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英皇集團（國際）有限公司*
Emperor International Holdings Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 163)



英皇娛樂酒店有限公司*
Emperor Entertainment Hotel Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 296)

(1) MAJOR DISPOSAL

AND
(2) PROPOSED SPECIAL DIVIDEND

**(1) VERY SUBSTANTIAL ACQUISITION
AND CONNECTED TRANSACTION**

AND
(2) PROPOSED SPECIAL DIVIDEND

SP AGREEMENT

On 16 March 2021 (after trading hours), the Vendor and the Purchaser entered into the SP Agreement, pursuant to which, the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase the entire equity interest in the Target Company and the loan due from the Target Company to the Vendor at a consideration of approximately HK\$2,083 million (subject to adjustments), which was determined after arm's length negotiation between the Vendor and the Purchaser with reference to the business valuation of the Target Group as stated in the Preliminary Assessment Letter (having taken into account of the valuation of the Properties and the then financial position of the Target Group). For details, please refer to the section headed "Consideration and payment terms" in this announcement.

PROPOSED EMPEROR INTERNATIONAL SPECIAL DIVIDEND

The Board of Emperor International proposes to declare a special dividend of HK1.0 cent per Emperor International Share in connection with Completion. A meeting of the Board in respect of the declaration of the special dividend will be convened. Further announcement(s) regarding book close dates, record date and payment date of the special dividend will be made in due course.

* for identification purpose only

PROPOSED EMPEROR E HOTEL SPECIAL DIVIDEND

In recognition of support by Emperor E Hotel Shareholders, the Board of Emperor E Hotel proposes to declare a special dividend of HK5.0 cents per Emperor E Hotel Share. A meeting of the Board in respect of the declaration of the special dividend will be convened. Further announcement(s) regarding book close dates, record date and payment date of the special dividend which fall after Completion will be made in due course.

THE SPECIAL DIVIDENDS OF BOTH COMPANIES MAY OR MAY NOT BE DECLARED AND PAID. SHAREHOLDERS AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF EMPEROR INTERNATIONAL AND EMPEROR E HOTEL.

LISTING RULES IMPLICATIONS

Emperor International

The Transaction constitutes a major disposal for Emperor International under Chapter 14 of the Listing Rules and is subject to announcement, circular and shareholders' approval and reporting requirements under the Listing Rules.

Emperor E Hotel

The Transaction constitutes a very substantial acquisition and connected transaction for Emperor E Hotel under Chapter 14 and Chapter 14A of the Listing Rules and is subject to announcement, circular, independent shareholders' approval and reporting requirements under the Listing Rules.

The Boards announce that, on 16 March 2021 (after trading hours), the Vendor and the Purchaser entered into the SP Agreement as follows:

SP AGREEMENT

Date: 16 March 2021

Vendor: Emperor Hotel Group

Purchaser: Emperor Hotel Investment

Subject matter

Pursuant to the SP Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Share and the Sale Loan.

Consideration and payment terms

Subject to the adjustments as disclosed under the section headed “Consideration adjustment”, the Consideration payable by the Purchaser to the Vendor shall be approximately HK\$2,083 million which shall be payable in the following manner:

- (a) 90% of the Consideration shall be paid on the Completion Date; and
- (b) the balance of the Consideration, subject to adjustments stated below and pursuant to the SP Agreement, shall be paid within 60 Business Days following the Completion Date (or such other date as mutually agreed by the Vendor and the Purchaser).

The Consideration (or any part thereof) shall be settled by the Purchaser by cash transfer to the designated bank account(s) of the Vendor or such other method as mutually agreed by the Vendor and the Purchaser from time to time.

The Consideration was determined after arm’s length negotiation between the Vendor and the Purchaser with reference to the business valuation of the Target Group of approximately HK\$2,083 million as stated in the Preliminary Assessment Letter (having taken into account of the aggregated valuation of the Properties of HK\$2,015 million and the then financial position of the Target Group) as at 31 January 2021 and subject to adjustments arising from Bring-down Valuation.

Consideration adjustment

Pursuant to the SP Agreement, within 60 Business Days following Completion (or such other date as mutually agreed by the Purchaser and the Vendor), the Vendor and the Purchaser shall verify all the relevant matters in the Completion Account and settle the Verification Account jointly with reference to the valuation stated in the Bring-down Valuation. The Consideration shall be adjusted according to the Bring-down Valuation (having taken into account the Verification Account).

If the valuation stated in the Bring-down Valuation shall be less than the valuation as stated in the Preliminary Assessment Letter, the Consideration shall be adjusted downwards on a dollar for dollar basis. Such adjusted downwards amount shall be payable by the Vendor to the Purchaser.

If the valuation stated in the Bring-down Valuation shall be more than the valuation as stated in the Preliminary Assessment Letter, the Consideration shall be adjusted upwards on a dollar for dollar basis. Such adjusted upwards amount shall be payable by the Purchaser to the Vendor.

Conditions Precedent

Completion is conditional upon the following conditions precedent having been satisfied:–

- (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 Property Holding Companies' respective good title to the Properties in accordance with Section 13 of the Conveyancing and Property Ordinance and delivered to the Purchaser title deeds and documents in accordance with Section 13A of the Conveyancing and Property Ordinance; and
- (c) the obtaining of all required approvals at Emperor International SGM and Emperor E Hotel SGM for the SP Agreement and the transaction contemplated thereunder.

In the event that any of the foregoing conditions is not fulfilled (or waived by the Purchaser, except condition (c) above which cannot be waived) in accordance with the SP Agreement within 9 months from the date of the SP Agreement, the Purchaser shall be entitled to terminate the SP Agreement by notice in writing to the Vendor whereupon, subject to the terms of the SP Agreement, the Vendor shall return to the Purchaser all money paid by the Purchaser to the Vendor under the SP Agreement (if any) forthwith without costs, compensation and interest and neither the Vendor nor the Purchaser 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 condition (c) 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 the Purchaser in writing) pursuant to the SP Agreement.

Immediately after Completion, the Target Company will become a non-wholly owned subsidiary of Emperor E Hotel; on the other hand, the Target Company will become a non-wholly owned subsidiary of Emperor International (through its shareholdings in Emperor E Hotel).

After Completion, Emperor International will focus on property investment and property development with Emperor E Hotel as its subsidiary continuing to operate hotel and hotel related business.

INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in BVI and an indirect wholly-owned subsidiary of Emperor International. The principal businesses of the Target Company is investment holding of companies engaged in property investment and hospitality business in Hong Kong.

Prior to entering into the SP Agreement, Emperor International has restructured the equity interest of the Property Holding Companies and their operator companies so that they were grouped under one company being the Target Company.

For the purpose of this announcement, assuming the above restructuring has been implemented since 1 April 2018, the unaudited combined financial information of the Target Group for the two years ended 31 March 2019 and 2020 is set out below:

	For the year ended 31 March 2020 (unaudited) HK\$'000	For the year ended 31 March 2019 (unaudited) HK\$'000
Revenue	101,921	153,818
Net profit/(loss) before taxation <i>(Note)</i>	596,680	(49,190)
Net profit/(loss) after taxation <i>(Note)</i>	606,920	(49,279)

Note: During the year ended 31 March 2020, the Target Group had disposed of certain properties internally to an indirect wholly-owned subsidiary of Emperor International. Such internal restructuring resulted in a one-off disposal gain of approximately HK\$760 million for the year ended 31 March 2020 at the combined account of the Target Group. For illustration purpose, the adjusted net loss before taxation and the adjusted net loss after taxation for the year ended 31 March 2020 would be HK\$164 million and HK\$153 million respectively, excluding the one-off disposal gain.

The aggregated valuation of the Properties as at 31 March 2019 and 31 March 2020 were approximately HK\$2,701 million and HK\$2,147 million respectively. The unaudited combined total asset value and net liabilities of the Target Group as at 31 January 2021 were approximately HK\$2,085 million and HK\$195 million respectively. As at 31 January 2021, the aggregated valuation of the Properties as set out in the Preliminary Assessment Letter was HK\$2,015 million.

Information of the Properties

The Properties are as follows:

- (1) The Emperor Hotel – It is a 29-storey hotel with a gross floor area of 115,728 square feet. Located in Wan Chai, Hong Kong, it is a signature hotel project under “Emperor” brand in Hong Kong and offers 299 guest rooms together with leisure, dining and parking facilities. Golden Valley, a Cantonese and Sichuan cuisine inside this hotel, was labelled as Michelin 1-star restaurant previously.

- (2) The Unit Serviced Apartments – It is a 21-storey composite building with G/F to 1/F devoted to retail use whilst upper floors accommodate 68 serviced apartments in Happy Valley, Hong Kong. It is a highly sought-after residence given its ease of access to the central business district, helping to ensure solid short-term leasing demand especially from the MICE visitors.
- (3) MORI MORI Serviced Apartments – It is a 12-storey composite building with G/F to 2/F devoted to retail/office uses whilst upper floors accommodate 18 stylish serviced apartments with state-of the-art facilities and professional customer services. Situated at the vibrant junction of Wan Chai and Causeway Bay in Hong Kong, it is ideal for expats, MICE visitors, business travelers and overseas professionals, on both short-and-long term leases.

Original acquisition costs of the Properties

Based on the information provided by the Vendor, the original acquisition costs of the Properties through construction and acquisition paid by the Property Holding Companies were approximately HK\$2,027 million.

INFORMATION OF EMPEROR INTERNATIONAL AND THE VENDOR

Emperor International 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 Emperor International with principal business of investment holding.

INFORMATION OF EMPEROR E HOTEL AND THE PURCHASER

Emperor E Hotel is an investment holding company and its subsidiaries are principally engaged in provision of entertainment and hospitality services in Macau. The Purchaser is an indirect non-wholly owned subsidiary of Emperor E Hotel with principal business of investment holding.

POSSIBLE FINANCIAL EFFECT OF THE TRANSACTION ON EMPEROR INTERNATIONAL

Having taken into account of the Sale Share and the Sale Loan, upon Completion, each company of the Target Group shall remain as a subsidiary of Emperor International, and the Target Group's results will continue to be consolidated into the financial statements of Emperor International. Accordingly, it is expected that there will be no gain or loss arising on the Transaction for Emperor International. Emperor International Shareholders should note that the actual amount of gain/loss on the Transaction to be recorded by Emperor International Group (if any) will be subject to review by the auditors of Emperor International.

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

The net proceeds of approximately HK\$2,082 million from the Transaction for Emperor International will be applied as to: (i) approximately HK\$36.8 million as payment of Emperor International Special Dividend, if approved by the Board of Emperor International; and (ii) the balance of approximately HK\$2,045 million as working capital of Emperor International, including property investments and property construction projects.

EMPEROR INTERNATIONAL SPECIAL DIVIDEND

The Board of Emperor International proposes to declare a special dividend of HK1.0 cent per Emperor International Share in connection with Completion. The Emperor International Special Dividend is subject to the approval at the Board meeting to be convened to declare the special dividend and Completion. Further announcement(s) regarding book close dates, record date and payment date of the special dividend will be made in due course.

EMPEROR E HOTEL SPECIAL DIVIDEND

In recognition of support by Emperor E Hotel Shareholders, the Board of Emperor E Hotel proposes to declare a special dividend of HK5.0 cents per Emperor E Hotel Share. The Emperor E Hotel Special Dividend is subject to the approval at the Board meeting to be convened to declare the special dividend and Completion. Further announcement(s) regarding the book close dates, record date and payment date of the special dividend will be made in due course.

REASONS FOR AND BENEFITS OF THE TRANSACTION, EMPEROR INTERNATIONAL SPECIAL DIVIDEND AND EMPEROR E HOTEL SPECIAL DIVIDEND

Emperor E Hotel has been engaging in the provision of hospitality services with entertainment facilities in Macau for decades. It has been searching for suitable opportunities from time to time with an aim of expansion of its hospitality business. The Transaction will enable Emperor E Hotel to expand its business coverage beyond Macau and widen the income source. Upon Completion, Emperor International will focus on property investment and property development, while Emperor E Hotel will remain its core focus on gaming hotel, with an extension of market presence in the regional hospitality sector. The Transaction can achieve better delineation of assets, resources (both tangible and intangible) and business activities among Emperor International and Emperor E Hotel, and streamline the decision-making process of respective management teams. It would also enable potential investors, existing Emperor International Shareholders and Emperor E Hotel Shareholders to better assess the investment values by clearly distinguishing the business focus between Emperor International and Emperor E Hotel.

The management of Emperor E Hotel has assessed the financial position and cashflow requirements of Emperor E Hotel Group regularly to ensure that it maintains the greatest flexibility to optimise the application of its financial resources for the best interest of Emperor E Hotel and Emperor E Hotel Shareholders. The management of Emperor E Hotel considered the Transaction a good opportunity to utilise its financial resources by acquiring several hotel and hotel related properties at softening valuation when the tourism and hospitality sectors have been experiencing unprecedented challenges since the outbreak of COVID-19 pandemic. The management of Emperor E Hotel also considered that, assuming Completion has taken place, given that Emperor E Hotel Group has a low indebtedness level and high net current asset value, Emperor E Hotel Group will still retain sufficient financial resources and thus it is appropriate to distribute Emperor E Hotel Special Dividend in recognition of Emperor E Hotel Shareholders' support.

Emperor E Hotel takes a positive stance towards the hospitality services particularly in Hong Kong and Macau, as these two cities are regarded as tourist hubs integrating shopping, fine-dining, entertainment and leisure facilities, and targeting mass tourists as well as big spenders of mainland Chinese in the long-run, and believes the hospitality sector will recover swiftly as soon as the COVID-19 pandemic is well contained and the corresponding travel restrictions are lifted. The demand of serviced apartments will resurge accordingly as the business travels will be resumed, given that Hong Kong remains the key gateway for access to China's capital market and continues to play an important role within the Greater Bay Area.

In respect of Emperor International, the Transaction will enable it to realise its capital investment in the Target Group. The sales proceeds of approximately HK\$2,083 million (subject to adjustments) will strengthen its financial position and enhance its financial flexibility for future investment opportunities. Also, the management of Emperor International considered that the Emperor International Special Dividend provides an opportunity for Emperor International Shareholders to share in the fruit of the Transaction.

The respective Boards (including the independent non-executive directors of Emperor International but excluding independent non-executive directors of Emperor E Hotel who will provide their views in the circular after considering the opinion of an independent financial adviser) are of the view that the terms of the SP Agreement are fair and reasonable and that they are on normal commercial terms and in the interests of both Emperor International and Emperor E Hotel and their respective shareholders as a whole.

IMPLICATION OF THE LISTING RULES

Emperor International

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Transaction exceeds 25% but less than 100%, the Transaction constitutes a major disposal of Emperor International under Chapter 14 of the Listing Rules. Accordingly, the Transaction is subject to announcement, circular, shareholders' approval and reporting requirements under Chapter 14 of the Listing Rules.

Mr. Wong Chi Fai and Ms. Fan Man Seung, Vanessa, being common directors of Emperor International and Emperor E Hotel, did abstain from voting on the relevant board resolution(s) of Emperor International to approve the Transaction.

Ms. Luk Siu Man, Semon, the Chairperson and a non-executive Director and Mr. Yeung Ching Loong, Alexander, an executive Director, did abstain from voting on the relevant board resolution(s) of Emperor International in view of their deemed interest in the Transaction by virtue of being an associate of the eligible beneficiaries and one of the eligible beneficiaries respectively of the private discretionary trust which ultimately owns effective interest in Emperor E Hotel as to 52.51%.

Save as disclosed above, none of the other Emperor International Directors was required to abstain from voting on the board resolution(s) to approve the Transaction.

Emperor E Hotel

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Transaction exceeds 100%, the Transaction constitutes a very substantial acquisition of Emperor E Hotel under Chapter 14 of the Listing Rules. Given that Emperor E Hotel is indirectly owned as to approximately 70.28% by Emperor International, Emperor International is a connected person of Emperor E Hotel. Accordingly, the Transaction also constitutes a connected transaction for Emperor E Hotel under Chapter 14A of the Listing Rules and is subject to announcement, circular, independent shareholders' approval and reporting requirements under Chapter 14 and Chapter 14A of the Listing Rules.

An Independent Board Committee comprising all independent non-executive directors of Emperor E Hotel has been established to advise the Independent Shareholders of Emperor E Hotel in respect of the terms of the SP Agreement and the transaction contemplated thereunder and an independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders of Emperor E Hotel in the same regard.

Mr. Wong Chi Fai and Ms. Fan Man Seung, Vanessa, being common directors of Emperor International and Emperor E Hotel, did abstain from voting on the relevant board resolution(s) of Emperor E Hotel to approve the Transaction.

Ms. Luk Siu Man, Semon, the Chairperson and a non-executive Director, did abstain from voting on the relevant board resolution(s) of Emperor E Hotel in view of her deemed interest in the Transaction by virtue of being an associate of the eligible beneficiaries of the private discretionary trust which ultimately owns Emperor International as to 74.71%.

Save as disclosed above, none of the other Emperor E Hotel Directors was required to abstain from voting on the board resolution(s) to approve the Transaction.

GENERAL

A circular containing, amongst other, (i) further details of the Transaction; (ii) the financial information of the Target Group; (iii) the valuation report of the Target Group; (iv) the financial information of Emperor International Group; (v) other information as required under the Listing Rules; and (vii) a notice of Emperor International SGM is expected to be despatched to Emperor International Shareholders on or before 19 April 2021 in order to allow Emperor International sufficient time to prepare the necessary information for inclusion in the circular.

A circular containing, amongst other, (i) further details of the Transaction; (ii) the financial information of the Target Group; (iii) a letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders of Emperor E Hotel regarding the Transaction; (iv) the unaudited pro forma financial information of Emperor E Hotel Group upon Completion; (v) the valuation report of the Target Group; (vi) the financial information of Emperor E Hotel Group; (vii) other information as required under the Listing Rules; and (viii) a notice of Emperor E Hotel SGM is expected to be despatched to Emperor E Hotel Shareholders on or before 19 April 2021 in order to allow Emperor E Hotel sufficient time to prepare the necessary information for inclusion in the circular.

THE SPECIAL DIVIDENDS OF BOTH COMPANIES MAY OR MAY NOT BE DECLARED AND PAID. SHAREHOLDERS AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF EMPEROR INTERNATIONAL AND EMPEROR E HOTEL.

TERMS USED IN THIS JOINT ANNOUNCEMENT

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

“associate”	has the same meaning as ascribed to it in the Listing Rules
“Board” or “Directors”	the board of directors of Emperor International and/or Emperor E Hotel (as the case maybe)

“Bring-down Valuation”	the valuation report of the Target Group prepared by the independent valuer, valuing 100% equity interest of the Target Group as of the Completion Date
“Business Day(s)”	a day other than a Saturday, Sunday or public holiday (or 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 open in Hong Kong to the general public for business
“BVI”	the British Virgin Islands
“Completion”	the completion of the Transaction in accordance with the terms and conditions of the SP Agreement
“Completion Account”	unaudited combined statement of financial position of the Target Group as at the Completion Date and unaudited combined statement of profit or loss and other comprehensive income of the Target Group for the period from 1 April 2020 to the Completion Date, prepared in accordance with accounting principles and practices generally accepted in Hong Kong and in compliance with the Companies Ordinance, with value of the Properties marked to that set out in the Preliminary Assessment Letter, to be delivered to the Purchaser pursuant the SP Agreement
“Completion Date”	within 5 Business Days following satisfaction (or waived by the Purchaser as appropriate) under the section headed “Conditions Precedent” in the announcement of all the conditions precedent to Completion pursuant to the SP Agreement
“connected person (s)”	has the same meaning as ascribed to it in the Listing Rules
“Consideration”	the consideration of the Transaction
“Emperor E Hotel”	Emperor Entertainment Hotel Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 296)
“Emperor E Hotel Group”	Emperor E Hotel and its subsidiaries from time to time

“Emperor E Hotel SGM”	means the special general meeting of Emperor E Hotel to be convened for the purpose of approving the SP Agreement and the transaction contemplated thereunder
“Emperor E Hotel Share(s)”	ordinary share(s) of HK\$0.0001 each in the share capital of Emperor E Hotel
“Emperor E Hotel Shareholder(s)”	holder(s) of Emperor E Hotel Share(s)
“Emperor E Hotel Special Dividend”	the cash dividend of HK5.0 cents per Emperor E Hotel Share payable to all Emperor E Hotel Shareholders subject to the approval of the Board of Emperor E Hotel and Completion
“Emperor International”	Emperor International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 163)
“Emperor International Group”	Emperor International and its subsidiaries from time to time
“Emperor International SGM”	means the special general meeting of Emperor International to be convened for the purpose of approving the SP Agreement and the transaction contemplated thereunder;
“Emperor International Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of Emperor International
“Emperor International Shareholder(s)”	holder(s) of Emperor International Shares
“Emperor International Special Dividend”	the cash dividend of HK1.0 cent per Emperor International Share payable to all Emperor International Shareholders subject to the approval of the Board of Emperor International and Completion
“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 Board Committee”	the independent committee of the Board comprising all of the independent non-executive directors of Emperor E Hotel, established to advise the Independent Shareholders of Emperor E Hotel in respect of the Transaction
“Independent Shareholders of Emperor E Hotel”	Emperor E Hotel Shareholders who do not have material interest in the Transaction contemplated under the SP Agreement
“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
“Preliminary Assessment Letter”	the preliminary valuation of the Target Group prepared by the independent valuer, valuing 100% equity interest of the Target Group as of 31 January 2021
“Property(ies)”	(i) The Emperor Hotel; (ii) The Unit Serviced Apartments; and (iii) MORI MORI Serviced Apartments
“Property Holding Companies”	Companies within the Target Group holding the Properties
“Purchaser” or “Emperor Hotel Investment”	Emperor Hotel Investment Limited, which is a company incorporated in BVI whose principal business is investment holding and is an indirect non-wholly owned subsidiary of Emperor E Hotel
“Sale Loan”	all loan, interest and all other sums owing by the Target Company to the Vendor as at Completion Date
“Sale Share”	1 ordinary share in the share capital of the Target Company, representing its entire equity interest
“SP Agreement”	the sale and purchase agreement dated 16 March 2021 entered into between the Vendor and the Purchaser in relation to the Transaction
“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” or “Poly Keen”	Poly Keen International Limited, a company incorporated in BVI and an indirect wholly-owned subsidiary of Emperor International
“Target Group”	the Target Company and its subsidiaries, including but not limited to the Property Holding Companies and operator companies
“Transaction”	the sale and purchase of the Sale Share and the Sale Loan
“Vendor” or “Emperor Hotel Group”	Emperor Hotel Group Limited, which is a company incorporated in BVI whose principal business is investment holding and is an indirect non-wholly owned subsidiary of Emperor International
“Verification Account”	verification of the Completion Account prepared in accordance with accounting principles and practices generally accepted in Hong Kong and in compliance with the Companies Ordinance, with value of the Properties marked to that set out in the Bring-down Valuation, to be prepared subject to conditions set out in the SP Agreement
“%”	per cent

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

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

Hong Kong, 16 March 2021

As at the date hereof, the board of directors of Emperor International comprises:

<i>Non-executive Director:</i>	Ms. Luk Siu Man, Semon
<i>Executive Directors:</i>	Mr. Wong Chi Fai Ms. Fan Man Seung, Vanessa Mr. Cheung Ping Keung Mr. Yeung Ching Loong, Alexander
<i>Independent Non-executive Directors:</i>	Ms. Cheng Ka Yu Mr. Wong Tak Ming, Gary Mr. Chan Hon Piu

As at the date hereof, the board of directors of Emperor E Hotel comprises:

Non-executive Director: Ms. Luk Siu Man, Semon

Executive Directors: Mr. Wong Chi Fai
Ms. Fan Man Seung, Vanessa

Independent Non-executive Directors: Mr. Yu King Tin
Ms. Kwan Shin Luen, Susanna
Ms. Lai Ka Fung, May