



Creative China Holdings Limited
中國創意控股有限公司

(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 : 8368

Annual Report

年報

2019

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Cayman Islands

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Sheung Wan
Hong Kong

EXECUTIVE DIRECTORS

Mr. Philip Jian Yang (*Chairman*)
Ms. Yang Jianping

NON-EXECUTIVE DIRECTORS

Mr. Yang Shiyuan (*Re-designated from executive director on 25 March 2019*)
Mr. Ge Xuyu
Mr. Wang Yong

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Fu Yuehong (*Appointed on 10 July 2019*)
Mr. Yau Yan Yuen
Mr. Tan Song Kwang

AUTHORISED REPRESENTATIVES

Mr. Philip Jian Yang
Mr. Chiu Chun Yin

COMPLIANCE OFFICER

Mr. Philip Jian Yang

COMPANY SECRETARY

Mr. Chiu Chun Yin

MEMBERS OF AUDIT COMMITTEE

Mr. Yau Yan Yuen (*Chairman*)
Ms. Fu Yuehong (*Appointed on 10 July 2019*)
Mr. Tan Song Kwang

MEMBERS OF REMUNERATION COMMITTEE

Ms. Fu Yuehong (*Chairman*) (*Appointed on 10 July 2019*)
Mr. Tan Song Kwang
Ms. Yang Jianping

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

中國總部及主要營業地點

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向軍南里2巷甲5號
雨霖大廈
19層1901室

香港主要營業地點

香港
上環
干諾道中128號
豫泰商業大廈23樓

執行董事

楊劍先生 (*主席*)
楊建平女士

非執行董事

楊世遠先生 (*於二零一九年三月二十五日
由執行董事調任*)
葛旭宇先生
汪勇先生

獨立非執行董事

傅躍紅女士 (*於二零一九年七月十日獲委任*)
邱欣源先生
陳松光先生

授權代表

楊劍先生
招晉賢先生

合規主任

楊劍先生

公司秘書

招晉賢先生

審核委員會成員

邱欣源先生 (*主席*)
傅躍紅女士 (*於二零一九年七月十日獲委任*)
陳松光先生

薪酬委員會成員

傅躍紅女士 (*主席*) (*於二零一九年七月十日獲委任*)
陳松光先生
楊建平女士

Corporate Information

公司資料

MEMBERS OF NOMINATION COMMITTEE

Mr. Philip Jian Yang (*Chairman*)
Ms. Fu Yuehong (*Appointed on 10 July 2019*)
Mr. Tan Song Kwang
Mr. Yau Yan Yuen
Mr. Ge Xuyu

LEGAL ADVISER

Hong Kong Laws:
Stevenson, Wong & Co.
PRC Laws:
Jingtian & Gongcheng Attorneys at Law
Cayman Islands Laws:
Conyers Dill & Pearman

AUDITOR

BDO Limited

PRINCIPAL BANKERS

CTBC Bank Co., Ltd.
Bank of Communications Co., Ltd.
The Bank of East Asia, Limited
Industrial and Commercial Bank of China Limited
China Minsheng Bank
Agricultural Development Bank of China

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54
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COMPANY'S WEBSITE

www.ntmediabj.com

STOCK CODE

8368

提名委員會成員

楊劍先生 (主席)
傅躍紅女士 (於二零一九年七月十日獲委任)
陳松光先生
邱欣源先生
葛旭宇先生

法律顧問

香港法律:
史蒂文生黃律師事務所
中國法律:
北京市競天公誠律師事務所
開曼群島法律:
康德明律師事務所

核數師

香港立信德豪會計師事務所有限公司

主要往來銀行

中國信託商業銀行股份有限公司
交通銀行股份有限公司
東亞銀行有限公司
中國工商銀行股份有限公司
中國民生銀行
中國農業發展銀行

開曼群島股份過戶登記總處

Conyers Trust Company (Cayman) Limited

香港股份過戶登記分處

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合和中心54樓

公司網站

www.ntmediabj.com

股份代號

8368

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board of directors (the "Board") of Creative China Holdings Limited (the "Company"), I hereby present the annual report of the Company and its subsidiaries (together the "Group") for the year ended 31 December 2019.

REVIEW

During the year ended 31 December 2019 ("Year 2019"), the Group recorded a revenue of approximately RMB48.1 million from continuing operations, representing an increase of 213.2% from turnover of approximately RMB15.4 million for the year ended 31 December 2018 ("Year 2018"). The Group recorded a profit attributable to owners of the Company of approximately RMB1.6 million as compared to a loss attributable to owners of the Company of approximately RMB74.8 million in Year 2018. Program production and artist management segment both recorded reportable segment profit. The significant increase was primarily attributable to (1) distribution of serial program; (2) licensing of broadcasting rights; (3) production of online drama; (4) relevant business derived from the artist management; and (5) partial disposal of entertainment contents on demand system segment. During Year 2019, the Group actively adjusted its business direction based on market changes, and expanded its investment in production, distribution, and trading of copyrights of film and television drama.

As at 31 December 2019, the Group's equity attributable to owners of the Company amounted to approximately RMB38.1 million as at 31 December 2019 (as at 31 December 2018: approximately RMB36.6 million).

During the Year 2019, the concert and event organization segment was significantly affected by the sluggish of Hong Kong domestic consumption in the second half of 2019. A handful of concerts were being cancelled or postponed, resulting in reduction of revenue. The Group is in negotiation with relevant entertainment companies to reschedule the concerts.

OUTLOOK

The Group has implemented various strategies to expand our revenue from online and television platforms, the provision of integrated marketing services and the application of our transferable skills in the exploration of business opportunities in order to improve our business performance and adapt to our recent business challenges. Strategies included (1) expand our business of online drama video production, (2) cooperate with well-known Chinese film and television production companies to produce and introduce the re-edited top-rated overseas TV serial programs (such as Korea) to the People's Republic of China (the "PRC") and Chinese markets; and (3) distribute high-quality films and television programs to television stations and online video platforms.

各位股東：

本人謹此代表中國創意控股有限公司（「本公司」）董事會（「董事會」）呈報本公司及其附屬公司（統稱「本集團」）截至二零一九年十二月三十一日止年度的年報。

回顧

截至二零一九年十二月三十一日止年度（「二零一九年度」），就持續經營業務而言，本集團錄得收益約人民幣48.1百萬元，營業額較截至二零一八年十二月三十一日止年度（「二零一八年度」）約人民幣15.4百萬元增加213.2%。本集團錄得本公司擁有人應佔溢利約人民幣1.6百萬元，而二零一八年度本公司擁有人應佔虧損約人民幣74.8百萬元。當中節目製作及藝人經紀業務更錄得可呈報分部溢利。二零一九年度溢利大幅增加主要歸因於(1)發行連續劇；(2)授出連續劇播放權；(3)網絡劇製作；(4)藝人經紀衍生的相關業務；及(5)出售部分娛樂內容付費點播系統業務。本集團於二零一九年度根據市場變化，積極調整業務方向，拓展影視劇的投資、製作、發行版權交易等業務。

於二零一九年十二月三十一日，本公司擁有人應佔本集團權益為約人民幣38.1百萬元（於二零一八年十二月三十一日：約人民幣36.6百萬元）

於二零一九年度，由於二零一九年下半年香港本土消費呆滯導致演唱會及活動籌辦業務受到很大影響。數場演唱會取消或延期，導致本集團收益減少。本集團正在與相關娛樂公司重新安排演唱會檔期。

展望

本集團已實施多項策略，提供整合營銷服務及應用我們的可互通之技能以探索商機。我們致力改善業務表現及適應在業務上的挑戰，以擴展我們在向網絡及電視平台輸出娛樂內容的製作收入。策略包括(1)拓展電視台及網絡影視劇製作業務；(2)與中華人民共和國（「中國」）知名影視製作公司合作，包括引進海外（如韓國）高收視率的電視連續劇的版權以改編製作，並向中國市場推出；及(3)向電視台和網絡視頻平台分發高質量的影視劇和綜藝節目。

Chairman's Statement

主席報告

Apart from the various strategies, the Group has completed certain milestones: (1) purchased the re-editing rights of top-rated overseas TV serial program and in the process of adaptation and pre-production stage; (2) invested in one of the serial program on the list for celebration of the 70th anniversary of the PRC; (3) entered into conditional agreements to organise approximately 35 concerts in Hong Kong, Taiwan and PRC during 2020 to 2021; and (4) entered into cooperation agreement with certain intellectual properties ("IP") producers in the PRC to increase the resources to produce original production of quality serial program and movies. The Group aims to distribute the broadcasting rights of the serial program for celebration of the 70th anniversary of the PRC and put our best efforts to complete the production of serial program which is re-edited from the top-rated overseas TV serial program in 2020. Currently, among the concerts being entered into, most of them are being scheduled in the second half of 2020 due to the uncertainty of the recovery status of the outbreak of global Coronavirus Disease ("COVID-19"). The artist management segment is actively expanding the commercial activities of our world champion athletes, in collaboration with the upcoming 2020 Summer Tokyo Olympic Games, with a view to maximizing the commercial value of champion athletes. The Group is actively looking for new talents for our Artist Management segment aiming to build up our artiste roster.

APPRECIATION

On behalf of the Board, I would like to express our appreciation to the Group's employees for their hard work and contributions during the past year.

2020 will be an extremely challenging year amid the outbreak of COVID-19. With the solid business base and the effort of all staff, I believe the Group could make persistent effort to create greater value for our shareholders through this transitional difficulties.

Philip Jian Yang
Chairman

Hong Kong, 13 March 2020

除各項策略外，本集團已完成若干里程碑：(1)購買海外高收視率的電視劇中國改編權，並將進入改編和製作籌備階段；(2)投資一部已被中國國家廣播總局收錄為七十週年國慶獻禮電視劇片單的連續劇；(3)訂立有條件協議以於二零二零年至二零二一年於香港、台灣及中國籌辦約35場演唱會；及(4)與若干中國知識產權("IP")製作人訂立合作協議以增加製作原產高質量連續劇及電影的資源。本集團旨在分銷於二零二零年已被國家廣播總局收錄為七十年國慶獻禮電視劇片單的連續劇之播放權及盡力完成改編自極高收視率的海外電視劇之連續劇製作。目前，由於全球新型冠狀病毒肺炎("新冠肺炎")爆發的恢復狀況存有不確定性，大部分已訂立的演唱會計劃將於二零二零年下半年舉行。藝人經紀分部正在積極拓展我們的世界冠軍運動員的商業活動，協同即將舉辦的二零二零年夏季東京奧運會，以期將冠軍運動員商業價值最大化。本集團正積極為藝人經紀分部尋找新的潛在入選，旨在建立起我們的藝人名冊。

致謝

本人謹代表董事會向本集團之僱員在過去一年內所付出之努力及貢獻深表謝意。

二零二零年在新冠肺炎爆發中開始，預期將是極具挑戰的一年。憑藉本集團穩固的業務基礎及全體員工的努力，本人相信本集團定能跨越困難，再接再厲，為股東創造更大的價值和收益。

主席
楊劍

香港，二零二零年三月十三日

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Unless otherwise specified, the figures stated in the following review are extracted from the audited financial figures of the continuing operations of the Group:

Revenue

Revenue for the year ended 31 December 2019 (“Year 2019”) amounted to approximately RMB48.1 million, representing an increase of approximately 213.2% as compared to that recorded for the year ended 31 December 2018 (“Year 2018”) of approximately RMB15.4 million. The increase in revenue was mainly contributed by the program production segment and artist management segment.

Gross profit/(loss)

The gross profit for Year 2019 amounted to approximately RMB17.6 million as compared to that recorded of gross loss for Year 2018 of approximately RMB41.8 million. The increase in gross profit was mainly due to the distribution fee from serial program and production income obtained from license the first-round broadcasting rights of serial program, production of online drama, the production of content and jobs being arranged for our exclusive world champion athletes in 2019 from the artist management segment.

Other revenue

Other revenue was decreased from approximately RMB15.3 million in Year 2018 to approximately RMB1.0 million in Year 2019, which is due to the temporary effect regarding the transition period of restructuring of the mobile live broadcasting and e-commerce segment.

Expenses

Selling and distribution costs for Year 2019 was approximately RMB2.6 million, representing a decrease of approximately RMB4.0 million (approximately 60.4%) as compared to Year 2018. It is mainly due to less expenses being incurred from the mobile live broadcasting and e-commerce segment.

Administrative expenses for Year 2019 amounted to approximately RMB15.7 million (Year 2018: approximately RMB38.5 million), which was decreased by approximately 59.2% as compared to Year 2018 which was mainly due to strengthened control by the the management and there are no amortisation and impairment loss of program cost, impairment loss of goodwill and property, plant and equipment during Year 2019.

財務回顧

除另有指明外，以下回顧所列數字摘取自本集團持續經營業務的經審核財務數據：

收益

本集團於截至二零一九年十二月三十一日止年度（「二零一九年度」）錄得約人民幣48.1百萬元之收益，較截至二零一八年十二月三十一日止年度（「二零一八年度」）約人民幣15.4百萬元增加約213.2%。收益增加主要由節目製作業務及藝人經紀業務所貢獻。

毛利／（損）

本集團於二零一九年度錄得約人民幣約17.6百萬元之毛利，而二零一八年度錄得毛損約人民幣41.8百萬元。毛利增加主要由於電視劇發行費及自授出連續劇首輪播放權許可業務取得的製作收入、網絡劇製作及二零一九年藝人經紀業務為我們獨家世界冠軍運動員安排的工作及內容製作所得的收入。

其他收益

本集團的其他收益由二零一八年度約人民幣15.3百萬元減少至二零一九年度約人民幣1.0百萬元，原因為二零一九年集團在移動直播及電商業務的調整，目前尚處於調整期，短期影響到該業務板塊的收益。

開支

於二零一九年度，銷售及發行成本約為人民幣2.6百萬元，較二零一八年度減少約人民幣4.0百萬元（約60.4%）。主要由於移動直播分部及電商分部產生較少的開支。

二零一九年度的行政開支約人民幣15.7百萬元（二零一八年度：約人民幣38.5百萬元），較二零一八年度減少約59.2%，主要由於管理層加強對開支的控制及二零一九年度並無節目成本的攤銷及減值虧損，亦無有關商譽及物業、廠房及設備減值虧損。

Management Discussion and Analysis

管理層討論及分析

Income tax expenses

The Group had income tax expenses for Year 2019 of approximately RMB0.3 million while comparing to approximately RMB4.6 million for Year 2018. The income tax expense for Year 2019 was due to the profit making under the program production segment, while the income tax expenses for Year 2018 was due to the de-recognition of deferred tax assets recognised for tax losses in prior years. There is no provision of Hong Kong profits tax for Year 2019 as no subsidiaries of the Company located in Hong Kong have recorded taxable profit during Year 2019. PRC enterprise income tax for the subsidiaries incorporated in the PRC and Hong Kong profits tax for the subsidiaries incorporated in Hong Kong are calculated at 25% and 16.5% respectively on taxable profit of relevant period in accordance with the relevant laws and regulations.

Profit/(loss) attributable to owners of the Company for the year

The Group recorded a profit attributable to owners of the Company of approximately RMB1.6 million as compared to a loss attributable to owners of the Company of approximately RMB74.8 million during Year 2018 (both including the financial results of discontinued operations). The increase of profit attributable to owners of the Company was mainly due to (1) the distribution of a serial program; (2) licensing of broadcasting rights; (3) production of online drama; (4) production of content and jobs being arranged for our athletes from the artist management segment; and (5) gain of disposal from the partial disposal of entertainment contents on demand system segment.

Financial resources, liquidity and capital structure

During the Year 2019, the Group finances its operations by internally generated cash flow, borrowings and shareholders' equity. As at 31 December 2019, the Group had net current assets of approximately RMB75.6 million (as at 31 December 2018: approximately RMB3.0 million) including cash and cash equivalents of approximately RMB11.5 million (as at 31 December 2018: approximately RMB8.9 million). The increase in cash and cash equivalents was mainly due to settlement of licensing on the broadcasting rights and proceeds being received from the partial disposal of entertainment contents on demand system segment during Year 2019. The increase in net current assets was because of the Group's investment in a serial program on the list for the celebration of the 70th anniversary of the PRC and recognised as serial program rights in current assets while part of the payables of this investment were recognised as non-current liabilities in accordance to the contract terms. The current ratio, being the ratio of current assets to current liabilities, was approximately 1.7 times as at 31 December 2019 (as at 31 December 2018: approximately 1.0 times). The capital of the Group comprises only ordinary shares. Total equity

所得稅開支

本集團於二零一九年度錄得所得稅開支約為人民幣0.3百萬元，二零一八年度約為人民幣4.6百萬元。二零一九年度的所得稅開支原因為節目製作業務產生之溢利而二零一八年度之所得稅開支乃由於終止確認於之前年度確認的有關稅項虧損的遞延所得稅資產。由於二零一九年度本公司位於香港的附屬公司並無錄得應課稅溢利，因此於二零一九年度並無任何香港利得稅的撥備。於中國註冊成立的附屬公司的中國企業所得稅及於香港註冊成立的附屬公司的香港利得稅乃根據相關法律及法規按有關期間之應課稅溢利分別按25%及16.5%計算。

本年度本公司擁有人應佔溢利／(虧損)

本集團錄得本公司擁有人應佔溢利約人民幣1.6百萬元，而二零一八年度本公司擁有人應佔虧損約人民幣74.8百萬元（兩者均包括已終止經營業務之財務業績）。本公司擁有人應佔溢利增加主要由於(1)發行連續劇；(2)授出連續劇播放權；(3)網絡劇製作；(4)製作內容及藝人經紀分部為我們的運動員安排的工作；及(5)出售部分娛樂內容付費點播系統分部收益。

財務資源、流動資金及資本結構

二零一九年度，本集團繼續以經營產生的現金流量、借貸及股東權益應付營運資金需求。於二零一九年十二月三十一日，本集團的流動資產淨值約為人民幣75.6百萬元（於二零一八年十二月三十一日：約人民幣3.0百萬元），其中包括現金及現金等價物約人民幣11.5百萬元（於二零一八年十二月三十一日：約人民幣8.9百萬元）。現金及現金等價物增加的主要原因為結算出售播放權之收入及二零一九年度期間部分出售娛樂內容付費點播系統分部所收取的收益。流動資產淨額增加乃由於本集團投資於一部被國家廣播電總局收錄為七十年國慶獻禮電視劇片單的連續劇並確認連續劇版權為流動資產，而該投資部分應付款項根據其合同條款而確認為非流動負債。流動比率，為流動資產與流動負債的比率，於二零一九年十二月三十一日約為1.7倍（於二零一八年十二月三十一日：約1.0倍）。本集團的資本

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attributable to owners of the Company amounted to approximately RMB38.1 million as at 31 December 2019 (as at 31 December 2018: approximately RMB36.6 million).

BUSINESS REVIEW AND PROSPECT

The Group is principally engaged in the businesses of (i) program production and related services, (ii) concert and event organisation, (iii) mobile live broadcasting and e-commerce; (iv) entertainment contents on demand system (discontinued during Year 2019) and (v) artist management.

Program production and related services

The Group has recorded revenue in program production and related services of approximately RMB34.9 million for the Year 2019 compared with nil of revenue being recorded in Year 2018. This was mainly due to distribution fee for serial program, licensing of first-round broadcasting rights of a serial program to a PRC media and production of online drama.

The license right of the serial program was purchased in 2018 and licensed on the first-round broadcasting rights and second-round broadcasting rights of contracted amount of RMB 54.0 million and RMB11.0 million respectively in first half of 2019. Subject to the accounting standards and the consideration of current outbreak of COVID-19, the corresponding revenue of licensing of the second-round broadcasting rights is expected to be recognised in early 2021. We are actively in negotiation of transferring the online broadcasting rights with major online video platforms in the PRC.

只包括普通股。本公司擁有人應佔權益總額於二零一九年十二月三十一日約為人民幣38.1百萬元(於二零一八年十二月三十一日：約人民幣36.6百萬元)。

業務回顧及展望

本集團主要從事(i) 節目製作及相關服務(ii) 演唱會及活動籌辦、(iii) 移動直播及電商、(iv) 娛樂內容付費點播系統(於二零一九年度終止經營)及(v) 藝人經紀業務。

節目製作及相關服務

與二零一八年錄得零收益比較，二零一九年度本集團已錄得節目製作及相關服務收益約人民幣34.9百萬元。這主要來自連續劇發行費、授出一部電視連續劇的第一輪播放權許可及網絡劇製作。

本集團於二零一八年購買了一部連續劇的許可權，並於二零一九年上半年授出首輪播放權和第二輪播放權許可，相關的金額分別為約人民幣54.0百萬元和約人民幣11.0百萬元。根據會計準則及考慮到當前新冠肺炎疫情，第二輪播放權的相應許可收入預計將於二零二一年初確認。我們正積極與中國主要網絡視頻平台進行轉讓網絡播放權的磋商。

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During the Year 2019, the Group has entered into agreements in relation to production, licensing and distribution of serial programs: (1) an exclusive distribution agency agreement with a film and television production company for a serial program totaling 45 episodes; (2) a joint development and production agreement with a PRC media company in Year 2020 for a top-rated South Korean TV serial program and our Group has controlling interest in this program; (3) an exclusive adaptation right agreement with a Korean TV station authorised media company for a TV serial program; and (4) an investment in one of the serial program on list for celebration of the 70th anniversary of the PRC. The Group has also entered into a cooperation agreement with a PRC television video production company, which specialized in creation of intellectual property rights in drama program, in order to secure more resources for potential production of serial programs, online dramas and movies. Our Group expects these developments will bring additional revenue to the Group in the coming future.

Concert and Event Organisation

The revenue from event organisation segment for Year 2019 was decreased from approximately RMB14.1 million to approximately RMB9.5 million (approximately 32.9%), which was mainly due to the concerts and events being cancelled or postponed in second half of 2019 coupled with sluggish domestic consumption of Hong Kong. The Group had organised concerts in Hong Kong, Taiwan and Southeast Asia during the year.

In order to diversify our business reliance on the traditional event organization income, the Group started the concert organization segment in 2018 through cooperation with entertainment companies that had access to famous Korean artists. We have successfully organized pop music concert events with artists such as Wilber Pan (潘瑋柏), BTOB (Born to Beat), SEVENTEEN, NU'EST W, APINK, Jessica Jung (鄭秀妍), Li Joon Gi (李準基), NU'EST, and Jaypark (朴載範) in the PRC, Hong Kong, Taiwan, Malaysia and Thailand since the financial year of 2018. The Group is negotiating with the entertainment companies to reschedule concerts which were being cancelled in second half of 2019.

In response of the “Korean K-pop Wave” in recent years, we have pre-emptively prepared ahead to bring back the Korean Wave to the PRC upon feasible through our established relationships with various prominent Korean artists. We consider that our concert and event organization segment with Korean artists in the PRC market (including fan meetings, concerts and other commercial activities) will contribute additional revenue streams to our Group such as ticketing sales, advertising sponsorships, Internet content promotion, and peripheral commodity sales.

於二零一九年度內，本集團已就連續劇製作、播放和發行訂立協議：(1)與影視製作公司簽訂獨家經銷一部共45集的連續劇協議；(2)於二零二零年度與某中國影視劇製作公司就一部具有極高收視率的韓國電視連續劇共同開發及製作協議；(3)與一間韓國電視台的授權機構就一部電視劇訂立獨家改編權協議；及(4)投資一部已被中國國家廣播總局收錄為七十週年國慶獻禮電視劇片單的連續劇。本集團亦已與一間從事連續劇知識產權創造的中國影視製作公司訂立合作協議，以在未來獲得更多電視劇、網絡劇及電影製作的潛在資源和儲備。本集團預期這些發展在未來為本集團帶來額外收益。

演唱會及活動籌辦

二零一九年度活動籌辦收益由約人民幣14.1百萬元減少至約人民幣9.5百萬元(約32.9%)，主要香港本地社會活動導致二零一九年下半年演唱會及活動取消或延期。本集團於本年度已於香港、台灣及東南亞籌辦演唱會。

為將倚賴傳統活動籌辦收入的業務多元化，本集團自二零一八年開始與不同娛樂公司合作，獲得韓國著名演藝明星開展的演唱會主辦權。自二零一八年財政年度起，我們已成功於中國、香港、台灣、馬來西亞和泰國舉辦了多場流行演唱會，藝人包括潘瑋柏、BTOB (Born to Beat)、SEVENTEEN、NU'EST W、APINK、鄭秀妍、李準基、NU'EST及朴載範。本集團正與娛樂公司協商重新安排二零一九年下半年所取消的演唱會。

鑑於近年「韓國K-pop」浪潮湧現，我們通過與韓國著名演藝明星的代理機構建立的關係，可望於在適當時機將韓流引入中國內地。我們認為韓國藝人於中國內地市場的商機(包括與粉絲見面會、演唱會及其他商業活動)將為本集團於不同層面貢獻額外收入來源，例如票務銷售，廣告贊助，互聯網內容推廣及周邊商品銷售等。

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The Group has entered into an agreement with a renowned top league PRC singer to organize concerts in 2020 to 2021. Due to the recent outbreak of COVID-19, the Group expects to postpone certain concerts to late 2020. The Group is also in negotiation with relevant artists management companies and expect to continue to organize concerts starting in second and third quarters of 2020. The Group expects that the concerts organisation of the Group will have more desirable results in the future.

Mobile Live Broadcasting and E-commerce

The Group has not recorded revenue from mobile live and e-commerce segment in Year 2019 as compared to last year of revenue of approximately RMB1.1 million due to the temporary effect regarding the transition period of restructuring of the mobile live broadcasting and e-commerce segment.

Our “Great Star” mobile phone application provides online tools and services for well known artists, key opinion leaders (KOLs), online celebrities, and video content creators to participate in mobile live broadcasting, text and video interaction, video content distribution, integrated peripheral merchandise sales, and online settlement and payment.

In May 2019, “Great Star”, our mobile live broadcasting and e-commerce APP, signed a custodial agreement with a Hong Kong developer of the mobile application “Aiwoo”, for the exclusive operational rights of their application in the PRC. “Aiwoo” provides online fans and stars with the tools necessary to fuel engagement and interaction. Through the application, fans can follow and keep up-to-date to the dynamics of their favorite stars in real-time, and interact with these stars by online application. It provides fan groups and their communities the ability to purchase the peripheral products of their stars and participate in social interactions and functions between fans, thus building a borderless online entertainment community. “Aiwoo” and our Group have been cooperating on our concert pipeline for the promotion, marketing, ticket sales, and peripheral commodity sales in our concerts and event organization segment, including Korean artists BTOB (Born to Beat), SEVENTEEN, NU'EST W, APINK, Jessica Jung (鄭秀妍), Li Joon Gi (李準基), NU'EST and Jaypark (朴載範) in Hong Kong, Taiwan, Malaysia and Thailand. Although the revenue from mobile live broadcasting and e-commerce is relative low currently, we are optimistic on the business prospects of “Great Star” and it could be accelerated as “Great Star” and “Aiwoo” have perfect the consumer experience under

本集團已與中國一位知名頂級歌手訂立協議以於二零二零年至二零二一年籌辦演唱會。由於近期新冠肺炎爆發，本集團預期推遲若干演唱會至二零二零年末。本集團亦與相關藝人經紀公司磋商並預期於二零二零年第二及第三季度開始繼續籌辦演唱會。本集團預期所籌辦的演唱會將於日後取得可觀的成績。

移動直播及電商

由於於二零一九年度在移動直播及電商業務的調整及目前尚處於調整期，故本集團於本年度並無錄得在移動直播及電商業務的收益，而去年則錄得收益約人民幣1.1百萬元。

本集團的手機應用程式「全聚星」為藝人，網紅(KOLs)，在線名人及視頻內容創作者等提供在線工具和服務，以參與移動直播、文書和視頻互動、視頻內容發行、綜合周邊商品銷售，以及在線結算和支付工具。

於二零一九年五月，本集團的移動直播和電商業務「全聚星」與香港移動應用程式「Aiwoo」的開發商簽訂了一份中國區運營委託協議，以獲得其在中國的獨家經營權。「Aiwoo」為在綫粉絲和明星提供必要的互聯網工具，以促進各方參與及互動。通過該應用程式，粉絲可以實時跟蹤並及時了解他們喜愛的明星動態，並通過在綫應用程式與明星互動。它為粉絲群體及其社區購買明星周邊產品的能力，並參與粉絲之間的社交互動，從而構建無國界的在綫娛樂社區。本集團和「Aiwoo」一直在我們的演唱會及活動籌辦業務進行推廣、營銷、售票和周邊商品銷售的合作，包括韓國藝人BTOB (Born to Beat)、SEVENTEEN、NU'EST W、APINK、鄭秀妍、李準基、NU'EST及朴載範在香港、台灣、馬來西亞和泰國的演唱會及活動。儘管移動直播和電子商務的收入目前相對較低，但我們對「全聚星」的業務前景持樂觀態度。隨著在「全聚星」和「Aiwoo」並行運作的環境下可完善消費者體驗，利用「Aiwoo」現有產品，它可以加速由「全聚星」開發的專有技術(比如實時

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a parallel running environment, leveraging the existing proprietary technology developed by “Great Star” (such as live broadcasting tools, integrated commodity sales tools, etc.) and integrating these tools into the “Aiwoo” application. By sharing the customer flow and user-base of both applications, utilizing the influence and appeal of celebrities, and tapping into the existing demand and habits of fans and the fan-economy, the Group aims to leverage the synergy between these two applications to increase overall application downloads and daily boot activity in order to build a comprehensive online community of fans and micro-communities. Our Group believes that with “Great Star” and “Aiwoo”, our mobile live broadcasting and e-commerce segment holds great potential and promising synergy with our other businesses, namely in the Internet age as an online supplementary to our traditionally offline event and concert organization and our artist management segment.

During the second quarter of 2019, the Group disposed the investment in Instance App Inc. Pte. Ltd. (“Instance”). Instance is an operator of “Instance App”, the e-commerce application which is based in Singapore. Details of Instance’s business was also disclosed in the voluntary announcement of the Company dated 20 April 2018. Before the disposal, the Group had approximately 6% equity interest of Instance and the cost of this investment was US\$997,500. Instance has lagged behind on certain representations and did not generate any revenue since the Company’s subscription. After certain discussions with the major shareholder of Instance, the Company agreed to sell and major shareholder of Instance agreed to buy back the entire shareholdings of Instance held by the Company for US\$997,500 (the “Buy-back”), which is same as the cost of investment of the Company. The Company and the major shareholder of Instance entered into agreement in relation to the Buy-back and completed the transaction in May 2019.

直播工具，集成商品銷售工具等），並將這些工具結合到「Aiwoo」應用程式中。通過分享兩個應用程式的客戶流量和用戶群，利用名人的影響力和吸引力，加上粉絲和粉絲經濟的現有需求和習慣，本集團利用這兩個應用程式之間的協同效應來增加整體應用程式下載和每日活動，以建立一個由粉絲和微形社區組成的綜合在線社區。在這個互聯網時代，本集團相信憑藉「全聚星」和「Aiwoo」的結合，我們的移動直播和電商業務將與我們的其他業務（包括演唱會及活動籌辦業務和藝人經紀業務）發揮協同效應，開通相關的在線潛力。

於二零一九年第二季度，本集團出售了於Instance App Inc. Pte. Ltd.（「Instance」）的投資。Instance為一家以新加坡為基地的電商應用程式「Instance App」之營運商。有關Instance的業務已於本公司日期為二零一八年四月二十日的自願公告內披露。於出售前，本集團持有Instance約6%的權益，而投資Instance的成本為997,500美元。由於Instance未能滿足在認購協議上的某些陳述，並且自本公司認購以來未能產生任何收入，本集團與Instance的主要股東進行若干討論後，本集團同意出售，而Instance的主要股東同意以997,500美元回購本公司持有Instance的全部股權（相等於本公司的認購代價）（「回購」）。有關回購的協議已於二零一九年五月簽訂並且已完成交易。

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Entertainment Contents on Demand System

On 28 August 2019, the Group entered into equity transfer agreements with three different purchasers for the disposal of 19.25% of equity interest of Capital Land Digital Entertainment Co. Ltd. ("Capital Land", which operates "Fengtingxun" an entertainment contents on demand system) in total at the consideration in cash of total of RMB15.4 million (the "Disposal"). The Disposal was approved by the shareholders of the Company in the extraordinary general meeting held on 11 October 2019. Following the completion of the Disposal, the Company will cease to be a subsidiary of Fengtingxun. The Disposal was completed on 31 December 2019.

The Group considered that the Disposal represent a good opportunity for the Group to (i) realise its investment in the Capital Land; (ii) to strengthen its liquidity for future investment opportunities and potential future expansion plans, especially in the program production which may require additional funding for investment, at a reasonable return from the investment in the entertainment contents on demand system business; and (iii) to improve the financial performance of the Group by focusing on developing in program production and concert and event organisation after the disposal.

The net proceeds from the Disposal was amounted to approximately RMB14,735,000. As at 31 December 2019, the net proceeds from the Disposal has been utilized as follows:

娛樂內容付費點播系統

於二零一九年八月二十八日，本集團與三名買方簽訂股權轉讓協議以合計出售19.25%之京江南數娛(北京)科技有限公司(「京江南」，其營運娛樂內容付費點播系統「風霆迅」)股權，現金代價合共為人民幣15.4百萬元(「出售事項」)。出售事項已於二零一九年十月十一日舉行的股東特別大會上獲本公司股東批准。出售事項完成後，本公司將不再為風霆迅的附屬公司。出售事項已於二零一九年十二月三十一日完成。

本集團認為出售事項乃本集團的一個良好機會，可(i)變現其於京江南的投資；(ii)提升其流動資金以應付未來投資機遇以及潛在未來擴展計劃(尤其是可能要求額外投資資金的節目製作)，可以合理價格取得娛樂內容付費點播系統業務的合理回報；及(iii)於出售事項後透過專注於開發節目製作及演唱會及活動籌辦服務而改善本集團的財務表現。

出售事項所得款項淨額約為人民幣14,735,000元。於二零一九年十二月三十一日，出售事項所得款項淨額使用狀況如下：

Intended use of net proceeds	所得款項淨額擬定用途	Approximately amount of net proceeds intended to be utilized 擬動用所得款項淨額概約金額 (RMB'000) (人民幣千元)	Approximately amount of net proceeds utilized 已動用所得款項淨額概約金額 (RMB'000) (人民幣千元)
For payment of production of television serial programs	支付製作電視連續劇節目	4,635	4,635
For payment of expenditures for concerts and events organisation	就舉辦演唱會及活動支付開支	5,149	700
For repayment of shareholders' loan	償還股東貸款	4,951	451
		<u>14,735</u>	<u>8,457</u>

Management Discussion and Analysis

管理層討論及分析

As disclosed in the circular of the Company dated 24 September 2019 (the “Circular”), the net proceeds from the Disposal were expected to be fully utilized by the end of Year 2019. Due to the reschedule of certain concerts, the expected payment of expenditures for concerts and events organisation are also postponed. Also, the shareholders of the Company agreed the Company can repay the shareholders’ loans according to the flexibility of the Company’s cash flow status and therefore the actual repayment of shareholders’ loan during Year 2019 was different from the expected amount disclosed in the Circular.

The total net gain on disposal of Capital Land was approximately RMB13.3 million (included the gain on disposal of partial disposal completed in Year 2018) of which RMB2.7 million was recognized in Year 2019.

Artist Management

The revenue for the year ended 31 December 2019 was approximately RMB3.8 million as compared to the same period of last year of approximately RMB78,000. With the advent of the 2020 Summer Tokyo Olympics, the commercial value of world champion athletes will be considerably increased. The Group believes that it will bring considerable benefits to the Group. Our Group will continue to seek for opportunities between our artists and customers or brands, as well as managing and promoting our artists and/or athletic artists in order to bring more value to the Group.

Although the businesses of the Group are facing various external challenges, the Group is confident that it can overcome the challenges under the leadership of our experienced management and the strong teams formed by the seasoned staff. Together with the various opportunities currently exploring, the Group believes our business will continue to improve.

Employees and remuneration policies

As at 31 December 2019, the Group had a total of 30 employees (2018: 74). The decrease mainly due to cost control and disposal of Capital Land (which being considered not a subsidiary of the Group). The Group remunerates its employees based on their performance, experience and the prevailing market situation. Their remuneration packages are normally renewed on an annual basis, based on performance appraisals and other relevant factors. The Group may pay discretionary bonuses to its employees based on individual performance.

根據本公司於二零一九年九月二十四日發出之通函(「通函」)所披露，本集團預期將於二零一九年度內全數使用出售事項所得款項淨額。由於部分演唱會需要改期，預期要支付之演唱會及活動的開支都相對地延遲。此外，本公司股東及本公司已同意，本公司可就自身預留現金流的彈性的情況下償還股東借款，因此於二零一九年度內的實際股東借款之還款跟在通函內披露的金額不同。

出售京江南的淨收益總額約人民幣13.3百萬元(包括二零一八年度內完成之部份出售之出售收益)，其中人民幣2.7百萬元於二零一九年度確認。

藝人經紀業務

截至二零一九年十二月三十一日止年度的收益約為人民幣3.8百萬元，而去年同期則為約人民幣78,000元。隨著二零二零年夏季東京奧運會的來臨，世界冠軍運動員的商業價值也隨之提升。本集團認為將會為本集團帶來可觀的收益。本集團將繼續尋求藝人與客戶或品牌之間的機會，以及管理及推廣我們的藝人及／或體育明星，以為本集團帶來更多價值。

儘管本集團業務面臨各種外來挑戰，在具有豐富經驗的管理層領導下及憑藉資深員工組成強有力的團隊，本集團有信心克服種種挑戰。在我們現時探索的多項商機支持下，本集團認為我們的業務將持續改善。

僱員及薪酬政策

於二零一九年十二月三十一日，本集團合共有30名僱員(二零一八年：74名)。該減少主要因為成本控制轉讓京江南(已非本集團子公司)股權所致。本集團按僱員表現、經驗及當時業內情況釐定薪酬。薪酬通常按表現評估及其他相關因素每年更新。本集團或會按個別僱員之表現發放酌情花紅。

Management Discussion and Analysis

管理層討論及分析

Foreign exchange risks

The sales and purchases of the Group are mainly conducted in RMB from time to time, the Group will review and monitor the risk relating to foreign exchanges.

Capital expenditure

The Group paid approximately RMB1.3 million for the addition of property, plant and equipment during Year 2019 (Year 2018: approximately RMB0.5 million) (for continuing operations).

Capital commitments

As at 31 December 2019, the Group did not have any capital commitments.

Contingent liabilities

As at 31 December 2019, there were no significant contingent liabilities for the Group.

Significant investment, material acquisitions or disposals of subsidiaries and affiliated companies

Apart from the disposal of Capital Land disclosed above, there were no other significant investments held as at 31 December 2019 (as at 31 December 2018: nil) nor other material acquisitions and disposals of subsidiaries or affiliated companies made by the Group during Year 2019 (Year 2018: nil).

外幣風險

本集團的經常性銷售及採購主要為人民幣結算。本集團會審閱及監察外幣所帶來的風險。

資本開支

在二零一九年度，本集團為持續經營業務新增的物業、廠房及設備支付了約為人民幣1.3百萬元(二零一八年度：約人民幣0.5百萬元)。

資本承擔

於二零一九年十二月三十一日，本集團並無任何資本承擔。

或然負債

於二零一九年十二月三十一日，本集團並無重大或然負債。

重大投資、重大收購或出售附屬公司及聯屬公司

除上述披露之京江南出售事項外，本集團於二零一九年十二月三十一日概無持有其他重大投資(於二零一八年十二月三十一日：無)，且二零一九年度亦無其他重大收購及出售附屬公司或聯屬公司事項(二零一八年度：無)。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to establishing good corporate governance practices and procedures. The Company believes that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture, thereby leading to the enhancement of shareholders' value.

The Board has adopted the Corporate Governance Code (the "CG Code") as set out in Appendix 15 to the GEM Listing Rules. Continuous efforts are made to review and enhance the Group's risk management and internal controls and procedures in light of changes in regulations and developments in best practices. To us, maintaining high standards of corporate governance practices is not just complying with the provisions but also the intent of the regulations to enhance corporate performance and accountability.

The Board is pleased to report compliance with the code provisions of the CG Code for the year ended 31 December 2019, except where otherwise stated.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the directors (the "Required Standard of Dealings"). The Company has confirmed, having made specific enquiry of the directors, all the directors have complied with the Required Standard of Dealings throughout the year.

企業管治常規

本公司董事會及管理層致力訂立良好的企業管治常規及程序。本公司相信，良好的企業管治能為有效管理、成功達致業務增長及健康企業文化訂立框架，從而提升股東價值。

董事會已採納GEM上市規則附錄15所載企業管治守則（「企業管治守則」）。本集團一直致力就條例的變更及最佳常規的發展檢討及提升其風險管理及內部監控及程序。對我們而言，維持高水準的企業管治常規不僅符合條文的規定，也實現條例的精神，藉以提升企業的表現及問責性。

董事會欣然匯報，除非另有所述，截至二零一九年十二月三十一日止年度一直符合企業管治守則的守則條文。

董事進行證券交易

本公司已採納GEM上市規則第5.48至5.67條作為董事買賣本公司證券之行為守則（「交易必守標準」）。本公司於向董事作出特定查詢後確認，所有董事均於年內遵守交易必守標準。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

The Board comprises:

Executive directors:

Mr. Philip Jian Yang (*Chairman*)

Ms. Yang Jianping

Non-executive directors:

Mr. Yang Shiyuan (*Re-designated from executive director on 25 March 2019*)

Mr. Ge Xuyu

Mr. Wang Yong

Independent non-executive directors:

Ms. Fu Yuehong (*Appointed on 10 July 2019*)

Mr. Yau Yan Yuen

Mr. Tan Song Kwang

An updated list of directors and their role and functions is maintained at the websites of the Company and the Stock Exchange and the independent non-executive directors are identified by name in all corporate communications.

Each independent non-executive director has given an annual confirmation of his/her independence to the Company, and the Company considers them to be independent under Rule 5.09 of the GEM Listing Rules.

During the year ended 31 December 2019, six Board meetings, one annual general meeting ("2019 AGM") and one extraordinary general meeting ("EGM") were held and the attendance of each director is set out as follows:

Name of director

董事姓名

Mr. Philip Jian Yang 楊劍先生

Ms. Yang Jianping 楊建平女士

Mr. Yang Shiyuan 楊世遠先生

Mr. Ge Xuyu 葛旭宇先生

Mr. Wang Yong 汪勇先生

Mr. Li Fei (Resigned on 10 July 2019)

李飛先生(於二零一九年七月十日辭任)

Ms. Fu Yuehong (Appointed on 10 July 2019)

傅躍紅女士(於二零一九年七月十日獲委任)

Mr. Tan Song Kwang 陳松光先生

Mr. Yau Yan Yuen 邱欣源先生

* Attendance record during the appointment period for the year

董事會

董事會包括：

執行董事：

楊劍先生(主席)

楊建平女士

非執行董事：

楊世遠先生(於二零一九年三月二十五日

由執行董事調任)

葛旭宇先生

汪勇先生

獨立非執行董事：

傅躍紅女士(於二零一九年七月十日獲委任)

邱欣源先生

陳松光先生

一份更新的董事名單與其角色和職能設存於本公司及聯交所網站，獨立非執行董事在所有企業通訊中均以名字識別。

各獨立非執行董事已就其對本公司的獨立性發出年度確認函，本公司亦根據GEM上市規則第5.09條規定認為其為獨立人士。

於截至二零一九年十二月三十一日止年度，本公司舉行六次董事會會議、一次股東週年大會(「二零一九年股東週年大會」)及一次股東特別大會(「股東特別大會」)。董事之出席情況列示如下：

Attendance record for the meetings during the year ended 31 December 2019

於截至二零一九年十二月三十一日止年度之

會議出席記錄

Board meetings 董事會會議	2019 AGM	EGM	
	二零一九年 股東週年大會		特別股東大會
Mr. Philip Jian Yang 楊劍先生	6/6	1/1	1/1
Ms. Yang Jianping 楊建平女士	5/6	1/1	1/1
Mr. Yang Shiyuan 楊世遠先生	5/6	1/1	1/1
Mr. Ge Xuyu 葛旭宇先生	4/6	1/1	1/1
Mr. Wang Yong 汪勇先生	6/6	1/1	1/1
Mr. Li Fei (Resigned on 10 July 2019) 李飛先生(於二零一九年七月十日辭任)	3/4*	1/1*	N/A不適用
Ms. Fu Yuehong (Appointed on 10 July 2019) 傅躍紅女士(於二零一九年七月十日獲委任)	1/2*	N/A不適用	1/1*
Mr. Tan Song Kwang 陳松光先生	6/6	1/1	1/1
Mr. Yau Yan Yuen 邱欣源先生	6/6	1/1	1/1

* 於年內委任期間之出席紀錄

Corporate Governance Report

企業管治報告

RESPONSIBILITIES OF THE BOARD

All the Directors (including the independent non-executive directors) have acquired a proper understanding of the Company's operation and business and are fully aware of his/her functions and responsibilities under statute and common law, the GEM Listing Rules and other applicable legal and regulatory requirements. Every director has given the Company the details on the number and nature of offices held in other companies and significant commitments at the time of his/her appointment.

The Board is responsible for leadership and control of the Group and be collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board focuses on formulating the Group's overall strategies, authorising the development plan and budget; monitoring financial and operating performance; reviewing the effectiveness of the risk management and internal control systems; supervising and managing management's performance of the Group; and setting the Group's values and standards. Though the Board delegates the day-to-day management, administration and operation of the Group to management, all the directors continue to give sufficient time and attention to the Company's affairs. The delegated functions are reviewed by the Board periodically to ensure that they accommodate the needs of the Group.

Apart from the Audit Committee, Remuneration Committee and Nomination Committee (as defined below), the Company did not set up any other board committees for dealing with any matters during the year.

The Company has in force appropriate insurance coverage on Director's and officer's liabilities arising from the Group's business. The Company reviews the extent of insurance coverage on an annual basis.

CORPORATE GOVERNANCE FUNCTIONS

No corporate governance committee has been established and the Board is responsible for performing the corporate governance functions such as developing and reviewing the Company's policies, practices on corporate governance, training and continuous professional development of the directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, etc.

The Board holds meetings from time to time whenever necessary. At least 14 days notice of regular Board meetings would be given to all directors and they can include matters for discussion in the agenda as they think fit. The agenda accompanying Board papers would be sent to all directors at least 3 days before the date of every Board meeting in order to allow sufficient time for the directors to review the documents. The Chairman would also ensure that all directors are properly briefed on matters arising at board meetings.

董事會責任

全體董事(包括獨立非執行董事)對本公司的運作及業務均有適當的理解，並充分了解法規及普通法、GEM上市規則、其他適用的法律規定及監管規定下各自的職能和責任。各董事已經將其任職之時於其他公司所任職務的數目及性質和重大承擔的細節告知本公司。

董事會負責領導及監控本集團，並共同負責指導並監督本集團事務以促使本集團成功發展。董事會致力於制訂本集團的整體策略、審批發展計劃及預算；監察財務及營運業績；審查風險管理及內部監控制度的有效性；監督和控制管理層的表現；以及設定本集團的價值觀和標準。雖然董事會授權管理層處理本集團的日常管理、行政和運作，但所有的董事繼續將充足時間和注意力投入本公司事務中。董事會定期檢討授出的職能，以確保符合本集團的需要。

除了審核委員會、薪酬委員會及提名委員會(定義見下文)，本公司於年內未曾設立其他董事會委員會來處理任何事項。

本公司已就董事及行政人員因履行本集團業務而引起的責任購買適當保險，本公司每年檢討保險所保障的範圍。

企業管治職能

由於本公司並無成立企業管治委員會，董事會負責執行企業管治職能，如制定及檢討本公司企業管治的政策及常規、為董事及高級管理層提供培訓及持續專業發展、確保本公司政策及常規符合法律及監管規定等。

董事會於必要時不時舉行會議。召開常規董事會會議至少14天前，全體董事均會獲得通知，彼等可將認為適合的討論事項納入會議議程。會議議程連同董事會文件至少於每次董事會會議舉行當日3天前送交全體董事，以便董事有充足時間審議有關文件。主席亦會保證全體董事適當知悉董事會會議上討論的事宜。

Corporate Governance Report

企業管治報告

Minutes of every Board meeting are circulated to all directors for their perusal and comments prior to confirmation of the minutes. The duly signed minutes are open for inspection by any director. The Board also ensures that it is supplied in a timely manner with all necessary information in a form and of a quality appropriate to enable it to discharge its duties.

Every Board member has full access to the advice and services of the company secretary with a view to ensuring that Board procedures, and all applicable rules and regulations are followed. The Board members are enabled to seek independent professional advice in appropriate circumstances, at the Company's expense, to assist them to discharge their duties. They are also entitled to have full access to Board papers and related materials so that they are able to make an informed decision and to discharge their duties and responsibilities.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Philip Jian Yang is the Chairman of the Board and the Chief Executive Officer of the Company and is responsible for the overall operations, management, business development and strategy planning of the Group.

The Chairman also takes the lead to ensure that the Board works effectively and acts in the best interest of the Company by encouraging the directors to make active contribution in Board's affairs and promoting a culture of openness and debate.

The Board is of the view that although Mr. Yang is both Chairman and the Chief Executive Officer, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Company.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The current Articles of Association of the Company (the "Articles") provide that at each annual general meeting, one-third of the directors for the time being shall retire from office by rotation and that every director shall be subject to retirement by rotation at least once every 3 years.

The non-executive directors are not appointed for a specific term but they are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles. Each independent non-executive director is required to inform the Company as soon as practicable if there is any change that may affect his independence and must provide an annual confirmation of his independence to the Company. Up to the date of this report, no independent non-executive director has served the Company more than 9 years.

每次董事會會議記錄均分發至全體董事，以供彼等在確認會議記錄前細閱及給予意見。妥善簽署的會議記錄供任何董事查閱。董事會亦確保其及時以適當的形式和質量獲提供所有必要的資料，以履行其職務。

各董事會成員均可全面獲得公司秘書的意見及服務，以確保遵守董事會程序以及所有適用規則及規例。董事會成員亦可在適當情形下尋求獨立專業意見，以協助彼等履行職務，費用由本公司承擔。彼等亦有權全面取得董事會文件及相關資料，以作出知情決定及履行彼等的職務及職責。

主席及行政總裁

楊劍先生為本公司董事會主席兼行政總裁，負責本集團整體營運、管理、業務發展及策略規劃。

主席亦領導董事會，鼓勵所有董事積極參與董事會事務，倡導公開及積極討論的文化，以確保其有效運作，維護本公司最佳利益。

董事會認為，雖然楊先生為主席兼行政總裁，但通過由具備豐富經驗的人士組成的董事會的運作及由董事會不時開會討論影響本公司營運的事宜，已確保權責平衡。

董事的委任及重選

本公司現行章程細則（「章程細則」）訂明，於每屆股東週年大會上，當時三分之一的董事須輪值告退，且每名董事須至少每3年輪值告退一次。

非執行董事並無委任特定任期，惟彼等須根據章程細則於股東週年大會上輪席退任及重選。倘出現任何可能影響獨立非執行董事獨立性的變動，各獨立非執行董事均須盡快在切實可行的情況下通知本公司，並須向本公司提供有關其獨立性的年度確認書。截至本報告日期止，尚無獨立非執行董事服務本公司超過9年。

Corporate Governance Report

企業管治報告

PROFESSIONAL DEVELOPMENT

To assist directors' continuing professional development, the Company recommends directors to attend relevant seminars to develop and refresh their knowledge and skills. Directors also participate in continuous professional development programs such as external seminars organised by qualified professionals, to develop and refresh their knowledge and skills in relation to their contribution to the Board. Records of the training received by the respective directors are kept and updated by the company secretary of the Company.

The individual training record of each director received for the year ended 31 December 2019 is summarised below:

Name of director 董事姓名	Reading professional journals and updates and/or attending seminar(s) relating to the economy, general business, director's duties and responsibility etc. 閱讀有關經濟、一般業務、董事的義務及責任等專業期刊及最新資料及／或出席相關的座談會
Mr. Philip Jian Yang 楊劍先生	✓
Ms. Yang Jianping 楊建平女士	✓
Mr. Yang Shiyuan 楊世遠先生	✓
Mr. Ge Xuyu 葛旭宇先生	✓
Mr. Wang Yong 汪勇先生	✓
Ms. Fu Yuehong 傅躍紅女士	✓
Mr. Tan Song Kwang 陳松光先生	✓
Mr. Yau Yan Yuen 邱欣源先生	✓

All directors also understand the importance of continuous professional development and are committed to participating any suitable training to develop and refresh their knowledge and skills.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established on 3 November 2015, currently comprising 3 independent non-executive directors, namely, Mr. Yau Yan Yuen, Ms. Fu Yuehong and Mr. Tan Song Kwang. Mr. Yau Yan Yuen is the chairman of the Audit Committee. No member of the Audit Committee is a member of the former or existing auditor of the Company. The terms of reference of the Audit Committee are available at the Company's website and on the website of the Stock Exchange.

The major roles and functions of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control systems of the Company and to provide recommendations and advices to the Board on the appointment, re-appointment and removal of the external auditor as well as their terms of appointment.

專業發展

為協助董事的持續專業發展，本公司建議董事出席相關座談會，以增進及重溫彼等的知識及技能。董事亦參與持續專業發展計劃，例如由合資格專業人士舉辦的外部座談會，以增進及重溫彼等有關董事會貢獻的知識及技能。各董事的培訓記錄由本公司公司秘書保管及更新。

截至二零一九年十二月三十一日止年度，各位董事的個人培訓記錄總結如下：

全體董事亦明白持續專業發展的重要性，並致力出席任何合適的培訓，以增進及重溫其知識及技能。

審核委員會

本公司審核委員會（「審核委員會」）成立於二零一五年十一月三日，現時包括3名獨立非獨立董事，分別為邱欣源先生、傅躍紅女士及陳松光先生。邱欣源先生為審核委員會主席。審核委員會成員當中並無本公司前任或現任核數師。審核委員會的職權範圍載於本公司網站及聯交所網站。

審核委員會的主要角色及職能為檢討及監督本公司的財務申報程序、風險管理及內部監控制度，並就委聘、續聘及罷免外聘核數師以及彼等的委聘條款，向董事會提出推薦意見及建議。

Corporate Governance Report

企業管治報告

According to the current terms of reference, meetings of the Audit Committee shall be held at least four times a year.

Five audit committee meetings were held for the year ended 31 December 2019. The attendance of each member is set out as follows:

Name of members of Audit Committee 審核委員會成員姓名

Mr. Li Fei (Resigned on 10 July 2019)
李飛先生(於二零一九年七月十日辭任)

Mr. Tan Song Kwang 陳松光先生

Ms. Fu Yuehong (Appointed on 10 July 2019)
傅躍紅女士(於二零一九年七月十日獲委任)

Mr. Yau Yan Yuen 邱欣源先生

* Attendance record during the appointment period for the year

At the audit committee meetings during the year, in performing its duties in accordance with its terms of reference, the work performed by the Audit Committee includes:

- (a) review and supervise the financial reporting process and internal control system of the Company and its subsidiaries;
- (b) recommendation to the Board, for the approval by shareholders, of the re-appointment of external auditor and approval of their remuneration;
- (c) determination of the nature and scope of the audit; and
- (d) review the financial statements for relevant periods and discuss corporate governance practice.

Draft and final versions of the minutes of the Audit Committee meetings will be sent to all committee members for their comment and records within a reasonable time after the meetings and the full minutes will be kept by the company secretary who is also the secretary of the Audit Committee.

The Audit Committee is provided with sufficient resources to perform its duties and is enabled to seek independent professional advice in appropriate circumstances, at the Company's expense, to discharge its responsibilities.

REMUNERATION COMMITTEE

The remuneration committee of the Company (the "Remuneration Committee") was established on 3 November 2015, currently comprising three directors, namely, Ms. Fu Yuehong, Mr. Tan Song Kwang and Ms. Yang Jianping. Ms. Fu Yuehong is the chairman of the Remuneration Committee. The terms of reference of the Remuneration Committee are available at the Company's website and on the website of the Stock Exchange.

根據現有職權範圍，審核委員會每年須至少舉行四次會議。

於截至二零一九年十二月三十一日止年度，本公司舉行五次審核委員會會議。成員之出席情況列示如下：

Attendance record for the meetings during the year ended 31 December 2019 於截至二零一九年十二月三十一日止 年度之會議出席記錄

Mr. Li Fei (Resigned on 10 July 2019) 李飛先生(於二零一九年七月十日辭任)	2/3*
Mr. Tan Song Kwang 陳松光先生	5/5
Ms. Fu Yuehong (Appointed on 10 July 2019) 傅躍紅女士(於二零一九年七月十日獲委任)	1/2*
Mr. Yau Yan Yuen 邱欣源先生	5/5

* 於年內委任期間之出席紀錄

於年內舉行審核委員會會議，在根據其職權範圍履行其職責方面，審核委員會履行的工作包括：

- (a) 檢討及監督本公司及其附屬公司的財務申報程序及內部監控制度；
- (b) 向董事會提出重新委任外聘核數師及批准其酬金的建議，以供股東批准；
- (c) 釐定審核的性質及範圍；及
- (d) 審閱相關期間的財務報表，以及討論企業管治常規。

審核委員會會議記錄的草擬及最終版本將會於會議後一段合理的時間內發給所有委員會成員，以供其評論及記錄。公司秘書亦為審核委員會的秘書，將保存會議記錄全文。

本公司向審核委員會提供充足資源，以供其履行職務。審核委員會可在適當情況下為履行責任而尋求獨立專業意見，費用由本公司承擔。

薪酬委員會

本公司的薪酬委員會(「薪酬委員會」)於二零一五年十一月三日成立，現成員包括三名董事，分別為傅躍紅女士、陳松光先生及楊建平女士。傅躍紅女士為薪酬委員會主席。薪酬委員會的職權範圍可於本公司網站及聯交所網站查閱。

Corporate Governance Report

企業管治報告

The roles and functions of the Remuneration Committee include to make recommendation to the Board on the overall remuneration policy and structure relating to all directors and senior management of the Group, having the delegated responsibility to determine the specific remuneration packages of all executive directors of the Group and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and making recommendations to the Board of the remuneration of the non-executive directors.

During the year, one remuneration committee meeting was held and the remuneration of the directors and senior management has been discussed. The members' attendance is shown as follows:

Name of members of Remuneration Committee

薪酬委員會成員姓名

Mr. Li Fei (Resigned on 10 July 2019)

李飛先生(於二零一九年七月十日辭任)

1/1*

Ms. Fu Yuehong (Appointed on 10 July 2019)

傅躍紅女士(於二零一九年七月十日獲委任)

N/A不適用

Mr. Tan Song Kwang 陳松光先生

1/1

Ms. Yang Jianping 楊建平女士

1/1

* Attendance record during the appointment period for the year

薪酬委員會的角色及職能包括就與本集團全體董事及高級管理層有關的整體薪酬政策及架構向董事會提供推薦建議，具有釐定本集團全體執行董事及高級管理層的具體薪酬配套的轉授責任，包括實物利益、退休金權利及補償款項(包括任何就失去或終止職務或委任的應付補償)，以及就非執行董事的薪酬向董事會提出推薦意見。

於年內，本公司舉行一次薪酬委員會會議並討論董事及高級管理層之薪酬。成員之出席情況列示如下：

Number of meetings attended during the year ended 31 December 2019

截至二零一九年十二月三十一日止

年度之會議出席記錄

* 於年內委任期間之出席紀錄

The emolument payable to directors depends on their respective contractual terms under the service contracts and the appointment letters, and as recommended by the Remuneration Committee. Details of the directors' emolument are set out in note 12 to the consolidated financial statements.

應付董事之酬金取決於彼等各自於服務合約及委聘書下之合約條款并由薪酬委員會推薦建議。董事酬金之詳情載於綜合財務報表附註12。

The Remuneration Committee is provided with sufficient resources to perform its duties and is enabled to seek independent professional advice in appropriate circumstances, at the Company's expense, to discharge its responsibilities.

本公司向薪酬委員會提供充足資源，以供其履行職務。薪酬委員會可在適當情況下為履行責任而尋求獨立專業意見，費用由本公司承擔。

NOMINATION COMMITTEE

The nomination committee of the Company (the "Nomination Committee") was established on 3 November 2015, currently comprising the five directors, namely, Mr. Philip Jian Yang, Mr. Yau Yan Yuen, Mr. Tan Song Kwang, Ms. Fu Yuehong and Mr. Ge Xuyu. Mr. Philip Jian Yang is currently the chairman of the Nomination Committee. The terms of reference of the Nomination Committee are available at the Company's website and on the website of the Stock Exchange.

提名委員會

本公司的提名委員會(「提名委員會」)於二零一五年十一月三日成立，現成員包括五名董事，分別為楊劍先生、邱欣源先生、陳松光先生、傅躍紅女士及葛旭宇先生。楊劍先生現為提名委員會主席。提名委員會的職權範圍可於本公司網站及聯交所網站查閱。

Corporate Governance Report

企業管治報告

The roles and functions of the Nomination Committee include reviewing the structure, size and composition of the Board on regular basis, identifying individuals suitably qualified to become members of the Board, assessing the independence of the independent non-executive directors and making recommendations to the Board on the appointment or re-appointment of directors. In considering the nomination of new directors, the Board will take into account the qualification, ability, working experience, leadership and professional ethics of the candidates, especially their experience in program production and event organisation and/or other professional areas and the diversity criteria set out in the board diversity policy of the Company.

Under the nomination policy, the committee may search for candidates for directors on an extensive scale in the Company, its subsidiaries and the job market, gather information of the preliminary candidates and then shall submit to the board of directors its recommendations on candidates for directors and relevant materials prior to the election of new directors.

One nomination committee meeting was held during the year ended 31 December 2019. No change has been proposed to the structure, size and composition of the Board during the meeting and the Nomination Committee had also confirmed the independence of independent non-executive directors who would be retired and offer themselves for re-election at 2019 AGM and the diversity of the Board.

The attendance of each member is set out as follows:

Name of members of Nomination Committee 提名委員會成員姓名

Mr. Philip Jian Yang 楊劍先生	1/1
Mr. Li Fei (Resigned on 10 July 2019) 李飛先生(於二零一九年七月十日辭任)	1/1*
Mr. Tan Song Kwang 陳松光先生	1/1
Mr. Ge Xuyu 葛旭宇先生	1/1
Ms. Fu Yuehong (Appointed on 10 July 2019) 傅躍紅女士(於二零一九年七月十日獲委任)	N/A不適用
Mr. Yau Yan Yuen 邱欣源先生	1/1

* Attendance record during the appointment period for the year

The Nomination Committee is provided with sufficient resources to perform its duties and is enabled to seek independent professional advice in appropriate circumstances, at the Company's expense, to discharge its responsibilities.

提名委員會的角色及職能包括定期檢討董事會的架構、規模及組成、物色具備資格成為董事會成員的適當人選、評估獨立非執行董事的獨立性以及就有關委任或重新委任董事向董事會提出推薦意見。有關提名新任董事方面，董事會將考慮候選人的資格、能力、工作經驗、領導才能及專業操守，特別是在節目製作及活動籌辦及/或其他專業範疇的經驗及多樣性的標準乃根據本公司之董事會多樣性政策。

根據提名的政策，委員會可以在本公司、其附屬公司及求職市場中廣泛地尋找董事候選人，在收集初步候選人的信息後，在選舉新董事之前向董事會提交其關於董事候選人的建議及相關資料。

於截至二零一九年十二月三十一日止年度，本公司舉行一次提名委員會會議。於會議內並無建議更改董事會的架構、規模及組成。提名委員會亦確認於二零一九年股東週年大會上退任並重選連任之獨立非執行董事之獨立性及董事會之多元化。

成員之出席情況列示如下：

Number of meetings attended during the year ended 31 December 2019 於截至二零一九年十二月三十一日止 年度之會議出席記錄

* 於年內委任期間之出席紀錄

本公司向提名委員會提供充足資源，以供其履行職責。提名委員會可在適當情況下為履行責任而尋求獨立專業意見，費用由本公司承擔。

Corporate Governance Report

企業管治報告

Board Diversity Policy

The Board has adopted a board diversity policy which sets out the approach to achieve a sustainable and balanced development of the Company and also to enhance the quality of performance of the Company.

The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives as stated in the above. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

As at the date of this report, the Board comprises eight directors. Two of them are women. Three of the directors are independent non-executive directors and independent of management, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, whether considered in terms of professional background, gender and skills.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The management provides such explanation and information to the Board and reports regularly to the Board on financial position and prospects of the business of the Company so as to enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

The Directors acknowledge their responsibilities (as set out in the Independent Auditor's Report) for preparing the financial statements of the Group that give a true and fair view of the state of affairs of the Group. The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's ability to continue as a going concern and the Board has prepared the consolidated financial statements on a going concern basis. The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the shareholders of the Company. A statement by auditor about their reporting responsibility is set out in the Independent Auditor's Report.

董事會多元化政策

董事會已通過了董事會多元化政策的訂明方式，以實現本公司的可持續和平衡發展，也提升本公司業績的質量。

本公司旨在通過對多項因素的考慮，以實現董事會多元化，包括但不限於年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

甄選人選將按如上述一系列多元化範疇為基準。最終將按人選的長處及可為董事會提供的貢獻而作決定。

於本報告日期，董事會由八名董事組成。其中兩名董事為女性。其中三名董事為獨立非執行董事及獨立管理，並據此促進嚴格檢視及監控管理過程。董事會不論專業背景、性別及技能，均有豐富的多元性。

問責及審核

財務報告

管理層須就本公司的財務狀況及業務發展前景向董事會提供有關解釋及資料，並定期向董事會匯報，以便董事會能夠於審批前就所提交的財務及其他資料作出知情評估。

誠如獨立核數師報告所載，董事確認負責編製真實及公平反映本集團事務狀況的本集團財務報表。董事會並不知悉有任何重大不明朗事件或狀況，可引致對本集團是否有能力持續經營產生重大疑問，而董事會已按照持續經營基準編製綜合財務報表。外聘核數師乃根據彼等的審核結果，對董事會所編製的該等綜合財務報表發表獨立意見，並向本公司股東匯報彼等的意見。核數師作出的申報責任聲明載於獨立核數師報告。

Corporate Governance Report

企業管治報告

Risk Management and Internal Control systems

The Board is responsible for the risk management and internal control systems of the Company and reviewing their effectiveness. The Board oversees the overall risk management of the Group and endeavours to identify, control impact of the identified risks and facilitate implementation of coordinated mitigating measures. The risks and the relevant measures have been disclosed in the report of the directors on page 58 to 89 of this annual report. The risk management and internal control systems of the Company are designed to manage rather than eliminate the risk of failures to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Each department of the Company would choose certain material risk events in its field every year and assess and grade the possibility of occurrence and influence of risk events to determine the scope of material risk of the year together with the management of the Company. Each functional department prepares counteractions to deal with material risks in its field and report the execution situation regularly.

The Company does not have an internal audit function and is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. It was decided that the Board would be directly responsible for internal control of the Group and for reviewing its effectiveness. Procedures have been designed for safeguarding assets against unauthorised use or disposition, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensuring compliance with applicable laws, rules and regulations. The situation will be reviewed from time to time.

The Board reviews the risk management and internal controls annually. The Board has conducted a review of, and is satisfied with the effectiveness of the risk management and internal control systems for the year ended 31 December 2019 as well as the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function.

With respect to the monitoring and disclosure of inside information, the Company has formulated its guidelines, with an aim to ensure that the insiders abide by the confidentiality requirement and fulfill the disclosure obligation of the inside information.

風險管理及內部監控系統

董事會負責制定本公司的風險管理及內部監控制度，以及負責檢討其的成效。董事會監督本集團整體之風險管理及致力識別風險、控制已識別之風險及促進配合減輕風險的措施的實行。有關風險及措施已於本年報第58至89頁之董事會報告中披露。本公司之風險管理及內部監控制度旨在管理而不是消除為達致營運目標而存在的失效風險，同時面對重大的錯誤陳述或損失亦只會提供合理而非絕對的保證。

本公司每個部門於每年都會就其領域選取若干重大的風險事件，並就風險事件的發生可能性及其影響作出評估及分類，從而與本公司管理層確認該年之重大風險的範圍。每個職能部門均會就處理其領域之重大風險準備應對方法及定期報告有關的執行情況。

本集團並無內部審核功能及認為根據目前本集團業務之規模、性質及複雜性，毋須即時於本集團內設立內部審核功能。本集團決定直接由董事會負責本集團之內部監控並審閱其效能，並已制訂程序以防止資產未經授權使用或出售、確保存有正確記錄以提供可靠財務資料作內部使用或刊發，以及確保遵守適用法律、法規及規定。該情況將不時進行檢討。

董事會每年檢討風險管理及內部監控制度。截至二零一九年十二月三十一日止年度，董事會已檢討風險管理及內部監控制度的成效，以及資源充足的程度、員工的資格及經驗、培訓計劃及本公司的會計預算及財務報告職能，並滿意有關結果。

關於內幕消息的監控及披露，本公司已就保證內幕人士遵循保密要求及履行內幕消息的披露義務制定相關的指引。

Corporate Governance Report

企業管治報告

Dividend Policy

The Board has approved and adopted a policy for the Company's dividend distribution (the "Dividend Policy").

The Company targets to provide sustainable returns to our shareholders with maintaining the flexibility of resources to meet the financial and business requirements of the Company. The Board shall consider the Group's financial results, cash flow status, investment and operational requirements, prospects and other factors to decide whether to propose a dividend and determine dividend payout ratio.

The distribution of dividend is also subject to compliance with applicable laws and regulations including the law of the Cayman Islands and the Company's Articles of Association. Furthermore, the Company shall consider any banking or other funding covenants by which the Company is bound from time to time.

The Board will continually review the Dividend Policy pursuant to the Group's financial and operational status from time to time and there can be no assurance that a dividend will be proposed or declared in any given year.

AUDITOR'S REMUNERATION

During the year ended 31 December 2019, the fees for the services provided by to the Company's auditor are set out as follows:

Audit services 審核服務
Non-audit services 非審核服務

During the year ended 31 December 2019, the non-audit service provided by the Company's auditor relates to the professional services rendered regarding the major transaction of the Company during the year.

COMPANY SECRETARY

Mr. Chiu Chun Yin was appointed as the company secretary of the Company on 3 April 2018. The selection, appointment or dismissal of the company secretary is approved by the Board. Mr. Chiu is an employee of the Company and has day-to-day knowledge of the Company's affairs. The biographical details of Mr. Chiu are set out under the section headed "Biographical Details of Directors and Senior Management".

For the year under review, Mr. Chiu has confirmed that he has taken no less than 15 hours of relevant professional training.

股息政策

董事會已批准及採納關於本公司派發股息之政策（「股息政策」）。

本公司的目標是提供可持續性回報予股東，同時維持資源的靈活性應付本公司財政及業務需求。董事會將考慮本集團業績、現金流狀況、投資及營運需求、未來前景及其他因素後全權酌情決定是否建議分派股息及釐定派息比率。

本公司分派股息須遵守適用的法例及規例，包括開曼群島法律下的適用限制及要求及本公司之組織章程細則。同時本公司亦需考慮本公司不時受其約束的任何銀行或其他融資契約。

董事會將不時根據本集團財務及營運狀況審視股息政策及不保證在任何一年建議或宣派股息。

核數師酬金

截至二零一九年十二月三十一日止年度，本公司核數師的提供服務費用載列如下：

RMB'000
人民幣千元

757

202

959

於截至二零一九年十二月三十一日止年度，本公司核數師提供的非審核服務乃有關本公司於年內進行的主要交易的相關專業服務。

公司秘書

招晉賢先生於二零一八年四月三日獲委任為本公司之公司秘書。公司秘書之甄選、委任或罷免由董事會批准。招先生為本公司僱員，熟悉本公司事務。招先生之履歷詳情載於「董事及高級管理層履歷」一節內。

於回顧年度，招先生已確認，彼已接受不少於15個小時之相關專業培訓。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting ("EGM").

Right to convene EGM

Any one or more members holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, shall at all times have the right, by written requisition sent to the Company's principal office as set out in the manner below, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within 2 months after the deposit of such requisition.

The written requisition must state the purposes of the meeting, signed by the requisitionist(s) and deposit it to the Board or the company secretary of the Company at the Company's principal place of business in Hong Kong at 23/F, Yue Thai Commercial Building, 128 Connaught Road Central, Sheung Wan, Hong Kong, and such may consist of several documents in like form, each signed by one or more requisitionists.

The request will be verified with the Company's branch share registrars in Hong Kong and upon their confirmation that the request is proper and in order, the company secretary of the Company will ask the Board to convene an EGM by serving sufficient notice in accordance with the statutory requirements to all the registered members. On the contrary, if the request which has been verified is not in order, the shareholders will be advised of this outcome and accordingly, an EGM will not be convened as requested. If within twenty-one days from the date of the deposit of the requisition the Board fails to proceed to convene such meeting, the requisitionist(s), may convene a meeting in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed by the Company to the requisitionist(s).

The notice period to be given to all the registered members for consideration of the proposal raised by the requisitionist(s) concerned at the EGM varies according to the nature of the proposal, as follows:

- (a) At least 14 clear days' notice in writing (and not less than 10 business days) if the proposal constitutes an ordinary resolution of the Company;

股東權利

本公司股東大會為股東及董事會提供溝通機會。本公司每年於董事會可能釐定的地點舉行股東週年大會。除股東週年大會外，各股東大會均稱為股東特別大會（「股東特別大會」）。

召開股東特別大會之權利

任何一名或多名於遞交請求書日期持有附帶本公司股東大會投票權的本公司實繳股本不少於十分之一的股東，均有權隨時按下文所載方式向本公司的主要營業地點遞交請求書，要求董事會就請求書內所列任何事項召開股東特別大會，而有關大會須於遞交請求書後兩個月內舉行。

該請求書必須列明會議目的，並由請求人簽署及遞交至本公司的香港主要營業地點（地址為香港上環干諾道中128號豫泰商業大廈23樓），註明收件人為董事會或本公司的公司秘書。該請求書可包括多份形式相類的文件，各自經由一名或多名請求人簽署。

本公司的香港股份過戶登記分處將會核實有關請求。請求一經確認為適當及符合議事規程，則本公司的公司秘書將會請求董事會按照法定規定向全體登記股東送達充分通知，召開股東特別大會。相反，倘該請求經核實為不符合議事規程，則股東將獲知會有關結果，而股東特別大會亦不會按要求召開。倘董事會未能於請求書遞交日期後二十一日內安排召開有關大會，則請求人可以相同方式召開大會，而本公司將會向請求人償付因董事會未能召開大會而令請求人產生的所有合理開支。

向全體登記股東發出通知以供考慮請求人於股東特別大會所提出建議之通知期，基於建議性質而有所不同，詳情如下：

- (a) 倘建議構成本公司之普通決議案，則須發出至少14個整日（及不少於10個營業日）之書面通知；

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- (b) At least 21 clear days' notice in writing (and not less than 20 business days) if calling for an annual general meeting or the proposal constitutes a special resolution of the Company in EGM.

Right to put enquiries to the Board

Shareholders have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post to the principal place of business of the Company in Hong Kong for the attention of the company secretary.

Right to put forward proposals at general meetings

There are no provisions allowing shareholders to propose new resolutions at the general meetings under the Cayman Islands Companies Law (2011 Revision). However, shareholders are requested to follow Article 58 of the Company's Articles for including a resolution at an EGM. The requirements and procedures are set out above. Pursuant to Article 85 of the Articles, no person other than a director retiring at the meeting shall, unless recommended by the directors for election, be eligible for election as a director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registration office provided that the minimum length of the period, during which such notice(s) are given, shall be at least 7 days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting. The written notice must state that person's biographical details as required by Rule 17.50(2) of the GEM Listing Rules. The procedures for shareholders of the Company to propose a person for election as director is posted on the Company's website.

INVESTOR RELATIONS

The Company has established a range of communication channels between itself and its shareholders, investors and other stakeholders. These include the annual general meeting, the annual, interim and quarterly reports, notices, announcements and circulars and the Company's website at www.ntmediabj.com.

During the year ended 31 December 2019, there had been no change in the Company's constitutional documents.

- (b) 倘要求召開股東週年大會或建議構成本公司股東特別大會上之特別決議案，則須發出至少21個整日(及不少於20個營業日)之書面通知。

向董事會提出查詢之權利

股東有權向董事會提出查詢。所有查詢須以書面形式提出，並以郵遞方式送往本公司之香港主要營業地點，註明公司秘書收。

於股東大會上提呈建議之權利

開曼群島公司法(二零一一年修訂本)並無條文批准股東於股東大會上提呈新決議案。然而，倘股東擬於股東特別大會上提呈決議案，則須遵守本公司章程細則第58條。有關要求及程序已載於上文。根據章程細則第85條，除非獲董事推薦參選，或由正式合資格出席大會並可於會上投票之股東(並非擬參選者)簽署通知，表明建議提名相關人士參選之意向，且獲被提名人士簽署該通知表明願意參選，否則除會上退任董事外，概無任何人士合資格於任何股東大會上參選董事。上述通知須呈交總辦事處或過戶登記處，通知期至少為七日，倘該等通知是於寄發有關推選董事之股東大會通告後呈交，則呈交該等通知之期限為寄發有關推選董事之股東大會通告翌日起計至不遲於該股東大會舉行日期前七日。根據GEM上市規則第17.50(2)條，上述書面通知必須列明該人士之履歷詳情。有關本公司股東提名人選參選董事之程序已於本公司網站刊載。

投資者關係

本公司已就其本身與其股東、投資者及其他利益相關者設立多個溝通渠道，包括股東週年大會、年度、中期及季度報告、通告、公告及通函、以及本公司網站 www.ntmediabj.com。

截至二零一九年十二月三十一日止年度，本公司之憲章文件並無變動。

Environmental, Social and Governance Report

環境、社會及管治報告

INTRODUCTION, APPROACH TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”)

Creative China Holdings Limited (the “Company”, together with its subsidiaries, the “Group” or “We”) is engaged in the businesses of program production and related services, concert and event organisation and related service, mobile live broadcasting and e-commerce, entertainment contents on demand system (discontinued during the year ended 31 December 2019) and artist management. The Group’s business in event organisation mainly concentrated in Mainland China, we also organise concerts in Hong Kong, Taiwan and Southeast Asia.

The Group believes sustainability is a key to achieve continuous success, and we have developed sustainable development strategy with aims to create sustainable values to shareholders, and to lower the Group’s impact on the environment continuously. The Group recognises the importance of integrating ESG aspects into its risk management system and has taken corresponding measures in its daily operation and governance perspective.

This Environmental, Social and Governance Report (the “ESG Report”) summarises the initiatives, programs and performance of the Group in regards to ESG as well as demonstrates its commitment to sustainable development.

THE ESG GOVERNANCE STRUCTURE

The Group conducts a top-down management approach in regards to ESG issues. The Board oversees and sets out ESG strategies for the Group, while taking an ultimate responsibility for ensuring the effectiveness of the Group’s ESG policies. Designated staff were assigned to enforce and supervise the implementation of the relevant ESG policies.

REPORTING PERIOD

Unless otherwise stated, this ESG Report cover the ESG activities, challenges and measures taken by the Group for reporting period during the year ended 31 December 2019 (the “Reporting Period” or “Year 2019”) in the Group’s business operation in Mainland China and Hong Kong.

序言和環境、社會及管治(「環境、社會及管治」)方針

中國創意控股有限公司(「本公司」，及其附屬公司統稱「本集團」或「我們」)主要從事節目製作及相關服務、演唱會及活動籌辦及相關服務、移動直播及電商、娛樂內容付費點播系統(於截至二零一九年十二月三十一日止年度終止經營)及藝人經紀業務。本集團的活動籌辦業務主要集中於中國內地，並承辦一些在香港、台灣及東南亞地區舉行的演唱會。

本集團堅信可持續發展乃我們實現持續成功的關鍵，且我們已制定可持續發展策略，旨在為股東創造可持續的價值及繼續降低本集團對環境的影響。本集團認同將環境、社會及管治理念融入其風險管理系統的重要性，且已於日常經營及管治方面採取相應措施。

本環境、社會及管治報告(「本環境、社會及管治報告」)總結本集團在環境、社會及管治上的倡議、計劃及績效，並展示其在可持續發展方面的承諾。

環境、社會及管治結構

本集團就環境、社會及管治事宜使用由上而下的管理方法。董事會為本集團監督及制定環境、社會及管治策略，同時最終負責確保本集團環境、社會及管治政策的有效性。我們指派指定人員執行及監督相關環境、社會及管治政策的實施。

報告期間

除另有說明者外，本環境、社會及管治報告涵蓋本集團在中國內地及香港的業務運作於截至二零一九年十二月三十一日止年度的報告期間(「報告期間」或「二零一九年度」)取得的環境、社會及管治方面的活動、挑戰及措施。

Environmental, Social and Governance Report

環境、社會及管治報告

REPORTING SCOPE

Unless stated otherwise, this ESG Report mainly covers the Group's major operating revenue activities under direct management control, including its provision of program production and related services, concert and event organisation and related services, mobile live broadcasting and e-commerce services and entertainment contents on demand system services (discontinued during the year ended 31 December 2019) and artist management.

During the Reporting Period, we have relocated our offices in Mainland China to Room 1901, 19/F Yulin Building No. 5A Xiangjun Nanli 2nd Alley, Chaoyang District, Beijing, the People's Republic of China. Our key performance indicator ("KPI") data will include the environmental and social information of new office and Hong Kong offices.

The Group will continue to assess the major ESG aspects of different businesses to determine whether it needs to be included in the ESG reporting scope.

REPORTING FRAMEWORK

This ESG Report has been prepared in accordance with the ESG Reporting Guide as set out in the Appendix 20 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the "ESG Reporting Guide").

For the Group's corporate governance practices, please refer to page 15 to page 27 for the "Corporate Governance Report" contained in this annual report.

報告範圍

除非另有所述，本環境、社會及管治報告主要涵蓋本集團的直接管理控制之主要營運收益業務，包括提供節目製作及相關服務、演唱會及活動籌辦及相關服務、移動直播及電商服務、娛樂內容付費點播系統服務(於截至二零一九年十二月三十一日止年度終止經營)及經營藝人經紀業務。

於報告期間，我們已搬遷中國內地辦公室至中國北京朝陽區向軍南裏2巷甲5號雨霖大廈19層1901室。我們的關鍵績效指標(「關鍵績效指標」)數據將包括新辦公室及香港之辦公室的環境及社會資料。

本集團會持續評估不同業務的重大環境、社會及管治範疇，以決定是否需納入環境、社會及管治報告範圍內。

報告框架

本環境、社會及管治報告依照香港聯合交易所有限公司GEM證券上市規則附錄20環境、社會及管治報告指引(「環境、社會及管治報告指引」)所編製編寫。

有關本集團的企業管治慣例，請參閱載於本年報第15至27頁的企業管治報告。

Environmental, Social and Governance Report

環境、社會及管治報告

STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their views relating to its businesses and ESG issues. In order to understand and address stakeholders' concerns, the Group communicates with its key stakeholders, including but not limited to: investors and shareholders, governmental and regulatory authorities, suppliers, employees, customers, peers and industry chamber of commerce, societies, non-governmental organisation ("NGOs") and communities via through different channels such as conferences, electronic platforms and financial reporting etc. In formulating operational strategies and ESG measures, the Group takes into account the stakeholders' expectations and strives to improve its performance through mutual cooperation with the stakeholders, resulting in creating greater value for the community. The following table indicates the relevant stakeholders of the Group and the communication channels between the Group and its stakeholders:

持份者參與

本集團重視持份者及其對本集團業務及環境、社會及管治事宜的意見。為瞭解及響應持份者關注事項，本集團與主要持份者，包括但不限於：投資者及股東、政府及監管機構、供應商、員工、客戶、同行及同業商會、社群、非政府機構（「非政府機構」）及媒體等透過不同渠道溝通，例如會議、電子平台、財務報告等。在制訂營運策略及環境、社會及管治措施時，本集團會考慮持份者的期望，透過彼此合作使本集團不斷改善其表現，為社會締造更大價值。下表為與本集團相關的持份者及本集團與其持份者的溝通渠道：

Stakeholders 持份者	Communication channels 溝通渠道	Expectations 期望
Investors and shareholders 投資者及股東	<ul style="list-style-type: none"> Annual general meeting 股東周年大會 Financial reports 財務報告 Announcements and circulars 公告及通函 Investor meetings 投資者會議 	<ul style="list-style-type: none"> Publish the latest corporate information 及時公布企業最新信息 Financial results 財務業績 Corporate sustainable development 企業可持續發展
Governmental and regulatory authorities 政府及監管機構	<ul style="list-style-type: none"> Regular working meetings 定期工作會議 Regular performance reporting 定期彙報表現 Written response to public consultation 書面回應公眾諮詢 	<ul style="list-style-type: none"> Compliance with relevant laws and regulations 遵守相關法律法規 Corporate social responsibility 企業社會責任
Suppliers 供應商	<ul style="list-style-type: none"> Suppliers' management meetings and events 供應商管理會議及活動 On-site inspections 實地考察 	<ul style="list-style-type: none"> Fair competition 公平競爭 Business ethics and reputation 商業道德與信譽 Win-win cooperation 合作共贏

Environmental, Social and Governance Report

環境、社會及管治報告

Stakeholders 持份者	Communication channels 溝通渠道	Expectations 期望
Employees 員工	<ul style="list-style-type: none"> Employee opinion survey 員工意見調查 Channels for employees to express their opinions (forms, opinion box and etc.) 員工表達意見的管道(表格、意見箱等) Regular management communication and performance evaluations 定期的管理通訊和工作表現評核 Employee communication and broadcasting 員工通訊和廣播 	<ul style="list-style-type: none"> Health and safety 健康與安全 Equal opportunity 平等機會 Remuneration and benefits 薪酬與福利 Career development 職業發展
Customers 客戶	<ul style="list-style-type: none"> Customer satisfaction survey 客戶滿意度調查 Company's website 公司網站 	<ul style="list-style-type: none"> Perform product and service responsibilities 履行產品及服務責任 Customer Information and Privacy Protection 客戶信息及私隱保護
Peers and industry chamber of commerce 同行及同業商會	<ul style="list-style-type: none"> Industry conferences and seminars 行業會議及講座 Industry chamber of commerce conference 行業商會會議 	<ul style="list-style-type: none"> Business ethics and reputation 商業道德與信譽 Fair competition 公平競爭
Societies, NGOs and communities 社群、非政府機構及媒體	<ul style="list-style-type: none"> Community investment 社區投資 ESG reports 環境、社會及管治報告 	<ul style="list-style-type: none"> Giving back to society 回饋社會 Environmental protection 環境保護 Compliance operations 合規經營

Environmental, Social and Governance Report

環境、社會及管治報告

MATERIALITY ASSESSMENT

The management and employees who are responsible for the key functions of the Group have participated in preparing the ESG Report, assisted the Group in reviewing its operation, identifying relevant ESG issues and assessing the importance of these relevant issues to our businesses and stakeholders. We compiled a questionnaire in reference to the identified material ESG issues to collect data from relevant departments and business units of the Group.

The following table summarises the Group's material ESG issues as set out in this ESG Report:

重要範疇評估

本集團各主要職能的管理層與員工均有參與編製環境、社會及管治報告，以協助本集團檢討其運作情況及鑒別相關環境、社會及管治事宜，並評估相關事宜對我們的業務以及各持份者的重要性。根據經評估的環境、社會及管治重要事項，透過編製數據收集問卷，向本集團相關部門及業務單位收集數據。

下表為本環境、社會及管治報告所載本集團屬重大的環境、社會及管治事宜之摘要：

The ESG Reporting Guide 環境、社會及管治報告指引	Material ESG aspects of the Group 本集團環境、社會及管治重要範疇	Page 頁數
A. Environment A. 環境		
A1. Emissions A1. 排放物	Greenhouse Gas ("GHG") Emissions 溫室氣體(「溫室氣體」)排放	35
	Waste Treatment 廢物處理	36
A2. Use of Resources A2. 資源使用	Energy Consumption 能源消耗	38
	Water Management 用水管理	39
A3. The Environment and Natural Resources A3. 環境及天然資源	Noise Pollution 噪音污染	40
	Outdoor Lightings 戶外燈光	40
B. SOCIETY B. 社會		
B1. Employment B1. 僱傭	Recruitment, Promotion and Dismissal 招聘、晉升及解聘	41
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During the Reporting Period, the Group has confirmed that appropriate and effective management policies and internal control systems for ESG issues are in place and confirmed the information disclosed in this ESG Report complies with the ESG Reporting Guide.

CONTACT US

Your comments and suggestions on this ESG Report or towards the Group's performance in respect of sustainable development through the following methods are welcome:

Mail address: 23/F, Yue Thai Commercial Building,
128 Connaught Road Central, Sheung Wan, Hong Kong
Phone: (852) 2153 1221
Fax: (852) 2153 3936

於報告期間，本集團確認已就環境、社會及管治事宜設立合適及有效的管理政策及監控系統，並確認本環境、社會及管治報告所披露內容符合環境、社會及管治報告指引的要求。

與我們聯絡

我們歡迎閣下透過下列方式就本環境、社會及管治報告或本集團在可持續發展方面的表現提供寶貴意見及建議：

郵件地址：香港上環干諾道中128號豫泰商業大廈23樓
電話：(852) 2153 1221
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Environmental, Social and Governance Report

環境、社會及管治報告

A. ENVIRONMENT

A1. Emissions

The Group is committed to ensuring the sustainable development in our environment and community and recognises the Group's responsibilities towards the potential environmental impacts associated with business operations. We integrate environmental consideration factors into our decision-making processes.

As a company in the media and entertainment industry, the core businesses of the Group, mainly rely on electronic and internet technology and related equipment and do not involve any manufacturing processes in the course of business. Therefore, during the Reporting Period, the Group did not generate significant emissions, water pollutants and hazardous wastes, except for GHG emissions and non-hazardous waste generated by our offices during operation.

The Group recognises that the threat of global warming and climate changes are the major environmental issues to the world. Within our environmental policy framework, we continually look for different opportunities to pursue less carbon emission operation, environmentally friendly media production, reducing energy use and recycle of materials used in daily operation.

The Group has complied with relevant environmental laws and regulations, including but not limited to "Air Pollution Control Ordinance", "Water Pollution Control Ordinance", "Waste Disposal Ordinance" of Hong Kong as well as "Environmental Protection Law of the People's Republic of China", the "Law of the People's Republic of China on Prevention and Control of Water Pollution", the "Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution", the "Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste" of Mainland China. During the Reporting Period, the Group has not identified any material non-compliance of environmental laws and regulations relating to the air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that would have a significant impact on the Group.

A. 環境

A1. 排放物

本集團致力於確保我們所在環境與社區能達致可持續發展，並深明本集團對與業務經營相關的潛在環境影響的職責。我們環境考慮因素融入進我們的決策程序。

作為一間從事媒體及娛樂行業的公司，本集團的核心業務主要依賴電子及互聯網科技及相關設備，在業務過程中不涉及任何生產工序。因此，於報告期間，除了我們的辦公室於營運期間產生的溫室氣體及無害廢物外，本集團並無產生顯著的廢氣排放、水污染物及產生有害廢棄物。

本集團深明全球暖化及氣候變化的威脅是全世界面臨的主要環境問題。在我們的環境政策框架內，我們持續尋求不同的機會，以追求在我們的日常營運中減少碳排放、以環境友好的方式進行媒體製作、減少能源使用及回收消耗的材料。

本集團已全面遵守相關規則及法規，包括但不限於香港的《空氣污染管制條例》、《水污染管制條例》、《廢物處置條例》及中國內地的《中華人民共和國環境保護法》、《中華人民共和國水污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國固體廢物污染環境防治法》。於報告期間，本集團並無發現在空氣及溫室氣體排放、在水源及土地排污、以及產生有害及非有害廢物方面，對本集團造成重大影響的任何不遵守環境法律及法規的情況。

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Air Emissions

The Group is principally engaged in media and entertainment and does not involve any direct manufacturing processes in the course of business. Therefore, the air emissions generated during business operations is not significant. However, we are still committed to minimizing the emissions generated during business operations as much as possible. The Group's air emissions are primarily attributable to vehicle emissions, so we have implemented the below measures to reduce the air emissions generated from vehicle emissions:

- Optimise the operation procedure to improve the laden ratio of motor vehicles and lower the vacancy rate;
- Perform monthly maintenance on vehicles to effectively reduce fuel consumption, thereby reducing the carbon emission and air emission; and
- Eliminate substandard trucks in accordance with the regulations of National Emission Policy (National Standard IV) to purchase regular diesel and gasoline for vehicles and conduct annual inspection to ensure the National Emission Standards are met.

GHG Emissions

The consumption of petrol (Scope 1), electricity at the offices (Scope 2) and paper at the offices (Scope 3) are the largest sources of GHG emissions of the Group.

In addition to the vehicle energy saving measures mentioned in the section "Air Emissions" at this level, we have actively adopted the following measures to mitigate the GHG emissions in our operations. At the office operation, we promote everyone to turn off the air-conditioning system at night or when leaving office, keeping the office temperature at 25°C in summer and using LED lights or energy-saving light in the office, etc.

The Group will also issue environmental-related memorandum to its staff to raise their awareness of environmental preservation. Moreover, notices and posters relating to the environmental information have been placed in the offices to promote the best practice of the environmental management. During our removal of new office, we have ensured teleconference or video conference facilities are equipped in the offices that reduce business travel and meetings needed so as to reduce carbon emissions.

廢氣排放

本集團主要從事媒體及娛樂，業務過程中不涉及任何直接生產工序，故於商業運作過程中所產生的廢氣排放量並不重大，然而我們仍然致力盡可能減少業務營運中產生的廢氣。本集團的廢氣排放主要來自我們的車輛排放，故此我們落實了以下措施以減少汽車排放的廢氣：

- 優化作業流程，提升汽車的裝載率，降低空駛率；
- 對所屬車輛進行按月檢修，以有效地降低燃料消耗，從而減少碳排放及廢氣排放；及
- 根據國家排放政策規定(國標IV)，淘汰不達標貨車，為車輛採購正規柴油、汽油，並每年進行檢驗，確保達到國家排放標準。

溫室氣體排放

本集團溫室氣體排放的最大來源為車輛的汽油消耗(範圍1)、本集團旗下辦公室之耗電(範圍2)及辦公室的紙張使用(範圍3)。

除了於本層面中「廢氣排放」一節中提及的車輛節能措施外，我們已積極採取以下措施，在營運過程中降低溫室氣體排放。在辦公室經營時，我們倡議每個人在夜間或離開時關掉空調系統、控制辦公室於夏天的室溫維持在攝氏25度及在辦公室採用LED燈或節能的光源等。

本集團亦會向員工發放環保通訊，以提高環保意識。此外，辦公室已掛上載有環保信息的通告和海報，以宣傳環境管理的最佳實踐。搬遷新辦公室時，我們亦確保辦公室配備電話會議或視像會議設施，減少商務差旅及所需會議，以減少碳排放。

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During the Reporting Period, the total GHG emission of the Group decreased approximately 34.89% from approximately 140.28 tonnes CO₂e in 2018 to approximately 91.34 tonnes CO₂e in Year 2019. A summary of GHG emissions is as follows:

於報告期間，本集團的溫室氣體排放總量由二零一八年約140.28噸二氧化碳當量減少約34.89%至二零一九年度約91.34噸二氧化碳當量。溫室氣體排放表現概要如下：

GHG Scope ¹ 溫室氣體範圍 ¹	Unit 單位	2019 二零一九年	2018 二零一八年
Direct GHG emission (Scope 1) – petrol consumption 直接溫室氣體排放(範圍1) – 汽油消耗	Tonnes CO ₂ e 噸二氧化碳當量	22.97	26.96
Indirect GHG emission (Scope 2) – electricity consumption 間接溫室氣體排放(範圍2) – 電力消耗	Tonnes CO ₂ e 噸二氧化碳當量	67.24	110.51
Indirect GHG emission (Scope 3) – paper consumption 間接溫室氣體排放(範圍3) – 紙張使用	Tonnes CO ₂ e 噸二氧化碳當量	1.13	2.81
Total GHG emission (Scope 1, 2 and 3) 溫室氣體排放總量(範圍1、2及3)	Tonnes CO ₂ e 噸二氧化碳當量	91.34	140.28
Intensity ² of total GHG emission (Scope 1, 2 and 3) 溫室氣體排放總量(範圍1、2及3)密度 ²	Tonnes CO ₂ e/employee 噸二氧化碳當量/僱員	3.04	1.89

Note:

- GHG emissions data is presented in carbon dioxide equivalent and was in reference to, including but not limited to, the reporting requirements of the “GHG Protocol Corporate Accounting and Reporting Standard” issued by the World Resources Institute and the World Business Council for Sustainable Development, the “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes)”, the latest published Baseline Emission Factors for Regional Power Grids in China, “How to prepare an ESG Report? – Appendix II: Reporting Guidance on Environmental KPIs” issued by the HKEX, “Global Warming Potential Values” from the IPCC Fifth Assessment Report, 2014 (AR5) and “2018 Sustainability Report” issued by HK Electric Investments Limited.
- As of 31 December 2019, the Group had a total of 30 employees; as of 31 December 2018, the Group had a total of 74 employees. This data will be also used for calculating other intensity data.

備註：

- 溫室氣體排放數據乃按二氧化碳當量呈列，並參照包括但不限於世界資源研究所及世界可持續發展工商理事會刊發的《溫室氣體盤查議定書：企業會計與報告標準》、《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引》和最新發布的中國區域電網基線排放因子、香港聯交所頒布的《如何編製環境、社會及管治報告？—附錄二：有關環境關鍵績效指標的報告指引》、IPCC第五次評估報告(二零一四年)(AR5)「全球變暖的潛在價值」及港燈電力投資有限公司刊發的《二零一八年可持續發展報告》。
- 截至二零一九年十二月三十一日，本集團的僱員總人數為30人；截至二零一八年十二月三十一日，本集團的僱員總人數為74人。此數據亦會用作計算其他密度數據。

Waste Treatment

The Group adheres to waste management principle and strives to properly manage and dispose wastes produced by our business activities. Our waste management practice has been complied with relevant laws and regulations relating to environmental protection.

廢物處理

本集團堅守廢物管理原則，致力適當處理及處置我們的業務活動產生的所有廢物。我們的所有廢物管理慣例符合相關環保法律及規例。

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Due to the Group's business nature, we did not generate significant amount of hazardous waste. Despite the foregoing, the Group must appoint a qualified chemical waste collector to manage the wastes if any hazardous wastes are generated, in order to comply with the environmental-related laws and regulations.

The non-hazardous wastes generated by the Group's operations mainly consist of paper, toner cartridges and ink cartridges.

During the Reporting Period, the total non-hazardous waste emission of the Group decreased approximately 32.05% from approximately 397.40 kg in 2018 to approximately 270.05 kg in Year 2019. A summary of non-hazardous waste emission is as follows:

Non-hazardous waste type 無害廢物種類	Unit 單位	2019 二零一九年	2018 二零一八年
Paper 紙張	Kg 公斤	236.25	343.00
Toner cartridge ³ 硒鼓 ³	Kg 公斤	32.80	52.80
Ink cartridge ⁴ 墨盒 ⁴	Kg 公斤	1.00	1.60
Total non-hazardous waste emission 無害廢物排放總量	Kg 公斤	270.05	397.40
Intensity of total non-hazardous waste emission 無害廢物排放總量密度	Kg/employee 公斤／僱員	9.00	5.37

Note:

3. The weight for one toner cartridge is approximately 0.8 kg.

4. The weight for one ink cartridge is approximately 0.2 kg.

We regularly monitor the consumption volume of paper, toner cartridges and ink cartridges and have implemented a number of reduction measures. We also encourage our staff to sort and recycle the wastes to achieve the objectives in mitigating wastes, reusing and recycling in its operations. The Group maintains high standard in waste reduction, educates its employees the significance of sustainable development and provides relevant support in order to enhance their skills and knowledge in sustainable development.

During our removal of new office, we have taken below measures to implement our environmental policy into our daily operation:

- Reuse of office furniture;
- Use environmental friendly materials and paints to ensure indoor air quality and healthy working environment; and
- Clean the office using green products that create less impact to the environment.

Moreover, we also encourage employees to participate in daily waste reduction management, including:

- Promote green information and electronic communication, such as e-mail and electronic workflows, to implement "paperless system" concept;

由於本集團的業務性質，本集團並無產生大量有害廢物，儘管如此，倘若產生任何有害廢物，本集團必須委聘合資格化學廢物收集商處理該等廢物，以遵守相關環境法律及法規。

本集團經營所產生的無害廢物主要包括紙張、硒鼓及墨盒。

於報告期間，本集團的無害廢物總排放量由二零一八年約397.40公斤減少約32.05%至二零一九年度約270.05公斤。無害廢物排放表現概要如下：

備註：

3. 一個硒鼓的重量為約0.8公斤。

4. 一個墨盒的重量為約0.2公斤。

我們會定期監察紙張、硒鼓和墨盒的使用量，並執行多項減少用量措施。我們亦鼓勵員工分類廢物來源及循環再用廢物，力求於營運過程中達致減廢、再用及再造的目標。本集團在減廢方面維持高標準，並教導員工可持續發展的重要性及提供相關支持，培養他們實行可持續發展的技能 and 知識。

於搬遷新辦公室時，我們已採取以下措施將環境政策貫徹於日常營運：

- 沿用舊辦公家具；
- 使用環保材料及油漆，以確保室內空氣質素及健康的工作環境；及
- 使用對環境影響較小的綠色產品清潔辦公室。

此外，我們亦鼓勵員工參與日常減廢管理，包括：

- 推行綠色信息及電子通訊，包括電子郵件和電子工作流程等，以實行「無紙系統化」概念；

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- Place “Green Message” reminders on office equipment;
- Reuse old envelopes and use double-side printing, while paper for single-side printing would be only adopted when handling official documents and confidential documents when necessary; and
- Recommend the use of recycled paper.

A2. Use of Resources

The Group strives to optimise resource usage in business operations, and continues with initiatives to introduce resource efficiency and eco-friendly measures to the Group's operations. The Group has established policies and measures in governing the efficient use of resources, aiming to achieve higher energy efficiency and reduce unnecessary use of materials. All offices have implemented effective energy conservation measures to reduce emissions and resource consumption.

Energy Consumption

Due to the business nature of the Group, the volume of energy consumption, electricity consumption and water consumption are considered as relatively low, in particular water consumption is very limited. As mentioned in the section A1, the Group has formulated policies and procedures relating to the environmental management, including energy management. Office electricity consumption and vehicle petrol consumption account for the major energy consumption for the Group.

During the Reporting Period, the total energy consumption of the Group decreased approximately 29.03% from approximately 249,381.26 kWh in 2018 to approximately 176,991.87 kWh in 2019. A summary of consumption in petrol and electricity is as follows:

Energy Type 能源種類	Unit 單位	2019 二零一九年	2018 二零一八年
Petrol ⁵ 汽油 ⁵	kWh 千瓦時	83,491.87	94,726.26
Electricity 電力	kWh 千瓦時	93,500.00	154,655.00
Total energy consumption 能源消耗總量	kWh 千瓦時	176,991.87	249,381.26
Intensity of total energy consumption 能源消耗總量密度	kWh/employee 千瓦時／僱員	5,899.73	3,370.02

Note:

5. The actual petrol consumption in Year 2019 and 2018 was approximately 8,640.00 litres and 9,802.57 litres, respectively.

- 於辦公室設備貼上「環保訊息」提示；
- 使用舊信封和雙頁打印，單面打印只有在處理正規文件及機密文件時才可使用；及
- 建議使用再造紙。

A2. 資源使用

本集團致力於在業務營運中優化利用資源並繼續將節能及環保概念融入其業務營運中。本集團已設立政策及措施管理資源有效使用，旨在實現更高能源效益及減少非必要材料使用。所有辦公室均已實施節能措施，以減少排放及資源消耗。

能源消耗

基於本集團的業務性質，本集團的能源消耗、用電量及耗水量相對較低，尤其耗水量非常有限。如A1層面所述，本集團已制定了與環境管理相關的政策和程序，包括能源管理。辦公室之耗電和車輛的汽油消耗為本集團主要能源消耗。

於報告期間，本集團的能源消耗總量由二零一八年約249,381.26千瓦時減少約29.03%至二零一九年度約176,991.87千瓦時。汽油消耗量和耗電量概要如下：

備註：

5. 於二零一九年及二零一八年度之實際汽油消耗量分別為約8,640.00升及9,802.57升。

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On top of the measures of mitigating the energy consumption mentioned above, the Group strives to utilise telephone or video conference to minimise face-to-face meeting in order to reduce petrol consumption in traveling and unnecessary business trips. The Group encourages resources saving in daily office operation and proactively fosters a low-carbon corporate culture, which further increases our employees' awareness in energy conservation.

Water Management

The Group does not consume significant water in our business activities. Regardless of limited water consumption, we still promote behavioral changes at office and encourage water conservation. Pantry and toilets are posted with environmental messages to remind employees of water conservation, which results in enhancing our employees' awareness in water conservation. Due to the geographical location of the Group's operation and nature of business, there is no issue in sourcing water.

As the water used in the Hong Kong office is managed by the property, the relevant actual water consumption is not recorded and the total water consumption includes only the Beijing office. During the Reporting Period, the total water consumption decreased approximately 90.33% from approximately 1,107 cubic meters in 2018 to approximately 107 cubic meters in Year 2019. The main reason is the new office after removal only has approximately 389 square meters as compared to the original office of approximately 3,000 square meters, resulting in a reduction in water consumption in the bathrooms, coupled with the active implementation of water conservation measures by the Group, the total water consumption decreased significantly during the Reporting Period. A summary of water consumption (equivalent to wastewater discharge) is as follows:

Water Consumption 耗水量	Unit 單位	2019 二零一九年	2018 二零一八年
Total water consumption 總耗水量	Cubic meters 立方米	107.00	1,107.00
Intensity of total water consumption 總耗水量密度	Cubic meters/employee 立方米／僱員	3.57	14.96

Use of Packing Material

Due to our business nature, the Group did not have physical products for sale and therefore did not involve any use of packaging materials. Therefore, this disclosure is not applicable to the Group.

除了以上提及的措施之外，我們儘量安排以電話或視頻會議代替面談，以減少行駛油耗和不必要的出差。本集團在日常辦公室運營中倡導節約資源，積極建立低碳辦公的企業文化，進一步提高了員工的節能意識。

用水管理

本集團在業務活動中不會大量用水。雖然用水量有限，但我們仍推動辦公室的行為改變，鼓勵節約用水。茶水間及洗手間均貼有環保訊息，提醒員工節約用水，同時提高了員工的節水意識。基於其經營的地理位置及業務性質，本集團沒有任何求取適用水源上的問題。

由於香港辦公室之用水由物業管理，相關實際耗水量並沒有記錄，因此總耗水量只包括北京辦公室。於報告期間，總耗水量由二零一八年約1,107立方米減少約90.33%至二零一九年度約107立方米。主要原因是相較約3,000平方米的原辦公室，搬遷後的新辦公室只有約389平方米，導致衛生間耗水減少，加上本集團積極實施節水措施，於報告期間總耗水量大幅下降。耗水量(即廢水排放)概要如下：

包裝材料使用

基於業務性質，本集團並沒有實物產品供銷售，所以不需要使用包裝材料，因此有關披露不適用於本集團。

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A3. Environment and Natural Resources

Environmental Impact Management

The Group recognises the responsibility in minimising the negative environmental impact of our business operations, in order to achieve sustainable development for creating long-term values to our stakeholders and community as a whole. The Group pursues the best practices in the environment protection and focuses on the impact of the Group's businesses to the environment and natural resources. In addition to complying with the relevant environmental laws and regulations as well as to protect the environment, the Group has integrated the concept of environmental protection into its internal management and daily operations, with the aim of achieving environmental sustainability.

Noise Pollution

Most of the Group's production are conducted in the studios with good soundproof facilities. However, we strive to continuously monitor if the business operations incur any potential impact to the environment, necessary noise pollution practices are implemented during our program production and concert and event organisation activities to minimise such impact to the environment. The Group regularly reviews its environmental protection policies and has adopted the necessary precautionary measures and actions to reduce significant impact on the environment and natural resources, and ensure that the Group complies with relevant laws and regulations.

Outdoor Lightings

The Group strives to minimise any unnecessary interference to the natural landscape and animal habitat in the process of programs production and concert and event organisation, in order to maintain the natural beauty of the environment. During outdoor production and concert and event organisation, the lightings are adjusted to avoid disturbing neighborhood whenever possible. Most of the programs are also shot in the indoor area.

A3. 環境及天然資源

環境影響管理

本集團深明減少業務經營帶來負面環境影響的責任，以實現可持續發展，為我們的持份者及社區整體創造長遠價值。本集團追求與環境保護的最佳實務，著重本集團業務對環境及天然資源的影響。除了遵循環境相關法規及適切地保護自然環境外，本集團亦將環境保護的概念融入內部管理及日常營運活動當中，致力達成環境可持續之目標。

噪音污染

本集團的大部分製作均在有良好隔音設備的錄像廠進行。然而，我們致力持續監察業務營運對環境帶來的潛在影響，在節目製作及演唱會及活動籌辦時減少必要的噪音污染，減少不必要的聲浪，將營運對環境的影響減至最低。本集團定期檢討其環保政策，並已採用必要的預防措施及行動，以減低對於環境及天然資源的重大影響，確保本集團符合相關法律及法規。

戶外燈光

在節目製作及演唱會及活動籌辦時盡量減少對自然景觀及動物棲息地作出不必要的干擾，保持生態環境的自然美。在戶外節目製作及演唱會及活動籌辦時，燈光盡量調教至不會滋擾附近作息的居民，大部份節目也在盡量在室內進行拍攝工作。

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B. SOCIETY

B1. Employment

For our industry, human resources are regarded as the Group's the largest and most valuable assets and the foundation in supporting the development of the Group. They provide the driving force for continuous innovation to the Group. The Group established relevant policies to support our human assets. These policies covering recruitment, compensation, promotion, working hours and holidays, diversity and equal opportunity, etc. The Group's Staff Handbook contains polices in regards to recruitment, promotion, discipline, working hours and leave. The human resources department has been responsible for ensuring all employees have fully understood the contents of the handbook.

The Group has complied with all laws and regulations on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, including but not limited to the "Companies Ordinance", the "Mandatory Provident Fund Schemes Ordinance", "Minimum Wages Ordinance", the "Personal Data (Privacy) Ordinance" of Hong Kong and the "Company Law of the People's Republic of China", the "Contract Law of the People's Republic of China", the "Labour Contract Law of the People's Republic of China", the "Regulations on Labour Security Supervision" of Mainland China. During the Reporting Period, the Group was not aware of any non-compliance incident with local employment-related laws and regulations in that would have a significant impact on the Group.

Recruitment, Promotion and Dismissal

The Group has actively implemented the strategy of strengthening enterprise through talents, established and been continuously improving the talent recruitment and selection system. In the recruitment process, the Group has standardised the recruitment process and principle, adhered to the employment principles of morality, knowledge, ability, experience and fitness applicable to job positions as well as the principles of openness, fairness, competitiveness and on a selective basis, so as to continuously attract and recruit talents.

The Group conducts classified management for employees, specifies the basis and process of management for staff promotion, transfer and demotion, regulates the departure and dismissal process, and protects the interests of both employees and the Group.

B. 社會

B1. 僱傭

就我們的行業而言，人力資源被視為本集團最大及具價值的資產及支持本集團業務發展的基礎，同時為本集團提供不斷創新的動力。本集團已制定相關政策支持我們的人力資產，該等政策包括招聘、薪酬、晉升、工時及假期、多元化及機會平等。本集團已制定員工手冊，規管招聘、升遷、紀律、工時及休假。負責執行的人力資源部門證實了各個員工已經充分認識手冊內容。

本集團已遵守所有與薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的法律法規，包括但不限於香港的《公司條例》、《強制性公積金計劃條例》、《最低工資條例》、《個人資料(私隱)條例》及中國內地的《中華人民共和國公司法》、《中華人民共和國合同法》、《中華人民共和國勞動合同法》、《勞動保障監察條例》。於報告期間，本集團並沒有發現任何對本集團造成重大影響的當地相關僱傭法律及法規之違規事件。

招聘、晉升及解聘

本集團積極實施人才強企戰略，不斷建立和完善人才招聘選拔制度。在招聘過程中規範招聘流程和原則，堅持品德優秀、學識、能力、經驗和體格適合於所任崗位的聘任原則，堅持公開、公平、競爭及擇優原則，從而不斷吸引和招攬優秀人才。

本集團職工進行分類管理，明確人員晉升、調動和降級管理的依據及流程，規範離職流程，保護員工和本集團雙方的利益。

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In addition, unreasonable dismissal of staff under any circumstances is not allowed in the Group. The dismissal process will only be conducted on a reasonable basis and will ensure that adequate communication has been made prior to the formal dismissal.

As of 31 December 2019, the Group had a total of 30 employees, which are divided as follows:

另外，本集團絕不容許在任何情況下無理解僱員工。解僱過程只會在合理基礎上進行，並於正式解僱前確保已就問題進行充分溝通。

截至二零一九年十二月三十一日，本集團有合共30名僱員，其劃分如下：

	Number of employees 員工人數	Approximately percentage of total 佔總人數的概約百分比
By gender 以性別劃分		
Male 男性	16	53%
Female 女性	14	47%
By age 以年齡劃分		
Aged below 30 30歲以下	8	27%
Aged 30-50 30-50歲	18	60%
Aged above 50 50歲以上	4	13%
By employment type 以僱傭類型劃分		
Full-time employee 全職員工	30	100%
Temporary and part-time employee 臨時及兼職員工	0	0%
By region 以地區劃分		
Mainland China 中國內地	24	80%
Hong Kong 香港	6	20%

Remuneration and Benefit

The management regularly reviews the Group's remuneration and benefits policies in reference to the market standards and is committed to safeguarding the rights and interests of the staff. Remuneration and benefits have been adjusted on an annual basis in accordance with the employees' individual performance, contribution and market conditions. The Group has established KPIs for performance evaluation. Based on the result, the Group offers rewards to employees in encouraging their achievement.

薪酬及福利

管理層就有關市場標準定期檢討本集團的薪酬及福利政策，致力保障員工的權益。並每年根據員工個別工作表現、貢獻及市場環境作出調整。本集團已就表現評估制定關鍵績效指標。根據有關結果，本集團向僱員作出獎勵，以鼓勵他們取得的成就。

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The Group earnestly safeguards the legitimate rights and interests of labour, in accordance with the requirements of the laws and regulations of the “Labour Law of the People’s Republic of China” of Mainland China and the “Employment Ordinance” of Hong Kong, respects the rights of employees to rest and take leave, and regulates the working hours and their rights for various types of rest times and holidays. We implements the paid annual leave system for employees and overtime wage is paid for labour exceeding statutory working hours in accordance with the relevant laws and regulations of the “Regulation on Paid Annual Leave for Employees”.

Diversity, Equal-opportunity and Anti-discrimination

The Group strictly complies with various national and local government laws and regulations by adopting a fair, just and open recruitment process and developing relevant system files to eliminate discrimination in the recruitment process, whose employees faces no discrimination regardless of race, social status, religion, nationality, disability, age, marital status, gender, pregnancy, sexual orientation, membership of the union, political connection and etc., and thus allowing employees to enjoy fair treatment in every aspect including hiring, salary, training, promotion, determination of labour contract, retirement or other aspects related to employment, with an endeavour to attract professionals with diverse backgrounds to join the Group. We strive to provide equal opportunities in every aspects, committed to maintaining the employee diversity and strongly prohibit any unfair treatment.

B2. Health and Safety

Occupational Health and Safety

The Group highly values the health and safety of employees and strive to provide a healthy, safe and comfortable working environment for employees. We have been trying to eliminate potential health and safety hazards in the working environment and conduct safety management in every aspect to secure the personal safety and health of employees during work. We have set up an occupational health and safety management system to provide a safe working environment for employees. The objective of the system is for monitoring and reviewing the safety and health of employee periodically, and performing regular checking in the office to ensure the safety of working environment.

本集團亦按照中國內地的《中華人民共和國勞動法》、香港的《僱傭條例》等法律法規的要求切實保障勞動者合法權益，尊重員工的休息和休假的權利，規範員工的工作時間及其享有的各類休息時間和假期的權利。我們按照《職工帶薪年休假條例》等相關法律法規，實施員工帶薪年休假制度，為超出法定工作時間的勞動支付超時工資薪酬。

多元化、平等機會及反歧視

本集團嚴格遵守國家及地方政府各項法律法規，採取公平、公正、公開的招聘流程，制定了相關制度檔以杜絕招聘過程中的歧視現象，不因種族、社會地位、宗教信仰、國籍、殘疾、年齡、婚姻狀況、性別、懷孕、性傾向、身為工會成員、政治聯繫等因素歧視任何一位員工，讓員工在錄用、薪酬、培訓、晉升、終止勞動合同、退休或其他與用工有關的各方面享受公平待遇以盡力羅致不同背景的專才加入本集團。我們致力於在所有方面提供平等機會並承諾保持員工多元化，亦強力禁止任何不公平對待。

B2. 健康與安全

職業健康和安

本集團高度重視員工的健康與安全，致力為員工提供健康、安全和舒適的工作環境。我們努力消除潛在工作場所健康及安全危害，並做好各環節的安全管理工作，以保障員工在工作期間的人身安全及健康。我們設立了完善的職業健康安全管理制度，向僱員提供安全的工作環境。該系統目標為定期監察及審查僱員安全及健康狀況，並進行辦公室日常檢查，以確保工作環境安全。

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The Group has complied with all laws and regulations related to providing a safe working environment and protecting employees from occupational hazards, including but not limited to, the “Occupational Safety and Health Ordinance” and “Employees’ Compensation Ordinance” of Hong Kong and “Law of the People’s Republic of China on Prevention and Control of Occupational Diseases”, the “Law of the People’s Republic of China on Work Safety” of Mainland China. During the Reporting Period, the Group was not aware of any non-compliance incident with local health and safety related laws and regulations in that would have a significant impact on the Group.

B3. Development and Training

Technology and Training

As technology is growing fast nowadays, knowledge on technology is one of the competitive advantages of the Group. The Group places great emphasis on the establishment of the enterprise’s internal management training and development system, employees are regarded as the Group’s largest and most valuable assets and the core of the competitive advantage. We provide staff with training courses for upgrading skills, technology knowledge and development as needed and meet the different needs of employees at all levels through diversified training models, including introduction training and management personnel training.

The Group encourages and supports employees to participate in personal and professional training to fulfill the needs of emerging technologies and new equipment. The Group also encourages the culture of sharing of knowledge and experience.

Employee can utilise technology for training. Employee was being encouraged to use online resources and media for technology training to catch up with the latest use of technology and support their own growth.

本集團已遵守所有與提供安全工作環境及保障僱員避免職業性危害有關的法律法規，包括但不限於香港的《職業安全及健康條例》、《僱員補償條例》及中國內地的《中華人民共和國職業病防治法》、《中華人民共和國安全生產法》。於報告期間，本集團並無發現任何對本集團造成重大影響的當地相關健康與安全法規之違規事件。

B3. 發展及培訓

技術及培訓

由於現如今技術不斷快速進步，掌握技術知識是本集團的競爭優勢之一。本集團注重企業內部管理培訓與發展體系的建立，視員工為本集團最大及具價值的資產和競爭優勢的核心。我們根據需要為員工提供技能提升、技術知識及發展課程，通過入職培訓及管理人員培訓等多元化培訓模式來滿足各級各類員工的不同需求。

本集團鼓勵及支持僱員參與個人及專業培訓，確保互聯網科技及相關設備及設施因應新技術及配合員工所需而作出適當專業培訓。本集團亦鼓勵分享經驗的文化。

員工可善用技術進行培訓。我們鼓勵員工利用網絡資源及媒體進行技術培訓，以緊跟最新技術的使用方法，並支持其自身發展。

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B4. Labour Standards

Prevention of Child Labour or Forced Labour

The Group strictly prohibits employing any child labour or forced labour in its operations in Hong Kong and Mainland China. The Group has established a well-defined recruitment process which examines the background of candidates and a formal reporting procedure for handling any exception. During the recruitment process, the age of the applicant is verified against the identity documents of the applicant. In addition, the Group conducts regular reviews and inspections to prevent any child labour or forced labour in operation.

In the meantime, the Group also avoids engaging vendors and contractors which are already known to be employing child labour or forced labour in their operations.

The Group has complied with all the relevant laws and regulations related to the prevention of child labour or forced labour including but not limited to, the “Employment Ordinance” of Hong Kong and the “Labour Law of the People’s Republic of China”, “Provisions on the Prohibition of Using Child Labour” of Mainland China. During the Reporting Period, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations that would have a significant impact on the Group.

B5. Supply Chain Management

Environmental and Social Risk Management of Supply Chain

The Group understands the importance of supply chain management in mitigating the indirect environmental and social risks. We are aware of the environmental and social practices of the suppliers, and try to engage suppliers with responsible acts to the society in view of green supply chain management. The Group has established and implemented the Supplier Management Policy in order to strengthen the selection of suppliers. We welcome qualified, competent and high-quality suppliers to join.

B4. 勞工準則

防止童工及強制勞工

本集團嚴格禁止其在香港及中國內地業務僱用任何童工及強制勞工。本集團已建立需檢查候選人背景的完善的招聘流程及處理任何例外情況的正式的報告程序，在招聘過程中，以應徵者之身份證明文件核實其年齡，另外亦定期進行審查及檢查，以防止經營中存在的任何童工或強制勞工。

與此同時，本集團亦避免委聘該等已知悉在其經營中僱用童工或強制勞動的賣方和承包商。

本集團已遵守所有與防止童工或強制勞工有關的法律法規，包括但不限於香港的《僱傭條例》及中國內地的《中華人民共和國勞動法》、《禁止使用童工規定》。於報告期間，本集團並沒有發現對本集團造成重大影響的任何重大不遵守與防止童工或強制勞工相關的法律及規例的情況。

B5. 供應鏈管理

供應鏈環境及社會風險管理

本集團知悉供應鏈管理在減輕間接環境及社會風險方面的重要性。鑒於綠色供應鏈管理，我們知悉供應商所採取的環境及社會慣例，並嘗試委聘對社會負責任的供應商。本集團已設立及實施供應商管理政策，以加強供應商甄選，我們歡迎合資格、有實力及高質素的供應商加入。

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The Group's procurement department is responsible for organising the supplier evaluation work in two ways which include the ongoing project evaluation and the annual assessment. The evaluation results will serve as the basis of supplier management. Suppliers need to quickly respond to the assessment result, and adopt effective measures to improve the services provided within prescribed period. The Group has the rights to terminate the cooperation with service providers who violate the rules or do not meet the targets.

The Group has formulated Supplier Selection Policy and preserve a Supplier Registration. In the selection of new suppliers, the Group has compared at least three different companies, taking account of their operational and compliance records as well as their commitment level on top of cost consideration. Prior to conducting business with suppliers, we carry out annual reviews and evaluations in various aspects including occupational health and safety, employee rights protection, environmental protection and corporate social responsibility. This ensures that our operations comply with national standards or relevant regulations and that we have no child or forced labour issues. The assessment results will be used as a benchmark for the continuation or termination of cooperation in the future.

The Group considers the principle of environmental protection. For example, in the course of selecting suppliers for each project, we assess whether the materials used by the suppliers in the activities are hazardous to the environment and whether they can effectively conserve energy and minimise carbon emissions.

The Group maintains close liaison with its suppliers to monitor its performance to ensure that it is consistent with its service commitment.

B6. Product Responsibility

We have always maintained communication with customers to ensure that we understand and satisfy customers' needs and expectations, and hope to understand customers' satisfaction to continuously improve our production quality. We strictly comply with relevant laws and regulations, including but not limited to, the "Trade Descriptions Ordinance" of Hong Kong as well as the "Law of the People's Republic of China on Protection of Consumer Rights and Interests", the "Advertising Law of the People's Republic of China", the "Interim Measures for Administration of Internet Advertising", the "Product Quality Law of the People's Republic of China" of Mainland China and other laws and regulations relevant to consumer rights. During the Reporting Period, the Group was not aware of any significant matters that violated the laws and regulations relevant to product and service quality.

本集團成本部將負責組織供應商評估工作，分兩種方式進行，即日常項目評估及年度總評估。評估結果將作為供應商的管理依據，供應商需對評估結果進行儘快的響應，並在規定時間內採取有效措施改進所提供的服務。本集團有權與違規或服務不達標之供應商終止合作。

本集團已制定供應商挑選政策及保存一份供貨商登記冊。在挑選新供應商時，本集團最少比較三間不同的公司，並重視供應商營運之法律合規記錄及忠誠文化，更甚於成本考慮。與供應商開展業務前，我們會對多方面進行年度審查及評價，包括職業健康與安全、僱員權利保障、環保及企業社會責任，以確保其經營符合國家標準或相關規定，以及並無童工及強制勞工問題。審查及評價結果將用作日後延續或終止合作的基準。

本集團會考慮環保原則，於每一個項目上選擇供應商時，考慮供應商於活動使用之物料是否對環境有害及是否能夠有效節省能源和減低碳排放。

本集團會與供應商保持緊密聯繫，監督其表現，以確保與其承諾服務一致。

B6. 產品責任

我們一直保持與顧客的溝通，確保理解和滿足顧客的需求和期望，並希望瞭解客戶的滿意情況，以對我們的製作質量不斷作出改進。我們嚴格遵守相關法律法規，包括但不限於香港的《商品說明條例》及中國內地的《中華人民共和國消費者權益保護法》、《中華人民共和國廣告法》、《互聯網廣告管理暫行辦法》、《中華人民共和國產品質量法》等消費者保護相關法律法規的規定。於報告期間，本集團並未發現任何違反產品及服務質量相關的法律法規的重大事宜。

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Quality and Safety of Services

As a media and event producer, we define quality of the production content as the key to improve customer satisfaction. The Group pays high attention to both quality and safety of the service. The Group has established relevant quality and safety inspection policies for different projects, communicates with our customers and confirms their project expectation and direction prior to launching any project, and actively coordinates projects with customers in the process of providing services.

IP Management and Privacy

The Group's daily operations involve the use of the IP owned by customers, suppliers or the Group itself. Therefore, the protection of IP rights is an extremely important task for the Group. When the Group engages with its customers or suppliers, it will include the protection of IP in the contractual terms. The Group's legal department will also review all the contracts in operation and ensure that the contractual terms protect both parties' IP rights. The Group also requires technical professionals to sign strict confidentiality agreements. Confidential information of our customers is only accessible to employees who are responsible for the corresponding project.

The Group has established data privacy policy to handle various data and information to ensure the compliance with local laws and regulations. Confidential personal data is stored at security server with access control.

During the Reporting Period, the Group complies with relevant laws governing the confidentiality of data and IP, including but not limited to "Trade Marks Ordinance", "Copyright Ordinance", "Patents Ordinance" of Hong Kong as well as "Patent Law of the People's Republic of China", "Trademark Law of the People's Republic of China", "Copyright Law of the People's Republic of China" of Mainland China.

Social Moral Standards

Media and broadcasting companies have social responsibilities on its content propagated to the public as its huge impact to the vast amount of audience. Based on the nature of the business, most of the content on the internet channel is online live broadcast or produced by different Internet users. According to the relevant laws and regulations such as "Beijing Self-Discipline Convention on Network Performance (Live Broadcasting)" and other standards, the Group has established strict rules on these contents.

服務的質量與安全

作為媒體及活動製作商，我們視製作內容的質量為提升客戶滿意度的關鍵。本集團重視服務的質素及安全，為不同的服務項目制定相關的質量及安全檢測制度，在任何項目進行之前先跟客戶溝通及確認工作方向，並在提供服務之過程中積極與客戶協調項目之進行。

知識產權管理及隱私

本集團的日常營運中經常牽涉到使用客戶、供應商或本集團自身擁有的知識產權，因此保護知識產權為本集團極其重要的任務。本集團與客戶或供應商訂立合約時均會在合約條款中加入對知識產權的保護條款，而本集團法律部門亦會審核所有營運的合約，確保合約條款保障了雙方的知識產權。此外，本集團亦要求技術專才簽訂嚴格的保密協議。所有客戶的機密資料只可以由負責相關客戶的項目工作的員工存取。

本集團已制定數據隱私政策，以處理各種數據及數據，確保遵守當地法律及法規。機密個人資料須存儲安全服務器，並控制存取情況。

於報告期內，本集團已遵守有關數據保密和知識產權的相關法律法規，包括但不限於香港的《商標條例》、《版權條例》、《專利條例》及中國內地的《中華人民共和國專利法》、《中華人民共和國商標法》、《中華人民共和國著作權法》。

社會道德標準

媒體及廣播公司須對其向公眾播出的內容承擔社會責任，因其對廣大受眾產生巨大影響。基於業務性質，網上頻道的內容很多均為網上視頻直播或由不同的網民所製作的視頻。根據《北京市網絡表演(直播)行業自律公約》等相關法規及標準，本集團對該等內容有著嚴格的規範。

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In order to ensure the compliance with the national regulations, the Group regularly checks the content of its broadcasts and program production activities. The Group is committed to providing positive messages for the community. Content such as violence, pornography, hatred, superstition, gambling, etc. is strictly forbidden.

The Group has complied with all relevant laws and regulations, including but not limited to the “Provisions on the Administration of Online Publishing Services” circulated by the State Administration of Press, Publication, Radio, Film and Television and the Ministry of Industry and Information Technology, the “Regulation on Internet Information Services of the People’s Republic of China” promulgated by the State Council. During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations.

B7. Anti-corruption

The Group strives to achieve high standards of ethics in our business operations. Fraudulent events such as corruption, bribery, and collusion are strictly prohibited. The Group has complied with all relevant laws and regulations related to bribery, extortion, fraud and money laundering, including but not limited to, “Prevention of Bribery Ordinance” of Hong Kong and the “Corruption Ordinance of the People’s Republic of China” of Mainland China. During the Reporting Period, the Group was not aware of any non-compliance incident with local prevention of bribery, extortion, fraud and money laundering relevant laws and regulations, nor any concluded corruption cases.

Prevention of Corruption and Fraud

The Group has implemented the Prevention of Commercial Bribery Management Policy, strengthened its internal control mechanism, anti-corruption and anti-bribery work so as to achieve the business philosophy of “abiding by the law, integrity and quality service”. For projects with higher monetary value, the Group makes an open bidding invitation to at least three suppliers. Different level of approval and authorisation is required according to the size of the tender agreement.

The policy also includes the establishment of an inspection team and the establishment of a channel for evaluation the cases. It is strictly forbidden to use the business opportunities or powers to obtain personal interests or benefits. Employees should comply with the rules stated in the Staff Handbook in performing business activities.

為了確保符合國家規定，本集團在節目製作及直播的內容上把關，謹守崗位。本集團確切為社區帶來正面訊息，嚴禁任何渲染暴力、色情、仇恨、迷信、賭博等的內容。

本集團已遵守所有相關法律法規包括但不限於國家新聞出版廣電總局及工業和信息化部頒布的《網絡出版服務管理規定》、國務院頒布的《中華人民共和國互聯網信息服務管理辦法》。於報告期間，本集團並沒有發現不遵守法律及規例的情況。

B7.反貪污

本集團致力於在業務營運過程中實現最高道德標準，嚴禁出現貪污、賄賂及腐敗等舞弊事件。本集團已遵守所有對與賄賂、勒索、欺詐及洗黑錢相關的法律法規，包括但不限於香港的《防止賄賂條例》及中國內地的《中華人民共和國反腐敗法》。於報告期間，本集團並沒有發現任何對本集團造成重大影響的當地有關防止賄賂、勒索、欺詐及洗黑錢的法律法規之違規事件，亦沒有任何已審結的貪污訴訟案件。

防止貪污及舞弊

本集團設定並執行了預防商業賄賂管理制度，加強企業內控機制和反腐敗，反賄賂工作，做到以「守法誠信、優質服務」為核心的經營理念。就所涉金額較大的項目，本集團會作公開招標，邀請最少三家供應商投標。不同的服務合約金額，須由不同級別的管理層審批。

該政策亦包括成立稽查小組及設立評估案件渠道，嚴禁利用商機或職權取得個人利益或好處。僱員於進行商業活動時須遵守員工手冊載列之規則。

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The Group has established Whistleblowing Policy and procedures for all levels and operations. Staff can raise concerns, in confidence, about possible improprieties such as misconduct and malpractice in any matter related to the Group. The Group also encourages employees and all persons with whom the Group does business, including customers and suppliers, to report the suspected misconduct within the Group voluntarily.

B8. Community Investment

Contributions to Society

The Group encourages employees to participate in charity events, volunteer works, and environmental protection activities in order to make contributions to our society. We believe that our employee could build up positive value and to be socially responsible through participate in those activities.

The Group enhances the quality of life of community through arts and culture activities. As the culture development, the community can gain a deeper understanding of history and culture and enjoy higher appreciation of the present and future cultural activities and to a greater level of enjoyment.

As a moral and responsible enterprise, the content of the broadcasts and organised events are produced in accordance with the Group's policy of considering community interests and fully complied with the national regulations and rules, which further promotes positive news to the community and restricts any negative content, including violence, pornography, hatred, superstition, gambling, to be broadcasted.

The Group will consider from time to time to make donations to charities when the Group records after-tax profits and has sufficient funds.

本集團已制定適用於所有層面及營運的舉報政策與程序。員工可在保密前提下，提出任何可能存在的有關本集團的不當情況，譬如行為失當、疏忽職守等。本集團亦鼓勵僱員及包括客戶、供應商在內之所有與本集團有業務往來之人士，主動舉報本集團之懷疑不當行為。

B8. 社區投資

社會公益

本集團鼓勵員工參加慈善活動、志願工作及環境保護活動，以向我們的社會作貢獻。我們相信，透過個人參與該等社會公益活動，我們的員工能夠樹立積極的價值觀及最終成為有社會責任感的公民。

本集團通過藝術文化活動提高社區市民的生活質素。隨文化的發展，讓社區不論現在或將來，都可對歷史和文化有更深入的認識和更高的欣賞能力，從中得到更大的樂趣。

本集團作為一家有道德及責任感的企業，在節目內容製作及演唱會及活動籌辦亦考慮到社區利益的政策，全部符合國家規定，確切為社區帶來正面訊息，嚴禁播放任何渲染暴力、色情、仇恨、迷信、賭博等的內容。

本集團亦會不時考慮於本集團錄得除稅後溢利及擁有充裕資金時向慈善團體捐款。

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THE STOCK EXCHANGE OF HONG KONG LIMITED'S ESG REPORTING GUIDE INDEX

香港聯合交易所有限公司的《環境、社會及管治報告指引》內容索引表

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Statement 章節/聲明	Page 頁數
Aspect A1: Emissions 層面A1：排放物			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Emissions 排放物	34
KPI A1.1 ("Comply or explain") 關鍵績效指標A1.1 (「不遵守就解釋」)	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	Emissions 排放物	34
KPI A1.2 ("Comply or explain") 關鍵績效指標A1.2 (「不遵守就解釋」)	GHG emissions in total (in tonnes) and, where appropriate, intensity. 溫室氣體總排放量(以噸計算)及密度。	Emissions – GHG Emissions 排放物 – 溫室氣體排放	35
KPI A1.3 ("Comply or explain") 關鍵績效指標A1.3 (「不遵守就解釋」)	Total hazardous waste produced (in tonnes) and intensity. 所產生有害廢棄物總量(以噸計算)及密度。	Non applicable – explained 不適用 – 已解釋	37
KPI A1.4 ("Comply or explain") 關鍵績效指標A1.4 (「不遵守就解釋」)	Total non-hazardous waste produced (in tonnes) and intensity. 所產生無害廢棄物總量(以噸計算)及密度。	Emissions – Waste Treatment 排放物 – 廢物處理	37
KPI A1.5 ("Comply or explain") 關鍵績效指標A1.5 (「不遵守就解釋」)	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	Emissions – GHG Emissions and Waste Treatment 排放物 – 溫室氣體排放、廢物處理	35
KPI A1.6 ("Comply or explain") 關鍵績效指標A1.6 (「不遵守就解釋」)	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Emissions – Waste Treatment 排放物 – 廢物處理	37

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Aspect A2: Use of Resources			
層面A2：資源使用			
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	Use of Resources 資源使用	38
KPI A2.1 ("Comply or explain") 關鍵績效指標A2.1(「不遵守就解釋」)	Direct and/or indirect consumption by type in total and intensity. 按類型劃分的直接及／或間接能源總耗量及密度。	Use of Resources – Energy Consumption 資源使用 – 能源消耗	38
KPI A2.2 ("Comply or explain") 關鍵績效指標A2.2(「不遵守就解釋」)	Water consumption in total and intensity. 總耗水量及密度。	Use of Resources – Water Management 資源使用 – 用水管理	39
KPI A2.3 ("Comply or explain") 關鍵績效指標A2.3(「不遵守就解釋」)	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	Use of Resources – Energy Consumption 資源使用 – 能源消耗	38
KPI A2.4 ("Comply or explain") 關鍵績效指標A2.4(「不遵守就解釋」)	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	Use of Resources – Water Management 資源使用 – 用水管理	39
KPI A2.5 ("Comply or explain") 關鍵績效指標A2.5(「不遵守就解釋」)	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及每生產單位估量。	Non applicable – explained 不適用 – 已解釋	39
Aspect A3: The Environment and Natural Resources			
層面A3：環境及天然資源			
General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	The Environment and Natural Resources 環境及天然資源	40
KPI A3.1 ("Comply or explain") 關鍵績效指標A3.1(「不遵守就解釋」)	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	The Environment and Natural Resources – Environmental Impact Management, Noise Pollution and Outdoor Lightings 環境及天然資源 – 環境影響管理、噪音污染、戶外燈光	40

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Aspect B1: Employment 層面B1：僱傭			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Employment 僱傭	41
KPI B1.1 ("Recommended Disclosures") 關鍵績效指標 B1.1 (「建議披露」)	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	Employment - Recruitment, Promotion and Dismissal 僱傭-招聘、晉升及解聘	41
Aspect B2: Health and Safety 層面B2：健康與安全			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Health and Safety 健康與安全	43
Aspect B3: Development and Training 層面B3：發展及培訓			
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Development and Training 發展及培訓	44

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Aspect B4: Labour Standards 層面B4：勞工準則			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Labour Standards 勞工準則	45
Aspect B5: Supply Chain Management 層面B5：供應鏈管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理	45
Aspect B6: Product Responsibility 層面B6：產品責任			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Product Responsibility 產品責任	46
Aspect B7: Anti-corruption 層面B7：反貪污			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to the prevention of bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Anti-corruption 反貪污	48

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Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Statement 章節/聲明	Page 頁數
Aspect B8: Community Investment			
層面B8：社區投資 General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where it operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment 社區投資	49

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Philip Jian Yang, aged 57, is an Executive Director and the President and Chief Executive Officer of our Group. Mr. Yang is the son of the founders of the Group. Mr. Yang has been primarily responsible for the overall operations, management, business development and strategic planning of our Group. Prior to joining our Group, he was appointed as the general manager of Beijing Zhonglu Intelligence Cultural Development Co., Ltd. in November 1994. Mr. Yang graduated from the Business Institute of Beijing (currently Beijing Technology and Business University) with a bachelor's degree in business administration and commerce in July 1983.

Ms. Yang Jianping, aged 65, is an Executive Director and a Deputy Chief Executive Officer of our Group. Ms. Yang has been primarily responsible for the management of the Group's finance, human resources and administrative matters. Ms. Yang graduated from Beijing Open University with a bachelor's degree in finance and accounting in July 1988. She attained the qualification of an intermediary accountant in December 1992.

NON-EXECUTIVE DIRECTORS

Mr. Yang Shiyuan, aged 44, is a Non-Executive Director of the Company. He was re-designated from an executive director to a non-executive director on 25 March 2019. Mr. Yang has been responsible for supervising the Group's business in large-scale performance events, such as awards ceremonies and movie premieres. He joined the Group in October 2002 as a project assistant and was promoted to the position of project manager in August 2004. From October 2009 to the date of re-designation as a non-executive director, he served as a project director in the Group.

Mr. Ge Xuyu, aged 53, was appointed as a Non-Executive Director of our Group on 21 April 2015. Mr. Ge has been primarily responsible for seeking investment and acquisition opportunities and managing the investment project of the Group. Mr. Ge has been serving as the general manager of Mongolian Desert Resources LLC since December 2010. He is currently certified as a senior accountant in the PRC. During May 1983 to February 2002, he worked at China Construction 4th Engineering Bureau 6th Corp. Limited holding financial positions and was promoted to senior accountant in August 2001. From February 2003 to December 2010, he served as a deputy general manager of Shenzhen Dongrunda Investments Development Co., Ltd.. Mr. Ge graduated from Anhui Open University majoring in financial accounting in 1990. He obtained the qualification as an accountant in October 1994.

執行董事

楊劍先生，57歲，為本集團執行董事及主席兼行政總裁。楊劍先生為本集團創辦人之一子。楊先生主要負責本集團的整體營運、管理、業務發展及策略規劃。加入本集團前，彼於一九九四年十一月獲委任為北京中錄智慧文化發展有限公司的總經理。楊先生於一九八三年七月畢業於北京商學院（現稱北京工商大學），取得工商管理學士學位。

楊建平女士，65歲，為本集團執行董事及副行政總裁。楊女士主要負責管理本集團財務、人力資源及行政事宜。楊女士於一九八八年七月畢業於北京廣播電視大學，取得金融會計學士學位。楊女士於一九九二年十二月取得中級會計師資格。

非執行董事

楊世遠先生，44歲，為本集團非執行董事。楊先生於二零一九年三月二十五日由執行董事調任為非執行董事。楊先生主要負責監管本集團大型演出活動的業務，例如頒獎典禮及電影首映禮。彼於二零零二年十月加入本集團，擔任項目助理，並於二零零四年八月晉升為項目經理。自二零零九年十月至調任為非執行董事之日，彼於本集團擔任項目總監。

葛旭宇先生，53歲，於二零一五年四月二十一日獲委任為本集團非執行董事。葛先生主要負責為本集團尋找投資及併購的機會及管理本集團的投資項目。自二零一零年十二月起，葛先生於蒙古大漠資源有限公司擔任總經理。彼現已註冊為中國高級會計師。於一九八三年五月至二零零二年二月，彼於中國建築第四工程局第六工程公司擔任財務職務及於二零零一年八月升任高級會計師。自二零零三年二月至二零一零年十二月，彼擔任深圳市東潤達投資發展有限公司副總經理。葛先生於一九九零年畢業於安徽廣播電視大學，主修財務會計。彼於一九九四年十月取得會計師資格。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

Mr. Wang Yong, aged 51, was appointed as a Non-Executive Director of our Group on 21 April 2015. Mr. Wang has been primarily responsible for supervising our Group's overall management and strategic planning. Mr. Wang has been working as a deputy managing director at Beijing Tianyi Jinxiu Co., Ltd. since 2003.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Fu Yuehong, aged 58, was appointed as an Independent Non-Executive Director of our Group on 10 July 2019. She is the president of Beijing Commercial Association. Ms. Fu graduated from the Beijing Institute of Business (now known as Beijing Technology and Business University) with a bachelor's degree in business and economics in 1983. She is a senior economist and also holds a bachelor's degree in law in China University of Political Science and Law. She had been the deputy minister of finance and minister of Marketing of Beijing New Yansha Group*, and was the chairman of Beijing Capital Retailing Group Co., Ltd. (stock code: 600723), a company listed on Shanghai Stock Exchange, from February 2015 to June 2018. She has extensive experience in management, finance and marketing.

Mr. Tan Song Kwang, aged 52, was appointed as an Independent Non-Executive Director of our Group on 3 November 2015. Mr. Tan has been a director of the Financial Advisory Department of Stratus Capital Pte Ltd. since 2005 and an independent director, chairman of the nomination committee and member of the remuneration and audit committees of Oriental Group Ltd. (SGX: 5FI) from February 2004 to December 2016. From May 2012 to January 2014, he served as an independent non-executive director, chairman of the remuneration committee, member of the nomination and audit committees of China Paper Holdings Ltd (SGX: C71). Mr. Tan graduated from National University of Singapore with a bachelor's degree in arts, majoring in economics and sociology, in 1991.

Mr. Yau Yan Yuen, aged 32, was appointed as an Independent Non-Executive Director of the Group on 18 July 2018. Mr. Yau has joined Wai Hung Group Holdings Limited (stock code: 3321) since February 2018 and appointed as Chief Financial Officer on 21 February 2018. Mr. Yau is responsible for the overall financial management of Wai Hung Group Holdings Limited. Mr. Yau graduated from the Hong Kong Polytechnic University with a bachelor's degree of business administration (Honours) in professional accountancy in October 2011. He has been a certified public accountant registered with the Hong Kong Institute of Certified Public Accountants since January 2018. Prior to joining Wai Hung Group Holdings Limited, Mr. Yau worked in the audit and assurance department at Deloitte Touche Tohmatsu since September 2011 and he left Deloitte Touche Tohmatsu as an audit manager in February 2018.

Note:

Each of the Directors does not have any relationship with any other Directors and any member of our senior management.

汪勇先生，51歲，於二零一五年四月二十一日獲委任為本集團非執行董事。汪先生主要負責監管本集團整體管理及策略規劃。自二零零三年起，汪先生於北京天衣錦繡服裝有限公司擔任副董事總經理。

獨立非執行董事

傅躍紅女士，58歲，於二零一九年七月十日獲委任為本集團獨立非執行董事。彼為現任北京市商業聯合會會長。傅女士於一九八三年畢業於北京商學院（現為北京工商大學），獲得商業經濟學學士學位。彼同時擁有中國政法大學法律學士學位及高級經濟師資格。傅女士曾於北京新燕莎集團擔任財務部副部長及市場策劃部部長，在二零一五年二月至二零一八年六月期間曾於北京首商集團股份有限公司（股份代號：600723）（一間於上海證券交易所上市的公司）擔任董事長，對管理、財務及市場策劃具有豐富經驗。

陳松光先生，52歲，於二零一五年十一月三日獲委任為本集團獨立非執行董事。陳先生自二零零五年起曾任Stratus Capital Pte Ltd.財務顧問部門主任，並自二零零四年二月至二零一六年十二月擔任Oriental Group Ltd. (SGX: 5FI)獨立董事、提名委員會主席及薪酬委員會及審核委員會成員。自二零一二年五月至二零一四年一月，彼擔任China Paper Holdings Ltd.(SGX: C71)獨立非執行董事、薪酬委員會主席、提名委員會及審核委員會成員。陳先生於一九九一年畢業於新加坡國立大學，獲得文學士學位，主修經濟學及社會學。

邱欣源先生，32歲，於二零一八年七月十八日獲委任為本集團獨立非執行董事。邱先生於二零一八年二月加入偉鴻集團控股有限公司（股份代號：3321），並於二零一八年二月二十一日獲委任為財務總監。邱先生主要負責偉鴻集團控股有限公司的整體財務管理。邱先生於二零一一年十月取得香港理工大學會計學工商管理學士學位。彼自二零一八年一月起成為香港會計師公會的註冊會計師。加入偉鴻集團控股有限公司前，邱先生自二零一一年九月起於德勤•關黃陳方會計師行審計及鑒證部就職，並於二零一八年二月離職前擔任經理一職。

附註：

各董事與任何其他董事及高級管理層任何成員概無任何關係。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Fu Chung Yiu, aged 44, was appointed as chief financial controller of the Group on 3 April 2018. Mr. Fu holds a bachelor's degree of science in actuarial science from London School of Economics and Political Science. Mr. Fu has over 17 years' experience in financial, merger & acquisition, risk and investment management. He previously worked in Chevalier Asset Management Limited (a wholly own subsidiary of Chevalier International Holdings Limited (stock code: 025)) and UBS Group AG as assistant manager and associate director respectively. Prior to joining the Company, Mr. Fu was a director of an advisory company.

Mr. Chiu Chun Yin, aged 31, was appointed as company secretary of the Group on 3 April 2018. Mr. Chiu has been a certified public accountant registered with the Hong Kong Institute of Certified Public Accountants since July 2017. He holds a bachelor's degree of commerce (Honours) in accounting from Hong Kong Shue Yan University. Mr. Chiu joined the Company in February 2016 as an assistant finance manager and was promoted to finance manager in June 2017. Prior to joining the Company, Mr. Chiu worked in several accounting firms. He has over 8 years of extensive experience in the field of accounting, auditing and financial management.

Mr. Wan Shuxing, aged 51, is the chief engineer of the Group. Mr. Wan has been primarily responsible for the construction and implementation of the Group's stage art projects. From July 1991 to December 2002, Mr. Wan worked at China Construction 1st Engineering Bureau 4th Corp. Limited. Mr. Wan graduated from Harbin Institute of Technology with a bachelor's degree in industrial and residential construction in July 1991.

高級管理層

傅仲堯先生，44歲，於二零一八年四月三日獲委任為本集團財務總監。傅先生持有倫敦經濟與政治學院精算學(榮譽)學士學位。傅先生於財務、合併收購、風險及投資管理方面擁有逾 17 年經驗。傅先生曾於其士資產管理有限公司(其士國際集團有限公司(股份代號：025)之附屬公司)及瑞士銀行分別擔任助理經理及副董事。加入本公司之前，傅先生於一間企業顧問公司擔任董事。

招晉賢先生，31歲，於二零一八年四月三日獲委任為本集團公司秘書。招先生自二零一七年七月起為香港會計師公會註冊專業會計師。彼持有香港樹仁大學之會計學(榮譽)商學學士學位。招先生於二零一六年二月加入本公司為財務副經理並於二零一七年六月獲晉升為財務經理。加入本公司之前，招先生曾於多間會計師事務所工作，於會計、核數及財務管理方面擁有逾八年的豐富經驗。

萬樹興先生，51歲，為本集團總工程師。萬先生主要負責本集團舞台藝術項目的搭建及執行。自一九九一年七月至二零零二年十二月，萬先生任職於中國建築第一工程局第四建築公司。萬先生於一九九一年七月畢業於哈爾濱工業大學，獲工業與民用建築學士學位。

Report of the Directors

董事會報告

The board of Directors of the Company (the “Board”) is pleased to present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 37 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The Group’s financial performance for the year ended 31 December 2019 is set out in the consolidated statement of comprehensive income on page 96 of this annual report and the financial position of the Group as at 31 December 2019 are set out in the consolidated statement of financial position on page 98 of this annual report.

The financial position of the Company as at 31 December 2019 is set out in note 34 to the consolidated financial statements.

The Directors do not recommend the payment of any dividend for the year ended 31 December 2019. The dividend policy of the Group is set out in the section headed “Corporate Governance Report” on page 15 to 27 to this annual report.

SHARE CAPITAL

Details of movements in the Company’s share capital during the year ended 31 December 2019 are set out in note 29 to the consolidated financial statements.

RESERVES

Details of the movements in reserves of the Group and the Company during the year ended 31 December 2019 are set out in the consolidated statement of changes in equity in page 100 and note 33 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

The Company’s reserve available for distribution as at 31 December 2019 was approximately RMB36.8 million (as at 31 December 2018: RMB41.1 million).

CHARITABLE CONTRIBUTIONS

During the year ended 31 December 2019, the Group did not make any charitable contributions (2018: Nil).

本公司之董事會(「董事會」)欣然呈報本集團截至二零一九年十二月三十一日止年度之董事會報告連同經審核綜合財務報表。

主要業務

本公司為一家投資控股公司。本公司之附屬公司的主要業務詳情載於綜合財務報表附註37。

業績及分派

本集團截至二零一九年十二月三十一日止年度的財務表現載於本年報第96頁綜合全面收益表及本集團於二零一九年十二月三十一日的財務狀況載於本年報第98頁綜合財務狀況表。

本公司於二零一九年十二月三十一日的財務狀況載於綜合財務報表附註34。

董事並不建議派發截至二零一九年十二月三十一日止年度的任何股息。本集團的股息政策載於本年報第15頁至第27頁的「企業管治報告」內。

股本

截至二零一九年十二月三十一日止年度，本公司股本之變動詳情載於綜合財務報表附註29。

儲備

截至二零一九年十二月三十一日止年度，本集團及本公司儲備之變動詳情分別載於本報告第100頁綜合權益變動表及綜合財務報表附註33。

可分派儲備

於二零一九年十二月三十一日，本公司之可供分派儲備約為人民幣36.8百萬元(於二零一八年十二月三十一日：人民幣41.1百萬元)。

慈善捐款

於截至二零一九年十二月三十一日止年度，本集團並無作出任何慈善捐款(二零一八年：無)。

Report of the Directors

董事會報告

PROPERTY, PLANT AND EQUIPMENT

Details of the Group's property, plant and equipment during the year ended 31 December 2019 are set out in note 18 to the consolidated financial statements.

BUSINESS REVIEW AND PROSPECTS

A review of the financial performance and business of the Group during the year ended 31 December 2019 and a discussion on the Group's future business development are set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" on pages 4 to 14 of this annual report.

EVENTS AFTER THE REPORTING PERIOD

On 23 January 2020, pursuant to the subscription agreement entered into between the Company and Mr. Wu Jian ("Mr. Wu", an independent third party of the Company under GEM Listing Rules) on 10 January 2020 (the "Subscription Agreement"), the Company completed the issuance of 158,064,516 new ordinary shares of the Company (with aggregate nominal value of HK\$1,580,645.16) (the "Subscription Share(s)") to Mr. Wu at the subscription price of HK\$0.062 (the "Subscription Price") per Subscription Share (the "Subscription"). The closing price quoted on the Stock Exchange per ordinary share of the Company as at the date of the Subscription Agreement was HK\$0.075. The gross proceeds from the Subscription is HK\$9,800,000 and the net proceeds from the Subscription is approximately HK\$9,790,000 after deducting the related expenses. The net issue price was approximately HK\$0.062 per Subscription Share. Upon the completion of the Subscription, Mr. Wu owns 158,064,516 ordinary shares of the Company, representing approximately 9.99% of the issued share capital immediately after the completion of the Subscription. The Directors consider that the Subscription represents a good opportunity to raise funds for the development and production of serial programs which the Company has entered into and to strengthen the capital base of the Company.

USE OF PROCEEDS

As at 31 December 2019, the Company has utilised approximately RMB8.5 million of the net proceeds of approximately RMB14.7 million from the disposal of Capital Land in accordance with the intended use of proceeds set out in the circular of the Company dated 24 September 2019. Details of the intended uses and utilised amount are set out on pages 12 to 13 of this annual report.

Up to the date of this report, the Company has not utilised any amount of net proceeds from the Subscription disclosed above (approximately HK\$9,790,000).

物業、廠房及設備

截至二零一九年十二月三十一日止年度，本集團物業、廠房及設備之變動詳情載於綜合財務報表附註18。

業務回顧及展望

有關本集團於截至二零一九年十二月三十一日止年度之業務的回顧與對未來業務發展的論述均載於本年報第4頁至第14頁的「主席報告」及「管理層討論及分析」內。

報告期後事項

於二零二零年一月二十三日，本公司根據於二零二零年一月十日與吳健先生（「吳先生」，根據GEM上市規則為本公司獨立第三方）簽訂的認購協議（「認購協議」），完成了按每股認購股份0.062港元的認購價（「認購價」）發行158,064,516股總面值為1,580,645.16港元的本公司新普通股（「認購股份」）予吳先生（「認購事項」）。於認購協議日期，本公司普通股在聯交所所報之收市價為0.075港元。認購事項之所得款項總額為9,800,000港元，經扣除相關開支後，認購事項之所得款項淨額約為9,790,000港元。每股認購股份的淨發行價約0.062港元。於認購事項完成後，吳先生持有158,064,516股本公司普通股，佔本公司於緊隨認購事項完成後之已發行股本約9.99%。董事認為認購事項可籌集資金以供本公司發展及製作已簽訂之連續劇，同時可加強本公司的資本儲備。

所得款項用途

於二零一九年十二月三十一日，本公司根據日期為二零一九年九月二十四日之本公司通函所載之所得款項擬定用途動用了出售京江南所得的所得款項淨額約人民幣14.7百萬元其中的約人民幣8.5百萬元。有關擬定用途及已動用金額詳情載於本年報第12至13頁。

直至本報告日期，本公司尚未動用上述披露的認購事項的所得款項淨額（約9,790,000港元）。

CHANGE IN USE OF PROCEEDS

As disclosed above, the Company completed the Subscription on 23 January 2020 and the net proceeds from the Subscription is approximately HK\$9,790,000. Up to the date of this report, the Company has not utilised any amount of net proceeds from the Subscription.

The net proceeds from the Subscription were intended to be applied in the following manner:

- (i) approximately 91.01% (i.e. approximately HK\$8,910,000) to produce TV serial programs; and
- (ii) approximately 8.99% (i.e. approximately HK\$880,000) to the general working capital of the Group.

From January 2020, the PRC are facing the outbreak of Coronavirus Disease (“COVID-19”) and most of the entertainment and commercial events have been suspended or forced to delay. The Group expected to begin the production of a serial program in 2020, which is re-edited from a top-rated overseas TV serial program, however, due to the outbreak of COVID-19, the production is required to be rescheduled and there is no certain timetable of the production up to date of this report.

On the other hand, the Group has entered into the contracts to organise concerts in the second half of 2020 and certain initial costs are required to pay in advance. Also, during the outbreak of COVID-19 and possible global economy downturn, the Directors are in the view of allowing more flexibility of the Group to use its cash resources.

更改所得款項用途

如以上所述，本公司於二零二零年一月二十三日完成了認購事項及相關所得款項淨額為約9,790,000港元。直至本報告日期，本公司尚未動用認購事項的所得款項淨額。

本公司原擬將所得款項淨額按以下方式動用：

- (i) 約91.01% (即約 8,910,000 港元) 用於製作電視連續劇；及
- (ii) 約8.99% (即約 880,000 港元) 用作本集團的一般營運資金。

由二零二零年一月開始，中國爆發了新型冠狀病毒（「新冠肺炎」）的疫情，導致不少娛樂節目及商業活動取消或被迫延期。本集團原本預計在二零二零年開始一部改編自極高收視率的海外電視劇的連續劇製作，不過由於新冠肺炎的爆發，該連續劇的製作需要延期，而直至本報告日期亦未有確實的製作時間表。

另一方面，本公司已訂立一些關於於二零二零年下半年舉行的演唱會的合約，而部分前期的費用需要提前支付。同時，在新冠肺炎的爆發及全球經濟可能下滑的情況下，董事認為應為本公司動用其資金預留多一點彈性。

Report of the Directors

董事會報告

At the date of this report, the Board resolved to change the proposed use of net proceeds from the Subscription in the following manner:

於本報告日期，董事會議決將認購事項的所得款項淨額之擬定用途按以下方式更改：

	Intended use of net proceeds from the Subscription as disclosed in the Company's announcement dated 23 January 2020 於日期為二零二零年一月二十三日之本公司公告內披露之認購事項的所得款項淨額之擬定用途 HK\$'000 千港元	Utilised amount as at the date of this report 於本報告日期已動用之金額 HK\$'000 千港元	Revised use of net proceeds from the Subscription 經修改所得認購事項的所得款項淨額之用途 HK\$'000 千港元
Produce TV serial programs 製作電視連續劇	8,910	-	5,843
Payment for concert organisation expenses 支付演唱會籌辦費用	-	-	2,067
General working capital 一般營運資金	880	-	1,880
	9,790	-	9,790

Save for the aforesaid changes, there are no other changes in the use of net proceeds from the Subscription.

除上述變更外，概無其他認購事項所得款項淨額用途的變更。

The Directors consider that the change in the net proceeds from the Subscription can increase the flexibility for the Group to use its cash resources and is more in line with the current needs of the Group. Thus, the Directors consider that the change in the net proceeds is in the interest of the Company and its shareholders as a whole.

董事認為更改認購事項的所得款項用途可以增加本集團運用其資金的彈性及更符合本集團現時的需求。因此，董事認為更改認購事項的所得款項用途符合本公司及其股東整體之利益。

PRINCIPAL RISKS AND UNCERTAINTIES

主要風險及不確定因素

A number of factors may affect the results and business operations of the Group, major risks are summarised below.

本集團的業績及業務營運受多個因素的影響，主要風險概述如下。

Reliance on limited number of customers

依賴有限數量客戶

The Group derived a significant portion of our revenue from a limited number of customers. For the year ended 31 December 2019, the five largest customers of the Group contributed 85.2% of total revenue to the Group. There is a risk that these significant customers to cancel or early terminate the contract and no assurance that these significant customers will continue their business relationship with the Group or that the revenue generated from the customers will increase or be maintained in the future. The Group will continue to expand the customer base to mitigate the risk.

本集團從數目有限的客戶獲取絕大部分收益。截至二零一九年十二月三十一日止年度，本集團五大客戶所產生的收益佔總收益約85.2%。本集團的風險在於這些重要客戶可以取消、提早終止與本集團訂立的合約及不保證這些重要客戶將繼續與本集團保持業務關係或來自彼等的收益將於未來會增加或維持。本集團會繼續擴展客戶的基礎以減輕風險。

Intense competition

The television broadcasting content production market is highly fragmented. New players are entering into the market, while existing big players are growing. The Group is facing pricing pressure from the television station customers which have the sole decision making to which program to be played. The Group also faces threat of substitution by films, television series and competition programs which take up higher proportions of audience rating compared to television broadcasting contents such as variety shows.

The robust sector in the event organisation is very competitive. Apart from competition with other event organisers, television stations, online video networks and film distributors with high backward integration ability, many corporations setup their own in-house public relations, which have the ability to organise their own events such as annual parties. Further, companies that are well-established in other related fields such as public relations agencies, also are the potential competitors of the event organisation segment of the Group.

Uncertainties of market demand of recently developed business

The Group had made material investment in the mobile live broadcasting and e-commerce business. The Group believes this business has huge potential under the fast growing internet platform and the huge demand in the pan-entertainment sector. However, the instability in determining reliable estimates on the fast changing users' behaviors make no assurance that our optimistic expectation on these businesses can be realized. Further, its regulatory control are not fully sophisticated. The Group's operations of "entertainment contents + social media + e-commerce" of mobile live broadcasting and e-commerce business require quick reaction to the rapid market changes, therefore the Group has not yet been affirmed that the value of this business model will be realized in the short term.

Mobile live broadcasting and e-commerce is not necessities, the demand of these businesses may fall significantly if the economy in the PRC faces material downturn with the decrease in purchasing power of potential consumers. In addition, the consumption trend and demand of the internet and pan-entertainment can be changed quickly, the Group may require to deploy resources continuously to attract and retain the customers' loyalty. The management of the Group will closely monitor the operation and the market changes of this segment.

競爭激烈

電視廣播內容製作市場高度分化及更多從業者進入電視廣播內容製作市場，而現有佔據主導優勢的從業者亦日益壯大。本集團同時面對來自對節目開播有最終決定權的電視台客戶的價格壓力。本集團同時面臨電視廣播內容(例如綜藝節目)的收視率被電影、連續劇以及歌影娛樂節目取代的威脅。

活動籌辦行業的競爭亦非常激烈。除了來自其他活動籌辦公司、電視台、網絡視頻網站及具備較強後向整合能力的電影分銷商的競爭外，許多公司成立企業內部公共關係部門，有能力籌辦其自家公司活動(如年會)。此外，在其他相關領域已獲得廣泛認可的公司(例如公共關係代理)均為本集團活動籌辦分部的潛在競爭對手。

新開展業務的市場需求的不確定性

本集團於移動直播及電商業務作出了重大的投資。我們相信這業務在中國互聯網的迅速發展及於泛娛樂的巨大需求下將擁有極具大潛力。然而，基於判斷快速變化的用戶行為有不穩定性，因此並不能保證我們對這業務的樂觀預期能夠實現。而且，移動直播及電商業務是互聯網及移動互聯網相關業務，這些業務在中國的法規管治上都還沒完全發展成熟，加上本集團在移動直播及電商業務的「娛樂內容+社交+電商」的營運模式仍然需要緊貼市場的變化作出應變，因此本集團尚未可肯定該營運模式的成果會在短期內實現。

移動直播及電商並非必需品，若中國的經濟面臨重大衰退並伴隨著潛在消費者的購買力下降，這些業務的需求可能會大幅減少。而且，互聯網及泛娛樂的需求及消費潮流瞬息萬變，本集團可能需要持續地投放大量資源以吸引及保持上述業務的用戶群。本公司之管理層會密切監察此分部的營運及市場變化。

Report of the Directors

董事會報告

RELATIONSHIPS WITH KEY STAKEHOLDERS

Discussions on the Group's relationships with its employees, customers and suppliers is contained in the section headed "Environmental, Social and Governance Report" on pages 28 to 54 of this annual report.

ENVIRONMENTAL POLICIES

Discussion on the Group's environmental policies is contained in the section headed "Environmental, Social and Governance Report" on pages 28 to 54 of this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC and Hong Kong while the Company itself is listed on GEM. The establishment and operations accordingly shall comply with relevant laws and regulations in the PRC and Hong Kong. During the year ended 31 December 2019 and up to the date of this report, the Group has complied with all the relevant laws and regulations in the PRC and Hong Kong.

PRE-EMPTIVE RIGHTS

There are no provision for pre-emptive rights under the Articles or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last 5 financial years is set out on page 223 of this annual report.

PURCHASES, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2019.

與主要持份者的關係

關於本集團與員工、客戶及供應商關係載於本年報第28頁至第54頁之「環境、社會及管治報告」內。

環保政策

關於本集團的環保政策載於本年報第28頁至第54頁之「環境、社會及管治報告」內。

遵守法律及法規

本集團的業務主要由本公司於中國及香港的附屬公司進行，而本公司本身於GEM上市。因此，本集團及本公司的成立及營運須遵守中國及香港的有關法律及法規。截至二零一九年十二月三十一日止年度及直至本報告日期，本集團已遵守中國及香港的所有有關法律及法規。

優先認購權

本公司章程細則或開曼群島法律下概無優先認購權條文規限本公司須按比例向現有股東發售新股份。

五年財務概要

本集團於過去五個財政年度之業績與資產及負債概要載於本年報第223頁。

購買、出售或贖回本公司上市證券

截至二零一九年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Report of the Directors

董事會報告

DIRECTORS

The Directors of the Company during the year ended 31 December 2019 and up to the date of this report were:

Executive directors

Mr. Philip Jian Yang (*Chairman*)
Ms. Yang Jianping

Non-executive directors

Mr. Yang Shiyuan (*Re-designated from executive director on 25 March 2019*)
Mr. Ge Xuyu
Mr. Wang Yong

Independent non-executive directors

Mr. Li Fei (*Resigned on 10 July 2019*)
Ms. Fu Yuehong (*Appointed on 10 July 2019*)
Mr. Yau Yan Yuen
Mr. Tan Song Kwang

One-third of the Directors shall retire from office by rotation and re-election at an annual general meeting of the Company in accordance with the Articles, providing that every director shall be retired at least once every three years.

DIRECTORS' SERVICE CONTRACTS

Mr. Philip Jian Yang has entered into directors' service contract with the Company for an initial fixed term of three years commencing from 18 November 2015 (the "Listing Date") renewable automatically until terminated by not less than three months' notice in writing served by either party on the other expiring at the end of the initial term or any time thereafter.

Ms. Yang Jianping has entered into a service contract with the Company for an initial fixed term of three years commencing from 6 April 2017 renewable automatically until terminated by not less than three months' notice in writing served by either party on the other expiring at the end of the initial term or any time thereafter.

The non-executive directors of the Company were not appointed for a specific term but their respective terms of office are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. The rotation clause sets up a mechanism to ensure that all Directors of the Company shall retire at least once every three years and be eligible for re-election.

董事

截至二零一九年十二月三十一日止年度及截至本報告日期，本公司之董事如下：

執行董事

楊劍先生(主席)
楊建平女士

非執行董事

楊世遠先生(於二零一九年三月二十五日
由執行董事調任)
葛旭宇先生
汪勇先生

獨立非執行董事

李飛先生(於二零一九年七月十日辭任)
傅躍紅女士(於二零一九年七月十日獲委任)
邱欣源先生
陳松光先生

三分之一的董事須根據本公司之章程細則於本公司股東年大會上輪席告退及重選，惟每名董事須至少每三年退任一次。

董事之服務合約

楊劍先生已與本公司訂立董事服務合約，自二零一五年十一月十八日(「上市日期」)起計初步為期三年，其後將自動續新，直至其中一方向另一方發出不少於三個月的書面通知予以終止為止，而該通知將於初步期限結束時或其後任何時間屆滿。

楊建平女士已與本公司訂立董事服務合約，自二零一七年四月六日起計初步為期三年，其後將自動續新，直至其中一方向另一方發出不少於三個月的書面通知予以終止為止，而該通知將於初步期限結束時或其後任何時間屆滿。

本公司之非執行董事均無指定委任年期，惟須按照章程細則於本公司之股東年會上輪值退任及膺選連任。有關輪值退任之條文已設立確保所有董事須每三年至少輪值退任一次及合資格膺選連任之機制。

Report of the Directors

董事會報告

Each of our independent non-executive directors has entered into a letter of appointment with the Company. Each letter of appointment is for an initial term commencing on the date of the letter of appointment and shall continue thereafter subject to a maximum of three years unless terminated by either party giving at least one month's notice in writing.

Save as disclosed above, none of the directors has or is proposed to enter into a service contract/letter of appointment with the Company or any of the subsidiaries of the Company (other than contracts expiring or determinable by the Group within one year without the payment of compensation (other than statutory compensation)).

AUDIT COMMITTEE

The audit committee of the Board has reviewed the risk management and internal controls and the audited annual results of the Company for the year ended 31 December 2019 and has provided advice and comments thereon.

PERMITTED INDEMNITY PROVISION

The Articles provides that Directors and officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty. Directors and officers liability insurance is arranged to cover the Directors and officers of the Company against any potential costs and liabilities arising from claims brought against them.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Directors of the Company had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

Save as disclosed under the heading "Continuing connected transactions" and "Connected transaction" below and "Related party transactions" in note 36 to the consolidated financial statements, there is no contract of significance to the business of the Group between the Company, or any of its subsidiaries, or a controlling shareholder or any of its subsidiaries, to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a part, during the year. During the year, no contract of significance for the provision of services to the Group by a controlling shareholder or any of its subsidiaries was made.

各獨立非執行董事已分別與本公司訂立委任函。除非任何一方發出不少於一個月的書面通知予以終止，否則每份委任函的初始期間自委任函訂立日期起計，最多為期三年。

除上文所披露者外，董事與本公司或其任何附屬公司並無訂有或擬訂立任何服務合約／委任函(不包括將於一年內屆滿或本集團可於一年內終止而毋須支付賠償(法定賠償除外)的合同)。

審核委員會

董事會審核委員會已經審閱本公司風險管理及內部監控制度及截至二零一九年十二月三十一日止年度的經審核年度業績，並已就此提供建議及意見。

准許彌償條文

本公司章程細則訂明，董事及本公司行政人員之職責的履行而作出、應允或遺漏的行為而理應或可能引致或蒙受的所有訴訟、成本、費用、損失、損害及開支，彼等應從本公司資產及溢利當中獲得賠償保證及不受傷害。本公司已為董事及本公司行政人員投保責任保險，以保障董事就追索賠償之潛在損失及責任。

董事及控股股東於合約中的權益

本公司董事於本公司或其任何附屬公司年內訂立而對本集團業務屬重要之任何合約中，概無直接或間接擁有重大實益權益。

除下文「持續關連交易」及「關連交易」及綜合財務報表附註36「關聯方交易」所披露者外，年內本公司或其任何附屬公司或控股股東或其任何附屬公司之間概無訂立本公司或其任何控股公司、附屬公司或同系附屬公司為訂約方，而對本集團業務屬重大的合約。年內並無就控股股東或其任何附屬公司向本集團提供服務而訂立任何重大合約。

Report of the Directors

董事會報告

Save as the continued connected transactions and connected transactions disclosed in this report, the related party transactions of the Group constituted fully exempted connected transactions under Chapter 20 of the GEM Listing Rules.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors of the Company and the senior management of the Group are set out on page 55 to 57 of this annual report.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2019, the interest and short position of the Directors of the Company and chief executive of the Group in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rules 5.46 of the GEM Listing Rules were as follows:

(i) Long positions in ordinary shares of the Company

Name of Director 董事名稱	Capacity and nature of interest 權益性質	Number of shares 股份數目	Percentage of the Company's issued share capital 已發行股權概約百分比
Goldbless International Limited ("Goldbless") 金美國際有限公司(「金美」)	Beneficial owner ^(note) 實益擁有人 ^(附註)	382,500,000	26.87
Mr. Wang Yong 汪勇先生	Interest of controlled corporation ^(note) 於受控法團權益 ^(附註)	382,500,000	26.87

Note:

The entire issued share capital of Goldbless is owned by Mr. Wang Yong. Under the SFO, Mr. Wang Yong is deemed to be interested in all the shares registered in the name of Goldbless.

除本報告內披露之持續關連交易及關連交易外，本集團的關聯方交易根據GEM上市規則第20章構成完全豁免之關連交易。

董事及高級管理層之履歷

本集團董事及高級管理層之履歷詳情載於本年報第55至57頁。

董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債券中的權益及淡倉

於二零一九年十二月三十一日，本公司董事及本集團主要行政人員於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有須記入根據證券及期貨條例第352條存置的本公司登記冊，或根據GEM上市規則第5.46條所述上市發行人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：

(i) 於本公司普通股的好倉

附註:

金美的全部已發行股本由汪勇先生擁有。根據證券及期貨條例，汪勇先生被視為於以金美名義登記的所有股份中擁有權益。

Report of the Directors

董事會報告

(ii) Long positions in ordinary shares of US\$1.00 each in Youth Success Holdings Limited (“Youth Success”)

Name of Director 董事名稱	Number of shares 股份數目	Percentage of shareholding 股權概約百分比
Mr. Philip Jian Yang <i>(note 1)</i> 楊劍先生 <i>(附註1)</i>	1,273	12.73
Ms. Yang Jianping <i>(note 2)</i> 楊建平女士 <i>(附註2)</i>	150	1.50
Mr. Yang Shiyuan <i>(note 3)</i> 楊世遠先生 <i>(附註3)</i>	148	1.48

Notes:

1. Mr. Philip Jian Yang holds the shares of Youth Success through Ever Ring Holdings Limited which is wholly-owned by him.
2. Ms. Yang Jianping holds the shares of Youth Success through Rich Promise Investments Limited which is wholly-owned by her.
3. Mr. Yang Shiyuan holds the shares through State Trade Global Limited which is wholly-owned by him.

Save as disclosed above, as at 31 December 2019, none of the directors and chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

(ii) 於Youth Success Holdings Limited (「Youth Success」)每股面值1美元普通股的好倉

附註:

1. 楊劍先生透過其全資擁有的恆永控股有限公司持有 Youth Success 的股份。
2. 楊建平女士透過其全資擁有的富諾投資有限公司持有 Youth Success 的股份。
3. 楊世遠先生透過其全資擁有的 State Trade Global Limited 持有 Youth Success 的股份。

除上文所披露者外，於二零一九年十二月三十一日，概無本公司董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份及債券中擁有須記入根據證券及期貨條例第352條存置的本公司登記冊，或根據GEM上市規則第5.46條所述上市發行人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

As at 31 December 2019, the following persons (other than a Director of the Company or chief executive of the Group) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of 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

於二零一九年十二月三十一日，根據證券及期貨條例第336條須存置的登記冊所記錄，下列人士（本公司董事或本集團主要行政人員除外）於本公司股份及相關股份中擁有權益或淡倉：

Long positions in ordinary shares of the Company

於本公司普通股的好倉

Name of Shareholder 股東名稱	Capacity and nature of interest 權益性質	Number of shares 股份數目	Percentage of the Company's issued share capital 已發行股權概約百分比
Youth Success	Beneficial owner ^(note 1) ; deemed interest under shareholders voting agreement ^(note 1) 實益擁有人 ^(附註1) ；根據股東投票協議被視為擁有權益 ^(附註1)	866,868,000	60.89
Guang Rui Investments Limited ("Guang Rui") 光瑞投資有限公司(「光瑞」)	Beneficial owner; interest in controlled corporation ^(note 1) ; deemed interest under shareholders voting agreement ^(note 1) 實益擁有人；於受控法團權益 ^(附註1) ；根據股東投票協議被視為擁有權益 ^(附註1)	879,840,000	61.80
Mr. Yang Shaoqian ("Mr. Yang") 楊紹謙先生(「楊先生」)	Interest in controlled Corporation ^(note 1) ; interest of spouse ^(note 2) ; deemed interest under shareholders voting agreement ^(note 1) 於受控法團權益 ^(附註1) ；配偶權益 ^(附註2) ；根據股東投票協議被視為擁有權益 ^(附註1)	879,840,000	61.80
Ms. Mu Sufang ("Ms Mu") 牟素芳女士(「牟女士」)	Interest in controlled Corporation ^(note 1) ; interest of spouse ^(note 2) ; deemed interest under shareholders voting agreement ^(note 1) 於受控法團權益 ^(附註1) ；配偶權益 ^(附註2) ；根據股東投票協議被視為擁有權益 ^(附註1)	879,840,000	61.80
Ms. Fu Xiangqi 傅翔麒女士	Beneficial owner 實益擁有人	71,739,000	5.04

Report of the Directors

董事會報告

Notes:

1. Youth Success and Guang Rui owns 406,890,000 shares and 12,972,000 shares respectively, representing 28.58% and 0.91% of the issued share capital of the Company (as at 31 December 2019). The issued share capital of Youth Success is legally and beneficially owned as to 83.54% by Guang Rui. Under the SFO, Guang Rui is deemed to be interested in all the Shares registered in the name of Youth Success. The entire issued share capital of Guang Rui is legally and beneficially owned as to 60% by Mr. Yang and 40% by Ms. Mu. By virtue of the shareholders voting agreement entered into by Mr. Yang, Ms. Mu, Youth Success, Mr. Li Lin, Alpha Master, Ms. Yang Qi, Qiao Tian Limited ("Qiao Tian"), Mr. Wang Yong and Goldbless, Youth Success is deemed to be interested in the Shares held by Alpha Master, Qiao Tian and Goldbless in aggregate by virtue of the SFO.
2. Ms. Mu is the spouse of Mr. Yang, therefore she is deemed to be interested in all the Shares in which Mr. Yang is deemed to be interested, and vice versa.

Save as disclosed above, as at 31 December 2019, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The Company has adopted the share option scheme on 3 November 2015 (the "Share Option Scheme") and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of its adoption and enables the Company to grant share options to the eligible persons (including any executive director, non-executive director and independent non-executive director, advisor and consultant of the Group) (the "Eligible Person(s)") as incentives or rewards for their contributions to the Group. No share option was granted, exercised, expired or lapsed since its adoption by the Company and there is no outstanding share option under the Share Option Scheme.

The total number of shares of the Company which may be issued upon the exercise of all share options to be granted under the Share Option Scheme and any other share option schemes adopted by the Group from time to time (the "Other Schemes") must not, in aggregate, exceed 10% of the shares of the Company in issue of as at the Listing Date, the date which the Company listed on the GEM of the Stock Exchange (the "Scheme Mandate Limit") provided that the share options lapsed in accordance with the terms of the Shares Option Scheme or Other Schemes will not be counted for the purpose of calculating the Scheme Mandate Limit. On the basis of 1,200,000,000 Shares in issue on the Listing Date, the Scheme Mandate Limit will be equivalent to 120,000,000 Shares, representing 10% of the Shares in issue as at the Listing Date and 7.59% of the shares of the Company in issue as at the date of this report.

附註:

1. Youth Success及光瑞分別擁有406,890,000股及12,972,000股股份，佔本公司已發行股本28.58%及0.91%（於二零一九年十二月三十一日）。Youth Success的已發行股本由光瑞合法及實益擁有83.54%。根據證券及期貨條例，光瑞被視為於以Youth Success名義登記的所有股份中擁有權益。光瑞的全部已發行股本由楊先生及牟女士分別合法及實益擁有60%及40%。根據楊先生、牟女士、Youth Success、黎霖先生、Alpha Master、楊琪女士、翹天有限公司（「翹天」）、汪勇先生及金美訂立的股東投票協議，Youth Success依據證券及期貨條例被視為於Alpha Master、翹天及金美合共持有的股份中擁有權益。
2. 牟女士為楊先生的配偶，因此，彼被視為於楊先生被視為擁有權益的所有股份中擁有權益，反之亦然。

除上文所披露者外，於二零一九年十二月三十一日，概無於本公司股份或相關股份的其他權益或淡倉記錄在本公司根據證券及期貨條例第336條須存置的登記冊內。

購股權計劃

本公司已於二零一五年十一月三日採納購股權計劃（「購股權計劃」），除另有註銷或修訂外，該計劃將於其獲採納日期起計的10年維持有效。購股權計劃使本公司可向合資格人士（包括本集團任何執行董事、非執行董事、獨立非執行董事及顧問）（「合資格人士」）授出購股權，作為彼等對本集團所作貢獻的獎勵或回報。自本公司採納購股權計劃以來，購股權計劃項下概無購股權獲授出、行使、屆滿或失效，且亦無未行使購股權。

因根據購股權計劃及本集團不時採納的任何其他購股權計劃（「其他計劃」）將予授出的所有購股權獲行使而可發行的本公司股份總數合共不得超過上市日期（本公司於聯交所GEM上市之日期）上市日期已發行本公司股份的10%（「計劃授權上限」），惟根據購股權計劃或其他計劃的條款失效的購股權將不會計入計劃授權上限。按上市日期已發行1,200,000,000股股份為基準計算，計劃授權上限將相等於120,000,000股股份，相當於上市日期已發行股份的10%及本報告日期本公司已發行股份的7.59%。

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董事會報告

The total number of shares of the Company issued and to be issued upon exercise of the share options granted to each Eligible Person under the Share Option Scheme and Other Schemes (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the shares of the Company in issue from time to time, and provided that if approved by shareholders of the Company in general meeting with such Eligible Person and his associates abstaining from voting, the Company may make a further grant of share options to such Eligible Person (the "Further Grant") notwithstanding that the Further Grant would result in the shares of the Company issued and to be issued upon exercise of all share options granted and to be granted under the Share Option Scheme and Other Schemes to such Eligible Person (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of the Further Grant representing in aggregate over 1% of the shares of the Company in issue from time to time.

Upon acceptance of the share option, the Eligible Person under the Share Option Scheme shall pay HK\$1.00 to the Company by way of consideration for the grant. The share option will be offered for acceptance for a period of 28 days from the date on which the share option is granted.

The subscription price for the shares of the Company subject to the Share Options Scheme will be a price determined by the Board and notified to each Eligible Person and shall be the highest of (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of grant of the share options, which must be a trading day of the Stock Exchange; (ii) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five trading days of the Stock Exchange immediately preceding the date of grant of the share options; and (iii) the nominal value of a share of the Company.

An share option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Board to each Eligible Person provided that the period within which the share option must be exercised shall not be more than 10 years from the date of the grant of share option.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year ended 31 December 2019 was the Company or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

在任何十二個月期間，根據購股權計劃及其他計劃授予合資格人士的購股權(包括已行使及尚未行使購股權)獲行使後，已發行及將予發行的本公司股份總數不得超過不時已發行本公司股份的1%，惟倘本公司股東在股東大會(有關合資格人士及其聯繫人須放棄投票)批准後，本公司可向有關合資格人士授出額外購股權(「額外授出」)，儘管額外授出購股權會導致在截至及包括額外授出當日12個月期間，根據購股權計劃及其他計劃已授予及將授予有關合資格人士的所有購股權(包括已行使、註銷及尚未行使購股權)獲行使後，已發行及將予發行本公司股份總數相當於不時已發行本公司股份的1%以上。

於接納購股權後，購股權計劃下合資格人士須支付1.00港元予本公司，作為獲授購股權的代價。購股權的接納期為授出購股權當日起計28日期間。

受購股權規限的本公司股份認購價將由董事會釐定，並知會各合資格人士，價格須為下列各項的最高者：(i)於授出購股權日期(必須為聯交所交易日)聯交所每日報價表所載的本公司股份收市價；(ii)於緊接授出購股權當日前五個聯交所交易日聯交所每日報價表所載的本公司股份平均收市價；及(iii)本公司股份面值。

在董事會決定及通知各合資格人士的期間內，可隨時根據購股權計劃的條款行使購股權，惟行使購股權的期間不得超出自授出購股權日期起計10年。

購買股份或債券之安排

截至二零一九年十二月三十一日止年度內任何時間，本公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使董事可透過收購本公司或任何其他團體公司之股份或債券而獲取利益。

Report of the Directors

董事會報告

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole and any part of the Company's business were entered into or existed during the year ended 31 December 2019.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2019, for the continuing operations, revenue from the Group's five largest customers accounted for approximately 85.2% of total revenue and sales to the largest customer included therein amounted to approximately 69.9% of total revenue. The Group's five largest suppliers accounted for approximately 92.9% of total direct costs during the year ended 31 December 2019 and purchases from the largest supplier included therein amounted to approximately 68.2% of total direct costs.

None of the Directors or any of their close associates (as defined in the GEM Listing Rules), or any of the shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or its five largest suppliers during the year ended 31 December 2019.

PENSION SCHEME ARRANGEMENTS

A Mandatory Provident Fund (the "MPF Scheme") has been set up for employees in Hong Kong, in accordance to the Mandatory Provident Fund Ordinance. All employees in Hong Kong are required to join the MPF Scheme and the employees and its employer are each required to contribute 5% of their gross earnings with a current ceiling of HK\$1,500 per month to the MPF scheme. The only obligation of the Group with respect to the MPF scheme is to make required contribution under the scheme. No forfeited contribution is available to reduce the contribution payable in the future. The contribution charged to the statement of comprehensive income represents the contribution payable to the funds by the Group.

Employees of the Company's subsidiaries in the PRC are required to participate in defined contribution retirement schemes operated by local municipal governments. Contributions are made to the schemes in accordance to certain percentage to the applicable employee payroll.

管理合約

截至二零一九年十二月三十一日止年度，概無就本公司整體或任何業務重大部分的管理及行政工作訂立或訂有任何合約。

主要客戶及供應商

截至二零一九年十二月三十一日止年度，就持續經營業務而言，來自本集團五大客戶的收入約佔本集團收入總額的85.2%，其中來自最大客戶的收入約佔69.9%。截至二零一九年十二月三十一日止年度，本集團五大供應商採購總額約佔本集團直接成本總額的92.9%，其中最大供應商約佔68.2%。

截至二零一九年十二月三十一日止年度，董事或彼等之任何緊密聯繫人(定義見GEM上市規則)或本公司任何股東(據董事所深知，持有本公司已發行股本5%以上)概無於本集團五大客戶或其五大供應商中擁有任何實益權益。

退休計劃安排

本集團遵照強制性公積金計劃條例，為香港僱員設立強制性公積金計劃(「強積金計劃」)。所有香港僱員必須參加強積金計劃。根據強積金計劃之規則，僱主與其香港僱員須各自按總薪酬5%向強積金計劃供款，目前以每月1,500港元為上限。本集團在強積金計劃下之唯一責任是根據計劃作出所需之供款。強積金計劃並無被沒收之供款可供減低未來年度之應付供款。於全面收益表內扣除之強積金供款，為本集團應付有關基金之供款。

本公司於中國之附屬公司之僱員須參與當地市政府設立之界定供款退休計劃。有關供款以適用員工之薪酬按若干百分比向有關計劃支付。

COMPETING INTERESTS

During the year ended 31 December 2019, none of the Directors, the controlling shareholders of the Company and their respective close associates (as defined in the GEM Listing Rules) as at 31 December 2019 had any interest in any business which competes or is likely to compete, directly or indirectly, with the business of the Group or any other conflicts of interest with the Group.

SUFFICIENCY OF PUBLIC FLOAT

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

CORPORATE GOVERNANCE

The Company's corporate governance report is set out on page 15 to 27 of this annual report.

CONTRACTUAL ARRANGEMENTS

Beijing Emphasis Media Co., Ltd.* ("Emphasis Media"), Starry Knight Entertainment Co., Ltd.* ("Starry Knight"), Beijing Joy Star Production Co., Ltd.* ("Joy Star"), Beijing New Image Media Co. Ltd.* ("New Image") and Beijing Great Wise Media Co., Ltd. ("Great Wise") (collectively defined as the "PRC Contractual Entities") are deemed to be the wholly-owned subsidiaries of the Company pursuant to the Contractual Arrangement.

Summary of the information in relation to the Contractual Arrangement are as follows.

Information on the PRC Contractual Entities and their Registered Owners

At the date of this report, Emphasis Media is owned as to 10% by Mr. Yang and as to 65.33% by New Element, with the remaining 26.17% equity interest is held as to 12% by Mr. Li Lin, 5% by Ms. Yang Qi, 4% by Mr. Sun Rui, 1.5% by Mr. Yang Shiyuan, 1.5% by Ms. Yang Jianping and 0.67% by Mr. Wan Shuxing (collectively referred as "Relevant Shareholders").

Each of Starry Knight, New Image and Great Wise is wholly-owned by Emphasis Media.

Joy Star is held as to 97% by Ms. Mu and 3% by Mr. Yang.

* For identification only

競爭權益

截至二零一九年十二月三十一日止年度，董事、本公司控股股東及彼等各自之緊密聯繫人(定義見GEM上市規則)於二零一九年十二月三十一日概無在任何與本集團業務直接或間接競爭或可能競爭的業務中擁有權益或與本集團有任何其他利益衝突。

充足公眾持股量

根據本公司公開可得之資料及據董事所知，於本報告日期，本公司全部已發行股本中至少有25%由公眾人士持有。

企業管治

本公司之企業管治報告載於本年報第15至27頁。

合約安排

根據合約安排，北京無限印象傳媒有限公司(「無限印象」)、北京縱橫飛揚國際文化發展有限公司(「縱橫飛揚」)、北京光影互動影視文化傳播有限公司(「光影互動」)、北京對比色彩影視文化傳播有限公司(「對比色彩」)及北京天瀚影視文化傳播有限公司(「天瀚影視」)(統稱為「中國合約實體」)均被視為本公司的全資附屬公司。

合約安排之資料概要如下。

有關中國合約實體及其登記持有人的資料

於本報告日期，無限印象由楊先生及新力元素分別擁有10%及65.33%，餘下26.17%股權由黎霖先生、楊琪女士、孫銳先生、楊世遠先生、楊建平女士及萬樹興先生(合稱為「相關股東」)分別擁有12%、5%、4%、1.5%、1.5%及0.67%。

縱橫飛揚、天瀚影視及對比色彩由無限印象全資擁有。

光影互動由牟女士及楊先生分別擁有97%及3%。

* 僅供識別

Report of the Directors

董事會報告

Business Overview of the PRC Contractual Entities

Emphasis Media, New Image and Great Wise are principally engaged in the provision of program production services in the PRC.

Starry Knight and Joy Star are principally engaged in the provision of program production and event organisation services in the PRC.

The PRC Contractual Entities hold certain licences and permits required for the operation of abovementioned principal business (including The Permit to Produce and Distribute Radio or Television Programs and operate as a performance brokerage enterprise with the relevant licence). According to the Guidance Catalogue of Industries for Foreign Investment (2015 Version), radio and television program production and operating companies falls within the prohibited foreign-invested industry, and the production of television programs (limited to Chinese-foreign contractual joint ventures) and performance brokerage fall within the restricted foreign-invested industry. The principal activities of the Group are provision of program production and event organisation services in the PRC, the sectors where foreign investment is subject to significant restrictions under PRC laws and regulations. Accordingly, we cannot directly acquire any equity interest in the PRC Contractual Entities, which hold certain licences and permits required for the operation of the principal business of the Group.

As a result, New Talent Media Company Limited* (“New Talent Media”), an indirect wholly-owned subsidiary of the Company, has entered into a series of agreements (the “Contractual Arrangements”) narrowly tailored to provide New Talent Media with control over the PRC Contractual Entities and grant New Talent Media the right to acquire the equity interests of the PRC Contractual Entities when and to the extent permitted by the PRC laws and regulations.

Summary of the Major Terms under the Contractual Arrangement

The Contractual Arrangements consist of: (a) the Business Operating Agreements, (b) the Powers of Attorney, (c) the Equity Interest Pledge Agreements, (d) the Exclusive Option Agreements, (e) the Exclusive Technology Consultation and Service Agreements and (f) the Spouse Undertakings (in the case that the Relevant Shareholder is a natural person).

中國合約實體之業務概況

無限印象、對比色彩及天瀚影視主要於中國從事提供節目製作的服務。

縱橫飛揚及光影互動主要於中國從事提供節目製作及活動籌辦的服務。

中國合約實體持有經營上述主要業務所需的若干牌照及許可證，包括《廣播電視節目製作經營許可證》及相關許可證作為演出經紀機構經營。根據《外商投資產業指導目錄(二零一五年修訂)》，廣播電視節目製作經營公司屬禁止外商投資產業，及電視節目製作(限於中外合作經營企業)及演出經紀屬限制外商投資產業。本集團主要業務為於中國從事提供節目製作及活動籌辦的服務，而該業務所在行業的外商投資受到中國法律法規的嚴格限制。因此，我們無法收購中國合約實體的任何股權，而中國合約實體持有經營本集團主要業務所需的若干牌照及許可證。

因此，北京聚視文化傳媒有限公司(「聚視文化傳媒」)，一間本公司的間接全資附屬公司，訂立了一系列經嚴格設計的協議(「合約安排」)，規定在中國法律法規允許時及在中國法律法規允許範圍內授予聚視文化傳媒對中國合約實體的控制權及授權本集團收購中國合約實體的股權。根據合約安排，本集團透過聚視文化傳媒監督及控制中國合約實體的業務經營並從中國合約實體獲取經濟利益。

合約安排之主要條款概要

合約安排包括：(a)業務經營協議、(b)授權委託書、(c)股權質押合同、(d)獨家購買權合同、(e)獨家技術諮詢和服務協議及(f)配偶承諾書(倘相關股東為自然人)。

Business Operating Agreements

Each of the PRC Contractual Entities and its Relevant Shareholders entered into Business Operating Agreements with New Talent Media on 18 May 2015 (the “Business Operating Agreements”), pursuant to which at the request of each of the PRC Contractual Entities, New Talent Media may opt to serve as the performance guarantor for each of the PRC Contractual Entities in any business operating contracts, agreements or transactions that they entered into with third parties. In such case, as a counter-guarantee, each of the PRC Contractual Entities shall agree to pledge all its operational account receivable and assets to New Talent Media. If New Talent Media decides to serve as the performance guarantor for any PRC Contractual Entities, New Talent Media will enter into a written agreement with the counterparties of such PRC Contractual Entities to assume the guarantor’s responsibilities. As such, the PRC Contractual Entities and the Relevant Shareholders will take all necessary actions to implement the counter-guarantee arrangement with New Talent Media.

Under the Business Operating Agreements, each of the PRC Contractual Entities and its Relevant Shareholders agree that, without obtaining New Talent Media’s written consent, each of the PRC Contractual Entities shall not engage in any transaction which may materially affect its asset, obligation, right or business operation, including but not limit to:

- (i) Borrowing or assuming any liabilities from any third parties;
- (ii) Selling to or acquiring from any third parties any assets or rights, including but not limited to any intellectual property rights;
- (iii) Providing real rights of securities in relation to assets or intellectual property rights to any third parties;
- (iv) Transferring any operational agreements to any third parties.

Further, each of the PRC Contractual Entities and its Relevant Shareholders agree to follow any recommendations or guidance from New Talent Media in relation to each of the PRC Contractual Entities’ employment matters, daily operations and management, as well as financial management policies. Each of the PRC Contractual Entities and its Relevant Shareholders agree to appoint New Talent Media’s nominees as its board directors, and each of the PRC Contractual Entities will appoint the recommended New Talent Media’s staff as its general manager, chief finance officer, and for other senior management roles. If any of abovementioned staff leave New Talent Media, whether voluntarily or not, their roles in each of the PRC Contractual Entities will be terminated.

業務經營協議

各中國合約實體與其相關股東於二零一五年五月十八日訂立業務經營協議(「業務經營協議」)，據此，應中國合約實體之要求，聚視文化傳媒可選擇於中國合約實體與第三方訂立的任何業務經營合約、協議或交易中擔任履約擔保人。於該情況下，作為反擔保，中國合約實體將同意向聚視文化傳媒抵押所有應收經營賬目及資產。倘聚視文化決定擔任中國合約實體的履約擔保人，聚視文化傳媒將與該中國合約實體的對手訂立書面協議，以承擔擔保人的責任。因此，中國合約實體及相關股東將採取必要行動與聚視文化傳媒實施反擔保安排。

根據業務經營協議，各中國合約實體及其相關股東同意，在沒有獲得聚視文化傳媒的書面同意下，各中國合約實體將不得從事任何重大影響其資產、責任、權利或業務經營的交易，包括但不限於：

- (i) 借貸或自任何第三方承擔任何責任；
- (ii) 向任何第三方銷售或自其收購任何資產或權利，包括但不限於任何知識產權；
- (iii) 就資產或知識產權向任何第三方提供證券物權；
- (iv) 向任何第三方轉讓任何經營協議。

再者，各中國合約實體及其相關股東同意遵循聚視文化傳媒就各中國合約實體的僱傭事宜、日常營運及管理以及財務管理政策作出的任何推薦意見或指引。各中國合約實體及其相關股東同意委任聚視文化傳媒的代名人為其董事會，且各中國合約實體將委任獲建議聚視文化傳媒僱員擔任其總經理、財務總監及其他高級管理層角色。倘任何上述僱員離開聚視文化傳媒(不論自願與否)，彼等於各中國合約實體的職務將終止。

Report of the Directors

董事會報告

In addition, each of the PRC Contractual Entities and its Relevant Parties agree to use New Talent Media as the first resort for any performance guarantee or guarantees for working capital borrowings. In such case, New Talent Media has full discretion in deciding whether to provide such guarantees, and the PRC Contractual Entities can resort to other third parties if such request is turned down by New Talent Media.

The relevant Business Operating Agreements have a term of ten years and will be automatically renewed upon expiration unless otherwise notified by New Talent Media. The relevant Business Operating Agreements shall be terminated prior to expiration when the business period of either New Talent Media or the PRC Contractual Entities expires or is terminated by any other reasons except that all rights and obligations of New Talent Media or any PRC Contractual Entities under such agreements have been transferred. If any agreement between New Talent Media and any PRC Contractual Entities is terminated or expired, New Talent Media will have the right but not the obligation to terminate all agreements between New Talent Media and any PRC Contractual Entities, including but not limited to the Exclusive Technology Consultation and Service Agreements.

Powers of Attorney

Each of the Relevant Shareholders entered into a power of attorney on 18 May 2015 (the "Powers of Attorney"). Pursuant to the Powers of Attorney, each of the Relevant Shareholders irrevocably appoints designee(s) of our Company, being the Directors or officers of the Company who are not related to the shareholders of the PRC Contractual Entities or his/her successor to act as his/her/its attorney on his/her/its own behalf to exercise all rights in connection with matters concerning his/her/its rights as shareholder of the PRC Contractual Entities, including but not limited to (i) selling or transferring all or part of his/her/its equity interests; (ii) exercising shareholders' voting rights, including nomination and election of director and nomination and appointment of general manager; (iii) signing meeting minutes and resolutions; (iv) approving filing documents with the relevant companies registry and/or other government authorities in relation to the business operations of the PRC Contractual Entities; (v) other matters decided or executed by the shareholders.

Further, the Powers of Attorney shall remain effective for ten years from the execution date or it can be terminated upon the termination of the Business Operating Agreement.

此外，各中國合約實體及其相關訂約方同意就任何履約擔保或營運資金借貸擔保首先尋求聚視文化傳媒幫助。在該情況下，聚視文化傳媒可全權酌情決定是否提供該擔保，且倘該要求被聚視文化傳媒拒絕，中國合約實體可尋求其他第三方幫助。

相關業務經營協議為期十年，於屆滿時自動續期，惟聚視文化傳媒另行通知除外。當聚視文化傳媒或中國合約實體的業務期限屆滿或因任何其他原因終止（惟聚視文化傳媒或任何中國合約實體於該協議下的所有權利及責任已轉讓除外）相關業務經營協議將屆滿前終止。倘聚視文化傳媒與任何中國合約實體的任何協議終止或屆滿，聚視文化傳媒將有權利（並非義務）終止聚視文化傳媒與任何中國合約實體之間的所有協議，包括但不限於獨家技術諮詢和服務協議。

授權委託書

各相關股東於二零一五年五月十八日訂立授權委託書（「授權委託書」）。根據授權委託書，各相關股東不可撤回地委任本公司指定人士（即與中國合約實體股東並無關聯的本公司董事或行政人員）或其繼任者作為其授權人，以就涉及其作為中國合約實體股東的權利的事宜代表其行使全部權利，包括但不限於(i)出售或轉讓其所有或部分股權；(ii)行使股東的投票權，包括提名及甄選董事以及提名和委任總經理；(iii)簽署會議記錄及決議案；(iv)批准向相關公司登記處及／或其他政府機關送交與中國合約實體業務營運相關的文件備案；及(v)股東釐定或執行的其他事宜。

此外，授權委託書自簽立日期起計維持有效十年，或於業務經營協議終止後可予終止。

Equity Interest Pledge Agreements

The Relevant Shareholders and New Talent Media entered into equity interest pledge agreements on 18 May 2015 (the “Equity Interest Pledge Agreements”). Under the Equity Interest Pledge Agreements, the Relevant Shareholders agreed to pledge all their respective equity interests in the PRC Contractual Entities to New Talent Media, as a security interest, to guarantee the performance of contractual obligations and the payment of outstanding debts of the Relevant Shareholders and the PRC Contractual Entities under the Exclusive Technology Consultation and Service Agreements, Business Operating Agreements and such other agreements to be entered into under the Contractual Arrangements. The pledge in respect of a PRC Contractual Entity takes effect upon the completion of registration with the competent SAIC and shall remain valid until one year after all the contractual obligations of the Relevant Shareholders and such PRC Contractual Entity under the relevant Contractual Arrangements have been fully performed and all the outstanding debts of the Relevant Shareholders and such PRC Contractual Entity under the relevant Contractual Arrangements have been fully paid. During the valid period of the pledge, absent prior written consent of New Talent Media, the Relevant Shareholders shall not create or agree to create any new pledge or any other security on the equity interests of the PRC Contractual Entities, nor assign or transfer any of the equity interests of the PRC Contractual Entities or any rights or obligations under this agreement.

The Equity Interest Pledge Agreements will be terminated after one year upon fulfillment of all contractual obligations of the Relevant Shareholders and such PRC Contractual Entity under the relevant Contractual Arrangements.

Exclusive Option Agreements

Each of the PRC Contractual Entities and its Relevant Shareholders entered into exclusive option agreements with New Talent Media on 18 May 2015 (the “Exclusive Option Agreements”), pursuant to which the Relevant Shareholders irrevocably, exclusively and unconditionally grant exclusive options to New Talent Media which entitles New Talent Media to elect to purchase, when permitted by the then applicable PRC laws, all or any part of the equity interests of the PRC Contractual Entities from the Relevant Shareholders and/or all or any of assets of the PRC Contractual Entities by itself or through its designee(s). In the event that any of the options is exercised by New Talent Media, the transfer price of the relevant equity interests and assets shall be the legal minimum price under the then-applicable PRC law. Any of such transfer is subject to approval and registration with government authorities. Subject to applicable PRC laws, each of the Relevant Shareholders shall transfer all the consideration he/her/it receives in relation to such sale of equity interest in the PRC Contractual Entities at nil consideration as a gift to New Talent Media or the designee(s) of New Talent Media after receiving such consideration, after deduction of applicable taxes and governmental fees.

股權質押合同

相關股東與聚視文化傳媒於二零一五年五月十八日訂立股權質押合同（「股權質押合同」）。根據股權質押合同，相關股東同意質押其各自於中國合約實體的全部股權予聚視文化傳媒作為擔保權益，以擔保相關股東及中國合約實體履行其於獨家技術諮詢和服務協議、業務經營協議及根據合約安排將予訂立的該等其他協議的合約責任及支付未清還債項。有關中國合約實體之質押自於國家工商行政管理總局完成登記後生效，且於相關股東及該中國經營實體完全履行相關合約安排的全部合約責任，以及相關股東及該中國合約實體根據相關合約安排的所有未償還債項獲全數支付前一年內一直有效。於質押有效期內，如無聚視文化傳媒的事先書面同意，相關股東不得設立或同意設立涉及中國合約實體股權的任何新質押或任何其他抵押，亦不得轉讓或讓渡中國合約實體任何股權或此協議的任何權利或責任。

股權質押合同將於達致相關股東及該中國合約實體於相關合約安排下的所有合約責任時一年後終止。

獨家購買權合同

各中國合約實體及其相關股東與聚視文化傳媒於二零一五年五月十八日訂立獨家購買權合同（「獨家購買權合同」），據此，相關股東不可撤回地無條件獨家授予聚視文化傳媒獨家購買權，使聚視文化傳媒有權於當時適用的中國法律允許時，選擇自行或透過其被指定人向相關股東購買中國合約實體全部或任何部分的股權及／或中國合約實體的所有或任何資產。倘聚視文化傳媒行使任何購買權時，相關股權及資產的轉讓價須為當時適用的中國法律規定的法定最低價格。任何有關轉讓亦須取得政府機關批准及向政府機關登記。在適用的中國法律所規限下，各相關股東應於緊隨收取就按零代價出售於中國合約實體的股權所收取的所有代價（於扣除適用稅項及政府費用）後，將該等代價無償轉讓予聚視文化傳媒或聚視文化傳媒的被指定人作為饋贈。

Report of the Directors

董事會報告

Pursuant to the Exclusive Option Agreements, the PRC Contractual Entities and the Relevant Shareholders shall not sell, transfer, pledge or dispose of in any other manner the legal or beneficial interest in any assets, business or income of the PRC Contractual Entities. The PRC Contractual Entities and the Relevant Shareholders undertake to maintain the asset value of the PRC Contractual Entities and not to take any action which may affect their business operations or asset value. Absent prior written consent of New Talent Media, the PRC Contractual Entities and the Relevant Shareholders shall not (i) in any manner supplement, change or amend the articles of association of the PRC Contractual Entities, increase or decrease their registered capital or change their structure of registered capital in any other manner; or (ii) engage in transactions that could materially affect the assets, liabilities, rights or operations of the PRC Contractual Entities, including (a) incur debts, except those incurred in the ordinary course of business or disclosed to and consented by New Talent Media; (b) execute any material contracts with a value above RMB100,000, except those entered into in the ordinary course of business; (c) provide loans or guarantee; (d) merge or consolidate with, acquire or invest in any entity; and (e) distribute dividends or profits to the Relevant Shareholders.

In addition, each of the Relevant Shareholders will take appropriate measures to maintain its shareholding in the PRC Contractual Entities, including (i) not to, sell, transfer, pledge or dispose of in any other manner, or allow any other security interest to be created on the legal or beneficial equity interest in the PRC Contractual Entities without the prior written consent of New Talent Media, except for the Equity Interest Pledge Agreements, and procure the shareholders' meeting of the PRC Contractual Entities not to approve such matters; (ii) for each exercise of the equity purchase option, to cause the shareholders' meeting of the PRC Contractual Entities to vote on the approval of the transfer of equity interests and any other action requested by New Talent Media; and (iii) to relinquish the pre-emptive right (if any) the Relevant Shareholder is entitled to in relation to the transfer of equity interest by any other Relevant Shareholders to New Talent Media. Each of the Relevant Shareholders will transfer to New Talent Media or its designee(s), by way of gift, any profit, dividend, transfer proceeds or any other interest arising from the equity interests held by such Relevant Shareholder in the PRC Contractual Entities. The PRC Contractual Entities and the Relevant Shareholders shall, at the request of New Talent Media, appoint any person nominated by New Talent Media in its sole discretion as directors of the PRC Contractual Entities. Each of the Relevant Shareholders irrevocably undertakes that whenever requested by New Talent Media, such shareholder will transfer, unconditionally all of the equity interests held by him/her/it in the PRC Contractual Entities to New Talent Media or its designee(s) at a price equal to the price as determined in the circumstances where New Talent Media exercises its option under the Exclusive Option Agreements.

根據獨家購買權合同，中國合約實體及相關股東不得出售、轉讓、質押或以任何其他方式處置於中國合約實體任何資產、業務或收入的法定或實益權益。中國合約實體及相關股東承諾維持中國合約實體的資產價值水平，且不會採取任何可能影響其業務經營或資產價值的行動。如無聚視文化傳媒的事先書面同意，中國合約實體及相關股東不得(i)以任何方式補充、更改或修訂中國合約實體的章程細則，增加或減少其註冊資本或以任何其他方式更改其註冊資本架構；或(ii)進行可能對中國合約實體的資產、負債、權利或營運產生重大影響的交易，包括(a)招致債務，惟於日常業務過程中引致或已向聚視文化傳媒披露並獲其同意者則除外；(b)簽立任何價值人民幣100,000元以上的重大合約，惟於日常業務過程中簽訂者則除外；(c)提供貸款或作出擔保；(d)與任何實體兼併或合併，或收購或投資於任何實體；及(e)向相關股東分派股息或溢利。

此外，各相關股東將採取適當措施以維持其於中國合約實體的股權，包括(i)如無聚視文化傳媒的事先書面同意，概不出售、轉讓、質押或以任何其他方式處置於中國合約實體的法定或實益股權或就此允許設立任何其他證券權益(惟就股權質押合同作出及授權委託書訂明的權益則除外)，並促使中國合約實體的股東大會並不批准有關事宜；(ii)就每次股權購買權獲行使時，促使中國合約實體股東大會表決批准股權轉讓及聚視文化傳媒要求的任何其他行動；及(iii)就任何其他相關股東向聚視文化傳媒轉讓股權放棄其優先購買權(如有)。各相關股東將按照中國法律以饋贈方式向聚視文化傳媒或其被指定人轉讓任何溢利、股息、轉讓所得款項或中國合約實體相關股東持有股權而產生的任何其他權益。中國合約實體及相關股東應按聚視文化傳媒的要求，委任任何聚視文化傳媒全權酌情提名的人士為中國合約實體董事。各相關股東不可撤回地承諾，無論聚視文化傳媒何時提出要求，該名股東將無條件轉讓其持有的全部中國合約實體股權予聚視文化傳媒或其被指定人，轉讓價相當於倘聚視文化傳媒根據獨家購買權合同行使其購買權時所釐定的價格。

The relevant Exclusive Option Agreements have a term of ten years and will be automatically renewed upon expiration unless otherwise notified by New Talent Media. The relevant Exclusive Option Agreements shall be terminated prior to expiration when the business period of either New Talent Media or the PRC Contractual Entities expires or is terminated by any other reasons except that all rights and obligations of New Talent Media under such agreements have been transferred to a third party.

Exclusive Technology Consultation and Service Agreements

New Talent Media entered into exclusive technology consultation and service agreements with each of the PRC Contractual Entities on 18 May 2015 (the “Exclusive Technology Consultation and Service Agreements”), pursuant to which each of the PRC Contractual Entities agreed to engage New Talent Media as their exclusive provider of technical and management consulting services and other technology and consultancy services requested by each of the PRC Contractual Entities from time to time to the extent permitted under PRC laws in each of exchange for service fees. In light of the services that New Talent Media agreed to provide to the PRC Contractual Entities pursuant to the Exclusive Technology Consultation and Service Agreements, the service fees, subject to New Talent Media’s adjustment, are equal to 100% of each of the PRC Contractual Entities’ net profit after tax. In addition, New Talent Media may at its absolute discretion lower the service fees with reference to the operation cost and financial budget relating to business development plan of each of the PRC Contractual Entities. New Talent Media is also entitled to make any other adjustments of the service fees at the end of every quarter in accordance with the quarterly revenue and profit of each of the PRC Contractual Entities under HKFRSs.

In addition, absent the prior written consent of New Talent Media, the PRC Contractual Entities shall not assign or transfer any of the rights and/or obligations under the Exclusive Technology Consultation and Service Agreements to any third party. Unless otherwise required by the applicable PRC laws, the PRC Contractual Entities shall not be entitled to terminate the Exclusive Technology Consultation and Service Agreements either.

相關獨家購買權合同的期限為十年且將於到期時自動續期一年，惟聚視文化傳媒另行通知則除外。倘聚視文化傳媒或中國合約實體的營業期限到期或因任何其他理由合同被終止（除聚視文化傳媒於該等合同下的所有權利及義務已轉讓予第三方外），則相關獨家購買權合同於到期前將予終止。

獨家技術諮詢和服務協議

聚視文化傳媒與各中國合約實體於二零一五年五月十八日訂立獨家技術諮詢和服務協議（「獨家技術諮詢和服務協議」），據此，各中國合約實體同意委聘聚視文化傳媒為獨家供應商，提供技術及管理諮詢服務以及各中國合約實體不時要求的其他技術及諮詢服務（以中國法律允許者為限），並就此支付服務費。考慮到聚視文化傳媒同意根據獨家技術諮詢和服務協議向各中國合約實體提供的服務，服務費相當於各中國合約實體除稅後純利的100%，惟聚視文化傳媒可作出調整。此外，聚視文化傳媒經參考有關各中國合約實體的業務發展計劃的經營成本及財政預算後，可全權酌情減少服務費。聚視文化傳媒亦有權於每季度末根據香港財務報告準則項下的各中國合約實體的季度收益及溢利對服務費作出任何其他調整。

此外，倘無聚視文化傳媒的事先書面同意，中國合約實體不得轉讓或讓渡獨家技術諮詢和服務協議的任何權利及／或責任予任何第三方。除適用中國法律另有規定外，中國合約實體亦無權終止獨家技術諮詢和服務協議。

Report of the Directors

董事會報告

The Exclusive Technology Consultation and Service Agreements also provide that New Talent Media has the exclusive proprietary rights to all intellectual property rights developed or created during the performance of the Exclusive Technology Consultation and Service Agreements. The PRC Contractual Entities shall assign their intellectual property rights to New Talent Media upon request of New Talent Media. Our PRC Legal Adviser is of the opinion that (i) it is legal for New Talent Media to hold these intellectual property rights pursuant to the terms of the Exclusive Technology Consultation and Service Agreements; and (ii) that New Talent Media and the PRC Contractual Entities are not in violation of the requirements of Patent Law of the PRC, Trade Mark Law of PRC and Copyright Law of the PRC regarding the ownership of intellectual property rights.

The relevant Exclusive Technology Consultation and Service Agreements have a term of ten years and will be automatically renewed for consecutive terms of one year upon expiry unless otherwise notified by New Talent Media. The relevant Exclusive Technology Consultation and Service Agreements shall be terminated prior to expiration in the event that (a) the business period of either New Talent Media or the PRC Contractual Entities expires or is terminated by any other reasons except that all right and obligation of New Talent Media under such agreements has been transferred to a third party (b) New Talent Media unilaterally terminates such agreements by advance written notice.

Spouse Undertakings

The spouse of each of the individual Relevant Shareholders, if applicable, has signed an undertaking on 18 May 2015 ("Spouse Undertakings"). Pursuant to the Spouse Undertakings, each of the spouses unconditionally and irrevocably undertakes that:

- (i) the spouse has been made fully aware of the Contractual Arrangements and consented that such Relevant Shareholder is the sole beneficiary of all the rights and interests and solely assumes obligations under the Contractual Arrangements; further, he/she does not and will not have any interests or rights under the Contractual Arrangements, nor assumes any obligations thereunder;
- (ii) all the equity interests held by such Relevant Shareholder in the PRC Contractual Entities shall be deemed as assets solely owned by such Relevant Shareholder, not mutual assets jointly owned by him/her and the related Relevant Shareholder;
- (iii) the spouse will not participate in the operation or management of the PRC Contractual Entities, nor will claim any interests or rights in the equities of the PRC Contractual Entities;

獨家技術諮詢和服務協議亦訂明聚視文化傳媒擁有於獨家技術諮詢和服務協議履行期間開發或創設的全部知識產權的獨家所有權。中國合約實體須於聚視文化傳媒要求時，轉讓彼等的知識產權予聚視文化傳媒。中國法律顧問認為，(i)聚視文化傳媒根據獨家技術諮詢和服務協議的條款持有此等知識產權為合法；及(ii)聚視文化傳媒及中國合約實體並無違反中國專利法、中國商標法及中國著作權法有關知識產權擁有權的規定。

獨家技術諮詢和服務協議的期限為十年且將於到期時自動續期一年，惟聚視文化傳媒另行通知則除外。倘(a)聚視文化傳媒或中國合約實體的營業期限到期或因任何其他理由被終止(除聚視文化傳媒於該等協議下的所有權利及義務已轉讓予第三方外)(b)聚視文化傳媒單方面通過提前發出書面通知而終止該等協議，則相關獨家技術諮詢和服務協議於到期前將予終止。

配偶承諾書

各相關股東的配偶(如適用)已於二零一五年五月十八日簽署承諾書(「配偶承諾書」)。根據配偶承諾書，各名配偶無條件及不可撤回地承諾：

- (i) 該名配偶已全面獲悉合約安排，並同意相關股東為合約安排下所有權利及權益的唯一受益人且單獨承擔合約安排的責任；此外，彼並無及將不會擁有合約安排下的任何權益或權利，或承擔合約安排的任何責任；
- (ii) 該名相關股東於中國合約實體持有的全部股權應視為由該名相關股東單獨擁有的資產，而非彼與有關的相關股東共同擁有的共有資產；
- (iii) 該名配偶將不會參與中國合約實體的經營或管理，亦不會申索中國合約實體股權中的權益或權利；

- (iv) the spouse has confirmed that the performance and further amendment or termination of the Contractual Arrangements by such Relevant Shareholder do not require his/her authorisation or consent; in the event of divorce (as the case may be), such Relevant Shareholder has sole discretion to decide how to dispose of his/her interests in the PRC Contractual Entities; and
- (v) in the event that the spouse obtains any interests in the PRC Contractual Entities, he/she will be subject to and abide by the terms of the Contractual Arrangements as if he/she was a signing party to such Contractual Arrangements, and at the request of New Talent Media he/she will sign any documents in the form and substance consistent with the Contractual Arrangements.

Revenue and Assets in relation to the Contractual Arrangement

During the year ended 31 December 2019, revenue attributable to the PRC Contractual Entities (i.e. the Contractual Arrangement) was approximately RMB49.7 million. As at 31 December 2019, the total asset and net asset attributable to the PRC Contractual Entities was approximately RMB174.9 million and RMB45.2 million respectively.

Risks Related to the Contractual Arrangement

We rely on the Contractual Arrangements with the PRC Contractual Entities for our operations in China, which may not be as effective in providing operational control as direct ownership.

We have relied and expect to continue to rely on the Contractual Arrangements with the PRC Contractual Entities to operate our program production business in China. The Contractual Arrangements may not be as effective in providing us with control over the PRC Contractual Entities as direct ownership. If we had direct ownership of the PRC Contractual Entities, we would be able to exercise our rights as a shareholder to effect changes in the board of directors of those entities, which in turn could effect changes, subject to any applicable fiduciary obligations, at the management level. However, under the Contractual Arrangements, we rely on the performance by the PRC Contractual Entities and their shareholders of their obligations under the contracts to exercise control over the PRC Contractual Entities. Therefore, the Contractual Arrangements with the PRC Contractual Entities may not be as effective in ensuring our control over our operations in China as direct ownership would be.

Any failure by the PRC Contractual Entities or their respective shareholders to perform their obligations under the Contractual Arrangements with them would have a material adverse effect on our business and financial conditions.

- (iv) 該名配偶已確認，相關股東履行及進一步修訂或終止合約安排無需其授權或同意；若雙方離婚(視情況而定)，則該相關股東可全權酌情決定如何處置其於中國合約實體的權益；及

- (v) 倘該名配偶獲取中國合約實體任何權益，彼將受合約安排的條款所規限並須遵從該等條款，猶如彼為有關合約安排的訂約方，且彼將按聚視文化傳媒的要求簽署在形式及內容上與合約安排一致的任何文件。

合約安排涉及之收益及資產

截至二零一九年十二月三十一日止年度，中國合約實體應佔之收益(即合約安排)約為人民幣49.7百萬元。於二零一九年十二月三十一日，中國合約實體應佔之資產總值及資產淨值(即合約安排)分別約為人民幣174.9百萬元及人民幣45.2百萬元。

與合約安排有關的風險

本公司依賴與中國合約實體的合約安排在中國經營業務，惟未必如直接所有權般有效地給予我們經營控制權。

本公司依賴與中國合約實體的合約安排在中國經營節目製作業務，並預期將繼續對此加以依賴。該等合約安排未必如直接所有權般有效地給予我們對中國合約實體的經營控制權。如我們擁有中國合約實體的直接所有權，我們將能行使股東權利，改組該等實體的董事會，因而在受限於任何適用的受信責任前提下，可行使管理層層面的變動。然而，根據合約安排，我們依賴中國合約實體及彼等的股東履行合約責任，以對中國合約實體行使控制權。因此，本公司與中國合約實體的合約安排在確保本公司控制中國業務經營上未必如直接所有權般有效。

倘本公司的中國合約實體或彼等各自之股東未能履行本公司與其達成的合約安排的責任，則將對本公司的業務及財務狀況造成重大不利影響。

Report of the Directors

董事會報告

If a PRC Contractual Entity or its shareholders fail to perform their obligations under the Contractual Arrangements, we may have to incur substantial costs and resources to enforce our rights under the contracts, and rely on legal remedies under PRC law, including seeking specific performance or injunctive relief and claiming damages, which may not be effective. For example, if the shareholders of a PRC Contractual Entity were to refuse to transfer their equity interest in such Contractual Entity to us or our designee when we exercise the call option pursuant to the Contractual Arrangements, or if they were otherwise to act in bad faith toward us, then we may have to take legal actions to compel them to perform their contractual obligations.

We conduct a substantial portion of our business operations in the PRC through the PRC Contractual Entities by way of the Contractual Arrangements, but certain of the terms of the Contractual Arrangements may not be enforceable under PRC laws.

All of these Contractual Arrangements are governed by PRC laws and provide for the resolution of disputes through arbitration in China. Accordingly, these contracts would be interpreted in accordance with PRC laws and any disputes would be resolved in accordance with PRC legal procedures. The legal system in China is not as developed as in other jurisdictions. As a result, uncertainties in the PRC legal system could limit our ability to enforce these contractual arrangements. Under PRC law, rulings by arbitrators are final, parties cannot appeal the arbitration results in courts, and the prevailing parties may only enforce the arbitration awards in PRC courts through arbitration award recognition proceedings, which would incur additional expenses and delay. In the event we are unable to enforce these contractual arrangements, we may not be able to exert effective control over our the PRC Contractual Entities, and our ability to conduct our business may be negatively affected.

The Contractual Arrangements contain provisions to the effect that the arbitral body may award remedies over the shares and/or assets of the PRC Contractual Entities, injunctive relief and/or winding up of the PRC Contractual Entities. These agreements also contain provisions to the effect that courts of competent jurisdictions are empowered to grant interim remedies in support of the arbitration pending the formation of an arbitral tribunal. However, under PRC laws, these terms may not be enforceable. Under PRC laws, an arbitral body does not have the power to grant directly injunctive relief or to issue a provisional or final liquidation order for the purpose of protecting assets of or equity interests in the PRC Contractual Entities in case of disputes. In addition, interim remedies or enforcement order granted by overseas courts such as Hong Kong and the Cayman Islands may not be recognisable or enforceable in China. Therefore, in the event of breach of any agreements constituting the Contractual Arrangements by the PRC Contractual Entities and the Relevant Shareholders, and if we are unable to enforce the Contractual Arrangements, we may not be able to exert effective control over the PRC Contractual Entities, which could materially and adversely affect our ability to conduct our business.

倘中國合約實體或其股東未能履行合約安排的責任，我們強制執行合約權利時可能產生重大成本及資源，並依靠中國法律的法律補救辦法，包括尋求指定履約或禁制寬免及索償，惟未必有效。舉例而言，如當我們根據合約安排行使認股期權時，中國合約實體股東未肯向我們或受讓人轉讓合約實體股權，或倘彼等以其他方式向我們做出不真誠行為，我們可能須訴諸法律訴訟，方可迫使彼等履行合約責任。

本公司以合約安排方式透過中國合約實體在中國進行大部分業務經營，但合約安排若干條款根據中國法律或不可強制執行。

所有該等合約安排均受中國法律監管，並規定在中國通過仲裁解決爭議。因此，該等合約按中國法律詮釋，任何爭議會按中國法律程序解決。中國法律制度未如其他司法權區般成熟。因此，中國法律制度的不確定因素可能限制我們強制執行該等合約安排的能力。根據中國法律，仲裁人的裁決為終局決定，有關各方不可向法院就仲裁結果提呈上訴，勝訴方僅可通過仲裁判決認可程序在中國法院強制執行仲裁判決，此舉會產生額外開支及延誤。倘本公司未能強制執行該等合約安排，本公司或不能對中國合約實體行使實際控制權，而本公司經營業務的能力可能受到負面影響。

合約安排載有條文，規定仲裁機構可判定以中國合約實體的股份及／或資產實施救濟、強制性救濟及／或把中國合約實體清盤。此等協議亦載有條文，規定具有司法管轄權的法院有權授出臨時措施，以支持等候仲裁庭的仲裁。然而，根據中國法律，此等條款可能不能強制執行。根據中國法律，仲裁機構並無權力直接授出強制性救濟或發出臨時或最終清盤令，以於出現糾紛時保障中國合約實體的資產或股權。此外，由香港及開曼群島等海外法院授出的臨時措施或強制執行令均可能在中國不獲承認或不能強制執行。因此，倘中國合約實體及相關股東違反任何組成合約安排的協議，及倘本公司無法強制執行合約安排，則本公司可能無法實際控制中國合約實體，從而令本公司進行業務的能力受到重大不利影響。

Report of the Directors

董事會報告

Material Change

Save as disclosed above, as at the date of this report, there is no material change in the Contractual Arrangements and/or the circumstances under which they were adopted.

Unwinding of Contractual Arrangements

As at the date of this report, there is no unwinding of any of the Contractual Arrangement or failure to unwind when the restrictions that led to the adoption of the Contractual Arrangements are removed.

CONTINUING CONNECTED TRANSACTIONS

The Company has entered into the transactions set out below which will be regarded as continuing connected transactions under the GEM Listing Rules. Unless otherwise defined, capitalised terms below has the same meanings as those defined in the Prospectus.

As disclosed in the section headed “Contractual Arrangement” in this report, the business operations of the PRC Contractual Entities constitute a business prohibited to foreign investment in the PRC, therefore, the Company cannot directly acquire equity interests in the PRC Contractual Entities. As a result, the Group has entered into Contractual Arrangement to exercise and maintain control over the operations of the PRC Contractual Entities, obtain their entire economic benefits and prevent leakage of the assets and values of the PRC Contractual Entities to their shareholders in the PRC. Under the Contractual Arrangements, the Group supervises and controls the business operations of the PRC Contractual Entities and derives economic benefit from the PRC Contractual Entities through New Talent Media.

The transactions under the Contractual Arrangements constitute continuing connected transactions for the Company under the GEM Listing Rules and are subject to the requirements of reporting, announcement and independent shareholders’ approval under Chapter 20 of the GEM Listing Rules following the Listing.

重大變動

除上述所披露者外，於本報告日期，合約安排及／或就此採用合約安排的情況概無出現重大變動。

廢除合約安排

於本報告日期，概無廢除任何合約安排，或於該等導致採用合約安排的限制被移除時未能廢除任何合約安排。

持續關連交易

本公司已訂立下文所載根據GEM上市規則將被視為持續關連交易的交易。除非另有界定，否則下文的專有詞彙具有招股章程所界定的相同涵義。

誠如本報告中「合約安排」一節所披露，中國合約實體於中國的業務經營構成限制外商投資的業務，因此，本公司不能直接收購中國合約實體的股權。因此，本集團訂立了合約安排以行使並維持對中國合約實體經營的主要控制權，獲取其全部經濟利益並防止洩漏中國合約實體的資產及價值予彼等在中國的股東。根據合約安排，本集團監督及控制中國合約實體的業務營運，並透過聚視文化傳媒從中國合約實體獲得經濟利益。

根據GEM上市規則，合約安排項下的交易構成本公司的持續關連交易，故於上市後須遵守GEM上市規則第二十章項下的申報、公告及獨立股東批准規定。

Report of the Directors

董事會報告

The table below sets forth the connected persons of the Company involved in the Contractual Arrangements and the nature of their connection with the Group:

下表載列合約安排所涉的本公司關連人士及其與本集團關連的性質：

Name of connected person 關連人士姓名	Connected relationship 關連關係
Mr. Yang 楊先生	Mr. Yang is the Controlling Shareholder of the Group and is therefore our connected person pursuant to Rule 20.06 of the GEM Listing Rules. 楊先生為我們的控股股東，因此根據GEM上市規則第20.06條為我們的關連人士。
Ms. Mu 牟女士	Ms. Mu is the Controlling Shareholder of the Group and is therefore our connected person pursuant to Rule 20.06 of the GEM Listing Rules. 牟女士為我們的控股股東，因此根據GEM上市規則第20.06條為我們的關連人士。
PRC Contractual Entities 中國合約實體	Each of the PRC Contractual Entities is indirectly controlled by the Controlling Shareholders of the Group and is therefore an associate of the controlling shareholders and the connected person of the Group, among other factors, pursuant to Rule 20.10 of the GEM Listing Rules. 各中國合約實體由控股股東間接控制，因此為我們的控股股東的聯繫人及根據GEM上市規則第20.10條為(其中包括)我們的關連人士。
Management Shareholders of Emphasis Media 無限印象的管理股東	The Management Shareholders of Emphasis Media are shareholders of Emphasis Media and the Company, and directors of New Talent Media. Therefore the Management Shareholders of Emphasis Media are the connected persons under the GEM Listing Rules. 無限印象的管理股東為無限印象及本公司的股東及聚視文化傳媒董事。因此，無限印象的管理股東為我們於GEM上市規則項下的關連人士。
Beijing New Element Consulting Co. Ltd. ("New Element") 北京新力元素諮詢有限公司(「新力元素」)	New Element is owned as to 60% by Mr. Yang and 40% by Ms. Mu respectively, and is therefore an associate of Mr. Yang and Ms. Mu, the Controlling Shareholders and the connected person of the Group, among other factors, pursuant to Rule 20.10 of the GEM Listing Rules. 新力元素由楊先生及牟女士分別擁有60%及40%，因此(其中包括)根據GEM上市規則第20.10條，為我們的控股股東楊先生及牟女士的聯繫人及我們的關連人士。

The Directors believe that the Company's structure whereby PRC Contractual Entities' financial results are consolidated into the Company's consolidated financial statements as if they were wholly-owned subsidiaries and the flow of economic benefits from their business to the Company, places the Group in a special position in relation to the connected transactions rules. Accordingly, notwithstanding that the transactions contemplated under the Contractual Arrangements technically constitute continuing connected transactions for the purposes of Chapter 20 of the GEM Listing Rules, the Directors consider that it would be unduly burdensome and impracticable and would impose unnecessary administrative costs on us to be subject to strict compliance with the requirements set out under Chapter 20 of the GEM Listing Rules in respect of these continuing connected transactions. Accordingly, the Company has, pursuant to the GEM Listing Rules, applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the announcement requirements relating to these continuing connected transactions under the GEM Listing Rules. In addition, the Directors confirm that the Company has complied and will continue to comply with the applicable provisions under the GEM Listing Rules.

董事相信本公司的架構(中國合約實體的財務業績將於本集團的綜合財務報表內合併入賬，猶如其為本公司的全資附屬公司，且其業務的經濟收益流入本公司)，使本集團處於關連交易規則的特殊位置。因此，儘管根據合約安排擬進行的交易技術上構成GEM上市規則第二十章項下的持續關連交易，惟董事認為就該等持續關連交易嚴格遵守GEM上市規則第二十章所載的規定會構成不必要的繁重負擔及不可行，並會為本公司帶來不必要的行政費用。因此，根據GEM上市規則，本公司已向聯交所申請，而聯交所已向本公司授出有關豁免，以豁免就該等持續關連交易嚴格遵守GEM上市規則項下有關公佈的規定。此外，本公司已經遵守並將繼續遵守GEM上市規則之適用規定。

Report of the Directors

董事會報告

For the year ended 31 December 2019, the services provided by New Talent Media under Contractual Arrangements to the PRC Contractual Entities (including technical and management consulting services and other technology and consultancy services requested by each of the PRC Contractual Entities from time to time to the extent permitted under PRC laws) amounted to an aggregate of approximately RMB2.8 million (value-added tax included).

Pursuant to Rule 20.54 of the GEM Listing Rules, the Board engaged BDO Limited, the auditor of the Company to report on the continuing connected transactions of the Group in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. BDO Limited has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 20.54 of the GEM Listing Rules. A copy of the auditor’s letter has been provided by the Company to the Stock Exchange.

The independent non-executive directors have reviewed the Contractual Arrangements, the above continuing connected transactions and the report of the auditor. In the opinion of the independent non-executive directors:

- (i) the continuing connected transactions carried out during the year are in the ordinary and usual course of business of the Group and have been entered into in accordance with the relevant provisions of the Contractual Arrangements so that the revenue generated by PRC Contractual Entities and the subsidiaries of the Company have been mainly retained by the Group;
- (ii) the continuing connected transactions were entered into either (a) on normal commercial terms; or (b) where there is no available comparison, on terms that are no less favourable to the Group than terms to or from independent third parties;
- (iii) no dividends or other distributions have been made by PRC Contractual Entities to its shareholders; and
- (iv) any new Contractual Arrangements entered into, renewed or reproduced between PRC Contractual Entities and the Company during the relevant financial period are fair and reasonable, or advantageous, so far as the Company are concerned and in the interests of our shareholders as a whole.

截至二零一九年十二月三十一日止年度，聚視文化傳媒向中國合約實體提供的服務(包括技術及管理諮詢服務以及各中國合約實體不時要求的其他技術及諮詢服務(以中國法律允許者為限))合共約人民幣2.8百萬元(包括增值稅)。

依據GEM上市規則第20.54條，董事會已委聘本公司核數師香港立信德豪會計師事務所有限公司根據香港會計師公會頒佈的香港核證委聘準則第3000號「歷史財務資料審計或審閱以外的核證聘用」，並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。根據GEM上市規則第20.54條，香港立信德豪會計師事務所有限公司已就上文披露的本集團持續關連交易，發出無保留意見的函件，並載有其發現和結論。本公司已向聯交所提交該核數師函件副本。

獨立非執行董事已審閱合約安排、上述持續關連交易及核數師報告。獨立非執行董事認為：

- (i) 年內進行的持續關連交易乃於本集團日常及一般業務過程中訂立，並遵照合約安排有關規定而訂立，故中國合約實體與本公司的附屬公司產生的收入主要撥歸本集團；
- (ii) 持續關連交易乃(a)按正常商業條款；或(b) (倘無條款可作比較)按不遜於本集團給予或來自獨立第三方的條款訂立；
- (iii) 中國合約實體並無向其股東派發股息或作出其他分派；及
- (iv) 於有關財政期間內，中國合約實體與本公司訂立、續簽或重訂的任何新合約安排對本公司而言是公平合理或有利，且符合股東整體利益。

Report of the Directors

董事會報告

CONNECTED TRANSACTION

- (i) On 15 March 2019, Mr. Philip Jian Yang, as the landlord, and Emphasis Media, as the tenant, entered into a tenancy agreement (the “Tenancy Agreement”), pursuant to which the Mr. Philip Jian Yang agreed to lease a property (the “Property”) to Emphasis Media. Mr. Philip Jian Yang is an executive Director and chairman and chief executive officer of the Company. He is the son of Mr. Yang and Ms. Mu, the controlling shareholders of the Company. Accordingly, Mr. Philip Jian Yang is a connected person of the Company (as defined in the GEM Listing Rules). As the Property is owned by Mr. Philip Jian Yang and he has material interest in the transaction under the Tenancy Agreement, the transaction contemplated under the Tenancy Agreement constitute a connected transaction of the Company. Pursuant to the Tenancy Agreement, the leasing period is 3 years from 15 March 2019 and the monthly rental payable is RMB95,000. Emphasis Media is also required to pay RMB190,000 to Mr. Philip Jian Yang as rental deposit.

The Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accounts (the “HKFRS”) applicable to the Group include HKFRS 16 “Leases” which came into effect on 1 January 2019. Under HKFRS 16, the Group, as the lessee, shall recognise a lease as a right-of-use asset and a lease liability in the consolidated statement of financial position of the Group. The transaction contemplated under the Tenancy Agreement will be regarded as an acquisition of asset under the definition of transaction set out in GEM Listing Rules 19.04(1)(a). The right-of-use asset recognised under the transaction contemplated under the Tenancy Agreement shall be approximately to RMB2,938,000, which is the present value of the lease payments payable by Emphasis Media (discounted by the Group’s incremental borrowing rate of 8%) under the terms of the Tenancy Agreement. The amount of lease liability recognised under the transaction contemplated under the Tenancy Agreement shall be same as the amount of right-of-use asset recognised.

關連交易

- (i) 於二零一九年三月十五日，楊劍先生(作為業主)與無限印象(作為承租人)簽訂租賃協議(「租賃協議」)，據此，楊劍先生同意向無限印象出租一物業(「該物業」)。楊劍先生為本公司執行董事及主席兼行政總裁，亦是本公司控股股東楊先生及牟女士之兒子。因此，楊劍先生為本公司的關連人士(根據GEM上市規則的定義)。由於該物業由楊劍先生擁有及於租賃協議項下之交易擁有重大權益，租賃協議項下擬進行的交易構成本公司的關連交易。根據租賃協議，租賃年期為由二零一九年三月十五日起計三年，及每月應付的租金為人民幣95,000元。同時無限印象需要向楊劍先生支付人民幣190,000元作為按金。

適用於本集團之由香港會計師公會頒布之香港財務報告準則(「香港財務報告準則」)包括於二零一九年一月一日生效之香港財務報告準則第16號「租賃」。根據香港財務報告準則第16號，本集團(作為承租人)需要將租賃於本集團之綜合財務狀況表內確認為使用權資產及租賃負債。按GEM上市規則第19.04(1)(a)條對交易的定義，租賃協議項下之交易將視作收購資產。租賃協議項下之交易中確認的使用權資產約為人民幣2,938,000元，相等於根據租賃協議之條款無限印象所需支付的租金的折現值(根據本集團之增量借款利率8%折現)。租賃協議項下之交易中確認的租賃負債金額與確認的使用權資產金額相同。

Report of the Directors

董事會報告

The Property is used as the head office and principal place of business of the Group in the PRC. The Directors considers that the change of head office and principal place of business in the PRC was aligned with the Group's current operational requirements and business development. The terms and the rental of the Tenancy Agreement were determined after arm's length negotiation between the parties thereto and with reference to, amongst other things, the current market rental for properties similar to the Property and of comparable utility. The Directors (including the independent non-executive Directors) are of the view that the Tenancy Agreement is entered into on normal commercial terms in the ordinary and usual course of business of the Group and that the terms of the Tenancy Agreement are fair, reasonable and in line with the market level and in the interest of the Company and the Shareholders as a whole.

- (ii) On 28 August 2019, Emphasis Media, Hubei Youxi Hotel Management Co., Ltd.* ("Youxi"), Shenzhen Dingjunshan Technology Co., Ltd.* ("Dingjunshan") and Guangzhou Jiexi Innovation Investment Partnership (Limited Partnership)* ("Jiexi", together with Youxi and Dingjunshan, collectively as the "Purchasers") entered into equity transfer agreements respectively ("Equity Transfer Agreement(s)", pursuant to which Emphasis Media conditionally agreed to sell and the Purchasers conditionally agreed to purchase 11.25%, 3.00% and 5.00% of equity interest in Capital Land Digital Entertainment Co. Ltd. ("Capital Land") in cash of RMB9,000,000, RMB2,400,000 and RMB4,000,000 respectively (the "Disposal").

* For identification only

該物業用作本集團於中國的總部及主要營業地點。董事認為有關更改於中國的總部及主要營業地點符合目前本集團的營運需求及業務發展。租賃協議的條款乃經訂約方公平磋商後釐定，亦參考了(其中包括)目前與該物業類似及具有相若功能之物業所需支付之市場租金。董事(包括獨立非執行董事)認為，租賃協議屬一般商業條款，並在本集團一般及日常業務過程中訂立，且其條款屬公平合理，並與市場水平相若，訂立租賃協議符合本集團及股東整體利益。

- (ii) 於二零一九年八月二十八日，無限印象與湖北有戲酒店管理有限公司(「有戲」)、深圳市定軍山科技有限公司(「定軍山」)及廣州傑希創新投資合夥企業(有限合夥)(「傑希」，與有戲及定軍山合稱「該等買方」)分別訂立股權轉讓協議(「該等股權轉讓協議」)，據此，賣方有條件同意出售及該等買方有條件同意購買於京江南數娛(北京)科技有限公司(「京江南」)之11.25%、3.00%及5.00%股權，現金代價分別為人民幣9,000,000元、人民幣2,400,000元及人民幣4,000,000元(「出售事項」)。

* 僅供識別

Report of the Directors

董事會報告

At the same day, Emphasis Media, Hangzhou Jujiang Wenchuang No.1 Investment Management Partnership (Limited Partnership)* (“Hangzhou Jujiang”, one of the existing shareholders of Capital Land), Shenyang Jinyang Haiquan Longxi Investment Fund Management Centre (Limited Partnership)* (“Shenyang Jinyang”, one of the existing shareholders of Capital Land, together with Emphasis Media and Hangzhou Jujiang, collectively as the “Original Shareholders”), Hunan Jingjiangnan Information Technology Partnership (Limited Partnership)* (“Hunan Jingjiangnan”, one of the founding shareholders of Capital Land, holds 21% equity interest in Capital Land), Beijing Chuangshixing Management and Consulting Partnership (Limited Partnership)* (“Chuangshixin”, one of the founding shareholders of Capital Land, holds 19% equity interest in Capital Land), Beijing Ruide Cultural Development Partnership (Limited Partnership)* (“Ruide Cultural”, one of the founding shareholders of Capital Land, holds 9% equity interest in Capital Land, together with Hunan Jingjiangnan and Chuangshixin, collectively as “Founding Shareholders”) and Capital Land entered into supplementary agreements (the “Supplementary Agreement(s)”) with Youxi, Dingjunshan, Jiexi respectively, pursuant to which the Founding Shareholders will provide certain special rights to Youxi, Dingjunshan, Jiexi and the Original Shareholders.

On 28 March 2018, Emphasis Media entered into a shareholders voting agreement (the “Existing Shareholders Voting Agreement”) with Hunan Jingjiangnan and Chuangshixin in which Emphasis Media was entitled to control the voting rights in the shares of Capital Land owned by Hunan Jingjiangnan and Chuangshixin and the aggregate voting rights in Capital Land controlled by Emphasis Media was more than 50%. Accordingly, Capital Land was considered as a subsidiary of Emphasis Media and the Company. It is agreed that the Existing Shareholders Voting Agreement will be terminated after completion of the Disposal, following which the voting rights in the Capital Land controlled by Emphasis Media would be less than 50% and Capital Land would cease to be a subsidiary of Emphasis Media and the Company. Accordingly, the assets, liabilities and financial results of Capital Land would be deconsolidated from the consolidated financial statements of the Group.

於同日，無限印象、杭州巨匠文創壹號投資管理合夥企業(有限合夥)(「杭州巨匠」，京江南的現有股東之一)、瀋陽金楊海泉隆熙股權投資基金管理中心(有限合夥)(「瀋陽金楊」，京江南的現有股東之一，與無限印象及杭州巨匠合稱「該等原始股東」)、湖南京江南資訊科技合夥企業(有限合夥)(「湖南京江南」，京江南的創始股東之一)、北京創視興管理諮詢合夥，持有京江南19%股權企業(有限合夥)(「創視興」，京江南的創始股東之一，持有京江南21%股權)、北京瑞德文化發展合夥企業(有限合夥)(「瑞德文化」，京江南的創始股東之一，持有京江南9%股權，與湖南京江南及創視興合稱「該等創始股東」)及京江南與有戲、定軍山及傑希分別訂立補充協議(「該等補充協議」)，據此，該等創始股東將向有戲、定軍山、傑希及該等原始股東提供若干特殊權利。

於二零一八年三月二十八日，無限印象與湖南京江南及創視興訂立了股東投票協議(「現有股東投票協議」)，根據現有股東投票協議，無限印象有權控制湖南京江南及創視興擁有的股份的投票權，而由無限印象控制的京江南合計投票權超過50%。因此，京江南被視為無限印象及本公司的附屬公司。經已協定於出售事項完成之後終止現有股東投票協議，此後由無限印象控制的京江南投票權將少於50%，而京江南將不再為無限印象及本公司的附屬公司。因此京江南的資產、負債及財務業績將不再併入於本集團的綜合財務報表內。

* For identification only

* 僅供識別

Report of the Directors

董事會報告

As Hunan Jingjiangnan and Chuangshixin are substantial shareholders (as defined in the GEM Listing Rules) of Capital Land, Hunan Jingjiangnan and Chuangshixin are connected persons of the Company at the subsidiary level under the GEM Listing Rules. The entering of the Supplemental Agreements among the Purchasers, the Original Shareholders and the Founding Shareholders constitute a connected transaction of the Company. Accordingly, the Disposal constitute a connected transaction of the Company. The Directors (including the independent non-executive Directors) approved the Disposal, and independent non-executive Directors have also confirmed that the terms of the Equity Transfer Agreements and Supplemental Agreements are fair and reasonable, the Equity Transfer Agreements and Supplemental Agreements are on normal commercial terms and are in the interests of the Company and its Shareholders as a whole. By virtue of Rule 20.99 of the GEM Listing Rules, the Disposal are only subject to the reporting and announcement requirements, but is exempted from the circular, independent financial advice and shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. The Company has complied and will continue to comply with the applicable provisions under the GEM Listing Rules.

The Directors considered that the Disposal represent a good opportunity for the Group to (i) realise its investment in Capital Land; (ii) to strengthen its liquidity for future investment opportunities and potential future expansion plans, especially in the program production which may require additional funding for investment, at a reasonable return from the investment in the entertainment contents on demand system business; and (iii) to improve the financial performance of the Group by focusing on developing in program production and concert and event organisation after the Disposal.

The details of the Disposal can be referred to the circular of the Company dated 24 September 2019.

The Disposal was completed on 31 December 2019. At 31 December 2019, the Group held 6.25% equity interest of Capital Land and recognised as other financial assets in the Group's consolidated financial statements.

Other than disclosed above, there was no other transaction which needs to be disclosed as connected transaction in accordance with the requirements of the GEM Listing Rules during the year ended 31 December 2019.

由於湖南京江南及創視興為京江南主要股東(定義見GEM上市規則)，根據GEM上市規則，該等創始股東為本公司在附屬公司層面之關連人士。該等買方、該等原始股東及該等創始股東之間訂立該等補充協議構成本公司之關連交易。因此，出售事項構成本公司之關連交易。全體董事(包括獨立非執行董事)已批准出售事項，而獨立非執行董事亦已確認該等股權轉讓協議及該等補充協議的條款為公平合理，且按正常商業條款訂立，並符合本公司及其股東的整體利益。根據GEM上市規則第20.99條，出售事項僅須遵守申報及公告規定，惟根據GEM上市規則第20章獲豁免遵守通函、獨立財務意見及股東批准規定。本公司已經遵守並將繼續遵守GEM上市規則之適用規定。

董事認為，出售事項乃本集團一個良好機會，可(i)變現其於京江南的投資；(ii)提升其流動資金以應付未來投資機遇以及潛在未來擴展計劃(尤其是可能要求額外投資資金的節目製作)，可取得娛樂內容付費點播系統業務的合理回報；及(iii)於出售事項後透過專注於開發節目製作及演唱會及活動籌辦服務而改善本集團的財務表現。

有關出售事項的詳情可參閱本公司於二零一九年九月二十四日發出之通函。

出售事項已於二零一九年十二月三十一日完成。於二零一九年十二月三十一日，本集團持有京江南6.25%的股權，並在本集團的綜合財務報表內確認為其他金融資產。

除上文所披露者外，截至二零一九年十二月三十一日止年度，並無其他交易須按照GEM上市規則規定披露為關連交易。

Report of the Directors

董事會報告

AUDITOR

BDO Limited will retire and a resolution for their reappointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Philip Jian Yang

Chairman and Executive Director

Hong Kong, 13 March 2020

核數師

香港立信德豪會計師事務所有限公司將於應屆股東週年大會退任。本公司將於應屆股東週年大會提呈續聘彼等為本公司核數師的決議案。

代表董事會

主席兼執行董事

楊劍

香港，二零二零年三月十三日

Independent Auditor's Report

獨立核數師報告

TO THE SHAREHOLDERS OF CREATIVE CHINA HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Creative China Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 96 to 222, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's "Code of Ethics for Professional Accountants" (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致中國創意控股有限公司股東

(於開曼群島註冊成立之有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第96至222頁中國創意控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則真實而公平地反映貴集團於二零一九年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及其綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

意見基礎

我們根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。該等準則規定我們的責任於本報告核數師就審計綜合財務報表須承擔的責任一節進一步描述。根據香港會計師公會頒佈的「專業會計師道德守則」(「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of serial program rights

We identified the impairment on serial program rights as a key audit matter due to the significance of the carrying amounts of serial program rights of the Group to the consolidated financial statements and the judgment and estimation uncertainty involved in the management's impairment assessment of the serial program rights.

As disclosed in note 20 to the consolidated financial statements, as at 31 December 2019, the carrying amount of serial program rights amounted to RMB107,687,000. In determining whether impairment on the rights are required, the Group takes into consideration of the distribution and licensing agreements entered into by the Group and the current market environment to estimate future income to be received from licensing of the broadcasting rights to television channels and online media platforms. No impairment loss is recognised in the period in which the recoverable amount is higher than the carrying amount.

How our audit addressed the Key Audit Matter

Our audit procedures in relation to management's impairment assessment included:

- Understanding the process of how management performs impairment assessment on serial program rights;
- Evaluating the appropriateness of the methodology used by management in determining the recoverable amounts of serial program rights; and
- Evaluating the reasonableness of the assumptions used in the future cash flow projection and challenging the management's assessment on the expected revenue to be generated by serial program by checking the budget summary to the contract amounts of the distribution and licensing agreements to the historical trend of similar serial programs released.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對該等事項提供單獨意見。

連續劇版權之減值

我們識別連續劇版權之減值為關鍵審計事項，乃因為貴集團的連續劇版權對綜合財務報表之重要性，而判斷及估計之不確定性因素涉及管理層對連續劇版權之減值評估。

於二零一九年十二月三十一日，誠如綜合財務報表附註20所披露，連續劇版權之賬面值為人民幣107,687,000元。於釐定是否需要對版權進行減值，貴集團考慮貴集團訂立之分銷及許可協議及當前市場環境估計向電視頻道及網上媒體平台授出播放權許可將可收取的未來收入。於可收回金額高於賬面值期間並無確認減值虧損。

我們的審計如何處理關鍵審計事項

有關管理層減值評估的審計程序包括：

- 了解管理層如何對連續劇版權執行減值評估的程序；
- 評估管理層於釐定連續劇版權之可收回金額時採用的方法之適當性；及
- 評估於未來現金流預測採用的假設之合理性，以及透過已上映的類似連續劇的歷史趨勢審查發行及許可協議合約金額的概要預算，質疑管理層就連續劇將予產生之預期收益之評估。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

年報中的其他資料

董事須就其他資料承擔責任。其他資料包括貴公司年報中所載資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。就此而言，我們無任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

董事亦負責監督貴集團的財務報告過程。審核委員會就此協助董事履行職責。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表須承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)按照我們的委聘條款報告，除此之外，本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們行使專業判斷，保持專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report

獨立核數師報告

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了有關(其中包括)計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

Independent Auditor's Report

獨立核數師報告

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BDO Limited

Certified Public Accountants

Ng Wai Man

Practicing Certificate no. P05309

Hong Kong, 13 March 2020

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

香港立信德豪會計師事務所有限公司
執業會計師

伍惠民
執業證書編號P05309

香港，二零二零年三月十三日

Consolidated Statement of Comprehensive Income

綜合全面收益表

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Re-presented) (重列)
Continuing operations	持續經營業務			
Revenue	收入	7	48,124	15,365
Direct costs	直接成本		(30,497)	(57,207)
Gross profit/(loss)	毛利/(損)		17,627	(41,842)
Other income	其他收入	8	1,022	15,349
Other gains and losses	其他收益及虧損	9	3,338	3,682
Selling and distribution costs	銷售及分銷成本		(2,638)	(6,662)
Administrative expenses	行政開支		(15,730)	(38,541)
Profit/(loss) from continuing operations	持續經營業務溢利/ (虧損)		3,619	(68,014)
Finance costs	財務成本	14	(3,574)	-
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	10	45	(68,014)
Income tax expenses	所得稅開支	15	(260)	(4,627)
Loss for the year from continuing operations	持續經營業務年內虧損		(215)	(72,641)
Discontinued operation	已終止經營業務			
Loss for the year from discontinued operation	已終止經營業務年內虧損	16	(1,118)	(9,911)
Loss for the year	年內虧損		(1,333)	(82,552)
Other comprehensive loss that may be reclassified subsequently to profit or loss:	隨後可能重新分類至損益之其他全面虧損:			
Exchange differences on translating foreign operations	換算海外業務的匯兌差額		(124)	(120)
Total comprehensive loss for the year	年內全面虧損總額		(1,457)	(82,672)
Profit/(loss) for the year attributable to:	應佔年內溢利/(虧損):			
Owners of the Company	本公司擁有人			
– from continuing operations	– 持續經營業務		(95)	(72,286)
– from discontinued operation	– 已終止經營業務		1,710	(2,513)
			1,615	(74,799)
Non-controlling interests	非控股權益			
– from continuing operations	– 持續經營業務		(120)	(355)
– from discontinued operation	– 已終止經營業務		(2,828)	(7,398)
			(2,948)	(7,753)
			(1,333)	(82,552)

Consolidated Statement of Comprehensive Income

綜合全面收益表

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

	Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Re-presented) (重列)
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		1,493	(74,901)
Non-controlling interests		(2,950)	(7,771)
		(1,457)	(82,672)
Earnings/(loss) per share for attributable to the owners of the Company			
– Basic (RMB cents)	17		
– from continuing operations		(0.01)	(5.08)
– from discontinued operation		0.12	(0.17)
		0.11	(5.25)
– Diluted (RMB cents)		N/A不適用	N/A不適用

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2019
於二零一九年十二月三十一日

			2019	2018
		Notes	二零一九年	二零一八年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	1,394	1,885
Goodwill	商譽	19	–	26,758
Deferred tax assets	遞延稅項資產	28	–	1,449
Right-of-use assets	使用權資產	35	2,507	–
Other financial assets	其他金融資產	21	5,000	6,582
Total non-current assets	非流動資產總值		8,901	36,674
Current assets	流動資產			
Serial program rights	連續劇版權	20	107,687	48,574
Inventories	存貨	22	–	106
Trade and other receivables	貿易及其他應收款項	23	59,350	35,859
Amounts due from non-controlling interests	應收非控股權益款項	36(b)	1,339	189
Cash and bank balances	現金及銀行結餘		11,539	8,897
Total current assets	流動資產總值		179,915	93,625
Total assets	資產總值		188,816	130,299
Current liabilities	流動負債			
Trade payables	貿易應付款項	24	45,881	58,178
Other payables	其他應付款項	25	29,879	15,948
Contract liabilities	合約負債	26	14,069	3,826
Current tax liabilities	即期稅項負債		3,832	3,572
Lease liabilities	租賃負債	35	1,315	–
Other borrowing	其他借貸	27	–	5,000
Loans due to shareholders	應付予股東的貸款	36(c)	8,105	4,034
Loan due to a director	應付予一名董事的貸款	36(d)	1,254	–
Total current liabilities	流動負債總額		104,335	90,558
Net current assets	流動資產淨值		75,580	3,067
Total assets less current liabilities	總資產減流動負債		84,481	39,741
Non-current liabilities	非流動負債			
Trade payables	貿易應付款項	24	45,258	–
Lease liabilities	租賃負債	35	1,259	–
Total non-current liabilities	非流動負債總額		46,517	–
Total liabilities	負債總額		150,852	90,558
NET ASSETS	資產淨值		37,964	39,741

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2019
於二零一九年十二月三十一日

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		Notes 附註		
Capital and reserves	資本及儲備			
Share capital	股本	29	11,788	11,788
Reserves	儲備		26,330	24,837
Equity attributable to owners of the Company	本公司擁有人應佔權益		38,118	36,625
Non-controlling interests	非控股權益	30	(154)	3,116
TOTAL EQUITY	總權益		37,964	39,741

On behalf of the board of directors

代表董事會

Philip Jian Yang
楊劍

Yang Jianping
楊建平

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

		Reserves					Accumulated losses	Equity attributable to the owners of the Company 本公司擁有人	Non-controlling interests	Total
		儲備								
		Share capital	Share premium	Other reserve	Merger reserve	Foreign exchange reserve				
		股本	股份溢價	其他儲備	合併儲備	匯兌儲備				
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Balance at 1 January 2018	於二零一八年一月一日的結餘	11,788	158,096	5,362	9,300	-	(83,311)	101,235	3,179	104,414
Acquisition of additional interest in a subsidiary	增購一間附屬公司權益	-	-	-	-	-	(342)	(342)	341	(1)
Disposal of interest in a subsidiary without loss of control	出售一間附屬公司的權益(並無失去控制權)	-	-	-	-	-	10,633	10,633	7,367	18,000
Loss for the year	年內虧損	-	-	-	-	-	(74,799)	(74,799)	(7,753)	(82,552)
Other comprehensive loss	其他全面虧損	-	-	-	-	(102)	-	(102)	(18)	(120)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	(102)	(74,799)	(74,901)	(7,771)	(82,672)
Balance at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日的結餘	11,788	158,096	5,362	9,300	(102)	(147,819)	36,625	3,116	39,741
Derecognition of non-controlling interests upon disposal of a subsidiary (note 32)	於出售附屬公司後終止確認非控股權益(附註32)	-	-	-	-	-	-	-	(320)	(320)
Profit/(loss) for the year	年內溢利/(虧損)	-	-	-	-	-	1,615	1,615	(2,948)	(1,333)
Other comprehensive loss	其他全面虧損	-	-	-	-	(122)	-	(122)	(2)	(124)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	(122)	1,615	1,493	(2,950)	(1,457)
Balance at 31 December 2019	於二零一九年十二月三十一日的結餘	11,788	158,096	5,362	9,300	(224)	(146,204)	38,118	(154)	37,964

Nature and purpose of reserves are disclosed in note 33.

儲備性質及用途披露於附註33。

Consolidated Statement of Cash Flows

綜合現金流量表

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Re-presented) (重列)
Cash flows from operating activities		
Profit/(loss) before income tax		
– Continuing operations	45	(68,014)
– Discontinued operation	(1,118)	(9,911)
Adjustments for:		
Interest income	(9)	(12)
Loss on disposal of property, plant and equipment	70	–
Effective rent recognised	–	69
Finance costs	3,574	84
(Reversal)/impairment loss of trade and other receivables	(3,328)	2,075
Depreciation of property, plant and equipment	1,384	2,211
Depreciation of right-of-use assets	1,365	–
Gain on disposal of a subsidiary	(2,678)	–
De-recognition of contingent consideration payables	–	(151)
De-recognition of deferred rent payable	–	(3,613)
Recognition of serial program rights expense	20,789	–
Amortisation of intangible assets	–	888
Amortisation of programme cost	–	36,598
Impairment loss of programme cost	–	4,336
Impairment loss of property, plant and equipment	–	4,349
Impairment loss of goodwill	–	4,504
Operating profit/(loss) before working capital changes	20,094	(26,587)
Increase in serial program rights	(79,902)	(48,574)
Increase in right-of-use assets	(1,480)	–
Decrease/(increase) in inventories	53	(106)
Increase in trade and other receivables	(18,492)	(14,800)
Increase in amounts due from non-controlling interests	(1,150)	–
Increase in trade payables	33,005	48,497
Increase in other payables	19,785	3,696
Increase in contract liabilities	14,973	2,250
Cash used in operations	(13,114)	(35,624)
Interest paid	–	(17)
Income taxes paid	–	(41)
Net cash used in operating activities	(13,114)	(35,682)

Consolidated Statement of Cash Flows

綜合現金流量表

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Re-presented) (重列)
Cash flows from investing activities	投資活動產生現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(1,454)	(728)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	209	-
Proceeds from partial disposal of interest of a subsidiary	出售一間附屬公司部分權益所得款項	-	18,000
Net proceeds from disposal of a subsidiary	出售一間附屬公司所得款項淨額	13,014	-
Interest received	已收利息	9	12
Net cash generated from investing activities	投資活動產生現金淨額	11,778	17,284
Cash flows from financing activities	融資活動產生現金流量		
Proceeds from other borrowing	提取其他借貸	-	6,000
Repayment of other borrowing	償還其他借貸	-	(1,000)
Proceeds from shareholders' loan	股東貸款所得款項	14,259	6,684
Repayment of shareholders' loan	償還股東貸款	(10,300)	(2,650)
Proceeds from director's loan	提取董事貸款	1,240	-
Repayment of principal portion of lease liabilities	償還租賃負債的本金部分	(1,838)	-
Proceeds from loan from non-controlling interests	非控股權益貸款所得款項	600	-
Net cash generated from financing activities	融資活動產生現金淨額	3,961	9,034
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	2,625	(9,364)
Effect of foreign exchange rate changes	外幣匯率變動影響	17	(120)
Cash and cash equivalents at beginning of year	於年初的現金及現金等價物	8,897	18,381
Cash and cash equivalents at end of year – represented by cash and bank balances only	於年末的現金及現金等價物 – 僅代表現金及銀行結餘	11,539	8,897

Notes to the Consolidated Financial Statements

綜合財務報表附註

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

1. CORPORATE INFORMATION

Creative China Holdings Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands on 1 November 2013. The address of its registered office is at the offices of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. Its principal place of business in the People’s Republic of China (the “PRC”) is located at Room 1901, 19/F, Yulin Building, No.5A Xiangjun Nanli 2nd Alley, Chaoyang District, Beijing, the PRC, and its principal place of business in Hong Kong is located at 23/F, Yue Thai Commercial Building, 128 Connaught Road Central, Sheung Wan, Hong Kong. Up to the date of approval of the consolidation financial statements, Youth Success Holdings Limited and Guang Rui Investments Limited are its immediate and ultimate parent respectively. Guang Rui Investments Limited is wholly and beneficially owned by Mr. Yang Shaoqian and his spouse, Ms. Mu Sufang.

The principal activity of the Company is investment holding while its subsidiaries are principally engaged in the provision of traditional television program production, serial program rights distribution and licensing and related services, concert and organisation services, mobile live broadcasting services and e-commerce services, entertainment contents on demand system services (discontinued during the year ended 31 December 2019 detailed in notes 16 and 32) and artist management. The Company and its subsidiaries are collectively referred as the “Group” hereafter.

1. 公司資料

中國創意控股有限公司(「本公司」)乃於二零一三年十一月一日在開曼群島註冊成立的有限公司。註冊辦事處地址為Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。其中華人民共和國(「中國」)之主要業務地址位於中國北京朝陽區向軍南里2巷甲5號雨霖大廈19層1901室，而香港主要業務地址位於香港上環干諾道中128號豫泰商業大廈23樓。截至綜合財務報表批准日期，Youth Success Holdings Limited及光瑞投資有限公司分別為其直接及最終母公司。光瑞投資有限公司由楊紹謙先生及其配偶牟素芳女士全資及實益擁有。

本公司主要活動為投資控股，而其附屬公司主要從事提供傳統電視節目製作、連續劇版權發行及許可相關服務、演唱會及活動籌辦服務、移動直播服務及電商服務、娛樂內容付費點播系統服務(於截至二零一九年十二月三十一日止年度終止經營，詳情見附註16及32)及藝人經紀業務。本公司及其附屬公司於下文統稱為「本集團」。

Notes to the Consolidated Financial Statements

綜合財務報表附註

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(a) Adoption of new/ revised HKFRSs – effective on 1 January 2019

In the current year, the Group has applied the following new HKFRSs and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are effective from the Group’s financial period beginning on 1 January 2019.

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23	Annual Improvements to HKFRSs 2015-2017 Cycle

The impact of the adoption of HKFRS 16 Leases has been summarised in below. The directors of the Company consider the other new or amended HKFRSs that are effective from 1 January 2019 did not have any material impact to the Group’s financial statements.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）

(a) 採納新訂／經修訂香港財務報告準則 — 於二零一九年一月一日生效

於本年度，本集團已應用下列由香港會計師公會（「香港會計師公會」）頒佈的於本集團二零一九年一月一日開始的財務期間生效的新訂及經修訂香港財務報告準則。

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）－詮釋第23號	所得稅處理之不確定性因素
香港財務報告準則第9號之修訂	具有負補償之提前還款特性
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益
香港會計準則第19號之修訂	計劃修訂、縮減及結算
香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂	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

採納香港財務報告準則第16號租賃之影響已概述於下文。本公司董事認為，自二零一九年一月一日起生效的其他新訂或經修訂香港財務報告準則並無對本集團財務報表產生任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

A. HKFRS 16 Leases

HKFRS 16 supersedes HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 於二零一九年一月一日生效（續）

A. 香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號「租賃」及相關詮釋，其引入單一承租人會計處理模式，並規定承租人就為期超過12個月之所有租賃確認資產及負債，除非相關資產為低價值資產則作別論。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產（表示其有權使用相關租賃資產）及租賃負債（表示其有責任支付租賃款項）。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債之現金還款分類為本金部分及利息部分，並於現金流量表內呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可撤銷租賃付款，亦包括承租人合理地肯定將行使選擇權延續租賃或行使選擇權終止租賃之情況下，將於選擇權期間內作出之付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據原準則即香港會計準則第17號分類為經營租賃之租賃。

就出租人會計處理而言，香港財務報告準則第16號大致繼承了香港會計準則第17號之出租人會計處理規定。因此，出租人繼續將其租賃分類為經營租賃及融資租賃，並且對兩類租賃進行不同之會計處理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

A. HKFRS 16 Leases (continued)

The Group has adopted HKFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening of consolidated statement of financial position as of 1 January 2019.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of HKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2019. The lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 8%.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 於二零一九年一月一日生效（續）

A. 香港財務報告準則第16號租賃（續）

本集團自二零一九年一月一日起追溯採納香港財務報告準則第16號，但經該準則特定過渡條文允許，並無重列二零一九年報告期間之比較資料。因此，該等新租賃規則所導致的重新分類及調整於二零一九年一月一日的期初綜合財務狀況表確認。

採納香港財務報告準則第16號時，本集團已就先前根據香港會計準則第17號租賃的原則分類為「經營租賃」的租賃確認租賃負債。該等負債按餘下租賃付款的現值進行計量，並使用承租人截至二零一九年一月一日的增量借款利率貼現。承租人於二零一九年一月一日應用於租賃負債的增量借款利率為8%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

A. HKFRS 16 Leases (continued)

The following reconciliation explains how the operating lease commitments disclosed applying HKAS 17 at the end of 31 December 2018 could be reconciled to the lease liabilities at the date of initial application recognised in the statement of financial position as of 1 January 2019:

		RMB'000 人民幣千元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	1,622
Discounted using the lessee's incremental borrowing rate at the date of initial application	於首次應用日期採用承租人的增量借款利率貼現	1,524
Less: short-term leases recognised on a straight-line basis as expense	減：按直線法確認的短期租賃作為開支	(590)
		934
Of which are:	當中：	
Current lease liabilities	即期租賃負債	580
Non-current lease liabilities	非即期租賃負債	354
		934

The associated right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated statement of financial position as at 31 December 2018. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 於二零一九年一月一日生效（續）

A. 香港財務報告準則第16號租賃（續）

以下對賬闡釋於二零一八年十二月三十一日未應用香港會計準則第17號披露的經營租賃承擔如何與截至二零一九年一月一日之綜合財務狀況表中確認於首次應用日期的租賃負債進行對賬：

相關使用權資產按各租賃負債的等值金額進行計量，並使用與於二零一八年十二月三十一日綜合財務狀況表中確認的租賃相關的任何預付或應計租賃付款金額作出調整。於首次應用日期，概無繁重的租賃合約須對使用權資產進行調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

A. HKFRS 16 Leases (continued)

		RMB'000 人民幣千元
Right-of-use assets	使用權資產	
Properties	物業	934

The change in accounting policy affected the following items in the consolidated statement of financial position as of 1 January 2019:

於二零一九年一月一日，會計政策變動影響下列綜合財務狀況表中之項目：

		RMB'000 人民幣千元
Right-of-use assets – increase by	使用權資產 – 增加	934
Lease liabilities – increase by	租賃負債 – 增加	934
		-

Notes to the Consolidated Financial Statements

綜合財務報表附註

for the year ended 31 December 2019
截至二零一九年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

A. HKFRS 16 Leases (continued)

Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application;
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease; and
- to measure the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of transition to HKFRSs.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 於二零一九年一月一日生效（續）

A. 香港財務報告準則第16號租賃（續）

應用實際權宜方法

於首次應用香港財務報告準則第16號時，本集團已採用下列該準則所允許的實際權宜方法：

- 就具有合理類似特徵之租賃組合採用單一貼現率；
- 依賴先前就租賃是否屬繁重之評估；
- 將於二零一九年一月一日餘下租期少於12個月之經營租賃會計處理為短期租賃；
- 於首次應用日期排除初始直接成本以計量使用權資產；
- 倘合約包含延長或終止租賃之選擇權，則於事後釐定租期；及
- 按各租賃負債的等值金額計量使用權資產，並使用緊接香港財務報告準則過渡日期前於財務狀況表中確認的租賃相關的任何預付或應計租賃付款金額作出調整。

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綜合財務報表附註

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

A. HKFRS 16 Leases (continued)

Practical expedients applied (continued)

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease.

The Group leases various offices. Rental contracts are typically made for fixed periods of 1 to 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 於二零一九年一月一日生效（續）

A. 香港財務報告準則第16號租賃（續）

應用實際權宜方法（續）

本集團亦已選擇不重新評估合約於首次應用日期是否為租賃合約或包含租賃。相反，對於在過渡日期之前訂立之合約，本集團依據其應用香港會計準則第17號及國際財務報告詮釋委員會第4號釐定安排是否包括租賃作出評估。

本集團租賃多個辦公室。租賃合約通常為固定期限，為期1至2年。租賃條款按個別基準協商，包含廣泛不同之條款及條件。租賃協議並不施加任何契諾，惟租賃資產不得用作借貸用途的抵押。

自二零一九年一月一日起，租賃在租賃資產可供本集團使用之日確認為使用權資產及相應負債。每筆租賃付款均在負債和財務成本之間分配。財務成本於租賃期內於損益扣除，以產生各期間負債餘額之固定定期利率。使用權資產按資產的可使用年限及租賃期中之較短者中以直線法折舊。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

A. HKFRS 16 Leases (continued)

Practical expedients applied (continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee’s incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 於二零一九年一月一日生效（續）

A. 香港財務報告準則第16號租賃（續）

應用實際權宜方法（續）

租賃產生之資產及負債初步按現值計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款（包括實物固定付款）減去任何已收租賃優惠

租賃付款使用租賃中的隱含利率貼現。倘若無法釐定該利率，則使用承租人的增量借款利率，即承租人在類似條款及條件之類似經濟環境中借入獲得類似價值資產所需資金所必須支付之利率。

使用權資產按成本計量，包括以下各項：

- 租賃負債之初始計量金額；
- 在開始日期或之前作出的任何租賃付款減去任何已收租賃優惠；
- 任何初始直接成本；及
- 修復成本

與短期租賃相關的付款及低價值資產之租賃均以直線法確認為損益中之開支。短期租賃為租賃期為12個月或以下之租賃。

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綜合財務報表附註

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

B. HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments

The Interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則一於二零一九年一月一日生效（續）

B. 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因素

該詮釋支持香港會計準則第12號所得稅的規定，就如何反映所得稅會計處理中的不確定性影響提供指引。

根據該詮釋，實體須確定是單獨考慮每項稅務處理的不確定性，還是結合多項稅務處理的不確定性一併考慮，這取決於哪種方法能夠更好地預測不確定性的解決方案。實體還須假設稅務機關會核查其有權核查的金額並在核查時完全知悉所有相關資料。倘實體釐定稅務機關很可能會接受稅務處理的不確定性，則實體應按與其稅務申報一致的方式計量即期及遞延稅項。否則，釐定稅項所涉及的不確定性應採用「最可能金額」或「預期價值」兩種方法中能更好地預測不確定性解決方案的方法來反映。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

C. Amendments to HKAS 19 - Plan amendments, curtailment or settlement

The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company should use updated actuarial assumptions to determine its current service cost and net interest for the period. Additionally, the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income.

D. Amendments to HKFRS 9 - Prepayment Features with Negative Compensation

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met – instead of at fair value through profit or loss.

E. Amendments to HKAS 28 - Long-term Interests in Associates and Joint Ventures

The amendment clarifies that HKFRS 9 applies to long-term interests (“LTI”) in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則—於二零一九年一月一日生效（續）

C. 香港會計準則第 19 號之修訂—計劃修訂、縮減或結算

該等修訂澄清修訂、縮減或結算界定福利計劃時，公司應使用經更新精算假設釐定其當期服務成本及期內淨利息。此外，在計算該計劃之任何結算收益或虧損時，不考慮資產上限成本之影響，並在其他全面收益中單獨處理。

D. 香港財務報告準則第9號之修訂—具有負補償之提前還款特性

該等修訂澄清在符合特別條件下，附帶負補償的可預付金融資產可按攤銷成本或按公允值計入其他全面收益而非按公允值計入損益計量。

E. 香港會計準則第28號之修訂—於聯營公司及合營企業之長期權益

該修訂澄清，香港財務報告準則第9號適用於聯營公司或合營企業的長期權益（「長期權益」），而該等權益構成聯營公司或合營企業淨投資的一部分，並訂明於發出香港會計準則第28號減值虧損指引前香港財務報告準則第9號適用於該等長期權益。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

F. Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 3, Business Combinations

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

G. Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 11, Joint Arrangements

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 11 which clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則一於二零一九年一月一日生效（續）

F. 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－香港財務報告準則第3號業務合併之修訂

根據年度改進程序頒佈的該等修訂對現時並不明確的多項準則作出微細且並不急切的修訂，其中包括對香港財務報告準則第3號的修訂，以澄清當業務的共同經營者獲得對合營業務的控制權時為分階段實現的業務合併，因此先前持有的股權應重新計量至其收購日期公允值。

G. 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－香港財務報告準則第11號合營安排之修訂

根據年度改進程序頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切之變動。其中包括對香港財務報告準則第11號的修訂，以澄清當參與（但並非擁有共同控制權）一項共同經營業務一方隨後取得共同經營之聯合控制權時，先前持有之股權不得重新計量至其收購日期公允值。

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綜合財務報表附註

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Adoption of new/revised HKFRSs – effective on 1 January 2019 (continued)

H. Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

I. Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 23, Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則—於二零一九年一月一日生效（續）

H. 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—香港會計準則第12號所得稅之修訂

根據年度改進程序頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切之變動。其中包括對香港會計準則第12號的修訂，以澄清股息的一切所得稅影響均與產生可分配溢利的交易於損益、其他全面收益或直接於權益一致確認。

I. 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—香港會計準則第23號借款成本之修訂

根據年度改進程序頒佈的該等修訂對現時並不明確的多項準則作出微細且並不急切的修訂，其中包括對香港會計準則第23號的修訂，以澄清在相關合資格資產可作擬定用途或出售後，專為取得尚未償還合資格資產借款將成為實體一般借入資金的一部分，因此計入一般組別。

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綜合財務報表附註

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 3	Definition of a business ¹
Amendments to HKAS 1 and HKAS 8	Definition of material ¹

Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ¹
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Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
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1 Effective for annual periods beginning on or after 1 January 2020

2 The amendments were originally intended to be effective for periods beginning on or after 1 January 2018. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

以下與本集團財務報表潛在相關之新訂／經修訂香港財務報告準則經已頒佈惟尚未生效，且本集團並無提早採用。本集團現時之意向為於該等變動生效之日應用該等變動。

香港財務報告準則第3號之修訂	業務之定義 ¹
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香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 ¹
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香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率基準改革 ¹
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香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ²
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1 於二零二零年一月一日起或之後開始年度期間生效

2 該等修訂原擬於二零一八年一月一日或之後開始之期間生效。生效日期現已遞延／移除。提早應用該等修訂之修訂仍獲准許。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(b) New/revised HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKFRS 3 – Definition of a business

The amendments clarify that a business must include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs, together with providing extensive guidance on what is meant by a “substantive process”.

Additionally, the amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs, whilst narrowing the definition of “outputs” and a “business” to focus on returns from selling goods and services to customers, rather than on cost reductions.

An optional concentration test has also been added that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

Amendments to HKAS 1 and HKAS 8 – Definition of material

The amendments clarify the definition and explanation of “material”, aligning the definition across all HKFRS Standards and the Conceptual Framework, and incorporating supporting requirements in HKAS 1 into the definition.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港財務報告準則第3號之修訂－業務之定義

該等修訂澄清業務必須包括至少一項投入和一個實質性過程，而這些過程對共同創造產出的能力有很大的貢獻，以及按「實質性過程」就涵義提供廣泛的指引。

此外，該等修訂移除市場參與者是否有能力取代任何缺失的投入或過程及持續輸出的評估，但收窄「產出」和「業務」的定義，以專注於向客戶出售貨品和服務的回報，而非降低成本。

加入選擇性的集中度測試，簡化所收購的一組活動和資產是否屬於業務的評估。

香港會計準則第1號及香港會計準則第8號之修訂－重大之定義

該等修訂澄清「重大」的定義及解釋，統一了所有香港財務報告準則的準則及概念框架間的定義，並將香港會計準則第1號中的支持規定納入定義。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(b) New/revised HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 - Interest Rate Benchmark Reform

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainties caused by interest rate benchmark reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

Amendments to HKFRS 10 and HKAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂－利率基準改革

該等修訂修改若干特定對沖會計規定，以就利率基準改革導致的不確定因素之潛在影響提供補救措施。此外，該等修訂規定公司須向投資者提供有關直接受該等不確定因素影響之對沖關係之額外資料。

香港財務報告準則第10號及香港會計準則第28號之修訂－投資者與其聯營公司或合營企業之間的資產出售或注資

該等修訂澄清實體向其聯營公司或合營企業出售資產或注資時將予確認的盈虧範圍。倘交易涉及一項業務，則確認全部收益或虧損，否則，倘交易涉及不構成業務的資產，則僅以無關聯投資者於合營企業或聯營公司權益為限確認盈虧。

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3. BASIS OF PRESENTATION

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the GEM Listing Rules.

The consolidated financial statements have been prepared on a going concern basis and measured under historical cost basis except for certain financial instruments, which are measured at fair values at end of each reporting period as explained in the accounting policies set out below.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousand except when otherwise indicated.

3. 呈列基準

綜合財務報表已根據香港會計師公會頒佈的所有適用香港財務報告準則及香港公司條例之披露規定而編製。此外，財務報表亦載列GEM上市規則所規定之適用披露事項。

綜合財務報表已按持續經營基準編製及按歷史成本基準計量，惟載列於下文的會計政策所闡釋的於每個報告期末按公允值計量的若干金融工具除外。

綜合財務報表以本公司及其附屬公司之功能貨幣人民幣（「人民幣」）呈列，除另有指明外，所有價值均四捨五入至最接近之人民幣千元。

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4. SIGNIFICANT ACCOUNTING POLICIES

(a) Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the dates of acquisition or up to the dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

4. 重大會計政策

(a) 業務合併及綜合基準

綜合財務報表包括本公司及其附屬公司（「本集團」）的財務報表。公司間交易、集團內公司間結餘及未變現溢利於編製綜合財務報表時悉數對銷。未變現虧損的交易亦予以對銷，除非交易有證據顯示所轉讓資產出現減值，並在損益中確認虧損。

於年內收購或出售附屬公司的業績乃自收購日期起至出售日期止（視適用情況而定）於綜合全面收益表入賬。如有需要，本集團會調整附屬公司的財務報表，使其會計政策與本集團其他成員公司一致。

收購附屬公司或業務採用收購法列賬。一項收購的成本乃按所轉讓資產、所產生負債及本集團（作為收購方）發行的股權於收購當日的公允值總額計量。所收購可識別資產及所承擔負債則假設主要按收購當日公允值計量。本集團先前所持被收購方的股權以收購當日公允值重新計量，而所產生的收益或虧損則於損益賬內確認。本集團可按逐筆交易基準選擇以被收購方的識別資產淨值公允值或應佔比例計算相當於目前於附屬公司擁有權的非控股權益。所有其他非控股權益均按公允值計量，惟香港財務報告準則另行規定則作別論。所產生的收購相關成本列作開支，除非有關成本乃因發行股本工具而產生，在此情況下，有關成本從權益中扣除。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Business combination and basis of consolidation (continued)

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

Change in the Group's interests in subsidiaries that do not result in the Group's loss of control over the subsidiaries are accounted for as equity transaction. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interest according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity.

4. 重大會計政策(續)

(a) 業務合併及綜合基準(續)

收購方將予轉讓的任何或然代價均按收購日期的公允值計量。倘其後代價調整僅於計量期間(最長為收購日期起計12個月)內所取得有關於收購日期的公允值的新資料時,會於商譽確認。分類為資產或負債的或然代價所有其他其後調整均於損益確認。

本集團於現有附屬公司的擁有權權益變動如不會導致本集團喪失附屬公司的控制權,則按權益交易入賬。本集團相關權益組成部分及非控股權益的賬面值經調整以反映其於附屬公司相關權益(包括根據本集團及非控股權益的權益比例重新歸屬本集團與非控股權益之間的相關儲備)之變動。

非控股權益數額的調整額與已付或已收代價公允值間差額直接於其他儲備中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Business combination and basis of consolidation (continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income or loss is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

(b) Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investment in a subsidiary is stated at cost less impairment loss, if any. The results of subsidiary are accounted for by the Company on the basis of dividend received and receivable.

Subsidiaries arising from a series of contract agreements signed on 18 May 2015 (the "Contractual Arrangements").

4. 重大會計政策(續)

(a) 業務合併及綜合基準(續)

倘本集團失去附屬公司的控制權，出售損益乃按下列兩者的差額計算：(i)所收取代價的公允值與任何保留權益的公允值總額，與(ii)該附屬公司的資產(包括商譽)及負債與任何非控股權益過往的賬面值。先前就該附屬公司於其他全面收益確認的款額按出售相關資產或負債時所規定的相同方式列賬。

收購後，相當於目前於附屬公司擁有權的非控股權益的賬面款額為該等權益於初步確認時的款額加非控股權益應佔權益其後變動的部分。即使會導致非控股權益出現虧絀結餘，全面收益或虧損總額仍歸屬於非控股權益。

(b) 附屬公司

附屬公司指本公司可對其行使控制權的被投資方。倘本公司符合下文所列所有三項元素，則本公司控制被投資方：有權控制被投資方、承擔被投資方可變動回報的風險或享有當中權利，及能夠運用其權力影響該等回報。倘事實及情況顯示任何該等控制權元素可能有變，則須重新評估控制權。

於本公司的財務狀況表中，於附屬公司的投資按成本減減值虧損(如有)列賬。附屬公司的業績乃按已收或應收股息的基準由本公司入賬。

因於二零一五年五月十八日簽署的一系列合約安排(「合約安排」)而產生的附屬公司。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Subsidiaries (continued)

The wholly-owned subsidiary of the company, New Talent Media Company Limited (“New Talent Media”), has entered into the Contractual Arrangements with Beijing Emphasis Media Co., Ltd.*, Beijing New Image Media Co., Ltd.*, Starry Knight Entertainment Co., Ltd.*, Beijing Joy Star Production Co., Ltd.* and Beijing Great Wise Media Co., Ltd.* (collectively defined as “PRC Contractual Entities”) and their respective equity holders, which enable New Talent Media and hence the Company to:

- exercise effective financial and operational control over PRC Contractual Entities;
- exercise equity holders’ voting rights of the PRC Contractual Entities;
- receive substantially all of the economic interest returns generated by the PRC Contractual Entities in consideration for the business support, technical and consulting services provided by New Talent Media, at New Talent Media’s discretion;
- obtain an irrevocable and exclusive right with an initial period of 10 years to purchase the entire equity interest in the PRC Contractual Entities from the respective equity holders. The right automatically renews upon expiry until New Talent Media specifies a renewal term;
- obtain a pledge over the entire equity interest of the PRC Contractual Entities from their respective equity holders as collateral security for all of the PRC Contractual Entities’ payments due to New Talent Media and to secure performance of PRC Contractual Entities’ obligations under the Contractual Arrangements.

* For identification purpose only

4. 重大會計政策(續)

(b) 附屬公司(續)

本公司全資附屬公司北京聚視文化傳媒有限公司(「聚視文化傳媒」)已與北京無限印象傳媒有限公司、北京對比色彩影視文化傳播有限公司、北京縱橫飛揚國際文化發展有限公司、北京光影互動影視文化傳播有限公司及北京天瀚影視文化傳播有限公司(統稱為「中國合約實體」)及彼等各自的股權持有人訂立合約安排，該等合約安排令聚視文化傳媒及因此本公司可：

- 行使對中國合約實體的實際財務及經營控制權；
- 行使中國合約實體股權持有人的投票權；
- 聚視文化傳媒酌情收取中國合約實體產生絕大部分經濟利益回報，作為聚視文化傳媒提供的業務支持、技術及諮詢服務的代價；
- 取得從各股權持有人購買中國合約實體全部股權的不可撤銷及獨家權利，初始年期為十年。相關權利於屆滿時自動續期，惟聚視文化傳媒指定續訂年限者則除外；
- 獲得各股權持有人對中國合約實體全部股權的質押，作為中國合約實體應付聚視文化傳媒的所有款項的抵押物並擔保中國合約實體履行合約安排項下之責任。

* 僅供識別

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Subsidiaries (continued)

The Group does not have any equity interest in PRC Contractual Entities. However, as a result of the Contractual Arrangements, the Group has rights to variable returns from its involvement with the PRC Contractual Entities and has the ability to affect those returns through its power over the PRC Contractual Entities and is considered to control the PRC Contractual Entities. Consequently, the Company regards the PRC Contractual Entities as the indirect subsidiaries under HKFRSs. The Group has included the financial positions and results of the PRC Contractual Entities in the consolidated financial statements during the years.

Nevertheless, the Contractual Arrangements may not be as effective as direct legal ownership in providing the Group with direct control over the PRC Contractual Entities and uncertainties presented by the PRC legal system could impede the Group's beneficiary rights of the results, assets and liabilities of the PRC Contractual Entities. The Group believes that the Contractual Arrangements among New Talent Media, the PRC Contractual Entities and their respective equity holders are in compliance with relevant PRC laws and regulations and are legally enforceable.

4. 重大會計政策(續)

(b) 附屬公司(續)

本集團並未持有中國合約實體的任何股權。然而，由於合約安排使然，本集團有權通過參與中國合約實體的業務而享受可變回報且有能力的透過其對中國合約實體的控制權影響該等回報，並被視為控制中國合約實體。因此，根據香港財務報告準則，本公司視中國合約實體為間接附屬公司。於年內，本集團已將中國合約實體的財務狀況及業績併入其綜合財務報表內。

然而，合約安排不如本集團對中國合約實體擁有直接控制權的直接法定所有權有效，同時中國法律制度所呈現的不明朗因素可能妨礙本集團行使對中國合約實體的業績、資產及負債的實益權利。本集團相信，聚視文化傳媒、中國合約實體以及彼等各自的股權持有人訂立的合約安排符合相關中國法律及法規，且依法可強制執行。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

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

Property, plant and equipment are depreciated so as to write off their cost or valuation net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Leasehold improvements	Over the remaining lives of the leases but not exceeding 10 years
Office equipment	3-5 years
Computer equipment	3-5 years
Furniture and fixtures	5 years
Motor vehicles	4 years

4. 重大會計政策(續)

(c) 物業、廠房及設備

物業、廠房及設備乃以成本減累計折舊及累計減值虧損列賬。

物業、廠房及設備之成本包括其購買價及購置項目直接應佔的成本。

如項目相關之未來經濟利益可能歸入本集團，而其成本能可靠計算，則項目之其後成本方會計入資產之賬面值，或如適當則當作一項獨立資產確認。重置部份的賬面值會被終止確認。其他修理及維修則在其產生的財政期間在損益賬中支銷。

物業、廠房及設備以直線法按估計可使用年期計提折舊以撇銷其成本或估值(減預期剩餘價值)。可使用年期、剩餘價值及折舊方法於各報告期間完結時檢討，並於適當時調整。可使用年期如下：

租賃物業裝修	租賃之餘下可使用年期，但不多於十年
辦公室設備	三至五年
電腦設備	三至五年
家具及裝置	五年
汽車	四年

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment (continued)

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

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

(d) Goodwill

Goodwill arising on the business combination represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree, if any.

Goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

4. 重大會計政策(續)

(c) 物業、廠房及設備(續)

倘資產賬面值超出其估計可收回金額，則資產即時撇減至其可收回金額。

出售物業、廠房及設備項目之收益或虧損指出售所得款項淨額與其賬面值之差額，並於出售時在損益表確認。

(d) 商譽

商譽於業務合併時產生，即轉讓代價超出本集團所佔被收購方可識別淨資產、負債及或然負債之公平淨值以及被收購方非控股權益之公允值之差額(如有)。

商譽按成本減累計減值虧損計量。就減值測試而言，業務合併所獲得之商譽會分配至預期將受益於合併協同效應之各個現金產生單位(「現金產生單位」)或現金產生單位組別。商譽所分配之各個單位或單位組別為實體內就內部管理目的而監察商譽之最低層次。商譽乃於經營分部層次進行監察。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Goodwill (continued)

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(e) Serial program rights

These represent legal and contractual rights held in respect of serial programs under co-financing arrangements entered into by the Group, whereby the Group may also act as non-executive producer of the serial programs. These rights are stated at cost less accumulated cost recognised as expense attributable to the rights sold and less and identified impairment loss. Costs of serial program rights comprise consideration paid and payable upon acquisition of the rights over the serial programs and/or costs and expenses incurred by the Group during the production of the serial programs.

The costs attributable to serial program rights sold recognised as direct costs are determined based on estimates of current and projected future cash flows from the program rights. Under this method, the amount of attributable costs recognised as expense is determined based on the proportion of the revenue recognised in the current reporting period for each individual serial program to the estimated total revenue expected to be recognised throughout the life cycle of the drama series and is recognised as cost of sales in the consolidated statement of comprehensive income.

Impairment assessment of the serial program rights are assessed annually or whenever events or changes in circumstances indicate that the carrying amount is below the recoverable amount, where relevant, in which case an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment loss is recognised in the consolidated statement of comprehensive income. The recoverable amounts of the rights are determined and reviewed on an individual basis.

4. 重大會計政策(續)

(d) 商譽(續)

商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。商譽賬面值與可收回金額作比較，可收回金額為使用價值與公允值減出售成本兩者中之較高者。任何減值即時確認為開支，且其後不會撥回。

(e) 連續劇版權

這指有關本集團訂立的聯合融資安排項下的電視連續劇持有的合法及合約權利，據此本集團亦可擔任連續劇的非執行製作人。此等權利按成本減確認為已售版權應佔開支的累計成本及減已識別減值虧損列賬。連續劇版權的成本包括於收購連續劇版權時已付／應付的代價及／或於連續劇製作期內本集團產生的成本及開支。

確認為直接成本的已售連續劇版權應佔成本採用未來現金流量預測法釐定。根據此方法，確認為開支的應佔金額按個別連續劇於本報告期間確認的收益佔預期於整個連續劇週期將予確認的估計總收益的比例釐定，並於綜合全面收益表確認為銷售成本。

連續劇版權每年或於事件或情況變化顯示賬面值低於可收回金額(倘有關)時進行減值評估，於該情況下，確認減值虧損以將資產調減至其可收回金額。有關減值虧損於綜合全面收益表確認。版權的可收回金額按個別基準予以釐定及檢討。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Leasing

Accounting policy applied from 1 January 2019

All leases (irrespective of whether they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for the Group to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

Right-of-use asset

The right-of-use asset is recognised at cost, which comprises: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Except for right-of-use asset that meets the definition of an investment property or a class of property, plant and equipment to which the Group applies the revaluation model, the Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

4. 重大會計政策(續)

(f) 租賃

自二零一九年一月一日起應用的會計政策

所有租賃(不論是否為經營租賃或融資租賃)須於財務狀況表資本化為使用權資產及租賃負債, 惟為本集團提供會計政策選擇, 可選擇不將(i)屬短期租賃的租賃及/或(ii)相關資產為低價值的租賃進行資本化。本集團已選擇不就低價值資產以及於開始日期租賃期少於12個月的租賃確認使用權資產及租賃負債。與該等租賃相關的租賃付款已於租賃期內按直線法支銷。

使用權資產

使用權資產按成本確認, 包括: (i) 首次計量租賃負債的金額(見下文有關租賃負債入賬的會計政策); (ii) 於開始日期或之前作出的任何租賃付款減已收取的任何租賃優惠; (iii) 承租人產生的任何首次直接成本; 及(iv) 承租人根據租賃條款及條件規定的情況下分解及移除相關資產時將產生的估計成本, 除非該等成本乃為生產存貨而產生則除外。除符合投資物業或某類物業、機器及設備(本集團就此應用重估模型)定義之使用權資產外, 本集團應用成本模型計量使用權資產。根據成本模型, 本集團按成本減任何累計折舊及任何減值虧損計量使用權, 並就租賃負債的任何重新計量作出調整。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Leasing (continued)

Right-of-use asset (continued)

The Group has leased a number of properties under tenancy agreements which the Group exercises its judgement and determines that it is a separate class of asset. As a result, the right-of-use asset arising from the properties under tenancy agreements are carried at depreciated cost basis.

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

4. 重大會計政策(續)

(f) 租賃(續)

使用權資產(續)

本集團根據租賃協議租賃若干物業，本集團行使其判斷及確定其為獨立類別資產。因此，該等物業根據租賃協議產生使用權資產按折舊成本法列賬。

租賃負債

租賃負債應按並非於租賃開始日期支付之租賃付款的現值確認。租賃付款將採用租賃隱含的利率貼現(倘該利率可輕易釐定)。倘該利率無法輕易釐定，本集團將採用本集團的增量借款利率。

下列並非於租賃開始日期支付的租賃期內就使用相關資產權利支付的款項視為租賃付款：(i) 固定付款減任何應收租賃優惠；(ii) 按開始日期之指數或利率首次計量的浮動租賃付款(取決於指數或利率)；(iii) 承租人根據剩餘價值擔保預期將支付的款項；(iv) 倘承租人合理確定行使購買選擇權，該選擇權的行使價；及(v) 倘租賃期反映承租人行使選擇權終止租賃，終止租賃的罰款付款。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Leasing (continued)

Lease liability (continued)

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

Accounting policy applied until 31 December 2018

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance leases are initially recognised as assets at their fair value or, if lower, the present value of the minimum lease payments. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element is charged to profit or loss over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

The total rentals payable under the operating leases are recognised in profit or loss on a straight-line basis over the lease term. Lease incentives received are recognised as an integrated part of the total rental expense, over the term of the lease. The land and buildings elements of property leases are considered separately for the purposes of lease classification.

4. 重大會計政策(續)

(f) 租賃(續)

租賃負債(續)

於開始日期後，本集團將透過下列方式計量租賃負債：(i)增加賬面值以反映租賃負債的利息；(ii)減少賬面值以反映作出的租賃付款；及(iii)重新計量賬面值以反映任何重估或租賃修改，如指數或利率變動導致日後租賃付款變動、租賃期變動、實質固定租賃付款變動或購買相關資產的評估變動。

二零一八年十二月三十一日前應用的會計政策

當租賃條款將所涉及擁有權之絕大部分風險及回報轉讓予承租人時，租賃乃分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為承租人

按融資租約持有之資產乃初步按公允值或(倘較低)按最低租賃付款之現值確認為資產。相應租賃承擔呈列為負債。租賃付款於資本及利息之間作出分析。利息部分於租賃期間自損益扣除，計算方式為使利息於租賃負債中佔有固定比例。資本部分則可用作削減結欠出租人之餘額。

根據經營租約應付之租金總額以直線法按租期於損益確認。所獲取之租金優惠按租期確認為租金開支總額之構成部分。物業租賃之土地及樓宇部份就租賃分類而言作獨立考慮。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

(a) Financial assets

The Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

4. 重大會計政策(續)

(g) 金融工具

金融資產及金融負債在集團實體成為工具合約條文的訂約方時予以確認。

(a) 金融資產

倘金融資產並非按公允值計入損益，於初步確認時，本集團按金融資產的公允值另加因收購該金融資產而直接產生的交易成本計量該金融資產。按公允值計入損益的金融資產之交易成本於損益支銷。

所有以常規方式購買及出售的金融資產均於交易日(即本集團承諾購買或出售資產之日)確認，以常規方式購買或出售指需在市場規例或慣例規定的期限內交付的金融資產購買或出售。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(i) 債務工具

債務工具的其後計量視乎本集團管理資產的業務模式以及資產的現金流量特徵而定。本集團將其債務工具分為以下三種計量類別：

- 攤銷成本：持作收回合約現金流量之資產，倘該等現金流量僅指支付本金及利息，則按攤銷成本計量。後續按攤銷成本計量且並非對沖關係之一部份之債務投資之收益或虧損於該資產終止確認或減值時於損益中確認。該等金融資產的利息收入採用實際利率法計入財務收入。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(i) Debt instruments (continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "other gains and losses". Interest income from these financial assets is included in finance income using the effective interest rate method.

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(i) 債務工具(續)

- 按公允值計入其他全面收益：為收回合約現金流量及出售金融資產目的而持有的資產，倘其現金流量僅為支付本金及利息，則按公允值計入其他全面收益（「其他全面收益」）的方式計量。賬面值的變動乃反映於其他全面收益，惟已於損益當中確認的減值收益或虧損、利息收入以及匯兌收益及虧損除外。金融資產終止確認時，先前於其他全面收益中確認的累計收益或虧損由權益重新分類至損益並於「其他收益及虧損」中確認。該等金融資產的利息收入採用實際利率法計入財務收入。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(i) Debt instruments (continued)

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in “other gains and losses” in the period in which it arises.

(ii) Equity investments

The Group subsequently measures all equity investments at fair value. Where the Group’s management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss. The amount accumulated in OCI remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred within equity. Dividends from such investments continue to be recognised in ‘other income’ when the Group’s right to receive payments is established. All other equity investments are classified as FVPL, whereby changes in fair value, dividend and interest income are recognised in profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in “other gains and losses” as applicable.

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(i) 債務工具(續)

- 按公允值計入損益：不符合攤銷成本或公允值計入其他全面收益標準的資產按公允值計入損益計量。後續按公允值計入損益計量且並非對沖關係一部份的債務投資的收益或虧損於損益確認，並於產生期間以淨額於「其他收益及虧損」呈列。

(ii) 權益工具

本集團其後按公允值計量所有股權投資。倘本集團管理層已選擇就其他全面收益的股權投資呈列公允值收益及虧損，不會將公允值收益及虧損重新分類至損益。在投資被出售之前，在其他綜合收益中累計的金額保留在公允值儲備(不可撥回)中。在出售時，公允值儲備(不可撥回)中累計的金額在權益中轉移。當本集團收取付款的權利確立時，此類投資的股息繼續在「其他收益」中確認。所有其他股本工具分類為按公允值計入損益，而公允值變動、股息及利息收入均於損益中確認。

按公允值計入損益的金融資產之公允值變動於「其他收益及虧損」確認(如適用)。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(iii) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(iv) Impairment of financial assets

The group assesses on a forward looking basis the ECL associated with its debt instrument carried at amortised cost and financial assets at fair value through OCI. The Group impairment methodology applied depends on whether there has been a significant increase in credit risk.

The ECL is measured on either a lifetime or a 12-month basis. Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date.

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(iii) 金融資產終止確認

倘本集團自金融資產收取現金流量的合約權利屆滿，或轉移其於交易中收取合約現金流量的權利，當中已轉移金融資產擁有權的絕大部份風險及回報，或本集團既不轉移亦不保留擁有權的絕大部分風險及回報且並不保留該金融資產的控制權時，則終止確認該金融資產。

(iv) 金融資產減值

本集團按前瞻性基準評估與其按攤銷成本列賬的債務工具及按公允值計入其他全面收益的金融資產相關的預期信貸虧損。本集團的減值方法視乎是否存在信貸風險大幅增加而適用。

預期信貸虧損按全期或12個月基準計量。全期預期信貸虧損指於相關工具預期壽命內發生所有可能的違約事件而導致的預期信貸虧損。於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。相反，12個月預期信貸虧損則指預期於報告日期後12個月內可能發生的違約事件而導致的部分全期預期信貸虧損。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(iv) Impairment of financial assets (continued)

For trade receivables from third parties, the Group applies the simplified approach permitted by HKFRS 9, which requires a lifetime ECL to be recognised from initial recognition of the receivables.

For all other financial instruments, the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring since initial recognition.

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(iv) 金融資產減值(續)

就來自第三方的貿易應收款項而言，本集團應用香港財務報告準則第9號所准許的簡化方法，規定全期預期信貸虧損須從首次確認應收款項時確認。

就所有其他金融工具而言，本集團按相等於12個月預期信貸虧損的金額計量虧損撥備，除非信貸風險自初始確認以來已顯著增加，於此情況下，本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損，乃基於自初始確認以來出現違約的可能性或風險是否已顯著增加而非存在金融資產已於報告日期作出信貸減值或自初始確認以來已實際出現違約的證據。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(iv) Impairment of financial assets (continued)

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from financial analysts and governmental bodies (if available), as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(iv) 金融資產減值(續)

在評估自初始確認以來金融工具信貸風險是否大幅增加時，本集團會比較截至報告日期金融工具發生違約風險與截至初始確認日期金融工具發生違約風險。於作出此評估時，本集團考慮合理及可靠的量性及質性的資料，包括過往經驗及無需付出不必要的成本或努力即可取得的前瞻性資料。所考慮的前瞻性資料包括從金融分析師及政府機構(倘有)獲得的有關本集團債務人經營所在行業的未來前景，以及與本集團核心業務相關的實際及預測經濟資料的各種外部來源的考量。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(iv) Impairment of financial assets (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit default swap prices for the debtors;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(iv) 金融資產減值(續)

尤其是，在評估自初始確認以來信貸風險是否顯著增加時，將考慮以下資料：

- 金融工具的外部(倘有)或內部信用評級的實際或預期顯著惡化；
- 外部市場信貸風險指標顯著惡化，如信用利差、債務人信用違約掉期價格大幅增加；
- 業務、財務或經濟狀況出現或預期出現不利變動，可能導致債務人償債能力大幅下降；
- 債務人經營業績出現實際或預期出現顯著惡化；及

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(iv) Impairment of financial assets (continued)

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(iv) 金融資產減值(續)

- 債務人的監管、經濟或技術環境出現實際或預期出現重大不利變動，可能導致債務人償債能力大幅下降。

無論上述評估結果如何，本集團假設，於合約付款逾期超過30日時，一項金融資產的信貸風險已自初始確認起大幅增加，除非本集團有合理及可靠資料證明可予收回則當別論。

儘管如此，倘一項金融工具於報告日期被確定為信貸風險較低，則本集團假設該項金融工具的信貸風險自初始確認起並無重大增加。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(iv) Impairment of financial assets (continued)

A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default (i.e. no default history), ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial instrument to have low credit risk when it has an internal or external credit rating of “investment grade” as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(iv) 金融資產減值(續)

在下列情況下，一項金融工具被定為具有較低的信貸風險，倘i)該金融工具違約風險較低；ii)借款人近期具充分償付合約現金流量負債的能力；及iii)長遠而言經濟及業務狀況的不利變動未必會降低借款人償付合約現金流量負債的能力。倘一項金融資產的內部或外部信貸風險評級為國際通用的「投資評級」，則本集團認為該金融資產的信貸風險較低。

本集團定期監察用於識別信貸風險是否大幅增加之標準之有效性，並於適當情況下作出修訂，以確保有關標準能夠在款項逾期前識別信貸風險之大幅增加。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(v) Measurement of ECLs

The measurement of expected credit loss, either on a lifetime or 12-month basis, is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default taking into consideration for time value of money. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the end of each reporting period.

(vi) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(v) 預期信貸虧損之計量

預期信貸虧損之計量(按全期或12個月的基準)為違約概率、違約虧損(即違約時虧損大小)及違約時風險敞口之函數。違約概率及違約虧損之評估乃基於歷史數據按前瞻性資料作調整。而金融資產的違約風險敞口則由資產於報告日期的賬面總額代表。

(vi) 違約定義

本集團認為以下事項構成內部信貸風險管理違約事件，此乃由於過往經驗顯示符合以下任何一項標準的應收款項通常無法收回。

- 交易對手方違反財務契約時；或
- 內部建立或自外部取得的資料顯示，債務人不大可能支付全額款項予債權人(包括本集團)(並未考慮本集團所持有的任何抵押品)。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

(vi) Definition of default (continued)

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(vii) Credit-impaired financial assets

At each reporting date, the Group assesses on a forward looking basis whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

(vi) 違約定義(續)

不論上述為何，本集團認為，倘金融資產逾期超過90天，則違約已發生，除非本集團擁有合理及可靠資料顯示一項更滯後的違約標準較合適則當別論。

(vii) 發生信貸減值的金融資產

於各報告期末，本集團按前瞻性基準評估按攤銷成本列賬的金融資產是否已發生信貸減值。當發生一個或多個事項對金融資產的未來現金流量的估計有不利影響時，則金融資產會已發生信貸減值。

其金融資產信貸減值的現象包括以下可觀察的數據：

- 發行人或借款人陷入嚴重財困；
- 違反合約，例如違約或逾期事件；

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(a) Financial assets (continued)

- (viii) *Presentation of allowance for ECL in the consolidated statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

- (ix) *Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

4. 重大會計政策(續)

(g) 金融工具(續)

(a) 金融資產(續)

- (viii) *在綜合財務狀況表中呈列預期信貸虧損撥備*

以攤銷成本計量的金融資產的虧損撥備從資產的賬面總額中扣除。

- (ix) *撇銷*

倘並無實際可收回的前景，金融資產或合約資產的賬面總額(部分或全部)會被撇銷。此乃本集團認為債務人並無資產或收入來源可產生足夠的現金流以償還將予撇銷的款項之一般情況。然而，本集團對已撇銷的金融資產會繼續追收債務的工作，以遵守本集團收回應收金額的程序。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(b) *Financial liabilities and equity instruments*

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(i) *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

(ii) *Financial liabilities*

The Group's financial liabilities are subsequently measured at amortised cost using the effective interest method except for contingent consideration recognised by the Group in a business combination, which shall subsequently be measured at fair value with changes recognised in profit or loss.

(iii) *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4. 重大會計政策(續)

(g) 金融工具(續)

(b) 金融負債及權益工具

由集團實體發行之債務及權益工具乃根據合同安排之性質與金融負債及權益工具之定義分類為金融負債或權益。

(i) 權益工具

權益工具指證明扣除其所有負債後於實體資產剩餘權益之任何合約。集團實體發行之權益工具以已收所得款項(扣除直接發行成本)確認。

(ii) 金融負債

本集團的金融負債其後使用實際利率法按攤銷成本計量，惟本集團於業務合併中確認的或然代價除外，有關代價須其後按公允值計量，其變動於損益確認。

(iii) 終止確認金融負債

本集團僅在有關合約中訂明的責任已解除、註銷或失效時，金融負債才被終止確認。終止確認的金融負債的賬面值與已支付及應支付的代價(包括任何已轉讓的非現金資產或承擔的負債)間的差額計入損益內。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition

Revenue from contracts with customers in the Group's ordinary activities are recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

4. 重大會計政策(續)

(h) 收益確認

於本集團一般業務過程中來自客戶合約之收益乃於貨品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等貨品或服務有權獲得的代價，不包括代表第三方收取的金額。收益不包括增值稅或其他銷售稅項及為扣除任何交易折扣。

貨品或服務的控制權是在一段時間內或某一時間點轉移，取決於合約的條款與適用於合約的法律規定。倘本集團在履約過程中符合下列條件，貨品或服務的控制權乃在一段時間內轉移：

- 提供全部利益，而客戶亦同步收到並消耗有關利益；
- 本集團履約時創建及優化由客戶控制的資產；或
- 並無產生對本集團有替代用途的資產，且本集團可強制執行其權利以收取累計至今已完成履約部分的款項。

倘貨品或服務的控制權在一段時間內轉移，則收益乃於整個合約期間經參考完成履行履約責任的進度確認。否則，收益於客戶獲得貨品或服務控制權的時間點確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition (continued)

(a) Program production and related services

(i) Licensing of broadcasting rights of serial programs

Revenue from licensing of broadcasting rights of serial programs are recognised at the point in time when the customer obtains the physical possession of master tape of the completed program. Generally, the Group does not have an enforceable right to payment for performance completed to date until when the master tape is delivered.

(ii) Provision of distribution agency service

Income from the distribution agency service is recognised when the serial programs have been released and distributed to TV channels or online media platforms and the amounts can be measured reliably, which is generally at the point in time when the Group is notified of its share of profit entitlement.

(iii) Production income

Production income is recognised at the point in time when the customer obtains the physical possession of master tape of the completed program. Generally, the Group does not have an enforceable right to payment for performance completed to date until when the master tape is delivered.

4. 重大會計政策(續)

(h) 收益確認(續)

(a) 節目製作及相關服務

(i) 授出連續劇播放權許可

授出連續劇播放權許可收益於客戶獲得完整節目的母帶的時點確認。一般情況下，本集團沒有權限執行到目前為止已完成的付款，直至已交付母帶。

(ii) 提供發行代理服務

發行代理服務收入於連續劇已播放及發行予電視頻道或網上媒體平台及金額能可靠計量時確認，一般而言，為本集團知悉其應佔溢利分成的時間點。

(iii) 製作收入

製作收入於客戶獲得完整節目的母帶的時點確認。一般情況下，本集團沒有權限執行到目前為止已完成的付款，直至已交付母帶。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition (continued)

(b) *Concert and event organisation and related services*

The Group is responsible for organising concerts and earns revenue from ticket sales. Revenue from concert ticket sales is recognised over the period when the relevant concerts are held by the Group as the customers simultaneously receive and consume the benefits provided by the Group's performance of its performance obligations.

The Group is also responsible for private event organisation and related services. Revenue from service income is recognised over the period when the relevant events are held by the Group as the customers simultaneously receive and consume the benefits provided by the Group's performance.

Revenue from sales of concert souvenirs are recognised at point in time at time of payment by customer, at which time control of goods are transferred to the customer.

4. 重大會計政策(續)

(h) 收益確認(續)

(b) *演唱會及活動籌辦及相關服務*

本集團負責籌辦演唱會及從門票銷售賺取收益。當客戶同時地收取及消耗本集團履行其履約責任提供的利益時，於本集團舉辦相關演唱會的期間確認演唱會門票銷售收益。

本集團亦負責私人活動籌辦及相關服務。當客戶同時地收取及消耗本集團履約提供的利益時，於本集團舉辦相關活動的期間確認來自服務收入所得的收益。

演唱會紀念品銷售收益於客戶付款並貨物控制權轉移給客戶時確認收益。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition (continued)

(b) Concert and event organisation and related services (continued)

When another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis (i.e. for concerts primarily responsible to conduct by the Group) if it controls the promised goods or services before transferring them to the customer. However, if the Group's role is only to arrange for another entity to provide the goods or services, then the Group is an agent (i.e. program production income) and will need to record revenue at the net amount that it retains for its agency services.

(c) Mobile live broadcasting and e-commerce related services

(i) Online program production services

There was no income generated from online program production during the year. If the Group has entered into the same terms of contract with customers for online program production during current year, revenue would be recognised at point in time as detailed in note 4(h)(a) above.

4. 重大會計政策(續)

(h) 收益確認(續)

(b) 演唱會及活動籌辦及相關服務(續)

當另一方參與向其客戶提供貨品或服務，本集團透過評估其向客戶承諾的性質釐定其是否為該等交易的主事人或代理人。倘本集團於向客戶轉移承諾的貨品或服務之前控制有關貨品或服務，則其為主事人及按總額基準確認收益(即就主要由本集團負責進行的演唱會而言)。然而，倘本集團的角色僅是為另一實體安排提供貨品或服務，則本集團為代理人(即節目製作收入)及將須按其就代理服務保留的淨額確認收益。

(c) 移動直播及電商相關服務

(i) 網上節目製作服務

於年內，網上節目製作並沒有錄得收入。倘本集團於本年度與客戶就網上節目製作服務訂立相等合約條款，則收入的確認時間點於上文附註4(h)(a)詳述。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition (continued)

(c) *Mobile live broadcasting and e-commerce related services (continued)*

(ii) *E-commerce services*

E-commerce services primarily comprised commission, based on a fixed percentage of the transaction amount, earned by the Group when transactions between buyers and merchants are completed in the online platform operated by the Group. The Group is neither subject to inventory risk nor primarily responsible for fulfilling the promise to provide the specified good or service. The merchants has the discretion in establishing the prices of specified good or service.

Commission income from e-commerce services is recognised when the Group has a present right to receive the commission from merchant, which is generally the point in time when the transactions between buyers and merchants are completed.

4. 重大會計政策(續)

(h) 收益確認(續)

(c) 移動直播及電商相關服務(續)

(ii) 電商服務

電子商貿服務主要包括佣金，基於買家與商戶於本集團營運的網絡平台完成的交易時本集團賺取的交易金額的固定百分比釐定。本集團既無面臨存貨風險，亦無主要負責履行承諾提供指定的貨品或服務。商戶可酌情制定指定貨品或服務的價格。

電子商貿服務的佣金收益於本集團享有向商戶現時收取佣金的權利時確認，一般為買家與商戶完成交易時的時間點。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition (continued)

(c) *Mobile live broadcasting and e-commerce related services (continued)*

(iii) *Mobile live broadcasting services*

The Group operates self-developed live broadcasting platform. The Group's platform is free to visit and watch. Everyone is free to join the platform as a broadcaster. Visitors can purchase credits which are virtual currency for acquisition of in-platform virtual items. Visitors can show their support to live broadcasters by transferring/gifting the ownership of in-platform virtual items to broadcasters. Upon the sales of credits or in-platform virtual items, the Group typically has an implied obligation to provide the services which enable the credits or in-platform virtual items to be displayed, used or converted into other in-platform virtual currencies/items in the platform. As a result, the proceeds received from sales of credits or in-platform virtual items are initially recorded as contract liabilities or receipt in advance in current liabilities prior to initial application of HKFRS 15. The attributable portion relating to values of the credits consumed and in-platform virtual items converted are able to be reliably estimated. Broadcasters can sell those in-platform virtual items back to the Group at a pre-determined discount or transferring/gifting those virtual items to another broadcaster.

4. 重大會計政策(續)

(h) 收益確認(續)

(c) *移動直播及電商相關服務(續)*

(iii) *移動直播服務*

本集團經營自行開發的直播平台。本集團的平台可免費參觀及觀看。任何人都可以自由加入直播平台作進行直播。瀏覽者可以用積分購買虛擬貨幣用於獲取平台內虛擬物品。瀏覽者亦可通過平台將物品／積分／虛擬貨幣轉讓／贈送給他們支持的主播。在出售虛擬貨幣或平台內虛擬物品時，本集團相等於提供服務使得平台內顯示、使用或兌換完成。因此，於首次應用香港財務報告準則第15號前，銷售或平台虛擬物品所得款項初步記錄為合約負債或預收款項。應佔銷售或平台虛擬物品價值可可靠地估算。主播可以預定的折扣將這些平台內虛擬物品出售給平台，或將該虛擬物品轉讓／贈送給另一個主播。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition (continued)

(c) *Mobile live broadcasting and e-commerce related services (continued)*

(iii) *Mobile live broadcasting services (continued)*

There was no revenue generated from mobile live broadcasting during the year. If there is any in-platform virtual items sell back to the Group from broadcasters, the Group would transfer the monetary value of in-platform virtual items net of the pre-determined discount to the broadcasters, and recognise the pre-determined discount as revenue at the point of time redemption made by broadcasters.

(iv) *Online advertising services*

The Group's online platform allow customer to place advertisements in particular areas of the Group's online platform at fixed prices.

Revenue from online advertising services is recognised ratably over the period in which the advertisement is agreed to be displayed.

4. 重大會計政策(續)

(h) 收益確認(續)

(c) 移動直播及電商相關服務(續)

(iii) 移動直播服務(續)

於年內並無來自移動直播服務的收益。如果有任何主播將平台內之虛擬產品售回予本集團，本集團會轉換平台內之虛擬產品為貨幣價值(扣除預先確認的折扣)予主播，及於主播贖回時確認虛擬產品預先確認的折扣為收入。

(iv) 網上廣告收入

本集團的網絡平台可讓客戶按固定價格投放廣告，尤其是本集團網絡平台方面。

網上廣告服務收入乃於同意廣告播出期間按比例確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition (continued)

(d) Entertainment on demand system and related services

The Group provides customers access to on demand entertainment content through its self-developed entertainment system “Fengtingxun”. Users of Fengtingxun can enjoy unlimited access to entertainment content during annual subscription period (normally one to two year), or access to particular entertainment content at the time it demand for the content (i.e. usage-based). The Group also sell related digital equipment to its customers, which could be used in conjunction with Fengtingxun for better entertainment experience.

Revenue from annual subscription for access to entertainment content is determined at fixed annual fee basis, and recognised over time commencing once the access right is activated and accepted by customers until the end of subscription period as the Group is granting a right to access to entertainment content as it exists throughout subscription period which requires, or the customer reasonably expects, that the Group will undertake activities (e.g. maintain the server which enable the streaming of content) that significantly affect the content to which the customer has rights. Management considers recognising the revenue from annual subscription for access to entertainment content ratably over the subscription period would faithfully depict how the customers simultaneously receive and consume the benefits from the Group’s performance over the subscription period.

4. 重大會計政策(續)

(h) 收益確認(續)

(d) 娛樂點播系統及相關服務

本集團透過交付帶嵌入自主開發的娛樂系統「風霆迅」向客戶提供娛樂點播使用權。風霆迅用戶可於訂閱期(一般為一至兩年)對一批娛樂內容享有無限使用權或於其點播內容時有權使用具體娛樂內容(即使用基準)。本集團亦向客戶銷售可與風霆迅相容的數字設備，為客戶提供更佳的娛樂體驗。

娛樂內容年度訂閱收益按固定年費基準釐定及於使用權啟動並獲客戶接受時開始的期間確認，直至訂閱期結束時，因本集團授予觀看娛樂內容的權利，而有關內容於整個訂閱期間存續，其要求本集團或客戶合理預期本集團將作出可能重大影響客戶有權觀看的內容的活動(例如維護伺服器以確保內容可以串流)。管理層認為，按比例確認訂閱期的觀看娛樂內容年度訂閱收益將真實反映客戶如何於訂閱期同時收取及消費本集團履約的利益。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition (continued)

(d) Entertainment on demand system and related services (continued)

Revenue from subscription of particular entertainment content on usage-based is recognised over time during the playing time of that particular entertainment content.

Revenue from sale of digital equipment is determined at fixed fee basis, and recognised at a point in time when customers obtain control of the promised good, which is usually when the physical delivery and possession of the devices accepted by customers.

(e) Artist management income

The Group is responsible to arrange and has the ability to direct the artist to perform in specific location and timing. Revenue are recognises on gross basis and over time during the period of performance of the artist.

(f) Interest income

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

4. 重大會計政策(續)

(h) 收益確認(續)

(d) 娛樂點播系統及相關服務(續)

按使用基準的訂閱具體娛樂內容的收益於客戶訂閱娛樂內容點播服務時的時間點確認。

銷售數字設備的收益按固定費用確定，並在客戶獲得對承諾商品的控制權時確認，這通常是在客戶接受設備的實際交付和得到設備時。

(e) 藝人經紀收入

本集團負責安排並有能力指導藝人在特定地點和時間表演。收益按總額基於藝人履約期間的時間點確認。

(f) 利息收入

利息收入乃依據未償還本金額按適用利率及時間比例計算。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Revenue recognition (continued)

(g) Licensing of program

The Group's income from licensing of program content with unlimited period of commercial usage to customers are recognised in profit or loss under "other income" at the point in time of delivery, which enable the customer to control and direct the use of substantially all of the benefits from the program content.

(i) Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets (if any) at end of reporting period when the measure of the remaining rights exceeds the measure of the remaining performance obligations. Conversely, the contract is a liability and recognised as contract liabilities when the measure of the remaining performance obligations exceeds the measure of the remaining rights.

The Group recognises the incremental costs of obtaining a contract with a customer, within contract assets (if any) if the Group expects to recover those costs.

4. 重大會計政策(續)

(h) 收益確認(續)

(g) 節目許可

本集團向客戶許可具無限期商業用途的節目內容的收益於交付時間點在損益「其他收入」項下確認，這令客戶控制及指導節目內容的絕大部分福利。

(i) 合約資產及合約負債

本集團於與客戶訂立合約後有權向客戶收取代價並承擔履約責任向客戶轉交貨品或服務。該等權利及履約責任合併產生淨資產或淨負債，視乎餘下權利與履約責任之間的關係。當剩餘權利的計量超過剩餘履約義務的計量時，則合約為一項資產及於報告期末合確認為合約資產(如有)。當剩餘履約義務的計量須超過剩餘權利的計量時，則合約為一項負債及於報告期末合確認為合約負債(如有)。

倘本集團預期收回該等成本，則本集團於合約資產內(如有)確認取得客戶合約的增量成本。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Income tax

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

4. 重大會計政策(續)

(j) 所得稅

年內所得稅包括即期稅項及遞延稅項。

即期稅項乃按已就毋須就利得稅課稅或不可扣減利得稅之項目作出調整之日常業務溢利或虧損，按報告期間結算日已頒佈或實際頒佈之稅率計算。

遞延稅項乃就作財務報告之資產與負債賬面值，與就稅務所用相應數值間之暫時性差額確認。除不影響會計或應課稅溢利之商譽已確認資產與負債外，會就所有應課稅暫時性差額確認遞延稅項負債。遞延稅項資產於有可能動用應課稅溢利抵銷可扣稅暫時性差額之情況下確認。遞延稅項乃按適用於資產或負債之賬面值獲變現或結算之預期方式及於各報告期末已頒佈或大致上頒佈定之稅率計量。

遞延稅項負債會因源自於附屬公司、聯營公司及共同控制實體投資的應課稅暫時性差額確認，惟倘本集團能夠控制該暫時性差額之撥回且該暫時性差額於可見將來很可能不會撥回則另作別論。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Income tax (continued)

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

(k) Foreign currency

Transactions entered into by group entities in currencies other than the currency of the primary economic environment in which it/they operate(s) (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

4. 重大會計政策(續)

(j) 所得稅(續)

所得稅乃於損益中確認，惟所得稅與於其他全面收益確認之項目有關則除外，在此情況下，稅項亦於其他全面收益確認，或倘與直接於權益中確認之項目有關，在此情況下，稅項亦直接於權益內確認。

(k) 外幣

集團實體以其經營所在主要經濟環境之貨幣以外之貨幣(「功能貨幣」)進行之交易，乃以進行交易時之現行匯率入賬。外幣貨幣資產及負債按報告期末之現行匯率換算。按公允值入賬並以外幣計值之非貨幣項目按釐定公允值當日之匯率重新換算。按歷史成本以外幣計量之非貨幣項目不作重新換算。

因結算及換算貨幣項目而產生之匯兌差額在其產生期間於損益內確認。因重新換算按公允值列賬之非貨幣項目而產生之匯兌差額計入期間之損益內，惟因重新換算有關收益及虧損在其他全面收益確認之非貨幣項目而產生之匯兌差額除外，在此情況下，有關匯兌差額亦在其他全面收益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Foreign currency (continued)

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. RMB) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to minority interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the foreign exchange reserve.

4. 重大會計政策(續)

(k) 外幣(續)

於綜合賬目時，海外業務之收入及開支項目乃按年度平均匯率換算為本集團之列賬貨幣(即人民幣)，惟倘匯率於有關期間內大幅波動，在此情況下，則採用交易進行時之概約匯率換算為港元。海外業務之所有資產及負債按報告期末之現行匯率換算。所產生之匯兌差額(如有)乃於其他全面收入中確認，並於權益內累計入賬為外匯儲備(歸屬於少數股東權益(如適用))累計。於本集團實體之獨立財務報表中就換算組成本集團於有關海外業務之投資淨額部份之長期貨幣項目而於損益內確認之匯兌差額重新分類至其他全面收益，並於權益內累計入賬為匯兌變動儲備。

於出售海外業務時，就該業務截至出售日期而於外匯儲備內確認之累計匯兌差額，乃於出售時重新分類至損益，作為損益之一部份。

收購海外業務產生之已收購可識別資產商譽及公允值調整被視為海外業務之資產及負債，並按報告期末適用之匯率重新換算。由此產生之匯兌差額於匯兌儲備確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Employee benefits

(i) Short-term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

(ii) Defined contribution retirement plan

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees.

(iii) Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

4. 重大會計政策(續)

(I) 僱員福利

(i) 短期僱員福利

短期僱員福利是指預計在僱員提供了相關服務的年度呈報期末後十二個月以前將全數結付的僱員福利(離職福利除外)。短期僱員福利於僱員提供相關服務的年度內確認。

(ii) 定額供款退休計劃

向定額供款退休計劃作出的供款，於僱員提供服務時在損益支銷。

(iii) 離職福利

離職福利於本集團不再能取消提供該等福利時及本集團確認涉及支付離職福利的重組成本時(以較早者為準)確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of non-financial assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- investment in a subsidiary; and
- Intangible assets – customer relationships.

If the recoverable amount (i.e. the greater of the fair value less costs to sell and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

4. 重大會計政策(續)

(m) 非金融資產減值(商譽除外)

於各報告期末，本集團審閱以下資產的賬面值，以確定是否有跡象顯示該等資產出現減值虧損或過往已確認的減值是否已不存在或減少：

- 物業、廠房及設備；
- 於附屬公司之投資；及
- 無形資產－客戶關係。

倘資產的可收回金額(即公允值減出售成本及使用價值的較高者)估計低於其賬面值，則該資產的賬面值將撇減至其可收回金額。減值虧損會即時確認為開支。

倘減值虧損其後撥回，則資產的賬面值須增加至其經修訂的估計可收回金額，惟所增加的賬面值不可超過以過往年度假設資產並無確認減值虧損而釐定的賬面值。減值虧損撥回會即時確認為收入。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable, will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(o) Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components.

4. 重大會計政策(續)

(n) 撥備及或然負債

當本集團因過去事件而產生法律或推定責任，而其將可能導致可以合理估計之經濟利益流出時，會就不明確時間或金額之負債確認撥備。

當將不可能需要經濟利益流出或無法可靠地估計金額時，責任會作為或然負債予以披露，除非經濟利益流出之可能性不大。可能責任之存在將僅由發生或不發生一件或以上未來事件確認，其亦作為或然負債予以披露，除非經濟利益流出之可能性不大。

(o) 分部報告

本集團根據向執行董事呈報以供彼等就分配資源至本集團業務分部及檢討該等分部表現之定期內部財務資料識別營運分部及編製分部資料。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).

4. 重大會計政策(續)

(p) 關連方

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本公司母公司的主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各自的母公司、附屬公司及同系附屬公司彼此間有關連)。
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
 - (iii) 兩間實體均為同一第三方的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 實體為本集團或與本集團有關連之實體就僱員福利設立的離職後福利計劃。
 - (vi) 實體受(a)所識別人士控制或受共同控制。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Related parties (continued)

- (b) An entity is related to the Group if any of the following conditions apply: (continued)
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

4. 重大會計政策(續)

(p) 關連方(續)

- (b) 倘符合下列任何條件，即實體與本集團有關連：(續)
- (vii) (a)(i)中所識別的人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

某一人士的近親家屬成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家屬成員，包括：

- (i) 該名人士之子女及配偶或家庭伴侶；
- (ii) 該名人士之配偶或家庭伴侶之子女；及
- (iii) 該名人士或該名人士之配偶或家庭伴侶之受供養人。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Non-current assets held for sale and discontinued operation

A discontinued operation is a component of the Group (i.e. the operations and cash flows of which can be clearly distinguished from the rest of the Group) that either has been disposed of, or is classified as held for sale, and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the component meets the criteria to be classified as held for sale in accordance with HKFRS 5, if earlier. It also occurs when the component is abandoned.

When an operation is classified as discontinued, a single amount is presented in the statement of profit or loss, which comprises:

- The post-tax profit or loss of the discontinued operation; and
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operation.

4. 重大會計政策(續)

(q) 持作出售之非流動資產及已終止經營業務

已終止經營業務是本集團的已出售或分類為持作出售的部分(即可與本集團其他業務清楚區分之營運及現金流)且代表一項按業務或經營地區劃分的獨立主要業務,或作為出售一項按業務或經營地區劃分的獨立主要業務的單一統籌計劃一部分,或為一間純粹為轉售而收購的附屬公司。

於出售或倘部分業務符合根據香港財務報告準則第5號分類為持作出售之標準(如較早),則分類為已終止經營業務。撤出部分業務時,有關部分業務亦會分類為已終止經營業務。

倘若業務分類為已終止經營,則會於收益表按單一數額呈列,當中包含:

- 已終止經營業務的除稅後溢利或虧損;及
- 於計量公允值減出售成本或於出售就構成已終止經營業務的資產或出售組別時確認之除稅後損益。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

In the application of the Group's accounting policies, the managements are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainties

(i) Impairment of receivables

The provision rate of receivables is made based on assessment of their recoverability and aging analysis of receivables as well as other quantitative and qualitative information and on management's judgment and assessment of the forward-looking information. At end of reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer and counterparties' actual default in the future.

5. 重大會計判斷及估計不明朗因素之主要來源

於應用本集團之會計政策過程中，管理層需要就目前不能從其他來源得出之資產與負債之賬面值作出判斷、估計及假設。該等估計及有關假設乃根據過往經驗及相關之其他因素而作出。實際數字或會有別於估計數字。

本集團持續就所作估計及相關假設作出評估。會計估計之修訂乃於修訂估計期間內確認(倘修訂僅影響該期間)，或於修訂期間及日後期間確認(倘修訂影響現時及日後期間)。

估計不明朗因素之主要來源

(i) 應收款項減值

應收款項的撥備率乃根據彼等的可收回性評估及應收款項的賬齡分析以及其他定性資料及基於管理層對前瞻性資料的判斷及評估作出。於報告期末，歷史觀察到的違約率都會被更新，並分析未來其可能發生的變化。

對歷史觀察到的違約率、預測的經濟狀況和預期信貸風險損失之間的相關性的評估是一個重要的估計。預期信貸風險損失的金額對環境的變化和預測的經濟狀況很敏感。該集團的歷史信貸虧損經驗和對經濟狀況的預測也可能無法代表未來客戶及交易對手方的實際違約。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES (CONTINUED)

Key sources of estimation uncertainties (continued)

(ii) Fair value measurement of financial asset at FVOCI and FVPL

The fair value measurement of financial assets at FVOCI were categorised within Level 3 of the fair value hierarchy, which required significant judgments and estimates by considering factors including, but not limited to the future cash flows and operating performance of the investee, economic and market conditions in which the investee operated, recent equity share transaction of the investee and products development etc. The fair value measurement of financial assets at FVPL are categorised within Level 3 of the fair value hierarchy and determined by referencing to the latest market transactions involving the financial assets. The fair value of the financial asset at FVOCI and FVPL are disclosed in note 38.

5. 重大會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

(ii) 按公允值計入其他全面收益及按公允值計入損益的金融資產公允值計量

按公允值計入其他全面收益的金融資產公允值計量分類為第3級公允值層級，要求透過考慮包括(但不限於)被投資公司未來現金流量及經營表現、被投資公司經營所在經濟及市場狀況、被投資公司近期股票交易及產品發展等因素後，作出重大判斷及估計。按公允值計入損益的金融資產之公允值計量歸類公允值層級的第三層內並參考最近期涉及金融資產的市場交易釐定。按公允值計入其他全面收益及按公允值計入損益的金融資產公允值披露於附註38。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES (CONTINUED)

Key sources of estimation uncertainties (continued)

(iii) Recognition of serial program rights expense as direct costs

The costs of serial program rights recognised as direct costs are determined based on estimates of the current and projected future cash flows to be derived from the rights, of which the amount is determined based on the proportion of the revenue recognised in the reporting period for each individual drama series to the estimated total revenue expected to be recognised throughout the life cycle of the serial programs.

The management of the Group reviews the estimated total revenue throughout the life cycle of serial programs on a timely basis in order to determine the amount of cost attributable to the rights sold as expenses to be recorded during any reporting period. The determination of the estimated total revenue is based on historical experience with similar drama series. The amounts of costs of sales recognised as expense in future periods are adjusted if there are significant changes from previous estimates. The carrying amount of serial program rights as at 31 December 2019 amounted to RMB107,687,000 (2018: RMB48,574,000) are disclosed in note 20.

5. 重大會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

(iii) 連續劇版權攤銷

確認為直接成本的連續劇版權成本根據當前及未來現金流量預測之估計釐定，其中金額按個別連續劇於本報告期間確認的收益佔預期於整個連續劇週期將予確認的估計總收益的比例釐定。

本集團管理層會及時審閱整個連續劇週期的估計總收益，以釐定於任何報告期內將錄得並確認為開支的已售售版權應佔的成本金額。估計總收益根據類似連續劇的歷史經驗釐定。未來期間確認為開支的銷售成本金額於先前估計發生重大變動時作出調整。於二零一九年十二月三十一日，連續劇版權的賬面值為人民幣107,687,000元(二零一八年：人民幣48,574,000元)，於附註20披露。

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6. SEGMENT REPORTING

The Group determines its operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions.

The Group has the following reportable segments which are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable and operating segments:

- Program production and related services ("Program Production")

Program Production segment provides traditional television program production, serial program right distribution and licensing and related services.

- Concert and event organisation and related services ("Concert and event Organisation")

Concert and event organisation segment provides organisation services, such as music concerts, prize presentation ceremony, automobile shows, university alumni and other performance events.

- Mobile live broadcasting and e-commerce and related services ("Mobile Live Broadcasting and E-Commerce")

Mobile Live Broadcasting and E-Commerce segment provides an electronic platform for entertainment contents consumption and e-commerce, such as online store. This segment also provides online program production and related services.

6. 分部報告

本集團按主要經營決策者所審閱並賴以作出決策的報告釐定其營運分部。

本集團擁有以下可呈報分部，由於各業務提供不同產品及服務，所需之業務策略亦不盡相同，因此各分部之管理工作乃獨立進行。以下為本集團各可呈報及經營分部業務之概要：

- 節目製作及相關服務（「節目製作」）

節目製作分部提供傳統電視節目製作、連續劇版權發行及許可以及相關服務。

- 演唱會及活動籌辦以及相關服務（「演唱會及活動籌辦」）

演唱會及活動籌辦分部提供籌辦服務，例如音樂演唱會、頒獎典禮、車展、大學校友會及其他表演活動。

- 移動直播及電商及相關服務（「移動直播及電商」）

移動直播及電商分部提供娛樂內容消費及電商電子平台，如網上商店。該分部亦提供網上節目製作及相關服務。

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6. SEGMENT REPORTING (CONTINUED)

- Entertainment contents on demand system and related services (“Entertainment on Demand System”)

Entertainment on Demand System segment provides entertainment content through an entertainment on demand system named “Fengtingxun” which are installed in hardware placed within various karaoke boxes, mini-cinemas, hotels and internet cafes in the PRC. This segment was discontinued during the year.

- Artist management and related services (“Artist Management”)

Artist management segment provides agency service for the artists for arrangement of different performance activities.

Inter-segment transactions are priced with reference to prices charged to external parties for similar order. Central revenue and expenses are not allocated to the operating segments as they are not included in the measure of the segments’ profit that is used by the chief operating decision maker for assessment of segment performance.

6. 分部報告(續)

- 娛樂內容付費點播系統及相關服務(「娛樂點播系統」)；

娛樂點播系統分部提供名為「風霆迅」娛樂內容點播系統，中國多數KTV包廂、迷你影院、酒店及網吧均有安裝該點播系統。此分部於年內已終止經營。

- 藝人經紀及相關服務(「藝人經紀」)

藝人經紀分部為藝人安排各種演出的經紀業務。

分部間交易之價格乃參考就類似訂單向外部人士收取之價格釐定。由於中央收益及開支並未計入主要經營決策者評估分部表現時使用之分部溢利內，故其並無分配至經營分部。

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6. SEGMENT REPORTING (CONTINUED)

(a) Business segments

For the year ended 31 December 2019

		Continuing operations 持續經營業務				Discontinued operation 已終止經營業務		
		Program Production	Concert and event Organisation	Mobile Live Broadcasting and E-Commerce	Artist Management	Sub total	Entertainment on Demand System	Total
		節目製作	演唱會及 活動籌辦	直播及電商	藝人經紀	小計	娛樂付費 點播系統	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue from contracts with customers	客戶合約之收益	34,862	9,489	-	3,773	48,124	11,055	59,179
Represented by:	以下各項表示：							
Recognised over time	於一段時間確認：							
- Sale of concert tickets	- 銷售演唱會門票	-	7,566	-	-	7,566	-	7,566
- Provision of event organisation services	- 提供活動籌辦服務	-	1,650	-	-	1,650	-	1,650
- Subscription of content	- 訂閱內容	-	-	-	-	-	6,474	6,474
- Provision of artist management services	- 提供藝人經紀服務	-	-	-	3,773	3,773	-	3,773
- Provision of distribution agency services	- 提供發行代理服務	7,645	-	-	-	7,645	-	7,645
Recognised at a point in time	於一個時間點確認：							
- Sale of concert souvenirs	- 銷售演唱會紀念品	-	273	-	-	273	-	273
- Licensing of broadcasting rights under co-financing arrangements	- 根據聯合融資安排 授出播放權許可	25,991	-	-	-	25,991	-	25,991
- Production services	- 製作服務	1,226	-	-	-	1,226	-	1,226
- Sale of devices	- 銷售設備	-	-	-	-	-	4,581	4,581
Reportable segment revenue from external customers	來自外部客戶之可呈報 分部收益	34,862	9,489	-	3,773	48,124	11,055	59,179
Reportable segment profit/(loss)	可呈報分部溢利/(虧損)	12,538	(1,195)	(2,990)	2,414	10,761	(1,118)	9,643
Interest income	利息收入	3	1	-	-	4	2	6
Interest expense	利息開支	(3,313)	-	-	-	(3,313)	(340)	(3,653)
Depreciation of right-of-use assets	使用權資產折舊	(775)	(393)	-	-	(1,168)	-	(1,168)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(648)	(231)	-	(38)	(917)	(326)	(1,243)
Recognition of serial program rights expense	確認連續劇版權開支	(20,789)	-	-	-	(20,789)	-	(20,789)
Reportable segment assets	可呈報分部資產	129,553	16,781	33,743	621	180,698	-	180,698
Addition to non-current assets (note 1)	非流動資產添置(附註1)	1,311	-	-	-	1,311	-	1,311
Reportable segment liabilities	可呈報分部負債	(109,579)	(16,725)	(9,632)	(3,245)	(139,181)	-	(139,181)

6. 分部報告(續)

(a) 業務分部

截至二零一九年十二月三十一日止年度

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6. SEGMENT REPORTING (CONTINUED)

(a) Business segments (continued)

For the year ended 31 December 2018

6. 分部報告(續)

(a) 業務分部(續)

截至二零一八年十二月三十一日止年度

		Continuing operations 持續經營業務				Discontinued operation 已終止經營業務		
		Mobile Live			Entertainment on Demand			
		Concert and event Program Production	Broadcasting and E-Commerce	Artist Management	Sub total	System	Total	
		演唱會及活動籌辦	直播及電商	藝人經紀	小計	點播系統	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Revenue from contracts with customers	客戶合約之收益	-	14,144	1,143	78	15,365	5,356	20,721
Represented by:	以下列各項表示:							
Recognised over time	於一段時間確認:							
- Sale of concert tickets	- 銷售演唱會門票	-	8,851	-	-	8,851	-	8,851
- Provision of event organisation services	- 提供活動籌辦服務	-	4,596	-	-	4,596	-	4,596
- Online advertising income	- 網上廣告收入	-	-	1,142	-	1,142	-	1,142
- Subscription of content	- 訂閱內容	-	-	-	-	-	2,569	2,569
- Provision of artist management services	- 提供藝人經紀服務	-	-	-	78	78	-	78
Recognised at a point in time	於一個時間點確認:							
- Sale of concert souvenirs	- 銷售演唱會紀念品	-	697	-	-	697	-	697
- Commission income	- 佣金收入	-	-	1	-	1	-	1
- Sale of devices	- 銷售設備	-	-	-	-	-	2,787	2,787
Reportable segment revenue from external customers	來自外部客戶之可呈報分部收益	-	14,144	1,143	78	15,365	5,356	20,721
Reportable segment loss	可呈報分部虧損	(7,666)	(11,147)	(36,768)	(834)	(56,415)	(9,911)	(66,326)
Interest income	利息收入	5	1	1	1	8	2	10
Interest expense	利息開支	-	-	-	-	-	(84)	(84)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(1,007)	(311)	(73)	(56)	(1,447)	(416)	(1,863)
Amortisation of intangible assets	無形資產攤銷	-	(888)	-	-	(888)	-	(888)
Reportable segment assets	可呈報分部資產	51,120	4,612	29,870	851	86,453	30,865	117,318
Additions to non-current assets (note 1)	非流動資產添置(附註1)	-	-	-	478	478	246	724
Reportable segment liabilities	可呈報分部負債	(48,588)	(9,311)	(10,126)	(227)	(68,252)	(9,018)	(77,270)

Note:

- (1) Non-current assets include property, plant and equipment.

附註:

- (1) 非流動資產包括物業、廠房及設備。

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6. SEGMENT REPORTING (CONTINUED)

6. 分部報告(續)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

(b) 可呈報分部收益、損益、資產及負債之對賬

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收益		
Reportable segment and consolidated revenue	可呈報分部及綜合收益	59,179	20,721
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 <i>(Re-presented)</i> <i>(重列)</i>
Profit/(loss) before income tax	除所得稅前溢利/(虧損)		
Reportable segment profit/(loss) from continuing operations	來自持續經營業務可呈報分部溢利/(虧損)	10,761	(56,415)
Other income:	其他收入：		
– Interest income	– 利息收入	3	2
Other gains or losses:	其他收益及虧損：		
– Exchange gain/(loss)	– 匯兌收益/(虧損)	80	(295)
– Gain on de-recognition of contingent consideration payables	– 終止確認應付或然代價之收益	–	151
Unallocated corporate expenses:	未分配公司開支：		
– Auditor's remuneration	– 核數師薪酬	(757)	(703)
– Directors' emoluments	– 董事酬金	(2,641)	(2,577)
– Legal and professional fee	– 法律及專業費用	(1,962)	(3,021)
– Salaries and other benefits for key management and administration staff	– 主要管理及行政人員薪金及其他福利	(1,380)	(2,265)
– General operating expenses	– 一般營運開支	(4,059)	(2,891)
Consolidated profit/(loss) before income tax from continuing operations	持續經營業務之除所得稅前綜合溢利/(虧損)	45	(68,014)

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6. SEGMENT REPORTING (CONTINUED)

6. 分部報告(續)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities (continued)

(b) 可呈報分部收益、損益、資產及負債之對賬(續)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Assets	資產		
Reportable segment assets	可呈報分部資產	180,698	117,318
Unallocated corporate assets:	未分配公司資產：		
– Property, plant and equipment	– 物業、廠房及設備	174	191
– Cash and bank balances	– 現金及銀行結餘	2,629	5,479
– Other financial assets	– 其他金融資產	5,000	6,582
– Others	– 其他	315	729
Consolidated total assets	綜合資產總值	188,816	130,299
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Liabilities	負債		
Reportable segment liabilities	可呈報分部負債	139,181	77,270
Unallocated corporate liabilities:	未分配公司負債：		
– Accruals and other payables	– 應計費用及其他應付款項	2,312	9,254
– Loans due to shareholders	– 應付予股東的貸款	8,105	4,034
– Loan due to a director	– 應付予一名董事的貸款	1,254	–
Consolidated total liabilities	綜合負債總額	150,852	90,558

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6. SEGMENT REPORTING (CONTINUED)

(c) Geographic information

The following table provides a geographical analysis of the Group's revenue from external customers.

6. 分部報告(續)

(c) 地區資料

下表提供本集團外部客戶收益的地區分析。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Re-presented) (重列)
		(note) (附註)	(note) (附註)
Hong Kong	香港		
- Sale of concert tickets	- 銷售演唱會門票	6,026	7,186
- Sale of concert souvenirs	- 銷售演唱會紀念品	253	600
- Provision of event organisation services	- 提供活動籌辦服務	1,122	354
PRC	中國		
- Licensing of the broadcasting rights under co-financing arrangements	- 根據聯合融資安排授出播放權許可	25,991	-
- Provision of distribution agency services	- 提供發行代理服務	7,645	-
- Production services	- 製作服務	1,226	-
- Provision of event organisation services	- 提供活動籌辦服務	-	1,719
- Sale of devices	- 銷售設備	4,581	2,787
- Provision of entertainment on demand system services	- 提供娛樂付費點播系統服務	6,474	2,569
- Provision of artist management services	- 提供藝人經紀服務	3,773	78
- Others	- 其他	-	1,143
Other countries in Southeast Asia	東南亞其他國家		
- Sale of concert tickets	- 銷售演唱會門票	1,540	1,665
- Sale of concert souvenirs	- 銷售演唱會紀念品	20	97
- Provision of event organisation services	- 提供活動籌辦服務	528	2,523
		59,179	20,721

Note: Geographical region of customers is based on the location at which the goods and services are provided.

附註：客戶地區位置乃按貨品及服務提供地點劃分。

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6. SEGMENT REPORTING (CONTINUED)

(d) Information about major customers

For the year ended 31 December 2019, revenues from one customer (2018: one customer) with whom transactions have exceeded 10% of the Group's revenue for the year. Details were as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue from the customer:	來自客戶的收益：		
Customer I:	客戶I：		
– Program Production	– 節目製作	33,636	N/A不適用 ^①
Customer II:	客戶II：		
– Concert and event Organisation	– 演唱會及活動籌辦	N/A不適用 ^②	2,523
		33,636	2,523

Note: (i) The corresponding revenue in the year ended 31 December 2018 for Customer I did not contribute over 10% of the total revenue of the Group.

(ii) The corresponding revenue in the year ended 31 December 2019 for Customer II did not contribute over 10% of the total revenue of the Group.

6. 分部報告(續)

(d) 有關主要客戶的資料

截至二零一九年十二月三十一日止年度，來自一名客戶(二零一八年：一名客戶)的收益已超過本集團於年內收益的10%。詳情如下：

附註：(i) 截至二零一八年十二月三十一日止年度，客戶I的相應收益並無貢獻本集團總收益的10%以上。

(ii) 截至二零一九年十二月三十一日止年度，客戶II的相應收益並無貢獻本集團總收益的10%以上。

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7. REVENUE

Revenue of the Group represents revenue generated from (i) program production and related services, (ii) concert and event organisation and related services, (iii) mobile live broadcasting and e-commerce and related services, (iv) entertainment contents on demand system and related services (discontinued during the year ended 31 December 2019) and (v) artist management and related services. The amounts of each significant category of revenue recognised during the year are as follows:

7. 收益

本集團收益指(i)節目製作及相關服務，(ii)演唱會及活動籌辦及相關服務，(iii)移動直播及電商及相關服務，(iv)娛樂內容付費點播系統及相關服務(於截至二零一九年十二月三十一日止年度終止經營)，及(v)藝人經紀業務及相關服務產生之相關收益。於年內確認的主要收益類別的款額如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 <i>(Re-presented)</i> (重列)
Continuing operations			
持續經營業務			
Program production and related income	節目製作及相關收入		
– Licensing of the broadcasting rights under co-financing arrangements	– 根據聯合融資安排授出播放權許可	25,991	–
– Provision of distribution agency services	– 提供發行代理服務	7,645	–
– Production services	– 製作服務	1,226	–
Concert and event organisation and related income	演唱會及活動籌辦及相關收入	9,489	14,144
Mobile live broadcasting and e-commerce and related income	移動直播及電商及相關收入	–	1,143
Artist management and related income	藝人經紀及相關收入	3,773	78
		48,124	15,365
Discontinued operation			
已終止經營業務			
Entertainment contents on demand system and related income	娛樂內容付費點播系統及相關服務	11,055	5,356
		59,179	20,721

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8. OTHER INCOME

8. 其他收入

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Re-presented) (重列)
Continuing operations			
Licensing of program, net (note)	持續經營業務 許可節目淨額(附註)	-	15,257
Interest income from bank deposits	銀行存款之利息收入	7	10
Sundry income	雜項收入	855	82
Rental income	租金收入	160	-
		1,022	15,349
Discontinued operation			
Interest income from bank deposits	已終止經營業務 銀行存款之利息收入	2	2
Sundry income	雜項收入	9	31
		11	33
		1,033	15,382

Note: The income from licensing of program is recognised at a point in time when the Group delivered and grant the customer the right to use the program as it exists since the Group does not have obligation or the customer does not reasonably expects, that the Group will undertake activities that significantly affect the program to which the customer has rights.

附註： 許可節目的收益於本集團向客戶移交節目現有使用權的時間點確認，因為本集團無義務或客戶無合理期望，本集團將進行會嚴重影響客戶擁有使用權的節目的活動。

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10. PROFIT/(LOSS) BEFORE INCOME TAX

10. 除所得稅前溢利／(虧損)

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Re-presented) (重列)
Continuing operations		
Profit/(loss) before income tax is arrived at after charging:		
Staff costs (note 11)	9,816	13,589
Auditor's remuneration	757	703
Depreciation of property, plant and equipment (note (a))	1,058	1,795
Depreciation of right-of-use assets (note 35) (note (a))	1,365	-
Recognition of serial program rights expense (note 20) (note (b))	20,789	-
Amortisation of intangible assets	-	888
Impairment loss of property, plant and equipment	-	4,333
Impairment loss of goodwill (note 19)	-	4,504
Impairment loss of programme cost	-	4,336
Short-term lease expenses (note 35)	709	-

Note:

(a) No depreciation charge has been included in direct cost for the year.

(b) Included in "direct costs" for the year.

附註：

(a) 年內並無折舊開支包含在直接成本。

(b) 包含在年內直接成本。

11. STAFF COSTS

11. 員工成本

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Re-presented) (重列)
Continuing operations		
Staff costs (including directors) comprise:		
Wages and salaries	8,515	11,407
Short-term non-monetary benefits	131	326
Social insurance and housing fund	1,170	1,856
	9,816	13,589

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11. STAFF COSTS (CONTINUED)

The Group operates/participates in the following pension and post retirement plans:

- (I) The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme.
- (II) Pursuant to the relevant labour rules and regulations in the PRC, the Group participates in defined contribution retirement benefit schemes (the “Schemes”) organised by the local government authorities whereby the Group is required to make contributions to the Schemes based on certain percentages of the eligible employee’s salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees. The Group has no other obligations for payments of retirement and other post-retirement benefits of employees other than the contributions described above.

11. 員工成本(續)

本集團經營／參與下列退休金及退休後計劃：

- (I) 本集團根據強制性公積金計劃條例為合資格參加強積金計劃的僱員設立定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款按僱員基本薪金一定百分比作出，於根據強積金計劃規則應付時在損益扣除。
- (II) 根據中國的相關勞動規則及規例，本集團參與由地方政府機關組織的定額供款退休福利計劃(「計劃」)，據此，本集團須按照合資格僱員薪金的某百分比向計劃作出供款。地方政府機關承擔向退休僱員支付全部退休金的責任。除上述供款外，本集團並無其他責任支付僱員的退休及其他退休後福利。

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12. DIRECTORS' EMOLUMENTS

Directors' emoluments are disclosed as follows:

Year ended 31 December 2019:

12. 董事薪酬

披露之董事薪酬如下：

截至二零一九年十二月三十一日止年度：

		Fees	Salaries and other benefits	Contributions to retirement benefit schemes	Total
		袍金	薪金及 其他福利	退休福利 計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors (note (i) below)	執行董事(下文附註(i))				
Mr. Philip Jian Yang (note (iv) below)	楊劍先生(下文附註(iv))	-	1,112	-	1,112
Ms. Yang Jianping	楊建平女士	-	509	-	509
Non-executive directors (note (ii) below)	非執行董事 (下文附註(ii))				
Mr. Ge Xuyu	葛旭宇先生	-	317	16	333
Mr. Wang Yong	汪勇先生	-	211	-	211
Mr. Yang Shiyuan (note (vii) below)	楊世遠先生(下文附註(vii))	-	-	-	-
Independent non-executive directors (note (iii) below)	獨立非執行董事 (下文附註(iii))				
Mr. Li Fei (note (viii) below)	李飛先生(下文附註(viii))	-	84	-	84
Mr. Tan Song Kwang	陳松光先生	-	158	-	158
Mr. Yau Yan Yuen (note (vi) below)	邱欣源先生(下文附註(vi))	-	158	-	158
Ms. Fu Yuehong (note (ix) below)	傅躍紅女士(下文附註(ix))	-	76	-	76
		-	2,625	16	2,641

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12. DIRECTORS' EMOLUMENTS (CONTINUED)

Year ended 31 December 2018:

		Fees	Salaries and other benefits	Contributions to retirement benefit schemes	Total
		袍金	薪金及其他福利	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors (note (i) below)	執行董事(下文附註(i))				
Mr. Philip Jian Yang (note (iv) below)	楊劍先生(下文附註(iv))	-	1,096	-	1,096
Mr. Yang Shiyuan (note (vii) below)	楊世遠先生(下文附註(vii))	-	-	-	-
Ms. Yang Jianping	楊建平女士	-	500	-	500
Non-executive directors (note (ii) below)	非執行董事(下文附註(ii))				
Mr. Ge Xuyu	葛旭宇先生	-	305	15	320
Mr. Wang Yong	汪勇先生	-	203	-	203
Independent non-executive directors (note (iii) below)	獨立非執行董事(下文附註(iii))				
Mr. Li Fei	李飛先生	-	152	-	152
Mr. Law Kin Ho (note (v) below)	羅健豪先生(下文附註(v))	-	84	-	84
Mr. Tan Song Kwang	陳松光先生	-	152	-	152
Mr. Yau Yan Yuen (note (vi) below)	邱欣源先生(下文附註(vi))	-	70	-	70
		-	2,562	15	2,577

Note:

- (i) The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.
- (ii) The non-executive directors' emoluments shown above were mainly for their services as directors of the Company or its subsidiaries.
- (iii) The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.
- (iv) Mr. Philip Jian Yang is also the Chief Executive Officer of the Company.
- (v) Ceased as independent non-executive director on 18 July 2018.
- (vi) Appointed as independent non-executive director on 18 July 2018.

12. 董事薪酬(續)

截至二零一八年十二月三十一日止年度：

		Fees	Salaries and other benefits	Contributions to retirement benefit schemes	Total
		袍金	薪金及其他福利	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors (note (i) below)	執行董事(下文附註(i))				
Mr. Philip Jian Yang (note (iv) below)	楊劍先生(下文附註(iv))	-	1,096	-	1,096
Mr. Yang Shiyuan (note (vii) below)	楊世遠先生(下文附註(vii))	-	-	-	-
Ms. Yang Jianping	楊建平女士	-	500	-	500
Non-executive directors (note (ii) below)	非執行董事(下文附註(ii))				
Mr. Ge Xuyu	葛旭宇先生	-	305	15	320
Mr. Wang Yong	汪勇先生	-	203	-	203
Independent non-executive directors (note (iii) below)	獨立非執行董事(下文附註(iii))				
Mr. Li Fei	李飛先生	-	152	-	152
Mr. Law Kin Ho (note (v) below)	羅健豪先生(下文附註(v))	-	84	-	84
Mr. Tan Song Kwang	陳松光先生	-	152	-	152
Mr. Yau Yan Yuen (note (vi) below)	邱欣源先生(下文附註(vi))	-	70	-	70
		-	2,562	15	2,577

附註：

- (i) 上文所示執行董事的酬金主要為彼等與管理本公司及本集團的事務有關的服務。
- (ii) 上文所示非執行董事的酬金主要為彼等擔任本公司或其附屬公司董事的服務。
- (iii) 上文所示獨立非執行董事的酬金主要為彼等擔任本公司董事的服務。
- (iv) 楊劍先生亦為本公司的行政總裁。
- (v) 於二零一八年七月十八日不再擔任獨立非執行董事。
- (vi) 於二零一八年七月十八日獲委任為獨立非執行董事。

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12. DIRECTORS' EMOLUMENTS (CONTINUED)

Note: (continued)

- (vii) Re-designated as non-executive director on 25 March 2019.
- (viii) Ceased as independent non-executive director on 10 July 2019.
- (ix) Appointed as independent non-executive director on 10 July 2019.

13. FIVE HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments in the Group, three (2018: three) were directors of the Company whose emoluments are included in the disclosures in note 12 above. The emoluments of the remaining two (2018: two) individuals were as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	1,332	970
Mandatory provident fund	強制性公積金	32	24
		1,364	994

Their emoluments were within the following band:

		2019 二零一九年 No. of individuals 人數	2018 二零一八年 No. of individuals 人數
Nil to RMB1,000,000	零至人民幣1,000,000元	2	2

12. 董事薪酬(續)

附註：(續)

- (vii) 於二零一九年三月二十五日調任為非執行董事。
- (viii) 於二零一九年七月十日不再擔任獨立非執行董事。
- (ix) 於二零一九年七月十日獲委任為獨立非執行董事。

13. 五名最高薪酬人士

本集團五名最高薪酬人士中，三名(二零一八年：三名)為本公司董事，彼等之薪酬已載於上文附註12的披露中。其餘兩名(二零一八年：兩名)人士之薪酬如下：

14. FINANCE COSTS

Continuing operations
Imputed interest on trade payables
Interest on lease liabilities

持續經營業務
貿易應付款項之推算利息
租賃負債利息

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	3,313	-
	261	-
	3,574	-

14. 財務成本

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15. INCOME TAX EXPENSES

15. 所得稅開支

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Continuing operations	持續經營業務		
Current tax – the PRC	即期稅項－中國		
– provision for the year	– 一年內撥備	459	–
– over provision in respect of prior years	– 過往年度超額撥備	(199)	–
Deferred tax (note 28)	遞延稅項(附註28)	–	4,627
Income tax expenses	所得稅開支	260	4,627

PRC enterprise income tax is calculated at 25% (2018: 25%) on the estimated assessable profits during the year.

中國企業所得稅乃以年內之估計應課稅溢利按25% (二零一八年：25%)計算。

The income tax expenses can be reconciled to the profit/(loss) before income tax expenses from continuing operations per the consolidated statement of comprehensive income as follows:

所得稅開支可與綜合全面收益表所示的來自持續經營業務除所得稅開支前溢利／(虧損)對賬如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Re-presented) (重列)
Continuing operations	持續經營業務		
Profit/(loss) before income tax expenses:	除所得稅開支前溢利／(虧損)	45	(68,014)
Tax expense/(credit) calculated at the domestic tax rate of 25% (2018: 25%)	按本地稅率25%(二零一八年：25%)計算之稅項(開支)／抵免	11	(17,000)
Effect of different tax rates of companies operating in other jurisdictions	於其他司法權區經營公司不同稅率之影響	631	952
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	909	1,125
Tax effect of revenue not taxable for tax purposes	不可扣稅收益之稅務影響	–	(38)
Tax effect of tax loss not recognised	未確認稅項虧損之稅務影響	1,117	19,588
Over provision in prior years	過往年度超額撥備	(199)	–
Utilisation of previously unrecognised tax loss	動用先前未確認稅項虧損	(2,209)	–
Income tax expenses	所得稅開支	260	4,627

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16. DISCONTINUED OPERATION

On 28 August 2019, Beijing Emphasis media Co., Ltd entered into the Equity Transfer Agreements (the “Agreements”) pursuant to which it conditionally agreed to sell and three different purchasers conditionally agreed to purchase 11.25%, 3.00% and 5.00% of equity interest of Capital Land Digital Entertainment Co., Limited (“Capital Land”) respectively, which is principally engaged in the Entertainment on Demand System, at the consideration in cash of RMB9,000,000, RMB2,400,000 and RMB4,000,000 respectively, details of which are set out in the Company’s announcements dated 28 August 2019 and the Company’s circular dated 24 September 2019. The Disposal was completed on 31 December 2019 (the “Disposal Date”) and constitutes a discontinued operation under HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” as Entertainment on Demand System represented one of the major lines of business of the Group.

Analysis of the results of the discontinued operation:

16. 已終止經營業務

於二零一九年八月二十八日，北京無限印象傳媒有限公司訂立該等股權轉讓協議（「該等協議」），據此，其有條件同意出售及該等三個不同買方有條件同意購買於京江南數娛（北京）科技有限公司（「京江南」）（主要從事娛樂付費點播系統業務）之11.25%、3.00%及5.00%股權，現金代價分別為人民幣9,000,000元、人民幣2,400,000元及人民幣4,000,000元，其詳情載於本公司日期為二零一九年八月二十八日之公告及本公司日期為二零一九年九月二十四日之通函。出售已於二零一九年十二月三十一日（「出售日期」）完成，而由於娛樂付費點播系統為本集團其中一項主要業務，構成香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」項下之已終止經營業務。

已終止經營業務之業績分析：

		Period from 1 January 2019 to the Disposal Date	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Turnover	營業額	11,055	5,356
Expenses	開支	(14,851)	(15,267)
Loss before income tax	除所得稅前虧損	(3,796)	(9,911)
Gain on disposal of a subsidiary	出售一間附屬公司收益	2,678	-
Loss for the year from discontinued operation	已終止經營業務年內虧損	(1,118)	(9,911)
Operating cash outflows	經營現金流出	(1,272)	(9,312)
Investing cash inflows	投資現金流入	(141)	(244)
Financing cash inflows	融資現金流入	7	10,748
Net cash (outflows)/inflows	現金(流出)／流入淨額	(1,406)	1,192

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16. DISCONTINUED OPERATION (CONTINUED)

The carrying amounts of the assets and liabilities of Capital Land at the date of disposal are disclosed in note 32 to the consolidated financial statements.

A gain of RMB2,678,000 arose on the disposal of Capital Land, being the proceeds of disposal less the carrying amount of the subsidiary's net assets and goodwill to the Group. No tax charge or credit arose from the disposal.

For the purpose of presenting the discontinued operation, certain comparative figures in the consolidated statement of comprehensive income, consolidated statement of cash flows and the related notes have been restated to present the results of the disposal group as discontinued operation in the comparative period.

17. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share attributable to the ordinary equity holders of the Company is based on the following data:

16. 已終止經營業務(續)

京江南於出售日期的資產及負債之賬面值披露於綜合財務報表附註32。

出售京江南時產生收益人民幣2,678,000元，即出售所得款項減本集團佔附屬公司的淨資產及商譽之賬面值。並無自出售產生稅項支出或抵免。

就呈列已終止經營業務而言，若干有關綜合全面收益表、綜合現金流量表之比較數字及相關附註已重新呈列，以呈列於比較期間作為已終止經營業務出售組別的業績。

17. 每股盈利/(虧損)

本公司普通股權持有人應佔每股基本及攤薄盈利/(虧損)乃根據以下數據計算：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit/(loss) for the purposes of basic earnings/(loss) per share	就每股基本盈利/(虧損)而言之溢利/(虧損)		
- Continuing operations	- 持續經營業務	(95)	(72,286)
- Discontinued operation	- 已終止經營業務	1,710	(2,513)
		1,615	(74,799)
		2019 二零一九年 '000 千股	2018 二零一八年 '000 千股
Number of shares	股份數目		
Number of ordinary shares in issue during the year	年內已發行普通股數目	1,423,513	1,423,513

Note: No diluted earnings/(loss) per share is presented as there were no potential ordinary shares in issue for the years ended 31 December 2019 and 2018.

附註：概無呈列每股攤薄盈利/(虧損)，因截至二零一九年及二零一八年十二月三十一日止年度並無潛在已發行普通股。

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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Leasehold improvements 租賃物業裝修 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Computer equipment 電腦設備 RMB'000 人民幣千元	Furniture and fixtures 傢具及裝置 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：						
At 1 January 2018	於二零一八年一月一日	6,855	2,540	9,306	993	4,424	24,118
Additions	添置	497	199	23	9	-	728
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及 二零一九年一月一日	7,352	2,739	9,329	1,002	4,424	24,846
Additions	添置	1,311	-	-	143	-	1,454
Written off	撇銷	(6,855)	-	-	-	-	(6,855)
Disposal	出售	-	(115)	(125)	(40)	(600)	(880)
Disposal of a subsidiary (note 32)	出售一間附屬公司(附註32)	(59)	(1,063)	(91)	(187)	-	(1,400)
At 31 December 2019	於二零一九年十二月三十一日	1,749	1,561	9,113	918	3,824	17,165
Accumulated depreciation and impairment loss:	累計折舊及減值虧損：						
At 1 January 2018	於二零一八年一月一日	2,641	1,518	8,315	693	3,234	16,401
Charge for the year	年內支出	796	609	354	119	333	2,211
Impairment	減值	3,533	126	334	80	276	4,349
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及 二零一九年一月一日	6,970	2,253	9,003	892	3,843	22,961
Charge for the year	年內支出	565	356	107	99	257	1,384
Written off	撇銷	(6,855)	-	-	-	-	(6,855)
Disposal	出售	-	(109)	(119)	(31)	(342)	(601)
Disposal of a subsidiary (note 32)	出售一間附屬公司(附註32)	(59)	(939)	(78)	(42)	-	(1,118)
At 31 December 2019	於二零一九年十二月三十一日	621	1,561	8,913	918	3,758	15,771
Net carrying amount:	賬面淨值：						
At 31 December 2019	於二零一九年十二月三十一日	1,128	-	200	-	66	1,394
At 31 December 2018	於二零一八年十二月三十一日	382	486	326	110	581	1,885

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18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 December 2018, to align with the Group's operational and business development, the Group terminated the lease of an office in the PRC. Termination agreement was signed with the property owner in December 2018, which property owner agreed the Group was not obliged to pay rental payment of the office for remaining lease period subsequent to its removal. Impairment loss of RMB3,533,000 representing the write down of carrying amount of leasehold improvement was recognised in profit or loss under "administrative expenses" as management considered the leasehold improvements had no further material economic benefit to the Group upon lease termination.

A corresponding deferred rent payable with carrying amount of RMB3,613,000 in relation to the office in the PRC, represented the unamortised balance for effective rent of the office under original remaining lease periods has been recognised in profit or loss under "other gains and losses" upon lease termination.

19. GOODWILL

18. 物業、廠房及設備(續)

於二零一八年十二月三十一日，為符合本集團的營運及業務發展，本集團終止於中國的一間辦公室租賃。終止協議於二零一八年十二月與物業擁有人簽訂，其中物業擁有人同意本集團於搬遷後毋須支付餘下租賃期間的辦公室租賃款項。減值虧損人民幣3,533,000元(指租賃物業裝修賬面值撇減)於損益中的「行政開支」中確認，因管理層認為租賃物業裝修於租賃終止後並不會給本集團進一步帶來重大經濟利益。

就中國辦公室賬面值為人民幣3,613,000元而應付的相應遞延租金，相當於原有剩餘租賃期內辦公室有效租金的未攤銷餘額已於租約終止時在「其他收益及虧損」項下之損益中確認。

19. 商譽

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At beginning of year	於年初	26,758	31,262
Impairment losses recognised in the year	年內已確認減值虧損	-	(4,504)
Disposal of a subsidiary (note 32)	出售一間附屬公司(附註32)	(26,758)	-
At end of year	於年末	-	26,758

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20. SERIAL PROGRAM RIGHTS

20. 連續劇版權

		RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	–
Addition for the year	年內添置	48,574
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及 二零一九年一月一日	48,574
Addition for the year	年內添置	79,902
Recognised as expense for the year	年內確認為支出	(20,789)
At 31 December 2019	於二零一九年十二月三十一日	107,687

The serial program rights shown above related to two television drama series obtained by the Group under co-financing arrangements and belonging to the Program Production segment, with finite useful life and of carrying amounts of RMB27,785,000 and RMB 79,902,000 respectively as at 31 December 2019.

The recognition of serial program rights expense for the year ended 31 December 2019 amounted to RMB20,789,000 (2018: Nil) and is recognised as direct costs in the consolidated statement of comprehensive income.

上文所示連續劇版權指與本集團根據聯合融資安排取得的兩部電視連續劇有關及屬於節目製作分部，於二零一九年十二月三十一日的有限可使用年期及賬面值分別為人民幣27,785,000元及人民幣79,902,000元。

截至二零一九年十二月三十一日止年度，確認連續劇版權開支為人民幣20,789,000元(二零一八年：無)，並於綜合全面收益表確認為直接成本。

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20. SERIAL PROGRAM RIGHTS (CONTINUED)

The Directors the Company assessed that the recoverable amounts of each of the serial program rights are higher than their carrying amounts, hence no impairment loss (2018: Nil) was recognised during the year.

The Directors of the Company expect the carrying amounts to be recovered within one year after licensing the broadcasting right to the first customer and therefore these rights are classified as current assets as at 31 December 2019.

As at 31 December 2019, one of the broadcasting right already sold to the first customer. The remaining one is still negotiating with different television stations and platforms.

21. OTHER FINANCIAL ASSETS

20. 連續劇版權(續)

本公司董事評估，連續劇版權各自之可收回金額高於其賬面值，因此年內並無確認減值虧損(二零一八年：無)。

本公司董事預期，賬面值於向首名客戶授出播放權許可後一年內將可收回，因此，此等版權於二零一九年十二月三十一日分類為流動資產。

截至二零一九年十二月三十一日，其中一項廣播權已出售給第一位客戶。其餘的仍在與不同的電視台及平台進行談判。

21. 其他金融資產

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Financial assets at FVPL	按公允值計入損益的金融資產		
– Unlisted equity investment (note (a))	– 非上市股權投資(附註(a))	5,000	–
Financial assets at FVOCI	按公允值計入其他全面收益的金融資產		
– Unlisted equity investment (note (b))	– 非上市股權投資(附註(b))	–	6,582

Note:

- (a) As at 31 December 2019, the balance represented the remaining 6.25% equity interest of Capital Land (note 32), after the disposal. Management classified the investment on its initial recognition at fair value through profit or loss as management considers the investment is held for sale in the near term.
- (b) The unlisted equity investment as at 31 December 2018 was disposed of during the year at a consideration of US\$997,500, no gain or loss recognised as the fair value of investment was the same with the consideration. Management had irrevocably designated the investment on its initial recognition at fair value through other comprehensive income as management considered the investment to be strategic in nature but disposed during the year as the performance of investment was fall short of management's expectation.

附註：

- (a) 於二零一九年十二月三十一日，餘額指京江南餘下的6.25%股權(附註32)。由於管理層認為所持投資將於短期出售，故管理層於其初步確認時將投資分類為按公允值計入損益。
- (b) 於二零一八年十二月三十一日，非上市股權投資於年內出售，代價為997,500美元。由於投資的公允值與代價相同，並無確認收益或虧損。由於管理層認為投資具有戰略性但因投資表現未如管理層預期，故於年內出售，因此管理層於其初步確認時不可撤回地指定投資按公允值計入其他全面收益。

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22. INVENTORIES

22. 存貨

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Finished goods	製成品	-	106

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade receivables, gross	貿易應收款項總額	1,414	4,291
Less: impairment allowance	減：減值撥備	(1,351)	(4,164)
Trade receivables, net	貿易應收款項淨額	63	127
Prepayments and deposits (note (i) to (iii))	預付款項及按金(附註(i)至(iii))	38,463	23,617
Other receivables, gross	其他應收款項總額	20,824	12,540
Less: impairment allowance	減：減值撥備	-	(425)
Other receivables, net	其他應收款項淨額	20,824	12,115
		59,350	35,859

Note:

As at 31 December 2019, the balances of prepayments and deposits and other receivables are mainly represented by the following:

- (i) The balance included an amount of approximately RMB11,399,000 (2018: approximately RMB 3,465,000) prepayment to event organisers under Concert and event Organisation segment for the purpose of concert to be held in the coming years.
- (ii) The balance included an amount of approximately RMB16,781,000 (2018: approximately RMB16,781,000) prepaid service fees to actors and performers in relation to performing in the Group's mobile live broadcasting platform.
- (iii) The balance included an amount of approximately RMB4,600,000 (2018:Nil) prepaid license fee to copyright owner in relation to obtaining of the re-editing right of serial program.

附註：

於二零一九年十二月三十一日，預付款及按金以及其他應收款項的結餘主要指以下各項：

- (i) 結餘包括演唱會及活動籌辦分部就未來舉行的演唱會向活動籌辦公司支付的預付款項約人民幣11,399,000元(二零一八年：約人民幣3,465,000元)。
- (ii) 結餘包括有關於本集團移動直播平台表演的藝人之預付服務費約人民幣16,781,000元(二零一八年：約人民幣16,781,000元)。
- (iii) 結餘包括有關取得連續劇改編權向版權所有人支付的預付許可費約人民幣4,600,000元(二零一八年：無)。

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23. TRADE AND OTHER RECEIVABLES (CONTINUED)

The aging analysis of trade receivables (net of impairment losses), based on invoice dates, as of the end of year, is as follows:

	2019 二零一九年 RMB'000 人民幣千元
Within 30 days	30天內
31 to 90 days	31至90天
91 to 180 days	91至180天

The Group and the Company recognised impairment loss based on the accounting policy stated in note 4(g)(a)(iv). The credit period granted to trade debtors ranges 0-90 days from the invoice dates. No significant change in the gross carrying amounts of trade receivable during the year contributed to changes in the loss allowance. Further details on the Group's credit policy and credit risk management are set out in note 39(a).

23. 貿易及其他應收款項(續)

於年末貿易應收款項(扣除減值虧損)按發票日期的賬齡分析如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	-	3
	-	8
	63	116
	63	127

本集團及本公司根據附註4(g)(a)(iv)所述會計政策確認減值虧損。應收賬款之信貸期自發票日期起介乎0至90天。年內，貿易應收款項的賬面總額並無重大變動而導致虧損撥備的變動。有關本集團信貸政策及信貸風險管理的進一步詳情載於附註39(a)。

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24. TRADE PAYABLES

The aging analysis of trade payables, based on invoice dates, as of the end of year is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 30 days (note)	30天內(附註)	79,896	48,692
91-365 days	91至365天	1,577	-
Over 365 days	365天以上	9,666	9,486
		91,139	58,178
Represented by:	指：		
Current portion	— 即期部分	45,881	58,178
Non-current portion	— 非即期部分	45,258	-
		91,139	58,178

Note: Included in trade payables within 30 days as at 31 December 2019 was the remaining balances of RMB34,638,000 in respect of purchase of serial program rights which was payable by instalments upto end of 2020. At the date of approval of these financial statements, the Group is still negotiating with different TV stations and platforms for initial broadcasting of the serial program, the Group has obtained consent from the vendor to defer the settlement of certain payables but no later than 31 December 2021 in case distribution of broadcasting right is delayed.

24. 貿易應付款項

於年末貿易應付款項按發票日期的賬齡分析如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 30 days (note)	79,896	48,692
91-365 days	1,577	-
Over 365 days	9,666	9,486
	91,139	58,178
Represented by:		
Current portion	45,881	58,178
Non-current portion	45,258	-
	91,139	58,178

附註：於二零一九年十二月三十一日，賬齡為30天內的貿易應付款項包括於購入連續劇版權的餘額人民幣34,638,000元，有關款項直至二零二零年末前分期支付。於該等財務報表批准日期，本集團仍在與不同的電視台及平台洽談該連續劇的首次發行，本集團已獲得供應商同意，倘發行播放權延期，則延後支付若干貿易應付款項但不遲於二零二一年十二月三十一日支付。

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25. OTHER PAYABLES

25. 其他應付款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Accruals and other payables (<i>note</i>)	應計費用及其他應付款項(附註)	29,742	15,791
Deposit received	已收按金	137	157
		29,879	15,948

Note:

As at 31 December 2019, the balance of accruals and other payables mainly represented the following:

- (i) An amount of approximately RMB8,000,000 (2018: Nil) included in other payables represented payable to out-sourced producer which is independent to the Group in relation to production of drama series that the Group acted as production producer under Program Production segment.
- (ii) An amount of approximately RMB9,000,000 (2018: Nil) included in other payables represented payable to other investors of serial program rights in relation to licensing of broadcasting right under Program Production segment.
- (iii) An amount of approximately RMB6,000,000 (2018: RMB5,800,000) included in other payables represented payable to creditor in relation to concert organisation.

附註：

於二零一九年十二月三十一日，應計費用及其他應付款項的結餘主要指以下各項：

- (i) 其他應付款項包括約人民幣8,000,000元(二零一八年：無)的款項，指就有關節目製作分部下製作本集團擔任製作的製作人之連續劇向外判製作人(獨立於本集團)支付的款項。
- (ii) 其他應付款項包括約人民幣9,000,000元(二零一八年：無)的款項，指就有關節目製作分部下授出播放權許可向連續劇的其他投資人支付的款項。
- (iii) 其他應付款項包括約人民幣6,000,000元(二零一八年：人民幣5,800,000元)的款項，指就有關演唱會籌辦向債權人支付的款項。

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26. CONTRACT LIABILITIES

26. 合約負債

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Contract liabilities arising from Program Production	節目製作產生之合約負債	12,650	-
Contract liabilities arising from Concert and event Organisation	演唱會及活動籌辦產生之合約負債	1,419	-
Contract liabilities arising from Entertainment on Demand System	來自娛樂點播系統的合約負債	-	3,826
		14,069	3,826

The increase in contract liabilities during the year was mainly due to the growth of the businesses from Program Production.

於年內合約負債增加主要由於節目制作業務增長。

Typical payment terms which impact on the amount of contract liabilities are as follows:

影響合約負債金額的一般付款條款如下：

Entertainment on Demand System

娛樂付費點播系統

The Group would demand 100% consideration for annual subscription of content before transferring the subscribed content to customers.

本集團會要求在向客戶傳送訂閱的內容之前就每年訂閱內容支付100%的代價。

Program Production

節目製作

Deposits received by the Group in respect of the second round non-prime time of broadcasting right of serial program is recognised as contract liabilities until such right is eligible to be shown on platform after the first round showings on TV platform.

本集團就連續劇的第二輪非黃金時段播放權作為合約負債收取的按金，直至首輪在電視平台上演及該權利合資格在平台播放後為止。

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26. CONTRACT LIABILITIES (CONTINUED)

Concert and event Organisation

A deposit is received by the Group before organising any concert and event.

As at 31 December 2019, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB14,069,000 (2018: RMB3,826,000). This amount represents revenue expected to be recognised in the future from program and concert and event which is expected to occur over the next 12 to 36 months.

26. 合約負債(續)

演唱會及活動籌辦

本集團於籌辦任何演唱會及活動前收取的按金。

於二零一九年十二月三十一日，分配至本集團現有合約項下剩餘履約責任的交易價格的總金額為人民幣14,069,000元(二零一八年：人民幣3,826,000元)。該金額代表預期日後將從節目與演唱會及活動(預期於未來12至36個月發生)確認的收益。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Movements in contract liabilities	合約負債變動		
Balance as at 1 January	於一月一日之結餘	3,826	1,576
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at beginning of year	因本年度初確認計入年初合約負債的收益導致合約負債減少	(1,764)	(1,268)
Increase in contract liabilities as a result of receipt of subscription fee from customers	因向客戶收取訂閱費用導致合約負債增加	2,667	3,518
Increase in contract liabilities as a result of receipt of concert and event organisation fee from customers	因向客戶收取演唱會及活動籌辦費用導致合約負債增加	1,419	-
Increase in contract liabilities as a result of receipt of film right transfer fee from customers	因向客戶收取影片權轉讓費用導致合約負債增加	12,650	-
Disposal of a subsidiary	出售一間附屬公司	(4,729)	-
Balance as at 31 December	於十二月三十一日之結餘	14,069	3,826

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27. OTHER BORROWING

Other borrowing as at 31 December 2018 represented unsecured loan from an independent third party, which bear interest of 8% per annum and repayable within 1 year. The borrowing was not consolidated into the Group after disposal of Capital Land during the year.

28. DEFERRED TAX ASSETS

The components of deferred tax assets and liabilities recognised in the consolidated statement of financial position and the movements are as follows:

27. 其他借款

於二零一八年十二月三十一日，其他借款指獨立第三方的無抵押貸款，其年利率為8%，並須於一年內償還。借款於年內出售京江南後並無併入本集團。

28. 遞延稅項資產

在綜合財務狀況表確認的遞延稅項資產及負債組成部分及其變動如下：

		Tax loss	Fair value adjustment on intangible assets	Total
		稅項虧損	無形資產之公允值調整	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
At 1 January 2018	於二零一八年一月一日	6,298	(222)	6,076
(Charged)/credited to profit or loss	(扣除自)/計入損益			
(note 15)	(附註15)	(4,849)	222	(4,627)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	1,449	-	1,449
Disposal of a subsidiary	出售一間附屬公司	(1,449)	-	(1,449)
At 31 December 2019	於二零一九年十二月三十一日	-	-	-

At end of the reporting period, the Group has not recognised deferred tax assets totaling RMB6,204,000 (2018: RMB39,372,000) in respect of certain accumulated tax losses of RMB26,649,000 (2018: RMB158,678,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

於本報告期末，本集團並無就若干累計稅項虧損人民幣26,649,000元(二零一八年：人民幣158,678,000元)確認遞延稅項資產總計人民幣6,204,000元(二零一八年：人民幣39,372,000元)，原因為於相關稅項司法權區及實體，可能並無未來應課稅溢利可動用虧損。

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29. SHARE CAPITAL

Authorised and issued share capital

		2019 二零一九年			2018 二零一八年		
		Number 數目	HKD'000 千港元	Equivalent to RMB'000 相等於 人民幣千元	Number 數目	HKD'000 千港元	Equivalent to RMB'000 相等於 人民幣千元
Authorised	法定						
Ordinary shares of HK\$0.01 each	每股面值0.01港 元之普通股	8,000,000,000	80,000	67,024	8,000,000,000	80,000	67,024
Issued and fully paid	已發行及悉數 繳足						
Ordinary shares At beginning and end of year	普通股 於年初及於年末	1,423,513,043	14,235	11,788	1,423,513,043	14,235	11,788

29. 股本

法定及已發行股本

30. NON-CONTROLLING INTERESTS

(a) Summarised financial information in relation to the non-controlling interests of Capital Land, 25.5% owned subsidiary of the Company which was disposed 19.25% equity interest in total of on 31 December 2019 (note 16), before intra-group elimination, is presented below:

Capital Land

		2019	2018
		二零一九年 RMB'000 人民幣千元	二零一八年 RMB'000 人民幣千元
Revenue	收益	11,055	5,356
Loss for the year	年內虧損	(3,796)	(11,399)
Total comprehensive loss for the year	年內全面虧損總額	(3,796)	(11,399)
Loss and total comprehensive loss allocated to NCI	分配予非控股權益的虧損及全面 虧損總額	(2,828)	(7,397)
Cash flows used in operating activities	經營活動所用現金流量	(1,272)	(9,312)
Cash flows used in investing activities	投資活動所用現金流量	(141)	(244)
Cash flows generated from financing activities	融資活動產生現金流量	7	10,748
Net cash (outflows)/inflows	現金(流出)/流入淨額	(1,406)	1,192

30. 非控股權益

(a) 有關本公司擁有25.5%附屬公司京江南(已於二零一九年十二月三十一日出售合共19.25%權益(附註16))之非控股權益之財務資料概要呈列如下:

京江南

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30. NON-CONTROLLING INTERESTS (CONTINUED)

(a) (continued)

Capital Land (continued)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
As at 31 December	於十二月三十一日		
Non-current assets	非流動資產	N/A不適用	1,916
Current assets	流動資產	N/A不適用	2,556
Current liabilities	流動負債	N/A不適用	(9,383)
Net liabilities	負債淨額	N/A不適用	(4,911)
Accumulated non-controlling interests	累計非控股權益	N/A不適用	3,148

(b) Beijing Yiju Creative Technology Limited ("Yiju Creative"), 80% owned by the Group has material non-controlling interests ("NCI"). Summarised financial information in relation to the NCI of Yiju Creative before intra-group elimination are presented below:

Yiju Creative

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收益	16,571	1,143
Profit/(loss) for the year	年內溢利／(虧損)	13,610	(50,330)
Total comprehensive income/(loss) for the year	年內全面收益／(虧損)總額	13,610	(50,330)
Loss and total comprehensive loss allocated to NCI (note)	分配至非控股權益的虧損及全面虧損總額(附註)	-	-
Cash flows generated from operating activities	經營活動產生現金流量	622	700
Cash flows generated from investing activities	投資活動產生現金流量	1	1
Net cash inflows	現金流入淨額	623	701

30. 非控股權益(續)

(a) (續)

京江南(續)

(b) 北京易聚創意科技有限公司(「易聚創意」)(由本集團擁有80%)擁有重大非控股權益(「非控股權益」)。有關易聚創意的非控股權益在集團內對銷前的概述財務資料呈列如下：

易聚創意

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30. NON-CONTROLLING INTERESTS (CONTINUED)

(b) (continued)

Yiju Creative (continued)

As at 31 December	於十二月三十一日
Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Net liabilities	負債淨額
Accumulated non-controlling interests (note)	累計非控股權益(附註)

Note:

As Yiju Creative had suffered losses in operation and needed additional capital to sustain its business, the Group had continuously provided the additional capital contribution to Yiju Creative since 2016. The Group had agreed with the NCI that the NCI had no obligation to contribute additional capital to Yiju Creative for the losses incurred, in return, the NCI confirmed not to share any profits arising from Yiju Creative until the additional losses/capital contribution borne by the Group had been fully recovered (the "Arrangement").

As at 31 December 2018, the accumulative losses attributable to the NCI were RMB21,736,000. Under the Arrangement, the Group had made additional capital contribution to Yiju Creative and borne solely the accumulative losses, including those attributable to NCI of RMB21,736,000.

For the year ended 31 December 2019, the profit for the year attributable to the NCI was RMB2,722,000. Under the Arrangement, the Group had been compensated from the profits, including the profit attributable to the NCI of RMB2,722,000.

During the year, no dividend was paid to non-controlling shareholders (2018:Nil). The proportion of equity interest and voting rights held by non-controlling interest is 20% as at 31 December 2019.

30. 非控股權益(續)

(b) (續)

易聚創意(續)

2019	2018
二零一九年	二零一八年
RMB'000	RMB'000
人民幣千元	人民幣千元

-	-
33,743	29,870
(121,105)	(130,842)
(87,362)	(100,972)
-	-

附註：

由於易聚創意於營運中遭受虧損，而需要額外資金以繼續其業務，本集團自二零一六年起不斷向易聚創意提供額外的資本出資。本集團與非控股權益協定，非控股權益無義務就所產生的虧損而向易聚創意作出額外的資本出資，作為回報，非控股權益確認不會分佔易聚創意產生的任何溢利，直至本集團承擔的額外虧損／資本出資已悉數收回為止(「該項安排」)。

於二零一八年十二月三十一日，非控股權益應佔累計虧損為人民幣21,736,000元。根據該項安排，本集團已向易聚創意作出額外的資本出資，並獨自承擔累計虧損，包括非控股權益應佔的該等虧損人民幣21,736,000元。

於截至二零一九年十二月三十一日止年度，非控股權益應佔年內溢利為人民幣2,722,000元。根據該項安排，本集團自溢利獲得補償，包括非控股權益應佔溢利為人民幣2,722,000元。

年內，並無向非控股股東支付任何股息(二零一八年：無)。於二零一九年十二月三十一日，非控股權益持有的股權及投票權之比例為20%。

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30. NON-CONTROLLING INTERESTS (CONTINUED)

- (c) The accumulated NCI balance amounted to RMB154,000 (in deficit) as at 31 December 2019 and represented 10% non-controlling interests in Creative China Concerts Limited, which is considered immaterial to the consolidated financial statements. The proportion of equity interest and voting rights held by non-controlling interest is 10% as at 31 December 2019.

31. TRANSACTIONS WITH NON-CONTROLLING INTEREST

- (a) Sales with non-controlling interest in Yiju Creative

During the year, the Group entered into several sales agreements with one of the non-controlling interest of total amount of RMB3,593,000 (2018:Nil) to arrange performance of its artist which recognised as revenue.

30. 非控股權益(續)

- (c) 於二零一九年十二月三十一日，累計非控股權益結餘為人民幣154,000元(赤字)，佔於中國創意演藝有限公司的10%非控股權益，被認為對綜合財務報表而言並不重大。於二零一九年十二月三十一日，非控股權益持有的股權及投票權之比例為10%。

31. 與非控股權益進行之交易

- (a) 與易聚創意的非控股權益進行的銷售

年內，本集團與其中一個非控股權益訂立若干銷售協議以安排其藝人表演，總金額為人民幣3,593,000元(二零一八年：無)，已確認為收益。

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31. TRANSACTIONS WITH NON-CONTROLLING INTEREST (CONTINUED)

- (b) Disposal of interests in a subsidiary without loss of control

In 2018, the Group disposed of 25.5% equity interests in total to two purchasers without loss of control in a subsidiary, Capital Land Digital Entertainment Co. Ltd., with aggregated cash consideration of RMB18,000,000. Prior to disposal date, the Group was holding 51% equity interest but the disposal of the 25.5% did not result in the Group losing control because the directors of the Company assessed that the Group continued to have the ability to direct the relevant activities of Capital Land as a shareholders' voting agreement had been entered into with two shareholders in 2018 which enabled the Group to be entitled to control additional 40% voting rights in the shares of Capital Land (the "Voting Agreement") 65.5% of voting right in aggregate) despite its equity interest being reduced to 25.5% indirect ownership interests subsequent to the disposal of equity interests of Capital Land in 2018.

31. 與非控股權益進行之交易(續)

- (b) 在不失去控制權的情況下出售一間附屬公司的權益

於二零一八年，本集團出售一間附屬公司京江南數娛(北京)科技有限公司合共25.5%股權(並無失去控制權)予兩名買方，現金代價總額為人民幣18,000,000元。於出售日期前，本集團持有51%的股權，而出售25.5%沒有令本集團失去控制權，乃因為本公司董事評估，本集團繼續有能力指導京江南的相關活動，作為於二零一八年與兩名股東訂立的股東投票協議，使本集團有權控制京江南股份的額外40%投票權(合計65.5%的投票權)(「投票協議」)，儘管二零一八年出售京江南的股權後，其股權減少至25.5%的間接所有權權益。

2018
二零一八年
RMB'000
人民幣千元

Carrying amounts disposed of to non-controlling interests	出售予非控股權益的賬面值	(7,367)
Proceeds from disposal	出售所得款項	18,000
Difference recognised within equity	於權益內確認的差額	10,633

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32. DISPOSAL OF A SUBSIDIARY

As referred to in note 16, on 31 December 2019, the Group disposed of its subsidiary, Capital Land, which is engaged in the provision of entertainment on demand system in the PRC. The net assets of Capital Land at the date of disposal were as follows:

	RMB'000 人民幣千元
Net assets disposed of:	
Property, plant and equipment (note 18)	
Deferred tax assets (note 28)	
Trade and other receivables	
Other financial asset	
Inventories	
Cash and bank balances	
Trade and other payables	
Goodwill (note 19)	
Non-controlling interests	
Group's share of net assets disposed of	
Gain on disposal of subsidiary:	
Group's share of net assets disposed of	
Fair value of retained interests	
Consideration receivables	
Cash consideration received	
Gain on disposal of a subsidiary (note)	
Net cash inflow arising on disposal:	
Cash consideration	
Cash and bank balances disposed of	

Note:

An amount of RMB657,000 included in the balance represented the gain attributable to the 6.25% retained interest as at 31 December 2019. The gain on disposal of a subsidiary of RMB2,678,000 has been included in the calculation of loss for the year from discontinued operation and disclosed in note 16.

After the disposal of 19.25% equity interest of Capital Land, the directors of the Company considered the Group has lost the control over the subsidiary. The Voting Agreement entered in 2018 lapsed when the Group entered into the share transfer agreement for the disposal during the year ended 31 December 2019.

32. 出售一間附屬公司

誠如附註16所述，於二零一九年十二月三十一日，本集團出售其附屬公司京江南，該公司在中國從事提供娛樂付費點播系統。於出售日期京江南的資產淨值如下：

	RMB'000 人民幣千元
已出售資產淨值：	
物業、廠房及設備(附註18)	282
遞延稅項資產(附註28)	1,449
貿易及其他應收款項	471
其他金融資產	500
存貨	52
現金及銀行結餘	386
貿易及其他應付款項	(11,856)
商譽(附註19)	26,758
非控股權益	(320)
本集團應佔出售的資產淨值	17,722
出售一間附屬公司收益：	
本集團應佔出售的資產淨值	(17,722)
保留權益之公允值	5,000
應收代價	2,000
已收現金代價	13,400
出售一間附屬公司收益(附註)	2,678
出售時產生之現金流入淨額：	
現金代價	13,400
已出售現金及銀行結餘	(386)
	13,014

附註：

包括於二零一九年十二月三十一日的6.25%保留權益應佔收益款項人民幣657,000元。出售一間附屬公司收益人民幣2,678,000元已計入已終止經營業務年內虧損及披露於附註16。

於出售京江南19.25%的股權後，本公司董事認為，本集團已失去對該附屬公司的控制權。當本集團於截至二零一九年十二月三十一日止年度訂立股份轉讓協議以作出售時，於二零一八年訂立的投票協議已告失效。

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33. RESERVES

(a) Reserves of the Group

The following describes the nature and purpose of each reserve within owners' equity:

Share premium

Under the Companies Law (Revised) Chapter 22 of the Cayman Islands, share premium of the Company is available for paying distributions and dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distributions or dividend payments, the Company is able to pay its debts as they fall due in the ordinary course of business.

Other reserve

It represents the fair value of the share-based payments over the consideration received.

Merger reserve

It represents the difference between the nominal value of shares issued by the Company and the aggregate fully paid registered capital of subsidiaries pursuant to the Group Reorganisation.

33. 儲備

(a) 本集團儲備

下文闡述擁有人權益項下各儲備之性質及用途：

股份溢價

根據開曼群島公司法(經修訂)第22章，倘本公司在緊隨分派或派發股息後仍可在正常業務過程中償還到期之債務，本公司可在符合組織章程大綱及細則之規定下，將本公司之股份溢價用作向股東分派及派發股息。

其他儲備

其指以股份為基礎的付款公允值與已收代價之差額。

合併儲備

其指本公司已發行股份面值與根據集團重組附屬公司的繳足註冊資本總額之間的差異。

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33. RESERVES (CONTINUED)

(b) Reserves of the Company

Movements in the Company's reserves are as follows:

33. 儲備(續)

(b) 本公司儲備

本公司儲備之變動如下：

		Share premium 股份溢價 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2018	於二零一八年一月一日之結餘	158,096	(63,206)	94,890
Loss for the year	年內虧損	-	(53,783)	(53,783)
Balance at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日之結餘	158,096	(116,989)	41,107
Loss for the year	年內虧損	-	(4,328)	(4,328)
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	158,096	(121,317)	36,779

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34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

34. 本公司財務狀況表

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Investment in a subsidiary	於一間附屬公司的投資		–*	–*
Right-of-use asset	使用權資產		115	–
Financial assets at fair value through other comprehensive income	按公允值計入其他全面收益之金融資產		–	6,582
Amounts due from subsidiaries	應收附屬公司的款項		61,365	60,086
Total non-current assets	非流動資產總值		61,480	66,668
Current assets	流動資產			
Prepayment	預付款項		191	711
Cash and bank balances	現金及銀行結餘		166	3,221
Total current assets	流動資產總值		357	3,932
Total assets	資產總值		61,837	70,600
Current liabilities	流動負債			
Accruals and other payables	應計費用及其他應付款項		10,896	–
Loans due to shareholders	應付予股東的貸款		1,657	–
Loan due to a director	應付予一名董事的貸款		717	17,705
Total current liabilities	流動負債總額		13,270	17,705
Net current liabilities	流動負債淨值		(12,913)	(13,773)
Total assets less current liabilities	總資產減流動負債		48,567	52,895
NET ASSETS	資產淨值		48,567	52,895
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	29	11,788	11,788
Reserves	儲備	33	36,779	41,107
TOTAL EQUITY	總權益		48,567	52,895

* Represents amount less than RMB1,000

* 指金額少於人民幣1,000元

On behalf of the board of directors

代表董事會

楊劍
Philip Jian Yang

楊建平
Yang Jianping

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35. LEASES

The Group leases offices in several places. The leases typically run for a period of one to two years. Lease payments are renegotiated every one to two years to reflect market rentals. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The leases were classified as operating leases under HKAS 17. Information about leases for which the Group is a lessee is presented below.

(i) Right-of-use assets

2019
Balance at 1 January
Additions
Depreciation charge for the year (note 10)
Balance at 31 December

二零一九年
於一月一日的結餘
添置
年內折舊支出(附註10)
於十二月三十一日的結餘

Properties
物業
RMB'000
人民幣千元

934

2,938

(1,365)

2,507

(ii) Lease liabilities

Within one year	一年內
After one year but within 2 years	一年後但兩年內
Less: total future interest expenses	減：未來利息開支總額
Present value of lease liabilities	租賃負債現值
Analysed for reporting purpose as:	為報告用途分析：
Current liabilities	流動負債
Non-current liabilities	非流動負債

(ii) 租賃負債

At 31 December 2019 於二零一九年 十二月三十一日		At 1 January 2019 於二零一九年 一月一日	
Present value of minimum lease payments 最低租賃付款現值	Minimum lease payments 最低租賃付款	Present value of minimum lease payments 最低租賃付款現值	Minimum lease payments 最低租賃付款
RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
1,315	1,522	580	655
1,259	1,378	354	382
2,574	2,900	934	1,037
	(326)		(103)
	2,574		934
	1,315		580
	1,259		354
	2,574		934

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35. LEASES (CONTINUED)

35. 租賃(續)

(iii) Amount recognised in profit or loss

(iii) 於損益確認的金額

		RMB'000 人民幣千元
2019 – Leases under HKFRS 16		
<i>二零一九年—香港財務報告準則 第16號項下的租賃</i>		
<i>就持續經營業務而言：</i>		
Interest on lease liabilities	租賃負債利息	261
Expenses relating to short-term leases (note 10)	與短期租賃有關的開支(附註10)	709
		970
<i>就已終止經營業務而言：</i>		
Expenses relating to short-term leases	與短期租賃有關的開支	673
		1,643
RMB'000 人民幣千元		
2018 – Operating leases under HKAS 17		
<i>二零一八年—香港會計準則 第17號項下的經營租賃</i>		
Lease expenses for continuing operations	持續經營業務的租賃開支	3,899
Lease expenses for discontinued operation	已終止經營業務的租賃開支	1,035
		4,934

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35. LEASES (CONTINUED)

35. 租賃(續)

(iv) Amounts recognised in statement of cash flows

(iv) 於現金流量表確認的金額

		2019 二零一九年 RMB'000 人民幣千元
Total cash outflow for leases	租賃現金流出總額	1,838

(v) Operating leases

(v) 經營租賃

Operating lease payments represent rentals payable by the Group for certain of its lease properties. Leases are negotiated for terms between 1 year to 2 years at fixed rentals or at rentals with fixed percentage of increment in agreed time frame.

經營租賃付款指本集團就若干其租賃物業應付的租金。租期經磋商為一年至兩年，租金固定或於協定時間有固定百分比增長的租金。

		2018 二零一八年 RMB'000 人民幣千元
Minimum lease payments	最低租賃付款	4,934

The total future minimum lease payments are due as follows:

未來最低租賃付款總額到期情況如下：

		2018 二零一八年 RMB'000 人民幣千元
Not later than one year	不遲於一年	1,186
Later than one year and not later than five years	遲於一年但不遲於五年	436
Minimum lease payments	最低租賃付款	1,622

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36. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group had the following significant transactions with related parties during the year:

Related party relationship		Type of transaction	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Shareholder A (note)	股東A(附註)	Salaries	75	75
Shareholder B (note)	股東B(附註)	Salaries	75	75
Director A	董事A	Lease payment	912	-
Director A	董事A	Rental Deposit	190	-

Note: The shareholders are the controlling shareholders of the Group

36. 關連方交易

- (a) 除此等綜合財務報表其他部分所披露交易及結餘外，於年內本集團與關連方有以下重大交易：

附註：股東為本公司控股股東。

- (b) The amounts due from non-controlling interests are unsecured, interest-free and repayable on demand. No ECL provision has recognised as management assessed the effect is immaterial.
- (c) The loans due to the controlling shareholders are unsecured, interest-free and repayable on demand or due within 1 year.
- (d) The loan due to a director is unsecured, interest-free and repayable on demand or due within 1 year.
- (e) The remuneration of directors and other members of key management during the year was as follows:

- (b) 應收非控股權益款項為無抵押、免息及於要求時償還。由於影響不屬重大，並無確認有關之預期信貸虧損撥備。
- (c) 應付控股股東貸款為無抵押、免息及於要求時償還或於一年內到期。
- (d) 應付一名董事貸款為無抵押、免息及於要求時償還或於一年內到期。
- (e) 董事及其他主要管理層成員於年內之薪酬如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	4,157	3,962
Social insurance and housing fund	社會保險及住房公積金	119	91
Mandatory provident fund	強制性公積金	48	44
		4,324	4,097

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37. SUBSIDIARIES

The particulars of the Company's principal subsidiaries as at 31 December 2019 are as follows:

37. 附屬公司

本公司於二零一九年十二月三十一日的主要附屬公司詳情如下：

Name 名稱	Country and date of incorporation 註冊成立國家 及日期	Place of operation and principal activity 營運地區及 主要業務	Particulars of issued and paid up share capital/ registered capital 已發行及已繳/ 註冊股本詳情	Percentage of ownership interests 所有權百分比	
				Directly 直接	Indirectly 間接
New Talent Media Company Limited 北京聚視文化傳媒有限公司	PRC 25 Dec 2013 中國 二零一三年 十二月二十五日	PRC, Investment holding 中國，投資控股	HK\$71,270,000 71,270,000港元	-	100%
Starry Knight Entertainment Co., Ltd.* 北京縱橫飛揚國際文化發展有限公司	PRC 3 Sep 2009 中國 二零零九年 九月三日	PRC, Program production and event organisation 中國，節目製作 及活動籌辦	RMB3,000,000 人民幣3,000,000元	-	100%
Beijing Joy Star Production Co., Ltd.* 北京光影互動影視文化傳播有限公司	PRC 27 Dec 2006 中國 二零零六年 十二月二十七日	PRC, Program production and event organisation 中國，節目製作 及活動籌辦	RMB3,000,000 人民幣3,000,000元	-	100%
Beijing New Image Media Co. Ltd.* 北京對比色彩影視文化傳播有限公司	PRC 23 Feb 2005 中國 二零零五年 二月二十三日	PRC, Program production 中國，節目製作	RMB3,000,000 人民幣3,000,000元	-	100%
Beijing Great Wise Media Co., Ltd.* 北京天瀚影視文化傳播有限公司	PRC 17 Jul 2003 中國 二零零三年 七月十七日	PRC, Program production 中國，節目製作	RMB3,000,000 人民幣3,000,000元	-	100%

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37. SUBSIDIARIES (CONTINUED)

37. 附屬公司(續)

Name 名稱	Country and date of incorporation 註冊成立國家 及日期	Place of operation and principal activity 營運地區及 主要業務	Particulars of issued and paid up share capital/ registered capital 已發行及已繳/ 註冊股本詳情	Percentage of ownership interests 所有權百分比	
				Directly 直接	Indirectly 間接
Beijing Emphasis Media Co. Ltd.* 北京無限印象傳媒有限公司	PRC 17 Jul 2002 中國 二零零二年 七月十七日	PRC, Program production and event organisation 中國, 節目製作及活動籌辦	RMB6,000,000 人民幣6,000,000元	-	100%
Beijing Octagons Impact Communications Co. Ltd.* 北京八方無限文化傳播有限公司	PRC 16 Feb 2015 中國 二零一五年 二月十六日	PRC, Provision of integrated marketing services 中國, 提供一體化營銷服務	RMB3,750,000 人民幣3,750,000元	-	100%
Beijing Yiju Creative Technology Limited* 北京易聚創意科技有限公司	PRC 3 Nov 2014 中國 二零一四年 十一月三日	PRC, Provision of mobile live broadcasting, e-commerce services and program production 中國, 提供移動直播、電商服 務及節目製作	RMB1,260,000 人民幣1,260,000元	-	80%
CCH Entertainment Limited 中國創意娛樂有限公司	Hong Kong 9 May 2018 香港 二零一八年 五月九日	Hong Kong, Event organisation and artist management 香港, 活動籌辦及藝人經紀	HK\$10,000 10,000港元	-	100%
Creative China Concerts Limited 中國創意演藝有限公司	Hong Kong 4 Jul 2018 香港 二零一八年 七月四日	Hong Kong, Concert and event organisation 香港, 演唱會及活動籌辦	HK\$100 100港元	-	90%

* For identification purpose only. The entities are the PRC Contractual Entities which are deemed to be and accounted for as wholly-owned subsidiaries of the Company, details of which are set out in the Report of the Directors of the Annual Report and Note 4(b) to the consolidated financial statements. These entities constitute the whole of the Group's operations in 3 operating and reportable segments of the Group: (i) program production, (ii) mobile live broadcasting and e-commerce and (iii) artist management during the years.

* 僅供識別。實體為中國合約實體，視為本公司全資附屬公司及入賬，詳情見年報董事會報告及綜合財務報表附註4(b)。此等實體年內構成本集團全部三個經營及可呈報分部業務：(i) 節目製作(ii) 移動直播及電商及(iii) 藝人經紀。

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38. SUMMARY OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

38. 金融工具及公允值計量之概要

The following table shows the categories of financial instruments recognised at end of reporting period:

下表列示於報告期末確認的金融工具類別：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Financial assets	金融資產		
<i>Financial asset at fair value through profit or loss</i>	<i>按公允值計入損益的金融資產</i>		
– Unlisted equity investment measured at FVPL	– 按公允值計入損益的非上市股權投資	5,000	–
<i>Financial asset at fair value through other comprehensive income</i>	<i>按公允值計入其他全面收益的金融資產</i>		
– Unlisted equity investment measured at FVOCI	– 按公允值計入其他全面收益的非上市股權投資	–	6,582
<i>At amortised cost</i>	<i>按攤銷成本列賬</i>		
– Cash and bank balances	– 現金及銀行結餘	11,539	8,897
– Trade and other receivables	– 貿易及其他應收款項	20,887	12,242
Financial liabilities	金融負債		
<i>At amortised cost</i>	<i>按攤銷成本列賬</i>		
– Trade payables	– 貿易應付款項	91,139	58,178
– Other payables	– 其他應付款項	27,060	15,791
– Other borrowing	– 其他借款	–	5,000
– Loans due to shareholders	– 應付股東的貸款	8,105	4,034
– Loan due to a director	– 應付予一名董事的貸款	1,254	–
– Lease liabilities	– 租賃負債	2,574	–

Financial instruments not measured at fair value include cash and bank balances, trade and other receivables, trade and other payables, other borrowing, loans due to shareholders and loan due to a director.

並非按公允值計量的金融工具包括現金及銀行結餘、貿易及其他應收款項、貿易及其他應付款項、其他借款、應付股東貸款及應付一名董事貸款。

Due to their short-term nature, the carrying value of these financial instruments approximates to its fair value.

由於彼等之短期性質，該等金融工具之賬面值與其公允值相若。

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38. SUMMARY OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT (CONTINUED)

Fair value measurements

The following tables provide an analysis of financial instruments that are measured at fair value on a recurring basis subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. There is no transfer between level 1, level 2 and level 3 during the years ended December 31, 2019 and 2018.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market 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).
- 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).

38. 金融工具及公允值計量之概要(續)

公允值計量

下表提供了在初始確認後按公允值計量的金融工具的分析，根據公允值觀察的程度分為第一級至第三級。截至二零一九年及二零一八年十二月三十一日止年度，第一級、第二級及第三級之間並無轉移。

- 第一級公允值計量為源自相同資產或負債於活躍市場之報價(未經調整)得出。
- 第二級公允值計量為源自第一級所載報價以外之可觀察資產或負債輸入數據直接(即價格)或間接(即按價格推算)得出。
- 第三級公允值計量為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數據(不可觀察之輸入數據)之估值技術得出。

		Fair value as at 31 December 2019 於二零一九年 十二月三十一日 之公允值 RMB'000 人民幣千元	Fair value as at 31 December 2018 於二零一八年 十二月三十一日 之公允值 RMB'000 人民幣千元	Fair value hierarchy 公允值層級
Financial assets	金融資產			
Unlisted equity investment measured at FVPL	按公允值計入損益的非上市股權投資	5,000	-	Level 3第三級
Unlisted equity investment measured at FVOCI	按公允值計入其他全面收益的非上市股權投資	-	6,582	Level 3第三級

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38. SUMMARY OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT (CONTINUED)

Fair value measurements (continued)

Unlisted equity investment measured at FVPL

As at 31 December 2019, the unlisted equity investment represents retained interests in Capital Land. The fair value is determined by reference to the consideration for the disposal of the subsidiary which amounted to RMB15,400,000. The Directors of the Company considered that the above transaction is the latest market transaction involving the financial instrument. At such, the Directors of the Company considered that the fair value of the retained interest is approximately to RMB5,000,000 as at the date of disposal and as at 31 December 2019.

Unlisted equity investment measured at FVOCI

In 2018, the fair value measurement of financial asset at FVOCI are determined by considering factors including, but not limited to the future cash flows and operating performance of the investee, economic and market conditions in which the investee operates, recent equity share transaction of the investee and products development etc. The valuation maximise the use of observable market data and the recent transaction price of investee's equity share is a significant unobservable input in the valuation.

39. FINANCIAL RISK MANAGEMENT

The main risks arising from the Group's financial instruments in the normal course of the Group's business are credit risk, liquidity risk, interest rate risk and currency risk.

(a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's exposure to credit risk is primarily attributable to its trade and other receivables and bank deposits.

38. 金融工具及公允值計量之概要(續)

公允值計量(續)

按公允值計入損益計量之非上市股權投資

於二零一九年十二月三十一日，非上市股權投資指於京江南的保留權益。公允值乃參考出售附屬公司的代價人民幣15,400,000元釐定。本公司董事認為，上述交易為涉及金融工具的最近期市場交易。因此，本公司董事認為，保留權益的公允值於出售日期及於二零一九年十二月三十一日約為人民幣5,000,000元。

按公允值計入其他全面收益的非上市股權投資

於二零一八年，按公允值計入其他全面收益的金融資產公允值計量方法是考慮因素，包括但不限於被投資方的未來現金流量和經營業績，被投資方經營所處的經濟和市場狀況，被投資方的近期股權交易和產品。估值最大化使用可觀察市場數據，而被投資公司股權的近期交易價格是估值中重要的不可觀察之輸入數據。

39. 財務風險管理

本集團金融工具於本集團業務一般過程中產生的主要風險為信貸風險、流動資金風險、利率風險及貨幣風險。

(a) 信貸風險

信貸風險為交易對手方將無法履行其於金融工具或客戶合約項下之義務導致產生金融虧損之風險。本集團的信貸風險主要來自貿易及其他應收款項及銀行存款。

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39. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

In respect of trade and other receivables, the Group's exposure to credit risk is influenced mainly by the individual characteristics of each debtor and significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of reporting period, 80% (2018: 88%) and 100% (2018: 94%) of trade receivables was due from one debtor and two largest debtors respectively. 45% (2018: 97%) and 99% (2018: 99%) of other receivables was due from one debtor and five largest debtors respectively.

Trade receivables

Management measured the credit risk of these balances by making ECLs provision, which trade receivables were assessed based on respective credit risk characteristics and the days past due, and the ECLs calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure of these balances to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 23. The Group does not hold collateral as security.

39. 財務風險管理(續)

(a) 信貸風險(續)

就貿易及其他應收款項而言，本集團的信貸風險主要受各債務人個人特徵的影響，而本集團對個別客戶有重大風險時，主要產生重大信貸集中風險。於報告期末，貿易應收款項的80% (二零一八年：88%)及100% (二零一八年：94%)分別來自一名債務人及兩名最大債務人，而其他應收款項的45% (二零一八年：97%)及99% (二零一八年：99%)分別來自一名債務人及五名最大債務人。

貿易應收款項

管理層通過制定預期信貸虧損來衡量這些餘額的信貸風險，根據各自的信貸風險特徵及逾期天數評估貿易應收款項，預期信貸虧損的計算反映概率加權結果、貨幣的時間價值以及於報告日期可獲得的關於過往事件，當前狀況及對未來經濟狀況的預測的合理及可靠資料。於報告日期，該等結餘對信貸風險的最大敞口為附註23所披露的各類金融資產的賬面值。本集團並無持有抵押品作為抵押。

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39. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Other receivables

Management measured the expected credit loss of other receivables by using 12 months expected credit loss as it considered the receivables as low risk as the debtors were considered to have a strong capacity to meet their obligation. The Group considered that the expected credit loss is immaterial.

The below table reconcile the movement in the impairment loss of trade and other receivables for the year:

	2019 二零一九年 RMB'000 人民幣千元
At beginning of year	於年初
Impairment for the year	年內減值
Reversal for the year	年內撥回
At end of year	於年末

Management has a credit policy in place where individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's background, past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate. Generally, debtors with balances that are more than 30 days past due are requested to settle all outstanding balances before any further credit is granted. With strict credit control and monitoring of exposures of trade and other receivables to credit risks on an ongoing basis, management believe the Group's credit risk exposure to trade and other receivables has been appropriately mitigated.

Bank deposits are held in major financial institutions which management believes are of high credit quality with no significant exposure to credit risk.

39. 財務風險管理(續)

(a) 信貸風險(續)

其他應收款項

由於債務人被認為具充分償付負債的能力，管理層認為應收款項具低風險，其採用12個月預期信貸虧損計量其他應收款項的預期信貸虧損。本集團認為，預期信貸虧損並不重大。

下表為年內貿易應收款項及其他應收款項之減值虧損變動之對賬：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At beginning of year	4,589	2,754
Impairment for the year	-	2,075
Reversal for the year	(3,238)	(240)
At end of year	1,351	4,589

管理層制定了信貸政策，對信貸需求超過若干金額的所有客戶進行個人信用評估。這些評估側重於客戶的背景，過往繳付款項歷史及當前的支付能力，並考慮客戶的具體資料以及與客戶運營所在地經濟情況的有關信息。一般而言，餘額逾期超過30天的債務人被要求在獲得任何進一步的信貸之前結清所有未結餘額。嚴格要求信貸控制及持續監控貿易及其他應收款項對信貸風險的敞口，管理層認為本集團對貿易及其他應收款項的信貸風險已適當減輕。

銀行存款存放於主要金融機構，管理層認為這些機構具有較高的信用質量，並且並無重大信貸風險。

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39. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

At 31 December 2019	於二零一九年十二月三十一日
Trade payables	貿易應付款項
Other payables	其他應付款項
Lease liabilities	租賃負債
Loans due to shareholders	應付予股東的貸款
Loan due to a director	應付予一名董事的貸款

39. 財務風險管理(續)

(b) 流動資金風險

本集團旗下之個別經營實體負責自行管理其現金，包括進行短期現金盈餘投資及籌借貸款以應付預期現金需求，惟倘借款超過預先釐定之若干授權水平時，須取得母公司董事會之批准。本集團的政策為定期監控其流動資金需求及其借貸契約的合規情況，確保其維持充裕現金儲備及取得主要金融機構足夠承諾信貸融資，以應付長短期流動資金需求。

下表詳述本集團非衍生金融負債之剩餘合約到期情況。表格反映根據本集團須償還之最早日期計算其金融負債之未折現現金流量。表格包括利息及本金現金流量。

Carrying amount	Total contractual undiscounted cash flow	Within 1 year or repayable on demand	More than 1 year but Less than 2 years
賬面值	合約未折現金流量總額	一年內或於要求時償還	一年後但兩年內
RMB'000	RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元	人民幣千元
91,139	96,143	47,243	48,900
27,060	27,060	27,060	-
2,574	2,899	1,521	1,378
8,105	8,105	8,105	-
1,254	1,254	1,254	-
130,132	135,461	85,183	50,278

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39. FINANCIAL RISK MANAGEMENT (CONTINUED)

39. 財務風險管理(續)

(b) Liquidity risk (continued)

(b) 流動資金風險(續)

		Total contractual undiscounted cash flow 合約未折現現金流量總額	Within 1 year or repayable on demand 一年內或於要求時償還	More than 1 year but Less than 2 years 一年後但兩年內	
	Carrying amount 賬面值	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 31 December 2018	於二零一八年十二月三十一日				
Trade payables	貿易應付款項	58,178	61,491	61,491	-
Other payables	其他應付款項	14,937	14,937	14,937	-
Other borrowing	其他借款	5,000	5,400	5,400	-
Loans due to shareholders	應付予股東的貸款	4,034	4,034	4,034	-
		82,149	85,862	85,862	-

(c) Interest rate risk

As the Group has no significant interest-bearing assets and liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rate.

(c) 利率風險

由於本集團並無重大計息資產及負債，本集團大部分收入及經營現金流量獨立於市場利率的變動。

(d) Currency risk

The Group is exposed to currency risk on certain of its financial instruments which are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk is primarily HK\$ and USD and their principal amounts in the foreign currency are stated below.

(d) 貨幣風險

本集團面臨的貨幣風險來自其若干金融工具，採用與營運有關之功能貨幣以外之貨幣計值。產生此風險的貨幣主要為港元及美元，而以外幣計值的主要金額列示如下。

		2019 二零一九年 HK'000 千港元	2018 二零一八年 HK'000 千港元
Assets	資產	637	6,286
Liabilities	負債	(11,676)	(6,803)
		(11,039)	(517)

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39. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Currency risk (continued)

		2019 二零一九年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元
Assets	資產	15	21
Liabilities	負債	(1,820)	(1,997)
		(1,805)	(1,976)

The following table indicates the approximate change in the Group's loss for the year and retained earnings in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of reporting period. A negative number below indicates an increase in loss and accumulated losses where the RMB weakens against the relevant currency. For a strengthening of the RMB against the relevant currency, there would be an equal and opposite impact on the loss and accumulated losses, and the balances below would be negative.

39. 財務風險管理(續)

(d) 貨幣風險(續)

下表列示本集團年內虧損及保留溢利因本集團在報告期末承受重大外匯匯率的合理可能變動而產生的概約變動。下表負數顯示倘若人民幣兌有關貨幣貶值，虧損及累計虧損會增加。倘人民幣兌有關貨幣升值，對虧損及累計虧損將有相反的等值影響，而下表之結餘將為負數。

		As at December 2019 於二零一九年十二月		As at December 2018 於二零一八年十二月	
		Increase in foreign exchange rate	Effect on profit for the year and retained earnings	Increase in foreign exchange rate	Effect on profit for the year and retained earnings
		外匯匯率增加	對年內溢利及 保留溢利的影響	外匯匯率增加	對年內溢利及 保留溢利的影響
			RMB'000 人民幣千元		RMB'000 人民幣千元
HK\$	港元	5%	(494)	5%	(23)
USD	美元	5%	(630)	5%	(680)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to each of the group entities; exposure to currency risk for both derivative and non-derivative financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

敏感性分析乃假設於報告期末匯率變動之變化已發生，並已套用於本集團各實體。同時假設衍生及非衍生金融工具之貨幣風險於該日期已存在，亦假設所有其他變數(尤其是利率)維持不變。

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39. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Currency risk (continued)

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the group entities' loss for the year and equity measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of reporting period for presentation purposes.

40. CAPITAL MANAGEMENT

The Group's objective of managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

The capital structure of the Group consists of equity attributable to owners of the Company of RMB38,118,000 only, comprising share capital and reserves.

39. 財務風險管理(續)

(d) 貨幣風險(續)

所述變動指管理層對直至下年度申報日期止期間匯率有可能出現合理變動之評估。上表所列示分析之結果指對集團旗下各實體按各種功能貨幣計算並按報告期末之匯率換算為人民幣以供呈列之用的年內虧損及權益之影響總計。

40. 資本管理

本集團之資本管理目標乃保障本集團的持續營運，以為股東提供回報及為其他利益相關者提供利益，維持最佳資本結構以減少資金成本。

為保持或調整資本架構，本集團或會調整派付股東的股息金額、股東資本回報、發行新股或出售資產以減少債務。

本集團資本架構僅包括本公司擁有人應佔權益人民幣38,118,000元(包括股本及儲備)。

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41. RECONCILIATION OF LIABILITIES ARISING FROM FINANCIAL ACTIVITIES

41. 融資活動產生的負債對賬

		Other borrowing	Shareholders' loan	Director's loan	Lease liabilities	Amount due to non- controlling interest	Total
		其他借款 RMB'000 人民幣千元 (note 27) (附註27)	股東貸款 RMB'000 人民幣千元	董事貸款 RMB'000 人民幣千元	租賃負債 RMB'000 人民幣千元 (note 35) (附註35)	應付非控 股權益款項 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	-	-	-	-	-	-
Changes from cash flows:	現金流量產生之變動：						
Proceeds from other borrowings	其他借款所得款項	6,000	-	-	-	-	6,000
Repayment of other borrowings	償還其他借款	(1,000)	-	-	-	-	(1,000)
Proceeds from shareholder's loan	股東貸款所得款項	-	6,684	-	-	-	6,684
Repayment of shareholder's loan	償還股東貸款	-	(2,650)	-	-	-	(2,650)
Total changes from financing cash flows	融資現金流量變動總額	5,000	4,034	-	-	-	9,034
At 31 December 2018	於二零一八年十二月三十一日	5,000	4,034	-	-	-	9,034
Initial adoption of HKFRS 16	首次採納香港財務報告準則 第16號	-	-	-	4,151	-	4,151
At 1 January 2019	於二零一九年一月一日	5,000	4,034	-	4,151	-	13,185
Changes from cash flows:	現金流量變動：						
Proceeds from shareholders' loan	提取股東貸款	-	14,259	-	-	-	14,259
Repayment of shareholders' loan	償還股東貸款	-	(10,300)	-	-	-	(10,300)
Proceeds from director's loan	提取董事貸款	-	-	1,240	-	-	1,240
Repayment at principal portion at the lease liabilities	償還租賃負債的本金部分	-	-	-	(1,838)	-	(1,838)
Proceeds from loan from non-controlling interests	提取非控股權益之貸款	-	-	-	-	600	600
Total changes from financing cash flows	融資現金流量變動總額	-	3,959	1,240	(1,838)	600	3,961
Effect on foreign exchange rate changes	匯率變動之影響	-	112	14	-	-	126
Other changes:	其他變動：						
Interest expenses	利息開支	-	-	-	261	-	261
Derecognised upon disposal of a subsidiary (note 32)	出售一間附屬公司後終止確認 (附註32)	(5,000)	-	-	-	(600)	(5,600)
Total other changes	其他變動總額	(5,000)	112	14	261	(600)	(5,213)
At 31 December 2019	於二零一九年十二月三十一日	-	8,105	1,254	2,574	-	11,933

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42. EVENTS AFTER REPORTING PERIOD

Completion of subscription of shares

Pursuant to the Company announcement dated on 10 January 2020, the Company entered into the subscription agreement with the subscriber in relation to the subscription of shares. Pursuant to the subscription agreement, the Company has conditionally agreed to allot and issue 158,064,516 shares to the subscriber at the subscription price of HK\$0.062 per share. The above subscription was completed on 23 January 2020. The net proceeds from the subscription amounted to approximately HK\$9,790,000.

The assessment of the impact of the Coronavirus Disease 2019

In view of the outbreak of Coronavirus Disease 2019 (“COVID-19”) in January 2020 in the PRC, the PRC authority has taken national prevention and control of the COVID-19. The COVID-19 has certain impacts on the business operation and overall economy in some geographical areas or industries in the PRC. To a certain extent the outbreak might affect the program production progress and most of the concerts are scheduled in the second half of 2020, and the extent of the impact depends on the duration of the epidemic and the implementation of regulatory policies and relevant protective measures. The Group will stay alert on the development and situation of the COVID-19, continuing to assess its impacts on the financial position and operating results of the Group and take necessary action to mitigate the business risk in the PRC. Up to the date of approval of the consolidated financial statements, the assessment is still in progress.

42. 報告期後事項

完成認購股份

根據本公司日期為二零二零年一月十日的公告，本公司與認購方就認購股份訂立認購協議。根據認購協議，本公司已有條件同意配發及發行158,064,516股股份予認購方，認購價為每股股份0.062港元。上述認購已於二零二零年一月二十三日完成。認購事項之所得款項淨額約為9,790,000港元。

對新型冠狀病毒肺炎影響的評估

鑒於二零二零年一月新型冠狀病毒肺炎（「新冠肺炎」）在中國爆發，中國當局已採取全國預防及控制新冠肺炎的措施。新冠肺炎對中國部分地區或行業的業務營運及整體經濟造成一定的影響。疫情爆發在一定程度上可能會影響節目製作進度及大多數於二零二零年下半年舉行的演唱會，而有關的影響程度將取決於疫情的持續時間以及監管政策和相關保護措施的實施。本集團將時刻留意新冠肺炎的發展及情況，持續評估其對本集團財務狀況及經營業績的影響，並會採取必要的措施以減低中國的業務風險。截至綜合財務報表簽署日期，有關評估仍在進行中。



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