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



英皇鐘錶珠寶有限公司
EMPEROR WATCH & JEWELLERY LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code : 887)

CONTINUING CONNECTED TRANSACTION

The boards of directors of Emperor International and Emperor W&J announce that on 30 January 2015, Gold Pleasure as licensor entered into the Sub-Licence Agreement with Beauty Royal as licensee in relation to the licensing of the Signage.

Gold Pleasure is an indirect wholly-owned subsidiary of Emperor International. Beauty Royal is an indirect wholly-owned subsidiary of Emperor W&J. Both Emperor International and Emperor W&J are indirectly controlled by the AY Trust. As such, Beauty Royal is a connected person of Emperor International whilst Gold Pleasure is a connected person of Emperor W&J under Chapter 14A of the Listing Rules. Accordingly, the Sub-Licence Agreement constitutes a continuing connected transaction for both Emperor International and Emperor W&J.

As the applicable percentage ratios (as defined in the Listing Rules) on an annual basis calculated with reference to the Aggregate Annual Caps of both Emperor International and Emperor W&J are more than 0.1% but less than 5%, the Sub-Licence Agreement is subject to the announcement, reporting and annual review requirements, but exempt from the respective shareholders' approval of both Emperor International and Emperor W&J under Chapter 14A of the Listing Rules.

The boards of directors of Emperor International and Emperor W&J announce that on 30 January 2015, Gold Pleasure as licensor entered into the Sub-Licence Agreement with Beauty Royal as licensee in relation to the licensing of the Signage.

SUB-LICENCE AGREEMENT DATED 30 JANUARY 2015

Licensor:	Gold Pleasure
Licensee:	Beauty Royal
Signage:	Projected signage of 4-8 Canton Road, Kowloon, Hong Kong with approximate area of 76.4 sq. m.
Usage:	for outdoor advertising
Term:	4 months (February, August, October and December of 2015)

** for identification propose only*

Licence Fee:	February	– HK\$560,000.00
	August	– HK\$590,000.00
	October	– HK\$650,000.00
	December	– HK\$700,000.00
	Inclusive of rates, management fees but exclusive of electricity charges and other outgoing charges	
Deposit:	HK\$2,100,000.00 which is equivalent to three months' highest licence fee	

AGGREGATE ANNUAL CAPS OF THE SUB-LICENCE AGREEMENT, THE PREVIOUS SUB-LICENCE AGREEMENTS, THE TENANCY AGREEMENT AND THE PREVIOUS TENANCY AGREEMENT

Aggregate Annual Cap of Emperor International

The Aggregate Annual Cap of Emperor International for the Sub-Licence Agreement, the Previous Sub-Licence Agreements, the Tenancy Agreement and the Previous Tenancy Agreement (which are aggregated under Rule 14A.81 of the Listing Rules) based on the total annual effective licence fee / rental received / receivable thereunder for each of the years ending 31 March 2015, 2016, 2017 and 2018 will be as follows:

	2015	2016	2017	2018
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Sub-Licence Agreement	560,000	1,940,000	-	-
Previous Sub-Licence Agreements	3,028,000	-	-	-
Tenancy Agreement	14,952,000	61,800,000	61,800,000	46,849,000
Previous Tenancy Agreement ^(Note)	48,096,000	-	-	-
Total	<u><u>66,636,000</u></u>	<u><u>63,740,000</u></u>	<u><u>61,800,000</u></u>	<u><u>46,849,000</u></u>

Note: This agreement expired on 3 January 2015 and the tenancy was renewed by the Tenancy Agreement.

Aggregate Annual Cap of Emperor W&J

The Aggregate Annual Cap of Emperor W&J for the Sub-Licence Agreement, the Tenancy Agreement and the Previous Tenancy Agreement (which are aggregated under Rule 14A.81 of the Listing Rules) based on the total annual effective licence fee / rental paid / payable thereunder for each of the years ending 31 December 2015, 2016, 2017 and 2018 will be as follows:

	2015 <i>HK\$</i>	2016 <i>HK\$</i>	2017 <i>HK\$</i>	2018 <i>HK\$</i>
Sub-Licence Agreement	2,500,000	-	-	-
Tenancy Agreement	61,302,000	61,800,000	61,800,000	499,000
Previous Tenancy Agreement ^(Note)	512,000	-	-	-
Total	<u>64,314,000</u>	<u>61,800,000</u>	<u>61,800,000</u>	<u>499,000</u>

Note: This agreement expired on 3 January 2015 and the tenancy was renewed by the Tenancy Agreement.

REASONS AND BENEFITS FOR THE SUB-LICENCE AGREEMENT

Emperor International is an investment holding company and its subsidiaries are principally engaged in property investments, property development and hospitality in the Greater China and overseas. The Signage is owned by Gold Pleasure to generate licence fee income. Gold Pleasure is also the owner of the Properties of which the Signage is adhered therewith.

Emperor W&J is an investment holding company and its subsidiaries are principally engaged in the sales of luxurious branded watches, and the design and sales of jewellery products in Hong Kong, Macau, the PRC and Singapore. Beauty Royal is principally engaged in the provision of group tenancy agent services for Emperor W&J and its subsidiaries. The Signage which is located above the Properties as retail shops for Emperor W&J will be used for advertising purpose.

The terms of the Sub-Licence Agreement are arrived at after arm's length negotiation and are on normal commercial terms. The licence fee of the Sub-Licence Agreement was determined with reference to the prevailing market licence fee of similar properties in the nearby locations. The directors of both Emperor International and Emperor W&J (including their respective independent non-executive directors) considered that the transaction is on normal commercial terms, in the ordinary and usual course of business, fair and reasonable and in the interests of both Emperor International and Emperor W&J and their respective shareholders as a whole. Ms. Luk Siu Man, Semon, the Chairperson of Emperor International, did abstain from voting on the relevant board resolution(s) of Emperor International in view of her deemed interest in the transaction by virtue of being the spouse of Dr. Yeung Sau Shing, Albert who is the founder of the AY Trust. Ms. Cindy Yeung, the Chairperson of Emperor W&J, did abstain from voting on the relevant board resolution(s) of Emperor W&J in view of her deemed interest in the transactions by virtue of being one of the eligible beneficiaries of the AY Trust. Mr. Wong Chi Fai and Ms. Fan Man Seung, Vanessa, being the common directors of both Emperor International and Emperor W&J, also abstained from voting on the relevant board resolution(s).

GENERAL

Gold Pleasure is an indirect wholly-owned subsidiary of Emperor International. Beauty Royal is an indirect wholly-owned subsidiary of Emperor W&J. Emperor International and Emperor W&J are indirectly owned as to 74.83% and 52.57% respectively by the AY Trust. As such, Beauty Royal is a connected person of Emperor International whilst Gold Pleasure is a connected person of Emperor W&J under Chapter 14A of the Listing Rules. Accordingly, the Sub-Licence Agreement constitutes a continuing connected transaction for both Emperor International and Emperor W&J.

As the applicable percentage ratios (as defined in the Listing Rules) on an annual basis calculated with reference to the Aggregate Annual Caps of both Emperor International and Emperor W&J are more than 0.1% but less than 5%, the Sub-Licence Agreement is subject to the announcement, reporting and annual review requirements, but exempt from the respective shareholders' approval of Emperor International and Emperor W&J under Chapter 14A of the Listing Rules.

TERMS USED IN THIS ANNOUNCEMENT

“Aggregate Annual Cap of Emperor International”	the maximum amount of effective licence fee / rental received / receivable by Emperor International under the Sub-Licence Agreement, the Previous Sub-Licence Agreements, the Tenancy Agreement and the Previous Tenancy Agreement for each of the years ending 31 March 2015, 2016, 2017 and 2018 based on the total annual effective licence fee / rental received / receivable thereunder
“Aggregate Annual Cap of Emperor W&J”	the maximum amount of effective licence fee / rental paid / payable by Emperor W&J under the Sub-Licence Agreement, the Tenancy Agreement and the Previous Tenancy Agreement for each of the years ending 31 December 2015, 2016, 2017 and 2018 based on the total annual effective licence fee / rental paid / payable thereunder
“AY Trust”	The Albert Yeung Discretionary Trust, a discretionary trust set up by Dr. Yeung Sau Shing, Albert, a deemed substantial shareholder of Emperor International & Emperor W&J
“Beauty Royal”	Beauty Royal Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Emperor W&J
“Emperor International”	Emperor International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Emperor W&J”	Emperor Watch & Jewellery Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange

“Gold Pleasure”	Gold Pleasure Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Emperor International
“HK\$”	Hong Kong dollars
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Previous Sub-Licence Agreements”	sub-licence agreements dated 29 January 2014 and 28 February 2014 entered into between Gold Pleasure and Beauty Royal in relation to the licensing of Signage for February, March, April, June, August, October and December 2014, details of which were set out in the joint announcements of Emperor International and Emperor W&J dated 29 January 2014 and 28 February 2014
“Previous Tenancy Agreement”	a tenancy agreement dated 15 December 2011 entered into between (i) Gold Pleasure, Total Treasure Investment Limited, Gold Cheer Corporation Limited and Happy Rain Limited (all being indirect wholly-owned subsidiaries of Emperor International) and (ii) Beauty Royal in relation to the tenancies of the Properties for the period from 4 January 2012 to 3 January 2015 (both days inclusive), details of which were set out in the joint announcement of Emperor International and Emperor W&J dated 15 December 2011
“Properties”	All of that Ground Floor and 1st Floor, Tenements A and B on 3rd Floor, Portion A of Tenement A on 4th Floor and Roof together with a right of use four outdoor advertising signs on the external walls of Nos. 4-8 Canton Road, Kowloon, Hong Kong with a total gross floor area of 6,261 sq. ft.
“Signage”	projected signage of 4-8 Canton Road, Kowloon, Hong Kong with approximate area of 76.4 sq. m.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-Licence Agreement”	sub-licence agreement dated 30 January 2015 entered into between Gold Pleasure and Beauty Royal in relation to the licensing of the Signage

“Tenancy Agreement”	a tenancy agreement dated 23 December 2014 entered into between (i) Gold Pleasure, Total Treasure Investment Limited, Gold Cheer Corporation Limited and Happy Rain Limited (all being indirect wholly-owned subsidiaries of Emperor International) and (ii) Beauty Royal in relation to the tenancy of the Properties for the period from 4 January 2015 to 3 January 2018 (both days inclusive), details of which were set out in the joint announcement of Emperor International and Emperor W&J dated 23 December 2014
“sq. ft.”	square feet
“sq. m.”	square meter
“%”	per cent

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

By order of the board
Emperor Watch & Jewellery Limited
Cindy Yeung
Chairperson

Hong Kong, 30 January 2015

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

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

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

Independent Non-executive Directors: Mr. Liu Hing Hung
Ms. Cheng Ka Yu
Mr. Wong Tak Ming, Gary

As at the date hereof, the board of directors of Emperor W&J comprises:

Executive Directors: Ms. Cindy Yeung
Mr. Chan Hung Ming
Mr. Wong Chi Fai
Ms. Fan Man Seung, Vanessa

Independent Non-Executive Directors: Ms. Yip Kam Man
Mr. Chan Hon Piu
Ms. Lai Ka Fung, May