

REXLot Holdings Limited

御泰中彩控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 555)

2015 年報
Annual Report

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Corporate Information

公司資料

DIRECTORS

Executive Directors

Chan How Chung, Victor
Boo Chun Lon

Independent Non-executive Directors

Yuen Wai Ho
Chow Siu Ngor
Lee Ka Lun

AUDIT COMMITTEE

Yuen Wai Ho (*Chairman*)
Chow Siu Ngor
Lee Ka Lun

REMUNERATION COMMITTEE

Chow Siu Ngor (*Chairman*)
Yuen Wai Ho
Lee Ka Lun

NOMINATION COMMITTEE

Lee Ka Lun (*Chairman*)
Yuen Wai Ho
Chow Siu Ngor
Chan How Chung, Victor

SECRETARIES

Company Secretary
Ng Yuen Yee

Assistant Secretaries

Estera Services (Bermuda) Limited

RESIDENT REPRESENTATIVE

Estera Services (Bermuda) Limited

AUDITOR

Ting Ho Kwan & Chan CPA Limited

LEGAL ADVISERS

Baker & McKenzie
Reed Smith Richards Butler

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Chong Hing Bank Limited

董事

執行董事

陳孝聰
巫峻龍

獨立非執行董事

阮煒豪
鄒小岳
李家麟

審核委員會

阮煒豪 (*主席*)
鄒小岳
李家麟

薪酬委員會

鄒小岳 (*主席*)
阮煒豪
李家麟

提名委員會

李家麟 (*主席*)
阮煒豪
鄒小岳
陳孝聰

秘書

公司秘書
吳婉儀

助理秘書

Estera Services (Bermuda) Limited

居駐代表

Estera Services (Bermuda) Limited

核數師

丁何關陳會計師事務所有限公司

法律顧問

貝克•麥堅時律師事務所
禮德齊伯禮律師事務所

主要往來銀行

香港上海滙豐銀行有限公司
創興銀行有限公司

Corporate Information (continued) 公司資料 (續)

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 2601, 26/F., Sino Plaza
255-257 Gloucester Road
Causeway Bay, Hong Kong
Tel: (852) 2532 0088
Fax: (852) 2532 5229
Websites: <http://www.aplushk.com/clients/00555rexlot/index.html>
<http://www.rexlot.com.hk>

BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Management (Bermuda) Limited
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Standard Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

總辦事處及主要營業地點

香港銅鑼灣
告士打道255-257號
信和廣場26樓2601室
電話：(852) 2532 0088
傳真：(852) 2532 5229
網站：<http://www.aplushk.com/clients/00555rexlot/index.html>
<http://www.rexlot.com.hk>

百慕達股份過戶登記總處

Estera Management (Bermuda) Limited
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

股份過戶登記處香港分處

卓佳標準有限公司
香港
皇后大道東183號
合和中心22樓

Directors' Report

董事會報告

The board of directors (the "Board") of REXLot Holdings Limited (the "Company") submit herewith their report together with the audited financial statements of the Company and its subsidiaries (together the "Group") for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Its subsidiaries and joint ventures are principally engaged in lottery system and games development business and distribution and marketing of lottery products in China.

JOINT VENTURES AND SUBSIDIARIES

Particulars of the Company's joint ventures and principal subsidiaries are set out in notes 20 and 50 to the financial statements respectively.

RESULTS

The results of the Group for the year ended 31 December 2015 and the state of the Group's affairs as at that date are set out in the financial statements on pages 56 to 191.

PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2015, there were additions of HK\$59,294,000 (2014: HK\$65,542,000) to property, plant and equipment to expand the Group's operations. Details of movements in property, plant and equipment during the year are set out in note 16 to the financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 December 2015, calculated under Part 6 of the new Hong Kong Companies Ordinance (Cap. 622), amounted to HK\$759,451,000 (2014: HK\$837,932,000).

御泰中彩控股有限公司（「本公司」）董事會（「董事會」）謹將本公司及其附屬公司（統稱「本集團」）截至二零一五年十二月三十一日止年度之報告及經審核財務報表呈覽。

主要業務

本公司之主要業務為投資控股。其附屬公司及合營企業主要於中國從事彩票系統與遊戲開發業務及彩票產品配送與市場推廣業務。

合營企業及附屬公司

本公司之合營企業及主要附屬公司詳情分別載於財務報表附註20及50。

業績

本集團截至二零一五年十二月三十一日止年度之業績及本集團於該日之財政狀況載於第56頁至第191頁之財務報表。

物業、廠房及設備

於截至二零一五年十二月三十一日止年度，本集團為擴充業務添置59,294,000港元（二零一四年：65,542,000港元）之物業、廠房及設備。年內，物業、廠房及設備之變動詳情載於財務報表附註16。

可供分派儲備

本公司於二零一五年十二月三十一日按照新香港公司條例（第622章）第6部計算之可供分派儲備為759,451,000港元（二零一四年：837,932,000港元）。

Directors' Report (continued)

董事會報告 (續)

PRE-EMPTIVE RIGHTS

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

FIVE YEAR FINANCIAL SUMMARY

A summary of the consolidated results and of the assets and liabilities of the Group for the last five financial years is set out on page 192.

RETIREMENT BENEFITS SCHEME

Particulars of the retirement benefits scheme of the Group are set out in note 38 to the financial statements.

SHARE OPTIONS

On 28 June 2012, the Company adopted a share option scheme (the "2012 Scheme") which, unless otherwise terminated, will remain valid and effective for a period of 10 years from 28 June 2012.

The purpose of the 2012 Scheme is to enable the Company to grant options to eligible participants as incentives and/or rewards for their contribution to, and continuing efforts to promote the interests of, the Group.

According to the 2012 Scheme, the Board may grant options to the eligible participants as defined in the 2012 Scheme to subscribe for such number of shares as the Board may determine. Options granted should be accepted within 30 days from the date of the letter of grant. Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant. Subject to the terms of the 2012 Scheme and all applicable laws, the Board has the power to determine the period within which payments or calls must or may be made.

The exercise price of options shall be determined by the Board, which shall be at least the highest of (i) the closing price of the shares as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of the grant, which must be a business day; (ii) the average closing price of the shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of the grant; and (iii) the nominal value of a share.

優先認購權

本公司之公司細則(「公司細則」)或百慕達法例並無有關本公司須按比例向現有股東發售新股之優先認購權條文。

五年財務摘要

本集團於過去五個財政年度之綜合業績及資產與負債概要載於第192頁。

退休福利計劃

本集團退休福利計劃之詳情載於財務報表附註38。

購股權

於二零一二年六月二十八日，本公司採納一項購股權計劃(「二零一二年計劃」)，除非另行終止，否則自二零一二年六月二十八日起計十年內持續有效及生效。

二零一二年計劃旨在使本公司可向合資格參與人士授出購股權，作為彼等對本集團所作出之貢獻及為提升本集團利益所作出之不懈努力之獎勵及／或回報。

根據二零一二年計劃，董事會可向二零一二年計劃所界定之合資格參與人士授出購股權，以認購董事會所釐定數目之股份。授出之購股權須自授出函件日期起計30日內接納。接納購股權時，承授人須向本公司支付1.00港元作為獲授購股權之代價。受二零一二年計劃之條款及所有適用法律所規限，董事會有權釐定必須或可能作出付款或通知付款之期限。

購股權之行使價由董事會釐定，須至少為下列之最高者：(i)於授出日期(必須為營業日)香港聯合交易所有限公司(「聯交所」)每日報價表所報股份之收市價；(ii)於緊接授出日期前五個營業日聯交所每日報價表所報股份之平均收市價；及(iii)股份之面值。

Directors' Report (continued) 董事會報告 (續)

The maximum number of shares which may be issued upon the exercise of all options to be granted under the 2012 Scheme and any other share option scheme(s) of the Company must not exceed 10% of the issued share capital of the Company on the date of approval and adoption of the 2012 Scheme provided that the Company may at any time seek approval from its shareholders to refresh the limit to 10% of the shares in issue as at the date of approval by the shareholders in general meeting where such limit is refreshed. Options previously granted under any share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised options) will not be counted for the purpose of calculating the limit as refreshed.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the 2012 Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding options) to each eligible participant in any 12-month period up to and including the date of grant shall not exceed 1% of the shares in issue as at the date of grant unless such grant has been duly approved by ordinary resolution of the shareholders of the Company in general meeting at which the relevant eligible participant and his associates abstained from voting. Options granted to substantial shareholders or independent non-executive directors or any of their respective associates in any 12-month period in excess of 0.1% of the Company's issued share capital on the date of grant or with a value in excess of HK\$5,000,000 must be approved in advance by the Company's shareholders.

The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no options can be exercised more than 10 years after it has been granted. There is no general requirement that an option must be held for any minimum period before it can be exercised. The 2012 Scheme will expire on 28 June 2022.

No share option has been granted during the year ended 31 December 2015. Subsequent to the year ended date, option in relation to 2,000,000 shares has lapsed. As at the date of this report, the total number of ordinary shares of HK\$0.01 each in the Company (the "Shares") available for issue upon exercise of the options outstanding under 2012 scheme was 120,000,000 Shares (representing 1.2% of the Shares in issue as at the date of this report).

因行使根據二零一二年計劃及本公司任何其他購股權計劃授出之所有購股權而可發行之股份上限，不得超過批准及採納二零一二年計劃當日本公司已發行股本之10%，惟本公司可隨時徵求股東批准將上限重新釐定為股東於更新該上限之股東大會上批准重新釐定上限當日之已發行股份之10%。計算重新釐定之上限時，先前根據本公司任何購股權計劃授出之購股權（包括根據該等計劃尚未行使、已註銷、已失效或已行使之購股權）將不會計算在內。

於截至及包括授出購股權日期前任何12個月內，因行使根據二零一二年計劃及本公司任何其他購股權計劃授出之購股權（包括已行使、已註銷及尚未行使之購股權）而已發行及可能須發行予每名合資格參與人士之股份總數，不得超過授出購股權當日之已發行股份之1%，除非有關授出已於股東大會上獲本公司股東以普通決議案正式批准（相關合資格參與人士及其聯繫人須於會上放棄投票），則作別論。倘於任何12個月期間向主要股東或獨立非執行董事或彼等各自之任何聯繫人授出超逾本公司於授出日期已發行股本之0.1%或價值超出5,000,000港元之購股權，則須先經本公司股東批准。

購股權行使期將由董事會全權酌情釐定，惟授出購股權日期起計10年後不可行使購股權。本公司並無限制行使前必須持有購股權之最短期限之一般規定。二零一二年計劃將於二零二二年六月二十八日屆滿。

於截至二零一五年十二月三十一日止年度概無授出購股權。於年結日後，與2,000,000股股份相關之購股權經已失效。於本報告日期，根據二零一二年計劃尚未行使之購股權獲行使後可供發行之本公司每股面值0.01港元之普通股（「股份」）總數為120,000,000股（相當於本報告日期已發行股份之1.2%）。

Directors' Report (continued) 董事會報告 (續)

The following table discloses details of the movements in the share options granted under the 2012 Scheme during the year ended 31 December 2015.

下表披露於截至二零一五年十二月三十一日止年度根據二零一二年計劃授出之購股權變動詳情。

Category of participant 參與人士類別	Number of share options 購股權數目					Date of grant 授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 行使期
	At 1 January 2015 於二零一五年一月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	At 31 December 2015 於二零一五年十二月三十一日			
Employees 僱員	2,000,000	-	-	-	2,000,000	07/01/2014	1.090	13/01/2014 – 06/01/2016
	160,000,000	-	-	(40,000,000)	120,000,000	27/06/2014	0.910	15/07/2014 – 26/06/2016
Total 總計	162,000,000	-	-	(40,000,000)	122,000,000			

DIRECTORS

The directors of the Company (the "Directors") during the financial year and up to the date of this report were:

Executive Directors

Chan How Chung, Victor
Boo Chun Lon

Independent Non-executive Directors

Yuen Wai Ho
Chow Siu Ngor
Lee Ka Lun

In accordance with bye-law 99 of the Bye-laws, Mr Chan How Chung, Victor and Mr Lee Ka Lun shall respectively retire and are eligible for re-election at the forthcoming annual general meeting. Mr Chan and Mr Lee offer themselves for re-election at the forthcoming annual general meeting.

董事

於本財政年度及截至本報告日期，本公司之董事（「董事」）如下：

執行董事

陳孝聰
巫峻龍

獨立非執行董事

阮煒豪
鄒小岳
李家麟

根據公司細則第99條，陳孝聰先生及李家麟先生將分別於應屆股東週年大會上依章退任，惟符合資格膺選連任。陳先生及李先生願意於應屆股東週年大會上膺選連任。

Directors' Report (continued)

董事會報告 (續)

CHANGES IN THE INFORMATION OF DIRECTORS

During the year ended 31 December 2015, Mr Chow Siu Ngor, an independent non-executive Director, resigned as a non-executive director of REX Global Entertainment Holdings Limited (formerly known as China Gamma Group Limited) on 22 September 2015. Details of the updated Biographical Details of Directors and Senior Management is set out on pages 38 to 39 of the Report.

Save as disclosed above, there were no changes in the information required to be disclosed by the Directors pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election and re-appointment at the forthcoming annual general meeting has an unexpired service contract, which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory compensation.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

As disclosed in the announcements of the Company dated 22 September 2015, 7 October 2015 and 29 October 2015, Kingly Profits Corporation (being a holder of the 4.5% convertible bonds due 2019 (the "2019 Bonds"), wholly-owned by Mr Chan How Chung, Victor, who is a Director and a substantial shareholder of the Company), has provided an Undertaking to the Company (the "Undertaking"), among other things,

- (i) to provide a valid block voting instruction in favour of the relevant revised extraordinary resolution;
- (ii) to provide, subject to certain conditions, an unsecured and interest-free shareholder's loan in the amount of HK\$100,000,000, with a one-year term, for the Company's partial redemption obligations;

董事之資料變動

於截至二零一五年十二月三十一日止年度，獨立非執行董事鄒小岳先生於二零一五年九月二十二日辭任御濠娛樂控股有限公司（前稱中國伽瑪集團有限公司）非執行董事。有關經更新之董事及高級管理人員履歷詳情載於本報告第38至第39頁。

除上文所披露者外，概無資料變動須由董事根據聯交所證券上市規則（「上市規則」）第13.51B(1)條予以披露。

董事之服務合約

擬於應屆股東週年大會上重選及續聘之董事概無與本公司或其任何附屬公司訂立如不作出賠償（一般法定賠償除外）則不能於一年內終止之未屆滿服務合約。

董事所佔交易、安排或合約重大權益

誠如本公司日期為二零一五年九月二十二日、二零一五年十月七日及二零一五年十月二十九日之公布所披露，Kingly Profits Corporation（為於二零一九年到期之4.5厘可換股債券（「二零一九年債券」）之持有人，由董事兼本公司主要股東陳孝聰先生全資擁有）已向本公司作出承諾（「承諾」），其中包括：

- (i) 發出有效凍結投票指示，投票贊成相關經修訂特別決議案；
- (ii) 受限於若干條件，提供100,000,000港元之一年期無抵押及免息股東貸款，以供本公司履行部分贖回責任；

Directors' Report (continued) 董事會報告 (續)

- (iii) to provide, subject to certain conditions, an unsecured and interest-free shareholder's loan in the amount of approximately HK\$3,000,000, with a one-year term, for the Company's general working capital;
 - (iv) to provide, subject to certain conditions, an unsecured shareholder's loan in the amount of approximately HK\$15,000,000, with a one-year term, with an interest rate equal to the coupon rate of the 2019 Bonds for the Company's general working capital;
 - (v) to, from time to time, if it shall receive any Early Redemption (as defined in the announcements) payment (in respect of the 2019 Bonds it holds) from the Company, provide a further unsecured shareholder's loan to the Company in the amount equal to such Early Redemption principal payment so received by it; and
 - (vi) not to exercise the put option in relation to a "Relevant Event" as stated in the announcements in respect of the 2019 Bonds it holds.
- (iii) 受限於若干條件，提供約3,000,000港元之一年期無抵押及免息股東貸款，以供本公司用作一般營運資金；
 - (iv) 受限於若干條件，提供約15,000,000港元之一年期無抵押股東貸款，其利率相等於二零一九年債券之票面利率，以供本公司用作一般營運資金；
 - (v) 倘其（就其所持二零一九年債券）從本公司獲得任何提早贖回（定義見該等公布）付款，則不時額外向本公司提供相等於其所收取該筆提早贖回本金付款之無抵押股東貸款；及
 - (vi) 不就其所持二零一九年債券行使有關該等公布所載「相關事件」之認沽期權。

During the year, shareholder's loans in the aggregate amount of HK\$118,000,000 (as mentioned in (ii) to (iv) above) have been advanced to the Company pursuant to the Undertaking.

年內，股東貸款合共118,000,000港元（見上文(ii)至(iv)項所述）已根據承諾墊付予本公司。

Particulars of directors' interest in other transactions are also set out in the section headed "Connected Transactions and Related Party Transactions" in the Directors' Report.

董事所佔其他交易權益詳情亦載於董事會報告「關連交易及關聯方交易」一節。

Save as disclosed above, no other significant transactions, arrangements or contracts in relation to the Group's business to which the Company's subsidiaries or any of its holding companies and fellow subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

除上文所披露者外，本公司附屬公司或其任何控股公司及同系附屬公司在年終時或本年度內任何時間，概無就本集團業務訂立任何本公司董事直接或間接於其中擁有重大權益之其他重要交易、安排或合約。

Directors' Report (continued)

董事會報告 (續)

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES

As at 31 December 2015, the interests or short positions of the Directors and chief executives and their associates in the shares, underlying shares or debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO") or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long position in the Shares and underlying Shares in the Company

Name of Director	Nature of interest	Number of Shares held	Number of underlying Shares held	Total	Approximate percentage of issued share capital of the Company
董事姓名	權益性質	所持股份數目	所持相關股份數目	總計	佔本公司已發行股本概約百分比
Chan How Chung, Victor 陳孝聰	Interest of controlled corporation 受控制公司權益	1,494,941,855 (Note 1) (附註1)	208,029,197 (Note 2) (附註2)	1,702,971,052	17.06%

Notes:

- Among these Shares, 1,187,640,997 Shares are held by Keen Start Limited and 307,300,858 Shares are held by Kingly Profits Corporation. Both Keen Start Limited and Kingly Profits Corporation are indirectly wholly owned by Mr Chan How Chung, Victor.
- Kingly Profits Corporation is deemed to be interested in 208,029,197 underlying Shares to be derived from the 4.5% convertible bonds due 2019 in the aggregate principal amount of HK\$285,000,000 issued by the Company on 8 July 2014 at the applicable conversion price of HK\$1.37 per Share.

Save as disclosed above, at no time during the year under review, the Directors or chief executives had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its other associated corporations (within the meaning of Part XV of the SFO and the Hong Kong Companies Ordinance (Cap. 622)) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及最高行政人員之權益

於二零一五年十二月三十一日，董事及最高行政人員以及彼等之聯繫人於本公司或其任何相聯法團之股份、相關股份或債券中擁有記錄在本公司根據證券及期貨條例（「證券及期貨條例」）第352條須存置之名冊上之權益或淡倉，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）已知會本公司及聯交所之權益或淡倉如下：

於本公司股份及相關股份之好倉

Name of Director	Nature of interest	Number of Shares held	Number of underlying Shares held	Total	Approximate percentage of issued share capital of the Company
董事姓名	權益性質	所持股份數目	所持相關股份數目	總計	佔本公司已發行股本概約百分比
Chan How Chung, Victor 陳孝聰	Interest of controlled corporation 受控制公司權益	1,494,941,855 (Note 1) (附註1)	208,029,197 (Note 2) (附註2)	1,702,971,052	17.06%

附註：

- 於該等股份中，1,187,640,997股股份由Keen Start Limited持有及307,300,858股股份由Kingly Profits Corporation持有。Keen Start Limited及Kingly Profits Corporation均由陳孝聰先生間接全資擁有。
- Kingly Profits Corporation被視為於208,029,197股相關股份中擁有權益，該等相關股份產生自本公司於二零一四年七月八日發行之本金額合共285,000,000港元於二零一九年到期之4.5厘可換股債券（按每股股份1.37港元之適用轉換價計算）。

除上文所披露者外，於回顧年內任何時間，董事或最高行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部及香港公司條例（第622章））之股份、相關股份或債券中擁有記錄在根據證券及期貨條例第352條須存置之名冊上之任何權益或淡倉，或根據標準守則已知會本公司及聯交所之任何權益或淡倉。

Directors' Report (continued) 董事會報告 (續)

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year under review was the Company, its holding companies, its fellow subsidiaries or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTEREST IN COMPETING BUSINESS

Pursuant to Rule 8.10(2) of the Listing Rules, details of the interests held by the Directors in businesses that are considered to compete or is likely to compete, either directly or indirectly, with the businesses of the Group, are disclosed as follows:

Name of company
公司名稱

RPI Finance Limited ("RPI")
御泰財務有限公司 (「御泰財務」)

Mr Chan How Chung, Victor is a director and deemed to be the substantial shareholder of RPI. The terms and conditions of the financing loans of RPI are market driven and agreed at arm's length between the borrowers and the financier. When making decisions on the above competing business, the relevant director, in the performance of his duty as a director of the Company, has acted and will continue to act in the best commercial interest of the Group.

PERMITTED INDEMNITY PROVISION

The Bye-laws provides that every Director or other officers shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain in or about the execution of their duties in their respective offices or otherwise in relation thereto.

A permitted indemnity provision that meets the requirements specified in section 469(2) of the Hong Kong Companies Ordinance (Cap. 622) for the benefits of the Directors is currently in force and was in force throughout the year.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out on pages 38 to 39 of this report.

購買股份或債券之安排

除上文所披露者外，本公司、其控股公司、其同系附屬公司或其任何附屬公司於回顧年內任何時間概無參與任何安排，致使各董事可藉購入本公司或任何其他公司之股份或債券而獲益。

董事於競爭性業務中之權益

根據上市規則第8.10(2)條，董事所持有而被視為與或可能與本集團業務有直接或間接競爭之業務權益詳情披露如下：

Competing business
競爭性業務

Money lending
貸款

陳孝聰先生為御泰財務之董事，亦被視為該公司之主要股東。御泰財務之財務貸款之條款及條件由市場導向，並由借貸雙方經公平協商協定。於制訂上述競爭性業務之決策時，有關董事（於履行彼作為本公司董事之職務時）經已並將繼續採取符合本集團最佳商業利益之行動。

獲准許的彌償條文

公司細則訂明，每名董事或其他高級職員均有權就彼等因執行彼等各自之職務之職責或就此而將會或可能承擔或蒙受之所有訴訟、成本、費用、虧損、損害及開支獲得以本公司之資產作出之彌償保證及免受損害。

目前及於年內任何時間，本公司均為董事之利益訂有符合香港《公司條例》（第622章）第469(2)條列明之規定之獲准許的彌償條文。

董事及高級管理人員履歷

董事及高級管理人員履歷概要載於本報告第38至第39頁。

Directors' Report (continued)

董事會報告 (續)

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2015, the interests or short positions of the following parties (other than a Director or chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Long position in the Shares and underlying Shares in the Company

Name of Shareholder 股東名稱/姓名	Nature of interest 權益性質	Number of Shares held 所持股份數目	Number of underlying Shares held 所持相關股份數目	Total 總計	Percentage of issued share capital 佔已發行股本百分比
Smart Ease Corporation	Interest of controlled corporation 受控制公司權益	1,494,941,855	208,029,197	1,702,971,052 (Notes A and B) (附註A及B)	17.06%
Keen Start Limited	Beneficial owner 實益擁有人	1,187,640,997	-	1,187,640,997 (Note A) (附註A)	11.90%
Kingly Profits Corporation	Beneficial owner 實益擁有人	307,300,858	208,029,197	515,330,055 (Note B) (附註B)	5.16%
Polaris Capital Management, LLC	Investment manager 投資經理	707,608,964	-	707,608,964	7.09%
Mutual Fund Elite	Custodian corporation/ approved lending agent 託管公司/認可借貸代理	679,707,497	-	679,707,497	6.81%

Notes:

- A. These Shares are held by Keen Start Limited as beneficial owner. Keen Start Limited is wholly owned by Smart Ease Corporation, which in turn, is wholly owned by Mr Chan How Chung, Victor. The interest disclosed herein was included in the interest of Mr Chan How Chung, Victor as disclosed in the section headed "Interests of Directors and Chief Executives" in this report.
- B. These Shares and underlying Shares are held by Kingly Profits Corporation as beneficial owner. Kingly Profits Corporation is wholly owned by Smart Ease Corporation, which in turn, is wholly owned by Mr Chan How Chung, Victor. The interest disclosed herein was included in the interest of Mr Chan How Chung, Victor as disclosed in the section headed "Interests of Directors and Chief Executives" in this report.

Save as disclosed above, the register required to be kept under Section 336 of the SFO shows that as at 31 December 2015, the Company had not been notified of any other person who had an interest or short position in the shares and underlying shares of the Company.

主要股東權益

於二零一五年十二月三十一日，按本公司根據證券及期貨條例第336條須存置之登記冊所載，下列各方（除本公司董事或最高行政人員外）於本公司股份及相關股份中擁有之權益或淡倉如下：

於本公司股份及相關股份之好倉

Name of Shareholder 股東名稱/姓名	Nature of interest 權益性質	Number of Shares held 所持股份數目	Number of underlying Shares held 所持相關股份數目	Total 總計	Percentage of issued share capital 佔已發行股本百分比
Smart Ease Corporation	Interest of controlled corporation 受控制公司權益	1,494,941,855	208,029,197	1,702,971,052 (Notes A and B) (附註A及B)	17.06%
Keen Start Limited	Beneficial owner 實益擁有人	1,187,640,997	-	1,187,640,997 (Note A) (附註A)	11.90%
Kingly Profits Corporation	Beneficial owner 實益擁有人	307,300,858	208,029,197	515,330,055 (Note B) (附註B)	5.16%
Polaris Capital Management, LLC	Investment manager 投資經理	707,608,964	-	707,608,964	7.09%
Mutual Fund Elite	Custodian corporation/ approved lending agent 託管公司/認可借貸代理	679,707,497	-	679,707,497	6.81%

附註：

- A. 該等股份由Keen Start Limited作為實益擁有人持有。Keen Start Limited由Smart Ease Corporation全資擁有，而Smart Ease Corporation由陳孝聰先生全資擁有。誠如本報告「董事及最高行政人員之權益」一節所披露，於此披露之權益計入陳孝聰先生之權益內。
- B. 該等股份及相關股份由Kingly Profits Corporation作為實益擁有人持有。Kingly Profits Corporation由Smart Ease Corporation全資擁有，而Smart Ease Corporation由陳孝聰先生全資擁有。誠如本報告「董事及最高行政人員之權益」一節所披露，於此披露之權益計入陳孝聰先生之權益內。

除上文所披露者外，根據證券及期貨條例第336條須存置之登記冊所顯示，於二零一五年十二月三十一日，本公司並無獲知任何其他人士於本公司股份及相關股份中擁有權益或淡倉。

Directors' Report (continued)

董事會報告 (續)

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2015, the Group made approximately 22% of its entire sales to five largest customers and sales to the largest customer included therein amounted to approximately 4%. Purchases from the Group's five largest suppliers accounted for approximately 25% of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 11%.

None of the Directors, or any of their respective associates or any other shareholders, which, to the best knowledge of the Directors, owns more than 5% of the Company's issued share capital, had any beneficial interest in the Group's five largest customers and five largest suppliers during the year.

CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

Particulars of transactions and balances with related parties of the Group during the year ended 31 December 2015 are set out in note 48 to the financial statements.

The subscription of convertible bonds by a director and a substantial shareholder, as detailed in note 36 to the financial statements, and the transactions contemplated thereunder constitute a non-exempt connected transaction under Chapter 14A of the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Reference is made to the announcements of the Company dated 7 October 2015 and 29 October 2015.

- (i) All the shareholders' loans made by Kingly Profits Corporation to the Company pursuant to the Undertaking as disclosed in section headed "Directors' Material Interests in Transactions, Arrangements or Contracts" in the Directors' Report, represented financial assistance received by the Company from a connected person on normal commercial term or better, and therefore they were fully exempted under Chapter 14A of the Listing Rules.

管理合約

年內並無訂立或存在有關本公司全部或任何重大部分業務管理及行政之合約。

主要客戶及供應商

截至二零一五年十二月三十一日止年度，本集團對五大客戶之銷售額佔其總銷售額約22%，其中對最大客戶之銷售額約佔4%。年內，本集團向五大供應商之採購額佔其總採購額約25%，其中向最大供應商之採購額約佔11%。

年內，董事或彼等各自之任何聯繫人或任何其他股東（就董事所深知擁有本公司已發行股本5%以上者）概無於本集團之五大客戶及五大供應商中擁有任何實益權益。

關連交易及關聯方交易

本集團於截至二零一五年十二月三十一日止年度之關聯方交易及結餘詳情載於財務報表附註48。

根據上市規則第14A章，一名董事及一名主要股東認購可換股債券（詳情見財務報表附註36）及據此擬進行之交易構成一項不獲豁免關連交易。本公司確認其已遵守上市規則第14A章之披露規定。

謹此提述本公司日期為二零一五年十月七日及二零一五年十月二十九日之公布。

- (i) Kingly Profits Corporation根據承諾向本公司作出所有股東貸款（於董事會報告中「董事所佔交易、安排或合約重大權益」一節披露），代表本公司按一般商務條款或更佳條款自關連人士收取財務資助，因而獲全面豁免遵守上市規則第14A章之規定。

Directors' Report (continued) 董事會報告 (續)

(ii) The payment of the consent fee to Kingly Profits Corporation was regarded as a connected transaction under the Listing Rules. The applicable percentage ratios in respect of the amount of consent fee paid by the Company to Kingly Profits Corporation were less than 0.1%, and therefore was fully exempted under Chapter 14A of the Listing Rules.

Save as disclosed above, the other transactions with related parties did not fall under the definition of "connected transaction" or "continuing connected transaction" in Chapter 14A of the Listing Rules.

BANK BORROWINGS

Details of bank borrowings of the Group as at 31 December 2015 are set out in note 35 to the financial statements.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Board hereby presents the annual results of the Group for the financial year ended 31 December 2015.

BUSINESS REVIEW AND PROSPECTS

During the year under review, the Group was principally engaged in lottery system and games development business and distribution and marketing of lottery products in China.

The Chinese lottery market comprises two lotteries, namely, the China Welfare Lottery and the China Sports Lottery. The Group provides services to both lotteries.

Lottery Business

The Group's lottery business can be broadly divided into System and Games Development Business ("SGDB") and Distribution and Marketing Business ("DMB"). Revenue of the lottery business accounted for 100% of the Group's total revenue.

Revenue of the lottery business for the year decreased by 7.9% to HK\$1,554,394,000 (2014: HK\$1,687,953,000). Profit before taxation was HK\$205,358,000 (2014: Loss HK\$141,541,000).

(ii) 根據上市規則，向Kingly Profits Corporation支付同意費被視為一項關連交易。本公司向Kingly Profits Corporation支付之同意費金額所涉適用百分比率低於0.1%，因而獲全面豁免遵守上市規則第14A章之規定。

除上文所披露者外，其他關聯方交易並不符合上市規則第14A章內「關連交易」或「持續關連交易」之定義。

銀行借貸

本集團於二零一五年十二月三十一日之銀行借貸詳情載於財務報表附註35。

公眾持股量

根據本公司可獲之公開資料及就各董事所知，於本報告日，本公司已發行股本總額中最少25%由公眾持有。

管理層討論及分析

董事會謹此呈列本集團截至二零一五年十二月三十一日止財政年度之年度業績。

業務回顧及展望

於回顧年內，本集團主要於中國從事彩票系統與遊戲開發業務及彩票產品的配送與市場業務。

中國彩票市場有兩類彩票，即中國福利彩票及中國體育彩票。本集團同時為兩類彩票提供服務。

彩票業務

本集團的彩票業務大致分為系統及遊戲開發業務（「系統及遊戲開發業務」）及配送與市場業務（「配送及市場業務」）。彩票業務的收入佔本集團總收入的100%。

彩票業務於年內的收入減少7.9%至1,554,394,000港元（二零一四年：1,687,953,000港元）。除稅前溢利為205,358,000港元（二零一四年：虧損141,541,000港元）。

Directors' Report (continued) 董事會報告 (續)

In 2015, regulatory development in the Chinese lottery industry caused changes in market condition and operation environment. Internet lottery distribution channel has been suspended since March 2015 (the "Internet Suspension") and the regulatory approval process in relation to new lottery products and distribution channels has been extended. The PRC authorities implemented these changes with an aim to improve transparency and eliminate malpractices in the industry. As a result of these regulatory developments, the Chinese lottery market experienced a short term set back and a decline of total lottery sales over the year. The performance of both the Group's SGDB and DMB divisions were dampened to different extents due to such changes.

The Chinese lottery market witnessed a healthy sales growth in the second half of 2014 and the use of internet lottery distribution channel prevailed among lottery players since the 2014 World Cup. At that time, none of the market participants could have foreseen the industry-wide impacts brought by the Internet Suspension and the regulatory development that followed. The Group, like other industry participants, was by no means immune to such impacts. The internet used to be one of the major distribution channels for the Group's Single Match Games ("SMG") business, therefore, the Group's SMG business was adversely affected as a result of the Internet Suspension. Furthermore, the Internet Suspension prevented consumers from buying lottery ticket online which eventually put pressure on the lottery sales in the Chinese lottery market. Other than SMG, the growth of the Computer Ticket Games ("CTG") products was hindered by the Internet Suspension due to the reduced sales contribution from internet channel. Thus, the performance of the Group's Welfare CTG business was also affected.

Surmounting Challenges

Although the harsh operating environment had put heavy pressure on the Group's financial results, the Group managed to steer through this challenging year and made significant progress on its long-term strategic development in addition to the ongoing development of its existing businesses. Further, in response to the regulatory development in the Chinese lottery market, the Group had completed a series of strategic reviews and initiated its transformation efforts to focus on driving its long-term growth.

於二零一五年，中國彩票業監管發展導致市況及經營環境轉變。互聯網彩票配送渠道自二零一五年三月起暫停運作（「互聯網暫停」），新彩票產品及配送渠道的監管審批程序延長。中國有關部門實行上述變動旨在提高行業透明度，整肅不當行為。基於有關監管發展，中國彩票市場出現短暫阻力，年內彩票總銷售額倒退。上述變動對本集團系統及遊戲開發業務以及配送及市場業務之表現造成不同程度之打擊。

中國彩票市場於二零一四年下半年錄得健康銷售增長，互聯網彩票配送渠道自二零一四年世界盃起於彩票玩家之間盛行。當時，一眾市場參與者均未能預料互聯網暫停對全行業所造成的影響以及隨之而來的監管發展。本集團一如其他參與者，無法倖免於有關影響。互聯網一向為本集團單場競猜遊戲（「競彩」）業務的主要配送渠道之一，因此，互聯網暫停令本集團之競彩業務受到不利影響。再者，互聯網暫停令消費者無法於線上購買彩票，最終對中國彩票市場的彩票銷售造成壓力。除競彩外，互聯網暫停令互聯網渠道的銷售貢獻減少，也窒礙電腦票產品增長。因此，本集團福彩電腦票業務的表現亦受到影響。

跨越挑戰

儘管經營環境艱難令本集團財務業績受到重大壓力，然而，本集團安然度過如此挑戰性的一年，在長期策略性發展方面取得重大進展，同時不斷發展現有業務。此外，為應對中國彩票市場監管方面的發展，本集團已完成一連串策略性檢討，並開始轉型專注推動長期增長。

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Reference is also made to the announcement of the Company dated 29 March 2016. During the year under review, put options in relation to (i) the 6.00 per cent. bonds due 2016 (the "2016 Bonds") and (ii) the 2019 Bonds (together with the 2016 Bonds, collectively "the Bonds") issued by the Company were triggered as a result of the Company's shares being suspended from trading for more than 30 consecutive trading days. The Company is committed to fulfilling its redemption obligations and entered into a sale and purchase agreement (as supplemented and amended on 23 February 2016) (the "Sale and Purchase Agreement") shortly after the reporting period on 4 January 2016, in relation to (i) the sale and purchase of the entire issued share capital of Multi Glory Limited, a wholly-owned subsidiary of the Company; and (ii) the assignment of the entire amount owing from Multi Glory Limited to the Group, at the cash consideration of HK\$2,150,000,000 to dispose of part of the Welfare CTG business under the Group's SGDB division (the "Disposal"). It is intended that, subject to completion, the net proceeds from the Disposal will firstly be applied by the Company for redemption of the Bonds with respect to which put options had been exercised by the relevant bondholders (by giving redemption notices) pursuant to the terms and conditions of the Bonds (the "Put Bonds").

As disclosed in the announcements of the Company dated 18 March and 29 March 2016, respectively, the Disposal has been approved by the independent shareholders at the special general meeting of the Company on 18 March 2016 and all the conditions precedent to completion of the Disposal, save for those relating to the obtaining of the relevant approval and registration from the relevant PRC authority in relation to the restructuring under the terms of the Disposal (the "Outstanding Restructuring PRC Approval"), have been satisfied as at 29 March 2016. The seller and the purchaser have agreed to extend the long stop date under the Sale and Purchase Agreement to 29 April 2016, so that completion of the Disposal may take place on or before such date, subject only to the satisfaction of the conditions precedent relating to the Outstanding Restructuring PRC Approval. The Company has proposed to seek bondholders' consent to allow sufficient time for the Company to complete the Disposal and obtain sufficient offshore cash resources to satisfy its redemption obligations under the Bonds.

謹此同時提述本公司日期為二零一六年三月二十九日之公布。於回顧年內，由於本公司股份已暫停買賣超過30個連續交易日，故觸發有關本公司所發行之(i)於二零一六年到期之6.00厘債券（「二零一六年債券」）及(ii)二零一九年債券（連同二零一六年債券統稱為「該等債券」）之認沽期權。本公司致力履行其贖回責任，於二零一六年一月四日（即報告期後短時間內）就(i)買賣Multi Glory Limited（為本公司之一間全資附屬公司）之全部已發行股本；及(ii)轉讓Multi Glory Limited結欠本集團之全部款項訂立買賣協議（於二零一六年二月二十三日經補充及修訂）（「買賣協議」），現金代價為2,150,000,000港元，藉此出售本集團系統及遊戲開發業務分部旗下部分福彩電腦票業務（「出售事項」）。按當時所擬，待完成後，本公司將首先動用出售事項之所得款項淨額贖回該等債券中相關債券持有人已根據該等債券之條款及條件透過發出贖回通知行使認沽期權之部分（「認沽債券」）。

誠如本公司日期分別為二零一六年三月十八日及三月二十九日之公布所披露，出售事項已於二零一六年三月十八日舉行之本公司股東特別大會上獲獨立股東批准，除就根據出售事項之條款進行重組向中國相關部門取得相關批准及進行登記（「尚未授出重組中國批准」）之條件外，所有完成出售事項之先決條件已於二零一六年三月二十九日達成。賣方與買方已同意將買賣協議之最後截止日期延遲至二零一六年四月二十九日，致使出售事項可於該日期或之前完成，惟唯一條件為達成有關尚未授出重組中國批准之先決條件。因此，本公司已建議尋求債券持有人同意，給予本公司充足時間以完成出售事項並獲取足夠離岸現金資源以履行其有關該等債券之贖回責任。

Directors' Report (continued) 董事會報告 (續)

It is expected that the Company will have sufficient offshore cash resources to satisfy its redemption obligations in relation to the Put Bonds once the Disposal is completed after obtaining the Outstanding Restructuring PRC Approval. It is also expected that after completion of the Disposal and repayment of the Put Bonds, the overall cashflow, gearing and liquidity position of the Group will improve substantially. As such, it will put the Company on solid financial footing and allow the Company to focus on growing its business in high growth sector in the industry.

The Disposal will cover part of the business operations in the Group's Welfare CTG business which focuses on traditional lottery market. It marks an important step forward in transforming the Group's lottery business. The Group assertively undertook the reorganization in accordance with the outcome of its strategic review during the year under review. In 2006, the Group first commenced its participation in the Chinese lottery market through its Welfare CTG operations. Over the last decade, the Group played a key role in supporting the development of Welfare CTG market and at the same time benefited greatly from the rapid growth of this market segment. With the latest development of Welfare CTG market, the Group believes it was an appropriate time to reposition its operations in this market segment. The Disposal will provide the Group with a good opportunity to realize one of its long-term investments with accretive valuation and refocus on growing its business in various sectors with high growth potential in the industry.

As a part of the Group's vision to refocus on the development of new lottery products and distribution channels which demonstrate significant growth potential, the Group is committed to drive profitable growth for shareholders through the implementation of its transformation strategy to more effectively align its operations with the latest trend emerged in the Chinese lottery market. The updated strategy will leverage and optimize the Group's resources against the greatest growth opportunities available in the Chinese lottery market by reinvigorate its respective businesses and concentrate investment towards such areas.

預期只要在取得尚未授出重組中國批准後完成出售事項，本公司將擁有足夠離岸現金資源以履行其有關認沽債券之贖回責任。此外，預期於完成出售事項及償還認沽債券後，本集團之整體現金流量、資本負債及流動資金水平將會大幅改善。因此，本公司之財務狀況將回復穩健，讓本公司可於業內高增長市場上專注發展其業務。

出售事項將涵蓋本集團福彩電腦票業務中針對傳統彩票市場之業務營運，誠為本集團彩票業務轉型重要一步。本集團於回顧年內按照策略性檢討結果堅定進行重組。於二零零六年，本集團開始透過其福彩電腦票業務首次參與中國彩票市場。過去十年，本集團於支持福彩電腦票市場的發展擔當重要角色，同時亦大大受惠於此市場分部之急速增長。鑑於福彩電腦票市場之最新發展，本集團相信此乃重新定位此市場分部業務的合適時機。出售事項將為本集團帶來良機，以增值性的作價變現其長期投資，將業務重心轉移至於業內具高增長潛力之不同市場發展旗下業務。

本集團把業務重心轉移至開發增長潛力優厚之新彩票產品及配送渠道，目標之一為藉著致力落實其轉型策略以便更有效地緊貼中國彩票市場最新趨勢發展業務，致力為股東推動盈利增長。更新後之策略將憑藉並善用本集團資源，把握中國彩票市場上最龐大之增長機會，重振有關業務，集中投資於有關領域。

Directors' Report (continued) 董事會報告 (續)

In the meantime, the Company continues its efforts to further the progress and publish the clarification announcement which will contain a detailed response to address the allegations in a report issued by Anonymous Analytics during the year under review. The unexpected changes in regulatory landscape of the Chinese lottery industry coupled with the turbulence and turmoil in capital market provided a window for entities to launch attacks towards the Company. The clarification announcement is subject to clearance by the Stock Exchange and it will be published as soon as practicable. Shareholders of the Company should note that the Group's lottery business continues its operations as usual and is unaffected by these allegations.

Chinese Lottery Market

Chinese lottery market registered total lottery sales of RMB367.9 billion in 2015, decreased by 4% compared with 2014 and posted a decline for the first time since 2004.

Total sales of Welfare Lottery was RMB201.5 billion, decreased by 2% compared with 2014. Welfare CTG accounted for about 71% of total Welfare Lottery sales; Welfare Scratch Cards was about 8% and Video Lottery Terminals ("VLT") took about 21%.

Welfare CTG sales in 2015 was RMB142.3 billion, decreased by 4%. Welfare Scratch Cards sales was RMB16.3 billion, down 12%. VLT sales increased 13% to RMB42.5 billion. Sales of Keno was RMB0.43 billion, decreased 50%.

Total sales of Sports Lottery was RMB166.4 billion. Sports CTG accounted for about 92% of total Sports Lottery sales and Sports Scratch Cards was about 8%.

Sales of Sports CTG, including SMG, decreased by 5% to RMB152.4 billion. Sports Scratch Cards sales was RMB14.0 billion, down by 11%. Total sales of Sports VLT, which launched since January 2015, was RMB5.71 million.

與此同時，本公司於回顧年內繼續推進準備發表澄清公布，當中將載有針對Anonymous Analytics（匿名分析）發表之報告中各項指控之詳盡回應。中國彩票行業監管環境出現突如其來之變動，加上資本市場動盪不穩，令對手有機可乘，攻擊本公司。現時，澄清公布有待聯交所審批，將於切實可行情況下儘快發表。本公司股東務請注意，本集團之彩票業務仍然運作如常，不受該等指稱影響。

中國彩票市場

中國彩票市場於二零一五年錄得彩票總銷售額人民幣3,679億元，較二零一四年減少4%，為自二零零四年以來首次錄得倒退。

福利彩票的總銷售額為人民幣2,015億元，較二零一四年下跌2%。福彩電腦票佔福利彩票總銷售額約71%，福彩即開票佔約8%，而中福在線則佔約21%。

於二零一五年，福彩電腦票的銷售額為人民幣1,423億元，下跌4%。福彩即開票的銷售額為人民幣163億元，下跌12%。中福在線的銷售額上升13%至人民幣425億元。基諾的銷售額為人民幣4.3億元，下跌50%。

體育彩票的總銷售額為人民幣1,664億元。體彩電腦票佔體育彩票總銷售額約92%，而體彩即開票佔約8%。

體彩電腦票（包括競彩）的銷售額下跌5%至人民幣1,524億元。體彩即開票的銷售額為人民幣140億元，下跌11%。於二零一五年一月推出的體育視頻彩票終端的總銷售額為人民幣571萬元。

Directors' Report (continued) 董事會報告 (續)

System and Games Development Business

The Group's SGDB is an active participant in the provision of lottery systems and specialized equipment for both CTG and scratch card products in China. During the year under review, performance of the Group's SGDB was indirectly affected by "Internet Suspension". In addition, the Group continued to face the impact of a softer than expected scratch card market. In the light of this, the Group undertook a thorough business review and initiated its efforts to re-engineer its business to align with the latest trend in the Chinese lottery market.

Welfare CTG Business

In 2015, total sales of Welfare CTG in the Chinese lottery market was RMB142.3 billion, decreased 4% over 2014. As reported in the Group's interim report, total sales of Welfare CTG market managed to registered positive growth of 4% in the first six months of 2015. However, total sales of Welfare CTG in the second half declined 12% over the same period in 2014.

With the strong presence established in this segment over the last decade, the Group's Welfare CTG business continued to maintain its leading position and withstand the temporary headwind presented in the Chinese lottery market. It is generally believed that the decline in Welfare CTG market was mainly attributed to the Internet Suspension as lottery sales in this segment was impacted by losing a particular consumer demographics who used to buy lottery tickets online. It is notable that the Internet Suspension impacted both traditional products (including lotto and number games) and high frequency games. As a result, the overall operating performance of the Group's Welfare CTG business was affected and its margin also encountered downward pressure in 2015.

With the latest development of Welfare CTG market, the Group believed that it was an appropriate timing to reposition its operations in this market segment. Shortly after the reporting period of year 2015, the Group announced a plan to realise its investment in the relative mature segment of Welfare CTG market and to dispose of part of its Welfare CTG business. After completion of the Disposal, the Group will continue to participate in the Welfare CTG market with an updated strategy focusing on lottery games and peripheral lottery system development which will prove to be robust growth drivers with long term growth prospects.

系統及遊戲開發業務

本集團的系統及遊戲開發業務積極為中國電腦票及即開票產品提供彩票系統及專用設備。於回顧年內，本集團的系統及遊戲開發業務表現間接受到互聯網暫停所影響。此外，本集團繼續面對即開票市場較預期偏軟的影響。有鑑於此，本集團已進行徹底業務檢討，開始着手重整業務，緊貼中國彩票市場最新趨勢。

福彩電腦票業務

於二零一五年，中國彩票市場之福彩電腦票總銷售額為人民幣1,423億元，較二零一四年下跌4%。誠如本集團中期報告所呈報，福彩電腦票市場於二零一五年首六個月的總銷售額錄得4%增長。然而，福彩電腦票下半年的總銷售額較二零一四年同期下跌12%。

憑藉此分部於過去十年建立之廣大知名度，本集團之福彩電腦票業務繼續保持其領導地位，於中國彩票市場暫時出現之逆境中屹立不倒。市場普遍認為福彩電腦票市場下滑主要由於互聯網暫停所致，令此分部之彩票銷售因流失習慣於網上購買彩票之特定客戶群而受到影響。值得注意的是，互聯網暫停同時影響傳統產品（包括樂透及數字遊戲）及高頻遊戲。因此，本集團福彩電腦票業務之整體經營表現於二零一五年受到影響，其利潤亦面對下調壓力。

鑑於福彩電腦票市場之最新發展，本集團相信此乃重新定位此市場分部業務的合適時機。於二零一五年報告期後不久，本集團宣布計劃變現其於福彩電腦票市場相對成熟分部之投資，並出售部份福彩電腦票業務。於出售事項完成後，本集團將繼續參與福彩電腦票市場，而其策略將轉為針對彩票遊戲及周邊彩票系統開發，有關領域勢將成為強勁增長動力，並具有長遠增長前景。

Directors' Report (continued) 董事會報告 (續)

Welfare Scratch Cards Business

The Group involved in the validation and printing business of Welfare Scratch Cards in China. In 2015, the softer than expected Welfare Scratch Card market, which posted a decline of 12% in total sales over 2014, affected the performance of the Group's Welfare Scratch Cards Business.

The Group has jointly controlled interests, through 北京戈德利邦科技有限公司 (Beijing Guard Libang Technology Co Ltd*) ("Guard Libang"), in Welfare Scratch Cards validation services. Guard Libang is the validation system and specialized equipment provider for Welfare Scratch Cards in the Chinese lottery market. The decrease in revenue of the validation services in 2015 was in line with the decline in total sales of the Welfare Scratch Cards market.

Through a cooperative venture with Shijiazhuang Offset Printing House, one of the three entities authorized to print for the Welfare Scratch Cards programs, the Group continued to participate in Welfare Scratch Cards printing business during the year under review. Although the trend of the Welfare Scratch Card market stabilized in the second half of 2015 compared with its performance in the first six months of the year, the full year performance of the Group's printing business was inevitably impacted due to the shrinking market volume. Despite that, the Group's printing operations rolled out new scratch cards with different designs and launched certain reprint of well received games to support the revitalization initiatives taken by lottery authorities. Most of the scratch cards designs rolled out by the Group's printing operations managed to gain traction among lottery consumers. The Group's design capability has proven to be instrumental in expanding its market share in the printing business of Welfare Scratch Card.

Sports CTG Business

The Group's Sports CTG business was engaged in the manufacturing and sales of CTG terminals to provincial Sports Lottery Centres across China serving the needs of traditional CTG segment and supporting the development of SMG.

During the year under review, there was a continuous demand for replacement of Sports CTG/SMG terminals. This was driven by the need to modernize sales equipment in the physical lottery distribution network, which was aimed at providing retailers with an opportunity to take advantage of the full array of functionalities of the latest lottery terminals. The Group actively participated in the procurement bidding of CTG/SMG terminals and delivered its Sports CTG terminals in different provinces.

福彩即開票業務

本集團於中國參與福彩即開票的認證及印刷業務。於二零一五年，福彩即開票市場較預期疲軟，總銷售額較二零一四年下跌12%，影響本集團福彩即開票業務表現。

透過北京戈德利邦科技有限公司（「戈德利邦」），本集團在福彩即開票的認證服務擁有共同控制權益。戈德利邦為中國彩票市場上為福彩即開票提供認證系統及專用設備的供應商。於二零一五年認證服務的收入隨福彩即開票市場總銷售額下跌而減少。

於回顧年內，本集團透過與石家莊市膠印廠（作為三家獲認可印刷福彩即開票廠家之一）成立之合作企業，繼續參與福彩即開票印刷業務。雖然與二零一五年首六個月之表現比較，本年度下半年福彩即開票市場趨勢已見穩定，但本集團印刷業務之全年表現在市場容量萎縮下無可避免地受到影響。儘管如此，本集團印刷業務推出不同設計之全新即開票，並重印若干大獲好評之遊戲，以配合彩票機關推行的振興措施。本集團印刷業務推出的即開票設計大部分成功吸引彩票客戶，日益受到歡迎。證明本集團之設計能力有助擴大其於福彩即開票印刷業務之市場份額。

体彩電腦票業務

本集團的体彩電腦票業務參與製造及銷售電腦彩票機予國內各省的體育彩票中心，以滿足傳統電腦票業務所需及支持競彩業務發展。

於回顧年內，實體彩票配送網絡銷售設備需要現代化，讓零售商有機會利用最新型彩票機各式各樣之功能，因而持續推動更換体彩電腦彩票機／競彩終端之需求。本集團積極參與電腦彩票機／競彩終端的採購競標，為不同省份供應體育電腦彩票機。

Directors' Report (continued) 董事會報告 (續)

Distribution and Marketing Business

The Group's DMB is a major participant in the downstream lottery operations in China. It has successfully established a comprehensive distribution platform which consists of a widely diversified and recognized physical retail network and a portfolio of innovative and advanced electronic lottery distribution channels.

The Group pledged to provide reliable, efficient and innovative lottery services to address the needs of end consumers in lottery market and assist lottery authorities to promote and develop the Chinese Lottery market in sustainable manner.

During the year under review, the regulatory development in the Chinese lottery market and the Internet Suspension created a challenging market environment for the Group's DMB. Leveraging the Group's competitive edge across the downstream lottery market, the Group undertook various initiatives to rise to these challenges.

Scratch Cards Distribution Business

The Group's scratch cards distribution business focuses on the distribution and sales of scratch cards through a physical lottery distribution network. This network comprised of a widely diversified and recognized sales distribution channels located in selected prime locations. The Group's DMB is one of the largest distributors for scratch cards in terms of sales value and number of point-of-sales established.

The Group remains cautiously optimistic about the scratch card market, even though this segment has been facing strong competition presented by other lottery products which remained the major challenge for scratch cards in the past year. In addition, performance of scratch cards sale was affected by seasonal factors. For instance, physical distribution outlets recorded lower footfall because of the hot weather during the last summer. Nevertheless, momentum of growth appeared as a result of various regional marketing campaigns and promotional efforts initiated by lottery center throughout the year. Sales of scratch cards stabilized and showed improvement in the second half of the year.

Since the commencement of the Group's scratch cards distribution business, the Group has established its distribution network featured with a unique supply chain solution by cooperating with its business partners. The ability of these points of sales in engaging consumer's daily life and increasing impulse purchase of scratch cards has been the key selection criteria for constructing the entire distribution network.

配送及市場業務

本集團的配送及市場業務為中國下游彩票業務的主要參與者，成功建立了全面的配送平台，當中包括一個多元化及具廣泛認可的實體零售網絡，以及創新和先進的電子彩票配送渠道組合。

本集團致力提供可靠、高效及創新的彩票服務，以滿足彩票市場最終客戶的需要，並協助彩票機關以可持續方式促進和發展中國彩票市場。

於回顧年內，中國彩票市場之監管發展及互聯網暫停造成對本集團配送及市場業務而言挑戰重重的市場環境。本集團發揮其於下游彩票市場之競爭優勢，採取不同行動克服各種挑戰。

即開票配送業務

本集團的即開票配送業務透過實體彩票配送網絡，專注從事即開票配送與銷售。此網絡包含位於特選優越地區已有多元化及廣泛認可銷售的配送渠道。以銷售價值及已建銷售點數目計算，本集團的配送及市場業務為最大的即開票配送商之一。

縱使此分部一如去年繼續面對即開票之主要挑戰，即其他彩票產品的強烈競爭，本集團對即開票市場仍然審慎樂觀。此外，即開票銷售表現受到季節性因素影響，例如去年夏季天氣酷熱，實體配送專門店人流減少。然而，彩票中心於年內推出不同地區市場推廣活動及宣傳攻勢，帶來增長動力。於下半年，即開票銷售已見穩定及改善。

自本集團開展其即開票配送業務以來，本集團已建立配送網絡，並與其業務夥伴合作提供獨有供應鏈解決方案。銷售點能否融入顧客日常生活，吸引他們隨興購買即開票，為構建整個配送網絡的主要甄選標準。

Directors' Report (continued) 董事會報告 (續)

During the year under review, the Group stepped up its efforts to optimize its existing distribution network in order to strengthen its performance amid the challenging market condition. In addition, the Group undertook strategic initiative to explore new distribution channels for scratch cards. With this initiative, the Group expects it will not only reach out new consumer demographics but also maximize the inherent entertaining element of scratch card products to bring about a meaningful improvement in sales performance.

Single Match Games Business

The growth rate of SMG sales in 2015 declined substantially as compared to 2014 because of a high sales during the 2014 World Cup and the negative impact of Internet Suspension. For the first half of 2015, the impact of the Internet Suspension on SMG sales was diminished by a one-off sales surge triggered by the extremely strong performance during the AFC Asian Cup in January/February. The negative impact of the Internet Suspension was gradually reflected in the second half of the year. During the year under review, the Group continued to operate the SMG business through physical distribution network and kept pace with the changes in consumers demand by improving its professional services.

The Internet Suspension in 2015 may have hindered the valuable opportunity for the market to cultivate those relative new SMG consumers introduced by the 2014 World Cup, who were generally engaged by electronic lottery distribution channel. However, the potential long-term benefits behind this short-term impact should not be neglected. Once the relevant regulatory framework has been clarified and licensing regime of internet lottery distribution channel has come in force, this will rebuild confidence among consumers and pave the way for the positive development in the long run. The Group anticipates the market consolidation, which is going to separate the wheat from the chaff, will greatly benefit the operations of www.okooo.com ("Okooo"). The Group continues to have interest in the internet lottery platform Okooo. With enormous long-term potential of this market segment, the Group continues to view Okooo as a crucial vehicle for the long-term success within the Group's portfolio.

Mobile Lottery Business and Mobile Electronic Lottery Platform

The Group's mobile lottery business consists of two generations of mobile technology. The traditional mobile lottery business provides subscribers with the latest lottery information and allows them to purchase CTG tickets through SMS text messaging. During the year under review, the Group has completed migration of users from traditional mobile channel to Mobile Electronic Lottery Platform ("Mobile ELP"). The current generation Mobile ELP utilizes mobile apps to allow customers to buy lottery tickets and receive latest lottery information.

於回顧年內，本集團加倍努力優化其現有配送網絡，以於充滿挑戰之市況下提升其表現。此外，本集團採取策略性措施發掘嶄新即開票配送渠道。藉此行動，本集團預期有關渠道不僅可接觸全新客戶群，同時可盡量提升即開票產品內在娛樂元素，因而令銷售表現得到實質改善。

單場竞猜遊戲業務

二零一四年世界盃期間銷售額高企，加上互聯網暫停之負面影響，競彩銷售於二零一五年之增長率較二零一四年大幅下跌。於二零一五年上半年，互聯網暫停對競彩銷售之影響因一／二月亞足聯亞洲盃期間表現異常強勁帶來之一次性銷售急增而有所減輕。因此，互聯網暫停之負面影響於下半年逐漸浮現。於回顧年內，本集團繼續透過實體配送網絡經營競彩業務，不斷改進其專業服務，順應客戶需求之轉變。

二零一四年世界盃吸引了普遍使用電子彩票配送渠道的競彩新客戶，二零一五年互聯網暫停或許削弱了市場培養該等客戶的寶貴機會。然而，此短期影響背後隱藏的長遠利益不容忽視。待釐清相關監管框架及互聯網彩票配送渠道發牌機制生效後，客戶信心將會恢復，開闢長遠積極發展之路。本集團預料經過市場整合去蕪存菁，www.okooo.com ("Okooo")之業務將大大受惠。本集團繼續擁有Okooo互聯網彩票平台之權益。鑑於此市場分部長遠潛力無限，本集團將繼續視Okooo為其業務組合中長遠達成成功之關鍵。

手機彩票業務及手機電子彩票平台

本集團的手機彩票業務由兩代手機科技組成。傳統手機彩票業務為用戶提供最新的彩票資訊，讓他們以短訊形式購買電腦票。於回顧年內，本集團完成將傳統手機渠道之用戶轉至手機電子彩票平台。現代手機電子彩票平台則讓客戶可利用手機應用程式購買彩票，收取最新彩票資訊。

Directors' Report (continued) 董事會報告 (續)

The Group's Mobile ELP offers a multi-functional back-end system with convenience interface to facilitate lottery distribution over the mobile channel. Mobile ELP improves the convenience of lottery purchase by connecting players directly to the centralized system of provincial lottery centre, enabling a safe and reliable lottery purchase experience. The adoption of Mobile ELP provides provincial lottery centres with technological breakthrough to better connect with players located in their respective provinces and attract purchases from the locals.

During the year under review, certain provinces adopted a rather conservative approach in promoting mobile lottery distribution services while awaiting interpretation of the relevant measures governing mobile lottery distribution. The performance of the Group's mobile lottery business was therefore affected. As the approval process for new mobile distribution channels had been extended due to the latest regulatory development, the expansion of the Group's Mobile ELP was hindered. Nevertheless, the development of Mobile ELP for Guangdong Sports Lottery Administration Centre is in the final phase pending a trial run test before proceeding to the final deployment. The official launch of Guangdong platform will accelerate the Group's expansion strategy over mobile channel by targeting the growing demographics of lottery consumer using mobile channel. With the Group's existing penetration of the mobile channel, the Group is confident that it is well positioned to seize enormous market opportunities driven by the overall growth in this lottery distribution method.

Sports Video Lottery

The Group was honored to be chosen as one of the first companies to play an active role in supporting the launch of this new lottery product for Sports Lottery. The maiden launch of Sports VLT in the past year not only supported the tourism development in Hainan Province but also broadened the product range of Sports Lottery.

The Group's first franchised lottery outlet, located at a five-star hotel in Sanya city, has commenced soft opening in January 2015 allowing players to experience the excitement offered by this brand new lottery product. Development of Sports VLT is still at its infancy stage. The Group is confident on the long-term growth of this lottery product and its potential contribution to the lottery market.

本集團的手機電子彩票平台提供多功能後端系統及便捷的界面，有助於透過手機渠道配送彩票。手機電子彩票平台令玩家可直接連結各省彩票中心的中央系統，打造更為方便及安全可靠的購彩體驗。手機電子彩票平台的應用為各省彩票中心提供了技術性突破，更有效地連接其各自省份的彩民，並吸引當地人士購買。

於回顧年內，手機彩票配送的相關規管措施有待闡明，若干省份於推廣手機彩票配送服務時取態偏向保守。本集團手機彩票業務之表現因而受到影響。由於新手機配送渠道審批程序因最新監管發展而延長，故此本集團手機電子彩票平台拓展受阻。然而，為廣東省體育彩票管理中心開發的手機電子彩票平台正處於最後階段，正待進行最終採用前之運作測試。廣東平台正式面市將加快落實本集團之手機渠道拓展策略，以利用手機渠道的彩票客戶不斷壯大的客戶群為對象。基於本集團現已滲透手機渠道，本集團深信現時佔據有利位置，可抓緊此彩票配送方法整體增長帶來之龐大市場機會。

體育視頻彩票

本集團很榮幸獲選為積極支持體育彩票推出此新彩票產品的首批公司之一。體育視頻彩票終端於去年首次推出，不僅支持海南省旅遊業發展，亦擴大了體育彩票的產品種類。

本集團首家特許經營的彩票專門店，位於三亞市一間五星級酒店內，已於二零一五年一月開始試業，用戶可在此感受到此全新彩票產品帶來的興奮體驗。體育視頻彩票終端的發展仍處於初期階段。本集團看好此彩票產品的長遠發展及對彩票市場作出貢獻的潛力。

Directors' Report (continued) 董事會報告 (續)

Outlook

Looking ahead into 2016, the Group expects market conditions to remain challenging. Yet, the fundamental advantage of the Group remains unchanged. With the transformation efforts and progress made over the past year, the improved financial strength and refined business portfolio will provide flexibility for the Group to proactively address the evolving lottery market. As the regulatory development continues to progress going forward, Chinese lottery market will be revitalized and plenty of valuable opportunities will arise. The Group will never shy away from pursuing those opportunities to accelerate its growth in the years to come and initiatives already underway are going to drive sustainable profit growth by reinvigorating the Group's underlying business.

Over the years, the Group took full advantage of its earnings performance to substantially invest in growth and set a firm course to expand its position in the downstream lottery market. Through the strategic investment in various lottery distribution services, which maintained a balanced portfolio across physical and electronic platforms, the Group managed to diversify its sources of revenue and to rise to the challenges presented in the lottery market. Perhaps most important of all, electronic platforms for lottery distribution, including both the internet and mobile channels, are set to rapidly take shape once the respective regulatory framework for the administration and supervision over these lottery distribution channels have been clarified. In view of this, the Group believed that it was a wise move and timely decision to transform the Group's business by shifting its focus from relative mature segment towards other areas with high growth potential. The Group will be starting to harvest the financial reward of its efforts in the near future.

After the disposal of part of the Welfare CTG business, the Group will, among other existing operations, continue its participation in the upstream lottery market by providing peripheral lottery system and specialized equipment for Welfare Lottery focusing the non-traditional market. Alongside its devoted efforts made in the upstream is an equally strong focus on developing lottery distribution channels which allows the Group to capture any tremendous growth potential identified in various lottery products. Performance of the Group's lottery distribution channels the DMB has proven to be a key growth driver of its lottery business, and will continue to be a high priority of the Group in the year ahead.

展望

展望二零一六年，本集團預期市況仍然面對重重挑戰。然而，本集團基本優勢未變。基於去年為轉型所作努力及取得之進展，財務實力增強，業務組合亦更精練，將讓本集團可靈活主動應對彩票市場不斷演進。當監管發展繼續推進，中國彩票市場將會復甦，湧現寶貴機會。本集團會勇於追求機會，加快未來數年增長，已進行的舉措亦將重振本集團相關業務，推動可持續溢利增長。

過去數年，本集團充分利用其盈利表現，大力投資於增長，堅定擴張其於下游彩票市場版圖。本集團透過於不同彩票配送服務進行策略性投資，於實體及電子平台維持均衡業務組合，成功令其收入來源更多元化，克服彩票市場上各種挑戰。其中，電子彩票配送平台（包括互聯網及手機渠道）的發展，待管理及監督這些彩票配送渠道之各個監管框架釐清後，將迅速建立規模。有鑑於此，本集團相信旗下業務轉型，將重心由相對成熟分部轉移至其他具有高增長潛力之領域，誠為明智而及時的決定。本集團將於不久將來得到種種努力之財務回報。

出售部分福彩電腦票業務後，除其他現有業務外，本集團將繼續參與上游彩票市場，針對非傳統市場為福利彩票提供周邊彩票系統及專用設備。除致力於上游市場外，本集團亦同樣着重發展彩票配送渠道，以讓本集團可把握各類彩票產品可能帶來之空前增長。事實證明本集團彩票配送渠道（即配送及市場業務）之表現為彩票業務之主要增長動力，於來年將繼續為本集團重要一環。

Directors' Report (continued) 董事會報告 (續)

The Group's DMB has unique advantage of starting from a very strong base and is well positioned to embrace another wave of exponential growth led by game development in the Chinese lottery market. Depending on the progress of industry-wide regulatory reform, the Group will continue to invest efficiently and smartly in expanding its lottery distribution services for other lottery products, in order to reach out new demographic of lottery consumers. Initiatives are underway over the Group's mobile lottery platforms as well as the Group's scratch card distribution business.

On SMG front, the Group continues to have interest in the internet lottery platform Okooo. The internet lottery distribution of Okooo is currently suspended. The Group expects that the PRC authorities will introduce a licensing regime to regulate the internet lottery market. Depending on the requirements of the licensing regime, it is planned that the Group will apply for a licence after the PRC authorities announce the application procedures. By providing innovative and high quality lottery services and information for SMG consumers through Okooo, coupled with its reputation for integrity and reliability, the Group will have a significant advantage over competitors in the market. During the Internet Suspension period, it has been reported that illegal and offshore bookmakers have been actively luring domestic consumers with their competitive odds and high variety of bet types offerings. While these activities pose serious threats to the development of SMG in China, they also demonstrate the potential of domestic SMG market and the demand for changes in game play. Therefore, the Group will concentrate its effort to develop the SMG business. The Group expects to see benefits of its investment over the course of coming years pending the launch of licensing regime.

With the solid fundamentals of its business and a strong financial position after the fulfilment of redemption obligation under the Bonds, the Group is poised to accelerate its growth rate in the future. The strategic transformation successfully executed over the past year is considered an essential step forward to achieve the Group's medium and long-term success. Looking ahead, the Group's ongoing initiatives will facilitate not only the continuous improvement of its business to generate sustainable shareholder value over time, but also the development of Chinese lottery market which makes significant contributions for the good causes that benefit the general public in China.

本集團之配送及市場業務具有獨特優勢，根基極為穩固，隨時可在中國彩票市場遊戲發展引領下再次乘風破浪，蒸蒸日上。視乎行業監管改革進度，本集團將繼續明智而有效率地進行投資，為其他彩票產品擴展其彩票配送服務，從而接觸新彩票客戶群。本集團亦正就其手機彩票平台及即開票配送業務進行不同措施。

競彩方面，本集團繼續擁有Okooo互聯網彩票平台之權益。Okooo現已暫停互聯網彩票配送。本集團預期，中國有關部門將引入發牌機制監管互聯網彩票市場。視乎發牌機制要求，按現時計劃，本集團將於中國有關部門宣佈申請程序後申請牌照。憑藉超卓信譽及可靠性，本集團將可透過Okooo為競彩玩家提供優秀的創新彩票服務及資訊，於市場競爭者中脫穎而出。於互聯網暫停期間，據報有不法境外博彩業者以具吸引力的賠率及花式多樣的博彩產品餌誘國內客戶。此等活動雖然對中國競彩發展造成嚴重威脅，但是亦顯示國內競彩市場潛藏龐大商機以及對遊戲玩法變化的需求。因此，本集團將專注發展競彩業務。本集團預期待發牌制度出台後，其投資可於未來數年開始展現成果。

憑着穩固的業務基本因素，以及於履行該等債券下之贖回責任後雄厚的財務狀況，本集團已做好準備，於未來加快提高增長率。去年成功進行策略性轉型，誠為本集團邁向中長期成功的重要一步。展望未來，本集團一直進行之各樣措施，將不僅有助業務持續改善，產生可持續股東價值，同時亦有助中國彩票市場發展，為中國普羅大眾的福利作出意義重大的貢獻。

Directors' Report (continued)

董事會報告 (續)

Major Risks and Uncertainties of the Group

The followings were the major risk and uncertainties of the Group during the year under review.

Macroeconomic Environment

The gross turnover of lotteries in PRC is closely related to consumers' lottery purchase behavior. Any change in consumers' lottery purchase behavior resulting from changes in global and domestic economic conditions could materially and adversely affect the Group's business, results of operations and financial condition.

Regulatory risk

The Group's lottery business is subject to regulations and measures promulgated by the relevant authorities in the PRC. Any change in these regulations and measures in PRC could materially and adversely affect the Group's business, results of operations and financial condition.

Uncertainty in the implementation of internet and telephone lottery sales services

The rules and regulations on internet and telephone lottery sales services in PRC are subject to interpretation by the relevant authorities and may involve uncertainties in their implementation. Any unfavorable new regulatory requirements or amendments could have a material adverse effect on the business, financial condition, results of operations and prospects of the Group.

Renewal of cooperation agreements

The Group operates part of its lottery business pursuant to fixed-term cooperation agreements with provincial lottery centres and strategic partners. There is no assurance that these cooperation agreements will be extended or renewed on favourable terms or at all. The occurrence of any of the above situations may materially and adversely affect the Group's business, results of operations and financial condition.

Weather

Extreme weather conditions in regions where the Group's lottery distribution network, suppliers, customers and lottery consumers are located could adversely affect the business and results of operations of the Group.

本集團之重大風險及不明朗因素

以下為本集團於回顧年內之重大風險及不明朗因素。

宏觀經濟環境

中國彩票營業總額與彩民購彩行為密切相關。彩民購彩行為如因全球及國內經濟狀況變化而有變，可能會對本集團之業務、經營業績及財務狀況造成重大不利影響。

監管風險

本集團之彩票業務須遵守中國有關當局頒佈的規例及措施。中國有關規例及措施如有任何變動，可能會對本集團之業務、經營業績及財務狀況造成重大不利影響。

落實互聯網及電話彩票銷售服務之不明朗因素

中國有關互聯網及電話彩票銷售服務之規則及規例由有關當局詮釋，於落實時可能涉及不明朗因素。如有不利的新監管規定或修訂，可能會對本集團之業務、財務狀況、經營業績及前景造成重大不利影響。

續新合作協議

本集團根據與各省彩票中心及策略性夥伴訂立之定期合作協議經營其部分彩票業務。概無保證該等合作協議將可以按有利條款延長或續新，甚至無法延長或續新。發生上述任何狀況或會對本集團之業務、經營業績及財務狀況造成重大不利影響。

氣候

本集團彩票配送網絡、供應商、客戶及彩民所在各個地區如出現極端天氣情況，可能會對本集團業務及經營業績造成不利影響。

Directors' Report (continued)

董事會報告 (續)

Corporate Environmental and Social Responsibility

The Group is committed to the long-term sustainability of its various businesses and the local communities where we operate. The Group also recognizes the importance of the views and interests of its stakeholders such as shareholders, regulators, employees and the public in making its business decisions. The Group continues to make constant progress in areas such as corporate governance, energy saving, the remuneration of employees, and general social welfare.

Environmental protection

The Group supports environmental protection programs and is constantly looking to reduce the impact of business activities on the environment. The Group also encourages employees to save energy and improve efficient utilization of resources through the use of energy-saving lightings and recycled paper, minimizing the use of paper, reducing energy consumption by switching off idle lightings, computers and electrical appliances.

Employees care and training

The Group promotes the personal development and professional growth of its employees. The Group aims to offer a learning atmosphere to its staff in enriching their work practices. In addition, the Group strives to provide a safe and congenial workplace for all employees. The Group also encourages employees to take part in work-life balance activities and community service.

Community involvement

The Group is committed to being a responsible member of the community and aims to make a positive impact on the local community. The Group encourages employees to participate in various voluntary events, creating a strong social network and providing assistance and supports for the people in need, which could provide an opportunity for them to connect outside the workplace, and inspire teambuilding experiences while contributing to the local communities.

FINANCIAL REVIEW

Result

For the year ended 31 December 2015, the Group recorded a revenue of HK\$1,554,394,000 (2014: HK\$1,687,953,000), representing a decrease of 7.9% over that of the last year. The decrease was mainly attributable to the Group's lottery business in China.

Profit attributable to equity shareholders for the year was HK\$150,879,000 (loss attributable to equity shareholders for 2014: HK\$103,692,000). The earnings per share was 1.51 HK cents (loss per share for 2014: 1.12 HK cents). Diluted earnings per share for the year ended 31 December 2015 is the same as the basic earnings per share as both the share options and the Bonds outstanding during the year had an anti-dilutive effect on the basic earnings per share.

企業環境及社會責任

本集團堅持追求各項業務及經營所在社區之長期可持續發展。本集團亦深明於作出商業決定時，其權益持有人（如股東、監管人、僱員及公眾）之意見及利益有其重要性。本集團會繼續於企業管治、節約能源、僱員薪酬及一般社會福利等方面不斷進步。

環境保護

本集團支持環保計劃，一直盡力減輕業務活動對環境的影響。本集團亦鼓勵僱員節約能源及改善資源運用效益，例如使用節能照明裝置及再造紙，減少使用紙張，關掉閒置照明裝置、電腦及電器以減少能源消耗。

僱員關顧及培訓

本集團提倡追求僱員個人發展及專業成長。本集團力求為員工提供學習環境，充實工作實務知識。此外，本集團盡力為全體僱員提供安全舒適的工作場所。本集團亦鼓勵僱員參與平衡工作與生活的活動及社區服務。

社會參與

本集團致力成為社會上負責任一員，力求為本地社會積極貢獻。本集團鼓勵僱員參與各種義務活動，締造有力社區網絡，為有需要人士提供協助及支援，讓僱員有機會走出工作場所，與他人建立聯繫，在為本地社會貢獻時獲取團隊合作相關經驗。

財務回顧

業績

截至二零一五年十二月三十一日止年度，本集團錄得收入1,554,394,000港元（二零一四年：1,687,953,000港元），較去年下跌7.9%。跌幅主要來自本集團中國彩票業務。

年內權益股東應佔溢利為150,879,000港元（二零一四年權益股東應佔虧損：103,692,000港元）。每股盈利為1.51港仙（二零一四年每股虧損：1.12港仙）。由於年內尚未行使之購股權及未獲轉換之該等債券對每股基本盈利具有反攤薄影響，故截至二零一五年十二月三十一日止年度之每股攤薄盈利與每股基本盈利相同。

Directors' Report (continued) 董事會報告 (續)

The Board does not recommend the payment of dividend in respect of the year ended 31 December 2015. The Group's total dividend for the year ended 31 December 2014 amounted to 3.10 HK cents per share.

Liquidity, Financial Resources and Funding

At 31 December 2015, the Group's total equity amounted to HK\$6,085,403,000 as compared to HK\$6,140,106,000 at the end of the previous year.

At 31 December 2015, the Group (including the Disposal Group as defined in Note 15 to the financial statements on page 121) had cash and bank balances of approximately HK\$1,242,791,000 (2014: approximately HK\$1,293,032,000). This balance includes approximately HK\$330,000 (2014: approximately HK\$332,000) of clients' funds that were kept in designated segregated bank accounts.

In 2011 and 2012, the Company issued the 2016 Bonds in principal amount of HK\$964,700,000 and HK\$429,000,000 respectively. Each 2016 Bond is convertible into fully paid ordinary shares of HK\$0.01 each (the "Shares") of the Company at the applicable conversion price of HK\$0.5600 per Share. The 2016 Bonds bear interest at the rate of 6% per annum payable semi-annually in arrears. In 2014, conversion rights attached to the 2016 Bonds of HK\$618,100,000 in principal amount had been exercised by the holders thereof. During the year ended 31 December 2015, there was no conversion of the 2016 Bonds into Shares by the bondholders of the Company (the "Bondholders"). On 30 November 2015, the Company made a partial payment of 5% of the principal in respect of all the 2016 Bonds for the amount of HK\$17,385,000. As at 31 December 2015, the principal amount of the 2016 Bonds outstanding was HK\$330,315,000 (2014: HK\$347,700,000).

In 2014, the Company issued the 2019 Bonds in principal amount of HK\$1,900,000,000. Each 2019 Bond is convertible into fully paid ordinary Shares of the Company at the applicable conversion price of HK\$1.3700 per Share. The 2019 Bonds bear interest at the rate of 4.5% per annum payable semi-annually in arrears. In 2014, there was no conversion of the 2019 Bonds into Shares by the Bondholders and no redemption of the 2019 Bonds made by the Company. During the year ended 31 December 2015, there was no conversion of the 2019 Bonds into Shares by the Bondholders. On 30 November 2015, the Company made a partial payment of 5% of the principal in respect of all the 2019 Bonds for the amount of HK\$95,000,000. As at 31 December 2015, the principal amount of the 2019 Bonds outstanding was HK\$1,805,000,000 (2014: HK\$1,900,000,000).

董事會不建議派付截至二零一五年十二月三十一日止年度之股息。本集團就截至二零一四年十二月三十一日止年度宣派股息合共每股3.10港仙。

流動資金、財務資源及融資

於二零一五年十二月三十一日，本集團之權益總額為6,085,403,000港元，去年年終則為6,140,106,000港元。

於二零一五年十二月三十一日，本集團（包括出售集團（定義見財務報表第121頁之附註15））持有現金及銀行結餘約1,242,791,000港元（二零一四年：約1,293,032,000港元）。結餘包括存放於指定銀行獨立賬戶之客戶資金約330,000港元（二零一四年：約332,000港元）。

於二零一一年及二零一二年，本公司分別發行本金額964,700,000港元及429,000,000港元之二零一六年債券。每份二零一六年債券可按每股股份0.5600港元之適用轉換價轉換為本公司每股面值0.01港元之繳足普通股（「股份」）。二零一六年債券按年利率6厘計息，利息須每半年期末支付。於二零一四年，本金額618,100,000港元之二零一六年債券之持有人已行使該等二零一六年債券所附帶之轉換權。於截至二零一五年十二月三十一日止年度，並無本公司債券之持有人（「債券持有人」）將二零一六年債券轉換為股份。於二零一五年十一月三十日，本公司就全部二零一六年債券支付5%之部分本金額17,385,000港元。於二零一五年十二月三十一日，未獲轉換之二零一六年債券之本金額為330,315,000港元（二零一四年：347,700,000港元）。

於二零一四年，本公司發行本金額為1,900,000,000港元之二零一九年債券。每份二零一九年債券可按每股股份1.3700港元之適用轉換價轉換為本公司繳足普通股股份。二零一九年債券按年利率4.5厘計息，利息須每半年期末支付。於二零一四年，債券持有人並無將二零一九年債券轉換為股份，而本公司亦無贖回二零一九年債券。於截至二零一五年十二月三十一日止年度，債券持有人並無將二零一九年債券轉換為股份。於二零一五年十一月三十日，本公司就全部二零一九年債券支付5%之部分本金額95,000,000港元。於二零一五年十二月三十一日，未獲轉換之二零一十九年債券之本金額為1,805,000,000港元（二零一四年：1,900,000,000港元）。

Directors' Report (continued) 董事會報告 (續)

The gearing ratio as at 31 December 2015 was 35.70% (2014: 33.09%). The gearing ratio was derived by dividing the total borrowings including the convertible bonds, obligations under finance leases and bank borrowings includes those classified as part of liabilities associated with assets classified as held for sale of approximately HK\$2,172,736,000 (2014: approximately HK\$2,031,895,000) by the amount of total equity. The liquidity ratio of the Group, represented by a ratio between current assets over current liabilities, was 347% (2014: 2,082%), reflecting adequacy of financial resources. The decrease of liquidity ratio mainly due to the reclassification part of the convertible bonds from non-current liabilities to current liabilities for the year ended 31 December 2015.

The Group had outstanding bank borrowings at 31 December 2015 of HK\$71,429,000 (2014: HK\$87,500,000). The bank borrowings of HK\$71,429,000 was loaned to the Disposal Group in 2015. The bank borrowings were denominated in Renminbi and interest bearing at prevailing commercial lending rates. The Disposal Group's land and building were pledged to secure the bank borrowings. We expect that all these borrowings will be repaid by internal generated funds.

Taking into account the financial resources available to the Group including internally generated funds and available banking facilities, the Group has sufficient working capital to meet its present operational requirements.

Impairment Loss on Goodwill

For the year ended 31 December 2015, the Group made a provision of HK\$99,321,000 (2014: HK\$748,530,000) for impairment loss on goodwill.

The impairment loss on goodwill HK\$99,321,000 was recognized for the Group's cash-generating unit which is principally engaged in provision of mobile value-added services. The goodwill was arisen as a result of the acquisition for the cash-generating unit provided the traditional type of mobile value-added service. During the year, most of the traditional type of the mobile value-added service has been replaced by a high technology mobile value-added service, therefore full impairment of goodwill of HK\$99,321,000 was recognized.

Pledge of Assets

At 31 December 2015, the Disposal Group's land and building with total market value of approximately HK\$122,500,000 was pledged to banks to secure the bank borrowings granted to the Disposal Group.

於二零一五年十二月三十一日之負債比率為35.70% (二零一四年: 33.09%)。負債比率為將借貸總額(包括可換股債券、融資租賃債務及銀行借貸(包括歸入與分類為持作出售之資產有關之負債一部分者), 約為2,172,736,000港元(二零一四年: 約2,031,895,000港元))除以權益總額。本集團以流動資產除以流動負債計算之流動資金比率為347%(二零一四年: 2,082%), 反映財務資源充裕。流動資金比率下跌主要是由於部分可換股債券於截至二零一五年十二月三十一日止年度由非流動負債重新分類為流動負債所致。

本集團於二零一五年十二月三十一日之未償還銀行借貸為71,429,000港元(二零一四年: 87,500,000港元)。於二零一五年, 71,429,000港元之銀行借貸乃授予出售集團。銀行借貸以人民幣為單位, 並以現行商業貸款利率計息。出售集團之土地及樓宇已作抵押, 作為銀行借貸之擔保。本集團預期上述所有借貸將以內部資金償還。

連同本集團可動用之財務資源, 包括內部資金及可動用銀行信貸, 本集團具備充足營運資金應付現時之營運需要。

商譽之減值虧損

於截至二零一五年十二月三十一日止年度, 本集團就商譽減值虧損作出99,321,000港元(二零一四年: 748,530,000港元)撥備。

本集團乃就主要從事提供手機增值服務業務之現金產生單位確認99,321,000港元之商譽減值虧損。有關商譽源於收購提供傳統手機增值服務之現金產生單位。年內, 大部分傳統手機增值服務已被高科技手機增值服務取代, 因此, 本集團確認全數商譽減值99,321,000港元。

資產抵押

於二零一五年十二月三十一日, 出售集團總市值約122,500,000港元土地及樓宇已抵押予銀行, 作為出售集團獲授銀行借貸之擔保。

Directors' Report (continued) 董事會報告 (續)

Share Capital

23,470,628 new Shares were issued and allotted by the Company during the year pursuant to the scrip dividend scheme in respect of the final dividend for the year ended 31 December 2014.

As at 31 December 2015, the total number of issued Shares was 9,983,495,338.

Save as disclosed above, there was no change in the Company's capital structure during the year ended 31 December 2015.

Convertible Bonds

The 2016 Bonds

The Company issued the 2016 Bonds in 2011 and 2012 respectively which shall, upon conversion, be convertible into fully paid Shares at an initial conversion price of HK\$0.6175 per Share. Pursuant to the adjustment provisions in the initial terms and conditions of the 2016 Bonds, (i) adjustment has been made to the conversion price of the 2016 Bonds from HK\$0.6175 per Share to HK\$0.6100 per Share with effect from 19 June 2013 as a result of the approval and declaration of the final dividend for the year ended 31 December 2012; (ii) further adjustment has been made to the conversion price of the 2016 Bonds from HK\$0.6100 per Share to HK\$0.6000 per Share with effect from 31 October 2013 as a result of the declaration of the interim dividend for the six months ended 30 June 2013; (iii) further adjustment has been made to the conversion price of the 2016 Bonds from HK\$0.6000 per Share to HK\$0.5800 per Share with effect from 19 June 2014 as a result of the approval and declaration of the final dividend for the year ended 31 December 2013; (iv) further adjustment has been made to the conversion price of the 2016 Bonds from HK\$0.5800 per Share to HK\$0.5700 per Share with effect from 31 October 2014 as a result of the declaration of the interim dividend for the six months ended 30 June 2014; and (v) further adjustment has been made to the conversion price of the 2016 Bonds from HK\$0.5700 per Share to HK\$0.5600 per Share with effect from 19 June 2015 as a result of the approval and declaration of the final dividend for the year ended 31 December 2014.

During the year ended 31 December 2015, there was no conversion of the 2016 Bonds into Shares by the Bondholders. On 30 November 2015, the Company made a partial payment of 5% of the principal in respect of all the 2016 Bonds for the amount of HK\$17,385,000. As at 31 December 2015, the principal amount of the 2016 Bonds outstanding was HK\$330,315,000 (2014: HK\$347,700,000). Each 2016 Bond will be convertible into fully paid Shares at an applicable conversion price of HK\$0.5600 per Share upon conversion. The 2016 Bonds was listed on the Singapore Exchange Securities Trading Limited.

股本

根據有關截至二零一四年十二月三十一日止年度之末期股息之以股代息計劃，本公司於年內發行及配發23,470,628股新股份。

於二零一五年十二月三十一日，已發行股份總數為9,983,495,338股。

除上文所披露者外，本公司之股本架構於截至二零一五年十二月三十一日止年度並無變動。

可換股債券

二零一六年債券

本公司分別於二零一一年及二零一二年發行二零一六年債券，於轉換時可按每股股份0.6175港元之初步轉換價轉換為繳足股份。根據二零一六年債券之初步條款及條件內之調整條文，(i)由於批准及宣派截至二零一二年十二月三十一日止年度之末期股息，故二零一六年債券之轉換價由每股股份0.6175港元調整至每股股份0.6100港元，自二零一三年六月十九日起生效；(ii)由於宣派截至二零一三年六月三十日止六個月之中期股息，故二零一六年債券之轉換價由每股股份0.6100港元進一步調整至每股股份0.6000港元，自二零一三年十月三十一日起生效；(iii)由於批准及宣派截至二零一三年十二月三十一日止年度之末期股息，故二零一六年債券之轉換價由每股股份0.6000港元進一步調整至每股股份0.5800港元，自二零一四年六月十九日起生效；(iv)由於宣派截至二零一四年六月三十日止六個月之中期股息，故二零一六年債券之轉換價由每股股份0.5800港元進一步調整至每股股份0.5700港元，自二零一四年十月三十一日起生效；及(v)由於批准及宣派截至二零一四年十二月三十一日止年度之末期股息，故二零一六年債券之轉換價由每股股份0.5700港元進一步調整至每股股份0.5600港元，自二零一五年六月十九日起生效。

於截至二零一五年十二月三十一日止年度，債券持有人並無將二零一六年債券轉換為股份。於二零一五年十一月三十日，本公司就全部二零一六年債券支付5%之部分本金額17,385,000港元。於二零一五年十二月三十一日，未獲轉換之二零一六年債券之本金額為330,315,000港元（二零一四年：347,700,000港元）。每份二零一六年債券於轉換時可按每股股份0.5600港元之適用轉換價轉換為繳足股份。二零一六年債券曾於新加坡證券交易所上市。

Directors' Report (continued) 董事會報告 (續)

Further updates of the 2016 Bonds are set out in the sections headed "The First Proposals in relation to the Bonds" and "Latest Proposals in relation to the Bonds" below.

The 2019 Bonds

The Company issued the 2019 Bonds in the principal amount of HK\$1,900,000,000 in 2014. Each 2019 Bond will be convertible into fully paid Shares at an initial conversion price of HK\$1.4070 per Share. Pursuant to the adjustment provisions in the initial terms and conditions of the 2019 Bonds, (i) adjustment has been made to the conversion price of the 2019 Bonds from HK\$1.4070 per Share to HK\$1.3900 per Share with effect from 31 October 2014 as a result of the declaration of the interim dividend for the six months ended 30 June 2014; and (ii) further adjustment has been made to the conversion price of the 2019 Bonds from HK\$1.3900 per Share to HK\$1.3700 per Share with effect from 19 June 2015 as a result of the approval and declaration of the final dividend for the year ended 31 December 2014.

During the year ended 31 December 2015, there was no conversion of the 2019 Bonds into Shares by the Bondholders. On 30 November 2015, the Company made a partial payment of 5% of the principal in respect of all the 2019 Bonds for the amount of HK\$95,000,000. As at 31 December 2015, the principal amount of the 2019 Bonds outstanding was HK\$1,805,000,000 (2014: HK\$1,900,000,000). Each 2019 Bond will be convertible into fully paid Shares at an applicable conversion price of HK\$1.3700 per Share upon conversion. The 2019 Bonds was listed on the Singapore Exchange Securities Trading Limited.

Further updates of the 2019 Bonds are set out in the sections headed "The First Proposals in relation to the Bonds" and "Latest Proposals in relation to the Bonds" below.

Relevant Event in relation to the Bonds

As stated in the announcement of the Company dated 20 August 2015, pursuant to the terms and conditions of each of the 2016 Bonds and the 2019 Bonds, a "Relevant Event" occurs when, among other things, the Shares are suspended for trading for a period equal to or exceeding 30 consecutive trading days on the Stock Exchange. Notice has been given by the Company to the holders of the Bonds that a "Relevant Event" occurred. Each holder of the Bonds had the right at such holder's option, to require the Company to redeem all or some only of such holder's Bonds on 2 November 2015 at their principal amount together with interest accrued to such redemption date, in each case in accordance with the respective terms and conditions of the 2016 Bonds and the 2019 Bonds. Upon redemption of any of the Bonds, such redeemed Bonds will be cancelled.

有關二零一六年債券之進一步最新資料載於下文「有關該等債券之首次建議」及「有關該等債券之最新建議」等節。

二零一九年債券

本公司於二零一四年發行本金額為1,900,000,000港元之二零一九年債券。每份二零一九年債券將可按每股股份1.4070港元之初步轉換價轉換為繳足股份。根據二零一九年債券之初步條款及條件內之調整條文，(i)由於宣派截至二零一四年六月三十日止六個月之中期股息，故二零一九年債券之轉換價由每股股份1.4070港元調整至每股股份1.3900港元，自二零一四年十月三十一日起生效；及(ii)由於批准及宣派截至二零一四年十二月三十一日止年度之末期股息，故二零一九年債券之轉換價由每股股份1.3900港元進一步調整至每股股份1.3700港元，自二零一五年六月十九日起生效。

於截至二零一五年十二月三十一日止年度，債券持有人並無將二零一九年債券轉換為股份。於二零一五年十一月三十日，本公司就全部二零一九年債券支付5%之部分本金額95,000,000港元。於二零一五年十二月三十一日，未獲轉換之二零一九年債券之本金額為1,805,000,000港元（二零一四年：1,900,000,000港元）。每份二零一九年債券於轉換時可按每股股份1.3700港元之適用轉換價轉換為繳足股份。二零一九年債券曾於新加坡證券交易所上市。

有關二零一九年債券之進一步最新資料載於下文「有關該等債券之首次建議」及「有關該等債券之最新建議」等節。

該等債券之相關事件

誠如本公司日期為二零一五年八月二十日之公布所述，根據二零一六年債券及二零一九年債券各自之條款及條件，在出現（其中包括）股份於聯交所暫停買賣為期相等於或超過30個連續交易日之情況時，即發生「相關事件」。本公司已向該等債券之持有人發出已發生「相關事件」之通知。根據二零一六年債券及二零一九年債券各自之條款及條件，每名該等債券之持有人有權按其選擇，要求本公司於二零一五年十一月二日按本金額（連同累計至相關贖回日之利息）贖回該持有人全部或僅部分該等債券。於贖回任何該等債券時，該等被贖回之該等債券將被註銷。

Directors' Report (continued) 董事會報告 (續)

The First Proposals in relation to the Bonds

As stated in the announcements of the Company dated 22 September 2015 and 7 October 2015 respectively, given the occurrence of the "Relevant Event", the Company formulated proposals (the "First Proposals") to the Bondholders to, among other things, delay the original "Relevant Event" redemption date to 31 March 2016 (the "March Relevant Event Redemption Date") and extend the relevant put period end date to the date falling 30 days prior to the March Relevant Event Redemption Date. The First Proposals were approved by the Bondholders on 29 October 2015 and took effect on 2 November 2015. Accordingly, the "Relevant Event" redemption date was delayed to 31 March 2016 and the relevant put period end date was correspondingly extended.

Detailed information regarding the First Proposals and the relevant meetings of the Bondholders are set out in the announcements of the Company dated 22 September 2015, 7 October 2015 and 29 October 2015, respectively. Based on the redemption notices received by the Company by 1 March 2016 (being 30 days prior to the March Relevant Event Redemption Date), the aggregate principal amount of the Put Bonds subject to redemption on 31 March 2016 is HK\$1,848,415,000. Further updates in relation to the Bonds are set out in the section headed "Latest Proposals in relation to the Bonds" below.

Exposure to Fluctuation in Exchange Rate Risk and Interest Rate Risk

The Group's assets, liabilities and transactions are mainly denominated either in Hong Kong dollar or Renminbi. Since August 2015, the exchange rate of RMB fluctuated significant, the Directors are aware that the fluctuation in exchange rate between Hong Kong dollar and Renminbi may give rise to potential foreign currency risk. The Group currently does not have a foreign currency hedging policy and will continue to monitor and evaluate the Group's foreign currency exposure and take actions as appropriate.

In terms of the interest rate risk exposures, the Group does not have any significant interest rate risk as both the borrowings of the Group and the interest rates currently remain at low levels.

Capital Commitments

For the year ended 31 December 2015, the Company had capital commitments contracted for but not provided for in the consolidated financial statements of approximately HK\$383,000 (2014: approximately HK\$1,203,000) and approximately HK\$84,000,000 (2014: approximately HK\$84,000,000) for purchase of property, plant and equipment and increase in registered capital of a subsidiary respectively.

有關該等債券之首次建議

誠如本公司日期分別為二零一五年九月二十二日及二零一五年十月七日之公布所述，鑑於發生「相關事件」，本公司制訂建議（「首次建議」）向債券持有人提出，以（其中包括）將原本之「相關事件」贖回日押後至二零一六年三月三十一日（「三月相關事件贖回日」），並將相關認沽期結束日押後至三月相關事件贖回日之前滿30日當日。首次建議於二零一五年十月二十九日獲債券持有人批准，並於二零一五年十一月二日生效。據此，「相關事件」贖回日押後至二零一六年三月三十一日，而相關認沽期結束日亦作相應押後。

有關首次建議及債券持有人相關會議之詳細資料，載於本公司日期分別為二零一五年九月二十二日、二零一五年十月七日及二零一五年十月二十九日之公布。根據本公司截至二零一六年三月一日（即三月相關事件贖回日前30日）收到之贖回通知，須於二零一六年三月三十一日贖回之認沽債券本金總額為1,848,415,000港元。有關該等債券之進一步最新資料載於下文「有關該等債券之最新建議」一節。

匯率及利率波動風險

本集團之資產、負債及交易主要以港元或人民幣計算。於二零一五年八月，人民幣匯率大幅波動。董事注意到港元兌人民幣之匯率出現波動而可能引致潛在外匯風險。本集團現時並無制訂外匯對沖政策，惟將繼續密切監察及評估本集團之外匯風險，並採取適當行動。

於利率風險方面，由於本集團借貸及現時利率維持於低水平，故本集團並無任何重大利率風險。

資本承擔

截至二零一五年十二月三十一日止年度，本公司就購買物業、廠房及設備以及一間附屬公司之註冊資本增加於綜合財務報表內有已訂約但未撥備之資本承擔分別約383,000港元（二零一四年：約1,203,000港元）及約84,000,000港元（二零一四年：約84,000,000港元）。

Directors' Report (continued) 董事會報告 (續)

Contingent Liabilities

As at 31 December 2015 and 2014, certain subsidiaries of the Group have issued corporate guarantees in respect of the finance lease obligation under a sales and leaseback arrangement granted to a subsidiary of the Group which will expire when the lease is terminated. The Group has not recognised any deferred income and the related expenses in respect of such guarantees, as in the opinion of the Directors, their fair values cannot be reliably measured using observable market data and their transaction price was nil.

As at 31 December 2015 and 2014, the Directors do not consider it probable that a claim will be made against these subsidiaries under any of the guarantees.

Material Acquisitions and Disposals of Subsidiaries

The Group had no material acquisition and disposal of subsidiaries during the year ended 31 December 2015.

Human Resources

As at 31 December 2015, the Group had 1,213 employees.

The Group remunerated its employee mainly based on the individual's performance and experience. Apart from the basic remuneration, discretionary bonus and share options may be granted to eligible employees by reference to the Group's performance as well as individual performance.

Final Dividends

The Board does not recommend the payment of final dividend for the year ended 31 December 2015 (2014: 0.80 HK cent per Share).

EVENTS AFTER THE REPORTING PERIOD

Disposal of subsidiaries – Major and connected transaction

On 4 January 2016, REXCAPITAL Financial Group Limited (the "Seller"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (as supplemented and amended on 23 February 2016) (the "Sale and Purchase Agreement") with Sunjet Investments Limited (the "Purchaser"), in relation to (i) the sale and purchase of the entire issued share capital of Multi Glory Limited, a wholly-owned subsidiary of the Company; and (ii) the assignment of the entire amount owing from Multi Glory Limited to the Group, at the cash consideration of HK\$2,150,000,000 (the "Disposal"). It is intended that the net proceeds from the Disposal, expected to be in the amount of approximately HK\$1,942,000,000, will firstly be applied by the Company for redemption of the outstanding Put Bonds.

或然負債

於二零一五年及二零一四年十二月三十一日，本集團若干附屬公司已就本集團一間附屬公司獲授之售後租回安排下之融資租賃債務發出公司擔保。有關擔保將於租賃終止時到期。由於董事認為，有關擔保之公允值無法使用可觀察市場數據可靠計量，且交易價為零，故本集團並無就有關擔保確認任何遞延收入及相關開支。

於二零一五年及二零一四年十二月三十一日，董事認為根據任何該等擔保向該等附屬公司提出申索之機會不大。

附屬公司之重大收購及出售

於截至二零一五年十二月三十一日止年度，本集團並無附屬公司之重大收購及出售。

人力資源

於二零一五年十二月三十一日，本集團共有1,213名僱員。

本集團主要按個別員工之表現及經驗釐定僱員薪酬。除基本薪酬外，本集團亦會按本集團業績表現及個別員工表現向合資格僱員發放酌情花紅及授出購股權。

末期股息

董事會不建議派付截至二零一五年十二月三十一日止年度之末期股息（二零一四年：每股股份0.80港仙）。

報告期後事項

出售附屬公司—主要及關連交易

於二零一六年一月四日，REXCAPITAL Financial Group Limited（「賣方」，為本公司之一間全資附屬公司）與Sunjet Investments Limited（「買方」）就(i)買賣Multi Glory Limited（為本公司之一間全資附屬公司）之全部已發行股本；及(ii)轉讓Multi Glory Limited結欠本集團之全部款項訂立買賣協議（於二零一六年二月二十三日經補充及修訂）（「買賣協議」），現金代價為2,150,000,000港元（「出售事項」）。本公司預期出售事項所得款項淨額將約為1,942,000,000港元，擬首先用於贖回未獲轉換之認沽債券。

Directors' Report (continued) 董事會報告 (續)

The Disposal constituted a major and connected transaction of the Company under the Listing Rules. By a resolution passed at the special general meeting of the Company held on 18 March 2016, the Sale and Purchase Agreement and the transactions contemplated thereunder has been approved by the independent shareholders of the Company. As stated in the announcement of the Company dated 29 March 2016, the relevant conditions precedent under the Sale and Purchase Agreement have not been fully satisfied as a result of that the Outstanding Restructuring PRC Approval has not yet been obtained. Having consulted its PRC legal counsel, the Company expects that the Outstanding Restructuring PRC Approval should be able to be obtained, and completion of the Disposal should be able to take place, by no later than 29 April 2016. Therefore the Seller and the Purchaser have agreed to extend the long stop date under the Sale and Purchase Agreement to 29 April 2016. As at the date hereof, the Disposal has not been completed.

Details of the Disposal are set out in the Company's circular dated 29 February 2016 and further information relating to the status thereof is set out in the Company's announcements dated 18 March 2016 and 29 March 2016 respectively.

Latest Proposals in relation to the Bonds

As stated in the announcement of the Company dated 29 March 2016, if completion of the Disposal did not take place before 31 March 2016, because the Outstanding Restructuring PRC Approval could not be obtained in time, the Company would not have sufficient offshore cash resources to satisfy its redemption obligations in relation to the Put Bonds on 31 March 2016, which would result in an event of default under the Bonds. The Company therefore is requesting the Bondholders of each of the 2016 Bonds and the 2019 Bonds to agree to delay the March Relevant Event Redemption Date to the date notified by the Company to the Bondholders and the trustee of the Bonds no later than five Hong Kong business days prior to the date on which payment is to be made (which payment date shall in any event be no later than 29 April 2016) (the "Delayed Relevant Event Redemption Date") in relation to the Relevant Delisting Event (as defined in the Company's announcement dated 29 March 2016) (collectively, the "Latest Proposals"). The Latest Proposals are subject to the obtaining of the approval by the Stock Exchange in accordance with Rule 28.05 of the Listing Rules. Such approval was granted by the Stock Exchange on 30 March 2016.

根據上市規則，出售事項構成本公司之一項主要及關連交易。根據本公司於二零一六年三月十八日舉行之股東特別大會上通過之決議案，買賣協議及據此擬進行之交易已獲本公司獨立股東批准。誠如本公司日期為二零一六年三月二十九日之公布所載，由於尚未取得尚未授出重組中國批准，故買賣協議相關先決條件尚未全部達成。經諮詢其中國法律顧問後，本公司預期應能取得尚未授出重組中國批准，而出售事項之完成應可不遲於二零一六年四月二十九日落實。因此，賣方與買方已同意將買賣協議之最後截止日期延遲至二零一六年四月二十九日。於本報告日期，出售事項尚未完成。

出售事項之詳情載於本公司日期為二零一六年二月二十九日之通函，而有關於其狀況之進一步資料則載於本公司日期分別為二零一六年三月十八日及二零一六年三月二十九日之公布。

有關該等債券之最新建議

誠如本公司日期為二零一六年三月二十九日之公布所載，倘因未能及時取得尚未授出重組中國批准而致使出售事項並無於二零一六年三月三十一日前完成，則本公司將缺乏足夠離岸現金資源以於二零一六年三月三十一日履行其有關認沽債券之贖回責任，這將導致該等債券項下之違約事件。因此，本公司正尋求二零一六年債券及二零一九年債券之債券持有人同意就相關除牌事件（定義見本公司日期為二零一六年三月二十九日之公布）將三月相關事件贖回日延遲至本公司將於不少於作出付款之日（該付款日無論如何不得遲於二零一六年四月二十九日）前五個香港營業日通知債券持有人及該等債券之受託人之日期（「押後相關事件贖回日期」）（統稱為「最新建議」）。根據上市規則第28.05條，最新建議須待取得聯交所批准後，方可作實。有關批准已於二零一六年三月三十日獲聯交所授出。

Directors' Report (continued) 董事會報告 (續)

As completion of the Disposal has not taken place on 31 March 2016, the Company was therefore unable to satisfy its redemption obligations under the Bonds on 31 March 2016, and the Company would, starting from 1 April 2016, be in default under the Bonds, unless and until the Written Resolutions (as defined in the Company's announcement dated 29 March 2016) were passed by the Bondholders (and the Latest Proposals were effected by no later than 12 April 2016 if the relevant conditions are satisfied) or all relevant payment obligations of the Company under the Bonds are duly satisfied, as the case may be.

The Directors expect that the Company would be able to complete the Disposal by no later than 29 April 2016, whereupon the Company would receive sufficient offshore cash resources for redemption of the Put Bonds, by no later than 29 April 2016 should the Consent Proposals be approved.

Upon default under the Bonds, the trustee or the Bondholders through the trustee may take legal actions against the Company in respect of Bonds. In that case, the business of the Group and the interests of the Company and the shareholders may be materially and adversely affected. However, the Company, having consulted its legal advisers, expects the possible courses of actions to be taken by the trustee would not have substantial impact on the Company provided that the completion of Disposal takes place before 29 April 2016.

Conditional Special Interim Dividend

On 21 January 2016, the Board declared a conditional special interim dividend of HK\$0.011 per Share (the "Conditional Special Interim Dividend") which was conditional upon completion of the Disposal and the fulfillment of the redemption obligation by the Company under the Bonds by 31 March 2016. Details of the Conditional Special Interim Dividend are set out in the announcement of the Company dated 21 January 2016.

As completion of the Disposal does not take place by 31 March 2016, the Conditional Special Interim Dividend will not be paid. It is the intention of the Board that, subject to completion of the Disposal and the fulfillment of the repayment obligation of the Company under the Bonds, a special interim dividend of HK\$0.011 per Share (payable in scrip form with a cash alternative) will be declared. Further announcement will be made by the Company in this regard as and when appropriate.

由於出售事項完成並無於二零一六年三月三十一日落實，故本公司未能於二零一六年三月三十一日履行其有關該等債券之贖回責任，而本公司於由二零一六年四月一日起違反該等債券，除非及直至書面決議案（定義見本公司日期為二零一六年三月二十九日之公布）獲債券持有人通過及最新建議生效（已達成相關條件，不遲於二零一六年四月十二日）或者本公司有關該等債券之所有相關付款責任已妥為達成（視情況而定）。

董事預期本公司將能不遲於二零一六年四月二十九日之前完成出售事項，倘同意建議獲得批准，則本公司將能不遲於二零一六年四月二十九日收到足夠離岸現金資源以贖回認沽債券。

進入該等債券違約狀態後，受託人或債券持有人可透過受託人就該等債券對本公司採取法律行動。於該情況下，本集團之業務以及本公司及股東之利益可能受到重大不利影響。然而，經諮詢法律顧問後，本公司預期，只要出售事項完成於二零一六年四月二十九日之前落實，受託人可能採取之行動不會對本公司造成重大影響。

附有條件之特別中期股息

於二零一六年一月二十一日，董事會宣派附有條件之特別中期股息每股股份0.011港元（「附有條件之特別中期股息」），惟須待完成出售事項及本公司於二零一六年三月三十一日前履行有關該等債券之贖回責任之條件達成後，方可作實。附有條件之特別中期股息詳情載於本公司日期為二零一六年一月二十一日之公布。

由於出售事項並無於二零一六年三月三十一日或之前完成，因此，本公司將不會派付附有條件之特別中期股息。董事會有意於完成出售事項及履行本公司有關該等債券之還款責任後，宣派以股代息（附現金選擇）之特別中期股息每股股份0.011港元。本公司將於適當時候就此另行作出公布。

Directors' Report (continued)

董事會報告 (續)

CORPORATE GOVERNANCE

The Company is committed to maintain high standard of corporate governance practices. Further information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 42 to 52.

AUDIT COMMITTEE

The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the consolidated financial statements for the year ended 31 December 2015.

AUDITOR

By a resolution passed at the annual general meeting of the Company held on 11 June 2015, Ting Ho Kwan & Chan CPA Limited ("THKC CPA Ltd.") has been appointed as the auditor of the Company to fill the vacancy arising from the retirement of Messrs. Ting Ho Kwan & Chan as a result of their internal corporate structure reorganisation.

Details of the change of auditor are, among other things, set out in the Company's circular dated 30 April 2015 and the Company's announcements dated 31 March 2015 and 11 June 2015 respectively.

THKC CPA Ltd. retire and being eligible, offer themselves for re-appointment. A resolution for re-appointment of THKC CPA Ltd. as auditor of the Company is to be proposed at the forthcoming annual general meeting.

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

During the year ended 31 December 2015, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

企業管治

本公司致力維持高水平之企業管治常規。有關本公司採納之企業管治常規之進一步資料載於第42至第52頁之企業管治報告內。

審核委員會

審核委員會已會同管理層審閱本集團採納之會計原則及慣例，並討論內部監控及財務申報事宜，包括審閱截至二零一五年十二月三十一日止年度之綜合財務報表。

核數師

根據本公司於二零一五年六月十一日舉行之股東週年大會上通過之決議案，丁何關陳會計師事務所有限公司（「丁何關陳會計師事務所有限公司」）已獲委任為本公司之核數師，以填補丁何關陳會計師行因內部企業架構重組而退任所產生之空缺。

更換核數師之詳情（其中包括）載於本公司日期為二零一五年四月三十日之通函以及本公司日期分別為二零一五年三月三十一日及二零一五年六月十一日之公布。

丁何關陳會計師事務所有限公司退任及符合資格且願意膺選連任。應屆股東週年大會上將提呈決議案，續聘丁何關陳會計師事務所有限公司為本公司核數師。

購買、出售或贖回本公司之上市證券

於截至二零一五年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Directors' Report (continued) 董事會報告 (續)

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the year ended 31 December 2015, the Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code for dealing in securities of the Company by the Directors. Having made specific enquiry, all the Directors confirmed that they have complied with the required standard set out in the Model Code throughout the year.

APPRECIATION

The Board expresses its sincere thanks to all the shareholders, bondholders, business partners and professional advisors for their support throughout the year, and to our management and staff for their ongoing dedication to the Group.

For and on behalf of the Board

Chan How Chung, Victor
Executive Director

Hong Kong, 31 March 2016

董事進行證券交易之標準守則

於截至二零一五年十二月三十一日止年度，本公司已採納上市規則附錄10所載之標準守則，作為董事進行本公司證券交易之準則。經作出明確查詢後，全體董事均已確認彼等已於年內一直遵守標準守則所規定之標準。

致謝

董事會衷心感謝全體股東、債券持有人、業務夥伴及專業顧問於本年度一直之支持，亦對管理層及員工不斷為本集團盡心工作深表謝意。

代表董事會

執行董事
陳孝聰

香港，二零一六年三月三十一日

* *The English translation of Chinese names or words are for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

* *中文名稱或詞彙之英文翻譯僅供參考，不應視為該等中文名稱或詞彙之正式英文譯名。*

Biographical Details of Directors and Senior Management

董事及高級管理人員履歷

EXECUTIVE DIRECTORS

CHAN How Chung, Victor, aged 54, was appointed as an executive director of the Company on 4 July 2002. Mr Chan is responsible for the strategic development and overall operations of the Group. He holds a LLB degree and is a professionally qualified accountant. Mr Chan has over 26 years of experience in corporate restructurings and reorganizations, mergers and acquisitions, primary and secondary capital raisings, wealth management and corporate finance.

BOO Chun Lon, aged 51, was appointed as an executive director of the Company on 14 September 2004 and is responsible for the development of the Group. He holds a bachelor's degree of arts from the University of Winnipeg in Canada. Prior to joining the Company, he has been the marketing manager of Great Tone Limited, an international manufacturing company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

YUEN Wai Ho, aged 56, obtained a master of business administration from the University of Bath in England in 1988. Mr Yuen is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, an associate member of the Chartered Institute of Management Accountants and the Institute of Chartered Secretaries & Administrators. Mr Yuen has more than 26 years of experience in auditing and commercial fields, 10 of which were working in multinational companies. He is currently a partner of a firm of certified public accountants.

CHOW Siu Ngor, aged 60, is a practicing solicitor in Hong Kong. Mr Chow graduated from the Chinese University of Hong Kong in 1981 with an honors degree in Social Science. He then obtained an honors degree in Laws from the University of Birmingham in England in 1987. Mr Chow was admitted as a solicitor of the Supreme Court of Hong Kong in 1990 and has been in private practice since then. Currently, Mr Chow is a Partner of King & Wood Mallesons, Solicitors. He also serves as an independent non-executive director of CCT Land Holdings Limited (formerly known as CCT Tech International Limited) and CCT Fortis Holdings Limited, both of which are listed companies in Hong Kong. Mr Chow was a non-executive director of REX Global Entertainment Holdings Limited (formerly known as China Gamma Group Limited), which is a listed company in Hong Kong, from April 2006 to September 2015.

執行董事

陳孝聰，54歲，於二零零二年七月四日獲委任為本公司之執行董事，負責本集團策略發展及整體營運。陳先生為專業會計師，彼同時亦持有英國法律學士學位。陳先生擁有逾26年企業重組、合併收購、主要及次要集資、財富管理及企業融資方面之經驗。

巫峻龍，51歲，於二零零四年九月十四日獲委任為本公司之執行董事，負責本集團之發展。巫先生持有加拿大University of Winnipeg之文學士學位。巫先生於加入本公司前，曾為一家國際生產商鉅同有限公司之市場經理。

獨立非執行董事

阮煒豪，56歲，於一九八八年畢業於英國University of Bath，持有工商管理學碩士學位。阮先生為香港會計師公會及英國特許公認會計師公會之資深會員，並為英國特許管理會計師公會及英國特許秘書及行政人員公會之會員。阮先生於賬目審核及商業方面擁有逾26年經驗，其中10年為任職於跨國企業。彼現時為一家執業會計師行之合夥人。

鄒小岳，60歲，為香港執業律師。鄒先生於一九八一年在香港中文大學畢業，獲得社會科學榮譽學位。彼其後於一九八七年取得英國伯明翰大學法律榮譽學位。鄒先生於一九九零年獲錄取為香港高等法院律師，自此起已私人執業。目前，鄒先生為金杜律師事務所之合夥人。彼亦為中建置地集團有限公司（前稱中建科技國際有限公司）及中建富通集團有限公司之獨立非執行董事，兩間公司均為香港上市公司。於二零零六年四月至二零一五年九月期間，鄒先生曾為御濠娛樂控股有限公司（前稱中國伽瑪集團有限公司）之非執行董事，該公司為香港上市公司。

Biographical Details of Directors and Senior Management (continued) 董事及高級管理人員履歷（續）

LEE Ka Lun, aged 61, is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom. Mr Lee has over 20 years experience in banking and auditing. He had been the Deputy Chief Executive of Lloyds TSB Bank plc, Hong Kong Branch and Regional Director – Finance and Operation of Lloyds TSB's operations in Asia for over 15 years and has extensive experience on corporate banking, private banking, treasury, operations, IT developments and general management. Mr Lee also serves as an independent non-executive director of Chow Sang Sang Holdings International Limited, Yuexiu Property Company Limited, Chong Hing Bank Limited and Medicskin Holdings Limited, all of which are listed companies in Hong Kong.

SENIOR MANAGEMENT

WOO Ming Wah, aged 45, is the Chief Financial Officer of the Group. Mr Woo is an associate member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Mr Woo has over 19 years of experience in the field of auditing and financial management.

NG Yuen Yee, aged 46, is the Company Secretary of the Company. Ms Ng is an associate member of The Hong Kong Institute of Chartered Secretaries. She has over 23 years of experience in the field of company secretaryship.

YAU Sheung Nei, aged 43, is the Director – Corporate Development and Investor Relations of the Group. Ms Yau has over 20 years of experience in the field of investor relations and equity research. Prior to joining the Group, she had worked for a number of Hong Kong listed red chip companies and a global asset management company.

李家麟，61歲，為英國特許公認會計師公會資深會員。李先生在銀行及審計界擁有超過20年經驗。彼曾出任萊斯銀行香港分行副行政總裁及亞洲區域財務及營運董事超過15年，具豐富企業銀行、私人銀行、財務、營運、資訊科技發展及管理經驗。李先生亦為周生生集團國際有限公司、越秀地產股份有限公司、創興銀行有限公司及密迪斯肌控股有限公司之獨立非執行董事，該等公司均為香港上市公司。

高級管理人員

胡明華，45歲，為本集團之首席財務總監。胡先生為香港會計師公會及美國執業會計師協會之會員。胡先生於賬目審核及財務管理方面擁有逾19年經驗。

吳婉儀，46歲，為本公司之公司秘書。吳女士為香港特許秘書公會會員。彼於公司秘書方面擁有逾23年經驗。

尤霜妮，43歲，為本集團之企業發展及投資者關係部董事。尤女士於投資者關係和證券研究方面擁有逾20年經驗。於加入本集團前，彼曾受聘於多間於香港上市之紅籌企業及一家全球資產管理公司。

Management for Lottery Business 彩票業務管理人員

ZHANG Beiguang, aged 46, is the Executive Vice President (Lottery Operation and Overseas Markets) of the Group. Mr Zhang graduated from the Peking University with a bachelor's degree in arts. He has over 15 years experience in strategic development and management.

WANG Xiangbo, aged 53, is the general manager of 北京戈德利邦科技有限公司(Beijing Guard Libang Technology Co Ltd*) ("Guard Libang"). He joined Guard Libang in 2004. Mr Wang graduated from the Hunan University with a master's degree in Business Administration. Prior to joining Guard Libang, he was appointed as vice president of China Southern Airlines Power Machinery Company in 1993 and was responsible for sales. He specialized in large scale operation management and international venture, especially in nationwide marketing management. He was the general manager of Tianjin Nankai Co Ltd, a listed company in China between 2000 to 2003.

ZHU Yi, aged 49, is a director and the general manager of 深圳思樂數據技術有限公司(Shenzhen Sinodata Technology Co Ltd*) and is in charge of the marketing functions. He graduated from Chongqing University in the department of Electrical Engineering with a bachelor's degree in engineering. Since 1993, Mr Zhu has been working in the lottery industry of China. He has long been engaged in the research and development of the lottery market, and is responsible for the sales and marketing of the Welfare Computer Ticket Games project of more than ten provinces in China. He has extensive experience and has outstanding achievements in anticipating the development trend of the lottery industry, capturing marketing opportunities and market operation.

LI Xue Jun, aged 43, is the deputy general manager of 深圳思樂數據技術有限公司(Shenzhen Sinodata Technology Co Ltd*), and is in charge of technical matters. He graduated from Chongqing University in the department of photoelectric equipment and mechanical engineering with a master degree in Engineering. Mr Li has been responsible for the planning and development of the lottery issue and management system. He has completed the implementation of the technological solutions and engineering tasks of the Welfare Computer Ticket Games issue and management system in 17 provinces in China, with which he was awarded the prize of "Excellent New Product" of the Guangdong Province and a number of national patents. With extensive experience in the planning of total lottery solutions and the development and implementation of relevant products, he has exceptional insights into and practical experience of the application of relevant lottery technologies and their development prospects.

張北光，46歲，為本集團之彩票業務及海外市場執行副總裁。張先生畢業於北京大學，獲文學士學位。彼擁有逾15年之策略發展及管理經驗。

王湘波，53歲，為北京戈德利邦科技有限公司（「戈德利邦」）之總經理。彼於二零零四年加入戈德利邦。王先生畢業於湖南大學，擁有工商管理碩士學位。於加入戈德利邦前，彼曾於一九九三年獲委任為中國南方航空動力機械公司之副總裁，負責公司之行銷工作。彼專門於大型企業之經營管理與國際合作，特別是全國市場之行銷管理工作。於二零零零年至二零零三年間，彼曾出任天津南開戈德股份有限公司（一家於中國上市之公司）之總經理。

朱毅，49歲，現擔任深圳市思樂數據技術有限公司董事及總經理，分管公司市場工作。彼畢業於重慶大學電氣工程系，獲工學學士學位。自一九九三年起，朱先生一直在中國彩票行業工作，長期從事彩票市場的研究和拓展工作，負責全國十餘省電腦福利彩票專案的市場行銷工作，對彩票行業發展走向、市場機會把握和運作具有豐富的經驗和卓越的成效。

李學俊，43歲，現擔任深圳市思樂數據技術有限公司副總經理，分管公司技術工作。彼畢業於重慶大學光電精密儀器及機械系，獲工學碩士學位。李先生一直負責彩票發行及管理系統的規劃和開發工作，負責完成了全國17個省電腦福利彩票發行管理系統的技術方案及工程實施工作，曾獲得廣東省優秀新產品獎及多項國家專利。對彩票總體解決方案規劃和相關產品開發及實施具有的豐富的經驗，對彩票相關技術的應用和發展前景具有獨到的理解和實務經驗。

Management for Lottery Business (continued) 彩票業務管理人員 (續)

JIANG Libin, aged 43, is the general manager of 廣州市樂得瑞科技有限公司(Guangzhou Latech Technology Co Ltd*) ("Guangzhou Latech"). Mr Jiang joined Guangzhou Latech in 2000 and has extensive experience in mechanical and electronic engineering research and related business operations. He graduated from the faculty of power control in Beihang University.

QIAO Jin, aged 47, is the general manager of 深圳市金帆軟件技術有限公司(Shenzhen Kingsail Software Tech Co Ltd*). Mr Qiao graduated from Chongqing University and holds a M.Sc. degree from the Department of Applied Mathematics and a Ph.D degree from the College of Optoelectronic Engineering. He has over 10 years of experience in the field of information technology and engineering, specializing in comprehensive information system application.

TSANG Lung Fai, aged 52, the Chief Executive Officer of 北京信安中彩科技有限公司(Beijing Xinan Sino-lottery Technology Co Ltd*) and is responsible for the overall management of the printing of lottery tickets. Mr Tsang holds a master's degree in Business Administration from Massey University in New Zealand. He has worked in C & C Security Printing Company Limited for around 20 years and was experienced in security printing. He was formerly the general manager of Hong Kong and Dongguan plants of RR Donnelley, an international printing firm.

ZHONG Wu, aged 52, is the Chief Operating Officer of 北京信安中彩科技有限公司(Beijing Xinan Sino-lottery Technology Co Ltd*) and is responsible for the overall operation of the printing of lottery tickets. Mr Zhong graduated from Beihang University – School of Economics and Management, with a master's degree in business administration. He has over 10 years of experience in product development and logistic management and business planning.

TUNG Wai Ching, aged 51, is the general manager of 北京樂和贏營銷顧問有限公司(Beijing Lohowin Marketing Co Ltd*) and is responsible for the overall management of the sales of lottery tickets. Mr Tung holds a master's degree in Business Administration from The Hong Kong Polytechnic University. He has over 10 years of experience in sales & marketing and management and has thorough understanding to the Chinese market.

姜立斌，43歲，為廣州市樂得瑞科技有限公司（「廣州樂得瑞」）的總經理。姜先生於二零零零年起加入廣州樂得瑞，擁有廣泛的機械、電子工程研究及相關的業務運作經驗。彼畢業於北京航空航天大學動力控制系。

喬進，47歲，為深圳市金帆軟件技術有限公司的總經理。喬先生畢業於重慶大學，持有應用數學系碩士學位及光電工程學院博士學位。彼具有逾十年有關資訊科技及工程之經驗，專於綜合資訊系統應用。

曾龍輝，52歲，為北京信安中彩科技有限公司的行政總裁，負責集團之彩票印刷業務的全面管理。曾先生持有紐西蘭梅西大學的工商管理碩士學位。彼曾於中華商務安全印務有限公司工作接近20年，擁有豐富的安全印刷經驗。彼亦曾於一家國際印務公司當納利的香港及東莞工廠擔任總經理。

鍾武，52歲，為北京信安中彩科技有限公司的營運總裁，負責集團之彩票印刷業務的整體營運事宜。鍾先生畢業於北京航空航天大學經濟管理學院，持有工商管理碩士學位。彼擁有十多年產品開發、物流管理及經營計劃制定的經驗。

董偉程，51歲，為北京樂和贏營銷顧問有限公司的總經理，負責集團之彩票銷售業務的全面管理。董先生持有香港理工大學的工商管理碩士學位。彼擁有十多年市場銷售及管理經驗，並對中國市場有深入的認識。

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Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintain a high standard of corporate governance practices as set out in the Corporate Governance Code (the “CG Code”) in Appendix 14 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The corporate governance principles of the Company emphasize a quality board of directors, sound internal control, principles and transparency and accountability to all shareholders of the Company. The Company has complied with the code provisions (the “Code Provision(s)”) under the CG Code throughout the accounting period covered by this report except in certain circumstances which are provided and discussed in the latter part of this report.

BOARD OF DIRECTORS

The directors of the Company (the “Directors”) are collectively responsible for the oversight of the management of business and affairs of the Group of the best interest of the shareholders of the Company.

The board of Directors (the “Board”) currently comprises a total of five Directors, with two Executive Directors namely Mr Chan How Chung, Victor and Mr Boo Chun Lon and three Independent Non-executive Directors namely Mr Yuen Wai Ho, Mr Chow Siu Ngor and Mr Lee Ka Lun. A list containing the names of the Directors and their roles and functions is published on the websites of the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The biographical details of the Directors are set out on pages 38 to 39. To the best knowledge of the Company, there is no financial, business, family or other material or relevant relationships between members of the Board.

Throughout the year under review, the Board at all times met the requirements under Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules respectively relating to the appointment of at least three Independent Non-executive Directors with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise and the Independent Non-executive Directors represent at least one-third of the Board.

All Independent Non-executive Directors are financially independent from the Group. The Company has received the annual confirmation of independence from each of the independent non-executive Directors and confirmed with all Independent Non-executive Directors as to their independence with reference to the factors as set out in Rule 3.13 of the Listing Rules.

企業管治常規

本公司根據香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14內企業管治守則（「企管守則」）所載之規定，致力維持高水平之企業管治常規。

本公司之企業管治原則着重高質素之董事會、健全之內部監控、良好之原則以及對本公司全體股東之透明度及問責性。本公司在本年報所覆蓋之整個會計期間內一直遵守企管守則之守則條文（「守則條文」），惟於本報告稍後部分列載及討論之若干情況則除外。

董事會

本公司之董事（「董事」）共同負責監察本集團業務及事務之管理工作，以符合本公司股東之最佳利益。

董事會（「董事會」）目前由合共五名董事組成，包括兩名執行董事陳孝聰先生及巫峻龍先生，以及三名獨立非執行董事阮煒豪先生、鄧小岳先生及李家麟先生。載有各董事姓名及其角色與職能之名單登載於本公司及香港聯合交易所有限公司（「聯交所」）之網站。

各董事之履歷詳情載於第38頁至第39頁。就本公司所深知，董事會成員之間概無財務、業務、家屬或其他重大或相關關係。

於整個回顧年度內，董事會一直符合上市規則第3.10(1)條、第3.10(2)條及第3.10A條之規定，其內容分別有關至少須委任三名獨立非執行董事，其中至少一名獨立非執行董事必須具備適當之專業資格，或具備適當之會計或相關財務管理專長，以及獨立非執行董事必須佔董事會成員人數至少三分之一。

所有獨立非執行董事在財政上均獨立於本集團。本公司已接獲各獨立非執行董事發出之年度獨立性確認，並於參考上市規則第3.13條所載之因素後，確認全體獨立非執行董事之獨立性。

Corporate Governance Report (continued)

企業管治報告 (續)

The Board is collectively responsible for formulating of the Group's overall strategy, reviewing and monitoring the business performance of the Group, preparing and approving financial statements, recommending the Directors' appointment or re-appointment, considering and approving material contracts and transactions (in particular those may involve conflict of interests) as well as other significant policy and financial matters. The Board also gives clear directions as to the powers delegated to the management for the day-to-day operation, management and administration functions of the Group. Approval has to be obtained from the Board prior to any significant transactions entered into by the management and the Board has the full support of them to discharge its responsibilities.

There were seven Board meetings and one general meeting held for the year ended 31 December 2015. The following was an attendance record of the Board meetings and general meeting during the year:

董事會共同負責制訂本集團之整體策略、檢討及監察本集團之業務表現、編製及批准財務報表、就委任或重新委任董事提出推薦意見、考慮及批准重大合約及交易(尤其是可能存在利益衝突者)以及其他重大政策及財務事宜。董事會亦會就授予管理層於本集團日常營運、管理及行政職能之權力給予清晰指引。管理層於訂立任何重大交易前,必須取得董事會批准,而董事會在管理層全力支持下履行其責任。

截至二零一五年十二月三十一日止年度,本公司曾舉行七次董事會會議及一次股東大會。以下為於年內舉行之董事會會議及股東大會之出席紀錄:

Name of Directors	董事姓名	Number of Board meetings attended/held 出席/舉行 董事會會議次數	Number of general meetings attended/held 出席/舉行 股東大會次數
<i>Executive Directors</i>			
Chan How Chung, Victor	陳孝聰	7/7	1/1
Boo Chun Lon	巫峻龍	7/7	1/1
<i>Independent Non-executive Directors</i>			
Yuen Wai Ho	阮煒豪	7/7	1/1
Chow Siu Ngor	鄒小岳	7/7	1/1
Lee Ka Lun	李家麟	7/7	1/1

The Directors have disclosed to the Company the number and nature of offices held in other public companies or organization and other significant commitments in a timely manner and will provide updates to the Company on any subsequent changes.

各董事已適時地向本公司披露彼等於其他公眾公司或組織擔任之職務及其他重要承擔之數目及性質,其後如有變動,亦將向本公司提供更新資料。

All Directors have been provided with monthly updates by the Group's management, giving a balanced and understandable assessment of the Group's performance, position, recent developments and prospects in sufficient detail to keep them abreast of the Group's affairs and facilitate them to discharge their duties under the relevant requirements of the Listing Rules.

全體董事已獲由本集團管理層提供之每月更新資料,當中載有對本集團之表現、狀況、近期發展及前景之公正而易於理解之評估,內容足以讓彼等緊貼本集團事務,並有助彼等履行上市規則相關規定之職責。

Corporate Governance Report (continued)

企業管治報告 (續)

CHAIRMAN AND CHIEF EXECUTIVE

Under the Code Provision A.2.1, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

The Company does not at present have a Chairman nor a Chief Executive. Nevertheless, the main duties and responsibilities of a Chairman and a Chief Executive are currently held by separate individuals with written guidelines for the division of responsibilities with a view to maintain an effective segregation of duties between the management of the Board and the day-to-day management of the Group's business and operations.

The Company will continue to review the effectiveness of the Group's corporate governance structure and consider the appointment of a Chairman of the Board and a Chief Executive if candidates with suitable leadership, knowledge, skills and experience can be identified within or outside the Group.

NON-EXECUTIVE DIRECTORS

Code Provision A.4.1 requires that non-executive directors should be appointed for a specific term, subject to re-election. Currently, the Independent Non-executive Directors are not appointed for a specific term, but are subject to retirement by rotation at the Company's annual general meeting as specified in the Bye-laws.

The Company has complied with the requirement of the Code Provision on considering the independency of an Independent Non-executive Director who has served more than nine years for his further appointment. Mr Yuen Wai Ho, who has served on the Board for more than nine years, was re-elected as Independent Non-executive Director at the annual general meeting held on 11 June 2015 ("2015 AGM") by passing separate resolution at the 2015 AGM. The Board's view on Mr Yuen's independent status was set out in the 2015 AGM circular. The re-election of Mr Lee Ka Lun, Independent Non-executive Director who has served the Board for more than nine years, will be considered by a vote on a separate resolution in the forthcoming annual general meeting.

主席及行政總裁

根據守則條文A.2.1條，主席與行政總裁之角色應有區分，並不應由一人同時兼任。主席及行政總裁之責任應作清晰區分，並以書面載列。

本公司目前並無主席或行政總裁。然而，為繼續有效區分董事會管理與本集團業務及營運之日常管理職責，主席及行政總裁之主要職務及責任目前由獨立之個別人士根據有關區別責任之書面指引擔任。

本公司將繼續檢討本集團企業管治架構之成效，並考慮於本集團內部或以外物色具備合適領導才能、知識、技能及經驗之人選分別擔任董事會主席及行政總裁職位。

非執行董事

守則條文A.4.1條規定，非執行董事之委任應有指定任期，並須接受重新選舉。現時，獨立非執行董事並無指定任期，惟須按公司細則所指定於本公司之股東週年大會上輪值告退。

於再度委任在任超過九年之獨立非執行董事時，本公司已依照守則條文之規定考慮該獨立非執行董事之獨立性。阮煒豪先生於董事會在任超過九年，彼於二零一五年六月十一日舉行之股東週年大會（「二零一五年股東週年大會」）上以通過獨立決議案之方式獲重選為獨立非執行董事。董事會就阮先生之獨立性之意見載於二零一五年股東週年大會通函內。於董事會在任超過九年之獨立非執行董事李家麟先生，其重選亦將於應屆股東週年大會上以獨立決議案方式表決。

Corporate Governance Report (continued)

企業管治報告 (續)

BOARD COMMITTEES

The Board has established relevant board committees to assist in discharging its responsibilities.

Nomination Committee

The Nomination Committee was established on 29 March 2012. It currently consists of three Independent Non-executive Directors namely Mr Lee Ka Lun (as Chairman), Mr Yuen Wai Ho and Mr Chow Siu Ngor and one Executive Director namely Mr Chan How Chung, Victor.

The Nomination Committee is mainly responsible for reviewing the structure, size and composition of the Board, making recommendations to the Board on the selection of candidates for directorship, appointment or re-appointment and succession of Directors, and assessing the independence of Independent Non-executive Directors. Details of the duties and powers of the Nomination Committee are set out in its written terms of reference which are available on the websites of the Company and the Stock Exchange.

The Company has adopted a board diversity policy since August 2013 which sets out the approach to achieve diversity in the Board. The Company recognizes and embraces the benefits of having a diverse Board, and sees board diversity is an essential element in achieving a sustainable and balanced development. In reviewing Board composition, the Nomination Committee will consider balance of a number of factors, including but not limited to age, cultural and educational background, professional experience, skills, knowledge and length of service. All Board appointments will be based on merit, having due regard to the overall effective function of the Board as a whole.

There was one Nomination Committee meeting held for the year ended 31 December 2015. The following was an attendance record of the Nomination Committee meeting held during the year:

董事委員會

董事會已成立相關董事委員會，助其履行責任。

提名委員會

提名委員會於二零一二年三月二十九日成立，目前由三名獨立非執行董事李家麟先生（主席）、阮煒豪先生及鄒小岳先生以及一名執行董事陳孝聰先生組成。

提名委員會主要負責檢討董事會之架構、人數及組成，就挑選董事人選、董事委任或重新委任及繼任向董事會提出推薦意見，以及評核獨立非執行董事之獨立性。提名委員會之職責及權力詳情載於其書面職權範圍，有關職權範圍可於本公司及聯交所之網站查閱。

本公司自二零一三年八月起已採納董事會成員多元化政策。該政策載列董事會為達致成員多元化所採取之方針。本公司肯定及確信董事會成員多元化帶來之裨益，並視董事會成員多元化為實現可持續及均衡發展之重要關鍵。在檢討董事會組成時，提名委員會將平衡多項因素，包括但不限於年齡、文化及教育背景、專業經驗、技能、知識及服務年資。所有董事會成員之任命均以用人唯才為原則，且顧及到董事會整體的職能可有效地發揮。

截至二零一五年十二月三十一日止年度，提名委員會曾舉行一次會議。以下為於年內舉行之提名委員會會議之出席紀錄：

Nomination Committee Members	提名委員會成員	Number of meetings attended/held 出席／舉行會議次數
Lee Ka Lun	李家麟	1/1
Yuen Wai Ho	阮煒豪	1/1
Chow Siu Ngor	鄒小岳	1/1
Chan How Chung, Victor	陳孝聰	1/1

Corporate Governance Report (continued)

企業管治報告 (續)

During the year under review, work performed by the Nomination Committee included (i) determining the policy for the nomination of directors with reference to the structure, size and composition (including the skills, knowledge and experience) of the Board; (ii) reviewing the annual confirmation of independence submitted by the Independent Non-executive Directors and assessed their independence; and (iii) reviewing the board diversity policy of the Company. Nomination procedures and the process and criteria will be determined by the Nomination Committee should there be the need to select and recommend candidates for directorship.

Remuneration Committee

The Remuneration Committee was established on 23 September 2005. It currently consists of three Independent Non-executive Directors namely Mr Chow Siu Ngor (as Chairman), Mr Yuen Wai Ho and Mr Lee Ka Lun.

The Remuneration Committee is mainly responsible for reviewing the management's remuneration proposals, and making recommendations to the Board on remuneration policy of the Company and remuneration packages of Directors and senior management. Details of the duties and powers of the Remuneration Committee are set out in its written terms of reference which are available on the websites of the Company and the Stock Exchange.

There was one Remuneration Committee meeting held for the year ended 31 December 2015. The following was an attendance record of the Remuneration Committee meeting held during the year:

Remuneration Committee Members

Chow Siu Ngor
Yuen Wai Ho
Lee Ka Lun

薪酬委員會成員

鄒小岳
阮煒豪
李家麟

Number of
meetings
attended/held
出席／舉行
會議次數

1/1
1/1
1/1

The Remuneration Committee has adopted the model that it will review the proposals made by the management on the remuneration of individual Executive Directors and senior management, and make recommendations to the Board. The Board will have final authority to approve the recommendations made by the Remuneration Committee.

於回顧年度，提名委員會進行之工作包括(i)參照董事會之架構、人數及組成(包括技能、知識及經驗)釐定董事提名政策；(ii)審閱獨立非執行董事提交之年度獨立性確認，並評核彼等之獨立性；及(iii)審閱本公司董事會成員多元化政策。如有需要挑選及建議董事人選，提名委員會將制訂提名步驟及程序以及準則。

薪酬委員會

薪酬委員會於二零零五年九月二十三日成立，目前由三名獨立非執行董事組成，包括鄒小岳先生(主席)、阮煒豪先生及李家麟先生。

薪酬委員會主要負責檢討管理人員之薪酬方案，就本公司之薪酬政策以及董事及高級管理人員之薪酬待遇向董事會提出推薦意見。薪酬委員會之職責及權力詳情載於其書面職權範圍，有關職權範圍可於本公司及聯交所之網站查閱。

截至二零一五年十二月三十一日止年度，薪酬委員會曾舉行一次會議。以下為於年內舉行之薪酬委員會會議之出席紀錄：

薪酬委員會已採納一套工作模式，先由其檢討管理層就個別執行董事及高級管理人員提出之薪酬方案，再向董事會提出推薦意見。董事會擁有最終權力，批准薪酬委員會提出之推薦意見。

Corporate Governance Report (continued)

企業管治報告 (續)

During the year under review, work performed by the Remuneration Committee included (i) assessing performance of Executive Directors and senior management and, where applicable, approving their terms of services including the directors' fees and the emoluments of Executive Directors; and (ii) reviewing and determining on policy and structure of the remuneration package of Directors and senior management.

The remuneration packages of the Board for the year ended 31 December 2015 had been reviewed by the Remuneration Committee and approved by the Board by taking into consideration factors such as salaries paid by comparable companies, time commitment, responsibility, market conditions elsewhere in the Group and desirability of performance-based remuneration. Details of the remuneration of each of the Directors for the year under review are set out in note 10 to the financial statements.

Pursuant to Code Provision B.1.5 of the CG Code, details of the annual remuneration of the members of the senior management by band for the year ended 31 December 2015 is as follows:

於回顧年度，薪酬委員會進行之工作包括(i)評核執行董事及高級管理人員之表現，以及(如適用)批准彼等之服務條款，包括董事袍金及執行董事之酬金；及(ii)檢討及決定董事及高級管理人員薪酬待遇之政策及架構。

截至二零一五年十二月三十一日止年度之董事會薪酬待遇已由薪酬委員會作出檢討，並獲董事會批准，當中已考慮多項因素，如相類公司所給予之薪金、時間之投入、職責、本集團在其他方面之市場狀況及按表現計薪制是否可取。各董事於回顧年度之薪酬詳情載於財務報表附註10。

根據企管守則之守則條文B.1.5條，高級管理人員於截至二零一五年十二月三十一日止年度之年薪等級詳情如下：

		Number of employees 僱員人數
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1
		<hr/> <hr/> 3

Audit Committee

The Audit Committee was established on 28 September 2000. It currently consists of three Independent Non-executive Directors namely Mr Yuen Wai Ho (as Chairman), Mr Chow Siu Ngor and Mr Lee Ka Lun. The committee members possess appropriate professional qualifications, business or accounting and related financial management expertise and experience to provide relevant advice and recommendations to the Company.

The Audit Committee is mainly responsible for reviewing and monitoring the financial reporting, risk management and internal control system of the Company, and assist the Board to fulfill its responsibility over the audit. Details of the duties and powers of the Audit Committee are set out in its written terms of reference which are available on the websites of the Company and the Stock Exchange.

審核委員會

審核委員會於二零零零年九月二十八日成立，目前由三名獨立非執行董事組成，包括阮煒豪先生（主席）、鄒小岳先生及李家麟先生。委員會成員均具備適當之專業資格、商業或會計及相關財務管理專長與經驗，可為本公司提供相關意見及推薦意見。

審核委員會主要負責檢討及監察本公司之財務申報、風險管理及內部監控系統，並協助董事會履行其審計職責。審核委員會之職責及權力詳情載於其書面職權範圍，有關職權範圍可於本公司及聯交所之網站查閱。

Corporate Governance Report (continued) 企業管治報告 (續)

The Audit Committee is also responsible for performing the corporate governance duties which include: (i) to develop and review the Company's policies and practices on corporate governance; (ii) to review and monitor the training and continuous professional development of Directors and senior management; (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (iv) to develop, review and monitor the code of conduct and compliance (if any) applicable to the Directors and employees; and (v) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

There were three Audit Committee meetings held for the year ended 31 December 2015, two of which were held with the external auditor. The following was an attendance record of the Audit Committee meetings held during the year:

Audit Committee Members	審核委員會成員	Number of meetings attended/held 出席／舉行會議次數
Yuen Wai Ho	阮煒豪	3/3
Chow Siu Ngor	鄒小岳	3/3
Lee Ka Lun	李家麟	3/3

The Audit Committee reviewed the independence and objectivity of the external auditor, the scope of audit services and related audit fees payable to the external auditor for the Board's approval. The Audit Committee met and discussed with the external auditor on their audit strategy and assessment of the sufficiency of the internal control of the Group.

During the year under review, work performed by the Audit Committee included (i) reviewing the audited annual results and the unaudited interim results of the Group; (ii) reviewing the compliance and internal audit reports and the compliance and corporate governance issues of the Group; and (iii) discussing with external auditor the audit planning work (including the nature and scope of the audit and reporting obligations) in respect of the audit of the annual results of the Group.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor during the year under review.

審核委員會亦負責履行企業管治職責，包括：(i)制訂及檢討本公司之企業管治政策及常規；(ii)檢討及監察董事及高級管理人員之培訓及持續專業發展；(iii)檢討及監察本公司遵守法律及監管規定方面之政策及常規；(iv)制定、檢討及監察適用於董事及僱員之操守及合規守則（如有）；及(v)檢討本公司遵守企管守則之情況以及於企業管治報告內之披露。

截至二零一五年十二月三十一日止年度，審核委員會曾舉行三次會議，其中兩次與外聘核數師舉行。以下為於年內舉行之審核委員會會議之出席紀錄：

審核委員會已檢討外聘核數師之獨立性及客觀性、審核服務範疇及應付外聘核數師之相關審核費用，以呈交董事會批准。審核委員會亦曾與外聘核數師舉行會議，商討其審核策略及評估本集團內部監控之充足性。

於回顧年度，審核委員會進行之工作包括(i)審閱本集團之經審核全年業績及未經審核中期業績；(ii)審閱合規及內部審核報告，以及檢討本集團之合規及企業管治事宜；及(iii)與外聘核數師討論有關審核本集團全年業績之審核計劃工作（包括審核及報告責任之性質及範圍）。

於回顧年度，董事會與審核委員會於外聘核數師挑選及委任方面並無意見分歧。

Corporate Governance Report (continued)

企業管治報告 (續)

AUDITOR'S REMUNERATION

During the year, the remuneration payable to the Company's external auditor, Ting Ho Kwan & Chan CPA Limited, represents the provision of audit fees for statutory audit and other non-statutory audit services amounting to approximately HK\$3,010,000 and HK\$350,000 respectively.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group. In preparing the financial statements for the year ended 31 December 2015, the Directors have adopted suitable accounting policies which are pertinent to its operations and relevant to the financial statements, made judgments and estimates that are prudent and reasonable, and have prepared the financial statements on the going concern basis.

The responsibilities of the Directors for the financial statements and those for the auditor to the shareholders of the Company are set out on page 53.

INTERNAL CONTROL

To protect its assets and to ensure the accuracy and reliability of the financial information that the Company employs in its business or releases to the public, the Company conducts regular reviews of the effectiveness of the Group's internal controls. The scope of these reviews includes, among others, finance, operations, regulation compliance and risk management.

During the year, the Audit Committee has reviewed the effectiveness of the Group's internal control system, covering financial, operational and compliance controls and risk management functions.

DIRECTORS' SECURITIES TRANSACTIONS

During the year ended 31 December 2015, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the code for dealing in securities of the Company by the Directors. Having made specific enquiry, all the Directors confirmed that they have complied with the required standard set out in the Model Code throughout the year.

核數師之酬金

年內，應付本公司外聘核數師丁何關陳會計師事務所有限公司之酬金乃提供法定審核及其他非法定審核服務之核數費用分別約3,010,000港元及350,000港元。

董事及核數師就財務報表所承擔之責任

董事知悉編製真實兼公平反映本集團事務狀況之各財政年度財務報表，乃彼等之責任。於編製截至二零一五年十二月三十一日止年度之財務報表時，董事已採納涉及本集團業務及與財務報表有關之適當會計政策，作出審慎及合理之判斷及估計，並已按持續經營基準編製財務報表。

董事就財務報表須承擔之責任及核數師對本公司股東所負之責任載於第53頁。

內部監控

本公司定期檢討本集團內部監控之成效，以保障其資產及確保其業務上使用或向外公布之財務資料準確可靠。有關檢討涵蓋範圍包括財務、營運、規例遵守及風險管理。

年內，審核委員會已檢討本集團內部監控系統之成效，範圍涵蓋財務、營運及合規監控以及風險管理職能。

董事進行之證券交易

於截至二零一五年十二月三十一日止年度，本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為董事進行本公司證券交易之守則。經作出明確查詢後，全體董事均已確認彼等已於年內一直遵守標準守則所規定之標準。

Corporate Governance Report (continued)

企業管治報告 (續)

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

Every newly appointed Director will be given a comprehensive, formal and tailored induction on his/her first appointment so as to ensure that he/she has appropriate understanding of the business and operations of the Group and of his/her duties, responsibilities and obligations under the Listing Rules and the relevant statutory and regulatory requirements.

There are also arrangements in place for providing continuing briefing and professional development to Directors whenever necessary.

The Directors are continuously updated on latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance of the same by them.

The Directors are committed to comply with Code Provision A.6.5 of the CG Code on directors' training to develop and refresh their knowledge and skills so as to ensure that their contribution to the Board will be informed and relevant.

According to the records provided by the Directors to the Company pursuant to the CG Code, all Directors have participated in appropriate continuous professional development activities during the year under review. The individual training record of each Director for the year ended 31 December 2015 is summarized below:

董事之持續專業發展

每位新委任之董事將於首次獲委任時獲得全面、正式兼專為其而設的就任須知，確保新任董事對本集團業務及營運，以及其於上市規則與相關法定及監管規定下之職責、職務及責任有適當理解。

本公司亦訂有各項安排，於必要時為董事提供持續簡報及專業發展。

董事持續獲得有關上市規則及其他適用監管規定之最新發展資料，確保彼等加以遵守。

董事致力遵守企管守則之守則條文A.6.5條，內容有關董事發展並更新其知識及技能之培訓，以確保在具備全面資訊及切合所需情況下對董事會作出貢獻。

根據董事按照企管守則向本公司提供之紀錄，全體董事於回顧年度均有參與合適持續專業發展活動。截至二零一五年十二月三十一日止年度各董事之個人培訓紀錄概列如下：

		Directors' duties and responsibilities/ Corporate Governance/ Updates on Laws, Rules and Regulations 董事職責及職務／企業管治／ 法律、規則及規例最新資料			Business related/Accounting/ Financial/Management or other professional skills 業務相關／會計／財務／ 管理或其他專業技能	
		Reading materials 閱讀材料	Attending seminars/ conferences 出席研討會／ 會議	In-house briefings 內部簡報	Reading materials 閱讀材料	Attending seminars/ conferences 出席研討會／ 會議
<i>Executive Directors</i>	<i>執行董事</i>					
Chan How Chung, Victor	陳孝聰	✓	✓	✓	✓	✓
Boo Chun Lon	巫峻龍	✓	✓	✓	✓	✓
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>					
Yuen Wai Ho	阮煒豪	✓	✓	✓	✓	✓
Chow Siu Ngor	鄒小岳	✓	✓	✓	✓	✓
Lee Ka Lun	李家麟	✓	✓	✓	✓	✓

Corporate Governance Report (continued)

企業管治報告 (續)

DIRECTORS' LIABILITIES INSURANCE

During the year under review, the Company has arranged appropriate insurance cover for Directors' liabilities in respect of potential legal actions against the Directors arising out of corporate activities of the Group pursuant to Code Provision A.1.8 of the CG Code. Such directors' liability insurance will be reviewed and renewed annually.

Throughout the year ended 31 December 2015, no claim has been made against the Directors.

COMPANY SECRETARY

The Company Secretary of the Company is Ms Ng Yuen Yee, who was appointed by the Board on 27 April 2006.

During the year, Ms Ng has undertaken sufficient hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to convene a special general meeting
Pursuant to Section 74(1) of the Bermuda Companies Act and the bye-law 62 of the Bye-laws, the shareholder(s) of the Company holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company with the right of voting at general meetings of the Company may request the Board to convene a special general meeting.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda for the attention of the Company Secretary and may consist of several documents in like form each signed by one or more requisitionists.

If the Directors do not within twenty one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

Procedures for directing Shareholders' enquiries to the Board

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

董事責任保險

於回顧年度，本公司已按照企管守則之守則條文A.1.8條，就董事可能因本集團企業活動而面對之法律行動作適當董事責任投保安排。有關董事責任保險將每年檢討及續保。

於截至二零一五年十二月三十一日止整個年度並無針對董事之申索。

公司秘書

本公司之公司秘書為吳婉儀女士，彼於二零零六年四月二十七日獲董事會委任。

年內，吳女士已遵守上市規則第3.29條，接受足夠時數之相關專業培訓。

股東權利

股東召開股東特別大會之程序

根據百慕達公司法第74(1)條及公司細則第62條，本公司股東可要求董事會召開股東特別大會，惟有關股東於遞交要求當日須持有不少於十分之一附有本公司股東大會投票權之本公司繳足股本。

有關要求必須述明大會目的及經呈請人簽署，並送達本公司之註冊辦事處（地址為Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda），註明收件人為公司秘書。有關要求可由多份格式相近之文件組成，惟每份均須經由一名或以上呈請人簽署。

倘於由遞交要求日期起計二十一日內，董事未有正式安排召開大會，則呈請人（或當中代表彼等全體總投票權一半以上之任何人士）可自行召開大會，惟任何據此召開之大會不得於由上述日期起計三個月期間屆滿後舉行。

股東向董事會作出查詢之程序

股東如欲查詢有關持股事宜，可向本公司股份過戶登記處香港分處卓佳標準有限公司（地址為香港皇后大道東183號合和中心22樓）查詢。

Corporate Governance Report (continued)

企業管治報告 (續)

Other shareholders' enquiries can be directed in writing with contact details (including name, address, telephone number and email address) to the principal office of the Company at Suite 2601, 26/F., Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong for the attention of the Company Secretary.

Shareholders may also make enquiries with the Board at the general meetings of the Company.

Procedures for putting forward proposals at a general meeting

Shareholders are welcomed to suggest proposals relating to the operations, strategy and/or management of the Group to be discussed at general meetings. Proposals shall be directed in writing with contact details (including name, address, telephone number and email address) to the principal office of the Company at Suite 2601, 26/F., Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong for the attention of the Company Secretary.

The procedures for proposing a person for election as a Director are available on the websites of the Company.

The Board may, in its sole discretion, consider if such proposals are appropriate and shall be put forward to the Shareholders for approval at the next general meeting to be convened by the Board.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company communicates with its shareholders and investors through various channels including publication of interim and annual reports, announcements, circulars, press releases and other corporate communications and publications available on the websites of the Stock Exchange and the Company.

The general meetings of the Company provide an opportunity for direct communication between the Board and the Shareholders. The Company encourages their participation through general meetings where the Shareholders meet and exchange views with the Board, and to exercise their right to vote at meetings.

To promote the communication between the Company and its shareholders, the Company has established a shareholders' communication policy which shall be reviewed on a regular basis to ensure its effectiveness and compliance with the prevailing regulatory and other requirements.

An up-to-date consolidated version of the Memorandum of Association of the Company and Bye-laws is published on the websites of the Company and the Stock Exchange. There have been no changes to such constitutional documents during the year under review.

股東如欲查詢其他事宜，可以書面方式連同詳細聯絡資料（包括姓名／名稱、地址、電話號碼及電郵地址）送交本公司之主要辦事處（地址為香港銅鑼灣告士打道255-257號信和廣場26樓2601室），請註明收件人為公司秘書。

股東亦可於本公司之股東大會上向董事會提出查詢。

於股東大會上提呈建議之程序

本公司歡迎股東提出有關本集團業務、策略及／或管理方面之建議於股東大會上討論。有關建議須以書面方式連同詳細聯絡資料（包括姓名／名稱、地址、電話號碼及電郵地址）送交本公司之主要辦事處（地址為香港銅鑼灣告士打道255-257號信和廣場26樓2601室），請註明收件人為公司秘書。

股東建議董事候選人之程序可於本公司網站查閱。

董事會可全權酌情決定考慮該等建議是否恰當，並於董事會召開下次股東大會時於會上提呈股東批准。

與股東之溝通及投資者關係

本公司透過多個渠道（包括刊發中期報告及年報、公布、通函、新聞稿以及可於聯交所及本公司之網站查閱之其他企業通訊及刊物）與其股東及投資者溝通。

本公司之股東大會提供機會讓董事會與股東直接溝通。本公司鼓勵彼等透過參加股東大會，讓彼等於會上與董事會面及交流意見，以及於會上行使投票權。

為促進本公司與其股東之溝通，本公司已制訂股東通訊政策，並將定期檢討有關政策以確保其行之有效且符合當時之監管及其他規定。

本公司組織章程大綱及公司細則之最新綜合版本已登載於本公司及聯交所之網站。於回顧年度，有關憲章文件並無變動。

Independent Auditor's Report 獨立核數師報告



TING HO KWAN & CHAN CPA LTD
9/F., Tung Ning Building, 249-253 Des Voeux Road C, Hong Kong

TO THE MEMBERS OF REXLOT HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of REXLot Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 56 to 191, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the 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 (the "Directors") 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. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, 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.

致御泰中彩控股有限公司各成員
(於百慕達註冊成立之有限公司)

本會計師行(以下簡稱「我們」)已完成審核載於第56至191頁之御泰中彩控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,其中包括於二零一五年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他說明資料。

董事就綜合財務報表須承擔之責任

貴公司董事(「董事」)須負責根據香港會計師公會頒佈之香港財務報告準則及香港《公司條例》之披露規定編製真實而公平之綜合財務報表,以及負責執行董事認為必需之內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

我們之責任是根據我們就本綜合財務報表之審核給予意見。我們根據一九八一年百慕達公司法第90條僅將本報告向閣下報告而不作其他用途。我們不就本報告之內容,對任何其他人士負責或承擔責任。

我們已根據香港會計師公會頒佈之香港審計準則進行審核。該等準則要求我們遵守道德規範,並規劃及執行審核,以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

Independent Auditor's Report (continued)

獨立核數師報告(續)

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 judgement, 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 the 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 financial position of the Group as at 31 December 2015 and of the Group's performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of matters

Without qualifying our opinion, we draw attention to Notes 15, 36 and 52 to the consolidated financial statements. To address these issues, the Company is proceeding to obtain convertible bonds holders' consent to extend the convertible bonds redemption date from 31 March 2016 to a date no later than 29 April 2016 so as to enable the Company to have sufficient cash resources upon the completion of the proposed disposal of certain subsidiaries of the Company (the "Disposal") pursuant to the Company's circular dated 29 February 2016 and the announcement dated 29 March 2016 to satisfy its redemption obligations in relation to the Bonds. The ultimate outcome of these matters cannot presently be determined and this indicates the existence of material uncertainties as stated in Note 52 which may cast significant doubt about the Group's ability to continue as a going concern.

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選用之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師會考慮與公司編製真實而公平之綜合財務報表相關之內部控制，以設計適當之審核程序，但並非為對公司之內部控制之成效發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價綜合財務報表之整體列報方式。

我們相信，我們已獲得充足和適當之審核憑證，為我們之審核意見提供基礎。

意見

我們認為，綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於二零一五年十二月三十一日之財務狀況及截至該日止年度 貴集團之表現及現金流量，並已按照香港《公司條例》之披露規定妥為編製。

強調事項

在並無保留意見下，我們謹請 閣下注意綜合財務報表附註15、36及52。為解決該等事宜，貴公司正在尋求可換股債券持有人同意將可換股債券之贖回日期由二零一六年三月三十一日延遲至不遲於二零一六年四月二十九日，以便 貴公司於根據其日期為二零一六年二月二十九日之通函及日期為二零一六年三月二十九日之公布建議出售其若干附屬公司之交易（「出售事項」）完成後，取得足夠現金資源履行有關該等債券之贖回責任。該等事件之最終結果目前無法釐定，顯示存在附註52所述之重大不確定事項，可能對 貴集團按持續基準經營之能力構成重大疑問。

Independent Auditor's Report (continued) 獨立核數師報告(續)

The consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern and therefore do not include any adjustments relating to the realisation of assets that may be necessary if the Group is unable to continue as a going concern. Should the going concern assumption be inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised other than at the amounts at which they are currently recorded in the consolidated statement of financial position. In addition, the Group may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively.

TING HO KWAN & CHAN CPA LIMITED

Certified Public Accountants

Chan Shu Kin

Practising Certificate Number: P01297

Hong Kong, 31 March 2016

於編製綜合財務報表時，已假設 貴集團將按持續基準經營，因此並無作出任何涉及於 貴集團無法持續經營時須要變現資產之調整。倘持續經營假設不恰當，則可能須作出調整，以反映資產可能須按並非目前於綜合財務狀況表中列賬者之金額變現。此外， 貴集團可能須進一步就有機會出現之負債作出撥備，並將非流動資產及非流動負債分別重新分類為流動資產及流動負債。

丁何關陳會計師事務所有限公司

執業會計師

陳樹堅

執業證書編號：P01297

香港，二零一六年三月三十一日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

			2015 二零一五年	2014 二零一四年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收入	5	1,554,394	1,687,953
Cost of sales/services rendered	銷售／提供服務之成本	23(b)	(506,718)	(448,271)
Other income	其他收入	5	93,720	9,485
Other gains, net	其他收益淨額	5	34,043	19,867
Selling and distribution expenses	銷售及分銷費用		(72,999)	(64,122)
Loss on deconsolidation of a subsidiary	終止綜合入賬一間附屬公司之虧損	47	-	(9,397)
Impairment loss on goodwill	商譽減值虧損	18	(99,321)	(748,530)
Impairment losses on intangible assets	無形資產減值虧損	19	-	(121,885)
Administrative expenses	行政費用		(410,598)	(305,685)
Operating profit	經營溢利		592,521	19,415
Finance costs	財務費用	8	(387,721)	(173,474)
Share of profits of joint ventures	分佔合營企業溢利	20	558	12,518
Profit/(loss) before taxation	除稅前溢利／(虧損)	9	205,358	(141,541)
Taxation	稅項	12	(41,124)	(30,559)
Profit/(loss) for the year	年度溢利／(虧損)		164,234	(172,100)
Attributable to:	以下人士應佔：			
Equity shareholders of the Company	本公司權益股東		150,879	(103,692)
Non-controlling interests	非控股權益		13,355	(68,408)
			164,234	(172,100)
Earnings/(loss) per share for profit/(loss) attributable to equity shareholders of the Company	本公司權益股東應佔溢利／(虧損)之每股盈利／(虧損)	14		
- Basic and diluted	- 基本及攤薄		1.51 cents 仙	(1.12) cents 仙

Details of dividends paid and proposed for the year are disclosed in Note 13 to the consolidated financial statements.

年內已付及建議派付股息之詳情於綜合財務報表附註13披露。

The notes on pages 64 to 191 are an integral part of these consolidated financial statements.

第64至191頁之附註屬本綜合財務報表一部分。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		2015	2014
		二零一五年	二零一四年
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
Profit/(loss) for the year	年度溢利／（虧損）	164,234	(172,100)
Other comprehensive expense	其他全面開支		
Items that may be reclassified	其後可能重新分類至損益之項目：		
subsequently to profit or loss:			
Exchange difference arising	換算境外業務財務報表產生之		
from translation of financial	匯兌差額		
statements of foreign			
operations		(101,948)	(39,835)
Share of other comprehensive	分佔合營企業之其他全面開支		
expense of joint ventures	20	(7,496)	(4,022)
Total other comprehensive	其他全面開支總額	(109,444)	(43,857)
expense			
Total comprehensive income/ (expense) for the year	年度全面收益／（開支）總額	54,790	(215,957)
Attributable to:	以下人士應佔：		
Equity shareholders of	本公司權益股東		
the Company		47,957	(141,972)
Non-controlling interests	非控股權益	6,833	(73,985)
		54,790	(215,957)

The notes on pages 64 to 191 are an integral part of these consolidated financial statements.

第64至191頁之附註屬本綜合財務報表一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2015 於二零一五年十二月三十一日

			2015 二零一五年	2014 二零一四年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	59,271	196,259
Prepaid lease payments on land use rights	土地使用權之預付租約付款	17	735	46,317
Goodwill	商譽	18	405,206	1,531,322
Intangible assets	無形資產	19	1,920	57,803
Interests in joint ventures	於合營企業之權益	20	377,614	384,552
Available-for-sale financial assets	可供出售金融資產	21	307,810	77,182
			<u>1,152,556</u>	<u>2,293,435</u>
Total non-current assets	非流動資產總值			
			<u>1,152,556</u>	<u>2,293,435</u>
Current assets	流動資產			
Inventories	存貨	23	23,494	142,656
Trade receivables	應收貿易賬款	24	760,152	916,772
Utility and other deposits	公用事業及其他按金	25	1,600,474	1,742,347
Prepayments and other receivables	預繳款項及其他應收款項	26	1,795,121	2,125,177
Financial assets at fair value through profit or loss	通過損益按公允值計量之金融資產	27	63,935	53,102
Cash and bank balances	現金及銀行結餘	28	1,098,073	1,293,032
			<u>5,341,249</u>	<u>6,273,086</u>
Assets of the disposal group classified as held for sale	分類為持作出售之出售組別之資產	15	2,236,663	-
			<u>7,577,912</u>	<u>6,273,086</u>
Total current assets	流動資產總值			
			<u>7,577,912</u>	<u>6,273,086</u>
Total assets	資產總值		<u><u>8,730,468</u></u>	<u><u>8,566,521</u></u>
EQUITY	權益			
Capital and reserves attributable to equity shareholders of the Company	本公司權益股東應佔資本及儲備			
Share capital	股本	30	99,835	99,600
Reserves	儲備	32	5,871,322	5,827,299
Proposed final dividend	建議末期股息	13	-	79,680
			<u>5,971,157</u>	<u>6,006,579</u>
Non-controlling interests	非控股權益		114,246	133,527
			<u>6,085,403</u>	<u>6,140,106</u>
Total equity	權益總額			
			<u>6,085,403</u>	<u>6,140,106</u>

Consolidated Statement of Financial Position (continued)

綜合財務狀況表 (續)

At 31 December 2015 於二零一五年十二月三十一日

			2015 二零一五年	2014 二零一四年
	Notes 附註		HK\$'000 千港元	HK\$'000 千港元
LIABILITIES				
Non-current liabilities		負債		
		非流動負債		
Amount due to a joint venture	20	應付一間合營企業款項	46,195	46,195
Deferred tax liabilities	22	遞延稅項負債	155,857	151,269
Convertible bonds	36	可換股債券	250,773	1,900,452
Obligations under finance leases	37	融資租賃債務	8,867	27,262
			461,692	2,125,178
Total non-current liabilities		非流動負債總額		
		流動負債		
Current liabilities		流動負債		
Trade payables	33	應付貿易賬款	2,728	26,871
Other payables and accruals	34	其他應付款項及應計款項	64,311	157,897
Bank borrowings	35	銀行借貸	-	87,500
Current portion of convertible bonds	36	可換股債券之流動部分	1,824,629	-
Obligations under finance leases	37	融資租賃債務	17,038	16,681
Amount due to a shareholder	48	應付一名股東款項	118,000	-
Current tax liabilities		當期稅項負債	3,051	12,288
			2,029,757	301,237
Liabilities directly associated with the assets of the disposal group classified as held for sale	15	與分類為持作出售之出售組別之資產直接相關之負債	153,616	-
Total current liabilities		流動負債總額	2,183,373	301,237
Total liabilities		負債總額	2,645,065	2,426,415
Total equity and liabilities		權益及負債總額	8,730,468	8,566,521
Net current assets		流動資產淨值	5,394,539	5,971,849
Total assets less current liabilities		總資產減流動負債	6,547,095	8,265,284

The financial statements were approved and authorised for issue by the Board on 31 March 2016 and are signed on behalf of the Board by:

財務報表已於二零一六年三月三十一日獲董事會核准及授權刊發，並由下列董事會代表簽署：

Chan How Chung, Victor
陳孝聰
DIRECTOR
董事

Boo Chun Lon
巫峻龍
DIRECTOR
董事

The notes on pages 64 to 191 are an integral part of these consolidated financial statements.

第64至191頁之附註屬本綜合財務報表一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司權益股東應佔										
		Share capital	Share premium	Capital redemption reserve	Convertible bonds reserve	Share-based payment reserve	Exchange translation reserve	Retained profits	Proposed final dividend	Total	Non-controlling interests	Total equity
		股本	股份溢價	贖回儲備	可換股債券儲備	以股份支付款項之儲備	匯兌儲備	保留溢利	末期股息建議	合計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2014	於二零一四年一月一日之結餘	87,318	3,180,903	2,345	212,388	346	144,217	2,167,859	168,644	5,964,020	258,652	6,222,672
Loss for the year	年度虧損	-	-	-	-	-	-	(103,692)	-	(103,692)	(68,408)	(172,100)
Other comprehensive expense for the year	年度其他全面開支	-	-	-	-	-	(38,280)	-	-	(38,280)	(5,577)	(43,857)
Total comprehensive expense	全面開支總額	-	-	-	-	-	(38,280)	(103,692)	-	(141,972)	(73,985)	(215,957)
Capital contribution by non-controlling interests	非控股權益出資	-	-	-	-	-	-	-	-	-	3,750	3,750
Acquisition of additional interests in subsidiaries (Note 46)	收購附屬公司額外權益(附註46)	-	-	-	-	-	-	-	-	-	-	-
Deconsolidation of a subsidiary (Note 47)	終止綜合入賬一間附屬公司(附註47)	-	-	-	-	-	-	(458,115)	-	(458,115)	(22,985)	(481,100)
Total changes in ownership interests	擁有權益變動總額	-	-	-	-	-	-	(458,115)	-	(458,115)	(51,140)	(509,255)
Issue of new shares	發行新股份	1,060	112,020	-	-	-	-	-	-	113,080	-	113,080
Recognition of share option benefits at fair value	按公允價值確認購股權福利	-	-	-	-	13,708	-	-	-	13,708	-	13,708
Repurchase of shares	購回股份	(680)	(53,357)	680	-	-	-	(680)	-	(54,037)	-	(54,037)
Transfer to share premium on exercise of share options	因行使購股權而轉撥至股份溢價	-	5,651	-	-	(5,651)	-	-	-	-	-	-
Issue of shares upon conversion of convertible bonds (Note 36)	於轉換可換股債券時發行股份(附註36)	10,494	647,768	-	(94,079)	-	-	-	-	564,183	-	564,183
Convertible bonds – equity component, net of transaction costs (Note 36)	可換股債券—權益部分(扣除交易成本)(附註36)	-	-	-	296,730	-	-	-	-	296,730	-	296,730
2013 proposed final dividend paid	二零一三年已派付建議末期股息	583	48,401	-	-	-	-	(5,989)	(168,644)	(125,649)	-	(125,649)
Interim dividend (Note 13)	中期股息(附註13)	825	60,987	-	-	-	-	(227,181)	-	(165,369)	-	(165,369)
2014 proposed final dividend (Note 13)	二零一四年建議末期股息(附註13)	-	-	-	-	-	-	(79,680)	79,680	-	-	-
Total contributions and distributions	出資及分派總額	12,282	821,470	680	202,651	8,057	-	(313,530)	(88,964)	642,646	-	642,646
Total transactions with owners of the Company	與本公司擁有人交易總額	12,282	821,470	680	202,651	8,057	-	(771,645)	(88,964)	184,531	(51,140)	133,391
Balance at 31 December 2014	於二零一四年十二月三十一日之結餘	99,600	4,002,373	3,025	415,039	8,403	105,937	1,292,522	79,680	6,006,579	133,527	6,140,106
Balance at 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及二零一五年一月一日之結餘	99,600	4,002,373	3,025	415,039	8,403	105,937	1,292,522	79,680	6,006,579	133,527	6,140,106
Profit for the year	年度溢利	-	-	-	-	-	-	150,879	-	150,879	13,355	164,234
Other comprehensive expense for the year	年度其他全面開支	-	-	-	-	-	(102,922)	-	-	(102,922)	(6,522)	(109,444)
Total comprehensive income/(expense)	全面收益/(開支)總額	-	-	-	-	-	(102,922)	150,879	-	47,957	6,833	54,790
Dividend paid to non-controlling interests	已派付非控股權益股息	-	-	-	-	-	-	-	-	-	(26,114)	(26,114)
Total changes in ownership interests	擁有權益變動總額	-	-	-	-	-	-	-	-	-	(26,114)	(26,114)
Lapse of share options	購股權失效	-	-	-	-	(2,074)	-	2,074	-	-	-	-
Redemption of convertible bonds (Note 36)	贖回可換股債券(附註36)	-	-	-	(20,752)	-	-	6,261	-	(14,491)	-	(14,491)
2014 proposed final dividend paid (Note 13)	二零一四年已派付建議末期股息(附註13)	235	10,557	-	-	-	-	-	(79,680)	(68,888)	-	(68,888)
Total contributions and distributions	出資及分派總額	235	10,557	-	(20,752)	(2,074)	-	8,335	(79,680)	(83,379)	-	(83,379)
Total transactions with owners of the Company	與本公司擁有人交易總額	235	10,557	-	(20,752)	(2,074)	-	8,335	(79,680)	(83,379)	(26,114)	(109,493)
Balance at 31 December 2015	於二零一五年十二月三十一日之結餘	99,835	4,012,930*	3,025*	394,287*	6,329*	3,015*	1,451,736*	-	5,971,157	114,246	6,085,403

* These reserve accounts comprise the consolidated reserves of approximately HK\$5,871,322,000 in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內之綜合儲備約5,871,322,000港元。

The notes on pages 64 to 191 are an integral part of these consolidated financial statements.

第64至191頁之附註屬本綜合財務報表一部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit/(loss) for the year	年度溢利／(虧損)	164,234	(172,100)
Adjustments for:	調整項目：		
Taxation	稅項	41,124	30,559
Interest income	利息收入	(2,923)	(1,480)
Interest expense	利息開支	387,721	173,474
Share of profits of joint ventures	分佔合營企業溢利	(558)	(12,518)
Share option benefits	購股權福利	-	13,708
Impairment loss on goodwill	商譽減值虧損	99,321	748,530
Impairment losses on intangible assets	無形資產減值虧損	-	121,885
Allowance for impairment of bad and doubtful debts	呆壞賬減值撥備	57	-
Write-down of inventories	存貨撇減	1,529	4,775
Depreciation and amortisation	折舊及攤銷	64,691	81,625
Gain on redemption of convertible bonds	贖回可換股債券之收益	(1,013)	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	128	109
Loss on deconsolidation of a subsidiary	終止綜合入賬一間附屬公司之虧損	-	9,397
Dividend income from listed investments	上市投資之股息收入	(61)	(259)
Dividend income from unlisted investment	非上市投資之股息收入	(78,185)	-
Net gains on disposal of financial assets at fair value through profit or loss	出售通過損益按公允值計量之金融資產之收益淨額	(25,780)	(2,310)
Fair value gains on financial assets at fair value through profit or loss	通過損益按公允值計量之金融資產之公允值收益	(7,250)	(17,546)
Exchange differences	匯兌差額	4,451	-
Operating cash flows before changes in working capital	未計營運資金變動前之經營現金流量	647,486	977,849
Changes in working capital	營運資金變動		
Decrease/(increase) in financial assets at fair value through profit or loss	通過損益按公允值計量之金融資產減少／(增加)	22,197	(14,396)
Decrease in bank balance – segregated accounts	銀行結餘減少 – 獨立賬戶	2	4
(Increase)/decrease in inventories	存貨(增加)／減少	(5,702)	2,277
Decrease in trade receivables	應收貿易賬款減少	52,085	173,045
Decrease/(increase) in utility and other deposits	公用事業及其他按金減少／(增加)	37,476	(688,965)
Increase in prepayments and other receivables	預繳款項及其他應收款項增加	(470,491)	(1,226,616)
Increase in trade payables	應付貿易賬款增加	14,177	3,660
Decrease in other payables and accruals	其他應付款項及應計款項減少	(57,682)	(15,667)
Net cash generated from/ (used in) operations	經營業務所得／(所用)現金淨額	239,548	(788,809)

Consolidated Statement of Cash Flows (continued)

綜合現金流量表 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		2015	2014
		二零一五年	二零一四年
		HK\$'000	HK\$'000
		千港元	千港元
		Notes	
		附註	
Interest received	已收利息	2,923	1,480
Interest paid	已付利息	(113,864)	(81,891)
Taxation paid	已付稅項	(29,669)	(29,167)
Net cash generated from/ (used in) operating activities		98,938	(898,387)
INVESTING ACTIVITIES		投資活動	
Purchases of property, plant and equipment	購買物業、廠房及設備	16 (59,294)	(65,542)
Addition of prepaid lease payments on land use rights	增加土地使用權之預付租約付款	17 –	(11,618)
Deposit paid for acquisition of leasehold building	就收購租賃樓宇支付之按金	(452)	–
Increase in fixed bank deposits	定期銀行存款增加	28 (491,429)	–
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	34	2,643
Proceeds on disposal of intangible assets	出售無形資產所得款項	–	30,662
Net cash outflow on deconsolidation of a subsidiary	終止綜合入賬一間附屬公司產生之現金流出淨額	47 –	(35,933)
Payment for acquisition of intangible assets	就收購無形資產支付款項	19 –	(3,246)
Dividend received from joint venture	已收合營企業股息	20 –	12,394
Dividend received from listed investments	已收上市投資股息	5 61	259
Dividend received from unlisted investment	已收非上市投資股息	5 78,185	–
Purchase of additional interest in an available-for-sale financial asset	購買一項可供出售金融資產之額外權益	21 –	(5,682)
Acquisition of a subsidiary, net of cash acquired	收購一間附屬公司(扣除所得現金)	45 –	(6,952)
Acquisition of additional interests from non-controlling equity holders of subsidiaries	向附屬公司非控股權益持有人收購額外權益	46 –	(481,100)
Net cash used in investing activities		(472,895)	(564,115)

Consolidated Statement of Cash Flows (continued)

綜合現金流量表（續）

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

			2015 二零一五年	2014 二零一四年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
FINANCING ACTIVITIES	融資活動			
Issue of shares, net of issuing costs	發行股份（扣除發行成本）		-	113,080
Capital contributed by non-controlling interests	非控股權益出資		-	3,750
Payment for repurchase of shares	就購回股份支付款項	30(a)	-	(54,037)
Payments for redemption of convertible bonds	就贖回可換股債券支付款項	36	(112,385)	-
Net proceeds from issue of convertible bonds	發行可換股債券所得款項淨額		-	1,859,266
Proceeds from borrowings	借貸所得款項		71,429	87,500
Advance from a shareholder	由一名股東墊付款項		118,000	-
Repayment of borrowings	償還借貸		(87,500)	(70,656)
Repayment of obligations under finance leases	償還融資租賃債務		(16,541)	(15,509)
Dividend paid to non-controlling interests	已派付非控股權益股息		(26,114)	-
Dividend paid	已付股息	13	(68,888)	(291,018)
Net cash (used in)/generated from financing activities	融資活動（所用）／所得現金淨額		<u>(121,999)</u>	<u>1,632,376</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物（減少）／ 增加淨額		<u>(495,956)</u>	<u>169,874</u>
Exchange loss on cash and cash equivalents	現金及現金等價物之匯兌虧損		(45,712)	(23,104)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日之現金及 現金等價物		<u>1,292,700</u>	<u>1,145,930</u>
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於十二月三十一日之現金及 現金等價物	28	<u><u>751,032</u></u>	<u><u>1,292,700</u></u>

The notes on pages 64 to 191 are an integral part of these consolidated financial statements.

第64至191頁之附註屬本綜合財務報表一部分。

Notes to the Financial Statements

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

1. GENERAL INFORMATION

REXLot Holdings Limited (the "Company") was incorporated in Bermuda as an exempted company with limited liability. The principal place of business of the Company is located at Suite 2601, 26/F., Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong.

Pursuant to a group reorganisation scheme to rationalise the structure of the Company and its subsidiaries (together, the "Group") in preparing for the listing of the Company's shares on the Stock Exchange, the Company became the holding company of the Group in Hong Kong on 15 August 2000 and its shares were listed on the Main Board of the Stock Exchange with effect from 28 September 2000.

The Group is principally engaged in lottery business comprising development and production of lottery machines, related operating software system and networks for lottery industry, the distribution and marketing of lottery products and development of paperless electronic lottery platform for lottery business in the People's Republic of China (the "PRC").

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Deconsolidation of a subsidiary

For the year ended 31 December 2014, the Directors resolved that the Group did not have control or significant influence over an indirect non-wholly owned subsidiary (the "PRC Company"). Accordingly, the PRC Company had been deconsolidated and reclassified as an available-for-sale financial asset in the Group's consolidated financial statements with effect from 1 January 2014.

Critical judgements that the Directors have made in the process of applying the Group's accounting policies and the details of loss on deconsolidation of the PRC Company are set out in Notes 4B(b) and 47 to the financial statements respectively.

1. 一般資料

御泰中彩控股有限公司(「本公司」)為於百慕達註冊成立之獲豁免有限責任公司。本公司之主要營業地點位於香港銅鑼灣告士打道255-257號信和廣場26樓2601室。

根據為重整本公司及其附屬公司(統稱「本集團」)架構以籌備本公司股份於聯交所上市之集團重組計劃,本公司於二零零零年八月十五日成為本集團於香港之控股公司,而其股份亦由二零零零年九月二十八日起於聯交所主板上市。

本集團主要從事彩票業務,而彩票業務包括於中華人民共和國(「中國」)經營之彩票機開發和生產、彩票行業相關運作軟件系統和網絡、彩票產品之配送與市場業務,以及發展彩票業務之無紙化電子彩票平台。

2. 主要會計政策

(a) 終止綜合入賬一間附屬公司

截至二零一四年十二月三十一日止年度,董事決議本集團並無對一間間接非全資附屬公司(「該中國公司」)擁有控制權或重大影響力。因此,本集團之綜合財務報表已終止綜合入賬該中國公司,並將該中國公司分類為可供出售金融資產,自二零一四年一月一日起生效。

董事在應用本集團會計政策之過程中所作出之重大判斷及因終止綜合入賬該中國公司而產生之虧損詳情,分別載於財務報表附註4B(b)及47。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKAS”) and Interpretations (“Int”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). A summary of the significant accounting policies adopted by the Group is set out below.

The preparation of consolidated financial statements in conformity with HKFRS requires management to make judgements, estimates and assumptions that affect the applicable of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 futures periods.

2. 主要會計政策(續)

(b) 遵例聲明

此等綜合財務報表乃按照香港會計師公會頒佈之所有適用香港財務報告準則(包括所有適用個別香港財務報告準則、香港會計準則及詮釋)、香港公認會計原則及香港《公司條例》之披露規定編製。此等綜合財務報表亦符合香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露規定。本集團採用之主要會計政策概列於下文。

編製符合香港財務報告準則之綜合財務報表需要管理層作出可影響政策應用及所呈報資產、負債、收入及開支數額之判斷、估計及假設。估計及相關假設乃根據過往經驗及在有關情況下相信屬合理之各種其他因素而作出，其結果構成對無法輕易從其他來源得出之資產及負債賬面值作出判斷之基準。實際結果可能與該等估計有所不同。

估計及相關假設會持續檢討。倘修訂會計估計僅影響修訂估計之期間，則於該期間確認修訂，而倘修訂同時影響本期間及未來期間，則於修訂期間及未來期間確認修訂。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Statement of compliance (continued)

Judgements made by management in the application of HKFRS that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 4.

The HKICPA has issued a number of new HKFRS and amendments to HKFRS that are first effective for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(c) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2015 comprise the Company, its subsidiaries and the Group's interests in joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that financial assets at fair value through profit or loss (Note 2(f)(i)) are stated at their fair values.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$") while the functional currency of the Company is Hong Kong dollars and the functional currency of the Company's principal subsidiaries are Renminbi ("RMB"). The directors of the Company consider the presentation currency in HK\$ is more useful for its current and potential investors. All values are rounded to the nearest thousand except where otherwise indicated.

2. 主要會計政策(續)

(b) 遵例聲明(續)

管理層於應用香港財務報告準則時所作出將對財務報表造成重大影響之判斷，以及具有相當風險可能會導致下個年度須作出重大調整之估計，概於附註4論述。

香港會計師公會已頒佈多項新訂香港財務報告準則及香港財務報告準則之修訂，該等準則及修訂於本集團及本公司之本會計期間首次生效。附註3所載資料涉及因首次應用此等事況進展而造成之會計政策變動，而此等事況進展於此等財務報表反映之本會計期間及過往會計期間與本集團相關。

(c) 財務報表之編製基準

截至二零一五年十二月三十一日止年度之綜合財務報表涵蓋本公司、其附屬公司及本集團於合營企業之權益。

除通過損益按公允值計量之金融資產(附註2(f)(i))以其公允值入賬外，編製財務報表時均以歷史成本作為計量基準。

綜合財務報表乃以港元呈列，本公司之功能貨幣為港元，而本公司主要附屬公司之功能貨幣則為人民幣。本公司董事認為，以港元作為呈列貨幣對其現有及潛在投資者較為實用。所有數值已調整至千位數，如另有所指則除外。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Basis of consolidation

(i) *Subsidiaries and non-controlling interests*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

2. 主要會計政策(續)

(d) 綜合入賬基準

(i) *附屬公司及非控股權益*

附屬公司為受本集團控制之實體。當本集團能夠或有權從參與實體中獲得可變回報，並有能力透過其對該實體之權力影響該等回報，即代表控制該實體。於評估本集團是否擁有權力時，僅會考慮實質之權利(本集團及其他方所持有者)。

於附屬公司之投資乃於控制權開始日期至結束日期為止期間計入綜合財務報表。在編製綜合財務報表時，集團間之結餘、交易及現金流量以及集團間交易之任何未變現溢利會全數對銷。至於集團間交易之未變現虧損，僅在並無出現減值證據情況下，以與未變現收益相同之方式對銷。

非控股權益乃指並非由本公司直接或間接擁有之附屬公司權益，而本集團並無就此與該等權益之持有人協定任何額外條款，以致本集團整體須就該等權益負上符合金融負債定義之合約責任。本集團可選擇按公允值或按非控股權益所佔附屬公司可識別資產淨值之比例，逐項業務合併計量任何非控股權益。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Basis of consolidation (continued)

(i) Subsidiaries and non-controlling interests

(continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with Notes 2(o), 2(p) or 2(q) depending on the nature of the liability.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(f)) or, when appropriate, the cost on initial recognition of an investment in a joint venture (see Note 2(d)(ii)).

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses, unless the investments are classified as held for sale (or included in a disposal group that is classified as held for sale). The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2. 主要會計政策 (續)

(d) 綜合入賬基準 (續)

(i) 附屬公司及非控股權益 (續)

非控股權益在綜合財務狀況表內列入權益，但與本公司權益股東應佔權益分開列示。至於非控股權益所佔本集團業績，乃在綜合收益表及綜合全面收益表內，以非控股權益與本公司權益股東各自所佔之年度損益總額及全面收益總額之形式列示。非控股權益持有人之貸款及應向此等非控股權益持有人承擔之其他合約責任，乃根據附註2(o)、2(p)或2(q)（視負債性質而定），在綜合財務狀況表內列示為金融負債。

本集團於附屬公司之權益之變動如不會導致失去控制權，則入賬列為權益交易，而在綜合權益內之控股權益及非控股權益金額會因而作出調整，以反映相關權益之變動，但不會就商譽作出調整及確認任何收益或虧損。

如本集團失去附屬公司之控制權，則入賬列為出售於該附屬公司之全部權益，而所引致之收益或虧損會於損益確認。任何於失去控制權當日仍然保留之前附屬公司權益乃按公允值確認，而該金額被視為金融資產之初步確認公允值（見附註2(f)），或在適用情況下，被視為於合營企業之投資之初步確認成本（見附註2(d)(ii)）。

在本公司之財務狀況表內，除非於附屬公司之投資已分類為持作出售投資（或包括在已分類為持作出售之出售組別內），否則於附屬公司之投資按成本減減值虧損列賬。本公司因應已收及應收股息將附屬公司業績入賬。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Basis of consolidation (continued)

(ii) Joint ventures

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Notes 2(e) and 2(j)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of comprehensive income.

When the Group ceases to have joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(f)).

2. 主要會計政策(續)

(d) 綜合入賬基準(續)

(ii) 合營企業

合營企業為本集團或本公司及其他人士按合約協定分享控制權及淨資產擁有權之安排。

於合營企業之投資除非已分類為持作出售(或包括在已分類為持作出售之出售組別內),否則於綜合財務報表根據權益法入賬。根據權益法,有關投資初步按成本記錄,並已就本集團所佔接受投資公司可識別淨資產於收購日期之公允值超出投資成本之金額(如有)作出調整。其後,有關投資會就本集團所佔接受投資公司淨資產之收購後變動及有關該項投資之任何減值虧損作出調整(見附註2(e)及2(j))。收購日期超出成本之任何金額、本集團所佔接受投資公司之收購後除稅後業績以及任何年度減值虧損於綜合收益表確認,而本集團所佔接受投資公司之收購後除稅後其他全面收益項目則於綜合全面收益表確認。

本集團不再擁有合營企業之共同控制權時,會將之入賬列為出售於接受投資公司之全部權益,而所產生之任何收益或虧損會在損益確認。任何於失去共同控制權當日仍然保留之前接受投資公司權益乃按公允值確認,而該金額被視為金融資產之初步確認公允值(見附註2(f))。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Goodwill

Goodwill represents the excess of:

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the Group's interest in the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash-generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (Note 2(j)).

On disposal of a cash-generating unit during the year, any attributable amount of the purchased goodwill is included in the calculation of profit or loss on disposal.

(f) Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

2. 主要會計政策(續)

(e) 商譽

商譽指下列兩項間之差額：

- (i) 所轉讓代價之公允值、被收購方任何非控股權益金額與本集團先前所持被收購方股權之公允值三者總和；超出
- (ii) 本集團所佔被收購方可識別資產及負債於收購日期計量之公允淨值之權益之數額。

如第(ii)項高於第(i)項，有關差額會即時在損益確認為議價收購之收益。

商譽按成本減累計減值虧損列賬。業務合併產生之商譽會分配至預期將受惠於合併協同效應之各個現金產生單位或現金產生單位組別，並會每年進行減值測試(附註2(j))。

年內出售現金產生單位時，購買商譽之任何應佔金額均計入出售損益。

(f) 金融資產

本集團將金融資產分為以下類別：通過損益按公允值計量之金融資產、貸款及應收款項以及可供出售金融資產。分類方法取決於購入金融資產之目的。管理層在初步確認時釐定金融資產之分類。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial assets (continued)

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading and are stated in the statement of financial position at fair value. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets. Any attributable transaction cost and gain or loss on the fair value changes of financial assets at fair value through profit or loss are recognised in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are subsequently carried at amortised cost using the effective interest method. The Group's loans and receivables comprise 'trade receivables, deposits and other receivables' and 'cash and bank balances' in the consolidated statement of financial position (Notes 2(l) and 2(m)).

(iii) *Available-for-sale financial assets*

Investments other than those held for trading and held to maturity are classified as available-for-sale financial assets and are stated in the statement of financial position at fair value, which is their transaction price including attributable transaction costs. Gain or loss on fair value changes of available-for-sale financial assets is recognised in other comprehensive income and accumulated separately in equity in the fair value reserve, except for impairment losses and foreign exchange gains and losses resulting from changes in the amortised cost of monetary items such as debt securities which are recognised directly in profit or loss.

2. 主要會計政策 (續)

(f) 金融資產 (續)

(i) 通過損益按公允值計量之金融資產

通過損益按公允值計量之金融資產為持有作買賣用途之金融資產，並按公允值於財務狀況表列賬。倘購入金融資產之目的主要為於短期內出售，則該項金融資產分類為此類別。除非衍生工具被指定作對沖用途，否則亦會分類為持有作買賣之衍生工具。此類別資產分類為流動資產。任何應佔交易成本及通過損益按公允值計量之金融資產之公允值變動收益或虧損均會在損益確認。

(ii) 貸款及應收款項

貸款及應收款項為非衍生金融資產，有固定或可確定之付款，且在活躍市場上並無報價。貸款及應收款項計入流動資產，惟到期日在報告日後十二個月以上者則分類為非流動資產。貸款及應收款項其後以實際利息法按攤銷成本列賬。本集團之貸款及應收款項包括綜合財務狀況表內之「應收貿易賬款、按金及其他應收款項」及「現金及銀行結餘」(附註2(l)及2(m))。

(iii) 可供出售金融資產

持有作買賣用途及持至到期以外之投資均分類為可供出售金融資產，並按公允值(即投資交易價，包括應佔交易成本)於財務狀況表列賬。可供出售金融資產之公允值變動收益或虧損乃於其他全面收益確認，並於權益內之公允值儲備獨立累計，惟減值虧損及因貨幣項目(例如債務證券)之攤銷成本出現變動而產生之匯兌收益及虧損，則直接於損益確認。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial assets (continued)

(iii) Available-for-sale financial assets (continued)

When the available-for-sale financial assets are derecognised, the cumulative gain or loss is reclassified from equity to profit or loss. Where the available-for-sale financial assets are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

When a decline in the fair value of an available-for-sale financial asset has been recognised in equity and there is objective evidence that the asset is impaired (see Note 2(j)), the cumulative loss is recognised from equity to profit or loss even though the financial assets have not been derecognised.

Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

The amount of the cumulative loss that is removed from equity and reclassified to profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on those financial assets previously recognised in profit or loss.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale are not reversed through profit or loss. Any subsequent increase in the fair value of such investment is recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. Impairment losses are written off against the corresponding investments directly.

2. 主要會計政策 (續)

(f) 金融資產 (續)

(iii) 可供出售金融資產 (續)

如可供出售金融資產被終止確認，累計收益或虧損自權益重新分類至損益。如可供出售金融資產附帶利息，則採用實際利息法計算利息並於損益確認。

如可供出售金融資產公允值減少已於權益確認，且有客觀證據顯示資產出現減值（見附註2(j)），即使金融資產未被終止確認，累計虧損亦會由於權益確認，改為於損益確認。

投資會於本集團確保購買／出售該投資或該投資到期時確認／終止確認。

從權益剔除重新分類至損益之累計虧損金額為收購成本（扣除任何本金還款及攤銷）與本期公允值間之差額，再減去之前該金融資產在損益確認之任何減值虧損。

就分類為可供出售之股本工具投資在損益確認之減值虧損不會透過損益撥回。有關投資之公允值其後如有任何增加，均在其他全面收益確認，並於權益內之公允值儲備獨立累計。如分類為可供出售之債務工具之公允值於其後期間增加，而有關增加可客觀地與在損益確認減值虧損後發生之事件聯繫，則會撥回減值虧損，撥回金額乃於損益確認。減值虧損於相應投資直接撇銷。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial assets (continued)

(iii) Available-for-sale financial assets (continued)

Investments in unquoted equity instruments whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost less any impairment losses. If there is objective evidence that an impairment loss has been incurred on such instrument, the amount of impairment loss is measured as the difference between its carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar instrument. Such impairment losses are not reversed.

Fair value of an instrument on initial recognition is normally the transaction price, unless it is estimated by using a valuation technique when part of the consideration given or received is for something other than the investment.

After initial recognition, the fair value of an investment quoted in an active market is based on the current bid price and, for investments not quoted in an active market, the Group establishes the fair value of such investment by using a valuation technique.

Valuation techniques include using recent arm's length market transactions between knowledgeable willing parties, if available, by reference to the current fair value of another instrument that is substantially the same, discounted cash flows analysis and option pricing models.

2. 主要會計政策 (續)

(f) 金融資產 (續)

(iii) 可供出售金融資產 (續)

公允值無法可靠地計量之無報價股本工具投資，以及與該等無報價股本工具掛鈎且必須透過交付該等工具結算之衍生工具，乃按成本減任何減值虧損計量。如有客觀證據顯示有關工具出現減值虧損，則減值虧損金額乃按其賬面值與估計未來現金流量之現值（按類似工具之現行市場回報率貼現）間之差額計量。有關減值虧損不會撥回。

工具於初步確認時之公允值一般為交易價，除非部分代價乃就投資以外工具而給予或收取，則該公允值採用估值技巧估算。

於初步確認後，在活躍市場上報價之投資之公允值依照當時之買入價計算。至於並無在活躍市場上報價之投資，本集團會採用估值技巧制定有關投資之公允值。

估值技巧包括採用由知情自願買賣雙方近期進行之公平市場交易（如有）、參照另一項大致相同之工具之當時公允值、貼現現金流量分析及期權定價模型。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at historical cost less accumulated depreciation and any accumulated impairment losses (*Note 2(j)*). Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Property, plant and equipment are depreciated sufficient to write off their costs, less accumulated impairment losses and residual values, if any, using the straight-line method over their estimated useful lives. The principal annual rates used for this purpose are as follows:

– Leasehold buildings	30 – 50 years
– Leasehold improvements	20%
– Lottery machines	4 – 12 years
– Furniture, fixtures and equipment	6 – 33%
– Plant and machinery	10 – 25%
– Motor vehicles	10 – 20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately.

2. 主要會計政策(續)

(g) 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及任何累計減值虧損(*附註2(j)*)於財務狀況表列賬。歷史成本包括購入項目直接應佔之開支。成本亦可包括自權益轉撥有關以外幣購買物業、廠房及設備之合資格現金流量對沖收益/虧損。

隨後成本僅於與項目相關之未來經濟收益很可能會流入本集團,且項目成本能可靠地計量時,方會計入資產賬面值或確認為獨立資產(如適用)。被取代部分之賬面值會被終止確認。所有其他維修及保養均於產生之財政期間在損益扣除。

物業、廠房及設備於其估計可用年限內使用直線法,按足以撇銷其成本之比率折舊,並扣除任何累計減值虧損及殘值(如有)。就此採用之主要年率如下:

– 租賃樓宇	30 – 50年
– 租賃物業裝修	20%
– 彩票機	4 – 12年
– 傢俬、裝置及設備	6 – 33%
– 廠房及機器	10 – 25%
– 汽車	10 – 20%

倘物業、廠房及設備項目各部分擁有不同可用年限,則項目之成本會按合理基準於各部分之間分配,而各部分亦獨立計算折舊。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Property, plant and equipment (continued)

The assets' residual values, if any and useful lives are reviewed, and adjusted if appropriate, at each reporting date. 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. The gain or loss on derecognition of an item of property, plant and equipment, calculated as the difference between the net disposal proceeds and the carrying amount of the item, is included in profit or loss in the period the item is derecognised.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(h) Prepaid lease payments on land use rights

Prepaid lease payments on land use rights are lump sum upfront payments to acquire long-term interest in lessee-occupied properties.

Prepaid lease payments on land use rights relating to buildings of the Group are stated at cost and are amortised over the period of the lease on the straight-line basis which is charged to profit or loss.

(i) Intangible assets (other than goodwill)

On initial recognition, intangible assets acquired are recognised at cost. After initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses (*Note 2(j)*). Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over their estimated useful lives. Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2. 主要會計政策(續)

(g) 物業、廠房及設備(續)

資產之殘值(如有)及可用年限在各個報告日審閱,並在適用情況下調整。物業、廠房及設備項目在出售時或預計持續使用資產不會產生未來經濟收益時終止確認。終止確認物業、廠房及設備項目產生之收益或虧損按項目出售所得款項淨額與賬面值間之差額計算,並計入終止確認項目期間之損益。

如資產賬面值高於其估計可收回金額,則資產賬面值須立即撇減至其可收回金額。

(h) 土地使用權之預付租約付款

土地使用權之預付租約付款乃於購入承租人佔用物業之長期權益時之一筆過預付支出。

有關本集團樓宇之土地使用權之預付租約付款均按成本列賬,並於租賃期內按直線法攤銷及自損益扣除。

(i) 無形資產(商譽除外)

於初步確認時,所購入之無形資產按成本確認。於初步確認後,具備確定可用年限之無形資產按成本減累計攤銷及任何累計減值虧損(*附註2(j)*)列賬。具備確定可用年限之無形資產之攤銷按直線法在其估計可用年限內自損益扣除。具備不確定可用年限之無形資產按成本減任何其後累計減值虧損列賬。

終止確認無形資產所產生之收益或虧損按資產之出售所得款項淨額與賬面值間之差額計量,並在資產終止確認時於損益確認。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Intangible assets (other than goodwill) (continued)

Intangible assets with indefinite useful lives are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired.

(i) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 2 to 10 years.

Costs associated with developing or maintaining computer software programmes are recognised as expenses as incurred.

2. 主要會計政策(續)

(i) 無形資產(商譽除外)(續)

具備不確定可用年限之無形資產每年進行減值測試，方法為比較其賬面值與可收回金額，而不論是否有任何跡象顯示可能出現減值。如資產之可收回金額估計低於其賬面值，則資產賬面值須減至其可收回金額。減值虧損會即時確認為開支。

如其後撥回減值虧損，資產賬面值會增至經修訂估計可收回金額，但增加後之賬面值不得超越在資產於以往年度並未確認減值虧損之情況下原應釐定之賬面值。

如有跡象顯示具備確定可用年限之無形資產可能出現減值，即會進行減值測試。

(i) 電腦軟件

購得之電腦軟件特許權以獲得及使用指定軟件所產生之成本為基準撥充資本。該等成本乃於其2至10年估計可用年限內攤銷。

與開發或維護電腦軟件程式相關之成本乃於產生時確認為開支。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Intangible assets (other than goodwill) (continued)

(ii) *Deferred development cost*

Expenditure incurred on projects to develop computer software is capitalised and deferred only when the projects are clearly defined; the expenditure is separately identifiable and can be measured reliably; there is reasonable certainty that the projects are technically feasible, and the products have commercial value. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less accumulated amortisation and any accumulated impairment losses (*Note 2(j)*). Amortisation is provided on the straight-line basis over the commercial lives of the underlying production, subject to a maximum of 20 years commencing from the date when the products are put into commercial production.

(iii) *Operating right*

Operating right represents expenditure incurred on obtaining an operating right in a lottery centre. The operating right is carried at cost less any accumulated impairment losses and amortised over its estimated useful life of 6 years.

(iv) *Long term contracts*

Long term contracts represent operating right contracts with lottery centres acquired in business combinations. These contracts have definite useful lives and are measured initially at their fair values on the acquisition date. After initial recognition, they are amortised over their estimated useful lives of 5 to 10 years.

2. 主要會計政策(續)

(i) 無形資產(商譽除外)(續)

(ii) 遞延開發成本

開發電腦軟件項目所產生之開支僅於項目可以清晰界定、開支可分列名目並能可靠地計量、可合理確定項目在技術上屬可行以及產品具商業價值之情況下，方會撥充資本並作遞延處理。不符合此等準則之產品開發開支則在產生時支銷。

遞延開發成本按成本減累計攤銷及任何累計減值虧損(附註2(j))列賬。攤銷乃以直線法在相關生產之商業年限(由產品投入商業生產日期起計最多20年)計提。

(iii) 經營權

經營權指就取得彩票中心經營權產生之開支。經營權按成本減任何累計減值虧損列賬，並於其估計可用年限6年內攤銷。

(iv) 長期合約

長期合約指與於業務合併中購入之彩票中心訂立之經營權合約。該等合約具有確定可用年限，且按於收購日期之公允值初步計量。於初步確認後，有關合約於其5至10年估計可用年限內攤銷。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Impairment of assets

(i) *Impairment of investments in equity securities and other receivables*

Investments in equity securities and other current and non-current receivables that are stated at cost or amortised cost or classified as available-for-sale financial assets are reviewed at each reporting date to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becomes probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in joint ventures accounted for under the equity method in the consolidated financial statements (see Note 2(d)(iii)), the impairment loss is measured by comparing the recoverable amount of the investment as a whole with its carrying amount in accordance with Note 2(j)(ii) below. The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with Note 2(j)(ii) below.

2. 主要會計政策(續)

(j) 資產減值

(i) *股本證券投資及其他應收款項之減值*

股本證券投資以及其他流動及非流動應收款項如以成本或攤銷成本列賬，或分類為可供出售金融資產，則會於各報告日審閱，以確定是否有客觀證據顯示出現減值。減值客觀證據包括本集團注意到有關下列一項或以上虧損事項之可觀察數據：

- 債務人出現重大財政困難；
- 違反合約，例如拖欠或未能償還利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大改變，對債務人造成不利影響；及
- 於股本工具之投資之公允值大幅或長期低於其成本。

倘存在任何有關證據，則按下列方式釐定及確認任何減值虧損：

- 就根據權益法於綜合財務報表入賬之於合營企業之投資而言（見附註2(d)(iii)），減值虧損乃根據下文附註2(j)(ii)，以比較投資之整體可收回金額與賬面值方式進行計量。如根據下文附註2(j)(ii)釐定可收回金額時所用估計出現有利變動，減值虧損將會撥回。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Impairment of assets (continued)

(i) Impairment of investments in equity securities and other receivables (continued)

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2. 主要會計政策 (續)

(j) 資產減值 (續)

(i) 股本證券投資及其他應收款項之減值 (續)

- 就按成本列賬之無報價股本證券而言，減值虧損乃按金融資產之賬面值與估計未來現金流量（如貼現之影響重大，則按類似金融資產之現行市場回報率貼現）間之差額計量。按成本列賬之股本證券之減值虧損不會撥回。

- 就按攤銷成本列賬之應收貿易賬款及其他流動應收款項以及其他金融資產而言，減值虧損乃按資產之賬面值與估計未來現金流量之現值（如貼現之影響重大，則按金融資產原訂實際利率（即在初步確認該等資產時計算之實際利率）貼現）間之差額計量。如該等金融資產具備類似風險特徵（例如類似逾期情況），且並未被個別評估為已減值，則會進行集體評估。集體進行減值評估之金融資產之未來現金流量，會根據與該集體組別具有類似信貸風險特徵之資產之過往虧損情況計算。

如減值虧損數額於其後期間減少，而有關減少可客觀地與在確認減值虧損後發生之事件聯繫，則減值虧損會透過損益撥回。撥回減值虧損不得導致資產賬面值超越在以往年度並未確認減值虧損之情況下原應釐定之賬面值。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Impairment of assets (continued)

(i) Impairment of investments in equity securities and other receivables (continued)

- For available-for-sale securities, the cumulative loss that has been recognised in the fair value reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade and other receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

2. 主要會計政策 (續)

(j) 資產減值 (續)

(i) 股本證券投資及其他應收款項之減值 (續)

- 就可供出售證券而言，在公允價值儲備確認之累計虧損會重新分類至損益。在損益確認之累計虧損金額為收購成本（扣除任何本金還款及攤銷）與本期公允價值間之差額，再減去之前該資產在損益確認之任何減值虧損。

就可供出售股本證券在損益確認之減值虧損不會透過損益撥回。該等資產公允價值其後如有任何增加，均在其他全面收益確認。

如可供出售債務證券之公允價值有所增加，而有關增加可客觀地在確認減值虧損後發生之事件有關，則撥回可供出售債務證券之減值虧損。在此情況下撥回減值虧損於損益確認。

減值虧損乃於相應資產直接撇銷，惟倘減值虧損乃就收回能力存疑但仍有一定可能收回之應收貿易賬款及其他應收款項確認，則作別論。在此情況下，呆賬之減值虧損採用撥備賬入賬。如本集團信納收回可能性極低，被視作無法收回之金額於應收貿易賬款及其他應收款項直接撇銷，而就此債項於撥備賬持有之任何款項則會撥回。之前於撥備賬扣除之金額如在其後收回，則於撥備賬撥回。撥備賬內其他變動及之前直接撇銷但於其後收回之款項乃於損益確認。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Impairment of assets (continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at each reporting date to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- prepaid lease payments on land use rights classified as being held under an operating lease;
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount

The recoverable amount of an asset is the higher of its fair value less costs of disposal 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2. 主要會計政策 (續)

(j) 資產減值 (續)

(ii) 其他資產之減值

本集團會在各報告日審閱內部及外部資料，以確定是否有跡象顯示下列資產可能出現減值，或（就商譽而言）之前確認之減值虧損是否不再存在或可能已經減少：

- 物業、廠房及設備（按重估值列賬之物業除外）；
- 分類為根據經營租賃持有之土地使用權之預付租約付款；
- 無形資產；
- 商譽；及
- 本公司財務狀況表內於附屬公司之投資。

倘存在任何有關跡象，則會估計資產之可收回金額。此外，就商譽、尚未可供使用之無形資產及具有不確定可用年限之無形資產而言，無論是否存在任何減值跡象，均會每年估計可收回金額。

- 計算可收回金額

資產之可收回金額以公允值減出售成本及使用價值兩者中之較高者為準。在評估使用價值時，會使用除稅前貼現率將估計未來現金流量貼現至現值。該貼現率反映市場當時對貨幣時間價值及該資產之獨有風險之評估。如資產所產生之現金流入不能大致上獨立於其他資產所產生之現金流入，則就能獨立產生現金流入之最小資產組別（即現金產生單位）釐定可收回金額。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating units (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2. 主要會計政策 (續)

(j) 資產減值 (續)

(ii) 其他資產之減值 (續)

– 確認減值虧損

如資產或其所屬之現金產生單位之賬面值高於其可收回金額，則於損益確認減值虧損。就現金產生單位確認之減值虧損首先分配至有關現金產生單位（或單位組別）獲分配之商譽，以減低其賬面值，然後再分配至有關單位（或單位組別）內之其他資產，以按比例減少各項資產之賬面值，惟資產之賬面值不得減至低於其個別公允值減出售成本（如可計量）或使用價值（如可釐定）。

– 減值虧損撥回

倘用以釐定可收回金額之估計出現有利變動，資產（商譽除外）之減值虧損則會撥回。商譽之減值虧損不會撥回。

所撥回之減值虧損以在過往年度並未確認減值虧損之情況下原應釐定之資產賬面值為限。所撥回之減值虧損在確認撥回年度計入損益。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Impairment of assets (continued)

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (*Notes 2(j)(i) and 2(j)(ii)*).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work-in-progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2. 主要會計政策(續)

(j) 資產減值(續)

(iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須根據香港會計準則第34號「中期財務報告」就各財政年度首六個月編製中期財務報告。於中期完結時，本集團應用於財政年度完結時應採用之相同減值測試、確認及撥回準則（*附註2(j)(i)及2(j)(ii)*）。

於中期內就商譽、可供出售股本證券及按成本列賬之無報價股本證券確認之減值虧損不會在其後期間撥回。倘若僅於中期相關之財政年度完結時方評估減值，則即使無須確認虧損或確認之虧損較少，亦不會撥回減值虧損。因此，倘可供出售股本證券之公允值於年度期間餘下時間或其後任何其他期間增加，則有關增加會於其他全面收益而非損益確認。

(k) 存貨

存貨按成本及可變現淨值兩者中之較低者列賬。成本按加權平均法釐定。製成品及在製品之成本包括設計成本、原材料、直接勞工、其他直接成本及相關生產開支（根據正常經營能力計算），惟不包括借貸成本。可變現淨值乃按日常業務過程中之估計售價減去適用可變銷售開支計算。

存貨出售時，其賬面值在確認相關收入期間確認為開支。撇減存貨至可變現淨值之款額及所有存貨損失均在撇減或損失產生期間確認為開支。撥回任何存貨撇減金額會於撥回期間確認為已確認為開支之存貨金額減少。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Trade and other receivables

Trade and other receivables are initially recognised at fair value, and after initial recognition, at amortised cost using the effective interest method, less any allowance for impairment of doubtful debts (*Note 2(j)*).

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(n) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of the tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

2. 主要會計政策(續)

(l) 應收貿易賬款及其他應收款項

應收貿易賬款及其他應收款項初步按公允價值確認，而於初步確認後，則以實際利息法按攤銷成本扣除呆賬減值撥備(*附註2(j)*)確認。

(m) 現金及現金等價物

現金及現金等價物包括手頭及銀行現金、存於銀行及其他金融機構之活期存款以及短期高流動性投資(於收購後三個月內到期，並無涉及重大價值變動風險，且可輕易地轉換為已知金額現金)。

(n) 所得稅

年度所得稅包括當期稅項及遞延稅項資產及負債之變動。當期稅項及遞延稅項資產及負債之變動乃在損益確認，除非此等稅項及變動涉及之項目已經在其他全面收益確認或直接在權益確認，則作別論；在此情況下，相關稅項金額分別於其他全面收益確認或直接在權益確認。

當期稅項乃指預期就年度應課稅收入，按於報告日已頒佈或實質上已頒佈之稅率計算之應付稅項，以及對過往年度應付稅項之調整。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Income tax (continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

2. 主要會計政策(續)

(n) 所得稅(續)

遞延稅項資產及負債分別因可抵扣及應課稅暫時差異而產生，為就財務報告所用之資產及負債賬面值與其稅基之差額。遞延稅項資產亦會因未動用稅項虧損及未動用稅項抵免而產生。

除若干有限例外情況外，所有遞延稅項負債及所有遞延稅項資產（以可能有未來應課稅溢利可動用有關資產為限）均會確認。可支持確認因可抵扣暫時差異而產生之遞延稅項資產之未來應課稅溢利，包括因撥回現有應課稅暫時差異而產生之數額，惟有關差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差異預計撥回之同一期間，或遞延稅項資產所產生之稅項虧損向前期或向後期結轉之期間撥回。在釐定現有應課稅暫時差異是否足以支持確認因未動用稅項虧損及抵免而產生之遞延稅項資產時，會採用同一準則，亦即倘涉及同一稅務機關及同一應課稅實體，而且預期在能夠使用稅項虧損或抵免之一段或多段期間內撥回，則計算在內。

確認遞延稅項資產及負債之有限例外情況包括因不可扣稅商譽而產生之暫時差異，初步確認既不影響會計溢利亦不影響應課稅溢利之資產或負債（如並不屬於業務合併一部分），以及涉及於附屬公司之投資之暫時差異（如屬應課稅差異，以撥回時間可由本集團控制，且在可見將來不大可能撥回有關差異者為限；或如屬可抵扣差異，則以可在將來撥回有關差異者為限）。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Income tax (continued)

The amount of deferred tax recognised is measured based on expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2. 主要會計政策 (續)

(n) 所得稅 (續)

已確認遞延稅項金額根據預期變現或清償資產及負債賬面值之方式，按於報告日已頒佈或實質上已頒佈之稅率計量。遞延稅項資產及負債不作貼現。

遞延稅項資產之賬面值於各報告日檢討，並於不可能再有足夠應課稅溢利可供動用有關稅項利益時扣減。任何有關減少在可能有足夠應課稅溢利可供動用時撥回。

因派發股息而產生之額外所得稅於確認支付相關股息之責任時確認。

當期稅項結餘及遞延稅項結餘以及其變動會分開呈列，不予抵銷。倘本公司或本集團擁有合法強制執行權利以當期稅項資產抵銷當期稅項負債，並符合以下附加條件，則當期稅項資產與遞延稅項資產始會分別抵銷當期稅項負債及遞延稅項負債：

- 如屬當期稅項資產及負債，本公司或本集團有意按淨額基準結算，或同時變現資產及清償負債；或
- 如屬遞延稅項資產及負債，而此等資產及負債與同一稅務機關就以下其中一項徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體，而此等實體有意於預期有大額遞延稅項負債或資產需要清償或可以收回之每段未來期間內，按淨額基準變現及清償當期稅項資產及當期稅項負債，或同時變現及清償該等資產及負債。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with Note 2(s), trade and other payables are subsequently stated at amortised cost.

(p) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2. 主要會計政策(續)

(o) 應付貿易賬款及其他應付款項

應付貿易賬款及其他應付款項初步按公允價值確認。除根據附註2(s)計量之財務擔保負債外，應付貿易賬款及其他應付款項其後按攤銷成本列賬。

(p) 借貸

借貸初步按公允價值扣除所產生交易成本確認。交易成本為收購、發行或出售金融資產或金融負債直接應佔之增量成本，包括付予代理、顧問、經紀及交易商之費用及佣金、監管機構及證券交易所之徵費以及轉讓稅項及徵稅。借貸其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間之任何差額以實際利息法於借貸所涉期間在損益確認。

借貸分類為流動負債，惟倘本集團擁有無條件權利將清償負債日期遞延至報告日後最少十二個月，則作別論。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Convertible bonds

Convertible bonds which contain an equity component are accounted for as follows:

Convertible bonds that can be converted to equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component. The values of non-equity derivative component which are considered as closely related to the host contract are included in the liability component.

At initial recognition the liability component of the convertible bonds, including the non-equity derivative component, is measured at fair value which is determined by reference to the fair value of a similar stand-alone debt instrument that includes the non-equity derivative feature but does not have an associated equity conversion option. Any excess of proceeds over the amount initially recognised as the liability component (including the non-equity derivative component) is recognised as the equity component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the periods of the convertible bonds using the effective interest method.

The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the convertible bonds reserve until either the bond is converted or redeemed.

If the bond is converted, the convertible bonds reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the bond is redeemed, the convertible bonds reserve is released directly to retained profits.

2. 主要會計政策(續)

(q) 可換股債券

包含權益部分之可換股債券按以下方法入賬：

倘可換股債券可按持有人之選擇轉換為權益股本，而於轉換時將予發行之股份數目及當時將予收取之代價價值並無改變，則有關可換股債券會入賬列作附有負債部分及權益部分之複合金融工具。被視為與主合約關係密切之非權益衍生部分之價值會計入負債部分。

於初步確認時，可換股債券（包括非權益衍生部分）之負債部分按參考類似獨立債務工具（包含非權益衍生工具特性，惟並無相關權益轉換期權）釐定之公允值計量。所得款項淨額超出初步確認為負債部分（包括非權益衍生部分）之金額之部分會確認為權益部分。與發行複合金融工具相關之交易成本按分配所得款項總額比例分配至負債及權益部分。與權益部分相關之交易成本直接於權益確認。與負債部分相關之交易成本計入負債部分之賬面值，並於可換股債券所涉期間按實際利息法攤銷。

負債部分其後按攤銷成本列賬。就負債部分於損益確認之利息開支乃以實際利息法計算。權益部分乃於可換股債券儲備確認，直至債券獲轉換或贖回為止。

倘債券獲轉換，可換股債券儲備連同轉換時之負債部分賬面值乃轉撥至股本及股份溢價，列作所發行股份之代價。倘債券獲贖回，則可換股債券儲備會直接撥至保留溢利。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Employee benefits

(i) Retirement benefit costs

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme in Hong Kong (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The subsidiaries in People's Republic of China (the "PRC") do not provide a pension plan for their employees. The subsidiaries in the PRC made contributions to the defined contribution retirement plans in the PRC which are recognised as expenses in profit or loss as incurred. The subsidiaries have no further payment obligations once the contributions have been paid.

(ii) Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the end of the reporting period is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the end of the reporting period for the expected future cost of such paid leave earned during the year by the employees and carried forward.

2. 主要會計政策(續)

(r) 僱員福利

(i) 退休福利成本

本集團遵照強制性公積金計劃條例，於香港為合資格參與強制性公積金退休福利計劃(「強積金計劃」)之僱員，安排一項定額供款強積金計劃。供款乃以僱員基本薪金之某百分率作出，並於根據強積金計劃之規則須予支付時自損益扣除。本集團之僱主供款於向強積金計劃作出供款時悉數歸屬僱員所有。

於中華人民共和國(「中國」)之附屬公司並無為僱員提供退休金計劃。於中國之附屬公司向中國之定額供款退休計劃作出供款，並於產生時在損益確認為開支。一旦支付供款後，附屬公司再無作額外供款之責任。

(ii) 結轉有薪假期

本集團根據僱傭合約，於每個曆年向其僱員提供有薪年假。在若干情況下，允許將截至報告期末之餘下未用假期結轉，並由有關僱員於下一年度使用。僱員於年內應得之有薪假期之預期未來成本於報告期末累計並結轉。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Employee benefits (continued)

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in profit or loss, and a corresponding adjustment to share-based payment reserve over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(iv) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2. 主要會計政策(續)

(r) 僱員福利(續)

(iii) 股份薪酬

本集團採納股本結算股份薪酬計劃。就授出購股權所換取僱員服務之公允價值會確認為開支。將予支銷之總額乃經參考所授出購股權之公允價值(不包括任何非市場歸屬條件之影響,如盈利能力及銷售增長目標)後釐定。非市場歸屬條件計入預期可予行使購股權數目之假設。實體會於各報告日修訂對預期可予行使購股權數目之估計,並於損益確認修訂原有估計(如有)之影響及於餘下歸屬期間對以股份支付款項之儲備作出相應調整。

購股權獲行使時,已收所得款項於扣除任何直接應佔交易成本後計入股本(面值)及股份溢價。

(iv) 攤分溢利及花紅計劃

本集團乃根據一項方程式(會將經調整之本公司股東應佔溢利計算在內)就花紅及攤分溢利確認負債及開支。本集團會於負有合約責任或因過往慣例而負有推定責任時確認撥備。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Financial guarantees issued, provisions and contingent liabilities

(i) *Financial guarantees issued*

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payment to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with Note 2(s)(iii) below if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee, i.e. the amount initially recognised, less accumulated amortisation.

2. 主要會計政策(續)

(s) 已發出之財務擔保、撥備及或然負債

(i) *已發出之財務擔保*

財務擔保屬於合約，其中訂明於特定債務人未能根據債務工具條款於到期日償還債務時，發行人(即擔保人)須向擔保之受益人(「持有人」)支付特定款項，以補償持有人的損失。

如本集團發出財務擔保，該擔保之公允值初步確認為應付貿易賬款及其他應付款項項下之遞延收入。已發出之財務擔保於發出時之公允值乃參照於類似服務之公平交易中收取之費用(如獲得有關資料)釐定；如未能獲得有關資料，則參照利率差價(即將貸款機構於發出擔保時徵收之息率，與在並無取得擔保之情況下貸款機構將可能徵收之估計息率作出比較)估計(倘可作出有關資料之可靠估計)。倘因發出擔保而已收取或應收取代價，該代價根據適用於該類資產之本集團政策加以確認。倘並無已收取或應收取之代價，則於初步確認任何遞延收入時，即時於損益確認開支。

初步確認為遞延收入之擔保金額乃按擔保年期作為所發出財務擔保之收入於損益攤銷。此外，倘(i)擔保持有人有可能根據擔保向本集團催繳還款；及(ii)向本集團提出申索所涉金額預期超過現時就該擔保列於應付貿易賬款及其他應付款項項下之金額(即初步確認金額)減累計攤銷，則根據下文附註2(s)(iii)確認撥備。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Financial guarantees issued, provisions and contingent liabilities (continued)

(ii) *Contingent liabilities assumed in business combinations*

Contingent liabilities assumed in a business combination which are present obligations at date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with Note 2(s)(iii) below. Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with Note 2(s)(iii) below.

(iii) *Other provisions and contingent liabilities*

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 主要會計政策(續)

(s) 已發出之財務擔保、撥備及或然負債(續)

(ii) 於業務合併中承擔之或然負債

於業務合併中承擔之或然負債為於收購日期之現有責任，初步按公允值確認，惟公允值須能夠可靠地計量。按公允值初步確認後，該等或然負債會以初步確認數額減累計攤銷（如適用）與根據下文附註2(s)(iii)釐定之數額兩者中之較高者確認。於業務合併中承擔之或然負債如不能可靠地估算公允值或並非於收購日期之現有責任，則會根據下文附註2(s)(iii)披露。

(iii) 其他撥備及或然負債

在本集團或本公司因過往事件而須負上法律或推定責任，且可能須就履行該等責任而導致經濟收益流出，並能夠就此作出可靠估計之情況下，方會為未能確定何時發生或款額之其他負債作出撥備。倘貨幣時間價值重大，則撥備會按預期履行有關責任所需開支之現值列賬。

倘不大可能導致經濟收益流出，或未能可靠地估計所涉及之數額，該責任會披露為或然負債，惟倘經濟收益流出之可能性極微則除外。至於須視乎某宗或多宗未來事件會否發生方能確定是否存在之潛在責任，亦會披露為或然負債，除非導致經濟收益流出之可能性極微則除外。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) *Gain or loss on investments held for trading*

Realised gain or loss on investments held for trading is recognised on a trade date basis whilst unrealised gain or loss on investments held for trading is recognised to restate to their fair value on the reporting date.

(ii) *Income from provision of lottery machines and related services, comprising:*

Sales of goods

Sales of goods including lottery machines and related software systems are recognised when the goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods; the related risks and rewards of ownership and collectability of the related receivables are reasonably assured. Revenue excludes value added tax.

Income from lottery business

Income from lottery business including lottery ticketing service, consultancy service, maintenance service and other related services is recognised in the accounting period in which the service is rendered. Revenue excludes sales tax or value added tax.

Income from sharing of lottery sales

Income from sharing of lottery sales is recognised on an accrual basis in accordance with the substance of the relevant agreements. Revenue excludes sales tax or value added tax.

2. 主要會計政策(續)

(t) 收入確認

收入按已收或應收代價之公允值計量。倘經濟收益有可能流入本集團，而收入及成本(如適用)能可靠地計量，則收入於損益確認如下：

(i) *持有作買賣投資之收益或虧損*

持有作買賣投資之已變現收益或虧損乃按交易日基準確認，而持有作買賣投資之未變現收益或虧損亦會確認，以重列於報告日之公允值。

(ii) *提供彩票機及相關服務收入，包括：*

貨品銷售

貨品銷售包括彩票機及相關軟件系統，乃於貨品運送至客戶物業範圍由客戶接受貨品，以及擁有權之相關風險及回報以及能否收取相關應收款項能合理確定時確認。收入不包括增值稅。

來自彩票業務之收入

來自彩票業務(包括彩票服務、顧問服務、維護服務及其他相關服務)之收入，乃於提供服務之會計期間確認。收入不包括銷售稅或增值稅。

應佔彩票銷售收入

應佔彩票銷售收入根據有關協議之實質內容按應計基準確認。收入不包括銷售稅或增值稅。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Revenue recognition (continued)

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(iv) Dividend income

Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(v) Subletting income

Subletting income is recognised on a straight-line basis over the term of the sub-lease.

(u) Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Leases of assets are classified as finance leases when the leases transfer substantially all risks and rewards incidental to ownership of assets to the Company. All other assets are classified as operating leases.

2. 主要會計政策(續)

(t) 收入確認(續)

(iii) 利息收入

利息收入採用實際利息法於應計時確認。

(iv) 股息收入

來自上市投資之股息收入於投資之股價除息時確認。

(v) 分租收入

分租收入於分租期內按直線法確認。

(u) 租賃

倘本集團將一項安排(包括一項交易或一連串交易)確定為轉讓一項特定資產或多項資產在協定期間之使用權以換取一筆或多筆付款,則該安排屬於或包含租賃。確定時乃以對有關安排之實質內容所作評估為基準,而不論該安排是否以法定租賃形式訂立。

倘資產租賃將資產擁有權附帶之絕大部分風險及回報轉移至本公司,則有關租賃分類為融資租賃。所有其他資產均分類為經營租賃。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Leases (continued)

(i) Finance leases

Assets held under finance leases are recognised in the statement of financial position at amounts equal to the fair value of the leased assets, or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liabilities, net of finance charges, on the finance leases are recorded as obligations under finance leases. All assets held under finance leases are classified as property, plant and equipment, except for those properties held to earn rental income which are classified as investment properties, in the statement of financial position.

Depreciation and impairment losses are calculated and recognised in the same manner as the depreciation and impairment losses on property, plant and equipment as set out in Note 2(g), except for the estimated useful lives cannot exceed the relevant lease terms, if shorter.

Minimum lease payments are apportioned between finance charge and the reduction of the outstanding liabilities. The finance charge is recognised in profit or loss over the period of the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) Leases of land and buildings

Whenever necessary in order to classify and account for a lease of land and buildings, 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.

2. 主要會計政策(續)

(u) 租賃(續)

(i) 融資租賃

根據融資租賃持有之資產按相當於在租約訂立時釐定之租賃資產公允值之數額或(倘為較低者)最低租約付款之現值,於財務狀況表確認。融資租賃之相應債項經扣除融資費用後,乃列作融資租賃債務。按融資租賃持有之所有資產乃於財務狀況表內列作物業、廠房及設備,惟持有以賺取租金收入之物業則於財務狀況表內列作投資物業。

誠如附註2(g)所載,折舊及減值虧損按與物業、廠房及設備之折舊及減值虧損相同之方式計算及確認,惟估計可用年限不得超過相關租賃期(倘為較短者)。

最低租約付款於融資費用及未償還負債減少款額之間分配。融資費用按租賃期於損益確認,藉此制定負債餘額之穩定息率。

(ii) 土地及樓宇租賃

在有需要情況下將土地及樓宇租賃分類及入賬時,最低租約付款(包括任何一筆過預付支出)乃按租賃之土地部分及樓宇部分之租賃權益於租賃訂立時之相關公允值比例,分配至土地及樓宇部分。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Leases (continued)

(ii) Leases of land and buildings (continued)

The land element is classified as an operating lease unless title is expected to pass to the lessee by the end of the lease term. The building element is classified as a finance or operating lease in the same way as leases of other assets. The payments made on acquiring land held under an operating lease are recognised in the statement of financial position as prepaid lease payments on land use rights which are stated at cost and are amortised on a straight-line basis over the period of the lease term.

If the prepaid lease payments on a lease of land and buildings cannot be allocated reliably between the land and building elements at the inception of the lease, the entire lease is classified as a finance lease, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.

(iii) Operating leases

Where the Group is the lessee, payments made under operating leases, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the period of the lease. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to profit or loss on a straight-line basis over the lease period. Contingent rentals (if any) are charged or credited to profit or loss in the accounting period in which they are incurred.

(iv) Sale and leaseback resulting in a finance lease

If a sale and leaseback transaction that results in a finance lease, any excess of sales proceeds over the carrying amount is deferred and amortised over the lease term. If the fair value at the time of a sale and leaseback transaction is less than the carrying amount of the asset, no adjustment is necessary unless there has been an impairment in value, in which case the carrying amount is reduced to recoverable amount.

2. 主要會計政策 (續)

(u) 租賃 (續)

(ii) 土地及樓宇租賃 (續)

土地部分乃分類為經營租賃，除非預期業權會於租賃期滿時轉交承租人，則作別論。樓宇部分則以與處理其他資產租賃相同之方式分類為融資或經營租賃。就收購根據經營租賃持有之土地作出之付款，乃於財務狀況表確認為土地使用權之預付租約付款，按成本列賬，並於租賃期內按直線法攤銷。

倘土地及樓宇租賃之預付租約付款未能於租約訂立時可靠地分配至土地及樓宇部分，則整份租賃分類為融資租賃，惟倘兩個部分均確定為經營租賃，在此情況下，整份租賃會分類為經營租賃。

(iii) 經營租賃

倘本集團為承租人，根據經營租賃支付之款項（扣除自出租人收取之任何優惠）在租賃期內以直線法自損益扣除。倘本集團為出租人，則本集團根據經營租賃租賃之資產會計入非流動資產，而根據經營租賃應收之租金在租賃期內以直線法計入損益。或然租金（如有）在其產生之會計期間自損益扣除或計入損益。

(iv) 融資租賃產生之售後租回

倘因融資租賃而產生售後租回交易，出售所得款項超出賬面值之任何差額會予遞延，並於租賃期內攤銷。倘售後租回交易當時公允值低於資產賬面值，則無需作出任何調整，惟倘出現減值，則將賬面值減至可收回金額。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Foreign currency translation

These financial statements are presented in HK\$, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries and joint ventures are currencies other than HK\$. At end of the reporting period, the assets and liabilities of these entities are translated into HK\$ at the rates of exchange ruling at the end of the reporting period and their profit or loss items are translated into HK\$ at the weighted average exchange rates for the year. The exchange differences arising from the translation are recognised in other comprehensive income and accumulated separately in equity in the exchange translation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign entity is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into HK\$ at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into HK\$ at the weighted average exchange rates for the year.

2. 主要會計政策(續)

(v) 外幣換算

此等財務報表乃以港元呈列，而港元為本公司之功能及呈報貨幣。本集團各實體自行確定本身之功能貨幣，而列於各實體財務報表之項目乃採用該功能貨幣計量。以外幣進行之交易初步按交易日之適用功能貨幣匯率記錄。以外幣計值之貨幣資產及負債乃按報告期末之功能貨幣匯率重新換算。所有差額均計入收益表。以外幣按歷史成本計量之非貨幣項目乃按初步交易日期之匯率換算。以外幣按公允值計量之非貨幣項目乃按公允值釐定日期之匯率換算。

若干海外附屬公司及合營企業之功能貨幣為港元以外貨幣。於報告期末，該等實體之資產及負債按報告期末之匯率換算為港元，損益項目則按年度加權平均匯率換算為港元。換算所產生之匯兌差額於其他全面收益確認，並於匯兌儲備中之權益內獨立累計。於出售海外實體時，與該特定海外實體有關且於權益內確認之遞延累計款項，乃於確認出售之損益時由權益重新分類至損益。

就綜合現金流量表而言，海外附屬公司之現金流量乃按現金流量日期之匯率換算為港元。海外附屬公司於全年產生之頻繁經常性現金流量乃按年度加權平均匯率換算為港元。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(x) Dividends

Final dividends proposed by the Directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's bye-laws grant the Directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2. 主要會計政策(續)

(w) 借貸成本

收購、興建或生產一項需要長時間方能達致擬定用途或出售之資產直接應佔之借貸成本，會資本化為該項資產之部分成本。其他借貸成本於產生期間支銷。

屬於合資格資產成本一部分之借貸成本在資產產生開支、產生借貸成本及使資產投入擬定用途或銷售所必需之準備工作進行之時開始資本化。在使合資格資產投入擬定用途或銷售所必需之絕大部分準備工作中斷或完成時，借貸成本會暫停或停止資本化。

(x) 股息

董事建議之末期股息分類為財務狀況表內權益項下保留溢利之獨立分配，直至股東在股東大會上批准為止。該等股息在股東批准及宣派時會確認為負債。

因本公司之公司細則授權董事宣派中期股息，故中期股息可同時建議派付並宣派。因此，中期股息在建議派付及宣派時，隨即確認為負債。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 2.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

2. 主要會計政策(續)

(y) 持作出售之非流動資產

倘一項非流動資產(或出售組別)之賬面值極有可能透過出售交易(而非透過持續使用)收回,而該資產(或出售組別)可在現況下出售,則分類為持作出售。出售組別為一組將於單一交易中一併出售之資產,以及與將於交易中轉讓之資產直接相關之負債。

當本集團承諾執行涉及失去附屬公司控制權之出售計劃,該附屬公司之所有資產及負債會於達致上述持作出售之分類標準時分類為持作出售,而不論本集團會否於出售後保留於該附屬公司之非控股權益。

緊接分類為持作出售前,非流動資產(及出售組別之所有獨立資產及負債)會於分類前根據會計政策重新計量。其後,於初步分類為持作出售及直至出售前,非流動資產(下文闡述之若干資產除外)或出售組別會按賬面值及公允值減銷售成本之較低者確認。就本集團之財務報表而言,毋須採用此計量政策之主要例外情況為遞延稅項資產、僱員福利所產生之資產、金融資產(於附屬公司、聯營公司及合營企業之投資除外)及投資物業。該等資產即使為持作出售,仍會繼續按附註2其他部分所載之政策計量。

於初步分類為持作出售及於其後在持作出售期間重新計量時之減值虧損乃於損益確認。只要非流動資產仍分類為持作出售或納入分類為持作出售之出售組別,非流動資產均不予折舊或攤銷。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2. 主要會計政策(續)

(z) 關聯方

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關聯：
- (i) 擁有本集團之控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理層成員。
- (b) 倘符合下列任何條件，則該實體與本集團有關聯：
- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司之間互有關聯)。
 - (ii) 一間實體為另一實體之聯營公司或合營企業(或為該另一實體所屬集團旗下成員公司之聯營公司或合營企業)。
 - (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職後福利計劃。
 - (vi) 實體受(a)項所識別人士控制或共同控制。
 - (vii) (a)(i)項所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層成員。
 - (viii) 該實體或該實體所屬集團旗下任何成員公司為本集團或本集團公司提供主要管理人員服務。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Related parties (continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(aa) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of the products and services, the nature of the production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has applied, for the first time, the following amendments to HKFRS (hereinafter collectively referred to as the "new and revised HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to HKAS 19 Employee benefits – Defined benefit plans: Employee contributions

Annual improvements to HKFRSs 2010-2012 cycle

Annual improvements to HKFRSs 2011-2013 cycle

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. The application of the above new and revised HKFRS in the current year has had no material impact on the Group's financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 主要會計政策(續)

(z) 關聯方(續)

任何人士之近親乃指於與該實體交易時預期可影響該名人士或可能受該名人士影響之家庭成員。

(aa) 分部報告

經營分部及財務報表所呈列各分部之金額，乃自定期向本集團最高行政管理人員提供之財務資料識別，最高行政管理人員利用該等資料向本集團各項業務及經營地區分配資源及評估其表現。

就財務報告而言，個別重要經營分部不會合併呈報，除非該等分部擁有類似經濟特徵，以及在產品及服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務之方式以至監管環境性質各方面均類似，則作別論。倘個別而言不屬重要之經營分部共同擁有上述大部分特徵，則可合併呈報。

3. 會計政策變動

於本年度，本集團首次應用以下由香港會計師公會頒佈之香港財務報告準則之修訂（以下統稱為「新訂及經修訂香港財務報告準則」）。

香港會計準則第19號 僱員福利—界定福利之修訂 計劃：僱員供款

香港財務報告準則之年度改進（二零一零年至二零一二年週期）

香港財務報告準則之年度改進（二零一一年至二零一三年週期）

本集團並無應用任何於本會計期間尚未生效之新訂準則或詮釋。於本年度應用上述新訂及經修訂香港財務報告準則對本集團於本年度及過往年度之財務表現及狀況及／或此等綜合財務報表所載之披露事項並無任何重大影響。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES (continued)

The principal effects of adopting these new and revised HKFRS are summarised as follows:

(a) Amendments to HKAS 19, Employee benefits – Defined benefit plans: Employee contributions

The amendments introduce a relief to reduce the complexity of accounting for certain contributions from employees or third parties under defined benefit plans. When the contributions are eligible for the practical expedient provided by the amendments, a company is allowed to recognise the contributions as a reduction of the service cost in the period in which the related service is rendered, instead of including them in calculating the defined benefit obligation. The amendments do not have an impact on these consolidated financial statements as the Group does not have defined benefit plans.

(b) Annual improvements to HKFRSs 2010-2012 Cycle and 2011-2013 Cycle

These two cycles of annual improvements contain amendments to nine standards with consequential amendments to other standards. Among them, HKAS 24, Related party disclosures has been amended to expand the definition of a “related party” to include a management entity that provides key management personnel services to the reporting entity, and to require the disclosure of the amounts incurred for obtaining the key management personnel services provided by the management entity. These amendments do not have an impact on the Group’s related party disclosures as the Group does not obtain key management personnel services from management entities.

3. 會計政策變動(續)

採納此等新訂及經修訂香港財務報告準則之主要影響概述如下：

(a) 香港會計準則第19號之修訂「僱員福利—界定福利計劃：僱員供款」

該等修訂引入了一項豁免，旨在簡化對僱員或第三方按界定福利計劃繳納之若干供款之會計處理。當供款符合資格享有該等修訂所提供之便利措施時，公司可將供款確認為於提供相關服務期間之服務成本減少，而不再包含於界定福利承擔之計算中。由於本集團並無界定福利計劃，故該等修訂對此等綜合財務報表並無影響。

(b) 香港財務報告準則之年度改進(二零一零年至二零一二年週期及二零一一年至二零一三年週期)

該兩個週期之年度改進載有九項準則之修訂，以及因此而對其他準則作出之修訂。其中，香港會計準則第24號關聯方披露已作修訂，以將「關聯方」之定義擴大至包括向報告實體提供主要管理人員服務之管理實體，並要求披露就取得由管理實體所提供之主要管理人員服務而產生之金額。該等修訂對本集團之關聯方披露並無影響，原因是本集團並無向管理實體取得主要管理人員服務。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Group and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group's management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

A. Key assumption and other key sources of estimation uncertainty

(a) *Estimated impairment of goodwill*

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(j). The recoverable amounts of cash-generating units have been determined based on value in use calculations or their fair value less costs of disposal, whichever is appropriate, and both bases require the Group to estimate the future cash flows expected to arise from the cash-generating units and discount rates for present value measurement. These calculations require the use of estimates and assumptions (*Note 18*). Where the expectation is different from the original estimate, such difference will impact the carrying amount of goodwill and the impairment (if any) in the period in which such estimate has been changed.

(b) *Allowance for impairment of bad and doubtful debts*

The Group makes allowance for impairment of bad and doubtful debts based on an assessment of the recoverability of trade and other receivables. Allowances are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of allowance for impairment of bad and doubtful debts requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact carrying value of receivables and allowance for impairment in the period in which such estimate has been changed.

4. 重大會計估計及判斷

本集團會持續評估估計及判斷，而有關估計及判斷乃根據過往經驗及其他因素（包括在若干情況下相信為對未來事項屬合理之預期）而釐定。

本集團管理層對未來作出估計及假設。所得出之會計估計將如定義所言，少有能與相關之實際結果相符。至於可能對未來財政年度資產及負債賬面值造成重大調整之重大風險之估計及假設，現載述如下。

A. 主要假設及估計不確定因素之其他主要來源

(a) *估計商譽減值*

本集團按照附註2(j)所載之會計政策，每年測試商譽有否減值。現金產生單位之可收回金額已按使用價值計算法或公允值減出售成本（如適用）釐定，兩種基準均要求本集團估計預期現金產生單位將產生之未來現金流量及貼現率，以計量現值。該等計算需運用估計及作出假設（*附註18*），倘預期情況有別於原先估計，有關差額將影響估計出現變動期間之商譽賬面值及減值（如有）。

(b) *呆壞賬減值撥備*

本集團按照對應收貿易賬款及其他應收款項可收回程度之評估，就呆壞賬減值計提撥備。一旦發生事件或情況有變，顯示不大可能收回應收貿易賬款及其他應收款項結餘，則會就應收貿易賬款及其他應收款項計提撥備。識別呆壞賬減值撥備須運用判斷及估計。倘預期金額有別於原先估計，有關差額將影響估計出現變動期間之應收款項賬面值及減值撥備。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

A. Key assumption and other key sources of estimation uncertainty (continued)

(c) *Write-down of obsolete and slow-moving inventories*

The Group writes down obsolete and slow-moving inventories to net realisable value based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Write-downs are applied to inventories where events or changes in circumstances indicate that the inventories may be obsolete or slow-moving. The identification of obsolete or slow-moving inventories requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the inventories and charges in the year in which such estimate has been changed.

(d) *Income taxes*

Deferred tax asset in relation to the unused tax losses of approximately HK\$52,046,000 (2014: HK\$98,878,000) was not recognised in the Group's consolidated statement of financial position. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. When the expectation of future profit is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation charges in the period in which such estimates is changed.

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax expenses in the year in which such determination is made.

4. 重大會計估計及判斷 (續)

A. 主要假設及估計不確定因素之其他主要來源 (續)

(c) *過時及滯銷存貨撇減*

本集團根據過往經驗及其他因素(包括在若干情況下相信為對未來事件屬合理之預期),將過時及滯銷存貨撇減至可變現淨值。一旦發生事件或情況有變,顯示存貨可能過時或滯銷,則會就存貨進行撇減。識別過時或滯銷存貨須運用判斷及估計。倘預期金額有別於原先估計,有關差額將影響估計出現變動年度之存貨賬面值及撇減費用。

(d) *所得稅*

本集團之綜合財務狀況表並未就未動用稅項虧損約52,046,000港元(二零一四年:98,878,000港元)確認遞延稅項資產。遞延稅項資產能否變現,主要視乎是否有足夠之可動用未來溢利或應課稅暫時差異。如預期未來溢利有別於原先估計,則差額將影響估計變動期間之遞延稅項資產及稅項支出之確認。

本集團須繳納香港及中國所得稅。釐定所得稅撥備時須運用重大判斷。於日常業務過程中有頗多未能確定最終稅項之交易及計算。本集團會視乎是否需要繳納額外稅項之估計而確認有關預計稅項審核事項之責任。倘該等事項之最終稅務結果有別於初步記錄金額,有關差額將影響作出釐定之年度之所得稅及遞延稅項開支。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

B. Critical judgements in applying the Company's accounting policies

(a) *Going concern basis*

The Company's management has considered the adequacy of the disclosures made in the consolidated financial statements concerning the possible outcome of non-adjusting events after the end of the reporting period as detailed in Note 52. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful completion of the Disposal.

The consolidated financial statements do not include any adjustments that would result from these material uncertainties. The Directors of the Company consider that upon the completion of the Disposal on or before 29 April 2016, the Company will have sufficient cash resources to satisfy its redemption obligations in relation to the Bonds. Based on the facts and circumstances as made available thereto, the Directors of the Company are of the opinion that both the Disposal and the redemption of the Bonds will be completed on or before 29 April 2016. Accordingly, the Directors of the Company consider that it is appropriate to prepare the consolidated financial statements on a going concern basis. However, should neither the Disposal nor the redemption of the Bonds be completed, and the Group be unable to operate as a going concern, adjustments might have to be made to the carrying values of the Group's assets to state them at their recoverable amounts, to provide for any further liabilities which might arise and to reclassify its non-current assets and non-current liabilities to current assets and current liabilities, respectively.

4. 重大會計估計及判斷(續)

B. 應用本公司會計政策所作出之重大判斷

(a) *持續經營基準*

本公司之管理層已考慮於綜合財務報表內，就附註52所詳述之報告期末後非調整事項之可能結果所作出之披露是否足夠。綜合財務報表乃按持續經營基準編製，其有效性取決於出售事項能否順利完成。

綜合財務報表並無包括因該等重大不明朗因素而產生之任何調整。本公司董事認為待二零一六年四月二十九日或之前完成出售事項後，本公司將擁有足夠現金資源以履行其有關該等債券之贖回責任。基於目前就此獲悉之事實及情況，本公司董事認為將會於二零一六年四月二十九日或之前完成出售事項及贖回該等債券。因此，本公司董事認為按持續經營基準編製綜合財務報表屬合適之舉。然而，倘無法完成出售事項或贖回該等債券，以致本集團無法持續經營，則可能須對本集團資產之賬面值作出調整，按可收回金額將有關資產列賬，就可能產生之任何未來負債計提撥備以及將其非流動動資產及非流動負債分別重新分類為流動資產及流動負債。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

B. Critical judgements in applying the Company's accounting policies (continued)

(b) *Deconsolidation of a subsidiary in 2014*

For the year ended 31 December 2014, the Company reassessed whether it continued to have, or had lost, control over the PRC Company. In determining whether the Group continued to have controls over the PRC Company as at 31 December 2014, the management had exercised their judgement in considering the relevant facts and circumstances. The management was of the view that the Group did not have the practical ability to unilaterally direct the relevant activities of the PRC Company nor have significant influence over the PRC Company. Therefore, for the year ended 31 December 2014, the Directors resolved that the Group did not have control or significant influence over the PRC Company. The Directors resolved to deconsolidate the PRC Company and to recognise it as an available-for-sale financial asset from 1 January 2014 onwards.

4. 重大會計估計及判斷(續)

B. 應用本公司會計政策所作出之重大判斷(續)

(b) 於二零一四年終止綜合入賬一間附屬公司

截至二零一四年十二月三十一日止年度，本公司重新評估其繼續擁有或已失去對該中國公司之控制權。在釐定本集團於二零一四年十二月三十一日是否繼續擁有該中國公司之控制權時，管理層運用其判斷考慮多個相關事實及情況。管理層認為，本集團並無可單方面控制該中國公司相關活動之實際能力，亦無對該中國公司擁有重大影響力。因此，截至二零一四年十二月三十一日止年度，董事決議本集團對該中國公司並無控制權或重大影響力。董事決議終止綜合入賬該中國公司，並自二零一四年一月一日起確認該中國公司為可供出售金融資產。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

5. REVENUE, OTHER INCOME AND OTHER GAINS, NET

Revenue represents the aggregate of income from provision of lottery machines and related services and commission income.

An analysis of the Group's revenue, other income and other gains, net for the year is as follows:

5. 收入、其他收入及其他收益淨額

收入指提供彩票機及相關服務收入及佣金收入之總和。

本集團於本年度之收入、其他收入及其他收益淨額分析如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Revenue	收入		
Income from provision of lottery machines and related services	提供彩票機及相關服務收入	1,554,394	1,687,953
Other income	其他收入		
Interest income on bank deposits	銀行存款利息收入	2,520	1,480
Other interest income	其他利息收入	403	-
Sundry income	雜項收入	8,740	4,463
Rental income from sub-letting of rented premises	租用物業分租之租金收入	3,811	3,283
Dividend income from listed investments	上市投資之股息收入	61	259
Dividend income from unlisted investment	非上市投資之股息收入	78,185	-
		<u>93,720</u>	<u>9,485</u>
Other gains, net	其他收益淨額		
Net gains on disposal of financial assets at fair value through profit or loss	出售通過損益按公允值計量之金融資產之收益淨額	25,780	2,310
Fair value gains on financial assets at fair value through profit or loss	通過損益按公允值計量之金融資產之公允值收益	7,250	17,546
Gain on redemption of convertible bonds (Note 36)	贖回可換股債券之收益(附註36)	1,013	-
Exchange gains	匯兌收益	-	11
		<u>34,043</u>	<u>19,867</u>
		<u>1,682,157</u>	<u>1,717,305</u>
Total interest income on financial assets not at fair value through profit or loss	並非通過損益按公允值計量之金融資產之總利息收入	<u>2,923</u>	<u>1,480</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

6. SEGMENT INFORMATION

The Group manages its business by divisions, which are organised by a mixture of both business lines (products and services) and geography.

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management, i.e. the Group's Executive Directors, for the purposes of allocating resources to segments and assessing their performance, the Group has presented lottery business as the reportable segment.

Intersegment revenue is eliminated on consolidation. Intersegment sales and transactions are conducted in accordance with the terms mutually agreed between the parties.

The Board assesses the performance of the business segments based on profit/(loss) before taxation without allocation of finance income/(costs), which is consistent with those in the consolidated financial statements.

Information regarding the Group's reportable segments as provided to the Board for the purposes of resources allocation and assessment of segment performance for the years ended 31 December 2015 and 2014 is set out below.

6. 分部資料

本集團按業務線(產品和服務)以及地區劃分分部管理其業務。

本集團按與就分部資源分配及表現評估向本集團最高級行政管理人員(即本集團執行董事)內部呈報資料方式一致之方法,呈列彩票業務之報告分部。

分部間收入於綜合入賬時對銷。分部間銷售及交易按各方相互協定之條款進行。

董事會根據除稅前溢利/(虧損)(未分配財務收入/(費用),有關金額與綜合財務報表所列者一致)就業務分部之表現進行評估。

於截至二零一五年及二零一四年十二月三十一日止年度提供予董事會以分配資源及評估分部表現之本集團報告分部之資料載列如下。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Business Segment

(a) The segment results for the year ended 31 December 2015 and segment assets and liabilities at 31 December 2015 are as follows:

6. 分部資料(續)

業務分部

(a) 截至二零一五年十二月三十一日止年度之分部業績及於二零一五年十二月三十一日之分部資產及負債如下:

		As at and for the year ended 31 December 2015 於二零一五年 十二月三十一日及 截至該日止年度 Lottery business 彩票業務 HK\$'000 千港元
Revenue	收入	1,554,394
Segment results	分部業績	718,622
Net unallocated expenses	未分類開支淨額	(513,264)
Profit before taxation	除稅前溢利	205,358
Taxation	稅項	(41,124)
Profit for the year	年度溢利	164,234
Assets	資產	
Segment assets	分部資產	6,367,252
Assets of the disposal group classified as held for sale (Note 15)	分類為持作出售之出售組別之資產 (附註15)	2,236,663
Unallocated assets	未分類資產	126,553
Total assets	資產總值	8,730,468
Liabilities	負債	
Segment liabilities	分部負債	282,744
Liabilities directly associated with the assets of the disposal group classified as held for sale (Note 15)	與分類為持作出售之出售組別之 資產直接相關之負債(附註15)	153,616
Unallocated liabilities	未分類負債	2,208,705
Total liabilities	負債總額	2,645,065

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Business Segment (continued)

(a) (continued)

The segment results for the year ended 31 December 2014 and segment assets and liabilities at 31 December 2014 are as follows:

6. 分部資料(續)

業務分部(續)

(a) (續)

截至二零一四年十二月三十一日止年度之分部業績及於二零一四年十二月三十一日之分部資產及負債如下:

		As at and for the year ended 31 December 2014 於二零一四年 十二月三十一日及 截至該日止年度 Lottery business 彩票業務 HK\$'000 千港元
Revenue	收入	1,687,953
Segment results	分部業績	83,966
Net unallocated expenses	未分類開支淨額	(225,507)
Loss before taxation	除稅前虧損	(141,541)
Taxation	稅項	(30,559)
Loss for the year	年度虧損	(172,100)
Assets	資產	
Segment assets	分部資產	8,293,556
Unallocated assets	未分類資產	272,965
Total assets	資產總值	8,566,521
Liabilities	負債	
Segment liabilities	分部負債	489,889
Unallocated liabilities	未分類負債	1,936,526
Total liabilities	負債總額	2,426,415

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Business Segment (continued)

(b) Other segment information

6. 分部資料(續)

業務分部(續)

(b) 其他分部資料

For the year ended
31 December 2015
截至二零一五年
十二月三十一日
止年度
Lottery business
彩票業務
HK\$'000
千港元

Other information	其他資料	
Depreciation and amortisation	折舊及攤銷	64,691
Impairment loss on goodwill	商譽減值虧損	99,321
Capital expenditure	資本開支	59,294

For the year ended
31 December 2014
截至二零一四年
十二月三十一日
止年度
Lottery business
彩票業務
HK\$'000
千港元

Other information	其他資料	
Depreciation and amortisation	折舊及攤銷	81,625
Impairment losses on goodwill	商譽減值虧損	748,530
Impairment losses on intangible assets	無形資產減值虧損	121,885
Capital expenditure	資本開支	80,406

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Geographical Segments

In terms of geographical location, nearly 100% of the Group's revenue is attributable to the market in the PRC.

Total non-current assets by location are as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
PRC	中國	1,117,033	2,257,296
Hong Kong	香港	35,523	36,139
Total non-current assets per consolidated statement of financial position	綜合財務狀況表所列非流動資產總值	<u>1,152,556</u>	<u>2,293,435</u>

Information About Major Customers

None of the customers contributed over 10% of the total revenue of the Group during both years.

6. 分部資料(續)

地區分部

就地區而言，本集團近100%收入源於中國市場。

按地區劃分之非流動資產總值如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
PRC	中國	1,117,033	2,257,296
Hong Kong	香港	35,523	36,139
Total non-current assets per consolidated statement of financial position	綜合財務狀況表所列非流動資產總值	<u>1,152,556</u>	<u>2,293,435</u>

有關主要客戶之資料

該兩年內並無任何客戶佔本集團總收入10%以上。

7. STAFF COSTS

Salaries, allowances and benefits in kind	薪金、津貼及實質利益	126,898	120,494
Bonuses	花紅	18,572	11,229
Retirement benefit scheme contributions	退休福利計劃供款	11,159	8,310
Severance payments	遣散費	275	-
Social security costs	社會保障成本	10,291	12,443
Employee share option benefits	僱員購股權福利	-	13,708
		<u>167,195</u>	<u>166,184</u>

7. 員工成本

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實質利益	126,898	120,494
Bonuses	花紅	18,572	11,229
Retirement benefit scheme contributions	退休福利計劃供款	11,159	8,310
Severance payments	遣散費	275	-
Social security costs	社會保障成本	10,291	12,443
Employee share option benefits	僱員購股權福利	-	13,708
		<u>167,195</u>	<u>166,184</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

8. FINANCE COSTS

8. 財務費用

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Interest on bank loans and overdrafts	銀行貸款及透支利息	8,469	10,228
Interest on convertible bonds (Note 36)	可換股債券利息(附註36)	190,076	163,231
Acceleration of unwinding interest on convertible bonds (Note 36)	加快可換股債券利息撥回(附註36)	189,168	-
Finance charges on obligations under finance leases	融資租賃債務之財務收費	8	15
Total interest expense on financial liabilities not at fair value through profit or loss	並非通過損益按公允值計量之金融負債之總利息開支	<u>387,721</u>	<u>173,474</u>

9. PROFIT/(LOSS) BEFORE TAXATION

9. 除稅前溢利/(虧損)

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
The Group's profit/(loss) before taxation is stated after charging the following:	本集團除稅前溢利/(虧損)於呈列前已扣除以下各項:		
Auditors' remuneration	核數師酬金		
– audit services	– 審核服務	4,149	3,254
– non-audit services	– 非審核服務	350	9
Allowance for impairment of bad and doubtful debts (Note 26)	呆壞賬減值撥備(附註26)	57	-
Write-down of inventories	存貨撇減	1,529	4,775
Cost of inventories sold (Note 23(b))	銷售存貨之成本(附註23(b))	433,073	393,951
Research and development costs	研究及開發成本	2,039	2,161
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	128	109
Depreciation and amortisation on	以下項目之折舊及攤銷		
– property, plant and equipment	– 物業、廠房及設備		
– owned assets	– 自置資產	41,386	40,931
– leased assets	– 租賃資產	6,635	6,700
– prepaid lease payments on land use rights	– 土地使用權之預付租約付款	971	962
– intangible assets	– 無形資產	15,699	33,032
Operating lease rentals in respect of	以下各項之經營租賃租金		
– office premises and warehouses	– 辦公室物業及倉庫	27,930	36,599
– machinery	– 機器	9,259	198
Exchange losses	匯兌虧損	<u>53,947</u>	<u>3,019</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

10. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

10. 董事酬金

董事酬金根據香港《公司條例》第383(1)條及《公司(披露董事利益資料)規例》第2部披露如下:

Name of Directors	董事姓名	Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	2015 Total
		袍金	薪金、津貼及實質利益	退休福利計劃供款	二零一五年總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive Directors		執行董事			
CHAN How Chung, Victor	陳孝聰	-	6,305	18	6,323
BOO Chun Lon	巫峻龍	200	-	-	200
Independent Non-executive Directors		獨立非執行董事			
YUEN Wai Ho	阮煒豪	200	-	-	200
CHOW Siu Ngor	鄒小岳	200	-	-	200
LEE Ka Lun	李家麟	200	-	-	200
		<u>800</u>	<u>6,305</u>	<u>18</u>	<u>7,123</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

10. DIRECTORS' EMOLUMENTS (continued)

10. 董事酬金(續)

Name of Directors	董事姓名	Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	2014 Total
		袍金	薪金、津貼及實質利益	退休福利計劃供款	二零一四年總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive Directors	執行董事				
CHAN How Chung, Victor	陳孝聰	–	6,310	17	6,327
BOO Chun Lon	巫峻龍	200	–	–	200
Independent Non-executive Directors	獨立非執行董事				
YUEN Wai Ho	阮煒豪	200	–	–	200
CHOW Siu Ngor	鄒小岳	200	–	–	200
LEE Ka Lun	李家麟	200	–	–	200
		<u>800</u>	<u>6,310</u>	<u>17</u>	<u>7,127</u>

There was no arrangement under which any Director waived or agreed to waive any remuneration during the years. In addition, no remuneration was paid by the Group to any of the Directors as an inducement to join, or upon joining the Group or as compensation for loss of office (2014: Nil).

於兩個年度，並無訂立任何董事藉以放棄或同意放棄任何酬金之安排。此外，本集團並無向董事支付任何酬金作為加入本集團或加入後之獎勵或離職補償(二零一四年：無)。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

11. FIVE HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments in the Group, one (2014: one) was a Director of the Company whose emoluments were included in the disclosures in Note 10 above. The emoluments of the remaining four (2014: four) individuals were as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實質利益	7,629	6,894
Retirement benefit scheme contributions	退休福利計劃供款	72	67
		<u>7,701</u>	<u>6,961</u>

Their remuneration was within the following bands:

		2015 二零一五年 Number of employees 僱員人數	2014 二零一四年 Number of employees 僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	-	-
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	2	2
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	-	1
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	1	-
		<u>4</u>	<u>4</u>

In addition to the above, six employees were granted share options of the Company during the year ended 31 December 2014. Details of the share options scheme are set out in Note 31.

11. 五名最高薪酬人士

本集團五名最高薪酬人士之中包括一名(二零一四年: 一名)本公司董事, 其酬金已載於上文附註10之披露資料。其餘四名(二零一四年: 四名)人士之酬金如下:

	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Salaries, allowances and benefits in kind	7,629	6,894
Retirement benefit scheme contributions	72	67
	<u>7,701</u>	<u>6,961</u>

彼等之酬金範圍如下:

	2015 二零一五年 Number of employees 僱員人數	2014 二零一四年 Number of employees 僱員人數
Nil to HK\$1,000,000	-	-
HK\$1,000,001 – HK\$1,500,000	1	1
HK\$1,500,001 – HK\$2,000,000	2	2
HK\$2,000,001 – HK\$2,500,000	-	1
HK\$2,500,001 – HK\$3,000,000	1	-
	<u>4</u>	<u>4</u>

除上文所述者外, 於截至二零一四年十二月三十一日止年度, 六名僱員獲授本公司之購股權。有關購股權計劃之詳情載於附註31。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

12. TAXATION

Hong Kong profits tax is made in the consolidated financial statements on estimated assessable profits derived from Hong Kong for the year at the tax rate of 16.5% (2014: 16.5%).

Two of the subsidiaries, Guangzhou Latech Technology Co Ltd and Shenzhen Sinodata Technology Co Ltd, of the Group's lottery business in the PRC are entitled to a preferential income tax rate of 15% as they are recognised as high technology enterprises for the year ended 31 December 2015 (2014: 15%).

In the current year, certain subsidiaries of the Group in the PRC are entitled to a preferential income tax rate at 10% (2014: 10% or 20%). The applicable income tax rate for other subsidiaries of the Group in the PRC is 25% (2014: 25%).

The amount of taxation charged to the consolidated income statement represents:

12. 稅項

香港利得稅乃就年內源自香港之估計應課稅溢利按稅率16.5% (二零一四年: 16.5%)於綜合財務報表作出。

本集團彩票業務旗下位於中國之兩間附屬公司廣州市樂得瑞科技有限公司和深圳市思樂數據技術有限公司享有15% (二零一四年: 15%)優惠所得稅率, 原因為該等公司於截至二零一五年十二月三十一日止年度被認為高新技術企業。

於本年度, 本集團若干中國附屬公司享有10% (二零一四年: 10%或20%)之優惠所得稅率。本集團其他中國附屬公司之適用所得稅率為25% (二零一四年: 25%)。

於綜合收益表內扣除之稅項指:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Current tax:	當期稅項:		
Hong Kong profits tax	香港利得稅	1,210	155
PRC income tax	中國所得稅	29,300	28,840
Under-provision/(over-provision) in respect of previous years	過往年度撥備不足/(超額撥備)	26	(2,880)
		<u>30,536</u>	<u>26,115</u>
Deferred tax:	遞延稅項:		
Deferred taxation relating to the origination and reversal of temporary differences (Note 22)	有關產生及撥回暫時差異之 遞延稅項(附註22)	10,999	4,890
Attributable to changes in tax rates (Note 22)	稅率變動應佔(附註22)	(411)	(446)
		<u>10,588</u>	<u>4,444</u>
Taxation charge	稅項支出	<u>41,124</u>	<u>30,559</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

12. TAXATION (continued)

The taxation on the Group's profit/(loss) before taxation differs from the theoretical amount that would arise using the domestic taxation rates applicable to profit/(loss) of the consolidated companies is as follows:

12. 稅項(續)

本集團除稅前溢利/(虧損)之稅項與理論上之數額(以適用於綜合入賬公司溢利/(虧損)之本地稅率計算)之差額如下:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Profit/(loss) before taxation	除稅前溢利/(虧損)	205,358	(141,541)
Taxation at the domestic income tax rate of 16.5% (2014:16.5%)	按本地所得稅率16.5% (二零一四年:16.5%) 計算之稅項	33,884	(23,354)
Tax effect of income not subject to taxation	毋須課稅收入之稅項影響	(3,428)	(2,509)
Tax effect of expenses not deductible for taxation purposes	不可扣稅開支之稅項影響	111,430	161,673
Tax effect of utilisation of tax losses	動用稅項虧損之稅項影響	(1,712)	(1,910)
Tax effect of temporary differences not recognised	未確認暫時差異之稅項影響	1,319	621
Tax effect of tax losses not recognised	未確認稅項虧損之稅項影響	2,465	1,608
Tax effect of share of profits of joint ventures	分佔合營企業溢利之稅項影響	(92)	(2,065)
Effect of tax exemptions granted to the PRC subsidiaries	中國附屬公司獲授稅項豁免之影響	(100,548)	(98,622)
Under-provision/(over-provision) of current tax in previous year	上一年度當期稅項撥備 不足/(超額撥備)	26	(2,880)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司之 不同稅率影響	(1,809)	(1,557)
Change in opening deferred taxation balances resulting from changes in applicable tax rates	適用稅率變動引致之 年初遞延稅項結餘變動	(411)	(446)
Taxation charge	稅項支出	<u>41,124</u>	<u>30,559</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

13. DIVIDENDS

13. 股息

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Interim dividend declared and paid of HK\$Nil (2014: 2.30 HK cents) per ordinary share	宣派及派付中期股息每股普通股零港元(二零一四年: 2.30港仙)		
– Cash	– 現金	–	165,369
– Scrip alternative	– 以股代息	–	61,812
		–	227,181
Proposed final dividend of HK\$Nil (2014: 0.80 HK cent) per ordinary share	建議末期股息每股普通股零港元(二零一四年: 0.80港仙)	–	79,680
		–	306,861

For the interim dividend 2014, scrip dividend with cash alternative was offered to shareholders. Shares issued during the year ended 31 December 2014 on the shareholders' election to receive shares are set out in Note 30.

The final dividend of HK\$79,680,000, which included cash dividend of HK\$68,888,000 and scrip dividend of HK\$10,792,000, for the financial year ended 31 December 2014 was approved during the year. The cash dividend and scrip dividend were paid and allotted on 31 July 2015.

就二零一四年中期股息而言，股東可選擇以股代息(附現金選擇)。於截至二零一四年十二月三十一日止年度內按股東收取股份之選擇而發行之股份載於附註30。

年內已批准截至二零一四年十二月三十一日止財政年度之末期股息79,680,000港元，其中現金股息為68,888,000港元，代息股份則為10,792,000港元。現金股息及代息股份已於二零一五年七月三十一日派付及配發。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

14. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the Group's profit/(loss) attributable to equity shareholders of the Company for the year divided by the weighted average number of shares in issue during the year.

		2015 二零一五年	2014 二零一四年
Profit/(loss) attributable to equity shareholders of the Company (in thousand HK\$)	本公司權益股東應佔溢利/(虧損) (千港元)	<u>150,879</u>	<u>(103,692)</u>
Weighted average number of ordinary shares in issue (in thousand):	已發行普通股之加權平均數 (千股):		
Issued ordinary shares at 1 January	於一月一日之已發行普通股	9,960,025	8,731,772
Effect of share options exercised and convertible bonds converted	已行使購股權及已轉換可換股債券之影響	-	528,640
Effect of shares repurchased	購回股份之影響	-	(21,082)
Effect of allotment of scrip shares	配發代息股份之影響	<u>9,903</u>	<u>29,531</u>
Weighted average number of ordinary shares at 31 December (in thousand)	於十二月三十一日之普通股之加權平均數(千股)	<u>9,969,928</u>	<u>9,268,861</u>
Basic earnings/(loss) per share	每股基本盈利/(虧損)	<u>1.51 cents</u> 仙	<u>(1.12) cents</u> 仙

(b) Diluted earnings/(loss) per share

The calculation of diluted earnings/(loss) per share is based on the Group's profit/(loss) attributable to equity shareholders of the Company and adjusted to reflect the interest on the convertible bonds. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings/(loss) per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all potentially dilutive ordinary shares into ordinary shares of the Company.

Diluted earnings/(loss) per share for the years ended 31 December 2015 and 2014 is same as the basic earnings/(loss) per share as both the share options and the convertible bonds outstanding during the year had an anti-dilutive effect on the basic earnings/(loss) per share.

14. 每股盈利/(虧損)

(a) 每股基本盈利/(虧損)

每股基本盈利/(虧損)乃按本公司權益股東應佔本集團年度溢利/(虧損)除以年內已發行股份之加權平均數計算。

		2015 二零一五年	2014 二零一四年
每股基本盈利/(虧損)	每股基本盈利/(虧損)乃按本公司權益股東應佔本集團年度溢利/(虧損)計算，並作出調整以反映可換股債券之利息。計算所採用之普通股加權平均數為年內已發行普通股數目(與計算每股基本盈利/(虧損)所採用者相同)及假設於所有潛在攤薄普通股被視作行使或轉換為本公司普通股時無償發行之普通股之加權平均數。	<u>1.51 cents</u> 仙	<u>(1.12) cents</u> 仙

(b) 每股攤薄盈利/(虧損)

每股攤薄盈利/(虧損)乃按本公司權益股東應佔本集團溢利/(虧損)計算，並作出調整以反映可換股債券之利息。計算所採用之普通股加權平均數為年內已發行普通股數目(與計算每股基本盈利/(虧損)所採用者相同)及假設於所有潛在攤薄普通股被視作行使或轉換為本公司普通股時無償發行之普通股之加權平均數。

由於截至二零一五年及二零一四年十二月三十一日止年度尚未行使之購股權及尚未轉換之可換股債券對每股基本盈利/(虧損)具有反攤薄影響，故年內之每股攤薄盈利/(虧損)與每股基本盈利/(虧損)相同。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

15. ASSETS/LIABILITIES OF THE DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 4 January 2016, a wholly-owned subsidiary of the Company entered into a sale and purchase agreement (as supplemented and amended on 23 February 2016) (the "Sale and Purchase Agreement") with a related party, Sunjet Investments Limited, in which a director (also a substantial shareholder) of the Company has beneficial interest, for the disposal of entire interests in Multi Glory Limited ("Multi Glory") and the loan due from Multi Glory to the Group for a cash consideration of HK\$2,150,000,000 (the "Disposal"). Certain restructuring (the "Restructuring") is required to put the Disposal Group (as defined below) in place before completion of the Disposal. It is expected that after the Restructuring, Multi Glory would, through certain wholly-owned subsidiaries, hold 100% interest in 港樂貿易(深圳)有限公司 (Gang Le Trading (Shenzhen) Co., Ltd.*), which in turn would hold 100% interest in 深圳市鵬樂實業發展有限公司 (Shenzhen Peng Le Industrial Development Co., Ltd.*), which in turn would hold 100% interest in 深市思樂數據技術有限公司 (Shenzhen Sinodata Technology Co., Ltd.*) which in turn would hold 100% interest in 深圳市思樂數據設備服務有限公司 (Shenzhen Sinodata Equipment Services Co., Ltd.*) and 50% interest in 深圳市思遠卓越科技開發有限公司 (Shenzhen Siyuan Zhuoyue Technology Development Co., Ltd.*) (hereinafter collectively referred to as the "Disposal Group"). It is intended that the net proceeds from the Disposal will firstly be applied by the Company for the redemption of the convertible bonds which are subject to redemption notices and in the aggregate principal amount of HK\$1,848,415,000. The principal activities of the Disposal Group are design and provision of lottery systems and equipment for lottery in the PRC for traditional Welfare Computer Ticket Games operations. The management expects the Disposal will be completed on or before 29 April 2016. Further details are set out in the Company's announcements dated 5 January 2016, 23 February 2016, circular dated 29 February 2016, and announcement dated 29 March 2016.

Upon completion of the Disposal, it is estimated that the proceeds of the Disposal would exceed the carrying amount of the net assets of the Disposal Group, and accordingly, no impairment loss has been recognised on the assets which were classified as assets held for sale as at the end of the reporting period.

15. 分類為持作出售之出售組別之資產／負債

於二零一六年一月四日，本公司一間全資附屬公司與一名關聯方Sunjet Investments Limited（本公司一名董事兼主要股東擁有其實益權益）訂立買賣協議（於二零一六年二月二十三日經補充及修訂）（「買賣協議」），出售Multi Glory Limited（「Multi Glory」）之全部權益及Multi Glory結欠本集團之貸款，現金代價為2,150,000,000港元（「出售事項」）。若干重組（「重組」）須於出售事項完成前完成，以使出售集團（定義見下文）成立。預期於重組後，Multi Glory將透過若干全資附屬公司持有港樂貿易（深圳）有限公司之100%權益，後者則持有深圳市鵬樂實業發展有限公司之100%權益，後者則持有深圳市思樂數據技術有限公司之100%權益，後者則持有深圳市思樂數據設備服務有限公司之100%權益及深圳市思遠卓越科技開發有限公司之50%權益（下文統稱為「出售集團」）。本公司擬將出售事項之所得款項淨額首先用於贖回贖回通知所涉本金總額為1,848,415,000港元之可換股債券。出售集團之主要業務為於中國為傳統福彩電腦票營運進行彩票設計及提供彩票系統及設備業務。管理層預期出售事項將於二零一六年四月二十九日或之前完成。進一步詳情載於本公司日期分別為二零一六年一月五日、二零一六年二月二十三日之公布、日期為二零一六年二月二十九日之通函以及日期為二零一六年三月二十九日之公布。

於出售事項完成後，估計出售事項所得款項將超過出售集團資產淨值之賬面金額，因此，於報告期末並無就分類為持作出售資產之資產確認減值虧損。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

15. ASSETS/LIABILITIES OF THE DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

The results of the Disposal Group classified as held for sale that are included in the consolidated income statement are shown as below:

15. 分類為持作出售之出售組別之資產／負債(續)

計入綜合收益表之分類為持作出售之出售集團之業績列示如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Profit for the year from Disposal Group: 出售集團之年度溢利：			
Revenue	收入	485,823	428,157
Cost of sales/services rendered	銷售／提供服務成本	(217,879)	(166,773)
Other income	其他收入	4,236	1,445
Selling and distribution expenses	銷售及分銷費用	(14,961)	(18,479)
Administrative expenses	行政費用	(115,873)	(103,567)
Operating profit	經營溢利	141,346	140,783
Finance costs	財務費用	(6,190)	(6,339)
Profit before taxation	除稅前溢利	135,156	134,444
Taxation	稅項	(21,084)	(20,299)
Profit for the year	年度溢利	114,072	114,145

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

15. ASSETS/LIABILITIES OF THE DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

The major classes of assets and liabilities of the Disposal Group classified as held for sale as at 31 December 2015 are as follows:

15. 分類為持作出售之出售組別之資產／負債(續)

於二零一五年十二月三十一日分類為持作出售之出售集團之資產及負債主要類別如下：

		HK\$'000
		千港元
Property, plant and equipment (Note 16)	物業、廠房及設備(附註16)	138,690
Prepaid lease payments on land use rights (Note 17)	土地使用權之預付租約款項(附註17)	42,615
Goodwill (Note 18)	商譽(附註18)	1,026,795
Intangible assets (Note 19)	無形資產(附註19)	37,991
Deposit for acquisition of leasehold building	收購租賃樓宇按金	452
Inventories	存貨	116,397
Trade receivables	應收貿易賬款	97,231
Utility and other deposits	公用事業及其他按金	103,885
Prepayments and other receivables	預繳款項及其他應收款項	527,889
Cash and cash equivalents (Note 28)	現金及現金等價物(附註28)	144,718
		<hr/>
Assets of the disposal group classified as held for sale	分類為持作出售之出售組別之資產	2,236,663
		<hr/>
Trade payables	應付貿易賬款	(36,549)
Other payables and accruals	其他應付款項及應計款項	(31,280)
Bank borrowings	銀行借貸	(71,429)
Current tax liabilities	當期稅項負債	(9,526)
Deferred tax liabilities (Note 22)	遞延稅項負債(附註22)	(4,832)
		<hr/>
Liabilities directly associated with the assets of the disposal group classified as held for sale	與分類為持作出售之出售組別之資產直接相關之負債	(153,616)
		<hr/>
Net assets of the disposal group classified as held for sale	分類為持作出售之出售組別之淨資產	2,083,047
		<hr/> <hr/>

At 31 December 2015, bank loans of approximately HK\$71,429,000 are secured on leasehold buildings and land use rights in the PRC for the carrying values of approximately HK\$18,406,000 and HK\$29,378,000 respectively.

於二零一五年十二月三十一日，約71,429,000港元之銀行貸款以賬面值分別約為18,406,000港元及29,378,000港元之中國租賃樓宇及土地使用權作抵押。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Leasehold buildings in the PRC erected on long term lease 按長期租賃 於中國建設之 租賃樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Lottery machines 彩票機 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Plant and machinery 廠房及 機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost	成本							
At 1 January 2014	於二零一四年一月一日	25,306	38,959	66,146	43,303	147,211	14,619	335,544
Exchange realignment	外匯調整	(633)	(775)	(1,654)	(1,030)	(2,658)	(336)	(7,086)
Additions	添置	6,667	-	46,132	9,645	2,411	687	65,542
Disposals and write off	出售及撇銷	-	-	(1,313)	(4,047)	(8,840)	(434)	(14,634)
Deconsolidation of a subsidiary (Note 47)	終止綜合入賬一間附屬公司 (附註47)	-	-	-	-	(887)	-	(887)
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及 二零一五年一月一日	31,340	38,184	109,311	47,871	137,237	14,536	378,479
Exchange realignment	外匯調整	(1,361)	(1,521)	(6,268)	(2,991)	(4,549)	(692)	(17,382)
Additions	添置	-	2,273	29,744	23,962	30	3,285	59,294
Disposals and write off	出售及撇銷	-	-	-	(741)	(2,298)	(959)	(3,998)
Reclassified as held for sale (Note 15)	分類為持作出售(附註15)	(27,208)	(18,734)	(132,449)	(47,590)	(8,558)	(10,382)	(244,921)
At 31 December 2015	於二零一五年十二月三十一日	2,771	20,202	338	20,511	121,862	5,788	171,472
Accumulated depreciation	累計折舊							
At 1 January 2014	於二零一四年一月一日	4,353	27,554	25,792	26,732	56,439	8,592	149,462
Exchange realignment	外匯調整	(109)	(581)	(645)	(625)	(809)	(199)	(2,968)
Charge for the year	本年度支出	551	4,226	16,384	6,616	17,691	2,163	47,631
Disposals and write off	出售及撇銷	-	-	(1,313)	(3,935)	(6,216)	(418)	(11,882)
Deconsolidation of a subsidiary (Note 47)	終止綜合入賬一間附屬公司 (附註47)	-	-	-	-	(23)	-	(23)
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及 二零一五年一月一日	4,795	31,199	40,218	28,788	67,082	10,138	182,220
Exchange realignment	外匯調整	(249)	(1,274)	(2,612)	(1,437)	(1,931)	(470)	(7,973)
Charge for the year	本年度支出	733	3,077	19,541	5,294	17,467	1,909	48,021
Disposals and write off	出售及撇銷	-	-	-	(706)	(2,183)	(947)	(3,836)
Reclassified as held for sale (Note 15)	分類為持作出售(附註15)	(5,129)	(15,703)	(57,147)	(15,335)	(6,441)	(6,476)	(106,231)
At 31 December 2015	於二零一五年十二月三十一日	150	17,299	-	16,604	73,994	4,154	112,201
Net book value	賬面淨值							
At 31 December 2015	於二零一五年十二月三十一日	2,621	2,903	338	3,907	47,868	1,634	59,271
At 31 December 2014	於二零一四年十二月三十一日	26,545	6,985	69,093	19,083	70,155	4,398	196,259

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

16. PROPERTY, PLANT AND EQUIPMENT (continued)

The net book value of a motor vehicle held under a finance lease is approximately HK\$Nil (2014: HK\$160,000) (Note 37).

Plant and machinery with carrying value of HK\$39,753,000 (2014: HK\$48,281,000) are held under a sales and leaseback agreement (Note 37).

As at 31 December 2014, the ownership certificate of a leasehold building in the PRC with carrying value of HK\$3,897,000 had not yet been obtained.

16. 物業、廠房及設備(續)

根據融資租賃持有之汽車之賬面淨值約為零港元(二零一四年: 160,000港元)(附註37)。

賬面值為39,753,000港元(二零一四年: 48,281,000港元)之廠房及機器根據售後租回協議持有(附註37)。

於二零一四年十二月三十一日,賬面值為3,897,000港元之中國租賃樓宇之所有權證尚待發出。

17. PREPAID LEASE PAYMENTS ON LAND USE RIGHTS

17. 土地使用權之預付租約付款

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Cost	成本		
At beginning of the year	於年初	53,123	42,475
Exchange realignment	外匯調整	(2,319)	(970)
Additions	添置	-	11,618
Reclassified as held for sale (Note 15)	分類為持作出售(附註15)	(50,049)	-
		<u>755</u>	<u>53,123</u>
At end of the year	於年終		
Accumulated amortisation	累計攤銷		
At beginning of the year	於年初	6,806	5,981
Exchange realignment	外匯調整	(323)	(137)
Amortisation for the year	本年度攤銷	971	962
Reclassified as held for sale (Note 15)	分類為持作出售(附註15)	(7,434)	-
		<u>20</u>	<u>6,806</u>
At end of the year	於年終		
Net book value	賬面淨值		
At end of the year	於年終	<u><u>735</u></u>	<u><u>46,317</u></u>

The Group's interest in leasehold land and land use rights are outside Hong Kong with medium term leases.

At 31 December 2014, bank loans of approximately HK\$87,500,000 were secured on leasehold buildings and land use rights in the PRC for the carrying values of approximately HK\$19,878,000 and HK\$34,699,000 respectively.

本集團於租賃土地及土地使用權之權益位於香港以外地區,並根據中期租賃持有。

於二零一四年十二月三十一日,為數約87,500,000港元之銀行貸款以賬面值分別約為19,878,000港元及34,699,000港元之中國租賃樓宇及土地使用權作抵押。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

18. GOODWILL

18. 商譽

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Cost	成本		
At 1 January	於一月一日	2,319,852	2,312,900
Arising on acquisition of a subsidiary (Note 45)	收購一間附屬公司所產生(附註45)	-	6,952
Reclassified as held for sale (Note 15)	分類為持作出售(附註15)	(1,026,795)	-
At 31 December	於十二月三十一日	<u>1,293,057</u>	<u>2,319,852</u>
Accumulated impairment losses	累計減值虧損		
At 1 January	於一月一日	788,530	40,000
Impairment loss	減值虧損	99,321	748,530
At 31 December	於十二月三十一日	<u>887,851</u>	<u>788,530</u>
Carrying value at 31 December	於十二月三十一日之賬面值	<u><u>405,206</u></u>	<u><u>1,531,322</u></u>

The carrying amount of goodwill represents the goodwill arising from acquisition of investments in lottery business and is included in the lottery business segment. The carrying amount of goodwill was allocated to groups of cash-generating units as follows:

商譽之賬面值指收購於彩票業務之投資所產生之商譽，計入彩票業務分部。商譽賬面值乃按下列方式分配至現金產生單位組別：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Sales of lottery machines and software system	銷售彩票機及軟件系統	-	1,026,795
Multiple units without significant goodwill	並無重大商譽之多個單位	405,206	504,527
Total	總計	<u><u>405,206</u></u>	<u><u>1,531,322</u></u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

18. GOODWILL (continued)

In accordance with the Group's accounting policies, the Group has assessed the recoverable amount of goodwill arising from acquisition of investments in lottery business by reference to the higher of cash-generating units' value in use and fair value less costs of disposal and determined that such goodwill has not been impaired other than the cash-generating units mentioned below. The calculations of value in use or fair value less costs of disposal require the use of cash flow projections based on financial budgets approved by the management covering the operation periods of 5 years (2014: 5 years) or contractual periods of 11 years (2014: 12 years) with pre-tax discount rates ranging from 18.25% to 19.33% (2014: 17.28% to 21.17%) per annum. The discount rates used reflect specific risks relating to the businesses and the terminal value growth rate of 3% (2014: 3%) is in line with the forecasts adopted by the lottery industry.

In the opinion of the management, the lottery industry in China will grow along with its economy in the coming decades and remains as the main contribution to the good causes which benefit the general public in China other than the cash-generating units mentioned below, and is similar with the lottery history of other countries of the World. As a major participant in the lottery industry in the PRC over 5 years, the Group possesses an in-depth knowledge of the industry. The management believed that the projected cash flows based on financial budgets/forecasts for periods by 5 or 11 years (2014: 5 or 12 years) are reliable.

(i) Year ended 31 December 2015

One of the Group's cash-generating units which is principally engaged in development of mobile value-added services using the traditional type of mobile value-added services was impaired. During the year, most of the traditional type of the mobile value-added service has been replaced by a high technology mobile value-added service. Accordingly, further impairment loss on goodwill of HK\$99,321,000 was recognised.

18. 商譽(續)

按照本集團之會計政策，本集團已參照現金產生單位之使用價值及公允值減出售成本（以較高者為準）評估因收購於彩票業務之投資所產生商譽之可收回金額，並釐定該商譽並無減值，惟下述現金產生單位除外。計算使用價值或公允值減出售成本時，須按照經管理層批准並涵蓋五年（二零一四年：五年）營運期或十一年（二零一四年：十二年）合約期之財務預算，並按每年介乎18.25%至19.33%（二零一四年：17.28%至21.17%）之稅前貼現率進行現金流量預測。所使用之貼現率反映與業務有關之特定風險，而3%（二零一四年：3%）之永續增長率乃符合彩票行業所採用之預測。

管理層認為，除下述現金產生單位外，中國彩票行業於未來數十年將與經濟同步增長，並將繼續為主要慈善收益來源，造福中國人民，與世界各國彩票業之歷程相似。本集團已成為中國彩票業主要參與者逾五年，擁有深厚行業知識。管理層相信，根據五年或十一年期（二零一四年：五年或十二年期）財務預算／預測計算之預測現金流量實屬可靠。

(i) 截至二零一五年十二月三十一日止年度

本集團其中一個現金產生單位（主要從事利用傳統流動增值服務開發手機增值服務）已減值。年內，大部分傳統流動增值服務已被高科技流動增值服務取代。因此，本集團已確認商譽之進一步減值虧損99,321,000港元。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

18. GOODWILL (continued)

(ii) Year ended 31 December 2014

As at 31 December 2014, the decrease in recoverable amount of the cash-generating unit engaged in provision of paperless and electronic lottery platform was mainly due to deconsolidation of its subsidiary together with the uncertainty arising from the promulgation of a Notice by the PRC regulatory authorities which had temporarily suspended the internet lottery distribution services with effect from 1 March 2015.

The recoverable amount of this cash-generating unit was based on fair value less costs of disposal which was measured using a discounted cash flow technique. The fair value measurement of the recoverable amount was categorised under level 3 of the fair value hierarchy as described in Note 43(b) to the consolidated financial statements. The key assumptions for the determination of fair value less costs of disposal are those regarding the discount rate, growth rate and suspension period of the internet lottery distribution services will not be more than one year. Pre-tax discount rate of 21.17% and terminal value growth rate of 3% had been used in the calculation of the recoverable amount. The carrying amount of this cash-generating unit exceeded its recoverable amount of HK\$471,250,000. Accordingly, impairment loss of HK\$726,530,000 was recognised during the year 2014.

Furthermore, as at 31 December 2014, impairment losses of HK\$10,000,000 and HK\$12,000,000 were recognised for two of the Group's cash-generating units which are principally engaged in provision of lottery machines and mobile value-added services as the carrying amounts of these two cash-generating units exceeded their recoverable amounts of HK\$353,000,000 and HK\$207,125,000 respectively. Pre-tax discount rates of 17.28% and 17.49% and terminal value growth rate of 3% had been used in the calculation of the value in use of the cash-generating units for provision of lottery machines and mobile value-added services respectively.

The values assigned to the key assumptions represent management's assessment of future trends in the lottery industry and are based on historical data from both external and internal sources. As the above cash-generating units have been reduced to their recoverable amounts, any adverse change in the assumptions used in the calculation of recoverable amounts would result in further impairment losses.

18. 商譽(續)

(ii) 截至二零一四年十二月三十一日止年度

於二零一四年十二月三十一日，從事提供無紙化電子彩票平台之現金產生單位之可收回金額減少主要由於終止綜合入賬其附屬公司，以及中國監管機關頒布由二零一五年三月一日起暫停互聯網彩票配送服務之通知帶來不明朗因素所致。

此現金產生單位之可收回金額乃根據公允價值減出售成本計算，而公允價值減出售成本則使用貼現現金流量技術計量。可收回金額之公允價值計量歸類入綜合財務報表附註43(b)所述之公允價值等級第三級。釐定公允價值減出售成本之主要假設乃涉及貼現率及增長率，以及假設互聯網彩票配送服務之暫停運作期間將不會超過一年。計算可收回金額時採用之稅前貼現率及永續增長率分別為21.17%及3%。此現金產生單位之賬面值超過其可收回金額471,250,000港元。因此，於二零一四年已確認減值虧損726,530,000港元。

此外，於二零一四年十二月三十一日，由於本集團兩個主要從事提供彩票機及手機增值服務之現金產生單位之賬面值超出其各自之可收回金額353,000,000港元及207,125,000港元，故本集團已就該兩個現金產生單位確認減值虧損10,000,000港元及12,000,000港元。計算提供彩票機及手機增值服務之現金產生單位之使用價值時採用之稅前貼現率分別為17.28%及17.49%，而永續增長率為3%。

分配至主要假設之價值乃管理層對彩票業未來趨勢之評估，並以外部及內部資料來源之歷史數據為基準。由於上述現金產生單位已調減至可收回金額，故計算可收回金額時使用之假設之任何不利變動會導致出現進一步減值虧損。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

19. INTANGIBLE ASSETS

19. 無形資產

		Computer software	Deferred development cost	Operating right	Long term contracts	Total
		電腦軟件	遞延開發成本	經營權	長期合約	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Cost	成本					
At 1 January 2014	於二零一四年一月一日	52,547	19,280	89,487	179,488	340,802
Exchange realignment	外匯調整	(1,312)	(482)	(2,237)	(4,488)	(8,519)
Addition	添置	3,246	-	-	-	3,246
Disposals and write off	出售及撇銷	(45,737)	-	-	(175,000)	(220,737)
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及二零一五年一月一日	8,744	18,798	87,250	-	114,792
Exchange realignment	外匯調整	(417)	(895)	(4,155)	-	(5,467)
Reclassified as held for sale (Note 15)	分類為持作出售(附註15)	(3,214)	(17,903)	(83,095)	-	(104,212)
At 31 December 2015	於二零一五年十二月三十一日	5,113	-	-	-	5,113
Accumulated amortisation and impairment	累計攤銷及減值					
At 1 January 2014	於二零一四年一月一日	17,781	19,280	21,129	36,319	94,509
Exchange realignment	外匯調整	(445)	(482)	(526)	(909)	(2,362)
Charge for the year	本年度支出	788	-	14,539	17,705	33,032
Impairment losses	減值虧損	-	-	-	121,885	121,885
Disposals and write off	出售及撇銷	(15,075)	-	-	(175,000)	(190,075)
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及二零一五年一月一日	3,049	18,798	35,142	-	56,989
Exchange realignment	外匯調整	(192)	(895)	(2,187)	-	(3,274)
Charge for the year	本年度支出	1,337	-	14,362	-	15,699
Reclassified as held for sale (Note 15)	分類為持作出售(附註15)	(1,001)	(17,903)	(47,317)	-	(66,221)
At 31 December 2015	於二零一五年十二月三十一日	3,193	-	-	-	3,193
Net book value	賬面淨值					
At 31 December 2015	於二零一五年十二月三十一日	1,920	-	-	-	1,920
At 31 December 2014	於二零一四年十二月三十一日	5,695	-	52,108	-	57,803

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

19. INTANGIBLE ASSETS (continued)

- (a) The amortisation of operating rights is included in cost of sales; the amortisation of computer software and long term contracts is included in administrative expenses.
- (b) Computer software of carrying value of approximately HK\$1,920,000 (2014: HK\$5,695,000) is the intangible assets acquired and possessed by the lottery business. The intangible assets have definite useful lives and are amortised over their estimated useful lives of 2 to 10 years.
- (c) Deferred development cost represents expenditure incurred by the Group on development of computer software and related technology for the lottery business of the Group in order to meet with the market development and the specific requirements of the lottery business and its individual customers. The intangible assets have definite useful lives and were amortised over their estimated useful lives of 3 years. The intangible assets were fully amortised in prior years.
- (d) Operating right of carrying value of approximately HK\$Nil (2014: HK\$52,108,000) represents expenditure incurred by the Group on obtaining an operating right for supplying the system and equipment in a lottery centre. The operating right contract has been renegotiated in 2011 and expiry date has been extended to 20 July 2018. The operating right is amortised on a straight line basis over 6 years starting from the year 2012.

In the year ended 31 December 2014, in accordance with the Group's accounting policies, the Group had assessed the recoverable amounts of operating right and long term contracts based on the higher of its fair value less cost of disposal and value in use calculations, which used cash flow projections based on financial budgets approved by the management covering the five years operation period of the business with pre-tax discount rate was ranging from 17.28% to 21.17% per annum. The discount rates used reflected specific risk relating to the business and the terminal value growth rate of 3% was in line with the forecasts adopted by the lottery industry.

19. 無形資產(續)

- (a) 經營權之攤銷計入銷售成本，而電腦軟件及長期合約之攤銷則計入行政費用。
- (b) 賬面值約1,920,000港元(二零一四年：5,695,000港元)之電腦軟件為彩票業務所收購及擁有之無形資產。該無形資產具備確定可用年限，並按估計可用年限二至十年攤銷。
- (c) 遞延開發成本指本集團為配合市場發展以及彩票業務及其個別顧客之特定要求，就本集團彩票業務開發電腦軟件及相關科技所產生之開支。該無形資產具備確定可用年限，並按估計可用年限三年攤銷。該無形資產已於過往年度全數攤銷。
- (d) 賬面值約零港元(二零一四年：52,108,000港元)之經營權指本集團就獲取於彩票中心提供系統及設備之經營權所產生之開支。經營權合約已於二零一一年重新磋商，到期日延期至二零一八年七月二十日。經營權於自二零一二年計六年期間按直線法攤銷。

截至二零一四年十二月三十一日止年度，按照本集團之會計政策，本集團已根據公允值減出售成本及使用價值計算法(以較高者為準)評估經營權及長期合約之可收回金額。使用價值計算法採用現金流量預測，根據經管理層批准並涵蓋五年業務經營期之財務預算，按每年介乎17.28%至21.17%之稅前貼現率計算。所使用之貼現率反映與業務有關之特定風險，而3%之永續增長率乃符合彩票行業所採用之預測。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

20. INTERESTS IN JOINT VENTURES

20. 於合營企業之權益

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Share of net assets of joint ventures:	分佔合營企業資產淨值：		
Balance as at 1 January	於一月一日之結餘	384,552	388,450
Share of profits of joint ventures	分佔合營企業溢利	558	12,518
Share of other comprehensive expense of joint ventures	分佔合營企業其他全面開支	(7,496)	(4,022)
Dividend received	已收股息	-	(12,394)
Balance as at 31 December	於十二月三十一日之結餘	<u>377,614</u>	<u>384,552</u>
Unlisted shares, at cost	非上市股份，按成本	<u>269,077</u>	<u>269,077</u>
Amount due to a joint venture	應付一間合營企業款項	<u>46,195</u>	<u>46,195</u>

(a) Interests in joint ventures at 31 December 2015 include goodwill of HK\$122,396,000 (2014: HK\$122,396,000).

(b) The amount due to a joint venture is unsecured, interest free and has no fixed terms of repayment. In the opinion of the Directors, the amount due would not likely be repaid in the following year and is therefore shown as non-current.

(a) 於二零一五年十二月三十一日，於合營企業之權益包括商譽122,396,000港元（二零一四年：122,396,000港元）。

(b) 應付一間合營企業款項為無抵押、免息及並無指定還款期。董事認為，應付款項不大可能於來年償還，因此列作非流動。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

20. INTERESTS IN JOINT VENTURES (continued)

Details of the Group's interests in joint ventures, which are accounted for using the equity method in the consolidated financial statements, are as follows:

20. 於合營企業之權益(續)

於綜合財務報表按權益法入賬之本集團於合營企業之權益詳情如下:

Name	Place of incorporation/ registration 註冊成立/ 註冊地點	Principal activities and place of operation 主要業務及 營業地點	Particulars of issued/registered and paid up capital 已發行/註冊及 已繳足股本/資本詳情	Effective interest held 所持實際權益
Happy Sun Technologies Ltd	British Virgin Islands 英屬處女群島	Investment holding in the PRC 於中國進行投資控股	4 ordinary shares of US\$1 each 4股每股面值1美元之 普通股	50%
Success Trader Technologies Limited 誠業科技有限公司	Hong Kong 香港	Investment holdings in the PRC 於中國進行投資控股	Ordinary shares of HK\$10,000 10,000港元之普通股	50%
誠業利邦科技發展(深圳)有限公司	PRC 中國	Investment holding in the PRC 於中國進行投資控股	US\$12,000,000 12,000,000美元	50%
深圳樂利科技發展有限公司	PRC 中國	Investment holding in the PRC 於中國進行投資控股	RMB54,606,000 人民幣54,606,000元	50%
北京戈德利邦科技有限公司 (Beijing Guard Libang Technology Co Ltd*)	PRC 中國	Provision of systems and equipment in the lottery market in the PRC 於中國彩票市場 提供系統及設備	RMB89,180,000 人民幣89,180,000元	50%

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

20. INTERESTS IN JOINT VENTURES (continued)

The Group's share of the results of its joint ventures (in aggregate for all individually insignificant joint ventures), its aggregated assets and liabilities, are as follows:

20. 於合營企業之權益(續)

本集團分佔其合營企業(所有個別不屬重大之合營企業總計)之業績、總資產及負債如下:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Group's effective interest	本集團之實際權益	50%	50%
Revenue	收入	142,037	152,798
Profit from continuing operations	來自持續經營業務之溢利	1,115	25,036
Other comprehensive expense	其他全面開支	(14,990)	(8,045)
Total comprehensive (expense)/income	全面(開支)/收益總額	(13,875)	16,991
Group's share of total comprehensive (expense)/income	本公司分佔全面(開支)/收益總額	(6,938)	8,496
Dividend received from a joint venture	已收一間合營企業股息	-	12,394
Non-current assets	非流動資產	322,457	359,374
Current assets	流動資產	204,090	199,477
Current liabilities	流動負債	16,111	34,540
Equity	權益	510,436	524,311
Group's share of joint ventures' equity	本集團分佔合營企業權益	255,218	262,156
Goodwill	商譽	122,396	122,396
Carrying amount in the consolidated financial statements	於綜合財務報表之賬面值	<u>377,614</u>	<u>384,552</u>

There are no contingent liabilities relating to the Group's interest in the joint ventures, and no contingent liabilities of the joint ventures themselves.

並無有關本集團於合營企業之權益之或然負債，合營企業本身亦無或然負債。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

20. INTERESTS IN JOINT VENTURES (continued)

At 31 December 2015, the Group's share of joint ventures' future aggregate minimum lease payments under non-cancellable operating leases are payable as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Land and buildings	土地及樓宇		
Within one year	一年內	482	547
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	7	-
		<u>489</u>	<u>547</u>

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS

20. 於合營企業之權益(續)

於二零一五年十二月三十一日,本集團分佔合營企業根據不可撤銷經營租賃應付之未來最低租約付款總額如下:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Unlisted investments, at cost	非上市投資,按成本		
Balance at 1 January	於一月一日之結餘	77,182	34,000
Exchange realignment	外匯調整	(2,056)	(962)
Deconsolidated subsidiary (note (a)) (Note 47)	已終止綜合入賬附屬公司(附註(a)) (附註47)	-	38,462
Further capital injections (note (a))	額外注資(附註(a))	232,684	5,682
Balance at 31 December	於十二月三十一日之結餘	<u>307,810</u>	<u>77,182</u>

21. 可供出售金融資產

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Unlisted investments, at cost	非上市投資,按成本		
Balance at 1 January	於一月一日之結餘	77,182	34,000
Exchange realignment	外匯調整	(2,056)	(962)
Deconsolidated subsidiary (note (a)) (Note 47)	已終止綜合入賬附屬公司(附註(a)) (附註47)	-	38,462
Further capital injections (note (a))	額外注資(附註(a))	232,684	5,682
Balance at 31 December	於十二月三十一日之結餘	<u>307,810</u>	<u>77,182</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS (continued)

Notes:

- (a) As set out in Note 4B(b), the Group did not have the control or significant influence over the PRC Company and it had been deconsolidated from the consolidated financial statements of the Group as at 1 January 2014. Accordingly, the PRC Company with investment cost amounting to HK\$38,462,000 has therefore been recognised by the Group as an available-for-sale financial asset since then. In 2014, the Group injected RMB200,000,000 ("Injection") in the PRC Company. HK\$5,682,000 (RMB4,546,000) of the Injection was recognised as registered share capital in the PRC Company and recognised as an available-for-sale financial asset in 2014. The remaining amount of the Injection of HK\$232,684,000 (RMB195,454,000) was transferred from prepayments and other receivables and recognised as an available-for-sale financial asset in 2015 when the relevant legal formality was completed.
- (b) The other unlisted investment represents the Group's cost of investment in a private enterprise fund established in the mainland China. At 31 December 2015, the Group owns 18.3% (2014: 18.3%) of the paid-in capital of the investee. The Directors of the Company consider the principal activity of the investee is investment holding.

The unlisted investments are measured at cost less impairment losses, if any, at the end of the reporting period because the range of reasonable fair value estimates is so significant that the Directors of the Company are of the opinion that their fair value cannot be measured reliably. The Group does not intend to dispose of them in the near future.

21. 可供出售金融資產(續)

附註:

- (a) 誠如附註4B(b)所載，本集團對該中國公司並無控制權亦無重大影響力，並已於二零一四年一月一日之本集團綜合財務報表終止綜合入賬該中國公司。因此，投資成本達38,462,000港元之該中國公司自此獲本集團確認為可供出售金融資產。於二零一四年，本集團向該中國公司注資人民幣200,000,000元（「注資」）。注資中之5,682,000港元（人民幣4,546,000元）確認為該中國公司之註冊資本，並於二零一四年確認為可供出售金融資產。餘下之注資232,684,000港元（人民幣195,454,000元）已於二零一五年相關法律程序完成時從預繳款項及其他應收款項轉撥，並確認為可供出售金融資產。
- (b) 其他非上市投資指本集團於一間在中國國內成立之私人企業基金之投資成本。於二零一五年十二月三十一日，本集團擁有該接受投資公司已繳足資本之18.3%（二零一四年：18.3%）。本公司董事認為，該接受投資公司之主要業務為投資控股。

由於非上市投資之合理公允價值估計範圍甚廣，本公司董事認為未能可靠地計量其公允價值，故此，非上市投資於報告期末按成本扣除減值虧損（如有）計量。本集團無意於近期將其出售。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

22. DEFERRED TAXATION

(a) Deferred tax liabilities recognised

22. 遞延稅項

(a) 已確認遞延稅項負債

		Fair value adjustments on prepaid lease payments on land use rights and buildings on business combinations 於業務合併時 就土地使用權及 樓宇之預付租約 付款所作之 公允值調整 HK\$'000 千港元	Revaluation of properties 重估物業 HK\$'000 千港元	Other taxable temporary differences 其他應課稅 暫時差異 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2014	於二零一四年一月一日	640	4,118	143,020	147,778
Exchange realignment	外匯調整	-	(103)	(850)	(953)
Charged to the consolidated income statement (Note 12)	在綜合收益表內支銷(附註12)	-	-	4,890	4,890
Attributable to changes in tax rates (Note 12)	稅率變動應佔(附註12)	-	-	(446)	(446)
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及 二零一五年一月一日	640	4,015	146,614	151,269
Exchange realignment	外匯調整	-	(191)	(977)	(1,168)
Charged to the consolidated income statement (Note 12)	在綜合收益表內支銷(附註12)	-	-	10,999	10,999
Attributable to changes in tax rates (Note 12)	稅率變動應佔(附註12)	-	-	(411)	(411)
Reclassified to liabilities directly associated with assets of the disposal group classified as held for sale (Note 15)	重新分類至與分類為持作 出售之出售組別資產直接 相關之負債(附註15)	(640)	(3,824)	(368)	(4,832)
At 31 December 2015	於二零一五年十二月三十一日	-	-	155,857	155,857

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

22. DEFERRED TAXATION (continued)

- (b) Deferred tax assets/(liabilities) have not been recognised in respect of the following items:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Taxable temporary differences	應課稅暫時差異		
– accelerated tax depreciation	– 加速稅項折舊	–	(360)
Deductible temporary differences	可扣減暫時差異		
– decelerated tax depreciation	– 減速稅項折舊	1,372	1,097
– others	– 其他	6,267	4,824
Tax losses	稅項虧損	52,046	98,878
		<u>59,685</u>	<u>104,439</u>

Notes:

- (i) The deductible temporary differences do not expire under the current tax legislation.
- (ii) Tax losses of approximately HK\$26,987,000 (2014: HK\$63,449,000) arising from the Group's lottery business in the PRC will expire in the fifth year commencing from the year the loss incurred whereas tax losses of approximately HK\$25,059,000 (2014: HK\$35,429,000) arising from the Group's other subsidiaries in Hong Kong do not expire under the current tax legislation.

22. 遞延稅項

- (b) 並未就以下項目確認遞延稅項資產/(負債):

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
應課稅暫時差異			
– 加速稅項折舊		–	(360)
可扣減暫時差異			
– 減速稅項折舊		1,372	1,097
– 其他		6,267	4,824
稅項虧損		52,046	98,878
		<u>59,685</u>	<u>104,439</u>

附註:

- (i) 根據現行稅法，可扣減暫時差異並不會到期。
- (ii) 根據現行稅法，本集團於中國之彩票業務所產生之稅項虧損約26,987,000港元(二零一四年: 63,449,000港元)將自產生虧損年度起計第五年到期，而本集團於香港之其他附屬公司所產生之稅項虧損約25,059,000港元(二零一四年: 35,429,000港元)並不會到期。

23. INVENTORIES

- (a) Inventories in the consolidated statement of financial position comprise:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Raw materials	原材料	17,152	127,915
Work-in-progress	在製品	4,112	9,558
Finished goods	製成品	2,230	5,183
		<u>23,494</u>	<u>142,656</u>

23. 存貨

- (a) 列入綜合財務狀況表之存貨包括:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
原材料		17,152	127,915
在製品		4,112	9,558
製成品		2,230	5,183
		<u>23,494</u>	<u>142,656</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

23. INVENTORIES (continued)

(b) The analysis of the amount of inventories recognised as expense and included in the Group's profit or loss is as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Cost of inventories sold (Note 9)	銷售存貨之成本(附註9)	433,073	393,951
Cost of services provided	提供服務之成本	73,645	54,320
Cost of sales/services rendered	銷售/提供服務之成本	<u>506,718</u>	<u>448,271</u>

24. TRADE RECEIVABLES

The Directors consider that the carrying amounts of trade receivables approximate to their fair values. The Group generally grants credit periods of 90 to 270 days (2014: 90 to 270 days) to its trade customers.

The ageing analysis is as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Three months or less	三個月或以下	358,148	439,375
One year or less but over three months	一年或以下但三個月以上	382,644	462,807
Over one year	一年以上	19,360	14,590
		<u>760,152</u>	<u>916,772</u>

23. 存貨(續)

(b) 確認為開支並計入本集團損益之存貨數額分析如下:

24. 應收貿易賬款

董事認為，應收貿易賬款之賬面值與其公允值相若。本集團一般授予貿易客戶90天至270天(二零一四年: 90天至270天)之信貸期。

賬齡分析如下:

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

24. TRADE RECEIVABLES (continued)

As at 31 December 2015, no trade receivable was impaired. As at 31 December 2014, trade receivables of approximately HK\$2,290,000 were impaired. The amount of the allowance for impairment was approximately HK\$1,551,000 as at 31 December 2014.

As at 31 December 2015, trade receivables of approximately HK\$1,776,000 (2014: HK\$3,736,000) were past due but not impaired. These related to a number of independent customers for whom there is no recent history of default. The ageing of these receivables is as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Three months or less past due	逾期三個月或以下	-	96
One year or less but over three months past due	逾期一年或以下但三個月以上	-	155
Over one year past due	逾期一年以上	1,776	3,485
		<u>1,776</u>	<u>3,736</u>

In the opinion of the Directors, all of the other trade receivables are neither past due nor impaired.

Movements on the allowance for impairment of bad and doubtful debts are as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
At 1 January	於一月一日	1,551	13,727
Exchange realignment	外匯調整	(74)	(40)
Uncollectible amount written off	撇銷不可收回款額	-	(12,136)
Reclassified as held for sale	分類為持作出售	(1,477)	-
At 31 December	於十二月三十一日	<u>-</u>	<u>1,551</u>

Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. The Group does not hold any collateral as security.

24. 應收貿易賬款(續)

於二零一五年十二月三十一日，應收貿易賬款概無減值。於二零一四年十二月三十一日，約2,290,000港元之應收貿易賬款已減值。於二零一四年十二月三十一日，減值撥備約為1,551,000港元。

於二零一五年十二月三十一日，約1,776,000港元(二零一四年：3,736,000港元)之應收貿易賬款已逾期但並未減值。該等款項乃涉及多個並無近期欠款記錄之獨立客戶。該等應收款項之賬齡如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Three months or less past due	逾期三個月或以下	-	96
One year or less but over three months past due	逾期一年或以下但三個月以上	-	155
Over one year past due	逾期一年以上	1,776	3,485
		<u>1,776</u>	<u>3,736</u>

董事認為，所有其他應收貿易賬款均未逾期，亦無減值。

呆壞賬減值撥備變動如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
At 1 January	於一月一日	1,551	13,727
Exchange realignment	外匯調整	(74)	(40)
Uncollectible amount written off	撇銷不可收回款額	-	(12,136)
Reclassified as held for sale	分類為持作出售	(1,477)	-
At 31 December	於十二月三十一日	<u>-</u>	<u>1,551</u>

於撥備賬扣除之款項一般於預期不可收回額外現金時撇銷。本集團並無持有任何抵押品作為擔保。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

25. UTILITY AND OTHER DEPOSITS

Utility and other deposits represent the deposits paid for the rollout of lottery business operation including rental, machines and equipment, projects and related utility deposits.

In the opinion of the Directors, all utility and other deposits are neither past due nor impaired.

26. PREPAYMENTS AND OTHER RECEIVABLES

At the end of the reporting period, the above balances represent prepayments made to suppliers, lottery project related prepayments, staff advances and other receivables.

As at 31 December 2015, other receivables of approximately HK\$156,000 (2014: HK\$1,027,000) were impaired. As at 31 December 2015, the amount of the allowance for impairment was approximately HK\$151,000 (2014: HK\$940,000). The individually impaired other receivables mainly related to those which were in financial difficulties and management assessed that only a small portion of the other receivables is expected to be recovered.

In the opinion of the Directors, the remaining other receivables are neither past due nor impaired.

25. 公用事業及其他按金

公用事業及其他按金指就開展彩票業務支付之按金，包括租金、機器及設備、項目及相關公用事業按金。

董事認為，所有公用事業及其他按金均未逾期，亦無減值。

26. 預繳款項及其他應收款項

	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Prepayments and other receivables 預繳款項及其他應收款項	<u>1,795,121</u>	<u>2,125,177</u>

於報告期末，上述結餘指向供應商支付之預繳款項、彩票項目相關預繳款項、員工墊款及其他應收款項。

於二零一五年十二月三十一日，其他應收款項中約156,000港元(二零一四年：1,027,000港元)已減值。於二零一五年十二月三十一日，減值撥備約為151,000港元(二零一四年：940,000港元)。個別出現減值之其他應收款項主要與陷入財困者有關，而據管理層評估，預期只可收回小部分應收款項。

董事認為，餘下之其他應收款項均未逾期，亦無減值。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

26. PREPAYMENTS AND OTHER RECEIVABLES (continued)

Movements on the allowance for impairment of bad and doubtful debts are as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
At 1 January	於一月一日	940	12,433
Exchange realignment	外匯調整	(46)	(184)
Impairment recognised (Note 9)	已確認減值(附註9)	57	-
Reclassified as held for sale	分類為持作出售	(800)	-
Uncollectible amount written off	撇銷不可收回金額	-	(11,309)
		<u>151</u>	<u>940</u>
At 31 December	於十二月三十一日		

26. 預繳款項及其他應收款項(續)

呆壞賬減值撥備變動如下:

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Listed securities held for trading:
Equity securities listed in Hong Kong

持有作買賣之上市證券:
香港上市股本證券

The fair value of all equity securities is based on their current bid prices in an active market.

Financial assets at fair value through profit or loss are presented within the section of operating activities as part of changes in working capital in the statement of cash flows.

Changes in fair value of financial assets at fair value through profit or loss are recorded in other gains, net in the consolidated income statement (Note 5).

27. 通過損益按公允值計量之金融資產

	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
	<u>63,935</u>	<u>53,102</u>

所有股本證券之公允值乃根據各自目前於活躍市場之購入價計算。

通過損益按公允值計量之金融資產於現金流量表內經營活動一節呈列，列作營運資金變動一部分。

通過損益按公允值計量之金融資產之公允值變動於綜合收益表記錄為其他收益淨額(附註5)。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

28. CASH AND BANK BALANCES

28. 現金及銀行結餘

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Fixed bank deposits	定期銀行存款	491,429	–
Cash at banks	銀行現金		
– general accounts	– 一般賬戶	605,665	1,284,405
– segregated accounts	– 獨立賬戶	330	332
Cash in hand	手頭現金	649	8,295
		<u>606,644</u>	<u>1,293,032</u>
		<u><u>1,098,073</u></u>	<u><u>1,293,032</u></u>

Fixed bank deposits represented fixed bank deposits with maturity at acquisition over 3 months and within 1 year.

定期銀行存款指於收購後三個月內及一年內到期之定期銀行存款。

Cash and bank balances include the following amounts denominated in currencies other than the Company's functional currency, HK dollars:

在現金及銀行結餘中，包括下列以本公司功能貨幣港元以外貨幣列值之款額：

		2015 二零一五年 '000 千元	2014 二零一四年 '000 千元
Euro	歐元	–	5
US dollars	美元	27,691	18,012
Renminbi	人民幣	<u>731,702</u>	<u>767,964</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

28. CASH AND BANK BALANCES (continued)

Cash and cash equivalents include the following for the purpose of the consolidated statement of cash flows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Cash in hand	手頭現金	649	8,295
Cash at banks – general accounts	銀行現金—一般賬戶	605,665	1,284,405
Cash and bank balances included in a disposal group classified as held for sale (Note 15)	列入分類為持作出售之出售組別之現金及銀行結餘(附註15)	144,718	—
Cash and cash equivalents in the consolidated statement of cash flows	列入綜合現金流量表之現金及現金等價物	<u>751,032</u>	<u>1,292,700</u>

29. NON-CASH TRANSACTION

During the year, further capital injections made for the available-for-sale financial asset as mentioned in Note 21 was transferred from prepayments and other receivables of HK\$232,684,000.

During the year, 23,470,628 new ordinary shares were allotted and issued at HK\$0.4598 per share in respect of the final dividend for the year ended 31 December 2014.

During the year ended 31 December 2014, HK\$618,100,000 in principal amount of convertible bonds was converted into 1,049,436,773 ordinary shares of HK\$0.01 each in the share capital of the Company.

During the year ended 31 December 2014, 58,195,540 new ordinary shares were issued at HK\$0.8417 per share in respect of the final dividend for the year ended 31 December 2013 and 82,570,203 new ordinary shares were issued at HK\$0.7486 per share in respect of the interim dividend for the six months ended 30 June 2014 as scrip dividend.

28. 現金及銀行結餘(續)

就綜合現金流量表而言，現金及現金等價物包括下列各項：

29. 非現金交易

年內，就可供出售金融資產作出之額外注資(見附註21)已轉撥自232,684,000港元之預繳款項及其他應收款項。

年內，本公司就截至二零一四年十二月三十一日止年度之末期股息按每股0.4598港元配發及發行23,470,628股新普通股。

截至二零一四年十二月三十一日止年度，本金額618,100,000港元之可換股債券獲轉換為1,049,436,773股本公司股本中每股面值0.01港元之普通股。

截至二零一四年十二月三十一日止年度，本公司就截至二零一三年十二月三十一日止年度之末期股息按每股0.8417港元發行58,195,540股新普通股，以及就截至二零一四年六月三十日止六個月之中期股息按每股0.7486港元發行82,570,203股新普通股，作為代息股份。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

30. SHARE CAPITAL

30. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
Authorised:	法定:		
At 1 January 2014, 31 December 2014 and 31 December 2015	於二零一四年一月一日、 二零一四年十二月三十一日及 二零一五年十二月三十一日	20,000,000	200,000
Issued and fully paid:	已發行及繳足:		
At 1 January 2014	於二零一四年一月一日	8,731,772	87,318
Repurchase of shares (Note a)	購回股份(附註a)	(67,950)	(680)
Exercise of share options (Note b)	行使購股權(附註b)	106,000	1,060
Issue of shares in lieu of cash dividends (Note c)	發行股份代替現金股息(附註c)	140,766	1,408
Issue of shares upon conversion of convertible bonds (Note d)	於轉換可換股債券時發行股份 (附註d)	1,049,437	10,494
At 31 December 2014	於二零一四年十二月三十一日	9,960,025	99,600
Issue of shares in lieu of cash dividends (Note e)	發行股份代替現金股息(附註e)	23,471	235
At 31 December 2015	於二零一五年十二月三十一日	9,983,496	99,835

Notes:

附註:

- (a) During the year ended 31 December 2014, the Company repurchased 67,950,000 shares from the market at the price ranging from HK\$0.780 to HK\$0.800 per share for a total consideration (including expenses) of approximately HK\$54,037,000. The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. An amount equivalent to the par value of the shares cancelled of approximately HK\$680,000 was transferred from retained profits to the capital redemption reserve. The premium and expenses paid on the repurchase of these shares were charged to share premium of HK\$53,357,000.
- (b) During the year ended 31 December 2014, 106,000,000 share options were exercised by the eligible option holders at their respective exercise prices for a total cash consideration of HK\$113,080,000, resulting in an issue of 106,000,000 new ordinary shares of HK\$0.01 each.

- (a) 於截至二零一四年十二月三十一日止年度，本公司自市場購回67,950,000股股份，價格介乎每股股份0.780港元至0.800港元之間，總代價約為54,037,000港元（包括開支）。已購回之股份已經註銷，本公司已發行股本因而減去該等股份之面值。一筆相等於被註銷股份面值約為680,000港元之金額已由保留溢利轉撥至資本贖回儲備。就購回該等股份於股份溢價扣除之已付溢價及開支為53,357,000港元。
- (b) 於截至二零一四年十二月三十一日止年度，106,000,000份購股權由合資格購股權持有人按相關行使價行使，總現金代價為113,080,000港元，因而發行106,000,000股每股面值0.01港元之新普通股。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

30. SHARE CAPITAL (continued)

- (c) On 31 July 2014, 58,195,540 new ordinary shares were allotted and issued at HK\$0.8417 per share in respect of the final dividend for the year ended 31 December 2013. On 28 August 2014, the board of Directors declared an interim dividend of 2.30 HK cents per share for the six months ended 30 June 2014. The shareholders were provided with an option to receive the interim dividend in form of scrip dividend. On 10 December 2014, 82,570,203 new ordinary shares were allotted and issued at HK\$0.7486 per share in respect of the interim dividend for the six months ended 30 June 2014.
- (d) During the year ended 31 December 2014, one of the convertible bonds with principal amounts of HK\$282,800,000 and HK\$335,300,000 were converted into 471,333,329 and 578,103,444 ordinary shares of HK\$0.01 each of the Company at the conversion prices of HK\$0.60 and HK\$0.58 per share, respectively.
- (e) On 31 July 2015, 23,470,628 new ordinary shares were allotted and issued at HK\$0.4598 per share in respect of the final dividend for the year ended 31 December 2014.

All new ordinary shares issued during the year rank pari passu in all respects with the existing shares.

31. SHARE OPTION SCHEME

2012 Scheme

The purpose of the 2012 Scheme is to enable the Company to grant options to eligible participants as incentives and/or rewards for their contribution to, and continuing efforts to promote the interests of, the Group.

According to the 2012 Scheme, the Board may grant options to the eligible participants as defined in the 2012 Scheme to subscribe for such number of shares as the Board may determine. Options granted should be accepted within 30 days from the date of the letter of grant. Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant. Subject to the terms of the 2012 Scheme and all applicable laws, the Board has the power to determine the period within which payments or calls must or may be made.

30. 股本(續)

- (c) 於二零一四年七月三十一日，本公司就截至二零一三年十二月三十一日止年度之末期股息按每股0.8417港元配發及發行58,195,540股新普通股。於二零一四年八月二十八日，董事會宣派截至二零一四年六月三十日止六個月之中期股息每股股份2.30港仙。股東可選擇以代息股份形式收取中期股息。於二零一四年十二月十日，本公司就截至二零一四年六月三十日止六個月之中期股息按每股股份0.7486港元配發及發行82,570,203股新普通股。
- (d) 於截至二零一四年十二月三十一日止年度，其中一項本金額282,800,000港元及335,300,000港元之可換股債券按每股股份0.60港元及每股股份0.58港元之轉換價分別轉換為471,333,329股及578,103,444股普通股。
- (e) 於二零一五年七月三十一日，本公司就截至二零一四年十二月三十一日止年度之末期股息按每股股份0.4598港元配發及發行23,470,628股新普通股。

年內發行之所有新普通股在各方面均與現有股份享有同等地位。

31. 購股權計劃

二零一二年計劃

二零一二年計劃旨在使本公司可向合資格參與人士授出購股權，作為彼等對本集團所作出之貢獻及為提升本集團利益所作出之不懈努力之獎勵及／或回報。

根據二零一二年計劃，董事會可向二零一二年計劃所界定之合資格參與人士授出購股權，以認購董事會所釐定數目之股份。授出之購股權須自授出函件日期起計30日內接納。接納購股權時，承授人須向本公司支付1.00港元作為獲授購股權之代價。受二零一二年計劃之條款及所有適用法律所規限，董事會有權釐定必須或可能作出付款或通知付款之期限。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

31. SHARE OPTION SCHEME (continued)

2012 Scheme (continued)

The exercise price of options shall be determined by the Board, which shall be at least the highest of (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of the grant, which must be a business day; (ii) the average closing price of the shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of the grant; and (iii) the nominal value of a share.

The maximum number of shares which may be issued upon the exercise of all options to be granted under the 2012 Scheme and any other share option scheme(s) of the Company must not exceed 10% of the issued share capital of the Company on the date of approval and adoption of the 2012 Scheme provided that the Company may at any time seek approval from its shareholders to refresh the limit to 10% of the shares in issue as at the date of approval by the shareholders in general meeting where such limit is refreshed. Options previously granted under any share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised options) will not be counted for the purpose of calculating the limit as refreshed.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the 2012 Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding options) to each eligible participant in any 12-month period up to and including the date of grant shall not exceed 1% of the shares in issue as at the date of grant unless such grant has been duly approved by ordinary resolution of the shareholders of the Company in general meeting at which the relevant eligible participant and his associates abstained from voting. Options granted to substantial shareholders or independent non-executive directors or any of their respective associates in any 12-month period in excess of 0.1% of the Company's issued share capital on the date of grant or with a value in excess of HK\$5,000,000 must be approved in advance by the Company's shareholders.

31. 購股權計劃(續)

二零一二年計劃(續)

購股權之行使價由董事會釐定，須至少為下列之最高者：(i)於授出日期(必須為營業日)聯交所每日報價表所報股份之收市價；(ii)於緊接授出日期前五個營業日聯交所每日報價表所報股份之平均收市價；及(iii)股份之面值。

因行使根據二零一二年計劃及本公司任何其他購股權計劃授出之所有購股權而可發行之股份數目上限，不得超過批准及採納二零一二年計劃當日本公司已發行股本之10%，惟本公司可隨時徵求股東批准將上限重新釐定為股東於股東大會上批准重新釐定上限當日之已發行股份之10%。計算重新釐定之上限時，先前根據本公司任何購股權計劃授出之購股權(包括根據該等計劃尚未行使、已註銷、已失效或已行使之購股權)將不會計算在內。

於截至及包括授出購股權日期前任何12個月內，因行使根據二零一二年計劃及本公司任何其他購股權計劃授出之購股權(包括已行使、已註銷及尚未行使之購股權)而已發行及可發行予每名合資格參與人士之股份總數，不得超過授出購股權當日之已發行股份之1%，除非有關授出已於股東大會上獲本公司股東以普通決議案正式批准(相關合資格參與人士及其聯繫人須於會上放棄投票)，則作別論。倘於任何12個月期間向主要股東或獨立非執行董事或彼等各自之任何聯繫人授出超逾本公司於授出日期已發行股本之0.1%或價值超出5,000,000港元之購股權，則須先經本公司股東批准。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

31. SHARE OPTION SCHEME (continued)

The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no options can be exercised more than 10 years after it has been granted. There is no general requirement that an option must be held for any minimum period before it can be exercised. The 2012 Scheme will expire on 28 June 2022.

The following table discloses movements in the 2012 Scheme:

During the year ended 31 December 2015:

Grantees	Date of offer to grant options	Exercise price per share	Exercisable period	Number of share options ('000) 購股權數目(千份)				
				Outstanding at 01.01.2015	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31.12.2015
承授人	授出購股權要約日期	每股行使價 HK\$ 港元	行使期	於二零一五年一月一日尚未行使	年內授出	年內行使	年內失效	於二零一五年十二月三十一日尚未行使
Employees 僱員	07.01.2014	1.090	13.01.2014 – 06.01.2016	2,000	-	-	-	2,000
	27.06.2014	0.910	15.07.2014 – 26.06.2016	160,000	-	-	(40,000)	120,000
				<u>162,000</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>122,000</u>

During the year ended 31 December 2014:

Grantees	Date of offer to grant options	Exercise price per share	Exercisable period	Number of share options ('000) 購股權數目(千份)				
				Outstanding at 01.01.2014	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31.12.2014
承授人	授出購股權要約日期	每股行使價 HK\$ 港元	行使期	於二零一四年一月一日尚未行使	年內授出 (Note) (附註)	年內行使	年內失效	於二零一四年十二月三十一日尚未行使
Employees 僱員	04.02.2013	0.680	05.02.2013 – 03.02.2015	6,000	-	(6,000)	-	-
	07.01.2014	1.090	13.01.2014 – 06.01.2016	-	102,000	(100,000)	-	2,000
	27.06.2014	0.910	15.07.2014 – 26.06.2016	-	160,000	-	-	160,000
				<u>6,000</u>	<u>262,000</u>	<u>(106,000)</u>	<u>-</u>	<u>162,000</u>

Note: The closing price of the share immediately before the dates of grant on 7 January 2014 and 27 June 2014 was HK\$1.080 and HK\$0.880 respectively.

31. 購股權計劃(續)

購股權行使期將由董事會全權酌情釐定，惟授出購股權日期起計10年後不可行使購股權。本公司並無限制行使前必須持有購股權之最短期限之一般規定。二零一二年計劃將於二零二二年六月二十八日屆滿。

下表披露二零一二年計劃之變動：

於截至二零一五年十二月三十一日止年度：

Grantees	Date of offer to grant options	Exercise price per share	Exercisable period	Number of share options ('000) 購股權數目(千份)				
				Outstanding at 01.01.2015	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31.12.2015
承授人	授出購股權要約日期	每股行使價 HK\$ 港元	行使期	於二零一五年一月一日尚未行使	年內授出	年內行使	年內失效	於二零一五年十二月三十一日尚未行使
Employees 僱員	07.01.2014	1.090	13.01.2014 – 06.01.2016	2,000	-	-	-	2,000
	27.06.2014	0.910	15.07.2014 – 26.06.2016	160,000	-	-	(40,000)	120,000
				<u>162,000</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>122,000</u>

於截至二零一四年十二月三十一日止年度：

Grantees	Date of offer to grant options	Exercise price per share	Exercisable period	Number of share options ('000) 購股權數目(千份)				
				Outstanding at 01.01.2014	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31.12.2014
承授人	授出購股權要約日期	每股行使價 HK\$ 港元	行使期	於二零一四年一月一日尚未行使	年內授出 (Note) (附註)	年內行使	年內失效	於二零一四年十二月三十一日尚未行使
Employees 僱員	04.02.2013	0.680	05.02.2013 – 03.02.2015	6,000	-	(6,000)	-	-
	07.01.2014	1.090	13.01.2014 – 06.01.2016	-	102,000	(100,000)	-	2,000
	27.06.2014	0.910	15.07.2014 – 26.06.2016	-	160,000	-	-	160,000
				<u>6,000</u>	<u>262,000</u>	<u>(106,000)</u>	<u>-</u>	<u>162,000</u>

附註：緊接授出日期(即二零一四年一月七日及二零一四年六月二十七日)前之股份收市價分別為1.080港元及0.880港元。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

31. SHARE OPTION SCHEME (continued)

- (a) Details of share options exercised during the year ended 31 December 2014:

Exercise date	行使日	Exercise price	Market value		Proceeds received	Number of share options
			per share at exercise date			
		行使價	每股市價	已收所得款項	購股權數目	
		HK\$	HK\$	HK\$'000	'000	
		港元	港元	千港元	千份	
08.01.2014 to 10.02.2014	08.01.2014至10.02.2014	0.680	1.130 – 1.170	4,080	6,000	
14.01.2014 to 06.03.2014	14.01.2014至06.03.2014	1.090	1.090 – 1.170	109,000	100,000	
				<u>113,080</u>	<u>106,000</u>	

The weighted average share price at the date of exercise for share options exercised during the year ended 31 December 2014 was HK\$1.124 per share.

- (b) The number and weighted average exercise prices of share options

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

		2015		2014	
		二零一五年		二零一四年	
		Average exercise price per share	Number of share options	Average exercise price per share	Number of share options
		每股	購股權數目	每股	購股權數目
		平均行使價	購股權數目	平均行使價	購股權數目
		HK\$	'000	HK\$	'000
		港元	千份	港元	千份
Outstanding at 1 January	於一月一日尚未行使	0.912	162,000	0.68	6,000
Granted	已授出	–	–	0.98	262,000
Exercised	已行使	–	–	1.067	(106,000)
Lapsed	已失效	0.91	(40,000)	–	–
Outstanding and exercisable at 31 December	於十二月三十一日尚未行使及可行使	0.913	<u>122,000</u>	0.912	<u>162,000</u>

31. 購股權計劃(續)

- (a) 於截至二零一四年十二月三十一日止年度行使購股權詳情:

截至二零一四年十二月三十一日止年度已行使購股權於行使日之加權平均股價為每股1.124港元。

- (b) 購股權之數目及加權平均行使價

尚未行使購股權數目變動及其有關加權平均行使價如下:

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

31. SHARE OPTION SCHEME (continued)

(b) The number and weighted average exercise prices of share options (continued)

The options outstanding at 31 December 2015 had exercise price of ranging from HK\$0.910 to HK\$1.090 (2014: HK\$0.910 to HK\$1.090) and a weighted average remaining contractual life of 0.48 year (2014: 1.48 years). No option was cancelled during the years 2015 and 2014.

The exercise in full of the outstanding 122,000,000 (2014: 162,000,000) share options at 31 December 2015 would, under the present capital structure of the Company, result in the issue of 122,000,000 (2014: 162,000,000) additional shares for a total cash consideration, before expenses, of approximately HK\$111,380,000 (2014: HK\$147,780,000).

(c) Fair value of share options and assumptions

During the year ended 31 December 2014, 262,000,000 options were granted and were fully vested immediately. The estimated fair value of the options granted in 2014 was approximately HK\$13,708,000.

The fair value was calculated using the Black-Scholes option pricing model. The weighted average inputs into the model were as follows:

31. 購股權計劃 (續)

(b) 購股權之數目及加權平均行使價 (續)

於二零一五年十二月三十一日尚未行使之購股權之行使價介乎0.910港元至1.090港元(二零一四年: 0.910港元至1.090港元), 而加權平均餘下合約年期則為0.48年(二零一四年: 1.48年)。二零一五年及二零一四年內並無註銷任何購股權。

根據本公司現時之資本架構, 悉數行使於二零一五年十二月三十一日尚未行使之122,000,000份(二零一四年: 162,000,000份)購股權將導致發行122,000,000股(二零一四年: 162,000,000股)額外股份, 總現金代價於扣除開支前約為111,380,000港元(二零一四年: 147,780,000港元)。

(c) 購股權公允值及假設

截至二零一四年十二月三十一日止年度, 262,000,000份購股權已授出並即時悉數歸屬。於二零一四年授出之購股權之公允值估計約為13,708,000港元。

公允值乃使用布力克-舒爾茨期權定價模型計算。該模型之加權平均輸入值如下:

Share options granted 已授出購股權			
		Date of offer to grant options 07.01.2014 授出購股權 要約日期 二零一四年 一月七日	Date of offer to grant options 27.06.2014 授出購股權 要約日期 二零一四年 六月二十七日
Share price	股價	HK\$1.090港元	HK\$0.910港元
Exercise price	行使價	HK\$1.090港元	HK\$0.910港元
Expected volatility	預期波幅	39.930%	54.404%
Expected option life (in year)	預期購股權期限(按年計)	0.16	0.25
Risk-free rate	無風險利率	0.10%	0.09%
Dividend yield	股息率	2.33%	4.37%

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

31. SHARE OPTION SCHEME (continued)

(c) Fair value of share options and assumptions (continued)

The expected volatility was determined by using the historical volatility of the Company's share price over the previous 260 days. The expected life used in the model had been adjusted, based on the managements' estimate, for the effects of non transferability, exercise restrictions and behavioral considerations.

The Group recognised share-based payment of approximately HK\$13,708,000 for the year ended 31 December 2014.

32. RESERVES

(a) The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the consolidated financial statements.

(b) Nature and purposes of the reserves

(i) Share premium

The application of the share premium account is governed by section 40 of the Bermuda Companies Act 1981 Bermuda.

(ii) Capital redemption reserve

Capital redemption reserve arises from the reduction of the nominal value of the issued capital of the Company upon the cancellation of the repurchased shares.

(iii) Convertible bonds reserve

Convertible bonds reserve represents the amount allocated to the equity component of convertible bonds issued by the Company recognised in accordance with the accounting policy adopted for convertible bonds in Note 2(q).

(iv) Share-based payment reserve

The share-based payment reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of the Company recognised in accordance with the accounting policy adopted for share based payments in Note 2(r)(iii).

31. 購股權計劃(續)

(c) 購股權公允值及假設(續)

預期波幅乃使用本公司股價於過往260日之歷史波幅釐定。該模型所用之預計年期已根據管理層之估計就不可轉讓性、行使限制及行為考量之影響而調整。

截至二零一四年十二月三十一日止年度，本集團確認以股份支付款項約13,708,000港元。

32. 儲備

(a) 本集團本年度及過往年度之儲備金額及其變動於綜合財務報表中之綜合權益變動表呈列。

(b) 儲備性質及目的

(i) 股份溢價

股份溢價賬之應用受一九八一年百慕達公司法第40條所規管。

(ii) 資本贖回儲備

資本贖回儲備乃因註銷購回股份致使本公司已發行資本面值減少所產生。

(iii) 可換股債券儲備

可換股債券儲備指按照附註2(q)就可換股債券所採納之會計政策而確認之本公司所發行可換股債券權益部分獲分配之金額。

(iv) 以股份支付款項之儲備

以股份支付款項之儲備指根據附註2(r)(iii)就以股份支付款項而採納之會計政策確認之本公司僱員實際或估計獲授且尚未行使之購股權數目之公允值。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

32. RESERVES (continued)

(b) Nature and purposes of the reserves (continued)

(v) Exchange translation reserve

The exchange translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy in Note 2(v).

(vi) Contributed surplus

The contributed surplus of the Company as at 31 December 2015 represents the difference between the consolidated net assets of REXCAPITAL Financial Group Limited at the date when its shares were acquired by the Company, and the nominal amount of the Company's shares issued for the acquisition, less dividends paid in 2000.

(c) Distribution of reserves

Under the Company Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus, if:

- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and the share premium account.

32. 儲備(續)

(b) 儲備性質及目的(續)

(v) 匯兌儲備

匯兌儲備包括因換算境外業務之財務報表而產生之所有匯兌差額。該儲備乃根據附註2(v)之會計政策處理。

(vi) 繳入盈餘

本公司於二零一五年十二月三十一日之繳入盈餘指REXCAPITAL Financial Group Limited於其股份被本公司收購當日之綜合資產淨值與就收購而發行之本公司股份面值間之差額，再扣除於二零零零年派付之股息。

(c) 分派儲備

根據一九八一年百慕達公司法(經修訂)，本公司之繳入盈餘賬乃可供分派。然而，倘發生以下情況，則本公司不可宣派或派付股息，或從繳入盈餘作出分派：

- (i) 本公司未能或於支付款項後將未能於負債到期時償付其負債；或
- (ii) 本公司資產之可變現價值將因此而少於其負債與其已發行股本及股份溢價賬之合計金額。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

32. RESERVES (continued)

(c) Distribution of reserves (continued)

In the opinion of the Directors, the Company's reserves disclosed in Note 51 available for distribution to shareholders as at the end of the reporting period were as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Contributed surplus	繳入盈餘	199,605	199,605
Retained profits	保留溢利	559,846	638,327
		<u>759,451</u>	<u>837,932</u>

33. TRADE PAYABLES

Other client payables
Trade payables – Lottery business

應付其他客戶賬款
應付貿易賬款—彩票業務

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Other client payables	應付其他客戶賬款	314	314
Trade payables – Lottery business	應付貿易賬款—彩票業務	2,414	26,557
		<u>2,728</u>	<u>26,871</u>

Other client payables are repayable on demand and bear interest at prevailing market rates.

No ageing analysis is disclosed for other client payables as, in the opinion of the Directors, the ageing analysis does not give additional value in view of the nature of business.

Trade payables are expected to be settled within one year or are repayable on demand.

The Directors consider that the carrying amount of trade payables approximate to their fair values.

32. 儲備(續)

(c) 分派儲備(續)

董事認為，本公司於報告期末可供分派予股東之儲備(於附註51披露)如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Contributed surplus	繳入盈餘	199,605	199,605
Retained profits	保留溢利	559,846	638,327
		<u>759,451</u>	<u>837,932</u>

33. 應付貿易賬款

Other client payables
Trade payables – Lottery business

應付其他客戶賬款
應付貿易賬款—彩票業務

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Other client payables	應付其他客戶賬款	314	314
Trade payables – Lottery business	應付貿易賬款—彩票業務	2,414	26,557
		<u>2,728</u>	<u>26,871</u>

應付其他客戶賬款須按要求償還，並按現行市場利率計息。

由於董事認為基於業務性質，賬齡分析意義不大，因此並無披露應付其他客戶賬款之賬齡分析。

應付貿易賬款預期於一年內支付或須按要求償還。

董事認為，應付貿易賬款之賬面值與其公允值相若。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

33. TRADE PAYABLES (continued)

The ageing analysis of the Group's trade payables – Lottery business is as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Three months or less	三個月或以下	966	26,040
Over three months	三個月以上	1,448	517
		<u>2,414</u>	<u>26,557</u>

34. OTHER PAYABLES AND ACCRUALS

Other payables and accruals of the Group are expected to be settled or recognised as income within one year or are repayable on demand.

The Directors consider that the carrying amounts of other payables and accruals of the Group approximate to their fair values.

35. BANK BORROWINGS

Bank loans	銀行貸款
– secured and due within one year	– 有抵押及於一年內到期

The bank loans were repayable within one year or when the facility is withdrawn. These borrowings were used to finance the lottery business of the Group.

At 31 December 2014, bank loans of approximately HK\$87,500,000 were secured by the leasehold buildings and land use rights (Note 17).

The effective interest rates on the Group's borrowings were equal to contractual interest rates.

33. 應付貿易賬款(續)

本集團應付貿易賬款—彩票業務之賬齡分析如下:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Three months or less	三個月或以下	966	26,040
Over three months	三個月以上	1,448	517
		<u>2,414</u>	<u>26,557</u>

34. 其他應付款項及應計款項

本集團之其他應付款項及應計款項預期於一年內償還或確認為收入或須按的要求償還。

董事認為，本集團之其他應付款項及應計款項之賬面值與其公允值相若。

35. 銀行借貸

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Bank loans	銀行貸款		
– secured and due within one year	– 有抵押及於一年內到期	–	87,500

銀行貸款須於一年內或信貸撤回時償還。該等借貸用作本集團彩票業務之所需資金。

於二零一四年十二月三十一日，約87,500,000港元之銀行貸款以租賃樓宇及土地使用權作抵押(附註17)。

本集團借貸之實際利率相等於合約利率。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

35. BANK BORROWINGS (continued)

The Directors considered that the fair values of borrowings at the end of the reporting period approximated to their carrying amounts.

Bank borrowings included the following amount denominated in a currency other than the Company's functional currency, HK dollars:

		2015 二零一五年 '000 千元	2014 二零一四年 '000 千元
Renminbi	人民幣	-	70,000

36. CONVERTIBLE BONDS

(i) CB2019

On 9 April, 2014, the Company entered into a subscription agreement to issue up to HK\$1,900,000,000 principal amount of 4.5% convertible bonds due in 2019. On 17 April 2014, the issue of principal amounts of HK\$1,200,000,000 of the convertible bonds and HK\$400,000,000 of the convertible bonds pursuant to an option under the subscription agreement being exercised in full before the closing date of the option was completed (the "Firm & Option Bonds 2019"). On 8 July 2014 the issue of HK\$300,000,000 in principal amount of the convertible bonds to Kingly Profits Corporation was completed pursuant to the subscription agreement (the "VC Bonds 2019", and together with Firm & Option Bonds 2019, the "CB2019").

Each bond of CB2019 will, at the option of the holder ("Bondholders"), be convertible (unless previously redeemed, converted or purchased and cancelled) on or after 27 May 2014 up to and including 7 April 2019 into fully paid ordinary shares of the Company with a par value of HK\$0.01 each at a conversion price (the "Conversion Price") of HK\$1.407 per share, subject to adjustments in accordance with the terms and conditions of the Bonds agreement as a result of dilutive events.

35. 銀行借貸(續)

董事認為，借貸於報告期末之公允值與其賬面值相若。

銀行借貸包括下列以本公司功能貨幣港元以外貨幣列值之款項：

		2015 二零一五年 '000 千元	2014 二零一四年 '000 千元
Renminbi	人民幣	-	70,000

36. 可換股債券

(i) 二零一九年可換股債券

於二零一四年四月九日，本公司訂立認購協議，以發行於二零一九年到期、本金額最高為1,900,000,000港元之4.5厘可換股債券。於二零一四年四月十七日，已完成因根據認購協議項下之選擇權於選擇權截止日期前獲悉數行使而發行本金額分別為1,200,000,000港元及400,000,000港元之可換股債券（「二零一九年實發及增發債券」）。於二零一四年七月八日，已完成根據認購協議向Kingly Profits Corporation發行本金額為300,000,000港元之可換股債券（「二零一九年陳先生債券」，連同二零一九年實發及增發債券統稱為「二零一九年可換股債券」）。

二零一九年可換股債券之每份債券將按持有人（「債券持有人」）之選擇於二零一四年五月二十七日或之後截至及包括二零一九年四月七日轉換（先前已贖回、轉換或購回並註銷者除外）為本公司每股面值0.01港元之繳足普通股，轉換價（「轉換價」）為每股1.407港元，根據債券協議之條款及條件，轉換價可就攤薄事件作出調整。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

36. CONVERTIBLE BONDS (continued)

(i) CB2019 (continued)

The CB2019 were issued at an initial conversion price of HK\$1.407 per share. As a result of the interim dividend for the six months ended 30 June 2014 and final dividend for the year ended 31 December 2014, pursuant to the conditions of the CB2019 agreement, the conversion price of the CB2019, had been adjusted from HK\$1.370 to HK\$1.390 and from HK\$1.390 to HK\$1.370 per share with effect from 31 October 2014 and 19 June 2015 respectively.

(ii) CB2016

On 21 September 2011, the Company entered into a subscription agreement to issue up to HK\$1,040,200,000 principal amount of 6% convertible bonds due in 2016. On 28 September 2011, the issue of principal amount of HK\$816,900,000 of the convertible bonds was completed (the "Firm Bonds"). On 7 November 2011, the issue of principal amount of HK\$70,000,000 of the convertible bonds was completed pursuant to an option under the subscription agreement being partially exercised before the closing date of the option (the "Option Bonds"). On 28 November 2011, the issue of HK\$77,800,000 in principal amount of the convertible bonds to Kingly Profits Corporation was completed pursuant to the subscription agreement (the "VC Bonds", together with the Firm Bonds and Option Bonds, the "Existing Bonds").

On 3 September 2012, the Company entered into a subscription agreement to issue up to HK\$429,000,000 principal amount of 6% convertible bonds due in 2016. On 13 September 2012, the issue of principal amount of HK\$312,000,000 of the convertible bonds was completed (the "New Underwritten Bonds"). On 19 October 2012, the issue of principal amount of HK\$78,000,000 of convertible bonds was completed pursuant to an option under the subscription agreement being exercised in full before the closing date of the option (the "New Option Bonds"). On 13 November 2012, the issue of HK\$39,000,000 in principal amount of the convertible bonds to Kingly Profits Corporation was completed pursuant to the subscription agreement (the "New VC Bonds", and together with the New Underwritten Bonds and New Option Bonds, the "New Bonds").

36. 可換股債券 (續)

(i) 二零一九年可換股債券 (續)

二零一九年可換股債券按初步轉換價每股1.407港元發行。由於派付截至二零一四年六月三十日止六個月之中期股息及截至二零一四年十二月三十一日止年度之末期股息，故根據二零一九年可換股債券協議之條件，二零一九年可換股債券之轉換價已分別自二零一四年十月三十一日及二零一五年六月十九日起，由每股1.370港元調整至1.390港元及由1.390港元調整至1.370港元。

(ii) 二零一六年可換股債券

於二零一一年九月二十一日，本公司訂立認購協議，以發行於二零一六年到期、本金額最高為1,040,200,000港元之6厘可換股債券。於二零一一年九月二十八日，已完成發行本金額為816,900,000港元之可換股債券（「實發債券」）。於二零一一年十一月七日，已完成因根據認購協議項下之選擇權於選擇權截止日期前獲部分行使而發行本金額為70,000,000港元之可換股債券（「增發債券」）。於二零一一年十一月二十八日，已完成根據認購協議向Kingly Profits Corporation發行本金額為77,800,000港元之可換股債券（「陳先生債券」，連同實發債券及增發債券統稱為「現有債券」）。

於二零一二年九月三日，本公司訂立認購協議，以發行於二零一六年到期、本金額最高為429,000,000港元之6厘可換股債券。於二零一二年九月十三日，已完成發行本金額為312,000,000港元之可換股債券（「新包銷債券」）。於二零一二年十月十九日，已完成因根據認購協議項下之選擇權於選擇權截止日期前獲悉數行使而發行本金額為78,000,000港元之可換股債券（「新增發債券」）。於二零一二年十一月十三日，已完成根據認購協議向Kingly Profits Corporation發行本金額為39,000,000港元之可換股債券（「新陳先生債券」，連同新包銷債券及新增發債券統稱為「新債券」）。

Notes to the Financial Statements (continued)

財務報表附註 (續)

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36. CONVERTIBLE BONDS (continued)

(ii) CB2016 (continued)

The New Bonds have the same terms and conditions as the Existing Bonds (the "Existing Bonds" and together with the New Bonds, the "CB2016"), in all respects except for the issue date and issue price which is 109.5% of the principal amount and will be consolidated and form a single series with the Existing Bonds and vote together as one series on all matters with respect to the Existing Bonds.

Each bond of CB2016 will, at the option of the holder ("Bondholders"), be convertible (unless previously redeemed, converted or purchased and cancelled) on or after 8 November 2011 up to and including 18 September 2016 into fully paid ordinary shares of the Company with a par value of HK\$0.01 each at a conversion price (the "Conversion Price") of HK\$0.56 per share, subject to adjustments in accordance with the terms and conditions of the Bonds agreement as a result of dilutive events.

The CB2016 were issued at an initial conversion price of HK\$0.6175 per share. As a result of the final dividend for the year ended 31 December 2012, 2013 and 2014 and the interim dividend for the six months ended 30 June 2013 and 2014, pursuant to the conditions of the CB2016 agreement, the conversion price of the CB2016, had been adjusted from HK\$0.6175 to HK\$0.61, from HK\$0.61 to HK\$0.60, from HK\$0.60 to HK\$0.58, from HK\$0.58 to HK\$0.57 and from HK\$0.57 to HK\$0.56 per share with effect from 19 June 2013, 31 October 2013, 19 June 2014, 31 October 2014 and 19 June 2015 respectively.

Kingly Profits Corporation is a company indirectly wholly-owned by Mr Chan How Chung, Victor, a director and substantial shareholder of the Company. The issue of the VC Bonds 2019, the New VC Bonds and the VC Bonds to Kingly Profits Corporation constituted a non-exempt connected transaction under Chapter 14A of the Listing Rules.

The CB2016 and the CB2019 (the "Bonds") are both listed on Singapore Exchange Securities Trading Limited.

36. 可換股債券 (續)

(ii) 二零一六年可換股債券 (續)

新債券在各方面與現有債券(「現有債券」, 連同新債券統稱為「二零一六年可換股債券」)之條款及條件相同, 惟發行日期及發行價(為本金額之109.5%)除外, 二零一六年可換股債券將會合併, 並與現有債券構成同一系列, 且作為同一系列就現有債券所有事宜投票。

二零一六年可換股債券之每份債券將按持有人(「債券持有人」)之選擇於二零一一年十一月八日或之後截至及包括二零一六年九月十八日轉換(先前已贖回、轉換或購回並註銷者除外)為本公司每股面值0.01港元之繳足普通股, 轉換價(「轉換價」)為每股0.56港元, 根據債券協議之條款及條件, 轉換價可就攤薄事件作出調整。

二零一六年可換股債券按初步轉換價每股0.6175港元發行。由於派付截至二零一二年、二零一三年及二零一四年十二月三十一日止年度之末期股息及截至二零一三年及二零一四年六月三十日止六個月之中期股息, 故根據二零一六年可換股債券協議之條件, 二零一六年可換股債券之轉換價已分別自二零一三年六月十九日、二零一三年十月三十一日、二零一四年六月十九日、二零一四年十月三十一日及二零一五年六月十九日起, 由每股0.6175港元調整至0.61港元、由每股0.61港元調整至0.60港元、由每股0.60港元調整至0.58港元、由每股0.58港元調整至0.57港元及由每股0.57港元調整至0.56港元。

Kingly Profits Corporation為本公司董事兼主要股東陳孝聰先生間接全資擁有之公司。根據上市規則第14A章, 向Kingly Profits Corporation發行二零一九年陳先生債券、新陳先生債券及陳先生債券構成不獲豁免關連交易。

二零一六年可換股債券及二零一九年可換股債券(「該等債券」)均於新加坡證券交易所上市。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

36. CONVERTIBLE BONDS (continued)

The redemption terms of the Bonds are as follows:

(a) Redemption at maturity

Unless previously redeemed, converted, or purchased and cancelled, CB2016 and CB2019 will be redeemed on 28 September 2016 and 17 April 2019 respectively at their principal amounts together with accrued but unpaid interest thereon.

(b) Redemption at the option of the Company

The Company may at any time after 28 September 2014 and prior to 28 September 2016 redeem in whole or in part, the CB2016 and after 17 April 2017 and prior to 17 April 2019 redeem in whole or in part, the CB2019 for the time being outstanding at their principal amounts together with interest accrued to the date fixed for redemption, provided that the closing price of the Company's shares for any 20 consecutive trading days, the last of which occurs not more than five trading days prior to the date on which notice of such redemption is published, was at least 130% of the prevailing Conversion Price; or

If at any time at least 90% of the aggregate principal amount of the Bonds has already been converted, redeemed or purchased and cancelled, then the Company shall have the option to redeem in whole, but not in part, of the outstanding Bonds at their principal amounts as at such date together with interest accrued to such date.

(c) Redemption at the option of the Bondholders

The Company will, at the option of any of the Bondholders, redeem all or some of the Bondholders' CB2016 and CB2019 on 28 September 2014 and 17 April 2017 respectively at their principal amounts together with interest accrued to such date.

The Company will also, at the option of any of the Bondholders, redeem all or some of the Bonds at their principal amounts as at such date together with interest accrued to the relevant date for redemption when there is a change of control of the Company, or when the Company's shares cease to be listed or admitted to trading or suspended for trading for a period equal to or exceeding 30 consecutive trading days on the Hong Kong Stock Exchange subject to the terms and conditions of the CB2016 and CB2019, respectively.

36. 可換股債券(續)

該等債券之贖回條款如下:

(a) 到期時贖回

除非先前已贖回、轉換或購回並註銷，否則二零一六年可換股債券及二零一九年可換股債券將分別於二零一六年九月二十八日及二零一九年四月十七日按其本金額連同累計但未付利息贖回。

(b) 由本公司選擇贖回

本公司可於二零一四年九月二十八日後但於二零一六年九月二十八日前，隨時按本金額(連同累計至所定贖回日之利息)贖回全部或部分當時尚未贖回之二零一六年可換股債券，以及於二零一七年四月十七日後但於二零一九年四月十七日前，隨時按本金額(連同累計至所定贖回日之利息)贖回全部或部分當時尚未贖回之二零一九年可換股債券，惟任何連續20個交易日(最後一個交易日不早於發出有關贖回通知日期前五個交易日)之本公司股份收市價至少須達當時轉換價之130%；或

倘於任何時間，該等債券最少90%之本金總額已轉換、贖回或購回並註銷，則本公司可選擇於有關日期按本金額(連同累計至相關日期之利息)贖回全部但並非部分尚未贖回之該等債券。

(c) 由債券持有人選擇贖回

本公司將按債券持有人之選擇，分別於二零一四年九月二十八日及二零一七年四月十七日按本金額(連同累計至相關日期之利息)贖回債券持有人所持之全部或部分二零一六年可換股債券及二零一九年可換股債券。

在二零一六年可換股債券及二零一九年可換股債券各自之條款及條件之規限下，倘本公司之控制權改變，或倘本公司股份不再於香港聯交所上市或獲准買賣或暫停買賣，為期相等於或超過30個連續交易日，則本公司亦將按任何債券持有人之選擇，於相關贖回日期按本金額(連同累計至相關日期之利息)贖回全部或部分該等債券。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

36. CONVERTIBLE BONDS (continued)

At initial recognition, the Bonds are separated into a liability component consisting of the straight debt element of the Bonds, embedded financial derivatives consisting of redemption options, and an equity component representing the conversion options of the Bondholders to convert the Bonds into equity. As the Company's and Bondholders' redemption options are considered as closely related to the host contracts, the fair values of these options, which are determined using Binomial Tree Pricing Model at initial recognition, have not been separated from the host contracts, but included in the carrying amount of the liability component. The equity component is presented as convertible bonds reserve in equity, whereas the liability component is classified under non-current liabilities. The proceeds received from the issue of the Bonds have been split as follows:

- (i) Liability component represents the fair value of the contractually determined stream of cash flows discounted at the prevailing market interest rate applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the conversion features. The interest charged for the year is calculated by applying an effective interest rate. The effective interest rate of the Existing Bonds, New Bonds, Firm & Option Bonds 2019 and VC Bonds 2019 are 9.79%, 15.20%, 9.06% and 9.03% per annum, respectively.
- (ii) Equity component represents the conversion options, which is determined by deducting the fair value of the liability component from the proceeds of issue of the Bonds as a whole.

36. 可換股債券(續)

於初步確認時，該等債券分為負債部分(包含該等債券之直接債務部分)、嵌入式金融衍生工具(包含贖回選擇權)及權益部分(指債券持有人將該等債券轉換為權益之轉換選擇權)。由於本公司及債券持有人之贖回選擇權被視為與主合約關係密切，故該等選擇權之公允值(於初步確認時使用二項式樹狀定價模型釐定)並無與主合約分開，而計入負債部分之賬面值。權益部分於權益內呈列為可換股債券儲備，而負債部分則分類至非流動負債項下。發行該等債券之已收所得款項已劃分為以下部分：

- (i) 負債部分指合約釐定之現金流流量之公允值，乃按信貸狀況相若、提供大致相同現金流、條款相同但並無轉換特性之工具所適用之現行市場利率貼現。年內所計利息按實際利率計算。現有債券、新債券、二零一九年實發及增發債券以及二零一九年陳先生債券之實際年利率分別為9.79%、15.20%、9.06%及9.03%。
- (ii) 權益部分指轉換選擇權，乃按發行該等債券整體所得款項扣減負債部分之公允值釐定。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

36. CONVERTIBLE BONDS (continued)

The fair value of the liability component of the Bonds on initial recognition was calculated using the discounted cash flow model. The major inputs used in the Binomial Tree Pricing Model were as follows:

		VC Bonds 2019 二零一九年 陳先生債券	Firm & Option Bonds 2019 二零一九年 實發及增發債券	New Bonds 新債券	Existing Bonds 現有債券
Share price	股價	HK\$0.87港元	HK\$0.93港元	HK\$0.50港元	HK\$0.47港元
Exercise price	行使價	HK\$1.407港元	HK\$1.407港元	HK\$0.6175港元	HK\$0.6175港元
Risk-free rate	無風險利率	1.394%	1.380%	0.267%	0.755%
Dividend yield	股息率	4.115%	3.849%	3.360%	2.213%
Credit spread	期權差價	8.184%	8.133%	12.300%	8.407%
Expected life	預計年期	4.78 years 年	5.00 years 年	4.04 years 年	5 years 年
Volatility	波幅	46.328%	47.724%	62.431%	67.761%

The risk-free rate was determined with reference to the Hong Kong Exchange Fund Notes Yields as extracted from Bloomberg. The expected life was the remaining life of the Bonds. Volatility is the annualised standard deviation of the continuously compounded rates of return on the daily average adjusted share price of the Company.

Any changes in the major inputs used in the model will result in changes in the fair value of the liability component. The variables and assumptions used in calculating the fair value of the liability component are based on the Directors' best estimates.

On 20 August 2015, the Company announced that an event of default had occurred pursuant to the terms and conditions of Bonds by virtue of the fact that the ordinary shares of the Company had been suspended for trading for a period equal to or exceeding 30 consecutive trading days on the Stock Exchange ("Relevant Event"). Consequently, the Bondholders are entitled to require the Company to redeem all or some only of the Bonds on 2 November 2015 ("Relevant Event Redemption Date") at their principal amount together with interest accrued to the Relevant Event Redemption Date.

36. 可換股債券(續)

該等債券負債部分於初步確認時之公允值以貼現現金流量模型計算。二項式樹狀定價模型所用之主要輸入值如下：

無風險利率經參照香港外匯基金債券孳息率(摘自彭博)後釐定。預計年期為該等債券之餘下年期。波幅為本公司每日經調整平均股價之連續複合回報率之年度化標準差。

該模型所用之主要輸入值之任何變動將導致負債部分之公允值改變。計算負債部分公允值所用之變數及假設乃根據董事之最佳估計得出。

於二零一五年八月二十日，本公司宣布，基於本公司普通股已在聯交所暫停買賣相等於或超過30個連續交易日，根據該等債券之條款及條件發生了違約事件(「相關事件」)。因此，債券持有人有權要求本公司於二零一五年十一月二日(「相關事件贖回日」)按其本金額連同累計至相關事件贖回日之利息贖回全部或只贖回部份該等債券。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

36. CONVERTIBLE BONDS (continued)

An extraordinary resolution was duly passed by the Bondholders at a meeting held on 29 October 2015 in which the Company agreed to redeem 5% of the principal amount of the Bonds with total nominal amount of HK\$2,247,700,000 on 30 November 2015 and the Bondholders agreed to delay the Relevant Event Redemption Date to 31 March 2016 and the Company agreed to offer Bondholders who vote in favour of the extraordinary resolution a consent fee of 1% of the principal amount of the relevant Bonds as an incentive. In the extraordinary resolution, the Bondholders also agreed to provide a carve-out to the relevant event of default to ensure that the Company and its principal subsidiaries are permitted to dispose of assets, business or operations, where the net proceeds of such disposal are primarily applied towards the redemption or repayment of the Bonds (including interest), without triggering an event of default. Further details in relation to the Relevant Event are disclosed in the Company's announcements dated 20 August 2015, 22 September 2015, 7 October 2015 and 29 October 2015.

On 30 November 2015, the Company redeemed the Bonds with principal amount of HK\$112,385,000 at HK\$112,385,000 and a gain of approximately HK\$1,013,000 (*Note 5*) from the redemption was recognised in profit or loss. Immediately after the redemption and at the end of the reporting period, the Bonds with principal amount of HK\$2,135,315,000 remain outstanding.

36. 可換股債券(續)

債券持有人於二零一五年十月二十九日舉行之會議上正式通過特別決議案，據此，本公司同意於二零一五年十一月三十日贖回該等債券本金額之5%，總面值為2,247,700,000港元，而債券持有人亦同意將相關事件贖回日押後至二零一六年三月三十一日，本公司另同意向投票贊成特別決議案之債券持有人提供同意費（相當於相關該等債券本金額之1%）作為激勵。根據特別決議案，債券持有人亦同意豁免相關違約事件，確保本公司及其主要附屬公司獲准出售資產、業務或營運，前提是有關出售所得款項淨額將主要用作贖回或償還該等債券（包括利息），且不會觸發違約事件。有關相關事件之進一步詳情於本公司日期為二零一五年八月二十日、二零一五年九月二十二日、二零一五年十月七日及二零一五年十月二十九日之公布披露。

於二零一五年十一月三十日，本公司以112,385,000港元贖回本金額為112,385,000港元之該等債券，因贖回而產生之收益約1,013,000港元（*附註5*）已於損益確認。緊隨贖回後及於報告期末，本金額為2,135,315,000港元之該等債券仍未轉換。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

36. CONVERTIBLE BONDS (continued)

The movement of the liability component of the Bonds for the year is set out below:

		CB2019 二零一九年 可換股債券 HK\$'000 千港元	CB2016 二零一六年 可換股債券 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Carrying amount at 1 January 2014	於二零一四年一月一日之賬面值	–	833,649	833,649
Bonds issued during the year	年內已發行該等債券	1,900,000	–	1,900,000
Equity component*	權益部分*	(303,157)	–	(303,157)
Transaction costs attributable to the liability component	負債部分應佔交易成本	(34,307)	–	(34,307)
Interest expense (Note 8)	利息開支(附註8)	94,438	68,793	163,231
Interest payable	應付利息	(57,288)	(37,493)	(94,781)
Converted during the year	年內轉換	–	(564,183)	(564,183)
Carrying amounts at 31 December 2014	於二零一四年十二月三十一日之賬面值	1,599,686	300,766	1,900,452
Redemption during the year	年內贖回	(82,714)	(16,193)	(98,907)
Interest expense (Note 8)	利息開支(附註8)	144,128	45,948	190,076
Interest payable	應付利息	(84,669)	(20,718)	(105,387)
Acceleration of unwinding interest (Note 8)	加快利息撥回(附註8)	175,881	13,287	189,168
Carrying amounts at 31 December 2015	於二零一五年十二月三十一日之賬面值	1,752,312	323,090	2,075,402
Portion classified as current	分類為流動部分	(1,501,539)	(323,090)	(1,824,629)
Non-current portion	非流動部分	250,773	–	250,773

* The transaction costs attributable to the equity component of the CB2019 amounted to HK\$6,427,000.

During the year ended 31 December 2014, CB2016 in an aggregate principal amount of HK\$618,100,000 has been converted into 1,049,436,773 ordinary shares in the share capital of the Company. At the end of the reporting period, the aggregate principal amount of the Bonds remaining outstanding following the partial redemption of the Bonds was HK\$2,135,315,000 (2014: HK\$2,247,700,000).

36. 可換股債券(續)

該等債券負債部分之年內變動載列如下:

		CB2019 二零一九年 可換股債券 HK\$'000 千港元	CB2016 二零一六年 可換股債券 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Carrying amount at 1 January 2014	於二零一四年一月一日之賬面值	–	833,649	833,649
Bonds issued during the year	年內已發行該等債券	1,900,000	–	1,900,000
Equity component*	權益部分*	(303,157)	–	(303,157)
Transaction costs attributable to the liability component	負債部分應佔交易成本	(34,307)	–	(34,307)
Interest expense (Note 8)	利息開支(附註8)	94,438	68,793	163,231
Interest payable	應付利息	(57,288)	(37,493)	(94,781)
Converted during the year	年內轉換	–	(564,183)	(564,183)
Carrying amounts at 31 December 2014	於二零一四年十二月三十一日之賬面值	1,599,686	300,766	1,900,452
Redemption during the year	年內贖回	(82,714)	(16,193)	(98,907)
Interest expense (Note 8)	利息開支(附註8)	144,128	45,948	190,076
Interest payable	應付利息	(84,669)	(20,718)	(105,387)
Acceleration of unwinding interest (Note 8)	加快利息撥回(附註8)	175,881	13,287	189,168
Carrying amounts at 31 December 2015	於二零一五年十二月三十一日之賬面值	1,752,312	323,090	2,075,402
Portion classified as current	分類為流動部分	(1,501,539)	(323,090)	(1,824,629)
Non-current portion	非流動部分	250,773	–	250,773

* 二零一九年可換股債券權益部分應佔之交易成本為6,427,000港元。

於截至二零一四年十二月三十一日止年度，本金總額為618,100,000港元之二零一六年可換股債券獲轉換為1,049,436,773股本公司股本中之普通股。於報告期末，於贖回部分該等債券後仍未轉換之該等債券本金總額為2,135,315,000港元(二零一四年：2,247,700,000港元)。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

36. CONVERTIBLE BONDS (continued)

Subsequent to the end of the reporting period and up to 1 March 2016, the Company received redemption notices from some of the Bondholders to redeem the Bonds with principal amount of HK\$1,848,415,000 on 31 March 2016. As a result, the outstanding Bonds with principal amount of HK\$1,848,415,000 shall become payable on 31 March 2016 and unwinding of interest totaling HK\$189,168,000 was accelerated at 31 December 2015 and the carrying amount of liability component of the Bonds that subject to redemption on 31 March 2016 has been classified as current liabilities (see note 52(ii)).

37. OBLIGATIONS UNDER FINANCE LEASES

At 31 December 2015, the Group had obligations under finance leases repayable as follows:

36. 可換股債券 (續)

於報告期末後及截至二零一六年三月一日，本公司已接獲部分債券持有人之贖回通知，要求於二零一六年三月三十一日贖回本金額為1,848,415,000港元之該等債券。因此，本金額為1,848,415,000港元之尚未轉換該等債券將於二零一六年三月三十一日到期應付，而於二零一五年十二月三十一日之加快利息撥回合共為189,168,000港元，而須於二零一六年三月三十一日贖回之該等債券之負債部分賬面值已分類為流動負債（見附註52(ii)）。

37. 融資租賃債務

於二零一五年十二月三十一日，本集團應償付之融資租賃債務如下：

		2015 二零一五年		2014 二零一四年	
		Present value of minimum lease payment 最低租約 付款現值 HK\$'000 千港元	Minimum lease payment 最低租約付款 HK\$'000 千港元	Present value of minimum lease payment 最低租約 付款現值 HK\$'000 千港元	Minimum lease payment 最低租約付款 HK\$'000 千港元
Within 1 year	一年內	17,038	18,032	16,681	19,251
Between 2 to 5 years	兩年至五年	8,867	8,977	27,262	28,708
		<u>25,905</u>	<u>27,009</u>	<u>43,943</u>	<u>47,959</u>
Less: Total future finance charges	減：未來財務收費總額		<u>1,104</u>		<u>4,016</u>
Present value of lease payments	租約付款現值		<u>25,905</u>		<u>43,943</u>

The Group leased a motor vehicle under a finance lease arrangement. The interest rate of the finance lease is fixed at 2.5% (2014: 2.5%) per annum. At the end of the lease term, the Group has the option to purchase the motor vehicle at a price deemed to be a bargain purchase option. The leased motor vehicle (Note 16) secures the finance lease obligation.

本集團根據融資租賃安排租賃汽車。融資租賃之利率定為每年2.5%（二零一四年：2.5%）。於租賃期結束時，本集團可選擇按被視為議價收購選擇權之價格購買該汽車。融資租賃債務以租賃汽車作擔保（附註16）。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

37. OBLIGATIONS UNDER FINANCE LEASES (continued)

The effective interest rate of the obligations under finance leases is 5.81% (2014: 7.36%) per annum. Certain subsidiaries of the Group have provided corporate guarantees to the lessor to secure the finance lease obligations to the extent of HK\$60,714,000 (2014: HK\$63,750,000). The carrying amount of the printing machine under the sales and leaseback agreement was disclosed in Note 16.

38. RETIREMENT BENEFITS SCHEME

Retirement benefit costs

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme in Hong Kong (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

Pursuant to the relevant PRC regulations, the PRC subsidiaries are required to make contributions to defined contribution retirement schemes organised by the relevant Social Security Bureau in respect of the retirement benefits for the PRC subsidiaries' employees in the PRC.

39. CONTINGENT LIABILITIES

Financial guarantees issued

As at 31 December 2015 and 2014, certain subsidiaries of the Group have issued corporate guarantees in respect of the finance lease obligation under a sales and leaseback arrangement granted to a subsidiary of the Group which will expire when the lease is terminated. The Group has not recognised any deferred income and the related expenses in respect of such guarantees, as in the opinion of the Directors, their fair value cannot be reliably measured using observable market data and their transaction price was nil.

As at 31 December 2015 and 2014, the Directors do not consider it probable that a claim will be made against these subsidiaries under any of the guarantees.

37. 融資租賃債務(續)

該融資租賃債務之實際年利率為5.81%(二零一四年:7.36%)。本集團若干附屬公司已向出租人提供公司擔保,以作為60,714,000港元(二零一四年:63,750,000港元)之融資租賃債務之擔保。售後租回協議項下印刷機之賬面值於附註16披露。

38. 退休福利計劃

退休福利成本

本集團遵照強制性公積金計劃條例,於香港為合資格參與強制性公積金退休福利計劃(「強積金計劃」)之僱員,安排一項定額供款強積金計劃。供款乃以僱員基本薪金之某百分比作出,並於根據強積金計劃之規則須予支付時自損益扣除。本集團之僱主供款於向強積金計劃作出供款時悉數歸屬僱員所有。

根據有關中國法規,中國附屬公司須就中國附屬公司僱員於中國之退休福利向有關社會保障局組織之定額供款退休計劃作出供款。

39. 或然負債

已發出之財務擔保

於二零一五年及二零一四年十二月三十一日,本集團若干附屬公司已就本集團一間附屬公司獲授之售後租回安排下之融資租賃債務發出公司擔保。有關擔保將於租賃終止時到期。由於董事認為,有關擔保之公允值無法使用可觀察市場數據可靠計量,且交易價為零,故本集團並無就有關擔保確認任何遞延收入及相關開支。

於二零一五年及二零一四年十二月三十一日,董事認為根據任何該等擔保向該等附屬公司提出申索之機會不大。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

40. DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Kingly Profits Corporation (being a holder of 2019 Bonds), wholly-owned by Mr Chan How Chung, Victor, who is a Director and a substantial shareholder of the Company, has provided an undertaking to the Company (the "Undertaking"), among other things,

- (i) to provide a valid block voting instruction in favour of the relevant revised extraordinary resolution;
- (ii) to provide, subject to certain conditions, an unsecured and interest-free shareholder's loan in the amount of approximately HK\$100,000,000, with a one-year term, for the Company's partial redemption obligations;
- (iii) to provide, subject to certain conditions, an unsecured and interest-free shareholder's loan in the amount of approximately HK\$3,000,000, with a one-year term, for the Company's general working capital;
- (iv) to provide, subject to certain conditions, an unsecured shareholder's loan in the amount of HK\$15,000,000, with a one-year term, with an interest rate equal to the coupon rate of the 2019 Bonds for the Company's general working capital;
- (v) to, from time to time, if it shall receive any Early Redemption (as defined in the announcements) payment (in respect of the 2019 Bonds it holds) from the Company, provide a further unsecured shareholder's loan to the Company in the amount equal to such Early Redemption principal payment so received by it; and
- (vi) not to exercise the put option in relation to a "Relevant Event" as stated in the announcements in respect of the 2019 Bonds it holds.

40. 董事於交易、安排或合約之重大權益

Kingly Profits Corporation (為二零一九年債券之持有人，由董事兼本公司主要股東陳孝聰先生全資擁有)已向本公司作出承諾(「承諾」)，其中包括：

- (i) 發出有效凍結投票指示，投票贊成相關經修訂特別決議案；
- (ii) 受限於若干條件，提供約100,000,000港元之一年期無抵押及免息股東貸款，以供本公司履行部分贖回責任；
- (iii) 受限於若干條件，提供約3,000,000港元之一年期無抵押及免息股東貸款，以供本公司用作一般營運資金；
- (iv) 受限於若干條件，提供15,000,000港元之一年期無抵押股東貸款，其利率相等於二零一九年債券之票面利率，以供本公司用作一般營運資金；
- (v) 倘其(就其所持二零一九年債券)從本公司獲得任何提早贖回(定義見該等公布)付款，則不時額外向本公司提供相等於其所收取該筆提早贖回本金付款之無抵押股東貸款；及
- (vi) 不就其所持二零一九年債券行使有關該等公布所載「相關事件」之認沽期權。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

40. DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS (continued)

During the year, shareholder's loans in the aggregate amount of HK\$118,000,000 (as mentioned in (ii) to (iv) above) have been advanced to the Company pursuant to the Undertaking.

Save as disclosed above, no other significant transactions, arrangements and contracts in which the Company was a party and in which a director of the Company has a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

41. COMMITMENTS

(a) Capital commitments outstanding at 31 December 2015 not provided for in the consolidated financial statements are as follows:

40. 董事於交易、安排或合約之重大權益(續)

年內，股東貸款合共118,000,000港元(見上文(ii)至(iv)項所述)已根據承諾墊付予本公司。

除上文所披露者外，本公司於年終時或年內任何時間，概無進行或訂立任何本公司董事於其中直接或間接擁有重大權益之其他重要交易、安排及合約。

41. 承擔

(a) 於二零一五年十二月三十一日並未在綜合財務報表撥備之未付資本承擔如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Contracted for	已訂約		
– purchase of property, plant and equipment	– 購買物業、廠房及設備	383	1,203
– increase in registered capital of a subsidiary	– 一間附屬公司之註冊資本增加	84,000	84,000
		<u>84,383</u>	<u>85,203</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

41. COMMITMENTS (continued)

- (b) At 31 December 2015, the Group's future aggregate minimum lease payments under non-cancellable operating leases are payable as follows:

		As at 31 December 2015 於二零一五年十二月三十一日		
		Land and buildings 土地及樓宇 HK\$'000 千港元	Factory equipment 廠房設備 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Within one year	一年內	17,105	8,960	26,065
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	6,160	35,730	41,890
More than five years	五年以上	–	53,199	53,199
		<u>23,265</u>	<u>97,889</u>	<u>121,154</u>

		As at 31 December 2014 於二零一四年十二月三十一日		
		Land and buildings 土地及樓宇 HK\$'000 千港元	Factory equipment 廠房設備 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Within one year	一年內	25,490	9,375	34,865
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	23,274	37,500	60,774
More than five years	五年以上	–	65,234	65,234
		<u>48,764</u>	<u>112,109</u>	<u>160,873</u>

The Group leases various office and factory premises, office equipment and warehouses under operating leases. The leases run for an initial period of 1 to 11 years (2014: 1 to 12 years). The leases do not include any contingent rentals.

本集團根據經營租賃租用多個辦公室及廠房物業、辦公室設備及倉庫。該等租賃初步為期一至十一年(二零一四年:一至十二年)不等,並不包括任何或然租金。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

42. FINANCIAL INSTRUMENTS BY CATEGORIES

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows:

42. 按類別劃分之金融工具

於報告期末，各金融工具類別之賬面值如下：

Financial assets

金融資產

	Notes 附註	2015 二零一五年				2014 二零一四年			
		Financial assets at fair value through profit or loss held for trading 通過損益按公允值計量之金融資產—持有作買賣	Loans and receivables 貸款及應收款項	Available-for-sale financial assets 可供出售金融資產	Total 總計	Financial asset at fair value through profit or loss held for trading 通過損益按公允值計量之金融資產—持有作買賣	Loans and receivables 貸款及應收款項	Available-for-sale financial asset 可供出售金融資產	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Available-for-sale financial assets 可供出售金融資產	21	-	-	307,810	307,810	-	-	77,182	77,182
Trade receivables 應收貿易賬款	24	-	760,152	-	760,152	-	916,772	-	916,772
Utility and other deposits 公用事業及其他按金	25	-	1,600,474	-	1,600,474	-	1,742,347	-	1,742,347
Other receivables 其他應收款項	26	-	1,791,221	-	1,791,221	-	2,087,115	-	2,087,115
Financial assets at fair value through profit or loss 通過損益按公允值計量之金融資產	27	63,935	-	-	63,935	53,102	-	-	53,102
Cash and bank balances 現金及銀行結餘	28	-	1,098,073	-	1,098,073	-	1,293,032	-	1,293,032
		<u>63,935</u>	<u>5,249,920</u>	<u>307,810</u>	<u>5,621,665</u>	<u>53,102</u>	<u>6,039,266</u>	<u>77,182</u>	<u>6,169,550</u>

Financial liabilities

金融負債

Financial liabilities at amortised cost

按攤銷成本列賬之金融負債

	Notes 附註	2015	2014
		二零一五年 HK\$'000 千港元	二零一四年 HK\$'000 千港元
Trade payables 應付貿易賬款	33	2,728	26,871
Other payables and accruals 其他應付款項及應計款項	34	64,311	157,897
Bank borrowings 銀行借貸	35	-	87,500
Convertible bonds 可換股債券	36	2,075,402	1,900,452
Obligations under finance leases 融資租賃債務	37	25,905	43,943
Amount due to a shareholder 應付一名股東款項	48	118,000	-
Amount due to a joint venture 應付一間合營企業款項	20	46,195	46,195
		<u>2,332,541</u>	<u>2,262,858</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk arising from the normal course of its business and financial instruments. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance as follows:

(i) Market risk

(1) Foreign exchange risk

Foreign exchange risk is the risk of loss due to adverse movements in foreign exchange rate relating to foreign currency deposits with banks. The Group did not have significant exposure to foreign exchange risk arising from the trade and other receivables in the current and prior years.

In addition, foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operation. The Group's lottery business operates in the PRC with most of the transactions settled in RMB. The conversion of RMB into foreign currencies is subject to the rules and regulations of the foreign exchange control promulgated by the PRC government.

At 31 December 2015, if HK\$ had strengthened/weakened by 5% against the RMB, with all other variables held constant, profit for the year would have been lower/higher by approximately HK\$92,983,000 (2014: Nil) and equity would have been approximately HK\$54,517,000 (2014: HK\$127,868,000) lower/higher due to foreign exchange realignment arising from translating investments in foreign operations into HK\$.

43. 財務風險管理及金融工具之公允值

(a) 財務風險因素

本集團業務在一般業務過程中及因金融工具而涉及多項財務風險：市場風險（包括外匯風險、公允值利率風險、現金流量利率風險及價格風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於金融市場之不可預測情況，並尋求將對本集團財務表現造成之潛在不利影響降至最低，詳情如下：

(i) 市場風險

(1) 外匯風險

外匯風險為因與存放於銀行之外幣存款有關之匯率不利變動而產生之虧損風險。本集團於本年度及過往年度並無承擔因應收貿易賬款及其他應收款項而產生之重大外匯風險。

此外，未來商業交易、已確認資產及負債以及境外業務投資淨值均會產生外匯風險。本集團之彩票業務在中國境內經營，大部分交易均以人民幣結算。將人民幣兌換為外幣須受中國政府所頒布之外匯管制規則及規例監管。

於二零一五年十二月三十一日，倘港元兌人民幣匯率升值／貶值5%，而所有其他變數維持不變，由於將境外業務之投資換算為港元產生匯兌調整，年度溢利將會減少／增加約92,983,000港元（二零一四年：無），而權益則減少／增加約54,517,000港元（二零一四年：127,868,000港元）。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

(a) Financial risk factors (continued)

(i) Market risk (continued)

(1) Foreign exchange risk (continued)

The above sensitivity analysis has been determined assuming that a change in foreign exchange rate had occurred at the end of the reporting period and had been applied to the exposure to foreign exchange risk for financial instruments in existence at that date. The 5% increase or decrease represents management's assessment of a reasonably possible change in exchange rate over the period until the next reporting date. The analysis was performed on the same basis for 2014.

(2) Cash flow and fair value interest rate risks

The Group is exposed to cash flow interest rate risk in relation to cash at banks on a floating rate basis. Management does not anticipate significant impair on interest-bearing assets resulted from changes in interest rates because the interest rates of bank deposits are not expected to change significantly. Therefore, the Directors of the Company consider the Group's exposure to interest rate risk is not significant and therefore no sensitivity analysis has been prepared.

(3) Price risk

The Group is exposed to equity price risk arising from investments in equity securities classified as financial assets at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from financial assets at fair value through profit or loss, the Group diversifies its portfolio. The sensitivity analyses below have been determined based on the exposure to price risk at the end of the reporting period.

43. 財務風險管理及金融工具之公允值(續)

(a) 財務風險因素(續)

(i) 市場風險(續)

(1) 外匯風險(續)

釐定以上敏感度分析時乃假設匯率於報告期末已發生變動，並應用於該日存在之金融工具面對之外匯風險。5%增加或減少為管理層所評估直至下一個報告日止期間內可能出現之合理匯率變動。二零一四年度以相同基準進行分析。

(2) 現金流量及公允值利率風險

本集團因銀行現金按浮動利率計息而承擔現金流量利率風險。由於預期銀行存款利率變動不大，管理層並不預期利率變動會對計息資產產生重大影響。因此，本公司董事認為本集團承擔之利率風險並不重大，故並無編製敏感度分析。

(3) 價格風險

本集團承擔因股本證券投資(分類為通過損益按公允值計量之金融資產)而產生之股價風險。本集團並無承擔商品價格風險。本集團分散其投資組合，以管理因通過損益按公允值計量之金融資產而產生之價格風險。以下敏感度分析乃根據於報告期末所承擔之價格風險釐定。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

(a) Financial risk factors (continued)

(i) Market risk (continued)

(3) Price risk (continued)

At 31 March 2015, it is estimated that an increase/a decrease of 10% in the market value of the Group's financial assets at fair value through profit or loss, with all other variables held constant, profit for the year would increase/decrease by approximately HK\$6,394,000 (2014: decrease/increase loss for the year by approximately HK\$5,310,000). The stated changes represent management's assessment of reasonably possible changes in the market value of the Group's investment portfolio over the period until the next annual reporting date. The analysis is prepared on the same basis for 2014.

(ii) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, listed investments and other financial instruments. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. In order to minimise the credit risk, the management of the Group has delegated a team responsible to compile the credit and risk management policies, to approve credit limits and determine any debt recovery action on those delinquent receivables. In addition, the Group reviews the recoverable amount for each individual account receivable at each reporting date to ensure that adequate allowances for impairment are made for irrecoverable amounts.

The credit risk on liquid funds is also limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. In this regard, the Directors of the Group consider that the Group's credit risk is effectively controlled and significantly reduced.

43. 財務風險管理及金融工具之公允值 (續)

(a) 財務風險因素 (續)

(i) 市場風險 (續)

(3) 價格風險 (續)

於二零一五年三月三十一日，倘本集團通過損益按公允值計量之金融資產之市值增加／減少10%，而所有其他變數維持不變，則估計會引致年度溢利增加／減少約6,394,000港元（二零一四年：年度虧損減少／增加約5,310,000港元）。上述變動為管理層所評估直至下一個年度報告日止期間內可能出現之本集團投資組合市值合理變動。二零一四年度以相同基準進行分析。

(ii) 信貸風險

本集團之信貸風險主要來自應收貿易賬款及其他應收款項、上市投資及其他金融工具。管理層備有信貸政策，並持續監控所承擔之信貸風險。為儘量減低信貸風險，本集團管理層已委派一支隊伍，負責制訂信貸及風險管理政策、審批信貸限額及決定就拖欠應收款項採取之收回債項行動。此外，本集團於各報告日審閱各項個別應收賬款之可收回金額，以確保已就不可收回金額作出充足減值撥備。

由於交易對手為獲國際信貸評級機構評為高信貸評級之銀行，故流動資金信貸風險亦屬有限。就此而言，本集團董事認為，本集團之信貸風險受到有效控制並顯著降低。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

(a) Financial risk factors (continued)

(ii) Credit risk (continued)

At the end of the reporting period, the Group has a certain concentration of credit risk as approximately 8% (2014: 8%) of the total trade and other receivables were due from the five largest customers.

Further quantitative disclosure in respect of the Group's exposures to credit risk arising from trade receivables, utility and other deposits, and prepayments and other receivables are set out in Notes 24, 25 and 26 respectively.

(iii) Liquidity risk

The Group is exposed to liquidity risk on financial liabilities. To address the risk, management is responsible for its own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the management when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

43. 財務風險管理及金融工具之公允值(續)

(a) 財務風險因素(續)

(ii) 信貸風險(續)

於報告期末，由於約8%（二零一四年：8%）之應收貿易賬款及其他應收款項總額來自五大客戶，故本集團擁有若干集中信貸風險。

有關本集團因應收貿易賬款、公用事業及其他按金以及預繳款項及其他應收款項而產生之信貸風險之進一步定量披露，分別載於附註24、25及26。

(iii) 流動資金風險

本集團因金融負債而承擔流動資金風險。為處理有關風險，管理層負責本身之現金管理，包括現金盈餘之短期投資及籌借貸款以應付預期現金需求；如借貸超過獲授權之若干預定水平，則須得到管理層之批准。本集團之政策乃定期監控其流動資金需求及遵守借貸契諾之情況，以確保維持充裕現金儲備及可隨時變現之有價證券，以及獲得主要金融機構提供之足夠承諾信貸融資，以應付短期及較長期流動資金需要。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

(a) Financial risk factors (continued)

(iii) Liquidity risk (continued)

The following tables detail the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

43. 財務風險管理及金融工具之公允值(續)

(a) 財務風險因素(續)

(iii) 流動資金風險(續)

下表詳示本集團金融負債於報告期末之餘下合約到期情況，乃以合約未貼現現金流量(包括按合約利率或(如屬浮息)根據報告期末當前利率計算之利息付款)以及本集團可被要求償還有關款項之最早日期為依據：

		Carrying amount	Total contractual undiscounted cash flows 合約未貼現現金流量總額	Within 1 year or on demand 一年內或按要求	More than 1 year but less than 5 years 超過一年但不足五年
	賬面值	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2015	二零一五年				
Trade payables	應付貿易賬款	2,728	2,728	2,728	-
Other payables and accruals	其他應付款項及應計款項	64,311	64,311	64,311	-
Convertible bonds	可換股債券	2,075,402	2,199,963	1,883,333	316,630
Obligations under finance leases	融資租賃債務	25,905	27,009	18,032	8,977
Amount due to a shareholder	應付一名股東款項	118,000	118,675	118,675	-
Amount due to a joint venture	應付一間合營企業款項	46,195	46,195	46,195	-
		<u>2,332,541</u>	<u>2,458,881</u>	<u>2,133,274</u>	<u>325,607</u>
2014	二零一四年				
Trade payables	應付貿易賬款	26,871	26,871	26,871	-
Other payables and accruals	其他應付款項及應計款項	157,897	157,897	157,897	-
Bank borrowings	銀行借貸	87,500	89,680	89,680	-
Convertible bonds	可換股債券	1,900,452	2,652,513	106,657	2,545,856
Obligations under finance leases	融資租賃債務	43,943	47,959	19,251	28,708
Amount due to a joint venture	應付一間合營企業款項	46,195	46,195	46,195	-
		<u>2,262,858</u>	<u>3,021,115</u>	<u>446,551</u>	<u>2,574,564</u>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

(b) Fair value measurement

(i) *Financial assets and liabilities measured at fair value*

Fair value hierarchy

The following tables present the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

43. 財務風險管理及金融工具之公允值(續)

(b) 公允值計量

(i) 按公允值計量之金融資產及負債

公允值等級

下表載列以香港財務報告準則第13號「公允值計量」所界定之三層公允值等級分類，並按經常性基準於報告期末計量之本集團金融工具之公允值。公允值計量分類之等級參照估值技術所用輸入值之可觀察及重要程度釐定如下：

- 第一級估值：僅利用第一級輸入值（即在活躍市場上相同資產或負債於計量日期之未經調整報價）計量之公允值
- 第二級估值：利用第二級輸入值（即不能符合第一級之可觀察輸入值），而不利用重大不可觀察輸入值計量之公允值。不可觀察輸入值為無法取得市場數據之輸入值
- 第三級估值：利用重大不可觀察輸入值計量之公允值

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

(b) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

43. 財務風險管理及金融工具之公允值 (續)

(b) 公允值計量 (續)

(i) 按公允值計量之金融資產及負債 (續)

		Fair value at 31 December 於十二月 三十一日之 公允值 HK\$'000 千港元	Fair value measurements categorised into 公允值計量之分類		
			Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元
2015	二零一五年				
Recurring fair value measurements:	經常性公允值計量:				
Financial assets at fair value through profit or loss:	通過損益按公允值計量之金融資產:				
– Listed equity investment	– 上市股本投資	63,935	63,935	–	–
2014	二零一四年				
Recurring fair value measurements:	經常性公允值計量:				
Financial assets at fair value through profit or loss:	通過損益按公允值計量之金融資產:				
– Listed equity investment	– 上市股本投資	53,102	53,102	–	–

During the years ended 31 December 2014 and 2015, there was no significant transfer between investments in Level 1 and Level 2, or transfer into or out of Level 3.

截至二零一四年及二零一五年十二月三十一日止年度，第一級與第二級間之投資並無重大轉移，亦無轉入第三級或從第三級轉出。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

43. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

(b) Fair value measurement (continued)

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's and the Company's financial instruments, including the available-for-sale financial assets (Note 21), carried at cost or amortised cost are not materially different from their fair values as at 31 December 2015 and 2014 except for the following financial instruments, for which their carrying amount and fair value and the level of fair value hierarchy are disclosed below:

43. 財務風險管理及金融工具之公允值(續)

(b) 公允值計量(續)

(ii) 按公允值以外者列賬之金融資產及負債之公允值

本集團及本公司按成本或攤銷成本列賬之金融工具(包括可供出售金融資產(附註21))之賬面值與於二零一五年及二零一四年十二月三十一日之公允值並無重大差異,惟下列金融工具除外。除外金融工具之賬面值及公允值以及公允值等級披露如下:

		Fair value measurements as at 31.12.2015 categorised into 於二零一五年十二月三十一日之 公允值計量分類				
		Carrying amount at 31.12.2015 於二零一五年 十二月 三十一日 之賬面值 HK\$'000 千港元	Fair value at 31.12.2015 於二零一五年 十二月 三十一日 之公允值 HK\$'000 千港元	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元
Convertible bonds	可換股債券	2,075,402	1,564,812	-	-	1,564,812

		Fair value measurements as at 31.12.2014 categorised into 於二零一四年十二月三十一日之 公允值計量分類				
		Carrying amount at 31.12.2014 於二零一四年 十二月 三十一日 之賬面值 HK\$'000 千港元	Fair value at 31.12.2014 於二零一四年 十二月 三十一日 之公允值 HK\$'000 千港元	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元
Convertible bonds	可換股債券	1,900,452	1,755,071	-	-	1,755,071

Valuation techniques and inputs used in Level 3 fair value measurements

The fair value of the convertible bonds is estimated as being the present values of future cash flows, discounted at interest rates based on the government yield curve as at 31 December 2015 and 2014 plus an adequate constant credit spread, adjusted for the Group's own credit risk.

第三級公允值計量所用之估值技術及輸入值

可換股債券之公允值估計為未來現金流量之現值,乃按於二零一五年及二零一四年十二月三十一日以政府收益率曲線計算之利率貼現,另加充足之固定信貸差價,並就本集團本身之信貸風險作出調整。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

44. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of a debt-to-adjusted capital ratio. For this purpose the Group defines debts as total debts (which includes bank borrowings, obligations under finance leases, trade and other payables, amount due to a joint venture and liability component of convertible bonds plus unaccrued proposed dividends). Adjusted capital comprises all components of equity, other than amounts recognised in equity relating to cash flow hedges, less unaccrued proposed dividends.

During the year, the Group's strategy, which was unchanged from 2014, was to maintain the debt-to-adjusted capital ratio at a reasonable level. In order to maintain or adjust the ratio, the Group may adjust the amount of dividend paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

44. 資本風險管理

本集團管理資本之首要目標乃保障本集團能夠繼續根據持續經營基準經營，從而透過與風險水平相對應之產品及服務定價以及以合理成本獲得融資，繼續為股東創造回報及為其他權益持有者帶來利益。

本集團積極定期檢討及管理資本架構，以於在較高股東回報情況下可能伴隨之較高借貸水平與良好資本狀況帶來之好處及保障之間取得平衡，並因應經濟狀況變化對資本架構作出調整。

與行業慣例一致，本集團以債務對經調整資本比率作為監控資本架構之基準。就此而言，本集團界定債務為債務總額（包括銀行借貸、融資租賃債務、應付貿易賬款及其他應付款項、應付一間合營企業款項以及可換股債券之負債部分加非累計建議股息）。經調整資本包括權益之所有部分（涉及現金流量對沖並於權益確認之金額除外）減非累計建議股息。

年內，本集團秉承二零一四年之策略，將債務對經調整資本比率維持於合理水平。為保持或調整該比率，本集團可能調整派付予股東之股息金額、發行新股份、退還資本予股東、新增債務融資或出售資產減債。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

44. CAPITAL RISK MANAGEMENT (continued)

The debt-to-adjusted capital ratios at 31 December 2015 and 2014 were as follows:

44. 資本風險管理(續)

於二零一五年及二零一四年十二月三十一日之債務對經調整資本比率如下:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
<i>Current liabilities:</i>	<i>流動負債:</i>		
Trade payables	應付貿易賬款	2,728	26,871
Other payables and accruals	其他應付款項及應計款項	64,311	157,897
Bank borrowings	銀行借貸	-	87,500
Current portion of convertible bonds	可換股債券之流動部分	1,824,629	-
Obligations under finance leases	融資租賃債務	17,038	16,681
Amount due to a shareholder	應付一名股東款項	118,000	-
		<u>2,026,706</u>	<u>288,949</u>
<i>Non-current liabilities:</i>	<i>非流動負債:</i>		
Amount due to a joint venture	應付一間合營企業款項	46,195	46,195
Convertible bonds, the liability component	可換股債券-負債部分	250,773	1,900,452
Obligations under finance leases	融資租賃債務	8,867	27,262
		<u>295,835</u>	<u>1,973,909</u>
Total debts	債務總額	<u>2,322,541</u>	<u>2,262,858</u>
Proposed final dividend	建議末期股息	-	79,680
Adjusted debts	經調整債務	<u>2,322,541</u>	<u>2,342,538</u>
Adjusted capital	經調整資本	<u>6,085,403</u>	<u>6,060,426</u>
Net debt-to-adjusted capital ratio	債務淨額對經調整資本比率	<u>38%</u>	<u>39%</u>

The Group is not subject to either internally or externally imposed capital requirements.

本集團對內或對外均毋須遵守任何資本要求。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

45. ACQUISITIONS OF LOTTERY BUSINESSES

Acquisition of a subsidiary during 2014

A wholly owned subsidiary of the Company entered into a memorandum and a supplemental memorandum in May 2014 and July 2014 respectively to acquire 100% equity interest in Pointe Global Limited ("Pointe") by stages, from an independent third party at a total cash consideration of RMB85,500,000 (equivalent to HK\$106,952,000). The acquisition of 51% equity interest of Pointe at a consideration of RMB5,500,000 (equivalent to HK\$6,952,000) was completed in August 2014. In accordance with the terms of the memorandum, the vendor of Pointe agreed to form a company (the "Operating Subsidiary") in the PRC with a subsidiary of the Group that the Group will hold 60% equity interest of the Operating Subsidiary. The Operating Subsidiary will engage in the provision and related services for Sports video lottery terminals in the PRC.

The Group has an option to purchase the remaining 49% equity interest in Pointe at a consideration of RMB80,000,000 (equivalent to HK\$100,000,000). Upon all conditions in the memorandum and supplemental memorandum are fulfilled, the Group will exercise its option to acquire the remaining 49% equity interest of Pointe (Note 46). Otherwise, all the amount paid will be refunded.

Pointe did not commence its business in 2014 and thus did not contribute any revenue and profit to the Group for the year ended 31 December 2014. The fair value of the identifiable assets, liabilities and contingent liabilities of Pointe were considered as Nil at the date of acquisition, therefore, goodwill of HK\$6,952,000 (Note 18) arose as a result of the acquisition.

45. 收購彩票業務

於二零一四年收購一間附屬公司

於二零一四年五月及二零一四年七月，本公司一間全資附屬公司分別簽訂備忘錄及補充備忘錄，以分階段向一名獨立第三方收購於Pointe Global Limited (「Pointe」) 之100%股權，總現金代價為人民幣85,500,000元（相等於106,952,000港元）。Pointe 51%股權之收購已於二零一四年八月完成，代價為人民幣5,500,000元（相等於6,952,000港元）。根據備忘錄條款，Pointe之賣方同意與本集團一間附屬公司在中國成立一間公司（「營運附屬公司」），由本集團持有營運附屬公司之60%股權。營運附屬公司將於中國從事提供體育視頻彩票終端及相關服務。

本集團可選擇以代價人民幣80,000,000元（相等於100,000,000港元）購買Pointe餘下49%股權。待備忘錄及補充備忘錄之所有條件達成後，本集團將行使其選擇權以收購Pointe餘下49%股權（附註46），否則，所有已付款項將會退還。

Pointe於二零一四年尚未開業，故於截至二零一四年十二月三十一日止年度並無為本集團帶來任何收入及溢利。Pointe之可識別資產、負債及或然負債之公允值於收購日期被視為零，故此，因是項收購而產生商譽6,952,000港元（附註18）。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

46. ADDITIONAL INTERESTS IN SUBSIDIARIES

In October 2014, the Group acquired an additional 6.60% of the equity interest in 澳客之家(北京)科技股份有限公司 (Beijing Okooo Technology Co., Ltd*) ("Beijing Okooo") for a purchase consideration of HK\$381,100,000. The Group now holds 66.60% of the equity capital of Beijing Okooo. The Group derecognised non-controlling interests of HK\$22,985,000 and recorded a decrease in equity attributable to equity shareholders of the Company of HK\$358,115,000.

In December 2014, all terms and conditions of the memorandum and supplemental memorandum had been fulfilled and the Operating Subsidiary had commenced to prepare the operation, the Group exercised its option to acquire the remaining 49% of the equity interest in Pointe (Note 45) at a consideration of RMB80,000,000 (equivalent to HK\$100,000,000). The Group now holds 100% equity capital of Pointe. The carrying amount of the non-controlling interests in Pointe on the date of acquisition were Nil. The Group recognised the consideration paid at HK\$100,000,000 directly in equity attributable to equity shareholders of the Company.

The effect of changes in the ownership interest mentioned above on the equity attributable to shareholders of the Company during the year ended 31 December 2014 is summarised as follows:

46. 於附屬公司之額外權益

於二零一四年十月，本集團收購於澳客之家(北京)科技股份有限公司(「北京澳客」)之額外6.60%股權，購買代價為381,100,000港元。本集團現時持有北京澳客之66.60%股權。本集團終止確認非控股權益22,985,000港元，並錄得本公司權益股東應佔權益減少358,115,000港元。

於二零一四年十二月，備忘錄及補充備忘錄之所有條款及條件已經達成，而營運附屬公司已開始準備營運，本集團行使其選擇權收購Pointe之餘下49%股權(附註45)，代價為人民幣80,000,000元(相等於100,000,000港元)。本集團現時持有Pointe之100%股權。於Pointe之非控股權益在收購日期之賬面值為零。本集團於本公司權益股東應佔權益直接確認已付代價100,000,000港元。

上述擁有權權益變動對截至二零一四年十二月三十一日止年度本公司股東應佔權益之影響概述如下：

		HK\$'000 千港元
Carrying amount of non-controlling interests acquired	已收購非控股權益之賬面值	22,985
Consideration paid to non-controlling interests	已付非控股權益代價	(481,100)
Excess of consideration paid recognised in Group's equity	超出於本集團權益確認之已付代價	(458,115)

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

47. DECONSOLIDATION OF A SUBSIDIARY

As detailed in Note 4B, the Group deconsolidated the PRC Company as the Group determined that the Group did not have control or significant influence over the PRC Company. The Group therefore concluded to deconsolidate the PRC Company from the consolidated financial statements with effect from 1 January 2014.

The net assets of the PRC Company as of 1 January 2014 are set out below:

47. 終止綜合入賬一間附屬公司

誠如附註4B所詳述，本集團已終止綜合入賬該中國公司，原因是本集團釐定本集團並無對該中國公司擁有控制權或重大影響力。因此，本集團決定由二零一四年一月一日起於綜合財務報表終止綜合入賬該中國公司。

該中國公司於二零一四年一月一日之資產淨值載列如下：

		HK\$'000 千港元
Property, plant and equipment (Note 16)	物業、廠房及設備(附註16)	864
Trade and other receivables	應收貿易賬款及其他應收款項	65,751
Cash and cash equivalents	現金及現金等價物	35,933
Trade and other payables	應付貿易賬款及其他應付款項	(18,892)
Current tax liabilities	當期稅項負債	(3,892)
		<hr/>
Net assets deconsolidated	已終止綜合入賬資產淨值	79,764
Non-controlling interests	非控股權益	(31,905)
Cost of investment reclassified to available-for-sale financial assets (Note 21)	重新分類至可供出售金融資產之投資成本(附註21)	(38,462)
		<hr/>
Loss on deconsolidation of a subsidiary	終止綜合入賬一間附屬公司之虧損	9,397
		<hr/>
Loss on deconsolidation of a subsidiary attributable to:	以下人士應佔終止綜合入賬一間附屬公司之虧損：	
Equity shareholders of the Company	本公司權益股東	5,638
Non-controlling interests	非控股權益	3,759
		<hr/>
Loss on deconsolidation of a subsidiary	終止綜合入賬一間附屬公司之虧損	9,397
		<hr/>
Net cash outflow arising on deconsolidation of a subsidiary	終止綜合入賬一間附屬公司產生之現金流出淨額	
Cash and cash equivalents of a subsidiary deconsolidated	已終止綜合入賬之一間附屬公司之現金及現金等價物	35,933
		<hr/> <hr/>

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

48. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

(a) Details of the Group's significant transactions and balances with the following related parties during the year are as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Director/Shareholder:	董事／股東：		
Balance due from the Group	應收本集團結餘	118,000	-
Subscription of convertible bonds (Note 36(i))	認購可換股債券(附註36(i))	-	300,000
Redemption of convertible bonds	贖回可換股債券	15,000	-
Convertible bonds interest paid	已付可換股債券利息	13,443	7,178
Consent fee paid for delaying redemption of convertible bonds	就延遲贖回可換股債券已付之同意費	3,000	-

In the opinion of the Directors, including the Independent Non-executive Directors, the above transactions were entered into in the Group's ordinary course of business or at terms agreed by both parties. The balance due to a shareholder is unsecured and repayable within one year. Except for the balance of HK\$15,000,000 bearing interest at 4.5% per annum, the remaining balance of HK\$103,000,000 is interest free.

(b) During both years, compensation of key management personnel represents Directors' emoluments and those of senior staff as stated in Notes 10 and 11. The Directors' emoluments are determined by the remuneration committee having regard to the performance, responsibilities and experience of individuals and market trends.

48. 關聯方交易及結餘

(a) 本集團於年內曾與以下關聯方進行重大交易及結餘，詳情如下：

	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Director (including Independent Non-executive Directors):		
Balance due from the Group	118,000	-
Subscription of convertible bonds (Note 36(i))	-	300,000
Redemption of convertible bonds	15,000	-
Convertible bonds interest paid	13,443	7,178
Consent fee paid for delaying redemption of convertible bonds	3,000	-

董事(包括獨立非執行董事)認為，上述交易乃於本集團日常業務過程中或按雙方協定之條款進行。應付一名股東結餘為無抵押及須於一年內償還。除15,000,000港元之結餘按年利率4.5厘計息外，103,000,000港元之餘下結餘為免息。

(b) 於兩個年度內，主要管理人員薪酬指附註10及11所列之董事及高級員工之薪酬。董事薪酬由薪酬委員會參照個人表現、職責及經驗以及市場趨勢釐定。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Up to the date of issue of these consolidated financial statements, the HKICPA has issued the following amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2015 and which have not been adopted in these consolidated financial statements:

49. 已頒布但尚未生效之修訂、新準則及詮釋可能產生之影響

截至本綜合財務報表刊發日期，香港會計師公會已頒布以下於截至二零一五年十二月三十一日止年度尚未生效且並未於本綜合財務報表內採納之修訂、新準則及詮釋：

		Effective for accounting periods beginning on or after 於下列日期或之後開始之 會計期間生效
Amendments to HKFRSs 香港財務報告準則之修訂	Annual improvements to HKFRSs 2012-2014 cycle 香港財務報告準則之年度改進 (二零一二年至二零一四年週期)	1 January 2016 二零一六年一月一日
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及 香港會計準則第28號之修訂	Sales or contribution of assets between an investor and its associate or joint venture 投資者與其聯營公司或合營企業間之 資產銷售或投入	To be determined 待定
Amendments to HKFRS 11 香港財務報告準則第11號之修訂	Accounting for acquisitions of interests in joint operations 收購合營業務權益之會計處理	1 January 2016 二零一六年一月一日
Amendments to HKAS 1 香港會計準則第1號之修訂	Disclosure initiative 披露計劃	1 January 2016 二零一六年一月一日
Amendments to HKAS 7 香港會計準則第7號之修訂	Disclosure initiative 披露計劃	1 January 2017 二零一七年一月一日
Amendments to HKAS 12 香港會計準則第12號之修訂	Recognition of deferred tax assets for unrealised loss 就未變現虧損確認遞延稅項資產	1 January 2017 二零一七年一月一日
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 香港財務報告準則第10號、 香港財務報告準則第12號及 香港會計準則第28號之修訂	Investment entities: Applying the consolidation exception 投資實體：應用綜合入賬之例外情況	1 January 2016 二零一六年一月一日
Amendments to HKAS 16 and HKAS 38 香港會計準則第16號及 香港會計準則第38號之修訂	Clarification of acceptable methods of depreciation and amortisation 釐清可接受之折舊及攤銷方法	1 January 2016 二零一六年一月一日

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (continued)

49. 已頒布但尚未生效之修訂、新準則及詮釋可能產生之影響(續)

		Effective for accounting periods beginning on or after 於下列日期或之後開始之 會計期間生效
Amendments to HKAS 16 and HKAS 41 香港會計準則第16號及 香港會計準則第41號之修訂	Agriculture: Bearer plants 農業：生產性植物	1 January 2016 二零一六年一月一日
Amendments to HKAS 27 香港會計準則第27號之修訂	Equity method in separate financial statements 獨立財務報表內之權益法	1 January 2016 二零一六年一月一日
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 二零一九年一月一日
HKFRS 14 香港財務報告準則第14號	Regulatory deferral accounts 監管遞延賬目	1 January 2016 二零一六年一月一日
HKFRS 15 香港財務報告準則第15號	Revenue from contracts with customers 客戶合約收入	1 January 2018 二零一八年一月一日
HKFRS 9 香港財務報告準則第9號	Financial instruments 金融工具	1 January 2018 二零一八年一月一日

The Group is yet to assess the full impact of these amendments and new standards on its consolidated financial statements. In the opinion of Directors, all of the new developments are not expected to have a material impact on the consolidated financial statements.

本集團現時仍未能評估該等修訂及新準則對其綜合財務報表之全面影響。董事認為，預期所有新發展不會對綜合財務報表構成重大影響。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

50. INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

50. 於附屬公司之投資

下表僅列出對本集團之業績、資產或負債有重大影響之附屬公司詳情。

Name	Place of incorporation/ registration	Principal activities and place of operation	Particulars of issued/ registered and paid up capital 已發行/註冊及 已繳足股本/資本詳情	Effective interest held 所持實際權益
名稱	註冊成立/註冊地點	主要業務及營業地點		
REXCAPITAL Financial Group Limited	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 於香港進行投資控股	197,400,856 ordinary shares of HK\$1 each 197,400,856股每股面值1港元 之普通股	100%
REXCAPITAL Financial Management Limited	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 於香港進行投資控股	1 ordinary share of US\$1 each 1股面值1美元之普通股	100%
Genius Nation Limited	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 於香港進行投資控股	1 ordinary share of US\$1 each 1股面值1美元之普通股	100%
Huge Top Enterprises Inc.	British Virgin Islands 英屬處女群島	Investment holding in Hong Kong 於香港進行投資控股	1 ordinary share of US\$1 each 1股面值1美元之普通股	100%
Hilson Gold Limited	British Virgin Islands 英屬處女群島	Provision of system software in the PRC 於中國提供系統軟件	1 ordinary share of US\$1 each 1股面值1美元之普通股	100%
Luxjoy Overseas Limited	Samoa 薩摩亞	Provision of system software in the PRC 於中國提供系統軟件	1 ordinary share of US\$1 each 1股面值1美元之普通股	100%
Wai Tian Limited 外天有限公司	British Virgin Islands 英屬處女群島	Provision of system software in the PRC 於中國提供系統軟件	1 ordinary share of US\$1 each 1股面值1美元之普通股	100%
Oriental View Limited 喜粵有限公司	Hong Kong 香港	Investment holding in Hong Kong 於香港進行投資控股	Ordinary share of HK\$1 1港元之普通股	100%
REXCAPITAL Corporate Management Limited 御泰企業管理有限公司	Hong Kong 香港	Arrangement of administration services for group companies in Hong Kong 於香港為集團公司安排 行政服務	Ordinary shares of HK\$2 2港元之普通股	100%
REXCAPITAL Finance Limited 御泰信貸有限公司	Hong Kong 香港	Money lending and investment trading in Hong Kong 於香港進行貸款及投資 買賣	Ordinary shares of HK\$2,000,000 2,000,000港元之普通股	100%

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

50. INVESTMENTS IN SUBSIDIARIES (continued)

50. 於附屬公司之投資(續)

Name	Place of incorporation/ registration	Principal activities and place of operation	Particulars of issued/ registered and paid up capital 已發行/註冊及 已繳足股本/資本詳情	Effective interest held
名稱	註冊成立/註冊地點	主要業務及營業地點		所持實際權益
廣州御泰投資有限公司 (REXLot Investment (Guangzhou) Co Ltd*)	PRC 中國	Investment holding in the PRC 於中國進行投資控股	HK\$153,885,941 153,885,941港元	100%
深圳市思樂數據技術 有限公司 (Shenzhen Sinodata Technology Co Ltd*)	PRC 中國	Provision of lottery machines and software system in the PRC 於中國提供彩票機及軟件 系統	RMB35,560,000 人民幣35,560,000元	100%
深圳市思樂數據設備服務 有限公司 (Shenzhen Sinodata Equipment Services Co., Ltd.*)	PRC 中國	Provision of maintenance service for lottery machines in the PRC 於中國提供彩票機維修 服務	RMB2,000,000 人民幣2,000,000元	100%
深圳市思樂網絡技術 有限責任公司 (Shenzhen Sinocyber Tech Co., Ltd.*)	PRC 中國	Provision of non- traditional Welfare CTG and paperless lottery system and services to industry specific channels 向指定產業渠道提供非 傳統福利電腦票及 無紙化彩票系統及服務	RMB30,000,000 人民幣30,000,000元	100%
深圳市金帆軟件技術 有限公司 (Shenzhen Kingsail Software Tech Co Ltd*)	PRC 中國	Production of lottery machines in the PRC 於中國生產彩票機	RMB55,000,000 人民幣55,000,000元	100%
深圳市御泰中彩投資 有限公司 (REXLot Investment (Shenzhen) Co Ltd*)	PRC 中國	Investment holding in the PRC 於中國進行投資控股	RMB30,000,000 人民幣30,000,000元	100%
北京信安中彩科技 有限公司 (Beijing Xinan Sino-lottery Technology Co Ltd*)	PRC 中國	Provision of lottery printing service in the PRC 於中國提供彩票印刷服務	RMB44,000,000 人民幣44,000,000元	100%
廣州市樂得瑞科技 有限公司 (Guangzhou Latech Technology Co Ltd*)	PRC 中國	Production of lottery machines in the PRC 於中國生產彩票機	RMB55,000,000 人民幣55,000,000元	90%

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

50. INVESTMENTS IN SUBSIDIARIES (continued)

50. 於附屬公司之投資(續)

Name	Place of incorporation/ registration	Principal activities and place of operation	Particulars of issued/ registered and paid up capital 已發行/註冊及 已繳足股本/資本詳情	Effective interest held
名稱	註冊成立/註冊地點	主要業務及營業地點		所持實際權益
北京樂和贏營銷顧問 有限公司 (Beijing Lohowin Marketing Co Ltd*)	PRC 中國	Lottery distribution and marketing business in the PRC 於中國進行彩票配送與 市場業務	RMB1,280,000 人民幣1,280,000元	60%
廣東博眾網絡信息技術 有限公司	PRC 中國	Provision of marketing services for lottery business in the PRC 於中國提供彩票業務之 市場服務	RMB10,000,000 人民幣10,000,000元	80%
深圳市鵬彩科技有限公司	PRC 中國	Lottery distribution and marketing business in the PRC 於中國進行彩票配送與 市場業務	RMB10,000,000 人民幣10,000,000元	100%
北京德華富邦科技有限公司	PRC 中國	Investment holding in the PRC 於中國進行投資控股	RMB100,000 人民幣100,000元	100%
彩通天成(北京)科技 有限公司 (Elottery Vision (Beijing) Technology Co Ltd*)	PRC 中國	Provision of mobile value-added services for lottery business in the PRC 於中國就彩票業務提供 手機增值服務	RMB30,000,000 人民幣30,000,000元	50%#
濟南數碼彩通科技有限公司	PRC 中國	Provision of mobile value-added services for lottery business in the PRC 於中國就彩票業務提供 手機增值服務	RMB10,000,000 人民幣10,000,000元	50%#
濟南銀網聯合科技有限公司	PRC 中國	Provision of mobile value-added services for lottery business in the PRC 於中國就彩票業務提供 手機增值服務	RMB1,010,000 人民幣1,010,000元	50%#
呼和浩特市彩通視訊科技 有限責任公司	PRC 中國	Provision of mobile value-added services for lottery business in the PRC 於中國就彩票業務提供 手機增值服務	RMB2,000,000 人民幣2,000,000元	50%#

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

50. INVESTMENTS IN SUBSIDIARIES (continued)

50. 於附屬公司之投資(續)

Name	Place of incorporation/ registration	Principal activities and place of operation	Particulars of issued/ registered and paid up capital	Effective interest held
名稱	註冊成立/註冊地點	主要業務及營業地點	已發行/註冊及已繳足股本/資本詳情	所持實際權益
澳客之家(北京)科技股份有限公司 (Beijing Okooo Technology Co., Ltd.*)	PRC 中國	Provision of services to paperless and electronic lottery platform in the PRC 於中國向無紙化電子彩票平台提供服務	RMB50,000,000 人民幣50,000,000元	66.6% [△]
深圳市飛海貿易有限公司	PRC 中國	Investment holding and provision of services to paperless and electronic lottery platform in the PRC 於中國進行投資控股及向無紙化電子彩票平台提供服務	RMB100,000 人民幣100,000元	100%
深圳市思遠卓越科技開發有限公司 (Shenzhen Siyuan Zhuoyue Technology Development Co., Ltd.*)	PRC 中國	Provision of lottery system support services 提供彩票系統支援服務	RMB10,000,000 人民幣10,000,000元	50% [#]

* These investee companies are regarded as subsidiaries of the Group, although the Group has only 50% ownership in these investee companies. The Directors concluded that the Group has a sufficiently dominant voting interest to direct the relevant activities of these investee companies as the Group holds more than half the voting rights in these investees.

儘管本集團僅擁有該等接受投資公司之50%擁有權，惟該等接受投資公司被視為本集團之附屬公司。董事之結論為，由於本集團持有該等接受投資公司過半數投票權，故本集團擁有足夠主導投票權益指示該等接受投資公司之相關活動。

△ The Group holds 60% interest in Beijing Okooo through a variable interest entity structure which has been in place since 2011. In August 2014, the Group perfected the arrangement by entering into a nominee agreement in respect of the 60% interest. In October 2014, the Group further acquired an additional 6.6% interest in Beijing Okooo through a nominee arrangement.

△ 本公司自二零一一年起已透過可變權益實體架構持有北京澳客60%權益。於二零一四年八月，本集團透過就該60%權益訂立代名人協議，完善有關安排。於二零一四年十月，本集團透過股權代持安排進一步購買北京澳客6.6%權益。

The Directors of the Company are of the opinion that the none of the Group's subsidiaries that has non-controlling interests are material to the consolidated financial statements as a whole and therefore, the financial information in respect of those subsidiaries that have non-controlling interests are not presented under HKFRS 12, Disclosure of interests in other entities.

本公司董事認為，擁有非控股權益之本集團附屬公司對綜合財務報表整體並不重大，因此，有關擁有非控股權益之附屬公司之財務資料並非根據香港財務報告準則第12號「披露於其他實體之權益」呈列。

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

51. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

51. 公司層面之財務狀況表

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
ASSETS	資產		
Non-current assets	非流動資產		
Interests in subsidiaries	於附屬公司之權益	7,050,476	5,824,074
Current assets	流動資產		
Amount due from a subsidiary	應收一間附屬公司款項	426,000	1,500,000
Prepayments	預繳款項	4	25
Cash and bank balances	現金及銀行結餘	2,404	47,166
Total current assets	流動資產總值	428,408	1,547,191
Total assets	資產總值	7,478,884	7,371,265
EQUITY	權益		
Capital and reserves attributable to equity shareholders of the Company	本公司權益股東應佔資本及儲備		
Share capital	股本	99,835	99,600
Reserves (see Notes (a))	儲備(見附註(a))	5,176,022	5,266,772
Proposed final dividend	建議末期股息	-	79,680
Total equity	權益總額	5,275,857	5,446,052
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Convertible bonds	可換股債券	250,773	1,900,452
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計款項	9,625	24,761
Shareholder loan	股東貸款	118,000	-
Current portion of convertible bonds	可換股債券之流動部分	1,824,629	-
Total current liabilities	流動負債總額	1,952,254	24,761
Total liabilities	負債總額	2,203,027	1,925,213
Total equity and liabilities	權益及負債總額	7,478,884	7,371,265
Net current (liabilities)/ assets	流動(負債)/資產淨值	(1,523,846)	1,522,430

The financial statements were approved and authorised for issue by the Board on 31 March 2016 and are signed on behalf of the Board by:

財務報表已於二零一六年三月三十一日獲董事會核准及授權刊發，並由下列董事會代表簽署：

Chan How Chung, Victor
陳孝聰
Director
董事

Boo Chun Lon
巫峻龍
Director
董事

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

51. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION (continued)

Note (a) Reserve movement of the Company

51. 公司層面之財務狀況表(續)

附註(a) 本公司之儲備變動

		Share Premium	Capital redemption reserve	Convertible bonds reserve	Share-based payment reserve	Contributed surplus	Retained profits	Proposed final dividend	Total
		股份溢價	贖回儲備	債券儲備	以股份支付	繳入盈餘	保留溢利	末期股息建議	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2014	於二零一四年一月一日	3,180,903	2,345	212,388	346	199,605	468,518	168,644	4,232,749
Profit for the year	年度溢利	-	-	-	-	-	483,339	-	483,339
Issue of new shares	發行新股份	112,020	-	-	-	-	-	-	112,020
Recognition of share option benefits at fair value	按公允價值確認購股權福利	-	-	-	13,708	-	-	-	13,708
Repurchase of shares	購回股份	(53,357)	680	-	-	-	(680)	-	(53,357)
Transfer to share premium on exercise of share options	因行使購股權而轉撥至股份溢價	5,651	-	-	(5,651)	-	-	-	-
Issue of shares upon conversion of convertible bonds (Note 36)	於轉換可換股債券時發行股份 (附註36)	647,768	-	(94,079)	-	-	-	-	553,689
Convertible bonds – equity component, net of transaction costs (Note 36)	可換股債券 – 權益部分 (扣除交易成本) (附註36)	-	-	296,730	-	-	-	-	296,730
2013 proposed final dividend paid	二零一三年已派付建議末期股息	48,401	-	-	-	-	(5,989)	(168,644)	(126,232)
Interim dividend (Note 13)	中期股息 (附註13)	60,987	-	-	-	-	(227,181)	-	(166,194)
2014 proposed final dividend (Note 13)	二零一四年建議末期股息 (附註13)	-	-	-	-	-	(79,680)	79,680	-
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及二零一五年一月一日	4,002,373	3,025	415,039	8,403	199,605	638,327	79,680	5,346,452
Loss for the year	年度虧損	-	-	-	-	-	(86,816)	-	(86,816)
Lapse of share options	購股權失效	-	-	-	(2,074)	-	2,074	-	-
Redemption of convertible bonds (Note 36)	贖回可換股債券 (附註36)	-	-	(20,752)	-	-	6,261	-	(14,491)
2014 proposed final dividend paid (Note 13)	二零一四年已派付建議末期股息 (附註13)	10,557	-	-	-	-	-	(79,680)	(69,123)
At 31 December 2015	於二零一五年十二月三十一日	4,012,930	3,025	394,287	6,329	199,605	559,846	-	5,176,022

Notes to the Financial Statements (continued)

財務報表附註(續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

52. NON-ADJUSTING EVENTS AFTER THE END OF THE REPORTING PERIOD

- (i) As disclosed in Note 15 in relation to the Disposal, Restructuring needs to be completed before completion of the Disposal to put the Disposal Group in place. The Restructuring involves the transfer of certain equity interests in the PRC. The contracts and all necessary documents and reports to effect such equity transfer have been executed by the relevant parties and submitted to the relevant PRC authority for approval and registration, but the relevant approval and registration have not yet been effected (collectively, "Outstanding Restructuring PRC Approval"). Since the Outstanding Restructuring PRC Approval is still pending, completion of the Disposal has not yet taken place as at the date of approval of these consolidated financial statements. The Company, having consulted its PRC legal counsel, expects that the Outstanding Restructuring PRC Approval should be able to be obtained and completion of the Disposal should be able to take place, by no later than 29 April 2016. Accordingly, the Company has made an announcement that the seller and the purchaser have agreed to extend the long stop date defined under the Sale and Purchase Agreement to 29 April 2016 so that the completion of the Disposal may take place on or before such date, subject to the obtaining of the Outstanding Restructuring PRC Approval. Further details are disclosed in the announcement of the Company dated 29 March 2016.

52. 報告期末後非調整事項

- (i) 誠如有關出售事項之附註15所披露，重組須於出售事項完成前完成，以使出售集團成立。重組涉及轉讓於中國之若干股權。令有關股權轉讓生效之合約及所有必要文件及報告已由相關訂約方簽立並遞交予中國相關部門以供批准及登記，惟相關批准及登記尚未完成（統稱「尚未授出重組中國批准」）。鑑於尚未授出重組中國批准仍待定，故於批准綜合財務報表之日，出售事項尚未完成。經諮詢其中國法律顧問後，本公司預期應能取得尚未授出重組中國批准，而出售事項之完成應可不遲於二零一六年四月二十九日落實。因此，本公司已公布，賣方與買方已同意將買賣協議所界定之最後截止日期延遲至二零一六年四月二十九日，致使出售事項可於該日期或之前完成，惟須待取得尚未授出重組中國批准後，方可作實。進一步詳情已於本公司日期為二零一六年三月二十九日之公布中披露。

Notes to the Financial Statements (continued)

財務報表附註 (續)

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

52. NON-ADJUSTING EVENTS AFTER THE END OF THE REPORTING PERIOD (continued)

- (ii) As disclosed in Note 36, the Company is required to redeem the Bonds which are subject to redemption notices and in the aggregate principal amount of HK\$1,848,415,000 on 31 March 2016. Given that the completion of the Disposal could not take place before 31 March 2016 because the Outstanding Restructuring PRC Approval could not be obtained in time, the Company does not have sufficient cash resources to satisfy its redemption obligations in relation to the Bonds on 31 March 2016. The Company will, starting from 1 April 2016, be in default under the Bonds. The trustee or the Bondholders through the trustee may take legal actions against the Company in respect of the Bonds. In that case, the business of the Group and the interests of the Company and the shareholders may be materially and adversely affected. However, the Company, having consulted its legal advisers, expects the possible courses of actions to be taken by the trustee would not have substantial impact on the Company provided that the completion takes place before 29 April 2016.

The Company is seeking the Bondholders' consent to delay the redemption date from 31 March 2016 to a date no later than 29 April 2016 in order to allow sufficient time for the Company to complete the Disposal so as to enable the Company has sufficient cash resources to satisfy its redemption obligations under the Bonds. The proposal for the delay will only take effect if the conditions set out in the Company's announcement dated 29 March 2016 are satisfied on or before 12 April 2016. One of the conditions require that written resolutions have to be passed by not less than 90 per cent of the aggregate principal amount of the Bonds outstanding and the total maximum amount of consent fees up to approximately HK\$7,058,000 will be payable to the eligible Bondholders who vote in favour of the written resolution in the prescribed manner (subject to the satisfaction of the relevant conditions). Further details are disclosed in the announcement of the Company dated 29 March 2016.

* *The English translation of Chinese names or words are for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

52. 報告期末後非調整事項 (續)

- (ii) 誠如附註36所披露，本公司須於二零一六年三月三十一日贖回通知所涉本金總額1,848,415,000港元之該等債券。鑑於因未能及時取得尚未授出重組中國批准而致使出售事項無法於二零一六年三月三十一日前完成，本公司缺乏足夠現金資源以於二零一六年三月三十一日履行其有關該等債券之贖回責任。本公司將由二零一六年四月一日起進入該等債券違約狀態。受託人或債券持有人可透過受託人就該等債券對本公司採取法律行動。於該情況下，本集團之業務以及本公司及股東之利益可能受到重大不利影響。然而，經諮詢法律顧問後，本公司預期，只要完成於二零一六年四月二十九日之前落實，受託人可能採取之行動不會對本公司造成重大影響。

本公司正尋求債券持有人同意，將贖回日期由二零一六年三月三十一日延遲至不遲於二零一六年四月二十九日，給予本公司充足時間以完成出售事項並獲取足夠現金資源以履行其有關該等債券之贖回責任。僅當本公司日期為二零一六年三月二十九日之公布所載條件於二零一六年四月十二日或之前達成後，延遲建議方會生效。其中一項條件要求須獲尚未轉換該等債券不低於90%之本金總額通過書面決議案及須於相關條件獲達成後向按規定方式投票贊成書面決議案之合資格債券持有人支付最高同意費總額最多約7,058,000港元。進一步詳情於本公司日期為二零一六年三月二十九日之公布中披露。

* 中文名稱或詞彙之英文翻譯僅供參考，不應視為該等中文名稱或詞彙之正式英文譯名。

Five Year Financial Summary

五年財務摘要

The following is a summary of the results, assets and liabilities of the Group for the five years ended 31 December 2015, which have been prepared on the basis set out in Notes 2 and 3 to the consolidated financial statements.

以下為本集團截至二零一五年十二月三十一日止五個年度之業績、資產及負債摘要，其乃按照綜合財務報表附註2及3所載之基準編製。

RESULTS

業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元 (Restated) (經重列)	2011 二零一一年 HK\$'000 千港元 (Restated) (經重列)
Revenue	收入	<u>1,554,394</u>	<u>1,687,953</u>	<u>2,165,474</u>	<u>1,961,560</u>	<u>1,717,190</u>
Profit/(loss) before taxation	除稅前溢利／(虧損)	<u>205,358</u>	<u>(141,541)</u>	<u>1,000,939</u>	<u>920,168</u>	<u>801,759</u>
Taxation	稅項	<u>(41,124)</u>	<u>(30,559)</u>	<u>(74,489)</u>	<u>(53,249)</u>	<u>(49,292)</u>
Profit/(loss) for the year	年度溢利／(虧損)	<u>164,234</u>	<u>(172,100)</u>	<u>926,450</u>	<u>866,919</u>	<u>752,467</u>
Non-controlling interests	非控股權益	<u>(13,355)</u>	<u>68,408</u>	<u>(57,468)</u>	<u>(45,620)</u>	<u>(29,015)</u>
Equity shareholders of the Company	本公司權益股東	<u>150,879</u>	<u>(103,692)</u>	<u>868,982</u>	<u>821,299</u>	<u>723,452</u>

ASSETS AND LIABILITIES

資產及負債

		As at 31 December 於十二月三十一日				
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元 (Restated) (經重列)	2011 二零一一年 HK\$'000 千港元 (Restated) (經重列)
Total assets	資產總值	<u>8,730,468</u>	<u>8,566,521</u>	<u>7,596,344</u>	<u>7,010,998</u>	<u>5,773,040</u>
Total liabilities	負債總額	<u>(2,645,065)</u>	<u>(2,426,415)</u>	<u>(1,373,672)</u>	<u>(1,212,562)</u>	<u>(1,236,226)</u>
Total equity	權益總額	<u>6,085,403</u>	<u>6,140,106</u>	<u>6,222,672</u>	<u>5,798,436</u>	<u>4,536,814</u>

In order to comply with HKFRS 11, in 2013 the Group changed its accounting policy with respect to joint ventures. This change in accounting policy has been applied retrospectively. As a result, turnover, profit before taxation and taxation for the years 2011 and 2012 have been restated. This change in accounting policy has no effect on profit for the year, non-controlling interests and total equity for the years 2011 and 2012 of the Group.

為符合香港財務報告準則第11號，於二零一三年，本集團更改其有關合營企業之會計政策。此會計政策變動已追溯生效。因此，二零一一年及二零一二年之營業額、除稅前溢利及稅項已經重列。此會計政策變動並不影響本集團二零一一年及二零一二年之年度溢利、非控股權益及權益總額。

