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**英皇集團（國際）有限公司\***  
**Emperor International Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 163)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 MARCH 2016**

	For the year ended 31 March		Changes
	2016	2015	
	<i>HK\$'000</i>	<i>HK\$'000</i>	
Total Revenue	<b>5,602,894</b>	2,821,473	<b>+98.6%</b>
– <i>Investment Property</i>	<b>836,074</b>	730,497	<b>+14.5%</b>
– <i>Property Development</i>	<b>2,971,634</b>	12,750	<b>+23,206.9%</b>
– <i>Hotel Operation and Related Services</i>	<b>1,795,186</b>	2,078,226	<b>-13.6%</b>
Gross profit	<b>3,098,088</b>	2,124,427	<b>+45.8%</b>
Revaluation (loss)/gain on properties	<b>(3,167,583)</b>	737,708	<b>N/A</b>
Total segment profit (excluding revaluation (loss)/gain)	<b>1,827,612</b>	1,249,067	<b>+46.3%</b>

\* *For identification purposes only*

The board of directors (the “Board” or the “Directors”) of Emperor International Holdings Limited (the “Company”) announces the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2016 (the “Year”) together with the comparative figures for the corresponding year in 2015 as set out below:

## **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the year ended 31 March 2016*

	<i>Notes</i>	<b>2016</b> <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Revenue	3	<b>5,602,894</b>	2,821,473
Cost of properties sales		<b>(1,779,584)</b>	(8,322)
Cost of hotel and hotel related operations		<b>(658,591)</b>	(635,647)
Direct operating expenses in respect of leasing of investment properties		<b>(66,631)</b>	(53,077)
Gross profit		<b>3,098,088</b>	2,124,427
Other income		<b>135,721</b>	129,598
Fair value changes of investment properties		<b>(3,167,583)</b>	737,708
Other losses	4	<b>(369,602)</b>	(62,296)
Selling and marketing expenses		<b>(655,312)</b>	(563,316)
Administrative expenses		<b>(467,917)</b>	(443,627)
Finance costs		<b>(423,948)</b>	(296,432)
Share of result of a joint venture		<b>(80)</b>	(71)
(Loss) profit before taxation	5	<b>(1,850,633)</b>	1,625,991
Taxation	6	<b>(379,032)</b>	(350,298)
(Loss) profit for the year		<b><u>(2,229,665)</u></b>	<b><u>1,275,693</u></b>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME** (continued)

	<i>Notes</i>	<b>2016</b> <b>HK\$'000</b>	2015 <i>HK\$'000</i>
<b>Other comprehensive (expense) income</b>			
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Revaluation surplus of properties transferred to investment properties		<b>72,796</b>	–
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign subsidiaries		<u>(203,193)</u>	<u>5,725</u>
Other comprehensive (expense) income for the year		<u>(130,397)</u>	<u>5,725</u>
Total comprehensive (expense) income for the year		<u><b>(2,360,062)</b></u>	<u>1,281,418</u>
(Loss) profit for the year attributable to:			
Owners of the Company		<b>(2,391,188)</b>	898,129
Non-controlling interests		<u>161,523</u>	<u>377,564</u>
		<u>(2,229,665)</u>	<u>1,275,693</u>
Total comprehensive (expense) income for the year attributable to:			
Owners of the Company		<b>(2,521,486)</b>	903,849
Non-controlling interests		<u>161,424</u>	<u>377,569</u>
		<u><b>(2,360,062)</b></u>	<u>1,281,418</u>
(Loss) earnings per share	8		
Basic		<u><b>HK\$(0.65)</b></u>	<u>HK\$0.24</u>
Diluted		<u><b>HK\$(0.65)</b></u>	<u>HK\$0.24</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2016

	<i>Notes</i>	<b>2016</b> <i>HK\$'000</i>	2015 <i>HK\$'000</i>
<b>Non-current assets</b>			
Investment properties		<b>36,502,772</b>	36,525,060
Property, plant and equipment		<b>3,358,745</b>	3,261,792
Deposits paid for acquisition of investment properties/property, plant and equipment		<b>43,802</b>	127,390
Receivables related to a development project		<b>178,210</b>	187,471
Prepaid lease payments		<b>560,178</b>	625,876
Interest in a joint venture	9	<b>599,347</b>	572,474
Goodwill		<b>56,683</b>	56,683
Other assets		<b>4,092</b>	4,092
Pledged bank deposits		<b>30,252</b>	–
		<b><u>41,334,081</u></b>	<u>41,360,838</u>
<b>Current assets</b>			
Inventories		<b>13,745</b>	14,827
Properties held for sale	10	<b>720,124</b>	202,071
Properties under development for sale		<b>1,309,714</b>	2,641,237
Prepaid lease payments		<b>17,266</b>	18,702
Trade and other receivables	11	<b>834,641</b>	941,085
Derivative financial instruments		–	3,241
Taxation recoverable		<b>9,663</b>	11,520
Deposits in designated bank account for development properties		<b>9,685</b>	10,072
Pledged bank deposits		<b>655,718</b>	2,450,870
Short-term bank deposits		<b>39,031</b>	–
Bank balances and cash		<b>3,108,291</b>	1,356,769
		<b><u>6,717,878</u></b>	<u>7,650,394</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	<i>Notes</i>	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
<b>Current liabilities</b>			
Trade and other payables	12	1,283,036	2,138,073
Amount due to a related company		484,530	456,108
Amounts due to non-controlling interests of subsidiaries		132,000	152,576
Derivative financial instruments		16,700	1,084
Taxation payable		588,605	443,240
Bank borrowings – due within one year		<u>3,000,420</u>	<u>2,861,948</u>
		<u>5,505,291</u>	<u>6,053,029</u>
<b>Net current assets</b>		<u>1,212,587</u>	<u>1,597,365</u>
<b>Total assets less current liabilities</b>		<u>42,546,668</u>	<u>42,958,203</u>
<b>Non-current liabilities</b>			
Amount due to a related company		3,059,865	3,062,083
Unsecured notes		4,566,553	3,761,206
Derivative financial instruments		–	23,324
Bank borrowings – due after one year		8,028,668	6,665,704
Deferred taxation		<u>1,157,047</u>	<u>998,088</u>
		<u>16,812,133</u>	<u>14,510,405</u>
		<u><u>25,734,535</u></u>	<u><u>28,447,798</u></u>
<b>Capital and reserves</b>			
Share capital		36,775	36,718
Reserves		<u>22,715,937</u>	<u>25,522,133</u>
Equity attributable to owners of the Company		<u>22,752,712</u>	<u>25,558,851</u>
Non-controlling interests		<u>2,981,823</u>	<u>2,888,947</u>
		<u><u>25,734,535</u></u>	<u><u>28,447,798</u></u>

## NOTES:

### 1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (the “HKFRSs”) and Hong Kong Accounting Standards (“HKASs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time in the current year.

Amendments to HKAS 19	Defined benefit plans: Employee contributions
Amendments to HKFRSs	Annual improvements to HKFRSs 2010-2012 cycle
Amendments to HKFRSs	Annual improvements to HKFRSs 2011-2013 cycle

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial instruments <sup>2</sup>
HKFRS 15	Revenue from contracts with customers <sup>2</sup>
HKFRS 16	Leases <sup>4</sup>
Amendments to HKFRSs	Annual improvements to HKFRSs 2012-2014 cycle <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture <sup>3</sup>
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception <sup>1</sup>
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations <sup>1</sup>
Amendments to HKAS 1	Disclosure initiative <sup>1</sup>
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation <sup>1</sup>
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants <sup>1</sup>
Amendments to HKAS 27	Equity method in separate financial statements <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2016.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2018.

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2019.

## **HKFRS 9 “Financial instruments”**

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a “fair value through other comprehensive income” (“FVTOCI”) measurement category for certain simple debt instruments.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 “Financial instruments: Recognition and measurement” are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The Directors considered the expected credit loss model may result in earlier recognition of impairment on financial assets.

The Directors will assess the impact of the application of HKFRS 9. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

## **HKFRS 15 “Revenue from contracts with customers”**

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 “Revenue”, HKAS 11 “Construction contracts” and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The Directors anticipate that the application of HKFRS 15 in the future may have an impact on the amounts reported and disclosures made in the Group’s consolidated financial statements. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

#### **HKFRS 16 “Leases”**

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases”, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under HKAS 17, which does not require the recognition of such right-of-use asset/lease liability, but which requires certain information about operating lease commitments to be made.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Directors are in the process of assessing their impact of HKFRS 16 on the consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect until the Group performs a detailed review.

The Directors anticipate that the application of the other new and revised HKFRSs will have no material impact on the consolidated financial statements of the Group.



### 3. SEGMENT INFORMATION

The Group's operating and reportable segments are lease of properties, properties development and hotel and hotel related operations for the purpose of resources allocation and assessment of performance.

The segment information reported externally was analysed on the basis of their products and services supplied by the Group's operating divisions which is consistent with the internal information that is regularly reviewed by the executive directors of the Company (the "Executive Directors"), the chief operating decision makers, for the purposes of resource allocation and assessment of performance. This is also the basis of organisation in the Group, whereby the management has chosen to organise the Group around differences in products and services.

Principal activities of the operating and reportable segments are as follows:

Lease of properties	–	Completed investment properties held for rental purpose
Properties development	–	Properties development and redevelopment for sale purpose
Hotel and hotel related operations	–	Hotel and hotel related operation in Macau and Hong Kong, including operations of mass market, VIP room, slot machine operations and provision of gaming-related marketing and public relation services for Grand Emperor Hotel in Macau

The Executive Directors review the hotel and hotel related operations in Macau along with that in Hong Kong and hence they are grouped and identified as a single operating segment – hotel and hotel related operations.

Segment results represent the profit earned by or loss suffered from each segment without allocation of central administration costs, interest income, finance costs, share of result of a joint venture and fair value changes in derivative financial instruments. This is the measure reported to the Executive Directors for the purpose of resource allocation and performance assessment.

Information regarding the above segments is reported below:

**Business segments**

	Lease of properties <i>HK\$'000</i>	Properties development <i>HK\$'000</i>	Hotel and hotel related operations <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>For the year ended 31 March 2016</b>				
<i>Segment revenue and results</i>				
Segment revenue – from external customers	<u>836,074</u>	<u>2,971,634</u>	<u>1,795,186</u>	<u>5,602,894</u>
Segment results	<u>(2,484,530)</u>	<u>807,497</u>	<u>337,062</u>	(1,339,971)
Interest income				90,894
Unallocated corporate expenses, net				(157,188)
Net loss on fair value changes in derivative financial instruments				(20,340)
Finance costs				(423,948)
Share of result of a joint venture				<u>(80)</u>
Loss before taxation				(1,850,633)
Taxation				<u>(379,032)</u>
Loss for the year				<u>(2,229,665)</u>
<i>Other information</i>				
Amounts included in the measure of segment results:				
Allowance for doubtful debts	–	–	(560)	(560)
Depreciation of property, plant and equipment	–	(735)	(168,231)	(168,966)
Release of prepaid lease payments	–	–	(18,100)	(18,100)
Fair value decrease of investment properties	(3,167,583)	–	–	(3,167,583)
Impairment loss on prepaid lease payments	–	–	(49,034)	(49,034)
Write-downs of properties under development for sale	–	(132,884)	–	(132,884)
Amounts regularly provided to the Executive Directors but not included in the measure of segment results (included in unallocated corporate expenses, net):				
				<b><i>HK\$'000</i></b>
Depreciation of property, plant and equipment, at corporate level				35,516

	Lease of properties <i>HK\$'000</i>	Properties development <i>HK\$'000</i>	Hotel and hotel related operations <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 31 March 2015				
<i>Segment revenue and results</i>				
Segment revenue – from external customers	<u>730,497</u>	<u>12,750</u>	<u>2,078,226</u>	<u>2,821,473</u>
Segment results	<u>1,370,453</u>	<u>(64,293)</u>	<u>680,615</u>	1,986,775
Interest income				89,929
Unallocated corporate expenses, net				(140,853)
Net loss on fair value changes in derivative financial instruments				(13,357)
Finance costs				(296,432)
Share of result of a joint venture				<u>(71)</u>
Profit before taxation				1,625,991
Taxation				<u>(350,298)</u>
Profit for the year				<u>1,275,693</u>

*Other information*

Amounts included in the measure of segment results:

Reversal of allowance for doubtful debts	–	–	2,612	2,612
Depreciation of property, plant and equipment	–	(683)	(155,266)	(155,949)
Release of prepaid lease payments	–	–	(18,702)	(18,702)
Fair value increase of investment properties	737,708	–	–	737,708

Amounts regularly provided to the Executive Directors but not included in the measure of segment results (included in unallocated corporate expenses, net):

*HK\$'000*

Depreciation of property, plant and equipment, at corporate level 28,503

No analysis of the Group's assets and liabilities by operating segment is disclosed as they are not regularly provided to the Executive Directors for review.

### Geographical information

The Group's operations are located in Hong Kong, the People's Republic of China (the "PRC"), Macau and United Kingdom ("UK").

The Group's revenue from external customers and information about its non-current assets, other than receivables related to a development project and interest in a joint venture, by geographical location of the assets are detailed below:

	Revenue from customers		Non-current assets	
	For the year ended 31 March		As at 31 March	
	2016	2015	2016	2015
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	3,840,934	764,196	29,579,791	30,488,098
The PRC	5,290	5,664	5,990,156	4,896,888
Macau	1,738,619	2,047,544	4,251,070	4,813,145
UK	18,051	4,069	735,507	402,762
	<u>5,602,894</u>	<u>2,821,473</u>	<u>40,556,524</u>	<u>40,600,893</u>

### Information about major customers

During the Year, revenue derived from one customer (2015: one) which contributed over 10% of the total revenue of the Group's revenue amounted to HK\$1,455,131,000 (2015: HK\$1,735,421,000). The revenue is related to the hotel and hotel related operations.

#### 4. OTHER LOSSES

	2016	2015
	HK\$'000	HK\$'000
Net loss on fair value changes in derivative financial instruments	20,340	13,357
Impairment loss on prepaid lease payments ( <i>Note a</i> )	49,034	–
Write-downs of properties under development for sale ( <i>Note b</i> )	132,884	–
Net exchange loss	<u>167,344</u>	<u>48,939</u>
	<u>369,602</u>	<u>62,296</u>

#### Notes:

- (a) During the Year, impairment indicator of decline in assets' value due to economic downturn is noted in the Inn Hotel Macau. The Directors conducted an impairment assessment on the hotel's property, plant and equipment and prepaid lease payments by reviewing their recoverable amounts. An impairment loss of HK\$49,034,000 in respect of prepaid lease payments as at 31 March 2016 has been recognised (2015: nil).
- (b) During the Year, the Directors reviewed the recoverability of the properties under development for sale with reference to the current market environment and recognised write-downs of HK\$132,884,000 (2015: nil).

**5. (LOSS) PROFIT BEFORE TAXATION**

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
(Loss) profit before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	204,482	184,452
Release of prepaid lease payments	<u>18,100</u>	<u>18,702</u>

**6. TAXATION**

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Tax charge comprises:		
Current tax		
Hong Kong Profits Tax	166,258	51,540
Macau Complementary Income Tax ("CT")	<u>64,659</u>	<u>83,763</u>
	<u>230,917</u>	<u>135,303</u>
Reversal of CT provision in prior years	<u>(39,837)</u>	<u>(21,846)</u>
(Over) underprovision in prior years		
CT	(1,446)	–
The PRC Enterprise Income Tax ("EIT")	(249)	3,369
Hong Kong Profits Tax	(181)	(120)
UK Income Tax	<u>159</u>	<u>–</u>
	<u>(1,717)</u>	<u>3,249</u>
Deferred taxation		
Current year	<u>189,669</u>	<u>233,592</u>
	<u><u>379,032</u></u>	<u><u>350,298</u></u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

The CT is calculated at the applicable rate of 12% of the estimated assessable profits for both years.

Pursuant to the CT law, the CT assessment on the estimated assessable profit in a year of assessment will be lapsed in five consecutive years after that year of assessment. At the end of the reporting period, the Directors reassessed the adequacy of the CT provision and determined to reverse part of the Group's relevant CT provision of HK\$39,837,000 for the 2010 year of assessment (2015: HK\$21,846,000 for the 2009 year of assessment) accordingly.

UK Income Tax is calculated at the applicable rate of 20% of the estimated assessable profits for current year.

## 7. DIVIDENDS

	<b>2016</b> <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Dividends recognised as distribution during the year:		
Interim dividend paid for 2016: HK\$0.045 per share (2015: HK\$0.05 per share in respect of 2015)	<b>165,489</b>	183,589
Final dividend paid for 2015: HK\$0.06 per share (2015: HK\$0.059 per share in respect of 2014)	<b>220,653</b>	216,635
	<b>386,142</b>	400,224

The final dividend of HK\$0.055 per share in respect of the year ended 31 March 2016 (2015: final dividend of HK\$0.06 per share) amounting to approximately HK\$202,265,000 has been proposed by the Directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

## 8. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to the ordinary equity holders of the Company are based on the following data:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
<b>(Loss) earnings for the purpose of basic and diluted (loss) earnings per share</b>		
(Loss) profit for the year attributable to owners of the Company	<u>(2,391,188)</u>	<u>898,129</u>
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue for the purpose of basic and diluted (loss) earnings per share	<u>3,676,189,998</u>	<u>3,671,776,192</u>

The weighted average number of ordinary shares has been adjusted by the weighted average number of ordinary shares issued due to the exercise of share options of the Company during the Year.

For the years ended 31 March 2016 and 2015, there are no dilutive effects from the Company's outstanding share options as the exercise price of these share options is higher than the average market price of the Company's shares during that year.

There were no outstanding share options in issue by the Company's subsidiary, Emperor Entertainment Hotel Limited, during the years ended 31 March 2016 and 2015.

## 9. INTEREST IN A JOINT VENTURE

Interest in a joint venture represents interest in Superb Land Limited of which the Group holds 40% equity interest. Superb Land Limited holds 100% interest in Talent Charm Corporation Limited ("Talent Charm"), being the property development company of a development project located at Rural Building Lot No. 1198, Shouson Hill Road West, Hong Kong.

As at 31 March 2016, the Group has given corporate guarantee of HK\$941,600,000 (2015: HK\$941,600,000) to a bank in respect of banking facilities granted to Talent Charm, of which HK\$546,000,000 (2015: HK\$542,000,000) has been utilised. In the opinion of the Directors, the fair value of the guarantee is not significant.

## 10. PROPERTIES HELD FOR SALE

The carrying amount of properties held for sale comprise properties:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Situated in Hong Kong	719,650	201,574
Situated in the PRC and held under land use rights with terms expiring within 50 years	<u>474</u>	<u>497</u>
	<u><b>720,124</b></u>	<u><b>202,071</b></u>

## 11. TRADE AND OTHER RECEIVABLES

An analysis of trade and other receivables is as follows:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Trade receivables	130,393	200,371
Chips on hand	148,033	135,386
Other receivables	356,185	438,043
Deposits and prepayments	<u>200,030</u>	<u>167,285</u>
	<u><b>834,641</b></u>	<u><b>941,085</b></u>

An aged analysis of the Group's trade receivables (net of allowances) based on either the date of credit granted or the invoice date at the end of the reporting period is set out below:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
0–30 days	99,425	179,172
31–90 days	16,088	6,715
91–180 days	1,980	856
Over 180 days	<u>12,900</u>	<u>13,628</u>
	<u><b>130,393</b></u>	<u><b>200,371</b></u>



Chips on hand represent chips issued by a gaming concessionaire in Macau which can be exchanged into their cash amounts.

No credit period was granted to tenants of rental of premises. Before accepting any new tenant, the Group will internally assess the credit quality of the potential tenant. No credit period was granted to hotel customers generally except for those high credit rating customers to whom an average credit period of 30 days were granted.

For gaming operation, the Group normally allows credit periods of up to 60 days to its trade customers, except for certain credit worthy customers with long term relationship and stable repayment pattern, where the terms are extended to a longer period.

Included in other receivables are amounts due from related companies of HK\$34,585,000 (2015: HK\$30,625,000). These related companies are indirectly controlled by Albert Yeung Holdings Limited which is held by STC International Limited being the trustee of The Albert Yeung Discretionary Trust (the “AY Trust”) (Dr. Yeung Sau Shing, Albert is the founder of the AY Trust and a deemed substantial shareholder of the Company). The amounts are unsecured, interest-free and repayable within one year.

Included in other receivables are deposits received for sale of the Group’s properties of HK\$127,111,000 (2015: HK\$231,296,000) under the custody of the independent lawyers on behalf of the Group.

## 12. TRADE AND OTHER PAYABLES

An aged analysis of the Group’s trade payables based on invoice date at the end of the reporting period is set out below:

	2016 <i>HK\$’000</i>	2015 <i>HK\$’000</i>
0–90 days	27,871	29,946
91–180 days	80	181
Over 180 days	1	9
	<u>27,952</u>	<u>30,136</u>
Construction payables and accruals	562,042	543,171
Other payables and accruals	249,057	266,361
Rental deposits received	314,468	251,973
Deposits received from sales of properties	129,517	1,046,432
	<u>1,283,036</u>	<u>2,138,073</u>

### 13. ACQUISITIONS

During the Year, the Group had acquired the following material property interests:

- (a) In June 2015, the Group acquired property interests located at Nos. 25-27 Oxford Street, London, W1D 2DW, United Kingdom at a cash consideration of £35,500,000 (approximately HK\$419,646,000).
- (b) In June 2015, the Group acquired property interests located at Nos. 75-79 Lockhart Road, Wan Chai, Hong Kong through acquisition of Apex Delight Holdings Limited at a cash consideration of HK\$683,000,000.
- (c) In September 2015, the Group acquired property interests located at Nos. 8-10A Mosque Street, Mid-levels, Hong Kong at a cash consideration of HK\$403,800,000.
- (d) In March 2016, the Group acquired property interests located at Nos. 39 and 41 Des Voeux Road Central, Hong Kong through acquisition of Versa Ltd. at a cash consideration of HK\$1,300,000,000.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Group principally engages in property investments, property development and hospitality in the Greater China and overseas.

### **MARKET REVIEW**

The US Federal Reserve kicked off a new cycle of interest-rate hikes during the Year, which coupled with an adjustment of the Renminbi (“RMB”) exchange rate and the ongoing decline in oil prices, sparked turmoil in global financial markets.

The recent volatility in the global financial markets and concerns over the slowdown in the Mainland economy have posed a drag on the economic growth in Hong Kong. Despite the modest interest-rate increment, the prevailing mortgage rate in Hong Kong remains low, which gives considerable support to home buyers.

The retail property market in Hong Kong was highly affected by the decline in the number of inbound visitors and spending by Mainland visitors. Although the retail industry in Hong Kong was undergoing a downward cycle, the limited supply and entry of newly listed enterprises stimulated the demand for quality office complexes in the key commercial districts.

The Hong Kong property market continues to consolidate as a result of economic and property-related policies. The government actively increased the land supply and property developers have introduced new projects and provided various concessionary offers, boosting the primary market to the fore. Due to the various market uncertainties as the business environment in Hong Kong may turn more difficult, both sales volume and transaction price showed a modest decrease.

It was a challenging period for tourism and the hospitality industry in Hong Kong. With countries around the world stepping up their efforts to attract Mainland visitors, both business and leisure travellers to Hong Kong have reduced. Strengthening of the US dollar against other currencies has made shopping and travelling to Hong Kong less appealing.

## **FINANCIAL REVIEW**

### **Overall Review**

During the Year, the Group reported a significant revenue growth by 98.6% to HK\$5,602.9 million (2015: HK\$2,821.5 million) which is mainly attributable to the sales of residential flats. The performance of rental income from the Group's investment properties portfolio remained resilient, with growth of 14.5% to HK\$836.1 million (2015: HK\$730.5 million), representing 14.9% (2015: 25.9%) of total revenue. Since majority of the sold units of *Upton* had been delivered to the customers during the Year, revenue from property development reached HK\$2,971.6 million (2015: HK\$12.8 million), representing 53.0% (2015: 0.4%) of total revenue. Due to a softening in demand for gaming and hospitality services in Macau, revenue from the hospitality segment was HK\$1,795.2 million (2015: HK\$2,078.2 million), accounting for 32.1% (2015: 73.7%) of the total revenue.

Gross profit increased to HK\$3,098.1 million (2015: HK\$2,124.4 million). Due to the weakening consumption market sentiment and recent downtrend of market rental of investment properties in prime locations, the assessment of market property valuation was downward adjusted, and hence, a revaluation loss on investment properties of HK\$3,167.6 million was recorded during the Year, compared with the revaluation gain on properties of HK\$737.7 million in last year. The total segment profit excluding revaluation loss/gain on properties increased significantly by 46.3% to HK\$1,827.6 million (2015: HK\$1,249.1 million). With the presence of the revaluation loss on properties, loss for the Year attributable to owners of the Company was HK\$2,391.2 million, compared with the profit for the year attributable to owners of the Company of HK\$898.1 million in last year.

Basic loss per share was HK\$0.65 (2015: basic earnings per share of HK\$0.24). The Board recommended the payment of a final dividend of HK\$0.055 (2015: HK\$0.06) per share. Together with the interim dividend of HK\$0.045 (2015: HK\$0.05) per share, the total dividends for the Year are HK\$0.10 (2015: HK\$0.11) per share.

### **Liquidity And Financial Resources**

The Group owned a key property portfolio with an area of over 5 million square feet. As at 31 March 2016, the Group's net asset value and net asset value per share amounted to HK\$22,752.7 million (2015: HK\$25,558.9 million) and HK\$6.19 (2015: HK\$6.96) per share, respectively.

The Group has cash, bank balances and bank deposits amounted to HK\$3,833.3 million as at 31 March 2016 (2015: HK\$3,807.6 million). The total external borrowings (excluding payables) amounted to approximately HK\$19,272.0 million (2015: HK\$16,959.6 million) and the Group's debt to total asset ratio was 40.1% (2015: 34.6%) (measured by total external borrowings as a percentage to the total asset value of the Group). In addition to its share capital and reserves, the Group made use of cash flow generated from operations, bank borrowings, unsecured notes and unsecured loans from a related company to finance its operation. During the Year, the Company issued unsecured notes of US\$38.0 million and HK\$500.0 million for the purpose of providing general working capital to the Group. Such notes will be repayable by 2021 and carry fixed coupon rate of 4.4% per annum, payable semi-annually in arrears. The Group's bank borrowings were denominated in Hong Kong dollars and RMB and their interest rates followed market rates. The Group's bank balances and cash were also denominated in Hong Kong dollars, RMB and Macau Pataca ("MOP"). Due to the fluctuations in exchange rates over the past few months, the Group had certain exposure of foreign currency risks especially in RMB. However, the Group will closely monitor and take appropriate measures in order to mitigate the currency risks.

### **Capital Structure**

During the Year, a total of 5,769,475 share options of the Company were exercised. The number of shares of the Company was then increased by 5,769,475. The Company's share capital and share premium were increased by approximately HK\$57,000 and HK\$11.3 million respectively, and the share option reserve of the Company reduced by approximately HK\$1.2 million.

## **BUSINESS REVIEW**

### **Investment Property**

The Group's investment properties primarily focus on quality street-level retail spaces and commercial buildings at prominent locations. In recent years, the Group strives to enhance the proportion of commercial buildings among its existing property investment portfolio, aiming to diversify its rental income streams and ensure the Group is in a more resilient position to withstand market volatility.

### *Hong Kong – Retail Premises*

During the Year, the overall occupancy rate of the Group's retail properties was over 97.0%, attributable to the majority of its premises being in prime locations. The Group owns many premium investment properties, with a strong focus on street level retail space at the key shopping districts in Hong Kong. Key investment properties include the retail spaces at **Nos. 8, 20, 22-24 and 50-56 Russell Street, No. 76 Percival Street** and **Nos. 474-476, 479-484, 507, 523 Lockhart Road** in Causeway Bay; **Nos. 4-8 Canton Road, Nos. 81, 83 Nathan Road, Nos. 35-37 Haiphong Road** and **Nos. 25-29 Hankow Road** in Tsim Sha Tsui; **The Pulse** in Repulse Bay; **Fitfort Shopping Arcade** in North Point; and **Level 3, New Town Mansion Shopping Arcade** in Tuen Mun. During the Year, **Nos. 22-24 Russell Street** was leased to La Perla, an Italian luxury lingerie brand, on a whole block basis, as La Perla's largest flagship store worldwide.

### *Hong Kong – Office, Commercial & Residential Complexes*

In addition to the above-mentioned retail spaces, the Group's rental income from complexes mainly includes **Emperor Group Centre, China Huarong Tower** and **Nos. 75-85 Lockhart Road** in Wan Chai; a residential site at **Nos. 17-19 Yik Yam Street** in Happy Valley; an industrial complex at **Nos. 45-51 Kwok Shui Road** in Kwai Chung; and **New Media Tower** in Kwun Tong. The renovation and upgrading of **China Huarong Tower** has been completed during the Year, which has been hand-over to the single tenant, on a whole block basis. The residential site at **Nos. 17-19 Yik Yam Street** is planned to be developed into 21-storey residential complex with 68 units for leasing-out, with anticipated completion in 2018. During the Year, the Group completed the acquisition of **Wincome Centre** in Central. **Wincome Centre** is a 16-storey (including basement) building comprising three storeys of retail spaces and 13 storeys of office premises, with a total gross floor area of approximately 39,000 square feet. Situated at the junction of Des Voeux Road Central and Douglas Street, it is the busiest transportation hub in Central, in close proximity to Hong Kong MTR station.

### *Macau*

In Macau, construction work at **Nos. 71-75 Avenida do Infante D. Henrique & Nos. 514-540 Avenida da Praia Grande** was in progress. Located at the city-centre shopping spot on the Peninsula, a traditional gaming area in Macau, it will become a signature complex in the town.

### *Mainland China*

In the Mainland China, work was in progress during the Year on the superstructure of the prime commercial site on ***Chang'an Avenue East***, Beijing. The site is set to be developed into a Grade-A office tower, with a gross floor area of approximately 1,000,000 square feet. The development will include a multi-storey retail podium, entertainment hot spots and parking facilities, and will become another landmark building along this prominent street of China's capital city in 2017.

Located in Yuyuan, Huangpu District, Shanghai, ***Emperor Star City*** will be developed into a shopping arcade and hotel or serviced apartment complex, at a prime site adjacent to the Shanghai M10 subway route. Foundation and basement excavation work for the development has been completed. With an expected gross floor area of approximately 1,300,000 square feet, the complex will include a multi-storey shopping arcade as its major component. The Group expects that upon completion, this project will generate substantial and stable rental revenue.

### *London*

The Group owns a seven-storey (including basement) retail and office complex at ***Nos. 181-183 Oxford Street***, London. During the Year, the Group further acquired an eight-storey (including basement) retail and office complex at ***Nos. 25-27 Oxford Street***, London, with a floor area of approximately 12,000 square feet. Such expansion can help to diversify the Group's property investment portfolio beyond Greater China. With premises at a prominent London shopping hub that is among the popular tourist spots for international visitors, the Group is optimistic regarding the potential rental increment and capital appreciation in the long-term.

## **Property Development**

There is good progress with the Group's various development projects. ***Upton***, a 42-storey luxury residential tower with panoramic views of Victoria Harbour, is on schedule for completion during the Year. It has a gross floor area of approximately 185,000 square feet, with 125 flats. There was an overwhelming market response, and 92.0% of the flats have been sold as at 31 March 2016. Majority of its sales proceeds has been recognised during the Year.

During the Year, all of the remaining units of ***The Prince Place*** and part of the remaining units of ***Harbour One*** and ***18 Upper East*** were sold. Such sales proceeds has been recognised during the Year.

Another site, at ***Tuen Mun Town Lot No. 436, Kwun Fat Street, Siu Lam***, Tuen Mun, with a gross floor area of approximately 39,000 square feet, will be developed into 14 low-rise detached or semi-detached houses. During the Year, majority of its construction work was completed. The sale of completed units will commence subsequent to the Year. The related sales proceeds will be recognised in the 2016/2017 financial year.



A residential site with a sea view, at **Tuen Mun Town Lot No. 490, Tai Lam**, Tuen Mun, with a gross floor area of approximately 29,000 square feet, will be developed into a luxurious low-rise development comprising a mixture of detached houses and apartments. This project is expected to be completed in late-2018. This site, together with the site in Siu Lam, will be well served by a superb transportation network of Hong Kong–Shenzhen Western Corridor as well as the future Tuen Mun–Chek Lap Kok Link and Hong Kong–Zhuhai–Macau Bridge. The sites are also close to Harrow International School Hong Kong, the Hong Kong branch of the prestigious, UK-based Harrow School.

Another luxury residential project (in collaboration with two partners) at **Rural Building Lot No. 1198, Shouson Hill**, Hong Kong, with a gross floor area of approximately 88,000 square feet, will be developed into 18 low-density luxury houses, with comprehensive auxiliary facilities. This development opportunity is very precious as it is in a traditional luxury residential area. The entire project is expected to be completed in 2019.

During the Year, the Group won the bid for development of a residential site at **New Kowloon Lot No. 6538, Fuk Wing Street**, Sham Shui Po, Kowloon, and undertook an urban redevelopment project with a gross floor area of approximately 54,000 square feet. This is planned to be redeveloped into a 26-storey residential tower with more than 130 flats, with completion scheduled for 2018. The Group also acquired a six-storey residential building with a gross floor area of approximately 14,000 square feet at **Nos. 8-10A Mosque Street**, Mid-Levels, Hong Kong. This is planned to be redeveloped into a luxury residential tower with a gross floor area of approximately 34,000 square feet in 2019.

### **Hotel Operation and Related Services**

Emperor Hotels Group has been established to cover several hotels and serviced apartments in Hong Kong and Macau, and is dedicated to the Group's ongoing efforts and comprehensive development of hotel operations. In Hong Kong, it currently covers **Emperor (Happy Valley) Hotel, Inn Hotel Hong Kong, MORI MORI Serviced Apartments** and a new hotel development project in Wanchai. In Macau, it covers **Grand Emperor Hotel** and **Inn Hotel Macau**, where income from hospitality and gaming has been consolidated with the Group.

Located in Happy Valley, **Emperor (Happy Valley) Hotel** is the Group's flagship project, with the classic beauty of European architecture and décor. It is a 26-storey hotel offering 150 guest rooms, with a gross floor area of approximately 84,000 square feet. Golden Valley, a restaurant offering Cantonese and Sichuan cuisine in the hotel, has been awarded Michelin one-star for the sixth consecutive year.



Located in Yau Ma Tei, Kowloon, ***Inn Hotel Hong Kong*** is a 30-storey hotel offering 200 guest rooms, with a gross floor area of approximately 48,000 square feet. With easy access to established shopping areas and Ladies' Market in Mong Kok, as well as Jade Market in Yau Ma Tei, it is conveniently located in a major entertainment, shopping and dining district, ensuring guests will truly experience Hong Kong as a vibrant and fascinating city.

Situated at the vibrant junction of Wanchai and Causeway Bay, ***MORI MORI Serviced Apartments*** provides 18 stylish serviced apartments for expats, MICE visitors, business travellers and overseas professionals on short- and long-term leases. With state-of-the art facilities and professional customer services, ***MORI MORI Serviced Apartments*** redefines the contemporary way of living.

Meanwhile, superstructure work at ***No. 373 Queen's Road East***, Wan Chai, was almost completed during the Year. With a gross floor area of approximately 115,000 square feet, this will be developed into a 29-storey hotel offering 300 guest rooms as well as leisure, dining and parking facilities. The hotel is expected to be completed in 2016. It will be a signature hotel project under ***Emperor Hotels Group***, which can further enhance brand recognition in the hospitality segment.

***Grand Emperor Hotel*** is another of the Group's flagship projects, located on the Peninsula, Macau. With a gross floor area of approximately 655,000 square feet, it is a 26-storey hotel with 307 exquisite guest rooms, fine dining restaurants and bars, as well as gaming facilities. It has won an array of prestigious industry awards.

***Inn Hotel Macau*** is a 17-storey hotel with a gross floor area of approximately 209,000 square feet, and 287 guest rooms. Through extending coverage from the Peninsula to Taipa, the Group can fully capture the potential of Macau's hospitality market.

## OUTLOOK

The Group will continue to source quality and upscale investment properties with good potential in Greater China and also in major cities in the world, to enhance its investment property portfolio and continue to provide a significant source of recurrent rental income in the long-run. In order to leverage the potential decline of rental income from retail spaces, the Group is adopting a pro-active approach to optimise the balance between retail and non-retail premises, given that the leasing demand of commercial complexes in the key local commercial district areas remains strong. Leveraging on its sustained high occupancies and contributions from new investment properties, the Group's rental income is expected to stay steady.

The residential market is anticipated to remain positive, given the solid demand from end-users, with ongoing growth in household formation and rising personal incomes. The Group is building a steady development projects pipeline for providing long-term contributions through the sale of residential units. *Upton*, the luxury residential sites in *Siu Lam* and *Shouson Hill*, along with the redevelopment project at *Mosque Street* once again demonstrate the Group's strategic focus on premium residential projects. The sales proceeds of the luxury low-rise houses in *Siu Lam* are expected to be reflected in the earnings of the 2016/2017 financial year. Looking ahead, the Group will continue to replenish its land bank for strengthening earnings and shareholders' value.

Supported by "One Belt, One Road" economic development strategy initiated by Chinese Government, Hong Kong should benefit from its geographical proximity, bringing ample opportunities and building a solid foundation for long-term economic development. Despite the global uncertainties, the Group will continue to manage its core businesses with prudence to achieve stable growth and sustain profitability. The Group is constantly looking for business opportunities through property assembly, acquisition of old buildings and tenders for government land. With its management execution strength and market insight, the Group will strive to further enhance its competitive position, and aim to become a key property player in the Greater China region.

## **EMPLOYEES AND REMUNERATION POLICY**

The total cost incurred for staff including Directors' emoluments amounted to HK\$669.5 million during the Year (2015: HK\$648.5 million). The number of staff was 1,780 as at 31 March 2016 (2015: 1,733). Employee's remuneration was determined in accordance with individual's responsibility, competence and skills, experience and performance, as well as market pay levels. Staff benefits include medical and life insurance, retirement benefits and other competitive fringe benefits.

To provide incentives or rewards to staff, the Company has adopted a share option scheme, particulars of which will be set out in the section headed "Share Options" of the annual report of the Company.

## **ASSETS PLEDGED**

As at 31 March 2016, assets with carrying value of HK\$36,388.5 million (31 March 2015: HK\$39,355.4 million) were pledged as security for banking facilities.

## **FINAL DIVIDEND**

The Board recommended the payment of a final dividend of HK\$0.055 (2015: HK\$0.06) per share (“Final Dividend”) for the Year, amounting to approximately HK\$202.3 million (2015: HK\$220.3 million). The Final Dividend, if being approved at the forthcoming annual general meeting of the Company (“AGM”), will be paid on 15 September 2016 (Thursday) to shareholders whose names appear on the register of members of the Company on 24 August 2016 (Wednesday).

## **CLOSURE OF REGISTER OF MEMBERS**

### **For ascertaining shareholders’ right to attend and vote at AGM**

Latest time to lodge transfers	4:30 p.m. on 12 August 2016 (Friday)
Book close dates	15 and 16 August 2016 (Monday and Tuesday)
Record date	16 August 2016 (Tuesday)
AGM	16 August 2016 (Tuesday)

### **For ascertaining shareholders’ entitlement to the proposed Final Dividend**

Latest time to lodge transfers	4:30 p.m. on 22 August 2016 (Monday)
Book close dates	23 and 24 August 2016 (Tuesday and Wednesday)
Record date	24 August 2016 (Wednesday)
Final Dividend payment date	15 September 2016 (Thursday)

In order to qualify for the right to attend and vote at the AGM and for the proposed Final Dividend, all relevant share certificates and properly completed transfer forms must be lodged with the Company’s Hong Kong Branch Share Registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration before the above respective latest time.

## **SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

## **REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**

The Audit Committee of the Company, which comprises the three independent non-executive directors of the Company, had reviewed the audited consolidated financial statements for the Year in conjunction with the Group's auditor, Messrs. Deloitte Touche Tohmatsu. Based on this review and discussion with the management of the Company, the Audit Committee was satisfied that the audited consolidated financial statements were prepared in accordance with applicable accounting standards and fairly presented the Group's financial position as at 31 March 2016 and annual results for the Year.

## **CORPORATE GOVERNANCE**

### **Corporate Governance Code**

The Company has complied throughout the Year with all the provisions of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules.

### **Model Code for Securities Transactions**

The Company has adopted its own code of conduct regarding securities transactions by Directors ("EIHL Securities Code") on no less exacting terms than the required standards set out in Appendix 10 of the Listing Rules – Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"). Having made specific enquiry to the Directors, all of them confirmed that they have complied with the required standard of dealings as set out in the Model Code and the EIHL Securities Code throughout the year.

Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written guidelines in line with the Model Code. No incident of non-compliance by relevant employees was noted throughout the year.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

## **PUBLICATION OF THE AUDITED ANNUAL RESULTS AND ANNUAL REPORT**

The annual results announcement is published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.EmperorInt.com>). The annual report will be dispatched to the shareholders of the Company and will be available on websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 22 June 2016

As at the date hereof, the Board comprises:

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