Dah Sing Financial Holdings Limited

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)
(Stock Code:0440)

ANNOUNCEMENT OF 2015 FINAL RESULTS

The Directors of Dah Sing Financial Holdings Limited ("DSFH" or the "Company") are pleased to present the consolidated audited results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2015.

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December

HK$'000	Note	**2015**	2014	Variance %
Interest income		**5,357,305**	5,223,202	
Interest expense		**(1,704,012)**	(1,930,250)	
Net interest income	4	**3,653,293**	3,292,952	10.9
Fee and commission income		**1,027,774**	971,913	
Fee and commission expense		**(224,325)**	(226,318)	
Net fee and commission income	5	**803,449**	745,595	7.8
Net trading income	6	**31,710**	711,098	
Net insurance premium and other income		**2,029,310**	2,238,790	
Other operating income	7	**74,981**	70,581	
Operating income		**6,592,743**	7,059,016	-6.6
Net insurance claims and expenses		**(1,306,042)**	(2,436,101)	
Total operating income net of insurance claims		**5,286,701**	4,622,915	14.4
Operating expenses	8	**(2,534,297)**	(2,389,693)	6.1
Operating profit before impairment losses		**2,752,404**	2,233,222	23.2
Loan impairment losses and other credit provisions	9	**(496,352)**	(472,962)	4.9
Operating profit before gains and losses on certain investments and fixed assets		**2,256,052**	1,760,260	28.2
Net loss on disposal of other fixed assets		**(1,427)**	(3,198)	
Net (loss)/ gain on fair value adjustment of investment properties		**(74,863)**	93,239	
Net gain on disposal of investments in securities	10	**43,563**	19,051	
Loss on deemed disposal of investment in an associate	12	**(47,617)**	-	
Impairment losses charged on investment in equity securities		**(10,970)**	-	
Share of results of an associate		**665,942**	602,299	
Share of results of jointly controlled entities		**21,945**	20,657	
Profit before taxation		**2,852,625**	2,492,308	14.5
Taxation	11	**(344,815)**	(245,786)	
Profit for the year		**2,507,810**	2,246,522	11.6
Profit attributable to non-controlling interests		**(560,343)**	(519,635)	
Profit attributable to Shareholders of the Company		**1,947,467**	1,726,887	12.8
Dividends				
Interim dividend paid		**107,224**	100,523	
Proposed final dividend/ final dividend paid		**335,075**	318,321	
		442,299	418,844	
Earnings per share				
Basic	13	**HK$5.81**	HK$5.29	
Diluted	13	**HK$5.81**	HK$5.28	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December

HK$'000	2015	2014
Profit for the year	**2,507,810**	2,246,522
Other comprehensive income for the year		
Items that will not be reclassified subsequently to the consolidated income statement:		
Premises		
Reserves arising from reclassification of premises to investment properties	**1,393**	36,533
Items that may be reclassified to the consolidated income statement:		
Investments in securities		
Fair value gains on available-for-sale securities recognised in equity	**73,114**	297,824
Fair value (gain)/ loss realised and transferred to income statement upon:		
- Disposal of available-for-sale securities	**(43,563)**	(23,707)
- Disposal of investments in securities included in the loans and receivables category which were previously reclassified from the available-for-sale category	**-**	3,756
- Impairment of available-for-sale securities	**10,970**	-
Deferred income tax on movements in investment revaluation reserve	**4,689**	(35,285)
	45,210	242,588
Exchange differences arising on translation of the financial statements of foreign entities	**(209,766)**	(108,599)
Other comprehensive (loss)/ income for the year, net of tax	**(163,163)**	170,522
Total comprehensive income for the year, net of tax	**2,344,647**	2,417,044
Attributable to:		
Non-controlling interests	**519,690**	554,257
Shareholders of the Company	**1,824,957**	1,862,787
Total comprehensive income for the year, net of tax	**2,344,647**	2,417,044

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December

HK$'000	Note	**2015**	2014
ASSETS			
Cash and balances with banks		**17,631,716**	15,063,006
Placements with banks maturing between one and twelve months		**7,714,421**	5,626,019
Trading securities	14	**8,766,304**	7,082,517
Financial assets designated at fair value through profit or loss	14	**11,000,786**	9,627,563
Derivative financial instruments		**1,100,710**	831,566
Advances and other accounts	15	**120,776,773**	118,593,929
Available-for-sale securities	16	**24,533,819**	23,724,503
Held-to-maturity securities	17	**10,698,859**	11,047,201
Investment in an associate		**4,099,217**	3,746,918
Investments in jointly controlled entities		**71,119**	65,694
Goodwill		**950,992**	950,992
Intangible assets		**82,480**	84,519
Premises and other fixed assets		**2,222,465**	2,074,058
Investment properties		**886,664**	786,703
Current income tax assets		**5,784**	3,995
Deferred income tax assets		**83,473**	80,591
Value of in-force long-term life assurance business		**2,166,695**	2,018,068
Total assets		**212,792,277**	201,407,842
LIABILITIES			
Deposits from banks		**1,550,911**	1,572,467
Derivative financial instruments		**1,500,591**	1,217,118
Trading liabilities		**6,270,630**	5,597,614
Deposits from customers		**149,264,197**	140,916,635
Certificates of deposit issued		**6,231,837**	6,109,777
Subordinated notes		**5,279,340**	5,391,357
Other accounts and accruals		**5,785,899**	5,971,301
Current income tax liabilities		**208,046**	213,984
Deferred income tax liabilities		**95,950**	94,398
Liabilities to policyholders under long-term insurance contracts		**10,695,944**	10,205,811
Total liabilities		**186,883,345**	177,290,462
EQUITY			
Non-controlling interests		**5,463,846**	5,071,933
Equity attributable to the Company's shareholders			
Share capital		**4,248,559**	4,248,559
Other reserves (including retained earnings)		**16,196,527**	14,796,888
Shareholders' funds	19	**20,445,086**	19,045,447
Total equity		**25,908,932**	24,117,380
Total equity and liabilities		**212,792,277**	201,407,842

Note:

1. Statutory Financial Statements

The information set out in this results announcement does not constitute statutory financial statements.

Certain financial information in this results announcement is extracted from the Group's statutory consolidated financial statements for the year ended 31 December 2015 (the "2015 financial statements") which will be delivered to the Registrar of Companies and available from the website of The Stock Exchange of Hong Kong Limited in due course. The auditors have expressed an unqualified opinion on those financial statements in their report dated 23 March 2016.

2. Basis of Preparation and Accounting Policies

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs" is a collective term which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets, financial assets and financial liabilities held for trading, and financial assets and financial liabilities (including derivative instruments) designated at fair value through profit or loss, which are carried at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in applying the Group's accounting policies.

Except as described below, the accounting policies and methods of computation used in the preparation of the 2015 consolidated financial statements are consistent with those used and described in the Group's annual audited financial statements for the year ended 31 December 2014.

The financial information in this results announcement is presented in thousands of Hong Kong dollars (HK$'000), unless otherwise stated.

(a) New Hong Kong Companies Ordinance (Cap.622)

The requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) ("NCO") come into operation during the financial year, as a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

(b) New and amended standards adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2015:

Amendments from annual improvements to HKFRSs – 2010 – 2012 Cycle, on HKFRS 8, "Operating segments", HKAS 16, "Property, plant and equipment" and HKAS 38, "Intangible assets" and HKAS 24, "Related party disclosures".

Amendments from annual improvements to HKFRSs – 2011 – 2013 Cycle, on HKFRS 3, "Business combinations", HKFRS 13, "Fair value measurement" and HKAS 40, "Investment property".

The adoption of the improvements made in the 2010-2012 Cycle has required additional disclosures in the segment note. Other than that, the remaining amendments are not material to the Group.

2. Basis of Preparation and Accounting Policies (Continued)

(c) New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2015, and have not been early adopted in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except for the following standards:

(i) HKFRS 9, "Financial instruments", addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of HKFRS 9 was issued in July 2014. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

Contemporaneous documentation is still required but is different to that currently prepared under HKAS 39. The Group has already commenced the assessment of the full impact and so far has not decided to early adopt the standard, which shall be effective for the financial year beginning on 1 January 2018.

(ii) HKFRS 15, "Revenue from contracts with customers" deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces HKAS 18 "Revenue" and HKAS 11 "Construction contracts" and related interpretations. HKFRS 15 is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Group is assessing the impact of HKFRS 15.

3. Operating segment reporting

Segment reporting by the Group is prepared in accordance with HKFRS 8 "Operating Segments". Information reported to the chief operating decision maker, including the Chief Executive and other Executive Committee members, for the purposes of resource allocation and performance assessment, is determined on the basis of banking business and insurance business. For banking business, operating performances are analysed by business activities for local banking business, and on business entity basis for overseas banking business. For insurance business, resources allocation and performance evaluation are based on insurance business entity basis.

Considering the customer groups, products and services of local businesses, the economic environment and regulations, the Group splits the operating segments of the Group into the following reportable segments:

- Personal banking business includes the acceptance of deposits from individual customers and the extension of residential mortgage lending, personal loans, overdraft and credit card services, the provision of insurance sales and investment services.

- Commercial banking business includes the acceptance of deposits from and the advance of loans and working capital finance to commercial, industrial and institutional customers, and the provision of trade financing.

- Treasury activities are mainly the provision of foreign exchange services and centralised cash management for deposit taking and lending, interest rate risk management, management of investment in securities and the overall funding of the Group.

- Overseas banking businesses include personal banking, commercial banking business activities provided by overseas subsidiaries in Macau and China, and the Group's interest in a commercial bank in China.

- Insurance business includes the Group's life assurance and general insurance businesses. Through the Group's wholly-owned subsidiaries in Hong Kong and 96% owned subsidiaries in Macau, the Group offers a variety of life and general insurance products and services.

- Others include results of operations not directly identified under other reportable segments, corporate investments and debt funding (including subordinated notes).

For the purpose of segment reporting, revenue derived from customers, products and services directly identifiable with individual segments are reported directly under respective segments, while revenue and funding cost arising from inter-segment funding operation and funding resources are allocated to segments by way of transfer pricing mechanism with reference to market interest rates. Transactions within segments are priced based on similar terms offered to or transacted with external parties. Inter-segment income or expenses are eliminated on consolidation. Certain comparative amounts have been revised to conform to the changes in funds transfer pricing mechanism and certain income reallocation adopted in 2015.

All direct costs incurred by different segments are grouped under respective segments. Indirect costs and support functions' costs are allocated to various segments and products based on effort and time spent as well as segments' operating income depending on the nature of costs incurred. Costs related to corporate activities that cannot be reasonably allocated to segments, products and support functions are grouped under Others as unallocated corporate expenses.

3. Operating segment reporting (Continued)

For the year ended 31 December 2015

HK$'000	Personal Banking	Commercial Banking	Treasury	Overseas Banking	Insurance Business	Others	Inter-segment	Total
Net interest income/ (expenses)	1,367,555	1,149,755	377,085	508,611	314,418	(64,131)	-	3,653,293
Non-interest income/ (expenses)	632,469	213,035	190,476	126,657	410,193	104,479	(43,901)	1,633,408
Total operating income net of insurance claims	2,000,024	1,362,790	567,561	635,268	724,611	40,348	(43,901)	5,286,701
Operating expenses	(1,260,121)	(378,778)	(140,878)	(469,366)	(280,995)	(48,060)	43,901	(2,534,297)
Operating profit/ (loss) before impairment losses and other credit provisions	739,903	984,012	426,683	165,902	443,616	(7,712)	-	2,752,404
Loan impairment losses and other credit provisions (charged)/ written back	(230,256)	(237,955)	15,000	(43,141)	-	-	-	(496,352)
Operating profit/ (loss) after impairment losses and other credit provisions	509,647	746,057	441,683	122,761	443,616	(7,712)	-	2,256,052
Net (loss)/ gain on disposal and fair value adjustment of investment properties and other fixed assets	(1,283)	(12)	(13)	7	(89,488)	14,499	-	(76,290)
Net gain on disposal of investments in securities	-	-	16,568	-	7,992	19,003	-	43,563
Loss on deemed disposal of investment in an associate	-	-	-	(47,617)	-	-	-	(47,617)
Impairment losses charged on investment in equity securities	-	-	-	-	-	(10,970)	-	(10,970)
Share of results of an associate	-	-	-	665,942	-	-	-	665,942
Share of results of jointly controlled entities	-	-	-	-	-	21,945	-	21,945
Profit before taxation	508,364	746,045	458,238	741,093	362,120	36,765	-	2,852,625
Taxation (expenses)/ credit	(83,868)	(123,097)	(75,609)	(25,064)	(37,391)	214	-	(344,815)
Profit after taxation	424,496	622,948	382,629	716,029	324,729	36,979	-	2,507,810
For the year ended 31 December 2015								
Depreciation and amortisation	58,882	12,246	6,759	40,746	15,179	43,041	-	176,853
At 31 December 2015								
Segment assets	44,238,858	55,906,000	63,141,488	31,842,489	18,638,943	4,851,310	(5,826,811)	212,792,277
Segment liabilities	85,575,624	37,962,644	16,816,776	23,429,044	14,233,827	14,692,241	(5,826,811)	186,883,345

3. Operating segment reporting (Continued)

For the year ended 31 December 2014 (Restated)

HK$'000	Personal Banking	Commercial Banking	Treasury	Overseas Banking	Insurance Business	Others	Inter-segment	Total
Net interest income/ (expenses)	1,253,240	986,439	277,843	537,362	300,287	(62,219)	-	3,292,952
Non-interest income/ (expenses)	544,320	202,995	223,943	121,551	176,166	120,529	(59,541)	1,329,963
Total operating income net of insurance claims	1,797,560	1,189,434	501,786	658,913	476,453	58,310	(59,541)	4,622,915
Operating expenses	(1,157,834)	(350,022)	(137,219)	(486,161)	(265,175)	(52,823)	59,541	(2,389,693)
Operating profit before impairment losses and other credit provisions	639,726	839,412	364,567	172,752	211,278	5,487	-	2,233,222
Loan impairment losses and other credit provisions (charged)/ written back	(201,779)	(63,223)	60,000	(267,960)	-	-	-	(472,962)
Operating profit/ (loss) after impairment losses and other credit provisions	437,947	776,189	424,567	(95,208)	211,278	5,487	-	1,760,260
Net (loss)/ gain on disposal and fair value adjustment of investment properties and other fixed assets	(844)	(60)	(9)	(46)	62,468	28,532	-	90,041
Net gain on disposal of investments in securities	-	-	17,036	-	-	2,015	-	19,051
Share of results of an associate	-	-	-	602,299	-	-	-	602,299
Share of results of jointly controlled entities	-	-	-	-	-	20,657	-	20,657
Profit before taxation	437,103	776,129	441,594	507,045	273,746	56,691	-	2,492,308
Taxation (expenses)/ credit	(70,565)	(128,061)	(72,863)	32,324	(21,331)	14,710	-	(245,786)
Profit after taxation	366,538	648,068	368,731	539,369	252,415	71,401	-	2,246,522
For the year ended 31 December 2014								
Depreciation and amortisation	51,198	10,561	6,218	42,831	12,943	37,299	-	161,050
At 31 December 2014								
Segment assets	41,988,779	54,596,171	55,550,630	33,581,542	17,982,755	4,343,972	(6,636,007)	201,407,842
Segment liabilities	78,375,819	36,248,907	15,126,832	25,631,700	13,905,896	14,637,315	(6,636,007)	177,290,462

3. Operating segment reporting (Continued)

More than 90% of the revenues from external customers were contributed from banking subsidiaries in Hong Kong, Macau and People's Republic of China, with major products and services including deposit taking, extension of credit, asset-based finance, securities investment services offered to customers.

The following tables provide information by geographical area, which was determined with reference to the domicile of the legal entities within the Group with business dealing and relationship with, and services to external customers.

HK$'000	**Hong Kong and Others**	**Macau**	**Inter-segment elimination**	**Total**
For the year ended 31 December 2015				
Total operating income net of insurance claims	**4,795,271**	**492,427**	**(997)**	**5,286,701**
Profit before taxation	**2,607,896**	**244,729**	**-**	**2,852,625**
At 31 December 2015				
Total assets	**194,868,421**	**19,569,962**	**(1,646,106)**	**212,792,277**
Total liabilities	**171,615,505**	**16,913,946**	**(1,646,106)**	**186,883,345**
Intangible assets and goodwill	**318,666**	**714,806**	**-**	**1,033,472**
Contingent liabilities and commitments	**76,227,916**	**1,862,414**	**(32,000)**	**78,058,330**

	Hong Kong and Others	Macau	Inter-segment elimination	Total
For the year ended 31 December 2014				
Total operating income net of insurance claims	4,175,832	448,092	(1,009)	4,622,915
Profit before taxation	2,225,375	266,933	-	2,492,308
At 31 December 2014 (Restated)				
Total assets	184,313,204	18,361,316	(1,266,678)	201,407,842
Total liabilities	162,631,043	15,926,097	(1,266,678)	177,290,462
Intangible assets and goodwill	318,667	716,844	-	1,035,511
Contingent liabilities and commitments	74,878,643	1,939,300	(38,560)	76,779,383

4. Net interest income

HK$'000	**2015**	2014
Interest income		
Cash and balances with banks	**319,266**	358,298
Investments in securities	**987,703**	968,477
Advances and other accounts	**4,050,336**	3,896,427
	5,357,305	5,223,202
Interest expense		
Deposits from banks/ Deposits from customers	**1,428,507**	1,663,559
Certificates of deposit issued	**78,234**	72,106
Issued debt securities	**-**	3,494
Subordinated notes	**195,964**	187,441
Others	**1,307**	3,650
	1,704,012	1,930,250
Included within interest income		
Interest income on financial assets not at fair value through profit or loss	**5,080,273**	4,931,766
Included within interest expense		
Interest expense on financial liabilities not at fair value through profit or loss	**1,701,380**	1,925,314

For the year ended 31 December 2015 and 2014, there was no interest income recognised on impaired assets.

5. Net fee and commission income

HK$'000	**2015**	2014
Fee and commission income		
Fee and commission income from financial assets and liabilities not at fair value through profit or loss		
- Credit related fees and commissions	**136,538**	135,992
- Trade finance	**91,987**	73,158
- Credit card	**292,816**	304,195
Other fee and commission income		
- Securities brokerage	**132,145**	89,876
- Retail investment and wealth management services	**196,863**	181,070
- Bank services and handling fees	**61,850**	58,582
- Other fees	**115,575**	129,040
	1,027,774	971,913
Fee and commission expense		
Fee and commission expense from financial assets and liabilities not at fair value through profit or loss		
- Handling fees and commission	**209,813**	212,708
- Other fees paid	**14,512**	13,610
	224,325	226,318

The Group provides custody, trustee, corporate administration, and investment management services to third parties. Those assets that are held in a fiduciary capacity are not included in these financial statements.

6. Net trading income

HK$'000	**2015**	2014
Dividend income from financial assets at fair value through profit or loss	**85,656**	83,394
Net gain arising from dealing in foreign currencies	**124,716**	190,637
Net loss on trading securities	**(31,654)**	(4,345)
Net gain from derivatives entered into for trading purpose	**57,334**	51,481
Net loss arising from financial instruments subject to fair value hedge	**(9,201)**	(25,077)
Net (loss)/ gain arising from financial instruments designated at fair value through profit or loss	**(195,141)**	415,008
	31,710	711,098

7. Other operating income

HK$'000	**2015**	2014
Dividend income from investments in available-for-sale securities	**26,141**	24,670
Gross rental income from investment properties	**26,770**	24,270
Other rental income	**11,423**	11,012
Others	**10,647**	10,629
	74,981	70,581

8. Operating expenses

HK$'000	**2015**	2014
Employee compensation and benefit expenses (including directors' remuneration)	**1,599,360**	1,456,456
Premises and other fixed assets expenses, excluding depreciation		
- Rental of premises	**160,638**	152,534
- Others	**141,394**	137,890
Depreciation	**174,814**	157,339
Advertising and promotion costs	**87,868**	113,678
Printing, stationery and postage	**54,230**	51,805
Amortisation expenses of intangible assets	**2,039**	3,711
Auditors' remuneration	**9,931**	9,608
Others	**304,023**	306,672
	2,534,297	2,389,693

9. Loan impairment losses and other credit provisions

HK$'000	**2015**	2014
Loan impairment losses		
Net charge/ (reversal) of impairment losses on advances and other accounts		
- Trade bills	**3,670**	2,070
- Advances to customers	**508,713**	510,339
- Accrued interest and other accounts	**(1,031)**	20,553
	511,352	532,962
Net charge of impairment losses on advances and other accounts		
- Individually assessed	**218,941**	249,015
- Collectively assessed	**292,411**	283,947
	511,352	532,962
Of which		
- new and additional allowances (including amounts directly written off in the year)	**641,447**	596,620
- releases	**(76,697)**	(22,866)
- recoveries	**(53,398)**	(40,792)
	511,352	532,962
Other credit provisions		
Net (reversal)/ charge of impairment losses on available-for-sale securities		
- Collectively assessed	**(15,000)**	15,000
Net reversal of impairment losses on investments in securities included in the loans and receivables category		
- Collectively assessed	**-**	(75,000)
Net charge to income statement	**496,352**	472,962

10. Net gain on disposal of investments in securities

HK$'000	**2015**	2014
Net gain on disposal of available-for-sale securities	**43,563**	23,707
Net loss on disposal of investments in securities included in the loans and receivables category	**-**	(4,656)
	43,563	19,051

11. Taxation

Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Deferred taxation is calculated in full on temporary differences under the liability method at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised.

HK$'000	**2015**	2014
Current income tax:		
- Hong Kong profits tax	**300,295**	265,476
- Overseas taxation	**44,198**	34,931
- Under-provision in prior years	**813**	1,765
Deferred income tax:		
- Origination and reversal of temporary differences	**(424)**	(59,374)
- (Recognition)/ utilisation of tax losses	**(67)**	2,988
Taxation	**344,815**	245,786

12. Loss on deemed disposal of investment in an associate

The Group's shareholding interest in Bank of Chongqing ("BOCQ"), which is the Group's associate, decreased from 16.95% to 14.66% after BOCQ completed its issuance of new H-shares by way of a placement (the "Share Placement") in December 2015.

In accordance with Hong Kong Accounting Standard No. 28, "Investments in Associates", an associate is an entity over which the investor has significant influence, including the power to participate in the financial and operating policy decisions, without controlling the management of the investee. Usually a holding of less than 20% is presumed not to have significant influence, unless such influence can be clearly demonstrated.

The Group's interest in BOCQ has been accounted for as an associate using the equity method as the Group has representation in the Board of BOCQ, and the ability to participate in the decision making process.

The reduction in the Group's shareholding in BOCQ in 2015 is treated as a deemed partial disposal of investment in BOCQ. The loss arising from the deemed partial disposal is caused mainly by the lowering in the net asset value per share of BOCQ immediately after the completion of the Share Placement, as the net proceeds per share on the new issue is lower than the net asset value per share immediately before the Share Placement. With the partial disposal of the Group's interest in BOCQ having been recognised, the reduction in the Group's share of BOCQ net assets is accounted as a deemed disposal loss.

13. Basic and diluted earnings per share

The calculation of basic earnings per share is based on earnings of HK$1,947,467,000 (2014: HK$1,726,887,000) and the weighted average number of 335,075,100 (2014: 326,670,891) ordinary shares in issue during the year.

The calculation of fully diluted earnings per share is based on earnings of HK$1,947,467,000 (2014: HK$1,726,887,000) and the weighted average number of 335,254,509 (2014: 326,837,953) ordinary shares in issue during the year after adjusting for the effect of all dilutive potential ordinary shares.

14. Trading securities and financial assets designated at fair value through profit or loss

HK$'000	**As at 31 Dec 2015**	As at 31 Dec 2014
Trading securities:		
Debt securities:		
- Listed in Hong Kong	**58,398**	243,944
- Unlisted	**8,513,996**	6,606,418
	8,572,394	6,850,362
Equity securities:		
- Listed in Hong Kong	**61,592**	73,651
- Listed outside Hong Kong	**126,915**	152,044
- Unlisted, interests in investment funds	**5,403**	6,460
	193,910	232,155
Total trading securities	**8,766,304**	7,082,517
Financial assets designated at fair value through profit or loss:		
Debt securities:		
- Listed in Hong Kong	**936,627**	949,787
- Listed outside Hong Kong	**2,965,456**	3,055,237
- Unlisted	**3,603,684**	2,662,318
	7,505,767	6,667,342
Equity securities:		
- Listed in Hong Kong	**966,514**	564,620
- Listed outside Hong Kong	**1,075,113**	1,286,724
- Unlisted	**1,453,392**	1,108,877
	3,495,019	2,960,221
Total financial assets designated at fair value through profit or loss	**11,000,786**	9,627,563
Total trading securities and financial assets designated at fair value through profit or loss	**19,767,090**	16,710,080

14. Trading securities and financial assets designated at fair value through profit or loss (Continued)

HK$'000	**As at 31 Dec 2015**	As at 31 Dec 2014
Included within debt securities are:		
- Government bonds included in trading securities which are cash equivalents	**228,497**	2,040,796
- Government bonds included in trading securities	**8,343,648**	4,809,321
- Other government bonds	**396,841**	905,012
- Other debt securities	**7,109,175**	5,762,575
	16,078,161	13,517,704

As at 31 December 2015 and 2014, there were no certificates of deposit held included in the above balances of trading or fair value debt securities.

Trading securities and financial assets designated at fair value through profit or loss are analysed by categories of issuers as follows:		
- Central governments and central banks	**8,968,986**	7,755,129
- Public sector entities	**77,047**	8,386
- Banks and other financial institutions	**1,333,728**	1,002,089
- Corporate entities	**9,387,329**	7,944,476
	19,767,090	16,710,080

15. Advances and other accounts

HK$'000	**As at 31 Dec 2015**	As at 31 Dec 2014
Gross advances to customers	**109,625,324**	105,230,046
Trade bills	**6,469,899**	7,384,057
Other assets		
- Other accounts receivable and prepayments	**5,396,317**	6,514,742
	121,491,540	119,128,845
Less: impairment allowances		
- Individually assessed	**(347,538)**	(238,250)
- Collectively assessed	**(367,229)**	(296,666)
	(714,767)	(534,916)
Advances and other accounts	**120,776,773**	118,593,929

15. Advances and other accounts (Continued)

(a) Gross advances to customers by industry sector classified according to the usage of loans

HK$'000	**As at 31 Dec 2015**		As at 31 Dec 2014	
	Outstanding balance	**% of gross advances**	Outstanding balance	% of gross advances
Loans for use in Hong Kong				
Industrial, commercial and financial				
- Property development	**1,909,605**	**1.7**	1,741,185	1.6
- Property investment	**16,136,906**	**14.7**	15,752,867	15.0
- Financial concerns	**1,118,110**	**1.0**	821,938	0.8
- Stockbrokers	**965,931**	**0.9**	133,234	0.1
- Wholesale and retail trade	**4,144,996**	**3.8**	4,497,466	4.3
- Manufacturing	**3,026,032**	**2.8**	2,971,483	2.8
- Transport and transport equipment	**3,713,584**	**3.4**	4,612,041	4.4
- Recreational activities	**262,522**	**0.2**	277,832	0.3
- Information technology	**72,019**	**0.1**	22,938	-
- Others	**5,454,602**	**5.0**	5,036,198	4.8
	36,804,307	**33.6**	35,867,182	34.1
Individuals				
- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	**869,023**	**0.8**	962,720	0.9
- Loans for the purchase of other residential properties	**21,260,300**	**19.4**	19,451,578	18.5
- Credit card advances	**4,465,225**	**4.1**	3,838,208	3.7
- Others	**9,217,401**	**8.4**	8,355,472	7.9
	35,811,949	**32.7**	32,607,978	31.0
Loans for use in Hong Kong	**72,616,256**	**66.3**	68,475,160	65.1
Trade finance (Note (1))	**7,394,880**	**6.7**	6,517,342	6.2
Loans for use outside Hong Kong (Note (2))	**29,614,188**	**27.0**	30,237,544	28.7
	109,625,324	**100.0**	105,230,046	100.0

Note:

(1) Trade finance shown above represents loans covering finance of imports to Hong Kong, exports and re-exports from Hong Kong and merchandising trade classified with reference to the relevant guidelines issued by the Hong Kong Monetary Authority ("HKMA").

Trade finance loans not involving Hong Kong (including trade finance extended by the overseas subsidiary banks of Dah Sing Bank, Limited ("DSB")) totalling HK$592,075,000 (31 December 2014: HK$ 618,230,000) are classified under Loans for use outside Hong Kong.

(2) Loans for use outside Hong Kong include loans extended to customers located in Hong Kong with the finance used outside Hong Kong.

15. Advances and other accounts (Continued)

(b) Impaired, overdue and rescheduled assets

(i) Impaired loans

HK$'000	**As at 31 Dec 2015**	As at 31 Dec 2014
Impaired loans and advances		
- Individually impaired (Note (a))	**796,319**	348,287
- Collectively impaired (Note (b))	**21,815**	20,179
	818,134	368,466
Impairment allowances made		
- Individually assessed (Note (c))	**(327,953)**	(217,744)
- Collectively assessed (Note (b))	**(20,026)**	(18,578)
	(347,979)	(236,322)
	470,155	132,144
Fair value of collaterals held*	**582,726**	169,394
Impaired loans and advances as a % of total loans and advances to customers	**0.75%**	0.35%

* Fair value of collaterals is determined at the lower of the market value of collateral and outstanding loan balance.

Note:

(a) Individually impaired loans are defined as those loans having objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event has an impact on the estimated cash flows of the loans that can be reliably estimated.

(b) Collectively impaired loans and advances refer to those unsecured loans and advances assessed for impairment on a collective basis and which have become overdue for more than 90 days as at the reporting date. The collective impairment allowance for these impaired loans, which is a part of the overall collective impairment allowances, is shown above.

(c) The above individual impairment allowances were made after taking into account the value of collaterals in respect of such advances as at 31 December.

15. Advances and other accounts (Continued)

(b) Impaired, overdue and rescheduled assets (Continued)

(ii) Gross amount of overdue loans

HK$'000	**As at 31 Dec 2015** Gross amount of overdue loans	**As at 31 Dec 2015** % of total	As at 31 Dec 2014 Gross amount of overdue loans	As at 31 Dec 2014 % of total
Gross advances to customers which have been overdue for:				
- six months or less but over three months	**229,892**	**0.21**	97,112	0.09
- one year or less but over six months	**260,593**	**0.24**	39,052	0.04
- over one year	**209,635**	**0.19**	185,726	0.18
	700,120	**0.64**	321,890	0.31
Market value of securities held against the secured overdue advances	**1,196,607**		233,734	
Secured overdue advances	**525,584**		160,454	
Unsecured overdue advances	**174,536**		161,436	
Individual impairment allowances	**213,854**		146,562	

(iii) Rescheduled advances net of amounts included in overdue advances shown above

	As at 31 Dec 2015	**% of total**	As at 31 Dec 2014	% of total
Advances to customers	**243,284**	**0.22**	171,817	0.16
Impairment allowances	**15,825**		-	

(c) Trade bills

As at 31 December 2015, there were trade bills overdue for six months or less but over three months and for one year or less but over six months of HK$1,975,000 and HK$3,070,000 respectively and no trade bills were impaired (2014: Nil).

15. Advances and other accounts (Continued)

(d) Repossessed collateral

Repossessed collateral held at the year-end is as follows:

HK$'000	**As at 31 Dec 2015**	As at 31 Dec 2014
Nature of assets		
Repossessed properties	**140,163**	69,680
Others	**7,464**	315
	147,627	69,995

Repossessed collaterals are sold as soon as practicable with the proceeds used to reduce the outstanding indebtedness of the borrowers concerned.

Certain other properties in the Mainland China with a total estimated realisable value of HK$63,255,000 (2014: HK$66,228,000), which had been foreclosed and repossessed by the Group pursuant to orders issued by courts in the Mainland China, represent assets held by the Group for resale and have been reported under "Other assets". The relevant loans had been derecognised.

16. Available-for-sale securities

HK$'000	**As at 31 Dec 2015**	As at 31 Dec 2014
Debt securities:		
- Listed in Hong Kong	**12,724,190**	11,929,660
- Listed outside Hong Kong	**9,060,290**	9,151,353
- Unlisted	**1,989,770**	1,920,824
	23,774,250	23,001,837
Equity securities:		
- Listed in Hong Kong	**391,038**	342,366
- Listed outside Hong Kong	**47,662**	83,297
- Unlisted	**320,869**	297,003
	759,569	722,666
Total available-for-sale securities	**24,533,819**	23,724,503

Note:

As at 31 December 2015 and 2014, there were no certificates of deposit held included in the above balances of investments in debt securities.

Available-for-sale securities are analysed by categories of issuers as follows:		
- Central governments and central banks	**3,848,200**	2,535,358
- Public sector entities	**500,463**	198,916
- Banks and other financial institutions	**4,158,534**	5,187,382
- Corporate entities	**16,024,094**	15,800,319
- Others	**2,528**	2,528
	24,533,819	23,724,503

17. Held-to-maturity securities

HK$'000	**As at 31 Dec 2015**	As at 31 Dec 2014
Debt securities:		
- Listed in Hong Kong	**2,384,910**	2,255,635
- Listed outside Hong Kong	**4,441,722**	5,234,147
- Unlisted	**3,872,227**	3,557,419
	10,698,859	11,047,201
Included within debt securities are:		
- Certificates of deposit held	**1,177,533**	1,947,377
- Other debt securities	**9,521,326**	9,099,824
	10,698,859	11,047,201
Held-to-maturity securities are analysed by categories of issuers as follows:		
- Central governments and central banks	**2,436,484**	1,219,264
- Public sector entities	**3,912**	19,923
- Banks and other financial institutions	**3,673,686**	4,993,341
- Corporate entities	**4,584,777**	4,814,673
	10,698,859	11,047,201

18. Reclassification of financial assets

The Group did not reclassify any financial assets in the year ended 31 December 2015.

In the year ended 31 December 2014, the Group made the following reclassification of financial assets.

(a) Reclassification of investments in securities included in the loans and receivables category to the available-for-sale category

On 5 June 2014, the Group reclassified all investments in securities included in the loans and receivable category that qualified for recognition as available-for-sale out of the loans and receivables category.

The fair value and carrying value of these financial assets at the date of reclassification were HK$828,504,000 and HK$873,550,000 respectively. The fair value loss of HK$45,046,000 generated upon the reclassification had been taken to other comprehensive income.

(b) Reclassification of certain available-for-sale securities as held-to-maturity securities

On 26 June 2014, the Group reclassified certain available-for-sale debt securities with a total market value at the time of reclassification of HK$4,378,815,000 as held-to-maturity securities, reflecting a change in the Group's intention on holding these securities to maturity.

19. Shareholders' funds

HK$'000	**As at 31 Dec 2015**	As at 31 Dec 2014
Share capital	**4,248,559**	4,248,559
Capital reserve	**18,871**	19,535
Premises revaluation reserve	**227,161**	226,122
Investment revaluation reserve	**246,192**	213,316
Exchange reserve	**54,458**	210,881
General reserve	**484,289**	484,289
Reserve for share-based compensation	**6,625**	5,736
Retained earnings	**15,158,931**	13,637,009
	20,445,086	19,045,447
Proposed final dividends included in retained earnings	**335,075**	318,321

Note:

(a) DSB as a locally incorporated bank in Hong Kong is required to maintain minimum impairment provisions in excess of those required under HKFRS in the form of regulatory reserve. The regulatory reserve is maintained to satisfy the provisions of the Hong Kong Banking Ordinance and local regulatory requirements for prudential supervision purposes. The regulatory reserve restricts the amount of reserves which can be distributed to shareholders. Movements in the regulatory reserve are made directly through equity reserve and in consultation with the HKMA.

(b) As at 31 December 2015, DSB has earmarked a regulatory reserve of HK$1,528,440,000 (2014: HK$1,481,245,000) first against its consolidated general reserve; and for any excess amount, the balance is earmarked against its consolidated retained earnings.

FINANCIAL RATIOS

	Year ended 31 Dec 2015	Year ended 31 Dec 2014
Net interest income/ operating income	**69.1%**	71.2%
Cost to income ratio	**47.9%**	51.7%
Return on average total assets	**0.9%**	0.9%
Return on average shareholders' funds	**9.9%**	9.7%
Net interest margin	**1.83%**	1.76%

FINAL DIVIDEND

At the forthcoming annual general meeting ("AGM") of the Company to be held on Tuesday, 31 May 2016, the Directors will propose a final dividend of HK$1.00 per share for 2015 to shareholders whose names are on the Register of Shareholders as at the close of business on Friday, 10 June 2016. The final dividend is payable on or about Monday, 20 June 2016.

CLOSURE OF REGISTER OF SHAREHOLDERS

For determining shareholders' right to attend and vote at the AGM:

Closure dates of Register of Shareholders	27 May 2016 (Friday)
(both days inclusive)	to 31 May 2016 (Tuesday)
Latest time to lodge transfers	4:30 p.m. on 26 May 2016 (Thursday)
Record date	31 May 2016 (Tuesday)
AGM	31 May 2016 (Tuesday)

For determining shareholders' entitlement to receive the proposed final dividend*:

Closure dates of Register of Shareholders	7 June 2016 (Tuesday)
(both days inclusive)	to 10 June 2016 (Friday)
Latest time to lodge transfers	4:30 p.m. on 6 June 2016 (Monday)
Record date	10 June 2016 (Friday)
Proposed final dividend payment date	20 June 2016 (Monday)

*(*subject to shareholders' approval at the AGM)*

During the periods of the closure of Register of Shareholders, no share transfers will be registered. For registration, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong before the relevant latest time to lodge transfers.

CORPORATE AND BUSINESS OVERVIEW

HIGHLIGHTS

2015 was a relatively difficult year for the global economy, with growth remaining subdued. Growth in Mainland China continued to slow, although remained well above the global average, whilst the Hong Kong economy also began to show signs of weakness, with the local retail sector and the trade business both being impacted. Market conditions remained volatile, with significant swings in local and Mainland equity markets, and in currencies, in particular the RMB in the second half of the year. The US Federal Reserve implemented its long expected first increase in short term interest rates in December. Local liquidity conditions in Hong Kong, however, remained benign during the year.

Against this relatively challenging background, we are pleased to announce that our profit attributable to shareholders for 2015 increased by 12.8% to HK$1,947 million. The increase in profit was driven both by our Banking Group's wholly owned operations in Hong Kong, Mainland China and Macau, which in aggregate reported an increase in operating profit after impairment losses of 18.3% to HK$1,851 million, and by our insurance business which reported an increase in net profit of 29% to HK$325 million. Our associated company, Bank of Chongqing ("BOCQ"), delivered a stable performance, with a contribution of HK$666 million, up by 10.6%.

BUSINESS AND FINANCIAL REVIEW

Our Banking Group had a solid year, with improvement in both net interest income and fee and commission income. Whilst loan growth was moderate at 4.2% for the year, the improvement in net interest income of 11% in 2015 was supported by a somewhat improved net interest margin during the year, as well as the higher average balance of interest-earning assets. Fee and commission income benefited from strong performance from our wealth management business, including our local Hong Kong broking business, as well as from foreign exchange and other treasury products for both our retail and commercial customers, particularly in the first half of the year. Overall, the lower net trading income was driven primarily by mark-to-market losses in our insurance fixed income and equities portfolios, as higher market rates led to lower prices for bonds, and stock market valuations were lower especially during the second half year. Net insurance premium and other income dropped, due both to a lower increase in the value of inforce policies of our long-term life business with the rising interest rates, and to lower volumes of new business sales due to a focus on higher margin products during the year. The higher interest rates also led to a significant decrease in transfer to actuarial reserves for the liabilities to policyholders, and in turn a significant reduction in the insurance claims and expenses.

Operating expenses were well controlled growing modestly over 2014 by 6.1%, well below the growth in income over the same period, resulting in an improvement in the cost to income ratio for the year. Despite the relatively difficult economic conditions described above, overall credit quality remained benign. Whilst overall loan impairment losses and credit provisions increased slightly over the prior year, the increase was due to a lower level of write-back of bond impairment charges, coupled with a slightly lower level of loan impairment charges compared with the prior year.

Further to the announcement by Bank of Chongqing ("BOCQ") in June that it was making a placement of shares to investors (the "Placement"), it announced on 23 December that the Placement had been completed, albeit with a somewhat lower number of shares than originally anticipated. The Placement raised gross proceeds of approximately HK$3.2 billion, and due to the lower number of shares being issued than originally anticipated, our shareholding was diluted to approximately 14.7%. Upon completion of the Placement and a dilution in our shareholding interest which in accounting terms is a deemed partial divestment, and given that the price set for the Placement was lower than net asset value, an associated accounting loss of HK$47.6 million arising from the dilution was recognized.

There were no other material exceptional items during the year.

Return on assets was similar to 2014 at 0.9% whilst ROE of 9.9% was slightly higher than 2014. Our cost to income ratio was down slightly from 51.7% to 47.9%.

BUSINESS AND FINANCIAL REVIEW (CONTINUED)

As at 31 December 2015, Dah Sing Bank's Common Equity Tier 1 ratio strengthened to 12.2%, compared with 11.4% at the end of 2014, driven by slower asset growth coupled with higher retained earnings, as no additional capital raising was undertaken during the period. Total capital adequacy ratio was 16.7%, slightly higher than 16.3% as at the end of last year despite the growth in Common Equity Tier 1 mentioned above, mainly due to the phase out of a portion of the non-Basel III compliant subordinated debts as eligible Tier 2 capital base under the transitional arrangement.

PROSPECTS

After a relatively strong start to 2015, the volatility in the second half of the year has continued into 2016. Global economic growth is subdued, and Mainland China continues to experience lower rates of growth as it steers its economy from an investment and export led model to one where domestic consumption plays a greater part. It is likely that economic growth in Hong Kong will slow this year, and in some areas of the economy, for example tourism and retail, that slower growth is already being felt. It is too early to say whether the economy will slow further, or whether things will gradually turn around.

More positively, Hong Kong unemployment remains low and stable, and credit conditions remain relatively benign, as they do in Macau. Whilst credit quality in Mainland China is volatile we have taken action to strengthen our credit underwriting and controls over the past two years, and there are signs that this is helping us to stabilize credit quality in our Mainland and Mainland related business. However, the underlying credit trends in the Mainland remain of some concern.

Loan and deposit growth has been relatively slow, and we do not anticipate that this will change materially in the near future. We were concerned in the second half of last year that there was a possibility that US interest rates could rise relatively rapidly during the course of 2016. Whilst it is too early to say with any certainty, it seems that the likelihood of rapid US interest rate hikes this year, and correspondingly higher interest rates in Hong Kong, is becoming lower. In volatile market conditions liquidity is always important, and so far the local market liquidity conditions have held up extremely well.

Overall, we are of the view that the outlook remains slightly somewhat negative, but some of the larger possible risks that were identified last year do not seem to have materialized, and therefore business conditions are still reasonable. However, many uncertainties remain for 2016, and we will maintain a sharp focus on how we manage risk. We continue to maintain capital and liquidity at appropriate levels given current regulations and market conditions, and expect to maintain a relatively conservative position on both during the coming year.

We continue to strive to deliver good quality products and services to our customers, and will focus this year on investing in our infrastructure as part of our efforts to upgrade our product and service offerings. In these uncertain times, we will also be focusing on risk management, and the maintenance of solid levels of capital and liquidity.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with all the code provisions set out in the Corporate Governance Code ("CG Code") contained in Appendix 14 of the Listing Rules throughout the year ended 31 December 2015, with the exception of code provision A.4.1.

Pursuant to code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. The Non-Executive Directors of the Company are not appointed for a specific term, but are subject to retirement by rotation and re-election at annual general meetings in accordance with the provisions of the Company's Articles of Association.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct for directors' securities dealing ("Directors' Dealing Code") on terms no less exacting than the prevailing required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") under Appendix 10 of the Listing Rules. Following specific enquiry, the Directors of the Company confirmed that they had complied with the required standard set out in the Model Code and the Directors' Dealing Code throughout the year ended 31 December 2015.

AUDIT COMMITTEE

The Audit Committee has reviewed with Management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of this financial report and the consolidated financial statements of the Group for the year ended 31 December 2015.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the listed securities of the Company during the year ended 31 December 2015.

ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

Copies of this announcement may be obtained from the Company Secretarial Division of the Group at 36th Floor, Dah Sing Financial Centre, 108 Gloucester Road, Hong Kong, or download from Dah Sing Bank's website at <http://www.dahsing.com>.

The 2015 Annual Report of the Group containing all the information required by the Listing Rules will be published on the websites of the Hong Kong Stock Exchange and Dah Sing Bank in due course. Printed copies of the 2015 Annual Report will be sent to shareholders before the end of April 2016.

BOARD OF DIRECTORS

As at the date of this announcement, the Board of the Company comprises Messrs. David Shou-Yeh Wong (Chairman), Hon-Hing Wong (Derek Wong) (Managing Director and Chief Executive), Gary Pak-Ling Wang and Nicholas John Mayhew as Executive Directors; Messrs. Takashi Morimura (Eiichi Yoshikawa as alternate), Toshihide Motoshita and John Wai-Wai Chow as Non-Executive Directors; Messrs. Robert Tsai-To Sze, Lon Dounn, Seiji Nakamura and Blair Chilton Pickerell as Independent Non-Executive Directors.

By Order of the Board
Doris W. N. Wong
Company Secretary

Hong Kong, Wednesday, 23 March 2016