



英皇娛樂酒店有限公司  
Emperor Entertainment Hotel Limited

Incorporated in Bermuda with limited liability (Stock Code: 296)



ANNUAL REPORT 2011/2012



**DISCOVER  
A NEW PARADIGM  
OF HOSPITALITY**



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# Corporate Information and Key Dates

## Directors

Luk Siu Man, Semon\* (*Chairperson*)  
Wong Chi Fai  
Fan Man Seung, Vanessa  
Chan Sim Ling, Irene\*\*  
Chan Wiling, Yvonne\*\*  
Wan Choi Ha\*\*

\* *Non-executive Director*

\*\* *Independent Non-executive Directors*

## Company Secretary

Liu Chui Ying

## Audit Committee

Chan Sim Ling, Irene (*Chairperson*)  
Chan Wiling, Yvonne  
Wan Choi Ha

## Remuneration Committee

Chan Wiling, Yvonne (*Chairperson*)  
Wong Chi Fai  
Chan Sim Ling, Irene

## Nomination Committee

Wan Choi Han (*Chairperson*)  
Fan Man Seung, Vanessa  
Chan Wiling, Yvonne

## Corporate Governance Committee

Fan Man Seung, Vanessa (*Chairperson*)  
Chan Sim Ling, Irene  
Wan Choi Ha  
A representative from Company Secretarial function  
A representative from Finance & Accounts function

## Auditor

Deloitte Touche Tohmatsu

## Investor Relations Contact

Luk Man Ching, Anna  
Email : [ir296@emperorgroup.com](mailto:ir296@emperorgroup.com)

## Website

<http://www.emp296.com>

## Stock Code

Hong Kong Stock Exchange: 296

## Principal Bankers

Banco Weng Hang S.A.  
Chong Hing Bank Limited  
Wing Hang Bank, Limited

## Registered Office

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## Principal Office

28th Floor  
Emperor Group Centre  
288 Hennessy Road  
Wanchai  
Hong Kong

## Registrar (in Bermuda)

Butterfield Fulcrum Group (Bermuda) Limited  
Rosebank Centre  
11 Bermudiana Road  
Pembroke HM08  
Bermuda

## Registrar (in Hong Kong)

Tricor Secretaries Limited  
26th Floor, Tesbury Centre  
28 Queen's Road East  
Hong Kong

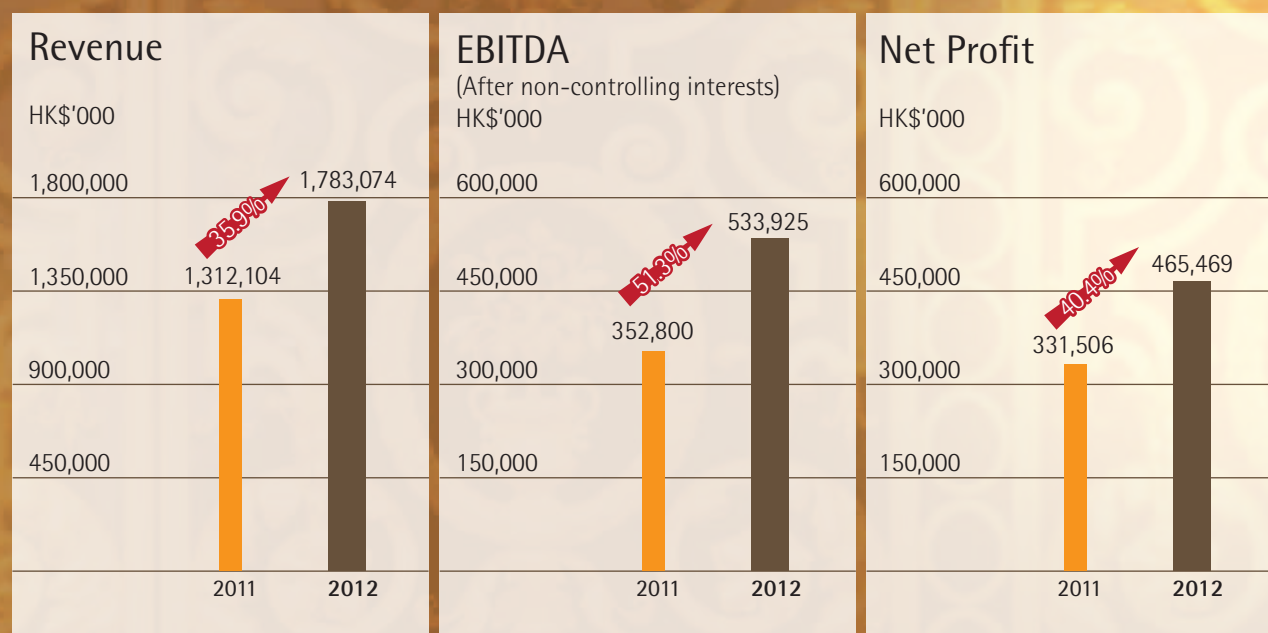
## Key Dates

Annual Results Announcement	19th June, 2012
Book Close Dates	
– For AGM	7th August, 2012
– For Final Dividend	15th to 16th August, 2012
Record Dates	
– For AGM	7th August, 2012
– For Final Dividend	16th August, 2012
Annual General Meeting	8th August, 2012
Payment of Final Dividend	7th September, 2012 (HK\$0.06 per share)

## Corporate Communications

This Annual Report (in both English and Chinese versions) is available to any shareholder either in printed form or on the Company's website. In order to protect the environment, the Company highly recommends the shareholders to elect to receive electronic copy of our Corporate Communications. Upon written request, free printed version of this Annual Report will be sent to the shareholders who have elected to receive electronic copies but for any reason have difficulty in receiving or gaining access to this Annual Report through the Company's website. Shareholders may have the right to change their choice of receipt of all future Corporation 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 or by email at [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com).

# Financial Highlights



	2011 HK\$'000	2012 HK\$'000
<b>For the year ended 31st March</b>		
Revenue	1,312,104	1,783,074
Gross profit	930,857	1,375,147
EBITDA after non-controlling interests	352,800	533,925
Profit for the year attributable to owners of the Company	331,506	465,469
Earnings per share Basic and diluted	HK\$0.26	HK\$0.36

# Management Discussion and Analysis



Emperor Entertainment Hotel Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") principally engages in provision of entertainment and hospitality services in Macau.

## MARKET REVIEW

Supported by the continuous economic growth in China, both the number of visitors and their spending power in Macau have been significantly increasing. The total number of visitors to Macau amounted to 28.5 million for the year ended 31st March, 2012 (the "Year"), 12.8% more than last year. According to the Macau Statistics and Census Service Monthly Bulletin of Statistics, approximately 89.2% of visitors to Macau during the Year were from Hong Kong, mainland China and Taiwan. One of the forces behind such growth is the Renminbi appreciation. Such appreciation increases the purchasing power of mainland visitors and therefore attracts more mainland visitors to go to Macau, which in turn further bolsters the entertainment expenditure in Macau. In addition, the increasing aggregate national wealth in mainland China leads to a large and growing middle-upper class who has more disposable income to support such expenditure.

## FINANCIAL REVIEW

### Overall Review

The Group continued to be well positioned to take advantage of the growth in the premium mass market and achieved excellent performance during the Year. Leveraging on the Grand Emperor Hotel's good reputation, prime location in the gaming hub of the Macau Peninsula and quality services, the Group's total revenue from the gaming and hotel operations segment surged by 35.9% to HK\$1,783.1 million (2011: HK\$1,312.1 million) during the Year. Riding on the continuous efforts of maximising utilisation and operating efficiency, the Group's earnings before interest, tax, depreciation and amortisation ("EBITDA") and after non-controlling interests amounted to HK\$533.9 million (2011: HK\$352.8 million), representing a significant surge of 51.3%. Profit for the Year attributable to owners of the Company up by 40.4% to HK\$465.5 million (2011: HK\$331.5 million). Basic earnings per share was HK\$0.36 (2011: HK\$0.26). The Group proposed a final dividend of HK\$0.06 (2011: HK\$0.05) per share. Together with the interim dividend of HK\$0.043 (2011: HK\$0.04) per share, the total dividend per share for the Year was HK\$0.103 (2011: HK\$0.09).

“Situating in the traditional gaming area in Macau, the Group is able to capitalise the high traffic flow and huge market potential.”



### Liquidity And Financial Resources

During the Year, there was no change in the capital structure of the Group. The Group continued to maintain a strong cash position. The Group mainly funded its operations and capital expenditure through its internally generated cash flow from operations. As at 31st March, 2012, advances from non-controlling interests of a subsidiary of the Company were HK\$230.2 million, which was denominated in Hong Kong dollars, unsecured, interest-free and repayable only when the subsidiary has surplus fund. The Group had no bank borrowings with low gearing ratio, optimising its financial position and minimising its exposure to interest rate risk.

The Group's current assets and current liabilities as at 31st March, 2012 were HK\$1,736.3 million and HK\$594.6 million respectively. The gearing ratio of the Group (expressed as a percentage of total borrowings over total assets) as at 31st March, 2012 was further decreased to 6.3% (2011: 8.6%).

Save as disclosed above and trade and other payables and accrued charges, the Group had no other external borrowings. During the Year, the Group was able to maintain its strong and healthy financial position. Aggregate of bank balances and cash on hand and short-term bank deposits of the Group as at 31st March, 2012 amounted to HK\$1,400.6 million, which were mainly denominated in Hong Kong dollars and Macau Pataca. With the borrowings, bank balances and cash on hand and short-term bank deposits denominated in Hong Kong dollars and Macau Pataca, the Group did not experience any significant exposure to foreign exchange rate fluctuation during the Year.

### Pledge of Assets

As at 31st March, 2012, assets with carrying values of HK\$1.5 billion were pledged to a bank as security for unutilised banking facilities available to the Group. In addition, the Group pledged a bank deposit of HK\$0.3 million to a bank as security for use of ferry ticket equipment granted by a third party to the Group.

# Management Discussion and Analysis (Continued)



## BUSINESS REVIEW

The Group's flagship project, Grand Emperor Hotel in Macau (the "Hotel"), has over 130,000 square feet of gaming space spreading over six floors offering slot machines as well as gaming tables in gaming concourse and VIP room.

Riding on the increasing number of mainland visitors and the rise of the middle class with high disposable income, the Macau gaming market experienced another year of strong growth. During the Year, the Group continued to ramp up the mix of premium mass market and VIP business, resulting in record-high performance in both rolling chip volume and average win per table per day.

### Gaming Revenue

The Group's casino operation is run by licence holder Sociedade de Jogos de Macau, S.A.. The gaming revenue for the Year increased by 39.6% to HK\$1,627.3 million (2011: HK\$1,165.8 million), accounting for 91.3% of the Group's total revenue.

### Gaming Concourse

Premium mass market displayed substantial growth during the Year with a gross win contribution of HK\$2,120.5 million (2011: HK\$1,271.8 million). Segmental revenue increased by 65.6% to HK\$1,178.3 million (2011: HK\$711.5 million), accounting for 66.1% of the Group's total revenue. The number of tables in the gaming concourse was 67 (2011: 63 tables). Average win for the Year was approximately HK\$93,000 (2011: HK\$55,000) per table per day.

**“Riding on the increasing number of mainland visitors and the rise of the middle class with high disposable income, the Macau gaming market experienced another year of strong growth.”**





### *VIP Room*

The Group self-managed a VIP room with a total of 10 tables (2011: 14 tables) with the rolling amount of HK\$24.1 billion (2011: HK\$25.1 billion). Segmental revenue was HK\$397.1 million (2011: HK\$409.5 million), accounting for 22.3% of the Group's total revenue. Average win for the Year was approximately HK\$139,000 (2011: HK\$141,000) per table per day.

### *Slot Machines*

This segment recorded a gross win of HK\$116.6 million (2011: HK\$101.9 million) with the capacity of 293 slot seats (2011: 310 slot seats). Segmental revenue increased by 15.8% to HK\$51.9 million (2011: HK\$44.8 million), accounting for 2.9% of the Group's total revenue. Average win for the Year was approximately HK\$1,050 (2011: HK\$860) per seat per day.

### *Hotel Revenue*

During the Year, this segment has recorded a revenue of HK\$155.8 million (2011: HK\$146.3 million), accounting for 8.7% of the Group's total revenue. The Hotel has a capacity of 307 guest rooms. During the Year, the Hotel reported an average daily rate of HK\$1,087 (2011: HK\$860) with a high occupancy rate of 89% (2011: 88%). Room revenue amounted to HK\$49.1 million (2011: HK\$53.7 million). Revenue from food and beverage was HK\$80.2 million (2011: HK\$68.8 million), while rental revenue from sauna, night club and retail space was HK\$26.5 million (2011: HK\$23.8 million).

# Management Discussion and Analysis (Continued)



## OUTLOOK

The development of major infrastructure projects in Macau and mainland China, such as the expansion of the immigration gates in Macau and Zhuhai, and the construction of the High Speed Railway Network on the mainland, will improve accessibility to Macau and boost the number of visitors. The strong momentum behind Macau is likely to be sustained over the coming years by a series of other new projects in the pipeline, including the development projects in Hengqin, the Hong Kong-Zhuhai-Macau Bridge (due to be opened in 2016), and the Light Rail Transit connecting Macau, Taipa and Cotai (due to be opened in 2015-2016). Such improvement of infrastructure will definitely continue to enhance the attractiveness of Macau as a leisure and tourism destination.

The Group believes that the future business environment of Macau in the coming years remains optimistic. Leveraging the prestigious reputation of "Emperor" among Chinese communities and unrivalled expertise in Macau gaming, the Group is ready to capitalise on the huge market potential in Macau. The Group will strengthen its marketing efforts, provide quality services, implement effective management strategies and enhance its operating efficiencies to further enhance earnings growth in the future.

## EMPLOYEES AND REMUNERATION POLICY

As at 31st March, 2012, the Group's number of employee was 1,094 (2011: 974). Total staff costs including directors' remuneration and the other staff costs for the Year were HK\$316.8 million (2011: HK\$277.5 million). Employees' remuneration was determined in accordance with individual's responsibility, performance and experience. Staff benefits include contribution to retirement benefit scheme, medical insurance and other fringe benefits.

To provide incentives or rewards to the staff, the Company adopted a share option scheme on 2nd September, 2002. During the Year, the Company did not grant any option under the share option scheme and the outstanding share options as at the end of the Year was 10,000,000 share options which were granted to certain directors of the Company in August 2005.



## SOCIAL RESPONSIBILITIES

The Group has continued to plough back to the community during the Year. As a yearly tradition, staff members have volunteered to join a friendship tour to Shun Ping County, Hebei Province organised by the Emperor Group. They have paid a visit to "Albert Yeung Sau Shing Charity Foundation (Shun Ping) Elderly Care Centre", an elderly home sponsored by Emperor Group, where they have given their regards to the otherwise homeless seniors there.

The Group has also held fast to its dedication to care for the environment. It has maintained its title as a "Green Hotel" with the Macau SAR Government and continued to run various internal recycling campaigns to collect reusable materials from staff.

In recognition of the Group's involvement in charity and community activities, Hong Kong Council of Social Service has awarded the Group and the Caring Company Logo for the year 2011-2012. The Group has won the honour for the fourth time in a row ever since the year 2008-2009.

# Biographies of Directors and Senior Executives

## Non-executive Director (Chairperson)

LUK SIU MAN, SEMON, aged 56, joined the Company in March 2000 and acts as the Chairperson of the Company. She graduated from The University of Toronto with a Bachelor's Degree in Commerce. Ms. Luk is also the non-executive director and chairperson of Emperor International Holdings Limited ("Emperor International") (Stock Code: 163), the holding company of the Company. She worked in the banking industry for almost 10 years.

## Executive Director

WONG CHI FAI, aged 56, joined the Company in 1991. He is also a director of certain subsidiaries of the Company. He has been responsible for the Group's strategic planning, business growth and development and overseeing the financial management of the Group. He is a member of Remuneration Committee of the Company. Mr. Wong is an associate of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. He is also a director of Emperor International, Emperor Watch & Jewellery Limited ("Emperor W&J") (Stock Code: 887) and New Media Group Holdings Limited ("New Media Group") (Stock Code: 708). Having over 20 years of finance and management experience, Mr. Wong has diversified experience in different businesses ranging from manufacturing to hotel and hospitality, property investment and development, watch and jewellery retailing, entertainment as well as media.

## Executive Director

FAN MAN SEUNG, VANESSA, aged 49, joined the Company in 1991. She is also a director of certain subsidiaries of the Company. She has been responsible for the Group's strategic planning, business growth and development and overseeing different operations within the Group. Ms. Fan is the Chairperson of Corporate Governance Committee and a member of Nomination Committee of the Company. She is a lawyer by profession in Hong Kong and a qualified accountant. She also holds a Master's Degree in Business Administration. Ms. Fan is also a director of Emperor International, Emperor W&J and New Media Group. Besides having over 23 years of corporate management experience, she possesses diversified experience in different businesses including hotel and hospitality, property investment and development, financial and securities operations, watch and jewellery retailing, entertainment as well as media.

## Independent Non-executive Director

CHAN SIM LING, IRENE, aged 49, was appointed as Independent Non-executive Director of the Company in May 1998. She is the Chairperson of Audit Committee and a member of Remuneration Committee and Corporate Governance Committee of the Company. Ms. Chan is also an independent non-executive director of Chinlink International Holdings Limited (Stock code: 997). She graduated from The University of Hong Kong with a Bachelor's Degree in Laws in 1985.



### **Independent Non-executive Director**

CHAN WILING, YVONNE, aged 47, was appointed as Independent Non-executive Director of the Company in September 2004. She is the Chairperson of Remuneration Committee as well as a member of Audit Committee and Nomination Committee of the Company. Ms. Chan graduated from the Hong Kong Polytechnic University in 1987 majoring in accountancy and obtained a Master's Degree in Business Administration from Heriot-Watt University in Scotland in 1996. She is a fellow of the Association of Chartered Certified Accountants and an associate of the Hong Kong Institute of Certified Public Accountants. She previously worked in two international accounting firm, Touche Ross & Co. and Ernst & Young and has about 20 years of experience in accounting, auditing and information security fields.

### **Independent Non-executive Director**

WAN CHOI HA, aged 44, was appointed as Independent Non-executive Director of the Company in February 2006. She is the Chairperson of Nomination Committee as well as a member of Audit Committee and Corporate Governance Committee of the Company. Ms. Wan is a solicitor qualified in Hong Kong. She holds a Bachelor's Degree in Laws from The University of Hong Kong. She has been practicing in Hong Kong for more than 18 years and is a principal partner of a law firm.

# Directors' Report

The directors of the Company (the "Directors") is pleased to present their annual report and the audited consolidated financial statements of the Company for the Year.

## PRINCIPAL ACTIVITIES

The Company's principal activity is investment holding and the activities of its principal subsidiaries are set out in note 36 to the consolidated financial statements.

## RESULTS AND DIVIDENDS

The results of the Group and the dividends paid and proposed by the Company for the Year are set out in the consolidated statement of comprehensive income on pages 28 and 29 and note 14 to the consolidated financial statements.

The Directors recommended the payment of a final dividend of HK\$0.06 per share (2011: HK\$0.05 per share) for the Year amounting to approximately HK\$77,553,000 to those shareholders whose names appear on the register of members on 16th August, 2012 (Thursday), subject to the approval of the shareholders of the Company at the forthcoming annual general meeting to be held on 8th August, 2012 (Wednesday).

## INVESTMENT PROPERTIES

As at 31st March, 2012, the Group revalued all of its investment properties on a market basis at HK\$391,000,000. The increase in fair value of HK\$114,600,000 has been credited to the consolidated statement of comprehensive income.

Details of changes in the investment properties of the Group are set out in note 16 to the consolidated financial statements.

A summary of investment properties of the Group as at 31st March, 2012 is set out on page 76.

## PROPERTY, PLANT AND EQUIPMENT

During the Year, the Group acquired property, plant and equipment at a cost of HK\$91,376,000.

Details of changes in the property, plant and equipment of the Group are set out in note 17 to the consolidated financial statements.

## SHARE CAPITAL

Details of share capital of the Company are set out in note 27 to the consolidated financial statements.

## RESERVES

Details of movements in the reserves of the Group during the Year are set out on page 32.

## DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders as at 31st March, 2012 represent the accumulated profits amounting to HK\$164,314,000 (2011: HK\$287,086,000).

# Directors' Report (Continued)

## DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors during the Year and up to the date of this report were:

**Non-executive Director:**

Luk Siu Man, Semon (*Chairperson*)

**Executive Directors:**

Wong Chi Fai

Fan Man Seung, Vanessa

Mok Fung Lin, Ivy (*resigned on 1st July, 2011*)

**Independent Non-executive Directors:**

Chan Sim Ling, Irene

Chan Wiling, Yvonne

Wan Choi Ha

The term of office of each Director, including the Independent Non-executive Directors, is the period up to his/her retirement by rotation in accordance with the Bye-laws of the Company.

In accordance with Bye-law 87(1) of the Company's Bye-laws, Ms. Fan Man Seung, Vanessa, and Ms. Wan Choi Ha would retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Each of Ms. Luk Siu Man, Semon ("Ms. Semon Luk"), Ms. Chan Sim Ling, Irene, Ms. Chan Wiling, Yvonne and Ms. Wan Choi Ha has entered into service agreement with the Company in relation to her service as Non-executive Director/Independent Non-executive Director for an initial term of one year up to 31st December, 2008 and will continue thereafter until terminated by notice in writing served by either party on the other and subject to the Bye-laws of the Company.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

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

As at 31st March, 2012, the interests and short positions of the Directors and chief executives of the Company and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (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 of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") of the issued share capital of the Company were as follows:

**(A) Long position in shares and underlying shares of the Company**

*(i) Ordinary shares of HK\$0.0001 each of the Company*

Name of Director	Capacity/Nature of interests	Number of issued ordinary shares held	Approximate % holding
Ms. Semon Luk	Interest of spouse	794,912,845 ( <i>Note 1</i> )	61.5%

# Directors' Report (Continued)

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

(Continued)

### (A) Long position in shares and underlying shares of the Company (Continued)

#### (ii) Share options

Name of Director	Capacity/Nature of interests	Number of underlying shares held	Approximate % holding
Mr. Wong Chi Fai	Beneficial owner	5,000,000 (Note 2)	0.39%
Ms. Fan Man Seung, Vanessa	Beneficial owner	5,000,000 (Note 2)	0.39%

Notes:

- These shares of the Company were held by Worthy Strong Investment Limited ("Worthy Strong") (now renamed as Emperor Entertainment Hotel Holdings Limited) which was indirectly wholly-owned by Emperor International. Emperor International is a company with its shares listed in Hong Kong and as at 31st March, 2012, approximately 74.93% of its issued share capital was held by Charron Holdings Limited ("Charron") (now renamed as Emperor International Group Holdings Limited). The entire issued share capital of Charron was held by Million Way Holdings Limited ("Million Way") (now renamed as Albert Yeung Holdings Limited) which was wholly-owned by STC International Limited ("STC International"), the trustee of The Albert Yeung Discretionary Trust ("AY Trust"), a discretionary trust set up by Dr. Yeung Sau Shing, Albert ("Dr. Albert Yeung"). Both of Dr. Albert Yeung, as the founder of the AY Trust, and Ms. Semon Luk, as spouse of Dr. Albert Yeung, both have deemed interests in the said shares held by Worthy Strong.
- Share options granted to the Directors under the share option scheme of the Company.

### (B) Long position interests in associated corporation

#### (i) Ordinary shares

Name of Director	Name of associated corporation	Capacity/Nature of interests	Number of issued ordinary share(s) held	Approximate % holding
Ms. Semon Luk	Emperor International (Note 1)	Interest of spouse	2,747,493,823	74.93%
	Emperor W&J (Note 2)	Interest of spouse	3,565,450,000	53.07%
	Emperor Capital Group Limited ("Emperor Capital Group") (Note 3)	Interest of spouse	1,576,668,907	60.7%
	New Media Group (Note 4)	Interest of spouse	453,080,000	52.44%



# Directors' Report (Continued)

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

(Continued)

### (B) Long position interests in associated corporation (Continued)

#### (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 International	Beneficial owner	16,154,242 (Note 5)	0.44%
Ms. Fan Man Seung, Vanessa	Emperor International	Beneficial owner	16,154,212 (Note 5)	0.44%

Notes:

- Emperor International is a company with its shares listed in Hong Kong. These shares of Emperor International were held by Charron. Charron was wholly-owned by Million Way which was in-turn wholly-owned by STC International, being the trustee of the AY Trust. Both of Dr. Albert Yeung, as the founder of the AY Trust, and Ms. Semon Luk, as spouse of Dr. Albert Yeung, have deemed interests in the above shares of Emperor International and the entire share capital of Charron and Million Way.
- Emperor W&J is a company with its shares listed in Hong Kong. These shares of Emperor W&J were held by Allmighty Group Limited ("Allmighty") (now renamed as Emperor Watch & Jewellery Group Holdings Limited). Allmighty was wholly-owned by Million Way which was in turn wholly-owned by STC International, being the trustee of the AY Trust. Both of Dr. Albert Yeung, as the founder of the AY Trust, and Ms. Semon Luk, as spouse of Dr. Albert Yeung, have deemed interests in the above shares of Emperor W&J and the entire share capital of Allmighty.
- Emperor Capital Group is a company with its shares listed in Hong Kong. These shares of Emperor Capital Group were held by Win Move Holdings Limited ("Win Move") (now renamed as Emperor Capital Group Holdings Limited). Win Move was wholly-owned by Million Way which was in-turn wholly-owned by STC International, being the trustee of the AY Trust. Both of Dr. Albert Yeung, as the founder of the AY Trust, and Ms. Semon Luk, as spouse of Dr. Albert Yeung, have deemed interests in the above shares of Emperor Capital Group and the entire share capital of Win Move.
- New Media Group is a company with its shares listed in Hong Kong. These shares of New Media Group were held by Velba Limited ("Velba") (now renamed as New Media Group Investment Limited). Velba was wholly-owned by Million Way which was in turn wholly-owned by STC International, being the trustee of the AY Trust. Both of Dr. Albert Yeung, as the founder of the AY Trust, and Ms. Semon Luk, as spouse of Dr. Albert Yeung, have deemed interests in the above shares of New Media Group and the entire share capital of Velba.
- Share options granted to the Directors under the share option scheme of Emperor International.

Save as disclosed above, as at 31st March, 2012, none of the Directors, chief executives of the Company nor their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

# Directors' Report (Continued)

## SHARE OPTIONS

The Company adopted a share option scheme (the "Scheme") on 2nd September, 2002. Particulars of the Scheme are set out in note 28 to the consolidated financial statements.

A summary of the number of share options outstanding during the Year is set out as follows:

Name of grantee	Date of grant	Exercisable period	Exercise price of the share options	Outstanding as at 1st April, 2011 and 31st March, 2012
Mr. Wong Chi Fai	11th August, 2005	11th August, 2005 to 10th August, 2015	HK\$2.2	5,000,000
Ms. Fan Man Seung, Vanessa	11th August, 2005	11th August, 2005 to 10th August, 2015	HK\$2.2	5,000,000

Save as disclosed herein, no options were granted, lapsed, exercised or cancelled under the Scheme.

Save as disclosed above, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable any Director or chief executive of the Company or their spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2012, so far as is known to any Director or chief executive of the Company, the following persons or corporations (other than a Director or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company 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 ordinary shares of HK\$0.0001 each of the Company

Name of shareholder	Capacity/Nature of interests	Number of issued ordinary shares interested in or deemed to be interested in	Approximate % holding
Emperor International ( <i>Note</i> )	Interest in a controlled corporation	794,912,845	61.5%
Charron ( <i>Note</i> )	Interest in a controlled corporation	794,912,845	61.5%
Million Way ( <i>Note</i> )	Interest in a controlled corporation	794,912,845	61.5%
STC International ( <i>Note</i> )	Trustee	794,912,845	61.5%
Dr. Albert Yeung ( <i>Note</i> )	Founder of a discretionary trust/Beneficial owner	794,912,845	61.5%
Penta Investment Advisers Limited	Investment manager	77,479,000	5.99%
Octavian Advisors, LP	Investment manager	64,860,500	5.02%

*Note:* The 794,912,845 shares were held by Worthy Strong which was indirectly wholly-owned by Emperor International. Emperor International is a company with its shares listed in Hong Kong and was held by Charron as to 74.93% as at 31st March, 2012. The entire issued share capital of Charron was held by Million Way which was in turn wholly-owned by STC International, being the trustee of the AY Trust. Dr. Albert Yeung, as the founder of the AY Trust, had deemed interests in the said shares held by Worthy Strong. The above shares were the same shares as those set out in "Directors' and Chief Executives' Interests and Short Positions in Securities" above.

Save as disclosed above, as at 31st March, 2012, the Directors were not aware of any person or corporation (other than the Directors and chief executives of the Company) who had any interests or short positions in shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or as otherwise notified to the Company.

# Directors' Report (Continued)

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND CONNECTED TRANSACTIONS

### Continuing connected transactions

During the Year, the Group had the following transactions with connected persons of the Company :

#### (a) Provision of services in relation to Grand Emperor Hotel

On 19th February, 2010, Tin Hou Limited ("Tin Hou"), an indirect wholly-owned subsidiary of the Company, entered into an agreement ("Agreement") with Sociedade de Jogos de Macau, S.A. ("SJM"), a company incorporated under the laws of Macau, for the provision of services or obligations comprising the management services and the promotion services to SJM by Tin Hou from 1st October, 2009 until the termination: (i) by either party or on the expiration of SJM's gambling license under the Gaming Concession Contract on 31st March, 2020 or (ii) any earlier termination thereof; or (iii) winding up or cessation of business of either party. In consideration for the provision of services, Tin Hou together with the nominated junket promoter which is a fellow subsidiary of Tin Hou and wholly owned by the Company shall be entitled to a share of the gross win and gross loss in respect of the monthly operating performance of the gaming area located at the Grand Emperor Hotel and bear all necessary operational expenses in relation to the operation of the gaming area.

SJM is principally engaged in gaming business in Macau and is one of the six concessionaires/sub-concessionaires licensed to carry on casino operations in Macau. SJM has a 19.99% equity interest in Luck United Holdings Limited, a company indirectly owned as to 60% by the Company, and was therefore a substantial shareholder of a subsidiary of the Company. Accordingly, SJM is a connected person of the Company within the meaning of the Listing Rules and had deemed interests in the transaction and the Agreement constituted a continuing connected transaction for the Company. The Company made an announcement on 19th February, 2010 and obtained the approval of independent shareholders in the special general meeting held on 29th April, 2010.

During the Year, the Group's net receipt under the Agreement was amounted to HK\$1,510,285,054.

#### (b) Leasing of the Group's hotel property for the operation of the counter-party

Name of counterparty	Date of agreement	Location	Terms	Amount of rental received during the Year
EWJ Watch and Jewellery Company Limited ("EWJ Macau") (Note)	2nd June, 2008	Shop No. 5, G/F., Grand Emperor Hotel, 251-292D Avenida Commercial De Macau, Macau	1st July, 2008 – 30th June, 2011: Effective rental : HK\$103,133.33 per month	HK\$309,400
EWJ Macau (Note)	28th June, 2011	Shop No. 5, G/F., Grand Emperor Hotel, 251-292D Avenida Commercial De Macau, Macau	1st July 2011 – 30th June 2014: Effective rental : HK\$147,333.33 per month	HK\$1,326,000
EWJ Macau (Note)	25th March, 2009	Shop Nos. 1 to 4, G/F., Grand Emperor Hotel, 251-292D Avenida Commercial De Macau, Macau	1st April, 2009 – 31st March, 2012: Effective rental: HK\$225,208.33 per month	HK\$2,702,500

# Directors' Report (Continued)

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND CONNECTED TRANSACTIONS

*(Continued)*

### Continuing connected transactions *(Continued)*

#### (b) Leasing of the Group's hotel property for the operation of the counter-party *(Continued)*

*Note:* EWJ Macau was an indirect wholly-owned subsidiary of Emperor W&J. Emperor W&J was indirectly owned as to more than 50% by the AY Trust which is founded by Dr. Albert Yeung, a deemed substantial shareholder of the Company.

The above transactions constituted non-exempt continuing connected transactions for the Company under Rule 14A of the Listing Rules and are subject to reporting and announcement requirements under the Listing Rules but are exempted from the independent shareholder's approval requirements. The Company made announcements on 25th March, 2009, 19th February, 2010 and 28th June 2011.

Save as the "Rental income from a related company" in the amount of HK\$4,338,000 for the Year as shown in note 34 "Related party transactions" to the consolidated financial statements which constituted continuing connected transactions of the Company under the Chapter 14A of the Listing Rules, all other transactions as shown in note 34 are connected transactions exempted from announcement, reporting, annual review and independent shareholders' approval requirements under Rule 14A.31/14A.33 of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in respect of the above continuing connected transactions.

### Auditor's letter on continuing connected transactions

Pursuant to Rule 14A.38 of the Listing Rules, the board of Directors (the "Board") has engaged the auditor of the Company to report the continuing connected transactions ("Disclosed CCTs") of the Group in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants and the auditor has reported to the Directors and confirmed that the Disclosed CCTs entered into by the Group for the Year:

- (1) have received the approval of the Board;
- (2) were in accordance with the pricing policies of the Company (for transactions involving the provision of goods and services by the Group);
- (3) have been entered into in accordance with the terms of the relevant agreements governing such Disclosed CCTs; and
- (4) have not exceeded the maximum aggregate annual values for the Year disclosed in the previous announcements dated 25th March, 2009, 19th February, 2010 and 28th June, 2011 made by the Company in respect of each of the Disclosed CCTs.

### Confirmation of Independent Non-executive Directors

Pursuant to Rule 14A.37 of the Listing Rules, the Company's Independent Non-executive Directors have reviewed the above Disclosed CCTs and the letter from the auditor and confirmed that these Disclosed CCTs have been entered into by the Group:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms; and
- (3) in accordance with the terms of the respective agreements governing such Disclosed CCTs that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Save as disclosed above, there was no contract of significance to which the Company, or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

# Directors' Report (Continued)

## CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of the independence pursuant to Rule 3.13 of the Listing Rules on the Stock Exchange. The Company considers all of the Independent Non-executive Directors are independent.

## EMOLUMENT POLICY

The emoluments of the Executive Directors are decided by the Remuneration Committee having regard to a written remuneration policy (which ensures a clear link to business strategy and a close alignment with the shareholders' interest and current best practice), the Group's operating results, individual performance and comparable market statistics. The Independent Non-executive Directors are paid fees in line with market practice. No individual should determine his or her own remuneration.

The emoluments of the employees of the Group are based on their performance, qualifications, competence displayed, market comparables and the performance of the Group.

Remuneration package includes basic salaries, Directors' fees, housing allowances, contribution to pension schemes, bonus relating to the profit of the Group, ad hoc rewards, performance related incentive payment, share-based payments and other benefits. To provide incentive to the eligible participants (including Directors and employees), the remuneration package has been extended to include share options granted under the Scheme adopted by the Company on 2nd September, 2002, details of which are set out in note 28 to the consolidated financial statements. Details of the emoluments of the Directors and the five highest paid individuals in the Group are set out in note 11 to the consolidated financial statements.

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

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

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## MAJOR SUPPLIERS AND CUSTOMERS

During the Year, the five largest customers of the Group accounted for approximately 93.0% of the revenue of the Group. The largest customer accounted for approximately 91.4% of the Group's revenue and is the operator of VIP rooms, gaming concourse and slot machine hall who paid fee for the services rendered by the Group.

The five largest suppliers contributed to less than 30% of total purchases and services received of the Group during the Year.

Save as disclosed above, none of the Directors, their associates or any shareholders of the Company which, to the knowledge of the Directors, owns more than 5% of the Company's issued share capital, has a beneficial interest in the share capital of any of the above major customers and suppliers of the Group.

## CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 21 to 26.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company maintained the prescribed public float under the Listing Rules.

# Directors' Report (Continued)

## AUDITOR

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

**Luk Siu Man, Semon**  
*Chairperson*

Hong Kong  
19th June, 2012

# Corporate Governance Report

The Board is committed to maintaining a high standard of corporate governance for the Company within a sensible framework. The Company has fully complied with all the provisions of the then Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules throughout the Year.

## THE BOARD

### Board Composition

As at 31st March, 2012, the Board comprised six Directors (one Non-executive Director who is also the Chairperson of the Company, two Executive Directors and three Independent Non-executive Directors). The biographies of the Directors are set out on pages 10 and 11 of this annual report under the "Biographies of Directors and Senior Executives" Section.

### Roles and Responsibilities of the Board

The Board is responsible for the leadership, control and promotion of the success of the Group by directing and supervising its business operations in the interests of the shareholders of the Company and by formulating strategic directions and monitoring the financial and management performance of the Group.

### Management Functions

Ms. Semon Luk, has been appointed as the Chairperson since 2000. With the assistance of the Company Secretary, she is responsible for setting the agenda for each Board meeting, taking into account any matters proposed by the Directors and would ensure all Board members work effectively and discharge their responsibility by providing timely, reliable and sufficient information on issues to be discussed at Board meetings. All Board members are properly briefed on the issues to be discussed and the meeting material is dispatched to the Directors before the meetings. The Company has not appointed a Chief Executive Officer.

The management team, with years of unique experience in hotel management and gaming and entertainment facilities management, implements the decisions from the Board and proposes management proposals for the Board's consideration. The team assumes full accountability to the Board for all operations of the Group.

### Independent Non-executive Directors

The Independent Non-executive Directors, are all professionals with valuable local and/or international experience in legal, accounting, auditing or information security field, contribute to the Group by sharing their independent opinion and judgment on issues to be discussed at Board meetings.

The Independent Non-executive Directors were appointed for an initial term of one year up to 31st December, 2008 and will continue thereafter on a yearly basis unless terminated by notice in writing served by either party, and subject to retirement by rotation in accordance with the Bye-laws of the Company.

The Company has received a confirmation of independence from each of the Independent Non-executive Directors and the Board considers each of them to be independent by reference to the factors stated in the Listing Rules. The Independent Non-executive Directors have been expressly identified as such in all corporate communications of the Company that disclose the names of Directors.

### Training and Support for Directors

All Directors have been given relevant guideline materials regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interest in shares and competing business of the Group and such induction materials will also be provided to newly appointed Directors shortly upon their appointment as Directors of the Company. All Directors have also been updated on the latest development regarding the Listing Rules and other applicable regulatory requirement to ensure compliance and enhance their awareness of good corporate governance practices. There is a procedure agreed by the Board to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses. Appropriate insurance cover had been arranged by the Company in respect of legal action against its Directors.

# Corporate Governance Report (Continued)

## THE BOARD *(Continued)*

### Board and Committees Meetings

The attendance record of the Board and Committee meetings during the Year is set out below:

Directors	Meetings Attended/Held		
	Board	Audit Committee	Remuneration Committee
<i>Non-executive Director</i>			
Luk Siu Man, Semon <i>(Chairperson)</i>	4/4	-	-
<i>Executive Directors</i>			
Wong Chi Fai <i>(Note 1)</i>	4/4	-	1/1
Fan Man Seung, Vanessa	4/4	-	-
Mok Fung Lin, Ivy <i>(resigned on 1st July, 2011)</i>	1/1	-	-
<i>Independent Non-executive Directors</i>			
Chan Sim Ling, Irene <i>(Note 2)</i>	4/4	3/3	1/1
Chan Wiling, Yvonne <i>(Note 1)</i>	4/4	3/3	1/1
Wan Choi Ha	4/4	3/3	-

#### Notes:

1. With effect from 28th March, 2012, Mr. Wong Chi Fai ceased to be the Chairman of Remuneration Committee and Ms. Chan Wiling, Yvonne has been appointed as the Chairperson of Remuneration Committee
2. The Chairperson of Audit Committee

Regular board meetings were held at approximately quarterly intervals. The Board held four board meetings during the Year.

The meeting agenda is set by the Chairperson in consultation with other board members. The Directors have access to the advice and services of the Company Secretary and key officers of the company secretarial team regarding the Board procedures, and all applicable rules and regulations in respect of the meetings are followed. Board meeting notice was sent to the Directors at least 14 days prior to regular meeting. Draft and final versions of the minutes of Board meetings and Board committee meetings, drafted in sufficient details by the secretary of the meetings, were circulated to the Directors for their comment and record respectively. Originals of such minutes, being kept by the Company Secretary, are open for inspection at any reasonable time on reasonable notice by any Director.

If a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the Director will abstain from voting on the relevant Board resolution in which he/she or any of his/her associates has/have a material interest and that he/she shall not be counted in the quorum present at the Board meeting.



# Corporate Governance Report (Continued)

## THE BOARD *(Continued)*

### Delegation by the Board

There is a formal schedule of matters specifically reserved to and delegated by the Board. The Board had given clear directions to management as to the matters that must be approved by the Board before decisions are made on behalf of the Company.

To assist the Board in execution of its duties and facilitate effective management, certain functions of the Board have been delegated by the Board to Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee.

The Audit Committee, Remuneration Committee and Nomination Committee comprise a majority of Independent Non- executive Directors. Clear written terms of reference of all the Board Committees are given to the respective members of these Committees. Details of the Board Committees are set out below:

#### 1. *Audit Committee (set up on 15th September, 2004)*

The Audit Committee consists of three Independent Non-executive Directors, namely Ms. Chan Sim Ling, Irene (the Chairperson of Audit Committee), Ms. Chan Wiling, Yvonne and Ms. Wan Choi Ha. They are all professionals possess local and/or international experience in legal, accounting, auditing or information security experience. The Audit Committee is primarily responsible for making recommendations to the Board on the appointment and removal of the external auditor, approving the remuneration and terms of engagement of external auditor, reviewing financial information and overseeing of the financial reporting system and internal control procedures. The specific written terms of reference of the Audit Committee, which was re-adopted by the Board on 28th March, 2012 in light of the relevant amendments to the Listing Rules, is available on the Company's website. The Audit Committee convened three meetings during the Year.

A summary of work performed by the Audit Committee during the Year is set out below:

- i. reviewed with senior management and/or the external auditor the effectiveness of audit process and the accounting principles and practices adopted by the Group, the accuracy and fairness of the audited consolidated financial statements for the year ended 31st March, 2011 and the interim consolidated financial statements for the six months ended 30th September, 2011;
- ii. reviewed with senior management and the finance-in-charge the effectiveness of the internal control system of the Group;
- iii. reviewed the non-exempted continuing connected transactions of the Group for the year ended 31st March, 2011;
- iv. recommended the Board on the re-appointment of external auditors;
- v. discussed with the external auditor, senior management and finance-in-charge the audit plan for the year ended 31st March, 2012;
- vi. reviewed the independence of the external auditor and approved the engagement of external auditor; and
- vii. noted the impact to the Group in respect of the amendments to the accounting principles and standards and the development of corporate governance.

There are arrangements by which employees of the Group can, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters. The Audit Committee shall ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow up action.

# Corporate Governance Report (Continued)

## THE BOARD *(Continued)*

### Delegation by the Board *(Continued)*

#### 2. *Remuneration Committee (set up on 11th July, 2005)*

The Remuneration Committee consists of three members namely Ms. Chan Wiling, Yvonne (the Chairperson of Remuneration Committee), an Independent Non-executive Director, Mr. Wong Chi Fai, an Executive Director, and Ms. Chan Sim Ling, Irene, an Independent Non-executive Director. The primary duties of the Remuneration Committee are making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and determining specific remuneration packages of all executive Directors and senior management. Details of the remuneration of each Director for the Year are set out in note 11 to the consolidated financial statements. The specific written terms of reference of the Remuneration Committee, which was re-adopted by the Board on 28th March, 2012 in light of the relevant amendments to the Listing Rules, is available in the Company's website. The Remuneration Committee convened one meeting during the Year.

A summary of the work performed by the Remuneration Committee during the Year is set out as follows:

- i. reviewed the Directors' fees and recommended the Board to approve the fees of Non-executive Directors; and
- ii. reviewed the current level and remuneration structure/package of the Executive Directors and approved the specific remuneration packages of Executive Directors.

#### 3. *Nomination Committee (set up on 28th March, 2012)*

The Nomination Committee consists of three members, namely Ms. Wan Choi Ha (the Chairperson of Nomination Committee), an Independent Non-executive Director, Ms. Fan Man Seung, Vanessa, an Executive Director and Ms. Chan Wiling, Yvonne, an Independent Non-executive Director. The primary duties of the Nomination Committee are identifying potential candidates for directorship, reviewing the nomination of Directors, assessing the independence of Independent Non-executive Directors and making recommendations to the Board on such appointments. The specific written terms of reference of the Remuneration Committee is available on the Company's website. No meeting was held by the Nomination Committee during the Year.

#### 4. *Corporate Governance Committee (set up on 28th March, 2012)*

The Corporate Governance Committee consists of five members, namely Ms Fan Man Seung, Vanessa (the Chairperson of Corporate Governance Committee), an Executive Director, and two Independent Non-executive Directors, Ms. Chan Sim Ling, Irene and Ms. Wan Choi Ha, a representative from Company Secretarial function and a representative from Finance & Accounts function. The primary duties of the Corporate Governance Committee are reviewing the corporate governance practice and disclosure systems of the Company and introducing relevant principles concerning corporate governance so as to enhance the standard of corporate governance of the Company. The specific written terms of reference of the Corporate Governance Committee is available on the Company's website. No meeting was held by the Corporate Governance Committee during the Year.

## Securities Transactions of Directors

The Company has adopted the Model Code for Securities Transactions of Directors of Listed Issuers (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 all Directors, all Directors confirmed that they have complied with the required standard of dealings throughout the Year.

# Corporate Governance Report (Continued)

## ACCOUNTABILITY AND AUDIT

The Directors acknowledge that it is their responsibilities to prepare the accounts of the Group and other financial disclosures required under the Listing Rules and the management has provided information and such explanation to the Board to enable it to make an informed assessment of the financial and other Board decisions. The Directors believed that they have selected suitable accounting policies and applied them consistently, made judgment and estimates that are prudent and reasonable and ensured the consolidated financial statements are prepared on a "going concern" basis. The auditor of the Company has made a statement about their reporting responsibilities in the Independent Auditor's Report.

## INTERNAL CONTROLS

The Board is responsible for maintaining and reviewing the effectiveness of the Group's internal control system. The internal control system is implemented to minimise the risks to which the Group is exposed and used as a management tool for the day-to-day operation of business. The system can only provide reasonable but not absolute assurance against misstatements or losses.

The Board has set out a direction for the internal control system in order to ensure achievement of the Group's objectives and identify discrepancies so that corrective actions could be taken in an efficient manner. The management is primarily responsible for the design, implementation, and maintenance of the internal control system to safeguard the shareholders' investment and assets of the Group.

The Board, through its Audit Committee, had conducted a review on the effectiveness of internal control system (including financial, operational and compliance controls and risk management functions) and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and training programmes of the Group for the Year. During the Year, an internal self-assessment process of all material controls was formulated which includes financial, operational and compliance controls and risk management functions and the internal audit department was assigned with the task to perform regular reviews on selected systems of the Group and would report audit review findings or irregularities, if any, to the management and advise on the implementation of necessary steps of systems to enhance operational or financial controls.

During the Year, the management had analysed the control environment and risk assessment, identified the various control systems implemented and agreed with the Audit Committee on the scope of review. The approach of the review includes conducting interviews with relevant management and staff members, reviewing relevant documentation of the internal control system and evaluating findings on any deficiencies in the design of the internal controls and developing recommendations for improvement, where appropriate.

The Board considered that its internal control system is effective and adequate and the Company has complied with the code provisions on internal control of the Code on Corporate Governance Practices. A policy is in place for employees of the Company to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters. The Board is not aware of any significant areas of concern which may affect the shareholders.

The management monitors the business activities closely and reviews monthly financial results of operations. It also reviews and updates the internal controls to meet upcoming challenges.

The Company has set up a CCT Compliance Committee to monitor, control and review internally the continuing connected transactions of the Company and ensure that the transactions are properly complied with all relevant laws and regulations, Listing Rules and disclosure requirements.

# Corporate Governance Report (Continued)

## COMMUNICATION WITH SHAREHOLDERS

The Company had established a shareholders' communication policy and review it on a regular basis to ensure its effectiveness. The Company communicates with the shareholders of the Company mainly in the following ways: (i) the holding of annual general meetings and special general meetings, if any, which may be convened for specific purpose and provide opportunities for the shareholders to communicate directly with the Board, (ii) the publication of announcements, annual reports, interim reports and/or circulars as required under the Listing Rules and press releases of the Company providing updated information of the Group; (iii) the availability of latest information of the Group in the Company's website; and (iv) the holding of press conference from time to time.

There is regular dialogue with institutional shareholders and general presentations are made when financial results are announced. Shareholders and investors of the Company are welcome to visit the Company's website and raise enquiries through our Investor Relations Department whose contact details are available on the Company's website and page 2 of this annual report.

In order to protect the environment and save costs for the benefit of the shareholders, the Company has introduced the electronic means of corporate communication in December 2010. The shareholders of the Company may elect to receive printed or electronic copies of corporate communication. However, the shareholders are encouraged to access corporate communication from the Company through the Company's website. We believe that it is also the most efficient and convenient method of communication with the shareholders.

Separate resolutions are proposed at the general meetings for substantial issue, including the re-election of retiring Directors.

The Company's notice to shareholders for the 2011 annual general meeting was sent to the shareholders at least 20 clear business days before the meeting and notices of all other general meetings were sent to the shareholders at least 10 clear business days before the meetings.

The chairperson of the meetings and chairman/member of the Committees at the last annual general meeting held on 16th August, 2011 were available to answer questions from the shareholders of the Company. The chairperson of each meeting had explained the procedures for conducting a poll during the general meetings.

## AUDITOR'S REMUNERATION

During the Year, the remuneration paid to the Company's auditor, Messrs. Deloitte Touche Tohmatsu, is set out as follows:

Service rendered	Fees paid/payable HK\$'000
Audit service	2,946
Non-audit services	-

# Independent Auditor's Report

## Deloitte. 德勤

TO THE MEMBERS OF EMPEROR ENTERTAINMENT HOTEL LIMITED  
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Emperor Entertainment Hotel Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 28 to 74, which comprise the consolidated statement of financial position as at 31st March, 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st March, 2012 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu  
Certified Public Accountants  
Hong Kong  
19th June, 2012

# Consolidated Statement of Comprehensive Income

For the year ended 31st March, 2012

	NOTES	2012 HK\$'000	2011 HK\$'000
<b>Continuing operations</b>			
Revenue	7	1,783,074	1,312,104
Cost of sales		(32,663)	(31,647)
Cost of hotel and gaming operations		(375,264)	(349,600)
<hr/>			
Gross profit		1,375,147	930,857
Other income		16,172	8,088
Gain on fair value change in investment properties		114,600	46,200
Selling and marketing expenses		(491,659)	(368,134)
Administrative expenses		(178,599)	(153,073)
Finance costs	9	(12,691)	(13,800)
<hr/>			
Profit before taxation	10	822,970	450,138
Taxation	12	(79,726)	(53,507)
<hr/>			
Profit for the year from continuing operations		743,244	396,631
<b>Discontinued operation</b>			
Profit for the year from discontinued operation	13	–	52,356
<hr/>			
Profit for the year		743,244	448,987
Other comprehensive (expense) income:			
Exchange differences arising on translation of foreign operations		(3)	11,757
<hr/>			
Total comprehensive income for the year		743,241	460,744

# Consolidated Statement of Comprehensive Income (Continued)

For the year ended 31st March, 2012

	NOTE	2012 HK\$'000	2011 HK\$'000
Profit for the year attributable to owners of the Company			
– from continuing operations		465,469	279,150
– from discontinued operation		–	52,356
		465,469	331,506
Profit for the year from continuing operations attributable to non-controlling interests		277,775	117,481
		743,244	448,987
Total comprehensive income attributable to:			
Owners of the Company		465,466	343,263
Non-controlling interests		277,775	117,481
		743,241	460,744
Earnings per share	15		
– from continuing and discontinued operations Basic and diluted		HK\$0.36	HK\$0.26
– from continuing operations Basic and diluted		HK\$0.36	HK\$0.22

# Consolidated Statement of Financial Position

At 31st March, 2012

	NOTES	2012 HK\$'000	2011 HK\$'000
<b>Non-current assets</b>			
Investment properties	16	391,000	276,400
Property, plant and equipment	17	1,167,907	1,164,503
Prepaid lease payments	18	232,587	239,033
Deposits paid for acquisition of property, plant and equipment		14,848	565
Goodwill	19	110,960	110,960
		<b>1,917,302</b>	<b>1,791,461</b>
<b>Current assets</b>			
Inventories, at cost		12,345	7,314
Trade and other receivables	20	316,669	318,528
Prepaid lease payments	18	6,446	6,446
Pledged bank deposit	21	300	300
Short-term bank deposits	21	501,923	-
Bank balances and cash	21	898,666	856,163
		<b>1,736,349</b>	<b>1,188,751</b>
<b>Current liabilities</b>			
Trade and other payables	22	158,397	168,573
Amounts due to fellow subsidiaries	23	3,649	3,486
Amounts due to non-controlling interests of a subsidiary	24	230,221	183,947
Taxation payable		202,315	140,443
		<b>594,582</b>	<b>496,449</b>
<b>Net current assets</b>		<b>1,141,767</b>	<b>692,302</b>
<b>Total assets less current liabilities</b>		<b>3,059,069</b>	<b>2,483,763</b>



# Consolidated Statement of Financial Position (Continued)

At 31st March, 2012

	NOTES	2012 HK\$'000	2011 HK\$'000
<b>Non-current liabilities</b>			
Amounts due to non-controlling interests of a subsidiary	24	–	72,983
Deferred taxation	26	102,263	84,409
		102,263	157,392
		2,956,806	2,326,371
<b>Capital and reserves</b>			
Share capital	27	129	129
Reserves	29	2,106,451	1,761,191
Equity attributable to owners of the Company		2,106,580	1,761,320
Non-controlling interests	30	850,226	565,051
		2,956,806	2,326,371

The consolidated financial statements on pages 28 to 74 were approved and authorised for issue by the Board of Directors on 19th June, 2012 and are signed on its behalf by:

Wong Chi Fai  
Director

Fan Man Seung, Vanessa  
Director

# Consolidated Statement of Changes in Equity

For the year ended 31st March, 2012

	Attributable to owners of the Company										Non-controlling interests	Total equity
	Share capital	Share premium	Capital redemption reserve	Contributed surplus	Property revaluation reserve	Share options reserve	Legal reserve	Translation reserve	Accumulated profits	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st April, 2010	129	410,802	668	772,554	8,478	3,964	287	63,303	1,211,935	2,472,120	443,338	2,915,458
Exchange difference arising on translation of foreign operations recognised directly in equity	-	-	-	-	-	-	-	11,757	-	11,757	-	11,757
Profit for the year	-	-	-	-	-	-	-	-	331,506	331,506	117,481	448,987
Total comprehensive income for the year	-	-	-	-	-	-	-	11,757	331,506	343,263	117,481	460,744
Eliminated upon distribution (note 13)	-	-	-	-	-	-	-	(75,057)	-	(75,057)	-	(75,057)
Deemed capital contribution arising from changes in cash flow estimates on amounts due to non-controlling interests of a subsidiary (note 24)	-	-	-	-	-	-	-	-	-	-	4,232	4,232
2010 final dividend paid in cash	-	-	-	(62,042)	-	-	-	-	-	(62,042)	-	(62,042)
2011 interim dividend paid in cash	-	-	-	(51,702)	-	-	-	-	-	(51,702)	-	(51,702)
Distribution in specie (note 13)	-	-	-	(658,810)	-	-	-	-	(206,452)	(865,262)	-	(865,262)
At 31st March, 2011	129	410,802	668	-	8,478	3,964	287	3	1,336,989	1,761,320	565,051	2,326,371
Exchange difference arising on translation of foreign operations recognised directly in equity	-	-	-	-	-	-	-	(3)	-	(3)	-	(3)
Profit for the year	-	-	-	-	-	-	-	-	465,469	465,469	277,775	743,244
Total comprehensive income for the year	-	-	-	-	-	-	-	(3)	465,469	465,466	277,775	743,241
Deemed capital contribution arising from changes in cash flow estimates on amounts due to non-controlling interests of a subsidiary (note 24)	-	-	-	-	-	-	-	-	-	-	7,400	7,400
2011 final dividend paid in cash	-	-	-	-	-	-	-	-	(64,627)	(64,627)	-	(64,627)
2012 interim dividend paid in cash	-	-	-	-	-	-	-	-	(55,579)	(55,579)	-	(55,579)
<b>At 31st March, 2012</b>	<b>129</b>	<b>410,802</b>	<b>668</b>	<b>-</b>	<b>8,478</b>	<b>3,964</b>	<b>287</b>	<b>-</b>	<b>1,682,252</b>	<b>2,106,580</b>	<b>850,226</b>	<b>2,956,806</b>

# Consolidated Statement of Cash Flows

For the year ended 31st March, 2012

	NOTE	2012 HK\$'000	2011 HK\$'000
<b>Cash flows from operating activities</b>			
Profit before taxation			
- from continuing operations		<b>822,970</b>	450,138
- from discontinued operation		-	71,361
		<b>822,970</b>	521,499
<b>Adjustments for:</b>			
Interest income		<b>(11,963)</b>	(3,016)
Imputed interest expense		<b>12,691</b>	13,800
Depreciation of property, plant and equipment		<b>87,972</b>	88,907
Release of prepaid lease payments		<b>6,446</b>	6,446
Gain on fair value change in investment properties		<b>(114,600)</b>	(122,220)
Loss on disposal of property, plant and equipment		-	448
		<b>803,516</b>	505,864
Operating cash flows before movements in working capital		<b>803,516</b>	505,864
Increase in inventories		<b>(5,031)</b>	(573)
Decrease (increase) in trade and other receivables		<b>4,410</b>	(16,678)
Increase in trade and other payables		<b>10,581</b>	30,882
Increase in amounts due to fellow subsidiaries		<b>163</b>	1,051
		<b>813,639</b>	520,546
<b>Net cash generated from operating activities</b>			
<b>Cash flows from investing activities</b>			
Interest received		<b>9,412</b>	3,016
Withdrawal of short-term bank deposits		<b>323,563</b>	-
Placement of short-term bank deposits		<b>(825,486)</b>	-
Acquisition of property, plant and equipment		<b>(111,568)</b>	(82,190)
Deposits paid for acquisition of property, plant and equipment		<b>(14,848)</b>	(565)
Proceeds on disposal of property, plant and equipment		-	404
Purchase of investment properties		-	(773)
Net cash outflow on discontinued operation	13	-	(12,511)
		<b>(618,927)</b>	(92,619)
<b>Net cash used in investing activities</b>			

# Consolidated Statement of Cash Flows (Continued)

For the year ended 31st March, 2012

	2012 HK\$'000	2011 HK\$'000
Cash flows from financing activities		
Dividends paid	(120,206)	(113,744)
Repayments to non-controlling interests of a subsidiary	(32,000)	(32,000)
<b>Net cash used in financing activities</b>	<b>(152,206)</b>	<b>(145,744)</b>
Net increase in cash and cash equivalents	42,506	282,183
Cash and cash equivalents at the beginning of the year	856,163	573,398
Effect of foreign exchange rate changes	(3)	582
<b>Cash and cash equivalents at the end of the year</b>	<b>898,666</b>	<b>856,163</b>
Analysis of balance of cash and cash equivalents at the end of the year		
Bank balances and cash	898,666	856,163

# Notes to the Consolidated Financial Statements

For the year ended 31st March, 2012

## 1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and principal place of business of the Company are disclosed in the "Corporate Information and Key Dates" section of the annual report. The Company's immediate holding company is Emperor Entertainment Hotel Holdings Limited (formerly known as Worthly Strong Investment Limited), a company incorporated in Hong Kong with limited liability. An intermediate holding company of the Company is Emperor International Holdings Limited ("EIHL"), a company incorporated in Bermuda with limited liability, the shares of which are also listed on the Stock Exchange. The ultimate holding company of the Company is Albert Yeung Holdings Limited (formerly known as Million Way Holdings Limited), a company incorporated in the British Virgin Islands with limited liability which is in turn held by STC International Limited, being the trustee of The Albert Yeung Discretionary Trust ("AY Trust"), the settlor and founder of which is Dr. Yeung Sau Shing, Albert ("Dr. Albert Yeung").

The consolidated financial statements are presented in Hong Kong dollars which is the functional currency of the Company.

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 36.

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related party disclosures
Amendments to HK (IFRIC) – Int 14	Prepayments of a minimum funding requirement
HK (IFRIC) – Int 19	Extinguishing financial liabilities with equity instruments

In the prior year, the Group has early adopted the Amendments to HKAS 12 "Income taxes", in respect of the recognition of deferred tax on investment properties carried at fair value under HKAS 40 "Investment property".

The application of the new and revised 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.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

### New and revised HKFRSs in issue but not yet effective

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

Amendments to HKFRSs	Annual improvements to HKFRSs 2009-2011 cycle <sup>2</sup>
Amendments to HKFRS 7	Disclosures – Transfers of financial assets <sup>1</sup>
Amendments to HKFRS 7	Disclosures – Offsetting financial assets and financial liabilities <sup>2</sup>
HKFRS 9	Financial instruments <sup>3</sup>
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures <sup>3</sup>
HKFRS 10	Consolidated financial statements <sup>2</sup>
HKFRS 11	Joint arrangements <sup>2</sup>
HKFRS 12	Disclosure of interests in other entities <sup>2</sup>
HKFRS 13	Fair value measurement <sup>2</sup>
Amendments to HKAS 1	Presentation of items of other comprehensive income <sup>4</sup>
HKAS 19 (as revised in 2011)	Employee benefits <sup>2</sup>
HKAS 27 (as revised in 2011)	Separate financial statements <sup>2</sup>
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures <sup>2</sup>
Amendments to HKAS 32	Offsetting financial assets and financial liabilities <sup>5</sup>
HK (IFRIC) – Int 20	Stripping costs in the production phase of a surface mine <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1st July, 2011.

<sup>2</sup> Effective for annual periods beginning on or after 1st January, 2013.

<sup>3</sup> Effective for annual periods beginning on or after 1st January, 2015.

<sup>4</sup> Effective for annual periods beginning on or after 1st July, 2012.

<sup>5</sup> Effective for annual periods beginning on or after 1st January, 2014.

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

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

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 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1st January, 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

### **New and revised standards on consolidation, joint arrangements, associates and disclosures (Continued)**

The directors of the Company anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1st April, 2013 and that the application of these five standards is not expected to have material impact on the results and the financial position of the Group. The application of HKFRS 12 will result in more extensive disclosures relating to non-controlling interests of the Company's subsidiaries in the consolidated financial statements.

### **HKFRS 13 "Fair value measurement"**

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it 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, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 "Financial instruments: Disclosures" will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1st January, 2013, with earlier application permitted.

The directors of the Company anticipate that HKFRS 13 will be adopted in the Group's consolidated financial statements for the annual period beginning 1st April, 2013 and that the application of the new standard will have no significant impact on the amounts reported in the consolidated financial statements but may result in more extensive disclosures in the consolidated financial statements.

### **Amendments to HKAS 1 "Presentation of items of other comprehensive income"**

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income 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 directors of the Company anticipate that the amendments to HKAS 1 will be adopted in the Group's consolidated financial statements for annual period beginning on 1st April, 2013. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

Other than as described above, the directors of the Company anticipate that the application of the other new or revised HKFRSs will have no material impact on the results and financial position of the Group.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which were adjusted to fair value at initial recognition and investment properties which are measured at fair values as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 3. SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

The principal accounting policies are set out below.

### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

### *Allocation of total comprehensive income to non-controlling interests*

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

### **Goodwill**

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.



# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation including properties under construction for such purposes. Investment properties include land held for undetermined future use, which is regarded as held for capital appreciation purpose.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under development.

An investment property is transferred to property, plant and equipment when it is evidenced by the commencement of owner's occupation. The fair value at the date of transfer is the deemed cost of the property for subsequent accounting in accordance with HKAS 16 "Property, plant and equipment". The property interest held under an operating lease which was previously classified as investment property under the fair value model is accounted for as if it were a finance lease after the transfer and included in property, plant and equipment.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the item is derecognised.

### Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost or fair value upon transfer from investment properties, less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost or fair value of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 3. SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

### **Impairment losses on tangible assets**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset or a cash-generating unit is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or a cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or a cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### **Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### *The Group as lessor*

Rental income from operating leases is recognised in profit or loss on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight line basis over the lease term.

#### *The Group as lessee*

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### **Leasehold land and building**

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight line basis except for those that are classified and accounted for as investment properties under the fair value model and those transferred from investment properties to property, plant and equipment which is accounted for as if it were a finance lease after the transfer and included in property, plant and equipment.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

### **Inventories**

Inventories represent food and beverage, consumable and other goods of hotel and are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### **Financial instruments**

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

### *Financial assets*

The Group's financial assets represent loans and receivables.

### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, pledged bank deposit, short-term bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment loss.

### *Impairment of loans and receivables*

Loans and receivables are assessed for indicators of impairment at the end of the reporting period. Loans and receivables are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the loans and receivables, the estimated future cash flows of the loans and receivables have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### *Financial instruments (Continued)*

#### *Financial assets (Continued)*

##### *Impairment of loans and receivables (Continued)*

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on the receivables.

The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When trade receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

##### *Financial liabilities and equity instruments*

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### *Equity instrument*

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Financial instruments (Continued)

#### Financial liabilities and equity instruments (Continued)

##### Financial liabilities

Financial liabilities including trade and other payables, amounts due to fellow subsidiaries and amounts due to non-controlling interests of a subsidiary are subsequently measured at amortised cost, using the effective interest method.

For the amounts due to non-controlling interests of a subsidiary, if the Group revises its estimates of the timing of repayments, the carrying amount of the amounts due to non-controlling interests of a subsidiary is adjusted to reflect the revised estimated cash flows. The Group recalculates the carrying amount by computing the present value of estimated future cash flows at the balance's original effective interest rate. The difference is adjusted to deemed capital contribution by the non-controlling interests.

##### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts received for goods sold and services provided in the normal course of business, net of discounts.

Revenue arising from service provided for gaming operations in mass market halls, slot machine hall and VIP rooms is recognised when the relevant services have been rendered and the Group is entitled to the share of gross win and gross loss in respect of the operating performance from the gaming operator.

Revenue from hotel accommodation are recognised upon the provision of the accommodation services. Revenue from food and beverage sales and other ancillary services are recognised upon the provision of goods and services.

Service income is recognised when the services are provided.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

##### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model in accordance with HKAS 40 "Investment property", such properties are presumed to be recovered through sale. Such a presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the above general principles set out in HKAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currencies (i.e. the currencies of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operation are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of the reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of the translation reserve and will be reclassified from equity to profit or loss on disposal of the foreign operation.

### Share-based payment transactions

#### Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share options reserve).

When the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated profits.

### Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

## 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### Fair value of investment properties

The fair value of HK\$391,000,000 as at 31st March, 2012 (2011: HK\$276,400,000) was based on a valuation on these properties conducted by an independent firm of professional valuers using property valuation techniques which involve certain assumptions of market conditions, including comparable market transactions with adjustments to reflect different locations or conditions and comparable market rents and transactions and discount rates. Changes to the assumptions would result in changes in the fair value of the Group's investment properties and corresponding adjustments to the amount of gain or loss reported in profit or loss.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (*Continued*)

### **Estimated provision for impairment of trade receivables**

The Group makes allowance for bad and doubtful debts based on an assessment of the recoverability of debtors. Allowances are made on trade receivables whenever there is any objective evidence that the balances may not be collectible. In determining whether an allowance for bad and doubtful debts is required, the Group takes into consideration the aging status and the likelihood of collection. Following the identification of doubtful debts, the responsible people discuss with the relevant customers and report on the recoverability. Specific allowance is only made for trade receivables that are unlikely to be collected. Where the expectation on the recoverability of the debts is different from the original estimate, such difference will impact the carrying amounts of debtors and doubtful debt expenses in the periods in which such estimate has been changed.

The carrying amount of trade receivables as at 31st March, 2012 is HK\$214,903,000 (net of allowance for bad and doubtful debts of HK\$62,769,000) (2011: HK\$197,827,000 (net of allowance for bad and doubtful debts of HK\$62,769,000)).

### **Estimates of repayment of amounts due to non-controlling interests of a subsidiary**

The Group's carrying amount of the interest-free portion of the amounts due to non-controlling interests of a subsidiary as at 31st March, 2012 was HK\$230,221,000 (2011: HK\$256,930,000). According to the shareholders' agreements, these amounts are repayable only when the indirect non-wholly owned subsidiary, Luck United Holdings Limited ("Luck United"), and its subsidiaries have surplus fund. Surplus fund represents available cash within these subsidiaries after payment of all operating expenses and payable including but not limited to bank loans and third party loans which are due for repayment together with the accrued interest. The carrying amount of the amounts due to non-controlling interests of a subsidiary and the deemed contribution by the non-controlling interests may be adjusted to reflect the revised estimated cash flows when the Group revises its estimates of the timing and amount of repayment to the non-controlling interests, and consequently affect the amount of imputed interest to be recognised in profit or loss over the expected life of the amounts due to non-controlling interests of a subsidiary.

## 5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from the prior year.

The capital structure of the Group consists of net debt, which includes the amounts due to non-controlling interests of a subsidiary as disclosed in note 24, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, accumulated profits and other reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the debt raising.



# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 6. FINANCIAL INSTRUMENTS

### (a) Categories of financial instruments

	2012 HK\$'000	2011 HK\$'000
<b>Financial assets</b>		
Loans and receivables		
Trade and other receivables	308,797	311,547
Pledged bank deposit	300	300
Short-term bank deposits	501,923	-
Bank balances and cash	898,666	856,163
	<b>1,709,686</b>	<b>1,168,010</b>
<b>Financial liabilities</b>		
At amortised cost		
Trade and other payables	103,794	78,501
Amounts due to fellow subsidiaries	3,649	3,486
Amounts due to non-controlling interests of a subsidiary	230,221	256,930
	<b>337,664</b>	<b>338,917</b>

### (b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, pledged bank deposit, short-term bank deposits, bank balances, trade and other payables, amounts due to fellow subsidiaries and amounts due to non-controlling interests of a subsidiary. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### *Market risk*

##### *Foreign currency risk*

Foreign currency risk refers to the risk that movement in foreign currency exchange rate which will affect the Group's financial results and its cashflows. Several subsidiaries of the Group have foreign currency sales and purchases, but the management considers the amount of foreign currency sales and purchase is insignificant. The management considers the Group does not expose to significant foreign currency risk in relation to transactions denominated in Macau Pataca ("MOP"). Exposures on balances which are denominated in MOP in group entities with Hong Kong dollars as functional currency are not considered significant as MOP is pegged to Hong Kong dollars.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 6. FINANCIAL INSTRUMENTS (Continued)

### (b) Financial risk management objectives and policies (Continued)

#### Market risk (Continued)

##### Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate short-term bank deposits. The Group is also exposed to cash flow interest rate risk in relation primarily to its bank balances. The Group currently does not have policy on cash flow hedges of interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

The Group's sensitivity to cash flow interest rate risk has been determined based on the exposure to interest rate for bank balances at the end of the reporting period and management's assessment of the reasonably possible change assuming that it took place at the beginning of each year and held constant throughout the respective year.

If interest rates for bank balances had been 10 basis points (2011: 5 basis points) higher and all other variables were held constant, the potential effect on profit for the year is as follows:

	2012 HK\$'000	2011 HK\$'000
Increase in post-tax profit for the year		
– Bank balances	878	428

If interest rates had been lower in an opposite magnitude and all other variables held constant, the potential effect on the results would be equal and opposite.

##### Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31st March, 2012 in relation to each class of recognised financial asset is the carrying amount of those assets as stated in the consolidated statement of financial position. In order to manage the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period based on the management knowledge of customers and their creditability and repayment record to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group has concentration of credit risk as 65.22% (2011: 52.70%) and 65.27% (2011: 53.17%) of the total trade receivables which was due from the Group's largest customer and the five largest customers respectively within the hotel operation and gaming operation business segments. The remaining trade receivables balances are spread over numbers of customers.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 6. FINANCIAL INSTRUMENTS (Continued)

### (b) Financial risk management objectives and policies (Continued)

#### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of banking facilities and ensures compliance with loan covenants, if any.

As at 31st March, 2012, the Group has available unutilised banking facilities of HK\$100,000,000 (2011: HK\$100,000,000).

The following table details the Group's remaining contractual maturity for its financial liabilities that will result in cash outflow. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes principal cash flows.

#### Liquidity and interest risk tables

	Weighted average effective interest rate	Less than 1 month or repayable on demand HK\$'000	1-3 months HK\$'000	3 months to 1 year HK\$'000	Over 1 year HK\$'000	Total undiscounted cash flows HK\$'000	Imputed interest portion HK\$'000	Total carrying amounts HK\$'000
<b>2012</b>								
Trade and other payables	-	103,794	-	-	-	103,794	-	103,794
Amounts due to fellow subsidiaries	-	3,649	-	-	-	3,649	-	3,649
Amounts due to non-controlling interests of a subsidiary	5.00%	-	-	242,000	-	242,000	(11,779)	230,221
		107,443	-	242,000	-	349,443	(11,779)	337,664
<b>2011</b>								
Trade and other payables	-	78,501	-	-	-	78,501	-	78,501
Amounts due to fellow subsidiaries	-	3,486	-	-	-	3,486	-	3,486
Amounts due to non-controlling interests of a subsidiary	5.00%	-	-	193,358	80,642	274,000	(17,070)	256,930
		81,987	-	193,358	80,642	355,987	(17,070)	338,917

### (c) Fair value

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of all financial assets and financial liabilities recorded at amortised cost at the respective end of the reporting periods approximate their corresponding fair values.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 7. REVENUE

An analysis of the Group's revenue is as follows:

	2012 HK\$'000	2011 HK\$'000
<b>Continuing operations</b>		
Service income from gaming operation in VIP rooms	397,137	409,484
Service income from gaming operation in mass market halls	1,178,248	711,490
Service income from gaming operation in slot machine hall	51,944	44,783
Hotel room income	44,668	49,618
Food and beverage sales	80,194	68,831
Rental income from investment properties	26,432	23,826
Others	4,451	4,072
	<b>1,783,074</b>	<b>1,312,104</b>

## 8. SEGMENT INFORMATION

The executive directors of the Company (the "Executive Directors") have been identified as the chief operating decision maker ("CODM"). The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources.

For gaming operation, the Executive Directors regularly analyse gaming revenue in terms of service income from VIP rooms, mass market halls and slot machine hall. No operating results nor discrete financial information is presented to the Executive Directors in relation to the above analyses. The Executive Directors review the revenues and operating results of gaming operation as a whole. The Executive Directors have identified the operating and reportable segments under HKFRS 8 as gaming operation and hotel operation.

The segment information reported externally was analysed on the basis of their types of services supplied by the Group's operating divisions which is consistent with the internal information that are regularly reviewed by the CODM 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 services. The principal activities of the operating and reportable segments are as follows:

Gaming operation	-	Mass market halls, slot machine hall and VIP room operations and provision of gaming-related marketing and public relation services in the casino of the Grand Emperor Hotel in Macau
Hotel operation	-	Hotel operation in the Grand Emperor Hotel in Macau including property investment income from investment properties in the Grand Emperor Hotel

The property development operating segment was discontinued during the year ended 31st March, 2011 upon distribution of Expert Pearl Investments Limited and its subsidiaries (collectively referred to as "Expert Pearl Group") by way of distribution in specie (defined and explained in note 13).

The Executive Directors assess the performance of individual operating and reportable segments based on a measure of adjusted earnings before interest, tax, depreciation and amortisation, central administration costs and gain on fair value change in investment properties (the "Adjusted EBITDA").

Inter-segment revenue is charged at prevailing market rate.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 8. SEGMENT INFORMATION *(Continued)*

Information regarding the above segments is reported below.

### Segment revenues and results

For the year ended 31st March, 2012

	Continuing operations			Elimination HK\$'000	Consolidated HK\$'000
	Gaming operation HK\$'000	Hotel operation HK\$'000	Total HK\$'000		
SEGMENT REVENUE					
External revenue	1,627,329	155,745	1,783,074	–	1,783,074
Inter-segment revenue	–	4,534	4,534	(4,534)	–
<b>Total</b>	<b>1,627,329</b>	<b>160,279</b>	<b>1,787,608</b>	<b>(4,534)</b>	<b>1,783,074</b>
Segment result based on the Adjusted EBITDA	776,038	84,494	860,532		860,532
Bank interest income					11,963
Depreciation of property, plant and equipment					(87,972)
Release of prepaid lease payments					(6,446)
Gain on fair value change in investment properties					114,600
Imputed interest expense on amounts due to non-controlling interests of a subsidiary					(12,691)
Unallocated corporate expenses					(57,016)
<b>Profit before taxation from continuing operations</b>					<b>822,970</b>

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 8. SEGMENT INFORMATION (Continued)

### Segment revenues and results (Continued)

For the year ended 31st March, 2011

	Continuing operations			Discontinued operation	Total	Elimination	Consolidated
	Gaming operation	Hotel operation	Total	Property development			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
SEGMENT REVENUE							
External revenue	1,165,757	146,347	1,312,104	-	1,312,104	-	1,312,104
Inter-segment revenue	-	4,621	4,621	-	4,621	(4,621)	-
<b>Total</b>	<b>1,165,757</b>	<b>150,968</b>	<b>1,316,725</b>	<b>-</b>	<b>1,316,725</b>	<b>(4,621)</b>	<b>1,312,104</b>
Segment result based on the Adjusted EBITDA	496,836	67,494	564,330	(4,686)	559,644		559,644
Bank interest income							3,016
Depreciation of property, plant and equipment							(88,907)
Release of prepaid lease payments							(6,446)
Gain on fair value change in investment properties							122,220
Imputed interest expense on amounts due to non-controlling interests of a subsidiary							(13,800)
Unallocated corporate expenses							(54,228)
Profit before taxation from discontinued operation							(71,361)
Profit before taxation from continuing operations							450,138

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

Other than the segment information disclosed in above, there was no other information reviewed by the CODM for the years ended 31st March, 2012 and 31st March, 2011.

### Geographical information

The Group's revenue was derived principally in Macau.

The non-current assets are all located in Macau.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 8. SEGMENT INFORMATION (Continued)

### Information about major customers

During the year, revenue derived from the customer which contributed over 10% of the Group's revenue amounted to HK\$1,629,747,000 (2011: HK\$1,179,455,000). The revenue related to the gaming operation and hotel operation.

## 9. FINANCE COSTS

	2012 HK\$'000	2011 HK\$'000
<b>Continuing operations</b>		
Imputed interest expense on amounts due to non-controlling interests of a subsidiary	12,691	13,800

## 10. PROFIT BEFORE TAXATION

	Continuing operations		Discontinued operation		Consolidated	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Profit before taxation has been arrived at after charging:						
Auditor's remuneration	2,946	3,217	–	20	2,946	3,237
Commission expenses in gaming operation (included in selling and marketing expenses)	452,804	333,757	–	–	452,804	333,757
Cost of inventories recognised as an expense	32,663	31,647	–	–	32,663	31,647
Depreciation of property, plant and equipment	87,972	88,752	–	155	87,972	88,907
Loss on disposal of property, plant and equipment	–	448	–	–	–	448
Release of prepaid lease payments	6,446	6,446	–	–	6,446	6,446
Staff costs, including directors' remuneration and retirement benefit scheme contributions	316,811	276,589	–	929	316,811	277,518
and after crediting:						
Bank interest income	11,963	2,834	–	182	11,963	3,016
Exchange gain	3,440	3,487	–	733	3,440	4,220

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

### (i) Directors' emoluments

	Ms. Luk Siu Man, Semon HK\$'000	Mr. Wong Chi Fai HK\$'000	Ms. Fan Man Seung, Vanessa HK\$'000	Ms. Mok Fung Lin, Ivy HK\$'000	Ms. Chan Sim Ling, Irene HK\$'000	Ms. Chan Wiling, Yvonne HK\$'000	Ms. Wan Choi Ha HK\$'000	Total HK\$'000
<b>2012</b>								
Fees	-	100	100	25	150	150	150	675
Other emoluments								
Salaries and other benefits	-	-	-	-	-	-	-	-
Performance related incentive payment ( <i>Note</i> )	-	-	-	-	-	-	-	-
	-	100	100	25	150	150	150	675
<b>2011</b>								
Fees	-	100	100	100	150	150	150	750
Other emoluments								
Salaries and other benefits	-	-	-	-	-	-	-	-
Performance related incentive payment ( <i>Note</i> )	-	-	-	-	-	-	-	-
	-	100	100	100	150	150	150	750

*Note:* The performance related incentive payment is determined with reference to the operating results and individual performance.



# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

### (ii) Employees' emoluments

The five highest paid individuals does not include any director of the Company in both years. The total emoluments of the five highest paid individuals in both years were as follows:

	2012 HK\$'000	2011 HK\$'000
Salaries and other benefits	8,321	7,689
Bonuses	7,466	6,012
	<b>15,787</b>	<b>13,701</b>

	Number of individuals	
	2012	2011
Emoluments of the employees were within the following bands:		
HK\$1,000,001 – HK\$1,500,000	–	1
HK\$1,500,001 – HK\$2,000,000	1	–
HK\$2,000,001 – HK\$2,500,000	–	1
HK\$2,500,001 – HK\$3,000,000	2	1
HK\$3,000,001 – HK\$3,500,000	–	1
HK\$3,500,001 – HK\$4,000,000	1	–
HK\$4,000,001 – HK\$4,500,000	–	1
HK\$5,000,001 – HK\$5,500,000	1	–

No emolument was recognised or paid by the Group to the directors of the Company as compensation for loss of office and inducement to join for both years. No director had waived any emoluments during both years.

### (iii) Retirement benefit scheme

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the plans are held separately from those of the Group in funds under the control of the independent trustees.

The employees of the Group's subsidiaries in Macau and The People's Republic of China (the "PRC") are members of state-managed retirement benefit schemes operated by the Macau and PRC government. The Group is required to contribute a certain percentage of its payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

During the year, the retirement benefit scheme contributions was HK\$1,436,000 (2011: for the continuing operations of HK\$632,000 and for the discontinued operation of HK\$97,000).

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 12. TAXATION

	Continuing operations		Discontinued operation		Consolidated	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Current tax:						
Macau Complimentary Income Tax	80,002	43,757	-	-	80,002	43,757
Reversal of tax provision in prior years:						
Macau Complimentary Income Tax	(18,130)	-	-	-	(18,130)	-
	61,872	43,757	-	-	61,872	43,757
Deferred tax ( <i>note 26</i> ):						
Current year	17,854	9,750	-	19,005	17,854	28,755
	79,726	53,507	-	19,005	79,726	72,512

The Macau Complimentary Income Tax ("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 lapse after five years from that year of assessment. At the end of the reporting period, the directors of the Company reassessed the adequacy of the CT provision and determined to reverse the Group's relevant CT provision of HK\$18,130,000 for the 2006 year of assessment (2011: HK\$Nil) accordingly.

No provision for Hong Kong Profits Tax has been made as there were no estimated assessable profits for both years. No provision for PRC Enterprise Income Tax had been made in the prior year as there was no estimated assessable profit for that year.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 12. TAXATION (Continued)

The taxation for the year can be reconciled to the profit before taxation per consolidated statement of comprehensive income as follows:

	2012 HK\$'000	2011 HK\$'000
Continuing operations	822,970	450,138
Discontinued operations (note 13)	–	71,361
<b>Profit before taxation</b>	<b>822,970</b>	<b>521,499</b>
Tax charge at the Macau Complimentary Income Tax rate of 12%	98,756	62,580
Tax effect of expenses not deductible for tax purpose	6,633	7,323
Tax effect of income not taxable for tax purpose	(8,156)	(7,983)
Tax effect of tax losses not recognised	625	838
Effect of reversal of tax provision in prior years	(18,130)	–
Effect of different tax rates of subsidiaries operating in other jurisdictions	–	9,882
Others	(2)	(128)
<b>Taxation for the year</b>	<b>79,726</b>	<b>72,512</b>

## 13. DISCONTINUED OPERATION

On 25th November, 2010, the Group entered into an agreement (as supplemented by a supplemental agreement dated 13th December, 2010) with Grand Chain Profits Limited ("Grand Chain"), a wholly-owned subsidiary of EIHL (defined in note 1), to transfer the entire interest in Expert Pearl Group which carried out the Group's property development operation in the PRC to Grand Chain (the "Transfer") in return of the issuance of shares of EIHL as consideration (the "Consideration Shares"). The Transfer was conditional upon, inter alia, the followings:

- i. distribution of the Consideration Shares to the shareholders of the Company on the basis of seven shares of EIHL for every twenty shares of the Company held by the shareholders of the Company (the "EEH Distribution");
- ii. general offer proposed by EIHL to the shareholders of the Company to acquire all of the issued shares in the Company (other than those shares already held by the EIHL) (the "Offer") at a consideration of one share of EIHL and HK\$0.04 in cash for each share of the Company; and
- iii. distribution of the shares of EIHL to its shareholders on the basis of one share of EIHL for every six shares of EIHL held by the shareholders of EIHL (the "EIHL Distribution").

The Transfer, the EEH Distribution, the Offer and the EIHL Distribution were inter-conditional upon each other and were approved by the shareholders of the Company and EIHL on 14th February, 2011. The directors of the Company considered that the Transfer and the EEH Distribution was in substance distributing Expert Pearl Group to the Company's shareholders, details of which were set out in the circular of the Company dated 24th January, 2011. The property development operation was classified as a discontinued operation.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 13. DISCONTINUED OPERATION (Continued)

The results of the discontinued operation for the period from 1st April, 2010 to 15th February, 2011, which have been included in the consolidated statement of comprehensive income for the year ended 31st March, 2011, were as follows:

	HK\$'000
Other income and gain	915
Gain on fair value change in investment properties	76,020
Administrative expenses	(5,574)
<hr/>	
Profit before taxation	71,361
Taxation	(19,005)
<hr/>	
Profit for the period	52,356

For the year ended 31st March, 2011, the discontinued operation spent HK\$3,293,000 in respect of the Group's operating activities and paid HK\$648,000 in respect of investing activities. The discontinued operation did not contribute to the Group's financing activities.

As at 15th February, 2011, the carrying amounts of the assets and liabilities of Expert Pearl Group under the discontinued operation were as follows:

	HK\$'000
Property, plant and equipment	317
Investment property under development	1,090,000
Other receivables	174,498
Bank balances and cash	12,511
Trade and other payables	(176,882)
Deferred taxation	(160,125)
<hr/>	
Net assets distributed	940,319
Cumulative exchange differences in respect of the net assets of Expert Pearl Group	(75,057)
<hr/>	
Distribution recognised in equity	865,262

The distribution in specie was measured at the carrying amount of the net assets held by Expert Pearl Group and distributed from the Company's contributed surplus and accumulated profits of HK\$658,810,000 and HK\$206,452,000 respectively.

Analysis of net cash outflow of cash and cash equivalents in connection with the discontinued operation:

	HK\$'000
Bank balances and cash	12,511

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 14. DIVIDENDS

	2012 HK\$'000	2011 HK\$'000
Dividends recognised as distribution during the year:		
Final paid in respect of 2011: HK\$0.05 per share (2011: HK\$0.048 per share in respect of 2010)	64,627	62,042
Interim paid in respect of 2012: HK\$0.043 per share (2011: HK\$0.04 per share in respect of 2011)	55,579	51,702
	<b>120,206</b>	<b>113,744</b>

A special dividend by way of distribution in specie of Expert Pearl Group to the shareholders of the Company was distributed during the year ended 31st March, 2011, amounting to HK\$865,262,000.

The board of directors of the Company proposed the payment of a final dividend of HK\$0.06 per share amounting to HK\$77,553,000 in total (2011: HK\$0.05 per share) for the year ended 31st March, 2012 which is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

## 15. EARNINGS PER SHARE

### From continuing and discontinued operations

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2012 HK\$'000	2011 HK\$'000
<b>Earnings</b>		
Earnings (profit for the year attributable to the owners of the Company) for the purpose of basic and diluted earnings per share	465,469	331,506
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	1,292,545,983	1,292,545,983

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 15. EARNINGS PER SHARE (Continued)

### From continuing operations

The calculation of the basic and diluted earnings per share from the continuing operations attributable to the owners of the Company is based on the following data:

	2012 HK\$'000	2011 HK\$'000
<b>Earnings</b>		
Profit for the year attributable to the owners of the Company	465,469	331,506
Profit for the year from the discontinued operation attributable to the owners of the Company	–	(52,356)
Earnings for the purpose of basic and diluted earnings per share from the continuing operations	465,469	279,150

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

### From discontinued operation

For the year ended 31st March, 2011, basic and diluted earnings per share for the discontinued operation was HK\$0.04 per share, based on the profit for that year from the discontinued operation of HK\$52,356,000 and the denominator detailed above for both basic and diluted earnings per share.

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options was higher than the average market price for shares for the years ended 31st March, 2012 and 31st March, 2011 respectively.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 16. INVESTMENT PROPERTIES

	2012	2011		
	Completed investment properties HK\$'000	Completed investment properties HK\$'000	Investment property under development HK\$'000	Total HK\$'000
<b>FAIR VALUE</b>				
At 1st April	276,400	447,800	1,170,000	1,617,800
Exchange realignment	–	–	16,902	16,902
Additions	–	–	773	773
Reclassified to other receivables	–	–	(173,695)	(173,695)
Transfer to hotel property <i>(Note)</i>	–	(217,600)	–	(217,600)
Increase in fair value	114,600	46,200	76,020	122,220
Eliminated upon distribution <i>(note 13)</i>	–	–	(1,090,000)	(1,090,000)
At 31st March	391,000	276,400	–	276,400

*Note:* During the year ended 31st March, 2011, certain properties originally held for rental purpose were transferred to property, plant and equipment upon commencement of owner-occupation at fair value of HK\$217,600,000, which was based on the valuation performed at the date of transfer by Memfus Wong Surveyors Limited ("Memfus"), an independent firm of professional property valuer not connected with the Group. Memfus are members of the Institute of Valuers.

The completed investment properties are situated in Macau and held under medium-term leases.

The fair values of the Group's investment properties as at 31st March, 2012 and 31st March, 2011 have been arrived at on the basis of a valuation carried out on that date by Memfus.

As at 31st March, 2012 and 31st March, 2011, all investment properties are held for rental under operating leases. The investment properties are depreciable and are held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

For completed investment properties as at 31st March, 2012 and 31st March, 2011, the valuation was 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.

For investment property under development, the site was distributed upon distribution of Expert Pearl Group in the prior year, details of which are disclosed in note 13.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 17. PROPERTY, PLANT AND EQUIPMENT

	Hotel property HK\$'000	Buildings HK\$'000	Leasehold improvements HK\$'000	Furniture, fixtures and equipment HK\$'000	Plant and machinery HK\$'000	Motor vehicles HK\$'000	Others HK\$'000	Total HK\$'000
<b>COST</b>								
At 1st April, 2010	728,762	59,767	71,883	243,792	124,846	7,479	10,063	1,246,592
Exchange realignment	-	-	2	10	-	16	-	28
Transfer from investment properties (note 16)	217,600	-	-	-	-	-	-	217,600
Additions	-	16,705	49,349	18,212	18,426	2,147	484	105,323
Disposals	-	-	-	(2,031)	-	(780)	-	(2,811)
Eliminated upon distribution (note 13)	-	-	(63)	(405)	-	(567)	-	(1,035)
At 31st March, 2011	946,362	76,472	121,171	259,578	143,272	8,295	10,547	1,565,697
Additions	-	6,782	43,355	18,264	21,978	906	91	91,376
At 31st March, 2012	946,362	83,254	164,526	277,842	165,250	9,201	10,638	1,657,073
<b>DEPRECIATION</b>								
At 1st April, 2010	68,186	4,154	18,384	159,007	53,174	3,543	8,498	314,946
Exchange realignment	-	-	2	6	-	10	-	18
Provided for the year	20,030	1,912	14,759	34,330	14,768	1,516	1,592	88,907
Eliminated on disposal	-	-	-	(1,179)	-	(780)	-	(1,959)
Eliminated upon distribution (note 13)	-	-	(57)	(257)	-	(404)	-	(718)
At 31st March, 2011	88,216	6,066	33,088	191,907	67,942	3,885	10,090	401,194
Provided for the year	24,693	1,926	26,341	16,546	16,676	1,644	146	87,972
At 31st March, 2012	112,909	7,992	59,429	208,453	84,618	5,529	10,236	489,166
<b>CARRYING AMOUNTS</b>								
At 31st March, 2012	833,453	75,262	105,097	69,389	80,632	3,672	402	1,167,907
At 31st March, 2011	858,146	70,406	88,083	67,671	75,330	4,410	457	1,164,503



# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 17. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The above items of property, plant and equipment are depreciated on a straight line basis at the following rates per annum:

Hotel property and buildings	Over the estimated useful lives of 40 years or the unexpired terms of the relevant lease, whichever is shorter
Leasehold improvements	10 – 20%
Furniture, fixtures and equipment	10 – 20%
Plant and machinery	10 – 20%
Motor vehicles	20%
Others	20%

The hotel property is located in Macau under medium-term lease while buildings are located in Macau under long-term lease.

## 18. PREPAID LEASE PAYMENTS

	2012 HK\$'000	2011 HK\$'000
<b>COST</b>		
At 1st April	245,479	251,925
Release for the year	(6,446)	(6,446)
At 31st March	<b>239,033</b>	245,479
The Group's prepaid lease payments comprise:		
Leasehold land in Macau under medium-term lease	239,033	245,479
Analysed for reporting purposes as follows:		
Non-current	232,587	239,033
Current	6,446	6,446
	<b>239,033</b>	245,479

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 19. GOODWILL

As at 31st March, 2012, the carrying amount of goodwill amounting to HK\$110,960,000 (2011: HK\$110,960,000) had been allocated to the cash-generating unit relating to the Group's gaming operation.

During the year, the Group performed an impairment review for goodwill of the Group's gaming operation based on cash flow forecasts derived from the most recent financial budgets for the next five years and after the fifth year, the projections are extrapolated using a constant growth rate of 3% (2011: 3%) per annum for subsequent years. The recoverable amount of the cash-generating unit of the gaming operation is determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the year. The forecast is discounted using a discount rate of 19% (2011: 13%). The discount rates were determined with reference to weighted average cost of capital of similar companies in the industry adjusted for certain factors specific to the Group's gaming operation. The growth rates do not exceed the long-term average industry growth forecasts. Changes in selling prices and direct costs are based on past practices and the management's expectations of future changes in the market. As the recoverable amount of the cash-generating unit is larger than the carrying amount of the cash-generating unit, the Group considers no impairment loss is necessary.

## 20. TRADE AND OTHER RECEIVABLES

	2012 HK\$'000	2011 HK\$'000
Trade receivables	277,672	260,596
Less: Allowance for bad and doubtful debts	(62,769)	(62,769)
	<b>214,903</b>	197,827
Chips on hand	89,315	111,945
Other receivables and prepayments	12,451	8,756
	<b>316,669</b>	318,528

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

	2012 HK\$'000	2011 HK\$'000
0-30 days	153,020	145,224
31-60 days	15,640	6,585
61-90 days	-	11,720
91-180 days	3,600	4,870
Over 180 days	42,643	29,428
	<b>214,903</b>	197,827

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

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 20. TRADE AND OTHER RECEIVABLES (Continued)

The Group's trade receivable balances do not have debtor which was past due at the end of reporting period for which the Group has not provided for impairment loss, Included in the trade receivable balances are debtor balances of HK\$46,243,000 (2011: HK\$46,018,000) that would otherwise be past due or impaired have the terms not been renegotiated.

Included in the allowance for bad and doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$62,769,000 (2011: HK\$62,769,000), since the management considered the prolonged outstanding balances from individual customers were in doubt. The Group does not hold any collateral over these balances.

The Group's management closely monitors the credit quality of debtors and considers the debtors that are neither past due nor impaired to be of a good credit quality as continuous partial repayments are received from these debtors.

## 21. BANK BALANCES AND CASH/PLEDGED BANK DEPOSIT/SHORT-TERM BANK DEPOSITS

Bank balances and cash comprise cash held by the Group and bank deposits with an original maturity of 3 months or less, and carry interests at prevailing market rates which range from 0.01% to 2.30% (2011: 0.01% to 1.98%) per annum.

Pledged bank deposit represents deposit pledged to a bank to secure use of ferry ticket equipment granted by a third party to the Group.

Short-term bank deposits with an original maturity over 3 months carry interest at fixed interest rates which range from 0.75% to 3.18% per annum.

## 22. TRADE AND OTHER PAYABLES

	2012 HK\$'000	2011 HK\$'000
Trade payables	13,940	18,000
Construction payables and accruals	10,397	31,154
Other payables and accruals	119,060	104,419
Short-term advance	15,000	15,000
	158,397	168,573

An aged analysis of the Group's trade payables at the end of the reporting period is set out below:

	2012 HK\$'000	2011 HK\$'000
0-30 days	7,009	13,646
31-60 days	6,606	3,803
61-90 days	198	445
91-180 days	92	21
Over 180 days	35	85
	13,940	18,000

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 23. AMOUNTS DUE TO FELLOW SUBSIDIARIES

The amounts are due to subsidiaries of EIHL, an intermediate holding company of the Company. The amounts are unsecured, interest-free and repayable on demand.

## 24. AMOUNTS DUE TO NON-CONTROLLING INTERESTS OF A SUBSIDIARY

	2012 HK\$'000	2011 HK\$'000
Interest-free amounts	230,221	256,930
Less: Amounts due within one year shown under current liabilities	(230,221)	(183,947)
	<hr/>	<hr/>
Amounts due after one year	–	72,983

In accordance with the contractual terms of the shareholders' agreements, the interest-free amounts due to non-controlling interests of Luck United are to be repaid from surplus fund, which represents cash available in Luck United and its subsidiaries, after payment of all operating expenses and payables including but not limited to bank loans and third party loans which are due for repayment together with the accrued interest. Imputed interest on these advances had been computed at an original effective interest rate of 5% and a projection on the timing of realisation of surplus fund according to budget approved by the management of Luck United.

During the year, the Group partially repaid the principal of the interest-free non-controlling interests' loans of HK\$32,000,000 (2011: HK\$32,000,000). The principal amount outstanding as at 31st March, 2012 was HK\$242,000,000 (2011: HK\$274,000,000). As at 31st March, 2012, the Group revised its estimates of repayments of the amounts due to non-controlling interests of a subsidiary and adjusted the carrying amount of the amounts due to non-controlling interests of a subsidiary in accordance with the revised estimated cash flows. The Group recalculated the carrying amount by computing the present value of estimated future cash flows at the original effective interest rate. This resulted in a decrease of HK\$7,400,000 (2011: HK\$4,232,000) being adjusted to the carrying amount of the amounts due to non-controlling interests in the current year.

As at 31st March, 2012, in the opinion of the directors of the Company, the carrying amount of the amounts due to non-controlling interests of HK\$230,221,000 is expected to be repaid in the next twelve months based on the cash flow forecasts and the estimation on future surplus fund as at 31st March, 2012.

As at 31st March, 2011, the directors of the Company expected the carrying amount of the amounts due to non-controlling interests of HK\$72,983,000 was not be repaid in the next twelve months based on the cash flow forecasts and the estimation on future surplus funds as at 31st March, 2011. Accordingly, the carrying amount of HK\$72,983,000 was shown as non-current liability on that date.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 25. BANKING FACILITIES

As at 31st March, 2012, the Group has available unutilised banking facilities of HK\$100,000,000 (2011: HK\$100,000,000).

The available unutilised banking facilities are provided with an interest at HIBOR + 2.25% (2011: HIBOR + 2.1%) per annum and secured by certain assets of the Group. The carrying values of these assets at the end of the reporting period were as follows:

	2012 HK\$'000	2011 HK\$'000
Hotel property	833,453	858,146
Investment properties	391,000	276,400
Prepaid lease payments	239,033	245,479
	<b>1,463,486</b>	<b>1,380,025</b>

## 26. DEFERRED TAXATION

The following are the major deferred tax assets (liabilities) recognised and movements thereon during the year:

	Accelerated tax depreciation HK\$'000 (Note)	Development costs capitalised HK\$'000	Revaluation of properties HK\$'000	Tax losses HK\$'000 (Note)	Total HK\$'000
At 1st April, 2010	(18,300)	(4,191)	(196,730)	3,442	(215,779)
(Charged) credited to profit or loss	(4,934)	-	(24,550)	729	(28,755)
Eliminated upon distribution (note 13)	-	4,191	155,934	-	160,125
At 31st March, 2011	(23,234)	-	(65,346)	4,171	(84,409)
(Charged) credited to profit or loss	(4,342)	-	(13,752)	240	(17,854)
At 31st March, 2012	<b>(27,576)</b>	<b>-</b>	<b>(79,098)</b>	<b>4,411</b>	<b>(102,263)</b>

Note: The Macau tax authority granted a concessionary deduction to Pacific Strong Bases (Holding) Company Limited, an indirect non-wholly owned subsidiary of the Company incorporated in Macau, to claim deduction of depreciation allowance of its property, plant and equipment for tax purpose in an accelerated pattern over a period which is half of the expected useful lives of the property, plant and equipment. Deferred tax liability of HK\$27,576,000 (2011: HK\$23,234,000) has been recognised in respect of such accelerated tax depreciation while deferred tax asset of HK\$4,411,000 (2011: HK\$4,171,000) has been recognised in respect of the tax losses arisen from this subsidiary.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 26. DEFERRED TAXATION (Continued)

For the purpose of presentation in the consolidated statement of financial position, deferred tax assets and liabilities have been offset for the temporary differences arising from the same group entity.

As at 31st March, 2012, the Group had unused tax losses of HK\$120,485,000 (2011: HK\$113,280,000) available for offset against future profits. Deferred tax asset had been recognised in respect of HK\$36,757,000 (2011: HK\$34,758,000) of such loss. No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$83,728,000 (2011: HK\$78,522,000) due to unpredictability of future profit streams. The Group's unrecognised tax losses might be carried forward indefinitely.

## 27. SHARE CAPITAL

	Number of shares	Share capital HK\$'000
<b>THE COMPANY</b>		
Ordinary shares of HK\$0.0001 each		
Authorised:		
At 1st April, 2010, 31st March, 2011, 1st April, 2011 and 31st March, 2012	2,000,000,000,000	200,000
Issued and fully paid:		
At 1st April, 2010, 31st March, 2011, 1st April, 2011 and 31st March, 2012	1,292,545,983	129

## 28. SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 2nd September, 2002 (the "Adoption Date"), the primary purpose of which is to provide incentives or rewards to participants including the directors and eligible employees of the Group.

Under the Scheme, the directors of the Company are authorised, at any time within ten years after the Adoption Date, to grant options to any participants to subscribe for shares in the Company at a price not less than the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing prices of the Company's shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's share. The total number of shares in respect of which options may be granted under the Scheme cannot exceed 10% of the total number of shares in issue on the Adoption Date. The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company, if any, cannot exceed 30% of the total number of shares in issue from time to time. The number of shares in respect of which options may be granted to any participant shall not exceed 1% of the total number of shares in issue in any 12-month period. An option may be exercised at any time within ten years from the date of issue of the relevant options, where the acceptance date should not be later than 28 days from the date of the offer. A nominal consideration of HK\$1 is payable on acceptance of the grant of options.

On 11th August, 2005, a total of 10,000,000 share options were granted to two directors of the Company at an exercise price of HK\$2.20 under the terms of the Scheme. The options were vested immediately at the date of grant.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 28. SHARE OPTION SCHEME (Continued)

The outstanding shares options, which were granted to the directors of the Company under the Scheme are as follows:

Date of grant	Exercisable period	Exercise price HK\$	Number of options outstanding as at 1st April, 2010, 31st March, 2011 and 31st March, 2012
11th August, 2005	11th August, 2005 – 10th August, 2015	2.20	10,000,000

During the year, no share options were granted under the Scheme by the Company.

## 29. RESERVES

- (a) The contributed surplus of the Group represents the aggregate of (a) the difference between the aggregate of the nominal amount of the share capital and share premium of the subsidiaries at the date on which they were acquired by the Group and the nominal amount of the Company's share capital issued as consideration for the acquisition; less (b) dividend paid by the Company.
- (b) As stipulated by the relevant laws and regulations in the Macau Special Administrative Region, certain subsidiaries of the Company are required to set aside 25% of their profit for the year to a legal reserve until the legal reserve has reached 50% of their registered capital. No appropriation was made in 2011 and 2012 as the legal reserve of those subsidiaries has already reached 50% of their respective registered capital.

## 30. NON-CONTROLLING INTERESTS

Included in non-controlling interests as at 31st March, 2012 was a deemed contribution by non-controlling interests of HK\$112,403,000 (2011: HK\$105,003,000), arising from adjustment of fair value at initial recognition and subsequent measurement for changes in cash flow estimates (see note 24 for details) on certain loans from the non-controlling interests of a subsidiary which agreed to contribute their interest-free loans in accordance with their shareholdings.

## 31. COMMITMENTS

	2012 HK\$'000	2011 HK\$'000
Authorised but not contracted for in respect of property, plant and equipment	82,279	92,537
Contracted for but not provided in the consolidated financial statements, net of deposits paid, in respect of property, plant and equipment	39,275	681
	121,554	93,218

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 32. OPERATING LEASE COMMITMENTS

### The Group as lessee

	2012 HK\$'000	2011 HK\$'000
Operating lease rentals paid and payable for the year in respect of rented premises	2,607	2,529

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises, which fall due as follows:

	2012 HK\$'000	2011 HK\$'000
Within one year	2,787	1,613
In the second to third year inclusive	2,405	212
	5,192	1,825

The leases were negotiated for terms ranging from 1 to 3 years (2011: 1 to 2 years) and the rentals are pre-determined and fixed.

### The Group as lessor

	2012 HK\$'000	2011 HK\$'000
Operating lease rentals received and receivable for the year in respect of completed investment properties	26,432	23,826

At the end of the reporting period, the Group had contracted with tenants to receive the following future minimum lease payments in respect of premises in the completed investment properties in Macau, which fall due as follows:

	2012 HK\$'000	2011 HK\$'000
Within one year	16,770	16,724
In the second to third year inclusive	10,270	10,762
	27,040	27,486

Certain premises in the Group's completed investment properties have committed tenants for the tenancy ranging from 1 to 3 years (2011: 1 to 2 years) and the rentals are pre-determined and fixed.



# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 33. MAJOR NON-CASH TRANSACTION

Other than the dividend in specie of Expert Pearl Group to the Company's shareholders in the prior year which is disclosed in note 13 to the consolidated financial statements, there is no other major non-cash transaction during the years ended 31st March, 2012 and 31st March, 2011.

## 34. RELATED PARTY TRANSACTIONS

(a) Other than disclosed in note 13, the Group also had the following significant transactions with related parties:

	2012 HK\$'000	2011 HK\$'000
Advertising expenses to related companies	513	347
Commission to Dr. Albert Yeung in the capacity of a patron of the Group's VIP rooms	229	465
Hotel room income from related companies	225	225
Professional fee expense to a related company	365	410
Purchase of property, plant and equipment and merchandising goods from a related company and a fellow subsidiary	194	405
Reimbursement of administrative expenses paid by fellow subsidiaries	8,786	8,406
Rental income from a related company	4,338	3,940
Secretarial fee expense to a related company	300	300

*Note:* The above related parties are either controlled by the AY Trust or certain directors of the Company.

(b) The key management personnel of the Company are the directors of the Company. The details of the remunerations paid to them relating to short-term employee benefits are set out in note 11.

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 35. FINANCIAL INFORMATION OF THE COMPANY

The financial information of the Company as at 31st March, 2012 and 31st March, 2011 is as follows:

	2012 HK\$'000	2011 HK\$'000
Total assets		
Investment in subsidiaries	–	–
Other receivables	225	360
Amounts due from subsidiaries	210,620	427,104
Bank balances and cash	371,163	277,414
	<b>582,008</b>	704,878
Total liabilities		
Other payables	2,090	1,291
Amount due to a fellow subsidiary	41	938
	<b>2,131</b>	2,229
Capital and reserves ( <i>Note</i> )		
Share capital	129	129
Reserves	579,748	702,520
	<b>579,877</b>	702,649

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 35. FINANCIAL INFORMATION OF THE COMPANY (Continued)

Note:

	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Contributed surplus HK\$'000	Share options reserve HK\$'000	Accumulated profits HK\$'000	Total HK\$'000
At 1st April, 2010	129	410,802	668	772,554	3,964	499,539	1,687,656
Loss and total comprehensive expense for the year	-	-	-	-	-	(6,001)	(6,001)
2010 final dividend paid in cash	-	-	-	(62,042)	-	-	(62,042)
2011 interim dividend paid in cash	-	-	-	(51,702)	-	-	(51,702)
Distribution in specie	-	-	-	(658,810)	-	(206,452)	(865,262)
At 31st March, 2011	129	410,802	668	-	3,964	287,086	702,649
Loss and total comprehensive expense for the year	-	-	-	-	-	(2,566)	(2,566)
2011 final dividend paid in cash	-	-	-	-	-	(64,627)	(64,627)
2012 interim dividend paid in cash	-	-	-	-	-	(55,579)	(55,579)
At 31st March, 2012	129	410,802	668	-	3,964	164,314	579,877

# Notes to the Consolidated Financial Statements (Continued)

For the year ended 31st March, 2012

## 36. PARTICULARS OF SUBSIDIARIES

Particulars of the principal subsidiaries of the Company as at 31st March, 2012 and 31st March, 2011, were as follows:

Name of subsidiary	Place of incorporation/ establishment	Place of operation	Nominal value of issued ordinary share/ registered capital	The Group's attributable equity interest				Principal activities
				Directly		Indirectly		
				2012 %	2011 %	2012 %	2011 %	
Affluent Travel Services Limited	Hong Kong	Hong Kong	HK\$500,000	-	-	60	60	Provision of travel agency services
Asian Glory Limited	Macau	Macau	MOP25,000	-	-	60	60	Property holding
Emperor Entertainment Hotel Management Limited	Macau	Macau	MOP25,000	-	-	60	60	Provision of project financing services
Great Assets Holdings Limited	British Virgin Islands	Macau	US\$50	-	-	100	100	Investment holding
Keen Million Limited	British Virgin Islands	Macau	US\$1	-	-	60	60	Provision of mass market and slot machine services
Emperor Entertainment Hotel Investment Limited (formerly known as Lavergem Holdings Limited)	British Virgin Islands	Hong Kong	US\$1	100	100	-	-	Investment holding
Luck United	British Virgin Islands	Macau	US\$10,000	-	-	60	60	Investment holding
Pacific Strong Bases (Holding) Company Limited	Macau	Macau	MOP500,000	-	-	60	60	Provision of hotel and catering services
Precision Faith Limited	Macau	Macau	MOP100,000	-	-	100	100	Provision of VIP room and gaming related marketing and promotion services
Right Achieve Limited	British Virgin Islands	Macau	US\$1	-	-	60	60	Investment holding
Tin Hou Limited	Macau	Macau	MOP25,000	-	-	100	100	Provision of agency services for gaming operation

None of the subsidiaries of the Company issued any debt securities as at 31st March, 2012 and 31st March, 2011.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

# Financial Summary

For the year ended 31st March, 2012

## RESULTS

	Year ended 31st March,				
	2012 HK\$'000	2011 HK\$'000	2010 HK\$'000	2009 HK\$'000 (Note)	2008 HK\$'000 (Note)
<b>Continuing operations</b>					
Revenue	1,783,074	1,312,104	990,204	791,456	1,271,429
Profit before taxation	822,970	450,138	304,076	5,709	333,563
Taxation	(79,726)	(53,507)	(40,209)	(7,784)	(33,642)
Profit (loss) for the year from continuing operations	743,244	396,631	263,867	(2,075)	299,921
<b>Discontinued operation</b>					
Profit for the year from discontinued operation	–	52,356	392,039	n/a	n/a
Profit (loss) for the year	743,244	448,987	655,906	(2,075)	299,921
Profit for the year attributable to owners of the Company					
– from continuing operations	465,469	279,150	195,239	n/a	n/a
– from discontinued operation	–	52,356	392,039	n/a	n/a
Profit (loss) for the year from continuing operations attributable to non-controlling interests	465,469	331,506	587,278	28,852	202,458
	277,775	117,481	68,628	(30,927)	97,463
	743,244	448,987	655,906	(2,075)	299,921

## ASSETS AND LIABILITIES

	At 31st March,				
	2012 HK\$'000	2011 HK\$'000	2010 HK\$'000	2009 HK\$'000	2008 HK\$'000
Total assets	3,653,651	2,980,212	3,800,664	3,195,763	3,369,590
Total liabilities	(696,845)	(653,841)	(885,206)	(1,018,488)	(1,176,476)
	2,956,806	2,326,371	2,915,458	2,177,275	2,193,114
Total equity attributable to:					
Owners of the Company	2,106,580	1,761,320	2,472,120	1,716,846	1,713,239
Non-controlling interests	850,226	565,051	443,338	460,429	479,875
	2,956,806	2,326,371	2,915,458	2,177,275	2,193,114

Note: Included the results of Expert Pearl Group whereby its operations was discontinued during the year ended 31st March, 2011 as set out in note 13 to the consolidated financial statements. The Directors considered that it is impractical for the Group to re-present the results of Expert Pearl Group for the years ended 31st March, 2008 and 31st March, 2009.

# Summary of Properties

At 31st March, 2012

Particulars of the Group's investment properties as at 31st March, 2012, were as follows:

## COMPLETED INVESTMENT PROPERTIES

	Location	Purpose	Floor area sq. ft.	The Group's interest %
1.	Shops of Ground Floor of the Grand Emperor Hotel, Macau	Commercial	4,672	60
2.	8th Floor of the Grand Emperor Hotel, Macau	Commercial	22,266	60
3.	10th Floor of the Grand Emperor Hotel, Macau	Commercial	22,266	60