

Chief Executive Officer's Statement

行政總裁報告

New heights in racing excellence and business results translate into record returns to community

The past year has been a most successful one for The Hong Kong Jockey Club, possibly the most successful in its history. The Club's operations have maintained their steady upward trend; we have been able to help strengthen Hong Kong's international reputation on a number of fronts, and we have generated more benefits than ever for the community through the Club's not-for-profit business model.

Our commitment to global excellence is clearly reflected in record numbers that have lifted Hong Kong racing to new heights as a world leader. Despite a relatively small horse population of 1,200, we had 21 horses featured in the World's Best Racehorse Rankings, equalling our previous best in 2011. Hong Kong-trained horses won four of our six Group One Races open to international competition.

The LONGINES Hong Kong International Races in December confirmed their status as one of the world's great racing events, producing top-class performances with Hong Kong horses winning three of the four International Group One events. Meanwhile Japan's superstar sprinter *Lord Kanaloa* concluded his remarkable career with back-to-back successes in the LONGINES Hong Kong Sprint, lifting his international rating to 128. This makes him the highest-rated horse ever to win one of our Hong Kong International Races.

Our other premier racing events also produced some incredible achievements. *Designs on Rome* was only the third horse in history to win both the BMW Hong Kong Derby and the Audemars Piguet QEII Cup in the same season, making him a worthy winner of the Horse of the Year title. South Africa's two-time Horse of the Year *Variety Club* became the first overseas runner to win our International Group One Champions Mile, making him one of the world's highest-rated milers and a cause for celebration across all of South Africa.

Hong Kong's success in these major races, along with the success of Japan and South Africa, helped remind us all of the national pride and quality of competition on display, as our biggest races continue to grow in global participation and recognition. During the same period of the year, the Club played host to the 35th Asian Racing Conference, attracting a record 800-plus delegates from across the globe and being widely recognised as the best ever.

We had a record five races listed among the World's Top 50 Group/Grade One Races by the International Federation of Horseracing Authorities, while further acknowledgment of our world-class racing product was the promotion of four more domestic races to International Group One status by the Asian Pattern Committee. This brings our total number of International Group One races to ten for the upcoming 2014/15 season, with all three legs of the Hong Kong Triple Crown and the Queen's Silver Jubilee Cup now joining the elite level of world racing.

Overseas, Hong Kong horses achieved unparalleled glory with a record four wins at International Group One level. *Amber Sky* was the first to make his mark on Dubai's big World Cup Day stage with victory in the Al Quoz Sprint, quickly followed by *Sterling City* and *Rich Tapestry* who ran a one-two for Hong Kong in the Dubai Golden Shaheen. In the span of less than an hour, Hong Kong sprinters had sent out a powerful message that was heard around the world. Two months later in Singapore, Hong Kong's Champion Sprinter *Lucky Nine* won the KrisFlyer International Sprint for the second straight year, then *Dan Excel* dominated a top-notch field to win the Lion City's biggest race, the Singapore Airlines International Cup.

For the second straight season, the trainers' championship went down to the final day with contenders Caspar Fownes and John Size combining to win five of the season's last ten races. This left them on equal terms and forced the decision to a tie-breaker, in which a narrow advantage on second places gave Fownes the winning edge. Rookie trainers Chris So and Benno Yung both made a serious impact in their debut seasons to demonstrate the success of home-developed



talent. We also had the pleasure of seeing perhaps the best roster of riders to date and a highly competitive battle for the jockeys' championship, with Zac Purton prevailing to end the 13-year reign of Douglas Whyte.

In business terms, we saw racing turnover rise by more than 10%, passing the HK\$100 billion milestone for the first time to reach HK\$103.92 billion, including bets from overseas. This produced a net margin for the Club of HK\$4.42 billion, a 7.4% increase. More importantly it generated some HK\$12.01 billion for public funds through betting duties, continuing the upward trend that has now seen our return to the public purse from racing grow by almost 54% since the Government agreed to reform the horse race betting duty structure in 2006.

This was also the year in which we were able to offer commingled betting pools at last, in line with rapidly-growing global trends. It was back in 2007 that we first advocated commingling as the racing industry's response to the globalisation of sports betting, in particular to combat the efforts of illegal bookmakers who were taking advantage of the odds differences between different jurisdictions for arbitrage purposes.

Already Hong Kong racing is being broadcast into some 55 million homes in the USA and partnerships with Australia, New Zealand, Singapore, Macau and parts of Europe will get under way in the new season. This will give hundreds of thousands of

racing fans across the globe the opportunity to bet into Hong Kong pools, which have the world's highest liquidity and highest average turnover per race at over HK\$132 million. Commingling will help further in positioning us as a global leader and preventing sizeable pools on Hong Kong racing from developing elsewhere in the world, which could result in a loss of public revenues.

Hong Kong is also highly regarded in racing circles for its wagering systems, its high integrity and its comprehensive provision of racing information. We believe our totalisator system to be the most capable anywhere in the world. During last year, in partnership with leading US financial systems specialist Longitude, we became the first racing organisation globally to introduce a revolutionary new type of technology developed originally for high-speed securities trading, which instantly calculates all possible outcomes of events. This enabled us to provide our customers with highly relevant odds information for exotic bets and introduce a much-upgraded version of the Quartet bet, which has proved very popular. Over time it will allow us to offer still more flexibility and choice to our customers.

We have already seen that investments in technology to present racing in a more creative and dynamic way are an important means of connecting better with our customers. Our introduction last season of the Racing Touch App, a derivative of the ibu system we pioneered in 2012, saw a very positive response. It enables fans to analyse race form and data in an appealing graphical format.

These first-class sporting and business results are the outcome of our long-term strategies and commitment to global excellence in racing, in particular our customer-centric approach allied to clear market segmentation and a comprehensive understanding of the varying needs of different customer groups and the value propositions we can offer them. We want to position Hong Kong racing as a unique and world-class customer experience, whether we provide it at the racecourses or through our various wagering channels.

This has been combined with significant investments in new venues and services under our Racecourse Master Plan, with some HK\$3.4 billion already spent to complete Phases 1 and 2. The quality of these new venues not only receives many compliments from our customers and international guests, but is also recognised outside the racing industry. In December our new Owners Box (OB3) at Sha Tin took the global award for Best International Leisure Interior at the 2013/14 International Property Awards.

During the year we opened another ten new venues at Sha Tin and Happy Valley racecourses, catering to different segments of both our Members and the general public. These include the unique and very popular Hay Market for our younger customers at Sha Tin, and a new Young Members Box called The Chalk at Happy Valley. In the light of these very satisfying results the Board has endorsed in principle Phase 3 of the Racecourse Master Plan, which will involve a further investment of some HK\$2.9 billion.

As part of our commitment to elevate Hong Kong horse racing to global excellence, a vision that was first articulated in year 2000, we have committed substantial resources in the form of prize money to entice Hong Kong horse Owners to bring some of the best thoroughbreds to Hong Kong. With the positioning of our Hong Kong International Races as well as the Audemars Piguet QEII Cup and Champions Mile as global events, we have indeed achieved our objective of becoming a global leader.

However, the competition our Owners now face to purchase world-class horses has increased significantly, which combined with unfavourable exchange rates, has resulted in prices for quality thoroughbreds increasing by around 20-30%. We could this year see a negative impact on the quality of young horses imported into Hong Kong, with the population of 3 to 5-year-olds rated at 80 and above dropping by around 20%, creating the risk of fewer Class 1 and Class 2 races which are key business drivers. Furthermore the prize money for top races around the world has steadily increased as major jurisdictions compete aggressively to attract the world's best horses.

In light of this, we have increased total prize money and incentives to import quality horses by 10% for the coming season to HK\$990 million, as we want to give our valued Owners the encouragement to continue investing in top quality thoroughbreds that can further enhance our racing brand. It will maintain Hong Kong's position as the highest-paying jurisdiction in world racing, with average prize money of close to HK\$1.3 million per race. At the top end, our LONGINES International Races will see a 15% increase and the Audemars Piguet QEII Cup an even higher increase to HK\$20 million.

Another important element of our efforts to meet world-class standards is the redevelopment of our existing training facilities at Sha Tin, where we are investing more than HK\$500 million to bring the 36-year old stables back up to modern standards. The refurbishment of all six three-storey stable blocks is now complete and we will shortly start work on the remaining 14 two-storey blocks. All the renovated stables offer a better environment for our horses and are more energy-efficient.

While these upgrades improve the current facilities, they are not sufficient to address the long-term need to improve our training capabilities in line with the vision of world-class racing. Unfortunately we have not been able to secure more land in Hong Kong to build an uphill gallop, additional training tracks with different surfaces or more stables to accommodate the significant increase of interest in horse ownership. Our strategic Conghua Racehorse Training Centre project has been designed to address these issues, but has experienced significant challenges, which have resulted in a substantially delayed schedule.

Among the contributory factors have been delays in securing approval of the Environmental Impact Assessment and

permission to start work, and severe weather which highlighted design issues, as well as quality issues with our contractor in relation to delivering the standard we want to achieve. We have had to review the design and replace the main contractor, as well as build a stronger Mainland team to ensure the project can be completed to our expected quality standard, and are now making sufficient progress to target an opening date in the 2017/18 season. In the meantime, with the strong support of the Hong Kong, Guangdong and Central Governments, we have made valuable progress on a number of other fronts in the past year, especially in regards to horse movement with seamless border crossings and quarantine arrangements, which are critical to ensuring a smooth operation.

Turning to the football betting side, we saw excellent results again with a 22.9% increase in gross turnover to HK\$62.20 billion, generating HK\$4.88 billion in tax payments and the same in net margin. As might be expected, an important contributor to this was the 2014 World Cup, for which 54 of the 64 matches fell into the financial year. However, this was far from the only factor, as we saw steady growth throughout the year after conducting a systematic analysis of how we could compete better with the illegal market and channel more of the growing local football betting demand to the legal operator. This initiative has been successful and we were able to attract many customers who were patronising illegal operators to bet more with us.

As in racing, we see technology as an essential element in connecting better with our football customers and offering them a unique service experience. Given the rapid and significant changes occurring in today's digital world, connecting with our customers will become ever more important as a means of maintaining competitiveness in a very dynamic environment, especially in terms of competing with the illegal market. Going forward, we expect to face a technology war with illegal and offshore operators. For this reason, we have now started the development of a next-generation wagering and information system, which will be a five-year journey. To realise its full benefits, however, we need support from our regulators in ensuring that the Club can stay competitive. Imposing further restrictions on us will only benefit the illegal operators, as it will not stop those who wish to bet from doing so.

During last year, to stay competitive and strengthen customer loyalty, we introduced innovative applications like the Mobile Live Centre App, which offers customers live webcasts of selected football matches on their tablets or smartphones as well as real-time data on many more leagues and competitions, including match statistics, live commentaries, goal alerts and live graphic simulations of key moments.

What the World Cup did do was highlight the continued scale of the illegal gambling problem in Hong Kong and, indeed, throughout Asia. During the tournament, Hong Kong police seized illegal football betting records worth about HK\$750 million in some 140 separate raids – more than double the amount seized for the previous World Cup in 2010. Moreover, it's clear that this is only the tip of the iceberg; our studies indicate that local residents lose up to HK\$12 billion a year in illicit bets. When added to the estimated HK\$31 billion that Hong Kong residents lose to legal casino operations in Macau, the scale of the local gaming demand captured by illegal and offshore operators becomes clear.

This should be of great concern to everyone, as apart from bringing no benefits to Hong Kong in terms of tax revenues, illegal and offshore gambling is associated with numerous social ills including credit betting – which can lead to problem gambling – underage gambling, loansharking and money laundering.

As regards the Mark Six, turnover last year showed a modest 3.7% increase to HK\$7.91 billion, generating HK\$1.98 billion in lottery duty payments, commission of HK\$475 million for the Club, and a HK\$1.19 billion contribution to the Lotteries Fund. While growth in the Mark Six has remained largely flat in recent years, it remains a favourite form of thrice-weekly entertainment for the population at large, with several large jackpots creating wide public interest during the year. It also continues to play an important role in supporting social welfare projects citywide through the Lotteries Fund.

In total, maintaining their steady upward trend, our Club operations delivered a strong financial performance for the year with record turnover of HK\$174.03 billion from racing, football betting and the Mark Six. This generated total contributions to the public purse of HK\$19.58 billion in betting or lottery duties and tax, an 11.1% increase and another new record. Our net surplus after tax passed the HK\$4 billion mark again and this enabled us to make a higher donation to the Charities Trust. In the light of these increased donations from the Club in recent years due to encouraging business results, the Trust decided it could give back more to the community and increased its donations to HK\$3.61 billion, an increase of nearly 85% on last year's HK\$1.95 billion.

Our Chairman has elaborated on how the Trust, besides continuing to support many smaller community projects, is using the additional resources available to address more strategic needs and create added value for Hong Kong. I would like to emphasise that our Charities management team puts significant time and research into identifying areas of currently unmet need, as well as future needs. We look not only at funding hardware to bridge these gaps, but also at related software and capabilities to create projects that can add value. Our approach is far from simply writing cheques; we take a very proactive role, working alongside our partners to ensure each donation will achieve the best possible long-term outcome.

One area I should like to highlight is youth development, which we see as being especially important in building a better Hong Kong for future generations. A good example is our collaboration with Manchester United Football Club, involving five interlinked programmes that promote the health and social benefits of sport among the young generation while helping Hong Kong raise its standards in the international sporting arena in a systematic manner. In my view there is no better channel than sport for developing character, team spirit and leadership qualities.

Membership has been at the heart of the Club's racing activities since its foundation in 1884, and the support of our Members remains key to achieving world-class racing. Through our membership services we aim to provide an elegant lifestyle, with the connectivity to horse racing being a key value proposition that distinguishes the HKJC from other clubs. As part of the Racecourse Master Plan we have invested HK\$695 million in upgraded membership facilities at the two racecourses, which have been well received. Further enhancements are planned for

the coming years. The same applies to our three clubhouses in Hong Kong where we have invested HK\$257 million in the past four years, ranging this year from the chalets at Beas River to the main entrance at Sha Tin.

Due to the popularity of the clubhouses we face capacity issues, especially at Happy Valley, and management have undertaken a systematic study of Members' needs as well as how to position the Club's offerings for the next membership generation. As a fundamental step towards addressing this issue, one of our strategic projects is a detailed concept and feasibility study for an extension of the Happy Valley Clubhouse.

Another of our membership offerings, the Racing Club, has shown tremendous growth over the past year. We now have 960 Racing Club Members, who have developed a strong association with horse racing. Its offerings are attractive to a younger audience and encouragingly, some 28% of its Members are aged 30 or under. In fact our Racing Club facilities have reached maximum capacity at both racecourses and we are planning to increase their scale within the next three years.

Meanwhile our Beijing Clubhouse continues to prove popular with both Hong Kong and Mainland-based Members. To maintain its top-class standards, we have recently completed several major enhancements, in particular expansion of the private dining rooms to cater for our Members' needs.

Looking ahead, I am cautiously optimistic of seeing continued positive growth, but competition in the leisure and entertainment business is growing all the time. In the light of our significant investments and resulting increase in our cost base, we have to maintain steady growth to sustain and be able to increase our contributions to the community.

This will be the Club's 130th Anniversary year and we intend to mark it with a series of special events and activities to raise public awareness of the unique role the Jockey Club has played in the city's development since 1884, and how it continues to add value to Hong Kong through providing world-class sporting entertainment, creating employment, generating huge tax revenues and giving back to the community through charitable donations. These multi-faceted contributions serve as powerful enabling force in building a better Hong Kong.

My sincere thanks to the Board of Stewards for their guidance and support, especially our outgoing Chairman Brian Stevenson, whose passion for both horse racing and the Club's community role have contributed enormously to maximising our contributions on both fronts these past four years. A huge thank-you, too, to our dedicated management team and staff, who have all played their own important role in making this such a remarkable year.

Winfried Engelbrecht-Bresges

Chief Executive Officer

25 July 2014

賽馬高峰 亮麗業績 回饋社會 歷年新高

去年，香港賽馬會成績斐然，甚至可以說是歷史上最成功的一年。我們的業務繼續穩步上揚，同時成功在各方面協助香港打響國際聲譽，更透過非牟利營運模式，為社會謀取更大的福祉。

憑藉精益求精的進取精神，我們去年取得多項紀錄，進一步推展香港在世界馬壇的領導地位。本港賽駒數目相對較少，只有約一千二百匹，但年內卻有二十一匹賽駒名列「世界馬匹年終排名」榜上，與二〇一一年所創下的最高紀錄看齊。同時，香港訓練的佳駒，於本港舉辦的六項國際一級賽中勇奪四冠佳績。

十二月舉行的浪琴表香港國際賽事，乃全球最佳賽馬盛事之一，雲集各國頂級賽駒，但本港佳駒仍於四項國際一級賽中摘下三冠；而浪琴表香港短途錦標，則由日本王者「龍王」蟬聯冠軍，為其競賽生涯畫上完美句號。賽後，「龍王」的國際評分增至一百二十八分，躍升為評分最高的香港國際賽事冠軍佳駒。

馬會舉辦的其他頂級賽事，同樣精彩絕倫。「威爾頓」成為史上第三匹於同一季內同時贏得寶馬香港打吡大賽及愛彼女皇盃的佳駒，榮膺本年度香港馬王可謂實至名歸。南非兩屆馬王「繽紛會」成為首匹勝出本港國際一級賽「冠軍一哩賽」的海外賽駒，並晉身為全球評分最高的一哩馬之一，南非的馬迷當然雀躍不已。

香港賽駒於上述大賽取得佳績，而日本及南非佳駒的卓越表現則成功為其國家爭光，同時令香港舉辦的大賽日更加備受推崇，吸引越來越多的海外賽駒參加。同一馬季內，馬會舉辦第三十五屆亞洲賽馬會議，吸引來自全球逾八百名業界人士出席，人數為歷屆之冠，更被視為歷來最成功的亞洲賽馬會議。

香港共有五項賽事被列入國際賽馬組織聯盟全球五十大一級賽排名榜，誠屬一項驕人紀錄；二〇一四/一五年度馬季，另有四項香港賽事獲亞洲分級賽事委員會升格為國際一級賽，包括三冠大賽三關賽事及女皇銀禧紀念盃，令本港國際一級賽總數增至十項，進一步證明我們的賽馬產品達國際級水平。

此外，香港佳駒於季內創下空前佳績，於海外攻下四項國際一級賽：先有「崇山寶」於杜拜世界盃賽馬日舉行的阿喬斯短途錦標摘下桂冠，不足一小時後，「練力之城」與「好好計」於杜拜金莎軒錦標為香港包辦此賽首兩名，向全球展示本港短途佳駒的非凡實力。兩個月後，香港賽駒又再揚威新加坡：冠軍短途賽駒「天久」蟬聯KrisFlyer國際短途錦標冠軍，而「花月春風」則勝出漂亮一仗，贏得獅城最大型賽事新航國際盃。

一如往年，今季冠軍練馬師之爭於煞科日方能分出高下。當天最後十場賽事，方嘉柏與蔡約翰二人共取得五勝，由於兩人的頭馬及平頭冠軍數目相同，因此須以兩人上名次數決定勝負，而先獲考慮的是所取得的亞軍次數，結果方嘉柏險勝，榮膺今季冠軍練馬師。季內升任練馬師的蘇偉賢與容天鵬，於其首季均取得卓越成績，證明本地賽馬人才之實力。此外，今季騎師陣容可算歷來最強，冠軍之爭亦見精彩，最後由潘頓勇奪此項殊榮，打破韋達過去連續十三季奪冠的局面。

在業務表現方面，今季本地及海外賽馬投注總額上升多於百分之十，首次突破一千億大關，達一千零三十九億二千萬元，而馬會的純利則上升百分之七點四，達四十四億二千萬元。最重要的是，馬會繳納的賽馬博彩稅額繼續呈現上升趨勢，今季為庫房帶來一百二十億一千萬元收入。自政府於二〇〇六年同意改革賽馬博彩稅制度以來，馬會賽馬業務為庫房帶來的收入，至今上升約百分之五十四。

年內，我們終於趕上全球發展趨勢，成功推出匯合彩池。早於二〇〇七年，鑑於體育博彩活動日益全球化，馬會首次建議推出賽馬匯合彩池，以堵塞非法外圍莊家利用不同賽馬地區的賠率差異進行套數。

香港賽馬現已轉播至約五千五百萬個美國家庭，而來季，我們將與澳洲、新西蘭、新加坡、澳門及部分歐洲國家繼續商討落實匯合彩池的合作協議，讓全球數十萬計馬迷得以投注於香港彩池。本港彩池規模及每場賽事的平均投注額均是全球之冠，後者高達一億三千二百多萬港元。匯合彩池安排有助鞏固本港在全球馬壇的領導地位，並防止其他國家或地區出現具規模的香港賽事彩池，影響本地庫房收入。

香港賽馬的投注系統、高誠信度及完備的賽馬資訊在業內深受推崇。我們的電算機系統相信是全球功能最佳。去年，我們與美國金融市場領先系統專家Longitude合作，引進原本用於高速證券交易的新科技，成為全球首個運用此項革命性科技的賽馬組織。有關技術可為彩池內的不同組合計算出實時賠率，令顧客得悉最新的詳盡賠率資訊，並助馬會重新推出更完善的四重彩池，大受顧客歡迎。長遠而言，Longitude技術將有助馬會為顧客提供更靈活和更多選擇的服務。

我們明白要與顧客連結，創新靈活地運用科技乃重要一環。早於二〇一二年，我們率先推出ibu系統，去季，我們更推出其衍生版「Racing Touch」流動應用程式，讓馬迷透過生動吸引的模擬動畫，分析馬匹狀態及資料，頗受顧客歡迎。

我們的賽馬業績亮麗，全賴我們一直精益求精，並制定長遠策略，竭力將本港賽馬提升至國際水平。值得一提的是，我們透過清晰的市場分類，深入了解不同客戶群的需要，再制定以客為尊的策略，向他們提供最貼身的服務。我們希望顧客不論身處馬場，抑或透過不同渠道觀賞賽馬，均可領略到獨特的世界級賽事體驗。

為達至此一目標，我們推出馬場發展大綱，投放約三十四億港元，優化我們的設施及服務，計劃的首兩個階段經已完成。新增設施的一流質素，不但贏得顧客及海外客人的讚譽，更揚威其他領域，當中沙田馬場馬主廂房三樓於十二月在「國際房地產大獎2013/14」國際總決賽中勇奪「國際最佳休閒建築室內設計獎」。

去年，我們於沙田馬場及跑馬地馬場增設了十項獨特設施，以滿足不同會員及市民的需要，當中包括位於沙田的「喜馬當先」及位於跑馬地的「Young Members廂房」，名為「勝於藍」，大受年青顧客歡迎。由於各項新增設施均非常成功，故董事局已原則上通過進一步投資約二十九億港元，推行馬場發展大綱第三階段。

馬會早於二〇〇〇年已開始著力將香港賽馬提升至國際水平，為此，我們提供富吸引力的賽事獎金，務求吸引香港馬主將優質純種馬引進香港。香港國際賽事、愛彼女皇盃及冠軍一哩賽多年來已成為國際知名的重要賽事，印證我們成功將香港打造成全球馬壇領導者。

然而，馬主於海外選購優質馬匹時，所面對的競爭日趨激烈，加上港元匯率偏軟，以致優質佳駒價格上升約百分之二十至三十，我們留意到上述情況或漸影響到進口香港的年輕馬之質素。今年，評分為八十分或以上的三至五歲賽駒數目下跌約百分之二十，如此或會導致第一班及第二班賽事減少，而此等賽事對賽馬業務表現具有重要影響。此外，世界各地的賽馬機構皆想盡辦法，吸引最頂尖的賽駒角逐他們所辦的賽事，以致全球主要賽事的獎金正不斷增加。

有見及此，來季賽事總獎金將提高百分之十，達九億九千萬港元，以吸引馬主繼續投放資源引入高質素賽駒，務求維持及提升我們的高水準賽馬品牌。獎金提高後，每場賽事的獎金平均約為一百三十萬港元，以此而言香港將繼續成為全球提供最高賽馬獎金的地區。當中，頂級賽事浪琴表香港國際賽事的獎金將增加百分之十五，而愛彼女皇盃增幅更大，總獎金將達二千萬港元。

要提升賽馬水平，翻新沙田的訓練設施乃重要一環。我們投資超過五億港元，為已服務三十六年的馬房增添現代化設備，包括節能設施；當中，六幢三層高馬房的翻新工程已全部完成，而餘下十四幢兩層高馬房的相關工程亦快將開始，為馬匹提供更舒適的環境。

雖然上述翻新工程改善了現有設施，但卻未能應付我們的長遠需要。要維持香港賽馬水準在世界頂級水平，我們必須改善馬匹訓練設施。可惜的是，我們並未獲批土地，未能在香港增建上斜訓練跑道及其他不同類型的訓練跑道，亦未能增設馬房，以應付大幅增加的養馬需求。興建從化馬匹訓練中心正是我們為解決此一問題而開展的策略性項目；然而，工程期間遇上種種挑戰，以致進度一再延誤。

當中的挑戰包括：工程的環境影響評估未能如期通過，相關工程批文亦未能如期批出，加上惡劣天氣暴露了工程設計問題，而承建商的表現亦未達我們的要求。

因此，我們必須重新檢討工程設計，並委任另一承建商，同時建立更強大的內地事務團隊，確保工程能順利完成，並符合我們要求的質素水平。工程現正繼續進行，目標在二〇一七/一八年度馬季啟用。不過與此同時，在香港、廣東省及中央政府大力支持下，我們去年在其他相關事務上均取得長足進展，特別是馬匹跨境運送及檢疫系統的安排，這些對將來從化馬匹訓練中心的順利運作均十分重要。

今年的足球博彩業務，延續去年佳績，表現驕人，總投注額上升百分之二十二點九，達六百二十二億港元，繳納稅款及純利同樣達四十八億八千萬港元。二〇一四年世界盃共舉行六十四場賽事，其中五十四場於本財政年度內上演，為足球博彩業務注入強大動力。然而，足球投注額於年內穩步上揚，我們的系統化分析亦應記一功。有關分析探討如何與非法外圍莊家競爭，將本地足球博彩需求納入合法市場，成功協助我們將非法外圍莊家的顧客帶進馬會。

一如賽馬業務，我們明白要與足球博彩顧客連結，為他們提供獨特服務體驗，必須善用科技。在現今電子科技普及的世代，資訊瞬息萬變，要保持競爭力，抗衡非法外圍市場，與顧客連結至為重要。我們預計將要面對非法離岸博彩營運機構進行的科技戰，為作好準備，我們已開展研發下一代的投注及資訊系統。有關項目需時五年，同時需要本港監管機構的支持，以維持馬會的競爭力。任何加諸馬會的制肘，均無助減低投注人士的博彩意欲，只會惠及非法外圍莊家。

為保持競爭力及爭取顧客支持，我們去年推出多項創新的應用程式，例如「JC足球實況」服務，讓顧客於平板電腦或智能手機，欣賞精選足球直播賽事，並獲取更多聯賽和其他主要賽事的即時資訊，包括統計數字、文字評述、入球提示及以圖像直播模擬球賽重要事件。

世界盃顯示了非法外圍賭博問題猖獗，對香港甚至全亞洲影響深遠。賽事期間，香港警方採取約一百四十次突擊行動，搜出非法外圍賭約達七億五千萬港元，是二〇一〇年上屆賽事的兩倍多；而且，這肯定只是冰山一角；我們的調查顯示，本港市民每年輸給非法博彩機構的注碼，高達一百二十億港元，而輸給澳門合法賭場的注碼，估計達三百一十億港元，二者相加數目之大，足證非法及離岸博彩機構蠶食了龐大的本地博彩需求。

非法及離岸博彩活動不但對香港庫房毫無貢獻，而且涉及大量社會問題，包括容易引致問題賭博的信貸賭博、未成年賭博、非法借貸及洗黑錢等活動，值得香港市民關注。

六合彩方面，去年的投注額輕微上升百分之三點七，達七十九億一千萬港元；我們繳納的獎券博彩稅及向獎券基金所付的款項分別達十九億八千萬港元及十一億九千萬港元，而馬會獲取的佣金則為四億七千五百萬港元。雖然六合彩業務近年只錄得窄幅增長，但大部分市民仍然非常熱中於此項每星期舉行三次的娛樂活動，年內數次大額多寶獎金攪珠更掀起熱潮；而六合彩對獎券基金所付的款項，更一直支持多項全港社會福利項目。

整體而言，馬會業務年內穩步上揚，財務表現強勁，賽馬、足球博彩及六合彩投注額創下新高，達一千七百四十億三千萬港元，透過博彩稅、獎券博彩稅及其他稅項，為庫房帶來合共一百九十五億八千萬港元收入，較去年增加百分之十一點一，並打破歷年紀錄。馬會近年的業績令人鼓舞，今年扣除稅項後的盈餘再次突破四十億港元大關，撥捐慈善信託基金的款額因而有所增加。基金為進一步回饋社會，因此決定增加捐款至三十六億一千萬港元，較去年十九億五千萬港元上升約百分之八十五。

主席於報告中已闡述除繼續支持大量社區項目外，基金如何運用額外撥款，應付社會的策略性需要及為本港創造附加價值。我必須強調，基金的管理團隊花上大量時間，研究及發掘目前需要支援的社會領域及未來的需要。我們不但資助硬件需要，而且著重相關軟件投資，推出可為社會創造附加價值的項目。馬會的慈善項目方案，遠遠不單只提供金錢資助，而是積極與合作夥伴並肩作戰，確保我們所捐的一分一毫均能為社會帶來最大的長遠裨益。

在此，讓我談談青少年發展項目。我們相信，要為下一代建設更美好香港，投資予青少年發展尤為重要。我們與曼聯足球會的合作項目乃當中的佼佼者；項目包括五項相關計劃，旨在向年輕一代宣揚體育活動對健康及社會帶來的好處，同時有系統地提升香港在國際體壇的地位。我認為，體育活動是培養良好品格、團隊精神及領導才能的最佳渠道。

自馬會於一八八四年成立以來，會員事務一直是我們賽馬業務中的重要一環，故會員的支持，是我們成功打造世界級賽事的關鍵。我們的會員服務，旨在提供優雅生活享受，而有關服務與賽馬活動緊密相連，乃我們的價值所在，彰顯馬會與其他會所的不同之處。按照馬場發展大綱，我們撥款六億九千五百萬港元，提升了兩個馬場的會員設施，大受會員歡迎。因此，我們計劃未來進一步投資會員設施改善工程。此外，我們於過往四年，亦撥款二億五千七百萬港元，提升香港三個會所的設施，年內提升的設施包括雙魚河會所的客房及沙田會所的正門入口。

我們的會所深受歡迎，設施供不應求，當中以跑馬地會所尤為嚴重，因此，管理層已就會員的需要及如何為新一代會員提供優質設施進行系統化研究，解決方案的重要一環，乃推行策略性項目，包括就跑馬地會所擴建工程進行詳細的概念及可行性研究。

馬會另一項會員業務競駿會，有助培養年青人對賽馬的興趣。該會於去年錄得顯著增長，會員人數已達九百六十人。競駿會成功吸納不少青年會員，當中約百分之二十八的會員不超過三十歲，實在令人鼓舞。實際上，兩個馬場的競駿會設施用量經已飽和，故我們正計劃於未來三年內增加有關設施。

同時，我們的北京會所繼續深受香港及國內會員歡迎。為保持一流水平，我們最近完成了數項重大改善工程，特別是擴建了私人廂房，以滿足會員的需要。

展望未來，我對馬會的持續增長保持審慎樂觀，但亦不忘消閒娛樂業的激烈競爭。由於我們作出龐大的業務投資，以致成本基礎增加，故必須確保業績穩步上揚，方可持續發展，對社會作出更大貢獻。

馬會今年將踏入一百三十週年，我們準備推出一系列特別慶祝活動，讓公眾加深了解馬會自一八八四年成立以來，在本港發展扮演的獨特角色，以及如何透過提供世界級體育娛樂、創造就業機會、繳納龐大稅款和捐助慈善項目回饋社會，持續為香港社會增值。我們的多方面貢獻，為社會注入強大動力，共建更美好香港。

我衷心感謝馬會董事局的寶貴指導及支持，特別是將卸任的施文信主席。過去四年，主席對賽馬運動的熱誠及對馬會履行社會責任的堅持，造就馬會大大提升對賽馬行業及社會的貢獻。我亦非常感謝馬會管理委員會各位同袍和全體員工的忠誠服務，馬會去年取得如此驕人業績，他們功不可沒。

行政總裁 應家柏

二〇一四年七月二十五日