
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 Entertainment Hotel Limited**, you should at once hand this circular 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).

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



英皇娛樂酒店有限公司
Emperor Entertainment Hotel Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 296)

MAJOR TRANSACTION
DISPOSAL OF ENTIRE EQUITY INTEREST IN TARGET COMPANY

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 from pages 4 to 10 of this circular.

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

21 November 2024

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I – PROPERTY VALUATION REPORT	I-1
APPENDIX II – FINANCIAL INFORMATION OF THE GROUP	II-1
APPENDIX III – GENERAL INFORMATION	III-1

DEFINITIONS

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

“associates”	has the meaning ascribed to it in the Listing Rules
“Board” or “Directors”	the board of directors of the Company
“Business Day(s)”	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” or “Vendor’s Guarantor”	Emperor Entertainment Hotel 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: 296)
“Completion”	the completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Account”	the unaudited consolidated management accounts of the Target Group comprising the unaudited consolidated statement of profit or loss and other comprehensive income of the Target Group for the period from 1 April 2024 to the Completion Date and the unaudited consolidated statement of financial position of the Target Group as at the Completion Date
“Completion Date”	the date on which Completion takes place
“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
“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

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its subsidiaries and its connected persons (as defined in the Listing Rules)
“Latest Practicable Date”	19 November 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Management Accounts”	the unaudited consolidated management accounts of the Target Group together with adjustments as set out in the Sale and Purchase Agreement comprising the unaudited consolidated statement of financial position of the Target Group made up as at the Management Accounts Date and the unaudited consolidated statement of profit or loss and other comprehensive income of the Target Group for the period from 1 April 2024 to the Management Accounts Date
“Management Accounts Date”	30 September 2024
“MOP”	Macanese pataca, the lawful currency of Macau
“Poly Keen International” or “Vendor”	Poly Keen International Limited, a company incorporated in the BVI and indirectly non-wholly owned by the Company
“Property”	all those pieces or parcels of ground registered in the Land Registry of Hong Kong as the remaining portion of Subsection 11 of Section A of Inland Lot No.905, Section A of Subsection 11 of Section A of Inland Lot No.905 and the remaining portion of Section A of Inland Lot No.905 together with all the messuages erections and buildings thereon
“Sale and Purchase Agreement”	the sale and purchase agreement dated 31 October 2024 entered into between the Vendor, the Company and the Purchaser in relation to the Disposal

DEFINITIONS

“Sale Loan”	all loan, interest and all other sums owing by the Target Group to the Vendor as at Completion
“Sale Share”	1 share of US\$1.00 in the Target Company, which represents all the issued share and the entire issued share capital 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\$0.0001 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Spring Investment Property” or “Purchaser”	Spring Investment Property Limited is a company incorporated in Hong Kong whose principal business is investment holding
“sq. ft.”	square feet
“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”	Bausman Limited, a company incorporated in the BVI and an indirect non-wholly owned subsidiary of the Company
“Target Group”	Target Company and its subsidiary
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

LETTER FROM THE BOARD



英皇娛樂酒店有限公司 Emperor Entertainment Hotel Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 296)

Non-executive Director:

Ms. Luk Siu Man, Semon

Executive Directors:

Ms. Fan Man Seung, Vanessa

Mr. Wong Chi Fai

Independent Non-executive Directors:

Ms. Lai Ka Fung, May

Mr. Yeung Man Sun

Mr. Chan Hon Piu

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 2024

To the Shareholders

Dear Sir/Madam,

MAJOR TRANSACTION DISPOSAL OF ENTIRE EQUITY INTEREST IN TARGET COMPANY

INTRODUCTION

Reference is made to the announcement of the Company dated 31 October 2024 (the “**Announcement**”) whereby the Board announced that the Vendor and the Company (as the Vendor’s Guarantor) entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor agreed to sell the Sale Share and the Sale Loan to the Purchaser at the Consideration, based on the agreed value of the Property of HK\$275.0 million.

The purpose of this circular is to provide you with, amongst other, (i) further details of the Disposal; (ii) the valuation report of the Property; (iii) the financial information of the Group; and (iv) other information as required under the Listing Rules.

LETTER FROM THE BOARD

THE SALE AND PURCHASE AGREEMENT DATED 31 OCTOBER 2024

Vendor : Poly Keen International
Purchaser : Spring Investment Property
Vendor's Guarantor : the Company

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\$275.0 million, being the agreed value of the Property;
- “B” means the aggregate of rental/licence fee receivables in respect of the Property which are, as at the Completion Date, less than thirty (30) days, deposits and prepayments to utility companies, government rent and rates for the Property but excluding, for the avoidance of doubt, deferred tax assets, the value of the Property, all fixtures, chattels, appliances, equipments and fittings to the Property and bank balances of the Target Group; and
- “C” means the aggregate of all liabilities as at the Completion Date, including without limitation, all unpaid fees and expenses incurred and/or accrued by the Target Group in respect of the Property and in relation to the discharge of existing encumbrances, rental/license deposits received and receipts in advance in respect of the Property but excluding the Sale Loan, deferred tax liabilities, liabilities arising from building order issued or received after the date of the Sale and Purchase Agreement and liabilities arising from matters as set out under the Sale and Purchase Agreement.

In accordance with the formula as set out above, the Consideration is estimated to be approximately HK\$267.7 million with reference to the Management Accounts, consisting of mainly (i) the agreed value of the Property of HK\$275.0 million with reference to preliminary fair market valuation as at 30 September 2024 as indicated by an independent professional valuer; (ii) the aggregate of rental/licence fee receivables in respect of the Property less than thirty (30) days, deposits and prepayments to utility companies, government rent and rates for the Property of approximately HK\$0.1 million as at 30 September 2024; and (iii) the aggregate of all liabilities of the Target Group of approximately HK\$7.4 million as at 30 September 2024 after excluding the Sale Loan of approximately HK\$433.3 million.

LETTER FROM THE BOARD

The Consideration (subject to adjustments) shall be paid and satisfied by the Purchaser in the following manner:

- (a) a sum of HK\$13.5 million being initial deposit has been paid by the Purchaser to the Vendor's solicitors as stakeholders prior to the signing of the Sale and Purchase Agreement;
- (b) a sum of HK\$14.0 million being the further deposit has been paid by the Purchaser to the Vendor's solicitors as stakeholders on the date of signing of the Sale and Purchase Agreement; and
- (c) the balance of the Consideration shall be paid upon Completion by solicitors' cheque(s) or cashier order(s) and made payable to the Vendor's designated company.

Draft Completion Account and Audited Completion Account

Pursuant to the Sale and Purchase Agreement, the Vendor shall deliver to the Purchaser (i) the draft Completion Account within 5 Business Days prior to Completion together with the calculation of the Consideration with reference to the draft Completion Account; and (ii) the audited Completion Account ("**Audited Completion Account**") together with the calculation of the final consideration with reference to the Audited Completion Account ("**Final Consideration**") within ninety (90) days (or otherwise agreed by the Vendor and the Purchaser in writing) after Completion.

The Consideration payable shall be subject to the adjustments following agreement or determination of the Audited Completion Account 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 as determined above is less than the Consideration paid by the Purchaser, the Vendor shall repay to the Purchaser the excess amount within seven (7) Business Days after agreement or determination of the Audited Completion Accounts; or
- (b) If the Final Consideration as determined above is more than the Consideration paid by the Purchaser, the Purchaser shall pay to the Vendor the amount of such shortfall within seven (7) Business Days thereof.

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 Property in accordance with Sections 13 and 13A of the Conveyancing and Property Ordinance;

LETTER FROM THE BOARD

- (c) all the representations, undertakings and warranties given by the Vendor under the Sale and Purchase Agreement remaining true, accurate, correct in all material respects up to Completion;
- (d) the Vendor's Guarantor has obtained all necessary consents and approvals required for the Sale and Purchase Agreement and the transactions contemplated thereunder, including but not limited to obtaining Shareholders' approval in accordance with the Listing Rules for the Sale and Purchase Agreement and the transactions contemplated thereunder.

As at the Latest Practicable Date, all conditions have been fulfilled.

Completion

Completion shall take place at or before 4:00 p.m. on Monday, 16 December 2024 (or such other date as may be agreed between the Vendor and the Purchaser in writing).

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

Guarantee

The Vendor's Guarantor has agreed to guarantee the performance by, and the obligations and liabilities of, the Vendor under the Sale and Purchase Agreement, subject to the terms and conditions as set out therein. The maximum claim under the Sale and Purchase Agreement should not exceed 50% of the Final Consideration.

INFORMATION OF THE COMPANY AND THE VENDOR

The Company is an investment holding company and its subsidiaries are principally engaged in provision of hospitality and entertainment services in Hong Kong and Macau. The Vendor is an indirect non-wholly owned subsidiary of the Company with principal business of investment holding.

INFORMATION OF THE PURCHASER

The Purchaser is a company incorporated in Hong Kong. Its principal business is investment holding.

The Group has no prior business relationship with the Purchaser and its ultimate beneficial owner and its associates. The Purchaser was referred to the Group by a licensed property agent. Since prior to the publication of the Announcement and up until the Latest Practicable Date, the Company has made a number of requests to the ultimate beneficial owner of the Purchaser for consent to disclose its identity in the Announcement and this circular. However, as at the Latest Practicable Date, no such consent has been obtained. The non-disclosure of the identity of the Purchasers' ultimate beneficial owner would not hinder the Shareholders' ability to evaluate the Disposal, as (i) the Purchaser has confirmed to the Group that they will not consent to the disclosure of their identity in the Announcement and this circular despite of number of requests made by the Company for its consent to disclose; (ii) such identity information does not materially affect the nature of the Disposal, particularly given that the ultimate beneficial owner

LETTER FROM THE BOARD

is a merchant and property investor; and (iii) the Company has provided sufficient information regarding the Disposal in the Announcement and this circular which enables the Shareholders to properly assess the Disposal, including confirmation that the Purchaser and its ultimate beneficial owner are Independent Third Parties.

In addition, to the best of the Directors' knowledge, information and belief (having made all reasonable enquiries) and based on the information provided, the Purchaser and its ultimate beneficial owner are Independent Third Parties. In addition, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, there is, and in the past twelve months, there has been, no material loan arrangement between (a) the Purchaser, its directors and legal representatives and their ultimate beneficial owners; and (b) the Company, any connected person at the Company's level and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in the transaction).

INFORMATION OF THE TARGET GROUP AND THE PROPERTY

The Target Company is a company incorporated in the BVI and indirectly non-wholly owned by the Company. The principal business of the Target Company is investment holding and its subsidiary is principally engaged in the business of property investment and holding the Property.

The unaudited combined financial information of the Target Group for the two years ended 31 March 2023 and 2024 is as follows:

	For the year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
	(approximately)	(approximately)
Revenue	8,537	5,292
(Loss) profit before taxation	(9,915)	43,756
(Loss) profit after taxation	(11,101)	43,756

The unaudited consolidated total asset value and net liabilities of the Target Group as at 30 September 2024 as stated in the Management Accounts were approximately HK\$275.1 million and approximately HK\$165.6 million, and the Sale Loan as stated in the Management Accounts amounted to approximately HK\$433.3 million as at 30 September 2024.

Information of the Property

The Property is a multi-storey leasing apartment offering more than 50 rooms situated at the Central and Western District in Hong Kong with a gross floor area of over 20,000 sq. ft. The Property will be sold to the Purchaser on an "as is" basis.

FINANCIAL EFFECT OF THE DISPOSAL

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

LETTER FROM THE BOARD

Earnings

Taking into account (i) the Consideration of approximately HK\$267.7 million; (ii) the unaudited consolidated net liabilities of the Target Group as stated in the Management Accounts in the amount of approximately HK\$165.6 million; and (iii) the amount of Sale Loan as stated in the Management Accounts of approximately HK\$433.3 million, the Directors do not expect to recognise any gain/loss from the Disposal.

Assets and liabilities

Given that no gain/loss is expected to be recognised, there will be no material impact to the total assets and liabilities of the Group.

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 is approximately HK\$267.0 million (subject to adjustments), out of which (i) approximately 50% of the proceeds will be used for settling the outstanding balance of the acquisition of the building at Old Bailey Street, Central, Hong Kong pursuant to the announcement dated 24 May 2024; (ii) approximately 40% will be used for enrichment of working capital for the Group's hospitality business, such as operating expenses, construction fees and renovation and improvement of hotels and its related assets; and (iii) the remaining is for general working capital such as professional fees and other general administrative expenses of the Group.

REASONS AND BENEFITS OF THE DISPOSAL

The Group has been engaging in the provision of hospitality and entertainment services in the past two decades, and currently operates a number of hotels and leasing apartments in Hong Kong and Macau.

The Directors undertake strategic review of the Group's assets from time to time with a view to maximising returns to the Shareholders. Having regard to the prevailing market condition, the Directors are of the view that it is a suitable opportunity to dispose of the Property. The Directors expected that the net proceeds from the Disposal will enhance the financial flexibility of the Group and enrich the working capital for the hospitality business in the future.

The Board considers that the terms and conditions for 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.

LETTER FROM THE BOARD

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 exceeds 25% but is less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. The Disposal is subject to announcement, circular, Shareholders' approval and reporting requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or its/his/her associate(s) has a material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and accordingly, no Shareholder was required to abstain from voting if the Company were to convene a Shareholders' meeting for approving the Sale and Purchase Agreement and the transactions contemplated thereunder.

Under Rule 14.44 of the Listing Rules, Shareholders' approval for the Disposal 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 Disposal; 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 Disposal.

The Company has obtained a written approval for the Disposal in accordance with Rule 14.44 of the Listing Rules from Emperor International Group Holdings Limited, who is the beneficial owner of 636,075,041 Shares (representing approximately 53.52% of the issued share capital of the Company) as at the Latest Practicable Date. Accordingly, no Shareholders' meeting will be convened by the Company to approve the Disposal.

RECOMMENDATION

The Board is of the view that the terms of the Sale and Purchase Agreement have been negotiated on an arm's length basis, on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole. Accordingly, notwithstanding that no general meeting will be convened by the Company, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to approve the Sale and Purchase Agreement and the transactions contemplated thereunder if the Company were to convene a general meeting for the approval of the Disposal.

ADDITIONAL INFORMATION

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

By order of the Board
Emperor Entertainment Hotel Limited
Luk Siu Man, Semon
Chairperson

The following is the text of a letter and a valuation certificate prepared for the purpose of incorporation in this circular received from Knight Frank Petty Limited (“Knight Frank”), an independent valuer, in connection with its valuation of the Property Interests held for investment to be disposed of by the Group.



Knight Frank Petty Limited
4/F, Shui On Centre
6-8 Harbour Road
Wanchai, Hong Kong

KF ref: MV/CF/MM/BN/ek/24205(153)(b)

Emperor Entertainment Hotel Limited
28th Floor, Emperor Group Centre,
No. 288 Hennessy Road,
Wanchai, Hong Kong

21 November 2024

Dear Sirs,

**VALUATION OF THE UNIT DAVIS, NO. 22 DAVIS STREET,
KENNEDY TOWN, HONG KONG (THE “PROPERTY INTERESTS”)**

INSTRUCTIONS

In accordance with the instructions for us to value the Property Interests held by Emperor Entertainment Hotel Limited (hereinafter referred to as the “**Company**”, together with its subsidiaries, hereinafter together referred to as the “**Group**”), we confirm that we have carried out inspection, made relevant enquiries and carried out searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property Interests in existing state as at 31 October 2024 (the “**Valuation Date**”) for the purpose of incorporation in this circular. Our valuation is undertaken by qualified valuer with relevant experiences as an independent valuer. Our valuation is prepared in unbiased and professional manner.

We confirm that we do not have any material connection or involvement giving rise to a conflict of interest and are providing an objective and unbiased valuation.

BASIS OF VALUATION

In arriving at our opinion of the market value, we followed “The HKIS Valuation Standards” issued by The Hong Kong Institute of Surveyors (“**HKIS**”) and “The RICS Valuation – Global Standards” (the “**Red Book**”) issued by the Royal Institution of Chartered Surveyors (“**RICS**”), which incorporate the “International Valuation Standards” (“**IVS**”). Under the said standards, Market Value is defined as:-

“the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

“the estimated exchange price of an asset without regard to the seller’s costs of sale or the buyer’s costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.”

Market value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the market value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

Our valuation complies with the requirements set out in “The HKIS Valuation Standards” issued by HKIS, the “Red Book” issued by RICS and the Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by The Stock Exchange of Hong Kong Limited.

VALUATION METHODOLOGY

Our valuation has been undertaken using appropriate valuation methodology and our professional judgement. In our valuation, we have adopted Market Approach by making reference to the recent market sales evidence which are available in the open market. Appropriate adjustments have been made in our valuation to reflect the differences in the characteristics between the Property Interests and the comparable properties such as location, time, size, building age, layout, ancillary facilities and quality in arriving at our opinion on the market value.

VALUATION ASSUMPTIONS AND CONDITIONS

Our valuation is subject to the following assumptions and conditions.

TITLE DOCUMENTS AND ENCUMBRANCES

In our valuation, we have assumed good and marketable titles and that all documentation is satisfactorily drawn. We have also assumed that the Property Interests are not subject to any unusual or onerous covenants, restrictions, encumbrances or outgoing.

DISPOSAL COSTS AND LIABILITIES

No allowance has been made in our report for any charges, mortgages or amounts owing on the Property Interests nor for any expenses or taxation which may be incurred in effecting a sale.

SOURCES OF INFORMATION

We have relied to a very considerable extent on information given by the Company. We have accepted advice given to us on such matters as land tenure, occupancy status, floor areas and all other relevant matters. We have not verified the correctness of any information, whether in writing or verbally by yourselves, your representatives or by your legal or professional advisers or by any (or any apparent) occupier of the Property Interests or contained on the register of title. We assume that this information is complete and correct.

INSPECTION

We have inspected the Property Interests on 25 October 2024 by York Zen *MRICS MHKIS RICS Registered Valuer*. Nevertheless, we have assumed in our valuations that the Property Interests were in satisfactory exterior and interior decorative order without any unauthorized extension or structural alterations or illegal uses as at the Valuation Date, unless otherwise stated.

IDENTITY OF THE PROPERTY INTERESTS TO BE VALUED

We have exercised reasonable care and skill to ensure that the Property Interests, identified by the property addresses in your instructions, are the properties inspected by us and contained within our valuation report. If there is ambiguity as to the property addresses, or the extent of the Property Interests to be valued, this should be drawn to our attention in your instruction or immediately upon receipt of our report.

PROPERTY INSURANCE

We have valued the Property Interests on the assumption that, in all respects, it is insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

AREAS AND AGE

In our valuations, we have relied upon areas provided to us. We have also assumed that the measurements and dimensions shown on the documents handed to us are correct and in approximations only. We have scaled off the floor areas from the approved building plans in accordance with the Code of Measuring Practice by the Hong Kong Institute of Surveyors.

STRUCTURAL AND SERVICES CONDITION

We have carried out visual inspection only without any structural investigation or building survey. During our limited inspection, we did not inspect any inaccessible areas. We are unable to confirm whether the Property Interests are free from urgent or significant defects or items of disrepair or any deleterious materials have been used in the construction of the Property Interests. Our valuation has therefore been undertaken on the assumption that the Property Interests were in satisfactory repair and condition and contain no deleterious materials and they are sound order and free from structural faults, rot, infestation or other defects, and that the services are in satisfactory condition.

GROUND CONDITION

We have assumed there to be no unidentified adverse ground or soil conditions and that the load bearing qualities of the site of the Property Interests are sufficient to support the building constructed or to be constructed thereon; and that the services are suitable for any existing or future development. Our valuation is therefore prepared on the basis that no extraordinary expenses or delays will be incurred in this respect.

ENVIRONMENTAL ISSUES

We are not environmental specialists and therefore we have not carried out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor have we undertaken searches of public archives to seek evidence of past activities that might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect potential for contamination, our valuation is prepared on the assumption that the Property Interests are unaffected. Where contamination is suspected or confirmed, but adequate investigation has not been carried out and made available to us, then the valuation will be qualified.

COMPLIANCE WITH RELEVANT ORDINANCES AND REGULATIONS

We have assumed the Property Interests were constructed, occupied and used in full compliance with, and without contravention of any ordinance, statutory requirement and notices except only where otherwise stated. We have further assumed that, for any use of the Property Interests upon which this report is based, any and all required licenses, permits, certificates, consents, approvals and authorisation have been obtained, expected only where otherwise stated.

VALUATION ASSUMPTION

We have assumed that the owners of the Property Interests have free and uninterrupted rights to use and assign the Property Interests during the whole of the unexpired land-lease term granted subject to the payment of usual Government Rent.

REMARKS

Unless otherwise stated, all money amounts stated in our valuations are in Hong Kong Dollars (HK\$).

AREA CONVERSION

The area conversion factors in this report are taken as follows:

1 sq m = 10.764 sq ft

We enclose herewith our valuation certificate.

LIMITATIONS ON LIABILITY

In accordance with our standard practice, we must state that this report and valuation is for the use of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents. We do not accept liability to any third party or for any direct or indirect consequential losses or loss of profits as a result of this report.

In our valuations, Knight Frank has prepared the valuation based on the information and data available to us as at the Valuation Date. While the current market is influenced by various policies and regulations, increased global conflicts could add further fluctuations in real estate market. It must be recognised that enactment of emergency measures, changes in mortgage requirements or international tensions could be immediate and have sweeping impact on the real estate market apart from typical market variations. It should therefore be noted that any market violation, policy, geopolitical and social changes or other unexpected incidents after the Valuation Date may affect the value of the Property Interests.

Yours faithfully,

For and on behalf of

Knight Frank Petty Limited

Michelle Man

*MRICS MHKIS RICS Registered Valuer
Senior Director, Valuation & Advisory*

Cyrus Fong

*FRICS FHKIS RPS(GP) RICS Registered Valuer
Executive Director
Head of Valuation & Advisory, Greater China*

Note: Ms. Michelle Man is a Chartered Surveyor who has over 15 years of experience in market research, property valuation and consultancy services in the PRC, Hong Kong, Macau and Asia Pacific region.

Mr. Cyrus Fong is a Chartered Surveyor who has over 18 years of experience in market research, property valuation and consultancy services in the PRC, Hong Kong, Macau and Asia Pacific region.

VALUATION CERTIFICATE

Property Interests Held for Investment to be Disposed of by the Group

Property	Description	Particulars of Occupancy	Market Value in the Existing State as at the Valuation Date
The Unit Davis, No. 22 Davis Street, Kennedy Town, Hong Kong	<p>The Property Interests comprise a 22-storey serviced apartment building, namely The Unit Davis, located in Kennedy Town. The Property Interests provide 57 residential units. Ground Floor is devoted to a shop; 1st Floor is devoted to a function room; 2nd to 21st Floor are devoted to three residential units on each floor; and 22nd to 25th Floor are devoted to two residential units on each floor.</p> <p>As per the approved building plans, the subject site has a site area of approximately 2,506.94 sq ft. As per our scale-off measurement on the approved building plans and information provided by the Company, the Property Interests have a total gross floor area and saleable area of approximately 20,636.35 sq ft and 14,185.00 sq ft. As per the Occupation Permit No. HK1/2022, the Property Interests were completed in about 2022.</p> <p>The subject lots, The Remaining Portion of Sub-section 11 of Section A of Inland Lot No. 905, Section A of Sub-section 11 of Section A of Inland Lot No. 905 and The Remaining Portion of Section A of Inland Lot No. 905, are held under a Government Lease for a term of 999 years commencing from 24 September 1883.</p>	<p>As per our on-site inspection and information provided by the Company, the shop on Ground Floor is currently leased to Taste of Asia Group Limited subject to a tenancy with a term of three years from 1 April 2022 to 31 March 2025, at a monthly base rent of HK\$65,000 plus a turnover rent of 12% of the monthly gross sales turnover exceeding the monthly base rent, exclusive of rates and management fee and inclusive of government rent.</p> <p>The residential portion is currently fully leased, subject to 57 tenancies with the latest term expiring on 8 September 2025, at a total monthly rent of HK\$1,205,760.</p>	<p>HK\$275,000,000 (Hong Kong Dollars Two Hundred and Seventy Five Million)</p>

Notes:

- (1) The Property Interests were inspected by York Zen *MRICS MHKIS RICS Registered Valuer* on 25 October 2024.
- (2) Pursuant to records obtained from the Land Registry dated 29 October 2024 and information provided by the Company, the registered owner of the Property Interests as at the Valuation Date is The Davis Investment Limited (formerly known as “Fame Master Limited”), an indirect non-wholly owned subsidiary of the Company.
- (3) At the time of our recent search, the following encumbrances were registered against the Property Interests:-
 - (i) Deed of Mutual Grant of Right of Way with Plans dated 13 October 2004, registered vide Memorial No. UB9369453;
 - (ii) Offensive Trade Licence from District Lands Office, Hong Kong West & South dated 19 February 2021, registered vide Memorial No. 21031501170106; and
 - (iii) Occupation Permit (No. HK1/2022 (OP)) dated 13 January 2022, registered vide Memorial No. 22021002420033.
- (4) The Property Interests are erected on The Remaining Portion of Sub-section 11 of Section A of Inland Lot No. 905, Section A of Sub-section 11 of Section A of Inland Lot No. 905 and The Remaining Portion of Section A of Inland Lot No. 905, which are held under a Government Lease. The salient conditions are summarised below:-

Lot Number	:	Inland Lot No. 905
Lease Term	:	999 years commencing from 24 September 1883
Site Area	:	Approximately 70,000 sq ft
Government Rent	:	HK\$975 per annum
Major Special Conditions	:	Executors, Administrators or Assigns or any other person or persons shall not nor will, during the continuance of this demise, use, exercise or follow in or upon the said premises or any part thereof, the trade or business of a Brazier, Slaughterman, Soap-maker, Sugar-baker, Fellmonger, Melter of tallow, Oilman, Butcher, Distiller, Victualler or Tavern-keeper, Blacksmith, Nightman, Scavenger, or any other noisy, noisome or offensive trade or business whatever, without the previous licence of Her said Majesty, Her Heirs, Successors, or Assigns, signified in writing by the Governor of the said Colony of Hongkong, or other person duly authorized in that behalf.
- (5) The Property Interests fall within an area zoned “Residential (Group A)” under Hong Kong Planning Area No. 1 – Approved Kennedy Town & Mount Davis Outline Zoning Plan No. S/H1/24 approved on 3 October 2023.

(6) The general description and market information of the Property Interests are summarised below:-

Location	:	The Property Interests are located at No. 22 Davis Street, Kennedy Town, Hong Kong.
Transportation	:	Hong Kong International Airport and Kennedy Town MTR Station are located approximately 34.7 kilometres and 200 metres away from the Property Interests respectively.
Nature of Surrounding Area	:	The area is predominately a residential area in Kennedy Town.

(7) In the course of our valuation of the Property Interests, we have considered and analysed residential and retail sale comparables. The residential and retail comparables collected on an exhaustive basis are considered relevant to the Property Interest in terms of property type, location, building age, size and transaction date.

A total four residential sale comparables located in Kennedy Town, with a building age within 6 years from the completion year of the Property Interest, transacted within 6 months on or before the Valuation Date and with a saleable area of not greater than 650 sq ft have been identified and analysed. The unit rates of the adopted residential sale comparables range from HK\$18,352 to HK\$20,393 per sq ft on the basis of effective saleable area. The following table shows the details of residential sale comparables with the adopted adjustments:

	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Development	The Hudson	The Highline	The Highline	Imperial Kennedy
Address	No. 11 Davis Street	No. 33 Catchick Street	No. 33 Catchick Street	No. 68 Belcher's Street
District	Kennedy Town	Kennedy Town	Kennedy Town	Kennedy Town
Year of Completion	2016	2024	2024	2016
Property Type	Residential	Residential	Residential	Residential
Floor	23/F	19/F	23/F	23/F
Unit	A	H	J	B
Effective Saleable Area (sq ft)	544	252	211	613
View	Building View	Building View	Building View	Building View
Nature	Agreement for Sale & Purchase	Agreement for Sale & Purchase	Supplemental Agreement for Sale & Purchase	Agreement for Sale & Purchase
Date of Instrument	20 May 2024	21 June 2024	26 July 2024	14 June 2024
Consideration (HK\$)	11,000,000	4,978,000	4,303,000	11,250,000
Effective Saleable Unit Rate (HK\$/sq ft)	20,221	19,754	20,393	18,352
Adjustment				
Time	(4.4%)	(3.4%)	(1.7%)	(3.4%)
Location	Nil	Nil	Nil	Nil
Building Age	1.5%	(0.5%)	(0.5%)	1.5%
Floor Level	(8.0%)	(4.0%)	(8.0%)	(8.0%)
Size	1.4%	(0.1%)	(0.3%)	1.7%
View	Nil	Nil	Nil	Nil
Internal Condition/Service Provision	5.0%	5.0%	5.0%	5.0%
Adjusted Effective Saleable Unit Rate (HK\$/sq ft)	19,219	19,117	19,211	17,676

Adjustments in terms of different aspects, including time, location, building age, floor level, size and view etc., have been made to the unit rates of the adopted comparables. After due adjustments in terms of the aforesaid aspects, the adjusted unit rates of the adopted residential sale comparables range from HK\$17,676 to HK\$19,219 per sq ft on the basis of effective saleable area. The four adjusted unit rates of residential sale comparables are assigned with the same weight and represent a weighted average of HK\$18,800 per sq ft on the basis of effective saleable area for the benchmark unit.

Further adjustments in terms of floor, size and view have been made to the adopted unit rates of each residential unit of the Property Interest, based on the benchmark unit rate of HK\$18,800 per sq ft. After due adjustments in terms of the aforesaid aspects, the adjusted unit rates of each residential unit of the Property Interest range from HK\$16,857 to HK\$21,364 per sq ft on the basis of effective saleable area, which represents an average residential unit rate of HK\$18,869 per sq ft on the basis of effective saleable area. The Market Value of the residential portion of the Property Interest with a total effective saleable area of 13,579.25 sq ft is hence circa HK\$256,200,000.

A total three retail sale comparables located in Kennedy Town, with a building age within 60 years from the completion year of the Property Interest, transacted within 12 months on or before the Valuation Date and with a saleable area of not greater than 700 sq ft have been identified and analysed. The unit rates of the adopted retail sale comparables range from HK\$19,839 to HK\$28,333 per sq ft on the basis of effective saleable area. The following table shows the details of retail sale comparables with the adopted adjustments:

	Comparable 1	Comparable 2	Comparable 3
Development	Yip Cheung Building	Jade Court	Sincere Western House
Address	Nos. 4-16 Hill Road	No. 35A Belcher's Street	Nos. 42-56 Forbes Street
District	Kennedy Town	Kennedy Town	Kennedy Town
Year of Completion	2016	2024	2024
Property Type	Retail	Retail	Retail
Floor	G/F	G/F	G/F
Unit	7	33	18
Effective Saleable Area (sq ft)	440	240	630
Nature	Agreement for Sale & Purchase	Agreement for Sale & Purchase	Supplemental Agreement for Sale & Purchase
Date of Instrument	15 November 2023	4 July 2024	3 November 2023
Consideration (HK\$)	9,500,000	6,800,000	12,300,000
Effective Saleable Unit Rate (HK\$/sq ft)	21,591	28,333	19,839
Adjustment			
Time	(13.8%)	(2.2%)	(13.8%)
Location	Nil	Nil	Nil
Building Age	5.2%	4.1%	5.7%
Floor Level	Nil	Nil	Nil
Size	(5.1%)	(7.1%)	(3.3%)
View	Nil	Nil	Nil
Frontage	(7.5%)	0.0%	(8.2%)
Adjusted Effective Saleable Unit Rate (HK\$/sq ft)	17,187	26,816	16,045

Adjustments in terms of different aspects, including time, location, building age, floor level, size and view etc., have been made to the unit rates of the adopted comparables. After due adjustments in terms of the aforesaid aspects, the adjusted unit rates of the adopted retail sale comparables range from HK\$16,045 to HK\$26,816 per sq ft on the basis of effective saleable area. The three adjusted unit rates of retail sale comparables are assigned with the same weight and represent a weighted average of HK\$20,000 per sq ft on the basis of effective saleable area.

The adopted unit rate of the retail unit of the Property Interest is HK\$20,000 per sq ft on the basis of effective saleable area. The Market Value of the retail portion of the Property Interest with a total effective saleable area of 945.00 sq ft is hence circa HK\$18,900,000.

The Market Value of the Property Interest with a total effective saleable area of 14,524.25 sq ft is hence circa HK\$275,000,000 after rounding.

FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three years ended 31 March 2022, 31 March 2023 and 31 March 2024 are disclosed in the following documents which have been published on the website of the Stock Exchange at <https://www.hkexnews.hk>, and the website of the Company at <https://www.Emp296.com>

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

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0713/2022071300386.pdf>

Annual report of the Company for the year ended 31 March 2023:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0720/2023072000592.pdf>

Annual report of the Company for the year ended 31 March 2024:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0717/2024071700269.pdf>

A. INDEBTEDNESS

At the close of business on 30 September 2024 (being the latest practicable date for ascertaining information regarding this indebtedness statement), the Group had an aggregate outstanding indebtedness amounting to approximately HK\$648.2 million, which consists of:

Other borrowings

The Group had amounts due to non-controlling interests of subsidiaries of approximately HK\$39.5 million which are unsecured, unguaranteed, interest-free and to be repaid from surplus fund of the subsidiaries, representing cash available in these subsidiaries after paying all operating expenses and payables, including but not limited to bank loans and third party loans which are due for repayment together with accrued interest.

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 2024, the Group had total lease liabilities of approximately HK\$26.3 million.

Pledge of assets

- (i) Certain assets of the Group with total carrying values of approximately HK\$586.6 million were pledged to a bank to secure for a banking facility of approximately HK\$419.7 million granted by the bank to the Group and the banking facility was not utilised at the close of business on 30 September 2024.

- (ii) The Group pledged a bank deposit of approximately HK\$31.5 million to a bank for obtaining a bank facility granted to a wholly-owned subsidiary of the Company. The bank facility entails a bank guarantee amounting up to MOP30.9 million (equivalent to HK\$30.0 million) for the period up to 31 December 2026, which is made in favour of SJM Resorts, S.A. (“SJM”) for the Group’s fulfilment of all its obligations of provision of services in the casino by the Group to SJM, as stipulated under a service agreement entered into between the wholly-owned subsidiary of the Company and SJM on 30 December 2022 (as supplemented by an addendum dated 26 April 2023).
- (iii) The Group also pledged a bank deposit of approximately HK\$0.3 million to a bank to secure for the use of ferry ticket equipment provided by a third party to the Group.

Disclaimer

Save for the aforesaid and apart from intra-group liabilities including the reimbursement of administrative expenses within any member of the Group to any of the intra-group lenders, at the close of business on 30 September 2024, 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.

B. WORKING CAPITAL

After taking into account the present internal financial resources available to the Group, including cash and bank balances, the available banking facility as well as the financial effect of the Disposal, 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. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

C. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save for the profit warning announcement dated 1 November 2024, 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 2024, being the date to which the latest audited consolidated financial statements of the Group were made up.

D. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

With an increase in offering of leasing apartments to professionals, expatriates and overseas students, the market landscape of long-stay hospitality are becoming intense. However, with a signature hotel and several blocks of leasing apartments buildings located in prime areas on Hong Kong Island, particularly in light of the expanding middle class, the Group believes that outbound tourism from Mainland China will continue growing and is optimistic about the sustainable long-term growth in market demand for hospitality services.

Macau remains the world's largest gaming market and is a leading leisure and entertainment hub in Asia. It is not just popular with Mainland Chinese tourists, but also with tourists from Hong Kong and Taiwan, as well as other countries in Asia. With the support from tourism initiatives, further expansion of Mainland China's individual visit scheme and enhanced transportation infrastructure connecting to nearby cities, the Group is confident regarding the outlook for market growth in Macau.

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 corporations (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 for Securities Transactions by Directors adopted by the Company (“**Model Code**”), to be notified to the Company and the Stock Exchange:

(a) Long position interests in the Company

(i) Shares

Name of Directors	Capacity/ Nature of interests	Number of issued Shares interested	Approximate % of issued voting Shares
Ms. Luk Siu Man, Semon (“ Ms. Semon Luk ”)	Interest of spouse	636,075,041 <i>(Note)</i>	53.52
Ms. Fan Man Seung, Vanessa	Beneficial owner	2,430,750	0.20

Note: These Shares were held by Emperor International Group Holdings Limited (“**Emperor International Group Holdings**”), a wholly-owned subsidiary of Albert Yeung Holdings Limited (“**AY Holdings**”) which was held by First Trust Services AG (“**First Trust Services**”), being the trustee of a private discretionary trust founded by Dr. Yeung who was deemed to have interests in the said Shares. By virtue of being the spouse of Dr. Yeung, Ms. Semon Luk also had deemed interests in the same Shares.

(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 issued shares interested	Approximate % of issued voting shares
Ms. Semon Luk	Emperor International Holdings Limited ("Emperor International")	Interest of spouse	4,121,416,834 (Note)	74.71
	Emperor Watch & Jewellery Limited ("Emperor W&J")	- Ditto -	4,298,630,000 (Note)	63.41
	Emperor Culture Group Limited ("Emperor Culture")	- Ditto -	2,371,313,094 (Note)	73.80
	Ulferts International Limited ("Ulferts")	- Ditto -	600,000,000 (Note)	75.00
	New Media Lab ("New Media Lab")	- Ditto -	315,000,000 (Note)	52.50
Ms. Fan Man Seung, Vanessa	Emperor International	Beneficial owner	15,750,000	0.29

Note: Emperor International, Emperor W&J, Emperor Culture, Ulferts and New Media Lab are companies with their shares listed on the Stock Exchange. These shares were ultimately owned by the respective private discretionary trusts which were also founded by Dr. Yeung. By virtue of being the spouse of Dr. Yeung, Ms. Semon Luk had deemed interests in the same shares.

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 corporations (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 which would fall to be disclosed to the Company under the provisions of Divisions 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 Directors or chief executives of the Company, the following persons or corporations (other than Directors or chief executives of the Company) who had, or were deemed or taken to have an interest or 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	Approximate % of issued voting Shares
AY Holdings	Interest in a controlled corporation	636,075,041 (L)	53.52
First Trust Services	Trustee of a private discretionary trust	636,075,041 (L)	53.52
Dr. Yeung	Founder of a private discretionary trust	636,075,041 (L)	53.52

(L) = Long Position

Note: These Shares were the same Shares of which Ms. Semon Luk had deemed interests as those set out under Section 2(a) 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, or, 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, none of the Directors nor their respective close associates had any interest in business which is considered to compete or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

6. DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, save for the Sale and Purchase Agreement and the agreement listed below, there was no other contract or arrangement subsisting in which any Directors (excluding Ms. Semon Luk who has deemed interest) was materially interested and which was significant in relation to the business of the Group since 31 March 2024 (being the date to which the latest published audited financial statements of the Company were made up).

- The master leasing agreement dated 23 March 2023 entered into between the Company and Emperor W&J in relation to the tenancy transactions thereunder.

7. DIRECTORS' INTERESTS IN ASSETS

On 24 May 2024, Emperor Property Development Limited (“**Emperor Property Development**”), a direct wholly-owned subsidiary of Emperor International, entered into a sale and purchase agreement with Poly Keen International, an indirect non-wholly owned subsidiary of the Company, pursuant to which Emperor Property Development agreed to sell and Poly Keen International agreed to purchase (a) the entire equity interest of Star Omen Limited, which was the then indirect wholly-owned subsidiary of Emperor International, and (b) the entire amount of the loan due and payable by Star Omen Limited to Emperor Property Development as at the completion subject to the terms and conditions set out in the said agreement (“**2024 Transaction**”). Details of the 2024 Transaction are disclosed in the Company’s circular dated 3 July 2024. The 2024 Transaction was completed on 19 July 2024 and the consideration was approximately HK\$665.2 million. Ms. Semon Luk, the Chairperson and a non-executive Director, was deemed to be interested in such acquired assets by virtue of being an associate of the eligible beneficiaries of the private discretionary trust that ultimately owns the Company.

As at the Latest Practicable Date, save as disclosed above, none of the Directors had any direct or indirect interests in any assets which have been, since 31 March 2024 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

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

- (i) the sale and purchase agreement under item 7 above; and
- (ii) the Sale and Purchase Agreement.

Save as disclosed above, there are no material contracts (not being contracts in respect of transactions in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this circular.

10. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice which are contained in this circular:

Name	Qualification
Knight Frank Petty Limited	Independent qualified valuer

As at the Latest Practicable Date, the above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and report (as the case may be) and reference to its name, in the form and context in which it appears. As at the Latest Practicable Date, the above expert:

- (a) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group; or
- (b) did not have any interest, either directly or indirectly, in any assets which have been, since the date to which the latest published audited financial statements of the Company were made up (i.e. 31 March 2024), acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

11. 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.Emp296.com>) in accordance with the Listing Rules for 14 days from the date of this circular:

- (a) the Sale and Purchase Agreement;
- (b) the property valuation report as set out in Appendix I to this circular;
- (c) the written consent referred to in the paragraph headed “Expert and Consent” in this Appendix.

12. MISCELLANEOUS

- (a) The company secretary of the Company is Ms. Fung Pui Ling, who is a Fellow of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. She has over 25 years' experience in corporate governance field.
- (b) The Hong Kong branch share registrar and transfer office of the Company is Tricor Secretaries Limited.
- (c) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (d) The head office and principal place of business of the Company is 28th Floor, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong.
- (e) The English text of this circular shall prevail over its Chinese text.