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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)

CONNECTED TRANSACTION

The Board announces that Good Force, a wholly-owned subsidiary of the Company, entered into the Agreement on 2 August 2010 with the Purchaser, pursuant to which Good Force has agreed to sell, and the Purchaser has agreed to purchase the Sale Share which represented the entire issued share capital of CAIT International and, the Sale Loan made by Good Force to CAIT International.

Good Force is a wholly-owned subsidiary of the Company which is indirectly owned as to 71.33% by the AY Trust, a discretionary trust set up by Dr. Albert Yeung, a deemed substantial shareholder of the Company. The Purchaser, Ms. Yeung is a daughter of Dr. Albert Yeung and Ms. Luk Siu Man, Semon, the Chairperson of the Company. As such, the Purchaser is a connected person of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios of the Transaction exceed 0.1% but are less than 5%, the Transaction is subject to the reporting and announcement requirement but is exempt from the independent shareholders' approval requirement pursuant to Rule 14A.32(1) of the Listing Rules.

The Board announces that Good Force, a wholly-owned subsidiary of the Company, entered into the Agreement on 2 August 2010 with the Purchaser, pursuant to which Good Force has agreed to sell, and the Purchaser has agreed to purchase, the Sale Share which represented the entire issued share capital of CAIT International and the Sale Loan made by Good Force to CAIT International.

THE AGREEMENT DATED 2 AUGUST 2010

Parties

Vendor: Good Force, an investment holding company wholly owned by the Company

Purchaser: Ms. Yeung, a daughter of Dr. Albert Yeung (a deemed substantial Shareholder) and Ms. Luk Siu Man, Semon (the Chairperson of the Company) and is therefore a connected person of the Company under Chapter 14A of the Listing Rules

Assets to be disposed of

The Sale Share, representing the entire issue share capital in CAIT International and the Sale Loan.

Consideration and payment terms

The consideration for the Agreement is the sum of (i) the consolidated net asset value of CAIT International as at the Completion Date with the book value of the Property taken to be HK\$19.8 million and (ii) the face value of the Sale Loan as at the Completion Date. Based on the unaudited consolidated management accounts of the CAIT International as at 31 July 2010, the Consideration will be approximately HK\$19.37 million (“Indicative Amount”). It is expected that the Consideration as at the Completion Date will not be materially different from the Indicative Amount.

According to the Agreement, the Consideration shall be payable by the Purchaser to the Vendor in cash in the following manner:-

- an initial deposit in the sum of HK\$1.98 million has been paid by the Purchaser upon signing of the Agreement; and
- the remaining balance of the Consideration shall be paid by the Purchaser upon the completion of the Transaction.

Completion

Completion of the Transaction shall take place on 20 October 2010.

Information of CAIT International

CAIT International is an investment holding company incorporated in the British Virgin Islands with limited liability and has an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each, with 1 share issued and beneficially owned by Good Force. As at the date of this announcement, other than being the holder of Majesty Investments Limited and Peaceful Castle Limited, CAIT International has no business operations.

Majesty Investments Limited is a company incorporated in Hong Kong and has an authorised capital of HK\$10,000 and a paid up capital of HK\$2 issued to and owned by CAIT International. As at the date of this announcement, Majesty Investments Limited is dormant and does not have any major assets.

Peaceful Castle Limited is a company incorporated in Hong Kong and has an authorised capital of HK\$10,000 and a paid up capital of HK\$1 issued to and owned by CAIT International. As at the date of this announcement, Peaceful Castle Limited, other than being the holder of the Property, has no other major assets.

The Property is a residential flat situated at Flat C2 on 6th Floor of Block C together with Carpark No.38 and Space No.38A at Car Park 1, Beverly Hill, No.6 Broadwood Road, Hong Kong. According to the indicative valuation prepared by an independent property valuer, the Property's value as at 2 August 2010 amounts to HK\$19.8 million. The Property is currently leased for a term of two years, from 20 October 2008 to 19 October 2010, at a monthly rent of HK\$45,000 (inclusive of government rates and management fee).

Based on the unaudited consolidated management accounts of CAIT International, the net liabilities value of CAIT International as at 31 July 2010 was approximately HK\$73.82 million (or HK\$65.47 million after adjusting the book value of the Property to HK\$19.8 million) and the Sale Loan as at 31 July 2010 was approximately HK\$84.84 million. The unaudited consolidated financial information of CAIT International for the two years ended 31 March 2009 and 31 March 2010 are as follows:

	For the year ended 31 March 2009 <i>HK\$</i> (unaudited)	For the year ended 31 March 2010 <i>HK\$</i> (unaudited)
Net profit before tax and extraordinary items	154,712	452,098
Net profit after tax and extraordinary items	154,712	452,098

REASONS FOR THE TRANSACTION

The Company is an investment holding company and its subsidiaries are principally engaged in property development and investment, and hotel operation.

The Directors consider that the Transaction represents a good opportunity for the Group to realize its investment in CAIT International and the Property at reasonable price. The proceeds from the Transaction will be added to the working capital of the Company.

The Directors (including the independent non-executive Directors but excluding Ms. Luk Siu Man, Semon, a non-executive director and the Chairperson of the Company, who did not vote at the board meeting held on 2 August 2010 in view of her material interest in the Transaction as set out in the paragraph headed “**Listing Rules Implications**” below) consider that the terms and conditions of the Agreement are fair and reasonable and are on normal commercial terms and that it is in the interest of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE TRANSACTION

Upon the completion of the Transaction, CAIT International, Peaceful Castle Limited and Majesty Investments Limited will cease to be subsidiaries of the Company.

Based on the unaudited consolidated management accounts of CAIT International as at 31 July 2010, the Group will record a gain of approximately HK\$8.35 million as a result of the Transaction.

LISTING RULES IMPLICATIONS

Good Force is a wholly-owned subsidiary of the Company which is indirectly owned as to 71.33% by the AY Trust, a discretionary trust set up by Dr. Albert Yeung, a deemed substantial shareholder of the Company. The Purchaser, Ms. Yeung is a daughter of Dr. Albert Yeung and Ms. Luk Siu Man, Semon, the Chairperson of the Company. As such, the Purchaser is a connected person of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios of the Transaction exceed 0.1% but are less than 5%, the Transaction is subject to the reporting and announcement requirement but is exempt from the independent shareholders’ approval requirement pursuant to Rule 14A.32(1) of the Listing Rules.

Save for Ms. Luk Siu Man, Semon, none of the Directors has a material interest in the Transaction.

TERMS USED IN THIS ANNOUNCEMENT

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

“Agreement”	the sale and purchase agreement in relation to the Sale Share and the Sale Loan entered into between Good Force as vendor and Ms. Yeung as purchaser on 2 August 2010
“AY Trust”	The Albert Yeung Discretionary Trust
“Board”	the board of Directors

“CAIT International”	CAIT International Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Company”	Emperor International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Completion Date”	20 October 2010
“Consideration”	the consideration for the Sale Share and the Sale Loan
“Director(s)”	director(s) of the Company
“Dr. Albert Yeung”	Dr. Yeung Sau Shing, Albert
“Group”	the Company and its subsidiaries
“Good Force”	Good Force Investments Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company, being the vendor under the Agreement
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ms. Yeung”	Ms. Yeung Si Si, Alice
“Property”	the property situated at Flat C2 on 6th Floor of Block C together with Carpark No.38 and Space No.38A at Car Park 1, Beverly Hill, No.6 Broadwood Road, Hong Kong
“Purchaser”	Ms. Yeung
“Sale Loan”	the shareholder’s loan made by Good Force to CAIT International from time to time
“Sale Share”	1 ordinary share of US\$1.00 of CAIT International, representing the entire issued share capital in CAIT International

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Good Force
“Transaction”	the transaction contemplated under the Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

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

Hong Kong, 2 August 2010

As at the date hereof, the Board comprised:

Non-executive Director: Ms. Luk Siu Man, Semon (*Chairperson*)

Executive Directors: Mr. Wong Chi Fai (*Managing Director*)
Ms. Fan Man Seung, Vanessa (*Managing Director*)
Mr. Cheung Ping Keung
Ms. Mok Fung Lin, Ivy

Independent Non-executive Directors: Mr. Chan Man Hon, Eric
Mr. Liu Hing Hung
Mr. Law Ka Ming, Michael

* *for identification purposes only*