



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

Incorporated in Bermuda with limited liability
Stock Code: 163



ESTABLISHED ON
SOLID FOUNDATION

INTERIM REPORT
2013/2014

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FINANCIAL HIGHLIGHTS

	Six months ended 30 September		
	2013	2012	Changes
	(unaudited)	(unaudited)	
	HK\$'000	HK\$'000	
Revenue			
Lease of properties	306,874	312,474	-1.8%
Properties development	59,840	394,891	-84.8%
Hotel and hotel related operations	1,118,104	926,296	+20.7%
Total revenue	1,484,818	1,633,661	-9.1%
Gross profit	1,161,650	1,133,647	+2.5%
Revaluation gain on properties	800,200	2,538,863	-68.5%
Total segment profit (excluding revaluation gain)	753,516	776,734	-3.0%

MANAGEMENT DISCUSSION AND ANALYSIS

Emperor International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) principally engage in property investments, property development and hospitality in Hong Kong, Macau and the People’s Republic of China (the “PRC”).

FINANCIAL REVIEW

Overall Review

During the six months ended 30 September 2013 (the “Period”), the Group reported revenue of HK\$1,484.8 million (2012: HK\$1,633.7 million). Driven by solid revenue growth from **Grand Emperor Hotel** in Macau, the hospitality segment achieved 20.7% growth in revenue to HK\$1,118.1 million (2012: HK\$926.3 million), accounting for 75.3% (2012: 56.7%) of the total revenue. Rental income from investment properties slightly decreased by 1.8% to HK\$306.9 million (2012: HK\$312.5 million), taking up 20.7% (2012: 19.1%) of the total revenue. Such decrease was managed to be minimal by taking the advantages of the stable rental increment from its quality investment properties, although some of the Group’s investment properties were pending for transformation during the Period to create better potential return in the near future. Since majority of the sales proceeds from residential units had been recognised in the last financial year, revenue from property development during the Period was HK\$59.8 million (2012: HK\$394.9 million), accounting for 4.0% (2012: 24.2%) of the total revenue.

Gross profit was HK\$1,161.7 million (2012: HK\$1,133.6 million), up by 2.5% over the same period last year. Revaluation gain on properties during the Period decreased to HK\$800.2 million (2012: HK\$2,538.9 million). Attributable to its premium investment properties with a strong focus on high-end street level retail spaces, the Group is more resilient to the general property market trend in Hong Kong. Riding on the Group’s diversified business lines, the total segment profit excluding the revaluation gain on properties slightly decreased by 3.0% to HK\$753.5 million (2012: HK\$776.7 million), despite the significant decrease of contribution from the sale of residential units.

Basic and diluted earnings per share were HK\$0.29 (2012: HK\$0.74) and HK\$0.29 (2012: HK\$0.74) respectively. The board of directors of the Company (the “Board” or the “Directors”) is pleased to declare an interim dividend of HK\$0.055 per share (2012: HK\$0.053 per share).

Liquidity And Financial Resources

The Group owned key property portfolio of over 5 million square feet. As at 30 September 2013, the Group’s net asset value and net asset value per share amounted to HK\$24,370.2 million (31 March 2013: HK\$23,348.4 million) and HK\$6.65 per share (31 March 2013: HK\$6.37 per share) respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group has cash, bank balances and bank deposits amounted to HK\$2,726.7 million as at 30 September 2013 (31 March 2013: HK\$2,332.5 million). The total external borrowings (excluding payables) amounted to approximately HK\$11,911.1 million (31 March 2013: HK\$10,177.3 million) and the Group maintained a debt to total asset ratio of 29.1% (31 March 2013: 26.9%) (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 and unsecured loans from a related company to finance its operation. The Group's bank borrowings were denominated in Hong Kong dollars and their interest rates followed market rates. The Group's bank balances and cash were denominated in Hong Kong dollars, Renminbi ("RMB") and Macau Pataca ("MOP"). Since RMB and MOP are relatively stable, the Group had no material exposure to fluctuations in exchange rates.

BUSINESS REVIEW

Investment Property

The overall occupancy rate of the Group's retail properties was over 98% during the Period, which was attributable to the prime locations of the majority of the Group's retail premises.

Hong Kong

The Group owns many premium investment properties with a strong focus on high-end street level retail space at the most renowned shopping districts in Hong Kong. Key investment properties include the retail shops located at **Nos. 8, 20, 22-24 and 50-56 Russell Street, No. 76 Percival Street** and **Nos. 507, 523 Lockhart Road** in Causeway Bay, **Nos. 4, 6 and 8 Canton Road, No. 81 Nathan Road, Shop C, Ground Floor, Nos. 35-37 Haiphong Road** and **Shop B, Ground Floor, No. 25-29 Hankow Road** in Tsim Sha Tsui, shopping malls at **Emperor Group Centre** in Wanchai and **Fitfort Shopping Arcade** in North Point. The significant rental growth, full occupancy rate and high capital appreciation once again demonstrate the Group's expertise on value enhancement for its investment properties through the strengths of the management execution. During the Period, the Group completed the acquisition of **No. 60 Gloucester Road** in Wanchai. Since it is located at one of the highest traffic commercial districts of Hong Kong, such acquisition can further widen the Group's investment properties portfolio, hence increasing the rental revenue base.

At present, **Russell Street**, Causeway Bay, is ranked as the most valuable shopping street in the world, in terms of rental price per square feet. The Group has the largest coverage at the street-level shops at Russell Street with promising pedestrian traffic, resulting in a notable surge in rental growth.

The Pulse is a multi-functional beach-front shopping complex with a gross area of approximately 167,000 square feet in Repulse Bay, which is one of the famous tourist spots in the world and the most dazzling beach in Hong Kong. This project is under the pre-marketing and pre-leasing stage and the final stage of internal decoration is about to finish soon. It is pending to be launched in 2014 officially.

MANAGEMENT DISCUSSION AND ANALYSIS

Macau

In Macau, the demolition work at **Nos. 71-75 Avenida do Infante D. Henrique & Nos. 514-540 Avenida da Praia Grande** has completed. It will be redeveloped into a multi-storey premium retail complex with a total gross floor area of approximately 30,000 square feet. It is expected that this corner site will be upgraded and signified as a prime city-centre shopping spot in the Peninsula, a traditional gaming area in Macau. The Group will enjoy stable rental income and long-term rental increment on the intrinsic value of this property investment upon its redevelopment completion in 2014.

The PRC

In the PRC, foundation and basement excavation work of the site along **Chang'an Avenue East** in Beijing was in progress during the Period. It is planned to be developed into a Grade-A office tower with a total gross area of approximately 1,000,000 square feet. The development will also include multi-storey retail podium, entertainment hot spots and parking facilities, which will become another landmark building along this prominent street of the capital city in the PRC in 2016.

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

Property Development

The marketing campaigns and promotion activities towards the remaining residential units at **Harbour One, 18 Upper East, The Java** and **The Prince Place** were carried on during the Period.

Other projects are in good progress. The site located at **Nos. 179-180 Connaught Road West & No. 345-345A Des Voeux Road West**, Hong Kong, is planned to be redeveloped into a luxury composite retail and residential building with a panoramic view of the Victoria Harbour with a total floor area amounting to approximately 185,000 square feet. The construction work has been going ahead as planned during the Period. The superstructure is expected to be completed in 2014, followed by pre-sale to the market. The entire project is expected to be completed in 2015.

Another site located at **Tuen Mun Town Lot No. 436, Kwun Fat Street, Siu Lam**, Tuen Mun, with a total floor area of approximately 39,000 square feet, will be developed into 14 low-rise detached or semi-detached houses. During the Period, site formation was in progress as planned. The entire project is expected to be completed in 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

Hotel Operations and Related Services

This section mainly includes the revenue derived from **Emperor (Happy Valley) Hotel** in Hong Kong and the contributions made by **Grand Emperor Hotel** in Macau, whose income from hospitality and related services had been consolidated with the Group.

Emperor (Happy Valley) Hotel in Hong Kong generates revenue mainly from the hotel's accommodation services as well as the food and beverage services. During the Period, the Group continued to diversify its guest mix and put great weight in developing high-yield customers.

The foundation work of the site located at **No. 373 Queen's Road East**, Wanchai, with a gross floor area of approximately 115,000 square feet, was in progress during the Period. It will be built as a 29-storey hotel with about 300 rooms with leisure, dining and parking facilities with target completion in 2016. Meanwhile, the construction work of the site located **Nos. 54-60 Portland Street**, Kowloon, with a gross floor area of approximately 48,000 square feet, continued during the Period. It will be built as a 30-storey hotel with about 200 rooms, which is expected to commence its business in 2015.

OUTLOOK

The majority of the Group's investment properties are at the prime locations, with occupancy rate as high as 98%. Supported by the favourable consumption sentiment and overwhelming market demand at the key tourist areas, the Group believes that the growth of rental revenue will maintain solid and such rental income will continue to be the key revenue growth driver in the long-run. The upcoming of the retail complex "**The Pulse**", the grand shopping mall located at **Avenida do Infante D. Henrique**, Macau and the completion of recent acquisition of the office tower located at **60 Gloucester Road**, Wanchai will further enhance its leading position in the investment property market.

The Group is building a steady development projects pipeline for providing long-term contribution on the sale of residential units. Looking ahead, the Group will accelerate its development plan in the forthcoming years by utilising the existing land bank and acquiring new land reserve. Although the residential property market will continue to be impacted by macro-economic factors and local housing policies, the Group is confident towards its property development portfolio because of its prime location and luxury residential positioning.

The Group continues to be cautious in seeking investment opportunities to enhance shareholders' return. 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.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICY

The total cost incurred for staff including Directors' emoluments amounted to HK\$266.8 million during the Period (2012: HK\$229.4 million). The number of staff was 1,577 as at the end of the Period (2012: 1,540). All employees are under remuneration policy of fixed monthly salary with discretionary bonus. Staff benefits include contributions to retirement benefit scheme, medical allowances and other fringe benefits.

To provide incentives or rewards to staff, the Company adopted a share option scheme on 9 September 2003 (the "Old Share Option Scheme"). The Old Share Option Scheme lapsed automatically during the Period upon the expiry of the 10-year period. During the Period, the Company adopted a new share option scheme on 15 August 2013 in view of the expiration of the Old Share Option Scheme. Other relevant details of both schemes are set out in the section headed "Share Options" of this interim report.

ASSETS PLEDGED

As at 30 September 2013, assets with carrying value of HK\$30,934.4 million (2012: HK\$26,722.1 million) were pledged as security for banking facilities.

INTERIM DIVIDEND

The Board is pleased to declare an interim dividend of HK\$0.055 per share ("Interim Dividend") for the financial year ending 31 March 2014 (2012/2013: HK\$0.053 per share) amounting to approximately HK\$201.7 million (2012/2013: HK\$194.3 million). The Interim Dividend will be payable on 20 December 2013 (Friday) to shareholders whose names appear on the register of members of the Company on 13 December 2013 (Friday).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed, for the purpose of determining shareholders' entitlement to the Interim Dividend, from 12 December 2013 (Thursday) to 13 December 2013 (Friday), during which period no transfer of shares will be registered.

In order to qualify for the Interim Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 11 December 2013 (Wednesday).

The Board is pleased to announce the unaudited condensed consolidated results of the Group for the Period together with comparative figures for the corresponding period in 2012 as set out below:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2013

		Six months ended 30 September 2013 (unaudited) HK\$'000	2012 (unaudited) (restated) HK\$'000
	Notes		
Revenue		1,484,818	1,633,661
Cost of properties sales		(24,981)	(239,491)
Cost of hotel and hotel related operations		(281,458)	(243,022)
Direct operating expenses in respect of leasing of properties		(16,729)	(17,501)
Gross profit		1,161,650	1,133,647
Other income		41,796	24,247
Fair value changes in properties		800,200	2,538,863
Other gains and losses		8,565	(12,168)
Selling and marketing expenses		(301,160)	(258,214)
Administrative expenses		(160,846)	(150,559)
Profit from operations	4	1,550,205	3,275,816
Finance costs		(93,991)	(104,902)
Profit before taxation		1,456,214	3,170,914
Taxation	5	(155,282)	(212,780)
Profit for the period		1,300,932	2,958,134
Other comprehensive income, net of income tax			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences arising on translation of foreign subsidiaries		57,586	(23,102)
Total comprehensive income for the period		1,358,518	2,935,032
Profit for the period attributable to:			
Owners of the Company		1,049,360	2,731,524
Non-controlling interests		251,572	226,610
		1,300,932	2,958,134
Total comprehensive income for the period attributable to:			
Owners of the Company		1,106,894	2,708,439
Non-controlling interests		251,624	226,593
		1,358,518	2,935,032
Earnings per share – basic	6	HK\$0.29	HK\$0.74
Earnings per share – diluted	6	HK\$0.29	HK\$0.74

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At at 30 September 2013

		30 September 2013 (unaudited) HK\$'000	As at 31 March 2013 (audited) HK\$'000
	Notes		
Non-current assets			
Investment properties	8	32,216,683	29,357,827
Property, plant and equipment	8	2,727,752	2,698,992
Deposits paid for acquisition of investment properties/property, plant and equipment		25,933	104,482
Receivables related to a development project		187,286	183,877
Prepaid lease payments		296,995	301,278
Goodwill		56,683	56,683
Other assets		4,092	4,092
		35,515,424	32,707,231
Current assets			
Inventories		14,000	14,179
Properties held for sale		210,025	234,438
Properties under development for sale	8	1,872,318	1,804,664
Prepaid lease payments		8,568	8,568
Trade and other receivables	9	578,136	677,432
Investments in trading securities		–	1
Derivative financial instruments		2,362	7,477
Taxation recoverable		5,584	2,344
Deposits in designated bank account for development properties		11,614	14,801
Pledged bank deposits		1,991,162	300
Short-term bank deposits		92,164	22,244
Bank balances and cash		643,361	2,309,974
		5,429,294	5,096,422
Current liabilities			
Trade and other payables	10	1,023,609	1,021,068
Amount due to a related company		402,533	398,590
Amounts due to non-controlling interests of subsidiaries		188,539	232,031
Derivative financial instruments		–	2,062
Taxation payable		577,220	492,422
Secured bank borrowings – due within one year		1,611,490	812,841
		3,803,391	2,959,014
Net current assets		1,625,903	2,137,408
Total assets less current liabilities		37,141,327	34,844,639
Non-current liabilities			
Amount due to a related company		3,196,196	3,317,390
Derivative financial instruments		21,818	24,276
Secured bank borrowings – due after one year		6,512,333	5,416,407
Deferred taxation		717,066	629,878
		10,447,413	9,387,951
		26,693,914	25,456,688
Capital and reserves			
Share capital		36,668	36,668
Reserves		24,333,492	23,311,716
Equity attributable to owners of the Company		24,370,160	23,348,384
Non-controlling interests		2,323,754	2,108,304
		26,693,914	25,456,688

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2013

	Attributable to owners of the Company								Non-controlling interests	Total
	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Share option reserve HK\$'000	Asset revaluation reserve HK\$'000	Other reserve HK\$'000	Accumulated profits HK\$'000	Total HK\$'000		
As at 1 April 2013 (audited)	36,668	4,542,224	249,315	6,031	127,255	423,802	17,963,089	23,348,384	2,108,304	25,456,688
Profit for the period	-	-	-	-	-	-	1,049,360	1,049,360	251,572	1,300,932
Exchange difference arising on translation of foreign subsidiaries	-	-	57,534	-	-	-	-	57,534	52	57,586
Total comprehensive income for the period	-	-	57,534	-	-	-	1,049,360	1,106,894	251,624	1,358,518
Deemed capital contribution arising from fair value adjustment on initial recognition on amount due to a related company	-	-	-	-	-	118,263	-	118,263	-	118,263
Acquisition of additional interest in subsidiaries	-	-	-	-	-	(2,316)	-	(2,316)	(7,291)	(9,607)
Dilution of interest in a subsidiary as a result of increase issued share capital of subsidiary	-	-	-	(1,376)	-	5,500	-	4,124	5,776	9,900
Depreciation attributable to revaluation surplus	-	-	-	-	(904)	-	1,054	150	-	150
Dividend paid to owners of the Company	-	-	-	-	-	-	(205,339)	(205,339)	-	(205,339)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(34,659)	(34,659)
As at 30 September 2013 (unaudited)	36,668	4,542,224	306,849	4,655	126,351	545,249	18,808,164	24,370,160	2,323,754	26,693,914

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2013

	Attributable to owners of the Company								Non-	
	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Share option reserve HK\$'000	Asset revaluation reserve HK\$'000	Other reserve HK\$'000	Accumulated profits HK\$'000	Total HK\$'000	controlling interests HK\$'000	Total HK\$'000
As at 1 April 2012 (audited)	36,668	4,542,224	239,028	18,850	129,065	352,326	12,177,140	17,495,301	1,721,012	19,216,313
Profit for the period	-	-	-	-	-	-	2,731,524	2,731,524	226,610	2,958,134
Exchange difference arising on translation of foreign subsidiaries	-	-	(23,085)	-	-	-	-	(23,085)	(17)	(23,102)
Total comprehensive income for the period	-	-	(23,085)	-	-	-	2,731,524	2,708,439	226,593	2,935,032
Deemed capital contribution arising from fair value adjustment on initial recognition on amount due to a related company	-	-	-	-	-	59,027	-	59,027	-	59,027
Acquisition of additional interest in subsidiaries	-	-	-	-	-	4,370	-	4,370	(23,604)	(19,234)
Depreciation attributable to revaluation surplus	-	-	-	-	(904)	-	1,053	149	-	149
Adjustment on deemed capital contribution arising from changes in cash flow estimates on amounts due to non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	(393)	(393)
Dividend paid to owners of the Company	-	-	-	-	-	-	(190,673)	(190,673)	-	(190,673)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(29,425)	(29,425)
As at 30 September 2012 (unaudited)	36,668	4,542,224	215,943	18,850	128,161	415,723	14,719,044	20,076,613	1,894,183	21,970,796

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2013

	Six months ended 30 September	
	2013	2012
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Net cash generated from operating activities	873,247	384,469
Net cash used in investing activities	(4,032,252)	(905,931)
Net cash generated from financing activities	1,495,459	947,823
Net (decrease) increase in cash and cash equivalents	(1,663,546)	426,361
Effect of foreign exchange rate changes	(3,067)	(949)
Cash and cash equivalents at the beginning of the period	2,309,974	1,315,914
Cash and cash equivalents at the end of the period	643,361	1,741,326

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange") and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

These condensed consolidated financial statements should be read in conjunction with the annual financial statements of the year ended 31 March 2013.

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments, which are measured at fair values, as appropriate.

In the current Period, the Group has adopted certain new Hong Kong Financial Reporting Standards (the "HKFRSs"), amendments and interpretation (collectively the "New and Revised HKFRSs"), issued by HKICPA that are effective for accounting periods beginning on or after 1 April 2013. For the comparative figures for the period ended 30 September 2012, the fair value changes of derivative instruments of approximately HK\$9,954,000 and interest rate swap expenses of approximately HK\$2,214,000 are reclassified from administrative expenses and finance costs to other gain or losses in order to conform to the current Period's presentation.

Except for as described below, the accounting policies used in the unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2013.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

New and revised standards on consolidation, joint arrangements, associates and disclosures

In the current Period, the Group has applied for the first time HKFRS 10, HKFRS 11, HKFRS 12 and HKAS 28 (as revised in 2011) together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding the transitional guidance. HKAS 27 (as revised in 2011) is not applicable to these condensed consolidated financial statements as it deals only with separate financial statements.

HKFRS 10 replaces the parts of HKAS 27 “Consolidated and separate financial statements” that deal with consolidated financial statements and HK(SIC) – Int 12 “Consolidation – Special purpose entities”. HKFRS 10 changes the definition of control such that an investor has control over an investee when a) it has power over the investee, b) it is exposed, or has rights, to variable returns from its involvement with the investee and c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee.

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of HKFRS 12 will result in more extensive disclosures in the Group’s annual consolidated financial statements for the year ending 31 March 2014.

The Directors of the Company reviewed and assessed the application of these five standards in the current Period and concluded that they have had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements. In particular, the Directors of the Company have assessed the impact on HKFRS 10 which changes the definition of control over an investee, and concluded that no material effect on the condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Amendments to HKFRS 7 “Disclosures – Offsetting financial assets and financial liabilities”

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements for financial instruments under an enforceable master netting agreement or similar arrangement. The Group has outstanding foreign currency contracts and interest rate contracts presented as derivative financial instruments in the unaudited condensed consolidated statement of financial position which are under master netting agreements.

The amendments have been applied retrospectively. For the purpose of preparing the unaudited condensed consolidated financial statements, the additional disclosures are not presented but will be included in the Group’s annual consolidated financial statements for the year ending 31 March 2014.

HKFRS 13 “Fair value measurement”

The Group has applied HKFRS 13 for the first time in the current Period. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements, and replaces those requirements previously included in various HKFRSs. Consequential amendments have been made to HKAS 34 to require certain disclosures to be made in the condensed consolidated financial statements.

The scope of HKFRS 13 is broad, and applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, subject to a few exceptions. HKFRS 13 contains a new definition for ‘fair value’ and defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

In accordance with the transitional provisions of HKFRS 13, the Group has applied the new fair value measurement and disclosure requirements prospectively. The application of this HKFRS in the current Period has had no material effect on the amounts reported in these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Amendments to HKAS 1 “Presentation of items of other comprehensive income”

The amendments to HKAS 1 introduce new terminology for statement of comprehensive income and income statement. Under the amendments to HKAS 1, a statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income.

The amendments to HKAS 1 require additional disclosures to be made in the other comprehensive section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the existing option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes.

Amendments to HKAS 34 “Interim financial reporting” (as part of the annual improvements to HKFRSs 2009-2011 Cycle)

The Group has applied the amendments to HKAS 34 as part of the annual improvements to HKFRSs 2009-2011 cycle for the first time in the current Period. The amendments to HKAS 34 clarify that the total assets and total liabilities for a particular reportable segment would be separately disclosed in the interim financial statements only when the amounts are regularly provided to the chief operating decision maker (the “CODM”) and there has been a material change from the amounts disclosed in the last annual financial statements for that reportable segment.

Since the CODM does not review assets and liabilities of the Group’s reportable segments for performance assessment and resource allocation purposes, the Group has not included total assets and liabilities information as part of segment information as disclosed in note 3.

The application of the other New or Revised HKFRSs in the current Period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

The Group had not applied any new standards or interpretations that are not yet effective for the current Period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

3. SEGMENT INFORMATION

For management purpose, the business segments of the Group are currently organised into lease of properties, properties development and hotel and hotel related operations. These divisions are the basis on which the Group reports its primary segment information. The segment results of lease of properties and properties development include administrative and running expenses for those properties under development.

	Segment revenue Six months ended 30 September		Segment results Six months ended 30 September	
	2013 (unaudited)	2012 (unaudited)	2013 (unaudited)	2012 (unaudited) (restated)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Business segments				
Lease of properties	306,874	312,474	1,084,113	2,827,992
Properties development	59,840	394,891	27,951	126,097
Hotel and hotel related operations	1,118,104	926,296	441,652	361,508
	1,484,818	1,633,661	1,553,716	3,315,597
Interest income			25,703	12,489
Unallocated corporate expenses, net			(37,779)	(40,102)
Other gains and losses			8,565	(12,168)
Finance costs			(93,991)	(104,902)
Taxation			(155,282)	(212,780)
Profit for the period			1,300,932	2,958,134

4. PROFIT FROM OPERATIONS

Profit from operations for the Period has been arrived at after charging amortisation and depreciation of approximately HK\$80,974,000 (2012: HK\$67,811,000) in respect of the Group's property, plant and equipment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

5. TAXATION

	Six months ended 30 September	
	2013	2012
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
The charge comprises:		
Current tax		
Hong Kong Profits Tax	(24,672)	(32,529)
PRC Land Appreciation Tax ("LAT")	(225)	(16,208)
Macau Complementary Income Tax ("CT")	(52,767)	(44,130)
	(77,664)	(92,867)
Deferred taxation	(77,618)	(119,913)
	(155,282)	(212,780)

Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) of the estimated assessable profits for the Period.

The CT is calculated at the applicable rate of 12% of estimated assessable profits for the Period (2012: 12%).

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions including land costs, borrowing costs and the relevant property development expenditures.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

6. EARNINGS PER SHARE

	Six months ended 30 September	
	2013 (unaudited) HK\$'000	2012 (unaudited) HK\$'000
The calculation of basic and diluted earnings per share is based on the following data:		
Earnings		
Earnings (profit for the period attributable to owners of the Company) for the purpose of basic and diluted earnings per share	1,049,360	2,731,524
Number of shares		
Number of ordinary shares in issue for the purpose of basic earnings per share	3,666,776,192	3,666,776,192
Effect of dilutive potential ordinary shares:		
Share options of the Company	1,792,900	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	3,668,569,092	3,666,776,192

The calculation of diluted earnings per share is based on the profit for the Period attributable to owners of the Company and the weighted average number of ordinary shares adjusted by the weighted average number of ordinary shares assumed to have been issued under the share option scheme. The dilutive effect on the exercise of share options of the Company's subsidiary, Emperor Entertainment Hotel Limited ("Emperor E Hotel"), is immaterial. No adjustment has been made to the weighted average number of ordinary shares assumed to have been issued under the share option scheme in the period ended 30 September 2012 as the respective exercise prices of those share options were higher than the respective average market prices of the Company's and Emperor E Hotel's shares.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

7. DIVIDENDS

	Six months ended 30 September	
	2013	2012
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Final dividend of HK\$0.056 per share for the year ended 31 March 2013 paid during the period (year ended 31 March 2012: HK\$0.052)	205,339	190,673

In respect of the Period, the Directors have resolved to declare an interim dividend of HK\$0.055 (2012: HK\$0.053) per share to shareholders.

8. ADDITIONS TO INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT AND PROPERTIES UNDER DEVELOPMENT FOR SALE

Investment properties

All the Group's property interests held under operating leases to earn rentals for capital appreciation purposes are measured using the fair value model and classified and accounted for as investment properties.

During the Period, the Group acquired investment properties for a cash consideration of HK\$2,022,809,000 (2012: HK\$1,018,704,000).

The fair value of the Emperor E Hotel's Macau hotel properties as at 30 September 2013 have been arrived at on the basis of a valuation carried out that date by Memfus Wong Surveyors Limited, an independent firm of qualified professional property valuers not connected with the Group. The fair value of the Group's remaining investment properties have been evaluated by an employee of the Group who is a qualified professional surveyor.

For completed investment properties, the valuations have been arrived at with reference to market evidence of recent transaction prices for similar properties and rental income using the applicable market yields for the respective locations and types of properties.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

8. ADDITIONS TO INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT AND PROPERTIES UNDER DEVELOPMENT FOR SALE *(continued)*

Investment properties *(continued)*

For investment properties under development, the valuations have been arrived at assuming that the investment properties will be completed in accordance with the development proposals and the relevant approvals for the proposals have been obtained. The valuations include key factors such as the market values of the completed investment properties, which are estimated with reference to recent sales evidence of similar properties in the nearest locality as available in the relevant market with adjustments made by the valuers to account for differences in the locations and other factors specific to determine the potential sales proceeds, and deducting the development costs and required profit margins from the investment properties which are derived from the interpretation of prevailing investor requirements or expectations at the valuation dates.

The resulting increase in fair value of investment properties of approximately HK\$800,200,000 has been recognised directly in profit or loss for the six months ended 30 September 2013 (2012: HK\$2,538,863,000)

Property, plant and equipment and properties under development for sale

During the Period, the Group acquired property, plant and equipment and properties under development for sale amounting to approximately HK\$102,590,000 and HK\$58,290,000 (2012: HK\$126,297,000 and HK\$417,985,000) respectively.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

9. TRADE AND OTHER RECEIVABLES

An aged analysis of 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:

	As at	
	30 September	31 March
	2013	2013
	(unaudited)	(audited)
	HK\$'000	HK\$'000
0 – 30 days	148,477	200,427
31 – 90 days	46,397	5,115
91 – 180 days	–	5,152
Over 180 days	13,180	19,757
	208,054	230,451
Chips on hand	82,932	88,331
Other receivables	228,716	313,383
Deposits and prepayments	58,434	45,267
	578,136	677,432

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

No credit period were granted to tenants of rental of premises. Before accepting any new tenant, the Group will internally access the credit quality of the potential tenants.

No credit period were granted to hotel customers generally except for those high credit rating customers to which 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

9. TRADE AND OTHER RECEIVABLES (continued)

Included in other receivables are amounts due from related companies of HK\$15,774,000 (as at 31 March 2013: HK\$23,936,000). These related companies are indirectly controlled by Albert Yeung Holdings Limited ("AY Holdings") which is held by STC International Limited ("STC International") being the trustee of The Albert Yeung Discretionary Trust (the "AY Trust") (Dr. Yeung Sau Shing, Albert ("Dr. Albert Yeung") 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.

10. 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:

	As at	
	30 September 2013 (unaudited) HK\$'000	31 March 2013 (audited) HK\$'000
0 – 90 days	46,851	59,116
91 – 180 days	62	485
Over 180 days	57	67
	46,970	59,668
Construction payables and accruals	594,457	567,732
Other payables and accruals	201,911	220,212
Rental deposits received	180,271	168,872
Deposits received from pre-sale of properties	–	4,584
	1,023,609	1,021,068

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

11. ACQUISITION OF SUBSIDIARY

In July 2013, a wholly-owned subsidiary of the Group entered into a sale and purchase agreement with Wing Hang Bank, Limited, an independent third party, to acquire the entire issued share capital of Honfirst Land Limited ("Honfirst") at a consideration of approximately HK\$1,588,000,000. Honfirst is engaged in property investment. The major asset of Honfirst is an investment property located at No. 60 Gloucester Road, Wanchai, Hong Kong. The transaction was completed on 30 September 2013 and the Group recorded the acquisition of Honfirst as acquisition of investment property.

12. CAPITAL COMMITMENTS

	As at	
	30 September	31 March
	2013	2013
	(unaudited)	(audited)
	HK\$'000	HK\$'000
Authorised but not contracted for in respect of:		
– property under development for sale	469,236	469,552
– investment properties	1,295,324	1,592,625
– property, plant and equipment	668,219	668,850
	2,432,779	2,731,027
Contracted for but not provided in the consolidated financial statements, net of deposits paid, in respect of:		
– property under development for sale	626,340	683,398
– investment properties	306,134	539,189
– property, plant and equipment	220,154	254,534
	1,152,628	1,477,121
	3,585,407	4,208,148

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

13. RELATED PARTY TRANSACTIONS

- (a) Other than disclosed in note 9, the Group also had the following significant transactions with related parties during the Period:

	Six months ended 30 September 2013 (unaudited) HK\$'000	2012 (unaudited) HK\$'000
Advertising and other expenses to related companies	953	3,540
Commission to Dr. Albert Yeung, a deemed substantial shareholder of the Company in capacity of a patron of the Group's VIP rooms	641	476
Hotel and restaurant income from related companies	505	239
Interest expenses to a related company	56,856	68,241
Rental income from related companies	143,718	146,102
Secretarial fee expenses to a related company	360	330
Share of administrative expenses by related companies	28,195	25,682

- (b) The key management personnel includes solely the Directors of the Company and the salaries and compensation paid to them is disclosed as follows:

	Six months ended 30 September 2013 (unaudited) HK\$'000	2012 (unaudited) HK\$'000
Fees	676	676
Salaries and other short term benefit	4,729	4,279
	5,405	4,955

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

13. RELATED PARTY TRANSACTIONS (continued)

- (c) Rent free quarter to a deemed substantial shareholder

On 22 July 2011, the Group entered into an accommodation contract with Dr. Albert Yeung under which the Group provided Dr. Albert Yeung and his associates (including Ms. Luk Siu Man, Semon ("Ms. Semon Luk"), Chairperson and Non-executive Director of the Company and the spouse of Dr. Albert Yeung) the exclusive right to use and occupy a property of the Group as rent-free quarter (including related expenses in relation to the usage of the property) as his emolument for his services as a consultant of the Group. The market rental values and the related expenses of the quarter for the Period was approximately HK\$4,626,000 (2012: HK\$4,443,000).

- (d) Acquisition of addition interest in a subsidiary

On 6 July 2012, Skillworld Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Eastluck Group Limited ("Eastluck") and completed the acquisition of approximately 3.05% of the issued share capital of Levin Group Limited ("Levin") and its shareholder's loan advanced to Levin at an aggregate consideration of approximately HK\$15,643,000. Eastluck is indirectly wholly-owned by a trustee of a discretionary trust, the beneficiaries of which are family members of Mr. Yeung Hoi Sing, Sonny who is the brother of Dr. Albert Yeung.

- (e) On 13 September 2013, the Group entered into a sale and purchase agreement with Mr. Gilbert Yeung, being one of the eligible beneficiaries of the AY Trust, to dispose of a yacht and the related accessories at a consideration of HK\$11,000,000. The transaction was completed on 13 September 2013.

- (f) Amounts due to related parties

	30 September 2013 (unaudited) HK\$'000	As at 31 March 2013 (audited) HK\$'000
Amounts due to non-controlling interests of subsidiaries	188,539	232,031
Amount due to a related company	3,598,729	3,715,980

Related companies are companies controlled by a Director of the Company or companies indirectly controlled by AY Holdings which is held by STC International being the trustee of the AY Trust (Dr. Albert Yeung is the founder of the AY Trust and a deemed substantial shareholder of the Company).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

14. PLEDGE OF ASSETS

Certain assets of the Group were pledged to banks as security for banking facilities granted to the Group. The carrying values of these assets at the end of the reporting period were as follows:

	As at	
	30 September	31 March
	2013	2013
	(unaudited)	(audited)
	HK\$'000	HK\$'000
Investment properties	24,664,813	23,066,200
Properties under development for sale	1,633,027	1,566,695
Buildings, including relevant leasehold land in Hong Kong	80,365	81,470
Hotel properties and hotel properties under construction, including relevant leasehold land in Hong Kong	2,259,765	2,027,950
Prepaid lease payments	305,563	309,846
Bank deposits	1,990,862	–
	30,934,395	27,052,161

15. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The Group's investments in trading securities and derivative financial instruments are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial liabilities are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

15. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Financial assets/ Financial liabilities	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs
	30 September 2013 HK\$'000	31 March 2013 HK\$'000		
Trading securities classified as investments in trading securities in the consolidated statement of financial position			Level 1	Quoted bid prices in an active market
– Listed equities in Hong Kong	–	1		
Foreign currency forward contracts classified as derivative financial instruments in the consolidated statement of financial position			Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contracted interest rates, discounted at a rate that reflects the credit risk of various counterparties.
– Assets	2,362	7,477		
– Liabilities	4,555	2,062		
Interest rate swap contract classified as derivative financial instruments in the consolidated statement of financial position			Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contracted interest rates, discounted at a rate that reflects the credit risk of various counterparties.
– Liabilities	17,263	24,276		

The Directors of the Group consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 30 September 2013, the following Directors and chief executives of the Company had or were deemed or taken to have interests and short positions in the following shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Listing Rules:

(A) LONG POSITIONS INTERESTS IN THE COMPANY

(i) Ordinary shares of HK\$0.01 each of the Company (the "Shares")

Name of Director	Capacity/ Nature of interests	Number of issued Shares held	Approximate % holding
Ms. Semon Luk	Interest of spouse	2,747,610,489 (Note 1)	74.93%

(ii) Share options

Name of Director	Capacity/ Nature of interests	Number of underlying Shares held	Approximate % holding
Mr. Wong Chi Fai	Beneficial owner	10,769,475 (Note 2)	0.29%
Ms. Fan Man Seung, Vanessa ("Ms. Vanessa Fan")	Beneficial owner	10,769,475 (Note 2)	0.29%

Notes:

- These Shares were held by Emperor International Group Holdings Limited ("Emperor International Group Holdings"), a wholly-owned subsidiary of AY Holdings. AY Holdings is held by STC International, being the trustee of the AY Trust, a discretionary trust set up by Dr. Albert Yeung. Dr. Albert Yeung, as founder of the AY Trust, had deemed interests in the said Shares held by Emperor International Group Holdings. By virtue of being the spouse of Dr. Albert Yeung, Ms. Semon Luk also had deemed interests in the same Shares.
- These share options were granted to the Directors under the share option scheme of the Company adopted on 9 September 2003.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SECURITIES

(B) LONG POSITIONS INTERESTS IN ASSOCIATED CORPORATIONS

(i) Ordinary shares

Name of Director	Name of associated corporation	Capacity/ Nature of interests	Number of issued ordinary shares held	Approximate % holding
Ms. Semon Luk	Emperor E Hotel	Interest of spouse	812,632,845 (Note 1)	62.65%
	Emperor Watch & Jewellery Limited ("Emperor W&J")	Interest of spouse	3,617,860,000 (Note 1)	52.57%
	Emperor Capital Group Limited ("Emperor Capital Group")	Interest of spouse	1,739,976,907 (Note 1)	66.99%
	New Media Group Holdings Limited ("New Media Group")	Interest of spouse	588,440,000 (Note 1)	68.11%

(ii) Share options

Name of Director	Name of associated corporation	Capacity/ Nature of interests	Number of underlying shares held	Approximate % holding
Mr. Wong Chi Fai	Emperor E Hotel	Beneficial owner	500,000 (Note 2)	0.04%
Ms. Vanessa Fan	Emperor E Hotel	Beneficial owner	5,000,000 (Note 2)	0.39%

Notes:

- Emperor E Hotel, Emperor W&J, Emperor Capital Group and New Media Group are companies with their shares listed on the Stock Exchange. These respective shares were ultimately owned by AY Holdings which is in turn held by STC International, being the trustee of the AY Trust. Dr. Albert Yeung, as founder of the AY Trust, had deemed interests in these shares. By virtue of being the spouse of Dr. Albert Yeung, Ms. Semon Luk, a Director of the Company, also had deemed interests in the same shares.
- These were share options granted to Mr. Wong Chi Fai and Ms. Vanessa Fan, also being the directors of Emperor E Hotel, under the share option scheme of Emperor E Hotel.

Save as disclosed above, as at 30 September 2013, none of the Directors nor chief executives of the Company had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO).

OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 30 September 2013, so far as is known to any Directors or chief executives of the Company, the following persons or corporations (other than a Director or a chief executive of the Company) who had, or were deemed or taken to have interests and short positions in the Shares or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO or as otherwise notified to the Company were as follows:

LONG POSITIONS IN SHARES OF THE COMPANY

Name of shareholder	Capacity/ Nature of interests	Number of Shares/ underlying Shares held	Approximate % holding
AY Holdings	Interest in a controlled corporation	2,747,610,489	74.93%
STC International	Trustee of the AY Trust	2,747,610,489	74.93%
Dr. Albert Yeung	Founder of the AY Trust	2,747,610,489	74.93%

Note: These Shares were the same shares as those set out under Section (A)(i) of "Directors' and Chief Executives' Interests and Short Positions in Securities" above.

All interests stated above represent long position. As at 30 September 2013, no short positions were recorded in the SFO register of the Company.

Save as disclosed above, as at 30 September 2013, the Directors or chief executives of the Company were not aware of any other persons or corporation (other than the Directors and chief executives of the Company) who had, or were deemed or taken to have, any interests or short positions in Shares or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO or as otherwise notified to the Company.

SHARE OPTIONS AND OTHER INFORMATION

SHARE OPTIONS

The share option scheme adopted by the Company on 9 September 2003 ("Old Share Option Scheme") has lapsed automatically during the Period upon the expiry of the 10-year period. Following the expiry of the Old Share Option Scheme, no further share options can be granted thereunder but outstanding share options granted under the Old Share Option Scheme shall continue to be valid and exercisable.

In order to ensure the continuity of a share option scheme for the Company to provide incentives or rewards to participants including the Directors and eligible employees of the Group, the shareholders of the Company (the "Shareholders") passed an ordinary resolution at the annual general meeting of the Company held on 8 August 2013 ("AGM") to approve the adoption of a new share option scheme. No share options were granted thereunder.

Details of outstanding share options under the Old Share Option Scheme and their movements during the Period are set out below:

Name of grantee	Date of grant	Exercise period	Exercise price per share (adjusted) (HK\$)	Number of share options		
				Outstanding as at 1 April 2013	Exercised during the Period	Outstanding as at 30 September 2013
Director						
Mr. Wong Chi Fai	11 August 2005	11 August 2005 – 10 August 2015	1.746	10,769,475	–	10,769,475
Ms. Vanessa Fan	11 August 2005	11 August 2005 – 10 August 2015	1.746	10,769,475	–	10,769,475
				21,538,950	–	21,538,950

During the Period, no options were granted, exercised, lapsed nor cancelled under the Old Share Option Scheme.

SHARE OPTIONS AND OTHER INFORMATION

CORPORATE GOVERNANCE CODE

The Company has complied throughout the Period 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 had adopted the Model Code as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors' securities transactions. 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 throughout the Period.

REVIEW OF INTERIM REPORT

The condensed consolidated financial statements as set out in this interim report have not been audited nor reviewed by the Company's auditor, Deloitte Touche Tohmatsu, but this report has been reviewed by the audit committee of the Company, which comprises the three Independent Non-executive Directors of the Company.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to the requirements of Rule 13.51B(1) of the Listing Rules, the changes in Directors' information since the date of the 2012/2013 Annual Report are set out below:

Change of Directors and positions held with board committees of the Company

Positions	Appointment Date	Cessation Date
Mr. Chan Man Hon, Eric ("Mr. Eric Chan")		
– Independent Non-executive Director	–	8 August 2013
– Audit Committee – chairman	–	8 August 2013
– Nomination Committee – member	–	8 August 2013
– Corporate Governance Committee – member	–	8 August 2013
Mr. Wong Tak Ming, Gary ("Mr. Gary Wong")		
– Independent Non-executive Director	8 August 2013	–
– Audit Committee – chairman	8 August 2013	–
– Nomination Committee – member	8 August 2013	–
– Corporate Governance Committee – member	8 August 2013	–

SHARE OPTIONS AND OTHER INFORMATION

Note:

Mr. Eric Chan retired by rotation as Director upon conclusion of the AGM. Mr. Gary Wong was elected by the shareholders of the Company at the AGM as Director to fill the casual vacancy created by Mr. Eric Chan upon conclusion of the AGM.

Save as disclosed above, the Company is not aware of other changes in the Directors' information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

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

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

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

Hong Kong, 22 November 2013

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>	Mr. Liu Hing Hung Ms. Cheng Ka Yu Mr. Wong Tak Ming, Gary

This Interim Report (in both English and Chinese versions) is available to any shareholder either in printed form or on the Company's website (<http://www.EmperorInt.com>). In order to protect the environment, the Company highly recommends the shareholders to elect to receive electronic copy of this interim report. Upon written request, a free printed version of corporate communication will be sent to shareholders who have elected to receive electronic copies but for any reason have difficulty in receiving or gaining access to any corporate communication through the Company's website. Shareholders may have the right to change their choice of receipt of our future Corporate Communications at any time by reasonable notice in writing to the Company or the Company's Hong Kong Branch Share Registrar, Tricor Secretaries Limited, by post at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong or by email at is-enquiries@hk.tricorglobal.com.