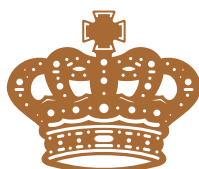

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 International Holdings Limited**, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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

**(I) DISCLOSEABLE AND CONNECTED TRANSACTION
DISPOSAL OF ENTIRE EQUITY INTEREST IN TARGET COMPANY
AND
(II) NOTICE OF SPECIAL GENERAL MEETING**

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



YU MING INVESTMENT MANAGEMENT LIMITED
禹銘投資管理有限公司

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 5 to 12 of this circular and a letter from the Independent Board Committee to the Independent Shareholders is set out from pages 13 to 14 of this circular. A letter from Yu Ming, the Independent Financial Adviser, containing its advice to the Independent Board Committee and Independent Shareholders in relation to the Disposal is set out from pages 15 to 28 of this circular.

A notice convening the SGM to be held at 28th Floor, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong on Wednesday, 16 April 2025 at 12:15 p.m. is set out from pages SGM-1 to SGM-2 of this circular.

Please complete and return the accompanying form of proxy to the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, and in any event not less than 48 hours before the time of the SGM (by Monday, 14 April 2025, before 12:15 p.m.) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or adjournment thereof (as the case may be) should you subsequently so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

31 March 2025

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DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board” or “Director(s)”	the board of directors of the Company
“Business Day”	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 generally open in Hong Kong to the general public for business
“BVI”	the British Virgin Islands
“Company”	Emperor International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 163)
“Completion”	the completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Accounts”	the accounts of the Target Group (on a combined basis) comprising a statement of profit or loss for the period from 1 April 2024 to the Completion Date and a statement of financial position as at the Completion Date
“Completion Date”	on or before 29 August 2025 or within 7 Business Days following satisfaction (or waived by the Purchaser as appropriate, except conditions (c) and (d) under the section headed “Conditions precedent” in this circular which cannot be waived) of all the conditions precedent to Completion pursuant to the Sale and Purchase Agreement, whichever is the later or such other date as mutually agreed by the Vendor and the Purchaser
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of the Disposal
“Disposal”	the disposal of the Sale Share and the Sale Loan by the Vendor to the Purchaser under the Sale and Purchase Agreement
“Dr. Yeung”	Dr. Yeung Sau Shing, Albert

DEFINITIONS

“Emperor Property Investment” or “Vendor”	Emperor Property Investment Limited, a company incorporated in the BVI and directly wholly-owned by the Company
“Emperor W&J”	Emperor Watch & Jewellery Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 887)
“Emperor W&J (HK & Macau)” or “Purchaser”	Emperor Watch & Jewellery (HK & Macau) Holdings Limited, which is a company incorporated in the BVI whose principal business is investment holding and is directly wholly-owned by Emperor W&J
“Group”	the Company and its subsidiaries from time to time, including but not limited to the Target Group
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board comprising all of the independent non-executive Directors, established to advise the Independent Shareholders in respect of the Disposal
“Independent Financial Adviser” or “Yu Ming”	Yu Ming Investment Management Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Disposal
“Independent Shareholder(s)”	the Shareholder(s) who do not have material interest in the transactions contemplated under the Sale and Purchase Agreement
“Latest Practicable Date”	25 March 2025, 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

DEFINITIONS

“Management Accounts”	the unaudited management accounts (on a combined basis) of the Target Group comprising a statement of profit or loss of the Target Group for the period from 1 April 2024 up to 31 January 2025 and a statement of financial position of the Target Group as at 31 January 2025
“Pro-forma Completion Accounts”	unaudited pro-forma combined statement of financial position of the Target Group as at the Completion Date and unaudited pro-forma combined statement of profit or loss and other comprehensive income of the Target Group for the period from 1 April 2024 to the Completion Date prepared in accordance with accounting principles and practices generally accepted in Hong Kong and in compliance with the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), to be delivered to the Purchaser at least 5 Business Days prior to Completion
“Property”	the property as shown under the section headed “Information of the Property” in this circular
“Property Company”	the direct wholly-owned subsidiary of the Target Company which was incorporated in Hong Kong with limited liability and holds the legal and beneficial ownership of the Property
“Sale and Purchase Agreement”	the sale and purchase agreement dated 28 February 2025 entered into between the Vendor and Purchaser in relation to the Disposal
“Sale Loan”	all loan, interest and all other sums owing by the Target Company to the Vendor as at the Completion
“Sale Share”	1 share of US\$1.00 in the share capital of the Target Company, representing the entire issued share capital of the Target Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	special general meeting (or an adjournment thereof) of the Company to be held at 28th Floor, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong on Wednesday, 16 April 2025 at 12:15 p.m. to consider and, if thought fit, approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“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”	King Hero Investments Limited, a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company
“Target Group”	Target Company and its subsidiary (i.e. the Property Company)
“%”	per cent.

LETTER FROM THE BOARD



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

(Incorporated in Bermuda with limited liability)

(Stock Code: 163)

Non-executive Director:

Ms. Luk Siu Man, Semon

Executive Directors:

Mr. Yeung Ching Loong, Alexander

Ms. Fan Man Seung, Vanessa

Mr. Wong Chi Fai

Independent Non-executive Directors:

Mr. Chu Kar Wing

Mr. Poon Yan Wai

Ms. Kwan Shin Luen, Susanna

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

31 March 2025

To the Shareholders

Dear Sir/Madam,

**(I) DISCLOSEABLE AND CONNECTED TRANSACTION
DISPOSAL OF ENTIRE EQUITY INTEREST IN TARGET COMPANY
AND
(II) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 28 February 2025 whereby the Board announced that the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the sale and purchase of the entire equity interest in the Target Company and the Sale Loan due from the Target Company to the Vendor at a Consideration of approximately HK\$79.8 million (subject to adjustments), which consists of (1) the net asset value of the Target Group with reference to the fair market valuation of the Property; and (2) the Sale Loan.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, amongst other, (i) further details of the Disposal; (ii) the letter of recommendation from the Independent Board Committee to the Independent Shareholders regarding the Disposal; (iii) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the Disposal; (iv) the valuation report of the Property; (v) other information as required under the Listing Rules; and (vi) a notice convening the SGM for the purpose of considering and, if thought fit, approving, by way of poll, the Sale and Purchase Agreement and the transactions contemplated thereunder.

THE SALE AND PURCHASE AGREEMENT DATED 28 FEBRUARY 2025

The Vendor: Emperor Property Investment

The Purchaser: Emperor W&J (HK & Macau)

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\$80.3 million, being the agreed value of the Property;
- “B” means the carrying value/book value of the tangible assets of the Target Group (but excluding the Property and the fittings and equipment, if any) as at the Completion Date as shown in the Pro-forma Completion Accounts; and
- “C” means the amount of all liabilities of the Target Group, including actual or contingent, accrued and deferred liabilities but excluding the Sale Loan, as at the Completion Date as shown in the Pro-forma Completion Accounts.

In accordance with the formula as set out above, the Consideration is estimated to be approximately HK\$79.8 million with reference to the Management Accounts, consisting of mainly (i) the agreed value of the Property with reference to the preliminary fair market valuation of the Property of HK\$80.3 million as at 13 February 2025 as indicated by an independent professional valuer; (ii) the carrying value/book value of the tangible assets of the Target Group (but excluding the Property and the fittings and equipment, if any) of approximately HK\$0.1 million as at 31 January 2025; and (iii) the amount of all liabilities of the Target Group (but excluding the Sale Loan) of approximately HK\$0.6 million as at 31 January 2025.

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\$7.98 million, being initial deposit, was paid by the Purchaser to the Vendor (or its designated party) within 7 days after the date of the Sale and Purchase Agreement; and
- (b) subject to adjustment in accordance with the terms and conditions of the Sale and Purchase Agreement, the remaining balance of the Consideration shall be payable to the Vendor (or its designated party) upon Completion.

The Consideration (or any part(s) thereof) shall be payable by the Purchaser to the Vendor by cash transfer to the designated bank account of the Vendor or such other bank accounts as the Vendor may direct or such other method as mutually agreed by the Vendor and Purchaser in writing.

Pro-forma Completion Accounts and Completion Accounts

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

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

The Consideration shall be adjusted in the following manner:

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

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

LETTER FROM THE BOARD

Conditions precedent

Completion shall be conditional upon the following conditions precedent have been fulfilled (or waived by the Purchaser, except for conditions (c) and (d) below which cannot be waived):

- (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 Section 13 of the Conveyancing and Property Ordinance;
- (c) the approval by the Independent Shareholders of the Sale and Purchase Agreement and the transactions contemplated thereunder at the SGM; and
- (d) the approval by the independent shareholders of Emperor W&J of the Sale and Purchase Agreement and the transactions contemplated thereunder at the extraordinary general meeting of Emperor W&J.

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

As at the Latest Practicable Date, conditions (a) and (b) have been fulfilled.

Completion

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

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

INFORMATION OF THE COMPANY AND THE VENDOR

The Company is an investment holding company and its subsidiaries are principally engaged in property investment and property development in the Greater China and overseas. The Vendor is a direct wholly-owned subsidiary of the Company with principal business of investment holding.

LETTER FROM THE BOARD

INFORMATION OF EMPEROR W&J AND THE PURCHASER

The Purchaser is a company incorporated in the BVI with limited liability and is principally engaged in investment holding. The Purchaser is a direct wholly-owned subsidiary of Emperor W&J. Emperor W&J is an investment holding company and its subsidiaries are principally engaged in the sale of European-made internationally renowned watches and jewellery products in Hong Kong, Macau, Mainland China, Singapore and Malaysia.

INFORMATION OF THE TARGET GROUP

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

For the two years ended 31 March 2023 and 2024, the unaudited financial information of the Target Group is as follows:

	For the year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
	(approximately)	(approximately)
Revenue	1,183	1,074
Loss before taxation	2,766	6,937
Loss after taxation	2,743	6,989

The unaudited combined total asset value and net liabilities of the Target Group as at 31 January 2025 were approximately HK\$80.3 million and approximately HK\$58.6 million respectively. The Sale Loan amounted to approximately HK\$138.4 million as at 31 January 2025.

INFORMATION OF THE PROPERTY

The Property consists of the space on 2/F to 4/F and the advertising space of Nos. 4-8 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong. The Property is held as an investment property and is sold on an “as is” basis.

FINANCIAL EFFECT OF THE DISPOSAL

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

Taking into account (i) the Consideration of approximately HK\$79.8 million; (ii) the unaudited combined net liabilities of the Target Group as stated in the Management Accounts as at 31 January 2025 in the amount of approximately HK\$58.6 million after adjustment on the book value of the Property to HK\$80.3 million as indicated in a preliminary valuation prepared

LETTER FROM THE BOARD

by an independent professional valuer; and (iii) the amount of Sale Loan of approximately HK\$138.4 million as at 31 January 2025, the Directors do not expect to recognise any gain/loss from the Disposal.

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

The proceeds from the Disposal of approximately HK\$79.8 million (subject to adjustment) will be utilised as general working capital for the operation of the Group, including, (i) providing construction capital and marketing expenses for ongoing property development projects; (ii) providing capital for potential renovation and improvement works for the leasing properties; and (iii) general administrative expense such as staff costs and professional fees.

REASONS AND BENEFITS FOR THE DISPOSAL

The Group examines its investment portfolio regularly in order to optimise the investment returns. After a regular review of its investment portfolio, the Group is of the view that the Property consists of the upper three storeys of the building only, with limited chances of further enhancement of rental yield or substantial value appreciation by redevelopment. Taking into account the above reason, the Group believes that it is time to dispose of the Property.

The Directors expect that the proceeds from the Disposal of approximately HK\$79.8 million will enhance the Group's financial position and increase its general working capital. The Directors (excluding all the independent non-executive Directors, who will give their opinion based on the recommendations from the Independent Financial Adviser) consider that the terms and conditions of the Disposal are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES IN RELATION TO THE DISPOSAL

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 5% but below 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As at the date of this circular, Emperor W&J and the Company are both indirectly controlled by the respective private discretionary trusts which were all set up by Dr. Yeung, who is a deemed substantial Shareholder. As such, the Purchaser (a direct wholly-owned subsidiary of Emperor W&J) is a deemed connected person of the Company and the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. The Disposal is subject to reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

LETTER FROM THE BOARD

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

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

SGM

A notice convening the SGM to be held at 28th Floor, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong on Wednesday, 16 April 2025 at 12:15 p.m. is set out from pages SGM-1 to SGM-2 of this circular. An ordinary resolution (“**Resolution**”) will be proposed at the SGM for the Independent Shareholders to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

As at the Latest Practicable Date, Emperor W&J and the Company are both indirectly controlled by the respective private discretionary trusts which were all set up by Dr. Yeung, who is a deemed substantial Shareholder. Accordingly, Dr. Yeung and his associates who as at the Latest Practicable Date beneficially hold 4,121,416,834 Shares (representing approximately 74.71% of the issued shares in the Company), will abstain from voting on the Resolution. In compliance with the Listing Rules, the Resolution will be voted by way of poll and the results of the SGM will be published after the SGM.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you intend to attend and vote at the SGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, but in any event not less than 48 hours before the time of the SGM or any adjournment thereof, as the case may be. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof, should you subsequently so wish and in such event, the form of proxy will be deemed to be revoked.

LETTER FROM THE BOARD

In order to qualify for the right to attend and vote at the SGM, all relevant share certificates and properly completed transfer forms must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by not later than 4:30 p.m., on Thursday, 10 April 2025.

No refreshments or drinks will be served and no corporate gifts will be distributed at the SGM.

The Company would like to encourage Shareholders to exercise their rights to vote at the SGM by appointing the Chairperson of the SGM as their proxy to represent them by returning their forms of proxy by the time specified herein. Physical attendance at the SGM by Shareholders is not necessary for the purpose of exercising their voting rights.

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, the Board recommends the Independent Shareholders to vote in favour of the Resolution to be proposed at the SGM. Before deciding how to vote on the Resolution at the SGM, you are advised to read (i) the Letter from the Independent Board Committee from pages 13 to 14 of this circular; and (ii) the Letter from Yu Ming from pages 15 to 28 of this circular which contains its advice to the Independent Board Committee and Independent Shareholders in relation to the Sale and Purchase Agreement and the transactions contemplated thereunder as well as the principal factors and reasons considered by it in arriving its opinions.

ADDITIONAL INFORMATION

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

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

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter of recommendation from Independent Board Committee to Independent Shareholders in relation to the Sale and Purchase Agreement and the transactions contemplated thereunder for the purpose of incorporation in this circular.



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

31 March 2025

To the Independent Shareholders

Dear Sir/ Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION
DISPOSAL OF ENTIRE EQUITY INTEREST IN TARGET COMPANY**

We refer to the circular of the Company to the Shareholders dated 31 March 2025 (“**Circular**”), of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter will have the same meanings as those defined in the Circular.

We, Independent Board Committee, have been appointed by the Board to advise you on the terms of Sale and Purchase Agreement and the transactions contemplated thereunder. Yu Ming has been appointed to advise you and us in this regard. Details of its advice, together with the principal factors and reasons it has taken into consideration in giving its advice, are set out from pages 15 to 28 of the Circular. Your attention is also drawn to the “**Letter from the Board**” and the “**Letter from Yu Ming**” in the Circular and the additional information set out in the Appendices thereto.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the advice given by Yu Ming, in particular the principal factors, reasons and recommendation as set out in its letter, we consider that (i) the entering into the Sale and Purchase Agreement and the transactions contemplated thereunder are in ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole; and (ii) the terms and conditions of the Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Company and Independent Shareholders are concerned. Accordingly, we recommend you to vote in favour of the relevant ordinary resolution to be proposed at the SGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of the
Independent Board Committee

Chu Kar Wing

Poon Yan Wai

Kwan Shin Luen, Susanna

Independent Non-executive Directors

LETTER FROM YU MING

The following is the letter of advice from Yu Ming Investment Management Limited, the Independent Financial Adviser, to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.



YU MING INVESTMENT MANAGEMENT LIMITED
禹銘投資管理有限公司

31 March 2025

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTION DISPOSAL OF ENTIRE EQUITY INTEREST IN TARGET COMPANY

Reference is made to the announcement of the Company dated 28 February 2025 in connection with the Disposal, details of which are set out in the section headed “Letter from the Board” (the “**Letter**”) in the circular of the Company dated 31 March 2025 (the “**Circular**”) to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 28 February 2025, the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the sale and purchase of the entire equity interest in the Target Company and the Sale Loan due from the Target Company to the Vendor at a Consideration of approximately HK\$79.8 million (subject to adjustments), which consists of (1) the net asset value of the Target Group with reference to the fair market valuation of the Property; and (2) the Sale Loan.

IMPLICATIONS UNDER LISTING RULES

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 5% but below 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, Emperor W&J and the Company are both indirectly controlled by the respective private discretionary trusts which were all set up by Dr. Yeung, who is a deemed substantial shareholder of the Company. As such, the Purchaser (a direct wholly-owned subsidiary of Emperor W&J) is a deemed connected person of the Company and the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. The Disposal is subject to reporting, announcement and Independent Shareholders’ approval requirements under the Listing Rules.

LETTER FROM YU MING

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all of the independent non-executive Directors, has been established to advise the Independent Shareholders regarding the Disposal.

Yu Ming Investment Management Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Disposal.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the statements, information, opinions and representations contained in the Circular and the statements, information, opinions and representations provided to us by the Directors through management, officers and professional advisers of the Company (“**Relevant Information**”). We have assumed that all Relevant Information provided to us by the Directors for which they are solely responsible are, to the best of their knowledge, true, complete and accurate at the time they were made and continue to be so on the date of this letter.

We have no reason to suspect that any Relevant Information has been withheld, nor are we aware of any fact or circumstance which would render the Relevant Information provided and presented to us untrue, inaccurate, incomplete or misleading. Having made all reasonable enquiries, the Directors have further confirmed that, to the best of their knowledge, they believe there are no other facts or representations the omission of which would make any statement in the Circular, including this letter, misleading. We have not, however, carried out any independent verification on the Relevant Information provided to us by the Directors, nor have we conducted any independent investigation into the business and affairs of the Group.

We have not acted as the independent financial adviser or financial adviser in relation to any transactions of the Company in the last two years prior to the date of the Circular. As at the Latest Practicable Date, we did not have any relationship with, or interest in, the Company or any other parties that could reasonably be regarded as relevant to our independence. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no arrangements exist whereby we had received or will receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we comply with Rule 13.84 of the Listing Rules and are eligible to give independent advice in respect of the Disposal to the Independent Board Committee and the Independent Shareholders.

LETTER FROM YU MING

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion, we have taken into consideration the following principal factors and reasons:

I. INFORMATION OF THE GROUP

(a) Background of the Group

The Company is an investment holding company and its subsidiaries are principally engaged in property investment and property development in the Greater China and overseas.

(b) Financial information on the Group

Summary of financial information of the Group is extracted from the annual report of the Company for the year ended 31 March 2024 (“FY2024”) and the interim report of the Company for the six months ended 30 September 2024 (“HY2024”) in Table-1 and Table-2 below:

Table-1: Consolidated statement of profit or loss

<i>HK\$' million</i>	Year ended 31 March		Six months ended 30 September	
	2023	2024	2023	2024
	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Restated and unaudited)</i>	<i>(Unaudited)</i>
Revenue	1,211	1,762	438	459
– Rental income	871	879	426	377
– Property sales	79	142	12	82
– Hotel and hotel related operations	261	741	–	–
Cost of sales	(621)	(740)	(79)	(124)
Gross profit	590	1,022	359	335
Fair value changes of investment properties	(1,804)	(1,318)	(464)	(731)
Finance costs	(690)	(919)	(466)	(413)
Other expenses (net of other income and gains)	(395)	(871)	(194)	(245)
Loss before taxation	(2,299)	(2,086)	(765)	(1,054)
Taxation credit	97	57	(4)	12
Loss for the year/loss for the period from continuing operation	(2,202)	(2,029)	(769)	(1,042)
(Loss)/profit from discontinued operation	–	–	12	(2,520)
Loss for the period	–	–	(757)	(3,562)

LETTER FROM YU MING

Table-2: Consolidated statement of financial position

<i>HK\$' million</i>	As at 31 March		As at
	2023	2024	30 September
	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
Non-current assets			
Investment properties	37,945	34,394	30,987
Property, plant and equipment	2,723	2,593	320
Interest in a joint venture	1,328	1,334	1,254
Others	754	753	282
	42,750	39,074	32,843
Current assets			
Properties under development for sale	4,861	5,164	4,567
Bank balances and cash/short-term bank deposits/pledged bank deposits/ deposit in designated bank account for development properties	2,444	1,504	989
Properties held for sale	583	282	176
Others	490	564	683
	8,378	7,514	6,415
Current liabilities			
Unsecured notes/bank borrowings – due within one year	(8,671)	(6,726)	(6,261)
Amount due to an associate/a related company/non-controlling interests of subsidiaries	(1,581)	(1,674)	(668)
Others	(905)	(978)	(868)
	(11,157)	(9,378)	(7,797)
Non-current liabilities			
Unsecured notes/bank borrowings – due after one year	(12,329)	(11,945)	(11,444)
Others	(1,834)	(1,718)	(1,604)
	(14,163)	(13,663)	(13,048)
Equity attributable to owners of the Company	23,887	21,608	18,413
Non-controlling interests	1,921	1,939	–
Total equity	25,808	23,547	18,413

LETTER FROM YU MING

For FY2024, the revenue of the Group was approximately HK\$1.76 billion, representing a year-on-year increase of 45.5%. The increase was mainly attributable to the recovery of the tourism and hospitality sectors, the Group's revenue from hotel and hotel-related operations increased by approximately 183.9% from approximately HK\$261 million in the financial year ended 31 March 2023 (“FY2023”) to approximately HK\$741 million in FY2024. Revenue from property sales also increased by approximately 79.7% in FY2024, while rental income from investment properties remained stable. Consequently, gross profit of the Group recorded a year-on-year increase of 73.2%.

Affected by the weak property market in Hong Kong, the Group recorded a decrease of approximately HK\$1,318 million in fair value of its investment properties in FY2024. The finance costs of the Group increased by approximately 33.2% mainly due to the increase in interest rates. In FY2024 the Group's loss for the year narrowed to approximately HK\$2.03 billion.

Operating segment regarding the hotel and hotel related operations were discontinued during HY2024. The revenue of the Group during HY2024 was approximately HK\$459 million, representing a year-on-year increase of 4.8%. The increase was mainly attributable to the increase in sales of properties by approximately HK\$69.4 million in HY2024, representing a year-on-year growth of over 550%. Rental income from investment properties decreased by approximately HK\$48.4 million, representing a year-on-year decrease of approximately 11.4%. Overall, gross profit of the Group recorded a year-on-year decrease of 6.7% to HK\$335 million.

Affected by the continuing weak property market in Hong Kong, the Group recorded a decrease of approximately HK\$731 million in fair value of its investment properties in HY2024. The Group also recorded a write-down of properties under development for sale of approximately HK\$272 million in HY2024 as compared to HK\$41 million recorded in HY2023.

Loss for the period from continuing operation in HY2024 was approximately HK\$1.04 billion as compared to approximately HK\$769 million recorded in HY2023. Combining a loss from the discontinued operation, the Group recorded a loss attributable to the owners of the Company of HK\$3.56 billion in HY2024, as compared to approximately HK\$757 million recorded in HY2023.

Financial position

The Group's non-current assets principally consisted of investment properties and property, plant and equipment. Value of investment properties had declined between 31 March 2022 and 30 September 2024, which is in line with the weak property market in Hong Kong.

LETTER FROM YU MING

As at 30 September 2024, the aggregate value of properties under development for sale and those held for sale was approximately HK\$4.74 billion, representing a decreased by approximately 12.9% from 31 March 2024.

The Group's total equity had decreased by 21.7% from approximately HK\$23.5 billion as at 31 March 2024 to approximately HK\$18.4 billion as at 30 September 2024, reflecting its loss making situation over the period, which was mainly attributable to the decrease in fair value of its investment properties, properties under development for sale and those held for sale.

(c) Outlook of the Group

As disclosed in the HY2024 interim report, as a result of the Federal Reserve interest rate cut and the relaxation of the loan-to-value ratio by the Hong Kong government which has helped lower the cost of house-buying, investment sentiments of home buyers and investors have revived; and property developers have been proactively pushing ahead with sales launches, contributing to an increase in the number of transactions of both new and second-hand residential properties. The Group will closely observe the market conditions, and adjust its timetable for launching development property projects as appropriate in order to seize opportunities as they arise.

The Group expected that the office and retail leasing markets will remain competitive in the near term. The Group will continue maintaining close dialogues with its tenants, in order to promptly adjust its strategies, with an aim of achieving steady business performance.

II. THE DISPOSAL

On 28 February 2025, the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the sale and purchase of the entire equity interest in the Target Company and the Sale Loan due from the Target Company to the Vendor at a Consideration of approximately HK\$79.8 million (subject to adjustments), which consists of (1) the net asset value of the Target Group with reference to the fair market valuation of the Property; and (2) the Sale Loan. Details of the Sale and Purchase Agreement are set out in the Letter.

LETTER FROM YU MING

Basis of determination of consideration for the Disposal

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\$80.3 million, being the agreed value of the Property;
- “B” means the carrying value/book value of the tangible assets of the Target Group (but excluding the Property and the fittings and equipment, if any) as at the Completion Date as shown in the Pro-forma Completion Accounts; and
- “C” means the amount of all liabilities of the Target Group, including actual or contingent, accrued and deferred liabilities but excluding the Sale Loan, as at the Completion Date as shown in the Pro-forma Completion Accounts.

In accordance with the formula as set out above, the Consideration is estimated to be approximately HK\$79.8 million with reference to the Management Accounts, consisting of:

- a) the market valuation of the Property of HK\$80.3 million as at 13 February 2025 (the “**Valuation Date**”) as assessed by Vincorn Consulting and Appraisal Limited, the independent professional valuer (the “**Independent Property Valuer**”), details of which are set out in Appendix I to the Circular;
- b) the carrying value/book value of the tangible assets of the Target Group (excluding the Property) of approximately HK\$0.1 million as at 31 January 2025; and
- c) the amount of all liabilities of the Target Group of approximately HK\$0.6 million as at 31 January 2025 (excluding the Sale Loan of approximately HK\$138.4 million).

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

- a) If the Final Consideration is less than the Consideration as determined by reference to the Pro-forma Completion Accounts, the Consideration shall be adjusted downward by such difference; or

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- b) If the Final Consideration is higher than the Consideration as determined by reference to the Pro-forma Completion Accounts, the Consideration shall be adjusted upward by such difference.

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

Given (i) the Consideration is derived based on the amount of net asset value of the Target Group as at Completion and the amount of Sale Loan will be sold on a dollar-for-dollar basis; (ii) the fair market valuation of the Property, being the basis for determining the Consideration, is assessed by the Independent Property Valuer; and (iii) the adjustment of the Consideration will be based on the difference in net asset value of the Target Group as calculated with reference to the Pro-forma Completion Accounts and the Completion Accounts on a dollar-for-dollar basis, we are of the view that the Consideration (including the adjustment mechanism) is fair and reasonable.

Evaluation of the Consideration

According to the valuation report of the Property as set out in Appendix I to the Circular (the “**Property Valuation Report**”), the fair market valuation of the Properties amounted to HK\$80.3 million as at the Valuation Date. To assess the fairness and reasonableness of the valuation, we have reviewed the Property Valuation Report and discussed with the Independent Property Valuer in relation to (i) their scope of work for conducting the valuation on the Property; (ii) their relevant professional qualifications as a property valuer; and (iii) the methodologies, basis and assumptions used in performing the valuation on the Property.

In order to assess the expertise and independence of the Independent Property Valuer, we have reviewed and enquired into (i) the terms of engagement of the Independent Property Valuer with the Company; and (ii) the Independent Property Valuer’s qualification and experience in relation to the preparation of the Property Valuation Report. The Independent Property Valuer has confirmed that it is independent to the Group and Emperor W&J. From the engagement letter, we noted that there were no limitations on the scope of work for conducting the valuation and the scope of work is appropriate to the opinion given. The Independent Property Valuer carried out a site visit and inspected the Property in February 2025, and has been provided with copies of documents in relation to the title of the Property. From the qualification and experience of person who is responsible for signing off the Property Valuation Report, we noted that Mr. Vincent Cheung has obtained the relevant professional qualifications and has over 27 years of experience in the valuation of properties. Having considered the above, we consider that the scope of work of the Independent Property Valuer under the terms of engagement is appropriate and the Independent Property Valuer possesses sufficient relevant experience in performing the valuation of the Property.

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We note that the Property Valuation Report has been prepared in accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors effective from 31 December 2024 and with reference to the International Valuation Standards published by the International Valuation Standards Council effective from 31 January 2025 as well as the requirements set out in Chapter 5 of the Listing Rules.

In arriving at the fair market valuation of the Property, we note that the Independent Property Valuer has adopted the market approach (the “**Market Approach**”), which involves the analysis of recent market evidence of similar properties to compare with the subject under valuation. We understand from the Independent Property Valuer that the market approach is one of the commonly adopted approaches for valuation of property. We note that the Independent Property Valuer has selected five sale comparables which are of similar nature and are located in the close proximity to the Property and were conducted within 12 months from the date of the Announcement.

In order to assess the fairness and representativeness of these sale comparables, we have obtained and reviewed the lists of sale comparables and discussed with the Independent Property Valuer on the selection criteria of such sale comparables. We are given to understand that the sale comparables were selected by the Independent Property Valuer based on their respective locality, size, usage and condition which share the most similarities with the Property. For due diligence purpose, we have independently conducted desktop search to obtain the available information of the sale comparables identified by the Independent Property Valuer for verification purpose. No inconsistencies were found and we considered that the sale comparables selected by the Independent Property Valuer in accordance to the abovementioned selection criteria are representative.

We noted that (i) unit rates of the sale comparables ranged from HK\$21,495 to HK\$39,452 per sq.ft and a unit rate of approximately HK\$27,884 per sq.ft (which represents the equally weighted average unit rate of the sale comparables after adjustments) was adopted for the valuation of the Property; and (ii) the size of the sale comparables ranged from 62 to 144 sq.ft. Given each of the sale comparables is different in terms of building age, location, floor level, transaction time, size or accessibility, where applicable, as compared to the Property, appropriate adjustments and analysis have been considered and made by the Independent Property Valuer accordingly, to arrive at an adjusted effective saleable unit rate. In order to assess the fairness and representativeness of the adjustments applied to the sale comparables, we have discussed with the Independent Property Valuer on the adjustments made to reflect different attributes between the Property and the sale comparables. We are given to understand that the Independent Property Valuer considered the different attributes between the Property and the sale comparables in terms of transaction time, location, size, building age and other relevant factors and made adjustments accordingly. The general basis of adjustments of such attributes is that (i) if the sale comparable is superior to the subject Property, a downward adjustment would be made to adjust down the unit rate of that sale comparable; or (ii) if the sale comparable is inferior to the subject Property, an upward adjustment would be made to adjust up the unit rate of that sale comparable. We have also obtained the underlying workings and reviewed the calculations of the adjustments made by the Independent Property Valuer to the unit

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rates of the sale comparables and consider the adjustments to be logical and able to reflect different attributes between the Property and the sale comparables, and therefore, are reasonable. Despite the wide range of the unit rates of the sale comparables and that the size of the sale comparables are smaller than the Property, given (i) the sale comparables are of similar nature and located within the commercial district of the Property; and (ii) appropriate adjustments had been made to reflect the different attributes between the Property and the sale comparables and derive on the adopted unit rate, we consider that the selection criteria is appropriate and the sale comparables are comparable.

We have performed market research on recent circulars published by companies listed on the Stock Exchange from 1 November 2024 to the date of the Announcement in relation to acquisition or disposal of company with a majority of assets being property interests or properties from/to connected person (“**Valuation Comparables**”). A total of 9 Valuation Comparables were identified which were representative and exhaustive as follows:

Table 3 – Valuation Comparables

Date of circular	Company name (stock code)	Asset to be acquired/disposed	Description of property	Valuation approach for the subject property	Adjustment factors
26-2-2025	Mexan Limited (22)	Disposal of property	Hotel in Hong Kong and furnitures	Market approach	Date of transaction, location, size, building age, and view
25-2-2025	Future World Holdings Limited (572)	Acquisition of property	Residential property	Market approach	Date of transaction, building age, floor level, size, view, and building condition
24-1-25	China Agri-Products Exchange Limited (149)	Acquisition of 100% equity interests in a company	Agricultural markets located in Shenzhen	Income capitalisation approach	Date of transaction, location, accessibility, building age, building quality, trade mix and size
13-1-2025	Excellence Commercial Property & Facilities Management Group Limited (6989)	Acquisition of property and 50% equity interest of a company	Commercial properties in Shanghai and Guangdong	Market approach	Location and accessibility, building quality, view, layout
6-1-2025	Dowell Service Group Co. Limited (2352)	Acquisition of 100% equity interests in a company	Elderly centre in Chengdu City	Investment method	Date of transaction, location, layout, level and size
19-12-2024	Kinetic Development Group Limited (1277)	Acquisition of 100% equity interests in two companies	Property projects in PRC including buildings for commercial and residential use	Market approach	Location, size, transaction date, plot ratio and the perfect degree of infrastructure

LETTER FROM YU MING

Date of circular	Company name (stock code)	Asset to be acquired/disposed	Description of property	Valuation approach for the subject property	Adjustment factors
3-12-2024	Beijing Media Corporation Limited (1000)	Disposal of property	Office units located in Beijing, PRC	Market approach	Date of transaction, building age, floor level, size, view, and property rights status
29-11-24	Jinke Smart Services Group Co., Ltd. (9666)	Acquisition of property	Commercial properties and car parking spaces in multiple cities in PRC	Market approach	Date of transaction, market conditions, size, location, building age, building quality
7-11-2024	China Wantian Holdings Limited (1854)	Disposal of 100% equity interests in a subsidiary	Industrial units in Hong Kong	Market approach	Date of transaction, layout, floor level, size, and location

According to the table above, we noted that (i) 7 out of 9 Valuation Comparables adopted Market Approach for valuation of property; and (ii) among the 7 transactions that adopted the Market Approach, the adjustment factors adopted by the respective independent valuers in general are largely in line with the practice of the Independent Property Valuer when conducting valuation on the Property. Accordingly, we concur with the Independent Property Valuer that the Market Approach as well as the adjustments applied by the Independent Property Valuer, are appropriate for valuation of the Property.

Having considered that (i) the Independent Property Valuer has the relevant qualification, competence and experience to prepare the Property Valuation Report; (ii) the Independent Property Valuer's scope of work is appropriate for performing the valuation on the Property; and (iii) the valuation methodologies, basis and assumptions for valuing the Property are fair and reasonable, we are of the view that the fair market valuation of the Property was fairly and reasonably determined.

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III. INFORMATION OF THE TARGET GROUP

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

For the two years ended 31 March 2023 and 2024, the unaudited financial information of the Target Group is as follows:

	For the year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
	(approximately)	(approximately)
Revenue	1,183	1,074
Loss before taxation	2,766	6,937
Loss after taxation	2,743	6,989

The unaudited combined total asset value and net liabilities of the Target Group as at 31 January 2025 were approximately HK\$80.3 million and approximately HK\$58.6 million respectively. The Sale Loan amounted to approximately HK\$138.4 million as at 31 January 2025.

IV. REASONS FOR AND BENEFITS OF THE DISPOSAL

As disclosed in the Letter, the Group examines its investment portfolio regularly in order to optimise the investment returns. After a regular review of its investment portfolio, the Group is of the view that the Property consists of the upper three storeys of the building only, with limited chances of further enhancement of rental yield or substantial value appreciation by redevelopment. Taking into account the above reason, the Group believes that it is time to dispose of the Property.

We noted that the Property generated income of approximately HK\$1.07 million and HK\$1.18 million to the Group for FY2023 and FY2024 respectively, presenting a gross yield of approximately 1.33% to 1.47% based on the value of the Property of HK\$80.3 million. The gross yield of the Property is significantly lower than gross yield of the lease of properties segment of the Group of approximately 2.56% for FY2024 (based on the segment revenue from lease of properties of the Group of approximately HK\$879.3 million for FY2024 and the value of the investment properties of the Group of approximately HK\$34,394.0 million as at 31 March 2024). As at 30 September 2024, the net current liabilities of the Group amounted to approximately HK\$1,382.3 million. We also noted that the Disposal is in line with the Group's strategic position to maintain a balanced property portfolio to diversify business risks and achieve steady development as disclosed in the annual report of the Group for FY2024. As such, we concur with

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the Management's view that the Disposal enables the Group to realise the value of the Property at market price and enhance the Group's financial position and increase its general working capital.

According to the Company, the proceeds from the Disposal of approximately HK\$79.8 million (subject to adjustment) will be utilised as general working capital for the operation of the Group, including, (i) providing construction capital and marketing expenses for ongoing property development projects; (ii) providing capital for potential renovation and improvement works for leasing properties; and (iii) general administrative expense such as staff costs and professional fees.

Taking into account the reasons and benefits described above, we concur with the Board that the Disposal is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

V. POSSIBLE FINANCIAL EFFECT OF THE DISPOSAL ON THE GROUP

As stated in the Letter, upon the Completion, the Target Group will cease to be subsidiaries of the Company and the financial results of the Target Group will no longer be consolidated into the financial statements of the Group.

Taking into account (i) the Consideration of approximately HK\$79.8 million; (ii) the unaudited combined net liabilities of the Target Group as stated in the Management Accounts as at 31 January 2025 in the amount of approximately HK\$58.6 million after adjustment on the book value of the Property to HK\$80.3 million as indicated in a preliminary valuation prepared by an independent professional valuer; and (iii) the amount of Sale Loan of approximately HK\$138.4 million as at 31 January 2025, the Directors do not expect to recognise any gain/loss from the Disposal.

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

Our analysis on the financial impact of the Disposal on the Group's earnings, working capital and net assets are set out below. However, it should be noted that the below analysis is for illustrative purposes only and does not purport to represent how the financial position of the Group would be upon the Completion.

Earnings

For FY2024, the Group and the Target Group recorded net loss of approximately HK\$2,028.6 million and HK\$2.7 million respectively. Upon Completion, the Target Group will cease to be subsidiaries of the Company and their financial information will no longer be consolidated into the Company's consolidated financial statements. Accordingly, the Group will no longer share the loss of the Target Group.

LETTER FROM YU MING

Working capital

As the Consideration would be settled in cash by the Purchaser to the Vendor, it is expected that the Group shall have an immediate cash inflow of approximately HK\$79.8 million (subject to adjustments) and hence its working capital position would be improved upon Completion.

Net assets

As at 30 September 2024, the net assets of the Group amounted to approximately HK\$18,412.9 million. Based on the Management Accounts, the Target Group had net liabilities of approximately HK\$58.6 million as at 31 January. It is expected that the Disposal would not have material impact on the net assets of the Group.

RECOMMENDATION

Having considered the principal factors analysed above, we are of the view that (i) the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the Disposal is on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend and we also recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

Yours faithfully,

For and on behalf of

YU MING INVESTMENT MANAGEMENT LIMITED

Warren Lee

Managing Director

Mr. Warren Lee of Yu Ming Investment Management Limited is a responsible officer of Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. He has been active in the field of corporate finance advisory for over 20 years, and has been involved in and completed various corporate finance advisory transactions.

The following is the text of a letter and a valuation certificate prepared for the purpose of incorporation in this circular received from Vincorn Consulting and Appraisal Limited, an independent valuer, in connection with its valuation of the property interests to be disposed of by the Group. Terms defined in this appendix applies to this appendix only.

Vincorn Consulting and Appraisal Limited
Units 1602-4, 16/F
308 Central Des Voeux
No. 308 Des Voeux Road Central
Hong Kong



The Board of Directors

Emperor International Holdings Limited
28/F, Emperor Group Centre,
No. 288 Hennessy Road,
Wanchai, Hong Kong

31 March 2025

Dear Sirs,

INSTRUCTION AND VALUATION DATE

We refer to your instructions for us to assess the Market Value of the property interests located in Hong Kong to be disposed of by Emperor International Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) for the purposes of public disclosure. We confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary in order to provide you with our opinion of the Market Value of the property interests as at 13 February 2025 (the “**Valuation Date**”).

VALUATION STANDARDS

The valuation has been prepared in accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors effective from 31 December 2024 with reference to the International Valuation Standards published by the International Valuation Standards Council effective from 31 January 2025; and the requirements set out in the Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

VALUATION BASIS

Our valuation has been undertaken on the basis of Market Value. 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”.

VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowances have been made for any charges, mortgages or amounts owing on the property interests, nor for any expenses or taxations which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect the values of the property interests.

As the property interests are held under long term leasehold interests, we have assumed that the owner has free and uninterrupted rights to use the property interests for the whole of the unexpired term of the leasehold interests.

VALUATION METHODOLOGY

When valuing the property interests to be disposed of by the Group, we have adopted Market Approach.

Market Approach is universally considered as the most accepted valuation approach for valuing most forms of property. This involves the analysis of recent market evidence of similar properties to compare with the subject under valuation. Each comparable is analysed on the basis of its unit rate; each attribute of the comparables is then compared with the subject and where there are any differences, the unit rate is adjusted in order to arrive at the appropriate unit rate for the subject. This is done by making percentage adjustments to the unit rate for various factors, such as time, location, building age, building quality and so on.

LAND TENURE AND TITLE INVESTIGATION

We have made enquires and relevant searches at the Hong Kong Land Registry. However, we have not searched the original documents nor have we verified the existence of any amendments, which do not appear in the documents available to us. All documents have been used for reference only.

All legal documents disclosed in this letter and the valuation certificate are for reference only. No responsibility is assumed for any legal matters concerning the legal titles to the property interests set out in this letter and the valuation certificate.

INFORMATION SOURCES

We have relied to a considerable extent on the information provided by the Group. We have also accepted advice given to us on matters such as identification of the property, particulars of occupancy, areas and all other relevant matters. Dimensions, measurements and areas included in the valuation are based on information contained in the documents provided to us and are, therefore, only approximations.

We have also been advised by the Group that no material factors or information have been omitted or withheld from information supplied and consider that we have been provided with sufficient information to reach an informed view. We believe that the assumptions used in preparing our valuation are reasonable and have had no reason to doubt the truth and accuracy of information provided to us by the Group which is material to the valuation.

INSPECTION AND INVESTIGATIONS

The property was inspected externally and internally. Although not all areas were accessible for viewing at the time of inspection, we have endeavoured to inspect all areas of the property. Investigations were carried out as necessary. Our investigations have been conducted independently and without influence from any third party in any manner.

We have not tested any services of the property and are therefore unable to report on their present conditions. We have not undertaken any structural surveys of the property and are therefore unable to comment on the structural conditions. We have not carried out any investigations on site to determine the suitability of the ground conditions for any future developments. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be required.

We have not carried out any on-site measurements to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the documents or deduced from the plans are correct. All documents and plans have been used as reference only and all dimensions, measurements and areas are therefore approximations.

CURRENCY

Unless otherwise stated, all monetary figures stated in this report are in Hong Kong Dollars (“**HKD**”).

The valuation certificate is attached hereto.

Yours faithfully,

For and on behalf of

Vincorn Consulting and Appraisal Limited

Vincent Cheung

BSc(Hons) MBA FHKIS FRICS R.P.S.(GP)

MCIREA MHKSI MISCM MHIREA FHKIoD

RICS Registered Valuer

Registered Real Estate Appraiser & Agent PRC

Managing Director

Note:

Vincent Cheung is a fellow of the Hong Kong Institute of Surveyors, a fellow of the Royal Institution of Chartered Surveyors, a Registered Professional Surveyor (General Practice) under the Surveyors Registration Ordinance (Cap. 417) in Hong Kong Special Administrative Region (“**Hong Kong**”), a member of China Institute of Real Estate Appraisers and Agents, a member of Hong Kong Securities and Investment Institute, a member of Institute of Shopping Centre Management, a member of Hong Kong Institute of Real Estate Administrators, a fellow of the Hong Kong Institute of Directors, a Registered Valuer of the Royal Institution of Chartered Surveyors and a Registered Real Estate Appraiser and Agent People’s Republic of China. He is suitably qualified to carry out the valuation and has over 27 years of experience in the valuation of fixed and intangible assets of this magnitude and nature in the subject region.

VALUATION CERTIFICATE

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

Property	Description and Tenure	Occupancy Particulars	Market Value in the Existing State as at 13 February 2025
Flat on Second Floor together with Flat Roof, Flat on Third Floor, Flat on Fourth Floor, Advertising Space A and Common Areas and Facilities, Nos. 4-8 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	<p>The property comprises the whole of second floor, third floor, fourth floor, an advertising space together with common areas and facilities of a 5-storey composite building, located at Tsim Sha Tsui.</p> <p>As per information on the approved building plans, the property has a total gross floor area (“GFA”) of approximately 4,213.00 square feet (“sq.ft.”). As per information provided by the Group and crossed check with our scale off measurement on approved plan, the property has a total saleable area of approximately 2,733.00 sq.ft. plus a flat roof area of approximately 654.00 sq.ft. As per Occupation Permit No. K22/69, the property was completed in about 1969.</p> <p>The subject lot, Kowloon Inland Lot No. 9547 is held under Conditions of Exchange No. UB9322 for a term of 150 years commencing from 25 June 1888.</p>	As per our on-site inspection and information provided by the Group, the property is currently leased subject to a tenancy with a term of 10 years from 1 January 2024 to 31 December 2033, at a monthly rent of HKD80,000, exclusive of rates and management fee and inclusive of government rent.	HKD80,300,000 (HONG KONG DOLLARS EIGHTY MILLION AND THREE HUNDRED THOUSAND)

Notes:

1. The property was inspected by Wingka Chan *Probationer of HKIS Candidate of RICS* on 28 February 2025.
2. The valuation and this certificate were prepared by Vincent Cheung *BSc(Hons) MBA FHKIS FRICS R.P.S.(GP) MCIREA MHKSI MISCM MHIREA FHKIoD RICS Registered Valuer Registered Real Estate Appraiser & Agent PRC*, Kit Cheung *BSc(Hons) FHKIS MRICS R.P.S.(GP) MCIREA MHIREA RICS Registered Valuer Registered Real Estate Appraiser PRC* and Iverson Chan *BSc(Hons) MHKIS MRICS R.P.S.(GP) RICS Registered Valuer CAIA*.
3. The details of the land search records of the property dated 27 February 2025 are summarised below:-

Item	Details
Registered Owner:	<p>Flat on 2nd Floor and Flat Roof, Flat on 3rd Floor and Flat Roof, Flat on 4th Floor and Flat Roof and Advertising Space A Most Delight Limited By an assignment with plans dated 9 August 2018, registered vide Memorial No. 18090301820026</p> <p>Common Areas and Facilities Emperor Property Management (HK) Limited By a re-registration of assignment of common areas and facilities dated 9 August 2018, registered vide Memorial No. 19053102060026</p>
Shares of the Lot:	8/15th
Government Rent:	HKD248 per annum (Kowloon Inland Lot No. 9547)
Major Encumbrances:	<p>All Units</p> <ul style="list-style-type: none"> • Deed of Mutual Covenant and Management Agreement with Plans in favour of Emperor Property Management (HK) Limited (Manager) dated 9 August 2018, registered vide Memorial No. 18090301820038; <p>Flat on 2nd Floor and Flat Roof</p> <ul style="list-style-type: none"> • Notice No. WCBZ/S202273/01/K-W01W by the Building Authority under S.24C(1) of the Building Ordinance dated 22 November 2007, registered vide Memorial No. 08071101290072 (Remarks: Re Tenement C on 2/F of 1/15 Share).

4. The property is erected on Kowloon Inland Lot No. 9547, which is held under Conditions of Exchange No. UB9322. The salient conditions are summarised below:-

Item	Details
Lot Numbers:	Kowloon Inland Lot No. 9547
Lease Term:	150 years commencing from 25 June 1888
Major Special Conditions:	<ul style="list-style-type: none">• The lot shall not be used for industrial purposes and no factory building shall be erected thereon.• No part of any structure to be erected on the lot shall exceed a height of 200 feet above the Colony principal datum.

5. The property falls within an area zoned “Commercial (6)” under Kowloon Planning Area No. 1 – Draft Tsim Sha Tsui Outline Zoning Plan No. S/K1/29 exhibited on 17 January 2025.

6. The general description and market information of the property are summarised below:-

Location	:	The property is located at Nos. 4-8 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.
Transportation	:	Hong Kong International Airport and Tsim Sha Tsui East MTR Station are located approximately 32.8 kilometres and 350 metres away from the property respectively.
Nature of Surrounding Area	:	The area is predominately a commercial area in Tsim Sha Tsui.

7. Pursuant to the information provided by the Group, Most Delight Limited and Emperor Property Management (HK) Limited are indirect wholly-owned subsidiaries of the Group.

8. In the course of our valuation of the property, we have considered and analysed commercial sale comparables.

The commercial sale comparables collected on an exhaustive basis are considered relevant to the property in terms of property type, location, building age, floor level, size and transaction date. A total of five commercial sale comparables which are upper floor commercial units with a saleable area over 60 sq.ft. located in prime street of Yau Tsim Mong District with a building age difference of not greater than 10 years from the property and were transacted within 1 year on or before the valuation date have been identified and analysed. The unit rates of the adopted commercial sale comparables range from HKD21,495 to HKD39,452 per sq.ft. on the basis of effective saleable area. The following table shows the details of commercial sale comparables with the adopted adjustments:

	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Development	Sin Tat Square	In's Point	Sino Centre	Allied Plaza	In's Point
Address	No. 83 Argyle Street	Nos. 530-538 Nathan Road	Nos. 582-592 Nathan Road	No. 760 Nathan Road	Nos. 530-538 Nathan Road
District	Mong Kok	Yau Ma Tei	Mong Kok	Prince Edward	Yau Ma Tei
Year of Completion	1963	1969	1979	1973	1969
Property Type	Commercial	Commercial	Commercial	Commercial	Commercial
Floor	1/F	2/F	2/F	1/F	1/F
Unit	F9	278A	229	56	101
Effective Saleable Area (sq.ft.)	62.00	72.00	73.00	107.00	144.00
Vertical Access	Lift & Escalator	Lift & Escalator	Lift & Escalator	Lift & Escalator	Lift & Escalator
Nature	Agreement for Sale & Purchase	Agreement for Sale & Purchase	Agreement for Sale & Purchase	Memorandum Agreement for Sale & Purchase	Agreement for Sale & Purchase
Date of Instrument	30 December 2024	5 October 2024	24 September 2024	10 April 2024	5 April 2024
Consideration (HKD)	2,000,000	2,600,000	2,880,000	2,300,000	3,500,000
Effective Saleable Unit Rate (HKD/sq.ft.)	32,258	36,111	39,452	21,495	24,306
Adjustment					
Time	Nil	(3.2%)	(5.1%)	(14.5%)	(14.5%)
Location	+3.0%	+5.0%	+3.0%	+10.0%	+5.0%
Building Age	+0.6%	Nil	(1.0%)	(0.4%)	Nil
Floor Level	(1.0%)	Nil	Nil	(1.0%)	(1.0%)
Size	(1.9%)	(1.8%)	(1.8%)	(1.8%)	(1.7%)
Vertical Accessibility	(5.0%)	(5.0%)	(5.0%)	(5.0%)	(5.0%)
Total	(4.4%)	(5.3%)	(9.8%)	(13.5%)	(17.0%)
Adjusted Effective Saleable Unit Rate (HKD/sq.ft.)	30,851	34,214	35,595	18,595	20,167

Adjustments in terms of different aspects, including time, location, building age, floor level, size and vertical accessibility, 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 commercial sale comparables range from HKD18,595 to HKD35,595 per sq.ft. on the basis of effective saleable area. The five adjusted unit rates of commercial sale comparables are assigned with the same weight and represent a weighted average of HKD27,884 per sq.ft. on the basis of effective saleable area for the benchmark unit.

Further adjustments in terms of floor, size and ancillary amenities have been made to the adopted unit rates of each unit of the property, based on the benchmark unit rate of HKD27,884 per sq.ft. After due adjustments in terms of the aforesaid aspects, the adjusted unit rates of each unit of the property range from HKD27,661 to HKD30,115 per sq.ft. on the basis of effective saleable area, which represents an average unit rate of HKD28,528 per sq ft on the basis of effective saleable area. The Market Value of the property with a total effective saleable area of 2,814.75 sq.ft. is hence circa HKD80,300,000.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES

As at the Latest Practicable Date, the following Directors and chief executives of the Company were interested, or were deemed or taken to be interested in the following long and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required (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

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	4,121,416,834 (<i>Note</i>)	74.71
Mr. Yeung Ching Loong, Alexander (“ Mr. Alex Yeung ”)	Eligible beneficiary of a private discretionary trust	4,121,416,834 (<i>Note</i>)	74.71
Ms. Fan Man Seung, Vanessa (“ Ms. Vanessa Fan ”)	Beneficial owner	15,750,000	0.29

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**”). AY Holdings was held by First Trust Services AG in trust for a private discretionary trust set up by Dr. Yeung as founder of the private discretionary trust had deemed interests in the said Shares held by Emperor International Group Holdings. By virtue of being the spouse of Dr. Yeung, Ms. Semon Luk had deemed interests in the same Shares whereas Mr. Alex Yeung also had deemed interests in the same Shares by virtue of being one of the eligible beneficiaries of such private discretionary trust.

(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 Entertainment Hotel Limited (“ Emperor E Hotel ”)	Interest of spouse	636,075,041 (Note)	53.52
	Emperor Watch & Jewellery Limited (“ Emperor W&J ”)	- ditto -	4,298,630,000 (Note)	59.24
	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 Limited (“ New Media Lab ”)	- ditto -	315,000,000 (Note)	52.50
Mr. Alex Yeung	Emperor E Hotel	Eligible beneficiary of a private discretionary trust	636,075,041 (Note)	53.52
	Emperor W&J	- ditto -	4,298,630,000 (Note)	59.24
	Emperor Culture	- ditto -	2,371,313,094 (Note)	73.80
	Ulferts	- ditto -	600,000,000 (Note)	75.00
	New Media Lab	- ditto -	315,000,000 (Note)	52.50
Ms. Vanessa Fan	Emperor E Hotel	Beneficial owner	2,430,750	0.20

Note: Emperor E Hotel, 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 whereas Mr. Alex Yeung also had deemed interests in the same shares by virtue of being one of the eligible beneficiaries of such private discretionary trusts.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executives of the Company had any interests or short position 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. DIRECTORS' SERVICE CONTRACTS

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

4. COMPETING INTERESTS

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

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

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

5. DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS

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

- (a) The master leasing agreement dated 23 March 2023 entered into between the Company and Emperor W&J in relation to the tenancy transactions thereunder;
- (b) The master leasing agreement dated 23 March 2023 entered into between the Company and Emperor Capital Group Limited in relation to the tenancy transactions thereunder;
- (c) The master leasing agreement dated 23 March 2023 entered into between the Company and Emperor Culture in relation to the tenancy transactions thereunder;
- (d) The master leasing agreement dated 23 March 2023 entered into between the Company and Ulferts in relation to the tenancy transactions thereunder;
- (e) The master leasing agreement dated 23 March 2023 entered into between the Company and AY Holdings in relation to the tenancy transactions thereunder; and
- (f) The master agreement dated 3 March 2023 entered into between the Company and Ulferts in relation to the purchase of furniture products and obtaining of furniture procurement consultancy services thereunder.

6. DIRECTORS' INTERESTS IN ASSETS

On 19 July 2024, the Vendor entered into a sale and purchase agreement (“**Accurate Choice Developments SPA**”) with Oriental Peak Limited (“**Oriental Peak**”), which is indirectly controlled by a private discretionary trust as set up by Dr. Yeung, pursuant to which the Vendor conditionally agreed to sell and Oriental Peak conditionally agreed to acquire (a) the entire equity interest of Accurate Choice Developments Limited (“**Accurate Choice**”), the then indirect wholly-owned subsidiary of the Company which holds certain properties, and (b) the entire amount of the loan due and payable by Accurate Choice to the Vendor as at completion of the disposal at the consideration of approximately HK\$1,154.7 million (subject to adjustments), subject to the terms and conditions set out in the Accurate Choice Developments SPA. Ms. Semon Luk and Mr. Alex Yeung have deemed interest in the above disposal by virtue of being an associate of the eligible beneficiaries of the private discretionary trusts that control the Vendor and Oriental Peak and being one of the eligible beneficiaries of such trusts respectively. Details of the transaction are contained in the Company’s circular dated 30 August 2024.

On 14 November 2024, Rich Gallant Investment Limited (“**Rich Gallant**”), an indirect wholly-owned subsidiary of the Company, accepted the tender, and entered into the sale and purchase agreement with Serial Rich Limited (“**Serial Rich**”), of which Dr. Yeung and his associate are the ultimate beneficial owner, pursuant to which Rich Gallant agreed to sell and Serial Rich agreed to purchase a residential unit located at Flat C on 27th Floor of One Jardine’s Lookout at the consideration of HK\$32.9 million. Details of the transaction are contained in the Company’s announcement dated 14 November 2024.

As at the Latest Practicable Date, save for the above and the Disposal, 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.

7. EXPERT AND CONSENT

The following are the qualifications of the experts who have given opinions or advice which are contained in this circular:

Name	Qualification
Yu Ming Investment Management Limited	A corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
Vincorn Consulting and Appraisal Limited	Independent qualified valuer

As at the Latest Practicable Date, the above experts have given and have not withdrawn their respective written consents to the issue of this circular with the inclusion herein of their respective letters and reports (as the case may be) and references to their names, in the form and context in which they respectively appear. As at the Latest Practicable Date, each of the above experts:

- (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.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save for the cessation of hotel and hotel related business following the distribution in specie of share in Emperor E Hotel which was completed on 30 August 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 financial statement of the Group were made up.

9. DOCUMENTS ON DISPLAY

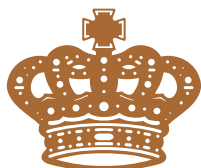
Copies of the following documents will be published on the website of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.EmperorInt.com>) in accordance with the Listing Rules from the date of the circular and up to and including the date of the SGM:

- (a) the Sale and Purchase Agreement;
- (b) the letter from the Independent Board Committee as set out from pages 13 to 14 in this circular;
- (c) the letter from Yu Ming, the Independent Financial Adviser, as set out from pages 15 to 28 in this circular;
- (d) the property valuation report as set out in Appendix I to this circular; and
- (e) the written consents referred to in the paragraph headed “7. Expert and Consent” in this Appendix.

10. MISCELLANEOUS

The English text of this circular and the accompanying form of proxy shall prevail over their respective Chinese text.

NOTICE OF SPECIAL GENERAL MEETING



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

(Incorporated in Bermuda with limited liability)

(Stock Code: 163)

NOTICE IS HEREBY GIVEN that a special general meeting of Emperor International Holdings Limited (“**Company**”) will be held at 28th Floor, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong on Wednesday, 16 April 2025 at 12:15 p.m., for the purpose of considering and, if thought fit, passing with or without modification the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** (i) the Sale and Purchase Agreement (as defined in the circular of the Company dated 31 March 2025 (“**Circular**”) in relation to discloseable and connected transaction – disposal of entire equity interest in Target Company (as defined in the Circular) and a copy of which is tabled before the meeting marked “A” and initialed by the Chairperson of the meeting for identification purpose) and the transactions contemplated thereunder be and are hereby ratified, confirmed and approved; and (ii) any director of the Company (other than Ms. Luk Siu Man, Semon and Mr. Yeung Ching Loong, Alexander) be and is hereby authorised to do all such acts and things which he/she may consider necessary, desirable or expedient to implement the transactions contemplated under the Sale and Purchase Agreement (with any amendments to the terms of such agreement which are not inconsistent with the purpose thereof as may be approved by such director).”

By order of the Board
Emperor International Holdings Limited
Fung Pui Ling
Company Secretary

Hong Kong, 31 March 2025

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

NOTICE OF SPECIAL GENERAL MEETING

Notes:

- (i) **No refreshments or drinks will be served and no corporate gifts will be distributed at the SGM.**
- (ii) Unless indicated otherwise, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 31 March 2025.
- (iii) Pursuant to Rule 13.39(4) of the Listing Rules, the resolution set out in this notice will be decided by poll at the SGM. Where the chairperson of the SGM in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted, such resolution will be decided by show of hands.
- (iv) A Shareholder entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxies (if he/she is a holder of more than one share) to attend and vote in his/her stead. A proxy needs not be a Shareholder. The Company strongly encourages Shareholders to appoint the Chairperson of the SGM as their proxy to exercise their rights to vote at the SGM. Physical attendance at the SGM by a shareholder is not necessary for the purpose of exercising voting rights.
- (v) To be valid, the form of proxy must be in writing under the hand of the appointor or his/her attorney duly authorized in writing, or if the appointor is a corporation, either under its common seal, or under the hand of an officer or attorney duly authorized on that behalf, and must be deposited at the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (“**Branch Share Registrar**”) together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney, not less than 48 hours before the time for holding the SGM or any adjournment thereof.
- (vi) Where there are joint holders of any share(s), any one of such joint holders may vote at the SGM, either in person or by proxy in respect of such share(s) as if he/she were solely entitled thereto, but the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the relevant joint holding.
- (vii) Completion and delivery of the form of proxy will not preclude a Shareholder from attending and voting in person at the SGM or any adjournment thereof should they so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.
- (viii) In order to qualify for the right to attend and vote at the SGM, all relevant share certificates and properly completed transfer forms must be lodged for registration with the Branch Share Registrar at the above address not later 4:30 p.m. on Thursday, 10 April 2025.
- (ix) If typhoon signal no. 8 or above, or a “black” rainstorm warning signal or “extreme conditions” announced by the Hong Kong Government is in force at any time between 10:15 a.m. and 12:15 p.m. on the date of SGM, the SGM will be postponed. The Company will post an announcement on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.EmperorInt.com>) to notify Shareholders of the date, time and place of the rescheduled meeting.
- (x) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.