

CNC HOLDINGS LIMITED

中國新華電視控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock code 股份代號: 8356



2019/2020

INTERIM REPORT
中期報告

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Directors”) of CNC Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司（「聯交所」）GEM之特色

GEM之定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資者應了解投資於該等公司之潛在風險，並應經過審慎周詳考慮後方作出投資決定。

由於**GEM**上市的公司普遍為中小型公司，在**GEM**買賣之證券可能會承受較於聯交所主板買賣之證券為高之市場波動風險，亦無法保證在**GEM**買賣之證券會有高流通量之市場。

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本報告載有根據聯交所**GEM**證券上市規則（「**GEM**上市規則」）而提供有關中國新華電視控股有限公司（「本公司」）之資料，本公司各董事（「董事」）願就本報告共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所知及所信，本報告所載資料在所有重大方面均屬準確、完整及並無誤導或欺詐成份，且本文或本報告並無遺漏任何其他事項致使當中任何聲明有所誤導。

HIGHLIGHTS

- The Group's revenue for the six months ended 30 September 2019 decreased by approximately 22.0% to approximately HK\$110.7 million (2018: approximately HK\$142.0 million).
- Loss attributable to the owners of the Company for the six months ended 30 September 2019 increased by approximately 20.3% to approximately HK\$47.5 million (2018: approximately HK\$39.5 million).
- Basic loss per Share for the six months ended 30 September 2019 was approximately HK1.17 cents (2018: approximately HK0.97 cent).
- The Board does not recommend the payment of any dividend for the six months ended 30 September 2019.

摘要

- 本集團截至二零一九年九月三十日止六個月的收益減少約22.0%至約110,700,000港元(二零一八年:約142,000,000港元)。
- 截至二零一九年九月三十日止六個月本公司擁有人應佔虧損增加約20.3%至約47,500,000港元(二零一八年:約39,500,000港元)。
- 截至二零一九年九月三十日止六個月的每股股份基本虧損為約1.17港仙(二零一八年:約0.97港仙)。
- 董事會不建議就截至二零一九年九月三十日止六個月派付任何股息。

The board of Directors (the “Board”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 September 2019, together with the unaudited comparative figures for the corresponding periods in 2018, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three months and six months ended 30 September 2019

董事會（「董事會」）欣然宣佈本公司及其附屬公司（統稱「本集團」）截至二零一九年九月三十日止六個月之未經審核簡明綜合業績連同二零一八年同期之未經審核比較數字如下：

簡明綜合損益及其他全面收益表（未經審核）

截至二零一九年九月三十日止三個月及六個月

		Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益	110,706	141,962	51,052	73,210
Cost of services	服務成本	(121,483)	(143,186)	(58,534)	(76,395)
Gross loss	毛損	(10,777)	(1,224)	(7,482)	(3,185)
Other income	其他收入	184	206	88	103
Other gains and losses	其他收益及虧損	1,018	1,276	394	604
Amortisation expenses	攤銷開支	(9,183)	(9,461)	(4,616)	(4,704)
Selling and distribution expenses	銷售及分銷開支	(578)	—	(289)	—
Administrative expenses	行政開支	(14,224)	(10,793)	(7,525)	(5,443)
Changes in fair value of financial assets at fair value through profit or loss	透過損益按公平值入賬之 金融資產之公平值變動	(2,162)	(8,088)	(1,583)	(4,740)
Loss from operations	營運虧損	(35,722)	(28,084)	(21,013)	(17,365)
Finance costs	融資成本	(13,884)	(12,848)	(7,059)	(6,465)
Loss before income tax	除所得稅前虧損	(49,606)	(40,932)	(28,072)	(23,830)
Income tax	所得稅	2,094	1,437	1,057	1,107
Loss for the period	期內虧損	(47,512)	(39,495)	(27,015)	(22,723)
Other comprehensive loss:	其他全面虧損：				
Items that may be classified subsequently to profit or loss:	其後可分類至損益的項目：				
Exchange differences on translating foreign operations	換算境外業務之匯兌差額	(632)	(1,123)	(473)	(395)
Items that will not be reclassified to profit or loss:	不會重新分類至損益的項目：				
Change in fair value of financial assets measured at fair value through other comprehensive income	透過其他全面收益按 公平值計量之金融資產之 公平值變動	—	(700)	—	(700)
Other comprehensive loss for the period, net of tax	期內其他全面虧損，扣除稅項	(632)	(1,823)	(473)	(1,095)
Total comprehensive loss for the period	期內全面虧損總額	(48,144)	(41,318)	(27,488)	(23,818)
Loss for the period attributable to the owners of the Company	本公司擁有人應佔期內虧損	(47,512)	(39,495)	(27,015)	(22,723)
Total comprehensive loss for the period attributable to the owners of the Company	本公司擁有人應佔期內全面虧損總額	(48,144)	(41,318)	(27,488)	(23,818)
Loss per Share attributable to the owners of the Company — Basic and diluted (HK cent(s))	本公司擁有人應佔每股股份虧損 — 基本及攤薄（港仙）	(1.17)	(0.97)	(0.67)	(0.56)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 September 2019 於二零一九年九月三十日

		Notes 附註	As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	33,791	38,302
Right-of-use assets	使用權資產		13,902	—
Intangible assets	無形資產	15	35,179	44,362
Deferred tax assets	遞延稅項資產		274	320
Financial assets at fair value through other comprehensive income	透過其他全面收益按公平值 入賬之金融資產		—	1,245
			83,146	84,229
Current assets	流動資產			
Trade and other receivables	貿易及其他應收款項	16	86,334	105,738
Contract assets	合約資產		13,059	15,517
Tax recoverable	可收回稅項		521	521
Financial assets at fair value through profit or loss	透過損益按公平值入賬之 金融資產		4,018	6,181
Cash and cash equivalents	現金及現金等價物		67,251	79,915
			171,183	207,872
Total assets	總資產		254,329	292,101
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	17	94,732	88,973
Contract liabilities	合約負債		51,465	65,156
Finance lease payables	融資租賃應付款項		—	42
Lease liabilities	租賃負債		9,228	—
Employee benefits	僱員福利		3,550	3,550
Promissory note	承兌票據	18	43,891	—
Current tax liabilities	當期稅項負債		17,490	16,904
			220,356	174,625

			As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
		<i>Notes</i> 附註		
Net current (liabilities)/assets	流動(負債)/資產淨額		(49,173)	33,247
Total assets less current liabilities	總資產減流動負債		33,973	117,476
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債		6,631	—
Promissory note	承兌票據	18	—	43,123
Convertible notes	可換股票據	19	234,003	225,475
Interest payables	應付利息	17	—	2,214
Deferred tax liabilities	遞延稅項負債		11,004	13,655
			251,638	284,467
Total liabilities	總負債		471,994	459,092
Net liabilities	負債淨額		(217,665)	(166,991)
Capital and reserves	資本及儲備			
Share capital	股本	20	4,055	4,055
Reserves	儲備		(221,720)	(171,046)
Total Equity	總權益		(217,665)	(166,991)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

簡明綜合權益變動表（未經審核）

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

		Share capital	Share premium*	Convertible notes equity reserves*	Foreign currency translation reserves*	Investment revaluation reserves*	Capital reserves*	Other reserves*	Accumulated losses*	Total equity
		股本	股份溢價*	可換股票據權益儲備*	外幣換算儲備*	投資重估儲備*	資本儲備*	其他儲備*	累計虧損*	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
As at 1 April 2019	於二零一九年四月一日	4,055	1,238,195	14,400	(1,647)	(1,057)	2,758	41,214	(1,464,909)	(166,991)
Adoption of HKFRS 16	採納香港財務報告準則第16號	-	-	-	-	-	-	-	(2,530)	(2,530)
Adjusted balance at 1 April 2019	於二零一九年四月一日之經調整結餘	4,055	1,238,195	14,400	(1,647)	(1,057)	2,758	41,214	(1,467,439)	(169,521)
Loss for the period	期內虧損	-	-	-	-	-	-	-	(47,512)	(47,512)
Other comprehensive loss for the period:	期內其他全面虧損：									
Items that may be classified subsequently to profit or loss:	其後可分類至損益之項目：									
Exchange differences on translating foreign operations	換算境外業務之匯兌差額	-	-	-	(632)	-	-	-	-	(632)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	(632)	-	-	-	(47,512)	(48,144)
Transfer to accumulated losses upon derecognition of financial assets at fair value through other comprehensive income	取消確認透過其他全面收益按公平值入賬之金融資產後轉撥至累計虧損	-	-	-	-	1,057	-	-	(1,057)	-
As at 30 September 2019 (unaudited)	於二零一九年九月三十日（未經審核）	4,055	1,238,195	14,400	(2,279)	-	2,758	41,214	(1,516,008)	(217,665)
As at 1 April 2018	於二零一八年四月一日	4,055	1,238,195	1,304	(116)	-	2,758	21,862	(1,399,354)	(131,296)
Loss for the period	期內虧損	-	-	-	-	-	-	-	(39,495)	(39,495)
Other comprehensive loss for the period:	期內其他全面虧損：									
Items that may be classified subsequently to profit or loss:	其後可分類至損益之項目：									
Exchange differences on translating foreign operations	換算境外業務之匯兌差額	-	-	-	(1,123)	-	-	-	-	(1,123)
Items that will not be reclassified to profit or loss:	將不會重新分類至損益之項目：									
Change in fair value of financial assets measured at fair value through other comprehensive income	透過其他全面收益按公平值計量之金融資產之公平值變動	-	-	-	-	(700)	-	-	-	(700)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	(1,123)	(700)	-	-	(39,495)	(41,318)
As at 30 September 2018 (unaudited)	於二零一八年九月三十日（未經審核）	4,055	1,238,195	1,304	(1,239)	(700)	2,758	21,862	(1,438,849)	(172,614)

* The aggregate amount of these balances of approximately HK\$221,720,000 in deficit (31 March 2019: approximately HK\$171,046,000) is included as reserves in the condensed consolidated statement of financial position.

* 該等結餘款額共虧絀約221,720,000港元（二零一九年三月三十一日：約171,046,000港元）已計入簡明綜合財務狀況表內作為儲備。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

簡明綜合現金流量表（未經審核）

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net cash (used in)/generated from operating activities	經營活動（所用）／產生之現金淨額	(3,068)	5,321
Investing activities	投資活動		
Disposal of financial assets at fair value through other comprehensive income	出售透過其他全面收益按公平值入賬之金融資產	1,245	—
Purchase of property, plant and equipment	購買物業、廠房及設備	(5,956)	(15,673)
Additions to right-of-use assets	添置使用權資產	(259)	—
Other cash flows generated from investing activities	投資活動所得之其他現金流量	231	132
Net cash used in investing activities	投資活動所用現金淨額	(4,739)	(15,541)
Net cash used in financing activities	融資活動所用現金淨額	(4,693)	(1,582)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(12,500)	(11,802)
Cash and cash equivalents at the beginning of the period	期初現金及現金等價物	79,915	70,296
Effects of foreign exchange rate changes	匯率變動之影響	(164)	64
Cash and cash equivalents at the end of the period	期末現金及現金等價物	67,251	58,558
Analysis of cash and cash equivalents	現金及現金等價物分析		
Cash and bank balances	現金及銀行結餘	67,251	58,558

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 15 March 2010 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The registered office and principal place of business of the Company are located at the offices of Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Suites 2708-2710, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong respectively.

The Company's ordinary shares (the "Share(s)") were listed on GEM of the Stock Exchange on 30 August 2010 by way of placing.

The principal activities of the Company are investment holding. The subsidiaries are engaged in the provision of civil engineering services for the public sector in Hong Kong and television broadcasting business in the Asia-Pacific region (excluding the People's Republic of China (the "PRC")) in return for advertising and related revenue.

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2019 (the "Interim Financial Statements") have been prepared in accordance with the Hong Kong Accounting Standards ("HKAS") 34 "Interim Financial Reporting", other relevant Hong Kong Accounting Standards, Interpretations and the Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the GEM Listing Rules.

1. 一般資料

本公司於二零一零年三月十五日根據開曼群島第22章公司法（一九六一年法例3，經綜合及修訂）於開曼群島註冊成立為獲豁免有限責任公司。本公司之註冊辦事處及主要營業地點分別為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands及香港灣仔告士打道108號光大中心2708-2710室。

本公司普通股（「股份」）於二零一零年八月三十日以配售方式在聯交所GEM上市。

本公司的主要業務為投資控股，而附屬公司則在香港為公營部門提供土木工程服務及於亞太區（不包括中華人民共和國（「中國」））從事電視播放業務，以取得廣告及相關收益。

2. 呈列基準及主要會計政策

(a) 遵例聲明

截至二零一九年九月三十日止六個月之未經審核簡明綜合中期財務報表（「中期財務報表」）乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」、其他相關香港會計準則、詮釋及香港財務報告準則（「香港財務報告準則」）以及GEM上市規則之披露規定編製。

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES *(Continued)*

(b) Basis of preparation

The accounting policies and method of the computation used in the preparation of the Interim Financial Statements are consistent with those used in the annual report for the year ended 31 March 2019, except for those related to new standards and interpretations effective for the first time periods beginning on 1 April 2019 and expected to be reflected in the forthcoming annual financial statements as disclosed below.

The Interim Financial Statements have been prepared under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period and are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

(c) Going Concern

In preparing the Interim Financial Statements, the Directors have given careful consideration to the future liquidity of the Group notwithstanding that:

- The Group has incurred an unaudited net loss of approximately HK\$47,512,000 during the six months ended 30 September 2019 and, as of that date, the Group had unaudited net current liabilities and unaudited net liabilities of approximately HK\$49,173,000 and HK\$217,665,000 respectively; and
- The Group had promissory note in principal amount of approximately HK\$45,040,000 which is due within the next twelve months after 30 September 2019.

2. 呈列基準及主要會計政策 (續)

(b) 編製基準

編製中期財務報表所用之會計政策及計算方式與截至二零一九年三月三十一日止年度之年度報告所採納者一致，惟下文所披露有關於二零一九年四月一日開始之期間首次生效之新準則及詮釋除外，預計其將反映在下一份年度財務報表上。

中期財務報表乃根據歷史成本慣例編製，惟若干金融工具按各報告期末之公平值計量，並以亦為本公司功能貨幣之港元（「港元」）呈列。

(c) 持續經營

於編製中期財務報表時，董事已審慎考慮本集團之未來流動性，儘管：

- 截至二零一九年九月三十日止六個月，本集團產生未經審核淨虧損約47,512,000港元，及於該日，本集團分別錄得未經審核流動負債淨額約49,173,000港元及未經審核負債淨額約217,665,000港元；及
- 本集團有承兌票據本金為約45,040,000港元，其於二零一九年九月三十日後十二個月內到期。

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

(c) Going Concern (Continued)

The Directors adopted the going concern basis in the preparation of Interim Financial Statements and implemented the following measures in order to improve the working capital and liquidity and cash flow position of the Group:

(1) Financial support

China Xinhua News Network Co., Limited ("China Xinhua NNC"), one of the major shareholders of the Company and a convertible notes holder, has confirmed to provide financial support to the Group in a reasonable manner under relevant laws and regulatory requirements, to maintain the going concern of the Company. The financial support only refers to allow the Company to extend the repayment for the liabilities due to China Xinhua NNC to not earlier than 12 months commencing from 30 September 2019, including (1) the convertible notes in the principal amount of approximately HK\$257,030,000; (2) the interests payable on the convertible notes amounted to approximately HK\$47,248,000 as of 30 September 2019; and (3) the liabilities due to China Xinhua NNC of approximately HK\$18,837,000 as of 30 September 2019 in respect of annual fee for television broadcasting right, carriage fee payment and satellite transmission fee, if the repayment would cause the Company to be unable to settle its liabilities due to other parties when they fall due.

2. 呈列基準及主要會計政策 (續)

(c) 持續經營 (續)

董事於編製中期財務報表時已採納持續經營基準並已實施下列措施以改善本集團之營運資金及流動性以及現金流量狀況：

(1) 財務支持

中國新華新聞電視網有限公司（「中國新華新聞電視網」）（本公司之主要股東之一及可換股票據持有人）已確認以合理且符合有關法律和監管要求的方式向本集團提供財務支持，以維持本公司的持續經營。這些財務支持僅指在可能導致本公司無法償還其他債權人到期債務的情況下允許本公司延期至二零一九年九月三十日起十二個月後償還應付中國新華新聞電視網的債務，包括(1)可換股票據本金為約257,030,000港元；(2)截至二零一九年九月三十日止之可換股票據之應付利息為約47,248,000港元；及(3)截至二零一九年九月三十日止之關於電視播放權年費、代付傳輸費及衛星轉播費之應付中國新華新聞電視網的債務為約18,837,000港元。

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

(c) Going Concern (Continued)

(2) Alternate source of funding

The Group is actively considering to raise new capital by carrying out fund raising activities including but not limited to rights issue, open offer and placing of new shares.

- (3) The Group will implement operation plans to control costs and generate adequate cash flows from the Group's operations.

In the opinion of the Directors, in light of the various measures/arrangements implemented after the end of the reporting period, the Group will have sufficient working capital for its current requirements and it is reasonable to expect the Group to remain a commercially viable concern. Accordingly, the Directors are satisfied that it is appropriate to prepare the Interim Financial Statements on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect of these adjustments has not been reflected in the Interim Financial Statements.

2. 呈列基準及主要會計政策 (續)

(c) 持續經營 (續)

(2) 備選融資來源

本集團正積極考慮通過開展集資活動以籌集新資本，包括但不限於供股、公開發售及配售新股份。

- (3) 本集團將實施營運計劃以控制成本及從本集團之營運中產生足夠現金流量。

董事認為，鑒於報告期末後實施之多項措施／安排，本集團將擁有充足營運資金以滿足其現時之要求並可合理預期本集團可繼續以符合商業利益之基準經營。因此，董事信納按持續經營基準編製中期財務報表屬合適。

倘本集團未能繼續按持續基準營運，則需要作出調整藉以將資產價值撇減至其可收回金額，就可能出現之任何未來負債計提撥備，以及將非流動資產及負債分別重列為流動資產及負債。該等調整之影響並未於中期財務報表中反映。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatorily effective for the annual period beginning on or after 1 April 2019 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 16	Leases
Hong Kong (International Financial Reporting Interpretations Committee) Interpretation ("HK(IFRIC)-Int") 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle

Except as described below, the application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. 採納新訂及經修訂香港財務報告準則

於本期間，本集團已首次應用下列由香港會計師公會頒佈之於二零一九年四月一日或之後開始之年度期間強制生效之新訂及經修訂香港財務報告準則以編製本集團之簡明綜合財務報表：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）—詮釋（「香港（國際財務報告詮釋委員會）—詮釋」）第23號	所得稅處理之不確定性
香港財務報告準則第9號（修訂本）	具有負補償之提前付款特徵
香港會計準則第19號（修訂本）	計劃修訂、縮減或結清
香港會計準則第28號（修訂本）	於聯營公司及合營公司之長期權益
香港財務報告準則（修訂本）	香港財務報告準則二零一五年至二零一七年週期之年度改進

除下述者外，於本期間應用新訂及經修訂香港財務報告準則對本集團於本期間及先前期間的財務表現及狀況及／或該等簡明綜合財務報表所載之披露並無產生重大影響。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current period. HKFRS 16 superseded HKAS 17 “Leases” and the related interpretations.

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16

The Group applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

As a lessee

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動

本集團於本期間首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」及相關的詮釋。

3.1.1 應用香港財務報告準則第16號導致的主要會計政策變動

本集團根據香港財務報告準則第16號的過渡性條文採納以下會計政策。

租賃的定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

對於首次應用日期或之後訂立或修訂的合約，本集團根據香港財務報告準則第16號項下的定義，於開始日期或修訂日期評估合約是否為一項租賃或包含一項租賃。除非合約條款及條件在後續發生變更，否則不會對此類合約進行重新評估。

作為承租人

短期租賃及低價值租賃

本集團將短期租賃確認豁免應用於租期自開始日期起為12個月或以下的租賃，且並不包括購買選擇權。其亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃之租賃付款於租期內按直線法確認為開支。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.1 應用香港財務報告準則第16號導致的主要會計政策變動 (續)

作為承租人 (續)

使用權資產

除短期租賃及低價值資產租賃外，本集團於租賃開始日期（即相關資產可供使用的日期）確認使用權資產。使用權資產按成本減去任何累計折舊及減值虧損進行計量，並對租賃負債的任何重新計量作出調整。

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 開始日期或之前支付的任何租賃付款，減去所取得的任何租賃激勵金額；
- 本集團產生的任何初步直接成本；及
- 本集團拆卸及移除相關資產、復原相關資產所在地或將相關資產恢復至租賃條款及條件所規定的狀態所產生的估計成本，除非該等成本乃因生產存貨而產生。

對於本集團可合理確定在租賃期結束時取得相關租賃資產所有權的使用權資產，自開始日期至使用壽命結束的期間內折舊。否則，使用權資產應按估計使用壽命及租賃期兩者中的較短者以直線法折舊。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Right-of-use assets (Continued)

Refundable rental deposits paid are accounted under HKFRS 9 "Financial Instruments" ("HKFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

The Group presents right-of-use assets as a separate line item on the condensed consolidated statement of financial position.

Lease liabilities

At the commencement date of a lease, the Group recognizes and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.1 應用香港財務報告準則第16號導致的主要會計政策變動 (續)

作為承租人 (續)

使用權資產 (續)

已支付可退還租賃按金乃根據香港財務報告準則第9號「財務工具」(「香港財務報告準則第9號」)進行會計處理，並初步按公平值計量。初步確認時的公平值調整被視為額外租賃付款並計入使用權資產的成本。

本集團將使用權資產作為單獨項目於簡明綜合財務狀況表中呈列。

租賃負債

在租賃開始日期，本集團按該日尚未支付的租賃付款現值確認及計量租賃負債。在計算租賃付款的現值時，倘不易於確定租賃的內含利率，本集團則使用租賃期開始日的增量借款利率。

租賃付款包括：

- 固定付款(包括實質上固定的付款)減去任何應收租賃獎勵款項；
- 取決於指數或費率的可變租賃付款；

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

Lease liabilities (Continued)

- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising option to terminate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in expected payment under a guaranteed residual value in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.1 應用香港財務報告準則第16號導致的主要會計政策變動 (續)

租賃負債 (續)

- 預期將予支付的剩餘價值擔保金額；
- 本集團合理確定將行使購買選擇權的行使價；及
- 終止租賃的罰款金額（倘租賃期反映本集團行使終止租賃的選擇權）。

於開始日期後，租賃負債通過利息增加及租賃付款進行調整。

倘符合下述兩種情況之一，本集團對租賃負債進行重新計量（並對相關使用權資產進行相應調整）：

- 租賃期發生變化或對行使購買選擇權的評估發生變化，在此情況下，使用於重新評估日期的經修訂折現率對經修訂租賃付款進行折現重新計量相關租賃負債。
- 根據擔保餘值預計的付款額發生變動而導致租賃付款發生變動，在此情況下，使用初步折現率對經修訂租賃付款進行折現來重新計量相關租賃負債。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

Lease liabilities (Continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standards to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.1 應用香港財務報告準則第16號導致的主要會計政策變動 (續)

租賃負債 (續)

租賃修訂

倘符合以下條件，本集團將租賃修訂作為一項單獨租進行會計處理：

- 該修改通過加入對一項或多項相關資產的使用權擴大租賃範圍；及
- 租賃代價增加的金額與針對擴大租賃範圍的單獨價格及為反映特定合約的具體情況而對單獨價格作出的任何適當的調整相稱。

對於不作為一項單獨租賃進行會計處理的租賃修訂，在租賃修訂的生效日期，本集團根據經修訂租賃的租賃期，通過使用經修訂折現率對經修訂租賃付款進行折現以重新計量租賃負債。

3.1.2 首次應用香港財務報告準則第16號所產生的過渡及影響概要

租賃的定義

本集團選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）—詮釋第4號「釐定安排是否包括租賃」識別為租賃的合約應用香港財務報告準則第16號，而無對於先前並未識別為包括租賃的合約應用該準則。因此，本集團並未重新評估於首次應用日期前已存在的合約。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

Definition of a lease (Continued)

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognized at the date of initial application, 1 April 2019. Any difference at the date of initial application is recognized in the opening accumulated losses and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. relied on the assessment of whether leases are onerous by applying HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets" as an alternative of impairment review;
- ii. elected not to recognize right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- iii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application;

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.2 首次應用香港財務報告準則第16號所產生的過渡及影響概要 (續)

租賃的定義 (續)

就二零一九年四月一日或之後訂立或修訂的合約而言，本集團根據香港財務報告準則第16號所載的規定應用租賃的定義，以評估合約是否包括租賃。

作為承租人

本集團已追溯應用香港財務報告準則第16號，而累計影響於二零一九年四月一日首次應用日期確認。首次應用日期之任何差額已於期初累計虧損中確認，比較數據並未經重列。

於過渡期間應用香港財務報告準則第16號項下的經修訂追溯法時，本集團按逐項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關的租賃應用以下可行權宜方法：

- i. 透過應用香港會計準則第37號「撥備、或然負債及或然資產」作為另一個減值評估方法，評估租賃是否繁苛；
- ii. 選擇不對租賃期將於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；
- iii. 於首次應用日期計量使用權資產時扣除初步直接成本；

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

- iv. applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment;
- v. used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

On transition, the Group has made the following adjustments upon application of HKFRS 16:

The Group recognized lease liabilities of approximately HK\$18,667,000 and right-of-use assets of approximately HK\$15,945,000 at 1 April 2019.

When recognizing the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average lessee's incremental borrowing rate applied is 2.07% to 5.16%.

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.2 首次應用香港財務報告準則第16號所產生的過渡及影響概要 (續)

作為承租人 (續)

- iv. 對類似經濟環境中類似類別的相關資產的剩餘期限類似的租賃組合應用單一折現率；
- v. 根據於首次應用日期的事實及情況，以事後方式釐定本集團帶有續租及終止選擇權之租賃之租期。

於過渡時，本集團已於應用香港財務報告準則第16號後作出以下調整：

於二零一九年四月一日，本集團確認租賃負債約18,667,000港元及使用權資產約15,945,000港元。

就先前分類為經營租賃的租賃確認租賃負債時，本集團已於首次應用日應用相關集團實體的增量借款利率。應用的加權平均承租人增量借款利率為2.07%至5.16%。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.2 首次應用香港財務報告準則第16號所產生的過渡及影響概要 (續)

作為承租人 (續)

		Note 附註	Lease liabilities 租賃負債 HK\$'000 千港元
Operating lease commitment disclosed as at 31 March 2019	於二零一九年三月三十一日披露的經營租賃承擔		21,248
Lease liabilities discounted at relevant incremental borrowing rates	按相關增量借貸利率折現的租賃負債		20,940
Add: Extension options reasonably certain to be exercised	加：合理確定將予行使的延長選擇權		432
Less: Recognition exemption – leases with terms ending within 12 months of the date of initial application	減：確認豁免－租期於首次應用日期起計12個月內結束的租賃		(888)
Less: Recognition exemption – contracts reassessed as service agreements	減：確認豁免－重新評估為服務協議之合約		(1,859)
Lease liabilities relating to operating leases recognised upon application of HKFRS 16	應用香港財務報告準則第16號後確認與經營租賃有關的租賃負債		18,625
Add: Finance lease payables recognised at 31 March 2019	加：於二零一九年三月三十一日的已確認融資租賃應付款項	(a)	42
Lease liabilities as at 1 April 2019	於二零一九年四月一日的租賃負債		18,667
Analysed as:	分析為：		
Current	即期		9,284
Non-Current	非即期		9,383
			18,667

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

The carrying amount of right-of-use assets as at 1 April 2019 comprises the following:

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.2 首次應用香港財務報告準則第16號所產生的過渡及影響概要 (續)

作為承租人 (續)

於二零一九年四月一日之使用權資產賬面值包括以下各項：

		Note 附註	Right-of-use assets 使用權資產 HK\$'000 千港元
Right-of-use assets relating operating leases recognised upon application of HKFRS 16	於應用香港財務報告準則第16號後確認有關經營租賃之使用權資產		15,741
Assets previously under finance leases included in property, plant and equipment under HKAS 17	先前根據香港會計準則第17號屬計入物業、廠房及設備之融資租賃項下之資產	(a)	141
Adjustments on rental deposits at 1 April 2019	於二零一九年四月一日對租賃按金作出調整		63
			<hr/> 15,945

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

By class:

Rented premises	租用物業
Office equipments	辦公室設備
Assets related to television broadcasting business	與電視播放業務有關之資產
Motor vehicles	汽車
Total right-of-use assets	使用權資產總值

Notes:

- (a) In relation to assets previously under finance leases with carrying amount of approximately HK\$141,000, the Group reclassified the finance lease payables of approximately HK\$42,000 to lease liabilities as current liabilities at 1 April 2019.
- (b) Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use of the underlying assets and should be adjusted to reflect the discounting effect at transition. Accordingly, approximately HK\$66,000 and HK\$63,000 were adjusted to refundable rental deposits paid and right-of-use assets respectively.

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.2 首次應用香港財務報告準則第16號所產生的過渡及影響概要 (續)

作為承租人 (續)

按類別劃分：

At 30 September 2019 於二零一九年 九月三十日 HK\$'000 千港元	At 1 April 2019 於二零一九年 四月一日 HK\$'000 千港元
6,950	9,373
836	1,010
4,092	5,421
2,024	141
13,902	15,945

附註：

- (a) 就先前屬融資租賃項下賬面值為約141,000港元之資產而言，本集團將融資租賃應付款項約42,000港元重新分類為租賃負債，作為於二零一九年四月一日之流動負債。
- (b) 於應用香港財務報告準則第16號前，本集團將可退還租賃按金視為香港會計準則第17號適用之租賃項下之權利及義務。根據香港財務報告準則第16號項下租賃付款之定義，有關按金並非有關相關資產使用權之付款，並應作出調整，以反映於過渡時之貼現影響。因此，約66,000港元及63,000港元已分別調整至已支付之可予退還租賃按金及使用權資產。

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

		Carrying amounts previously at 31 March 2019	Adjustments	Carrying amounts under HKFRS 16 at 1 April 2019
		於二零一九年 三月三十一日之 先前賬面值 HK\$'000 千港元	調整 HK\$'000 千港元	於二零一九年 四月一日 根據香港財務 報告準則 第16號之 賬面值 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	38,302	(141)	38,161
Right-of-use assets	使用權資產	–	15,945	15,945
Current assets	流動資產			
Trade and other receivables	貿易及其他應收款項	105,738	(66)	105,672
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	88,973	(357)	88,616
Lease liabilities	租賃負債	–	9,284	9,284
Finance lease payables	融資租賃應付款項	42	(42)	–
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	–	9,383	9,383
Capital and reserves	資本及儲備			
Reserves	儲備	(171,046)	(2,530)	(173,576)

Note: For the purpose of reporting cash flows from operating activities under indirect method for the six months ended 30 September 2019, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 April 2019 as disclosed above.

3. 採納新訂及經修訂香港財務報告準則 (續)

應用香港財務報告準則第16號「租賃」的影響及會計政策變動 (續)

3.1.2 首次應用香港財務報告準則第16號所產生的過渡及影響概要 (續)

作為承租人 (續)

於二零一九年四月一日之簡明綜合財務狀況表內確認之金額已作出以下調整。並無受有關變動所影響之項目並無包括在內。

	Carrying amounts previously at 31 March 2019	Adjustments	Carrying amounts under HKFRS 16 at 1 April 2019
	於二零一九年 三月三十一日之 先前賬面值 HK\$'000 千港元	調整 HK\$'000 千港元	於二零一九年 四月一日 根據香港財務 報告準則 第16號之 賬面值 HK\$'000 千港元
Non-current assets			
Property, plant and equipment	38,302	(141)	38,161
Right-of-use assets	–	15,945	15,945
Current assets			
Trade and other receivables	105,738	(66)	105,672
Current liabilities			
Trade and other payables	88,973	(357)	88,616
Lease liabilities	–	9,284	9,284
Finance lease payables	42	(42)	–
Non-current liabilities			
Lease liabilities	–	9,383	9,383
Capital and reserves			
Reserves	(171,046)	(2,530)	(173,576)

附註：就截至二零一九年九月三十日止六個月根據間接法呈報經營活動產生之現金流量而言，營運資金變動已根據上文所披露於二零一九年四月一日之期初綜合財務狀況表計算。

4. REVENUE

Revenue recognised during the three months and six months ended 30 September 2019 and 30 September 2018 were as follows:

Construction works
Advertising income

建築工程
廣告收入

Timing of revenue recognition: 收益確認時間：
Over time 隨時間性確認

4. 收益

截至二零一九年九月三十日及二零一八年九月三十日止三個月及六個月確認的收益如下：

Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
106,839	141,962	50,119	73,210
3,867	—	933	—
110,706	141,962	51,052	73,210

Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
110,706	141,962	51,052	73,210

5. OTHER INCOME

Other income recognised during the three months and six months ended 30 September 2019 and 30 September 2018 were as follows:

5. 其他收入

截至二零一九年九月三十日及二零一八年九月三十日止三個月及六個月確認之其他收入如下：

		Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Interest income on bank deposits	銀行存款之利息收入	87	14	48	7
Interest income on rental deposits	租賃按金之利息收入	18	—	18	—
Dividend income	股息收入	37	183	2	95
Sundry income	雜項收入	42	9	20	1
		184	206	88	103

6. OTHER GAINS AND LOSSES

Other gains and losses recognised during the three months and six months ended 30 September 2019 and 30 September 2018 were as follows:

6. 其他收益及虧損

截至二零一九年九月三十日及二零一八年九月三十日止三個月及六個月確認之其他收益及虧損如下：

		Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Exchange gain, net	匯兌收益淨額	402	1,188	171	516
Net gains on disposal of property, plant and equipment	出售物業、廠房及設備之收益淨額	336	88	174	88
Reversal of allowance for expected credit losses recognised for trade receivables	就貿易應收款項確認之預期信貸虧損撥備撥回	261	—	51	—
Reversal/(provision) of allowance for expected credit losses recognised for contract assets	就合約資產確認之預期信貸虧損撥備撥回／(計提)	19	—	(2)	—
		<u>1,018</u>	<u>1,276</u>	<u>394</u>	<u>604</u>

7. SEGMENT INFORMATION

The Group's segment information is presented on the basis of internal reports that are regularly reviewed by the executive Directors, being the chief operating decision maker in order to allocate resources to the segments and assess their performance. For each of the Group's reportable segments, the executive Directors reviews internal management reports on a regular basis.

Under the segment structure implemented during the six months ended 30 September 2019, information reported to the executive Directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided are:

- (i) Provision of civil engineering services – provision of waterworks engineering services, road works and drainage services and site formation works for public sector in Hong Kong; and
- (ii) Television broadcasting and advertising business – the business of broadcasting television programmes on television channels operated by television broadcasting companies in the Asia-Pacific region (excluding the PRC) in return for advertising and related revenue.

Each of these operating segments is managed separately as each of the products and service lines requires different resources as well as marketing approaches.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment.

7. 分部資料

本集團之分部資料乃根據執行董事（即主要營運決策者）為分配資源至各分部及評估各分部表現而定期檢討之內部報告予以呈報。就本集團各可呈報分部而言，執行董事定期審閱內部管理報告。

根據於截至二零一九年九月三十日止六個月實施之分部架構，向執行董事（即主要營運決策者）所呈報以供其分配資源及評估分部表現之資料集中於所交付商品或提供服務之種類為：

- (i) 提供土木工程服務－為香港公營部門提供水務工程服務、道路工程及渠務服務，亦從事地盤平整工程；及
- (ii) 電視播放及廣告業務－在位於亞太區（不包括中國）之電視播放公司所經營之電視頻道進行電視節目播放以取得廣告及相關收益之業務。

由於各個產品和服務類別需要不同的資源以及涉及不同的營銷手法，故上述各營運分部被分開管理。

分部收益及業績

本集團按可呈報分部劃分的收益及業績分析如下。

7. SEGMENT INFORMATION (Continued)

For the six months ended 30 September 2019

7. 分部資料 (續)

截至二零一九年九月三十日止六個月

		Provision of civil engineering services 提供土木 工程服務 (Unaudited) (未經審核) HK\$'000 千港元	Television broadcasting and advertising business 電視播放及 廣告業務 (Unaudited) (未經審核) HK\$'000 千港元	Total 總計 (Unaudited) (未經審核) HK\$'000 千港元
Revenue from external customers	來自外部客戶之收益	106,839	3,867	110,706
Other income and gains	其他收入及收益	659	—	659
Reportable segment revenue	可呈報分部收益	107,498	3,867	111,365
Reportable segment results	可呈報分部業績	(17,753)	(11,802)	(29,555)
Unallocated corporate income	未分配企業收入			141
Unallocated corporate expenses	未分配企業開支			(6,308)
Finance costs	融資成本			(13,884)
Loss before income tax	除所得稅前虧損			(49,606)

7. SEGMENT INFORMATION (Continued)

For the six months ended 30 September 2018

		Provision of civil engineering services 提供土木 工程服務 (Unaudited) (未經審核) HK\$'000 千港元	Television broadcasting and advertising business 電視播放及 廣告業務 (Unaudited) (未經審核) HK\$'000 千港元	Total 總計 (Unaudited) (未經審核) HK\$'000 千港元
Revenue from external customers	來自外部客戶之收益	141,962	—	141,962
Other income and gains	其他收入及收益	97	—	97
Reportable segment revenue	可呈報分部收益	142,059	—	142,059
Reportable segment results	可呈報分部業績	37	(14,040)	(14,003)
Unallocated corporate income	未分配企業收入			1,397
Unallocated corporate expenses	未分配企業開支			(15,478)
Finance costs	融資成本			(12,848)
Loss before income tax	除所得稅前虧損			(40,932)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the six months ended 30 September 2019 and 30 September 2018.

Segment profit/(loss) represents the profit earned/loss incurred by each segment without allocation of central administration costs, interest income, dividend income, finance costs, change in fair value of financial assets at fair value through profit or loss and income tax expenses. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

7. 分部資料 (續)

截至二零一八年九月三十日止六個月

上文所呈報的分部收益指來自外部客戶之收益。截至二零一九年九月三十日及二零一八年九月三十日止六個月概無分部間銷售。

分部溢利／（虧損）指各分部在未分配中央行政成本、利息收入、股息收入、融資成本、透過損益按公平值入賬之金融資產公平值變動及所得稅開支前所賺取的溢利／產生的虧損。此乃向主要營運決策者呈報以供其分配資源及評估分部表現之計量方式。

7. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

As at 30 September 2019 (Unaudited)

7. 分部資料 (續)

分部資產及負債

本集團按可呈報及營運分部劃分的資產及負債分析如下：

於二零一九年九月三十日（未經審核）

		Provision of civil engineering services 提供土木 工程服務 (Unaudited) (未經審核) HK\$'000 千港元	Television broadcasting and advertising business 電視播放及 廣告業務 (Unaudited) (未經審核) HK\$'000 千港元	Total 總計 (Unaudited) (未經審核) HK\$'000 千港元
Segment assets	分部資產	128,307	47,180	175,487
Unallocated	未分配			78,842
Consolidated assets	綜合資產			254,329
Segment liabilities	分部負債	68,042	30,018	98,060
Unallocated	未分配			373,934
Consolidated liabilities	綜合負債			471,994

7. SEGMENT INFORMATION (Continued)

As at 31 March 2019 (Audited)

		Provision of civil engineering services 提供土木 工程服務 (Audited) (經審核) HK\$'000 千港元	Television broadcasting and advertising business 電視播放及 廣告業務 (Audited) (經審核) HK\$'000 千港元	Total 總計 (Audited) (經審核) HK\$'000 千港元
Segment assets	分部資產	149,098	51,589	200,687
Unallocated	未分配			91,414
Consolidated assets	綜合資產			292,101
Segment liabilities	分部負債	83,392	30,729	114,121
Unallocated	未分配			344,971
Consolidated liabilities	綜合負債			459,092

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than financial assets at fair value through other comprehensive income, deferred tax assets, financial assets at fair value through profit or loss, cash and cash equivalents, current tax recoverable and assets for corporate use; and
- all liabilities are allocated to operating segments other than convertible notes, current and deferred tax liabilities, lease liabilities, finance lease payables and promissory note.

7. 分部資料 (續)

於二零一九年三月三十一日 (經審核)

		Provision of civil engineering services 提供土木 工程服務 (Audited) (經審核) HK\$'000 千港元	Television broadcasting and advertising business 電視播放及 廣告業務 (Audited) (經審核) HK\$'000 千港元	Total 總計 (Audited) (經審核) HK\$'000 千港元
Segment assets	分部資產	149,098	51,589	200,687
Unallocated	未分配			91,414
Consolidated assets	綜合資產			292,101
Segment liabilities	分部負債	83,392	30,729	114,121
Unallocated	未分配			344,971
Consolidated liabilities	綜合負債			459,092

為監察分部表現及分配分部資源：

- 除透過其他全面收益按公平值入賬之金融資產、遞延稅項資產、透過損益按公平值入賬之金融資產、現金及現金等價物、可收回當期稅項及企業用途資產外，所有資產均分配至營運分部；及
- 除可換股票據、當期及遞延稅項負債、租賃負債、融資租賃應付款項及承兌票據外，所有負債均分配至營運分部。

7. SEGMENT INFORMATION (Continued)

Information about major customers

During the six months ended 30 September 2019, included in revenue arising from provision of civil engineering services of approximately HK\$106,839,000 (2018: approximately HK\$141,962,000) are revenue generated from three (2018: three) customers amounting to approximately HK\$106,332,000 (2018: approximately HK\$131,620,000). Each customer has individually accounted for over 10% of the Group's total revenue. No other single customer contributed 10% or more to the Group's revenue for the six months ended 30 September 2019 and 30 September 2018.

Revenue from major customers is as follows:

Customer A	客戶甲
Customer B (note)	客戶乙 (附註)
Customer C	客戶丙
Customer D	客戶丁

Note: No information was disclosed as the corresponding revenue did not contribution over 10% of the Group's revenue for the six months ended 30 September 2019.

7. 分部資料 (續)

有關主要客戶之資料

於截至二零一九年九月三十日止六個月，提供土木工程服務所產生的收益約106,839,000港元（二零一八年：約141,962,000港元）中，包括由三名（二零一八年：三名）客戶帶來的收益約106,332,000港元（二零一八年：約131,620,000港元）。個別佔本集團總收益的10%以上。概無其他單一客戶於截至二零一九年九月三十日及二零一八年九月三十日止六個月佔本集團收益10%或以上。

來自主要客戶之收益如下：

Six months ended 30 September 截至九月三十日止六個月	
2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
55,305	55,260
—	29,495
40,077	46,865
10,950	—
106,332	131,620

附註： 由於相關收益並非佔本集團截至二零一九年九月三十日止六個月之收益10%以上，故並無披露有關資料。

8. LOSS FROM OPERATIONS

8. 營運虧損

Loss from operations is arrived at after charging the following:

營運虧損乃經扣除以下各項後計算得出：

		Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Amortisation of intangible assets (included in amortisation expenses)	無形資產攤銷 (計入攤銷開支)	9,183	9,183	4,616	4,617
Amortisation of film rights (included in amortisation expenses)	電影版權攤銷 (計入攤銷開支)	–	278	–	87
Contract costs recognised as expense	確認為開支之合約成本	117,188	137,663	57,065	73,942
Depreciation of property, plant and equipment	物業、廠房及設備折舊	10,262	10,636	5,007	5,645
Depreciation of right-of-use assets	使用權資產折舊	4,091	–	4,091	–
Staff costs (note 9)	員工成本 (附註9)	42,005	42,534	22,475	20,534

9. STAFF COSTS

9. 員工成本

		Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Staff costs (including Directors' remuneration) comprise:	員工成本 (包括董事薪酬) 包括:				
Wages, salaries and other benefits	工資、薪金及其他福利	41,469	42,097	22,207	20,271
Contribution to defined contribution retirement plan	定額供款退休計劃供款	536	437	268	263
		42,005	42,534	22,475	20,534

10. FINANCE COSTS

10. 融資成本

		Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Interests on:	以下各項之利息：				
Finance leases payables	融資租賃應付款項	—	20	—	8
Lease liabilities	租賃負債	45	—	45	—
Promissory note (note 18)	承兌票據 (附註18)	1,445	2,042	726	1,034
Convertible notes (note 19)	可換股票據 (附註19)	12,394	10,786	6,288	5,423
		13,884	12,848	7,059	6,465

11. INCOME TAX

The amount of income tax in the unaudited condensed consolidated statement of profit or loss and other comprehensive income represents:

11. 所得稅

未經審核簡明綜合損益及其他全面收益表之所得稅金額如下：

		Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Current tax – Hong Kong profits tax	當期稅項－香港利得稅				
– current period	－本期間	511	–	383	(54)
– over-provision in prior years	－過往年度超額撥備	–	(162)	–	(162)
Current tax – PRC Enterprise Income tax	當期稅項－中國企業所得稅				
– under-provision in prior years	－過往年度撥備不足	–	434	–	–
Deferred tax	遞延稅項				
– current period	－本期間	(2,605)	(1,709)	(1,440)	(891)
Income tax	所得稅	(2,094)	(1,437)	(1,057)	(1,107)

11. INCOME TAX (Continued)

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2,000,000 will be taxed at 16.5%. The assessable profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Company and its subsidiaries incorporated in the BVI are not subject to any income tax in the Cayman Islands and the BVI respectively.

No provision for PRC Enterprise Income tax has been made as the subsidiary incorporated in the PRC had no assessable profits arising in the PRC during each of three months and six months ended 30 September 2019 and 30 September 2018.

12. DIVIDENDS

The Board does not recommend the payment of any dividend for each of the three months and six months ended 30 September 2019 respectively (2018: nil).

11. 所得稅 (續)

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務（修訂）（第7號）條例草案》（「草案」），草案引進利得稅兩級制。草案於二零一八年三月二十八日簽署立法，並於翌日刊憲。根據利得稅兩級制，合資格公司首2,000,000港元應課稅溢利將按8.25%徵稅，2,000,000港元以上應課稅溢利則按16.5%徵稅。利得稅兩級制下不合資格公司之應課稅溢利將繼續按劃一稅率16.5%徵稅。

根據開曼群島及英屬處女群島（「英屬處女群島」）規則及法規，本公司及其於英屬處女群島註冊成立之附屬公司毋須繳納開曼群島及英屬處女群島各自之任何所得稅。

截至二零一九年九月三十日及二零一八年九月三十日止各三個月及六個月，於中國註冊成立之附屬公司並無於中國產生應課稅溢利，故並無就中國企業所得稅計提撥備。

12. 股息

董事會不建議派付分別截至二零一九年九月三十日止各三個月及六個月之任何股息（二零一八年：無）。

13. LOSS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The calculations of basic loss per Share for the three months and six months ended 30 September 2019 is based on the unaudited consolidated loss of approximately HK\$27,015,000 and approximately HK\$47,512,000 attributable to the owners of the Company for each of the three months and six months ended 30 September 2019 respectively (three months and six months ended 30 September 2018: approximately HK\$22,723,000 and approximately HK\$39,495,000 respectively) and the weighted average number of 4,055,349,947 Shares and 4,055,349,947 Shares in issue for the three months and six months ended 30 September 2019 respectively (weighted average number of Shares in issue for the three months and six months ended 30 September 2018: 4,055,349,947 Shares and 4,055,349,947 Shares respectively) as if they had been in issue throughout the periods.

Diluted loss per share for the three months and six months ended 30 September 2019 and 30 September 2018 are the same as the basic loss per share. The computation of diluted loss per share for the three months and six months ended 30 September 2019 and 30 September 2018 does not assume the Company's outstanding convertible notes since the assumed conversion of convertible notes would result in a decrease in loss per share.

14. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2019, the Group acquired items of property, plant and equipment with aggregate cost of approximately HK\$5,956,000 (six months ended 30 September 2018: approximately HK\$15,673,000). During the six months ended 30 September 2019, items of property, plant and equipment with carrying value of approximately HK\$49,000 were disposed of (six months ended 30 September 2018: approximately HK\$125,000).

13. 本公司擁有人應佔每股虧損

截至二零一九年九月三十日止三個月及六個月的每股股份基本虧損乃根據截至二零一九年九月三十日止各三個月及六個月本公司擁有人應佔未經審核綜合虧損分別約27,015,000港元及約47,512,000港元（截至二零一八年九月三十日止三個月及六個月：分別為約22,723,000港元及約39,495,000港元）與截至二零一九年九月三十日止三個月及六個月已發行股份加權平均數分別為4,055,349,947股及4,055,349,947股（截至二零一八年九月三十日止三個月及六個月已發行股份加權平均數：分別為4,055,349,947股及4,055,349,947股）計算，猶如該等股份於整個有關期間均已發行。

截至二零一九年九月三十日及二零一八年九月三十日止三個月及六個月，每股攤薄虧損與每股基本虧損相同。由於假設兌換可換股票據將導致每股虧損減少，因此計算截至二零一九年九月三十日及二零一八年九月三十日止三個月及六個月之每股攤薄虧損並無假設本公司尚未兌換之可換股票據。

14. 物業、廠房及設備

截至二零一九年九月三十日止六個月，本集團以成本合共約5,956,000港元（截至二零一八年九月三十日止六個月：約15,673,000港元）購買物業、廠房及設備項目。截至二零一九年九月三十日止六個月，已出售賬面值為約49,000港元的物業、廠房及設備項目（截至二零一八年九月三十日止六個月：約125,000港元）。

15. INTANGIBLE ASSETS

15. 無形資產

Cost:

At 1 April 2018, 31 March 2019, 1 April 2019 and 30 September 2019

成本：

於二零一八年四月一日、二零一九年三月三十一日、二零一九年四月一日及二零一九年九月三十日

Accumulated amortisation and impairment:

At the beginning of period/year
Amortisation expenses for the period/year

累計攤銷及減值：

於期／年初
期／年內之攤銷開支

At the end of period/year

於期／年末

Carrying amount at end of period/ year 於期／年末之賬面值

As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
567,000	567,000
522,638	504,322
9,183	18,316
531,821	522,638
35,179	44,362

Intangible assets represent television broadcasting right acquired by the Group. The useful life of television broadcasting right is 10 years.

無形資產指本集團所收購之電視播放權。電視播放權之可使用年期為十年。

16. TRADE AND OTHER RECEIVABLES

16. 貿易及其他應收款項

		As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Trade receivables (note (i) & (ii))	貿易應收款項 (附註(i)及(ii))	31,457	61,930
Allowance for expected credit losses	預期信貸虧損撥備	(3,685)	(3,946)
		27,772	57,984
Other receivables and prepayments (note (iii))	其他應收款項及預付款 (附註(iii))	47,431	43,675
Deposits	按金	11,131	4,079
		86,334	105,738

Notes:

- (i) Trade receivables as at the end of the reporting period mainly derived from provision of construction works on civil engineering contracts. The related customers are mainly government department/organisation and reputable corporations. The Group does not hold any collateral over these balances.

附註：

- (i) 報告期末之貿易應收款項主要來自提供土木工程合約之建築工程。有關客戶主要為政府部門／機構及聲譽良好之企業。本集團並無就該等結餘持有任何抵押品。

16. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(i) (Continued)

Included in trade and other receivables are trade receivables (net of impairment losses) with the following ageing analysis based on invoice date as at the end of the reporting period:

Current or less than 1 month	即期或少於1個月
1 to 3 months	1至3個月
More than 3 months but less than 12 months	超過3個月但少於12個月
More than 12 months	超過12個月

The Group grants an average credit period of 30 days to its trade customers of contract works. Application for progress payments of contract works is made on a regular basis.

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the end of the reporting period for which the Group has not recognised an allowance for expected credit losses because there has not been a significant change in credit quality and the amounts are still considered recoverable.

16. 貿易及其他應收款項 (續)

附註：(續)

(i) (續)

貿易應收款項 (經扣除減值虧損) 計入貿易及其他應收款項，按發票日期於報告期末之賬齡分析如下：

As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
16,259	57,959
3,640	—
7,873	25
—	—
27,772	57,984

本集團向其合約工程貿易客戶授出平均30日之信貸期。合約工程進度款項申請會定期進行。

上述披露之貿易應收款項包括於報告期末已逾期而本集團尚未確認預期信貸虧損撥備之金額 (賬齡分析見下文)，原因乃信貸質素尚無重大變動及金額仍視為可予收回。

16. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(i) (Continued)

Ageing of receivables that are past due but not impaired

Overdue by:	逾期:
31 – 60 days	31至60日
61 – 90 days	61至90日
More than 3 months but less than 12 months	超過3個月但少於12個月
More than 12 months	超過12個月

16. 貿易及其他應收款項 (續)

附註: (續)

(i) (續)

已逾期但未減值之應收款項賬齡

As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
3,640	—
—	—
7,873	—
—	—
11,513	—

Movements in the allowance for expected credit losses of trade receivables

貿易應收款項之預期信貸虧損撥備變動

		HK\$'000 千港元
Balance at 31 March 2018 under HKAS 39	根據香港會計準則第39號於二零一八年三月三十一日之結餘	2,686
Adjustment upon application of HKFRS 9	於應用香港財務報告準則第9號時調整	1,182
Adjusted balance as at 1 April 2018	於二零一八年四月一日經調整結餘	3,868
Allowance for expected credit losses	預期信貸虧損撥備	78
Balance at 31 March 2019	於二零一九年三月三十一日之結餘	3,946
Reversal of allowance for expected credit losses	預期信貸虧損撥備撥回	(261)
Balance at 30 September 2019	於二零一九年九月三十日之結餘	3,685

16. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (ii) Trade and other receivables are short term and hence the Directors consider the carrying amounts of trade and other receivables approximate their fair values at the end of the reporting periods.
- (iii) It mainly consists of prepayment of insurance and advance payment to subcontractors.

16. 貿易及其他應收款項 (續)

附註：(續)

- (ii) 貿易及其他應收款項為短期性質，因此董事認為貿易及其他應收款項之賬面值於報告期末與其公平值相若。
- (iii) 此項主要包括保險預付款及向分包商支付之墊款。

17. TRADE AND OTHER PAYABLES

17. 貿易及其他應付款項

		As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Trade payables	貿易應付款項	7,638	12,327
Amount due to a shareholder (note (i))	應付一名股東款項 (附註(i))	18,837	17,337
Interest payables	應付利息	50,140	45,596
Amount due to a related party (note (ii))	應付一名關連人士款項 (附註(ii))	2,009	2,009
Other payables and accruals	其他應付款項及應計款項	16,108	13,918
		94,732	91,187
Less: payables within twelve months shown under current liabilities	減：流動負債項下所示須於 十二個月內應付款項	94,732	(88,973)
Interest payables shown under non- current liabilities	非流動負債項下所示應付利息	—	2,214

17. TRADE AND OTHER PAYABLES (Continued)

Notes:

- (i) Amount due to a shareholder represents amount due to a major substantial shareholder, China Xinhua News Network Co., Limited ("China Xinhua NNC"), which is unsecured, interest-free and repayable on demand.
- (ii) Amount due to a related party represents amount due to 新華音像中心. 新華音像中心 and China Xinhua NNC have a common shareholder, Xinhua News Agency (新華社). The amount is unsecured, interest-free and repayable on demand.

The Group normally settles trade payables within 30 days credit term. Based on the invoice date, ageing analysis of trade payables at the end of the reporting period is as follows:

Current or less than 1 month	即期或少於1個月
1 to 3 months	1至3個月
More than 3 months but less than 12 months	超過3個月但少於12個月
More than 12 months	超過12個月

17. 貿易及其他應付款項 (續)

附註：

- (i) 應付一名股東款項指應付一名主要股東中國新華新聞電視網有限公司(「中國新華新聞電視網」)之款項，該款項為無抵押、免息及按要求償還。
- (ii) 應付一名關連人士款項指應付新華音像中心之款項。新華音像中心與中國新華新聞電視網之共同股東為新華社。該款項為無抵押、免息及按要求償還。

本集團一般於30日之信貸期內清償貿易應付款項。根據發票日期，報告期末貿易應付款項之賬齡分析如下：

As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
7,021	11,234
208	225
409	868
—	—
7,638	12,327

18. PROMISSORY NOTE

A promissory note with a principal amount of HK\$45,040,000 was issued by Profit Station Limited ("Profit Station"), a direct wholly-owned subsidiary of the Company on 11 August 2011 (the "Issue Date") upon the completion of the acquisition of 17% of equity interests in China New Media (HK) Company Limited. The promissory note is unsecured, carried interest at the rate of 3% per annum and matured on 11 August 2014. Profit Station might early redeem all or part of the promissory note at any time from the Issue Date. Unless previously redeemed, Profit Station will redeem the promissory note on its maturity date.

On 11 August 2014 (the "First Renewal Date"), Profit Station has entered into the first extension agreement with the noteholder of the promissory note pursuant to which the maturity date of the promissory note was extended from 11 August 2014 to 11 August 2017 and the extended promissory note will be non-interest bearing with effect from 11 August 2014 till 11 August 2017. Furthermore, the noteholder has agreed to waive the interest accrued on the promissory note amounting to approximately HK\$4,054,000 for the period from 11 August 2011 to 11 August 2014. Except the abovementioned, other terms and conditions of the promissory note remains unchanged.

On 15 December 2017 (the "Second Renewal Date"), Profit Station has entered into the second extension agreement with the noteholder of the promissory note pursuant to which the maturity date of the promissory note was extended from 11 August 2017 to 31 December 2018 and the extended promissory note will bear interest of 3% per annum with effect from 11 August 2017 till 31 December 2018. Except the abovementioned, other terms and conditions of the promissory note remains unchanged.

Upon the second extension, the fair value of the liability component of the extended promissory note was reassessed and calculated using an equivalent market interest rate for an equivalent instrument at the Second Renewal Date. The fair value of the extended promissory note at the Second Renewal Date amounted to approximately HK\$42,720,000. The fair value is calculated using discounted cash flow method at a rate of 9.393%.

18. 承兑票據

本公司之直接全資附屬公司Profit Station Limited (「Profit Station」)於二零一一年八月十一日(「發行日期」)完成收購中國新媒體(香港)有限公司之17%股本權益後發行本金額為45,040,000港元之承兑票據。承兑票據為無抵押、按年利率3厘計息及於二零一四年八月十一日到期。Profit Station可於發行日期後任何時間提前贖回全部或部分承兑票據。除非之前已被贖回，否則Profit Station將於其到期日贖回承兑票據。

於二零一四年八月十一日(「第一次更新日期」)，Profit Station與承兑票據之票據持有人已訂立第一份延長協議，據此，承兑票據之到期日自二零一四年八月十一日延長至二零一七年八月十一日，且經延長之承兑票據將自二零一四年八月十一日起至二零一七年八月十一日止免息。此外，票據持有人已同意免除承兑票據自二零一一年八月十一日至二零一四年八月十一日期間產生之利息約4,054,000港元。除上述者外，承兑票據之其他條款及條件維持不變。

於二零一七年十二月十五日(「第二次更新日期」)，Profit Station與承兑票據之票據持有人已訂立第二份延長協議，據此，承兑票據之到期日自二零一七年八月十一日延長至二零一八年十二月三十一日，且經延長之承兑票據將自二零一七年八月十一日起至二零一八年十二月三十一日止按年利率3厘計息。除上述者外，承兑票據之其他條款及條件維持不變。

於第二次延期後，經延期之承兑票據之負債部分之公平值於第二次更新日期乃以等價工具之等值市場利率重估及計算。經延期之承兑票據之公平值於第二次更新日期為約42,720,000港元。公平值乃採用折現現金流量法以9.393%之折現率計算。

18. PROMISSORY NOTE (Continued)

On 15 February 2019 (the "Third Renewal Date"), Profit Station has entered into the third extension agreement with the noteholder of the promissory note pursuant to which the maturity date of the promissory note was extended from 31 December 2018 to 30 June 2020 and the extended promissory note will bear interest of 3% per annum with effect from 11 August 2017 till 30 June 2020. Except the abovementioned, other terms and conditions of the promissory note remains unchanged.

Upon the third extension, the fair value of the liability component of the extended promissory note was reassessed and calculated using an equivalent market interest rate for an equivalent instrument at the Third Renewal Date. The fair value of the extended promissory note at the Third Renewal Date amounted to approximately HK\$43,101,000. The fair value is calculated using discounted cash flow method at a rate of 9.707%.

18. 承兌票據 (續)

於二零一九年二月十五日(「第三次更新日期」)，Profit Station與承兌票據之票據持有人已訂立第三份延長協議，據此，承兌票據之到期日自二零一八年十二月三十一日延長至二零二零年六月三十日，且經延長之承兌票據將自二零一七年八月十一日起至二零二零年六月三十日止按年利率3厘計息。除上述者外，承兌票據之其他條款及條件維持不變。

於第三次延期後，經延期之承兌票據之負債部分之公平值於第三次更新日期乃以等價工具之等值市場利率重估及計算。經延期之承兌票據之公平值於第三次更新日期為約43,101,000港元。公平值乃採用折現現金流量法以9.707%之折現率計算。

		As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Balance at the beginning of the reporting period/year	於報告期／年初結餘	43,123	43,026
Interest charged at effective interest rate of 9.393% (Note 10)	按實際利率9.393%計算之利息開支(附註10)	—	3,032
Gain arising on extinguishment of promissory note	償清承兌票據產生之收益	—	(1,939)
Interest charged at effective interest rate of 9.707% (Note 10)	按實際利率9.707%計算之利息開支(附註10)	1,445	356
Interest payables	應付利息	(677)	(1,352)
Balance at the end of the reporting period/year	於報告期／年末結餘	43,891	43,123

19. CONVERTIBLE NOTES

On 9 December 2011, the Company issued convertible notes with the principal amount of approximately HK\$607,030,000, carried interest at the rate of 5% per annum as part of the consideration for the acquisition of Xinhua TV Asia-Pacific Operating Co., Limited ("Xinhua TV Asia-Pacific"). Each note entitles the holder to convert to ordinary shares at a conversion price of approximately HK\$0.196 per share. Conversion might occur at any time between 9 December 2011 and 8 December 2014. If the notes have not been converted, the Company would redeem on 9 December 2014 at the outstanding principal amount. Interest of 5% per annum would be paid annually until the notes are converted or redeemed.

On 9 December 2014, the Company entered into the first supplemental deed with China Xinhua NNC, the sole holder of the outstanding convertible notes, pursuant to which the Company and China Xinhua NNC agreed to amend certain terms and conditions of the convertible notes, where (i) the maturity date of the convertible notes will be extended for 3 years and the conversion period will accordingly be extended for 3 years to 9 December 2017; and (ii) the interest rate of the convertible notes will be amended from 5% per annum to 3% per annum for the extended period, being from 9 December 2014 to 9 December 2017.

On 13 December 2017, the Company entered into the second supplemental deed with China Xinhua NNC, the sole holder of the outstanding convertible notes, pursuant to which the Company and China Xinhua NNC agreed to amend the term and condition of the convertible notes, where the maturity date of the convertible notes will be extended for 1 year and the conversion period will accordingly be extended for 1 year to 9 December 2018. Except the abovementioned, other terms and conditions of the convertible notes remain unchanged.

19. 可換股票據

於二零一一年十二月九日，本公司發行本金額為約607,030,000港元，按年息率5厘計息之可換股票據，作為收購新華電視亞太台運營有限公司（「新華電視亞太台」）之部分代價。每份票據賦予持有人權利按每股股份約0.196港元之兌換價兌換為普通股。可換股票據可於二零一一年十二月九日至二零一四年十二月八日期間內隨時兌換為股份。倘票據尚未兌換，本公司於二零一四年十二月九日贖回未行使本金額。每年5厘之利息將須每年支付，直至其獲兌換或贖回。

於二零一四年十二月九日，本公司與尚未兌換可換股票據之唯一持有人中國新華新聞電視網訂立第一份補充契據，據此本公司與中國新華新聞電視網同意修訂可換股票據之若干條款及條件，其中(i)可換股票據之到期日將延長3年，且兌換期將相應延長3年至二零一七年十二月九日；及(ii)延長期間（即二零一四年十二月九日至二零一七年十二月九日）之可換股票據之利率將由每年5%修訂為每年3%。

於二零一七年十二月十三日，本公司與尚未兌換可換股票據之唯一持有人中國新華新聞電視網訂立第二份補充契據，據此本公司與中國新華新聞電視網同意修訂可換股票據之條款及條件，其中可換股票據之到期日將延長1年，且兌換期將相應延長1年至二零一八年十二月九日。除上述者外，可換股票據之其他條款及條件維持不變。

19. CONVERTIBLE NOTES (Continued)

On 9 December 2018, the Company entered into the third supplemental deed with China Xinhua NNC, the sole holder of the outstanding convertible notes, pursuant to which the Company and China Xinhua NNC agreed to amend the term and condition of the convertible notes, where the maturity date of the convertible notes will be extended for 2 years and the conversion period will accordingly be extended for 2 years to 9 December 2020. Except the abovementioned, other terms and conditions of the convertible notes remain unchanged.

The convertible notes contain two components, liability component and equity component. The equity component is presented in equity heading "convertible notes equity reserves" and "other reserves". The effective interest rate of the liability component is 8.84% from 9 December 2017 to 8 December 2018 and 10.795% from 9 December 2018 to 8 December 2020 respectively.

19. 可換股票據 (續)

於二零一八年十二月九日，本公司與中國新華新聞電視網（尚未兌換可換股票據之唯一持有人）訂立第三次補充契據，據此，本公司與中國新華新聞電視網同意修訂可換股票據之條款及條件，其中可換股票據之到期日將延長2年，且兌換期將相應延長2年至二零二零年十二月九日。除上文所述者外，可換股票據之其他條款及條件維持不變。

可換股票據由兩個部分組成，分別為負債部分及權益部分。權益部分於權益中「可換股票據權益儲備」及「其他儲備」項下呈列。負債部分之實際利率自二零一七年十二月九日起至二零一八年十二月八日止為8.84厘及自二零一八年十二月九日起至二零二零年十二月八日止為10.795厘。

Equity component

權益部分

At the beginning of the reporting period/year	於報告期／年初
Transfer to accumulated losses upon mature of convertible notes	於可換股票據到期後轉撥至累計虧損
Recognition of equity component on extension of convertible notes	就經延長可換股票據確認之權益部分
Deferred tax liability arising on extension of convertible notes	就經延長可換股票據產生之遞延稅項負債
Balance at the end of the reporting period/year	於報告期／年末之結餘

As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
14,400	1,304
—	(1,304)
—	17,245
—	(2,845)
14,400	14,400

19. CONVERTIBLE NOTES (Continued)

19. 可換股票據 (續)

		As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Liability component	負債部分		
At the beginning of the reporting period/year	於報告期／年初	225,475	247,511
Interest charged calculated at an effective interest rate of 8.84% (Note 10)	按實際利率8.84厘計算之利息開支 (附註10)	—	14,843
Interest payable before extension of convertible notes	經延長可換股票據前之應付利息	—	(5,324)
Recognition of equity component on extension of convertible notes	就經延長可換股票據確認之權益部分	—	(17,245)
Capital contribution arising from extension of convertible notes	延長可換股票據產生之出資	—	(19,352)
Interest charged calculated at an effective interest rate of 10.795% (Note 10)	按實際利率10.795厘計算之利息開支 (附註10)	12,394	7,429
Interest payable after extension of convertible notes	經延長可換股票據後之應付利息	(3,866)	(2,387)
Balance at the end of the reporting period/year	於報告期／年末之結餘	234,003	225,475

20. SHARE CAPITAL

Ordinary shares of HK\$0.001 each

Authorised:

As at 1 April 2019 and 30 September 2019 (unaudited)

法定：

於二零一九年四月一日及二零一九年九月三十日（未經審核）

Issued and fully paid:

As at 1 April 2019 and 30 September 2019 (Unaudited)

已發行及繳足：

於二零一九年四月一日及二零一九年九月三十日（未經審核）

20. 股本

每股面值0.001港元之普通股

Number of Shares

股份數目

Nominal value

面值

HK\$'000

千港元

500,000,000,000

500,000

4,055,349,947

4,055

21. OPERATING LEASE COMMITMENTS

The Group as leasee

As at 30 September 2019, operating leases related to the use of satellite capacity with lease term between 1 to 10 years. As at 31 March 2019, operating leases related to office property, certain office equipment, television broadcasting right, the use of satellite capacity and broadcasting services with lease term between 1 to 10 years. All operating lease contracts contain market review clauses in the event that the Group exercises its option to renew. The Group does not have an option to purchase the leased asset at the expiry of the lease period.

21. 經營租賃承擔

本集團作為承租人

於二零一九年九月三十日，衛星用量之經營租賃之租賃期介乎一至十年。於二零一九年三月三十一日，辦公室物業、若干辦公室設備、電視播放權、衛星用量及播放服務之經營租賃之租賃期介乎一年至十年。所有經營租賃合約均包含市場檢討條款，容許本集團行使其續約權。本集團於租約期屆滿後無權購買租賃資產。

21. OPERATING LEASE COMMITMENTS (Continued)

The Group as lessee (Continued)

At the end of the reporting period, the lease commitments for short-term leases and contracts reassessed as service agreements (31 March 2019: total future minimum lease operating leases) are as follows:

Within one year	一年內
In the second to fifth years inclusive	第二年至第五年內 (包括首尾兩年)

The Group is the lessee in respect of a number of office property, certain office equipment, television broadcasting right, the use of satellite capacity and broadcasting services held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to these leases except short-term leases and contracts reassessed as service agreements (see note 3). From 1 April 2019 onwards, future lease payments are recognised as lease liabilities in the condensed consolidated statement of financial position in accordance with the policies set out in note 3.

21. 經營租賃承擔 (續)

本集團作為承租人 (續)

於報告期末，短期租賃及重新評估為服務協議之合約之租賃承擔（二零一九年三月三十一日：未來最低經營租賃總額）如下：

As at 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
1,001	11,445
—	9,252
1,001	20,697

本集團為根據租賃持有之若干辦公室物業、若干辦公室設備、電視播放權、衛星用量及播放服務之承租人，該等租賃過往根據香港會計準則第17號分類為經營租賃。本集團已使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，本集團調整於二零一九年四月一日之期初結餘，以確認有關該等租賃之租賃負債，惟短期租賃及重新評估為服務協議之合約除外（見附註3）。自二零一九年四月一日起，未來租賃付款根據附註3所載政策於簡明綜合財務狀況表內確認為租賃負債。

22. MATERIAL RELATED PARTY TRANSACTIONS

22. 重大關連方交易

During the reporting period, the Group entered into the following related party transactions:

於報告期間，本集團訂立以下關連方交易：

Related party relationship 關連方關係	Type of transaction 交易類型	Transaction amount 交易額			
		Six months ended 30 September 截至九月三十日止六個月		Three months ended 30 September 截至九月三十日止三個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
China Xinhua NNC 中國新華新聞電視網	Annual fee for television broadcasting right (note (i)) 電視播放權年費 (附註(i))	1,500	1,500	750	750
	Accrued interests on convertible notes (note (ii)) 可換股票據之應計利息 (附註(ii))	3,866	3,866	1,944	1,944

Notes:

附註：

- (i) Pursuant to the agreement signed between the Group and China Xinhua NNC on 5 September 2011, China Xinhua NNC granted the television broadcasting right to Xinhua TV Asia-Pacific for the period from 1 September 2011 to 31 August 2021 on an exclusive basis with an annual fee of approximately HK\$1,000,000 payable by Xinhua TV Asia-Pacific to China Xinhua NNC prior to 31 December 2016, and approximately HK\$3,000,000 payable by Xinhua TV Asia-Pacific to China Xinhua NNC with effect from 1 January 2017.
- (ii) During the six months ended 30 September 2019, the convertible notes interest payable to China Xinhua NNC was amounted to approximately HK\$3,866,000 (six months ended 30 September 2018: approximately HK\$3,866,000).

- (i) 根據本集團與中國新華新聞電視網於二零一一年九月五日簽訂之協議，中國新華新聞電視網向新華電視亞太台授予獨家電視播放權，獨家電視播放權期限自二零一一年九月一日起至二零二一年八月三十一日止。於二零一六年十二月三十一日前，新華電視亞太台應付中國新華新聞電視網之年費為約1,000,000港元，而自二零一七年一月一日起，新華電視亞太台應付中國新華新聞電視網之年費則為約3,000,000港元。
- (ii) 截至二零一九年九月三十日止六個月，應付中國新華新聞電視網之可換股票據利息款額為約3,866,000港元（截至二零一八年九月三十日止六個月：約3,866,000港元）。

22. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

One of the Directors, Mr. Kan Kwok Cheung, who is also a shareholder of the Company, has provided personal guarantee to the lessor in respect of the Group's lease liabilities of approximately HK\$1,840,000 as at the end of the reporting period.

The Directors considered that the above related party transactions were conducted on normal commercial terms and in the ordinary and usual course of the Group's business.

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active markets are determined with reference to quoted market bid prices and ask prices respectively.
- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.
- The fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the Interim Financial Statements approximate to their fair values.

22. 重大關連方交易 (續)

其中一名董事簡國祥先生(亦為本公司股東)已就本集團於報告期末之租賃負債約1,840,000港元向出租人提供個人擔保。

董事認為,上述關連方交易乃按正常商業條款於本集團一般日常業務過程中進行。

23. 金融工具之公平值

金融資產及金融負債之公平值乃按以下準則釐定:

- 具有標準條款及條件並於活躍市場買賣之金融資產及金融負債,乃分別參考所報市場買盤價及賣盤價釐定公平值。
- 衍生工具之公平值按報價計算。倘未能獲得有關價格,則以非期權衍生工具之工具期限的適用孳息曲線,以及期權衍生工具的期權定價模式進行貼現現金流量分析。
- 其他金融資產及金融負債(不包括上述者)之公平值乃根據使用貼現現金流量分析之普遍採納定價模式釐定。

董事認為,於中期財務報表中確認之金融資產及金融負債之賬面值與其公平值相若。

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

Fair value measurements recognised in the condensed consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

23. 金融工具之公平值 (續)

於簡明綜合財務狀況表中確認之公平值計量

下表載列於初步確認後按公平值計量之金融工具分析，並根據其公平值可觀察程度分為第一至第三級別：

- 第一級別公平值計量乃活躍市場內相同資產或負債之報價（未經調整）；
- 第二級別公平值計量乃計入第一級別之報價以外可直接（即其價格）或間接（即源自價格）就資產或負債觀察的輸入資料；及
- 第三級別公平值計量源自包括並非以可觀察市場數據為基礎之資產或負債輸入資料（不可觀察的輸入資料）的估值方法。

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

Fair value measurements recognised in the condensed consolidated statement of financial position (Continued)

23. 金融工具之公平值 (續)

於簡明綜合財務狀況表中確認之公平值計量 (續)

As at 30 September 2019 (Unaudited)

於二零一九年九月三十日 (未經審核)

		Level 1 第一級別 HK\$'000 千港元	Level 2 第二級別 HK\$'000 千港元	Level 3 第三級別 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at fair value through profit or loss	透過損益按公平值入賬之 金融資產	3,902	–	–	3,902
		–	–	116	116
		<u>3,902</u>	<u>–</u>	<u>116</u>	<u>4,018</u>

As at 31 March 2019 (Audited)

於二零一九年三月三十一日 (經審核)

		Level 1 第一級別 HK\$'000 千港元	Level 2 第二級別 HK\$'000 千港元	Level 3 第三級別 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at fair value through profit or loss	透過損益按公平值入賬之 金融資產	6,065	–	–	6,065
		–	–	116	116
		6,065	–	116	6,181
Financial assets at fair value through other comprehensive income	透過其他全面收益按公平值 入賬之金融資產	–	–	1,245	1,245

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Group is principally engaged in the provision of civil engineering services for the public sector in Hong Kong and television broadcasting business in the Asia-Pacific region (excluding the PRC) in return for advertising and related revenue. During the six months ended 30 September 2019 (the "Period"), the Group continued to focus on rendering civil engineering services to the public sector in Hong Kong and develop its television broadcasting business.

Provision of civil engineering services

During the Period, the Group has been undertaking three main contracts and five subcontracts. Among the eight contracts, two are related to provision of waterworks engineering services and the remaining contracts are related to provision of drainage services and site formation services. Details of the contracts undertaken are set out below:

業務回顧

本集團主要於香港為公營部門提供土木工程服務及於亞太區（不包括中國）進行電視播放業務以取得廣告及相關收益。截至二零一九年九月三十日止六個月（「本期間」），本集團繼續專注於在香港向公營部門提供土木工程服務並發展其電視播放業務。

提供土木工程服務

於本期間內，本集團已承接三項主合約及五項分包合約。該八項合約中，其中兩項與提供水務工程服務有關，而其餘合約則與提供渠務服務及土地平整服務有關。所承接合約之詳情載列如下：

	Contract number 合約編號	Particulars of contract 合約詳情
Main contracts 主合約	3/WSD/13	Mainlying near She Shan Tsuen, Tai Po
	3/WSD/13	大埔社山村附近水管敷設工程
	DC/2013/09	Advance Works for Shek Wu Hui Sewage Treatment Works – Further Expansion Phase 1A and Sewerage Works at Ping Che Road
	DC/2013/09	石湖墟污水處理廠前期工程－進一步擴建第1A期及坪輦路的污水渠工程
	Q067133	Elevated Road along Lohas Park Road and the pedestrian footbridge FB1
	Q067133	沿康城路邊之高架橋路及行人天橋FB1

	Contract number 合約編號	Particulars of contract 合約詳情
Subcontracts 分包合約	DC/2012/08	Lam Tsuen Valley Sewerage – village sewerage, stage 2, phase 2
	DC/2012/08	林村谷污水收集系統－第2階段第2期
	5/WSD/13	Replacement and rehabilitation of water mains, stage 4 phase 1 and stage 4 phase 2 – mains in northern and eastern New Territories
	5/WSD/13	更換及修復水管工程第4階段第1期及第4階段第2期－新界北及新界東水管工程
	CV/2015/03	Site Formation and Infrastructural Works near Tong Hang Road and Tsz Tin Road in Area 54, Tuen Mun
	CV/2015/03	屯門54區鄰近塘亨路及紫田路的土地平整及基建工程
	810B	West Kowloon Terminus Station South, Contract 810B
	810B	西九龍總站(南)·合約810B
	CV/2016/10	Site Formation and Association Infrastructural Works For Development of Columbarium at Sandy Ridge Cemetery
	CV/2016/10	於沙嶺公墓興建骨灰龕的土地平整及相關基建工程

During the Period, the two contracts with contracts numbered CV/2015/03 and CV/2016/10 were the main contributors to the Group's revenue, which generated approximately HK\$29.6 million and HK\$63.8 million, constituting approximately 26.7% and 57.6% of the Group's total revenue respectively.

於本期間內，合約編號為CV/2015/03及CV/2016/10之兩項合約為本集團收益之主要來源，分別產生約29,600,000港元及63,800,000港元，佔本集團總收益約26.7%及57.6%。

Television broadcasting business

Despite the continuing uncertain global political and economic environment and the drastic changes in the media market in the first half of 2019, the Group continued to sustain larger pressure and challenges in traditional television broadcasting business. Also, due to intensive competition as well as deteriorating market development, the Group faces severe tough operating environment in keen competitions in the market in terms of brand recognition, quality of services, effectiveness of sales and marketing efforts, price, strategic relationships with customers and suppliers and retention of staff. Under the current circumstances, the Group is sensitive to such changes and takes responsive actions accordingly by incessantly exploring different forms of diversified media products to make space for the survival of the media market.

Looking ahead, the Group will seize the opportunities in the booming different business sectors and seek to tap on new customers, businesses and revenue streams for delivering better returns to its shareholders.

FINANCIAL REVIEW

Revenue

For the Period, the Group reported a revenue of approximately HK\$110.7 million (2018: approximately HK\$142.0 million), representing a decrease of approximately 22.0% as compared with that for the same period of the previous year. The revenue derived from provision of civil engineering services and television broadcasting business constituted approximately 96.5% and 3.5% respectively during the Period. The decrease in revenue was mainly due to certain civil engineering projects substantially completed and reached the maintenance stage or nearly completion stage as well as keen competition faced by the Group in obtaining new tenders for the Period. The Group derived aggregate advertising revenue of approximately HK\$3.9 million (2018: nil) from television broadcasting business.

電視播放業務

儘管於二零一九年上半年的全球政治及經濟環境持續不明朗及媒體市場出現劇變，本集團就傳統電視廣播業務承受的壓力與挑戰不斷升級。此外，由於激烈競爭及每況愈下的市場發展，於品牌認可、服務質素、銷售及市場推廣成效、價格、與客戶及供應商的戰略關係以及挽留員工方面，本集團在激烈的市場競爭中面臨嚴峻的營運環境。面對當前情況，本集團對有關變化敏感，並透過不斷探索不同形式的多元化媒體產品相應採取應對行動，以爭取於媒體市場的生存空間。

展望未來，本集團將於蓬勃發展的不同行業中把握機遇，並尋求發掘新客戶、業務及收益來源，以為其股東帶來更佳回報。

財務回顧

收益

於本期間內，本集團錄得收益約110,700,000港元（二零一八年：約142,000,000港元），較去年同期減少約22.0%。於本期間內，來自提供土木工程服務及電視廣播業務之收益分別佔約96.5%及3.5%。收益減少乃主要由於若干土木工程項目於本期間大致完成及達致保養階段或接近竣工階段以及本集團於取得新標書時面對激烈競爭所致。本集團自電視播放業務產生廣告收益總額約3,900,000港元（二零一八年：無）。

During the Period, the revenue of the Group was primarily generated from the undertaking of civil engineering contracts in the capacity as a subcontractor and a jointly controlled operator. The revenue generated from undertaking in a capacity of a subcontractor and a jointly controlled operator amounted to approximately HK\$95.4 million (2018: in the capacity of a subcontractor of approximately HK\$110.3 million), representing approximately 86.2% (2018: in the capacity of a subcontractor of approximately 77.7%) of the total revenue for the Period. On the other hand, the aggregate revenue generated from the undertaking of civil engineering contracts in the capacity of a main contractor amounted to approximately HK\$11.5 million (2018: in the capacity of a main contractor and jointly controlled operator of approximately HK\$31.7 million), representing approximately 10.3% (2018: in the capacity of a main contractor and jointly controlled operator of approximately 22.3%) of the total revenue for the Period.

Cost of services

The Group's cost of services for the Period decreased by approximately 15.2% to approximately HK\$121.5 million (2018: approximately HK\$143.2 million) as compared with that for the same period of the previous year. The Group's cost of services mainly includes costs of construction services, costs of television broadcasting business and other direct operating costs. Costs of construction services mainly comprise raw materials, direct labour and subcontracting fee for services provided by the subcontractors. Costs of television broadcasting business mainly comprise transmission costs, broadcasting fee and other direct costs attributable to television broadcasting business. Transmission costs comprise satellite transmission fee and carriage fee payable to satellite operators while broadcasting fee comprises annual fee payable to media broadcasting providers and China Xinhua NNC. Other direct operating costs mainly comprise depreciation charges of LED display screens.

於本期間內，本集團收益主要來自以分包商及共同控制營運商身份承接之土木工程合約。以分包商及共同控制營運商身份承接所產生之收益為約95,400,000港元（二零一八年：以分包商身份則為約110,300,000港元），佔本期間總收益約86.2%（二零一八年：以分包商身份則為約77.7%）。另一方面，以主承建商身份承接之土木工程合約產生收益總額為約11,500,000港元（二零一八年：以主承建商及共同控制營運商身份則為約31,700,000港元），佔本期間總收益約10.3%（二零一八年：以主承建商及共同控制營運商身份則為約22.3%）。

服務成本

本集團於本期間之服務成本較去年同期減少約15.2%至約121,500,000港元（二零一八年：約143,200,000港元）。本集團之服務成本主要包括建築服務成本、電視播放業務成本以及其他直接營運成本。建築服務成本主要包括原材料、直接勞工及分包商提供服務之分包費用。電視播放業務成本主要包括傳送成本、播放費用及電視播放業務應佔之其他直接成本。傳送成本包括衛星傳送費用及應付衛星營運商之傳輸費用，而播放費用則包括應付予媒體播放供應商及中國新華新聞電視網之年費。其他直接營運成本主要包括LED顯示屏之折舊費用。

Gross loss

The gross loss of the Group for the Period was amounted to approximately HK\$10.8 million (2018: approximately HK\$1.2 million). The gross loss margin of the Group was amounted to approximately 9.7% for the Period (2018: approximately 0.9%). The decrease in gross profit was mainly due to (i) the progress of projects with higher gross profit margin had slowed down during the Period; (ii) the decrease in gross profit margin of certain projects awarded to the Group in the recent years as a result of keen competition in the construction industry in Hong Kong, (iii) additional construction costs were incurred towards the completion stage of certain projects and (iv) increasing in cost of construction works.

Other income

The Group's other income for the Period decreased by approximately 10.7% to approximately HK\$0.2 million (2018: approximately HK\$0.2 million) as compared with that for the same period of the previous year. The other income mainly consisted of interest income and cash dividend received from investment in financial assets at fair value through profit or loss during the Period.

Other gains and losses

The Group's other gains and losses for the Period decreased by approximately 20.2% to approximately HK\$1.0 million in surplus (2018: approximately HK\$1.3 million). Other gains and losses mainly consisted of net exchange gain and reversal of allowance for expected credit losses recognised for trade receivables for the Period.

Amortisation expenses

The Group's amortisation expenses for the Period decreased by approximately 2.9% to approximately HK\$9.2 million (2018: approximately HK\$9.5 million) as compared with that for the same period of the previous year. The amortisation expenses mainly consisted of amortisation of television broadcasting right and film rights for the television broadcasting business.

毛損

本集團於本期間之毛損約為10,800,000港元（二零一八年：約1,200,000港元）。本集團於本期間之毛損率約為9.7%（二零一八年：約0.9%）。毛利減少乃主要由於(i)毛利率較高之項目進展於本期間已放緩；(ii)由於香港建築行業競爭激烈導致於近年授予本集團之若干項目的毛利率減少；(iii)若干項目處於接近竣工階段產生額外建築成本及(iv)建築工程成本增加所致。

其他收入

本集團於本期間之其他收入較去年同期減少約10.7%至約200,000港元（二零一八年：約200,000港元）。其他收入主要包括於本期間內利息收入及已收透過損益按公平值入賬之金融資產之投資的現金股息。

其他收益及虧損

本集團於本期間之其他收益及虧損減少約20.2%，為盈餘約1,000,000港元（二零一八年：約1,300,000港元）。其他收益及虧損主要包括本期間匯兌收益淨額及就貿易應收款項確認之預期信貸虧損撥備撥回。

攤銷開支

本集團於本期間之攤銷開支較去年同期減少約2.9%至約9,200,000港元（二零一八年：約9,500,000港元）。攤銷開支主要包括電視播放業務之電視播放權及電影版權之攤銷。

Administrative expenses

The Group's administrative expenses for the Period increased by approximately 31.8% to approximately HK\$14.2 million (2018: approximately HK\$10.8 million) as compared with that for the same period of the previous year. The administrative expenses mainly consisted of legal and professional fees, staff costs (including Directors' remuneration), depreciation expenses and rental expenses. The increase was mainly due to increase in repair and maintenance expenses and consultant fee during the Period.

Finance costs

The Group's finance costs for the Period increased by approximately 8.1% to approximately HK\$13.9 million (2018: approximately HK\$12.8 million) as compared with that for the same period of the previous year. The finance costs mainly consisted of interest expenses for the promissory note and convertible notes.

Net Loss

The net loss attributable to the owners of the Company for the Period increased by approximately 20.3% to approximately HK\$47.5 million (2018: approximately HK\$39.5 million) as compared with that for the same period of the previous year. The increase in net loss was mainly due to decrease in gross profit during the Period.

Loss per Share

The basic loss per Share was approximately HK1.17 cents (2018: approximately HK0.97 cent).

PROSPECTS

The Group anticipates the coming year is still a challenging year. The provision of civil engineering service business will continue to provide a stable source of revenue and remains the major contributor to revenue while the Group will continue to develop the television broadcasting business. The Group will continue to cautiously monitor the business environment and continue to strength the competitiveness in the markets.

行政開支

本集團於本期間之行政開支較去年同期增加約31.8%至約14,200,000港元(二零一八年:約10,800,000港元)。行政開支主要包括法律和專業費用、員工成本(包括董事薪酬)、折舊開支以及租金開支。有關增加乃主要由於本期間之維修及維護開支以及諮詢費用增加所致。

融資成本

本集團於本期間之融資成本為約13,900,000港元(二零一八年:約12,800,000港元),較去年同期增加約8.1%。融資成本主要包括承兌票據及可換股票據之利息開支。

淨虧損

本期間本公司擁有人應佔淨虧損為約47,500,000港元(二零一八年:約39,500,000港元),較去年同期增加約20.3%。淨虧損增加主要由於本期間毛利減少所致。

每股股份虧損

每股股份基本虧損為約1.17港仙(二零一八年:約0.97港仙)。

前景

本集團預期來年仍將是充滿挑戰的一年。提供土木工程服務業務將繼續提供穩定的收入來源並仍會是主要收入貢獻來源,同時本集團將繼續發展電視播放業務。本集團將繼續謹慎監察營商環境,持續鞏固於各市場之競爭力。

Provision of civil engineering services

Hong Kong construction companies are facing tougher competitive condition as well as the slower progress of scrutinising the funding proposals for public works projects by the Finance Committee and the Public Works Subcommittee due to political and social chaos in Hong Kong in the recent months. Also, the Group is currently facing tougher operating environment in respect of provision of civil engineering services business due to growing number of competitors for limited tenders for construction works. Some of the competitors were bidding at an extreme low margin or in some cases bidding at loss prices so as to increase the chance of successful tenders. As such, the fall in business opportunities drove the competitors to grasp more projects at low margins to compensate the declines from civil engineering sector. Tender margins will deteriorate further when the competitors only compete by price. Further, the shortage of supply of skilled labour and the increase in the price of certain raw materials would have adverse impact on the profit margin of the contracts awarded. In order to secure new contracts notwithstanding the overall sluggish condition in Hong Kong construction industry, the Group will adopt a relatively aggressive approach in seeking new contracts which including but not limited to relaxing payment terms of its contracts, tendering contracts with low profit margins so as to increase its competitiveness and maintain the market share.

Up to now, the Group still intends to keep the current team structure and resources in place strategically so as to capture every opportunity for bidding for major projects when those tenders roll out. The Group will use its best endeavour to bid for new projects, but before landing major profitable projects, it expects to operate in a tough environment in the coming financial year. The Group is prudently optimistic towards the long-term outlook of the construction industry in Hong Kong in view of the Hong Kong Government's continuing policies to launch large scale infrastructure projects.

提供土木工程服務

香港建築公司面對日益嚴峻之競爭狀況，且由於香港之政治及社會爭拗，財務委員會及工務小組委員會於最近數月審議公營工程項目之撥款建議進展緩慢。此外，本集團目前於提供土木工程服務業務面對更嚴峻的營運環境，原因為越來越多的競爭對手參與有限的建築工程招標。部分競爭對手以極低利潤投標或部分個案以虧損價格投標，從而增加中標機會。因此，商機減少導致競爭對手以低利潤取得更多項目，以補償土木工程行業疲弱。倘競爭對手僅以價格競爭，則標書利潤將進一步減少。此外，經驗豐富的勞工供應短缺及若干原材料價格上漲將對獲授合約的溢利率造成不利影響。為於香港建造業整體低迷的環境下取得新合約，本集團將採納相對進取的方式尋求新合約，包括但不限於放寬其合約的付款條款、以低利潤率投標以增加競爭力及維持市場佔有率。

迄今，本集團仍擬策略性地維持現有團隊架構及既有資源，從而於招標時把握重大項目的每個投標機會。本集團將盡最大努力投標新項目，惟於重大盈利項目落地前，其預期於下一個財政年度將於艱難環境下經營。鑑於香港政府持續推出大型基建項目之政策，本集團對香港建造業的長遠展望持審慎樂觀態度。

Television broadcasting business

Looking ahead, the forthcoming financial year is expected to be challenging due to the competitive market conditions in the advertising industry. The course of the trade war between China and the U.S. and the political chaos in Hong Kong itself will further increase the burden of Hong Kong economy. Before a resolution becomes clear, the advertising market will still adopt a prudent approach and it will definitely affect the development of television broadcasting business including the potential redevelopment of Chinese ancient architectures business and related advertising business. Looking ahead, the Group keeps reviewing on its business segment to determine future directions. The Group will continue to remain cost conscious through stringent cost control measures and leverage on its experience, skillset and know-how to build new growth drivers for this business segment. The management will continue to develop solid operating strategies of the Group and explore other business opportunities with a view to enhancing and improving returns to our stakeholders.

The Group will continuously commit itself to developing its core operations and thus ensure the core competitive strength of the Group. The Group will further develop the following aspects so as to sharpen its competitive edges in the market. Looking ahead, the Group remains optimistic about the prospects of the core businesses of the Group in the long term.

CAPITAL STRUCTURE

The Shares were listed on GEM of the Stock Exchange on 30 August 2010. The capital of the Group comprises only ordinary shares.

Total equity attributable to the owners of the Company amounted to approximately HK\$217.7 million in deficit as at 30 September 2019 (31 March 2019: approximately HK\$167.0 million). The decrease in equity was mainly resulted from net loss for the Period.

電視播放業務

展望未來，由於廣告業競爭激烈的市況，預計來年財政年度將面臨挑戰。中美貿易戰的進展及香港本身的政治爭拗將進一步加重香港經濟負擔。未有明確結果之前，廣告市場仍將採取審慎策略及毫無疑問將會影響電視播放業務的發展，包括潛在中國古建築重建業務及相關廣告業務。展望未來，本集團會繼續審閱其業務分部，以釐定未來方向。本集團將透過嚴格成本控制措施繼續保持成本意識，並借助其經驗、技能及知識為該業務分部創造新的增長動力。管理層將繼續發展本集團的穩健經營策略，並探索其他商機，以期加強及提高持份者的回報。

本集團將繼續致力於發展其核心業務，從而確保本集團的核心競爭優勢。本集團將進一步發展以下方面，以增強其於市場上的競爭優勢。展望未來，本集團對本集團核心業務的長遠前景仍然抱持樂觀態度。

資本架構

股份於二零一零年八月三十日在聯交所GEM上市。本集團股本僅包括普通股。

於二零一九年九月三十日，本公司擁有人應佔權益總額為虧絀約217,700,000港元（二零一九年三月三十一日：約167,000,000港元）。權益減少乃主要由於本期間淨虧損所致。

LIQUIDITY AND FINANCIAL RESOURCES

During the Period, the Group generally financed its operations through internally generated cash flows.

As at 30 September 2019, the Group had net current liabilities of approximately HK\$49.2 million (31 March 2019: net current assets of approximately HK\$33.2 million), including cash balance of approximately HK\$67.3 million (31 March 2019: approximately HK\$79.9 million). The current ratio, being the ratio of current assets to current liabilities, was approximately 0.78 as at 30 September 2019 (31 March 2019: approximately 1.19).

GEARING RATIO

The gearing ratio, which is based on the total amount of promissory note, convertible notes, finance lease payables, lease liabilities and advance received from customers divided by total assets, was approximately 129.3% as at 30 September 2019 (31 March 2019: approximately 111.0%). The increase in gearing ratio was resulted from decrease in total assets which was resulted from amortization of intangible assets.

FOREIGN EXCHANGE EXPOSURE

The group entities collect most of the revenue and incur most of the expenditures in their respective functional currencies. The Directors consider that the Group's exposure to foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity. During the Period, the Group was mainly exposed to foreign currency exchange risk of Renminbi and the management mainly monitored the foreign currency exchange risk with advices from the Group's major banks.

流動資金及財務資源

於本期間內，本集團一般透過內部產生之現金流量為其經營提供資金。

於二零一九年九月三十日，本集團之流動負債淨額為約49,200,000港元（二零一九年三月三十一日：流動資產淨值約33,200,000港元），包括現金結餘約67,300,000港元（二零一九年三月三十一日：約79,900,000港元）。於二零一九年九月三十日，流動比率（流動資產與流動負債之比率）為約0.78（二零一九年三月三十一日：約1.19）。

資產負債比率

資產負債比率乃以承兌票據、可換股票據、融資租賃應付款項、租賃負債及已收取客戶墊款之總額除以總資產計算，於二零一九年九月三十日為約129.3%（二零一九年三月三十一日：約111.0%）。資產負債比率增加是由於因無形資產攤銷引致之總資產減少所致。

外匯風險

各集團實體收取之大部分收益及所產生之大部分開支以其各自之功能貨幣計值。董事認為，本集團面臨之外匯風險甚微，乃由於本集團之大部分交易以各單獨集團實體之功能貨幣計值。於本期間內，本集團主要面臨人民幣外匯風險，而管理層主要根據本集團主要往來銀行之建議監管外匯風險。

CAPITAL COMMITMENT

As at 30 September 2019, the Group had contracted but not provided for capital commitment of HK\$3.0 million representing property, plant and equipment in respect of provision of civil engineering services business (31 March 2019: Nil).

CHARGES ON THE GROUP'S ASSETS

The Group's motor vehicles with net book values of approximately HK\$1.9 million (31 March 2019: approximately HK\$0.1 million) was held under finance lease as at 30 September 2019.

CONTINGENT LIABILITIES

As at 30 September 2019, the Group did not have any material contingent liabilities (31 March 2019: Nil).

DIVIDENDS

The Board does not recommend the payment of any dividend for the Period.

INFORMATION ON EMPLOYEES

As at 30 September 2019, the Group had 205 full-time employees in Hong Kong and over 90% of them are direct labour. Total staff costs (including Directors' remuneration) for the Period amounted to approximately HK\$42.0 million (2018: approximately HK\$42.5 million), representing a decrease of approximately 1.2% over that for the previous year.

Remuneration is determined with reference to the nature of job, performance, qualifications and experience of individual employees, as well as the result of the Group and the market trend. The Group carries out staff performance appraisal once a year and the assessment result is used for salary reviews and promotion decisions. The Group recognises the importance of staff training and thus regularly provides internal and external training for its staff to enhance their skills and knowledge.

資本承擔

於二零一九年九月三十日，本集團有已訂約但未撥備之資本承擔3,000,000港元為提供土木工程服務業務之物業、廠房及設備（二零一九年三月三十一日：無）。

本集團資產質押

於二零一九年九月三十日，本集團根據融資租賃持有賬面淨值約1,900,000港元（二零一九年三月三十一日：約100,000港元）之車輛。

或然負債

於二零一九年九月三十日，本集團並無任何重大或然負債（二零一九年三月三十一日：無）。

股息

董事會不建議就本期間派發任何股息。

僱員資料

於二零一九年九月三十日，本集團在香港有205名全職員工，其中逾90%為直接勞工。本期間之總員工成本（包括董事薪酬）為約42,000,000港元（二零一八年：約42,500,000港元），較去年減少約1.2%。

薪酬乃參考個別僱員的工作性質、表現、資歷及經驗以及本集團業績及市場趨勢釐定。本集團每年進行一次員工表現評估，評估結果用作薪金檢討及晉升決定。本集團認可員工培訓的重要性，因而定期為員工提供內部及外部培訓，以提升彼等的技能及知識。

SIGNIFICANT INVESTMENT HELD

As at 1 April 2019, the Group held 20% equity interest in the issued share capital of unlisted equity securities in the PRC which is engaged in provision of audio and video mobile content services in Express Rail in the PRC as a long term investment. The investment was disposed in May 2019.

Except for investment in subsidiaries and the investment as disclosed above, during the Period and as at the end of the reporting period, the Group did not hold any significant investment in equity interest in any company.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 30 September 2019, the Group did not have other plans for material investments and capital assets (31 March 2019: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the Period, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

SHARE OPTION SCHEME

The share option scheme of the Company was adopted and approved by the shareholders of the Company on 11 August 2010. No share options have been granted pursuant to the share option scheme during the Period.

所持重大投資

於二零一九年四月一日，本集團持有中國非上市股本證券已發行股本的20%股權作為長期投資，中國非上市股本證券主要業務為於中國提供高鐵移動音頻及視頻內容服務。該項投資已於二零一九年五月出售。

除於附屬公司之投資以及上文所披露之投資外，本期間及於報告期末，本集團並無於任何公司之股本權益中持有任何重大投資。

重大投資及資本資產的未來計劃

於二零一九年九月三十日，本集團並無其他重大投資及資本資產計劃（二零一九年三月三十一日：無）。

重大收購及出售附屬公司及聯屬公司

於本期間內，本集團並無任何重大收購及出售附屬公司及聯屬公司。

購股權計劃

本公司股東已於二零一零年八月十一日採納及批准本公司之購股權計劃。於本期間內，並無根據購股權計劃授出購股權。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2019, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules, were as follows:

Long position in the Shares:

Name	Capacity/Nature of interest	Number of Shares held	Percentage of aggregate interests to total issued share capital
姓名	身份／權益性質	所持股份數目	總權益佔全部已發行股本的百分比
Mr. Kan Kwok Cheung ("Mr. Kan") (Note) 簡國祥先生(「簡先生」)(附註)	Interest in controlled corporation 於受控制法團權益	69,000,000 69,000,000	1.70% 1.70%

Note: Mr. Kan is the sole beneficial owner of Shunleetat (BVI) Limited ("Shunleetat"), which was interested in 69,000,000 Shares. Under the SFO, Mr. Kan is deemed to be interested in all the Shares held by Shunleetat.

董事及主要行政人員於本公司及其相聯法團的股份、相關股份或債權證的權益及淡倉

於二零一九年九月三十日，董事及本公司主要行政人員於本公司或其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例的有關條文彼等被當作或視作擁有的權益及淡倉）；或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益及淡倉；或根據GEM上市規則第5.46條所述董事進行交易的規定標準須知會本公司及聯交所的權益及淡倉如下：

於股份之好倉：

附註：簡先生為Shunleetat (BVI) Limited (「Shunleetat」)的唯一實益擁有人，而後者擁有69,000,000股股份的權益。根據證券及期貨條例，簡先生被視為擁有Shunleetat所持全部股份的權益。

Saved as disclosed above, as at 30 September 2019, none of the Directors and chief executive of the Company had any other interests or short positions in any Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules.

除上文所披露者外，於二零一九年九月三十日，概無董事及本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的任何其他權益或淡倉（包括根據證券及期貨條例的有關條文彼等被當作或視作擁有的權益或淡倉）；或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉；或根據GEM上市規則第5.46條所述董事進行交易的規定標準須知會本公司及聯交所的權益或淡倉。

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as was known to the Directors, as at 30 September 2019, the following persons/entities (other than the Directors or chief executive of the Company) had, or are deemed to have, interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who/which were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or who/which were recorded in the register required to be kept by the Company under Section 336 of the SFO with details as follows:

Long position in the Shares:

Name	Number of Shares held		Number of underlying Shares under convertible notes (Note a)		Total interests	Percentage of aggregate interests to total issued share capital
	Beneficial owner	Interest in controlled corporation	Beneficial owner	Interest in controlled corporation		
名稱	實益擁有人	於受控制法團之權益	實益擁有人	於受控制法團之權益	總權益	總權益佔全部已發行股本之百分比
China Xinhua NNC	1,188,621,377 (Note b)	–	1,311,378,622 (Note b)	–	2,499,999,999	61.65%
中國新華新聞電視網	1,188,621,377 (附註b)	–	1,311,378,622 (附註b)	–	2,499,999,999	61.65%
中國新華新聞電視網有限公司("CNC China")	–	1,188,621,377 (Note b)	–	1,311,378,622 (Note b)	2,499,999,999	61.65%
中國新華新聞電視網有限公司 (「中國新華新聞電視網(中國)」)	–	1,188,621,377 (附註b)	–	1,311,378,622 (附註b)	2,499,999,999	61.65%

Notes:

- (a) Details of the convertible notes were set out in the circulars of the Company dated 19 November 2011, 6 January 2015, 17 January 2018 and 16 January 2019.
- (b) China Xinhua NNC is wholly and beneficially owned by CNC China. Accordingly, CNC China is deemed to be interested in the 1,188,621,377 Shares and 1,311,378,622 underlying Shares held by China Xinhua NNC under the SFO.

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

就董事所知，於二零一九年九月三十日，下列人士／實體（董事及本公司主要行政人員除外）擁有或被視作擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露的本公司股份、相關股份或債權證的權益或淡倉，或直接或間接擁有附帶權利可於任何情況下在本集團任何成員公司的股東大會上投票的任何類別股本面值5%或以上權益，或被記錄於本公司根據證券及期貨條例第336條存置之登記冊，詳情如下：

於股份之好倉：

附註：

- (a) 可換股票據的詳情載於本公司日期為二零一一年十一月十九日、二零一五年一月六日、二零一八年一月十七日及二零一九年一月十六日的通函內。
- (b) 中國新華新聞電視網由中國新華新聞電視網（中國）全資及實益擁有。因此，根據證券及期貨條例，中國新華新聞電視網（中國）被視為擁有中國新華新聞電視網所持有的1,188,621,377股股份及1,311,378,622股相關股份的權益。

Saved as disclosed above, as at 30 September 2019, the Directors were not aware of any other person/entity (other than the Directors or chief executive as disclosed in the paragraph headed "Directors' and chief executive's interests and short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations" above) who/which had, or is deemed to have, interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who/which were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or who/which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, none of the Directors and their respective associates including spouses and children under 18 years of age was granted by the Company or its subsidiaries any right to acquire shares or debentures of the Company or any other body corporate, or had exercised any such right during the Period.

PURCHASE, SALE OR REDEMPTION OF THE SHARES

During the Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Shares.

CONNECTED TRANSACTIONS

During the Period, the Group entered into following the continuing connected transaction:

除上文所披露者外，於二零一九年九月三十日，就董事所知，概無任何其他人士／實體（並非上文「董事及主要行政人員於本公司及其相聯法團的股份、相關股份或債權證的權益及淡倉」一段所披露之董事或主要行政人員）擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露的本公司股份、相關股份或債權證的權益或淡倉，或直接或間接擁有附帶權利可於任何情況下在本集團任何成員公司的股東大會上投票的任何類別股本面值5%或以上權益，或被記錄於本公司根據證券及期貨條例第336條存置之登記冊。

董事購買股份或債權證的權利

除本報告所披露者外，於本期間內，概無董事及彼等各自的聯繫人（包括配偶及未滿18歲的子女）獲本公司或其附屬公司授出任何權利以購買本公司或任何其他法人團體的股份或債權證，亦無行使任何有關權利。

購買、出售或贖回股份

於本期間內，本公司及其任何附屬公司概無購買、出售或贖回任何股份。

關連交易

於本期間內，本集團訂立以下持續關連交易：

Television Broadcasting Right Agreement

On 5 September 2011, Xinhua TV Asia-Pacific entered into a television broadcasting right agreement (the “Television Broadcasting Right Agreement”) with China Xinhua NNC, pursuant to which China Xinhua NNC granted the television broadcasting right in respect of broadcasting information contents from Xinhua News Agency under the CNC Channels on television channels in the Asia-Pacific region (excluding the PRC) to the Group for an annual fee of approximately HK\$1.0 million prior to 31 December 2016 and approximately HK\$3.0 million with effective from 1 January 2017. The Television Broadcasting Right Agreement has a term of 120 months from 1 September 2011 to 31 August 2021. Since China Xinhua NNC is a substantial shareholder of the Company, and therefore a connected person of the Company within the meaning of the GEM Listing Rules, the transactions contemplated under the Television Broadcasting Right Agreement constitute continuing connected transactions for the Company pursuant to Chapter 20 of the GEM Listing Rules.

GEM Listing Rules Implications

Pursuant to Rule 20.41 of the GEM Listing Rules, the transactions contemplated under the Television Broadcasting Right Agreement are subject to the applicable reporting, annual review and disclosure requirements under Chapter 20 of the GEM Listing Rules. The Company will comply with the applicable reporting, disclosure and independent shareholders’ approval requirements, as the case may be, under Chapter 20 of the GEM Listing Rules upon any variation or renewal of the Television Broadcasting Right Agreement.

Save as disclosed above, none of the Directors, controlling shareholders and their respective associates has any other conflict of interests with the Group during the Period.

電視播放權協議

於二零一一年九月五日，新華電視亞太台與中國新華新聞電視網訂立一份電視播放權協議（「電視播放權協議」），據此，中國新華新聞電視網向本集團授出於亞太地區（不包括中國）之電視頻道播放新華社之CNC頻道下之資訊內容之電視播放權，於二零一六年十二月三十一日前之年費約為1,000,000港元及自二零一七年一月一日起之年費約為3,000,000港元。電視播放權協議為期120個月，自二零一一年九月一日起至二零二一年八月三十一日止。由於中國新華新聞電視網為本公司之主要股東，故為本公司之關連人士（定義見GEM上市規則）。因此，根據GEM上市規則第20章，電視播放權協議項下擬進行之交易構成本公司之持續關連交易。

GEM上市規則的涵義

根據GEM上市規則第20.41條，電視播放權協議項下擬進行之交易須受到GEM上市規則第20章項下適用的申報、年度審閱及披露規定規管。於電視播放權協議作出任何修改或更新後，本公司將遵守GEM上市規則第20章項下適用的申報、披露及獨立股東批准之規定（視乎情況而定）。

除上文所披露者外，於本期間內，董事、控股股東及彼等各自的聯繫人概無與本集團有任何其他利益衝突。

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms which are the same as the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company periodically issues notices to its Directors reminding them of the general prohibition on dealing in the Company's listed securities during the blackout periods before the publication of announcements of financial results. The Company has confirmed, having made specific enquiry of the Directors, that all the Directors have complied with the required standards of dealings throughout the Period under review. The Company was not aware of any non-compliance in this respect during the Period.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and enhance the performance of the Group. The Company has applied the principles and code provisions in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 15 to the GEM Listing Rules. In the opinion of the Board, the Company has complied with the Code during the Period, except paragraph A.6.7 of the Code. This report further illustrates in detail as to how the Code was applied, inclusive of the considered reasons for any deviation throughout the Period.

Paragraph A.6.7 of the Code requires that independent non-executive directors and non-executive directors shall attend general meetings and develop a balanced understanding of the views of shareholders. A non-executive Director, namely Ms. Tang Li, did not attend the annual general meeting of the Company held on 9 August 2019 due to overseas commitment and pre-arranged business engagements. Other Board members, the chairmen of the relevant Board committees and the external auditor of the Company also attended the annual general meeting to inter-face with, and answer questions from the Shareholders.

董事進行證券交易之行為守則

本公司按與GEM上市規則第5.48至5.67條所載交易必守標準相同的條款採納董事進行證券交易之行為守則。本公司定期向董事發出通知，提醒彼等於刊發財務業績公佈前之禁制期內買賣本公司上市證券之一般禁制規定。經向董事作出特定查詢後，本公司確認，全體董事於整個回顧期間一直遵守交易必守標準。據本公司所知，於本期間內並無任何違規事宜。

企業管治常規守則

本公司一直致力維持高水平之企業管治，務求保障股東利益及提高本集團之表現。本公司已應用GEM上市規則附錄15所載之企業管治常規守則（「守則」）之原則及守則條文。董事會認為，除守則第A.6.7段之規定外，本公司於本期間內一直遵守守則。本報告進一步詳細說明守則如何獲應用，包括於整個期間內任何偏離情況之理由。

守則第A.6.7段規定，獨立非執行董事及非執行董事應出席股東大會，對股東之意見有公正之了解。一位非執行董事（即唐麗女士）因海外事務及預先事務安排未有出席本公司於二零一九年八月九日舉行之股東週年大會。其他董事會成員、相關董事委員會主席及本公司外部核數師亦有出席股東週年大會以正面回答股東提問。

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) was established on 11 August 2010 with terms of reference in compliance with paragraph C.3.3 of the Code. The primary duties of the Audit Committee include, among other things, reviewing and supervising the financial reporting process and internal control systems, as well as the overall risk management of the Group, reviewing the financial statements and the quarterly, interim and annual reports of the Group, and reviewing the terms of engagement and scope of audit work of the external auditors.

As at 30 September 2019, the members of the Audit Committee were Mr. Wong Chung Yip, Kenneth, Ms. Tang Li, Mr. Law Cheuk Hung, Mr. Wu Guo Ming and Mr. Wan Chi Keung, Aaron, *BBS, JP*. Mr. Wong Chung Yip, Kenneth was the chairman of the Audit Committee. The Audit Committee had reviewed the unaudited condensed consolidated results of the Group for the Period and is of the opinion that the preparation of such results complied with the applicable accounting standards and that adequate disclosures have been made.

* For identification purpose only

By Order of the Board
CNC Holdings Limited
Li Yong Sheng
Vice Chairman & CEO

Hong Kong, 11 November 2019

*As at the date of this report, the Directors are Dr. Jiang Yan¹ (Chairman), Dr. Li Yong Sheng¹ (Vice Chairman and Chief Executive Officer), Mr. Liu Da Yong¹, Mr. Kan Kwok Cheung¹, Ms. Tang Li², Mr. Law Cheuk Hung², Mr. Fan Chun Wah, Andrew, *JP*³, Mr. Wu Guo Ming³, Mr. Wan Chi Keung, Aaron, *BBS, JP*³ and Mr. Wong Chung Yip, Kenneth³.*

¹ Executive Director

² Non-executive Director

³ Independent non-executive Director

審核委員會

本公司於二零一零年八月十一日成立審核委員會（「審核委員會」），其職權範圍符合守則第C.3.3段所載規定。審核委員會的主要職責為（其中包括）審閱及監督本集團的財務申報程序、內部監控制度及整體風險管理，審閱本集團的財務報表及季度報告、中期報告及年報，以及審閱外部核數師的聘用條款及審核工作範圍。

於二零一九年九月三十日，審核委員會的成員包括王忠業先生、唐麗女士、羅焯雄先生、吳國銘先生及尹志強先生，銅紫荊星章，太平紳士。王忠業先生為審核委員會主席。審核委員會已審閱本集團於本期間之未經審核簡明綜合業績，並認為該等業績的編製符合適用會計準則並已作出充分披露。

承董事會命
中國新華電視控股有限公司
副主席兼行政總裁
李永升

香港，二零一九年十一月十一日

於本報告日期，董事為姜岩博士¹（主席）、李永升博士¹（副主席兼行政總裁）、劉大勇先生¹、簡國祥先生¹、唐麗女士²、羅焯雄先生²、范駿華先生、太平紳士³、吳國銘先生³、尹志強先生、銅紫荊星章、太平紳士³及王忠業先生³。

¹ 執行董事

² 非執行董事

³ 獨立非執行董事



CNC HOLDINGS LIMITED

中國新華電視控股有限公司