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英皇娛樂酒店有限公司
Emperor Entertainment Hotel Limited
(Incorporated in Bermuda with limited liability)
(Stock Code : 296)



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

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO CONTINUING CONNECTED TRANSACTION

Reference is made to the joint announcement of Emperor E Hotel and Emperor International (collectively, the “**Companies**”) dated 30 December 2022 (the “**Announcement**”) in relation to the continuing connected transaction for the provision of the Services to SJM in Grand Emperor Hotel, which is under Emperor E Hotel. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

This announcement is to provide supplemental information in relation to the continuing connected transaction contemplated under the Agreement.

PROCEDURES LEADING TO AND BASIS OF DETERMINATION OF THE PERCENTAGE SHARING AND OTHER TERMS UNDER THE AGREEMENT

As disclosed in the Announcement, Tin Hou shall be entitled to a percentage sharing of the gross gaming revenue (the “**Percentage Sharing**”) as consideration for the provision of the Services. Before entering into the Agreement, terms of the Agreement were thoroughly discussed among representatives of SJM, Emperor E Hotel and other service providers of SJM to ensure alignment of the terms of the agreements. The management of Emperor E Hotel has also compared the Percentage Sharing with the historical percentage sharing on gross gaming revenue of other service providers of SJM based on the market available information. In addition, the Percentage Sharing was determined taken into account the current tax rate levied on the gaming revenue in accordance with the laws of Macau. The Percentage Sharing represents a majority of the monthly gross gaming revenue of the Gaming Area receivable after deducting the aforesaid taxes levied and the terms of the Agreement and the Percentage Sharing are substantially the same as the service agreement entered into between Tin Hou and SJM dated 19 February 2010 (and as varied, modified, amended, or supplemented from time to time).

In light of the above and to the best knowledge, information and belief of the directors of the Companies having made all reasonable enquiries, they are of the view that the terms of the Agreement are on normal commercial terms, fair and reasonable and the Percentage Sharing is in line with the rate offered to other service providers of SJM.

INTERNAL CONTROL

In addition to compliance with the requirements on annual review by external auditors and INEDs under the Listing Rules in respect of the Groups' continuing connected transactions, the Groups have adopted the following internal control procedures to manage the continuing connected transaction under the Agreement in order to ensure that the rate or mechanism of the Percentage Sharing is on normal commercial terms, fair and reasonable and in the interests of Emperor E Hotel and Emperor International, and their respective shareholders as a whole:

1. For connected transactions and continuing connected transactions of the Companies, the Companies have set up a compliance committee respectively, which comprised representatives from operations, finance and accounts department and legal and secretarial department, to monitor the compliance by the Companies in accordance with Chapter 14A of the Listing Rules annually and to arrange meetings to discuss any complicated transactions. The representatives of operations, at their best knowledge, have assessed the Percentage Sharing and the terms under the Agreement with reference to the prevailing market prices or standards of similar transactions to consider whether the Percentage Sharing is fair and reasonable and on normal commercial terms;
2. The finance and accounts department of the Companies will perform a monthly review on the Transactions and the Services fee receivable to ensure compliance with the Agreement and that the Annual Caps will not be exceeded; and
3. The audit committees of the respective Companies will review at least once a year the analysis report(s) on continuing connected transactions prepared by the management of the respective Companies.

By order of the board
Emperor Entertainment Hotel Limited
Luk Siu Man, Semon
Chairperson

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

Hong Kong, 21 February 2023

As at the date of this joint announcement:

The board of Emperor E Hotel comprises Ms. Luk Siu Man, Semon as *non-executive director*, Mr. Wong Chi Fai and Ms. Fan Man Seung, Vanessa as *executive directors*, and Ms. Kwan Shin Luen, Susanna, Ms. Lai Ka Fung, May and Mr. Yeung Man Sun as *independent non-executive directors*.

The board of Emperor International comprises Ms. Luk Siu Man, Semon as *non-executive director*, Mr. Yeung Ching Loong, Alexander, Mr. Wong Chi Fai, Ms. Fan Man Seung, Vanessa and Mr. Cheung Ping Keung as *executive directors*, and Mr. Chan Hon Piu, Mr. Chu Kar Wing and Mr. Poon Yan Wai as *independent non-executive directors*.