

2020 第三季度報告 THIRD QUARTERLY REPORT



National Arts Entertainment and Culture Group Limited 國藝娛樂文化集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(於開曼群島註冊成立並於百慕達存續之有限公司)

Stock code 股份代號 : 8228



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香港聯合交易所有限公司（「聯交所」）GEM之特色

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

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於聯交所主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

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本報告載有遵照聯交所GEM證券上市規則之規定而提供有關國藝娛樂文化集團有限公司（「本公司」）之資料，本公司各董事願就此共同及個別承擔全部責任。本公司各董事經作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重大方面均屬準確及完整，並無誤導或欺詐成份，且並無遺漏任何其他事實，足以致使本報告或其所載任何陳述產生誤導。



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The board (the “Board”) of directors (the “Directors”) of National Arts Entertainment and Culture Group Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the nine months ended 30 September 2020, together with the comparative figures for the corresponding period in 2019 as follows:

國藝娛樂文化集團有限公司(「本公司」)董事(「董事」)會(「董事會」)公佈本公司及其附屬公司(統稱「本集團」)截至二零二零年九月三十日止九個月之未經審核綜合業績，連同二零一九年同期之比較數字如下：

Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income

未經審核之綜合損益及其他全面收益表

		Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
	Notes 附註	2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收入				
– Goods and services	– 貨品及服務	3	9,419	30,924	23,634
– Rental	– 租金	3	911	12,349	2,911
Total revenue	總收入		10,330	43,273	26,545
Other income	其他收入	3	(667)	1,246	9,174
Staff costs	員工成本	6	(17,910)	(15,474)	(41,422)
Other operating expenses	其他營運開支		(16,388)	(25,364)	(50,404)
Operating (loss)/profit	經營(虧損)/利潤		(24,635)	3,681	(56,107)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6	(2,129)	(2,937)	(29,643)
Depreciation of right-of-use assets	使用權資產折舊	6	(3,440)	(3,440)	(10,318)
Net exchange gain/(losses)	匯兌收益/(虧損)		25,855	(24,859)	13,103
Share of loss of a joint venture	分佔一間合營企業虧損		(582)	(591)	(1,811)
Share of profit of an associate	分佔一間聯營企業利潤		–	509	–
Impact of financial restructuring	財務重組的影響	5	(28,305)	–	825,964
Equity-settled share-based payments granted to financial adviser	向財務顧問授出之以權益結算以股份為基礎之付款		(10,000)	–	(10,000)
Finance costs	融資成本	4	(21,845)	(43,778)	(106,454)
(Loss)/profit before income tax	除稅前(虧損)/利潤	6	(65,081)	(71,415)	624,734
Income tax expense	所得稅開支	7	–	–	–
(Loss)/profit for the period	本期間(虧損)/利潤		(65,081)	(71,415)	624,734

Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income

未經審核之綜合損益及其他全面收益表

		Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
		2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)
Notes 附註					
	Other comprehensive income/(expense) Item that may be reclassified subsequently to profit or loss				
	其他全面收入／(開支) 其後可能重列為損益的項目				
	Exchange difference on translation of financial statements of foreign operations	16,956	(16,406)	8,220	(17,435)
	Other comprehensive income/(expense) for the period, net of tax	16,956	(16,406)	8,220	(17,435)
	Total comprehensive (expense)/income for the period	(48,125)	(87,821)	632,954	(264,482)
	(Loss)/profit for the period attributable to:				
	Owners of the Company	(64,866)	(71,110)	625,426	(246,404)
	Non-controlling interests	(215)	(305)	(692)	(643)
		(65,081)	(71,415)	624,734	(247,047)
	Total comprehensive (expense)/income for the period attributable to:				
	Owners of the Company	(48,125)	(87,516)	633,431	(263,839)
	Non-controlling interests	-	(305)	(477)	(643)
		(48,125)	(87,821)	632,954	(264,482)
	Earnings/(loss) per share				
	Basic and diluted	(HK2.92 cents) (2.92港仙)	(HK1.43 cents) (1.43港仙)	HK10.89 cents 10.89港仙	(HK5.10 cents) (5.10港仙)

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Unaudited Consolidated Statement of Changes in Equity

未經審核之綜合權益變動表

		Attributable to the owners of the Company 本公司擁有人應佔								Attributable to non-controlling interests 非控股權益應佔		Total
		Share capital	Share premium	Special reserve	Contributed surplus	Properties revaluation reserve	Translation reserve	Share option reserve	Convertible bond equity reserves	Accumulated losses	Subtotal	
		股本	股份溢價	特別儲備	實繳盈餘	物業重估儲備	換算儲備	購股權儲備	可換股債券權益儲備	累計虧損	小計	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 1 January 2019 (Audited)	於二零一九年一月一日 (經審核)	451,716	804,495	6,302	78,791	335,013	(131,671)	41,912	-	(1,441,615)	144,943	232
Share issued upon exercise of share options	行使購股權所發行的股份	224	326	-	-	-	-	-	-	-	550	550
Lapse of share option	購股權失效	42,877	64,314	-	-	-	-	-	-	-	107,191	107,191
Transactions with owners	與擁有人進行的交易	43,101	64,640	-	-	-	-	-	-	-	107,741	107,741
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	(246,404)	(246,404)	(643)
Exchange difference on translation of financial statement of foreign operations	換算海外業務財務報表時產生的匯兌差額	-	-	-	-	-	(17,435)	-	-	-	(17,435)	(17,435)
Total comprehensive expense for the period	本期間全面開支總額	-	-	-	-	-	(17,435)	-	-	(246,404)	(263,839)	(643)
As at 30 September 2019 (Unaudited)	於二零一九年九月三十日 (未經審核)	494,817	869,135	6,302	78,791	335,013	(149,106)	41,912	-	(1,688,019)	(11,155)	(411)
As at 1 January 2020 (Audited)	於二零二零年一月一日 (經審核)	494,817	866,992	6,302	78,791	158,104	(146,299)	49,377	-	(1,938,824)	(430,740)	(543)
Lapse of share options	購股權失效	-	-	-	-	-	-	(3,016)	-	3,016	-	-
Issue of convertible bonds arising from the completion of financial restructuring	財務重組完成後發行可換股債券	-	-	-	-	-	-	-	3,933	-	3,933	3,933
Share issued to the creditor upon completion of placing of new shares	配售新股完成後向債權人發行的股份	215,512	183,185	-	-	-	-	-	-	-	398,697	398,697
Share issued by settlement of financial advisory fee for the completion of financial restructuring	因結算完成財務重組之財務顧問費用而發行的股份	25,000	25,000	-	-	-	-	(21,695)	-	-	28,305	28,305
Share issued by settlement of financial advisory fee for the Possible Offer (as defined below)	因結算潛在要約 (定義見下文) 之財務顧問費用而發行的股份	5,405	4,595	-	-	-	-	-	-	-	10,000	10,000
Transactions with owners	與擁有人進行的交易	245,917	212,780	-	-	-	-	(24,711)	3,933	3,016	440,935	440,935
Profit for the period	本期間利潤	-	-	-	-	-	-	-	-	625,426	625,426	(692)
Exchange difference on translation of financial statement of foreign operations	換算海外業務財務報表時產生的匯兌差額	-	-	-	-	-	8,220	-	-	-	8,220	8,220
Total comprehensive income/ (expense) for the period	本期間全面收入 / (開支) 總額	-	-	-	-	-	8,220	-	-	625,426	633,646	(692)
As at 30 September 2020 (Unaudited)	於二零二零年九月三十日 (未經審核)	740,734	1,079,772	6,302	78,791	158,104	(138,079)	24,666	3,933	(1,310,382)	643,841	(1,235)

Notes to the Consolidated Financial Statements

綜合財務報表附註

1. GENERAL

National Arts Entertainment and Culture Group Limited was incorporated in the Cayman Islands on 16 November 2001 as an exempted company under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. On 14 October 2010, the Company deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda effective on 14 October 2010. The registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company's principal place of business in Hong Kong is Room 1514-15, 15/F., Seapower Tower, Concordia Plaza, No. 1 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company's shares are listed on GEM of the Stock Exchange. The Company is principally engaged in investment holding. The principal activities of the Group include film production and distribution, the provision of management services to artistes, event coordination, provision of travel related products and operations of film studio and hotels.

The unaudited consolidated financial statements are presented in Hong Kong Dollars ("HK\$"), which is also the functional currency of the Company and all values are rounded to the nearest thousand ("HK\$'000") unless otherwise stated.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("**GEM Listing Rules**"), including compliance with Hong Kong Accounting Standard ("**HKAS**") 34 Interim Financial Reporting and Interpretation issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements set out in Chapter 18 of the GEM Listing Rules.

1. 一般資料

國藝娛樂文化集團有限公司於二零零一年十一月十六日根據開曼群島法例第22章公司法（一九六一年法例3，經綜合及修訂）在開曼群島註冊成立為獲豁免公司。於二零一零年十月十四日，本公司於開曼群島撤銷註冊，並根據百慕達法例正式於百慕達以獲豁免公司形式存續，於二零一零年十月十四日生效。本公司的註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。本公司的香港主要營業地點位於香港九龍尖沙咀科學館道1號康宏廣場航天科技大廈15樓1514-15室。

本公司股份於聯交所GEM上市。本公司主要從事投資控股。本集團之主要業務包括電影製作及發行、提供藝人管理服務、活動統籌、提供旅遊相關產品及經營影視城和酒店。

未經審核綜合財務報表以港元（「港元」，亦為本公司的功能貨幣）呈列，除另有指明外，所有價值均四捨五入至最接近的千位數（「千港元」）。

2. 編製基準

本集團之未經審核簡明綜合財務報表乃按照聯交所GEM證券上市規則（「**GEM上市規則**」）之適用披露條文（包括遵守香港會計師公會（「**香港會計師公會**」）頒佈之香港會計準則（「**香港會計準則**」）第34號中期財務報告及詮釋）及GEM上市規則第18章所載之披露規定編製。

2. BASIS OF PREPARATION (CONTINUED)

On 10 July 2019, the Company invited all known creditors of the Company to make an offer to the Company for possible restructuring transaction, which has received substantial support from most of the creditors. On 26 August 2019, the Company put forward the proposed scheme of arrangement pursuant to Section 99 of the Companies Act 1981 of Bermuda and Section 670 of the Companies Ordinance (Cap. 622) of Hong Kong, further details of which are disclosed on pages 21 to 30 of this report and the Company's announcements dated 30 July, 12 August, 19 August, 20 September, 8 October, 14 October, 8 November, 19 November, 27 November, 15 December 2019, 7 January, 25 February, 6 March, 20 March, 31 August 2020, the circular of the Company dated 20 September 2019, the poll results announcement dated 10 October 2019 and the next day disclosure returns of the Company dated 30 June 2020 and 3 August 2020. Further announcements will be made by the Company to update the shareholders of the Company and investors on further progress of the financial restructuring and relevant court proceedings.

The unaudited consolidated results for the nine months ended 30 September 2020 should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2019.

2. 編製基準（續）

於二零一九年七月十日，本公司邀請所有已知的本公司債權人就本公司之可能重組交易作出要約，獲得大部份債權人鼎力支持。於二零一九年八月二十六日，本公司根據百慕達（一九八一年）的公司法第99條及香港法例第622章《公司條例》第670條提呈建議計劃安排，更多詳情於本報告第21至30頁及本公司日期為二零一九年七月三十日、八月十二日、八月十九日、九月二十日、十月八日、十月十四日、十一月八日、十一月十九日、十一月二十七日、十二月十五日、二零二零年一月七日、二月二十五日、三月六日、三月二十日及八月三十一日之公告，本公司日期為二零一九年九月二十日之通函，本公司日期為二零一九年十月十日之投票結果公告及本公司日期為二零二零年六月三十日及二零二零年八月三日之翌日披露報表披露。本公司將另行刊發公告以向本公司股東及投資者提供最新有關財務重組及相關法律訴訟的進一步進展。

截至二零二零年九月三十日止九個月之未經審核綜合業績應與本集團截至二零一九年十二月三十一日止年度之年度財務報表一併閱讀。

3. REVENUE AND OTHER INCOME

Revenue derived from the Group's principal activities recognised during the period is as follows:

3. 收入及其他收入

期內確認來自本集團主要業務的收入如下：

		Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
		2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue from contracts with customers within the scope of HKFRS 15, disaggregated by major products or services lines:	香港財務報告準則第15號範圍內客戶合約的收益，按主要產品或服務線劃分：				
Artiste management fee income	藝人管理費	51	7	58	34
Hotel room income	酒店房間收入	3,499	2,742	6,587	9,548
Food and beverage income	餐飲收入	3,698	4,830	9,962	17,430
Entrance fee income	門券收入	1,244	18,606	4,617	53,691
Sales of travel related products	銷售旅行相關產品	-	1,300	313	3,708
Sales of goods	貨品銷售	3	480	104	2,108
Ancillary services	配套服務	357	2,958	1,426	13,181
Consultation Income	顧問收入	-	-	-	105
Films production and licensing income	電影製作及特許收入	567	-	567	-
		9,419	30,924	23,634	99,805
Rental income	租金收入	911	12,349	2,911	32,775
		10,330	43,273	26,545	132,580
Timing of revenue recognition:	收益確認時間：				
At a point of time	在某個時間點	4,944	25,216	14,995	76,937
Over time	於一段時間	5,386	18,057	11,550	55,643
		10,330	43,273	26,545	132,580
Other income	其他收入				
Bank interest income	銀行利息收入	1	1	1	29
Government subsidy	政府補貼	95	-	4,236	-
Others	其他	(763)	1,245	4,937	3,174
		(667)	1,246	9,174	3,203

4. FINANCE COSTS

4. 融資成本

		Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
		2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)
Finance lease charges	財務租賃費用	436	437	1,265	1,321
Interest on bonds	債券利息	1,190	28,004	42,681	131,258
Interest on convertible bonds	可換股債券利息	19,717	-	20,223	-
Interest on promissory note	承兌票據利息	-	2,093	-	6,279
Interest on loan from shareholders	股東貸款利息	-	12,208	33,919	39,948
Interest on unsecured other borrowings	其他無抵押借貸利息	502	1,036	3,032	3,939
Interest on secured other borrowings	其他有抵押借貸利息	-	-	5,334	5,269
		21,845	43,778	106,454	188,014

5. IMPACT OF FINANCIAL RESTRUCTURING

5. 財務重組的影響

		Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
		2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)
Carrying amount of liabilities settled by issue of convertible bonds and new shares under the restructuring transaction	根據重組交易以發行可換股債券及新股份結算的負債的賬面值	-	-	2,082,419	-
Fair value of convertible bonds issued pursuant to the restructuring transaction	根據重組交易發行的可換股債券的公允值	-	-	(829,454)	-
Fair value of new shares issued pursuant to the restructuring transaction	根據重組交易發行的新股份的公允值	-	-	(398,696)	-
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	(28,305)	-	(28,305)	-
		(28,305)	-	825,964	-

The fair value of the convertible bonds is determined by the directors of the Company with reference to the valuation report prepared by an independent professional valuer, by applying discounted cash flow model on the liability component and Binomial Tree Model on the equity component and derivative component, if any.

可換股債券的公允值乃由本公司董事經參考獨立專業估值師編製的估值報告，採用負債部分的貼現現金流模型及權益部分和衍生部分（如有）的二叉樹模型釐定。

6. (LOSS)/PROFIT BEFORE INCOME TAX

6. 除所得稅前（虧損）／利潤

		Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
		2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)
(Loss)/profit before income tax is arrived at after charging:	除所得稅前（虧損）／利潤已扣除下列各項：				
Auditor's remuneration	核數師酬金	250	213	750	638
Depreciation of right-of-use assets	使用權資產折舊	3,440	3,440	10,318	10,318
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,129	2,937	29,643	34,755
Employee benefit expenses (including directors' remuneration)	僱員福利開支（包括董事酬金）				
Salaries and allowance	薪金及津貼	17,810	14,473	40,211	40,219
Contributions to retirement benefits schemes	退休福利計劃供款	100	1,001	1,211	3,120
		17,910	15,474	41,422	43,339

7. INCOME TAX EXPENSE

7. 所得稅開支

Hong Kong Profits Tax has not been provided for the nine months ended 30 September 2020 (2019: Nil) as the Group did not generate any assessable profits in Hong Kong during these periods.

The People's Republic of China ("PRC") Enterprises Income Tax at 25% has not been provided as the PRC subsidiaries incurred losses for taxation purpose for both periods.

Taxation arising in other jurisdiction is calculated at the rates prevailing in the relevant jurisdiction.

由於本集團於截至二零二零年九月三十日止九個月並無在香港產生任何應課稅溢利，故並無就此等期間之香港利得稅作出撥備（二零一九年：無）。

由於中華人民共和國（「中國」）附屬公司於兩個期間均錄得稅務虧損，故並無就中國企業所得稅（稅率為25%）作出撥備。

於其他司法權區產生的稅項乃按相關司法權區的當前稅率計算。

8. EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings/(loss) per share is based on the profit attributable to the owners of the Company of approximately HK\$625,426,000 (2019: loss of approximately HK\$246,404,000) and the weighted average of approximately 5,744,948,000 (2019: approximately 4,828,109,000) ordinary shares in issue during the period.

Diluted earnings/(loss) per share for the profit/(loss) attributable to the owners of the Company for the nine months ended 30 September 2020 and 2019 was the same as basic earnings/(loss) per share as the impact of the exercise of the share options, warrants and convertible bonds is anti-dilutive.

9. DIVIDEND

The Directors do not recommend payment of dividend for the nine months ended 30 September 2020 (2019: Nil).

8. 每股盈利／（虧損）

每股基本盈利／（虧損）乃根據本公司擁有人應佔利潤約625,426,000港元（二零一九年：虧損約246,404,000港元）及期內已發行普通股的加權平均數約5,744,948,000股（二零一九年：約4,828,109,000股）計算。

由於行使購股權、認股權證及可換股債券具有反攤薄影響，故截至二零二零年及二零一九年九月三十日止九個月，本公司擁有人應佔利潤／（虧損）的每股攤薄盈利／（虧損）與每股基本盈利／（虧損）相同。

9. 股息

董事不建議派付截至二零二零年九月三十日止九個月的股息（二零一九年：無）。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

The revenue for the period under review decreased to approximately HK\$26.55 million from approximately HK\$132.58 million for the nine months ended 30 September 2019, representing a decrease of approximately HK\$106.03 million. The decrease in revenue was mainly attributable to the temporary suspension (the “**Temporary Suspension**”) of the operation of the Group’s Xiqiao National Arts Film Studio (the “**Studio**”) and National Arts Resort Hotel (the “**Hotel**”), collectively with the Studio, the “**Xiqiao National Arts Film Studio Project**”) since 24 January 2020 and 29 January 2020 respectively as a result of the precautionary policies and measures implemented by the Guangdong provincial government to deter the spread of novel coronavirus (“**COVID-19**”) pandemic in the PRC. The operation of the Studio and the Hotel was resumed from 16 May 2020.

Staff costs for the period under review decreased to approximately HK\$41.42 million from approximately HK\$43.33 million for the nine months ended 30 September 2019, representing a decrease of approximately HK\$1.91 million. Such decrease was mainly due to the Temporary Suspension during the period under review.

Finance costs for the period under review decreased to approximately HK\$106.45 million from approximately HK\$188.01 million for the nine months ended 30 September 2019. The decrease was mainly attributable to the maturity of bonds. Interest expenses of approximately HK\$79.63 million included in the finance costs were accrued interest on bonds, loan from shareholders and unsecured other borrowings, which were settled by way of issuance of convertible bonds and new shares of the Company on 29 June 2020 pursuant to the Group’s restructuring transactions.

Other operating expenses for the period under review decreased to approximately HK\$50.4 million from approximately HK\$78.36 million for the nine months ended 30 September 2019. Such decrease of approximately HK\$27.96 million was mainly due to the Temporary Suspension during the period under review.

Impact of financial restructuring of approximately HK\$825.96 million was recorded during the period under review. Such impact arose from the difference between the carrying amount of liabilities settled of approximately HK\$2,082.42 million and the fair value of the convertible bonds and the new shares of the Company issued of approximately HK\$1,228.15 million and equity settled share-based payment expenses of approximately HK\$28.31 million under the Group’s restructuring transaction, details of which are set out in the paragraphs headed “Restructuring Transaction” and “Scheme of Arrangement” below. Nevertheless, the impact was non-cash item and does not have any real impacts on the operations and cash flows of the Group during the period under review.

財務回顧

回顧期間的收入由截至二零一九年九月三十日止九個月的約132.58百萬港元減至約26.55百萬港元，減少約106.03百萬港元。收入減少乃主要由於因廣東省政府為遏止新型冠狀病毒（「**COVID-19**」）流行病在中國傳播而採取的預防政策及措施，導致本集團西樵山國藝影視城（「**該影視城**」）及國藝度假酒店（「**該酒店**」，連同該影視城統稱為「**西樵山國藝影視城項目**」）分別自二零二零年一月二十四日及二零二零年一月二十九日起臨時暫停營業（「**臨時停業**」）。該影視城及該酒店自二零二零年五月十六日起恢復營運。

回顧期間的員工成本由截至二零一九年九月三十日止九個月的約43.33百萬港元減至約41.42百萬港元，減少約1.91百萬港元。該減少乃主要由於回顧期間臨時停業。

回顧期間的融資成本由截至二零一九年九月三十日止九個月的約188.01百萬港元減少至約106.45百萬港元。該減少主要歸因於債券到期。計入融資成本中的利息開支約79.63百萬港元為債券、股東貸款及其他無抵押借貸的應計利息，本公司已於二零二零年六月二十九日根據本集團的重組交易以發行可換股債券及新股份的方式結清。

回顧期間的其他營運開支由截至二零一九年九月三十日止九個月的約78.36百萬港元減至約50.4百萬港元。減少約27.96百萬港元乃主要由於回顧期間臨時停業。

於回顧期間錄得財務重組的影響約825.96百萬港元。有關影響乃由已結清負債的賬面值約2,082.42百萬港元與本公司根據本集團的重組交易發行的可換股債券及新股份的公允值約1,228.15百萬港元及以權益結算以股份為基礎的付款開支約28.31百萬港元之間的差額引致，有關詳情載於下文「重組交易」及「安排計劃」段落。然而，該影響為非現金項目，且不會對本集團於回顧期間的營運及現金流造成任何實質影響。

For the nine months ended 30 September 2020, the Group recorded a net profit of approximately HK\$624.73 million as compared to a net loss of approximately HK\$247.05 million for the nine months ended 30 September 2019. Such increase in the net profit was mainly due to the impact of financial restructuring during the period under review.

BUSINESS REVIEW

Xiqiao National Arts Studio Project

Located in Foshan City, Guangdong Province, the Xiqiao Natural Arts Film Studio Project has the view of Mount Xiqiao which is known as one of the national 5-star tourist attractions and has total developed land area of 444,000 square meters. There are unique film shooting areas throughout the Studio along with theme parks, hotel and performing arts complexes. The Studio incorporates sightseeing and recreational facilities which make it the most international vacation resort in Guangdong Province. The Studio has opened a new theme park named “The Snow Queen Theme Park”, and successfully organised a number of events, including “潮拜星春匯國藝”, “國潮穿越運動會”, “The 6th Wing Chun Competition”, “International Youth Film and Culture Internship Programme” and “Christmas Carnival”. Overall, the total attendances of the Studio in 2019 were approximately 1,200,000.

In addition, the Group also established the National Arts Brilliant Emperor Cinematic Action Stunt Training Center (國藝輝煌電影動作特技培訓中心), which combines films, culture and tourism and teaching activities, aiming to nurture the next generation of movie stars. Meanwhile, the Group has participated in several charity groups on education. The Studio cooperated with charitable organisations such as Caritas and Po Leung Kuk to organise study group events for students to participate and to explore different culture and film production in the Studio.

The Group believes that the events held by the Group will effectively improve the brand awareness of the Studio and will push the Xiqiao National Arts Film Studio Project to the peak.

截至二零二零年九月三十日止九個月，本集團錄得純利約624.73百萬港元，而截至二零一九年九月三十日止九個月則錄得虧損淨額約247.05百萬港元。純利增加乃主要由於財務重組對回顧期間的影響。

業務回顧

西樵山國藝影視城項目

西樵山國藝影視城項目位於廣東省佛山市，盡享國家五星級旅遊景區西樵山的美景，已開發土地總面積達四十四萬四千平方米，包含各種獨特電影拍攝場景、主題公園、酒店及表演場館等。該影視城集旅遊觀光及遊玩設施於一身，令該影視城成為廣東省最具國際規模的度假勝地。該影視城新增主題園區「冰雪女王主題園區」，及成功籌辦多項活動，包括「潮拜星春匯國藝」、「國潮穿越運動會」、「第六屆詠春大賽」、「國際青年影視文化交流團」及「聖誕嘉年華」。整體而言，二零一九年該影視城的總入場人數約為1,200,000人次。

此外，本集團亦成立國藝輝煌電影動作特技培訓中心，結合電影、文旅和教學活動，致力培育下一代電影明星。同時，本集團已與數個慈善團體就教育事務合作。例如，該影視城與明愛及保良局等慈善組織合辦遊學活動，供學生參與及探索該影視城內不同的文化特色及影片製作。

本集團相信已舉辦的活動將大力提升該影視城的品牌知名度，把西樵山國藝影視城項目推上高峰。

Management Discussion and Analysis

管理層討論及分析

Travel

National Arts Travel Limited (“**NA Travel**”) has been established and commenced its business since 2015. It provides one-stop travel services especially for major organizations, associations and tourists with “Diversification, Professionalism, and Internationalism” as their principles, and formulates flexible and comfortable travel plans and personalized products. To enhance the comprehensive customer support and increase the travel agency’s market competitiveness, NA Travel has updated its inquiry and sales system in 2018. In addition to optimizing traditional group tours, travel insurance, international flight and hotel booking, it also organises customized group tours, providing extraordinary experience for travelers, including private tours, business trainings and activities, honeymoon and wedding plans, cruise vacations, professional and featured tours, etc. In 2019, NA Travel initiated the “Charity Tours” (「慈善之旅」) in Zhaoqing and Foshan for large organizations to support corporate social responsibilities, and also arranged “Trip to Resort of National Arts Studio” (「國藝影視旅遊度假區之旅」) for disabled group.

In addition, in order to diversify the current product lines, NA Travel established “Skyyer Travel” in 2018 through the Travel Industry Council of Hong Kong. “Skyyer Travel” presents a fresh brand image with the slogan “What Travel means is you decide to go and take action! (旅遊就是想閃。就閃)”. It specializes in designing “Tailor-made tours for sport, hobby and industry” and invites various celebrities as guests to create “Star-class Travel” which categorizes into Sport-themed Travel (golfing, marathon, cycling, basketball, table tennis, darts, kung fu, swimming, diving, dragon boat, yoga, dancing), Art-themed Travel (painting, photography, tea ceremony, music), Taste-themed Travel (food and wine tasting), Religion-themed Travel (Christianity, Buddhism, Taoism), etc., providing customers with unique experiences of in-depth tours. In 2019, to make its products more international and specialized, “Skyyer Travel” expanded beyond Asia for the first time and entered regions in Europe and the Middle East, including seeking the famous red wine producing areas in Bordeaux, France, visiting luxury and world-renowned buildings in Dubai and Abu Dhabi. Meanwhile, “Skyyer Travel” organized “Theme Activity Travel”, including international darts tournament, wing chun tournament, hung kuen tournament, concert and beauty contest, etc. In the third quarter of 2019, “Skyyer Travel” also participated in a Sports Expo and held “Skyyer Travel Brand and Outstanding Athlete Award Ceremony” for the first time in order to achieve branding and marketing effects.

旅遊

國藝旅遊有限公司(「**國藝旅遊**」)自二零一五年成立及開展業務，專為各大機構、團體及遊客提供一站式旅遊服務，以「多元化、專業化、國際化」為宗旨，製訂既靈活又貼心的旅遊方案及個性化產品。為改進綜合客戶支援及加強旅行社的市場競爭力，國藝旅遊於二零一八年更新其查詢及銷售系統。除優化傳統旅行團、旅遊保險、全球機票及酒店訂購外，更為客人度身訂造一系列特色旅行團，讓貴賓有著非一般的獨特旅遊體驗，包括獨立包團業務、商務培訓及活動、蜜月及婚禮安排、郵輪假期、專業及特色旅遊等等。於二零一九年，國藝旅遊更開創為大型機構安排於肇慶及佛山的「慈善之旅」以支持企業社會責任，及為傷健團體安排「國藝影視旅遊度假區之旅」。

此外，為多元化發展現有產品線，國藝旅遊於二零一八年經香港旅遊業議會成立「閃令令旅遊」，以全新品牌形象及口號「旅遊就是想閃。就閃」，專業打造「運動、興趣及行業而設的度身訂造之旅程」，並邀請各界名人擔任嘉賓，打造「星級主題旅遊」，類別包括：運動旅遊（高爾夫球、馬拉松、單車、籃球、乒乓球、飛鏢、功夫、游泳、潛水、龍舟、瑜珈、舞蹈）、藝術旅遊（繪畫、攝影、茶藝、音樂）、品味旅遊（美食、品酒）、宗教旅遊（基督教、佛教、道教）等等，為顧客帶來獨一無二的深度遊。於二零一九年，為使其產品更具國際化及專業化，閃令令旅遊首度跳出亞洲，前往歐洲及中東等地，包括：法國波爾多尋覓著名紅酒產地、杜拜及阿布扎比遊覽奢華及享譽世界之建築物等。同時，閃令令旅遊開拓「主題活動旅遊」，包括國際性的飛鏢大賽、詠春大賽、洪拳大賽、音樂會、選美大賽等。於二零一九年第三季，閃令令旅遊更首次參與運動博覽會及主辦「閃令令旅遊品牌暨傑出星級運動員頒獎典禮」，以達致品牌宣傳效果。

Management Discussion and Analysis 管理層討論及分析

In order to align with the current education blueprint of “Broadening horizon and life-long learning”, NA Travel established “National Arts Cultural Study Tour Expert (國藝文化遊學專家)” through the Travel Industry Council of Hong Kong at the beginning of 2019, which specializes in assisting primary and secondary schools, universities, social groups and institutions to plan and organize different cultural exchange and education activities with foreign counterparts. Under the mission that “Study tours are provided to broaden horizon, acquire knowledge, and have real experience” and the philosophy of “exploring the world, making friends and enriching life”, it provides professional itinerary advice and considerate services, coupled with new elements, including trainings for language, interests, history, arts, science and technology, leadership and team building. Study tours cover Foshan, Shenzhen, Guangzhou, Shanxi in China, Taiwan, Korea, Singapore, etc. The goal is to make sure that every participant will have an unforgettable experience. In order to align with the development of the Greater Bay Area, National Arts Cultural Study Tour Expert organized a corporate inspection delegation themed “Greater Bay Area Youth Entrepreneurship Tour” spanning Shenzhen, Guangzhou, Foshan and Dongguan in late 2019, which broke with traditional tourist routes for scenic spots, instead, it opened a new era for entrepreneurs to study and exchange in famous enterprises. In the coming future, National Arts Cultural Study Tour Expert will set to input more resources to develop the Greater Bay Area, so as to embrace new market trends.

Furthermore, at the end of 2019, NA Travel and National Arts Cultural Study Tour Expert entered into a “Greater Bay Area Strategic Cooperation Agreement” with a media organization, aiming to implement a number of Greater Bay Area cultural and business exchanges and inspection activities, and assist industrial leaders and potential elites to have a deeper understanding on the unique culture and local customs and practices of the “9+2” cities in the Greater Bay Area, so that they can be well prepared to cultural differences before tapping into the Greater Bay Area market.

In order to give our customers a better understanding on the products and policies of the travel agency, the Marketing Department and the Tourism Department jointly launched various travel publications, including: “Special Edition for Guangdong-Hong Kong-Macao Greater Bay Area (five themes: Corporate Exchange, Volunteer Services, Team Building, Experience Activities, Exploring the Ancients and Seeking its Origin)”, “Guidebook for Skyer Theme Travel Collection”, “Study Tour Special Edition for National Arts Cultural Study Tour Expert”, “Recommendation for Special Package Tour of NA Travel”, etc.

為配合現時教學新藍圖「擴闊視野·終身學習」，國藝旅遊於二零一九年初經香港旅遊業議會成立「國藝文化遊學專家」，專責協助各大中小院校、社會團體、機構策劃及舉辦各類中外文化、教育交流活動，以「遊學就是擴眼界·增知識·真體驗」為宗旨、「放眼世界·廣交朋友·豐盛人生」為理念，提供專業的活動行程建議及貼心服務，並加入了新穎元素，包括：語言、興趣、歷史、藝術、科技、領袖及團隊訓練，遊學地區已涵蓋中國的佛山、深圳、廣州、山西、台灣、韓國、新加坡等，務求令每一位參加者有一個難忘體驗。國藝文化遊學專家於二零一九年底更配合大灣區發展，舉辦「大灣區青年創業行」的企業考察團，跨越四大城市（深圳、廣州、佛山、東莞），打破傳統景點旅遊而進入著名企業學習及交流之新紀元。未來，國藝文化遊學專家將投放更多資源發展大灣區領域以迎合市場新趨勢。

國藝旅遊及國藝文化遊學專家於二零一九年底更與一間傳媒機構簽訂「大灣區戰略合作協議」，目標推行多項大灣區文化及商務交流考察活動，協助各行業領袖精英及未來棟樑更深入認識大灣區「9+2」城市各自的獨特文化及風土人情，在踏進大灣區市場前做好面對文化差異的萬全準備。

為令客戶更清楚了解本旅行社的產品及方針，市場部及旅遊部共同攜手推出不同旅遊刊物，包括：「粵港澳大灣區特輯（五大主題：企業交流、義工服務、團隊培訓、體驗活動、探古尋源）」、「閃令令主題旅遊攻略」、「國藝文化遊學專家遊學特輯」、「國藝旅遊特色包團行程推介」等等。

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Currently, NA Travel has expanded its digital marketing business in all directions. Particularly, NA Travel entered into a “Platform Cooperation Agreement” with a travel platform operated by a large Chinese-funded institution in early 2020. In the future, NA Travel will also focus on tourism technology to tap into their huge market potential.

NA Travel and “Skyyer Travel” are also committed themselves to social responsibilities, including the 1st Hong Kong Youth Festival – Sports Carnival and Record-setting Darts Event (第一屆香港青年節－體育嘉年華暨千人同鏢創紀錄), and Sowers Action – Boundless Teaching Charity Concert (苗圃行動－有教無疆慈善音樂會), etc. In the future, they will continue to actively participate in charitable activities and pay back to society.

Film Shooting Base

The film shooting base is the core project of the Xiqiao National Arts Film Studio Project. It covers 374,000 square meters of land, including a lake of 120,000 square meters and numbers of indoor and outdoor studios which are equipped with excellent and comprehensive ancillary facilities in order to provide the Southern China and foreign shooting crews the most realistic and delicate scenes.

By virtue of the extensive choices of scenes, supreme geographical location and multifunctional ancillary services, the film shooting base has been heavily used by the production crews. Since 2017, the Group has taken the role of rental agent by entering into several rental agreements with a number of companies renting film shooting equipment. The partners provide the plentiful props, attires and high-tech shooting equipment including lots of ancient costumes of Ming and Qing dynasties, antique furniture, simulated ordnance and other performing props. It generates substantial revenue to the Group. Besides creating enormous synergistic effect for the Group, it also enhances the Group’s capability of provision of ancillary services in respect of film shooting, and also facilitates centralization of the industry as well as strengthen the Group’s competitiveness among its peers. On 4 January 2018, Foshan Bureau of Culture, Publication, Radio, Film and Television (the “Bureau”) approved a few wholly-owned subsidiaries of the Company to assist the Bureau in the operation and expansion (i) that would facilitate film enterprises from various regions moving into Foshan, policy presentation, solicitation of investment and funding as well as shooting, etc.; (ii) of digital studio and film location construction projects; and (iii) in respect of diversification of props and equipment portfolio, leasing and consolidation of props leasing business.

目前，國藝旅遊已全面開拓網絡營銷業務，當中包括已於二零二零年初與一間大型中資機構的旅遊平台簽訂「平台合作協議」，未來亦會專注於旅遊科技範疇以發展其龐大市場潛力。

國藝旅遊及閃令令旅遊亦致力於社會責任，包括：第一屆香港青年節－體育嘉年華暨千人同鏢創紀錄、苗圃行動－有教無疆慈善音樂會等，未來將繼續積極參與公益活動，回饋社會。

電影拍攝基地

電影拍攝基地是西樵山國藝影視城項目的核心項目，佔地374,000平方米，包括面積為120,000平方米的湖泊水景及多間室內及室外的攝影棚，配備頂尖及全面的配套設施，為華南及海外拍攝團隊提供最真實細緻的場景。

憑著多種場景選擇、有利的地理位置及多功能的配套服務，電影拍攝基地已廣為製作團隊使用。自二零一七年起，本集團已成為租賃代理，與多間租用電影拍攝器材的公司訂立數份租賃協議。合作夥伴提供各式各樣道具、服飾及高科技拍攝器材，包括大量明清時期的古裝、古董家具、仿製軍械及其他表演道具。這為本集團帶來龐大收益。除為本集團創造巨大的協同效應外，其亦提升本集團提供電影拍攝配套服務的能力，也促進行業集中化以及增強本集團於同行之間的競爭力。於二零一八年一月四日，佛山市文化廣電新聞出版局（「新聞局」）授權批准本公司數間全資子公司協助新聞局經營及拓展：(i)不同地區的影視企業到佛山市落戶、政策宣講、招商引資、協助拍攝等各項服務；(ii)數碼攝影棚及電影場景建設項目；及(iii)影視道具器材品種擴張、租賃、集聚道具租賃業務。

Management Discussion and Analysis 管理層討論及分析

With the rapid increase in the demand of film industry in recent years, the Group is actively developing the second phase development of the Studio (the “**Second Phase Project**”). The Second Phase Project includes the building of indoor studio, which could raise the Group’s current position in the film industry and enable the Group to develop into a world-known film shooting base in the foreseeable future.

The Group is the first enterprise designated by the Foshan Government to help building Foshan as the largest hub for props and equipment in Foshan, with focus on film and television industry, which boosted the reputation of the Group in the industry, thereby further consolidating the presence of the Studio in the film and television industry in Southern China.

Wedding Photography

The Group reached an agreement with a renowned domestic wedding photography chain group in the fourth quarter of 2013 to develop its wedding photography business. Pursuant to the agreement, the Group leased the Studio with an area of approximately 20 mu (13,333.33 square meters) for a term of 12 years and the wedding photography company invested RMB10 million for the construction of scenic spots in different styles such as European, Korean and Japanese styles and guarantee there will be at least 28,800 couples taking wedding photos in the scenic spots per year. The annual income of this arrangement will be not less than approximately RMB1.2 million starting from 2016.

In addition, the Group is negotiating with several jeweler, Chinese and western bakery, Chinese style wedding gown and wedding planning company in order to provide one stop service for wedding couples. The Studio is expected to become a comprehensive wedding hot spot.

Hotel

The 5-star Hotel located next to the Studio provides 350 suites facilitated from deluxe suites to signature rooms. The Hotel offers a wide range of dining choices and high-quality food services, it has 6 specialties restaurants with Chinese and foreign styles, offering high-class food and wine from around the world. The Hotel is also equipped with a variety of recreational facilities such as SPA, gym room and tea house, allowing travelers to enjoy themselves within the Hotel in all respects including dining, drinking and entertainment.

由於近年電影業的需求急速增加，本集團積極開發該影視城第二期（「**第二期項目**」）。第二期項目包括建設室內攝影棚，從而擴大本集團在現有電影業的定位，及在可見將來，發展為享譽世界的電影拍攝基地。

本集團是首間受到佛山市政府指名協助打造成佛山最大的專注影視產業道具器材的中心，為本集團提高在行業中的知名度，亦更加鞏固該影視城在華南影視產業中的地位。

婚紗攝影

本集團於二零一三年第四季度與國內一個著名的婚紗攝影連鎖集團達成協議，發展其婚紗攝影業務。根據協議，本集團出租該影視城佔地約20畝（13,333.33平方米）的區域，租期12年，及婚紗攝影公司已投資人民幣10百萬元興建多個不同風格的景區，如歐式、韓式、日式等，確保每年至少有28,800對新人進入景區拍攝婚紗照。此項安排自二零一六年起每年產生的收入將不少於約人民幣1.2百萬元。

此外，本集團正與若干珠寶、中西式禮餅、中式結婚禮服及婚禮籌辦公司磋商，為新人提供一站式婚禮服務。該影視城預期將成為全面的結婚熱門勝地。

酒店

毗鄰該影視城的五星級酒店提供350間客房，包括豪華套房及特色客房。該酒店提供多種餐飲選擇和優質食品服務，設有6個中外特色餐廳，提供世界各地之美酒佳餚，亦配備各種不同類型的康樂設施如水療中心、健身室及茶館等，讓旅客可於酒店盡情地吃、喝、玩、樂。

Management Discussion and Analysis

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Apart from the recreation, the Hotel also provides catering services and commercial services such as business centre, meeting rooms and lecture halls, thereby satisfy essential needs and wants of the customers. To boost high quality service, the Hotel wishes to build strong communication among its staff by organising group activities such as sport day, in order to educate the staff of the importance of team work and to raise spirit in the corporate environment. Besides, the Hotel was awarded “19th Golden Horse Award of China Hotel – Best Theme Hotel Resort of Greater Bay Area” which recognized the corporate management quality and service quality of the Hotel.

With the development of the Hotel and the Studio becoming mature and its popularity having increased, the number of tourists continuously grows. The Group expects to build boutique hotel in the foreseeable future, offering customers with more new experiences.

Film Production

The Group spared no effort in promoting entertainment culture for many years such as production of and investment in movie, microcinema and online TV programme to promote the culture and the spirit of entertainment. During 2016, the Group invested in the production of a charity film named “Our Days in 6E” (我們的6E班). The theme of “Our Days in 6E” is in line with the current social status, laden with educational significance as part of its social responsibility. In 2019, the Group has invested in the production of a modern romantic film named “Romantic Marriage?” (婚姻的童話?). The Group expects to invest more in the production of films of various themes with an intention to step forward to the diversified film market. In addition, the Group held various courses from time to time to cultivate the next generation of film producers and actors in order to encourage the development of film production and contribute to the betterment of the film industry. With regard to the prospects of film production of the Group, the Group will step forward in respect of Hong Kong-Mainland film production and maintain a position in the film industry in Southern China.

除康樂設施外，該酒店亦提供餐飲服務及商務中心、會議室及演講廳等商業服務，以滿足客戶的基本需求。為推動高質素的服務，該酒店擬藉籌辦運動日等集體活動，加強員工之間的溝通，以教育員工，明白團隊工作的重要性，以及提高在企業環境中的精神。此外，該酒店榮獲「第19屆中國酒店金馬獎—大灣區最佳主題度假酒店」，表揚該酒店的企業管理質素及服務質素。

隨著該酒店及該影視城的發展漸趨成熟及其知名度日增，遊客人數不斷上漲。本集團預期在可見將來建設精品酒店，為旅客提供更多全新體驗。

電影製作

本集團歷年來不遺餘力促進娛樂文化，例如製作及投資於電影、微電影及網上電視節目，以推動娛樂文化及精神。於二零一六年，本集團投資製作一齣慈善電影「我們的6E班」。「我們的6E班」的主題切合當前社會狀況，滿載教育意義，藉此也履行我們的社會責任。於二零一九年，本集團投資製作一部現代愛情電影「婚姻的童話?」。本集團預期繼續投資製作更多各種主題的電影，奔向百花齊放的電影市場。此外，本集團不時舉辦各種課程，培育新一代電影製作人及演員，鼓勵電影製作的發展，為電影業的進步作出貢獻。就本集團的電影製作前景而言，本集團將加大對香港與內地電影製作的投資，維持在華南電影業的地位。

Cinema

National Arts Films Production Limited (“**NA Films**”), an indirectly wholly-owned subsidiary of the Company, entered into a joint venture agreement for the development of cinema business in a large shopping mall in a transportation hub area of Zhuhai, Guangdong, the PRC in 2012. NA Films held 60% equity interest in the joint venture. The cinema boasts eight screens and a total of more than 730 seats. The cinema has commenced its operation since May 2014 which supports further comprehensive development of the Group’s entertainment and culture business.

Artiste Management

To enhance the popularity of the Group’s artists such as Rose Chan and Brian Yuen, the Group has arranged a variety of performance opportunities including the participation in the charity movie, “Our Days in 6E” (我們的6E班), the romantic movie, “Romantic Marriage?” (婚姻的童話?), the online TV series “OCTB” (反黑), brand representative, dramas such as “Guardian Angel” (守護神之保險調查) and TV game shows host of the Lunar New Year Celebration, and guest performers for the “New Year is A Game” (大玩特玩) and “Cooking Beauties” (美女廚房). Besides, the Group also explores the PRC market for its artists by making arrangement for them to participate in live reality show and online drama to enhance their popularity. With the huge market of domestic movies, the Group will continue to recruit artists with potential in the future to cope with the demands in the vast market and expand the artiste management segment, hoping that it will become one of the major income sources of the Group.

Foreign Currency Exposure

The Group’s reporting currency is expressed in Hong Kong dollars. During the nine months ended 30 September 2020, most of the transactions, assets and liabilities of the Group were denominated in Hong Kong dollars and Renminbi. During the period under review, since the Group had both Hong Kong dollars and Renminbi receipts and payments, the net Renminbi exposure was not significant. The Board considers that the Group’s exposure to foreign exchange risk was not significant, therefore, no hedging transaction was made during the period under review.

電影院

本公司間接全資附屬公司國藝影視製作有限公司(「**國藝影視**」)於二零一二年訂立合營協議，在中國廣東珠海市中心的大型商場合作發展電影院業務。國藝影視持有合營企業60%股本權益。該電影院設有八個銀幕，提供合共逾730個座位，已自二零一四年五月起投入營運，令本集團的娛樂文化業務得以更全面發展。

藝人管理

為提高陳嘉桓及阮頌揚等本集團藝人的知名度，本集團安排各式各樣的表演機會，包括參演慈善電影「我們的6E班」、愛情電影「婚姻的童話？」、網上電視劇系列「反黑」、品牌代言、電視劇如「守護神之保險調查」及擔當春節慶祝活動的電視遊戲節目主持、「大玩特玩」及「美女廚房」的表演嘉賓等。除此之外，本集團亦為藝人開拓中國市場，安排藝人參演直播真人秀及網劇以提升知名度。國內電影市場龐大，本集團未來會繼續羅致有潛質的藝人，以應對龐大的市場需求，並會擴大藝人管理分部，以冀成為本集團的主要收入來源之一。

外匯風險

本集團以港元作為呈報貨幣。於截至二零二零年九月三十日止九個月，本集團大部分交易、資產及負債均以港元及人民幣列值。回顧期間內，因本集團分別以港元及人民幣收款和付款，故人民幣風險淨額並不重大。董事會認為，本集團面臨的匯兌風險並不重大，故於回顧期間並無進行對沖交易。

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Impact of COVID-19 Pandemic to the Group

Due to the outbreak of COVID-19 pandemic, the operation of the Studio and the Hotel has been temporarily suspended since 24 January 2020 and 29 January 2020 respectively. In view of the relief of the epidemic in the PRC, the operation of the Studio and the Hotel has resumed from 16 May 2020.

For the nine months ended 30 September 2019, the Studio and the Hotel contributed over 80% of the Group's revenue by means of hotel room income, food and beverage income, rental income and entrance fee income. With the Temporary Suspension, the Group's revenue for the nine months ended 30 September 2020 decreased drastically when compared to that for the nine months ended 30 September 2019. Nevertheless, following the Temporary Suspension, the direct costs of the Group were also reduced and the Group has been operating at minimal costs so as to maintain its necessary operation. As a result, the Group's liquidity was not severely worsened due to the outbreak of COVID-19 pandemic during the nine months ended 30 September 2020. The principal business of the Group is in the entertainment industry, which is an area severely affected by the outbreak of COVID-19 pandemic. Shall the outbreak of COVID-19 pandemic continue, the Group's loss position as well as liquidity may be worsened due to the loss of revenue from the Studio and the Hotel. Despite the above, the financial restructuring transaction and fund raising activity of the Group mentioned in this report below shall be able to ease the funding difficulties of the Group. The Company will continuously assess and update its shareholders and potential investors of material developments in relation to COVID-19 pandemic.

Future Prospect

Against the backdrop that China's film-induced tourism is at the development stage, the Group is committed to the further development of the Second Phase Project in order to compete with its peers in face of the upward trend in both tourism industry and film industry.

COVID-19流行病對本集團的影響

由於COVID-19流行病的爆發，該影視城及該酒店分別自二零二零年一月二十四日及二零二零年一月二十九日起暫停營業。鑒於中國的疫情得到緩解，該影視城及該酒店已自二零二零年五月十六日起恢復營業。

截至二零一九年九月三十日止九個月，該影視城及該酒店透過客房收入、餐飲收入、租金收入及門券收入為本集團貢獻逾80%收入。因暫停營業，本集團截至二零二零年九月三十日止九個月的收入較截至二零一九年九月三十日止九個月大幅下降。然而，隨著暫停營業，本集團直接成本亦有所降低，而本集團一直以最低成本運營以維持其必要經營。因此，本集團的流動資金於截至二零二零年九月三十日止九個月並未因COVID-19流行病的爆發而嚴重惡化。本集團的主要業務為娛樂業，該行業為受到COVID-19流行病的爆發影響最為嚴重的領域。倘COVID-19流行病疫情持續，本集團的虧損狀況及流動資金或將因來自該影視城及該酒店收入的損失而有所惡化。儘管有以上情況，本報告下文所述的本集團的財務重組交易及籌資活動將能夠減緩本集團的資金困境。本公司將繼續評估及向其股東及潛在投資者更新有關COVID-19流行病的重大發展。

未來前景

中國影視旅遊仍在發展階段，在此背景下，本集團致力進一步發展第二期項目，務求在旅遊業及電影業的上升大勢及同儕競爭中保持優勢。

The Group believes that the Second Phase Project is essential and the Second Phase Project will include (i) the construction of indoor studios; (ii) cooperation with resourceful company in providing high-tech equipment, props, etc, and (iii) new boutique hotels. The Group expects that there will be more shooting crews to film and tourists to visit in the Studio after the Studio has been improved. Besides, in the short term, the Studio will also focus on education such as providing more tours to the students. In the long term, the Group will consider building a film production school for giving opportunities to any person who is interested in and passionate about film industry such as post-production and actor training. Overall, the Group believes that better land use planning and provision of supporting facilities will allow the Studio to become a comprehensive film studio in the foreseeable future. In recent years, tourism has experienced continuous growth. With the advent of the leisure era, the Group believes that film-induced tourism will present a promising prospect, advancing in a direction characterized by diversified tourist attractions, individualized tourists, updated tourism contents and integrated planning and construction.

WINDING UP PETITION AND APPOINTMENT OF JOINT PROVISIONAL LIQUIDATORS

To facilitate the Company's financial restructuring, on 14 June 2019, a winding up petition together with the application for the appointment of joint provisional liquidators (the "**JPLs**") of the Company on a light touch approach for restructuring purposes (the "**JPL Application**") was presented and filed with the Supreme Court of Bermuda (the "**Bermuda Court**") by the Company's Bermuda Counsel, Conyers Dill & Pearman at the request of the Company.

The JPL Application was heard before the Bermuda Court on the same date at 2:30 p.m. Bermuda time. The Bermuda Court made the orders as sought by the Company under the JPL Application, inter alia, the JPLs have been appointed with immediate effect.

本集團相信，第二期項目實屬必要，將包括：(i)興建室內的攝影棚；(ii)與資源豐富的公司合作，提供高科技設備、道具等等；及(iii)新精品酒店。本集團預計影視城設備提升後，會有更多拍攝團隊進行拍攝和觀光遊客前來遊覽。此外，該影視城將會集中教育範疇，比如短期內向學生提供更多導賞團。長遠而言，本集團考慮成立電影製作學校，為任何對電影業有興趣及熱愛電影的人士帶來機遇，例如參與後期製作、演員培訓等。整體而言，本集團相信更好的土地用途計劃、提供支援設施等等，將使該影視城在可見將來成為綜合電影片廠。近年來，旅遊業發展持續增長。隨著休閒時代的來臨，本集團預期影視旅遊的前景暢旺，會以多元化的旅遊點、個人遊、更新旅遊活動的內容和結合規劃與興建的方向發展。

清盤呈請及委任共同臨時清盤人

為了促進本公司的財務重組，於二零一九年六月十四日，應本公司要求，本公司的百慕達律師 Conyers Dill & Pearman向百慕達最高法院（「**百慕達法院**」）送呈及提交清盤呈請，連同以在「非強制」基礎上委任本公司的共同臨時清盤人（「**共同臨時清盤人**」）以作重組用途的申請（「**共同臨時清盤人申請**」）。

共同臨時清盤人申請於同日下午二時三十分（百慕達時間）在百慕達法院進行聆訊。百慕達法院應本公司提出共同臨時清盤人申請頒令（其中包括），委任共同臨時清盤人並即時生效。

Management Discussion and Analysis

管理層討論及分析

Pursuant to the order made by the Bermuda Court (the “**Bermuda Order**”), the JPLs are granted a wide range of powers, including but not limited to the powers to review the financial position of the Company, to monitor, consult with, oversee and otherwise liaise with the existing Board and the creditors and shareholders of the Company in determining the most appropriate manner of effecting a reorganisation and/or refinancing of the Company, to seek assistance of or recognition in any other courts as may be considered appropriate, and to do all things necessary and incidental to the exercise of the foregoing powers, etc.

By an order of the Honourable Mr. Justice Wilson Chan dated 15 August 2019, (i) the appointment of the JPLs pursuant to the order of the Bermuda Court dated 14 June 2019 was recognized by the High Court of Hong Kong with the powers conferred therein and (ii) the Company shall be permitted to register the transfer of fully paid up shares in the Company. As such, a court order has been in place to allow the transfer of fully paid up shares of the Company.

RESTRUCTURING TRANSACTION

As disclosed in the Company’s announcement dated 30 July 2019, on 10 July 2019, as part of the Company’s financial restructuring plans, the Company invited all known creditors of the Company (the “**Creditors**”) to make an offer to the Company to subscribe for:

- (1) 1% annual coupon rate convertible bonds due 2024 to be issued by the Company (the “**Convertible Bonds**”) in the principal amount equal to 60% of the outstanding principal amount of debts due and owing by the Company to each of the Creditors (where applicable, together with interests accrued thereon and calculated up to 14 June 2019 at the respective annual interest rate of the relevant debt(s)) and convertible into fully-paid ordinary shares of the Company listed and traded on GEM at the initial conversion price of HK\$0.55 per conversion share (the “**Conversion Shares**”) (the “**CB Subscription**”); and

根據百慕達法院發出之命令（「**百慕達法院之命令**」），共同臨時清盤人獲授大範圍的權力，包括但不限於審閱本公司財務狀況的權力；監控、諮詢、監察及以其他方式聯絡現任董事會及本公司之債權人及股東，以斷定本公司落實重組及／或再融資的最佳方式的權力；在認為合適的情況下，向任何其他法院尋求協助或認可的權力；以及採取所有所需及連帶的行動以行使上述權力等。

按陳嘉信法官日期為二零一九年八月十五日的命令，(i)根據百慕達法院日期為二零一九年六月十四日之命令委任共同臨時清盤人獲香港高等法院認可，並認可其中賦予的權力及(ii)本公司應獲准登記轉讓本公司已繳足股份。因此，法院已頒令准許轉讓本公司已繳足股份。

重組交易

誠如本公司日期為二零一九年七月三十日的公告所披露，於二零一九年七月十日，作為本公司財務重組計劃之一部分，本公司已邀請所有已知的本公司債權人（「**債權人**」），向本公司提呈要約以認購：

- (1) 由本公司將發行之1%年度票息率於二零二四年到期之可換股債券（「**可換股債券**」），其本金額等於本公司應付及結欠各債權人之債務（倘適用，連同就有關債務累計及截至二零一九年六月十四日的利息，按相關債務的相關年利率計算）的尚未償還本金額之60%，及可按初步轉換價每股轉換股份（「**轉換股份**」）0.55港元轉換為本公司於GEM上市及買賣之已繳足普通股（「**可換股債券認購**」）；及

- (2) new shares of the Company at the issue price of HK\$0.38 per share (the **"New Shares"**) the total value of which equals to the remaining 40% of the outstanding principal amount of debts due and owing by the Company to each of the Creditors (where applicable, together with interests accrued thereon and calculated up to 14 June 2019 at the respective annual interest rate of the relevant debt(s)) (the **"Share Subscription"**) (the CB Subscription and the Share Subscription together referred to as the **"Restructuring Transaction"**), as full and final settlement of all outstanding debts (where applicable, together with interests accrued thereon and calculated up to 14 June 2019 at the respective annual interest rate of the debt(s)) due and owing by the Company to the Creditors, subject to the execution, and the final terms and conditions, of the subscription agreement, the bond instrument, any scheme of arrangement proposed by the Company and/or other agreements the execution of which is desirable for the implementation and consummation of the Restructuring Transaction, as the case maybe.

The offer by the Creditors to participate in the Restructuring Transaction also includes an agreement that the Creditors will participate in, support and vote in favour of a scheme(s) of arrangement proposed by the Company, where such scheme(s) is/are deemed necessary and appropriate by the Company and the JPLs of the Company appointed pursuant to the Order of the Bermuda Court dated 14 June 2019.

As disclosed in the Company's announcement dated 12 August 2019, the Company has received substantial support from its creditors regarding the Restructuring Transaction. In this respect, the Company proposed to put forward a scheme of arrangement pursuant to Section 99 of the Companies Act 1981 of Bermuda and Section 670 of the Companies Ordinance (Cap. 622) of Hong Kong with substantially similar terms under the Restructuring Transaction as disclosed in the announcement of the Company dated 30 July 2019, further details of which are set out in the paragraph headed "Scheme of Arrangement" below.

- (2) 本公司按發行價每股0.38港元將發行之新股份（「**新股份**」），其總價值等於本公司應付及結欠各債權人之債務（倘適用，連同就有關債務累計及截至二零一九年六月十四日的利息，按相關債務的相關年利率計算）的尚未償還本金額餘下之40%（「**股份認購**」）（可換股債券認購及股份認購統稱「**重組交易**」），作為本公司應付及結欠債權人之所有尚未償還債務（倘適用，連同就有關債務累計及截至二零一九年六月十四日的利息，按相關債務的相關年利率計算）的全數及最終償款的基準，惟須待簽署認購協議、債券文據、任何由本公司建議之安排計劃及／或就實行或達成重組交易所需的其他協議（視乎情況而定）及落實上述各項的最終條款及條件後，方可作實。

債權人提呈要約參與重組交易，亦包括同意債權人將參與、支持及投票贊成本公司所建議的一項或多項安排計劃，而該一項或多項安排計劃被本公司及根據日期為二零一九年六月十四日百慕達法院之命令任命的本公司共同臨時清盤人認為屬必須及適宜。

誠如本公司日期為二零一九年八月十二日的公告所披露，本公司就重組交易已獲其債權人鼎力支持。就此而言，本公司建議根據百慕達（一九八一年）公司法第99條及香港公司條例（第622章）第670條提出與本公司日期為二零一九年七月三十日的公告披露的重組交易條款（更多詳情載於下文「安排計劃」一段）大致類似的安排計劃。

SCHEME OF ARRANGEMENT

As announced on 19 August 2019, the Company proposes to implement, subject to the approval by the Bermuda Court and the Hong Kong Court, the scheme of arrangement (the “**Scheme**”). Under the Scheme, the Company will issue the New Shares and the Convertible Bonds to the creditors of the Company (the “**Creditors**”) to discharge and release the debt owing by the Company to the Creditors in full (the “**Claims**”).

Up to 14 June 2019 (the “**Restructuring Order Date**”), based on the available books and records of the Company, the estimated total amount of Claims against the Company is approximately HK\$2.13 billion. This figure is indicative only and will be subject to final determination by the scheme administrators and (if applicable) adjudication under the Scheme.

On 4 October 2019, the Company obtained the directions of the Bermuda Court and the Hong Kong Court in the hearing before the Hong Kong Court and the Bermuda Court of the applications for leave to convene the meeting of the Creditors for the purpose of considering and approving, if thought fit, the Scheme by the Creditors (the “**Scheme Meeting**”) on 8 November 2019. At such Scheme Meeting, the Scheme was approved by the requisite statutory majorities of the Creditors.

On 10 October 2019, the Company convened the special general meeting (“**SGM**”) to consider and approve, if thought fit, the resolutions in relation to the Scheme, all of which were duly passed by way of poll, including the specific mandate granted to the Directors to allot and issue the New Issues and Convertible Bonds and the increase the authorised share capital of the Company from HK\$600,000,000 divided into 6,000,000,000 Shares to HK\$2,000,000,000 divided into 20,000,000,000 Shares by the creation of additional 14,000,000,000 new Shares. On 27 November 2019, the Company obtained the conditional approval from the Stock Exchange for the listing of, and permission to deal in, the New Shares and Conversion Shares.

安排計劃

本公司於二零一九年八月十九日宣佈，建議在獲得百慕達法院及香港法院的批准下落實安排計劃（「**該計劃**」）。根據該計劃，本公司將向本公司債權人（「**債權人**」）發行新股份及可換股債券以全額清償及解除本公司結欠債權人的債務（「**索償**」）。

直至二零一九年六月十四日（「**重組命令日期**」），根據本公司可供查閱的賬冊及記錄，針對本公司提出的估計索償總額約為21.3億港元。該數據僅供參考，並將視乎計劃管理人之最終決定及（如適用）該計劃下作出之審裁而定。

於二零一九年十月四日，本公司在香港法院及百慕達法院的申請聆訊中獲得百慕達法院及香港法院的指示，准許於二零一九年十一月八日就審議及酌情批准債權人提出的計劃而召開債權人會議（「**計劃會議**」）。在該計劃會議上，債權人法定人數中的大多數通過該計劃。

於二零一九年十月十日，本公司召開股東特別大會（「**股東特別大會**」），以審議及酌情批准有關該計劃的決議案（所有決議案均以投票方式獲正式通過，包括授予董事配發及發行新股份及可換股債券的特別授權）及透過增設額外14,000,000,000股新股份，將本公司的法定股本由600,000,000港元（分為6,000,000,000股股份）增至2,000,000,000港元（分為20,000,000,000股股份）。於二零一九年十一月二十七日，本公司獲聯交所所有條件地批准新股份及轉換股份上市及買賣。

With the applications to the Bermuda Court and Hong Kong Court to sanction the Scheme subsequently, the Scheme was sanctioned by the Bermuda Court and Hong Kong Court on 13 December 2019 and 6 January 2020 respectively. The orders sanctioning the Scheme by the Bermuda Court and the Hong Kong Court were respectively registered with the Registrar of Companies in Bermuda on 26 February 2020 and Companies Registry in Hong Kong on 6 March 2020. As all conditions precedent to the Scheme have been fulfilled on 6 March 2020, the Scheme became effective on 6 March 2020.

As announced in the Company's announcement dated 20 March 2020, the Creditors were required to submit their respective notices of Claims together with other documents or other evidence necessary for substantiating their Claims to the scheme administrators on or before 4:00 p.m. on Tuesday, 14 April 2020 (the "**Cut-Off Date**"). The notice to Creditors of the Cut-Off Date was given to all Creditors by letter and by advertisement published in "The Standard" (in English) and "Sing Tao Daily" (in Chinese) circulated in Hong Kong, in "Ta Kung Pao" (in Chinese) circulated in the PRC, and in "The Royal Gazette" (in English) circulated in Bermuda on 20 March 2020.

Based on the final amounts of Claims of each Creditor, on 29 June 2020, 2,155,114,938 New Shares were allotted and issued and Convertible Bonds in the aggregate principal amount of HK\$1,244,876,198 were issued to the Creditors.

Upon the issue of the New Shares and Convertible Bonds, all the Claims of the Creditors have been discharged and extinguished and the Creditors are not be allowed to make any claim against the Company in respect of their Claims.

Issue of New Shares and Convertible Bonds under Specific Mandate

On 29 June 2020, completion of the Share Subscription and the CB Subscription took place, under which the Company (i) allotted and issued, in aggregate, 2,115,114,938 New Shares at the issue price of HK\$0.38 per New Share for settlement of 40% of the Claims held by the Creditors against the Company as at the Restructuring Order Date which have been admitted by the scheme administrators (the "**Admitted Claims**") of the Creditors; and (ii) issued the Convertible Bonds in the aggregate principal amount of HK\$1,244,876,198.

由於隨後向百慕達法院及香港法院申請批准該計劃，百慕達法院及香港法院分別於二零一九年十二月十三日及二零二零年一月六日批准該計劃。百慕達法院及香港法院批准該計劃的命令分別於二零二零年二月二十六日及二零二零年三月六日，向百慕達公司註冊處處長及香港公司註冊處登記。因為該計劃的所有先決條件均已於二零二零年三月六日達成，故該計劃於二零二零年三月六日生效。

誠如本公司日期為二零二零年三月二十日的公告所宣佈，債權人須於二零二零年四月十四日（星期二）（「**截算日期**」）下午四時正或之前各自向計劃管理人提交其索償通知，連同證明其索償所必需的其他文件或其他證明。截算日期通知於二零二零年三月二十日經信函及於香港發行的「英文虎報」（以英文）及「星島日報」（以中文）、於中國發行的「大公報」（以中文）、於百慕達發行的「The Royal Gazette」（以英文）上刊登廣告的形式告知所有債權人。

根據各債權人索償的最終金額，於二零二零年六月二十九日，本公司向債權人配發及發行2,155,114,938股新股份，以及發行本金總額為1,244,876,198港元的可換股債券。

在發行新股份及可換股債券後，債權人的所有索償已獲解除及清償，且債權人不得就其索償向本公司作出任何申索。

根據特別授權發行新股份及可換股債券

於二零二零年六月二十九日，股份認購及可換股債券認購完成，據此，本公司(i)按每股新股份0.38港元的發行價配發及發行合共2,115,114,938股新股份，以結清債權人於重組命令日期對本公司提出的已獲計劃管理人接納的索償（「**獲接納索償**」）的40%；及(ii)發行本金總額為1,244,876,198港元的可換股債券。

Management Discussion and Analysis

管理層討論及分析

Details of the Share Subscription

The New Shares allotted have an aggregate nominal value of up to HK\$211,511,493.8. The issue price of HK\$0.38 per New Share represents a premium of approximately 84.47% over the closing price of HK\$0.206 per Share as quoted on the Stock Exchange on 19 August 2019. The New Shares are subject to a lock-up period of 12 months from the date of completion of the Share Subscription.

Details of the CB Subscription

The value of the Convertible Bonds issued to the Creditors was approximately HK\$1,244,876,198, being the sum of (i) up to approximately HK\$1,228,415,625 for the aggregation of 60% of the Claims of the Creditors and (ii) HK\$16,460,573 for the consent bonus (the **"Consent Bonus"**) (being an extra one (1) per cent of the outstanding principal amount of an eligible Creditor's debt (where applicable, together with interests accrued thereon and calculated up to the Restructuring Order Date at the respective annual interest rate of the relevant debt(s)) to be awarded to the eligible Creditors in accordance with the terms of the Scheme). Assuming the exercise in full of the conversion rights (the **"Conversion Rights"**) attached to the Convertible Bonds at the initial conversion price of HK\$0.55 per Conversion Share, an aggregate of 2,263,411,269 Shares (with an aggregate nominal value of HK\$226,341,126.9) will be issued. The maturity date of the Convertible Bonds falls on the day being the fifth (5th) anniversary of the issue date of the Convertible Bonds (**"Maturity Date"**). Subject to the terms and conditions of the Convertible Bonds, the conversion price will initially be HK\$0.55 per share, but subject to customary adjustments including but not limited to (i) consolidation or subdivision; (ii) rights issue of shares or rights to acquire shares; (iii) issues of convertible securities; (iv) modification of rights of conversion; (v) other offers to shareholders; and (vi) other events. The initial conversion price of HK\$0.55 per Conversion Shares represents a premium of approximately 166.99% over the closing price of HK\$0.206 per Share as quoted on the Stock Exchange on 19 August 2019.

股份認購詳情

已配發的新股份的總面值達211,511,493.8港元。每股新股份0.38港元的發行價較二零一九年八月十九日聯交所報每股股份0.206港元的收市價溢價約84.47%。新股份自股份認購完成日期起有12個月的禁售期。

可換股債券認購詳情

向債權人發行的可換股債券的價值約為1,244,876,198港元，為(i)債權人索償的合共60%，最多約1,228,415,625港元及(ii)同意花紅（「**同意花紅**」）16,460,573港元（即根據該計劃之條款將獎勵予合資格債權人的結欠合資格債權人債務的尚未償還本金的額外百分之一（1）（倘適用，連同就有關債務累計及截至重組命令日期的利息，按相關債務的相關年利率計算）之和。假設可換股債券所附的換股權（「**換股權**」）按初步轉換價每股轉換股份0.55港元獲悉數行使，合共2,263,411,269股股份（總面值為226,341,126.9港元）將予發行。可換股債券的屆滿日期為可換股債券發行日期第五（5）個週年之日（「**屆滿日期**」）。根據可換股債券的條款及條件，轉換價初步為每股0.55港元，惟可作常規調整，包括但不限於(i)合併或分拆；(ii)供股或購買股份的權利；(iii)發行可轉換證券；(iv)修改轉換權；(v)向股東提呈的其他要約；及(vi)其他事項。每股轉換股份0.55港元的初步轉換價較二零一九年八月十九日聯交所報每股股份0.206港元的收市價溢價約166.99%。

The Convertible Bonds bear interest at 1% annual coupon rate payable annually from the issue date of the Convertible Bonds. The conversion period of the Convertible Bonds is from 29 June 2023 to 28 June 2025 during which period the holders of the Convertible Bonds can convert the Convertible Bonds into shares of the Company, provided that no holder of the Convertible Bonds shall exercise any conversion rights attached to the Convertible Bonds to the extent that immediately after such conversion (i) the holder of the Convertible Bonds together with parties acting in concert with it, taken together, will, directly or indirectly, control or be interested in 30% or more of the voting rights of the Company (or such percentage as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or otherwise being obliged to make a general offer for Shares in accordance with the requirement of the Hong Kong Code on Takeovers and Mergers or (ii) there will not be sufficient public float of the Shares as required under the GEM Listing Rules.

Unless previously redeemed, converted, purchased or cancelled, the Company will redeem all of the Convertible Bonds on the Maturity Date at such amount equivalent to the principal amount of the outstanding Convertible Bonds (inclusive of interests received up to the Maturity Date).

The New Shares were and the Conversion Shares will be allotted and issued under the specific mandate sought from the Shareholders (other than Mr. Sin, Ms. Law, Mr. Chow Kai Weng (“**Mr. Chow**”), Mr. Tse Young Lai (“**Mr. Tse**”) and Mr. Yiu Kin Kong and any Shareholder with a material interest in the Scheme) at the SGM held on 10 October 2019.

The Company obtained the conditional approval from the Stock Exchange for the listing of, and permission to deal in, the New Shares and the Conversion Shares.

可換股債券自其發行日期起按1%的年票息率計息，須每年支付一次利息。可換股債券的兌換期間由二零二三年六月二十九日起至二零二五年六月二十八日止，在此期間，可換股債券的持有人可將可換股債券兌換為本公司股份，前提是於緊隨可換股債券持有人行使可換股債券所附的任何兌換權後，不會出現以下情況：(i)可換股債券持有人連同其一致行動人士將直接或間接控制或持有本公司投票權30%或以上之權益（或香港公司收購及合併守則不時訂明觸發強制性全面收購之有關百分比）或根據香港公司收購及合併守則規定之其他方式須進行強制性全面收購或(ii)股份之公眾流通量將低於GEM上市規則之要求。

除非已於先前贖回、轉換、購買或註銷，本公司將於屆滿日期按相當於尚未償付可換股債券本金額之金額贖回所有可換股債券，包括截至屆滿日期所收取之利息。

新股份已及轉換股份將根據股東（冼先生、羅女士、周啟榮先生（「**周先生**」）、謝欣禮先生（「**謝先生**」）及姚建剛先生以及任何於該計劃中擁有重大權益的股東除外）於本公司於二零一九年十月十日舉行的股東特別大會授出的特別授權配發及發行。

本公司獲聯交所所有條件地批准新股份及轉換股份上市及買賣。

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Connected Transactions in relation to the Issue of New Shares and Convertible Bonds

Among all Creditors, Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse have loaned to the Company.

Mr. Sin is an executive Director, the chairman of the Board, a member of the nomination committee of the Board and a substantial shareholder of the Company. Ms. Law, being the spouse of Mr. Sin, is an associate of Mr. Sin. Immediately before the issue of the New Shares and the Convertible Bonds, Mr. Sin, together with his associate, Ms. Law, was interested in 871,932,623 Shares, representing approximately 17.62% of the total issued share capital of the Company immediately before the issue of the New Shares and the Convertible Bonds.

Mr. Chow is an executive Director, the associate chairman of the Board and chief executive officer of the Company. Immediately before the issue of the New Shares and the Convertible Bonds, Mr. Chow was interested in 1,000,000 Shares, representing approximately 0.02% of the total issued share capital of the Company immediately before the issue of the New Shares and the Convertible Bonds.

Mr. Tse is a substantial shareholder of the Company. Immediately before the issue of the New Shares and the Convertible Bonds, Mr. Tse was interested in 563,547,600 Shares, representing approximately 11.39% of the total issued share capital of the Company immediately before the issue of the New Shares and the Convertible Bonds.

Up to the Restructuring Order Date, the total amounts respectively due to Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse (including the interests accrued thereon and calculated up to the Restructuring Order Date at the respective interest rate of the relevant Claim(s)) are illustrated as follows:

有關發行新股份及可換股債券的關連交易

在所有債權人中，冼先生、羅女士、周先生及謝先生均向本公司借出貸款。

冼先生為執行董事、董事會主席、董事會提名委員會成員及本公司主要股東。冼先生配偶羅女士為冼先生的聯繫人。緊接發行新股份及可換股債券前，冼先生連同其聯繫人羅女士於871,932,623股股份中擁有權益，相當於緊接發行新股份及可換股債券前本公司已發行股本總額約17.62%。

周先生為執行董事、董事會聯席主席及本公司行政總裁。緊接發行新股份及可換股債券前，周先生於1,000,000股股份中擁有權益，相當於緊接發行新股份及可換股債券前本公司已發行股本總額約0.02%。

謝先生為本公司主要股東。緊接發行新股份及可換股債券前，謝先生於563,547,600股股份中擁有權益，相當於緊接發行新股份及可換股債券前本公司已發行股本總額約11.39%。

截至重組命令日期，分別應付冼先生、羅女士、周先生及謝先生的總額（連同就有關金額累計及截至重組命令日期的利息，按相關索償的相關利率計算）闡述如下：

		HK\$ 港元
Mr. Sin	冼先生	647,333,195
Ms. Law	羅女士	29,270,746
Mr. Chow	周先生	36,341,433
Mr. Tse	謝先生	1,892,584
		<hr/>
		714,837,958

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Under the Scheme, Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse shall have the same entitlement as the other Creditors. Pursuant to the terms of Scheme and based on the available books and records of the Company, the entitlement of Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse under the Scheme respectively are as follows:

根據該計劃，冼先生、羅女士、周先生及謝先生與其他債權人享有相同權利。根據該計劃條款及基於本公司可供查閱的賬目及記錄，冼先生、羅女士、周先生及謝先生各自於該計劃項下的權利如下：

	Mr. Sin 冼先生	Ms. Law 羅女士	Mr. Chow 周先生	Mr. Tse 謝先生
Share Subscription 股份認購				
Value of New Shares issued 已發行的新股份價值	HK\$258,933,278 258,933,278港元	HK\$11,708,299 11,708,299港元	HK\$14,536,573 14,536,573港元	HK\$757,033 757,033港元
Issue price 發行價	HK\$0.38 0.38港元	HK\$0.38 0.38港元	HK\$0.38 0.38港元	HK\$0.38 0.38港元
Number of New Shares issued 已發行的新股份數目	681,403,362 New Shares 681,403,362 股新股份	30,811,311 New Shares 30,811,311 股新股份	38,254,139 New Shares 38,254,139 股新股份	1,992,193 New Shares 1,992,193 股新股份
CB Subscription 可換股債券認購				
Principal amount (including Consent Bonus) 本金額（包括同意花紅）	HK\$394,873,249 394,873,249港元	HK\$17,855,155 17,855,155港元	HK\$22,168,274 22,168,274港元	HK\$1,154,476 1,154,476港元
Maximum Conversion Shares upon full conversion 悉數轉換的最高轉換股份數目	717,951,361 717,951,361	32,463,918 32,463,918	40,305,952 40,305,952	2,099,047 2,099,047

All of Claims of Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse have been discharged pursuant to the Scheme and the treatment to be received by them under the Scheme is the same as those to other Creditors.

冼先生、羅女士、周先生及謝先生的所有索償已根據該計劃獲清償，且彼等根據該計劃將獲得的待遇與其他債權人相同。

Upon completion of the connected transactions, Mr. Sin (together with his associate, Ms. Law), Mr. Chow and Mr. Tse are respectively interested in 1,584,147,296 Shares, 39,254,139 Shares and 565,539,793 Shares, representing approximately 21.54%, 0.53% and 7.69% of the total issued share capital of the Company as enlarged by the allotment and issuance of the New Shares and the OPAL Fee Shares (as defined below).

於上述關連交易完成後，冼先生（連同其聯繫人羅女士）、周先生及謝先生分別於1,584,147,296股股份、39,254,139股股份及565,539,793股股份中擁有權益，分別相當於本公司經配發及發行新股份及東英亞洲費用股份（定義見下文）擴大後已發行股本總額的約21.54%、0.53%及7.69%。

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Issue of Shares under Specific Mandate in relation to Advisory Service of Financial Adviser

As disclosed in the Company's announcement dated 26 August 2019 and the circular of the Company dated 20 September 2019, the Company has appointed Oriental Patron Asia Limited ("**OPAL**"), a licensed corporation to carry out type 1 (dealing in securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, as the financial adviser to the Company (the "**Appointment of Financial Adviser**") to advise on and assist in formulating and overseeing a potential financial restructuring as to improving the Company's financial position. Regarding the payment of advisory fee (the "**Advisory Fee**"), after arm's length negotiations, OPAL agreed to receive the newly issued shares of the Company to settle the Advisory Fee. On 26 August 2019, the supplemental mandate letter (as to supplement the original mandate letter signed in May 2019) has been entered into between the Company and OPAL, pursuant to which the Advisory Fee was agreed to be paid by the Company to OPAL in the form of issuing and allotting 250,000,000 newly issued and fully paid-up Shares (the "**OPAL Fee Shares**") which is subject to subject to a lock-up period of 12 months from the date of the issuance and such OPAL Fee Shares were issued and allotted to OPAL simultaneously with the New Shares issued to the Creditors under the Scheme on 29 June 2020. The 250,000,000 OPAL Fee Shares were allotted and issued to OPAL on 3 August 2020.

The Company obtained the conditional approval from the Stock Exchange for the listing of, and permission to deal in, the OPAL Fee Shares. The Directors obtained the specific mandate granted to allot and issue the OPAL Fee Shares at the SGM held on 10 October 2019.

Further details of the Scheme are set out in the Company's announcements dated 19 August 2019, 8 October 2019, 14 October 2019, 8 November 2019, 19 November 2019, 27 November 2019, 15 December 2019, 7 January 2020, 25 February 2020, 6 March 2020, 20 March 2020, the circular of the Company dated 20 September 2019, the poll results announcement of the Company dated 10 October 2019 and the next day disclosure returns of the Company dated 30 June 2020 and 3 August 2020.

有關涉及財務顧問之顧問服務之根據特別 授權發行股份

誠如本公司日期為二零一九年八月二十六日的公告及本公司日期為二零一九年九月二十日的通函所披露，本公司已委任東英亞洲有限公司（「**東英亞洲**」）（根據證券及期貨條例可從事第1類（證券交易）、第6類（就機構融資提供意見）及第9類（資產管理）受規管活動之持牌法團）為本公司財務顧問（「**委任財務顧問**」），就制定及監督為改善本公司財務狀況而可能進行的財務重組，向本公司提供意見及協助。就支付顧問費用（「**顧問費用**」）方面，經雙方磋商後，東英亞洲願意接受本公司以發行新股份方式支付顧問費用。於二零一九年八月二十六日，本公司與東英亞洲訂立補充委聘函（以補充於二零一九年五月所簽署的原委聘函），據此，雙方同意本公司以發行及配發予東英亞洲250,000,000股受發行日期起12個月的禁售期所限之新發行及全額繳足股份（「**東英亞洲費用股份**」）的形式支付顧問費用，而該等東英亞洲費用股份於根據該計劃於二零二零年六月二十九日向債權人發行新股份時同時發行及配發予東英亞洲。該等250,000,000股東英亞洲費用股份於二零二零年八月三日配發及發行予東英亞洲。

本公司獲聯交所所有條件地批准東英亞洲費用股份上市及買賣。董事於二零一九年十月十日舉行的股東特別大會獲授配發及發行東英亞洲費用股份的特別授權。

該計劃的更多詳情載於本公司日期為二零一九年八月十九日、二零一九年十月八日、二零一九年十月十四日、二零一九年十一月八日、二零一九年十一月十九日、二零一九年十一月二十七日、二零一九年十二月十五日、二零二零年一月七日、二零二零年二月二十五日、二零二零年三月六日及二零二零年三月二十日的公告、本公司日期為二零一九年九月二十日的通函、本公司日期為二零一九年十月十日的投票結果公告及本公司日期為二零二零年六月三十日及二零二零年八月三日的翌日披露報表。

PROPOSED GRANT OF SHARE SUBSCRIPTION FACILITY TO THE COMPANY AND PROPOSED ISSUE OF NEW SHARES AND WARRANTS UNDER SPECIFIC MANDATE

On 13 March 2020, the Company entered into an agreement (the “**SSF Agreement**”) with, among others, GEM Global Yield LLC SCS (the “**Investor**”) (as amended and supplemented by the supplemental agreements dated 27 July 2020 and 29 August 2020 respectively), pursuant to which

- (1) The Investor has agreed to grant the Company, the share subscription facility (the “**Share Subscription Facility**”) and an option (the “**Option**”) to require the Investor to subscribe for Shares (the “**Option Shares**”) of up to HK\$2,350,000,000 (the “**Total Commitment**”) in value at the Subscription Price (as defined below) during the period commencing on the date of the SSF Agreement and expiring on the earlier of: (a) the third anniversary of the date of the SSF Agreement (the “**Commitment Period**”); and (b) the date on which the Investor has subscribed for shares in the Company with an aggregate subscription price of HK\$2,350,000,000 (excluding shares to be issued upon exercise of the Warrants (as defined below) pursuant to the SSF Agreement; and
- (2) the Company has agreed to issue to the Investor the warrants (the “**Warrants**”) to subscribe for Shares (the “**Warrant Shares**”) by the Investor Agreement which entitle the Investor to purchase up to 383,000,000 Shares at Warrant Exercise Price (as defined below) during the Warrant Exercise Period (as defined below).

It is also provided in the SSF Agreement (as supplemented and amended) that:

- (1) the maximum shareholding of the Investor (or its associates (as defined in the GEM Listing Rules)) in the Company shall in any event be less than 10% of the issued share capital of the Company such that the Investor will not become a substantial shareholder (as defined in the GEM Listing Rules) and a connected person (as defined in the GEM Listing Rules);

建議向本公司授出股權掛鈎信貸 及建議根據特別授權發行新股份 及認股權證

於二零二零年三月十三日，本公司與（其中包括）GEM Global Yield LLC SCS（「**投資者**」），訂立協議（「**SSF協議**」，經日期分別為二零二零年七月二十七日及二零二零年八月二十九日的補充協議修訂及補充），據此：

- (1) 投資者同意向本公司授出股權掛鈎信貸（「**股權掛鈎信貸**」）及購股權（「**購股權**」），以要求投資者於SSF協議日期起至以下時間中較早者止期間：(a) SSF協議日期的第三個週年當日（「**承擔期**」）；及(b)投資者根據SSF協議以總認購價2,350,000,000港元認購本公司股份（不包括認股權證（定義見下文）獲行使將發行的股份）的日期，以認購價（定義見下文）認購價值最多為2,350,000,000港元（「**承擔總額**」）的股份（「**購股權股份**」）；及
- (2) 本公司同意向投資者發行認股權證（「**認股權證**」）以按投資者協議認購股份（「**認股權證股份**」），投資者協議賦予投資者權利可於認股權證行使期（定義見下文）按認股權證行使價（定義見下文）購入最多383,000,000股股份。

SSF協議（經補充及修訂）亦規定：

- (1) 投資者（或其聯繫人（定義見GEM上市規則））於本公司的最高持股比例無論如何應低於本公司已發行股本的10%，故投資者將不會成為主要股東（定義見GEM上市規則）及關連人士（定義見GEM上市規則）；

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- (2) in the event that the Determined Price (as defined below) is higher than the Floor Price (as defined below) and the Minimum Threshold Price (as defined below), the Investor shall be obliged to subscribe for a number of Shares which is not less than 50% and not more than 200% of the Pricing Period Obligation (as defined in the SSF Agreement) at the Determined Price; and
- (3) in the event that the Determined Price is lower than the Floor Price or the Minimum Threshold Price, no Option Shares will be issued to the Investor by the Company.

Warrant Exercise Period shall mean the period commencing from the date on which the conditions precedent to the SSF Agreement are fulfilled (the “**Warrant Delivery Date**”) to the third (3rd) anniversary of the Warrant Delivery Date or, if such day is not a business Day, the immediately following business day.

Warrant Exercise Price shall mean the subscription price of each Warrant Share, initially being HK\$0.23 per Warrant Share (subject to adjustment) or if on the first anniversary of the Warrant Delivery Date, the market price of a Share is less than a sum equal to 90 per cent. of the Warrant Exercise Price on such date, the relevant Warrant Exercise Price shall be a sum equal to 105 per cent. of such market price.

Subscription Price shall mean the higher of (i) the Determined Price; (ii) the Floor Price; and (iii) the Minimum Threshold Price.

Determined Price shall mean 90% of the average of the closing bid prices during the pricing period, ignoring for the purposes of such calculation any Knockout Day.

Floor Price shall mean the price fixed at a discount of 20% to the benchmarked price (as referred and defined in Rule 17.42B of the GEM Listing Rules) of the Share.

Minimum Threshold Price shall mean HK\$0.19 per Share (subject to adjustment in case of subdivision or combination of Shares).

Knockout Day shall mean any trading day during a pricing period: (a) on which the Shares are not traded on GEM or trading of the Shares thereon is suspended for more than one hour; or (b) in respect of which the Investor has made an election to treat such trading day as a Knockout Day.

- (2) 倘釐定價格（定義見下文）高於下限價格（定義見下文）及最低門檻價格（定義見下文），則投資者有責任按釐定價格認購一定數目的股份，有關股份數目不得低於定價期責任（定義見SSF協議）的50%且不得超過200%；及

- (3) 倘釐定價格低於下限價格或最低門檻價格，則本公司將不會向投資者發行購股權股份。

認股權證行使期指自SSF協議的先決條件獲達成之日（「**認股權證交付日期**」）起至認股權證交付日期第三(3)個週年當日，或倘有關日期並非營業日，則為緊隨其後的營業日止期間。

認股權證行使價指每股認股權證股份的認購價，初步為每股認股權證股份0.23港元（可予調整）或倘於認股權證交付日期第一個週年當日，一股股份的市價低於該日認股權證行使價的90%，則相關認股權證行使價應為有關市價的105%。

認購價應指(i)釐定價格；(ii)下限價格；及(iii)最低門檻價格（以較高者為準）。

釐定價格應指定價期內平均收市買入價之90%，該計算方法並無計及任何取消日。

下限價格應指按股份基準價（如GEM上市規則第17.42B條所提述及界定）折讓20%釐定之價格。

最低門檻價格應指每股股份0.19港元（在股份分拆或合併時可予調整）。

取消日應指定價期內任何交易日：(a)股份於該日不於GEM買賣或其後股份買賣暫停超過一個小時；或(b)該日投資者選擇將有關交易日視作取消日。

Option Shares and Warrant Shares

Assuming that the Option Shares will be issued at the closing price of the share as at the date of the SSF Agreement of HK\$0.185 per Option Share and based on the total commitment of HK\$2,350 million, a total of 10,217,391,304 Option Shares will be allotted and issued upon the full exercise of the Option, representing approximately 206.49% of the existing issued Shares of 4,948,170,452 as at the date of the SSF Agreement or 67.37% of the issued share capital of the Company as enlarged by the allotment and issue of such 10,217,391,304 Option Shares.

The 383,000,000 Warrant Shares represent approximately 7.74% of the existing issued Shares as at the date of the SSF Agreement or approximately 7.18% of the issued share capital of the Company as enlarged by the allotment and issue of such 383,000,000 Warrant Shares.

The Warrant Shares would be issue under specific mandate sought at the SGM had on 5 October 2020 for the Shareholders to consider and approve the SSF Agreement and the transactions contemplated thereunder and the issue of the Warrant Shares.

Applications has been made by the Company to the Stock Exchange for the grant of the listing of, and permission to deal in the Warrant Shares.

The Company proposes to utilise the general mandate granted pursuant to a resolution passed by the Shareholders at the annual general meeting of the Company held on 30 July 2020 (or any other general mandates to allot and issue Shares approved by the Shareholders on a later date, collectively, the “**General Mandate**”) to the Directors to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing such resolution to allot and issue the Option Shares which may be issued under the SSF Agreement.

購股權股份及認股權證股份

假設購股權股份將按SSF協議日期股份收市價每股購股權股份0.185港元發行及基於承擔總額2,350百萬港元，將於購股權全部獲行使後配發及發行合共10,217,391,304股購股權股份，佔SSF協議日期4,948,170,452股現有已發行股份的約206.49%或本公司經配發及發行該10,217,391,304股購股權股份而擴大的已發行股本的67.37%。

383,000,000股認股權證股份佔於SSF協議日期現有已發行股份的約7.74%或本公司經配發及發行該383,000,000股認股權證股份而擴大的已發行股本的約7.18%。

認股權證股份將根據本公司於二零二零年十月五日所召開供股東考慮及批准SSF協議及其項下擬進行的交易以及發行認股權證股份的股東特別大會授出的特別授權發行。

本公司已向聯交所申請批准認股權證股份上市及買賣。

本公司建議動用根據股東於二零二零年七月三十日舉行的本公司股東週年大會上通過的決議案向董事授出的一般授權（或股東在較後日期批准配發及發行股份的任何其他一般授權，統稱「**一般授權**」），以配發、發行及以其他方式處置不超過本公司於通過配發及發行購股權股份的有關決議案之日已發行股本總面額20%的新股份，而購股權股份可根據SSF協議發行。

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If the existing General Mandate is fully utilised or is about to fully utilised or the General Mandate is insufficient for the allotment and issuance of the Option Shares which may be issued in the next tranche(s) of subscription of the Option Shares, the Company will convene a special general meeting of the Company to obtain the Shareholders' approval to refresh the General Mandate for the subsequent issuance of the remaining Option Shares. If the refreshment of the existing General Mandate is made pursuant to Rule 17.42A(1) of the GEM Listing Rules, a circular will be issued and the Company will seek approval of the refreshment of the General Mandate by the independent shareholders by way of an ordinary resolution at the special general meeting. The refreshment of general mandate of the Company is expected to continue until the Share Subscription Facility of HK\$2,350 million is fully utilised.

For each tranche of subscription of the Option Shares, an application will be made by the Company to the Stock Exchange for the grant of the listing of, and permission to deal in the Option Shares.

Reason for entering into the SSF Agreement

The Board is of the view that issue of the Option Shares and the Warrant Shares offers a good opportunity to raise additional capital for the Company and to strengthen the financial position of the Company. Given that the Company shall have the right but not an obligation to deliver notice to the Investor to subscribe for the Option Shares during the Commitment Period and exercise the Option at its discretion, the Directors consider that the Group will have flexibility in raising funds by exercising the Option during the Commitment Period. The arrangement under the SSF Agreement effectively gives the Group access to a readily available source of financing and the right to raise funds by the delivery of at any time during the Commitment Period when the Board considers such delivery is favourable to the Company. By comparison, the Board considers that with current sluggish market sentiment and recent interest rate hike, the Company would be difficult to secure any debt financing of comparable size from banks or financial institutions. The Board is further of the view that the high gearing ratio of the Group would result in the Group having less favourable financing terms offered by banks and other financial institutions.

倘現有一般授權獲悉數動用或將獲悉數動用或一般授權不足以配發及發行下一批認購購股權股份而發行的購股權股份，則本公司將召開本公司股東特別大會，以就隨後發行剩餘購股權股份而更新一般授權取得股東批准。倘根據GEM上市規則第17.42A(1)條更新現有一般授權，則本公司將會刊發通函且本公司將尋求獨立股東於股東特別大會上通過普通決議案批准更新一般授權。本公司預期將繼續更新一般授權，直至為數2,350百萬港元的股權掛鈎信貸獲悉數動用為止。

就每批認購的購股權股份而言，本公司將向聯交所申請批准購股權股份上市及買賣。

訂立SSF協議之理由

董事會認為發行購股權股份及認股權證股份乃本公司籌集額外資金的良機，可鞏固本公司的財務狀況。由於本公司有權但無責任於承擔期內向投資者寄發認購購股權股份的通知及酌情行使購股權，董事認為本集團可通過於承擔期內行使購股權靈活集資。SSF協議下的安排讓本集團可於董事會認為發出認購通知對本公司有利的情況下於承擔期內隨時發出認購通知，為本集團有效提供隨時可動用的融資來源及集資權。相較而言，董事會認為，鑒於當下市場氛圍暗淡及近期利率上升，本公司難以向銀行或金融機構取得相若規模的債務融資。董事會進一步認為，本集團的高資產負債率會導致銀行及其他金融機構向本集團提供較為不利的融資條款。

The Company has been exploring opportunities to diversify into new businesses to mitigate the risks of being in the lines of business in film and hotel industries and to deliver long-term and stable cash flow and creating favourable investment returns for the Shareholders.

Accordingly, the Directors consider that the SSF Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole, and the terms of the SSF Agreement, among others, the mechanism to fix the Minimum Threshold Price and the Warrant Exercise Price, are fair and reasonable.

For each tranche of the subscription of the Option Shares, the Company will issue an announcement setting out the Subscription Price, the number of Option Shares to be subscribed by the Investor, the intended use of proceeds, the aggregate issued Shares and the balance of the General Mandate (as defined below) to keep the Shareholders and the potential investors informed.

Proposed use of net proceeds of the Option Shares and the Warrant Shares

Assuming the Total Commitment is received in full from issuance of the Option Shares, the gross proceeds (before expenses) and the estimated net proceeds will be HK\$2,350 million and HK\$2,278.5 million respectively.

The Company intends to apply the net proceeds from the issuance of Option Shares as follows:

- (a) up to HK\$250 million for repayment of the liabilities of the Group, including borrowings of HK\$64 million, trade payables of HK\$36 million, tax payable of HK\$20 million, rental payable of HK\$18 million, loan interests payable of HK\$16 million, payables to studio event business partners of HK\$27 million, construction cost payable of HK\$65 million and other payables of HK\$4 million;
- (b) up to HK\$200 million for general working capital of the Group, including restructuring cost of HK\$60 million, salaries of HK\$50 million, repair and maintenance of HK\$35 million, purchase of hotel materials of HK\$20 million, rental of HK\$10 million and other expenses of HK\$25 million;

本公司一直在探索多元拓展新業務的機會，以降低從事電影及酒店行業的風險，並創造長期及穩定現金流及為股東帶來可觀的投資回報。

因此，董事認為，SSF協議及據此擬進行的交易符合本公司及股東的整體利益，及SSF協議的條款（包括釐定最低門檻價格及認股權證行使價的機制）誠屬公平合理。

就每批認購的購股權股份而言，本公司將刊發公告，當中載列認購價、投資者將認購的購股權股份數目、所得款項的擬定用途、已發行股份總數及一般授權（定義見下文）的結餘，以將最新進展告知股東及潛在投資者。

購股權股份及認股權證股份所得款項淨額的建議用途

假設自發行購股權股份收取全數承擔總額，則所得款項總額（扣除開支前）及估計所得款項淨額將分別為2,350百萬港元及2,278.5百萬港元。

本公司擬將發行購股權股份的所得款項淨額用於下列用途：

- (a) 最多250百萬港元用於償還本集團負債，包括借款64百萬港元、貿易應付款項36百萬港元、應繳稅款20百萬港元、應付租金18百萬港元、應付貸款利息16百萬港元、應付影視城活動業務合作夥伴款項27百萬港元、應付建設成本65百萬港元及其他應付款項4百萬港元；
- (b) 最多200百萬港元用作本集團一般營運資金，包括重組成本60百萬港元、薪資50百萬港元、維修保養費35百萬港元、酒店材料購置費20百萬港元、租金10百萬港元及其他開支25百萬港元；

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- (c) up to HK\$328.5 million for expansion and upgrading of the Studio and the Hotel. The Company plans to construct six new film studios and two 3-star hotels with 800 rooms in aggregate adjacent to the existing facilities of the Group in Foshan City, Guangdong Province; and
- (d) up to HK\$1,500 million for investment in potential projects. Currently, the Company is exploring investment opportunities in business segments of promising prospect, including but not limited to virtual banking business, online e-commerce business and consumer finance business. As at the date of this report, the Company has not entered into any informal or formal agreement in respect of any acquisition targets. Further announcement will be made by the Company in respect of its acquisition(s) as and when appropriate in compliance with the GEM Listing Rules.

Assuming full issuance of the Warrant Shares, the estimated net proceeds will be approximately HK\$88 million, which is intended to be applied as to (i) HK\$70.4 million for early redemption of the Convertible Bonds; (ii) HK\$10 million for restructuring cost; and (iii) HK\$7.6 million for operating expenses relating to hotel and studio business in China.

The SSF Agreement and all actions taken or to be taken by the Company pursuant to the SSF Agreement were generally and unconditionally approved, ratified and confirmed and specific mandates was granted to the Directors to allot and issue 383,000,000 Warrant Shares at the exercise price of HK\$0.23 each (subject to adjustment) in the SGM held on 5 October 2020.

Details of the SSF Agreement, the issue of the Option Shares and the Warrants are set out in the Company's announcements dated 13 March 2020, 27 July 2020, 31 August 2020, the Company's circular dated 11 September 2020 and the Company's poll results announcement dated 5 October 2020.

- (c) 最多328.5百萬港元用於擴大及改進該影視城及該酒店。本公司計劃在廣東省佛山市本集團現有設施附近興建六個新影視城和兩間三星級酒店（共800間客房）；及
- (d) 最多1,500百萬港元用於投資潛在項目。本公司目前正在探索前景可觀的業務分部的投資機遇，包括但不限於虛擬銀行業務、網上電商業務及消費融資業務。於本報告日期，本公司並未就任何收購目標訂立任何非正式或正式協議。本公司將於適當時候根據GEM上市規則就其收購事項另行刊發公告。

假設悉數發行認購權證股份，估計所得款項淨額將為約88百萬港元，其中(i) 70.4百萬港元用於提前贖回可換股債券；(ii) 10百萬港元作為重組成本；及(iii) 7.6百萬港元作為中國酒店及影視城業務相關的經營業務開支。

於二零二零年十月五日舉行的股東特別大會上，股東一般及無條件批准、追認及確認SSF協議及本公司根據SSF協議已採取或將採取的一切行動，並授予董事特別授權以按行使價每股0.23港元（可予調整）配發及發行383,000,000股認股權證股份。

有關SSF協議、發行購股權股份及認股權證的詳情載於本公司日期為二零二零年三月十三日、二零二零年七月二十七日及二零二零年八月三十一日的公告、本公司日期為二零二零年九月十一日的通函及本公司日期為二零二零年十月五日的投票結果公告。

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the name of the Company from “National Arts Entertainment and Culture Group Limited” to “National Arts Group Holdings Limited” and adopt the Chinese name “國藝集團控股有限公司” as its official Chinese name (“**Change of Company Name**”). The Board will propose special resolution at the forthcoming SGM for considering, and if thought fit, approving the Change of Company. The reason for changing the Company’s name is precisely to reflect the direction of the diversification of business in order to reduce the risk of single business segments. The Board believes that the proposed new English and Chinese names of the Company will provide the Company with better identification of the principal business of the Group. As such, the Board is of the view that the proposed Change of Company Name is in the interests of the Company and the Shareholders as a whole. The proposed Change of Company Name is subject to the following conditions: (i) the passing of the special resolution by the Shareholders at the SGM approving the Change of Company Name; and (ii) the Registrar of Companies in Bermuda approving the Change of Company Name and entering the proposed new English and Chinese name of the Company into the register of companies.

The special resolution approving the Change of Company Name was passed at the SGM held on 5 October 2020 by the Shareholders.

Subsequent to the passing of the special resolution in respect of the Change of Company Name by the Shareholders at the SGM, the Change of Company Name is still subject to the approval by the Registrar of Companies in Bermuda, which will take effect upon the date of the issue of a Certificate of Incorporation on the Change of Company Name by the Registrar of Companies in Bermuda. The Company will then carry out all necessary registration and filing procedures with the Companies Registry in Hong Kong. Further announcement(s) will be issued by the Company to inform the Shareholders of the effective date of the Change of Company Name, the new stock short names for trading of the securities of the Company on the Stock Exchange, the new logo and the new website of the Company as and when appropriate.

Further details of the proposed Change of Company Name are set out in the Company’s announcement dated 23 March 2020, the Company’s circular dated 11 September 2020 and the Company’s poll results announcement dated 5 October 2020.

建議更改公司名稱

董事會建議將本公司名稱由「National Arts Entertainment and Culture Group Limited」更改為「National Arts Group Holdings Limited」，並採納中文名稱「國藝集團控股有限公司」為其正式中文名稱（「**更改公司名稱**」）。董事會將於即將召開之股東特別大會上提呈特別決議案以考慮及酌情批准更改公司名稱。更改公司名稱的原因為精確地反映公司業務多元化以達致減低單一業務之風險的方針。董事會認為建議之本公司新中英文名稱將為本公司對本集團主營業務提供更佳之識別。故此，董事會認為，建議更改公司名稱符合本公司及股東之整體利益。建議更改公司名稱須待以下條件達成後，方可作實：(i)股東於股東特別大會通過特別決議案批准更改公司名稱；及(ii)百慕達公司註冊處處長批准更改公司名稱及在公司登記冊輸入建議之本公司新中英文名稱。

批准更改公司名稱之特別決議案於二零二零年十月五日舉行的股東特別大會上獲股東通過。

股東於股東特別大會通過有關更改公司名稱的特別決議案後，更改公司名稱仍須獲百慕達公司註冊處處長批准，並將於百慕達公司註冊處處長簽發更改公司名稱註冊證明書之日起生效。本公司隨後將在香港公司註冊處進行一切必要的登記及備案手續。本公司將於適當時候刊發進一步公告，以通知股東更改公司名稱的生效日期、於聯交所買賣本公司證券的新股份簡稱、本公司的新標識及新網站。

有關建議更改公司名稱的進一步詳情載於本公司日期為二零二零年三月二十三日的公告、本公司日期為二零二零年九月十一日的通函及本公司日期為二零二零年十月五日的投票結果公告。

POSSIBLE OFFER FOR CONVOY GLOBAL HOLDINGS LIMITED

As disclosed in the Company's announcement dated 26 March 2020, the Board is discussing with certain shareholders of Convoy Global Holdings Limited (stock code: 1019) ("**Convoy**") in relation to a possible acquisition of the issued shares of Convoy (the "**Convoy Shares**") by the Company in the consideration of the Company's new shares (the "**Possible Share Exchange Transaction**"). The Possible Share Exchange Transaction did not proceed further.

Possible Offer

On 22 June 2020, the Board approached the board of directors of Convoy (the "**Convoy Board**") about a conditional voluntary share exchange offer by the Company to acquire all of the issued shares in the share capital of Convoy, subject to fulfilment of certain conditions (the "**Possible Offer**").

Following the approach, the Board is now discussing with the Convoy Board further details of the Possible Offer, including how and when the Possible Offer can be made, bearing in mind the financial and other information which would be required to be included in documentation to be sent to shareholders of the Company and Convoy in relation to the Possible Offer.

Based on the latest published audited accounts of Convoy for the financial year ended 31 December 2016, the Board expects that the Possible Offer, if it were to proceed, would constitute either a major transaction or a very substantial acquisition for the Company under Chapter 19 of the GEM Listing Rules. This would involve consent from shareholders of the Company and require publication of extensive financial information about Convoy and its subsidiaries which is not currently available.

On 14 August 2020, the Company received a letter from the Listing Division of the Stock Exchange informing the Company its decision that the Possible Offer will constitute a reverse takeover of the Company under Rule 19.06B of the GEM Listing Rules and the Company will be treated as a new listing applicant under Rule 19.54 of the GEM Listing Rules if the Possible Offer were to proceed (the "**Decision**").

有關康宏環球控股有限公司的潛在要約

誠如本公司日期為二零二零年三月二十六日的公告所披露，董事會正在與康宏環球控股有限公司（股份代號：1019）（「**康宏**」）之部分股東洽商有關本公司可能以本公司新股份為代價收購康宏已發行股份（「**康宏股份**」）的事宜（「**可能換股交易**」）。可能換股交易並無進一步進展。

潛在要約

於二零二零年六月二十二日，董事會就本公司作出的有條件自願換股要約與康宏董事會（「**康宏董事會**」）取得聯繫，以收購康宏股本中的全部已發行股份，惟須達成若干條件後方可作實（「**潛在要約**」）。

取得聯繫後，董事會現正就潛在要約的進一步細節與康宏董事會進行磋商，包括作出潛在要約的方式及時間，同時考慮將就潛在要約寄發予本公司及康宏股東之文件中須載入的財務及其他資料。

根據康宏截至二零一六年十二月三十一日止財政年度的最近期刊發的經審核賬目，倘潛在要約得以進行，董事會預期潛在要約將構成GEM上市規則第19章項下的本公司的一項主要交易或一項非常重大收購。這需要獲得本公司股東的同意及要求康宏及其附屬公司刊發大量財務資料，而有關資料目前無法獲得。

於二零二零年八月十四日，本公司接獲聯交所上市科發出的函件，告知本公司其決定：根據GEM上市規則第19.06B條，潛在要約將構成對本公司的反向收購，而倘潛在要約進行，根據GEM上市規則第19.54條，本公司將被視為新上市申請人（「**該決定**」）。

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The Board disagrees with the Decision and has submitted a formal request to the Stock Exchange for a review of the Decision by the GEM Listing Committee of the Stock Exchange pursuant to Rule 4.06(1) of the GEM Listing Rules (the **“Review”**).

On 31 August 2020, the Company was informed by the Stock Exchange that the hearing for Review by the GEM Listing Committee of the Stock Exchange (the **“Review Hearing”**) is scheduled to take place on 4 November 2020. On 21 September 2020, the Company submitted a written submission setting out its arguments against the Decision to the GEM Listing Committee of the Stock Exchange for the Review Hearing.

The Company and Convoy will publish further announcement(s) regarding the Possible Offer and the transactions contemplated thereunder in compliance with the GEM Listing Rules, the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange and the Hong Kong Code on Takeovers and Mergers (the **“Takeovers Code”**) as and when appropriate.

For the purposes of the Takeovers Code, the offer period has commenced on 29 July 2020.

Shares of the Company to be issued to its financial adviser

The Company has appointed Yu Ming Investment Management Limited (**“Yu Ming”**), a licensed corporation to carry out types 1 (dealing in securities), 4 (advising on securities), 6 (advising on corporate finance) and 9 (asset management) regulated activities under the Securities and Futures Ordinance (Cap. 571), as financial adviser to advise the Company on the Possible Offer and transactions contemplated thereunder. Yu Ming is wholly-owned by Da Yu Financial Holdings Limited (Stock Code: 1073). Based on the best knowledge and belief of Yu Ming and the Company, Yu Ming's ultimate substantial shareholders are third parties independent of the Company and its connected persons. As at the date of this report, Yu Ming is not interested in any of the Company's shares or Convoy Shares. To preserve cash resources of the Company, the Company proposed to pay Yu Ming its financial advisory fees for the Possible Offer by way of issuing new shares of the Company (the **“Yu Ming Fee Shares”**) at the issue price of HK\$0.185, equivalent to the closing price of the Company's shares on the last trading date prior to suspension of trading on 23 June 2020. A total of 54,054,054 Yu Ming Fee Shares were allotted and issued to Yu Ming on 13 August 2020.

董事會不同意該決定，並已根據GEM上市規則第4.06(1)條向聯交所提交正式請求，要求聯交所GEM上市委員會覆核該決定（**「覆核」**）。

於二零二零年八月三十一日，本公司獲聯交所告知，聯交所GEM上市委員會的覆核聆訊（**「覆核聆訊」**）擬定於二零二零年十一月四日進行。於二零二零年九月二十一日，本公司就覆核聆訊向聯交所GEM上市委員會遞交意見書，陳述其反對該決定的論據。

本公司及康宏將根據GEM上市規則、聯交所主板證券上市規則及香港公司收購及合併守則（**「收購守則」**）適時就潛在要約及其項下擬進行的交易另行刊發公告。

為遵守收購守則，要約期已於二零二零年七月二十九日開始。

將向本公司財務顧問發行的本公司股份

本公司已委任禹銘投資管理有限公司（**「禹銘」**），根據證券及期貨條例（第571章）可從事第1類（證券買賣）、第4類（就證券提供意見）、第6類（就機構融資提供意見）及第9類（資產管理）受規管活動之持牌法團）為財務顧問，以就潛在要約及其項下擬進行的交易向本公司提供意見。禹銘由大禹金融控股有限公司（股份代號：1073）全資擁有。據禹銘及本公司所知及所信，禹銘的最終主要股東為獨立於本公司及其關連人士的第三方。於本報告日期，禹銘並無於任何本公司股份或康宏股份中擁有權益。為保存本公司的現金資源，本公司提議按發行價0.185港元（相等於本公司股份於二零二零年六月二十三日暫停買賣前最後交易日的收市價）發行本公司新股份（**「禹銘費用股份」**）的方式向禹銘支付潛在要約的財務顧問費用。本公司二零二零年八月十三日向禹銘發行合共54,054,054股禹銘費用股份。

Additional Information

附加資料

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2020, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

1. Long Positions in the ordinary shares of HK\$0.1 each of the Company ("Shares")

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零二零年九月三十日，董事、本公司主要行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券擁有之根據證券及期貨條例第352條之規定須登記於所述之登記冊內之權益及淡倉，或根據GEM上市規則第5.46條至5.67條之規定須知會本公司及聯交所之權益及淡倉如下：

1. 於本公司每股面值0.1港元之普通股（「股份」）之好倉

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares held 所持股份數量	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比 (Note 1) (附註1)
Mr. Sin 冼先生	Beneficial owner 實益擁有人	1,529,983,985	20.65%
	Interest of spouse (Note 2) 配偶權益 (附註2)	54,163,311	0.73%
Mr. Chow 周先生	Beneficial Owner 實益擁有人	39,254,139	0.53%
Mr. Chui Chi Yun Robert ("Mr. Chui") 崔志仁先生 （「崔先生」）	Beneficial Owner 實益擁有人	3,000,000	0.04%
Mr. Li Kit Chee 李傑之先生	Beneficial Owner 實益擁有人	4,480,000	0.06%

Notes:

- This is based on the total issued Shares as at 30 September 2020 (i.e. 7,407,339,444 shares).
- Ms. Law was beneficially interested in 54,163,311 Shares. By virtue of the SFO, Mr. Sin, being the spouse of Ms. Law, was deemed to be interested in all the Shares in which Ms. Law was interested.

附註：

- 此乃基於二零二零年九月三十日全部已發行股份（即7,407,339,444股）。
- 羅女士實益擁有54,163,311股股份。就證券及期貨條例而言，羅女士之配偶冼先生被視為於羅女士擁有權益的全部股份中擁有權益。

2. Long positions in the underlying Shares

2. 於相關股份之好倉

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares held 所持股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本之概約百分比 (Note 1) (附註1)
Mr. Sin 冼先生	Beneficial owner 實益擁有人	717,951,361 (Note 3) (附註3)	9.69%
	Interest of spouse (Note 2) 配偶權益 (附註2)	32,463,918	0.44%
Mr. Chow 周先生	Beneficial Owner 實益擁有人	40,364,759 (Note 4) (附註4)	0.54%
Mr. Chui 崔先生	Beneficial Owner 實益擁有人	33,604 (Note 5) (附註5)	0.0005%

Notes:

附註：

- This is based on the total issued Shares as at 30 September 2020 (i.e. 7,407,339,444 Shares).
- Ms. Law was beneficially interested in 32,463,918 underlying Shares. By virtue of the SFO, Mr. Sin, the spouse of Ms. Law, was deemed to be interested in all the underlying Shares in which Ms. Law was interested.
- These underlying Shares represent 717,951,361 Shares to be issued upon exercise of the convertible bonds issued to Mr. Sin on 29 June 2020 under which Mr. Sin may exercise the conversion right from 29 June 2023 to 28 June 2025 at an exercise price of HK\$0.55 per Share.
- These underlying Shares represent (i) 58,807 Shares to be issued upon exercise of the physically settled share options granted to Mr. Chow on 28 March 2011 pursuant to the share option scheme adopted on 29 September 2010 ("New Share Option Scheme") under which Mr. Chow may exercise the said options from 28 March 2012 to 27 March 2021 at an exercise price of HK\$7.62 per Share; and (ii) 40,305,952 Shares to be issued upon exercise of the convertible bonds issued to Mr. Chow on 29 June 2020 under which Mr. Chow may exercise the conversion right from 29 June 2023 to 28 June 2025 at an exercise price of HK\$0.55 per Share.
- These underlying Shares represent 33,604 Shares to be issued upon exercise of the physically settled share options granted to Mr. Chui on 28 March 2011 pursuant to the New Share Option Scheme under which Mr. Chui may exercise the said options from 28 March 2012 to 27 March 2021 at an exercise price of HK\$7.62 per Share.

- 此乃基於二零二零年九月三十日的已發行股份總數（即7,407,339,444股股份）。
- 羅女士實益擁有32,463,918股相關股份。根據證券及期貨條例，羅女士之配偶冼先生被視為於羅女士擁有權益的全部相關股份中擁有權益。
- 該等相關股份指於二零二零年六月二十九日向冼先生發行的可換股債券（據此，冼先生可於二零二三年六月二十九日至二零二五年六月二十八日期間按行使價每股股份0.55港元行使換股權）獲行使後將予發行之717,951,361股股份。
- 該等相關股份指(i)根據於二零一零年九月二十九日採納之購股權計劃（「新購股權計劃」）於二零一一年三月二十八日授予周先生之實物結算購股權（據此，周先生可於二零一二年三月二十八日至二零二一年三月二十七日期間按行使價每股股份7.62港元行使前述購股權）獲行使後將予發行之58,807股股份；及(ii)於二零二零年六月二十九日向周先生發行之可換股債券（據此，周先生可於二零二三年六月二十九日至二零二五年六月二十八日期間按行使價每股股份0.55港元行使換股權）獲行使後將予發行之40,305,952股股份。
- 該等相關股份指於根據新購股權計劃於二零一一年三月二十八日授予崔先生的實物結算購股權（據此，崔先生可於二零一二年三月二十八日至二零二一年三月二十七日期間行使前述購股權，行使價為每股7.62港元）獲行使後將予發行之33,604股股份。

Additional Information 附加資料

3. Long positions in the debentures of the Company

3. 於本公司債券的好倉

Name of Director 董事姓名	Capacity/Nature of Interest 身份／權益性質	Currency of debentures 債券貨幣	Denomination or unit size of the debentures 債券面額或單位規模	Amount of debentures 債券金額
Mr. Sin 冼先生	Beneficial owner 實益擁有人	HKD 港元	500,000	394,873,249 (Note 1) (附註1)
	Interest of spouse (Note 2) 配偶權益 (附註2)	HKD 港元	500,000	17,855,155 (Note 3) (附註3)
Mr. Chow 周先生	Beneficial owner 實益擁有人	HKD 港元	500,000	22,168,274 (Note 4) (附註4)

Notes:

附註：

- These debentures are convertible bonds issued to Mr. Sin on 29 June 2020 under which Mr. Sin may exercise the conversion right from 29 June 2023 to 28 June 2025 at an exercise price of HK\$0.55 per Share.
- Ms. Law was beneficially interested in 17,855,155 debentures of the Company. By virtue of the SFO, Mr. Sin, the spouse of Ms. Law, was deemed to be interested in all the debentures in which Ms. Law was interested.
- These debentures are convertible bonds issued to Ms. Law on 29 June 2020 under which Ms. Law may exercise the conversion right from 29 June 2023 to 28 June 2025 at an exercise price of HK\$0.55 per Share.
- These debentures are convertible bonds issued to Mr. Chow on 29 June 2020 under which Mr. Chow may exercise the conversion right from 29 June 2023 to 28 June 2025 at an exercise price of HK\$0.55 per Share.

- 該等債券為於二零二零年六月二十九日向冼先生發行的可換股債券，據此，冼先生可於二零二三年六月二十九日至二零二五年六月二十八日按行使價每股股份0.55港元行使換股權。
- 羅女士實益擁有17,855,155份本公司債券。根據證券及期貨條例，羅女士之配偶冼先生被視為於羅女士擁有權益的全部債券中擁有權益。
- 該等債券為於二零二零年六月二十九日向羅女士發行的可換股債券，據此，羅女士可於二零二三年六月二十九日至二零二五年六月二十八日期間按行使價每股股份0.55港元行使換股權。
- 該等債券為於二零二零年六月二十九日向周先生發行的可換股債券，據此，周先生可於二零二三年六月二十九日至二零二五年六月二十八日期間按行使價每股股份0.55港元行使換股權。

Save as disclosed above, none of the Directors or the chief executive of the Company had, as at 30 September 2020, 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) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

除上文所披露外，於二零二零年九月三十日，各董事或本公司主要行政人員概無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）之任何股份、相關股份或債券中擁有根據證券及期貨條例第352條規定須登記於所述登記冊內之權益或淡倉，或根據GEM上市規則第5.46條至第5.67條之規定須知會本公司及聯交所之權益或淡倉。

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

As at 30 September 2020, the persons or corporations, other than a director or chief executive of the Company, who 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 Part XV of the SFO or had otherwise been notified to the Company were as follows:

A. Substantial Shareholders' Interests

1. Substantial shareholders' long position in the Shares

Name of shareholder 股東姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares held 持有股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比 (Note 1) (附註1)
Ms. Law Po Yee 羅寶兒女士	Beneficial Owner 實益擁有人	54,163,311	0.73%
	Interest of Spouse (Note 2) 配偶權益 (附註2)	1,529,983,985	20.65%

Notes:

- This is based on the total issued Shares as at 30 September 2020 (i.e. 7,407,339,444 Shares).
- Mr. Sin was beneficially interested in 1,529,983,985 Shares. By virtue of the SFO, Ms. Law, being the spouse of Mr. Sin, was deemed to be interested in all the Shares in which Mr. Sin was interested

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零二零年九月三十日，根據本公司按照證券及期貨條例第XV部第336條規定存置之登記冊所記錄，或本公司已獲知會，下列人士或法團（除本公司董事或主要行政人員外）於本公司之股份及相關股份中擁有權益或淡倉：

A. 主要股東之權益

1. 主要股東於股份之好倉

附註：

- 此乃基於二零二零年九月三十日的全部已發行股份（即7,407,339,444股股份）。
- 冼先生實益擁有1,529,983,985股股份。根據證券及期貨條例，羅女士為冼先生之配偶，故被視為在冼先生所有享有權益的股份擁有權益。

Additional Information 附加資料

2. Substantial shareholders' long position in the underlying Shares

2. 主要股東於相關股份之好倉

Name of shareholder	Capacity/Nature of interest	Number of Shares held	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本之 概約百分比 (Note 1) (附註1)
股東姓名	身份／權益性質	持有股份數目	
Ms. Law 羅女士	Beneficial owner 實益擁有人	32,463,918 (Note 3) (附註3)	0.44%
	Interest of spouse (Note 2) 配偶權益 (附註2)	717,951,361	9.69%

Notes:

1. This is based on the total issued Shares as at 30 September 2020 (i.e. 7,407,339,444 Shares).
2. Mr. Sin was beneficially interested in 717,951,361 underlying Shares. By virtue of the SFO, Ms. Law, the spouse of Mr. Sin, was deemed to be interested in all the underlying Shares in which Mr. Sin was interested.
3. These underlying Shares represent 32,463,918 Shares to be issued upon exercise of the convertible bonds issued to Ms. Law on 29 June 2020 under which Ms. Law may exercise the conversion right from 29 June 2023 to 28 June 2025 at an exercise price of HK\$0.55 per Share.

附註：

1. 此乃基於二零二零年九月三十日的已發行股份總數（即7,407,339,444股股份）。
2. 冼先生實益擁有717,951,361股相關股份。根據證券及期貨條例，冼先生之配偶羅女士被視為於冼先生擁有權益的全部相關股份中擁有權益。
3. 該等相關股份指於二零二零年六月二十九日向羅女士發行的可換股債券（據此，羅女士可於二零二三年六月二十九日至二零二五年六月二十八日期間按行使價每股股份0.55港元行使換股權）獲行使後將予發行的32,463,918股股份。

B. Other Persons' Interests

1. Other persons' long position in the Shares

Name of shareholder	Capacity/Nature of interest	Number of Shares held	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比 (Note 1) (附註1)
股東姓名	身份／權益性質	持有股份數目	
Mr. Tse 謝先生	Beneficial owner 實益擁有人	565,539,793	7.63%

Note:

1. This is based on the total issued Shares as at 30 September 2020 (i.e. 7,407,339,444 Shares).

2. Other persons' long position in the underlying Shares

B. 其他人士之權益

1. 其他人士於股份之好倉

Name of shareholder	Capacity/Nature of interest	Number of Shares held	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比 (Note 1) (附註1)
股東姓名	身份／權益性質	持有股份數目	
Mr. Tse 謝先生	Beneficial owner 實益擁有人	565,539,793	7.63%

附註：

1. 此乃基於二零二零年九月三十日的已發行股份總數（即7,407,339,444股股份）。

2. 其他人士於相關股份之好倉

Name of shareholder	Capacity/Nature of interest	Number of Shares held	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比 (Note 1) (附註1)
股東姓名	身份／權益性質	持有股份數目	
Mr. Tse 謝先生	Beneficial owner 實益擁有人	2,099,047 (Note 2) (附註2)	0.03%

Additional Information

附加資料

Notes:

1. This is based on the total issued Shares as at 30 September 2020 (i.e. 7,407,339,444 Shares).
2. These underlying Shares represent 2,099,047 Shares to be issued upon exercise of the convertible bonds issued to Mr. Tse on 29 June 2020 under which Mr. Tse may exercise the conversion right from 29 June 2023 to 28 June 2025 at an exercise price of HK\$0.55 per Share.

Save as disclosed above, as at 30 September 2020, the Company has not been notified of any persons, other than a director or chief executive of the Company, who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company as recorded in the register required to be kept under section 336 of Part XV of the SFO.

附註：

1. 此乃基於二零二零年九月三十日的已發行股份總數（即7,407,339,444股股份）。
2. 該等相關股份指於二零二零年六月二十九日向謝先生發行的可換股債券（據此，謝先生可於二零二三年六月二十九日至二零二五年六月二十八日期間按行使價每股股份0.55港元行使換股權）獲行使後將予發行的2,099,047股股份。

除上文所述者外，截至二零二零年九月三十日，本公司並不知悉任何人士（本公司董事或主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第336條所規定存置登記冊內記錄的須向本公司披露的權益或淡倉。

SHARE OPTION SCHEMES

Pursuant to a written resolution of the sole shareholder of the Company passed on 22 July 2002, the Company conditionally adopted and approved the share option scheme adopted on 22 July 2002 and terminated on 20 September 2010 (“**Post-IPO Share Option Scheme**”). The principal terms of which are set out in Appendix IV to the prospectus of the Company dated 9 October 2002.

Pursuant to a resolution passed at the extraordinary general meeting of the Company on 29 September 2010, the New Share Option Scheme was adopted and the Post-IPO Share Option Scheme was terminated. The principal terms of New Share Option Scheme are set out in the circular of the Company dated 6 September 2010.

Post-IPO Share Option Scheme

As at 30 September 2020, no share options to subscribe for shares of the Company granted pursuant to the Post-IPO Share Option Scheme were outstanding. The details of the share options granted under the Post-IPO Share Option Scheme as at 30 September 2020 are set out as follows:

Category of participants	Exercise price per share	Date of grant	Exercise period	As at 1 January 2020 於二零二零年一月一日	Number of share options 購股權數目				Outstanding as at 30 September 2020 於二零二零年九月三十日尚未行使
					Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	
參與人類別	每股行使價 (HK\$) (港元)	授出日期	行使期		期內授出	期內行使	期內失效	期內註銷	
Directors 董事	3.66	13 May 2010 二零一零年五月十三日	13 May 2010-12 May 2020 二零一零年五月十三日至 二零二零年五月十二日	33,292	-	-	(33,292)	-	-
Directors 董事	2.89	3 September 2010 二零一零年九月三日	29 September 2010- 2 September 2020 二零一零年九月二十九日至 二零二零年九月二日	24,888	-	-	(24,888)	-	-
Total 總數				58,180	-	-	(58,180)	-	-

Note: All share options granted under the Post-IPO Share Option Scheme are vested immediately.

購股權計劃

根據本公司唯一股東於二零零二年七月二十二日通過之書面決議案，本公司有條件地採納及批准於二零零二年七月二十二日採納並於二零一零年九月二十九日終止之購股權計劃（「**首次公開發售後購股權計劃**」）。有關的主要條款載於日期為二零零二年十月九日之本公司招股章程附錄四內。

根據本公司於二零一零年九月二十九日舉行之股東特別大會上通過之決議案，新購股權計劃已獲採納，而首次公開發售後購股權計劃已經終止。新購股權計劃之主要條款載於本公司於二零一零年九月六日發出之通函內。

首次公開發售後購股權計劃

於二零二零年九月三十日，並無根據首次公開發售後購股權計劃授出而可認購本公司股份之購股權尚未獲行使。於二零二零年九月三十日之根據首次公開發售後購股權計劃授出的購股權詳情如下：

附註：根據首次公開發售後購股權計劃授出的全部購股權為即時歸屬。

Additional Information 附加資料

New Share Option Scheme

In accordance with the resolution passed at the annual general meeting (the “AGM”) held on 29 June 2017, the scheme limit on the grant of options under the New Share Option Scheme and any other share option schemes of the Company has been refreshed to up to 449,848,122 Shares, being 10% of the Shares in issue as at the AGM date based on 4,498,481,222 Shares in issue (excluding share options previously granted, outstanding, cancelled, lapsed or exercised under the New Share Option Scheme) (the “Refreshed Scheme Limit”); and the Directors are authorised, at their absolute discretion, to grant share options to subscribe for Shares within the Refreshed Scheme Limit in accordance with the rules of the New Share Option Scheme; to allot, issue and deal with the Shares pursuant to the exercise of share options granted under the New Share Option Scheme within the Refreshed Scheme Limit; and to do such acts and execute such documents for or incidental to implement the New Share Option Scheme within the Refreshed Scheme Limit.

As at 30 September 2020, the share options to subscribe for an aggregate of 92,411 Shares granted pursuant to the New Share Option Scheme were outstanding. The details of the share options granted under the New Share Option Scheme as at 30 September 2020 are set out as follows:

Category of participants	Exercise price per Share	Date of grant	Vesting period	Exercise period	Number of share options 購股權數目					Outstanding as at 30 September 2020 於二零二零年九月三十日尚未行使
					As at 1 January 2020 於二零二零年一月一日	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	Cancelled during the period 期內註銷	
參與人類別	每股行使價 (HK\$) (港元)	授出日期	歸屬期	行使期						
Directors (Note 1) 董事 (附註1)	7.62	28 March 2011 二零一一年三月二十八日	28 March 2011-27 March 2012 二零一一年三月二十八日至二零一二年三月二十七日	28 March 2012-27 March 2021 二零一二年三月二十八日至二零一七年三月二十七日	92,411	-	-	-	-	92,411
Directors (Note 1) 董事 (附註1)	0.2456	16 May 2017 二零一七年五月十六日	-	16 May 2017-15 May 2020 二零一七年五月十六日至二零二零年五月十五日	46,460,000	-	-	(46,460,000)	-	-
Other participants 其他參與人士	0.2456	16 May 2017 二零一七年五月十六日	-	16 May 2017-15 May 2020 二零一七年五月十六日至二零二零年五月十五日	207,920,000	-	-	(207,920,000)	-	-
Total 總數					254,472,411	-	-	254,380,000	-	92,411

Note 1: The Directors include former directors of the Company.

新購股權計劃

根據於二零一七年六月二十九日舉行之股東週年大會（「股東週年大會」）上通過之決議案，根據新購股權計劃及本公司任何其他購股權計劃授出購股權之計劃限額已更新至最多449,848,122股股份，即以4,498,481,222股已發行股份為基準，為於股東週年大會當日已發行股份之10%（根據新購股權計劃之前授出、尚未行使、註銷、失效或行使之購股權除外）（「更新計劃限額」）；及授權董事全權酌情根據新購股權計劃之規則授出可認購股份之購股權，數額以更新計劃限額為限；於根據新購股權計劃所授出之購股權獲行使時，配發、發行及處理股份，數額以更新計劃限額為限；及因應於更新計劃限額範圍內執行新購股權計劃作出有關行動及簽立有關文件。

於二零二零年九月三十日，根據新購股權計劃授出可認購合共92,411股股份之購股權尚未獲行使。於二零一九年九月三十日之根據新購股權計劃授出的購股權詳情如下：

附註1：董事包括本公司前任董事。

(i) *New Share Option Scheme's purpose*

The purpose of the New Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to selected person and to promote the success of the business of the Group.

(ii) *Qualifying participants*

The participants of the New Share Option Scheme include any employee of the Company or any subsidiary of the Company, a director, a shareholder, a supplier, a customer or any subsidiary of the Company; an agent, adviser, consultant, strategist, contractor, sub-contractor, expert or entity that provides research, development or other technological support or any valuable services to Company or any of its subsidiary; a holder of any securities issued.

(iii) *Maximum number of shares*

In accordance with the resolution passed at the AGM, the scheme limit on the grant of options under the New Share Option Scheme and any other share option schemes of the Company was refreshed to up to 449,848,122 Shares, being 10% of the Shares in issue as at the date of the meeting (i.e. 4,498,481,222 Shares in issue) (excluding share options previously granted, outstanding, cancelled, lapsed or exercised under the New Share Option Scheme) and representing approximately 6.07% of the issued Shares as at the date of this report (i.e. 7,407,339,444 Shares); and the Directors are authorized, at their absolute discretion, to grant share options to subscribe for Shares within the Refreshed Scheme Limit in accordance with the rules of the New Share Option Scheme; to allot, issue and deal with the Shares pursuant to the exercise of share options granted under the New Share Option Scheme within the Refreshed Scheme Limit; and to do such acts and execute such documents for or incidental to implement the New Share Option Scheme within the Refreshed Scheme Limit.

(i) *新購股權計劃目的*

新購股權計劃旨在吸引及挽留最優秀的人才、向經甄選人士提供額外獎勵，以及推動本集團業務成功。

(ii) *合資格參與者*

新購股權計劃的參與者包括本公司或本公司任何附屬公司的任何僱員、董事、股東、供應商、客戶或本公司任何附屬公司；向本公司或其任何附屬公司提供研發或其他技術支援或任何有價值服務的代理、顧問、專業顧問、策略師、承辦商、分承辦商、專家或實體；任何已發行證券的持有人。

(iii) *最高股份數目*

根據於股東週年大會上通過之決議案，根據新購股權計劃及本公司任何其他購股權計劃授出購股權之計劃限額已更新至最多449,848,122股股份，佔大會當日已發行股份（即4,498,481,222股已發行股份）之10%（根據新購股權計劃之前授出、尚未行使、註銷、失效或行使之購股權除外）及佔於本報告日期已發行股份（即7,407,339,444股股份）約6.07%；及授權董事全權酌情根據新購股權計劃之規則授出可認購股份之購股權，數額以更新計劃限額為限；於根據新購股權計劃所授出之購股權獲行使時，配發、發行及處理股份，數額以更新計劃限額為限；及因應於更新計劃限額範圍內執行新購股權計劃作出有關行動及簽立有關文件。

Additional Information 附加資料

(iv) *Maximum entitlement of each qualifying participant*

No qualifying participant shall be granted any options which, if exercised in full, would result in such person's maximum entitlement exceeding 1% of the aggregate number of Shares for the time being issued and issuable under the New Share Option Scheme in the 12-month period up to and including the proposed grant date unless such grant is approved in advance by the shareholders in general meeting. No qualifying participant who is a substantial shareholder or an independent non-executive Director, or any of their respective associates shall be granted any options, which, if exercised in full, would result in the shares issued and issuable to such person under the New Share Option Scheme in the 12-month period up to and including the proposed grant date for such options, unless such grant of options is approved in advance by the shareholders of the Company in general meeting: (a) representing in aggregate over 0.1% of the number of Shares then in issue; and (b) having an aggregate value, based on the closing price of the Shares as stated in the Stock Exchange's daily quotations sheets on each relevant date on which the grant of such options is made to such person under the relevant scheme, in excess of HK\$5 million.

(v) *Option period*

The share options may be exercised in whole or in part by the participant at any time during the exercise period, i.e. not exceed 10 years from the date of grant of the relevant new share options pursuant to the New Share Option Scheme, by delivering to the Company a notice duly signed in a form approved by the Board (together with payment of the exercise price in full in respect of each new share to be subscribed for) and delivery of the new share option certificate for amendment or cancellation.

(vi) *Minimum period for which an option must be held before it can be exercised*

No offer of a new share option which is capable of or open for acceptance shall be made after the expiry of the exercise period pursuant to the New Share Option Scheme.

(iv) 每名合資格參考者可獲授權益上限

倘若授予合資格參與者之購股權於截至建議授出日期（包括當日）止12個月期間獲全面行使，將導致該人士可獲授權益上限超逾當時根據新購股權計劃已發行股份及可發行股份總數之1%，則該合資格參與者將不獲授予任何購股權，惟獲股東於股東大會上預先批准者除外。如合資格參與者為主要股東或獨立非執行董事或任何彼等各自之聯繫人士，均不得獲授任何購股權（惟購股權授予已經本公司股東在股東大會上預先批准者除外）：根據新購股權計劃，已經及將會授予該等人士之購股權獲全面行使後將導致已經及將予發行股份之數目於截至及包括建議授出日期止前12個月期間（包括當日）：(a)合計超逾已發行股份數目0.1%；及(b)根據相關購股權計劃，每次授出購股權予該人士之有關日期於聯交所之每日報價表所列之股份收市價計算，總值超逾5,000,000港元。

(v) 購股權年期

參與者可於行使期（即根據新購股權計劃授出相關新購股權的日期起計不超過10年）內，隨時透過向本公司送交已按董事會批准的形式妥為簽署的通知（連同就將予認購的每股新股份支付的全數行使價款項），並送交新購股權證書以供修訂或註銷，以行使全部或部分購股權。

(vi) 行使前須持有購股權之最短期限

根據新購股權計劃，不得於行使期屆滿後提呈可獲接納或可供接納的新購股權。

(vii) Payment on acceptance of the option

HK\$1 is payable by the grantee to the Company on acceptance of the share option offer. The share option offer will be offered for acceptance for a period of 14 days from the date on which the offer is granted.

(viii) Basis of determining the exercise price

The exercise price for the share under the New Scheme will be determined by the Board in its absolute discretion at the time of making the offer of grant of a new share option but in any case the subscription price must be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business day immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares.

(ix) Remaining life of the New Share Option Scheme

The New Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the New Share Option Scheme becomes unconditional. The Board may amend any of the provisions of the New Share Option Scheme or withdraw or otherwise terminate the New Share Option Scheme at any time but no alterations shall be made to the advantage of any participant unless approved by the shareholders in general meeting. All new share options granted prior to such termination and not then exercise shall continue to be valid and exercisable subject to and in accordance with the terms of the New Share Option Scheme.

(vii) 就接納購股權之付款

承授人於接納購股權建議時須向本公司支付1港元。購股權建議將可於授出建議日期起計14天內予以接納。

(viii) 釐定行使價之基準

新計劃下的股份行使價將由董事會於提呈授出新購股權時全權酌情釐定，惟認購價無論如何最少須為下列三者中的較高者：(i)股份於提呈授出日期（必須為營業日）在聯交所每日報價表所報的收市價；(ii)股份於緊接提呈授出日期前五個營業日在聯交所每日報價表所報的平均收市價；及(iii)股份面值。

(ix) 新購股權計劃之餘下年期

新購股權計劃於新購股權計劃成為無條件之日起計10年內有效。董事會可隨時修訂新購股權計劃的任何條文，或撤回或以其他方式終止新購股權計劃，惟除非經股東於股東大會上批准，否則不得作出任何有利於任何參與者的修訂。所有有關終止前已授出但當時尚未行使的新購股權將繼續有效，並受限於新購股權計劃的條款及可根據該等條款行使。

EMPLOYEE AND REMUNERATION POLICY

The Directors believe that the quality of its employees is the most important factor in sustaining the Group's growth and improving its profitability. The Group gives remuneration and discretionary bonus to its employees based on their performances, experience and prevailing industry practices. In addition to basic salaries and mandatory provident fund, staff benefits including medical coverage scheme and share options are offered.

The Group's remuneration policy was reviewed periodically by the remuneration committee of the Board and the Board's remuneration is determined by reference to market terms, company performance, and individual qualifications and performance. The Group aimed to recruit, retain and develop competent individuals who were committed to the Group's long-term success and growth. Remunerations and other benefits of employees were reviewed annually in response to both market conditions and trends, and were based on qualifications, experience, responsibilities and performance.

The current remuneration of the Directors and the key management is determined by the individual performance and market trends.

During the period under review, the Group has not experienced any significant problems with its employees or disruption to its operation due to labour disputes nor has it experienced any difficulties in the recruitment and retention of experienced staff. The Directors believe that the Group has a good working relationship with its employees.

The Group encourages and supports the employees in personal and professional training and also encourages a culture of experience-sharing. The Group organises various forms of training covering management, customers service, financial, etc to the PRC office with support from the Hong Kong head office. Other than the internal training programme, the Group has also established a continuous education scheme (the "**Education Scheme**"). According to the Education Scheme, the employee who passed the probation will be entitled to the subsidy for the specified course approved by the management with the maximum amount to HK\$50,000.

僱員及薪酬政策

董事相信，僱員素質為本集團持續增長及改善其盈利能力的最重要因素。本集團的僱員薪酬及酌情獎金乃按工作表現、經驗及當前行業慣例釐定。除基本薪金及強制性公積金外，本集團亦提供醫療保障計劃及購股權等員工福利。

董事會薪酬委員會定期檢討本集團之薪酬政策，而董事會之薪酬乃參考市場條款、公司表現及個人資歷及表現釐定。本集團旨在招聘、挽留及發展能幹而對本集團長遠成功及增長有承擔的人士。僱員的薪酬及其他福利均每年檢討，以回應市況及趨勢，亦以資歷、經驗、責任及表現為基準。

董事及主要管理層的現時薪酬乃按個別人士的表現及市場趨勢釐定。

於回顧期間，本集團與其僱員之間並無發生任何重大問題，亦無因勞資糾紛而引致營運受到干擾，且在招聘及挽留有經驗員工方面亦無遭遇任何困難。董事相信，本集團與其僱員維持良好工作關係。

本集團鼓勵並支持僱員的個人及專業培訓，亦鼓勵分享經驗的文化。本集團在香港總辦事處的協助下，為中國辦事處舉辦不同形式的培訓，包括管理、客戶服務、財務等。除內部培訓計劃外，本集團亦設立一項持續進修計劃（「**進修計劃**」）。根據進修計劃，通過試用期的僱員將有權就特定課程享有管理層批准的津貼，上限金額為50,000港元。

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the nine months ended 30 September 2020.

COMPETING INTERESTS

None of the Directors or controlling shareholders of the Company (as defined in the GEM Listing Rules) or their respective close associates had any interest, whether directly or indirectly, in a business which competes or may compete with the business of the Group during the nine months ended 30 September 2020.

AUDIT COMMITTEE

The Company has established the audit committee ("Audit Committee") in 2002 with written terms of reference, which deal clearly with its authorities and duties. The primary duties of the Audit Committee are to review the Company's annual reports and financial statements, interim reports and quarterly reports and discuss with the management over issues relating to auditing, internal control and financial reporting. As at 30 September 2020 and up to the date of this report, the Audit Committee comprises three independent non-executive Directors, namely Mr. Chui Chi Yun Robert (Chairman), Mr. Li Kit Chee and Mr. Lam Kwok Hing Wilfred. The Group's unaudited results for the nine months ended 30 September 2020 and this report have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results and this report has complied with applicable accounting standards and requirements and that adequate disclosures have been made.

買賣或贖回本公司上市證券

本公司及其任何附屬公司於截至二零二零年九月三十日止九個月概無買賣或贖回本公司任何上市證券。

競爭權益

本公司董事或控股股東（定義見GEM上市規則）或彼等各自之緊密聯繫人於截至二零二零年九月三十日止九個月概無於與本集團業務構成競爭或可能構成競爭之業務中擁有任何直接或間接權益。

審核委員會

本公司已於二零零二年成立審核委員會（「**審核委員會**」），並訂有書面職權範圍，清楚列明其權責。審核委員會之主要職責為審閱本公司之年報及財務報表、中期報告及季度報告，並與管理層就有關審計、內部監控及財務報告等議題進行磋商。於二零二零年九月三十日及直至本報告日期，審核委員會由三名獨立非執行董事（即崔志仁先生（主席）、李傑之先生及林國興先生）組成。審核委員會已審閱本集團截至二零二零年九月三十日止九個月之未經審核業績及本報告，認為有關業績及本報告已遵照適用之會計準則及規定編製，並已作出充分披露。

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance with sound and reasonable corporate governance practices and procedures with an aim of maximizing the shareholders' interests as well as to enhancing the stakeholders' transparency and accountability. In this respect, to the best knowledge of the Board, the Company has complied with all of the code provisions set out in the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules then in force during the nine months ended 30 September 2020.

REQUIRED STANDARD OF DEALINGS FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company throughout the nine months ended 30 September 2020.

By Order of the Board
National Arts Entertainment and Culture Group Limited
(Provisional Liquidators Appointed)
(For Restructuring Purposes)
Chow Kai Weng
Associate Chairman, Executive Director and Chief
Executive Officer

Hong Kong, 10 November 2020

企業管治

本公司致力通過完善及合理的企業管治常規及程序保持高水準的企業管治，旨在為股東帶來最大利益，同時提高對權益關涉者之透明度及問責性。有關此方面，就董事會所知，於截至二零二零年九月三十日止九個月，本公司已遵守GEM上市規則附錄15所載企業管治守則其時有效的所有守則條文。

董事進行證券交易的必守標準

本公司已採納一套有關董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48條至5.67條所載之規定交易標準。本公司已向全體董事作出特定查詢，而全體董事已確認，彼等於截至二零二零年九月三十日止九個月一直遵守有關規定交易標準及本公司所採納有關董事進行證券交易之行為守則。

承董事會命
國藝娛樂文化集團有限公司
(已委任臨時清盤人)
(作重組用途)
聯席主席、執行董事兼行政總裁
周啟榮

香港，二零二零年十一月十日

Corporate Information 公司資料

BOARD OF DIRECTORS

Chairman and executive Director

Mr. Sin Kwok Lam

Associate Chairman, Executive Director and Chief Executive Officer

Mr. Chow Kai Weng

Executive Directors

Mr. Cheng Wang Chun

Mr. Ho Leung Ting

Non-Executive Director

Dr. Lam Lee G.

Independent Non-executive Directors

Mr. Chui Chi Yun

Mr. Li Kit Chee

Mr. Lam Kwok Hing Wilfred

COMPANY SECRETARY

Mr. Pang Yick Him

COMPLIANCE OFFICER

Mr. Chow Kai Weng

HEAD OFFICER AND PRINCIPAL PLACE OF BUSINESS

Room 1514-15
15/F., Seapower Tower
Concordia Plaza, No. 1 Science Museum Road
Tsim Sha Tsui, Kowloon
Hong Kong

SHARE REGISTRAR AND TRANSFER OFFICES

Principal share registrar and transfer office

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Hong Kong branch share registrar and transfer office

Tricor Secretaries Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

董事會

主席兼執行董事

冼國林先生

聯席主席、執行董事兼行政總裁

周啟榮先生

執行董事

鄭弘駿先生

何亮靈先生

非執行董事

林家禮博士

獨立非執行董事

崔志仁先生

李傑之先生

林國興先生

公司秘書

彭翊謙先生

監察主任

周啟榮先生

總辦事處及營業地點

香港
九龍尖沙咀
科學館道1號康宏廣場
航天科技大廈15樓
1514-15室

股份過戶及登記處

主要股份過戶及登記處

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港股份過戶及登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

AUTHORISED REPRESENTATIVES

Mr. Chow Kai Weng
Mr. Cheng Wang Chun

COMMITTEES

Audit Committee

Mr. Chui Chi Yun Robert (*Chairman*)
Mr. Li Kit Chee
Mr. Lam Kwok Hing Wilfred

Remuneration Committee

Mr. Chui Chi Yun Robert (*Chairman*)
Mr. Li Kit Chee
Mr. Lam Kwok Hing Wilfred

Nomination Committee

Mr. Sin Kwok Lam (*Chairman*)
Mr. Li Kit Chee
Mr. Lam Kwok Hing Wilfred

LEGAL ADVISORS

Conyers Dill & Pearman (Bermuda laws)
LCH Lawyers LLP (Hong Kong laws)

AUDITORS

Elite Partners CPA Limited
Certified Public Accountants
10/F., 8 Observatory Road
Tsim Sha Tsui
Kowloon
Hong Kong

PRINCIPAL BANKER

Hang Seng Bank

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

GROUP'S WEBSITE

<http://www.nationalarts.hk>

STOCK CODE

8228

授權代表

周啟榮先生
鄭弘駿先生

轄下委員會

審核委員會

崔志仁先生 (*主席*)
李傑之先生
林國興先生

薪酬委員會

崔志仁先生 (*主席*)
李傑之先生
林國興先生

提名委員會

冼國林先生 (*主席*)
李傑之先生
林國興先生

法律顧問

Conyers Dill & Pearman (百慕達法律)
呂鄭洪律師行有限法律責任合夥 (香港法律)

核數師

開元信德會計師事務所有限公司
執業會計師
香港
九龍
尖沙咀
天文台道8號10樓

主要來往銀行

恒生銀行

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

本集團網址

<http://www.nationalarts.hk>

股份代號

8228



National Arts Entertainment and Culture Group Limited 國藝娛樂文化集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(於開曼群島註冊成立並於百慕達存續之有限公司)

Stock code 股份代號 : 8228

