

SMI Culture Group Holdings Limited

星美文化集團控股有限公司

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立之有限公司)
(Stock Code 股份代號 : 2366)



星美文化

二零一三年報

Annual Report 2013





Contents 目錄

<i>Corporate Information</i> 公司資料	2
<i>Management Discussion and Analysis</i> 管理層討論及分析	7
<i>Biographies of Directors</i> 董事履歷	14
<i>Corporate Governance Report</i> 企業管治報告	18
<i>Report of the Directors</i> 董事會報告書	39
<i>Independent Auditor's Report</i> 獨立核數師報告	55
<i>Consolidated Income Statement</i> 綜合損益表	57
<i>Consolidated Statement of Comprehensive Income</i> 綜合全面損益表	59
<i>Consolidated Balance Sheet</i> 綜合資產負債表	60
<i>Balance Sheet</i> 資產負債表	62
<i>Consolidated Statement of Changes in Equity</i> 綜合權益變動表	64
<i>Consolidated Cash Flow Statement</i> 綜合現金流量表	65
<i>Notes to the Financial Statements</i> 財務報表附註	68
<i>Financial Summary</i> 財務摘要	188

BOARD OF DIRECTORS

Executive Directors

- Mr. YUAN Xin
(appointed on 19 August 2013)
- Mr. CHAN Chi To, Antony
(appointed on 27 August 2013)
- Mr. CHEN Hai
(appointed on 23 October 2013)
- Mr. WANG Fei
(appointed as Executive director on 19 August 2013, appointed as Chief Executive Officer on 28 August 2013, resigned as Executive director and Chief Executive Officer on 23 October 2013)

Non-Executive Directors

- Dr. LIN Junbo
- Mr. CHI Chenxi
(appointed on 27 August 2013)
- Ms. HU Gin Ing
(appointed on 27 August 2013)
- Mr. GUO Hong
(re-designated as Non-executive director on 28 August 2013 and resigned as Non-executive director on 15 March 2014)
- Mr. LAI Tsz Wah
(resigned as Chief Executive Officer on 28 August 2013, re-designated as Non-executive director on 6 September 2013 and resigned as Non-executive director on 11 November 2013)
- Dr. LEUNG Anita Fung Yee Maria
(resigned as Non-executive Chairman on 23 April 2013 and resigned as Non-executive director on 1 September 2013)
- Mr. Peter Alphonse ZALDIVAR
(resigned on 7 May 2013)
- Mr. LAM Haw Shun, Dennis, JP
(cessation of alternate director to Mr. Peter Alphonse ZALDIVAR on 7 May 2013)

**董事會
執行董事**

- 袁鑫先生
(於二零一三年八月十九日獲委任)
- 陳志濤先生
(於二零一三年八月二十七日獲委任)
- 陳海先生
(於二零一三年十月二十三日獲委任)
- 王飛先生
(於二零一三年八月十九日獲委任為執行董事，於二零一三年八月二十八日獲委任為行政總裁，並於二零一三年十月二十三日辭任執行董事及行政總裁)

非執行董事

- 林俊波博士
- 遲晨曦先生
(於二零一三年八月二十七日獲委任)
- 胡競英女士
(於二零一三年八月二十七日獲委任)
- 郭紅先生
(於二零一三年八月二十八日調任為非執行董事，並於二零一四年三月十五日辭任非執行董事)
- 賴子華先生
(於二零一三年八月二十八日辭任行政總裁，於二零一三年九月六日調任為非執行董事，並於二零一三年十一月十一日辭任非執行董事)
- 梁鳳儀博士
(於二零一三年四月二十三日辭任非執行主席，並於二零一三年九月一日辭任非執行董事)
- Peter Alphonse ZALDIVAR先生
(於二零一三年五月七日辭任)
- 林孝信太平紳士
(於二零一三年五月七日不再擔任Peter Alphonse ZALDIVAR先生之替任董事)

Independent Non-Executive Directors

- Mr. DU Jiang
(appointed on 27 August 2013)
- Mr. LIU Xianbo
(appointed on 27 August 2013)
- Mr. WU Chien-Chiang
(appointed on 11 September 2013)
- Mr. JIANG Jinsheng
(appointed on 11 September 2013)
- Ms. SZETO Wai Ling, Virginia
(resigned on 1 September 2013)
- Mr. FUNG Ho Leung, Arthur
(resigned on 6 September 2013)
- Mr. YEUNG Chung Hang, Patrick
(appointed on 18 January 2013 and
resigned on 27 August 2013)

AUDIT COMMITTEE

- Mr. DU Jiang (Chairman)
(appointed as member on 27 August 2013 and
Chairman on 6 September 2013)
- Mr. LIU Xianbo
(appointed on 27 August 2013)
- Mr. WU Chien-Chiang
(appointed on 11 September 2013)
- Mr. JIANG Jinsheng
(appointed on 11 September 2013)
- Mr. FUNG Ho Leung, Arthur (former Chairman)
(resigned on 6 September 2013)
- Ms. SZETO Wai Ling, Virginia
(resigned on 1 September 2013)
- Mr. YEUNG Chung Hang, Patrick
(appointed on 18 January 2013 and
resigned on 27 August 2013)

獨立非執行董事

- 杜江先生
(於二零一三年八月二十七日獲委任)
- 劉先波先生
(於二零一三年八月二十七日獲委任)
- 吳健強先生
(於二零一三年九月十一日獲委任)
- 姜進生先生
(於二零一三年九月十一日獲委任)
- 司徒惠玲女士
(於二零一三年九月一日辭任)
- 馮浩良先生
(於二零一三年九月六日辭任)
- 楊頌恆先生
(於二零一三年一月十八日獲委任，並
於二零一三年八月二十七日辭任)

審核委員會

- 杜江先生(主席)
(於二零一三年八月二十七日獲委任為
成員，並於二零一三年九月六日獲委
任為主席)
- 劉先波先生
(於二零一三年八月二十七日獲委任)
- 吳健強先生
(於二零一三年九月十一日獲委任)
- 姜進生先生
(於二零一三年九月十一日獲委任)
- 馮浩良先生(前主席)
(於二零一三年九月六日辭任)
- 司徒惠玲女士
(於二零一三年九月一日辭任)
- 楊頌恆先生
(於二零一三年一月十八日獲委任，並
於二零一三年八月二十七日辭任)

REMUNERATION COMMITTEE

Mr. DU Jiang (*Chairman*)
(*appointed as Member on 27 August 2013 and Chairman on 1 September 2013*)

Mr. LIU Xianbo
(*appointed on 27 August 2013*)

Mr. WU Chien-Chiang
(*appointed on 11 September 2013*)

Mr. JIANG Jinsheng
(*appointed on 11 September 2013*)

Ms. SZETO Wai Ling, Virginia (*former Chairman*)
(*resigned on 1 September 2013*)

Mr. FUNG Ho Leung, Arthur
(*resigned on 6 September 2013*)

Mr. YEUNG Chung Hang, Patrick
(*appointed on 18 January 2013 and resigned on 27 August 2013*)

NOMINATION COMMITTEE

Mr. LIU Xianbo (*Chairman*)
(*appointed as Member on 27 August 2013 and Chairman on 6 September 2013*)

Mr. DU Jiang
(*appointed on 27 August 2013*)

Mr. WU Chien-Chiang
(*appointed on 11 September 2013*)

Mr. JIANG Jinsheng
(*appointed on 11 September 2013*)

Mr. FUNG Ho Leung, Arthur (*former Chairman*)
(*resigned on 6 September 2013*)

Ms. SZETO Wai Ling, Virginia
(*resigned on 1 September 2013*)

Mr. LAI Tsz Wah
(*resigned on 6 September 2013*)

EXECUTIVE COMMITTEE

Mr. YUAN Xin (*Chairman*)
(*appointed as Chairman on 13 March 2014*)

Mr. CHAN Chi To, Antony
(*appointed on 13 March 2014*)

Mr. CHEN Hai
(*appointed on 13 March 2014*)

薪酬委員會

杜江先生(主席)
(於二零一三年八月二十七日獲委任為成員，並於二零一三年九月一日獲委任為主席)

劉先波先生
(於二零一三年八月二十七日獲委任)

吳健強先生
(於二零一三年九月十一日獲委任)

姜進生先生
(於二零一三年九月十一日獲委任)

司徒惠玲女士(前主席)
(於二零一三年九月一日辭任)

馮浩良先生
(於二零一三年九月六日辭任)

楊頌恆先生
(於二零一三年一月十八日獲委任，並於二零一三年八月二十七日辭任)

提名委員會

劉先波先生(主席)
(於二零一三年八月二十七日獲委任為成員，並於二零一三年九月六日獲委任為主席)

杜江先生
(於二零一三年八月二十七日獲委任)

吳健強先生
(於二零一三年九月十一日獲委任)

姜進生先生
(於二零一三年九月十一日獲委任)

馮浩良先生(前主席)
(於二零一三年九月六日辭任)

司徒惠玲女士
(於二零一三年九月一日辭任)

賴子華先生
(於二零一三年九月六日辭任)

執行委員會

袁鑫先生(主席)
(於二零一四年三月十三日獲委任為主席)

陳志濤先生
(於二零一四年三月十三日獲委任)

陳海先生
(於二零一四年三月十三日獲委任)

AUTHORISED REPRESENTATIVES

Mr. YUAN Xin
(appointed on 23 October 2013)
Mr. CHAN Chi To, Antony
(appointed on 28 August 2013)
Mr. WANG Fei
*(appointed on 6 September 2013 and
resigned on 23 October 2013)*
Mr. LAI Tsz Wah
(resigned on 6 September 2013)
Mr. GUO Hong
(resigned on 28 August 2013)

COMPANY SECRETARY

Ms. MUI Ngar May
*(resigned on 11 September 2013 and
re-appointed on 11 November 2013)*
Mr. TAM Kam Shing, Chris
*(appointed on 11 September 2013 and
resigned on 11 November 2013)*

AUDITORS

KPMG
Certified Public Accountants
8th Floor, Prince's Building
Central, Hong Kong

REGISTERED OFFICE

Floor 4, Willow House,
Cricket Square,
P O Box 2804,
Grand Cayman KY1-1112,
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

19/F., Prosperity Tower,
No. 39 Queen's Road Central,
Central, Hong Kong

法定代表

袁鑫先生
(於二零一三年十月二十三日獲委任)
陳志濤先生
(於二零一三年八月二十八日獲委任)
王飛先生
*(於二零一三年九月六日獲委任，並於
二零一三年十月二十三日辭任)*
賴子華先生
(於二零一三年九月六日辭任)
郭紅先生
(於二零一三年八月二十八日辭任)

公司秘書

梅雅美女士
*(於二零一三年九月十一日辭任，並於
二零一三年十一月十一日獲重新委任)*
譚錦成先生
*(於二零一三年九月十一日獲委任，並
於二零一三年十一月十一日辭任)*

核數師

畢馬威會計師事務所
執業會計師
香港中環
太子大廈8樓

註冊辦事處

Floor 4, Willow House,
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P O Box 2804,
Grand Cayman KY1-1112,
Cayman Islands

總辦事處兼主要營業地點

香港中環
皇后大道中39號
豐盛創建大廈19樓

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
18th Floor, Fook Lee Commercial Centre, Town Place,
33 Lockhart Road
Wanchai, Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (HK) Limited
Standard Chartered Bank (Hong Kong) Limited
Hang Seng Bank Limited
Bank of China (Hong Kong) Limited

LEGAL ADVISERS

As to Hong Kong Law

Troutman Sanders

As to Cayman Islands Law

Conyers Dill & Pearman

As to PRC Law

Allbright Law Offices

STOCK CODE

2366

WEBSITE

<http://www.smiculture2366.com>

股份過戶登記總處

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處

聯合證券登記有限公司
香港灣仔
駱克道33號
中央廣場福利商業中心18樓

主要往來銀行

香港上海滙豐銀行有限公司
星展銀行(香港)有限公司
渣打銀行(香港)有限公司
恒生銀行有限公司
中國銀行(香港)有限公司

法律顧問

香港法律

長盛國際律師事務所

開曼群島法律

康德明律師事務所

中國法律

錦天城律師事務所

股份代號

2366

網址

<http://www.smiculture2366.com>

Management Discussion and Analysis 管理層討論及分析

BUSINESS REVIEW

During the year, the Group continued to refine both its business and financing structure. Coupled with the effect on the reform of the governing authorities of the PRC TV and film industry, the Group's sales activities on TV drama and related business were sluggish during the year. Nevertheless, in this year, the Company has completed two rights issue exercises and raised funds in aggregate of approximately HK\$529.8 million. Majority of the bank loans were repaid and all of outstanding convertible bonds were redeemed. These actions helped to lower the gearing level of the Group and enhance the financial healthiness and steadiness as a whole.

In August 2013, the Group introduced a new major shareholder, SMI Corporation Limited. As a publicly listed company on the Stock Exchange (Stock Code: 00198) ("SMI"), SMI brings with it exceptionally rich market experience that will inevitably be beneficial to the Group's business development. With the professional knowledge possessed by the new management team, the Group is expected to have new breakthroughs in its business model in 2014.

CHANGE OF COMPANY NAME

On 6 December 2013, the Board proposed to change the name of the Company from "Qin Jia Yuan Media Services Company Limited 勤+緣媒體服務有限公司" to "SMI Culture Group Holdings Limited 星美文化集團控股有限公司". The change of name was approved in the extraordinary general meeting of the Company on 10 January 2014 and took effect on 16 January 2014 upon the issuance of the Certificate of Incorporation on Change of Name by the Registrar of Companies in the Cayman Islands.

業務回顧

於本年度，集團繼續完善其業務及融資架構。受中國影視業規管機構改革之影響，集團年內於電視劇及相關業務之銷售活動停滯不前。儘管如此，於本年度，公司已完成兩次供股，合共籌得款項約529,800,000港元，使公司得以償還大部分銀行貸款及贖回全部尚未兌換之可換股債券。此舉有助降低集團負債水平，亦能使整體財政狀況更趨穩健。

集團於二零一三年八月引進聯交所上市公司星美國際集團有限公司(股份代號：00198)(「星美國際」)為新的大股東，其所擁有的豐富市場經驗預期會為集團的業務擴展帶來莫大裨益。另憑著新管理團隊的專業知識，預期將會於二零一四年為集團帶來嶄新的經營模式。

更改公司名稱

於二零一三年十二月六日，董事會建議將公司之名稱由「Qin Jia Yuan Media Services Company Limited 勤+緣媒體服務有限公司」更改為「SMI Culture Group Holdings Limited 星美文化集團控股有限公司」。更改名稱已於二零一四年一月十日之公司股東特別大會上獲批准，並於開曼群島公司註冊處處長發出更改名稱註冊證書後在二零一四年一月十六日生效。

REVIEW OF OPERATIONS

During the financial year ended 31 December 2013, the Group attained a turnover of HK\$191.4 million (2012: HK\$478.8 million). Loss for the financial year was HK\$674.3 million (2012: HK\$626.2 million). The loss for the financial year was arrived at after charging administrative and other operating expenses of HK\$75.2 million (2012 : HK\$93.5 million); no impairment of aged receivables (2012: HK\$173.1 million) impairment loss for intangible assets of HK\$371.3 million (2012: HK\$291.1 million); provision for inventories of HK\$88.0 million (2012: Nil); finance costs of HK\$73.7 million (2012: HK\$159.7 million); income tax of HK\$1.2 million (2012: HK\$49.8 million) and after crediting the change in fair value of derivative financial instruments of Nil (2012 : HK\$40.9 million).

The Directors engaged an independent qualified professional valuer with professional qualifications and recent experiences in the valuation of purchase licence rights, scripts and adaptation rights to conduct a valuation. Comparing the fair value and the carrying value of these rights as at 31 December 2013, the Company determined that an impairment for purchase licence rights of HK\$371.3 million (2012: HK\$291.1 million) and a provision for scripts and adaptation rights of HK\$88.0 million (2012: Nil) has to be recognised.

營運回顧

截至二零一三年十二月三十一日止財政年度，集團錄得營業額191,400,000港元(二零一二年：478,800,000港元)。本財政年度虧損為674,300,000港元(二零一二年：626,200,000港元)。本財政年度虧損乃經扣除行政及其他經營開支75,200,000港元(二零一二年：93,500,000港元)、陳年應收款項減值零港元(二零一二年：173,100,000港元)、無形資產之減值虧損371,300,000港元(二零一二年：291,100,000港元)、存貨撥備88,000,000港元(二零一二年：零港元)、財務成本73,700,000港元(二零一二年：159,700,000港元)及所得稅1,200,000港元(二零一二年：49,800,000港元)，並經計及衍生金融工具之公平值變動零港元(二零一二年：40,900,000港元)。

董事已委聘獨立合資格專業估值師進行估值，該估值師擁有專業資格及已購入特許權、劇本及改編權之近期估值經驗。比對此等權利之公平值及於二零一三年十二月三十一日之賬面值後，公司決定確認已購入特許權減值371,300,000港元(二零一二年：291,100,000港元)及劇本及改編權撥備88,000,000港元(二零一二年：零港元)。

Management Discussion and Analysis 管理層討論及分析

No further impairment loss for accounts receivable, prepayments, deposits and other receivables (2012: HK\$173.1 million) was made for the financial year ended 31 December 2013.

Loss per share reduced significantly from HK\$8.10 for the fifteen-month period ended 31 December 2012 to HK\$1.99 for the financial year ended 31 December 2013.

The directors of the Company are of the opinion that the financial position of the Company remains strong.

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent funding and treasury policy with regards to its overall business operation. As at 31 December 2013, the Group's cash level stood at HK\$5.0 million (2012: HK\$167.2 million). The balances are mainly in Hong Kong Dollar and Renminbi. With cash in hand and banking and other facilities available, the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

As at the balance sheet date, the Group had no outstanding bank borrowings (2012: HK\$429.1 million).

As at 31 December 2013, the Group had no outstanding principal amount of convertible bonds (2012: HK\$150.0 million).

截至二零一三年十二月三十一日止財政年度，應收賬款、預付款項、按金及其他應收款項並無進一步減值虧損(二零一二年：173,100,000港元)。

每股虧損由截至二零一二年十二月三十一日止十五個月期間的8.10港元大幅減少至截至二零一三年十二月三十一日止財政年度的1.99港元。

公司董事認為，公司之財務狀況仍然強健。

流動資金及財務資源

集團就其整體業務營運採納審慎之資金及財務政策。於二零一三年十二月三十一日，集團之現金水平維持於5,000,000港元(二零一二年：167,200,000港元)。有關結餘主要以港元及人民幣計值。集團擁有手頭現金及可用銀行及其他信貸，財務資源足以應付其承擔及營運資金所需。

於結算日，集團並無未償還的銀行借貸(二零一二年：429,100,000港元)。

於二零一三年十二月三十一日，集團並無未償還的可換股債券本金額(二零一二年：150,000,000港元)。

Management Discussion and Analysis 管理層討論及分析

On 27 March 2013, the Company completed a rights issue pursuant to which 468,798,074 shares of US\$0.01 each were issued in the proportion of one rights share for every one ordinary share at a subscription price of HK\$0.35 per rights share. These newly issued shares rank pari passu in all respects with the existing ordinary shares. As a result of the rights issue, total consideration, net of related expenses, of approximately HK\$158,587,000 was received. In addition, approximately HK\$36,566,000 was credited to share capital and approximately HK\$122,021,000 was credited to the share premium account.

On 7 August 2013, the Company completed a rights issue pursuant to which 468,798,070 shares of US\$0.1 each were issued in the proportion of five rights share for every one ordinary share at a subscription price of \$0.78 per rights share. These newly issued shares rank pari passu in all respects with the existing ordinary shares. As a result of the rights issue, total consideration, net of related expenses, of approximately HK\$355,228,000 was received. In addition, approximately HK\$365,663,000 was credited to share capital and approximately HK\$10,435,000 was debited to the share premium account.

The gearing ratio (expressed as a percentage of total borrowings net of pledged deposits over total equity of the Group) was approximately 5.0% (2012: 52.4%).

於二零一三年三月二十七日，公司完成供股，據此，公司按每持有一股普通股可獲配發一股供股股份之比例，以認購價每股供股股份0.35港元發行468,798,074股每股面值0.01美元之股份。該等新發行股份與現有普通股在各方面均享有同等權益。由於進行供股，公司已收取總代價約158,587,000港元（已扣除相關開支）。此外，約36,566,000港元已計入股本，約122,021,000港元已計入股份溢價賬。

於二零一三年八月七日，公司完成供股，據此，公司按每持有一股普通股可獲配發五股供股股份之比例，以認購價每股供股股份0.78港元發行468,798,070股每股面值0.1美元之股份。該等新發行股份與現有普通股在各方面均享有同等權益。由於進行供股，公司已收取總代價約355,228,000港元（已扣除相關開支）。此外，約365,663,000港元已計入股本，約10,435,000港元已記入股份溢價賬。

負債比率（以集團借貸總額減已抵押存款除以權益總額之百分比列示）約為5.0%（二零一二年：52.4%）。

Management Discussion and Analysis 管理層討論及分析

MORTGAGES AND CHARGES

As at 31 December 2013, no bank deposits were pledged to banks to secure general banking facilities granted to the Group (2012: HK\$112.1 million).

As at 31 December 2013, no mortgage bank loans (2012: HK\$11.9 million), were secured by the Group's land and buildings with carrying value (2012: HK\$76.9 million).

As at 31 December 2013, no issued share capital of subsidiaries held by the Company was pledged for convertible notes (2012: HK\$100.0 million).

DISPOSAL OF SUBSIDIARIES

Details of the disposal of subsidiaries are set out in note 29 to the financial statements.

EXPOSURE TO FOREIGN EXCHANGE RISK

There have been no significant changes in the Group's policy in terms of exchange rate exposure. Transactions of the Group are mainly denominated either in Hong Kong Dollar or Renminbi. The management monitors closely the exposures and will consider hedging the exposures should the need arise.

PENDING LITIGATION

Details of the pending litigation are set out in note 33 to the financial statements.

EVENTS AFTER THE REPORTING PERIOD

Details of the events after the reporting period are set out in note 34 to the financial statements.

按揭及抵押

於二零一三年十二月三十一日，並無銀行存款已抵押予銀行，作為集團獲授之一般銀行信貸之抵押品(二零一二年：112,100,000港元)。

於二零一三年十二月三十一日，並無按揭銀行貸款(二零一二年：11,900,000港元)以本集團具有賬面值之土地及樓宇(二零一二年：76,900,000港元)作擔保。

於二零一三年十二月三十一日，公司並無就任何可換股票據(二零一二年：100,000,000港元)抵押所持有附屬公司的已發行股本。

附屬公司之出售

附屬公司之出售詳情載於財務報表附註29。

外匯風險

集團之匯率風險政策並無任何重大變動。集團之交易主要以港元或人民幣計值。管理層密切監察其風險，並將於有需要時考慮對沖有關風險。

待決訴訟

待決訴訟詳情載於財務報表附註33。

報告期後事項

報告期後事項詳情載於財務報表附註34。

Management Discussion and Analysis 管理層討論及分析

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2013, the Group had a total staff of 62 (2012: 90). Employees are remunerated based on their performance, experience and the prevailing industry practices, with compensation policies and packages being reviewed on a regular basis. Bonus payments are discretionary and depend on both the Group's performance and the performance of the individual employees. Benefits include retirement schemes, medical and dental care insurance and share option scheme.

FINAL DIVIDEND

The Directors do not recommend the payment of a dividend for the financial year ended 31 December 2013 (2012: Nil).

BUSINESS PROSPECTS

Following the formation of the General Administration of Press and Publication, Radio, Film and Television under the approval of the super-ministry reform by the 12th National People's Congress, the statutory functions on governing the PRC's broadcasting and films shall be more enhanced and precised. It is expected that TV production, distribution of TV series and selling of the Group's intellectual properties shall be benefited after the restructuring of the previous General Administration of Press and Publication and the State Administration of Radio, Film and Television in the later part of the year. The Group shall focus its resources on TV series productions and distribution of its film library to realise gains and enhance shareholders' wealth.

With reference to the announcements of the Company dated 3 December 2013 and 29 January 2014, Tin Yan Development Limited, an indirect wholly-owned subsidiary of the Company, entered into a non-legally binding memorandum of understanding with Nicks International Limited in relation to a possible acquisition of Grand Astute Limited and its subsidiaries (the "Target Group").

僱員及薪酬政策

於二零一三年十二月三十一日，集團共有62名(二零一二年：90名)員工。集團按僱員之表現、經驗和當前行業慣例支付薪酬，並會定期檢討薪酬政策和方案。花紅乃按集團之業務表現及個別僱員之工作表現酌情釐定。福利包括退休計劃、醫療及牙科保險以及購股權計劃。

末期股息

董事不建議派付截至二零一三年十二月三十一日止財政年度之股息(二零一二年：無)。

業務展望

隨著第十二屆全國人民代表大會批准大部制改革而成立國家新聞出版廣電總局，負責規管中國廣播及電影業之法定職能將會更為完善和清晰。預期電視製作、電視連續劇發行及集團知識產權銷售將會隨著前新聞出版總署及國家廣播電影電視總局於本年度較後時間進行重組而受惠。集團將集中在電視連續劇製作及發行片庫方面投放資源，以實現更大收益及提高股東回報。

茲提述公司日期為二零一三年十二月三日及二零一四年一月二十九日之公佈，Tin Yan Development Limited (公司之間接全資附屬公司)與尼斯國際有限公司訂立不具法律約束力諒解備忘錄，內容有關可能收購Grand Astute Limited及其附屬公司(「目標集團」)。

Management Discussion and Analysis 管理層討論及分析

The Target Group is principally engaged in provision of the television and film production facilities leasing and other ancillary services and its principal assets are the land and buildings of the production complex located in Beijing, the PRC. The Directors consider that the possible acquisition, if materialises, represents a good opportunity for the Group to facilitate the operation of its existing business by securing and utilising the production facilities of the Target Group and extending its business reach to include provision of film production and other ancillary services.

The Company had started a due diligence review on the Target Group and noted that the Target Group also provides services including, but not limited to, the provision of shooting sites, costumes, make-up and props, as well as artiste resources for television drama and film productions. As at the date of this annual report, the due diligence review by the Company is still on-going and further announcement on the due diligence process may be made by the Company as and when appropriate.

目標集團之主要業務為提供電視及電影製作設施租賃及其他配套服務，其主要資產為位於中國北京之製作綜合大樓之土地及樓宇。董事認為，可能收購事項乃一良機，一旦落實，可讓集團取得及利用目標集團製作設施，令現有業務運作更見暢順，並擴大業務至提供電影製作及其他配套服務。

公司已開始對目標集團進行盡職調查，並注意到目標集團同時提供若干服務，包括但不限於為電視劇及電影製作提供拍攝場地、服裝、化妝及道具以及藝員。於本年報日期，公司所進行之盡職調查仍未完成，公司可能於適當時候就盡職調查進展另行發表公佈。

Biographies of Directors 董事履歷

EXECUTIVE DIRECTORS

Mr. YUAN Xin (“Mr. Yuan”), aged 40, obtained tertiary qualification in finance at Beijing Normal University in the People’s Republic of China (the “PRC”). Mr. Yuan is the chairman of Stellar Cinema Development Co., Ltd. He is also vice president responsible for the management of cinemas operation under the SMI. He was also involved in the production and distribution of certain movies invested by SMI. Mr. Yuan has rich experience in cinema management and the movie industry. He was named as top ten cinema manager in Beijing by Beijing Municipal Bureau of Culture.

Mr. Yuan is an authorised representative, and the Chairman of the Executive Committee of the Company.

Mr. CHAN Chi To, Antony (“Mr. Chan”), aged 62, is the founder of Asmile Holdings Company Limited which is engaging in Asmile brand building in the ecommerce market in the PRC, selling cosmetic products and essential oils through multi online platforms. Mr. Chan has rich experience in the entertainment and advertising industries. He was the founder and the chief executive officer of Cosmedia Group, an advertising and media group with focus on television advertising in the PRC, from 1996 to 2009. He was also the founder and the chief executive officer of Metro Communication Limited which was involved in television programme production and distribution in the PRC. Mr. Chan was the vice chairman of the Hong Kong Motion Picture Industry Association. He is also a director, producer and scriptwriter. He is a member of the “Wynners”, a popular Hong Kong pop group that released its own album and hosted its own television shows.

Mr. Chan was a director of Executive Resources Limited (“**Executive Resources**”) (formerly known as Cosmedia Limited), a company incorporated under the laws of Hong Kong, which was dissolved on 25 June 2012 pursuant to an order for winding up dated 11 November 2009 made by the High Court of Hong Kong in a petition for winding up against Executive Resources filed by Holita Company Limited on 18 August 2009 under HCCW 499/2009. Mr. Chan was a director of Executive Resources, which was principally engaged in media and advertising business, from 15 January 1996 to 12 January 2009. At the time of the liquidation, Mr. Chan had already ceased to be a director of Executive Resources.

執行董事

袁鑫先生(「袁先生」)，40歲，獲中華人民共和國(「中國」)北京師範大學金融學系高等學歷。袁先生現時為星美影院發展有限公司董事長。彼現時亦為星美國際之副總裁，負責影院經營管理。彼亦曾參與製作及發行星美國際投資之多齣電影。袁先生在影院管理及電影業擁有豐富經驗，並曾獲北京市文化局評為北京十佳影院經理。

袁先生為公司之法定代表及執行委員會主席。

陳志濤先生(「陳先生」)，62歲，愛施美而有限公司的創辦人，該公司於中國電子商務市場從事Asmile品牌建立業務，通過多個網上平台，銷售護膚品及植物精油。陳先生饒富娛樂及廣告行業經驗。彼於一九九六年至二零零九年間為廣告及媒體集團中天傳播集團的創辦人兼行政總裁，於中國專注於電視廣告業務。彼亦曾為城市傳媒有限公司的創辦人兼行政總裁，於中國涉足電視節目製作及發行。陳先生曾任香港電影協會有限公司副理事長。彼亦為導演、製作人兼編劇。彼為香港知名流行組合「溫拿」成員，曾推出專輯及主持專屬其本身的電視節目。

陳先生曾任根據香港法例註冊成立之公司 Executive Resources Limited (「**Executive Resources**」，前稱中天傳播有限公司)之董事。於二零一二年六月二十五日，Executive Resources已根據香港高等法院就Holita Company Limited於二零零九年八月十八日提出針對Executive Resources之清盤呈請(HCCW 499/2009)所作出日期為二零零九年十一月十一日之清盤令解散。於一九九六年一月十五日至二零零九年一月十二日期間，陳先生為 Executive Resources 董事，而 Executive Resources 主要從事媒體及廣告業務。於清盤時，陳先生已不再為 Executive Resources 董事。

Biographies of Directors 董事履歷

Mr. Chan is an authorised representative and a member of the Executive Committee of the Company.

Mr. CHEN Hai (“Mr. Chen”), aged 50, studied music composition at Shenyang Conservatory of Music and music at China Conservatory Musicology. Mr. Chen has extensive experience in production of movie and television (“TV”) programmes, performance arts, talents management, and performance promotion events. He is the general manager of 星美今晟影視城管理有限公司(“星美今晟”) which owns a movie town in Beijing, the PRC (the “Stellar Town”). The Movie Town comprises movie and television production facilities and other supporting facilities. 星美今晟 is 90% owned by Mr. Qin Hui, a substantial Shareholder. Mr. Chen has extensive knowledge and experience in performance arts and cultural projects through his leading and senior roles in the past with 中國文化藝術有限公司, Orange Sky Entertainment Group (International) Holdings Co., Ltd. and Impression Creative Co., Ltd.

Mr. Chen is a member of the Executive Committee of the Company.

NON-EXECUTIVE DIRECTORS

Mr. CHI Chenxi (“Mr. Chi”), aged 59, is currently chairman of Beijing Z&M Technologies Co., Ltd, director of Beijing Lüshi Media Co., Ltd and director of DongYang Leverage HeRun Film & TV Co., Ltd. He was a producer of more than 30 TV drama programmes comprising over 1,000 episodes and over 2,000 audio/visual productions, and has imported over 10,000 overseas audio/visual and musical productions.

Ms. HU Gin Ing (“Ms. Hu”), aged 55, holds a master degree of business administration from Florida International University in the United States of America (the “U.S.”), a master of science from Barry University in the U.S. and a bachelor of arts from National Taiwan University, major in foreign language. Ms. Hu is an independent director of GigaMedia Limited, the shares of which have been listed on the NASDAQ since July 2003; an independent non-executive director of Enterprise Development Holdings Limited, the shares of which have been listed on the Stock Exchange, since March 2011; an independent non-executive director of United Pacific Industries Limited and Carnival Group International Holdings Limited, the shares of which have been listed on the Stock Exchange, since November 2013 and December 2013 respectively; independent director of Arich Enterprise Co., Ltd., a company incorporated in Taiwan, since December 2012.

陳先生為公司之法定代表及執行委員會成員。

陳海先生(「陳先生」)，50歲，曾於瀋陽音樂學院修讀作曲及於中國音樂學院修讀音樂。陳先生於電影及電視節目製作、表演藝術、演藝人才管理及演藝宣傳活動方面具備豐富經驗。陳先生為星美今晟影視城管理有限公司(「星美今晟」)之總經理。星美今晟擁有位於中國北京市之影視城(「影視城」)，而影視城包括影視製作設施基地及其他支援設施。星美今晟之90%股權由主要股東覃輝先生擁有。陳先生亦因曾擔任中國文化藝術有限公司、橙天娛樂集團(國際)控股有限公司及北京印象創新藝術發展有限公司之領導層及高級職務而於表演藝術及文化項目方面具備豐富知識及經驗。

陳先生為公司執行委員會成員。

非執行董事

遲晨曦先生(「遲先生」)，59歲，現任北京築銘科技發展有限公司董事長、北京履實文化發展有限公司董事、東陽履實合潤影視有限公司董事。曾出品電視劇30餘部1,000餘集，音像製品2,000多個品種，引進海外影視、音樂作品1萬餘種。

胡競英女士(「胡女士」)，55歲，持有美利堅合眾國(「美國」)佛羅里達州立國際大學工商管理碩士學位、美國 Barry University 理學碩士學位及國立台灣大學文學士學位，主修外語。胡女士自二零零三年七月起任 GigaMedia Limited (其股份於納斯達克上市)之獨立董事；自二零一一年三月起擔任企展控股有限公司(其股份於聯交所上市)之獨立非執行董事；自二零一三年十一月及二零一三年十二月起分別為聯太工業有限公司及嘉年華國際控股有限公司(其股份於聯交所上市)之獨立非執行董事；自二零一二年十二月起亦為久裕企業股份有限公司(一家於台灣註冊成立的公司)之獨立董事。

Biographies of Directors 董事履歷

Ms. Hu was an independent director of Evendata Holding Company Limited, the shares of which were previously listed on GreTai Securities Market in Taiwan, from April 2011 to May 2013.

Ms. Hu is a director of NHL CPA Limited since January 2005. Meanwhile, Ms. Hu is a member of the Hong Kong Institute of Certified Public Accountants in Hong Kong and the American Institute of Certified Public Accountants in the U.S., and has over 18 years of experience in accounting and finance.

Dr. LIN Junbo (“Dr. Lin”), aged 42, holds a doctorate degree of Economics from Zhejiang University. Dr. Lin joined the Xinhua Group in April 1999 and is the chairman of Xinhua Group Co., Ltd. and its subsidiaries — Xinhua Zhongbao Co., Ltd., the shares of which are listed on the Shanghai Stock Exchange and Xiangcai Securities Co., Ltd. Xinhua Zhongbao Co., Ltd. and its subsidiaries are principally engaged in the real estate, finance and other investment businesses in the PRC whereas Xiangcai Securities Co., Ltd. is principally engaged in the securities brokerage business in the PRC. The Xinhua Group is a group of companies engaging in finance, energy, real estate and equity investments in the PRC. Dr. Lin is a director of Hong Kong Xinhua Investment Co., Limited and Shanghai Great Wisdom Co., Ltd., the shares of which are listed on the Shanghai Stock Exchange.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. DU Jiang (“Mr. Du”), aged 45, holds an accounting degree from Renmin University of China in the PRC and a master degree of business administration from Montclair State University in the United States of America. Mr. Du is a certified public accountant of Virginia State Board of Accountancy. Mr. Du is the co-head of the financial department of the Bank of China International Securities Ltd since August 2003. He has also working experience in the fields of accounting and finance.

Mr. Du is the chairman of the Audit Committee, the chairman of the Remuneration Committee and a member of the Nomination Committee of the Company.

由二零一一年四月至二零一三年五月期間，胡女士曾任怡德股份有限公司(其股份曾於台灣證券櫃檯買賣中心上市)之獨立董事。

胡女士自二零零五年一月起為匯俊會計師事務所有限公司之董事。同時，胡女士為香港會計師公會及美國會計師公會會員，具備逾18年會計財務經驗。

林俊波博士(「林博士」)，42歲，持有浙江大學經濟學博士學位。林博士於一九九九年四月加入新湖集團，為新湖集團股份有限公司及其附屬公司新湖中寶股份有限公司(其股份於上海證券交易所上市)及湘財證券有限責任公司之主席。新湖中寶股份有限公司及其附屬公司主要於中國從事房地產投資、金融及其他投資業務。湘財證券有限責任公司主要於中國從事證券經紀業務。新湖集團為於中國從事金融、能源、房地產及股本投資業務之公司集團。林博士為香港新湖投資有限公司及上海大智慧股份有限公司(其股份於上海證券交易所上市)之董事。

獨立非執行董事

杜江先生(「杜先生」)，45歲，持有中國人民大學會計學士學位及美利堅合眾國蒙特克利爾州立大學工商管理碩士學位。杜先生為弗吉尼亞州會計委員會註冊會計師。杜先生自二零零三年八月起出任中銀國際證券有限公司的財務部聯席主管。彼具備豐富會計財務經驗。

杜先生為公司審核委員會主席、薪酬委員會主席及提名委員會成員。

Biographies of Directors 董事履歷

Mr. LIU Xianbo (“Mr. Liu”), aged 49, holds a law degree from Jiangxi University and a graduate of Southwest University of Political Science & Law in civil and commercial law in the PRC. Mr. Liu has been practicing law in the PRC for more than 20 years, specializing in finance, real estate, economics, contracts, civil dispute, liquidation and bankruptcy, criminal defence. He currently works at China Commercial Law Co. in the PRC.

Mr. Liu is a member of the Audit Committee and Remuneration Committee and the chairman of the Nomination Committee of the Company.

Mr. WU Chien-Chiang (“Mr. Wu”), aged 58, has experience of operating media and entertainment business in Taiwan for more than 30 years. He holds offices and positions in the following companies: (i) a director and the general manager of Era Communications Co., Ltd.; (ii) the chairman and the general manager of Satellite Entertainment Communication Co., Ltd.; (iii) the chairman and the general manager of Goldsun Communications Co., Ltd.; (iv) the general manager of Media-Chain International Marketing Co., Ltd.; (v) the chairman of Era Integrated Marketing Co., Ltd.; and (vi) the publisher of Trend Media & Publication Ltd.

Mr. Wu is a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

Mr. JIANG Jinsheng (“Mr. Jiang”), aged 59, holds a master degree of business administration from Macau University of Science and Technology. Mr. Jiang was formerly supervisor of the chief executive office of a property investment company and he is currently one of the senior management to supervise the administration of the Shenzhen Pavilion Hotel Co., Ltd. (深圳聖廷苑酒店有限公司). Mr. Jiang has experience in property investment, property development and hotel management in the PRC.

Mr. Jiang is a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

SENIOR MANAGEMENT

The senior management of the Group comprises the executive Directors who held office during the year ended 31 December 2013 (“Senior Management”).

劉先波先生(「劉先生」)，49歲，取得江西大學的法學學士學位，並為中國西南政法大學的民商法研究生。劉先生於中國出任執業律師逾20年，專營金融及房地產、經濟、合同、民事糾紛、清算與破產、刑事辯護的法律專業範疇。彼現於中國廣東華商律師事務所任職。

劉先生為公司審核委員會及薪酬委員會成員以及提名委員會主席。

吳健強先生(「吳先生」)，58歲，在台灣經營媒體及娛樂業務具備逾30年經驗。彼目前擔任以下各公司職位及職務：(i) 年代網際事業(股)公司董事及總經理；(ii) 衛星娛樂傳播(股)公司董事長兼總經理；(iii) 國興傳播(股)公司董事長兼總經理；(iv) 媒體棧國際行銷事業(股)公司總經理；(v) 年代整合行銷(股)公司董事長；及(vi) 明周國際出版有限公司(台灣明周)發行人。

吳先生為公司審核委員會、薪酬委員會及提名委員會成員。

姜進生先生(「姜先生」)，59歲，持有澳門科技大學工商管理碩士學位。姜先生曾任一家物業投資公司之總裁辦主任，目前為監督深圳聖廷苑酒店有限公司之行政管理工作的高級管理層之一。姜先生具備中國物業投資、物業開發及酒店管理經驗。

姜先生為公司審核委員會、薪酬委員會及提名委員會成員。

高級管理層

集團高級管理層包括於截至二零一三年十二月三十一日止年度在任之執行董事(「高級管理層」)。

Corporate Governance Report 企業管治報告

The Company has adopted Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

During the financial year ended 31 December 2013, the Company was in compliance with the code provisions set out in the CG Code except the following deviations:

Code provision A.2.1 of the CG Code, details of which are set out in the section headed “Chairman and Chief Executive Officer” below in this report.

Code provision A.4.1 of the CG Code provides that the non-executive directors should be appointed for a specific term and subject to re-election. The independent non-executive directors were not appointed for a specific term until 22 April 2013. The specific term and remuneration of them are set out under respective letters of appointment. They are subject to retirement at the first general meeting after their appointment and thereafter subject to retirement by rotation at least once every three years in accordance with the Articles of Association of the Company (the “Articles”).

Code provision D.1.4 of the CG Code requires that issuers should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. Some directors did not enter into formal letters of appointment when they were appointed. During the year, they entered into formal letters of appointment setting out the key terms and conditions of their appointment. However, the directors shall be subject to retirement by rotation in accordance with the Articles.

Code provision E.1.2 of the CG Code requires the chairman of the Board to attend the annual general meeting. Since the new chairman has not been appointed following the resignation of Dr. Leung as the Chairman, Mr. Lai has been elected by other directors present to act as the chairman of the annual general meeting held in June 2013 in accordance with the Articles.

The Board will continue to monitor and review the Company’s corporate governance practices to ensure compliance with the CG Code.

公司已採納聯交所證券上市規則(「上市規則」)附錄十四所載企業管治守則(「企業管治守則」)。

於截至二零一三年十二月三十一日止財政年度，公司一直遵守企業管治守則所載之守則條文，惟以下偏離除外：

企業管治守則之守則條文第A.2.1條，詳情載於本報告下文「主席及行政總裁」一節。

企業管治守則之守則條文第A.4.1條訂明，非執行董事應有特定任期，並須接受重選。於二零一三年四月二十二日前，獨立非執行董事並非按特定任期委任。彼等之特定任期及薪酬已載於各自之委任書。根據公司組織章程細則(「細則」)，彼等須於獲委任後首個股東大會上退任，其後須最少每三年輪值退任一次。

企業管治守則之守則條文第D.1.4條規定，發行人應有正式董事委任書，訂明有關委任之主要條款及條件。部分董事於獲委任時，尚未訂立正式委任書。年內，彼等已簽訂正式委任書，訂明有關委任之主要條款及條件。然而，董事須根據細則輪席告退。

企業管治守則之守則條文第E.1.2條規定，董事會主席應出席股東週年大會。由於梁博士辭任主席後尚未委任新主席，故其他出席董事按細則之規定，選出賴先生擔當於二零一三年六月舉行之股東週年大會之主席。

董事會將繼續監察及檢討公司之企業管治常規，確保遵守企業管治守則。

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code for Securities Transactions") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Confirmations have been sought from the Directors that they have complied with the required standards set out in the Model Code for Securities Transactions throughout the period from 1 January 2013 or their respective dates of appointment as Directors to 31 December 2013. The Board has also adopted the Model Code for Securities Transactions as guidelines for relevant employees in respect of their dealings in the securities of the Company.

THE BOARD

Role of Directors

The Board is accountable to the shareholders for leading the Company in a responsible and effective manner. Every Director is charged to act in the best interest of the Company and contribute to the Company with their expertise and knowledge. The Board decides on overall strategies and monitors the Group's performance on behalf of the shareholders.

Composition

The Board currently comprises the following Directors:

Executive Directors

Mr. YUAN Xin
Mr. CHAN Chi To, Antony
Mr. CHEN Hai

Non-Executive Directors

Dr. LIN Junbo
Mr. CHI Chenxi
Ms. HU Gin Ing

Independent Non-Executive Directors

Mr. DU Jiang
Mr. LIU Xianbo
Mr. WU Chien-Chiang
Mr. JIANG Jinsheng

The diversified expertise and experience of the non-executive Directors contribute significantly in advising management on strategy and policy development. The non-executive Directors also serve to ensure that a high standard in financial and other mandatory reporting is maintained and to provide adequate

董事證券交易

公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「證券交易標準守則」），作為其本身關於董事進行證券交易之行為守則。所有董事確認，彼等於二零一三年一月一日或彼等各自獲委任為董事日期至二零一三年十二月三十一日期間一直遵守證券交易標準守則所載之規定標準。董事會亦已採納證券交易標準守則作為有關僱員買賣公司證券之指引。

董事會

董事之角色

董事會向股東負責，以負責任及有效之方式領導公司。每名董事均須為公司之最佳利益行事，並以其專業技能及知識為公司作出貢獻。董事會決定整體策略，並代表股東監察集團之表現。

組成

董事會目前由下列董事組成：

執行董事

袁鑫先生
陳志濤先生
陳海先生

非執行董事

林俊波博士
遲晨曦先生
胡競英女士

獨立非執行董事

杜江先生
劉先波先生
吳健強先生
姜進生先生

各非執行董事擁有多方面之專業技能及經驗，在向管理層提供策略及政策發展建議上作出重要貢獻。非執行董事亦確保維持高標準之財務及其他強制性申報，並為維護股東及公司之整體利益而

checks and balances for safeguarding the interests of the shareholders and the Company as a whole. Having considered the functions of non-executive Directors, particularly their role in checks and balances, it is considered that there is a reasonable balance between the executive and non-executive Directors on the Board.

Save as disclosed therein, the Directors have no other financial, business, family or other material/relevant relationships with each other.

Non-compliance of Rule 3.10(1), Rule 3.10A and Rule 3.21 of the Listing Rules

On 27 and 28 August 2013 and 6 September 2013, the Company announced the change in composition of the Board resulting in the number of independent non-executive directors fallen below the minimum number required under Rules 3.10(1) and 3.10A of the Listing Rules. The number of members of the audit committee has also fallen below the minimum number required under Rule 3.21 of the Listing Rules. On 11 September 2013, the Company announced that two independent non-executive directors had been appointed and the number of independent non-executive directors was increased to four, representing at least one-third of the Board, and besides, the members of the audit committee was also increased to four. Accordingly, the Company has complied with Rules 3.10(1), 3.10A and 3.21 of the Listing Rules from the said date.

Independent Non-executive Directors

As at the date of this report, Mr. Du Jiang, one of the independent non-executive Directors has appropriate accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. The Board has received from each independent non-executive Director on board as at 31 December 2013, a written annual confirmation of their independence and is satisfied with their independence in accordance with the Listing Rules. The Company considers that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent.

Non-Executive Directors

Each of the non-executive Directors was appointed for a specific terms of either one or two years.

提供足夠之控制及平衡。經考慮非執行董事之職能，特別是彼等提供之控制及平衡，認為執行董事與非執行董事在董事會保持合理之平衡。

除本年報所披露者外，董事彼此之間概無其他財務、業務、親屬或其他重大／相關關係。

未有遵守上市規則第3.10(1)條、第3.10A條及第3.21條

於二零一三年八月二十七日及二十八日及二零一三年九月六日，公司宣佈更改董事會組成，導致獨立非執行董事人數低於上市規則第3.10(1)及3.10A條之規定。審核委員會成員人數亦低於上市規則第3.21條之人數下限規定。於二零一三年九月十一日，公司宣佈已委任兩名獨立非執行董事，使獨立非執行董事人數增至四名，佔董事會最少三分之一人數，而同時審核委員會成員亦增至四名。因此，公司自該日起一直遵守上市規則第3.10(1)、3.10A及3.21條。

獨立非執行董事

於本報告日期，獨立非執行董事杜江先生擁有上市規則第3.10(2)條規定之適當會計或相關財務管理專業技能。董事會已接獲於二零一三年十二月三十一日在任之各獨立非執行董事就彼等之獨立性所作之書面年度確認，並根據上市規則信納彼等之獨立性。公司認為所有獨立非執行董事均符合上市規則第3.13條所載之獨立指引，為獨立人士。

非執行董事

各非執行董事按一年或兩年之特定任期委任。

Appointment and Re-election of Directors

In accordance with the CG Code and the Articles, all Directors (including independent non-executive Directors) are subject to retirement by rotation once every three years. Composition of the Board will be reviewed regularly to ensure that it covers a balance of expertise, skills and experience appropriate for the requirements of the business of the Company. The Directors' profile is set out on pages 14 to 17.

During the year, Mr. YUAN Xin, Mr. CHAN Chi To, Antony, Mr. CHEN Hai, Mr. CHI Chen Xi, Ms. HU Gin Ing, Mr. DU Jiang, Mr. LIU Xianbo, Mr. WU Chien-Chiang and Mr. JIANG Jinsheng were appointed as Directors. The appointment of the above new directors is a matter for consideration and decision by the full Board. Only the most suitable candidates who are experienced and competent and able to fulfill the fiduciary duties and duties of skill, care and diligence are considered. During the year, the Board as a whole is responsible for agreeing to the appointment of its new members and for recommending appropriate person for election or re-election pursuant to the Articles for shareholders' approval at the annual general meeting.

Chairman and Chief Executive Officer

Code provision A.2.1 of the CG Code provides that the roles and responsibilities of chairman and chief executive officer should be divided. The positions of Chairman and Chief Executive Officer of the Company were segregated and performed by Dr. LEUNG Anita Fung Yee Maria ("Dr. Leung") and Mr. LAI Tsz Wah ("Mr. Lai") respectively up to the resignation of Dr. Leung as Chairman on 23 April 2013. From that date, Mr. Lai also took up the responsibilities of the Chairman as specified in the CG Code until his resignation as Chief Executive Officer on 28 August 2013.

On 28 August 2013, Mr. Lai resigned as the Chief Executive Officer but remained as an executive director and Mr. Wang Fei ("Mr. Wang") who is an executive director of the Company was appointed as the Chief Executive Officer to take up the duties and responsibilities of Mr. Lai as mentioned above. Mr. Wang subsequently resigned as an executive director and the Chief Executive Officer on 23 October 2013. From that date, both the position of the Chairman and Chief Executive Officer has become vacant.

董事之委任及重選

根據企業管治守則及細則，所有董事(包括獨立非執行董事)均須每三年輪值退任一次。董事會之組成將定期予以檢討，以確保其平衡地涵蓋公司業務所要求之適當專業技能、技術及經驗。董事簡介載於第14頁至第17頁。

年內，袁鑫先生、陳志濤先生、陳海先生、遲晨曦先生、胡競英女士、杜江先生、劉先波先生、吳健強先生及姜進生先生獲委任為董事。委任上述新董事事宜由全體董事會考慮及決定。只有具備豐富經驗及能力，以及有能力履行受信責任、技術、謹慎及盡職責任的最合適人士方會納入考慮範圍。年內，全體董事會負責根據細則協定委任新董事以及推薦適當人選參與選舉或重選，以供股東於股東週年大會上批准。

主席及行政總裁

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁之角色及職責應有區分。公司主席及行政總裁之職位已清楚劃分，並分別由梁鳳儀博士(「梁博士」)及賴子華先生(「賴先生」)擔任，直至梁博士於二零一三年四月二十三日辭任主席為止。自該日起，賴先生亦承擔企業管治守則所列明主席之責任，直至彼於二零一三年八月二十八日辭任行政總裁為止。

於二零一三年八月二十八日，賴先生辭任行政總裁職務，惟留任執行董事，而公司執行董事王飛先生(「王先生」)則獲委任為行政總裁，以接替上述賴先生之職務及職責。王先生其後已於二零一三年十月二十三日辭任執行董事及行政總裁職務。自該日起，主席及行政總裁職務一直懸空。

Corporate Governance Report 企業管治報告

Until the appointment of a new chairman, the Board collectively focus on the overall strategic planning and development of the Group and effective functioning of the Board whereas until the appointment of a new chief executive officer, the executive Directors continue to oversee the day-to-day management of the business and operations of the Group and take the responsibilities of the chairman as specified in the CG Code.

Directors' Duties

The Directors are continually updated with the regulatory requirements, business activities and development of the Company to facilitate the discharge of their responsibilities. Through regular Board meetings, all Directors are kept abreast of the conduct, business activities and development of the Company.

Corporate Governance Function

The Board is also responsible for performing the corporate governance duties as required under the CG Code. The roles and functions of the Board in respect of corporate governance function are set out in code provision D.1.3 of the CG Code.

The Board had considered the following corporate governance matters for the year ended 31 December 2013:

- Adoption of revised CG Code on board diversity as the Company's code of corporate governance practices and adoption of a board diversity policy.
- Review the usage of annual caps on the continuing connected transactions of the Group.
- Review the compliance with the CG Code and disclosure of this corporate governance report.

於委任新主席前，董事會將共同專注於集團之整體策略規劃及發展，並致力領導董事會之有效運作，與此同時，於委任新行政總裁前，執行董事會繼續監察集團業務及營運之日常管理工作，並履行企業管治守則所列明主席應承擔之職責。

董事之職責

董事獲持續更新監管規定、業務活動及公司之發展，以便履行其責任。透過定期舉行董事會會議，所有董事均對公司之運作、業務活動及發展瞭如指掌。

企業管治職能

董事會亦負責履行企業管治守則規定之企業管治職責。董事會有關企業管治職能之角色及職能載於企業管治守則之守則條文第D.1.3條。

董事會已於截至二零一三年十二月三十一日止年度考慮下列企業管治事宜：

- 採納有關董事會成員多元化之經修訂企業管治守則作為公司之企業管治常規守則及採納董事會成員多元化政策。
- 檢討集團持續關連交易之年度上限使用情況。
- 檢討遵守企業管治守則及於本企業管治報告內作出披露之情況。

Board Delegation

The Board is responsible for setting overall corporate strategies; evaluation of the performance of the Group and the management; and approval of matters that are of a material or substantial nature. Supported by senior management members, the Chief Executive Officer is responsible for effective implementation of the Board's decisions and the day-to-day operations of the Group.

Board Process

During the year ended 31 December 2013, the Board has scheduled meetings at regular interval and additional board meetings were held as and when necessary. The Directors participated in person or through electronic means of communication. The attendance of each Director at board meetings and general meetings are set out as follows:

Name of Directors

董事姓名

Executive Directors

執行董事

		No. of Board meetings attended/No. of Board meetings eligible to attend	No. of general meetings attended/No. of general meetings eligible to attend
		出席董事會會議次數／合資格出席董事會會議次數	出席股東大會次數／合資格出席股東大會次數
Mr YUAN Xin (appointed on 19 August 2013)	袁鑫先生 (於二零一三年八月十九日獲委任)	5/7	—
Mr. CHAN Chi To, Antony (appointed on 27 August 2013)	陳志濤先生 (於二零一三年八月二十七日獲委任)	7/7	—
Mr. CHEN Hai (appointed on 23 October 2013)	陳海先生 (於二零一三年十月二十三日獲委任)	3/3	—
Mr. WANG Fei (former Chief Executive Officer) (appointed as executive Director on 19 August 2013, as Chief Executive Officer on 28 August 2013, resigned as executive Director and Chief Executive Officer on 23 October 2013)	王飛先生 (前行政總裁)(於二零一三年八月十九日獲委任為執行董事，於二零一三年八月二十八日獲委任為行政總裁，並於二零一三年十月二十三日辭任執行董事及行政總裁)	2/3	—

董事會授權

董事會負責制定整體企業策略；評估集團及管理層之表現；及批准重大或主要事項。在高級管理人員之支持下，行政總裁負責有效地實施董事會之決定及集團之日常營運。

董事會程序

截至二零一三年十二月三十一日止年度，董事會定時舉行會議，並在必要情況下及於必要時另外舉行董事會會議。董事可親身或透過電子通訊方式與會。各董事出席董事會會議及股東大會之情況載列如下：

Corporate Governance Report 企業管治報告

Name of Directors

董事姓名

Non-Executive Directors		No. of Board meetings attended/No. of Board meetings eligible to attend	No. of general meetings attended/No. of general meetings eligible to attend
非執行董事		出席董事會會議次數／合資格出席董事會會議次數	出席股東大會次數／合資格出席股東大會次數
Dr. LIN Junbo	林俊波博士	6/19	0/2
Mr. CHI Chenxi (appointed on 27 August 2013)	遲晨曦先生 (於二零一三年八月二十七日獲委任)	5/7	—
Ms. HU Gin Ing (appointed on 27 August 2013)	胡競英女士 (於二零一三年八月二十七日獲委任)	5/7	—
Mr. GUO Hong (re-designated as non-executive director on 28 August 2013 and resigned as non-executive director on 15 March 2014)	郭紅先生 (於二零一三年八月二十八日調任為非執行董事，並於二零一四年三月十五日辭任非執行董事)	16/19	2/2
Mr. LAI Tsz Wah (re-designated as non-executive director on 6 September 2013 and resigned as non-executive director on 11 November 2013)	賴子華先生 (於二零一三年九月六日調任為非執行董事，並於二零一三年十一月十一日辭任非執行董事)	13/16	2/2
Dr. LEUNG Anita Fung Yee Maria (resigned as Non-executive Chairman on 23 April 2013 and resigned as Non-executive director on 1 September 2013)	梁鳳儀博士 (於二零一三年四月二十三日辭任非執行主席，並於二零一三年九月一日辭任非執行董事)	5/12	0/2
Mr. Peter Alphonse ZALDIVAR (resigned on 7 May 2013)	Peter Alphonse ZALDIVAR先生 (於二零一三年五月七日辭任)	1/7	—
Mr. LAM Haw Shun, Dennis, JP (cessation of alternate director to Mr. Peter Alphonse ZALDIVAR on 7 May 2013)	林孝信太平紳士 (於二零一三年五月七日不再擔任Peter Alphonse ZALDIVAR先生之替任董事)	2/7	—

Corporate Governance Report 企業管治報告

Name of Directors

董事姓名

Independent Non-Executive Directors		No. of Board meetings attended/No. of Board meetings eligible to attend	No. of general meetings attended/No. of general meetings eligible to attend
獨立非執行董事		出席董事會會議次數／合資格出席董事會會議次數	出席股東大會次數／合資格出席股東大會次數
Mr. DU Jiang <i>(appointed on 27 August 2013)</i>	杜江先生 <i>(於二零一三年八月二十七日獲委任)</i>	4/7	—
Mr. LIU Xianbo <i>(appointed on 27 August 2013)</i>	劉先波先生 <i>(於二零一三年八月二十七日獲委任)</i>	4/7	—
Mr. WU Chien-Chiang <i>(appointed on 11 September 2013)</i>	吳健強先生 <i>(於二零一三年九月十一日獲委任)</i>	2/5	—
Mr. JIANG Jinsheng <i>(appointed on 11 September 2013)</i>	姜進生先生 <i>(於二零一三年九月十一日獲委任)</i>	2/5	—
Ms. SZETO Wai Ling, Virginia <i>(resigned on 1 September 2013)</i>	司徒惠玲女士 <i>(於二零一三年九月一日辭任)</i>	6/12	1/2
Mr. FUNG Ho Leung, Arthur <i>(resigned on 6 September 2013)</i>	馮浩良先生 <i>(於二零一三年九月六日辭任)</i>	7/12	2/2
Mr. YEUNG Chung Hang, Patrick <i>(resigned on 27 August 2013)</i>	楊頌恆先生 <i>(於二零一三年八月二十七日辭任)</i>	4/9	2/2

Directors are provided with relevant information to make informed decisions. The Board and each Director have separate and independent access to the Company's senior management for information and making enquiries if necessary. A Director of the Company who considers it necessary to seek independent professional advice in order to perform his/her duties as a Director of the Company may convene, or request the Company Secretary of the Company to convene, a meeting of the Board to approve the consultation of independent legal or other professional advisor for advice. For regular Board meetings, an agenda and accompanying board papers of the meeting are sent in full to all directors well in advance.

董事獲提供有關資料以作出知情決定。董事會及各董事可個別及獨立地向公司高級管理層索取資料，並可於必要時作出查詢。公司董事在履行其作為公司董事之職責而認為需尋求獨立專業建議時可召開或要求公司之公司秘書召開董事會會議，以批准向獨立法律或其他專業顧問徵求意見。就例行董事會會議而言，會議之議事日程及隨附之董事會文件將於會議舉行前足夠時間全部送呈所有董事。

Every Director is entitled to have access to the advice and services of the Company Secretary with a view to ensure that the Board procedures, and all applicable rules and regulations, are complied with. All minutes are kept by the designated secretary and are open for inspections by any Director during normal office hours by giving reasonably advance notice. Minutes of Board meetings and Board committees meetings record in sufficient details the matters considered in the meetings and decisions reached. Draft and final versions of minutes of Board meetings have been sent to all Directors for their comments and record respectively within a reasonable time after the relevant meeting was held.

If a substantial shareholder or a Director has a conflict of interest in a matter before the Board, the matter will be dealt with in accordance with applicable rules and regulations and, if appropriate, an independent board committee will be set up to deal with the matter.

BOARD COMMITTEES

The Board has established the following committees with defined terms of reference, which are of no less than exact terms than those set out in the CG Code.

Remuneration Committee

The Chairman of the current Remuneration Committee is Mr. Du Jiang and other members are Mr. Lin Xianbo, Mr. Wu Chien-Chiang and Mr. Jiang Jinsheng, all are independent non-executive Directors. The primary function of the Remuneration Committee is to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management. The Company's emolument policy is to ensure that the remuneration offered to employees including executive Directors and senior management is based on the skills, knowledge, responsibilities and involvement in the Company's affairs. The remuneration packages are also determined by reference to the Company's performance and profitability, remuneration level in the industry and the prevailing market conditions. The emolument policy for non-executive Directors, mainly comprising directors' fees, is subject to annual assessment with reference to the market standard. Individual Director and senior management would not be involved in deciding their own remuneration. The specific written terms of reference which follows closely the requirements of the code provisions of the CG Code have been adopted by the Board and are available on the Company's website, www.smiculture2366.com.

各董事均有權為確保遵守董事會程序以及所有適用規則及規例而獲得公司秘書之建議及服務。所有會議紀錄均由指定秘書保存，並可於提供合理之事先通知後在正常辦公時間內供任何董事查閱。董事會會議及董事委員會會議之會議紀錄詳盡地記錄於該等會議上考慮之事項及所達成之決定。董事會會議之會議紀錄初稿及定稿均於相關會議舉行後之合理時間內送交所有董事，以供彼等作出各自之意見及記錄。

如董事會認為主要股東或董事有事項存在利益衝突，該事項將按適用規則及規例處理，並(如適當)將設立獨立董事委員會處理該事項。

董事委員會

董事會已設立下列具有界定職權範圍之委員會，其條款並不遜於企業管治守則內所載之條款。

薪酬委員會

薪酬委員會目前之主席為杜江先生，其他成員為劉先波先生、吳健強先生及姜進生先生，全部為獨立非執行董事。薪酬委員會之主要職能乃就公司董事及高級管理層之所有薪酬政策及結構向董事會提供建議。公司之薪酬政策旨在確保向僱員(包括執行董事及高級管理層)提供之薪酬乃基於其技能、知識、職責及參與公司事務程度釐定。薪酬組合亦參照公司之業績及盈利狀況、行業薪酬水平以及當前市場狀況而釐定。非執行董事之薪酬政策(主要包括董事袍金)須參照市場標準每年進行評估。個別董事及高級管理層不會參與釐定其各自之薪酬。董事會已嚴格按照企業管治守則之守則條文要求就薪酬委員會採納具體書面職權範圍，相關內容可於公司之網站 www.smiculture2366.com 查閱。

Corporate Governance Report 企業管治報告

During the year ended 31 December 2013, the Remuneration Committee held three meetings, with attendance record as follows:

截至二零一三年十二月三十一日止年度，薪酬委員會舉行了三次會議，出席紀錄如下：

Name of Members 成員姓名

**No. of meetings
attended/No. of
meetings eligible
to attend
出席會議次數/
合資格出席
會議次數**

Mr. DU Jiang (<i>Chairman</i>) (appointed as member on 27 August 2013 and chairman on 1 September 2013)	杜江先生(主席) (於二零一三年八月二十七日獲委任為成員， 並於二零一三年九月一日獲委任為主席)	2/2
Mr. LIU Xianbo (appointed as member on 27 August 2013)	劉先波先生 (於二零一三年八月二十七日獲委任為成員)	2/2
Mr. WU Chien-Chiang (appointed as member on 11 September 2013)	吳健強先生 (於二零一三年九月十一日獲委任為成員)	1/1
Mr. JIANG Jinsheng (appointed as member on 11 September 2013)	姜進生先生 (於二零一三年九月十一日獲委任為成員)	1/1
Ms. SZETO Wai Ling, Virginia (former Chairman) (resigned as chairman on 1 September 2013)	司徒惠玲女士 (前主席) (於二零一三年九月一日辭任主席)	1/1
Mr. FUNG Ho Leung, Arthur (resigned as member on 6 September 2013)	馮浩良先生 (於二零一三年九月六日辭任成員)	1/1
Mr. YEUNG Chung Hang, Patrick (resigned as member on 27 August 2013)	楊頌恆先生 (於二零一三年八月二十七日辭任成員)	1/1

During the year ended 31 December 2013, the Remuneration Committee reviewed matters relating to remuneration packages of executive directors and senior management and made recommendation to the Board for approval.

截至二零一三年十二月三十一日止年度，薪酬委員會審閱了與執行董事及高級管理層薪酬組合有關之事宜，並向董事會作出建議以供批准。

The remuneration of the Senior Management (former and existing executive Directors) fell within the following band:

高級管理層(前任及現任執行董事)之薪酬介乎下列範圍：

Number of Senior Management 高級管理層人數

Up to HK\$1,000,000	最高達1,000,000港元	6
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Audit Committee

The Chairman of the current Audit Committee is Mr. DU Jiang and other members are Mr. LIU Xianbo, Mr. WU Chien-Chiang, Mr. JIANG Jinsheng all are independent non-executive Directors. The Audit Committee is to oversee the Group's financial reporting system and internal control procedures, and to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with the applicable standard. Other duties of the Audit Committee are set out in its specific written terms of reference which deal clearly with their authority and duties and are available on the Company's website, www.smiculture2366.com.

During the year ended 31 December 2013, the Audit Committee held two meetings with attendance record as follows:

Name of Members

成員姓名

審核委員會

審核委員會目前之主席為杜江先生，其他成員為劉先波先生、吳健強先生及姜進生先生，全部為獨立非執行董事。審核委員會監察集團之財務申報系統及內部監控程序，並按適用標準審閱及監察外聘核數師之獨立性及客觀性以及審核程序之有效性。審核委員會之其他職責載於具體書面職權範圍內，當中清晰列明其職權及職責。相關內容可於公司之網站www.smiculture2366.com查閱。

截至二零一三年十二月三十一日止年度，審核委員會舉行了兩次會議，出席紀錄如下：

Name of Members 成員姓名		No. of meetings attended/No. of meetings eligible to attend 出席會議次數/ 合資格出席 會議次數
Mr. DU Jiang (Chairman) (appointed as member on 27 August 2013 and as chairman as 6 September 2013)	杜江先生(主席) (於二零一三年八月二十七日獲委任為成員， 並於二零一三年九月六日獲委任為主席)	1/1
Mr. LIU Xianbo (appointed as member on 27 August 2013)	劉先波先生 (於二零一三年八月二十七日獲委任為成員)	1/1
Mr. WU Chien-Chiang (appointed as member on 11 September 2013)	吳健強先生 (於二零一三年九月十一日獲委任為成員)	—
Mr. JIANG Jinsheng (appointed as member on 11 September 2013)	姜進生先生 (於二零一三年九月十一日獲委任為成員)	—
Ms. SZETO Wai Ling, Virginia (resigned as member on 1 September 2013)	司徒惠玲女士 (於二零一三年九月一日辭任成員)	1/2
Mr. FUNG Ho Leung, Arthur (former Chairman) (resigned as member and chairman on 6 September 2013)	馮浩良先生 (前主席) (於二零一三年九月六日辭任成員及主席)	2/2
Mr. YEUNG Chung Hang, Patrick (resigned as member on 27 August 2013)	楊頌恆先生 (於二零一三年八月二十七日辭任成員)	1/1

At the meetings, the Audit Committee has reviewed the audited financial statements for the fifteen-month period ended 31 December 2012 and the interim report for the six months ended 30 June 2013 with senior management and the Company's external auditors. The Audit Committee has also reviewed the Group's accounting policies and practices, the Listing Rules and statutory compliance, internal controls and financial reporting matters. During the year, the Audit Committee met representatives of the auditors twice to discuss matters relating to fees and audit/review findings, etc.

Nomination Committee

The Chairman of the current Nomination Committee is Mr. LIU Xianbo and other members are Mr. DU Jiang, Mr. WU Chien-Chiang and Mr. JIANG Jinsheng, all being the independent non-executive Directors. The Nomination Committee is to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. Other duties of the Nomination Committee are set out in its specific written terms of reference which deal clearly with their authority and duties and are available on the Company's website, www.smiculture2366.com.

During the year, Mr. Yuan Xin, Mr. Chan Chi To, Antony, Mr. Wang Fei (who subsequently resigned on 23 October 2013), Mr. Chen Hai, Mr. Chi Chenxi, Ms. Hu Gin Ing, Mr. Du Jiang, Mr. Liu Xianbo, Mr. Wu Chien-Chiang and Mr. Jiang Jinsheng respectively were appointed as directors of the Company. In considering the above new appointment of directors, the Nomination Committee assessed the candidates and incumbent on criteria such as integrity, independent mindedness, experience, skill and ability to commit time and effort to carry out their duties and responsibilities effectively, independence under the requirement of the Listing Rules of independent non-executive directors, etc. and made recommendation to the Board for approval.

The Nomination Committee also nominated and the Board recommended Mr. Yuan Xin, Mr. Chan Chi To, Antony, Dr. Lin Junbo and Mr. Chi Chenxi, being directors serving longest in office since their last re-election, to retire by rotation, and being eligible, will offer themselves for re-election by shareholders of the Company at the forthcoming 2014 annual general meeting.

於有關會議上，審核委員會與高級管理層及公司之外聘核數師分別審閱了截至二零一二年十二月三十一日止十五個月期間之經審核財務報表及截至二零一三年六月三十日止六個月之中期報告。審核委員會亦已審閱集團之會計政策及常規、上市規則及法規遵守情況、內部監控以及財務申報事宜。年內，審核委員會已經與核數師代表兩度會面，討論費用及核數／審閱發現所得等有關事宜。

提名委員會

提名委員會目前之主席為劉先波先生，其他成員為杜江先生、吳健強先生及姜進生先生，全體成員為獨立非執行董事。提名委員會最少每年一次檢討董事會之架構、規模及組成(包括技能、知識及經驗)，並就任何為配合公司之公司策略而擬對董事會作出之變動提出建議。提名委員會之其他職責載於具體書面職權範圍內，當中清晰列明其職權及職責。相關內容可於公司之網站 www.smiculture2366.com 查閱。

年內，袁鑫先生、陳志濤先生、王飛先生(其後於二零一三年十月二十三日辭任)、陳海先生、遲晨曦先生、胡競英女士、杜江先生、劉先波先生、吳健強先生及姜進生先生各自被委任為公司董事。於考慮上述新委任之董事時，提名委員會已按照品格、獨立思維、經驗、技能及能否付出時間及努力有效履行職務及職責、上市規則規定獨立非執行董事應有之獨立性等標準，評估各人選及在任董事，並作出推薦建議以供董事會批准。

提名委員會亦提名並由董事會推薦自上一次獲重選以來擔任董事時間最長之袁鑫先生、陳志濤先生、林俊波博士及遲晨曦先生於即將舉行之二零一四年股東週年大會上輪值退任，彼等符合資格並願意接受公司股東重選為董事。

Corporate Governance Report 企業管治報告

During the year ended 31 December 2013, the Nomination Committee held three meetings with attendance record as follows:

截至二零一三年十二月三十一日止年度，提名委員會舉行了三次會議，出席紀錄如下：

Name of Members

成員姓名

No. of meetings attended/No. of meetings eligible to attend
出席會議次數／合資格出席會議次數

Mr. LIU Xianbo (<i>Chairman</i>) (appointed as member on 27 August 2013 and as chairman on 6 September 2013)	劉先波先生(主席) (於二零一三年八月二十七日獲委任為成員，並於二零一三年九月六日獲委任為主席)	2/2
Mr. DU Jiang (appointed as member on 27 August 2013)	杜江先生 (於二零一三年八月二十七日獲委任為成員)	2/2
Mr. WU Chien-Chiang (appointed as member on 11 September 2013)	吳健強先生 (於二零一三年九月十一日獲委任為成員)	1/1
Mr. JIANG Jinsheng (appointed as member on 11 September 2013)	姜進生先生 (於二零一三年九月十一日獲委任為成員)	1/1
Ms. SZETO Wai Ling, Virginia (resigned as member on 1 September 2013)	司徒惠玲女士 (於二零一三年九月一日辭任成員)	1/1
Mr. FUNG Ho Leung, Arthur (former Chairman) (resigned as member and chairman on 6 September 2013)	馮浩良先生 (前主席) (於二零一三年九月六日辭任成員及主席)	1/1
Mr. LAI Tsz Wah (resigned as member on 6 September 2013)	賴子華先生 (於二零一三年九月六日辭任成員)	1/1

Board Diversity Policy

The Company has formulated the board diversity policy in August 2013 aiming at setting out the approach on diversity of the Board of the Company.

The Board recognizes the importance of having a diverse Board in enhancing the board effectiveness and corporate governance. A diverse Board will include and make good use of differences in the skills, industry knowledge and experience, education, background and other qualities, etc. of Directors and does not discriminate on the ground of race, age, gender

董事會成員多元化政策

公司於二零一三年八月訂立董事會成員多元化政策，目的是為公司董事會成員的多元化訂立方向。

董事會明白一個多元化的董事會對於提高董事會效率及企業管治的重要性。多元化的董事會包括善用董事的不同技能、行業知識和經驗、教育、背景和其他素質等，而不會產生基於種族、年

or religious belief. These differences will be taken into account in determining the optimum composition of the Board and when possible should be balanced appropriately.

The Nomination Committee has responsibility for identifying and nominating for approval by the Board, candidates for appointment to the Board. It takes responsibility in assessing the appropriate mix of experience, expertise, skills and diversity required on the Board and assessing the extent to which the required skills are represented on the Board and reviewing effectiveness of the Board.

The Nomination Committee is also responsible for reviewing and reporting to the Board in relation to Board diversity.

Board appointments will be based on merit and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates to join the Board will be, in part, dependent on the pool of candidates with the necessary knowledge, experience, skills, educational background and other qualities. The final decision will be based on merit and contribution the chosen candidate will bring to the Board.

The Board considers that Board diversity, including gender diversity, is a vital asset to the business.

At present, the Nomination Committee has not set any measurable objectives to implement the board diversity policy. However, it will consider and review the board diversity policy and setting of any measurable objectives from time to time.

Executive Committee

The Executive Committee was established on 13 March 2014. The chairman of the Executive Committee is Mr. YUAN Xin and other members are Mr. CHAN Chi To, Antony and CHEN Hai, all being executive directors. The Executive Committee is to help the Board accomplish its work in the most efficient way. Since the Executive Committee was only established in 2014, the committee has not held any meeting during the year ended 31 December 2013.

齡、性別或宗教的歧視。在決定最佳董事會組合時會考慮該等因素，並盡可能取得適當的平衡。

提名委員會負責物色及提名董事候選人予董事會批准；負責董事會所需的適當組合和評估董事候選人的經驗、專業知識、技能和董事會所需的多元化因素；以及檢討董事會的有效性。

提名委員會負責審查及向董事會報告有關董事會成員的多元化事宜。

董事的任命將根據候選人的優點及其他客觀標準作出，並充分考慮董事會成員多元化的好處。

挑選候選人加入董事會時，會按照所需的知識、經驗、技能、教育背景及其他素質來考慮。最終的決定將會取決於候選人的優點和將會為董事會作出的貢獻。

董事會認為董事會成員的多元化，包括性別多元化，對於公司企業是一項重要的資產。

目前，提名委員會尚未就實踐董事會成員多元化政策而訂定任何可計量目標。然而，提名委員會將會不時考慮及檢討董事會成員多元化政策以及訂定任何可計量目標。

執行委員會

執行委員會已於二零一四年三月十三日成立。執行委員會主席為袁鑫先生，其他成員為陳志濤先生及陳海先生，全體成員為執行董事。執行委員會協助董事會以最具效率之方式完成工作。由於執行委員會於二零一四年方告成立，故於截至二零一三年十二月三十一日止年度並無舉行任何會議。

DIRECTORS' TRAINING

According to the new code provision A.6.5 of the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

The current Directors who held office during the year ended 31 December 2013 have participated in continuous professional development and provided a record of training they received for the year ended 31 December 2013 to the Company. The management provided induction materials to the Directors appointed during the year.

The individual training record of each current Director who held office during the year ended 31 December 2013 is set out below:

董事培訓

根據企業管治守則之新守則條文第A.6.5條，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需之情況下對董事會作出貢獻。

截至二零一三年十二月三十一日止年度之在任董事曾參與持續專業發展，並已向公司提供彼等於截至二零一三年十二月三十一日止年度接受培訓之紀錄。管理層向於年內獲委任之董事提供就任資料。

截至二零一三年十二月三十一日止年度各在任董事之個別培訓紀錄載列如下：

Name of Directors	Attending or participating in seminars/conference/workshops relevant to rules and regulations and the Group's business/directors' duties 出席或參與有關規則及規例以及集團業務／董事職責之研討會／會議／工作坊	Reading materials relating to rules and regulations and discharge of directors' duties and responsibilities 有關規則及規例以及履行董事職責及責任之閱讀材料
董事姓名		
Mr. YUAN Xin	袁鑫先生	√
Mr. CHAN Chi To Antony	陳志濤先生	√
Mr. CHEN Hai	陳海先生	√
Dr. LIN Junbo	林俊波博士	√
Mr. CHI Chenxi	遲晨曦先生	√
Ms. HU Gin Ing	胡競英女士	√
Mr. GUO Hong	郭紅先生	√
Mr. DU Jiang	杜江先生	√
Mr. LIU Xianbo	劉先波先生	√
Mr. WU Chien-Chiang	吳健強先生	√
Mr. JIANG Jinsheng	姜進生先生	√

COMPANY SECRETARY

During the year, Ms. Mui Ngar May ("Ms. Mui") was the Company Secretary until 11 September 2013. Mr. Tam Kam Shing, Chris, who was an employee of the Company, was appointed as the Company Secretary on 11 September 2013 until his resignation on 11 November 2013. Ms. Mui was then re-appointed as the Company Secretary on 11 November 2013. Ms. Mui is not an employee of the Company and is from an external company secretarial services provider which has been engaged to provide company secretarial services to the Company.

The Chairman of the Executive Committee of the Company is the primary point of contact at the Company for the Company Secretary.

According to the requirements of Rule 3.29 of the Listing Rules, Ms. Mui has confirmed to the Company that she has taken no less than 15 hours of relevant professional training for the year ended 31 December 2013 and has obtained the practitioner's endorsement certificate for 2013/2014 issued by The Hong Kong Institute of Chartered Secretaries.

AUDITOR'S REMUNERATION

The amount of fees charged by the auditor generally depends on the scope and volume of the auditor's work. For the year ended 31 December 2013, the remuneration to the auditor of the Company charged to income statement were approximately HK\$3.6 million for audit services and HK\$1.3 million for non-audit services. Moreover, the remuneration of HK\$2.2 million to the auditor for non-audit services related to the rights issues completed in March 2013 and August 2013 was debited to the share premium account.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE ACCOUNTS

The management provides the explanation and information to the Board to facilitate an informed assessment of the financial and other information put before the Board for approval.

公司秘書

年內，梅雅美女士（「梅女士」）擔任公司秘書直至二零一三年九月十一日。譚錦成先生為公司僱員，於二零一三年九月十一日獲委任為公司秘書，直至彼於二零一三年十一月十一日辭任為止。梅女士其後於二零一三年十一月十一日獲重新委任為公司秘書。梅女士並非公司僱員，為公司所委聘提供公司秘書服務之外聘公司秘書服務供應商効力。

公司執行委員會主席為公司秘書於公司之主要聯絡點。

根據上市規則第3.29條之規定，梅女士已向公司確認於截至二零一三年十二月三十一日止年度曾接受最少15小時相關專業培訓，並已取得香港特許秘書公會發出之二零一三／二零一四年度執業者認可證明。

核數師酬金

核數師收取之費用一般根據核數師之工作範疇及數量而釐定。於截至二零一三年十二月三十一日止年度，於損益表扣除有關公司核數師提供之核數服務之酬金約為3,600,000港元，而有關非核數服務之酬金則約為1,300,000港元。此外，核數師就於二零一三年三月及二零一三年八月完成之供股之非核數服務收取之酬金2,200,000港元已計入股份溢價賬。

董事與核數師關於賬目之責任

管理層向董事會提供解釋及資料，以便就提呈董事會批准之財務及其他資料作出知情評定。

The Directors acknowledge their responsibility to prepare the financial statements that give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2013 and of the Group's loss and cash flows for the year then ended. Meanwhile, the Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable. In preparing the financial statements for the financial year ended 31 December 2013, the accounting principles generally accepted in Hong Kong have been adopted and the requirements of the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the applicable laws were complied with.

The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's ability to continue as going concern. The Board has prepared the financial statements on a going concern basis.

The reporting responsibilities of external auditors of the Company are disclosed in "Independent Auditor's Report" set out on pages 55 and 56 of this annual report.

INTERNAL CONTROL

The Board is responsible for reviewing the effectiveness of the internal control system of the Group. The scope of the review is determined and recommended by the Audit Committee and approved by the Board annually. The review covers all material controls, including financial, operational and compliance controls and risks management functions. Such annual review also considers the adequacy of resources, staff's qualifications and experience and training programmes and budget of the Company's accounting and financial reporting function. The internal control review function reports directly to the Chairman of the Audit Committee. Regular internal control review reports are circulated to the Audit Committee members and the Board in accordance with the approved scope.

董事確認彼等編製之財務報表乃真實而公平地反映公司及集團於二零一三年十二月三十一日之財政狀況以及集團於截至該日止年度之虧損及現金流量之責任。同時，董事亦負責確保選擇及貫徹應用適當之會計政策；及所作之判斷及估計為審慎合理。於編製截至二零一三年十二月三十一日止財政年度之財務報表時，已採納香港公認會計原則及遵守香港會計師公會頒佈之《香港財務報告準則》之規定及適用法例。

董事會並不察覺與可能對集團持續經營能力造成重大疑問之事件或狀況有關之任何重大不明朗因素。董事會已按持續經營基準編製財務報表。

公司外聘核數師之報告責任於本年報第55及56頁所載之「獨立核數師報告」內披露。

內部監控

董事會負責檢討集團內部監控系統之有效性。檢討範圍由審核委員會決定推薦，每年提交董事會批准。該檢討涵蓋所有重要監控範圍，包括財務監控、運作監控、合規監控及風險管理職能。該年度檢討亦考慮公司會計及財務申報部門資源是否充裕以及是否聘有具所需資格及經驗之員工、員工培訓計劃及預算。內部監控檢討職能直接向審核委員會主席報告。根據已批准之範疇，定期發送內部監控檢討報告供審核委員會成員及董事會傳閱。

During the year ended 31 December 2013, management has conducted regular review on the effectiveness of the internal control system covering all material controls in area of financial and compliance controls and various functions for risks management. The Board, through the Audit Committee, has reviewed the effectiveness of the Group's internal control system covering all material controls, including financial, operational and compliance controls and risk management function for the year ended 31 December 2013. The Audit Committee is satisfied that the internal control system maintained by the Group is sufficient to provide reasonable, but not absolute, assurance that the Group's assets are safeguarded against loss from unauthorized use or disposition, transactions are properly authorized and proper accounting records are maintained.

In addition, an independent professional firm has been engaged to review and assess certain internal control system of the Group for the year ended 31 December 2013 and reported the review and recommended procedures whereas no material control failure was noted.

The Group will continue to enhance the system to cope with the changes in the business environment.

COMMUNICATION WITH SHAREHOLDERS

Effective communication

The Company discloses relevant information to shareholders through the Company's annual report and financial statements, the interim report, as well as the Annual General Meeting (the "AGM"). The section under "Management Discussion and Analysis" of the annual report facilitate the shareholders' understanding of the Company's activities. The AGM allows the Directors to meet and communicate with shareholders. The Company's financial statements and each of the required disclosure of information are dispatched within the prescribed period imposed by laws and regulations.

During the year ended 31 December 2013, the Company also held an extraordinary general meeting ("EGM").

The Chairmen of the 2013 AGM and EGM had explained the procedures for conducting a poll. At the 2013 AGM, separate resolution was proposed by the chairman of the meeting in respect of each separate issue, including re-election of retiring directors, and voted by way of poll. The Company announced

管理層於截至二零一三年十二月三十一日止年度定期檢討內部監控系統之有效性，包括重大財務及合規監控及風險管理各項工作。董事會已透過審核委員會檢討集團內部監控系統之有效性，該檢討涵蓋所有重要監控範圍，包括於截至二零一三年十二月三十一日止年度之財務監控、運作監控、合規監控及風險管理職能。審核委員會信納集團實施之內部監控系統足以提供合理但非絕對之保證，保障集團資產不因未授權使用或出售而蒙受損失、交易已經適當授權及有保存適當會計紀錄。

此外，於截至二零一三年十二月三十一日止年度，集團已委聘獨立專業公司檢討及評估若干內部監控系統，而該公司已報告檢討情況及推薦程序，但並未發現有任何重大監控失效。

集團將繼續改進該系統以應對業務環境之變化。

與股東溝通 有效溝通

公司透過公司之年報及財務報表、中期報告以及股東週年大會向股東披露有關資料。年報中「管理層討論及分析」幫助股東了解公司之業務。股東週年大會讓董事可與股東會面及溝通。公司之財務報表及各項規定之資料披露於法律及法規規定之限期內發出。

於截至二零一三年十二月三十一日止年度，公司亦已舉行一次股東特別大會。

二零一三年股東週年大會及股東特別大會之主席已說明以投票方式表決之程序。在二零一三年股東週年大會上，會議主席就各項個別議題提呈個別決議案（包括重選退任董事），並以投票方式表

the results of the poll in the manner prescribed under the Listing Rules. The directors including the chairmen of the Audit Committee, the Nomination Committee and Remuneration Committee of the Company and representatives of KPMG attended the 2013 AGM and have effective communication with shareholders. Besides, the Company held EGM to consider and approve the consolidation of shares and rights issue. The directors including independent non-executive directors of the Company attended the EGM to answer related questions.

To manage its relationship with investment community, the Group meets regularly with the press and financial analysts and participates frequently in other conferences and presentations.

To further promote effective communication, the corporate website is maintained to disseminate Company announcements and other relevant financial and non-financial information electronically on a timely basis.

The Company has established a shareholders' communications policy.

Shareholders' Rights

An AGM of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an AGM, shall be called an extraordinary general meeting.

Shareholders to convene an extraordinary general meeting

Shareholders may convene an extraordinary general meeting of the Company ("EGM") according to the provisions as set out in the Articles and The Companies Law (2011 Revision) of the Cayman Islands. According to the Articles, any two or more shareholders or any one shareholder which is a recognized clearing house holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, shall at all times have the right, by written requisition to the Board or the Company Secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition.

決。公司已根據上市規則規定的方式公佈投票結果。董事(包括公司審核委員會、提名委員會及薪酬委員會主席)及畢馬威會計師事務所之代表已出席二零一三年股東週年大會並與股東有效溝通。此外，公司已舉行股東特別大會以考慮並批准股份合併及供股。公司董事(包括獨立非執行董事)已出席股東特別大會解答相關提問。

為處理與投資群體之關係，集團定期與媒體及財務分析人員會面，並經常參與其他會議及發佈會。

為進一步促進有效溝通，已設立公司網站，以電子方式適時發佈公司公佈以及其他有關財務及非財務資料。

公司已設立股東通訊政策。

股東權利

公司每年舉行股東週年大會，地點由董事會釐定。股東週年大會以外之各個股東大會稱為股東特別大會。

股東召開股東特別大會

股東可根據細則及開曼群島公司法(2011年經修訂)所載條文召開公司股東特別大會。根據細則，任何兩名或以上股東或任何一名為認可結算所之股東隨時有權向董事會或公司之公司秘書提交書面要求，要求董事會召開股東特別大會處理該要求列明之任何事務，惟提出要求者須於提交要求日期持有不少於公司十分之一附帶公司股東大會投票權之已繳股本。

The written requisition must state the business to be transacted at the meeting, signed by the requisitioner(s) and deposited at the Company's principal place of business in Hong Kong for the attention of the Board or the Company Secretary, and may consist of several documents in like form, each signed by one or more requisitionists. The requisition will be verified with the Company's branch share registrar in Hong Kong and upon their confirmation that the requisition is proper and in order, the Company Secretary will ask the Board to convene an EGM by serving sufficient notice in accordance with the requirements under the Articles and the Listing Rules to all the registered shareholders. On the contrary, if the requisition has been verified as invalid, the requisitioner(s) will be advised of this outcome and accordingly, an EGM will not be convened as requested.

If within twenty-one (21) days from the date of the deposit of the requisition the Board fails to proceed to convene such meeting, the requisitioner(s) or any of them representing more than one-half of the total voting rights of all of them, may convene a meeting in the same manner, but any meeting so convened shall not be held after the expiration of three months after the expiration of this said twenty-one (21) days. The notice period to be given to all the registered shareholders for consideration of the proposal raised by the requisitioner(s) concerned at the EGM varies according to the nature of the proposal as set out in the Articles and the CG Code.

The procedures that shareholders can use for proposing a person for election as Director at general meeting are set out in the document entitled "Procedures for a Shareholder to Propose a Person for Election as a Director", which is currently available on the Company's website.

Putting enquiries by shareholders to the Board

Shareholders may send written enquiries to the Company for the attention of the Executive Committee or the Company Secretary at the Company's principal place of business in Hong Kong.

書面要求必須述明將於會上處理之事務，並經提出要求者簽署及遞交至公司之香港主要營業地點，註明收件人為董事會或公司秘書。書面要求可由多份形式相似之文件組成，而有關文件每份須經一名或以上提出要求者簽署。有關要求將由公司之香港股份過戶登記分處核實，一經確認屬妥善完好，公司秘書即會要求董事會根據細則及上市規則之規定，向全體登記股東發出足夠時間之通知，召開股東特別大會。反之，如要求經核實後屬無效，則提出要求者將獲告知此結果，而股東特別大會因而不會應要求召開。

倘於提交要求日期起計二十一(21)日內，董事會未有着手召開有關會議，則提出要求者或彼等當中代表所有提出要求者總投票權一半以上之任何人士可以相同形式召開會議，惟按此召開之任何會議不得遲於上述二十一(21)日屆滿三個月後舉行。給予全體登記股東以考慮有關提出要求者於股東特別大會上提呈之建議之通知期因建議性質而有別，詳情載於細則及企業管治守則。

股東可用以於股東大會上提名人士參選董事之程序載於題為「股東提名候選董事之程序」之文件。相關內容可於公司之網站查閱。

股東向董事會提出查詢

股東可將書面查詢送交公司之香港主要營業地點，註明收件人為執行委員會或公司秘書。

Procedures for putting forward proposals by shareholders at shareholders' meeting

Shareholders should follow the procedures set out in the subsection headed "Shareholders to convene an extraordinary general meeting" above for putting forward proposals for discussion at general meeting.

The above procedures are subject to Articles and applicable laws and regulation.

Voting by way of poll

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the shareholders at the AGM or EGM must be taken by poll. The chairman of the meeting demanded a poll for every resolution put to the vote of the AGM and EGMs held during the period pursuant to article 76 of the Articles. Relevant details of the proposed resolutions, including biographies of each retiring Director standing for re-election, were included in the circular to shareholders dispatched together with the proxy forms. The Company announced the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

Constitutional Document

The Memorandum of Association and Articles of the Company have been published on the websites of the Stock Exchange and the Company.

During the year ended 31 December 2013, there was no change in the Memorandum of Association and Articles of Association of the Company except the following change to its share capital clause:

By an ordinary resolution passed on 9 July 2013, every ten (10) issued and unissued shares of par value of US\$0.01 each in the capital of the Company was consolidated into one (1) share of par value of US\$0.10 each.

Hong Kong, 28 March 2014

股東於股東大會上提呈建議之程序

股東如欲於股東大會上提呈建議進行討論，應遵從上文「股東召開股東特別大會」分節所載之程序。

上述程序須受限於細則及適用法律和法規。

以投票方式表決

根據上市規則第13.39(4)條，股東在股東週年大會或股東特別大會上之所有表決必須以投票方式進行。根據細則第76條，於期內舉行之股東週年大會及股東特別大會之主席已要求以投票方式對會上提呈之每項決議案進行表決。隨同代表委任表格寄發予股東之通函載有所提呈決議案之有關詳情，包括參加膺選連任之各位退任董事之履歷。公司已按上市規則第13.39(5)條訂明之方式公佈投票表決結果。

憲章文件

公司之組織章程大綱及細則已登載於聯交所及公司之網站。

於截至二零一三年十二月三十一日止年度，除下列股本條文之變動外，公司組織章程大綱及組織章程細則並無任何變動：

透過於二零一三年七月九日通過普通決議案後，公司股本中每十(10)股每股面值0.01美元之已發行及未發行股份合併為一(1)股面值0.10美元之股份。

香港，二零一四年三月二十八日

Report of the Directors 董事會報告書

The Directors submit herewith their report together with the audited financial statements for the year ended 31 December 2013.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are the provision of cross-media services including television (“TV”) program and production related services, TV advertising, outdoor advertising, and public relations services.

The particulars of the subsidiaries are set out in note 11 to the financial statements.

FINANCIAL STATEMENTS

The loss of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2013 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 57 to 187.

SHARE CAPITAL

Details of the movement in the share capital of the Company during the period are set out in note 27(c) to the financial statements.

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

There were no purchases, sales or redemption of the Company's listed securities by the Company and any of its subsidiaries during the year ended 31 December 2013.

董事會茲提呈截至二零一三年十二月三十一日止年度之報告及經審核財務報表。

主要業務

公司之主要業務為投資控股。其附屬公司之主要業務為提供跨媒體服務，包括電視節目及製作類服務、電視廣告、戶外廣告以及公關服務。

附屬公司之詳情載於財務報表附註11。

財務報表

公司及其附屬公司(統稱「集團」)於截至二零一三年十二月三十一日止年度之虧損及公司和集團於該日之財政狀況載於第57頁至第187頁之財務報表。

股本

公司股本於期內之變動詳情載於財務報表附註27(c)。

購買、出售或贖回公司之上市證券

於截至二零一三年十二月三十一日止年度，公司及其任何附屬公司概無購買、出售或贖回公司之上市證券。

RESULTS AND RESERVES

The results of the Group for the year ended 31 December 2013 are set out in the consolidated income statement on pages 57 and 58 of the annual report. The movements in reserves are set out in the consolidated statement of changes in equity on page 64 of the annual report.

The Directors do not recommend the payment of a final dividend for the financial year ended 31 December 2013 (2012: Nil).

USE OF PROCEEDS FROM RIGHTS ISSUES

With regard to the rights issue carried out by the Company in March 2013, approximately HK\$70.0 million out of the total net proceeds of HK\$153.1 million raised has been allocated to the Group's TV program development business, foreign films distribution and production related services. Moreover, approximately HK\$70 million out of the net proceeds has been used to reduce the borrowings of the Group.

With regard to the rights issue carried out by the Company in August 2013, approximately HK\$93 million and HK\$64 million out of the total net proceeds of HK\$350.1 million raised have been used for repayment of the Group's revolving bank loans and term bank loans, respectively. Moreover, approximately HK\$117 million out of the net proceeds has been used to early redeem the Company's convertible notes.

業績及儲備

集團於截至二零一三年十二月三十一日止年度之業績載於本年報第57頁及第58頁之綜合損益表中。儲備變動載於本年報第64頁之綜合權益變動表中。

董事不建議派付截至二零一三年十二月三十一日止財政年度之末期股息(二零一二年：無)。

供股所得款項用途

就公司於二零一三年三月進行之供股而言，集資所得款項淨額共153,100,000港元中約70,000,000港元已分配至集團之電視節目發展業務以及外語電影發行及製作相關服務。此外，所得款項淨額中約70,000,000港元已用於減少集團借貸。

就公司於二零一三年八月進行之供股而言，集資所得款項淨額共350,100,000港元中分別約93,000,000港元及64,000,000港元已用於償還集團循環銀行貸款及有期銀行貸款。此外，所得款項淨額中約117,000,000港元已用於提早贖回公司之可換股票據。

CHARITABLE DONATIONS

During the financial year ended 31 December 2013, no charitable donations were made by the Group (2012: HK\$1,800,000).

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years ended 31 December 2013 is set out on page 188 of the annual report.

FIXED ASSETS

Details of the movements in fixed assets of the Group are set out in note 10 to the financial statements.

CONVERTIBLE NOTES

Details of the convertible notes of the Group are set out in note 25 to the financial statements.

BANK LOANS

Particulars of bank loans of the Group as at 31 December 2013 are set out in note 22 to the financial statements.

慈善捐款

於截至二零一三年十二月三十一日止財政年度，集團並無作出慈善捐款(二零一二年：1,800,000港元)。

財務摘要

集團於截至二零一三年十二月三十一日止過去五個財政年度之業績及資產和負債摘要載於本年報第188頁。

固定資產

集團固定資產之變動詳情載於財務報表附註10。

可換股票據

集團之可換股票據詳情載於財務報表附註25。

銀行貸款

集團於二零一三年十二月三十一日之銀行貸款詳情載於財務報表附註22。

Report of the Directors 董事會報告書

DIRECTORS

The Directors during the year ended 31 December 2013 and up to the date of this report were:

Executive Directors

Mr. YUAN Xin	(appointed on 19 August 2013)
Mr. CHAN Chi To, Antony	(appointed on 27 August 2013)
Mr. CHEN Hai	(appointed on 23 October 2013)
Mr. WANG Fei	(appointed on 19 August 2013 and resigned on 23 October 2013)

董事

於截至二零一三年十二月三十一日止年度及直至本報告日期，擔任董事之人士如下：

執行董事

袁鑫先生	(於二零一三年八月十九日獲委任)
陳志濤先生	(於二零一三年八月二十七日獲委任)
陳海先生	(於二零一三年十月二十三日獲委任)
王飛先生	(於二零一三年八月十九日獲委任，並於二零一三年十月二十三日辭任)

Report of the Directors 董事會報告書

Non-executive Directors

Dr. LIN Junbo	
Mr. GUO Hong	(re-designated on 28 August 2013 and resigned on 15 March 2014)
Mr. CHI Chenxi	(appointed on 27 August 2013)
Ms. HU Gin Ing	(appointed on 27 August 2013)
Mr. LAI Tsz Wah	(re-designated on 6 September 2013 and resigned on 11 November 2013)
Dr. LEUNG Anita Fung Yee Maria	(resigned on 1 September 2013)
Mr. Peter Alphonse ZALDIVAR	(resigned on 7 May 2013)
Mr. LAM Haw Shun, Dennis, JP	(cessation of alternate director to Mr. Peter Alphonse ZALDIVAR on 7 May 2013)

非執行董事

林俊波博士	
郭紅先生	(於二零一三年八月二十八日調任，並於二零一四年三月十五日辭任)
遲晨曦先生	(於二零一三年八月二十七日獲委任)
胡競英女士	(於二零一三年八月二十七日獲委任)
賴子華先生	(於二零一三年九月六日調任，並於二零一三年十一月十一日辭任)
梁鳳儀博士	(於二零一三年九月一日辭任)
Peter Alphonse ZALDIVAR先生	(於二零一三年五月七日辭任)
林孝信太平紳士	(於二零一三年五月七日不再擔任Peter Alphonse ZALDIVAR先生之替任董事)

Report of the Directors 董事會報告書

Independent Non-executive Directors

Mr. DU Jiang	(appointed on 27 August 2013)
Mr. LIU Xianbo	(appointed on 27 August 2013)
Mr. WU Chien-Chiang	(appointed on 11 September 2013)
Mr. JIANG Jinsheng	(appointed on 11 September 2013)
Ms. SZETO Wai Ling, Virginia	(resigned on 1 September 2013)
Mr. FUNG Ho Leung, Arthur	(resigned on 6 September 2013)
Mr. YEUNG Chung Hang, Patrick	(appointed on 18 January 2013 and resigned on 27 August 2013)

獨立非執行董事

杜江先生	(於二零一三年八月 二十七日獲委任)
劉先波先生	(於二零一三年八月 二十七日獲委任)
吳健強先生	(於二零一三年九月 十一日獲委任)
姜進生先生	(於二零一三年九月 十一日獲委任)
司徒惠玲女士	(於二零一三年九月 一日辭任)
馮浩良先生	(於二零一三年九月 六日辭任)
楊頌恆先生	(於二零一三年一月 十八日獲委任，並於 二零一三年八月 二十七日辭任)

In accordance with Clause 96A of the Company's Articles of Association, Mr. YUAN Xin, Mr. CHAN Chi To, Antony, Dr. LIN Junbo and Mr. CHI Chenxi will retire by rotation at the forthcoming AGM, and being eligible, offer themselves for re-election at the AGM.

根據公司組織章程細則第96A條，袁鑫先生、陳志濤先生、林俊波博士及遲晨曦先生將於應屆股東週年大會上輪值退任，並符合資格亦願意於會上膺選連任。

None of the Director proposed for re-election at the forthcoming AGM has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

建議於應屆股東週年大會上重選之董事概無訂立不可於一年內在免付賠償(正常法定責任除外)之情況下由公司或其任何附屬公司終止之未屆滿服務合約。

The Company has received, from each of the independent non-executive directors, a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive directors are independent.

根據上市規則第3.13條，公司已自各獨立非執行董事接獲其獨立身份之確認。公司認為所有獨立非執行董事身份均屬獨立。

Changes of Directors' Information under Rule 13.51B(1) of the Listing Rules

Save as disclosed herein, the Company is not aware of any other change in the directors' information which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the 2013 interim report.

根據上市規則第13.51B(1)條之董事資料變動

除本年報所披露者外，公司並不知悉董事資料自二零一三年中期報告日期以來有任何其他變動，而須根據上市規則第13.51B(1)條予以披露。

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

At 31 December 2013, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions and as known to the Company were as follows:

董事及主要行政人員於股份、相關股份及債券中之權益及淡倉

於二零一三年十二月三十一日，根據公司按證券及期貨條例(香港法例第571章)(「證券及期貨條例」)第352條置存之登記冊內所記載，或根據證券交易標準守則知會公司及聯交所之資料，以及就公司所知，董事於公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中所持之權益及淡倉如下：

(i) Interests in the Company

(i) 於公司之權益

Name of the Director	Number of the Shares/ underlying Shares held (Note 1)				Interest in underlying Shares	Total Interest	Approximate percentage of total issued share capital of the Company as at 31 December 2013 於二零一三年 十二月三十一日 佔公司全部已發行 股本概約百分比
	Personal Interest	Family Interest	Corporate Interest	Corporate Interest			
董事姓名	個人權益	家族權益	公司權益	公司權益	相關 股份權益	總權益	
Mr. Guo Hong 郭紅先生	135,516	Nil 無	Nil 無	Nil 無	Nil 無	135,516	0.02%

Report of the Directors 董事會報告書

(ii) Share options of the Company

(ii) 公司之購股權

Grantees	Date of grant	Exercise period	Exercise price per share as at 31 December 2013 於二零一三年十二月三十一日之每股行使價 (Note 6) (附註6) HK\$ 港元	Number of share options 購股權數目					Lapsed/ cancelled during the year 年內 失效/ 註銷	As at 31 December 2013 二零一三年十二月三十一日	Percentage of total issued share capital of the Company as at 31 December 2013 於二零一三年十二月三十一日佔公司全部已發行股本百分比 (Note 1) (附註1)
				As at 1 January 2013 二零一三年一月一日	Adjusted during the year 年內 調整	Grant during the year 年內 授出	Exercise during the year 年內 行使	As at 31 December 2013 二零一三年十二月三十一日			
Directors (Note 2) 董事(附註2)											
Mr. Lam Haw Shun, Dennis, JP (alternate director)	6 March 2007	6 March 2007 to 13 June 2014	55.1534	1,423,680	(1,402,835)	—	—	(20,845)	—	—	
林孝信太平紳士 (替任董事)	二零零七年三月六日	二零零七年三月六日至二零一四年六月十三日									
	21 December 2009	7 January 2010 to 13 June 2014	43.8576	1,269,230	(1,250,646)	—	—	(18,584)	—	—	
	二零零九年十二月二十一日	二零一零年一月七日至二零一四年六月十三日									
Consultant (Note 3) 顧問(附註3)	21 December 2009	15 January 2010 to 13 June 2014	43.8576	1,269,230	(1,250,645)	—	—	—	18,585	0.003%	
	二零零九年十二月二十一日	二零一零年一月十五日至二零一四年六月十三日									
Other participants (Note 4) 其他參與人士(附註4)	21 December 2009	7 January 2010 to 13 June 2014	43.8576	1,269,230	(1,250,645)	—	—	—	18,585	0.003%	
	二零零九年十二月二十一日	二零一零年一月七日至二零一四年六月十三日									
	15 March 2007	15 March 2007 to 13 June 2014	55.1534	14,236,842	(14,028,375)	—	—	—	208,467	0.037%	
	二零零七年三月十五日	二零零七年三月十五日至二零一四年六月十三日									
	21 December 2009	7 January 2010 to 13 June 2014	5.9521	1,269,230	—	—	—	(1,269,230)	—	—	
	二零零九年十二月二十一日	二零一零年一月七日至二零一四年六月十三日									
	21 December 2009	15 January 2010 to 13 June 2014	5.9521	1,269,230	—	—	—	(1,269,230)	—	—	
	二零零九年十二月二十一日	二零一零年一月十五日至二零一四年六月十三日									
Total 總計				22,006,672	(19,183,146)	—	—	(2,577,889)	245,637		

Report of the Directors 董事會報告書

Notes:

1. The total issued share capital as at 31 December 2013 of 562,557,684 shares was used in calculating the percentage.
2. These share options represent personal interest held by the beneficial owner, Mr. Lam Haw Shun, Dennis, JP, an alternate director to Mr. Peter Alphonse Zaldivar, Mr. Peter Alphonse Zaldivar resigned as Director on 7 May 2013 and Mr. Lam Haw Shun, Dennis, JP ceased to be alternate director of Mr. Peter Alphonse Zaldivar on 7 May 2013.
3. Dr. Wong Ying Ho, Kennedy, BBS, JP, resigned as Director on 29 November 2010 and was appointed as consultant of the Company. His interests in share options to subscribe for 18,585 shares of the Company were reclassified under the category of consultant.
4. Other participants include the former directors, Mr. Tsiang Hoi Fong, as he remains as director of certain subsidiaries of the Group, his options still remained outstanding as at 31 December 2013.
5. During the financial year ended 31 December 2013, no options were granted or exercised under the Share Option Scheme.
6. Exercise price and number of the options were adjusted with effect from 8 March 2013 and 18 July 2013.

Save as disclosed in this report, as at 31 December 2013, none of the Directors of the Company had any interests or short positions in the 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 (i) to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange and as known to the Company.

附註：

1. 計算百分比時所用於二零一三年十二月三十一日之已發行股本總數為562,557,684股股份。
2. 該等購股權為Peter Alphonse Zaldivar先生之替任董事林孝信太平紳士以實益擁有人身份持有之個人權益。Peter Alphonse Zaldivar先生於二零一三年五月七日辭任董事，而林孝信太平紳士則於二零一三年五月七日不再擔任Peter Alphonse Zaldivar先生之替任董事。
3. 黃英豪博士BBS太平紳士於二零一零年十一月二十九日辭任董事並獲委任為公司之顧問。其於可認購18,585股公司股份之購股權之權益重新分類至顧問類別。
4. 其他參與人士包括前任董事蔣開方先生(因彼仍為集團若干附屬公司之董事)，於二零一三年十二月三十一日彼之購股權尚未行使。
5. 於截至二零一三年十二月三十一日止財政年度並無根據購股權計劃授出或行使購股權。
6. 購股權之行使價及數目已經調整，自二零一三年三月八日及二零一三年七月十八日起生效。

除本報告所披露者外，於二零一三年十二月三十一日，公司各董事於公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中，概無擁有須(i)根據證券及期貨條例第XV部第7及第8分部知會公司及聯交所之權益或淡倉(包括彼等根據證券及期貨條例該等條文被認為或視作擁有之權益或淡倉)；或(ii)根據證券及期貨條例第352條記錄於該條所指之登記冊內之權益或淡倉；或(iii)根據上市規則所載「上市發行人董事進行證券交易的標準守則」知會公司及聯交所以及就公司所知之權益或淡倉。

Report of the Directors 董事會報告書

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in this report, no contracts of significance, to which the Company or its subsidiaries was a party, and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2013.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Interests of the directors of the Company in competing businesses as at 31 December 2013 which are required to be disclosed pursuant to Rule 8.10 of the Listing Rules were as follows:

董事於合約之權益

除本報告所披露者外，公司或其附屬公司並無訂立董事直接或間接擁有重大權益並於年終時或於截至二零一三年十二月三十一日止年度任何時間仍然生效之任何重大合約。

董事於競爭業務之權益

於二零一三年十二月三十一日，根據上市規則第8.10條須予披露之公司董事於競爭業務之權益如下：

Name of directors	Name of entity the businesses in which are considered to compete or likely to compete with the businesses of the Group	Description of the businesses of the entity which are considered to compete or likely to compete with businesses of the Group	Nature of interest of the director in the entity
董事姓名	從事被視為與集團業務構成或可能構成競爭之業務之實體名稱	實體所從事被視為與集團業務構成或可能構成競爭之業務概述	董事於實體之權益性質
Mr. YUAN Xin (Executive Director)	Stellar Mega Films Co. Ltd ("Stellar")	Films investment, production, distribution (the likely "Competing Business")	As General manager of Stellar
袁鑫先生(執行董事)	星美影業有限公司 ("星美影業")	電影投資、製作及發行 (可能「競爭業務」)	作為星美影業之 總經理
Mr. CHEN Hai (Executive Director)	Stellar	Films investment, production, distribution (the likely "Competing Business")	As Vice General manager of Stellar
陳海先生(執行董事)	星美影業	電影投資、製作及發行 (可能「競爭業務」)	作為星美影業之 副總經理
Dr. LIN Junbo (Non-executive Director)	新湖影視傳播有限公司 ("新湖影視")	Television investment, production and distribution (the likely "Competing Business")	As a director of 新湖影視
林俊波博士(非執行董事)		電視投資、製作及發行 (可能「競爭業務」)	作為新湖影視之 董事
Mr. WU Chien-Chiang (Independent Non-Executive Director)	Era Communications Co Ltd. ("Era")	TV program production (The likely "Competing Business")	As General manager of Era
吳健強先生 (獨立非執行董事)	年代網際事業 股份有限公司("年代")	電視節目製作 (可能「競爭業務」)	作為年代之總經理

Report of the Directors 董事會報告書

The Company had been notified by the above Directors that they have interested in the Competing Business during the period under review. 新湖影視 is a subsidiary of Xinhua Zhongbao Co Ltd.

The Board is of the view that the Group is capable of carrying on its business independently of the Competing Business. When making decisions on the television investment, production and distribution of the Group, the above Directors, in the performance of their duties as Directors, have acted and will continue to act in the best interests of the Group.

Save as disclosed above, none of the Directors of the Company has any interest in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business.

SHARE OPTION SCHEME

Pursuant to the written resolutions of the shareholders passed on 13 June 2004, the Company has established a share option scheme (the "Scheme") whereby the Directors of the Company may, at their discretion, invite any full time or part time employees and Directors, consultants and advisers of the Group (subject to the eligibility requirements as set out therein) to take up options which entitle them to subscribe for shares representing up to a maximum in nominal value of 30% of the issued share capital of the Company from time to time. The total number of shares available for issue under the Scheme and other schemes must not in aggregate exceed 10% of the issued share capital of the Company as at the date of listing of the Company's shares on the Stock Exchange unless further shareholders' approval has been obtained. The Company had refreshed the scheme mandate limit of 10% at the annual general meeting held on 7 June 2013. The total number of shares issued and to be issued upon exercise of the options granted and to be granted (including both exercised and outstanding options) in any 12 months' period up to the date of grant to a substantial shareholder or an independent non-executive Director or their associates would not exceed 0.1% of the shares in issue or an aggregate value of HK\$5,000,000 unless further shareholders' approval has been obtained; and to each other eligible person would not exceed 1% of the shares in issue. The purpose of the Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full time and part time), Directors, consultants and advisers of the Group and to

上述董事已知會公司，於回顧期間，彼等於競爭業務中擁有權益。新湖影視為新湖中寶股份有限公司之控股子公司。

董事會認為，集團能夠在獨立於競爭業務之情況下進行其業務。當就集團之電視投資、製作及發行作出決策時，上述董事為履行其董事職責，已經並將會繼續以集團之最佳利益行事。

除上文所披露者外，公司董事概無於集團業務外而與集團業務構成或可能構成直接或間接競爭之任何業務中擁有任何權益。

購股權計劃

公司已根據股東於二零零四年六月十三日通過之書面決議案設立購股權計劃（「該計劃」），據此公司董事可酌情邀請任何全職或兼職僱員及董事、集團諮詢顧問及顧問（須符合該計劃所載之資格規定）接納購股權，以認購最多相當於公司不時已發行股本面值30%之股份。根據該計劃及其他計劃可發行之股份總數，合共不得超過於公司股份在聯交所上市之日公司已發行股本之10%，惟取得股東進一步批准除外。公司已於二零一三年六月七日舉行之股東週年大會上更新10%計劃授權限額。於截至授出日期止任何十二個月期間內，因已授出及將予授出之購股權（包括已行使及未行使購股權）獲行使而向主要股東或獨立非執行董事或彼等之聯繫人士發行及將予發行之股份，總數不得超過已發行股份之0.1%，或總值不得超過5,000,000港元，惟取得股東進一步批准除外；而向每名其他合資格人士發行及將予發行之股份不得超過已發行股份1%。該計劃旨在吸納及挽留優秀人才；並向集團之僱員（全職及兼職）、董事、諮詢顧問及顧問給予額外獎勵，藉以促進集團業務之發展。該計劃之有效期為十年，於二零一四年六月十三日屆滿（「計劃期間」）。購股權之行使價由董事會決定，惟不得

Report of the Directors 董事會報告書

promote the success of the business of the Group. The Scheme shall be valid and effective for a period of ten years ending on 13 June 2014 (the "Scheme Period"). The exercise price of options shall be determined by the Board and shall not be less than the highest of the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of grant of the options and the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of offer and the nominal value of a share of the Company. An option may be exercised at any time during a period being not less than six months and not more than ten years from the date of grant and expiring at the close of business on the last day of such period, or the date falling on the expiry of the Scheme Period, whichever is the earlier, subject to the provisions of early termination hereof.

During the financial year ended 31 December 2013, no option has been granted (2012: nil) to Directors to subscribe for shares of the Company. Details of the options granted to the Directors and employees are set out in the section headed "Directors' and chief executives' interests and short positions in shares, underlying shares and debentures".

As at the date of this report, a total of 245,637 shares (representing 0.044% of the existing issued share capital of the Company) may be issued upon exercise of all options which had been granted and yet to be exercised under the Scheme.

低於授出購股權當日公司股份於聯交所每日報價表所列之收市價及緊接要約日期前五個營業日公司股份於聯交所每日報價表所列之平均收市價及公司股份面值三者中最高者。在提早終止條文之規限下，購股權可於授出日期起不少於六個月但不多於十年至有關期間最後一天營業時間結束時或計劃期間完結當日(以較早者為準)止期間隨時行使。

於截至二零一三年十二月三十一日止財政年度，公司並無向董事授出購股權(二零一二年：無)，以供認購公司股份。授予董事及僱員之購股權詳情載於「董事及主要行政人員於股份、相關股份及債券中之權益及淡倉」一節。

於本報告日期，根據該計劃已授出及尚未行使之購股權獲全數行使時可予發行之股份總數為245,637股，相當於公司現有已發行股本約0.044%。

DISCLOSEABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER THE SFO

The interests and short positions of those persons (other than a Director or chief executive of the Company disclosed above) in the shares and underlying shares of the Company as at 31 December 2013, which have been notified to the Company and recorded in the register required to be kept under Section 336 of the SFO or as known to the Company were as follows:

根據證券及期貨條例須予披露之股東權益及淡倉

於二零一三年十二月三十一日，根據按證券及期貨條例第336條之規定已知會公司及須置存之登記冊的記錄或據公司所知，於公司股份及相關股份中擁有權益及淡倉之人士(上述所披露公司之董事或主要行政人員除外)如下：

Name of substantial shareholders	Capacity	Nature of interest	Total number of shares	Approximate percentage of total issued share capital	佔已發行股本總數概約百分比
主要股東名稱	身份	權益性質	股份總數		
SMI Investment (HK) Limited 星美投資(香港)有限公司	Beneficial owner 實益擁有人	Beneficial interest 實益權益	167,097,281	29.70%	Note 1 附註1
SMI Corporation Limited 星美國際集團有限公司	Interested in controlled corporation 受控制公司之權益	Corporate interest 公司權益	167,097,281	29.70%	Note 1 附註1
Mr. Qin Hui 覃輝先生	Interested in controlled corporation 受控制公司之權益	Corporate interest 公司權益	167,097,281	29.70%	Note 2 附註2
Loyal Concept Limited	Beneficial owner 實益擁有人	Beneficial interest 實益權益	91,026,342	16.18%	Note 3 附註3
Hanny Holdings Limited 錦興集團有限公司	Interested in controlled corporation 受控制公司之權益	Corporate interest 公司權益	91,026,342	16.18%	Note 3 附註3

Note 1: SMI Investment (HK) Limited is wholly-owned by SMI Corporation Limited, the shares of which are listed on the Hong Kong Stock Exchange. SMI Investment (HK) Limited is the beneficial owner of 167,097,281 Shares. SMI Corporation Limited is deemed to be interested in such 167,097,281 Shares through SMI Investment (HK) Limited under the SFO.

附註1：星美投資(香港)有限公司由星美國際集團有限公司(其股份於香港聯交所上市)全資擁有。星美投資(香港)有限公司為167,097,281股股份之實益擁有人。根據證券及期貨條例，星美國際集團有限公司被視為透過星美投資(香港)有限公司擁有該167,097,281股股份之權益。

Report of the Directors 董事會報告書

Note 2: According to Individual Substantial Shareholder Notice filed by Mr. Qin Hui on 25 September, 2013, Mr Qin is deemed to be interested in 167,097,281 shares.

Note 3: Loyal Concept Limited is indirectly wholly-owned by Hanny Holdings Limited, the shares of which are listed on the Hong Kong Stock Exchange. Loyal Concept Limited is the beneficial owner of 91,026,342 Shares. Hanny Holdings Limited is deemed to be interested in such 91,026,342 Shares through Loyal Concept Limited under the SFO.

附註2：根據覃輝先生於二零一三年九月二十五日提交之個人大股東具報書，覃先生被視為擁有167,097,281股股份之權益。

附註3：Loyal Concept Limited由錦興集團有限公司(其股份於香港聯交所上市)間接全資擁有。Loyal Concept Limited為91,026,342股股份之實益擁有人。根據證券及期貨條例，錦興集團有限公司被視為透過Loyal Concept Limited擁有該91,026,342股股份之權益。

RELATED PARTY TRANSACTIONS

The related party transactions set out in notes 32(a) (i) to (iii) to the financial statements (the "Transactions") which are in existence or entered into during the financial year ended 31 December 2013 fall under the definition of connected transactions or continuing connected transactions in accordance with Chapter 14A of the Listing Rules.

The transactions set out in notes 32(a) (i) and (ii) fall under Rules 14A.33(3) (c) and notes 32(a)(iii) falls under Rules 14A.65 (4) of the Listing Rules and are exempted from reporting, announcement and independent shareholders' approval requirements in the Listing Rules.

The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules (where applicable) with respect to the connected transactions and continuing connected transactions entered into by the Company for the financial year ended 31 December 2013.

關聯人士交易

財務報表附註32(a)(i)至(iii)所載之關聯人士交易(「該等交易」，乃於截至二零一三年十二月三十一日止財政年度存在或訂立)屬於上市規則第14A章所界定之關連交易或持續關連交易。

附註32(a)(i)及(ii)所載之交易屬上市規則第14A.33(3)(c)條所界定者，而附註32(a)(iii)所載之交易則屬第14A.65(4)條所界定者，並獲豁免遵守上市規則之申報、公告及獨立股東批准規定。

公司已按照上市規則第14A章(如適用)就其於截至二零一三年十二月三十一日止財政年度訂立之關連交易及持續關連交易遵守披露規定。

PRE-EMPTIVE RIGHTS

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

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate turnover attributable to the Group's five largest customers accounted for approximately 70.0% (2012: 63.5%) and the largest customer accounted for approximately 37.0% (2012: 24.0%) of the Group's total turnover for the financial year ended 31 December 2013.

The aggregate purchase attributable to the Group's five largest suppliers accounted for approximately 79.7% (2012: 55.2%) and the largest supplier accounted for approximately 41.5% (2012: 20.6%) of the Group's total purchases for the financial year ended 31 December 2013.

At no time during the year have the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

優先購買權

公司組織章程細則或開曼群島法律並無任何優先購買權條文，規定公司須按比例向現有股東提呈發售新股份。

主要客戶及供應商

於截至二零一三年十二月三十一日止財政年度，集團五名最大客戶之營業額合共佔集團總營業額約70.0%（二零一二年：63.5%），而最大客戶則佔集團總營業額約37.0%（二零一二年：24.0%）。

於截至二零一三年十二月三十一日止財政年度，集團五名最大供應商之採購額合共佔集團總採購額約79.7%（二零一二年：55.2%），而最大供應商則佔集團總採購額約41.5%（二零一二年：20.6%）。

年內，公司董事、彼等之聯繫人士或任何股東（據董事所知擁有公司股本5%以上者）概無擁有上述主要客戶及供應商之任何權益。

公眾持股量

根據公司獲得之公開資料及據董事所知悉，於本年報刊發日期，公司已維持上市規則所指定之公眾持股量。

Report of the Directors 董事會報告書

AUDITORS

The financial statements for the financial year ended 31 December 2013 were audited by KPMG. KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming AGM.

On behalf of the Board of Directors
SMI Culture Group Holdings Limited

YUAN Xin
Director

Hong Kong, 28 March 2014

核數師

截至二零一三年十二月三十一日止財政年度之財務報表已由畢馬威會計師事務所審核。畢馬威會計師事務所將退任並符合資格且願意膺選連任。於應屆股東週年大會上將提呈續聘畢馬威會計師事務所為公司核數師之決議案。

代表董事會
星美文化集團控股有限公司

董事
袁鑫

香港，二零一四年三月二十八日

Independent Auditor's Report 獨立核數師報告



**Independent auditor's report to the shareholders of
SMI Culture Group Holdings Limited
(formerly known as Qin Jia Yuan Media Services
Company Limited)**

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of SMI Culture Group Holdings Limited (the "Company") set out on pages 57 to 187, which comprise the consolidated and company balance sheets as at 31 December 2013, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

**致星美文化集團控股有限公司
(前稱勤+緣媒體服務有限公司)
(於開曼群島註冊成立之有限公司)
各股東
之獨立核數師報告**

本核數師(以下簡稱「我們」)已審計列載於第57至187頁星美文化集團控股有限公司(以下簡稱「貴公司」)的綜合財務報表，此綜合財務報表包括於二零一三年十二月三十一日的綜合及公司資產負債表，截至當日止年度的綜合損益表、綜合全面損益表、綜合權益變動表和綜合現金流量表以及主要會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司的董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見。本報告僅向整體股東報告，除此以外，我們的報告不可作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

Independent Auditor's Report 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2013 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

28 March 2014

審計涉及執行情序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據《香港財務報告準則》真實而公平地反映 貴公司及 貴集團於二零一三年十二月三十一日的事務狀況及 貴集團截至當日止年度的虧損及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈8樓

二零一四年三月二十八日

Consolidated Income Statement 綜合損益表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Note 附註	Year ended 31 December 2013 截至 二零一三年 十二月三十一 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一 止十五個月 \$'000 千元
Turnover	營業額	2	191,402	478,842
Direct costs	直接成本		(227,253)	(367,202)
			(35,851)	111,640
Other revenue	其他收入	3(a)	127	29,819
Other net expense	其他支出淨額	3(b)	(9,392)	(42,630)
Impairment loss:	減值虧損：			
— accounts receivable, prepayments, deposits and other receivables	— 應收賬款、預付 款項、按金及其他 應收款項	4(c)	—	(173,089)
— intangible assets	— 無形資產	12	(371,333)	(291,079)
— other financial assets	— 其他財務資產	15	(15,954)	—
Provision for inventories	存貨撥備	16(a)	(88,031)	—
Administrative and other operating expenses	行政及其他經營開支		(75,201)	(93,459)
Loss from operations	經營虧損		(595,635)	(458,798)
Change in fair value of derivative financial instruments	衍生金融工具之公平值 變動	25	—	40,937
Share of (loss)/profit from an associate	應佔一家聯營公司 (虧損)/溢利		(3,858)	1,167
Finance costs	財務成本	4(a)	(73,677)	(159,703)
Loss before taxation	除稅前虧損	4	(673,170)	(576,397)
Income tax	所得稅	5(a)	(1,171)	(49,831)
Loss for the year/period	本年度／期間虧損		(674,341)	(626,228)

Consolidated Income Statement 綜合損益表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

			Year ended 31 December 2013 截至 二零一三年 十二月三十一 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一 止十五個月 \$'000 千元
Attributable to:	下列各項應佔：			
Equity shareholders of the Company	公司股權持有人		(675,376)	(628,058)
Non-controlling interests	非控制性權益		1,035	1,830
Loss for the year/period	本年度／期間虧損		(674,341)	(626,228)
Loss per share	每股虧損			
Basic	基本	8(a)	\$(1.99)	\$(8.10)
Diluted	攤薄	8(b)	\$(1.99)	\$(8.10)

The notes on pages 68 to 187 form part of these financial statements.

於第68頁至第187頁之附註為此等財務報表之一部分。

Consolidated Statement of Comprehensive Income 綜合全面損益表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Year ended 31 December 2013 截至 二零一三年 十二月三十一 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一 止十五個月 \$'000 千元
Loss for the year/period	本年度／期間虧損	(674,341)	(626,228)
Other comprehensive income for the year/period (after tax and reclassification adjustments)	本年度／期間其他全面損益 (除稅及經重新分類調整後)		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>可能日後重新分類至損益表之項目：</i>		
Transfer of general reserve to profit or loss upon disposal of subsidiaries	出售附屬公司時轉撥一般儲備至損益表	(666)	—
Transfer of capital reserve to profit or loss upon disposal of subsidiaries	出售附屬公司時轉撥資本儲備至損益表	8,519	—
Realisation of exchange differences upon disposal of subsidiaries	出售附屬公司時匯兌差額變現	22,410	—
Exchange differences on translation of financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	(588)	(750)
Total comprehensive income for the year/period	本年度／期間全面損益總額	(644,666)	(626,978)
Attributable to:	下列各項應佔：		
Equity shareholders of the Company	公司股權持有人	(645,701)	(628,808)
Non-controlling interests	非控制性權益	1,035	1,830
Total comprehensive income for the year/period	本年度／期間全面損益總額	(644,666)	(626,978)

The notes on pages 68 to 187 form part of these financial statements.

於第68頁至第187頁之附註為此等財務報表之一部分。

Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2013 於二零一三年十二月三十一日
(Expressed in Hong Kong dollars) (以港元列示)

		Note 附註	2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
Non-current assets	非流動資產			
Fixed assets	固定資產	10	902	85,270
Intangible assets	無形資產	12	455,124	871,998
Goodwill	商譽	13	21,076	21,076
Interest in an associate	於一家聯營公司之權益	14	—	3,858
Other financial assets	其他財務資產	15	15,954	31,908
Other assets	其他資產		—	380
			493,056	1,014,490
Current assets	流動資產			
Inventories	存貨	16	460,995	548,724
Accounts receivable	應收賬款	17(a)	27,244	150,161
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	17(b)	112,830	146,256
Amount due from an associate	應收一家聯營公司款項	14	5,245	—
Pledged deposits	已抵押存款	19	—	112,113
Cash and cash equivalents	現金及現金等價物	20	4,994	55,077
			611,308	1,012,331
Assets classified as held for sale	分類為持作出售資產	21	31,766	—
			643,074	1,012,331
Current liabilities	流動負債			
Bank loans and overdrafts	銀行貸款及透支	22	—	(405,472)
Loans from shareholders	來自股東之貸款	23(a)	—	(12,697)
Other loans	其他貸款	23(b)	(42,232)	(62,998)
Accruals and other payables	應計費用及其他應付款項	24	(179,564)	(335,493)
Current taxation	即期稅項		(56,188)	(67,516)
Convertible notes	可換股票據	25	—	(124,501)
			(277,984)	(1,008,677)
Net current assets	流動資產淨值		365,090	3,654

Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2013 於二零一三年十二月三十一日
(Expressed in Hong Kong dollars) (以港元列示)

			2013 二零一三年	2012 二零一二年
		Note 附註	\$'000 千元	\$'000 千元
Total assets less current liabilities	總資產減流動負債		858,146	1,018,144
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	22	—	(23,668)
Deferred tax liabilities	遞延稅項負債	5(c)	(6,468)	(6,868)
			(6,468)	(30,536)
NET ASSETS	資產淨值		851,678	987,608
CAPITAL AND RESERVES	資本及儲備	27		
Share capital	股本		438,795	365,662
Reserves	儲備		410,485	618,504
Total equity attributable to equity shareholders of the Company	公司股權持有人應佔權益總額		849,280	984,166
Non-controlling interests	非控制性權益		2,398	3,442
TOTAL EQUITY	權益總額		851,678	987,608

Approved and authorised for issue by the board of directors on 28 March 2014.

於二零一四年三月二十八日經董事會批准及授權刊發。

Director
董事

Director
董事

The notes on pages 68 to 187 form part of these financial statements.

於第68頁至第187頁之附註為此等財務報表之一部分。

Balance Sheet 資產負債表

As at 31 December 2013 於二零一三年十二月三十一日
(Expressed in Hong Kong dollars) (以港元列示)

		Note 附註	2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
Non-current assets	非流動資產			
Investment in subsidiaries	於附屬公司之投資	11	390	60,943
			390	60,943
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項	18	125,733	923,005
Amounts due from associates	應收聯營公司款項		1,301	—
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	17(b)	18,263	19,238
Pledged deposits	已抵押存款	19	—	21,800
Cash and cash equivalents	現金及現金等價物	20	1,754	74
			147,051	964,117
Current liabilities	流動負債			
Amounts due to subsidiaries	應付附屬公司款項	18	(118,525)	(114,252)
Other loans	其他貸款	23(b)	—	(51,800)
Accruals and other payables	應計費用及其他應付款項	24	(13,796)	(14,997)
Convertible notes	可換股票據	25	—	(124,501)
			(132,321)	(305,550)
Net current assets	流動資產淨值		14,730	658,567
NET ASSETS	資產淨值		15,120	719,510

Balance Sheet 資產負債表

As at 31 December 2013 於二零一三年十二月三十一日
(Expressed in Hong Kong dollars) (以港元列示)

		Note	2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
		附註		
CAPITAL AND RESERVES	資本及儲備	27		
Share capital	股本		438,795	365,662
Reserves	儲備		(423,675)	353,848
TOTAL EQUITY	權益總額		15,120	719,510

Approved and authorised for issue by the board of directors on 28 March 2014.

於二零一四年三月二十八日經董事會批准及授權刊發。

Director
董事

Director
董事

The notes on pages 68 to 187 form part of these financial statements.

於第68頁至第187頁之附註為此等財務報表之一部分。

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Attributable to equity shareholders of the Company 公司股權持有人應佔											
		Share capital	Share premium	General reserve	Capital redemption reserve	Capital reserve	Exchange reserve	Equity component of convertible notes	Warrant reserve	Retained earnings/ (Accumulated losses)	Total	Non- controlling interests	Total
		股本	股份溢價	一般儲備	資本贖回 儲備	資本儲備	匯兌儲備	可換股票據 之權益部分	認股權證 儲備	保留盈利/ (累計虧損)	總計	非控制性 權益	總計
Note	附註	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Balance at 1 October 2011	於二零一一年十月一日 之結餘	72,879	991,135	666	95	12,529	(20,106)	54,371	5,392	223,446	1,340,407	2,203	1,342,610
Changes in equity for 2012:	二零一二年之股權變動:												
Loss for the period	本期間虧損	—	—	—	—	—	—	—	—	(628,058)	(628,058)	1,830	(626,228)
Other comprehensive income	其他全面損益	—	—	—	—	—	(750)	—	—	—	(750)	—	(750)
Total comprehensive income for the period	本期間全面損益總額	—	—	—	—	—	(750)	—	—	(628,058)	(628,808)	1,830	(626,978)
Dividends declared in respect of the previous year	就上年度宣派之股息	27(b)(ii), 27(c)(ii)	527	1,440	—	—	—	—	—	(1,404)	563	—	563
Dividends declared in respect of the current period	就本期間宣派之股息	27(b)(i), 27(c)(ii)	329	24	—	—	—	—	—	(1,170)	(817)	—	(817)
Disposal of subsidiaries	出售附屬公司	29	—	—	—	—	—	—	—	—	—	(591)	(591)
Issue of new shares upon rights issue	供股時發行新股	27(c)(iii)	291,927	(11,256)	—	—	—	—	—	—	280,671	—	280,671
Equity settled share-based transactions	股權支付交易	26	—	—	—	(7,850)	—	—	—	—	(7,850)	—	(7,850)
Balance at 31 December 2012 and 1 January 2013	於二零一二年 十二月三十一日及 二零一三年一月一日 之結餘	365,662	981,343	666	95	4,679	(20,856)	54,371	5,392	(407,186)	984,166	3,442	987,608
Changes in equity for 2013:	二零一三年之 股權變動:												
Loss for the year	本年度虧損	—	—	—	—	—	—	—	—	(675,376)	(675,376)	1,035	(674,341)
Other comprehensive income	其他全面損益	—	—	(666)	—	8,519	21,822	—	—	—	29,675	—	29,675
Total comprehensive income for the year	本年度全面損益總額	—	—	(666)	—	8,519	21,822	—	—	(675,376)	(645,701)	1,035	(644,666)
Issue of new shares upon rights issues	供股時發行新股	27(c)(iii)	402,229	111,586	—	—	—	—	—	—	513,815	—	513,815
Capital reorganisation	股本重組	27(c)(iv)	(329,096)	—	—	—	—	—	—	329,096	—	—	—
Disposal of subsidiaries	出售附屬公司	29	—	—	—	—	—	—	—	—	—	(2,079)	(2,079)
Early redemption of convertible notes	提早贖回可換股票據	25(g), 25(i)	—	—	—	—	—	(54,371)	—	51,371	(3,000)	—	(3,000)
Balance at 31 December 2013	於二零一三年十二月 三十一日之結餘	438,795	1,092,929	—	95	13,198	966	—	5,392	(702,095)	849,280	2,398	851,678

The notes on pages 68 to 187 form part of these financial statements.

於第68頁至第187頁之附註為此等財務報表之一部分。

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

	Note 附註	Year ended 31 December 2013 截至二零一三年十二月 三十一日止年度		Fifteen months ended 31 December 2012 截至二零一二年十二月 三十一日止十五個月	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Operating activities	經營活動				
Loss before taxation	除稅前虧損		(673,170)		(576,397)
Adjustments for:	就下列各項作出調整：				
Amortisation and depreciation	攤銷及折舊	4(c)	57,838		70,797
Change in fair value of derivative financial instruments	衍生金融工具之 公平值變動		—		(40,937)
Interest income	利息收入	3(a)	(127)		(960)
Share of loss/(profit) from an associate	應佔一家聯營公司 虧損/(溢利)		3,858		(1,167)
Finance costs	財務成本	4(a)	73,677		159,703
Impairment loss for accounts receivable, prepayments, deposits and other receivables	應收賬款、預付款項、 按金及其他應收款 項之減值虧損	4(c)	—		173,089
Impairment loss for intangible assets	無形資產之減值虧損	12	371,333		291,079
Impairment loss for other financial assets	其他財務資產之減值 虧損	15	15,954		—
Provision for inventories	存貨撥備	4(c)	88,031		—
Loss/(gain) on disposal of fixed assets	出售固定資產虧損/ (收益)	3(b)	184		(1,353)
Loss on disposal of subsidiaries	出售附屬公司虧損	3(b)	9,123		45,021
Equity settled share-based payment expenses	股權支付開支		—		(7,850)
Exchange differences	匯兌差額		(602)		(824)
Operating (loss)/profit before changes in working capital	營運資金變動前之 經營(虧損)/溢利		(53,901)		110,201
Increase in inventories	存貨增加		(302)		(170,821)
Decrease in accounts receivable	應收賬款減少		13,256		255,681
Increase in prepayments, deposits and other receivables	預付款項、按金及其他 應收款項增加		(55,091)		(62,786)
Increase in amount due from an associate	應收一家聯營公司款項 增加		(5,245)		—
Increase/(decrease) in accruals and other payables	應計費用及其他應付款項 增加/(減少)		70,916		(166,154)
			23,534		(144,080)

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

	Note 附註	Year ended 31 December 2013 截至二零一三年十二月 三十一日止年度		Fifteen months ended 31 December 2012 截至二零一二年十二月 三十一日止十五個月	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cash used in operations			(30,367)		(33,879)
Tax paid:					
— Overseas tax paid			(3,326)		(2,658)
Net cash used in operating activities			(33,693)		(36,537)
Investing activities					
Addition in interest in an associate			—		(4,797)
Proceeds from disposal of fixed assets			13,808		18,970
Disposal of subsidiaries	29(iv)		7,633		40,053
Payment for purchase of fixed assets			(105)		(3,532)
Payment for purchase of intangible assets			—		(347,972)
Interest received			127		960
Net cash generated from/(used in) investing activities			21,463		(296,318)
Financing activities					
Decrease/(increase) in pledged deposits			112,113		(22,832)
Proceeds from new bank loans			4,000		277,360
Repayment of bank loans			(413,893)		(263,832)
Proceeds from other loans			—		62,998
Repayment of other loans			(20,766)		—
Proceeds from loans from shareholders			—		12,697
Repayment of loans from shareholders			(12,697)		(28,000)
Interests paid			(33,458)		(65,322)
Net proceeds from rights issues	27(c)(iii)		513,815		280,671
Redemption of convertible notes	25(g),25(i)		(167,720)		(90,670)
Dividends paid			—		(1,674)

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

	Note 附註	Year ended 31 December 2013 截至二零一三年十二月 三十一日止年度		Fifteen months ended 31 December 2012 截至二零一二年十二月 三十一日止十五個月	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Net cash (used in)/generated from financing activities 融資活動(所用)/所得現金淨額			(18,606)		161,396
Net decrease in cash and cash equivalents 現金及現金等價物之減少淨額			(30,836)		(171,459)
Cash and cash equivalents at the beginning of the year/period 年/期初之現金及現金等價物			35,830		207,289
Cash and cash equivalents at the end of the year/period 年/期末之現金及現金等價物	20		4,994		35,830

The notes on pages 68 to 187 form part of these financial statements.

於第68頁至第187頁之附註為此等財務報表之一部分。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). A summary of the significant accounting policies adopted by the Company and its subsidiaries (together referred to as the “Group”) is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

On 30 April 2012, the Company announced its financial year end date had been changed from 30 September to 31 December, and the most recent published annual financial statements of the Group covered the period from 1 October 2011 to 31 December 2012. Accordingly, the comparative figures presented for the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement and the related notes, are not entirely comparable with those of the current year.

1 主要會計政策

(a) 合規聲明

此等財務報表是按照香港會計師公會頒佈之所有適用《香港財務報告準則》(該詞彙統稱包括所有個別適用之《香港財務報告準則》、《香港會計準則》及詮釋)、香港公認會計原則及香港《公司條例》之披露規定而編製。此等財務報表同時符合香港聯合交易所有限公司(「聯交所」)《證券上市規則》(「上市規則」)中適用之披露規定。以下是公司及其附屬公司(統稱「集團」)採用之主要會計政策概要。

香港會計師公會已頒佈若干新訂及經修訂《香港財務報告準則》，該等準則於集團目前會計期間首次生效或可供提早採納。首次採納與此等財務報表所反映集團目前及過往會計期間有關之發展所產生之會計政策變動詳情載於附註1(c)。

(b) 財務報表之編製基準

於二零一二年四月三十日，公司宣佈其財政年度結算日已由九月三十日更改為十二月三十一日，而集團最近刊發之年度財務報表涵蓋由二零一一年十月一日至二零一二年十二月三十一日期間。因此，於綜合損益表、綜合全面損益表、綜合權益變動表、綜合現金流量表以及相關附註呈列之比較數字並非全部可與本年度之數字作比較。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Basis of preparation of the financial statements (continued)

The consolidated financial statements for the year ended 31 December 2013 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that available-for-sale equity securities and derivative financial instruments are stated at their fair value as explained in the accounting policies set out below.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 35.

1 主要會計政策(續)

(b) 財務報表之編製基準(續)

截至二零一三年十二月三十一日止年度之綜合財務報表包括公司及其附屬公司。

編製此等財務報表是以歷史成本法作為計量基準，惟可供出售股本證券及衍生金融工具(如下文所載之會計政策所解釋)按公平值列賬。

編製符合《香港財務報告準則》之財務報表需要管理層作出判斷、估計及假設，該等判斷、估計及假設影響會計政策之應用以及資產、負債、收入及支出之報告金額。估計及相關假設乃基於以往經驗及在有關情況下被相信為合理之多項其他因素，該等估計及相關假設之結果構成對無法明顯從其他來源得出的資產與負債賬面值之判斷基礎。實際結果有可能與估計有差異。

估計及相關假設乃持續進行檢討。倘會計估計之修訂只影響修訂之期間，其修訂在該期間內確認，或如修訂同時影響當前及日後期間，則在作出修訂及日後期間內確認。

管理層在應用對財務報表有重大影響之《香港財務報告準則》時作出之判斷以及估計不確定性之主要來源於附註35討論。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- Amendments to HKAS 1, *Presentation of financial statements — Presentation of items of other comprehensive income*
- HKFRS 10, *Consolidated financial statements*
- HKFRS 11, *Joint arrangements*
- HKFRS 12, *Disclosure of interests in other entities*
- HKFRS 13, *Fair value measurement*
- *Annual Improvements to HKFRSs 2009-2011 Cycle*
- Amendments to HKFRS 7, *Financial instruments: Disclosures — Disclosures — Offsetting financial assets and financial liabilities*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

1 主要會計政策(續)

(c) 會計政策變動

香港會計師公會已頒佈多項於集團本會計期間首次生效之新訂《香港財務報告準則》及《香港財務報告準則》之修訂本。與集團財務報表有關之該等準則之發展如下：

- 《香港會計準則》第1號之修訂本「呈列財務報表 — 呈列其他全面損益項目」
- 《香港財務報告準則》第10號「綜合財務報表」
- 《香港財務報告準則》第11號「合營安排」
- 《香港財務報告準則》第12號「其他實體權益披露」
- 《香港財務報告準則》第13號「公平值計量」
- 《香港財務報告準則》二零零九年至二零一一年週期之年度改進
- 《香港財務報告準則》第7號之修訂本「金融工具：披露 — 披露 — 抵銷財務資產及財務負債」

集團並未應用任何於本會計期間尚未生效之新訂準則或詮釋。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Changes in accounting policies (continued) Amendments to HKAS 1, Presentation of financial statements — Presentation of items of other comprehensive income

The amendments to HKAS 1 require entities to present the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met separately from those that would never be reclassified to profit or loss. The Group's presentation of other comprehensive income in the consolidated statement of comprehensive income in these financial statements has been modified accordingly.

HKFRS 10, Consolidated financial statements

HKFRS 10 replaces the requirements in HKAS 27, *Consolidated and separate financial statements* relating to the preparation of consolidated financial statements and HK-SIC 12 *Consolidation — Special purpose entities*. It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

As a result of the adoption of HKFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1 January 2013.

1 主要會計政策(續)

(c) 會計政策變動(續) 《香港會計準則》第1號之修訂本「呈列財務報表 — 呈列其他全面損益項目」

《香港會計準則》第1號之修訂本規定實體將日後於符合若干條件時會重新分類至損益之其他全面損益項目與永不會重新分類至損益之其他全面損益項目分開呈列。集團於該等財務報表之綜合全面損益表呈列其他全面損益之方式已相應修改。

《香港財務報告準則》第10號「綜合財務報表」

《香港財務報告準則》第10號取代《香港會計準則》第27號「綜合及獨立財務報表」有關編製綜合財務報表以及《香港 — 常務詮釋委員會》第12號「綜合 — 特殊目的實體」之規定。《香港財務報告準則》第10號引進單一控制權模型，以釐定應否綜合計算接受投資公司，而考慮之重點為實體是否有權控制該接受投資公司、實體參與該接受投資公司事務所得可變回報之承擔或權利及實體是否有能力運用其權力影響該等回報之金額。

於採納《香港財務報告準則》第10號後，集團已更改其釐定是否有權控制接受投資公司之會計政策。採納《香港財務報告準則》第10號不會改變集團於二零一三年一月一日就於其他實體之參與程度所涉及控制權而達致之任何結論。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Changes in accounting policies (continued) HKFRS 12, Disclosure of interests in other entities

HKFRS 12 brings together into a single standard all the disclosure requirements relevant to an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The disclosures required by HKFRS 12 are generally more extensive than those previously required by the respective standards. To the extent that the requirements are applicable to the Group, the Group has provided these disclosures in notes 11 and 14.

HKFRS 13, Fair value measurement

HKFRS 13 replaces existing guidance in individual HKFRSs with a single source of fair value measurement guidance. HKFRS 13 also contains extensive disclosure requirements about fair value measurements for both financial instruments and non-financial instruments. The adoption of HKFRS 13 does not have any material impact on the fair value measurements of the Group's assets and liabilities.

Other developments have had no material impact on the Group's financial statements.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

1 主要會計政策(續)

(c) 會計政策變動(續)

《香港財務報告準則》第12號「其他實體權益披露」

《香港財務報告準則》第12號將關於實體於附屬公司、合營安排、聯營公司及未綜合計算結構實體之權益之所有披露規定歸納成一項單一準則。

《香港財務報告準則》第12號規定之披露事項整體上較過往各準則所規定者更為廣泛。就適用於集團之規定而言，集團已於附註11及14作出有關披露。

《香港財務報告準則》第13號「公平值計量」

《香港財務報告準則》第13號以單一公平值計量指引來源取代個別《香港財務報告準則》之現有指引。《香港財務報告準則》第13號亦載有金融工具及非金融工具公平值計量之廣泛披露規定。採納《香港財務報告準則》第13號對集團資產及負債之公平值計量並無重大影響。

其他發展對集團之財務報表並無重大影響。

(d) 附屬公司及非控制性權益

附屬公司指受集團控制之實體。當集團從參與某實體之事務獲得或有權享有可變回報，及有能力藉對實體行使其權力而影響該等回報，則集團控制該實體。評估集團是否有權力時，只會考慮實質權利(由集團及其他人士持有者)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Subsidiaries and non-controlling interests (continued)

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated balance sheet in accordance with notes 1(o), (p) or (q) depending on the nature of the liability.

1 主要會計政策(續)

(d) 附屬公司及非控制性權益 (續)

於附屬公司之投資均由控制權開始之日直至控制權終止之日期間在綜合財務報表中綜合計算。集團內部往來之結餘、交易和現金流量及其產生之任何未變現溢利，均在編製綜合財務報表時全數抵銷。集團內部交易所產生之未變現虧損，會按與未變現收益相同之方法抵銷，但抵銷額只限於沒有證據顯示已出現減值之部分。

非控制性權益指並非由公司直接或間接應佔之附屬公司權益，集團未有就此與該等權益持有人協定任何額外條款，致使集團整體須就該等符合財務負債定義之權益承擔合約責任。就各業務合併而言，集團可選擇按公平值或非控制性權益應佔附屬公司可識別資產淨值之比例計量任何非控制性權益。

非控制性權益在綜合資產負債表列於權益項內，但與公司股權持有人應佔權益分開呈列。集團業績中之非控制性權益於綜合損益表及綜合全面損益表中按非控制性權益及公司股權持有人之間之年度溢利或虧損總額以及全面損益總額分配呈列。來自非控制性權益持有人之貸款及此等持有人承擔之其他合約責任根據附註1(o)、(p)或(q)於綜合資產負債表以財務負債呈列，視乎負債之性質而定。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Subsidiaries and non-controlling interests (continued)

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(g)) or, when appropriate, the cost on initial recognition of an investment in an associate (see note 1(e)).

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 1(l)(i)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 1(aa)).

(e) Associates

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

1 主要會計政策(續)

(d) 附屬公司及非控制性權益 (續)

並無導致失去控制權之集團於附屬公司權益之變動以權益交易入賬，據此會對綜合權益內之控制性及非控制性權益金額作出調整，以反映相應權益變動，惟不會對商譽作出調整，亦不會確認收益或虧損。

倘集團失去附屬公司控制權，則會以出售該附屬公司之全部權益入賬，所產生之收益或虧損於損益確認。於失去控制權當日於該前附屬公司保留之任何權益按公平值確認，而此金額被視為最初確認財務資產之公平值(參閱附註1(g))，或(如適用)最初確認於聯營公司之投資之成本(參閱附註1(e))。

於公司之資產負債表上所列於附屬公司之投資是按成本減去任何減值虧損列值(參閱附註1(l)(i))，除非有關投資獲分類為持作出售(或計入分類為持作出售之出售組合)(參閱附註1(aa))。

(e) 聯營公司

聯營公司指集團或公司對其管理發揮重大影響力，包括參與決定財務及營運政策，但並非控制或共同控制之實體。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Associates (continued)

An investment in an associate is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 1(aa)). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 1(l)(i)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post tax items of the investees' other comprehensive income is recognised in the consolidated statement of comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

1 主要會計政策(續)

(e) 聯營公司(續)

於聯營公司之投資以權益法於綜合財務報表入賬，除非獲分類為持作出售(或計入分類為持作出售之出售組合)(參閱附註1(aa))。根據權益法，有關投資最初按成本列值，並就本集團應佔接受投資公司可識別資產淨值於收購日期之公平值超出投資成本之差額(如有)作出調整。其後，有關投資就集團應佔接受投資公司資產淨值之收購後變動以及任何有關投資之減值虧損(參閱附註1(l)(i))調整。於收購日期超出成本之任何差額、集團年內應佔接受投資公司收購後及除稅後業績以及任何減值虧損均於綜合損益表內確認，而集團應佔接受投資公司收購後及除稅後其他全面損益項目則於綜合全面損益表確認。

當集團應佔虧損超出其於聯營公司之權益，則集團之權益將減至零，並終止確認進一步虧損，除非集團已產生法律或推定責任或代表接受投資公司付款。就此而言，集團之權益指權益法下投資之賬面金額連同集團之長期權益，實質上構成集團於聯營公司之淨投資。

集團與其聯營公司交易所產生之未變現溢利及虧損以集團於接受投資公司之權益為限抵銷，除非未變現虧損提供轉讓資產已減值之證據，在這情況下，未變現虧損立即在損益確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Associates (continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a jointly controlled entity, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(g)).

In the Company's balance sheet, investments in associates are stated at cost less impairment losses (see note 1(l)(i)), unless classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 1(aa)).

1 主要會計政策(續)

(e) 聯營公司(續)

倘於聯營公司之投資變為於合營公司之投資(相反亦然)，則不會重新計量保留權益。反之，該投資將繼續以權益法入賬。

在所有其他情況下，倘集團不再對聯營公司擁有重大影響力或不再對共同控制實體擁有共同控制權，則以出售該接受投資公司之全部權益入賬，所產生之收益或虧損於損益確認。於失去重大影響力或共同控制權當日於該前接受投資公司保留之任何權益按公平值確認，而此金額被視為最初確認財務資產之公平值(參閱附註1(g))，或(如適用)最初確認於聯營公司之投資之成本。

於公司之資產負債表上所列於聯營公司之投資是按成本減去減值虧損(參閱附註1(l)(i))列值，除非有關投資獲分類為持作出售(或計入分類為持作出售之出售組合)(參閱附註1(aa))。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(f) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 1(l)(ii)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(g) Available-for-sale equity securities

Investments in available-for-sale equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs.

1 主要會計政策(續)

(f) 商譽

商譽指

- (i) 已轉讓代價之公平值、於被收購公司之任何非控制性權益款額及集團以往於被收購公司所持股權之公平值總和超出
- (ii) 於收購日期計量之被收購公司可識別資產及負債淨公平值之數額。

倘(ii)大於(i)，則此超出之數即時於損益以優惠收購之收益確認。

商譽按成本減累計減值虧損列值。業務合併產生之商譽會分配至各個現金產生單位或各個現金產生單位組別。現金產生單位預期可從合併產生之協同作用獲益，並會每年進行減值測試(參閱附註1(l)(ii))。

年內出售現金產生單位時，任何應佔之已收購商譽款額會於計算出售溢利或虧損時計算在內。

(g) 可供出售股本證券

於可供出售股本證券之投資最初按公平值列值，該公平值即交易價，除非最初確認之公平值與交易價有所不同，且公平值為相同資產或負債之活動市場報價，或根據僅採用來自可觀察市場數據之估值方法計量。成本包括應佔交易成本。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(g) Available-for-sale equity securities

(continued)

Investments in available-for-sale equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the balance sheet at cost less impairment losses (see note 1(l)(i)).

(h) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At each balance sheet date the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately to profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

(i) Fixed assets

- (i) Fixed assets are stated at cost less accumulated depreciation and impairment losses (note 1(l)(ii)).
- (ii) Gains or losses arising from the retirement or disposal of an item of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.
- (iii) Depreciation is calculated to write off the cost of items of fixed assets, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:
 - land and buildings are depreciated over the shorter of the unexpired terms of the leases and their estimated useful lives, being 50 years from the date of completion;

1 主要會計政策(續)

(g) 可供出售股本證券(續)

於並無活躍市場報價，且公平值無法可靠地計量之可供出售股本證券之投資在資產負債表內按成本減去減值虧損(參閱附註1(l)(i))確認。

(h) 衍生金融工具

衍生金融工具最初按公平值確認。有關公平值於各報告期末重新計量。重新計量至公平值所產生之損益即時在損益內確認，除非該衍生工具符合現金流量對沖會計規定。在這情況下，所產生之任何損益之確認方法將視乎被對沖項目之性質而定。

(i) 固定資產

- (i) 固定資產按成本減累計折舊及減值虧損(附註1(l)(ii))列值。
- (ii) 報廢或出售固定資產項目所帶來之損益乃按該項目之出售所得款項淨額與賬面金額之間之差額釐定，並於報廢或出售當日在損益內確認。
- (iii) 固定資產項目之折舊乃按直線法於以下之估計可使用年期撇銷成本減其估計剩餘價值(如有)計算：
 - 土地及樓宇按尚餘租賃年期及估計可使用年期(即完成日期起計50年)中之較短者計提折舊；

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Fixed assets (continued)

(iii) (continued)

- props and costumes are depreciated over their estimated useful lives of 3 years, except for cost of props and costumes which are specifically purchased for the production of a particular television (“TV”) program is included in the cost of services rendered in connection with the production of that particular television program;
- other fixed assets are depreciated over their estimated useful lives as follows:
 - Leasehold improvements 2–6 years
 - Furniture and fixtures and other fixed assets, including motor vehicles 3–5 years
 - Production equipment 5 years

Where parts of an item of fixed assets have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

1 主要會計政策(續)

(i) 固定資產(續)

(iii) (續)

- 道具及戲服按估計可使用年期三年計提折舊，但為製作特定電視節目而特別購買之道具及戲服之成本，則歸入就提供有關製作該特定電視節目之服務成本；
- 其他固定資產按下列估計可使用年期計提折舊：
 - 租賃裝修 2至6年
 - 傢俬、裝置及其他固定資產，包括汽車 3至5年
 - 製作設備 5年

如固定資產項目不同部分之可使用年期有差異，則該項目之成本按合理基準在各部分之間分配，每一部分獨立計提折舊。資產之可使用年期及其剩餘價值(如有)會每年進行審閱。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(j) Intangible assets (other than goodwill)

(i) Licence rights

Licence rights that are acquired by the Group and intended for longer-term usage are stated at cost less accumulated amortisation and impairment losses (see note 1(l)(ii)). Amortisation is charged to profit or loss at rates calculated to write off the costs in proportion to the expected revenues from the licensing of the rights. Such rates are subject to annual review by the directors.

(ii) Advertising rights

Advertising rights represent fees paid to secure rights to procure advertising clients to place advertisements with certain specified newspapers, magazines, television channels and radio program for a specified period of time.

Advertising rights are stated at cost less accumulated amortisation and impairment losses (see note 1(l)(ii)).

Amortisation is calculated on a straight line basis over the agreed periods of use of the advertising rights, starting from the date of commencement of commercial use of the advertising rights. Both the period and method of amortisation are reviewed annually.

1 主要會計政策(續)

(j) 無形資產(商譽除外)

(i) 特許權

集團為長期使用而收購之特許權按成本減累計攤銷及減值虧損(參閱附註1(l)(ii))列值。攤銷按在來自特許使用權利之預期收入中按比例撇銷成本之比率在損益中扣除。該等比率每年由董事進行審閱。

(ii) 廣告權

廣告權指為取得權利以促使廣告客戶於指定期間在若干指定報章、雜誌、電視頻道及電台節目刊登廣告而支付之費用。

廣告權按成本減累計攤銷及減值虧損(參閱附註1(l)(ii))列值。

攤銷於使用廣告權協定期內按直線法計算，由商業使用廣告權開始日期起計。攤銷之期間及方法均每年進行審閱。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(j) Intangible assets (other than goodwill)

(continued)

(iii) Customer contract costs

Costs incurred to acquire contractual relationships with customers are capitalised if it is probable that future economic benefits will flow from the customers to the Group and such costs can be measured reliably. Customer contract costs are stated at cost less accumulated amortisation and impairment losses (see note 1(l)(ii)). Capitalised customer contract costs are amortised on a straight line basis over the minimum enforceable contractual periods. By the end of the minimum enforceable contractual period, fully amortised customer contract costs will be written off.

In the event that a customer terminates the contract prior to the end of the minimum enforceable contractual period, the unamortised customer contract cost will be written off immediately to profit or loss.

(iv) Other intangible assets

Other intangible assets are stated at cost less accumulated amortisation (where the estimated useful life is other than indefinite) and impairment losses (see note 1(l)(ii)).

Amortisation of other intangible assets is charged to profit or loss on a straight line basis over the asset's estimated useful lives (unless such lives are indefinite) or over the contractual period. Both the period and method of amortisation and any conclusion that the useful life of an intangible asset is indefinite are reviewed annually.

1 主要會計政策(續)

(j) 無形資產(商譽除外)(續)

(iii) 客戶合同成本

倘該等客戶於未來可能對集團造成經濟利益，且有關成本能可靠地計量，則吸納合同客戶所產生之成本予以資本化。客戶合同成本按成本減累計攤銷及減值虧損(參閱附註1(l)(ii))列值。資本化之客戶合同成本按直線法根據最短合同執行期攤銷。至最短合同執行期完結，全面攤銷之客戶合同成本將予以撇銷。

倘客戶於最短合同執行期完結前終止合同，則未攤銷之客戶合同成本將立即於損益內撇銷。

(iv) 其他無形資產

其他無形資產按成本減累計攤銷(倘估計可使用年期為限期不定以外之年期)及減值虧損(參閱附註1(l)(ii))列值。

其他無形資產之攤銷按直線法在資產之估計可使用年期(除非該等可使用年期不定)或於合約期內在損益中扣除。攤銷之期間及方法以及無形資產之可使用年期不定之結論會每年進行審閱。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(k) Leased assets

(i) Classification of assets leased to the Group

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, except where land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, in such cases, it is accounted for as being under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

(ii) Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made.

1 主要會計政策(續)

(k) 租賃資產

(i) 出租予集團之資產之分類

並無將所有權之絕大部分風險及回報轉讓予集團之租賃分類為經營租賃，惟就根據經營租賃持作自用而於租賃開始時其公平值未能與建於其上之建築物之公平值分開計量之土地而言，則列作融資租賃處理，除非該建築物亦為明確根據經營租賃持有則除外。就此而言，租賃之開始時間為集團首次訂立該項租賃或從前任承租人接收該項租賃之時。

(ii) 經營租賃費用

假如集團透過經營租賃使用資產，則根據租賃所作出之付款在相關租賃期所涵蓋之會計期間內，以等額分期在損益中扣除，但如有其他替代基準更能代表租賃資產所產生之收益模式則除外。已收租賃優惠乃在損益中作為租賃淨款項總額之組成部分確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(I) Impairment of assets

(i) Impairment of investments in equity securities

Investments in equity securities are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that come to the attention of the Group about a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in associates accounting for under equity method in the consolidated balance sheet (see note 1(e)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 1(l)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 1(l)(ii).

1 主要會計政策(續)

(I) 資產減值

(i) 股本證券投資減值

股本證券投資於各報告期末審閱，以釐定有否客觀減值憑證。客觀之減值憑證包括引起集團注意股本工具投資之公平值大幅或長期下跌至低於其成本值之可觀察數據。

如果出現減值憑證，便會按下文所述釐定及確認減值虧損：

- 就於聯營公司之投資(以權益法於綜合資產負債表入賬(參閱附註1(e)))而言，減值虧損是透過比較投資之可收回數額與其按照附註1(l)(ii)釐定之賬面金額而計量。按照附註1(l)(ii)，倘若用以釐定可收回數額之估計發生正面變化，便會將減值虧損轉回。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(I) Impairment of assets (continued)

(i) Impairment of investments in equity securities (continued)

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.
- For available-for-sale securities, the cumulative loss that has been recognised in the fair value reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss. Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income. Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

1 主要會計政策(續)

(I) 資產減值(續)

(i) 股本證券投資減值(續)

- 就按成本值列賬之無報價股本證券而言，減值虧損是按財務資產賬面金額與估計未來現金流量(倘折現影響重大，則以類似財務資產之現行市場回報率折現)之差異而計量。按成本值列賬之股本證券之減值虧損不會轉回。
- 就可供出售證券而言，已於公平值儲備確認之累積虧損會重新分類至損益。於損益確認之累積虧損金額為收購成本(已扣除任何本金還款及攤銷)與現時公平值之間之差額，減去任何先前於損益內就該項資產確認之任何減值虧損。於損益內就可供出售股本證券確認之減值虧損不會透過損益轉回。該等資產之公平值其後若有所增加，則會於其他全面損益確認。倘可供出售債務證券之公平值其後增加乃客觀地與確認減值虧損後發生之事件有所關連，則會撥回該等債務證券之減值虧損。在該等情況下轉回減值虧損會於損益確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(I) Impairment of assets (continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- fixed assets;
- intangible assets;
- goodwill; and
- investments in subsidiaries and associates in the Company's balance sheet.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

1 主要會計政策(續)

(I) 資產減值(續)

(ii) 其他資產之減值

內部和外來之信息來源會在各報告期末審閱，以確定下列資產有否出現減值跡象，或是以往確認之減值虧損不復存在或可能已經減少：

- 固定資產；
- 無形資產；
- 商譽；及
- 於附屬公司及聯營公司之投資(於公司資產負債表內)。

如果出現減值跡象，便會估計該資產之可收回數額。此外，就商譽及尚未可供使用及具無限可使用年期之無形資產，須每年評估其可收回數額是否存在任何減值跡象。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(I) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

(a) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

(b) Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).

1 主要會計政策(續)

(I) 資產減值(續)

(ii) 其他資產之減值(續)

(a) 計算可收回數額
資產之可收回數額以其公平值減出售成本和使用價值兩者中之較高數額為準。在評估使用價值時，會使用除稅前折現率將估計未來現金流量折現至現值。該折現率反映市場當時所評估金錢之時間價值和該資產之獨有風險。如果資產所產生之現金流入基本上不獨立於其他資產所產生之現金流入，則以能獨立產生現金流入之最小資產組別(即現金產生單位)來釐定可收回數額。

(b) 確認減值虧損

當資產或其所屬之現金產生單位之賬面金額超過其可收回數額，則須在損益中確認減值虧損。就現金產生單位確認之減值虧損先撥作扣減獲分配至該現金產生單位(或單位組別)之任何商譽賬面金額，其後按比例扣減該單位(或單位組別)之其他資產之賬面值，惟資產之賬面值不會扣減至低於其個別公平值減去可計量之出售成本或可釐定之使用價值。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(I) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

(c) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial period (see notes 1(I) (i) and (ii)). Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

1 主要會計政策(續)

(I) 資產減值(續)

(ii) 其他資產之減值(續)

(c) 減值虧損轉回

就商譽以外之資產而言，倘若用以釐定可收回數額之估計發生正面變化，便會將減值虧損轉回。有關商譽之減值虧損不予轉回。

所轉回之減值虧損以假設在以往年度沒有確認減值虧損而應已釐定之資產賬面金額為限。所轉回之減值虧損在確認轉回之年度內計入損益中。

(iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，集團須就財政年度之首六個月編製符合《香港會計準則》第34號「中期財務報告」之中期財務報告。於中期期末，集團應用與於財政期間末所用者相同之減值測試、確認及轉回標準(參閱附註1(I)(i)及(ii))。於中期期間就商譽、可供出售股本證券及按成本列賬之無報價股本證券確認之減值虧損不會於往後期間轉回。即使僅於有關該中期期間之財政年度末評估減值時並無確認虧損或確認較小額虧損，情況亦然。因此，倘可供出售股本證券之公平值於年度期間餘下時間或其後任何其他期間增加，則會於其他全面損益而非損益確認有關增加。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Inventories

Inventories represent the cost of acquisition of certain scripts, synopses and editing rights held for sale or production in the ordinary course of business and are carried at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The carrying amount of those inventories is recognised as an expense in the year in which the related revenue in respect of the provision of script-writing/editing services is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the year the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the year in which the reversal occurs.

(n) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

1 主要會計政策(續)

(m) 存貨

存貨代表若干於日常業務過程中持作出售或製作之劇本、故事大綱及編寫權之收購成本，並以成本值及可變現淨值兩者之較低者入賬。

可變現淨值為日常業務過程中之估計售價減去完成之估計成本及作出銷售之估計必需成本所得數額。

該等存貨之賬面金額於提供撰寫／編寫劇本服務相關收入獲確認之年度確認為開支。存貨撇減至可變現淨值之任何數額和存貨之所有虧損，於出現撇減或虧損之年度確認為開支。轉回任何撇減存貨於出現轉回之年度沖減確認為存貨開支之金額。

(n) 貿易及其他應收款項

貿易及其他應收款項最初按公平值確認，其後按攤銷成本減呆賬減值準備列賬，惟倘應收款項為向關聯人士提供無固定還款期之免息貸款或折現影響不大則除外。在這情況下，應收款項按成本值減呆賬減值準備後列賬。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(n) Trade and other receivables (continued)

Impairment losses for bad and doubtful debts are recognised when there is objective evidence of impairment and are measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

Impairment losses for receivables whose recovery is considered doubtful but not remote are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

1 主要會計政策(續)

(n) 貿易及其他應收款項(續)

當減值之客觀憑證出現，便會確認呆壞賬之減值虧損。呆壞賬之減值虧損是以資產之賬面金額及就財務資產以其原本之實際利率用折現方式計算其估計未來現金流量現值(如折現影響重大)之差額計量。如按攤銷成本列賬之財務資產具備類似之風險特徵，例如類似之逾期情況及並未單獨被評估為減值，則有關的評估會共同進行。財務資產之未來現金流量會根據與該類具有類似信貸風險特徵資產之過往虧損情況以一同評估減值。

倘若減值虧損之金額於隨後期間減少，而減幅可與確認減值虧損後發生之事件客觀聯繫，則減值虧損將通過損益轉回。轉回減值虧損不得導致資產之賬面金額超出其在過往年度在沒有確認減值虧損情況下而釐定之數額。

如認為應收款項之可收回性存疑，但不是可能性極低，其減值虧損會採用準備賬來記錄。當集團認為收回之可能性極低時，被視為不可收回之數額便會直接沖銷應收款項，與該債務有關而在準備賬內持有之任何數額也會轉回。其後收回早前計入準備賬之數額會在準備賬轉回。準備賬之其他變動和其後收回早前直接沖銷之數額均在損益內確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Convertible notes

The Group issues convertible notes with and without detachable warrants. At initial recognition the derivative component of the convertible notes with and without detachable warrants is measured at fair value and presented as part of derivative financial instruments (see note 1(h)).

For convertible notes without detachable warrants, any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component.

For convertible notes with detachable warrants, the liability component is measured as the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option and warrants. The warrants, being the excess of proceeds over the amount initially recognised as liability component and derivative financial instruments is recognised as the equity component.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability, derivative and equity components in proportion to the allocation of proceeds. The portion of the transaction costs relating to the liability and equity component is recognised initially as part of the liability and equity respectively. The portion relating to the derivative component is recognised immediately in profit or loss.

The derivative component is subsequently remeasured in accordance with note 1(h). The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the warrant reserve until either the warrants are exercised.

1 主要會計政策(續)

(o) 可換股票據

集團同時發行附帶及不附帶可分離認股權證之可換股票據。於最初確認時，附帶及不附帶可分離認股權證之可換股票據之衍生部分乃以公平值計量，並呈列為衍生金融工具之一部分(參閱附註1(h))。

就不附帶可分離認股權證之可換股票據而言，任何超過最初確認為衍生部分之金額之所得款項乃確認為負債部分。

就附帶可分離認股權證之可換股票據而言，負債部分按未來利息及本金付款之現值計量，折現率為於最初確認時適用於並無轉換權及認股權證之類似負債之市場利率。認股權證(即所得款項超過最初確認為負債部分之金額)及衍生金融工具確認為權益部分。

有關發行可換股票據之交易成本乃按所得款項分配比例分配至負債、衍生及權益部分。有關負債及權益部分之交易成本部分最初分別確認為負債及權益部分。有關衍生部分之部分乃即時於損益中確認。

衍生部分乃根據附註1(h)於其後重新計量。負債部分其後以攤銷成本列賬。就負債部分於損益確認之利息開支乃利用實際利息法計算。權益部分乃於認股權證儲備確認，直至認股權證獲行使。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Convertible notes (continued)

If the note is converted, the carrying amounts of the derivative and liability components are transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, any difference between the amount paid and the carrying amounts of both components is recognised in profit or loss. If the warrants are exercised, the warrant reserve, together with the proceeds received at the time of exercise, is transferred to share capital and share premium as consideration for the shares issued. If the warrants are not exercised upon expiry, the respective capital reserve is released directly to retained profits.

(p) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(q) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 1(u)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

1 主要會計政策(續)

(o) 可換股票據(續)

倘該票據獲兌換，則衍生及負債部分之賬面金額乃轉撥至股本及股份溢價，作為已發行股份之代價。倘該票據獲贖回，則該兩部分之已付款項及賬面金額之間之差額乃於損益中確認。倘認股權證獲行使，則認股權證儲備連同於行使時已收所得款項乃轉撥至股本及股份溢價，作為已發行股份之代價。倘認股權證於屆滿時尚未獲行使，則相關資本儲備將直接解除至保留溢利。

(p) 計息借貸

計息借貸最初按公平值減應佔交易成本確認。於最初確認後，計息借貸按攤銷成本列值，而最初確認金額與贖回價值之間之差額則於借貸期內連同任何利息及應付費用按實際利息法在損益中確認。

(q) 貿易及其他應付款項

貿易及其他應付款項最初按公平值確認。除按照附註1(u)(i)計量之財務擔保負債外，貿易及其他應付款項其後按攤銷成本列值，除非其折現之影響不大，在這情況下則按成本值列值。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(r) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

(s) Employee benefits

(i) Short-term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Contributions to defined contribution retirement plans

Contributions to Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance are recognised in profit or loss as incurred.

Employees of the subsidiaries established in the People's Republic of China ("PRC") participate in defined contribution retirement plans managed by the local government authorities whereby the subsidiaries are required to contribute to the plans at fixed rates of the relevant employees' salary costs.

1 主要會計政策(續)

(r) 現金及現金等價物

現金及現金等價物包含銀行存款及現金、存放於銀行和其他財務機構之活期存款，以及短期和流動性極高之投資項目，且該等項目可以隨時轉換為已知數額之現金而所須承受之價值變動風險甚低，並在購入後三個月內到期。就綜合現金流量表而言，須於要求時償還並構成集團現金管理一組成部分之銀行透支亦計入現金及現金等價物之一部分。

(s) 僱員福利

(i) 短期僱員福利

薪金、年度獎金、有薪年假及各項非金錢福利之成本，均在僱員提供相關服務之年度內累計。如延遲支付或結算會構成重大影響，則上述數額須按現值列值。

(ii) 定額供款退休計劃供款

根據香港《強制性公積金計劃條例》之規定作出之強制性公積金供款，均於產生時於損益確認。

於中華人民共和國(「中國」)成立之附屬公司之僱員均有參加地方政府機關管理之定額供款退休計劃，據此，附屬公司需要以有關僱員之薪金成本按固定比率向計劃供款。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(s) Employee benefits (continued)

(ii) Contributions to defined contribution retirement plans (continued)

The Group's contributions to these plans are charged to profit or loss when incurred. The Group has no obligation for the payment of retirement and other post-retirement benefits of staff other than the contributions described above.

(iii) Share based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the option will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior periods is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

1 主要會計政策(續)

(s) 僱員福利(續)

(ii) 定額供款退休計劃供款(續)

集團向該等計劃所作供款乃在供款時自損益扣除。除上述供款外，集團並無責任為員工提供退休及其他退休後福利。

(iii) 股份支付款項

授予僱員之購股權之公平值乃確認為僱員成本，而權益內之資本儲備則相應增加。公平值於授出當日以柏力克—舒爾斯定價模式計量，並考慮購股權之授出條款及條件。倘僱員於無條件地有權獲授購股權前須符合歸屬條件，則購股權之估計總公平值在歸屬期內攤分，並需考慮購股權歸屬之可能性。

於歸屬期內，需審閱預期歸屬之購股權數量。任何對過往期間已確認累計公平值所作之調整於回顧年度之損益內扣除／計入，除非原有僱員開支合資格確認為資產，則對資本儲備作出調整。於歸屬日期，已確認為開支之金額會作調整，以反映所歸屬之實際購股權數量(並相應調整資本儲備)，惟僅於未能達到有關公司股份市價之歸屬條件時方會沒收其購股權。權益金額於資本儲備確認，直至購股權獲行使(即轉撥至股份溢價賬時)或購股權到期(即直接撥至保留溢利時)為止。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(s) Employee benefits (continued)

(iv) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(t) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in the other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

1 主要會計政策(續)

(s) 僱員福利(續)

(iv) 終止福利

終止福利於集團不再能取消提供該等福利時及集團確認涉及支付終止福利之重組成本時(以較早者為準)確認。

(t) 所得稅

本年度之所得稅包括即期稅項及遞延稅項資產與負債之變動。即期稅項及遞延稅項資產與負債之變動均在損益中確認，但涉及在其他全面損益或直接在權益中確認的項目者，則相關稅款會分別在其他全面損益或直接在權益中確認。

即期稅項指預期本年度應課稅收入之應繳稅款(以報告期末已生效或實際生效之稅率計算)以及對以往期間應繳稅款所作之調整。

遞延稅項資產和負債源於資產和負債作財務申報用途之賬面金額與稅基之間可予扣減及應課稅之暫時差額。遞延稅項資產也可以是源於未使用稅項虧損和未使用稅項抵免。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(t) Income tax (continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

1 主要會計政策(續)

(t) 所得稅(續)

除了某些有限之例外情況外，所有遞延稅項負債和遞延稅項資產(只限於有可能用來抵銷有關資產之日後應課稅溢利之部分)都會確認。可支持確認源自可予扣減暫時差額之遞延稅項資產之未來應課稅溢利包括因轉回現有應課稅暫時差額而產生之未來應課稅溢利，但這些差異必須與同一徵稅機關及同一個應課稅實體有關，另預期會於可予扣減暫時差額預期轉回之同一期間或遞延稅項資產產生之稅項虧損可以向後期或向前期結轉之期間內轉回。這準則亦同樣適用於決定現有應課稅暫時差額可否支持確認未使用之稅項虧損和稅項抵免所產生之遞延稅項資產，即差異是否與同一徵稅機關及同一個應課稅實體有關，並是否預期在稅項虧損或稅項抵免動用之同一期間或多個期間轉回。

不確認遞延稅項資產和負債是產生自以下有限之例外情況：最初確認不影響會計或應課稅溢利之資產或負債(如屬業務合併之一部分則除外)，以及與投資附屬公司有關之暫時差額(如屬應課稅差額，只限於集團控制轉回之時間，而且在可預見的將來不大可能轉回之差異；或如屬可抵扣差異，則只限於很可能在將來轉回之差異)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(t) Income tax (continued)

The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available. Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

1 主要會計政策(續)

(t) 所得稅(續)

所確認之遞延稅項數額是按照資產和負債賬面金額之預期實現或清償方式，以於報告期末已生效或實際生效之稅率計算提撥。遞延稅項資產和負債均不折現計算。

遞延稅項資產之賬面金額會在每個報告期末審閱，而如果預期應課稅溢利不足以抵扣相關之稅務利益，便會調低賬面金額。如果日後將有足夠之應課稅溢利，有關減額便會轉回。因分派股息而產生之額外所得稅於派付相關股息之負債確認時確認。

即期和遞延稅項結餘及其變動會分開呈列，並且不予抵銷。即期和遞延稅項資產在公司或集團有合法行使權以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件情況下，才可以分別抵銷即期和遞延稅項負債：

- 即期稅項資產和負債：公司或集團計劃按淨額基準結算，或在變現資產之同時清償負債；或

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(t) Income tax (continued)

- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(u) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

1 主要會計政策(續)

(t) 所得稅(續)

- 遞延稅項資產和負債：這些資產和負債必須與同一稅務機關就以下其中一項徵收之所得稅有關：
 - 同一個應課稅實體；或
 - 不同應課稅實體，但這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回之各個未來期間，按淨額基準變現即期稅項資產和清償即期稅項負債，或同時變現資產和清償負債。

(u) 發出之財務擔保、撥備及或然負債

(i) 發出之財務擔保

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債務工具之條款於到期時付款而蒙受之損失，而向持有人支付特定款項之合約。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(u) Financial guarantees issued, provisions and contingent liabilities (continued)

(i) Financial guarantees issued (continued)

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 1(u)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

1 主要會計政策(續)

(u) 發出之財務擔保、撥備及或然負債(續)

(i) 發出之財務擔保(續)

當集團發出財務擔保，該擔保之公平值最初確認為貿易及其他應付款項內之遞延收入。已發出財務擔保於發出時之公平值乃參照就類似服務之公平磋商交易中所收取之費用(如可獲得該等資料)而釐定，或參照息差作出估計，方法為以放款人在獲提供擔保時實際徵收之利率與在不獲提供擔保時可能徵收之估計利率作比較(如該等資料能可靠地估計)。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產之集團政策確認。倘沒有有關已收取或應予收取之代價，則於最初確認任何遞延收入時，即時於損益內確認開支。

最初確認為遞延收入之擔保款額按擔保年期於損益內攤銷為所發出之財務擔保收入。此外，倘(i)擔保持有人有可能根據擔保向集團催繳款項；及(ii)向集團申索之款額預期超過現時列於貿易及其他應付款項內之擔保金額(即最初確認之金額減累計攤銷)，則根據附註1(u)(ii)確認有關準備。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(u) Financial guarantees issued, provisions and contingent liabilities (continued)

(ii) Provision and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Company or the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

1 主要會計政策(續)

(u) 發出之財務擔保、撥備及或然負債(續)

(ii) 撥備及或然負債

倘若公司或集團須就某一已發生事件承擔法定或推定義務，而履行該責任預期會導致有經濟利益外流，並可作出可靠之估計，便會就該時間或數額不定之負債確認撥備。如果金錢之時間價值重大，則撥備按預計履行責任所需開支之現值列值。

倘若經濟利益外流之可能性較低，或是無法對有關數額作出可靠估計，便會將該責任披露為或然負債；但假如這類經濟利益外流之可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定是否存在之潛在責任亦披露為或然負債；但假如這類經濟利益外流之可能性極低則除外。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(v) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Service income

Service income is derived from the provision of marketing and advertising related services to advertising agencies, provision of scripts and script editing services, ancillary services relating to production of television program to production houses, and public relations services. Service income is recognised when the services are rendered.

(ii) Contract income

Contract income includes income from introduction of funding from investors to production houses and income from introduction of television program related investments to investors. Income is recognised when the broadcasting schedule of the relevant television commercial airtime is confirmed by television stations, including provincial television stations and/or those with satellite broadcasting capabilities.

(iii) Licence fees

Fees from granting of distribution licence rights and adaptation rights are recognised over the contract period, upon delivery of the master tape of the relevant program or upon signing of the contract in accordance with the terms of the contracts.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

1 主要會計政策(續)

(v) 收入確認

收入按已收或應收代價之公平值計量。收入是在經濟利益可能流入集團，以及能夠可靠地計量收入和成本(如適用)時，根據下列方法在損益中確認：

(i) 服務收入

服務收入來自向廣告代理提供市場推廣及廣告相關服務、提供劇本及劇本編寫服務、向製作公司提供有關製作電視節目之配套服務以及公關服務。服務收入於提供服務時確認。

(ii) 合同收入

合同收入包括向製作公司引進投資者資金所得收入，以及向投資者引介電視節目類投資所得收入。收入於電視台(包括省級電視台及/或具備衛星廣播能力之電視台)落實相關電視廣告時間之節目表時確認。

(iii) 特許權使用費

出讓發行特許權及改編權所得使用費乃根據合同條款，於合同期間攤分，或於交付有關節目之母帶之時或簽訂合同之時確認。

(iv) 利息收入

利息收入按實際利息法於獲得時確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(w) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items, are translated into Hong Kong dollars at foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(x) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

1 主要會計政策(續)

(w) 外幣換算

於年內進行之外幣交易按交易日之匯率換算。以外幣為單位之貨幣資產及負債則按報告期末之匯率換算。匯兌損益在損益確認。

按歷史成本以外幣計量之非貨幣資產及負債按交易日之匯率換算。

海外業務之業績按與交易日相若之匯率換算為港元。資產負債表內之項目按報告期末之匯率換算為港元。由此產生之匯兌差額直接於其他全面損益確認，並於權益內之匯兌儲備內獨立累積。

出售海外業務時，與該海外業務有關之累積匯兌差額於出售損益確認時從權益撥入損益。

(x) 借貸成本

收購、建設或生產須一段長時間方可作擬定用途或銷售之資產直接應佔之借貸成本資本化為該資產成本之一部分。其他借貸成本於產生期間支銷。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(x) Borrowing costs (continued)

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(y) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).

1 主要會計政策(續)

(x) 借貸成本(續)

於資產產生支出、產生借貸成本及進行準備資產作其擬定用途或銷售所需之活動時，開始將借貸成本資本化為合資格資產成本之一部分。當準備合資格資產作其擬定用途或銷售所需之絕大部分活動受到干擾或完成時，暫停或終止將借貸成本資本化。

(y) 關聯人士

(a) 如某人士屬下列情況，則其或其近親家庭成員與集團有關聯：

- (i) 對集團擁有控制權或共同控制權；
- (ii) 對集團擁有重大影響力；或
- (iii) 為集團或集團母公司之主要管理層成員。

(b) 倘一間實體符合下列任何條件，則與集團有關聯：

- (i) 該實體與集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司與其他有關聯)。
- (ii) 一間實體為另一實體之聯營公司或合營企業(或該另一實體所屬集團之成員公司之聯營公司或合營企業)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(y) Related parties (continued)

- (b) (continued)
- (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

1 主要會計政策(續)

(y) 關聯人士(續)

- (b) (續)
- (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為一第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 該實體是為集團或與集團有關聯之實體之僱員之福利而設之終止僱傭後福利計劃。
 - (vi) 該實體由(a)所指人士控制或共同控制。
 - (vii) (a)(i)所指人士對該實體擁有重大影響力，或屬該實體(或該實體之母公司)主要管理層成員。

某一人士之近親家庭成員指在與實體交易時，預計可影響或受該人士影響之家庭成員。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(z) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(aa) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the group will retain a non-controlling interest in the subsidiary after the sale.

1 主要會計政策(續)

(z) 分部報告

營運分部及於財務報表報告之各個分部項目金額乃識別自定期向集團最高行政管理層提供，以分配資源至集團各個業務部門及地區及評估有關部門及地區之表現之財務資料。

個別重大之營運分部不會就財務報告彙集計算，除非該等分部具有類似經濟特質，並在產品及服務性質、生產程序性質、客戶種類或類別、分銷產品或提供服務所用之方法以及監管環境性質方面類同。個別並非重大之營運分部可於共享大部分條件下彙集計算。

(aa) 持作出售非流動資產

當非流動資產(或出售組合)之賬面金額很有可能透過銷售交易而非透過持續使用收回以及該資產(或出售組合)可於其現況下出售，則會分類為持作出售。出售組合指一組將於單一交易中一併出售之資產，以及與將於交易中轉移之該等資產直接相關之負債。

當集團承諾進行涉及失去附屬公司之控制權之銷售計劃，不論集團會否於銷售後保留於該附屬公司之非控制性權益，該附屬公司之所有資產及負債於符合上述有關分類為持作出售之條件時會分類為持作出售。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Non-current assets held for sale (continued)

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs of disposal. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 1.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

2 TURNOVER AND SEGMENT REPORTING

The Group is principally engaged in the provision of media services including television program related services, television advertising services, outdoor advertising services, and other public relations services in the PRC.

The Group provides services to PRC television production houses in relation to television program production, starting from planning to completion of the production. The Group also purchases certain distribution licence rights directly from other rights holders and either earns licence fees by granting such rights to film or television program trading companies or sells the rights to distributors directly.

1 主要會計政策(續)

(aa) 持作出售非流動資產(續)

緊接分類為持作出售前，非流動資產(及出售組合內之所有個別資產及負債)之計量根據分類前所採用之會計政策更新。其後，於初步分類為持作出售及直至出售前，非流動資產(不包括下列所闡述之若干資產)或出售組合按其賬面金額及公平值減出售成本之較低者確認。就集團及公司之財務報表而言，毋須採用此計量政策之主要例外項目為遞延稅項資產、僱員福利所產生之資產、財務資產(不包括於附屬公司、聯營公司及合營公司之投資)及投資物業。該等資產即使列作持作出售，仍會繼續根據附註1其他部分所載之政策計量。

初次分類為持作出售及其後於列作持作出售期間重新計量而產生之減值虧損於損益確認。一旦非流動資產被分類為持作出售或列入持作出售之出售組合，該非流動資產即不予折舊或攤銷。

2 營業額及分部報告

集團之主要業務為提供媒體服務，包括在中國提供電視節目類服務、電視廣告服務、戶外廣告服務，以及提供其他公關服務。

集團向中國電視製作公司提供有關電視節目製作之服務，由策劃以至製作完成。集團亦直接向其他權利持有人購買若干發行特許權，藉此將此類權利暫讓給電影或電視節目貿易公司以賺取特許權使用費或直接向發行商出售該等權利。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 TURNOVER AND SEGMENT REPORTING (continued)

In addition, the Group provides other value-added services such as provision of scripts and script editing services of television programs to its customers.

The Group also renders advertising related services in respect of placing advertisements with TV channels and outdoor LED screens to advertising agencies, as well as public relation services and product promotional services to advertisers, advertising firms and TV stations respectively.

Turnover represents television program related services, television advertising, outdoor advertising and public relations service income, net of PRC business tax. The amount of each significant category of revenue recognised in turnover for the year/period is as follows:

2 營業額及分部報告(續)

此外，集團向客戶提供其他增值服務，例如提供劇本及電視節目劇本編寫服務。

集團亦就向廣告代理投放電視頻道及戶外LED屏幕廣告提供廣告類服務，以及向廣告商、廣告公司及電視台提供公關服務及產品宣傳服務。

營業額指電視節目類服務、電視廣告、戶外廣告和公關服務收入，並已扣除中國營業稅。本年度／期間已於營業額確認之各項主要收入類別之金額如下：

	Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
Television program related income 電視節目類收入	8,951	252,377
Television advertising income 電視廣告收入	182,451	217,157
Outdoor advertising income 戶外廣告收入	—	6,198
Public relations service income 公關服務收入	—	3,110
	191,402	478,842

For the year/period presented, management has determined that no operating segment has been presented as the Group is only engaged in media related services. The Group's assets located and operating revenues derived from activities outside the PRC are less than 10 per cent of the Group's assets and operating revenues, respectively.

就所呈列之年度／期間而言，由於集團僅從事媒體類服務，故管理層決定不呈列營運分部。集團位於中國境外之資產及源自中國境外活動之營運收入分別佔集團資產及營運收入不足10%。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 TURNOVER AND SEGMENT REPORTING

(continued)

For the year ended 31 December 2013, revenue from two customers of the Group represented approximately \$76,800,000 and \$32,379,000 of the Group's total revenue.

For the fifteen months ended 31 December 2012, revenue from three customers of the Group represented approximately \$115,000,000, \$72,000,000 and \$56,339,000 of the Group's total revenue.

3 OTHER REVENUE AND OTHER NET EXPENSE

(a) Other revenue

2 營業額及分部報告(續)

截至二零一三年十二月三十一日止年度，來自集團兩名客戶之收入分別約佔集團總收入中之76,800,000元及32,379,000元。

截至二零一二年十二月三十一日止十五個月，來自集團三名客戶之收入分別約佔集團總收入中之115,000,000元、72,000,000元及56,339,000元。

3 其他收入及其他支出淨額

(a) 其他收入

		Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
Interest income	利息收入	127	960
Customer deposits forfeited	已沒收客戶按金	—	28,138
Others	其他	—	721
		127	29,819

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

3 OTHER REVENUE AND OTHER NET EXPENSE (continued) 3 其他收入及其他支出淨額 (續)

(b) Other net expense (b) 其他支出淨額

	Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
Loss on disposal of subsidiaries (note 29) 出售附屬公司虧損 (附註29)	(9,123)	(45,021)
Net exchange (loss)/gain 匯兌(虧損)/收益淨額	(85)	1,038
(Loss)/gain on disposal of fixed assets 出售固定資產(虧損)/收益	(184)	1,353
	(9,392)	(42,630)

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

4 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

4 除稅前虧損

除稅前虧損已扣除下列各項：

		Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
(a) Finance costs	(a) 財務成本		
Interest on bank advances and other borrowings wholly repayable within five years	須於五年內全數償還之銀行墊款與其他借貸之利息	22,276	50,499
Interest on bank borrowings wholly repayable after five years	須於五年後全數償還之銀行借貸之利息	226	1,243
Effective interest on convertible notes (note)	可換股票據之實際利息(附註)	40,219	94,381
Premiums on early redemption of convertible notes (note 25(f))	提早贖回可換股票據之溢價(附註25(f))	—	10,627
Other interest expense	其他利息開支	10,956	2,953
		73,677	159,703

Note: Included in the amount for the year ended 31 December 2013 is effective interest of approximately \$26,515,000 resulting from early redemption of the interest bearing convertible notes in the aggregate principal amount of \$150,000,000 due 2014 and 2015 issued by the Company to Smart Peace Development Limited and Star Group International Investment Limited respectively (notes 25(g) and 25(i)).

附註：截至二零一三年十二月三十一日止年度之金額包括提早贖回公司分別向 Smart Peace Development Limited 及星匯國際投資有限公司發行本金總額為150,000,000元於二零一四年及二零一五年到期之計息可換股票據所產生之實際利息約26,515,000元(附註25(g)及25(i))。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

4 LOSS BEFORE TAXATION (continued)

4 除稅前虧損(續)

		Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
(b) Staff costs	(b) 員工成本		
Salaries, wages and other benefits	薪金、工資及其他福利	9,518	28,089
Contributions to defined contribution retirement plans	定額供款退休計劃供款	1,145	2,762
		10,663	30,851
(c) Other items	(c) 其他項目		
Impairment loss (note):	減值虧損(附註):		
— accounts receivable	— 應收賬款	—	35,626
— prepayments, deposits and other receivables	— 預付款項、按金及其他應收款項	—	137,463
		—	173,089
Impairment loss for intangible assets (note 12)	無形資產減值虧損(附註12)	371,333	291,079
Impairment loss for other financial assets (note 15)	其他財務資產減值虧損(附註15)	15,954	—
Provision for inventories (note 16)	存貨撥備(附註16)	88,031	—
Amortisation of intangible assets	無形資產攤銷	53,681	59,141
Depreciation of fixed assets	固定資產折舊	4,157	11,656
Auditor's remuneration	核數師酬金		
— audit services	— 審核服務	3,580	1,800
— other services	— 其他服務	1,280	1,044
Operating lease charges in respect of properties	有關物業之經營租賃支出	3,082	11,641
Cost of inventories	存貨成本	400	56,341

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

4 LOSS BEFORE TAXATION (continued)

(c) Other items (continued)

Note: Impairment loss for accounts receivable in the previous period related to balances due from two advertising agencies in the PRC, which were previously used by the Group in relation to its television advertising business.

Impairment loss for prepayments, deposits and other receivables in the previous period related to payments made by the Group to secure certain television slots which were subsequently not able to be utilized, and payments for developing certain business projects which the Group previously planned to pursue.

4 除稅前虧損(續)

(c) 其他項目(續)

附註：上一期間應收賬款之減值虧損涉及應收兩名中國廣告代理之結餘。該兩名廣告代理過往由集團就其電視廣告業務而採用。

上一期間預付款項、按金及其他應收款項之減值虧損涉及集團為獲得若干電視播映時間(該等播映時間其後未能使用)而支付之款項及為發展集團之前計劃進行之若干業務項目支付之款項。

5 INCOME TAX

(a) Income tax in the consolidated income statement represents:

5 所得稅

(a) 綜合損益表之所得稅指：

	Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅	
Provision for the year/period	本年度／期間撥備	—
Current tax — Provision for taxation outside Hong Kong	即期稅項 — 香港境外 稅項撥備	
Provision for the year/period	本年度／期間撥備	1,571
Deferred taxation	遞延稅項	
Origination of temporary differences	暫時差額之產生	(1,176)
	1,171	49,831

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

5 INCOME TAX (continued)

(a) Income tax in the consolidated income statement represents: (continued)

- (i) No provision has been made for Hong Kong Profits Tax during the year ended 31 December 2013 and fifteen months ended 31 December 2012 as the Group did not earn any income subject to Hong Kong Profits Tax.
- (ii) The provision for the PRC Corporate Income Tax of the subsidiaries established in the PRC is calculated at 25% (fifteen months ended 31 December 2012: 25%) of the estimated taxable profits for the year.
- (iii) Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

5 所得稅(續)

(a) 綜合損益表之所得稅指： (續)

- (i) 截至二零一三年十二月三十一日止年度及截至二零一二年十二月三十一日止十五個月，由於集團並無賺取任何須繳納香港利得稅之收益，故並無就香港利得稅計提撥備。
- (ii) 於中國成立之附屬公司之中國企業所得稅撥備乃以年內估計應課稅溢利按稅率25% (截至二零一二年十二月三十一日止十五個月：25%) 計算。
- (iii) 海外附屬公司稅項按相關稅務司法管轄區目前適用稅率計算。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

5 INCOME TAX (continued)

(b) Reconciliation between tax expense and accounting loss at applicable tax rates is as follows:

5 所得稅(續)

(b) 稅項開支與按適用稅率計算之會計虧損對賬如下：

		Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
Loss before taxation	除稅前虧損	(673,170)	(576,397)
Notional tax on loss before taxation, calculated at the applicable rates	按適用稅率計算之除稅前虧損之名義稅項	(112,711)	(104,711)
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	136,466	185,095
Tax effect of non-taxable income	非應課稅收入之稅務影響	(33,713)	(46,644)
Tax effect of unused tax losses not recognised	未予確認之未使用稅項虧損之稅務影響	11,129	16,091
Actual tax expense	實質稅項開支	1,171	49,831

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

5 INCOME TAX (continued)

(c) Deferred tax liability recognised:

The components of deferred tax liability recognised in the consolidated balance sheet and the movements during the year/period are as follows:

5 所得稅(續)

(c) 已確認之遞延稅項負債：

年／期內於綜合資產負債表中確認之遞延稅項負債之項目及變動如下：

		Fair value adjustment on business combination 業務合併之 公平值調整 \$'000 千元
Deferred tax arising from:	以下各項所產生之遞延稅項：	
At 1 October 2011	於二零一一年十月一日	8,609
Disposal of a subsidiary	出售一家附屬公司	(565)
Credited to profit or loss	計入損益	(1,176)
At 31 December 2012	於二零一二年十二月三十一日	6,868
At 1 January 2013	於二零一三年一月一日	6,868
Credited to profit or loss	計入損益	(400)
At 31 December 2013	於二零一三年十二月三十一日	6,468

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

5 INCOME TAX (continued)

(d) Deferred tax asset not recognised:

The Group has not recognised deferred tax asset in respect of tax losses of \$165,316,000 (2012: \$836,643,000) as it is not probable that future taxable profits against which the unused tax losses can be utilised will be available in the relevant tax jurisdictions and entities. Out of the above tax losses, \$79,497,000 (2012: \$204,434,000) can be carried forward to offset against taxable profits of subsequent years for up to five years from the year in which they were incurred, while the remaining tax losses do not expire under the current tax legislation.

(e) Withholding tax:

The China tax law imposes a withholding tax at 10% unless reduced by a treaty or agreement, for dividends distributed by a PRC-resident enterprise to its immediate holding company outside the PRC for earnings generated since 1 January 2008. The Group did not recognise any withholding tax for the year ended 31 December 2013 and fifteen months ended 31 December 2012.

5 所得稅(續)

(d) 未確認之遞延稅項資產：

由於在相關稅務司法管轄區及實體之未來應課稅溢利可以抵銷未使用之稅項虧損之可能性極低，集團並無就稅項虧損165,316,000元(二零一二年：836,643,000元)確認遞延稅項資產。根據現行稅務法規，其中79,497,000元(二零一二年：204,434,000元)之稅項虧損可於隨後五個年度內結轉以與應課稅溢利相抵銷，其餘稅項虧損則不設抵銷期限。

(e) 預扣稅：

中國稅務法就從中國居民企業由二零零八年一月一日起產生之盈利向中國境外直接控股公司派發股息(除非受條約或協議所減免)均按照10%稅率計算預扣稅。截至二零一三年十二月三十一日止年度及截至二零一二年十二月三十一日止十五個月，集團並無確認任何預扣稅。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

6 DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS

The remuneration of the Company's directors is as follows:

6 董事酬金及五名最高薪人士

公司董事之酬金如下：

Date of appointment/ resignation	Directors' fees	Basic salaries, other allowances and emoluments	Discretionary bonuses	Retirement scheme contributions	Equity settled share-based payment expenses	Year ended 31 December 2013 Total
委任/辭任日期	董事袍金	基本薪金、其他 津貼及酬金	酌情花紅	退休計劃供款	股權支付開支 (Note 26) (附註26)	截至 二零一三年 十二月三十一日 止年度總計
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Executive directors						
執行董事						
Mr. WANG Fei	Appointed on 18 August 2013 and resigned on 23 October 2013	—	174	—	—	174
王飛先生	於二零一三年八月十八日獲委任及於二零一三年十月二十三日辭任					
Mr. YUAN Xin	Appointed on 19 August 2013	—	355	—	—	355
袁鑫先生	於二零一三年八月十九日獲委任					
Mr. CHAN Chi To, Antony	Appointed on 27 August 2013	—	400	—	5	405
陳志濤先生	於二零一三年八月二十七日獲委任					
Mr. CHEN Hai	Appointed on 23 October 2013	—	115	—	—	115
陳海先生	於二零一三年十月二十三日獲委任					
Non-executive directors						
非執行董事						
Mr. GUO Hong	Redesignated from executive director on 28 August 2013 and resigned on 15 March 2014	—	166	—	—	166
郭紅先生	於二零一三年八月二十八日由執行董事調任及於二零一四年三月十五日辭任					
Mr. ZALDIVAR Peter Alphonse	Resigned on 7 May 2013	40	—	—	—	40
ZALDIVAR Peter Alphonse 先生	於二零一三年五月七日辭任					
Dr. LIN Junbo		120	—	—	—	120
林俊波博士						
Mr. CHI Chenxi	Appointed on 27 August 2013	83	—	—	—	83
遲晨曦先生	於二零一三年八月二十七日獲委任					
Ms. HU Gin Ing	Appointed on 27 August 2013	83	—	—	—	83
胡競英女士	於二零一三年八月二十七日獲委任					
Dr. LEUNG Anita Fung Yee Maria	Resigned on 1 September 2013	80	—	—	—	80
梁鳳儀博士	於二零一三年九月一日辭任					
Mr. Lai Tsz Wah	Redesignated from executive director on 6 September 2013 and resigned on 11 November 2013	43	668	—	6	717
賴子華先生	於二零一三年九月六日由執行董事調任及於二零一三年十一月十一日辭任					

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

6 DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (continued)

6 董事酬金及五名最高薪人士 (續)

Date of appointment/ resignation	Directors' fees	Basic salaries, other allowances and emoluments	Discretionary bonuses	Retirement scheme contributions	Equity settled share-based payment expenses (Note 26)	Year ended 31 December 2013 Total 截至 二零一三年 十二月三十一日 止年度總計
委任/辭任日期	董事袍金	基本薪金、其他 津貼及酬金	酌情花紅	退休計劃供款	股權支付開支 (附註26)	\$'000 千元
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Independent non-executive directors						
獨立非執行董事						
Mr. YEUNG Chung Hay, Patrick 楊頌桓先生	Appointed on 18 January 2013 and resigned on 27 August 2013 於二零一三年一月十八日獲委任及 於二零一三年八月二十七日辭任	75	—	—	—	75
Mr. DU Jiang 杜江先生	Appointed on 27 August 2013 於二零一三年八月二十七日獲委任	83	—	—	—	83
Mr. LIN Xian bo 劉先波先生	Appointed on 27 August 2013 於二零一三年八月二十七日獲委任	83	—	—	—	83
Ms. SZETO Wai Ling, Virginia 司徒惠玲女士	Resigned on 1 September 2013 於二零一三年九月一日辭任	120	—	—	—	120
Mr. FUNG Ho Leung, Arthur 馮浩良先生	Resigned on 6 September 2013 於二零一三年九月六日辭任	122	—	—	—	122
Mr. JIANG Jin Sheng 姜進生先生	Appointed on 11 September 2013 於二零一三年九月十一日獲委任	74	—	—	—	74
Mr. WU Chien-chiang 吳健強先生	Appointed on 11 September 2013 於二零一三年九月十一日獲委任	74	—	—	—	74
Total 總計		1,080	1,878	—	11	2,969

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

6 DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (continued)

6 董事酬金及五名最高薪人士 (續)

	Date of appointment/ resignation	Directors' fees	Basic salaries, other allowances and emoluments	Discretionary bonuses	Retirement scheme contributions	Equity settled share-based payment expenses	Fifteen months ended 31 December 2012 Total
	委任/辭任日期	董事袍金	基本薪金、其他 津貼及酬金	酌情花紅	退休計劃供款	股權支付開支 (附註26)	截至 二零一二年 十二月三十一日 止十五個月總計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Executive directors							
執行董事							
Mr. YIU Yan Chi Bernard 饒恩賜先生	Resigned on 22 March 2012 於二零一二年三月二十二日辭任	—	180	—	—	—	180
Mr. TSIANG Hoi Fong 蔣開方先生	Resigned on 21 March 2012 於二零一二年三月二十一日辭任	—	295	—	—	—	295
Mr. YEUNG Ching Wan 楊青雲先生	Resigned on 22 March 2012 於二零一二年三月二十二日辭任	—	935	—	5	—	940
Mr. GUO Hong 郭紅先生	Appointed on 28 May 2012 於二零一二年五月二十八日獲委任	—	166	—	—	—	166
Mr. LAI Tsz Wah 賴子華先生	Appointed on 25 June 2012 於二零一二年六月二十五日獲委任	—	—	—	—	—	—
Non-executive directors							
非執行董事							
Dr. LEUNG Anita Fung Yee Maria (Note) 梁鳳儀博士(附註)	Redesignated from executive director on 9 July 2012 於二零一二年七月九日由執行董事調任	—	9,671	(20,118)	11	(7,850)	(18,286)
Dr. Honourable WONG Yu Hong, Philip, GBS 黃宜弘博士GBS	Resigned on 21 March 2012 於二零一二年三月二十一日辭任	50	—	—	—	—	50
Mr. LAM Haw Shun, Dennis, JP 林孝信太平紳士	Resigned on 22 March 2012 於二零一二年三月二十二日辭任	—	458	133	—	—	591
Mr. Stanley Emmett THOMAS Stanley Emmett THOMAS先生	Resigned on 28 May 2012 於二零一二年五月二十八日辭任	67	—	—	—	—	67
Mr. Lincoln PAN Lin Feng 潘林峰先生	Resigned on 28 May 2012 於二零一二年五月二十八日辭任	67	—	—	—	—	67
Mr. ZALDIVAR Peter Alphonse ZALDIVAR Peter Alphonse先生	Appointed on 8 July 2010 於二零一零年七月八日獲委任	125	—	—	—	—	125
Mr. LIU Yuk Chi, David 劉毓慈先生	Resigned on 21 March 2012 於二零一二年三月二十一日辭任	—	1,000	—	—	—	1,000
Mr. FLYNN Douglas Ronald FLYNN Douglas Ronald先生	Resigned on 22 March 2012 於二零一二年三月二十二日辭任	—	333	—	—	—	333
Ms. HO Chiu King Pansy Catilina 何超瓊女士	Resigned on 28 May 2012 於二零一二年五月二十八日辭任	67	—	—	—	—	67
Mr. OWYANG Loong Shui, Ivan 歐陽龍瑞先生	Resigned on 21 March 2012 於二零一二年三月二十一日辭任	—	180	—	—	—	180
Dr. LIN Junbo 林俊波博士	Appointed on 17 May 2011 於二零一一年五月十七日獲委任	125	—	—	—	—	125

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

6 DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (continued)

6 董事酬金及五名最高薪人士 (續)

	Date of appointment/ resignation	Directors' fees	Basic salaries, other allowances and emoluments	Discretionary bonuses	Retirement scheme contributions	Equity settled share-based payment expenses	Fifteen months ended 31 December 2012 Total
			基本薪金、其他 津貼及酬金		酌情花紅	退休計劃供款	股權支付開支 (Note 26) (附註26)
	委任/辭任日期	董事袍金	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Independent non-executive directors							
獨立非執行董事							
Mr. LAU Hon Chuen, GBS, JP 劉漢銓 GBS 太平紳士	Resigned on 8 August 2012 於二零一二年八月八日辭任	92	—	—	—	—	92
Mr. HUI Koon Man, Michael, JP 許冠文 太平紳士	Resigned on 22 October 2012 於二零一二年十月二十二日辭任	108	—	—	—	—	108
Mr. CHOU Wayne 周瑛先生	Resigned on 31 August 2012 於二零一二年八月三十一日辭任	92	—	—	—	—	92
Ms. SZETO Wai Ling, Virginia 司徒惠玲女士	Appointed on 31 August 2012 於二零一二年八月三十一日獲委任	—	—	—	—	—	—
Mr. FUNG Ho Leung, Arthur 馮浩良先生	Appointed on 31 August 2012 於二零一二年八月三十一日獲委任	—	—	—	—	—	—
Mr. YEUNG Chung Hang, Patrick 楊頌恆先生	Appointed on 18 January 2013 於二零一三年一月十八日獲委任	—	—	—	—	—	—
Total 總計		793	13,218	(19,985)	16	(7,850)	(13,808)

Note: During the fifteen months ended 31 December 2012, a director agreed to waive emoluments totalling \$20,118,000 in respect of discretionary bonuses payable to that director in prior years. In addition, equity settled share-based payment expenses of \$7,850,000 were reversed on cancellation of the same director's bonus share entitlement as certain conditions could not be fulfilled.

附註：於截至二零一二年十二月三十一日止十五個月內，一名董事同意放棄收取就過往年度應付予該名董事之酌情花紅共20,118,000元。此外，由於若干條件未能達成，故同一董事之紅股配額已註銷，並轉回股權支付開支7,850,000元。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

6 DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (continued)

The above analysis include two (fifteen months ended 31 December 2012: two) individuals whose emoluments are among the five highest paid individuals in the Group. Details of the emoluments paid to the remaining three (fifteen months ended 31 December 2012: three) individuals are:

6 董事酬金及五名最高薪人士 (續)

上述分析包括兩名(截至二零一二年十二月三十一日止十五個月：兩名)人士，其酬金在集團五名最高薪人士之列。向另外三名(截至二零一二年十二月三十一日止十五個月：三名)人士支付之酬金詳情如下：

	Year ended 31 December 2013 截至 二零一三年 十二月三十一 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一 止十五個月 \$'000 千元
Basic salaries, housing and other allowances, and benefits in kind	1,248	3,009
Retirement scheme contributions	108	41
	1,356	3,050

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

6 DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (continued)

The emoluments of the individuals fell within the following bands:

		Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 Number of individuals 人數	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 Number of individuals 人數
\$0-\$1,000,000	0元至1,000,000元	3	2
\$1,000,001-\$1,500,000	1,000,001元至 1,500,000元	—	1
		3	3

During the year/period, no amounts were paid or payable to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

集團於年／期內並無向或須向五名最高薪人士支付款項，作為他們加盟集團之禮聘或作為加入後之獎金或離職補償。

7 LOSS ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated loss attributable to equity shareholders of the Company includes a loss of \$1,215,205,000 (fifteen months ended 31 December 2012: \$860,099,000) which has been dealt with in the financial statements of the Company.

7 公司股權持有人應佔虧損

公司股權持有人應佔綜合虧損包括已於公司財務報表中入賬之虧損1,215,205,000元(截至二零一二年十二月三十一日止十五個月: 860,099,000元)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

8 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of \$675,376,000 (fifteen months ended 31 December 2012: \$628,058,000) and the weighted average number of 338,783,000 ordinary shares (fifteen months ended 31 December 2012: 77,553,000) in issue during the year ended 31 December 2013, calculated as follows:

Weighted average number of ordinary shares

8 每股虧損

(a) 每股基本虧損

每股基本虧損是根據截至二零一三年十二月三十一日止年度公司普通股權持有人應佔虧損675,376,000元(截至二零一二年十二月三十一日止十五個月: 628,058,000元)及已發行普通股加權平均股數338,783,000股(截至二零一二年十二月三十一日止十五個月: 77,553,000股)計算如下:

普通股之加權平均股數

		Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 '000 千股	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 '000 千股
Issued ordinary shares at 1 January 2013/ 1 October 2011	於二零一三年一月一日/ 二零一一年十月一日之 已發行普通股	4,687,981	934,340
Effect of scrip dividends (note 27(c)(ii))	以股代息之影響 (附註27(c)(ii))	—	5,705
Effect of rights issues (note 27(c)(iii))	供股之影響 (附註27(c)(iii))	614,410	6,815,206
Effect of capital reorganisation and share consolidation (notes 27(c)(iv) and 27(c)(v))	股本重組及股份合併之 影響(附註27(c)(iv)及 27(c)(v))	(4,963,608)	(7,677,698)
Weighted average number of ordinary shares at 31 December	於十二月三十一日之 普通股加權平均股數	338,783	77,553

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

8 LOSS PER SHARE (continued)

(b) Diluted loss per share

The diluted loss per share for the year ended 31 December 2013 and the fifteen months ended 31 December 2012 are the same as the basic loss earnings per share as the outstanding share options, equity settled share-based transactions and conversion options for the convertible notes during the year/period have anti-dilutive effect to the basic loss per share. The then status of condition was assumed unchanged and thus the condition of reset and adjustment were not met.

9 RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme managed by an independent approved MPF Scheme trustee. Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$25,000 (\$20,000 prior to June 2012). Contributions to the scheme vest immediately.

Pursuant to the relevant labour rules and regulations in the PRC, the PRC subsidiaries of the Group participate in a defined contribution retirement plan (the "Plan") organised by the local government authorities whereby the subsidiaries are required to contribute to the Plan to fund the retirement benefits of the eligible employees. Contributions made to the Plan are calculated at a range from 9% to 22.5% of the basic salaries of the eligible employees. The local government authorities are responsible for the entire pension obligations payable to the retired employees. The Group is not liable to any retirement benefits payment in the PRC beyond the contributions to the Plan.

The Group does not operate any other scheme for retirement benefits provided to the Group's employees.

8 每股虧損(續)

(b) 每股攤薄虧損

截至二零一三年十二月三十一日止年度及截至二零一二年十二月三十一日止十五個月之每股攤薄虧損與每股基本虧損相同，原因是年／期內之未行使購股權、股權支付交易及可換股票據之轉換權對每股基本虧損具有反攤薄影響。由於假設當時情況不變，故不符合重定及調整條件。

9 退休福利計劃

集團根據香港《強制性公積金計劃條例》為根據香港《僱傭條例》管轄範圍聘用之僱員設立強制性公積金計劃(「強積金計劃」)。強積金計劃為由獨立認可之強積金計劃信託人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員須各自按僱員有關收入之5%向計劃作出供款，有關收入之每月上限為25,000元(二零一二年六月前為20,000元)。計劃之供款即時撥入計劃內。

根據中國相關勞工法例及法規，集團之中國附屬公司參與地方政府機關籌辦之定額供款退休計劃(「該計劃」)，據此，附屬公司須向該計劃供款，作為替合資格僱員提供退休福利之資金。向該計劃作出之供款乃相等於合資格僱員基本薪金之9%至22.5%。地方政府機關負責向退休僱員支付應付之全部退休金。除了向該計劃作出供款外，集團在中國並無其他退休福利供款責任。

集團並無為集團之僱員營辦任何其他退休福利計劃。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

10 FIXED ASSETS (a) The Group

10 固定資產 (a) 集團

		The Group 集團					
		Land and buildings	Leasehold improvements	Furniture, fixtures and other fixed assets	Production equipment	Props and costumes	Total
		土地及樓宇	租賃裝修	傢俬、裝置及 其他固定資產	製作設備	道具及戲服	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Cost:	成本：						
At 1 January 2013	於二零一三年一月一日	83,509	28,354	17,589	2,972	11,577	144,001
Additions	添置	—	60	45	—	—	105
Disposals	出售	(13,412)	(4,011)	(1,165)	—	—	(18,588)
Disposal of subsidiaries	出售附屬公司	(35,779)	(23,824)	(13,591)	(2,972)	(11,572)	(87,738)
Reclassification to assets classified as held for sale (note 21)	重新分類至歸類為 持作出售之資產 (附註21)	(34,318)	—	—	—	—	(34,318)
Exchange adjustments	匯兌調整	—	13	45	—	2	60
At 31 December 2013	於二零一三年 十二月三十一日	—	592	2,923	—	7	3,522
Accumulated depreciation:	累計折舊：						
At 1 January 2013	於二零一三年一月一日	6,600	24,278	13,538	2,738	11,577	58,731
Charge for the year	年內開支	1,447	1,459	1,244	3	4	4,157
Written back on disposals	出售時撥回	(1,144)	(2,549)	(903)	—	—	(4,596)
Written back on disposal of subsidiaries	出售附屬公司時撥回	(4,333)	(22,873)	(11,637)	(2,741)	(11,572)	(53,156)
Reclassification to assets classified as held for sale (note 21)	重新分類至歸類為 持作出售之資產 (附註21)	(2,570)	—	—	—	—	(2,570)
Exchange adjustments	匯兌調整	—	13	43	—	(2)	54
At 31 December 2013	於二零一三年 十二月三十一日	—	328	2,285	—	7	2,620
Net book value:	賬面淨值：						
At 31 December 2013	於二零一三年 十二月三十一日	—	264	638	—	—	902

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

10 FIXED ASSETS (continued) (a) The Group (continued)

10 固定資產(續) (a) 集團(續)

		The Group 集團					
		Land and buildings	Leasehold improvements	Furniture, fixtures and other fixed assets	Production equipment	Props and costumes	Total
		土地及樓宇	租賃裝修	傢俬、裝置及 其他固定資產	製作設備	道具及戲服	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Cost:	成本：						
At 1 October 2011	於二零一一年十月一日	113,778	27,594	17,075	2,958	11,504	172,909
Additions	添置	—	2,267	1,265	—	—	3,532
Disposals	出售	(19,081)	(1,679)	(582)	—	—	(21,342)
Disposal of subsidiaries	出售附屬公司	(11,456)	—	(272)	—	—	(11,728)
Exchange adjustments	匯兌調整	268	172	103	14	73	630
At 31 December 2012	於二零一二年 十二月三十一日	83,509	28,354	17,589	2,972	11,577	144,001
Accumulated depreciation:	累計折舊：						
At 1 October 2011	於二零一一年十月一日	5,713	21,943	10,880	2,450	11,476	52,462
Charge for the period	期內開支	4,124	4,121	3,105	278	28	11,656
Written back on disposals	出售時撥回	(2,331)	(1,054)	(340)	—	—	(3,725)
Written back on disposal of subsidiaries	出售附屬公司時撥回	(931)	—	(169)	—	—	(1,100)
Exchange adjustments	匯兌調整	25	(732)	62	10	73	(562)
At 31 December 2012	於二零一二年 十二月三十一日	6,600	24,278	13,538	2,738	11,577	58,731
Net book value:	賬面淨值：						
At 31 December 2012	於二零一二年 十二月三十一日	76,909	4,076	4,051	234	—	85,270

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

10 FIXED ASSETS (continued)

(b) The analysis of net book value of land and buildings is as follows:

	The Group 集團	
	2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
In Hong Kong under medium-term lease 在香港以中期租約持有	—	12,502
In the PRC under long-term leases 在中國以長期租約持有	—	64,407
	—	76,909

(c) Land and buildings held by certain subsidiaries with carrying value of \$23,722,000 were pledged as security for mortgage bank loans of \$11,912,000 as at 31 December 2012 (note 22).

10 固定資產(續)

(b) 土地及樓宇之賬面淨值分析如下：

(c) 若干附屬公司所持賬面值為23,722,000元之土地及樓宇已予抵押，作為於二零一二年十二月三十一日之按揭銀行貸款11,912,000元之抵押品(附註22)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

11 INVESTMENT IN SUBSIDIARIES

11 於附屬公司之投資

		The Company 公司	
		2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
Unlisted shares, at cost	非上市股份，按成本	12,390	72,943
Less: impairment loss	減：減值虧損	(12,000)	(12,000)
		390	60,943

An impairment loss of \$12,000,000 has been made for the investment in subsidiaries as at 31 December 2013 (2012: \$12,000,000) as the carrying amount of investment in subsidiaries exceeds its recoverable amount.

於二零一三年十二月三十一日，由於於附屬公司之投資賬面金額高於其可收回金額，故已就於附屬公司之投資作出12,000,000元(二零一二年：12,000,000元)減值虧損。

The unlisted shares of certain subsidiaries held by the Company were transferred to a wholly owned subsidiary at cost during the year.

公司所持若干附屬公司之非上市股份已於年內按成本轉讓予一家全資附屬公司。

Details of disposal of certain subsidiaries of the Group are disclosed in note 29.

出售集團若干附屬公司之詳情於附註29披露。

The following list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

下表載列對集團業績、資產或負債有重大影響之附屬公司之詳情。除非另有註明，否則所持股份類別為普通股。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

11 INVESTMENT IN SUBSIDIARIES (continued)

11 於附屬公司之投資(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 營業地點	Proportion of attributable equity interest held 持有之應佔股權比例		Issued share capital/ registered capital 已發行股本/ 註冊資本	Principal activity 主要業務
			Directly 直接	Indirectly 間接		
Quick Gain Enterprises Limited Quick Gain Enterprises Limited	BVI 英屬處女群島	Hong Kong 香港	100%	—	US\$1 1美元	Investment holding 投資控股
Qin Jia Yuan Cultural Assets (Hong Kong) Company Limited 勤+緣文化產業(香港)有限公司	Hong Kong 香港	Hong Kong 香港	—	100%	# \$2 ## \$92	Property investment 物業投資
Qin Jia Yuan Media Creation Co., Limited 勤+緣媒體創作有限公司	BVI 英屬處女群島	Hong Kong 香港	—	100%	US\$1 1美元	Investment holding 投資控股
Qin Jia Yuan Creation Company Limited 勤+緣創作有限公司	BVI 英屬處女群島	PRC 中國	—	100%	US\$10 10美元	Holding of scripts, synopses and editing rights 持有劇本、故事大綱及編寫權
Progressive Chic Development Limited Progressive Chic Development Limited	BVI 英屬處女群島	Hong Kong 香港	—	100%	US\$1 1美元	Investment holding 投資控股
Hangwai Enterprises Limited 恒威企業有限公司	BVI 英屬處女群島	Hong Kong 香港	—	100%	US\$1 1美元	Holding of distribution rights 持有發行權
Vast Top Investments Limited 德宏投資有限公司	BVI 英屬處女群島	Hong Kong 香港	—	100%	US\$1 1美元	Holding of adaptation rights of fiction series 持有小說系列之改編權
Great Mean Enterprises Limited 君民企業有限公司	BVI 英屬處女群島	Hong Kong 香港	—	100%	US\$1 1美元	Holding of adaptation rights of fiction series 持有小說系列之改編權

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

11 INVESTMENT IN SUBSIDIARIES (continued)

11 於附屬公司之投資(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Place of operation 營業地點	Proportion of attributable equity interest held 持有之應佔股權比例		Issued share capital/ registered capital 已發行股本/ 註冊資本	Principal activity 主要業務
			Directly 直接	Indirectly 間接		
Sharp Cheer Enterprises Limited 鋒悅企業有限公司	BVI 英屬處女群島	Hong Kong 香港	—	100%	US\$1 1美元	Holding of distribution rights 持有發行權
Luck Success Enterprise Limited 裕成企業有限公司	Hong Kong 香港	PRC 中國	—	100%	\$1 1元	Property holding 持有物業
QJY Advertising And Communication Holdings Company Limited	BVI	Hong Kong	—	100%	US\$1	Investment holding
QJY Advertising And Communication Holdings Company Limited	英屬處女群島	香港	—	100%	1美元	投資控股
Green Team Culture Asset Limited 匯翠文化資產有限公司	BVI 英屬處女群島	Hong Kong 香港	—	100%	US\$10,000 10,000美元	Holding of publication and adaptation rights 持有出版及改編權
Clear Light Group Limited 亮麗集團有限公司	BVI 英屬處女群島	PRC 中國	—	55%	US\$100 100美元	Provision of consultancy and advertising services 提供諮詢及廣告服務
HuaXia Qin Jia Yuan Culture and Communication Company Limited 華夏勤+緣文化傳播有限公司	Hong Kong 香港	Hong Kong 香港	—	75%	\$1,000,000 1,000,000元	Provision of TV program and production related services 提供電視節目及製作類服務
# Class A non-voting shares					#	A類無投票權股份
## Class B voting shares					##	B類有投票權股份

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

11 INVESTMENT IN SUBSIDIARIES (continued)

The following table lists out the information relating to Clear Light Group Limited, a subsidiary of the Group which has material non-controlling interest (NCI). The summarised financial information presented below represents the amount before any inter-company elimination.

11 於附屬公司之投資(續)

下表載列與亮麗集團有限公司相關之資料。亮麗集團有限公司為集團擁有重大非控制性權益之附屬公司。以下呈列之財務資料概要為任何公司間抵銷前之金額。

		Clear Light Group Limited 亮麗集團有限公司	
		2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
NCI percentage	非控制性權益百分比	45%	45%
Current assets	流動資產	42,530	62,452
Non-current assets	非流動資產	47,604	49,520
Current liabilities	流動負債	(76,009)	(90,450)
Non-current liabilities	非流動負債	—	(11,071)
Net assets	資產淨值	14,125	10,451
Carrying amount of NCI	非控制性權益之 賬面金額	6,356	4,703
		Year ended 31 December 2013 截至二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至二零一二年 十二月三十一日 止十五個月 \$'000 千元
Revenue	收入	182,346	212,663
Profit for the year/period	本年度／期間溢利	3,674	5,588
Total comprehensive income	全面損益總額	3,674	5,588
Profit allocated to NCI	分配至非控制性權益之溢利	1,653	2,515
Dividend paid to NCI	支付予非控制性權益之股息	—	—
Cash inflow/(outflow) from operating activities	經營活動之現金 流入／(流出)	1,460	(845)
Cash outflow from investing activities	投資活動之現金 流出	(12)	(723)
Cash (outflow)/inflow from financing activities	融資活動之現金 (流出)／流入	(11,071)	11,071

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

12 INTANGIBLE ASSETS

12 無形資產

		The Group 集團					
		Purchased licence rights	Television programs in progress	Purchased advertising rights	Customer contract costs	Others	Total
		已購買 特許權	製作中 電視節目	已購買 廣告權	客戶合同 成本	其他	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Cost:	成本：						
At 1 January 2013	於二零一三年 一月一日	1,238,988	112,142	50,220	67,150	14,157	1,482,657
Additions	添置	8,571	—	—	—	—	8,571
Disposal of subsidiaries	出售附屬公司	—	—	(11,937)	(12,496)	(7,983)	(32,416)
Exchange difference	匯兌差額	—	—	—	—	8	8
At 31 December 2013	於二零一三年 十二月三十一日	1,247,559	112,142	38,283	54,654	6,182	1,458,820
Accumulated amortisation and impairment loss:	累計攤銷及減值 虧損：						
At 1 January 2013	於二零一三年 一月一日	394,958	112,142	50,220	39,822	13,517	610,659
Charge for the year	年內開支	52,015	—	—	1,457	209	53,681
Impairment loss	減值虧損	371,333	—	—	—	—	371,333
Written back on disposal of subsidiaries	出售附屬公司時撥回	—	—	(11,937)	(12,496)	(7,544)	(31,977)
At 31 December 2013	於二零一三年 十二月三十一日	818,306	112,142	38,283	28,783	6,182	1,003,696
Net book value:	賬面淨值：						
At 31 December 2013	於二零一三年 十二月三十一日	429,253	—	—	25,871	—	455,124

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

12 INTANGIBLE ASSETS (continued)

12 無形資產(續)

		The Group 集團					
		Purchased licence rights	Television programs in progress	Purchased advertising rights	Customer contract costs	Others	Total
		已購買 特許權	製作中 電視節目	已購買 廣告權	客戶合同 成本	其他	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Cost:	成本：						
At 1 October 2011	於二零一一年 十月一日	891,016	112,142	50,220	67,150	22,367	1,142,895
Additions	添置	347,972	—	—	—	—	347,972
Disposal of a subsidiary	出售一家附屬公司	—	—	—	—	(8,216)	(8,216)
Exchange difference	匯兌差額	—	—	—	—	6	6
At 31 December 2012	於二零一二年 十二月三十一日	1,238,988	112,142	50,220	67,150	14,157	1,482,657
Accumulated amortisation and impairment loss:	累計攤銷及減值 虧損：						
At 1 October 2011	於二零一一年 十月一日	68,716	112,142	50,220	20,221	13,935	265,234
Charge for the period	期內開支	47,659	—	—	7,105	4,377	59,141
Impairment loss	減值虧損	278,583	—	—	12,496	—	291,079
Written back on disposal of a subsidiary	出售一家附屬公司時 撥回	—	—	—	—	(4,795)	(4,795)
At 31 December 2012	於二零一二年 十二月三十一日	394,958	112,142	50,220	39,822	13,517	610,659
Net book value:	賬面淨值：						
At 31 December 2012	於二零一二年 十二月三十一日	844,030	—	—	27,328	640	871,998

The amortisation charge for the year/period is included in "direct costs" in the consolidated income statement.

年/期內攤銷開支於綜合損益表內列為「直接成本」。

Purchased licence rights with carrying value of \$305,189,000 were pledged for convertible notes with outstanding principal amount of \$100,000,000 as at 31 December 2012 (note 25(d)).

於二零一二年十二月三十一日，賬面值為305,189,000元之已購買特許權已就未償還本金額為100,000,000元之可換股票據(附註25(d))作抵押。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

12 INTANGIBLE ASSETS (continued)

Impairment tests for intangible assets

During the six months ended 30 June 2013, the directors engaged an independent professional valuer, BMI Appraisals Limited ("BMI"), to conduct a valuation of the purchased licence and other rights of the Group as at 30 June 2013. Based on the result of this valuation, an impairment provision of \$289,364,000 was made for intangible assets for the six months ended 30 June 2013.

The directors engaged BMI again to conduct a valuation of the above rights of the Group as at 31 December 2013. Similarly, BMI calculated the fair values of these rights using the income capitalisation approach and a discount rate of 20.05%, and assumed that these rights will be utilised/disposed of within the next 10 years. Forecast gross margins were determined with reference to current management's assessment of the marketability of these rights and the wider market condition, having regard to a lack of revenue generated from these rights for almost two years, including the last six months. The recoverable amounts of these rights were determined on the basis of value in use. Based on the result of this valuation, an impairment provision of \$81,969,000 was made for intangible assets for the six months ended 31 December 2013.

13 GOODWILL

12 無形資產(續)

無形資產之減值測試

於截至二零一三年六月三十日止六個月，董事已委聘獨立專業估值師中和邦盟評估有限公司(「中和邦盟」)於二零一三年六月三十日對集團已購入特許權及其他權利進行估值。根據估值結果，集團已於截至二零一三年六月三十日止六個月就無形資產作出減值撥備289,364,000元。

董事再委聘中和邦盟於二零一三年十二月三十一日對上述集團權利進行估值。中和邦盟同樣採用資本化收入法及以20.05%折現率計算此等權利之公平值，並假設此等權利將於未來十年內動用／出售。預測毛利率按管理層對此等權利之可出售程度及大範圍市況之現時估計釐定，當中已考慮已接近兩年(包括過去六個月)缺乏來自此等權利之收入。此等權利之可收回金額按使用價值基準釐定。根據估值結果，集團已於截至二零一三年十二月三十一日止六個月就無形資產作出減值撥備81,969,000元。

13 商譽

		The Group 集團	
		2013 二零一三年	2012 二零一二年
		\$'000 千元	\$'000 千元
Cost and carrying amount:	成本及賬面金額：		
At 1 January 2013/1 October 2011 and at 31 December	於二零一三年一月一日／ 二零一一年十月一日及 於十二月三十一日	21,076	21,076

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

13 GOODWILL (continued) Impairment test for cash-generating unit containing goodwill

Goodwill is allocated to the Group's advertising business as a cash generating unit ("CGU"). The directors engaged an independent professional valuer, BMI, to conduct a valuation of this CGU of the Group as at 31 December 2013. The recoverable amount is determined based on value-in-use calculations. Based on the result that the recoverable amount is higher than the carrying amount of this CGU as at 31 December 2013, no impairment loss has been recognised for the CGU as at 31 December 2013.

14 INTEREST IN AN ASSOCIATE

13 商譽(續) 包含商譽之現金產生單位之減值測試

商譽分配至集團之廣告業務(作為現金產生單位)。董事已委聘獨立專業估值師中和邦盟於二零一三年十二月三十一日對集團此現金產生單位進行估值。可收回金額根據使用價值計算法釐定。根據可收回金額高於此現金產生單位於二零一三年十二月三十一日之賬面金額之結果，於二零一三年十二月三十一日並無就此現金產生單位確認任何減值虧損。

14 於一家聯營公司之權益

		The Group 集團	
		2013 二零一三年	2012 二零一二年
		\$'000 千元	\$'000 千元
Unlisted shares, at cost	非上市股份，按成本	—	—
Share of net assets	應佔資產淨值	—	3,858
		—	3,858

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

14 INTEREST IN AN ASSOCIATE (continued)

The following list contains the particulars of the associate, which is an unlisted corporate entity whose quoted market price is not available:

Name of associate	Form of business structure	Place of establishment and operation	Particulars of issued and paid up capital	Proportion of ownership interest			Principal activity
				Group's effective interest	Held by the Company	Held by a subsidiary	
聯營公司名稱	業務架構形式	成立及經營地點	已發行及繳足股本詳情	集團實際權益	公司持有	附屬公司持有	主要業務
Beijing Guoguang Huaxia Media Broadcasting Company Limited+	Incorporated	PRC	10,000,000/8,200,000 ordinary shares of RMB1 each	45%	—	45%	Purchase and holding of distribution rights
北京國廣華夏文化傳媒有限公司+	法團	中國	10,000,000股／8,200,000股每股面值人民幣1元之普通股	45%	—	45%	購買及持有發行權

+ English name for identification purpose only

The associate is accounted for using the equity method in the consolidated financial statements. It is not material in relation to the consolidated financial statements.

Amount due from the associate is unsecured, interest-free, has no fixed terms of repayment and is expected to be recovered within one year.

14 於一家聯營公司之權益(續)

下表載列並無市場報價之聯營公司(為非上市企業實體)之詳情：

Name of associate	Form of business structure	Place of establishment and operation	Particulars of issued and paid up capital	Proportion of ownership interest			Principal activity
				Group's effective interest	Held by the Company	Held by a subsidiary	
聯營公司名稱	業務架構形式	成立及經營地點	已發行及繳足股本詳情	集團實際權益	公司持有	附屬公司持有	主要業務

+ 英文名稱僅供識別

該聯營公司採用權益法於綜合財務報表入賬。其就綜合財務報表而言並不重大。

應收該聯營公司款項為無抵押、免息、無固定還款期但預期於一年內收回。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

15 OTHER FINANCIAL ASSETS

15 其他財務資產

		The Group 集團	
		2013 二零一三年	2012 二零一二年
		\$'000 千元	\$'000 千元
Available-for-sale equity securities — Unlisted	可供出售股本證券 — 非上市	15,954	31,908

During the year ended 31 December 2013, the directors reviewed the recoverability of the available-for-sale equity securities and made an impairment provision of \$15,954,000 accordingly.

截至二零一三年十二月三十一日止年度，董事檢討可供出售股本證券之可收回程度，據此作出減值撥備15,954,000元。

16 INVENTORIES

(a) The balance of inventories at the balance sheet date represents the cost of acquisition of certain scripts, synopses, publication rights, copyrights and editing rights.

Provision for slow moving inventories of \$88,031,000 was made as at 31 December 2013 (2012: \$Nil).

16 存貨

(a) 於報告期末之存貨結餘指若干劇本、故事大綱、出版權、版權及編寫權之收購成本。

於二零一三年十二月三十一日已就滯銷存貨作出88,031,000元撥備(二零一二年：無)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

16 INVENTORIES (continued)

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

		The Group 集團	
		Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
Carrying amount of inventories sold	已出售存貨之賬面金額	400	56,341

17 ACCOUNTS RECEIVABLE, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(a) Accounts receivable

17 應收賬款、預付款項、按金及其他應收款項

(a) 應收賬款

		The Group 集團	
		2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
Accounts receivable	應收賬款	27,244	150,161

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

17 ACCOUNTS RECEIVABLE, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(continued)

(a) Accounts receivable (continued)

Included in accounts receivable expected to be recovered within twelve months from 31 December 2013 are debtors with the following ageing analysis (based on invoice date):

		The Group 集團	
		2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
Within 1 month	一個月內	15,684	69,207
1 to 3 months	一至三個月	11,560	21,056
3 to 6 months	三至六個月	—	59,898
		27,244	150,161

The credit terms offered by the Group are in accordance with the terms specified in each agreement entered into with the relevant customers, ranging from three to fifteen months. Subject to negotiations, extended credit terms are available for certain major customers with well-established operating records. The Group's credit policy is set out in note 28(a)(i).

Impairment losses in respect of the accounts receivable are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against accounts receivable directly. As at 31 December 2013, full provision of \$35,626,000 (2012: \$35,626,000) has been made for accounts receivable due from two advertising agencies located in the PRC. Further details are disclosed in note 4(c) to the financial statements.

17 應收賬款、預付款項、按金及其他應收款項(續)

(a) 應收賬款(續)

預期自二零一三年十二月三十一日起計十二個月內收回之應收賬款中包括以下應收款，賬齡分析(按發票日期)如下：

集團根據其與有關客戶訂立之各份協議所列條款，提供介乎三個月至十五個月之賒賬期。視乎與客戶之磋商，若干擁有良好業務紀錄之主要客戶獲較長賒賬期。集團之信貸政策載於附註28(a)(i)。

應收賬款之減值虧損記入撥備賬目，除非集團信納收回有關金額之可能性低，在此情況下減值虧損直接於應收賬款沖銷。於二零一三年十二月三十一日，已就應收兩名中國廣告代理款項計提全數撥備35,626,000元(二零一二年：35,626,000元)。進一步詳情於財務報表附註4(c)披露。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

17 ACCOUNTS RECEIVABLE, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

(continued)

(a) Accounts receivable (continued)

As at 31 December 2013, the Group assessed that, except for the above, virtually all of the accounts receivable are neither past due nor impaired (2012: \$Nil).

(b) Prepayments, deposits and other receivables

An impairment provision of \$137,463,000 has been made at 31 December 2012 for prepayments, deposits and other receivables, details of which are disclosed in note 4(c) to the financial statements. No further impairment provision has been made during the year ended 31 December 2013.

18 AMOUNTS DUE FROM/(TO) SUBSIDIARIES

The balances with subsidiaries are unsecured, interest-free and repayable on demand. An impairment loss of \$21,683,000 has been made for the amounts due from subsidiaries as at 31 December 2013 (2012: \$746,970,000) because these subsidiaries have deficiency in assets and accordingly the amounts due from them is impaired. During the year, amounts due from subsidiaries of \$1,114,952,000 were written off prior to disposal of the relevant subsidiaries.

19 PLEDGED DEPOSITS

The balance at 31 December 2012 represented bank deposits pledged as security for banking facilities (note 22).

17 應收賬款、預付款項、按金及其他應收款項(續)

(a) 應收賬款(續)

於二零一三年十二月三十一日，除上述者外，集團評定大致上所有應收賬款均未逾期且未減值(二零一二年：無)。

(b) 預付款項、按金及其他應收款項

於二零一二年十二月三十一日，已就預付款項、按金及其他應收款項作出減值撥備137,463,000元，有關詳情於財務報表附註4(c)披露。截至二零一三年十二月三十一日止年度並無作出進一步減值撥備。

18 應收／(應付)附屬公司款項

與附屬公司之間之結餘為無抵押、免息及須於要求時償還。於二零一三年十二月三十一日，由於附屬公司資產錄得虧絀，因此，應收該等附屬公司之款項已減值，並已就應收附屬公司款項作出21,683,000元減值虧損(二零一二年：746,970,000元)。1,114,952,000元之應收附屬公司款項已於年內出售有關附屬公司前撇銷。

19 已抵押存款

於二零一二年十二月三十一日之結餘指抵押作為銀行信貸(附註22)之抵押品之銀行存款。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

20 CASH AND CASH EQUIVALENTS

20 現金及現金等價物

		The Group 集團		The Company 公司	
		2013 二零一三年	2012 二零一二年	2013 二零一三年	2012 二零一二年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cash at bank and in hand	銀行及手頭現金	4,994	55,077	1,754	74
Cash and cash equivalents in the balance sheets	於資產負債表之現金及現金等價物	4,994	55,077	1,754	74
Bank overdrafts (note 22)	銀行透支 (附註22)	—	(19,247)		
Cash and cash equivalents in the consolidated cash flow statement	於綜合現金流量表之現金及現金等價物	4,994	35,830		

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

21 ASSETS HELD FOR SALE

On 31 December 2013, the Group entered into an agreement to dispose of two wholly owned subsidiaries, Flash Fountain International Limited ("Flash Fountain") and Luck Success Enterprise Limited ("Luck Success"), to an independent third party. As at 31 December 2013, the Group's interests in these subsidiaries have not been transferred as the transaction is yet to be completed. The principal business activities of these subsidiaries are property holding.

The following assets and liabilities attributable to these subsidiaries, which are expected to be sold within twelve months, have been classified as held for sale as at 31 December 2013 and are presented separately in the consolidated balance sheet.

21 持作出售資產

於二零一三年十二月三十一日，集團與一名獨立第三方訂立一項協議出售兩家全資附屬公司 Flash Fountain International Limited (「Flash Fountain」) 及裕成企業有限公司 (「裕成」)。於二零一三年十二月三十一日，由於交易尚未完成，故集團於此等附屬公司之權益尚未轉讓。此等附屬公司之主要業務活動為持有物業。

下列此等附屬公司應佔之資產及負債(預期於十二個月內出售)已於二零一三年十二月三十一日分類為持作出售，並於綜合資產負債表內分開呈列。

		2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
Fixed assets	固定資產	31,748	—
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	18	—
		31,766	—

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

22 BANK LOANS AND OVERDRAFTS

22 銀行貸款及透支

		The Group 集團	
		2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
Bank overdrafts	銀行透支	—	19,247
Secured bank loans	有抵押銀行貸款		
Current portion	即期部分	—	385,064
Non-current portion	非即期部分	—	12,917
		—	397,981
Mortgage bank loans	按揭銀行貸款		
Current portion	即期部分	—	1,161
Non-current portion	非即期部分	—	10,751
		—	11,912
		—	429,140
Repayable as follows:	還款期如下：		
— Within 1 year or on demand	— 一年內或於要求時	—	405,472
— After 1 year but within 2 years	— 一年後至兩年內	—	9,788
— After 2 years but within 5 years	— 兩年後至五年內	—	7,937
— After 5 years	— 五年後	—	5,943
		—	23,668
		—	429,140

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

22 BANK LOANS AND OVERDRAFTS (continued)

At 31 December 2012, certain bank loan facilities were secured by pledged deposits of \$112,113,000 (note 19), certain shares of a subsidiary, and the corporate guarantee provided by the Company and its subsidiaries, totalling \$399,953,000 which were utilised to the extent of \$397,981,000 as at 31 December 2012.

At 31 December 2012, mortgage bank loans of \$11,912,000 were secured by the Group's land and buildings with carrying value of \$23,722,000 (note 10), and the corporate guarantee provided by the Company.

23 LOANS FROM SHAREHOLDERS AND OTHER LOANS

(a) Loans from shareholders

As at 31 December 2012, loan from a shareholder to a subsidiary of the Group of \$8,716,000 was unsecured, interest-bearing at prime rate per annum and repayable on demand while another loan from a shareholder to a subsidiary of the Group of \$3,981,000 was unsecured, interest-free and repayable on demand.

(b) Other loans

As at 31 December 2013, no other loans were borrowed by the Company (2012: \$51,800,000).

For the other loans borrowed by the subsidiaries of the Company, all are repayable within one year, of which \$29,206,000 (2012: \$3,000,000) is secured and subject to fixed interest and handling fee amounted to \$Nil (2012: \$360,000) in aggregate, while the remaining amount of \$13,026,000 (2012: \$8,198,000) is unsecured and interest-bearing at prime rate per annum.

22 銀行貸款及透支(續)

於二零一二年十二月三十一日，若干銀行貸款額以112,113,000元之已抵押存款(附註19)、一家附屬公司之若干股份及公司及其附屬公司提供之公司擔保作抵押。該等信貸額共計399,953,000元，於二零一二年十二月三十一日已動用397,981,000元。

於二零一二年十二月三十一日，按揭銀行貸款11,912,000元以集團賬面值23,722,000元之土地和樓宇(附註10)及公司提供之公司擔保作抵押。

23 來自股東之貸款及其他貸款

(a) 來自股東之貸款

於二零一二年十二月三十一日，來自一名股東借予集團一家附屬公司之貸款8,716,000元為無抵押、以最優惠年利率計息及須於要求時償還，而另一筆來自一名股東借予集團一家附屬公司之貸款3,981,000元為無抵押、免息及須於要求時償還。

(b) 其他貸款

於二零一三年十二月三十一日，公司並無借入其他貸款(二零一二年：51,800,000元)。

公司附屬公司借入之其他貸款全部須於一年內償還，其中29,206,000元(二零一二年：3,000,000元)為有抵押及按固定利率計息，並附有手續費合共零元(二零一二年：360,000元)，而其餘13,026,000元(二零一二年：8,198,000元)則為無抵押及按最優惠年利率計息。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

24 ACCRUALS AND OTHER PAYABLES

All of the accruals and other payables are expected to be settled within one year or are payable on demand.

24 應計費用及其他應付款項

所有應計費用及其他應付款項均預期於一年內清償，或須於要求時償還。

25 CONVERTIBLE NOTES

25 可換股票據

		The Group and the Company 集團及公司				
		Liability	Conversion option	Equity component of convertible notes	Warrant reserve	Total
		負債	轉換權	可換股票據之權益部分	認股權證儲備	總計
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
At 1 October 2011	於二零一一年十月一日	120,790	40,937	54,371	5,392	221,490
Effective interest for the period	期間實際利息	94,381	—	—	—	94,381
Change in fair value	公平值變動	—	(40,937)	—	—	(40,937)
Redemption of convertible notes	贖回可換股票據	(90,670)	—	—	—	(90,670)
At 31 December 2012	於二零一二年十二月三十一日	124,501	—	54,371	5,392	184,264

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

25 CONVERTIBLE NOTES (continued)

25 可換股票據(續)

		The Group and the Company 集團及公司				
		Liability	Conversion option	Equity component of convertible notes	Warrant reserve	Total
		負債	轉換權	可換股票據 之權益部分	認股權證 儲備	總計
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
At 1 January 2013	於二零一三年 一月一日	124,501	—	54,371	5,392	184,264
Effective interest for the year	年度實際利息	40,219	—	—	—	40,219
Redemption of convertible notes	贖回可換股票據	(164,720)	—	(54,371)	—	(219,091)
At 31 December 2013	於二零一三年 十二月三十一日	—	—	—	5,392	5,392

(a) During the year ended 30 September 2009, the Company entered into subscription agreements with Smart Peace Development Limited ("Smart Peace"), a wholly owned subsidiary of CCB International Asset Management Limited, and Star Group International Investment Limited ("Star Group") pursuant to which the Company agreed to issue up to \$100,000,000 unlisted convertible notes (the "Notes to Smart Peace") and unlisted warrants with exercise monies not more than \$100,000,000 to Smart Peace, and to issue up to \$50,000,000 unlisted convertible notes (the "Notes to Star Group") and unlisted warrants with exercise monies not more than \$25,000,000 to Star Group (collectively, the "2009 Notes").

(a) 於截至二零零九年九月三十日止年度，公司與建銀國際資產管理有限公司之全資附屬公司 Smart Peace Development Limited (「Smart Peace」) 及星匯國際投資有限公司 (「星匯」) 訂立認購協議，據此，公司同意向 Smart Peace 發行最多 100,000,000 元之非上市可換股票據 (「Smart Peace 票據」) 及行使金額不超過 100,000,000 元之非上市認股權證，並向星匯發行最多 50,000,000 元之非上市可換股票據 (「星匯票據」) 及行使金額不超過 25,000,000 元之非上市認股權證 (統稱「二零零九年票據」)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

25 CONVERTIBLE NOTES (continued)

(a) (continued)

On 15 May 2009 and 7 August 2009, two tranches of the Notes to Smart Peace with principal amounts of \$50,000,000 each ("Tranche 1 Smart Peace Note" and "Tranche 2 Smart Peace Note") were issued to Smart Peace. The Notes to Smart Peace bear interest at a rate of 5% per annum and handling fee of 3.5% per annum, payable semi-annually in arrear with the first payment of interest and handling fee to be made on the date falling six months from the date of issue of such convertible notes.

On 18 November 2009 and 19 March 2010, two tranches of the Notes to Star Group with principal amounts of \$25,000,000 each ("Tranche 1 Star Group Note" and "Tranche 2 Star Group Note") were issued to Star Group. The Notes to Star Group bear interest at a rate of 6-month Hong Kong Interbank Offered Rate ("HIBOR") per annum and handling fee of 3.5% per annum, payable monthly in arrear.

The 2009 Notes will be redeemed at 100% of the principal amount plus any accrued and unpaid interest and handling fee, together with a redemption premium calculated at 6-month HIBOR plus 2.5% per annum of the principal amount on the maturity date, being the end of the fifth year from the date of issue. The 2009 Notes holders can, after the expiry of the first anniversary of the date of issue of the respective 2009 Notes, require the Company to redeem in whole or in part of the 2009 Notes plus any accrued and unpaid interest and handling fee, together with a redemption premium at 1.5% per annum, 6-month HIBOR plus 2% per annum, and 6-month HIBOR plus 2.5% per annum during the second, third and fourth year up to the maturity date since the issue date of the 2009 Notes, respectively.

25 可換股票據(續)

(a) (續)

於二零零九年五月十五日及二零零九年八月七日，本金額各為50,000,000元之兩批Smart Peace票據(「第一批Smart Peace票據」及「第二批Smart Peace票據」)發行予Smart Peace。Smart Peace票據按年利率5%計息，手續費為每年3.5%，須於每半年期末支付，首期利息及手續費將於該等可換股票據發行之日起計滿六個月之日支付。

於二零零九年十一月十八日及二零一零年三月十九日，本金額各為25,000,000元之兩批星匯票據(「第一批星匯票據」及「第二批星匯票據」)發行予星匯。星匯票據按年利率六個月香港銀行同業拆息計息，手續費為每年3.5%，須於每月月底支付。

二零零九年票據之贖回金額為全部本金加任何應計及未付利息及手續費，連同於到期日(即發行日期起計第五年結束時)之本金按六個月香港銀行同業拆息加年利率2.5%計算得出之贖回溢價。二零零九年票據持有人可於二零零九年票據相關部分發行日期首個週年日屆滿後要求公司贖回全部或部分二零零九年票據，加上任何應計及未付利息及手續費，連同贖回溢價(於二零零九年票據發行日期起計第二週年、第三週年及第四週年至到期日期間分別按年利率1.5%、六個月香港銀行同業拆息加上年利率2%及六個月香港銀行同業拆息加上年利率2.5%計算)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

25 CONVERTIBLE NOTES (continued)

(a) (continued)

The 2009 Notes are convertible into the Company's ordinary shares at any time from the day falling on the 180th day after the date of issue up to the fifth business day prior to the maturity date at a conversion price of \$1.7014 per share (subject to reset and adjustment). On 31 December 2010, in accordance with the respective terms and conditions of the 2009 Notes, the conversion price of the 2009 Notes was reset to \$1.3778 per share.

- (b) During the year ended 30 September 2010, the Company entered into a subscription agreement with First Media Holdings, Limited ("First Media") pursuant to which the Company agreed to issue up to \$120,892,924 unlisted convertible notes (the "First Media Notes") and unlisted warrants (the "First Media Warrants") to purchase additional 11,380,942 ordinary shares of the Company.

On 8 July 2010, the two series of the First Media Notes with principal amounts of \$30,223,231 ("Series A Notes") and \$90,669,693 ("Series B Notes") were issued to First Media.

The Series A Notes are non-interest bearing. The Series B Notes bear interest at a rate of 7% per annum. Interest is capitalised quarterly and payable in kind when First Media exercises the conversion option or redemption option.

25 可換股票據(續)

(a) (續)

二零零九年票據可於其各自發行日期後第180天當日至其各自到期日前五個營業日期間，隨時按換股價每股1.7014元(可予重定及調整)轉換為公司之普通股。於二零一零年十二月三十一日，二零零九年票據之換股價已根據二零零九年票據之相關條款及條件重定為每股1.3778元。

- (b) 於截至二零一零年九月三十日止年度，公司與First Media Holdings, Limited (「First Media」) 訂立認購協議，據此，公司同意發行最多達120,892,924元之非上市可換股票據(「First Media票據」)以及非上市認股權證(「First Media認股權證」)，以額外購入11,380,942股公司之普通股。

於二零一零年七月八日，本金額分別為30,223,231元及90,669,693元之兩系列First Media票據(「A系列票據」及「B系列票據」)發行予First Media。

A系列票據不計息。B系列票據按年利率7%計息。利息每季資本化，並於First Media行使轉換權或贖回權時以實物支付。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

25 CONVERTIBLE NOTES (continued)

(b) (continued)

The First Media Notes will be redeemed at 100% of the principal amount plus uncapitalised interest accrued. First Media is entitled at any time after the first anniversary of the date of issue to redeem the First Media Notes at an amount equal to the principal amount of the First Media Notes subject to redemption plus uncapitalised interest accrued.

The First Media Notes are convertible into the Company's ordinary shares at any time from the date of issue of the First Media Notes to the maturity date, which is five years from the date of issue, at a conversion price of \$1.3278 per share (subject to reset and adjustments, and automatic conversion features in accordance with the subscription agreement with First Media).

- (c) On 13 December 2010, the Series A Notes with principal amount of \$30,223,231 was automatically converted into 22,760,000 ordinary shares at a conversion price of \$1.3278 per ordinary share in accordance with the subscription agreement with First Media. The remaining balances were settled in cash pursuant to the terms and conditions of the Series A Notes.

25 可換股票據(續)

(b) (續)

First Media票據之贖回金額為全部本金加未資本化之應計利息。First Media有權於First Media票據發行日期起計首個週年日後隨時贖回First Media票據，贖回金額相等於贖回之First Media票據本金額加未資本化之應計利息。

First Media票據可於First Media票據發行日期至到期日期間，即由發行日期起計為期五年，隨時按換股價每股1.3278元(可予重定及調整，及受限於根據與First Media訂立之認購協議之自動轉換機制)轉換為公司之普通股。

- (c) 於二零一零年十二月十三日，本金額為30,223,231元之A系列票據根據與First Media訂立之認購協議按換股價每股普通股1.3278元自動轉換為22,760,000股普通股。餘下結存已根據A系列票據之條款及條件以現金結算。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

25 CONVERTIBLE NOTES (continued)

- (d) A fixed charge over the entire amount of issued share capital of the Company and guarantee given by certain subsidiaries of the Company are pledged for the 2009 Notes with outstanding principal amount of \$Nil at 31 December 2013 (31 December 2012: \$100,000,000). The aggregate net assets held by those subsidiaries amounted to \$Nil (31 December 2012: \$7,107,000), consisting of purchased license rights with carrying value of \$Nil (31 December 2012: \$305,189,000) which have been pledged to the aforesaid convertible notes by means of a debenture over all assets of such subsidiary which owns the purchased license rights as of 31 December 2013.
- (e) As a result of the rights issue of the Company which was completed in February 2012, the conversion prices of Series B Notes and 2009 Notes were adjusted to \$0.7161 and \$0.7431 respectively, and the subscription prices of First Media Warrants and warrants of 2009 Notes were adjusted to \$0.7161 and \$1.1110 respectively.
- (f) On 27 February 2012, the Company entered into a redemption deed with First Media to provide the Company with the rights, with the agreement of First Media, to redeem the Series B Notes on 2 April 2012 or such a later day that the Company and First Media may agree. The redemption price comprised of (i) the outstanding principal amount of the Series B Notes of \$90,699,693, (ii) an amount of \$10,627,000 representing the premium on early redemption, and (iii) all accrued interest.

25 可換股票據(續)

- (d) 公司以其全部已發行股本之固定押記及其若干附屬公司提供之擔保作為於二零一三年十二月三十一日未償還本金額為零元(二零一二年十二月三十一日: 100,000,000元)之二零零九年票據之抵押品。該等附屬公司持有之淨資產總值為零元(二零一二年十二月三十一日: 7,107,000元)(包括賬面值為零元(二零一二年十二月三十一日: 305,189,000元)之已購入特許權)，已透過對於二零一三年十二月三十一日擁有該已購入特許權之附屬公司全部資產之債權證方式作為上述可換股票據之抵押。
- (e) 由於公司於二零一二年二月完成供股，因此，B系列票據及二零零九年票據之換股價分別調整至0.7161元及0.7431元，而First Media認股權證及二零零九年票據之認股權證之認購價分別調整至0.7161元及1.1110元。
- (f) 於二零一二年二月二十七日，公司與First Media訂立贖回契據，以在First Media同意下給予公司權利於二零一二年四月二日或公司與First Media可能協定之較後日期贖回B系列票據。贖回價包括(i) B系列票據之未償還本金額90,699,693元；(ii)作為提早贖回溢價之金額10,627,000元；及(iii)所有應計利息。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

25 CONVERTIBLE NOTES (continued)

(f) (continued)

The terms of the Series B Notes have been substantially modified by the redemption deed dated 27 February 2012 to the effect that the repayment amount would no longer be the principal amount plus accrued interest, but rather principal, plus redemption premium and accrued interest. Accordingly, there was an increase in the one-off finance costs (effective interest of \$50,000,000 and a one-off early redemption premium of \$10,627,000) for the fifteen months ended 31 December 2012.

On the same date, the fair value of the Series B Notes was remeasured as a result of the modification and a fair value gain of \$40,937,000 was recognised in profit or loss for the fifteen months ended 31 December 2012.

On 28 May 2012, the redemption of the Series B Notes was completed and no effective interest on the Series B Notes will be incurred thereafter.

(g) On 5 February 2013, the Company entered into a deed of undertaking with Smart Peace and Star Group, which requested the Company to redeem \$25,000,000 and \$12,500,000 respectively of the principal amounts of the convertible notes, together with any redemption premium and interests, to be paid on 3 April 2013. The actual redemption of these convertible notes issued to Smart Peace was completed on 29 April 2013 and 30 April 2013 for the principal amounts of \$20,000,000 and \$5,000,000 respectively. The actual redemption of these convertible notes issued to Star Group was completed on 10 May 2013, 16 May 2013 and 24 May 2013 for the principal amounts of \$5,000,000, \$5,000,000 and \$2,500,000 respectively.

25 可換股票據(續)

(f) (續)

B系列票據之條款已根據日期為二零一二年二月二十七日之贖回契據大幅修改，致使償還金額不再為本金額加應計利息，而為本金額加贖回溢價及應計利息。因此，截至二零一二年十二月三十一日止十五個月之一次性財務成本(實際利息50,000,000元及一次性提早贖回溢價10,627,000元)亦有所上升。

同日，B系列票據之公平值因修改而重新計量，並於截至二零一二年十二月三十一日止十五個月之損益確認公平值收益40,937,000元。

於二零一二年五月二十八日，B系列票據已完成贖回，其後B系列票據將不會再產生任何實際利息。

(g) 公司於二零一三年二月五日與Smart Peace及星匯訂立承諾契據，要求公司贖回可換股票據本金額分別25,000,000元及12,500,000元，連同任何贖回溢價及利息，並須於二零一三年四月三日支付。發行予Smart Peace之可換股票據已於二零一三年四月二十九日及二零一三年四月三十日完成實際贖回本金額分別20,000,000元及5,000,000元。發行予星匯之可換股票據已於二零一三年五月十日、二零一三年五月十六日及二零一三年五月二十四日完成實際贖回本金額分別5,000,000元、5,000,000元及2,500,000元。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

25 CONVERTIBLE NOTES (continued)

- (h) As a result of the rights issue of the Company which was completed in August 2013, the conversion price of 2009 Notes was adjusted to \$63.78, and the subscription prices of First Media Warrants and warrants of 2009 Notes were adjusted to \$61.44 and \$95.35 respectively.
- (i) The Company received redemption notices on 10 July 2013 from Smart Peace and Star Group to redeem in full the remaining principals of \$75,000,000 and \$37,500,000 on 15 August 2013 and 9 August 2013 respectively. The actual redemption of these convertible notes was completed on 9 August 2013. The redemption amount comprised of the outstanding principal amount of \$112,500,000 and redemption premium and accrued interest of \$20,556,000.

26 EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company has a share option scheme which was adopted on 13 June 2004 ("the Scheme") whereby the directors of the Company are authorised, at their discretion, to invite any full time or part time employees and directors, consultants and advisers of the Group, to take up options at \$1 each to subscribe for ordinary shares of the Company. The Scheme shall be effective for a period of ten years ending on 13 June 2014. Each option gives the holder the right to subscribe for one ordinary share in the Company.

25 可換股票據(續)

- (h) 由於公司於二零一三年八月完成供股，二零零九年票據之換股價已調整至63.78元，而First Media認股權證及二零零九年票據認股權證之認購價則分別調整至61.44元及95.35元。
- (i) 公司於二零一三年七月十日收到Smart Peace及星匯發出之贖回通知，以分別於二零一三年八月十五日及二零一三年八月九日全數贖回餘下本金額75,000,000元及37,500,000元。該等可換股票據之實際贖回已於二零一三年八月九日完成。贖回金額包括未償還本金額112,500,000元以及贖回溢價及應計利息20,556,000元。

26 股權支付交易

公司設有一項於二零零四年六月十三日採納之購股權計劃(「計劃」)，據此，公司董事獲授權酌情邀請集團之任何全職或兼職僱員及董事、諮詢顧問及顧問以每份1元接納可認購公司普通股之購股權。計劃於截至二零一四年六月十三日止之十年期間有效。每份購股權賦予持有人認購公司一股普通股之權利。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

26 EQUITY SETTLED SHARE-BASED TRANSACTIONS (continued)

(a) The terms and conditions of the share options granted that existed during the year ended 31 December 2013 are as follows:

26 股權支付交易(續)

(a) 下列為於截至二零一三年十二月三十一日止年度內現存購股權之授出條款及條件：

Date granted	Exercise period	Adjusted/ original exercise price	Number of options outstanding as at 31 December 2013 於二零一三年 十二月三十一日 未行使購股權 數目	Number of options outstanding as at 31 December 2012 於二零一二年 十二月三十一日 未行使購股權 數目
授出日期	行使期	經調整/ 原行使價 (Note) (附註)		
Options granted to directors 授予董事之購股權				
6 March 2007	6 March 2007 to 13 June 2014	\$55.1534/ \$2.05	—	1,423,680
二零零七年 三月六日	二零零七年三月六日至 二零一四年 六月十三日	55.1534元/ 2.05元		
15 March 2007	15 March 2007 to 13 June 2014	\$55.1534/ \$2.05	208,467	14,236,842
二零零七年 三月十五日	二零零七年三月十五日 至二零一四年 六月十三日	55.1534元/ 2.05元		
21 December 2009	7 January 2010 to 13 June 2014	\$43.8576/ \$1.63	18,585	3,807,690
二零零九年 十二月二十一日	二零一零年一月七日 至二零一四年 六月十三日	43.8576元/ 1.63元		
21 December 2009	15 January 2010 to 13 June 2014	\$43.8576/ \$1.63	18,585	2,538,460
二零零九年 十二月二十一日	二零一零年一月十五日 至二零一四年 六月十三日	43.8576元/ 1.63元		
Total share options 購股權總數			245,637	22,006,672

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

26 EQUITY SETTLED SHARE-BASED TRANSACTIONS (continued)

(a) (continued)

Note: The exercise prices and number of outstanding share options were adjusted upon the completion of the rights issue in the proportion of five rights shares for every one existing share in August 2013.

(b) The number and weighted average exercise prices of share options are as follows:

26 股權支付交易(續)

(a) (續)

附註：尚未行使購股權之行使價及數目已於二零一三年八月按每持有一股現有股份獲配發五股供股股份之比例進行供股完成後作出調整。

(b) 下列為購股權之數目及加權平均行使價：

		Year ended 31 December 2013 截至二零一三年 十二月三十一日止年度		Fifteen months ended 31 December 2012 截至二零一二年 十二月三十一日止十五個月	
		Weighted average exercise price 加權平均 行使價 \$ 元	Number of options 購股權數目	Weighted average exercise price 加權平均 行使價 \$ 元	Number of options 購股權數目
Outstanding at 1 January 2013/ 1 October 2011	於二零一三年 一月一日/ 二零一一年 十月一日 尚未行使	0.76	22,006,672	2.39	15,961,862
Effect of rights issues	供股之影響	22.19	228,711	0.91	24,556,699
Effect of share consolidation	股份合併之 影響	13.99	(19,411,857)	—	—
Forfeited	已沒收	1.39	(2,577,889)	1.10	(18,511,889)
Outstanding at 31 December	於十二月 三十一日 尚未行使	53.44	245,637	0.76	22,006,672
Exercisable at 31 December	於十二月 三十一日 可行使	53.44	245,637	0.76	22,006,672

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

26 EQUITY SETTLED SHARE-BASED TRANSACTIONS (continued)

(b) (continued)

The number of share options forfeited during the year is 2,577,889 (fifteen months ended 31 December 2012: 18,511,889). No options were exercised during the year ended 31 December 2013 (fifteen months ended 31 December 2012: \$Nil). The share options outstanding as at 31 December 2013 and 2012 are all exercisable.

The share options outstanding at 31 December 2013 had a weighted average remaining contractual life of 0.5 years (2012: 1.5 years).

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on the Black-Scholes pricing model. The contractual life of the share option is used as an input into this model.

26 股權支付交易(續)

(b) (續)

年內已沒收購股權數目為2,577,889份(截至二零一二年十二月三十一日止十五個月: 18,511,889份)。於截至二零一三年十二月三十一日止年度並無購股權獲行使(截至二零一二年十二月三十一日止十五個月: 無)。所有於二零一三年及二零一二年十二月三十一日尚未行使之購股權均可行使。

於二零一三年十二月三十一日尚未行使之購股權之加權平均剩餘合同有效期為0.5年(二零一二年: 1.5年)。

(c) 購股權之公平值及假設

為交換獲授出購股權而收取之服務之公平值乃參照所授出購股權之公平值計量。所授出購股權之公平值之估計數字乃根據柏力克—舒爾斯定價模型計量。購股權之合約期限乃用作該模型之輸入值。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

26 EQUITY SETTLED SHARE-BASED TRANSACTIONS (continued)

(c) Fair value of share options and assumptions (continued)

26 股權支付交易(續)

(c) 購股權之公平值及假設(續)

2010

二零一零年

Fair value of share options and assumptions	購股權之公平值及假設	
Fair value at grant date	於授出當日之公平值	\$0.43元
Share price	股價	\$1.54元
Exercise price	行使價	\$1.63元
Expected volatility (based on the historical volatility of the share prices of the Company over the period that is equal to the expected life before the grant date)	預期波幅(根據公司股價在相等於授出當日前之預期年期之期限內之歷史波幅計算)	50.72%
Option life (based on the validity period of the options)	購股權年期 (根據購股權有效期計算)	4.5 years年
Expected dividends	預期股息	0.32%
Risk-free interest rate (based on Hong Kong Exchange Fund Notes)	無風險利率 (根據香港外匯基金票據計算)	1.54%

The expected volatility is based on the historical volatility of the share prices of the Company over the period that is equal to the expected life before the grant date. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

預期波幅乃根據公司股價在相等於授出當日前之預計年期之期限內之歷史波幅計算。預期股息乃根據歷史股息計算。主觀輸入值假設變動可對公平值估計造成重大影響。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

	Note	Share capital	Share premium	Capital redemption reserve	Capital reserve	Contributed surplus	Equity component of convertible notes	Warrant reserve	Retained earnings/ (accumulated losses)	Total
	附註	股本	股份溢價	資本贖回儲備	資本儲備	實繳盈餘	可換股票據之權益部分	認股權證儲備	保留盈利／(累計虧損)	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元
At 1 October 2011	於二零一一年十月一日	72,879	991,135	95	14,759	59,382	54,371	5,392	101,179	1,299,192
Loss for the period	本期間虧損	—	—	—	—	—	—	—	(860,099)	(860,099)
Other comprehensive income for the period	本期間其他全面損益	—	—	—	—	—	—	—	—	—
Total comprehensive income for the period	本期間全面損益總額	—	—	—	—	—	—	—	(860,099)	(860,099)
Dividends declared in respect of the previous year	就上年度宣派之股息	27(b)(ii), 27(c)(ii)	527	1,440	—	—	—	—	(1,404)	563
Dividends declared in respect of the current period	就本期間宣派之股息	27(b)(i), 27(c)(ii)	329	24	—	—	—	—	(1,170)	(817)
Issue of new shares upon rights issue	供股時發行新股	27(c)(iii)	291,927	(11,256)	—	—	—	—	—	280,671
At 31 December 2012	於二零一二年十二月三十一日	365,662	981,343	95	14,759	59,382	54,371	5,392	(761,494)	719,510
At 1 January 2013	於二零一三年一月一日	365,662	981,343	95	14,759	59,382	54,371	5,392	(761,494)	719,510
Loss for the year	本年度虧損	—	—	—	—	—	—	—	(1,215,205)	(1,215,205)
Other comprehensive income for the year	本年度其他全面損益	—	—	—	—	—	—	—	—	—
Total comprehensive income for the year	本年度全面損益總額	—	—	—	—	—	—	—	(1,215,205)	(1,215,205)
Issue of new shares upon rights issues	供股時發行新股	27(c)(iii)	402,229	111,586	—	—	—	—	—	513,815
Capital reorganisation	股本重組	27(c)(iv)	(329,096)	—	—	—	—	—	329,096	—
Early redemption of convertible notes	提早贖回可換股票據	25(g), 25(i)	—	—	—	—	(54,371)	—	51,371	(3,000)
At 31 December 2013	於二零一三年十二月三十一日	438,795	1,092,929	95	14,759	59,382	—	5,392	(1,596,232)	15,120

27 資本及儲備

(a) 權益組成部分之變動

集團綜合權益各組成部分期初與期終結餘之對賬載於綜合權益變動表。公司權益各組成部分於年初至年終之變動詳情載列如下：

公司

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES (continued)

(b) Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the year

27 資本及儲備(續)

(b) 股息

(i) 屬於本年度應付公司股權持有人之股息

	Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
Interim dividend declared and paid of \$Nil (2012: 0.025 cent) per share	—	1,170
Final dividend proposed after the balance sheet date of \$Nil (2012: \$Nil) per share	—	—
	—	1,170

Interim scrip dividends declared during the fifteen months ended 31 December 2012 were offered to shareholders with cash option. Details of dividends paid are disclosed in note 27(c)(ii).

The directors do not recommend the payment of a final dividend for the year ended 31 December 2013 (fifteen months ended 31 December 2012: \$Nil).

於截至二零一二年十二月三十一日止十五個月宣派以股代息之中期股息，但股東可選擇收取現金。已付股息詳情於附註27(c)(ii)披露。

董事不建議派付截至二零一三年十二月三十一日止年度之末期股息(截至二零一二年十二月三十一日止十五個月：零仙)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES (continued)

(b) Dividends (continued)

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial period, approved and paid during the year:

27 資本及儲備(續)

(b) 股息(續)

(ii) 屬於上個財政期間應付公司股權持有人之股息，於年內批准及派付：

	2013 二零一三年 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
Final dividend in respect of the previous financial period, approved and paid during the year of \$Nil (fifteen months ended 31 December 2012: \$0.03 cent) per share	—	1,404

於年內批准及派付屬於上個財政期間之末期股息每股零仙(截至二零一二年十二月三十一日止十五個月：0.03仙)

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES (continued) (c) Share capital

27 資本及儲備(續) (c) 股本

		2013 二零一三年		2012 二零一二年	
		Number of shares 股份數目	Amount 金額	Number of shares 股份數目	Amount 金額
		'000 千股	\$'000 千元	'000 千股	\$'000 千元
		Note 附註			
Authorised:	法定：				
Ordinary shares of US\$0.1/US\$0.01 each	每股面值0.1美元/ 0.01美元之 普通股	(i)	1,000,000	780,000	10,000,000 780,000
Issued and fully paid:	已發行及繳足：				
At 1 January 2013/ 1 October 2011	於二零一三年 一月一日/ 二零一一年 十月一日		4,687,981	365,662	934,340 72,879
Shares issued as scrip dividend	作為以股代息發行 之股份	(ii)	—	—	10,980 856
Issue of new shares upon rights issues	供股時發行新股	(iii)	937,596	402,229	3,742,661 291,927
Capital reorganisation	股本重組	(iv)	(4,219,183)	(329,096)	— —
Share consolidation	股份合併	(v)	(843,836)	—	— —
At 31 December	於十二月三十一日		562,558	438,795	4,687,981 365,662

Notes:

(i) Decrease in authorised share capital

As a result of the share consolidation effective on 9 July 2013 whereby every ten issued and unissued shares of par value of US\$0.01 each was consolidated into one consolidated share of par value of US\$0.1 each, the Company's authorised ordinary share capital was decreased to 1,000,000,000.

附註：

(i) 法定股本減少

由於股份合併於二零一三年七月九日生效，據此每十股每股面值0.01美元之已發行及未發行股份已合併為一股面值0.1美元之合併股份，故公司之法定普通股本已減少至1,000,000,000股。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES (continued)

(c) Share capital (continued)

Notes: (continued)

(ii) Shares issued as scrip dividend

On 7 October 2011, the Company issued and allotted 1,325,391 ordinary shares of US\$0.01 each at \$1.072 per share to the shareholders who received shares of the Company in lieu of cash for the 2011 interim dividend pursuant to the scrip dividend scheme announced by the Company on 24 May 2011. These shares rank pari passu with the existing ordinary shares of the Company in all respects.

On 16 May 2012, the Company issued and allotted 5,435,641 ordinary shares of US\$0.01 each at \$0.1006 per share to the shareholders who received shares of the Company in lieu of cash for the 2011 final dividend pursuant to the scrip dividend scheme announced by the Company on 28 December 2011. These shares rank pari passu with the existing ordinary shares of the Company in all respects.

On 4 July 2012, the Company issued and allotted 4,219,057 ordinary shares of US\$0.01 each at \$0.0838 per share to the shareholders who received shares of the Company in lieu of cash for the 2012 interim dividend pursuant to the scrip dividend scheme announced by the Company on 30 April 2012. These shares rank pari passu with the existing ordinary shares of the Company in all respects.

(iii) Issue of new shares upon rights issues

On 10 February 2012, the Company completed a rights issue pursuant to which 3,742,660,840 shares of US\$0.01 each were issued in the proportion of four rights shares for every one ordinary share at a subscription price of \$0.08 per rights share. These newly issued shares rank pari passu in all respects with the existing ordinary shares. As a result of the rights issue, total consideration, net of related expenses, of \$280,671,000 was received. In addition, \$291,927,000 was credited to share capital and \$11,256,000 was debited to the share premium account.

27 資本及儲備(續)

(c) 股本(續)

附註：(續)

(ii) 作為以股代息發行之股份

於二零一一年十月七日，公司以每股1.072元向股東發行及配發1,325,391股每股面值0.01美元之普通股。根據公司於二零一一年五月二十四日公佈之以股代息計劃，該等股東收取公司股份以替代二零一一年中期現金股息。該等股份與公司現有普通股在各方面均享有同等權益。

於二零一二年五月十六日，公司以每股0.1006元向股東發行及配發5,435,641股每股面值0.01美元之普通股。根據公司於二零一一年十二月二十八日公佈之以股代息計劃，該等股東收取公司股份以替代二零一一年末期現金股息。該等股份與公司現有普通股在各方面均享有同等權益。

於二零一二年七月四日，公司以每股0.0838元向股東發行及配發4,219,057股每股面值0.01美元之普通股。根據公司於二零一二年四月三十日公佈之以股代息計劃，該等股東收取公司股份以替代二零一二年中期現金股息。該等股份與公司現有普通股在各方面均享有同等權益。

(iii) 供股時發行新股

於二零一二年二月十日，公司完成供股，據此，公司按每持有一股普通股可獲配發四股供股股份之比例，以認購價每股供股股份0.08元發行3,742,660,840股每股面值0.01美元之股份。該等新發行股份與現有普通股在各方面均享有同等權益。由於進行供股，公司已收取總代價280,671,000元(已扣除相關開支)。此外，291,927,000元已計入股本，11,256,000元已記入股份溢價賬。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES (continued)

(c) Share capital (continued)

Notes: (continued)

(iii) Issue of new shares upon rights issue (continued)

On 27 March 2013, the Company completed a rights issue pursuant to which 468,798,074 shares of US\$0.01 each were issued in the proportion of one rights share for every one ordinary share at a subscription price of \$0.35 per rights share. These newly issued shares rank pari passu in all respects with the existing ordinary shares. As a result of the rights issue, total consideration, net of related expenses, of \$158,587,000 was received. In addition, \$36,566,000 was credited to share capital and \$122,021,000 was credited to the share premium account.

On 7 August 2013, the Company completed a rights issue pursuant to which 468,798,070 shares of US\$0.1 each were issued in the proportion of five rights share for every one ordinary share at a subscription price of \$0.78 per rights share. These newly issued shares rank pari passu in all respects with the existing ordinary shares. As a result of the rights issue, total consideration, net of related expenses, of \$355,228,000 was received. In addition, \$365,663,000 was credited to share capital and \$10,435,000 was debited to the share premium account.

(iv) Capital reorganization

On 26 February 2013, the number of the Company's ordinary shares decreased by 4,219,182,674 to 468,798,074 as a result of a capital reorganization which comprised: (i) share consolidation whereby every ten issued and unissued shares of par value of US\$0.01 each was consolidated into one consolidated share of par value of US\$0.1 each; and (ii) reduction of issued share capital of the Company by the cancellation of US\$0.09 on each of the then issued consolidated shares such that the nominal value of each issued consolidated share was reduced from US\$0.1 to US\$0.01.

27 資本及儲備(續)

(c) 股本(續)

附註：(續)

(iii) 供股時發行新股(續)

於二零一三年三月二十七日，公司完成供股，據此，公司按每持有一股普通股可獲配發一股供股股份之比例，以認購價每股供股股份0.35元發行468,798,074股每股面值0.01美元之股份。該等新發行股份與現有普通股在各方面均享有同等權益。由於進行供股，公司已收取總代價158,587,000元（已扣除相關開支）。此外，36,566,000元已計入股本，122,021,000元已記入股份溢價賬。

於二零一三年八月七日，公司完成供股，據此，公司按每持有一股普通股可獲配發五股供股股份之比例，以認購價每股供股股份0.78元發行468,798,070股每股面值0.1美元之股份。該等新發行股份與現有普通股在各方面均享有同等權益。由於進行供股，公司已收取總代價355,228,000元（已扣除相關開支）。此外，365,663,000元已計入股本，10,435,000元已記入股份溢價賬。

(iv) 股本重組

於二零一三年二月二十六日，公司普通股數目因股本重組而減少4,219,182,674股至468,798,074股。股本重組包括：(i) 股份合併，將每十股每股面值0.01美元之已發行及未發行股份合併為一股面值0.1美元之合併股份；及(ii) 透過註銷當時已發行合併股份0.09美元，使每股已發行合併股份之面值由0.1美元削減至0.01美元，削減公司已發行股本。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES (continued)

(c) Share capital (continued)

Notes: (continued)

(v) Share consolidation

On 9 July 2013, the number of the Company's ordinary shares decreased by 843,836,533 to 93,759,615 as a result of a share consolidation whereby every ten issued and unissued shares of par value of US\$0.01 each was consolidated into one consolidated share of par value of US\$0.1 each.

(vi) Terms of unexpired and unexercised share options at the balance sheet date are set out in note 26(a) to the financial statements.

(d) Nature and purpose of reserves

(i) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed the Company will be in a position to pay off its debts as they fall due.

(ii) General reserve

According to the articles of association of the subsidiaries established in the PRC, the PRC subsidiaries are required to transfer at least 10% of their profit after taxation, as determined under PRC accounting regulations, to the general reserve fund until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before the distribution of a dividend to equity shareholders. The general reserve fund can be used to make good previous years' losses, if any.

27 資本及儲備(續)

(c) 股本(續)

附註：(續)

(v) 股份合併

於二零一三年七月九日，公司進行股份合併，據此每十股每股面值0.01美元之已發行及未發行股份合併為一股面值0.1美元之合併股份，公司普通股數目因而由843,836,533股減少至93,759,615股。

(vi) 於報告期末之未屆滿及未行使購股權之條款載於財務報表附註26(a)。

(d) 儲備之性質及用途

(i) 股份溢價

根據開曼群島公司法，公司股份溢價賬之資金可分派予公司股東，惟緊隨建議派發股息日期後公司須有能力於債項到期時支付其債項。

(ii) 一般儲備

根據於中國成立之附屬公司之組織章程細則，中國附屬公司須將根據中國會計規例釐定之除稅後溢利最少10%轉撥入一般儲備金，直至儲備金之結餘達到註冊資本之半為止。於向股權持有人派發股息前，必須先向此儲備作出撥款。一般儲備金可用於彌補以往年度之虧損(如有)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves (continued)

(iii) Capital reserve

Pursuant to a group reorganisation (the "Reorganisation") which was completed on 17 November 2003 to rationalise the Group structure in the preparation for the listing of the Company's shares on The Main Board of The Stock Exchange of Hong Kong Limited, the Company became the holding company of the Group. The excess of the nominal value of the shares issued by the Company over the aggregate of the nominal value of the share capital of the subsidiaries which the Company acquired under the Reorganisation was transferred to the capital reserve.

The capital reserve also comprises the fair value of the number of unexercised share options granted to directors of the Company and an employee of the Group recognised in accordance with the accounting policy adopted for share based payments in note 1(s)(iii).

(iv) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of subsidiaries in the PRC. The reserve is dealt with in accordance with the accounting policy set out in note 1(w).

(v) Contributed surplus

Contributed surplus represents the excess of aggregate of the net asset value of subsidiaries acquired by the Company over the nominal value of the shares issued by the Company pursuant to the Reorganisation.

(vi) Warrant reserve

The warrant reserve represents the excess of proceeds from the issue of the convertible notes over the amount initially recognised as the liability component of the convertible notes and the redemption call and put options.

27 資本及儲備(續)

(d) 儲備之性質及用途(續)

(iii) 資本儲備

根據為集團重組架構以籌備公司股份於香港聯合交易所有限公司主板上市而於二零零三年十一月十七日完成之集團重組(「重組」)，公司成為集團之控股公司，而公司所發行股份之面值較公司根據重組所收購附屬公司之股本面值總額高出之款項轉撥至資本儲備。

資本儲備亦包括根據附註1(s)(iii)採納之股份支付款項會計政策所確認之授予公司董事及集團僱員之未行使購股權數目之公平值。

(iv) 匯兌儲備

匯兌儲備包括由換算中國附屬公司之財務報表而產生之所有匯兌差額。該儲備乃按照附註1(w)所載述之會計政策處理。

(v) 實繳盈餘

實繳盈餘指公司收購附屬公司之淨資產總值較公司根據重組發行股份之面值高出之款項。

(vi) 認股權證儲備

認股權證儲備指發行可換股票據所得款項較初步確認為可換股票據以及贖回認購及認沽期權負債部分之金額高出之款項。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES (continued)

(e) Distributability of reserves

At 31 December 2013, the aggregate amount of reserves available for distribution to equity shareholders of the Company was \$Nil (2012: \$353,848,000), subject to the restriction stated in note 27(d)(i) above. After the balance sheet date, the directors do not recommend a payment of final dividend (2012: \$Nil).

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to meet its financial obligations and continue to provide returns for shareholders and benefits for other stakeholders, by pricing services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure by reviewing its net debt-to-equity ratio and cash flow requirements, taking into account its future financial obligations and commitments. For this purpose, the Group defines net debts as total borrowings less pledged deposits.

There has been no change in the Group's capital management practices as compared to prior periods.

27 資本及儲備(續)

(e) 可供分派儲備

於二零一三年十二月三十一日，可供分派予公司股權持有人之儲備總額為零元(二零一二年：353,848,000元)，惟受上述附註27(d)(i)所載之限制規限。於報告期末後，董事不建議派發末期股息(二零一二年：無)。

(f) 資本管理

集團透過按風險水平給服務定價及確保以合理成本尋求融資管理資本，其主要目標為保障集團持續經營之能力，以達至其財務責任並持續為股東提供回報及為其他利益相關者提供利益。

集團積極定期審閱及管理其資本架構，以便持續平衡可能因借貸水平較高而產生之較高股東回報及因良好資本狀況所達至之優勢及保障，並按照經濟情況變化對資本架構進行調整。

集團經計及其未來財務責任及承擔後，透過審閱其淨負債與權益比率及現金流量需求監控其資本架構。就此而言，集團將淨負債界定為總借貸減已抵押存款。

集團之資本管理慣例與過往期間相比並無變動。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 CAPITAL AND RESERVES (continued)

(f) Capital management (continued)

The net debt-to-equity ratio at 31 December 2013 and 2012 are as follows:

27 資本及儲備(續)

(f) 資本管理(續)

於二零一三年及二零一二年十二月三十一日，淨負債與權益比率如下：

		Note 附註	2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
Bank overdraft	銀行透支	22	—	19,247
Secured bank loans	有抵押銀行貸款	22	—	397,981
Mortgage bank loans	按揭銀行貸款	22	—	11,912
Loans from shareholders	來自股東之貸款	23(a)	—	12,697
Other loans	其他貸款	23(b)	42,232	62,998
Convertible notes	可換股票據	25	—	124,501
Total borrowings	總借貸		42,232	629,336
Less: Pledged deposits	減：已抵押存款	19	—	(112,113)
Net debts	淨負債		42,232	517,223
Total equity	權益總額		851,678	987,608
Net debt-to-equity ratio	淨負債與權益比率		4.96%	52.37%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

公司或其任何附屬公司概不受外部施加之資本規定所規限。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

28 FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's financial management policies and practices are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to accounts receivable, bank deposits and prepayments. The Group maintains a defined credit policy and the exposures to these credit risks are monitored on an ongoing basis.

(i) Accounts receivable

The credit terms offered by the Group are in accordance with the terms specified in each agreement entered into with the relevant customers, ranging from three to fifteen months. Subject to negotiations, extended credit terms are available for certain major customers with well-established operating records. An ageing analysis of the receivables is prepared on a regular basis and is closely monitored to minimise any credit risk associated with these receivables.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the balance sheet date, the Group has a certain concentration of credit risk as 42% (2012: 77%) and 77% (2012: 95%) of the total accounts receivable was due from the Group's largest customer and the five largest customers respectively. The Group does not provide any other guarantees which expose the Group to credit risk.

28 金融工具

集團於正常業務過程中產生信貸、流動資金、利率及貨幣風險。集團之財務管理政策及慣例載述如下。

(a) 信貸風險

集團之信貸風險主要來自應收賬款、銀行存款及預付款項。集團制訂特定信貸政策，並持續對該等信貸風險進行監察。

(i) 應收賬款

集團根據其與有關客戶訂立之各份協議所列條款，提供介乎三個月至十五個月之賒賬期。視乎與客戶之磋商，若干擁有良好營運紀錄之主要客戶獲較長賒賬期。應收款項之賬齡分析會定期編製，並受到密切監控，以盡量降低與該等應收款項有關之任何信貸風險。

集團須承受之信貸風險主要受各客戶之個別特性所影響。客戶經營所在之行業及國家之違約風險亦對信貸風險有所影響，但影響幅度較小。於報告期末，集團面對若干集中信貸風險，應收集團最大客戶及五大客戶之賬款分別佔應收賬款總額42%（二零一二年：77%）及77%（二零一二年：95%）。集團並無提供任何使集團承受信貸風險之其他擔保。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

28 FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

(i) Accounts receivable (continued)

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from accounts receivable are set out in note 17(a).

(ii) Bank deposits

Cash is deposited with financial institutions with sound credit ratings that are located where the Group companies are operated and the Group has exposure limit to any single financial institution. Given their high credit ratings, management does not expect any of these financial institutions will fail to meet their obligations.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

(b) Liquidity risk

The treasury function of the Group is arranged centrally to cover expected cash demands. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed funding lines from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the balance sheet date of the Group's and the Company's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group and the Company can be required to pay.

28 金融工具(續)

(a) 信貸風險(續)

(i) 應收賬款(續)

有關集團因應收賬款而產生之信貸風險之進一步量化披露載於附註17(a)。

(ii) 銀行存款

現金乃存放於集團公司經營所在地具有良好信貸評級之財務機構，集團對任何單一財務機構均設定風險限額。鑒於信貸評級優良，管理層不預期任何該等財務機構會無法履行其責任。

信貸風險之最高風險值為資產負債表內各財務資產之賬面金額。

(b) 流動資金風險

集團之財資職能由中央集中安排，以應付預期之現金需要。集團之政策乃定期監控當前及預期流動資金需求及其遵守貸款契約之情況，以確保持有足夠現金儲備及於主要財務機構備有足夠承諾之融資額度，以滿足對流動資金短期及長期之要求。

下表載列集團及公司之非衍生財務負債於報告期末之剩餘合約到期日之詳情，乃基於合約未貼現之現金流量(包括使用合約利率，或如為浮息，則基於報告期末之現行利率計算之利息款項)以及集團及公司可被要求償還之最早日期呈列。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

28 FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk (continued)

The Group

		2013 二零一三年					
		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
		賬面金額	合約未貼現之現金流量總額	一年內或於要求時	一年後至兩年內	兩年後至五年內	五年後
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Accrual and other payables	應計費用及其他應付款項	179,564	179,564	179,564	—	—	—
Other loans	其他貸款	42,232	45,090	45,090	—	—	—
		221,796	224,654	224,654	—	—	—

		2012 二零一二年					
		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
		賬面金額	合約未貼現之現金流量總額	一年內或於要求時	一年後至兩年內	兩年後至五年內	五年後
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Convertible notes	可換股票據	124,501	182,751	182,751	—	—	—
Secured bank loans	有抵押銀行貸款	397,981	409,797	393,271	12,143	4,383	—
Mortgage bank loans	按揭銀行貸款	11,912	15,099	1,588	1,588	4,765	7,158
Accrual and other payables	應計費用及其他應付款項	335,493	335,493	335,493	—	—	—
Loan from a shareholder	來自一名股東之貸款	12,697	13,133	13,133	—	—	—
Other loans	其他貸款	62,998	65,615	65,615	—	—	—
		945,582	1,021,888	991,851	13,731	9,148	7,158

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

28 FINANCIAL INSTRUMENTS (continued) (b) Liquidity risk (continued) The Company

28 金融工具(續) (b) 流動資金風險(續) 公司

		2013 二零一三年					
		Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	
		合約未貼現之 現金流量總額	一年內或於 要求時	一年後至 兩年內	兩年後至 五年內	五年後	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Accruals and other payables	應計費用及其他應付款項	13,796	13,796	13,796	—	—	—
		13,796	13,796	13,796	—	—	—
Financial guarantees issued:	已發出之財務擔保：						
— Maximum amount guaranteed	— 最高擔保金額	—	—	—	—	—	—
		2012 二零一二年					
		Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	
		合約未貼現之 現金流量總額	一年內或於 要求時	一年後至 兩年內	兩年後至 五年內	五年後	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Convertible notes	可換股票據	124,501	182,751	182,751	—	—	—
Accruals and other payables	應計費用及其他應付款項	14,997	14,997	14,997	—	—	—
		139,498	197,748	197,748	—	—	—
Financial guarantees issued:	已發出之財務擔保：						
— Maximum amount guaranteed	— 最高擔保金額	443,089	—	—	—	—	—

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

28 FINANCIAL INSTRUMENTS (continued)

(c) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing borrowings which are subject to predominantly floating interest rates. The Group monitors closely its interest rate exposure. In respect of income earning financial assets and interest bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they reprice or the maturity dates, if earlier.

The Group

	Fixed/ floating 定息／浮息	Effective interest rate 實際利率	2013 二零一三年				Total 總計
			Within one year 一年內	One to two years 一至兩年	Two to five years 兩至五年	More than five years 多於五年	
		%	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cash and cash equivalents 現金及現金等價物	Floating 浮息	0.42	4,994	—	—	—	4,994
Other loans 其他貸款	Floating 浮息	6.77	42,232	—	—	—	42,232

28 金融工具(續)

(c) 利率風險

利率變動對計息借貸(主要是浮動利率貸款)構成影響，使集團面臨利率風險。集團密切監控其利率風險。就產生收入之財務資產及計息財務負債而言，下表呈列於報告期末及其重新定價之期間或到期日(以較早者為準)之實際利率。

集團

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

28 FINANCIAL INSTRUMENTS (continued)

(c) Interest rate risk (continued)

The Group (continued)

28 金融工具(續)

(c) 利率風險(續)

集團(續)

		2012					
		二零一二年					
	Fixed/ floating	Effective interest rate	Within one year	One to two years	Two to five years	More than five years	Total
	定息／浮息	實際利率	一年內	一至兩年	兩至五年	多於五年	總計
		%	\$'000	\$'000	\$'000	\$'000	\$'000
		%	千元	千元	千元	千元	千元
Cash and cash equivalents	Floating	0.57	55,077	—	—	—	55,077
現金及現金等價物	浮息						
Bank loans	Floating	5.81	386,225	9,788	7,937	5,943	409,893
銀行貸款	浮息						
Bank overdrafts	Floating	2.54	19,247	—	—	—	19,247
銀行透支	浮息						
Loans from shareholders	Floating	5.00	12,697	—	—	—	12,697
來自股東之貸款	浮息						
Other loans	Floating	4.43	62,998	—	—	—	62,998
其他貸款	浮息						
Convertible notes	Fixed	33.73	—	103,658	20,843	—	124,501
可換股票據	定息						

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

28 FINANCIAL INSTRUMENTS (continued)

(d) Foreign currency risk

The Group's primary foreign currency exposures arise mainly from its media services and advertising related services in the PRC. During the year, total exchange loss mainly arising from the translation of financial statements of subsidiaries in the PRC amounted to \$588,000 (2012: \$750,000) for the Group, which has been dealt with as an equity movement.

The Group is also exposed to foreign currency risk in respect of its Renminbi denominated cash and cash equivalents and receivables.

The PRC government imposes various controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of mainland China. Shortages in the availability of foreign currencies may restrict the ability of PRC subsidiaries of the Group to remit sufficient foreign currencies to pay dividends or other payments to the Group, or otherwise satisfy their foreign currency denominated obligations, if any. Approval from relevant governmental authorities is required where Renminbi is to be converted into foreign currency and remitted out of Mainland China to pay capital expenses such as the repayment of bank borrowings denominated in foreign currencies.

28 金融工具(續)

(d) 外幣風險

集團之主要外幣風險主要來自其於中國提供之媒體服務及廣告相關服務。於本年度，集團來自換算中國附屬公司財務報表之匯兌虧損總額為588,000元(二零一二年：750,000元)，已作為權益變動處理。

集團亦須就其以人民幣列值之現金及現金等價物以及應收款項而須承受外幣風險。

中國政府對人民幣兌換外幣，以及在若干情況下將貨幣匯出中國大陸實施多項管制。缺乏可供動用外幣可能限制集團中國附屬公司匯出足夠外幣向集團支付股息或其他款項之能力，或履行其以外幣計值之責任(如有)。倘將人民幣兌換為外幣並匯出中國大陸以支付資本開支(例如償還以外幣計值之銀行借貸)，須經由相關政府機關批准。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

28 FINANCIAL INSTRUMENTS (continued)

(e) Fair value measurement

Fair value hierarchy

(i) Financial instruments measured at fair value

The Group has no financial instruments measured at fair value as at 31 December 2013 and 2012.

(ii) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's and the Company's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2013 and 2012.

29 DISPOSAL OF SUBSIDIARIES

(i) Disposal of subsidiaries

During the year, the Group disposed of its entire equity interests in certain subsidiaries to independent third parties at an aggregate consideration of \$25,101,373 and recognised a net loss on disposal of these subsidiaries of \$9,123,154. Of which, a subsidiary which held a property in Mainland China was sold at a consideration of RMB19,000,000 (equivalent to \$23,786,899) and resulted in a gain on disposal of \$2,715,306.

28 金融工具(續)

(e) 公平值計量

公平值層級

(i) 以公平值計量之金融工具

於二零一三年及二零一二年十二月三十一日，集團並無金融工具以公平值計量。

(ii) 並非以公平值列賬之金融工具之公平值

集團及公司以成本或攤銷成本列賬之金融工具賬面金額與其於二零一三年及二零一二年十二月三十一日之公平值並無重大差異。

29 出售附屬公司

(i) 出售附屬公司

年內，集團向獨立第三方出售其於若干附屬公司之全部股權，總代價為25,101,373元，從中確認出售該等附屬公司虧損淨額9,123,154元。當中一家於中國大陸持有物業之附屬公司乃以代價人民幣19,000,000元(相等於23,786,899元)出售，產生出售收益2,715,306元。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

29 DISPOSAL OF SUBSIDIARIES (continued)

(ii) Disposals of Triangle Marketing Services Company Limited, Yo Harvest Limited and Joyful Times Limited

During the fifteen months ended 31 December 2012, the Group disposed of its entire interests in Triangle Marketing Services Company Limited, Yo Harvest Limited and Joyful Times Limited to independent third parties. A gain on disposal of \$13,036,000 arose from these disposals.

(iii) Disposal of Rich State Media Enterprises Limited

On 22 October 2012, the Group completed the disposal of its 51% interest in a subsidiary, Rich State Media Enterprises Limited, which held 45% interest in an outdoor media advertising business in the PRC. A loss on disposal of this subsidiary of \$58,057,000 was recorded in profit or loss for the fifteen months ended 31 December 2012.

29 出售附屬公司(續)

(ii) 出售世顯市場策劃有限公司、躍藝有限公司及樂賢有限公司

於截至二零一二年十二月三十一日止十五個月，集團向獨立第三方出售其於世顯市場策劃有限公司、躍藝有限公司及樂賢有限公司之全部股權。從該等出售事項產生13,036,000元出售收益。

(iii) 出售裕溢傳媒企業有限公司

於二零一二年十月二十二日，集團完成出售附屬公司裕溢傳媒企業有限公司(持有一項中國戶外媒體廣告業務之45%權益)之51%權益。截至二零一二年十二月三十一日止十五個月之損益錄得出售此附屬公司之虧損58,057,000元。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

29 DISPOSAL OF SUBSIDIARIES (continued)

(iv) The aggregate net assets of the above subsidiaries at their respective dates of disposal are as follows:

29 出售附屬公司(續)

(iv) 上述附屬公司於各個出售日期之資產淨值總額如下：

		Year ended 31 December 2013 截至 二零一三年 十二月三十一日 止年度 \$'000 千元	Fifteen months ended 31 December 2012 截至 二零一二年 十二月三十一日 止十五個月 \$'000 千元
Fixed assets	固定資產	34,582	10,628
Intangible assets	無形資產	439	3,421
Interest in an associate	於一家聯營公司之權益	—	73,079
Other assets	其他資產	380	—
Accounts and other receivables	應收賬款及其他應收款項	192,710	421
Cash and cash equivalents	現金及現金等價物	15,748	—
Bank loans	銀行貸款	(1,401)	(7,853)
Accruals and other payables	應計費用及其他應付款項	(226,845)	(1,234)
Tax payable	應付稅項	(9,573)	(85)
Non-controlling interest	非控制性權益	(2,079)	(591)
Deferred tax liabilities	遞延稅項負債	—	(565)
Disposal of net assets attributable to the Group	出售集團應佔資產淨值	3,961	77,221
Transfer of general reserve to profit or loss upon disposal of subsidiaries	於出售附屬公司時將 一般儲備轉撥至損益	(666)	—
Transfer of capital reserve to profit or loss upon disposal of subsidiaries	於出售附屬公司時將 資本儲備轉撥至損益	8,519	—
Realisation of exchange differences upon disposal of subsidiaries	於出售附屬公司時將 匯兌差額變現	22,410	—
Loss on disposal of subsidiaries	出售附屬公司虧損	(9,123)	(45,021)
Total consideration	總代價	25,101	32,200
Net cash inflow arising on disposals:	出售產生之現金流入 淨額：		
Cash consideration, in aggregate	現金代價總額	21,980	32,200
Bank loans disposed of	已出售銀行貸款	1,401	7,853
Cash and cash equivalents disposed of	已出售現金及現金等價物	(15,748)	—
Net cash inflow from disposal of subsidiaries	出售附屬公司之現金流入 淨額	7,633	40,053

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

30 COMMITMENTS

(a) Commitments under operating leases

At 31 December 2013, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		The Group 集團	
		2013 二零一三年 \$'000 千元	2012 二零一二年 \$'000 千元
Within one year	一年內	1,500	9,205
After one year but within five years	一年後至五年內	—	14,376
After five years	五年後	—	264
		1,500	23,845

The Group leases a number of properties under operating leases. The leases typically run for an initial period of one to five years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

30 承擔

(a) 經營租賃承擔

於二零一三年十二月三十一日，集團根據不可撤銷經營租賃而須支付之未來最低租賃款項總額如下：

集團根據經營租賃租用多項物業。該等租賃一般先為期一年至五年，有權續租，屆時所有條款須重新磋商。該等租賃概不包括或然租金。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

30 COMMITMENTS (continued)

(b) Capital commitments

The Group's capital commitments outstanding as at 31 December 2013 not provided for in the financial statements were as follows:

		The Group 集團	
		2013 二零一三年	2012 二零一二年
		\$'000 千元	\$'000 千元
Contracted for	已訂約	23,691	22,882
Authorised but not contracted for	已授權但尚未訂約	—	—
		23,691	22,882

(c) Other commitments

(i) Pursuant to the terms of the relevant agreements dated 30 August 2000 and 30 March 2001, the Group agreed to procure the required funding to a production house for the production of 6,000 hours of television programs. During the year ended 31 December 2013, the Group did not procure any funding for the production of such television programs (2012: \$Nil). The total funding required for the remaining 5,713 hours (2012: 5,713 hours) is to be determined when individual projects for television program production are agreed and therefore is not quantifiable as at 31 December 2013.

30 承擔(續)

(b) 資本承擔

集團於二零一三年十二月三十一日未在財務報表內撥備之未償還資本承擔如下：

(c) 其他承擔

(i) 根據日期為二零零零年八月三十日及二零零一年三月三十日之相關協議條款，集團同意向製作公司引介製作6,000小時電視節目所需之資金。集團於截至二零一三年十二月三十一日止年度並未安排製作該等電視節目所需之任何資金(二零一二年：無)。製作其餘5,713小時(二零一二年：5,713小時)電視節目所需之資金總額將視乎個別協定之電視節目製作項目釐定，故於二零一三年十二月三十一日無法量化。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

30 COMMITMENTS (continued)

(c) Other commitments (continued)

(i) (continued)

Pursuant to a supplementary agreement dated 11 November 2002 to the above agreements, should the production house not eventually receive the agreed funding in full, (1) the Group shall pay the shortfall in full, following which the Group will be entitled to the rights in relation to the relevant television program. If the Group cannot be entitled to such rights after paying the shortfall, the television production house shall repay the shortfall to the Group together with interest at a rate of 10% one year after the first round broadcasting of the television program; or (2) the Group shall pay an amount up to 15% of the shortfall, following which the production house will be entitled to the rights in relation to the relevant television program.

30 承擔(續)

(c) 其他承擔(續)

(i) (續)

根據上述協議於二零零二年十一月十一日之補充協議，倘若製作公司最終並無收到全部協定資金，(1)集團須補回全部短欠款項並其後將享有相關電視節目之權利。倘若集團於支付短欠款項後不能享有有關權利，電視製作公司須將短欠款項連同電視節目首播後一年之利息(按10厘計息)退回予集團；或(2)集團須支付不多於短欠款項之15%，其後製作公司將享有有關電視節目之權利。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

31 CONTINGENT LIABILITIES Financial guarantees issued

As at 31 December 2013, the Company has not issued any guarantee to banks in respect of banking facilities granted to its subsidiaries.

32 MATERIAL RELATED PARTY TRANSACTIONS

(a) Material transactions between the Group and other related parties during the year ended 31 December 2013 are as follows:

- (i) On 28 December 2006, the Group entered into three leasing agreements with Winco (Dongguan) Paper Products Co, Ltd (“Winco”) to lease three properties located in Dongguan, the PRC, at an annual rental of RMB1,032,000 from 1 January 2007 to 31 December 2009. It was renewed on 31 December 2009 at an annual rental of RMB1,014,000 from 1 January 2010 to 31 December 2012. It was renewed again on 1 January 2013 at an annual rental of RMB1,014,000 from 1 January 2013 to 31 December 2015. Winco is a wholly foreign owned enterprise established in the PRC and controlled by Dr Wong Yu Hong, Philip, a director of the Company until 21 March 2012, and Dr Leung Anita Fung Yee Maria, a director of the Company until 1 September 2013. Rental expenses paid and payable to Winco amounted to \$423,000 for the year ended 31 December 2013 (fifteen months ended 2012: \$1,558,000).

31 或然負債 已發出財務擔保

於二零一三年十二月三十一日，公司並無就其附屬公司獲授之銀行信貸向銀行發出任何擔保。

32 重大關聯人士交易

(a) 集團與其他關聯人士於截至二零一三年十二月三十一日止年度進行之重大交易如下：

- (i) 於二零零六年十二月二十八日，集團與永固（東莞）紙品有限公司（「永固」）訂立三份租約，以租賃位於中國東莞之三項物業，年租金為人民幣1,032,000元，由二零零七年一月一日至二零零九年十二月三十一日。租約已於二零零九年十二月三十一日續期，年租金為人民幣1,014,000元，由二零一零年一月一日至二零一二年十二月三十一日。租約已於二零一三年一月一日再續期，年租金為人民幣1,014,000元，由二零一三年一月一日至二零一五年十二月三十一日。永固為於中國成立之外商獨資企業，由黃宜弘博士（直至二零一二年三月二十一日前為公司董事）及梁鳳儀博士（直至二零一三年九月一日前為公司董事）控制。截至二零一三年十二月三十一日止年度內已付及應付永固之租金開支達423,000元（截至二零一二年止十五個月：1,558,000元）。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

32 MATERIAL RELATED PARTY TRANSACTIONS

(continued)

(a) (continued)

- (ii) On 5 March 2013, the Group entered into a leasing agreement with Hanny Group Management Limited (“Hanny”) to lease a property located at Kwun Tong, Hong Kong, at an annual rental of \$600,000 from 22 September 2012 to 17 July 2014. Hanny is a fellow subsidiary of Loyal Concept Limited, which is a substantial shareholder of the Company. Rental expenses paid and payable to Hanny amounted to \$600,000 for the year ended 31 December 2013 (fifteen months ended 2012: \$165,000).

- (iii) On 6 December 2012, the Group entered into a loan agreement with Loyal Concept Limited. The principal of the loan was \$8,700,000. The loan was unsecured and interest-bearing at prime rate per annum. The loan was repaid during the year.

The directors are of the opinion that all the above transactions (i) to (iii) were carried out on normal commercial terms and in the ordinary course of business.

In addition to the above transactions, details of the Group’s amounts due from and to related parties are disclosed in notes 18 and 23.

32 重大關聯人士交易(續)

(a) (續)

- (ii) 於二零一三年三月五日，集團與錦興集團管理有限公司(「錦興」)訂立一份租約，以租賃位於香港觀塘之一項物業，年租金為600,000元，由二零一二年九月二十二日至二零一四年七月十七日。錦興為公司主要股東 Loyal Concept Limited 之同系附屬公司。截至二零一三年十二月三十一日止年度內已付及應付錦興之租金開支達600,000元(截至二零一二年止十五個月：165,000元)。

- (iii) 於二零一二年十二月六日，集團與Loyal Concept Limited訂立貸款協議。貸款本金為8,700,000元。該筆貸款為無抵押及按最優惠年利率計息。該筆貸款已於年內償還。

董事認為，上述(i)至(iii)之所有交易均按一般商業條款在日常業務過程中進行。

除上述交易外，集團應收及應付關聯人士款項詳情於附註18及23披露。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

32 MATERIAL RELATED PARTY TRANSACTIONS (continued)

(b) Applicability of the Listing Rules relating to connected transactions

The related party transactions as disclosed in note 32(a) are in existence or entered into during the year ended 31 December 2013 which falls under the definition of connected transactions or continuing connected transactions in accordance with Chapter 14A of the Listing Rules. These transactions fall under Rules 14A.33(3)(c) and 14A.65(4) of the Listing Rules and are exempted from the reporting, announcement and independent shareholders' approval requirements of the Listing Rules.

(c) Key management personnel remuneration

During the year, the remuneration for key management personnel being short-term employee benefits amounted to \$2,969,000 (2012: credit of \$13,808,000) as disclosed in note 6. The remuneration of directors and senior management is determined by the Remuneration Committee having regard to market trends and the performance and responsibilities of each individual.

33 PENDING LITIGATION

An action was commenced by a business partner against a subsidiary of the Group in December 2013 in Beijing People's Court in respect of an alleged settlement of sums payable to this business partner of approximately RMB29,460,000 (equivalent to approximately HK\$37,400,000), plus interest thereon.

The directors have confirmed that no settlement had been reached by the parties and no judgement on the quantum of damages had been made against the Group in respect of the legal action. The Group has sought legal advice from its legal counsel on the merits of the claim. But as of the date of approval of these financial statements, the possible outcome of the legal action is still uncertain.

The directors are of the view that the quantum of the ultimate cost and damages (if any) to be incurred by the Group will not have a material adverse impact on the Group's financial position.

32 重大關聯人士交易(續)

(b) 與關連交易有關之上市規則之適用性

附註32(a)所披露之關聯人士交易乃於截至二零一三年十二月三十一日止年度存在或訂立，屬於上市規則第14A章所界定之關連交易或持續關連交易。該等交易屬上市規則第14A.33(3)(c)及14A.65(4)條所界定者，並獲豁免遵守上市規則之申報、公告及獨立股東批准規定。

(c) 主要管理人員薪酬

年內，作為短期僱員福利之主要管理人員薪酬為2,969,000元(二零一二年：13,808,000元抵免)(見附註6所披露)。董事及高級管理層之薪酬由薪酬委員會經考慮市場趨勢及個別人士之表現及責任後釐定。

33 待決訴訟

一名業務夥伴於二零一三年十二月就指稱有關應付予該名業務夥伴之款項約人民幣29,460,000元(相等於約37,400,000元)及有關利息之和解向北京市人民法院提起針對集團一間附屬公司之法律行動。

董事確認，所涉各方並未達成和解，而法院亦未就有關法律行動針對集團之損害賠償金額作出裁決。集團已向其法律顧問徵詢有關申索是非曲直之法律意見。惟於此等財務報表批准日期仍然未能確定有關法律行動可能產生之結果。

董事認為，集團所產生訟費及損害賠償(如有)之最終金額將不會對集團之財務狀況造成重大不利影響。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

34 POST BALANCE SHEET EVENTS

- (a) On 6 December 2013, the Board proposed to change the name of the Company from Qin Jia Yuan Media Services Company Limited to SMI Culture Group Holdings Limited. The change of name was approved in an extraordinary general meeting of the Company on 10 January 2014 and took effect on 16 January 2014 upon the issuance of the Certificate of Incorporation on Change of Name by the Registrar of Companies in the Cayman Islands.
- (b) On 21 February 2014, a loan agreement was entered into between the Company and SMI Corporation Limited (“SMI Corporation”) in relation to the provision of facilities of up to \$50,000,000. SMI Corporation is a substantial shareholder of the Company. Interest on the outstanding amount of the loans drawn under these facilities shall accrue at the rate of 10% per annum. Interest shall be payable monthly in arrears unless otherwise agreed between the Company and SMI Corporation.

34 報告期末後事項

- (a) 於二零一三年十二月六日，董事會建議將公司之名稱由「Qin Jia Yuan Media Services Company Limited 勤+緣媒體服務有限公司」更改為「SMI Culture Group Holdings Limited 星美文化集團控股有限公司」。更改名稱已於二零一四年一月十日之公司股東特別大會上獲批准，並於開曼群島公司註冊處處長發出更改名稱註冊證書後在二零一四年一月十六日生效。
- (b) 於二零一四年二月二十一日，公司與星美國際集團有限公司（「星美國際」）就星美國際提供最多達50,000,000元之融通訂立貸款協議。星美國際為公司之主要股東。自融通所提取貸款之未償還款項須按年利率10厘計息。除非公司與星美國際另行協定，否則利息須每月支付。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

35 ACCOUNTING ESTIMATES AND JUDGEMENTS

The key sources of estimation uncertainty and critical accounting judgements in applying the Group's accounting policies are described below.

(a) Provision for impairment of intangible assets

The management estimates the recoverable amount of intangible assets based primarily on the value-in-use calculation. In addition, the Group carries out a review on intangible assets at each balance sheet date and provision is made when events or changes in circumstances indicate that the carrying amount may not be recoverable. Determination as to whether and how much an asset is impaired involves management estimates and judgements such as future selling price, discount rate used in discounting the projected cash flow and customer profile. Whilst the impairment reviews and calculations are based on assumptions that are consistent with the Group's business plan, selling price is affected by a wide range of global and domestic factors which are beyond the control of the Group. Favourable change to some assumptions may allow the Group to avoid the need to impair any assets in these years, whereas unfavourable changes may cause the assets to become impaired.

(b) Useful lives of fixed assets and intangible assets

The Group estimates the useful lives of property, plant and equipment and intangible asset in order to determine the amount of depreciation expenses and amortisation expenses to be recorded according to the accounting policy set out in notes 1(i)(iii) and note 1(j). The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid. Such reviews take into account technological changes, prospective economic utilisation and physical condition of the assets concerned.

35 會計估計及判斷

在應用集團會計政策時所涉及之估計不確定性之主要來源及重大會計判斷詳述如下。

(a) 無形資產減值撥備

管理層主要按照使用價值計算法對無形資產之可收回金額作出估計。另外，集團於各報告期末對無形資產進行審閱，當有事件或情況變動顯示賬面金額可能未能收回時，則作出撥備。釐定資產是否已減值及減值程度涉及使用管理層對未來售價、用於將預測現金流量折現之折現率以及客戶狀況等所作之估計及判斷。審閱及計算減值乃根據與集團業務計劃相符之假設進行，而售價則受一系列環球及境內因素影響，該等因素並非集團可控制。若干假設之有利變動可讓集團免於在該等年度對資產作出減值，而不利變動則可能導致資產減值。

(b) 固定資產及無形資產之可使用年期

集團估計物業、廠房及設備以及無形資產之可使用年期，以釐定按照附註1(i)(iii)及1(j)所載之會計政策入賬之折舊開支及攤銷開支數額。可使用年期於收購資產時根據以往經驗、預期用途、資產損耗以及因市場需求或資產服務產出轉變所產生之技術廢棄作出估計。集團亦會每年檢討對可使用年期所作之假設是否仍然有效。有關檢討會考慮科技轉變、預期經濟用途及相關資產之實際狀況。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

35 ACCOUNTING ESTIMATES AND JUDGEMENTS

(continued)

(c) Provision for impairment of goodwill

The Group reviews whether there are indications of impairment of goodwill at each balance sheet date according to the accounting policies set out in notes 1(f) and 1(l)(ii). The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations.

(d) Provision for impairment of receivables

The provisioning policy for impairment of receivables of the Group is based on the evaluation of collectability and ageing analysis of the receivables and on management's judgements. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of the customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

35 會計估計及判斷(續)

(c) 商譽減值撥備

集團按照附註1(f)及1(l)(ii)所載之會計政策，於各報告期末檢討有否跡象顯示商譽出現減值。現金產生單位之可收回金額根據使用價值計算法釐定。此等計算方法要求使用管理層對未來業務營運、除稅前折現率所作之估計及假設，並使用與使用價值計算法相關之其他假設。

(d) 應收款項減值撥備

集團應收款項減值撥備政策乃基於對應收款項可收回性之評估及其賬齡分析以及管理層之判斷。在評估此等應收款項之最終變現時需要作出相當程度之判斷，包括每名客戶之現時信譽和過往收賬記錄。如集團客戶之財政狀況惡化，導致損害其付款能力，則需作出額外準備。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

35 ACCOUNTING ESTIMATES AND JUDGEMENTS

(continued)

(e) Provision for impairment of inventories

The management estimates the net realisable value of inventories such as certain scripts, synopses, publication rights, copyrights and editing rights based on the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale according to the accounting policy set out in note 1(m). In addition, the Group carries out a review on inventories at each balance sheet date and provision is made when net realisable value of inventories is estimated to be less than their carrying amount.

(f) Impairment of interest in subsidiaries

In considering the impairment losses that may be required for the Company's interest in subsidiaries, recoverable amount of the assets needs to be determined. The recoverable amount is the greater of the net selling price and the value in use. It is difficult to precisely estimate selling price because quoted market prices for these assets may not be readily available. In determining the value in use, expected cash flows generated by the assets are discounted to their present value, which requires significant judgement relating to items such as level of turnover and amount of operating costs of the subsidiaries. The Company uses all readily available information in determining an amount that is reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as turnover and operating costs of subsidiaries.

35 會計估計及判斷(續)

(e) 存貨減值撥備

管理層按照附註1(m)所載之會計政策，根據於日常業務過程中之估計售價扣除估計完成成本及進行銷售必要之估計成本，估計若干劇本、故事大綱、出版權、版權及改編權等存貨之可變現淨值。此外，集團於各報告期末對存貨進行審閱，並於估計存貨可變現淨值低於其賬面金額時作出撥備。

(f) 附屬公司權益之減值

公司在考慮對附屬公司權益計提減值虧損時，需要釐定資產之可收回金額。可收回金額按淨售價與使用價值兩者中之較高者計算。由於該等資產之市場報價可能難以獲得，因此難以準確估計售價。在釐定使用價值時，資產所產生之預期現金流會貼現至其現值，因而需要對附屬公司營業額及經營成本等項目作出重大判斷。公司在釐定與可收回金額相若之合理數額時會採用所有可供使用之資料，包括根據合理與可支持之假設所作出之估計以及對附屬公司營業額與經營成本等項目之預測。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

36 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2013

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2013 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

36 截至二零一三年十二月三十一日止年度已頒佈但尚未生效之修訂、新準則及詮釋可能帶來之影響

截至該等財務報表刊發日期，香港會計師公會已頒佈截至二零一三年十二月三十一日止年度尚未生效且未於此等財務報表中採納之多項修訂及新準則，當中包括下列可能與集團相關者。

**Effective for
accounting periods
beginning on or after
於以下日期或往後
起始之會計期間生效**

Amendments to HKAS 32, *Offsetting financial assets and financial liabilities*

《香港會計準則》第32號之修訂本「抵銷財務資產及財務負債」

1 January 2014

二零一四年一月一日

HKFRS 9, *Financial instruments*

《香港財務報告準則》第9號「金融工具」

Undetermined

未釐定

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. The Group is therefore unable to disclose the impact of adopting these new or revised HKFRSs will have on its financial position and the results of operations when such new or revised HKFRSs are adopted.

集團現正就該等修訂於首次應用期間預計會帶來之影響作出評估。因此，集團未能披露於採納該等新訂或經修訂《香港財務報告準則》時，其對集團財務狀況及經營業績構成之影響。

Financial Summary 財務摘要

(Expressed in Hong Kong dollars) (以港元列示)

		Year ended 30 September 2009 \$'000 截至 二零零九年 九月三十日 止年度 千元	Year ended 30 September 2010 \$'000 截至 二零一零年 九月三十日 止年度 千元	Year ended 30 September 2011 \$'000 截至 二零一一年 九月三十日 止年度 千元	Fifteen months ended 31 December 2012 \$'000 截至 二零一二年 十二月三十一日 止十五個月 千元	Year ended 31 December 2013 \$'000 截至 二零一三年 十二月三十一日 止年度 千元
INCOME STATEMENT	損益表					
Turnover	營業額	226,129	424,610	742,234	478,842	191,402
Profit/(loss) before taxation	除稅前溢利/ (虧損)	(389,307)	82,631	60,159	(576,397)	(673,170)
Income tax	所得稅	(1,154)	(2,603)	(5,691)	(49,831)	(1,171)
Profit/(loss) after taxation	除稅後溢利/ (虧損)	(390,461)	80,028	54,468	(626,228)	(674,341)
Attributable to:	下列各項應佔:					
Equity shareholders of the Company	公司股權持有人	(390,374)	80,472	53,748	(628,058)	(675,376)
Non-controlling interests	非控制性權益	(87)	(444)	720	1,830	1,035
		As at 30 September 2009 \$'000 於二零零九年 九月三十日 千元	As at 30 September 2010 \$'000 於二零一零年 九月三十日 千元	As at 30 September 2011 \$'000 於二零一一年 九月三十日 千元	As at 31 December 2012 \$'000 於二零一二年 十二月三十一日 千元	As at 31 December 2013 \$'000 於二零一三年 十二月三十一日 千元
BALANCE SHEET	資產負債表					
Total assets	資產總值	1,547,602	2,166,220	2,465,450	2,026,821	1,136,130
Total liabilities	負債總值	(653,836)	(1,060,607)	(1,122,840)	(1,039,213)	(284,452)
Net assets	資產淨值	893,766	1,105,613	1,342,610	987,608	851,678
Total equity attributable to equity shareholders of the Company	公司股權持有人 應佔權益總額	893,064	1,104,719	1,340,407	984,166	849,280
Non-controlling interests	非控制性權益	702	894	2,203	3,442	2,398
Total equity	權益總額	893,766	1,105,613	1,342,610	987,608	851,678





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