.

**(I) THE DISPOSAL**

The Board announces that on 19 July 2024, after trading hours, the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the sale and purchase of (a) the Sale Share; and (b) the Sale Loan.

## THE SALE AND PURCHASE AGREEMENT DATED 19 JULY 2024

The Vendor : Emperor Property

The Purchaser : Oriental Peak

### Subject matter

Pursuant to the Sale and Purchase Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase (a) the Sale Share; and (b) the Sale Loan.

### Consideration and payment terms

The Consideration payable (subject to adjustments) by the Purchaser to the Vendor was arrived at arm's length negotiations between the Vendor and the Purchaser on normal commercial terms and shall be determined by the following formula:

$$\text{Consideration} = A + B - C$$

where:

- “A” means HK\$1,142.8 million, being the aggregated fair market valuation of the Properties;
- “B” means the carrying value/book value of the tangible assets of the Target Group (but excluding the Properties and the fittings and equipment, if any) as at the Completion Date as shown in the Pro-forma Completion Accounts; and
- “C” means the amount of all liabilities of the Target Group, including actual or contingent, accrued and deferred liabilities but excluding the Sale Loan, as at the Completion Date as shown in the Pro-forma Completion Accounts.

In accordance with the formula as set out above, the Consideration is estimated to be approximately HK\$1,154.7 million with reference to the Management Accounts, consisting of mainly (i) the preliminary aggregated fair market valuation of the Properties of HK\$1,142.8 million as at 15 July 2024 as indicated by an independent professional valuer; (ii) the carrying value/book value of the tangible assets of the Target Group (but excluding the Properties and the fittings and equipment, if any) of approximately HK\$24.7 million as at 30 June 2024; and (iii) the amount of all liabilities of the Target Group of approximately HK\$12.8 million as at 30 June 2024 after excluding (a) the Sale Loan of approximately HK\$1,556.4 million; and (b) the bank loan of approximately HK\$93.3 million as at 30 June 2024, which shall be fully repaid on or before Completion.

The Consideration payable by the Purchaser to the Vendor shall be settled by the Purchaser by cash transfer to the designated bank account of the Vendor or such other bank account as the Vendor may direct or such other method as mutually agreed by the Vendor and Purchaser upon Completion.

### **Pro-forma Completion Accounts and Completion Accounts**

Pursuant to the Sale and Purchase Agreement, the Vendor shall deliver to the Purchaser (i) the Pro-forma Completion Accounts within 5 Business Days prior to Completion; and (ii) the Completion Accounts together with the calculation of the final consideration with reference to the Completion Accounts (“**Final Consideration**”) within 10 Business Days after the Completion Date.

The Consideration payable shall be subject to the adjustments following agreement or determination of the Completion Accounts and the Final Consideration in accordance with the terms of the Sale and Purchase Agreement.

The Consideration shall be adjusted in the following manner:

- (a) If the Final Consideration is less than the Consideration as determined by reference to the Pro-forma Completion Account, the Consideration shall be adjusted downward by such difference; or
- (b) If the Final Consideration is higher than the Consideration as determined by reference to the Pro-forma Completion Account, the Consideration shall be adjusted upward by such difference.

Such difference shall be settled between Vendor and Purchaser within 5 Business Days after receipt of the Completion Accounts in accordance with the Sale and Purchase Agreement.

### **Conditions precedent**

Completion shall be conditional upon the following conditions precedent:

- (a) the Purchaser having completed its due diligence investigation on the business, financial, legal and other aspects of the Target Group and is reasonably satisfied with the results thereof;
- (b) the Vendor having proved the good title to the Properties in accordance with Section 13 of the Conveyancing and Property Ordinance;
- (c) the Target Group having completed the Reorganisation; and
- (d) the approval by the Independent Shareholders of the Sale and Purchase Agreement and the transactions contemplated thereunder at the special general meeting of the Company.

In the event that any of the foregoing conditions is not fulfilled (or otherwise waived by the Purchaser, except conditions (c) and (d) above which cannot be waived) in accordance with the Sale and Purchase Agreement on or before the Long Stop Date, either the Vendor or the Purchaser shall be entitled to terminate the Sale and Purchase Agreement by notice in writing to the other party whereupon, subject to the terms of the Sale and Purchase Agreement, the Vendor shall return to the Purchaser all money paid by the Purchaser to the Vendor under the Sale and Purchase Agreement (if any) forthwith without costs, compensation and interest and neither party shall have any claim against the other thereon save and except for any antecedent breach.

### **Completion**

Subject to the fulfillment of all the above conditions precedent (or waived by the Purchaser, except conditions (c) and (d)) above which cannot be waived), Completion shall take place at or before 12:00 noon on the Completion Date or at such time as may be agreed by the Vendor and Purchaser in writing pursuant to the Sale and Purchase Agreement.

Immediately after Completion, the Target Group will cease to be the subsidiaries of the Company and the Company will cease to have any equity interest in the Target Group.

### **INFORMATION OF THE COMPANY AND THE VENDOR**

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 Vendor is a direct wholly-owned subsidiary of the Company with principal business of investment holding.

### **INFORMATION OF THE PURCHASER**

The Purchaser is a company incorporated in the BVI. Its principal business is investment holding and it is indirectly controlled by a private discretionary trust which was set up by Dr. Yeung.

### **INFORMATION OF THE TARGET GROUP AND THE PROPERTIES**

The Target Company is a company incorporated in the BVI and indirectly wholly-owned by the Company. The principal business of the Target Company is investment holding. The Property Companies are companies incorporated in Hong Kong with limited liability and indirectly wholly-owned by the Target Company. The Property Companies are engaged in the business of property investment and holding the Properties.

Assuming that the Reorganisation had completed on 31 March 2023, for the two years ended 31 March 2023 and 2024, the unaudited financial information of the Target Group is as follows:

	<b>For the year ended 31 March</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<b><i>(approximately)</i></b>	<b><i>(approximately)</i></b>
Revenue	22,506	23,728
Loss before taxation	97,654	126,118
Loss after taxation	97,689	124,204

The unaudited combined total asset value and net liabilities of the Target Group as at 30 June 2024 were approximately HK\$1,167.5 million and approximately HK\$495.0 million. The Sale Loan amounted to approximately HK\$1,556.4 million as at 30 June 2024.

### **Information of the Properties**

The Properties are the Group's non-core investment properties covering various locations in Hong Kong with a total of gross floor area approximately 131,401 sq.ft. The aggregate fair market value of the Properties as at 15 July 2024 is HK\$1,142.8 million. Set out below is the table showing the locations of the Properties:

<b>No.</b>	<b>Address</b>
(a)	Commercial units / retail spaces / residential units
1.	Area K on G/F, Percival House, No. 83 Percival Street, Causeway Bay, Hong Kong
2.	Flats D, E & F on 1/F, Percival House, No. 83 Percival Street, Causeway Bay, Hong Kong
3.	4/F, No. 3 Canal Road East, Causeway Bay, Hong Kong
4.	G/F-2/F, No. 24 Canal Road East, Causeway Bay, Hong Kong
5.	G/F, No. 25 Canal Road East, Causeway Bay, Hong Kong
6.	Flat A on 9/F, Giok San Building, No. 33 Tang Lung Street, Causeway Bay, Hong Kong
7.	Flat B on 15/F, Giok San Building, No. 33 Tang Lung Street, Causeway Bay, Hong Kong

<b>No.</b>	<b>Address</b>
8.	Flats A, B & D on 2/F and the Flat Roof Appertaining thereto, Flats A & C on 21/F and the Flat Roof Appertaining thereto, Flats A, B & C on 22/F and Main Roof Appertaining thereto, Flat A on 3/F, 7/F, 13/F and 17/F, Flat B on 7/F, 12/F, 13/F, 14/F, 16/F, 19/F and 20/F, Flat C on 3/F, 11/F, 12/F, 14/F, 16/F and 20/F and Flat D on 4/F, 5/F and 6/F, Golden Dragon Building, Nos. 41-51 Tang Lung Street, Causeway Bay, Hong Kong
9.	Shop Nos. 2 and 3 on G/F, the Whole of 1/F and the Whole of 2/F, Flats 1, 2, 3, 4 and 5 on 3/F, Flat 8 on 8/F, Exterior Wall and Whole Roof, Hang Fai Building, Nos. 67, 71/79, 81 and 83 Belcher's Street and No. 27 North Street, Kennedy Town, Hong Kong
10.	Shops A, D2 and E2 on G/F, Harilela Mansion, No. 81 Nathan Road, Tsim Sha Tsui, Kowloon
11.	Shop Nos. 30 & 33A on G/F & M/F, Tsimshatsui Mansion, Nos. 83 – 97 Nathan Road, Nos. 36 – 50 Lock Road, Tsim Sha Tsui, Kowloon
12.	Flat A on G/F, No. 6 Hillwood Road, Tsim Sha Tsui, Kowloon
13.	Shop A and Shop B on G/F, Glory Centre, No. 8 Hillwood Road, Tsim Sha Tsui, Kowloon
(b)	Industrial buildings
1.	Bhotai Industrial Building, No. 13 San On Street, Tuen Mun, New Territories
2.	Shan Ling Industrial Building, No. 15 San On Street, Tuen Mun, New Territories

## **FINANCIAL EFFECT OF THE DISPOSAL**

Upon Completion, the Company will not hold any equity interest in the Target Group and it will cease to be the subsidiaries of the Company.

Taking into account (i) the Consideration of approximately HK\$1,154.7 million; (ii) the unaudited combined net liabilities of the Target Group as stated in the Management Accounts as at 30 June 2024 in the amount of approximately HK\$495.0 million after adjustment on the book value of the Properties to HK\$1,142.8 million as at 15 July 2024 as indicated in a preliminary aggregate valuation prepared by an independent professional valuer; and (iii) the amount of Sale Loan of approximately HK\$1,556.4 million as at 30 June 2024, the Directors do not expect to recognise any gain/loss from the Disposal.

The aforesaid estimation is for illustrative purpose only and does not purport to represent the financial position of the Group after Completion. The actual financial effects of the Disposal will be determined with reference to the financial status of the Target Group as at the Completion Date.

The net proceeds from the Disposal of approximately HK\$1,153.2 million (subject to adjustment), out of which (i) not less than 90% for enrichment of working capital and/or expansion of existing property development and property investment businesses, with an aim to strengthen its financial position to prepare for future investment opportunities and enhance its investment portfolio for higher return; and (ii) the remaining for general working capital such as staff cost, professional fees and other general administrative and operating expenses of the Group.

## **REASONS AND BENEFITS FOR THE DISPOSAL**

The Group pursues quality properties with growth potential, which are mainly premium office towers and commercial complexes located in key commercial districts, as well as retail spaces in prime tourists shopping areas, in its core investment properties portfolio. Adopting a portfolio optimisation strategy, the Group examines its investment portfolio regularly to (i) expand the portfolio by acquisition of quality properties; (ii) enhance the asset value by redevelopment and refurbishment work on existing portfolio; and (iii) unlock the asset value by disposal of non-core assets.

After a regular review of the business operation of its investment portfolio, the Group is of the view that the Properties are regarded as non-core investment properties with limited chances of further substantial value appreciation by transformation or redevelopment exercises. Therefore, the management considered the Disposal is a good opportunity to crystallise the value of the Properties. The Disposal will release a net proceeds of approximately HK\$1,153.2 million (subject to adjustments) and enhance its financial position of the Group and save up additional reserve for backing up its investment opportunities in the future.

The Directors (save and except that the views of the independent non-executive Directors representing the Independent Board Committee with regard to the Sale and Purchase Agreement and the transactions contemplated thereunder shall be set out in a circular) considers that the terms and conditions of the Disposal are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES IN RELATION TO THE DISPOSAL**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal ((i) on a standalone basis; or (ii) when aggregating with the Previous Disposal pursuant to Rule 14.22 of the Listing Rules) exceeds 75%, the Disposal constitutes a very substantial transaction of the Company under Chapter 14 of the Listing Rules. The Vendor is a wholly-owned subsidiary of the Company. The Vendor and the Purchaser are both indirectly controlled by the respective private discretionary trusts which were all set up by Dr. Yeung who is the deemed substantial shareholder of the Company and the eligible beneficiaries of private discretionary trusts are family members of Dr. Yeung. As such, under Chapter 14A of the Listing Rules, the Purchaser is a deemed connected person of the Company and as one or more of the applicable percentage ratios (as defined in Listing Rules) in respect of the Disposal are greater than 5%, the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. The Disposal is subject to reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.



An Independent Board Committee comprising all independent non-executive Directors has been established by the Company to advise the Independent Shareholders in respect of the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder and an independent financial adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in the same regard.

Ms. Luk Siu Man, Semon, a non-executive Director and the Chairperson of Board and Mr. Yeung Ching Loong, Alexander, an executive Director and the Vice Chairman of the Board, did abstain from voting on the relevant Board resolution(s) of the Company approving the Disposal and the transactions contemplated under the Sale and Purchase Agreement in view of their deemed interest in the Disposal by virtue of being an associate of the eligible beneficiaries of the private discretionary trusts that control the Vendor and the Purchaser and being one of the eligible beneficiaries of such trusts respectively. For the sake of prudence, Mr. Wong Chi Fai and Ms. Fan Man Seung, Vanessa, being the executive Directors also taking up a management role in the counter-party to the Sale and Purchase Agreement, abstained from voting on the relevant Board resolution(s). Save for the aforesaid, no other Director has a material interest or conflict of role in the transactions and has abstained from voting.

## **GENERAL**

A circular containing, amongst other things, (i) further information on the Disposal; (ii) a letter from the Independent Board Committee in respect of the Disposal; (iii) a letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders regarding the Disposal; (iv) the valuation report of the Properties; (v) the financial information of the Target Group; (vi) the unaudited pro-forma financial information of Remaining Group; and (vii) a notice convening the special general meeting of the Company will be sent to the Shareholders by the Company. The Directors expected that the circular will be despatched on or before 23 August 2024 in order to allow the Company sufficient time to prepare the necessary information for inclusion in the circular.

## **(II) COMPLETION OF DISCLOSEABLE TRANSACTION**

Reference is made to the announcement of the Company dated 24 May 2024 in relation to the disposal of (i) entire issued share capital in Star Omen Limited; and (ii) all loan, interest (if any) and all other sums owing by the Star Omen Limited to the Vendor to Poly Keen International Limited, an indirect non-wholly owned subsidiary of Emperor Entertainment Hotel Limited (“**Transaction**”).

The Board wishes to announce that all the conditions precedent under the Transaction have been fulfilled and completion of the Transaction took place on 19 July 2024.

## **(III) DATE OF BOARD MEETING**

The Board announces that a meeting of the Board will be held on Wednesday, 31 July 2024 (“**Board Meeting**”) for the purpose of, among other matters, considering and approving the declaration and payment of a special dividend (“**Special Dividend**”). Subject to the approval at the Board Meeting, the Company will make a further announcement after the Board Meeting to set out the details of the Special Dividend.

**As the proposed Special Dividend may or may not be approved by the Board at the Board Meeting, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**



## TERMS USED IN THIS ANNOUNCEMENT

In this announcement, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“associate”	has the meaning ascribed to it in the Listing Rules
“Board” or “Directors”	the board of directors of the Company
“Business Day”	a day (other than a Saturday, Sunday, public holiday and a day on which a tropical cyclone No. 8 or above or a “black” rainstorm warning is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. on weekdays) on which banks are generally open in Hong Kong to the general public for business
“BVI”	the British Virgin Islands
“Company”	Emperor International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 163)
“Completion”	the completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Accounts”	the accounts of the Target Group (on a combined basis) comprising a statement of profit or loss for the period from 1 April 2024 to the Completion Date and a statement of financial position as at the Completion Date
“Completion Date”	within 7 Business Days following satisfaction (or waived by the Purchaser as appropriate, except paragraph (c) and (d) under the section headed “Conditions precedent” in this announcement, which cannot be waived) of all the conditions precedent to Completion pursuant to the Sale and Purchase Agreement or such other date as mutually agreed by the Vendor and the Purchaser, but in any event no later than the Long Stop Date
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of the Disposal
“Disposal”	the disposal of the Sale Share and the Sale Loan by the Vendor to the Purchaser under the Sale and Purchase Agreement
“Dr. Yeung”	Dr. Yeung Sau Shing, Albert

“Emperor Property” or “Vendor”	Emperor Property Investment Limited, a company incorporated in the BVI and directly wholly-owned by the Company
“Group”	the Company and its subsidiaries from time to time, including but not limited to the Target Group
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board comprising all of the independent non-executive Directors, established to advise the Independent Shareholders in respect of the Disposal
“Independent Shareholder(s)”	the Shareholder(s) who do not have material interest in the transactions contemplated under the Sale and Purchase Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	means the last day of the 9-month period following the date of the Sale and Purchase Agreement, or such other date as mutually agreed by the Vendor and the Purchaser
“Management Accounts”	the unaudited management accounts (on a combined basis) of the Target Group comprising a statement of profit or loss of the Target Group for the period from the 1 April 2024 up to the 30 June 2024 and a statement of financial position of the Target Group which was prepared based on an assumption that the Reorganisation as referred to in paragraph (c) under the section headed “Conditions precedent” in this announcement is completed on 30 June 2024
“Oriental Peak” or “Purchaser”	Oriental Peak Limited, which is a company incorporated in the BVI whose principal business is investment holding and is indirectly controlled by a private discretionary trust as set up by Dr. Yeung
“Previous Disposal”	the previous disposal of entire issued share of Joybridge Services Limited and all loan, interest and all other sums owing by Joybridge Services Limited to Vendor, details of which are set out in the announcement and the circular of the Company dated 3 July and 23 August 2023 respectively

“Pro-forma Completion Accounts”	unaudited pro-forma combined statement of financial position of the Target Group as at the Completion Date and unaudited pro-forma combined statement of profit or loss and other comprehensive income of the Target Group for the period from 1 April 2024 to the Completion Date prepared in accordance with accounting principles and practices generally accepted in Hong Kong and in compliance with the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), to be delivered to the Purchaser within 5 Business Days prior to Completion
“Properties”	the properties as shown under the section headed “Information of the Properties” in this announcement
“Property Companies”	any and all registered and beneficial owners of the Properties, companies were incorporated under the laws of Hong Kong
“Remaining Group”	the Group excluding the Target Group
“Reorganisation”	the reorganisation to be carried out by the Vendor whereby upon the completion of the reorganisation, the Target Company shall hold 100% equity interest in the Property Companies which in turn holds the Properties and the fittings and equipment (if any) as the only landed properties and fixed assets of the Target Group
“Sale and Purchase Agreement”	the sale and purchase agreement dated 19 July 2024 entered into between the Vendor and Purchaser in relation to the Disposal
“Sale Loan”	all loan, interest and all other sums owing by Target Company to the Vendor as at Completion
“Sale Share”	1 share of US\$1.00 in the share capital of the Target Company, representing the entire issued share capital
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“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)
“Target Company”	Accurate Choice Developments Limited, a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company

“Target Group”	Target Company and its subsidiaries including but not limited to the Properties Companies after completion of the Reorganisation
“%”	per cent.

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

Hong Kong, 19 July 2024

As at the date of this announcement, the Board comprises:

<i>Non-executive Directors:</i>	Ms. Luk Siu Man, Semon Mr. Cheung Ping Keung
<i>Executive Directors:</i>	Mr. Yeung Ching Loong, Alexander Mr. Wong Chi Fai Ms. Fan Man Seung, Vanessa
<i>Independent Non-executive Directors:</i>	Mr. Chan Hon Piu Mr. Chu Kar Wing Mr. Poon Yan Wai