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

**ANNOUNCEMENT OF INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017**

	<b>Six months ended 30 September</b>		<b>Changes</b>
	<b>2017</b>	<b>2016</b>	
	<b>(Unaudited)</b> <b>HK\$'000</b>	<b>(Unaudited)</b> <b>HK\$'000</b>	
Revenue	<u><u>702,122</u></u>	<u><u>784,502</u></u>	<u><u>- 10.5%</u></u>
Profit attributable to owners of the Company	<u><u>118,609</u></u>	<u><u>105,145</u></u>	<u><u>+ 12.8%</u></u>
Basic earnings per share	<u><u>HK\$0.09</u></u>	<u><u>HK\$0.08</u></u>	<u><u>+ 12.5%</u></u>
Interim dividend per share	<u><u>HK\$0.026</u></u>	<u><u>HK\$0.025</u></u>	<u><u>+ 4.0%</u></u>

\* for identification purpose only

The board of directors (the “Board” or “Directors”) of Emperor Entertainment Hotel Limited (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2017 (the “Period”) together with the comparative figures for the corresponding period in 2016 as set out below:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2017

	Notes	Six months ended 30 September	
		2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
Revenue	3	702,122	784,502
Cost of sales		(18,497)	(21,752)
Cost of hotel and gaming operations		(253,844)	(263,163)
Gross profit		429,781	499,587
Other income		20,242	20,042
Fair value changes of investment properties		22,400	(24,000)
Other gain (losses)	5	464	(29,632)
Selling and marketing expenses		(150,030)	(200,910)
Administrative expenses		(128,247)	(118,881)
Finance costs		(7,307)	(7,217)
Profit before taxation	4&6	187,303	138,989
Taxation	7	(22,928)	(18,027)
Profit for the period		164,375	120,962
<b>Other comprehensive income (expense)</b>			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Revaluation surplus of prepaid lease payments and property, plant and equipment transferred to investment properties		–	30,500
Deferred tax on revaluation surplus of prepaid lease payments and property, plant and equipment transferred to investment properties		–	(3,660)
Other comprehensive income for the period		–	26,840
Total comprehensive income for the period		164,375	147,802

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*For the six months ended 30 September 2017*

		<b>Six months ended 30 September</b>	
		<b>2017</b>	2016
	<i>Note</i>	<b>(Unaudited)</b>	(Unaudited)
		<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Profit for the period attributable to:</b>			
Owners of the Company		<b>118,609</b>	105,145
Non-controlling interests		<b>45,766</b>	15,817
		<u><b>164,375</b></u>	<u>120,962</u>
<b>Total comprehensive income</b>			
<b>for the period attributable to:</b>			
Owners of the Company		<b>118,609</b>	121,249
Non-controlling interests		<b>45,766</b>	26,553
		<u><b>164,375</b></u>	<u>147,802</u>
<b>Earnings per share</b>			
Basic	9	<u><b>HK\$0.09</b></u>	<u>HK\$0.08</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*As at 30 September 2017*

		As at	
	Notes	30 September 2017 (Unaudited) HK\$'000	31 March 2017 (Audited) HK\$'000
<b>Non-current assets</b>			
Investment properties		648,600	626,200
Property, plant and equipment		1,280,513	1,327,753
Prepaid lease payments		472,752	480,603
Deposits paid for acquisition of property, plant and equipment		14,413	2,698
Goodwill		110,960	110,960
		<u>2,527,238</u>	<u>2,548,214</u>
<b>Current assets</b>			
Inventories, at cost		13,148	13,619
Trade and other receivables	10	265,341	287,631
Prepaid lease payments		15,703	15,711
Pledged bank deposit		332	329
Short-term bank deposits		1,502,657	2,822
Bank balances and cash		2,589,024	3,959,005
		<u>4,386,205</u>	<u>4,279,117</u>
<b>Current liabilities</b>			
Trade and other payables	11	216,636	212,626
Amounts due to fellow subsidiaries		2,740	4,092
Amounts due to non-controlling interests of a subsidiary		112,800	120,800
Taxation payable		458,217	436,884
Bank borrowings – due within one year		45,900	43,200
		<u>836,293</u>	<u>817,602</u>
<b>Net current assets</b>		<u>3,549,912</u>	<u>3,461,515</u>
<b>Total assets less current liabilities</b>		<u>6,077,150</u>	<u>6,009,729</u>
<b>Non-current liabilities</b>			
Bank borrowings – due after one year		402,300	426,600
Deferred taxation		106,145	104,554
		<u>508,445</u>	<u>531,154</u>
		<u>5,568,705</u>	<u>5,478,575</u>
<b>Capital and reserves</b>			
Share capital		130	130
Reserves		3,749,573	3,705,209
Equity attributable to owners of the Company		3,749,703	3,705,339
Non-controlling interests		1,819,002	1,773,236
		<u>5,568,705</u>	<u>5,478,575</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 September 2017*

### 1. BASIS OF PREPARATION

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

These condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2017.

Certain comparative amounts have been reclassified to conform with the current period’s presentation.

### 2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties which are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The accounting policies used in the unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2017, except as described below.

In the Period, the Group has adopted, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are effective for accounting periods beginning on or after 1 April 2017.

Amendments to HKAS 7	Disclosure initiative
Amendments to HKAS 12	Recognition of deferred tax assets for unrealised losses
Amendments to HKFRS 12	As part of the annual improvements to HKFRSs 2014-2016 cycles

The application of the above amendments to HKFRSs in the Period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements, but additional disclosure about changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes on application of amendment to HKAS 7 will be provided in the consolidated financial statements for the year ending 31 March 2018.

The Group has not early applied any new or revised HKFRSs that have been issued but are not yet effective for the current accounting period.

### 3. REVENUE

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

	Six months ended 30 September	
	2017	2016
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Service income from gaming operation in mass market hall	350,585	405,462
Service income from gaming operation in VIP room	217,913	232,554
Service income from gaming operation in slot machine hall	18,082	19,578
Hotel room income	46,095	48,708
Food and beverage sales	53,834	61,609
Rental income from investment properties	11,122	11,993
Others	4,491	4,598
	<u>702,122</u>	<u>784,502</u>

### 4. SEGMENT INFORMATION

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

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

The segment information reported externally is analysed on the basis of their types of services supplied by the Group's operating divisions which is consistent with the internal information that is regularly reviewed by the CODM for the purposes of resource allocation and assessment of performance. This is also the basis of organisation in the Group, whereby the management has chosen to organise the Group around different services provided by the Group. The principal activities of the operating and reportable segments are as follows:

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

The Executive Directors assess the performance of individual operating and reportable segments based on a measure of adjusted earnings before interest, tax, depreciation and amortisation, exchange gain (loss) at corporate level and fair value changes of investment properties (the "Adjusted EBITDA").

Inter-segment revenue is charged at a price mutually agreed by both parties.

#### 4. SEGMENT INFORMATION (continued)

Information regarding the above segments is reported as below:

##### Segment revenue and results

For the six months ended 30 September 2017

	Gaming operation (Unaudited) HK\$'000	Hotel operation (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Elimination (Unaudited) HK\$'000	Consolidated (Unaudited) HK\$'000
<b>SEGMENT REVENUE</b>					
External revenue	586,580	115,542	702,122	-	702,122
Inter-segment revenue	-	811	811	(811)	-
Total	<u>586,580</u>	<u>116,353</u>	<u>702,933</u>	<u>(811)</u>	<u>702,122</u>
Segment result based on the Adjusted EBITDA	<u>194,928</u>	<u>24,284</u>	<u>219,212</u>		219,212
Bank interest income					18,551
Depreciation of property, plant and equipment					(58,158)
Exchange gain at corporate level					464
Release of prepaid lease payments					(7,859)
Fair value changes of investment properties					22,400
Finance costs					(7,307)
Profit before taxation					<u>187,303</u>

For the six months ended 30 September 2016

	Gaming operation (Unaudited) HK\$'000	Hotel operation (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Elimination (Unaudited) HK\$'000	Consolidated (Unaudited) HK\$'000
<b>SEGMENT REVENUE</b>					
External revenue	657,594	126,908	784,502	-	784,502
Inter-segment revenue	-	1,411	1,411	(1,411)	-
Total	<u>657,594</u>	<u>128,319</u>	<u>785,913</u>	<u>(1,411)</u>	<u>784,502</u>
Segment result based on the Adjusted EBITDA	<u>207,489</u>	<u>33,618</u>	<u>241,107</u>		241,107
Bank interest income					18,269
Depreciation of property, plant and equipment					(64,973)
Exchange loss at corporate level					(16,632)
Release of prepaid lease payments					(7,565)
Fair value changes of investment properties					(24,000)
Finance costs					(7,217)
Profit before taxation					<u>138,989</u>

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

Other than the segment information disclosed in above, there was no other information reviewed by the CODM for both periods.

## 5. OTHER GAIN (LOSSES)

	Six months ended 30 September	
	2017	2016
	(Unaudited)	(Unaudited)
	<b>HK\$'000</b>	<b>HK\$'000</b>
Exchange gain (loss)	464	(16,632)
Loss arising from misappropriation of funds ( <i>note</i> )	—	(13,000)
	<b>464</b>	<b>(29,632)</b>

*Note:* During the six months ended 30 September 2016, the Group was aware that an ex-senior casino cashier of a subsidiary of the Company in Macau had embezzled some of the chips on hand (“Misappropriation of Funds”) of the Group. The matter was reported to The Inspectorate of Macao Judiciary Police and the ex-senior casino cashier was arrested for criminal investigation. The court judgement had been obtained and the person had pleaded guilty and is now in prison.

The loss arising from the Misappropriation of Funds amounting to HK\$13,000,000 was charged to the unaudited condensed consolidated statement of profit or loss in 2016.

## 6. PROFIT BEFORE TAXATION

	Six months ended 30 September	
	2017	2016
	(Unaudited)	(Unaudited)
	<b>HK\$'000</b>	<b>HK\$'000</b>
Profit before taxation has been arrived at after charging:		
Commission expenses in gaming operation (included in selling and marketing expenses)	122,284	166,220
Depreciation of property, plant and equipment	58,158	64,973
Loss on disposal of property, plant and equipment	157	20
Release of prepaid lease payments	7,859	7,565
and after crediting:		
Bank interest income	18,551	18,269



## 7. TAXATION

	Six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
Macau Complementary Income Tax		
– current tax	21,337	21,780
Deferred taxation	<u>1,591</u>	<u>(3,753)</u>
	<u><u>22,928</u></u>	<u><u>18,027</u></u>

The Macau Complementary Income Tax is calculated at the applicable rate of 12% of the estimated assessable profits for both periods.

No provision for Hong Kong Profits Tax is made in the unaudited condensed consolidated financial statements in both periods as the estimated assessable profits for both periods are wholly absorbed by tax losses brought forward in previous years.

## 8. DIVIDENDS

A dividend of HK\$0.057 per share with an aggregate amount of approximately HK\$74,245,000 was paid to the shareholders of the Company during the Period as the final dividend of 2016/2017. A dividend of HK\$0.052 per share with an aggregate amount of approximately HK\$67,732,000 was paid to the shareholders of the Company during the corresponding period in 2016 as the final dividend of 2015/2016.

The Board has declared an interim dividend of HK\$0.026 (2016: HK\$0.025) per share amounting to approximately HK\$33,866,000 (2016: HK\$32,564,000).

## 9. EARNINGS PER SHARE

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

	Six months ended 30 September	
	2017 (Unaudited) HK\$'000	2016 (Unaudited) HK\$'000
<b>Earnings</b>		
Earnings (profit for the period attributable to owners of the Company) for the purpose of basic earnings per share	<u><u>118,609</u></u>	<u><u>105,145</u></u>
	<b>Six months ended 30 September</b>	
	2017	2016
	(Unaudited)	(Unaudited)
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue for the purpose of basic earnings per share	<u><u>1,302,545,983</u></u>	<u><u>1,302,545,983</u></u>

Diluted earnings per share is not presented as the Company does not have any dilutive potential ordinary share for both periods.

## 10. TRADE AND OTHER RECEIVABLES

	As at	
	30 September 2017 (Unaudited) <i>HK\$'000</i>	31 March 2017 (Audited) <i>HK\$'000</i>
Trade receivables	162,352	179,514
Less: Allowance for doubtful debts	<u>(31,009)</u>	<u>(31,009)</u>
	<b>131,343</b>	148,505
Chips on hand	<b>114,276</b>	121,245
Other receivables and prepayments	<u>19,722</u>	<u>17,881</u>
	<b><u>265,341</u></b>	<b><u>287,631</u></b>

The Group normally allows credit periods of up to 60 days to its trade customers, except for certain credit worthy customers with long term relationship and stable repayment pattern, where the credit periods are extended to a longer period. An ageing analysis of the Group's trade receivables (net of allowances) based on the date of credit granted or the invoice date at the end of the reporting period is set out below:

	As at	
	30 September 2017 (Unaudited) <i>HK\$'000</i>	31 March 2017 (Audited) <i>HK\$'000</i>
0 – 30 days	112,327	126,155
31 – 60 days	1,115	3,951
61 – 90 days	952	595
91 – 180 days	1,784	3,293
Over 180 days	<u>15,165</u>	<u>14,511</u>
	<b><u>131,343</u></b>	<b><u>148,505</u></b>

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

## 11. TRADE AND OTHER PAYABLES

	As at	
	30 September 2017 (Unaudited) <i>HK\$'000</i>	31 March 2017 (Audited) <i>HK\$'000</i>
Trade payables	12,981	17,108
Chips in custody and deposits from gaming patrons	33,171	39,396
Construction payables and accruals	12,395	12,798
Other payables and accruals	91,244	93,096
Accrued staff costs	48,845	32,228
Short-term advance	18,000	18,000
	<b>216,636</b>	<b>212,626</b>
	<b>216,636</b>	<b>212,626</b>

An ageing analysis of the Group's trade payables based on invoice date at the end of the reporting period is set out below:

	As at	
	30 September 2017 (Unaudited) <i>HK\$'000</i>	31 March 2017 (Audited) <i>HK\$'000</i>
0 – 30 days	6,438	7,464
31 – 60 days	6,166	7,137
61 – 90 days	122	2,255
91 – 180 days	211	236
Over 180 days	44	16
	<b>12,981</b>	<b>17,108</b>
	<b>12,981</b>	<b>17,108</b>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Group principally engages in provision of entertainment and hospitality services in Macau.

### **MARKET REVIEW**

During the Period, Macau's gross gaming revenue recorded growth of 21.8% to MOP129.9 billion. The rebound in Macau's gaming market is largely driven by an expansion in overall gaming capacity on Cotai. Since 2015, several large-scale development projects embarked by gaming concessionaires have commenced operations on Cotai. With a raft of new gaming offerings and family-friendly recreations, the new establishments have attracted leisure travellers, who are typically mass-market players. The market share of gaming on Macau Peninsula, especially in the mass segment, was diluted by the competition from new properties on Cotai.

### **FINANCIAL REVIEW**

#### **Overall Review**

With incremental capacity added on Cotai, the Group was inevitably affected and revenue declined to HK\$702.1 million (2016: HK\$784.5 million). Profit for the Period attributable to the owners of the Company increased by 12.8% to HK\$118.6 million (2016: HK\$105.1 million). Such increase was mainly due to a decrease in selling and marketing expenses, as well as an exchange gain and a revaluation gain recognised during the Period, as compared to an exchange loss and a revaluation loss in the same period last year. Basic earnings per share was HK\$0.09 (2016: HK\$0.08). The Board declared an interim dividend of HK\$0.026 (2016: HK\$0.025) per share.

#### **Capital Structure, Liquidity and Financial Resources**

There was no change in capital structure during the Period. The Group continued to maintain a strong cash position and a healthy financial position, supported by its ongoing and stable cash inflows. The Group funded its operations and capital expenditure by cash generated internally from its operations. As at 30 September 2017, aggregate of bank balances and cash, short-term bank deposits and pledged bank deposit of the Group amounted to HK\$4,092.0 million (31 March 2017: HK\$3,962.2 million), which are mainly denominated in Hong Kong dollars and Macau Patacas. The Group did not experience any significant exposure to foreign exchange rate fluctuation during the Period.

The Group's current assets and current liabilities as at 30 September 2017 were HK\$4,386.2 million (31 March 2017: HK\$4,279.1 million) and HK\$836.3 million (31 March 2017: HK\$817.6 million), respectively. Advances from non-controlling interests of a subsidiary of the Company amounted to HK\$112.8 million (31 March 2017: HK\$120.8 million), which is denominated in Hong Kong dollars, unsecured, interest-free and repayable at the discretion of non-controlling interests and availability of surplus fund of the subsidiary. Bank borrowing of HK\$448.2 million (31 March 2017: HK\$469.8 million), denominated in Hong Kong dollars, is secured and interest bearing at prevailing market rates and has a fixed repayment term. During the Period, the Group partially repaid the advances from non-controlling interests and bank borrowing in aggregate of HK\$29.6 million. As a result, the gearing ratio of the Group (expressed as a percentage of total borrowings over total equity) decreased to 10.1% (31 March 2017: 10.8%) as of 30 September 2017.

### **Pledge of Assets**

As at 30 September 2017, assets with carrying values of approximately HK\$2.3 billion (31 March 2017: HK\$2.3 billion) were pledged to several banks as security for banking facilities, for a total of approximately HK\$548.2 million (31 March 2017: HK\$569.8 million) granted to the Group. In addition, the Group has a bank deposit of HK\$0.3 million (31 March 2017: HK\$0.3 million) pledged to a bank as security for the use of ferry ticket equipment provided by a third party to the Group.

### **BUSINESS REVIEW**

The Group currently operates two hotels, Grand Emperor Hotel ("GEH") and Inn Hotel Macau ("IHM"), in Macau.

GEH, the Group's flagship project, on the Macau Peninsula, is an award-winning 26-storey gaming hotel with a gross floor area of approximately 655,000 square feet and 307 guest rooms. It has six gaming floors, covering over 130,000 square feet, and offers slot machines as well as gaming tables in the gaming concourse and the VIP room. In addition, GEH offers a wide range of amenities including fitness centre, sauna and spa facilities, as well as five restaurants and bars boasting fine cuisines from all around the world. With strong commitment to providing guests with unparalleled entertainment and hospitality experiences, the Group delivers consistently top-quality services that translate into high levels of customer satisfaction and loyalty.

Located at the heart of Macau's Taipa Island, IHM is a 17-storey hotel with a gross floor area of approximately 209,000 square feet, and 287 guest rooms. IHM creates comfortable experience for catering the lifestyles of both leisure and business travellers. Through extending coverage from the Peninsula to Taipa, IHM enables the Group to fully capture the potential of Macau's hospitality market.

### **Gaming Revenue**

The Group's casino in GEH is operated under the gaming licence held by Sociedade de Jogos de Macau, S.A. The introduction of other casino resorts in Cotai has resulted in market share dilution on the Macau Peninsula, where the Group's casino complex is located. Facing keen competition from the new casino resorts, the Group strived to mitigate the impact by improving customer segmentation. Leveraging its dedicated customer service team, the Group also strengthened efforts to create customer-centric experiences that build loyalty and engagement of high-roller gamblers. During the Period, the Group recorded gaming revenue of HK\$586.6 million (2016: HK\$657.6 million).

#### *Gaming Concourse*

The gross win in the gaming concourse declined to HK\$626.5 million (2016: HK\$726.3 million) and revenue from the gaming concourse fell to HK\$350.6 million (2016: HK\$405.4 million), accounting for 49.9% of the Group's total revenue. There were 67 (2016: 67) tables in the gaming concourse. Average win per table per day was HK\$51,000 (2016: HK\$59,000).

#### *VIP Room*

The Group self-managed a VIP room with 10 (2016: 10) tables. The rolling amount was HK\$10.4 billion (2016: HK\$13.2 billion). Revenue from the VIP room was HK\$217.9 million (2016: HK\$232.6 million), accounting for 31.0% of the Group's total revenue. Average win per table per day was HK\$210,000 (2016: HK\$224,000).

#### *Slot Machines*

With a capacity of 155 (2016: 186) slot seats, the gross win from slot machines was HK\$38.1 million (2016: HK\$41.2 million). Segmental revenue was HK\$18.1 million (2016: HK\$19.6 million), accounting for 2.6% of the Group's total revenue. Average win per seat per day increased to HK\$1,339 (2016: HK\$1,209).

## **Hotel Revenue**

The Group's hotel revenue derives from the hospitality income of GEH and IHM. The hotel revenue was HK\$115.5 million (2016: HK\$126.9 million), accounting for 16.5% of the total revenue.

As of 30 September 2017, GEH and IHM provided 307 and 287 guest rooms, respectively. During the Period, the average room rates of GEH and IHM were HK\$833 (2016: HK\$800) per night and HK\$441 (2016: HK\$383) per night, with occupancy rates of 91% (2016: 92%) and 94% (2016: 95%), respectively. Combined room revenue was HK\$46.1 million (2016: HK\$48.7 million). Combined revenue from food and beverage was HK\$53.8 million (2016: HK\$61.6 million), while the aggregate amount of rental and other revenue was HK\$15.6 million (2016: HK\$16.6 million).

## **OUTLOOK**

In view of intensified competition in Macau and other countries, the Group continuously enhances its overall efficiency and strengthens its market position through capitalising on its competitive edges, including a strong network of quality customers and outstanding customer service. In response to market conditions, the Group actively manages customer segmentation and focuses on the segment which offers the greatest potential for growth, in order to maximise its profitability. Meanwhile, the Group retains an active base of customers and ensures long-term satisfaction and loyalty by delivering compelling experiences that are tailored to individual customers.

The industry's recovery is gaining momentum, with gaming receipts witnessing year-on-year growth for 15 consecutive months in October 2017. Upon the completion of large-scale tourism projects, along with government initiatives to boost infrastructure development, Macau's position as a global leisure and tourism hub will be further reinforced. On the demand side, sustained growth in Macau's gaming market is expected, on the back of the increase in numbers of Chinese outbound travellers, which is largely driven by the expanding wealth effect and the rise of China's middle class. The Group is optimistic regarding growth prospects for Macau's gaming market, and is actively reviewing growth strategies and value-creating opportunities in Macau.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 30 September 2017, the Group's number of employee was 1,195 (31 March 2017: 1,196). Total staff costs including Directors' remuneration and the other staff costs for the Period were HK\$216.4 million (2016: HK\$218.9 million). Employees' remuneration was determined in accordance with individual's responsibilities, competence and skills, experience and performance as well as market pay level. Staff benefits include medical and life insurance, retirement benefits and other competitive fringe benefits.

To provide incentives or rewards to the staff, the Company has adopted a share option scheme, particulars of which will be set out in the section headed "Share Options" of the interim report of the Company.

## **INTERIM DIVIDEND**

The Board has declared an interim dividend of HK\$0.026 per share ("Interim Dividend") (2016: HK\$0.025 per share) amounting to approximately HK\$33,866,000 (2016: HK\$32,564,000). The Interim Dividend will be payable on 21 December 2017 (Thursday) to shareholders whose names appear on the register of members of the Company on 15 December 2017 (Friday).

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed, for the purpose of determining shareholders' entitlement to the Interim Dividend, from 14 December 2017 (Thursday) to 15 December 2017 (Friday), during which period no transfer of shares will be registered.

In order to qualify for the Interim Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 13 December 2017 (Wednesday).

## **REVIEW OF INTERIM RESULTS**

The condensed consolidated financial statements of the Group have not been audited or reviewed by the Company's auditor, Deloitte Touche Tohmatsu, but have been reviewed by the audit committee of the Company, which comprises three Independent Non-executive Directors of the Company.



## **CORPORATE GOVERNANCE**

### **Corporate Governance Code**

The Company had complied throughout the Period with all the code provisions set out in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules.

### **Model Code for Securities Transactions**

The Company has adopted its own code of conduct regarding securities transactions by Directors (“EEH Securities Code”) on no less exacting terms than the required standards as set out in Appendix 10 of the Listing Rules – Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”). Having made specific enquiry to the Directors, all of them confirmed that they have complied with the required standard of dealings as set out in the Model Code and the EEH Securities Code throughout the Period.

Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written guidelines in line with the Model Code. No incident of non-compliance by relevant employees was noted during the Period.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the Period.

## **PUBLICATION OF THE UNAUDITED INTERIM RESULTS AND INTERIM REPORT**

The interim results announcement is published on the websites of Stock Exchange at <http://www.hkexnews.hk> and the Company at <http://www.emp296.com>. The interim report of the Company for the Period will be dispatched to the shareholders of the Company and will be available on the aforesaid websites in due course.

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

Hong Kong, 22 November 2017

As at the date hereof, the Board comprises:

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

*Executive Directors:* Mr. Wong Chi Fai  
Ms. Fan Man Seung, Vanessa

*Independent Non-executive Directors:* Mr. Yu King Tin  
Ms. Kwan Shin Luen, Susanna  
Ms. Lai Ka Fung, May