

The logo for SHIFANG, featuring the word "SHI" in a bold, italicized, sans-serif font, followed by a stylized circular icon with a red and black gradient, and the word "FANG" in the same bold, italicized, sans-serif font.

SHI FANG

SHIFANG HOLDING LIMITED
十方控股有限公司

Annual Report **2014** 年報

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1831

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CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Chen Zhi
Mr. Hong Pei Feng
Mr. Zhang Tie Zhu
Mr. Yu Shi Quan

Non-executive Directors

Mr. Wang Ping (resigned on 31 March 2015)
Mr. Chen Wei Dong (appointed on 1 April 2015)
Ms. Chen Min

Independent non-executive Directors

Mr. Zhou Chang Ren
Mr. Wong Heung Ming, Henry
Mr. Zhuo Ze Yuan (resigned on 9 June 2014)
Mr. Cai Jian Quan

COMPANY SECRETARY

Ms. Chan Ching Yi

AUTHORISED REPRESENTATIVES

Mr. Chen Zhi
Ms. Chan Ching Yi

AUDIT COMMITTEE

Mr. Wong Heung Ming, Henry (*Chairman*)
Mr. Zhou Chang Ren
Mr. Zhuo Ze Yuan (resigned on 9 June 2014)
Mr. Cai Jian Quan (appointed on 9 June 2014)

REMUNERATION COMMITTEE

Mr. Zhou Chang Ren (*Chairman*)
Mr. Chen Zhi
Mr. Wong Heung Ming, Henry

董事

執行董事

陳志先生
洪培峰先生
張鐵柱先生
余詩權先生

非執行董事

王平先生(於二零一五年三月三十一日辭任)
陳偉東先生(於二零一五年四月一日獲委任)
陳敏女士

獨立非執行董事

周昌仁先生
黃向明先生
卓澤淵先生(於二零一四年六月九日辭任)
蔡建權先生

公司秘書

陳靜儀女士

授權代表

陳志先生
陳靜儀女士

審核委員會

黃向明先生(*主席*)
周昌仁先生
卓澤淵先生(於二零一四年六月九日辭任)
蔡建權先生(於二零一四年六月九日獲委任)

薪酬委員會

周昌仁先生(*主席*)
陳志先生
黃向明先生

NOMINATION COMMITTEE

Mr. Zhuo Ze Yuan (*Chairman*) (resigned on 9 June 2014)

Mr. Cai Jian Quan (*Chairman*) (appointed on 9 June 2014)

Mr. Chen Zhi

Mr. Wong Heung Ming, Henry

REGISTERED OFFICE

PO Box 309, Ugland House

Grand Cayman, KY1-1104

Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

6/F, San Shan Tower

59 Dongjie Street

Gulou District

Fuzhou, Fujian Province

PRC

PLACE OF BUSINESS IN HONG KONG

The Landmark 18/F, Edinburgh Tower

15 Queen's Road Central

Hong Kong

LEGAL ADVISORS

As to Hong Kong and U.S. law:

DLA Piper Hong Kong

As to PRC law:

Grandall Law Firm (Fuzhou)

As to Cayman Islands law:

Maples and Calder

INDEPENDENT AUDITOR

PricewaterhouseCoopers

提名委員會

卓澤淵先生 (主席)

(於二零一四年六月九日辭任)

蔡建權先生 (主席)

(於二零一四年六月九日獲委任)

陳志先生

黃向明先生

註冊辦事處

PO Box 309, Ugland House

Grand Cayman, KY1-1104

Cayman Islands

總部及中國主要營業地點

中國

福建省福州市

鼓樓區

東街59號

三山大廈6樓

香港營業地點

香港

皇后大道中15號

置地廣場公爵大廈18樓

法律顧問

關於香港及美國法律:

歐華律師事務所

關於中國法律:

國浩律師(福州)事務所

關於開曼群島法律:

邁普達律師事務所

獨立核數師

羅兵咸永道會計師事務所

CORPORATE INFORMATION

公司資料

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

China Construction Bank Co., Limited
China Merchants Bank Co., Limited

STOCK CODE

01831

COMPANY WEBSITE

<http://www.shifangholding.com>

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

主要往來銀行

中國建設銀行股份有限公司
招商銀行股份有限公司

股份代號

01831

公司網址

<http://www.shifangholding.com>

FINANCIAL HIGHLIGHTS AND SUMMARY

財務摘要及概要

RESULTS

業績

		For the year ended 31 December				
		截至十二月三十一日止年度				
		2014	2013	2012	2011	2010
		二零一四年	二零一三年	二零一二年	二零一一年	二零一零年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenues	收入	183,556	270,326	377,242	529,034	529,940
Gross profit	毛利	46,352	76,047	111,875	266,305	255,796
Operating (loss)/profit	經營(虧損)/溢利	(252,746)	(499,116)	(112,912)	82,041	186,623
(Loss)/profit attributable to:	以下各項應佔					
	(虧損)/溢利:					
(i) Equity holders of the Company	(i) 本公司權益持有人	(304,174)	(516,834)	(137,940)	52,978	161,095
(ii) Non-controlling interests	(ii) 非控股權益	(2,930)	2,499	7,568	6,043	(15)
(Loss)/earnings per share – Basic	每股(虧損)/盈利—基本					
(RMB)	(人民幣)	(0.3621)	(0.6153)	(0.1799)	0.0727	0.2858

ASSETS AND LIABILITIES

資產及負債

		As at 31 December				
		於十二月三十一日				
		2014	2013	2012	2011	2010
		二零一四年	二零一三年	二零一二年	二零一一年	二零一零年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	總資產	307,040	595,576	1,308,971	1,414,639	1,285,003
Total debt	總債項	–	–	44,539	49,685	54,764
Total liabilities	總負債	100,709	82,911	246,966	258,589	213,417
Equity attributable to:	以下各項應佔權益:					
(i) Equity holders of the Company	(i) 本公司權益持有人	211,207	502,861	1,018,831	1,119,045	1,071,114
(ii) Non-controlling interests	(ii) 非控股權益	(4,876)	9,804	43,174	37,005	472

FINANCIAL HIGHLIGHTS AND SUMMARY

財務摘要及概要

FINANCIAL RATIOS

財務比率

		For the year ended 31 December				
		截至十二月三十一日止年度				
		2014	2013	2012	2011	2010
		二零一四年	二零一三年	二零一二年	二零一一年	二零一零年
Gross profits margins:	毛利率：					
(i) Overall	(i) 整體	25.3%	28.1%	29.7%	50.3%	48.3%
(ii) Newspaper advertising	(ii) 報紙廣告	27.8%	21.4%	19.9%	41.9%	41.9%
(iii) Marketing, distribution management, consulting and printing services	(iii) 營銷、分銷管理、諮詢及印刷服務	16.8%	45.0%	51.5%	63.4%	56.2%
(iv) Online services	(iv) 網絡服務	46.8%	38.9%	67.2%	92.2%	91.2%
(v) Television and radio advertising	(v) 電視及電台廣告	51.3%	(4.3%)	(95.3%)	(174.1%)	14.8%
Operating margins	經營利潤率	(137.7%)	(184.6%)	(30.0%)	15.5%	35.3%
Net margins	淨利潤率	(167.3%)	(190.3%)	(34.6%)	11.2%	30.4%
Return on equity ⁽¹⁾	股本回報率 ⁽¹⁾	(148.8%)	(100.3%)	(12.3%)	5.1%	15.0%
Return on assets ⁽²⁾	資產回報率 ⁽²⁾	(100.0%)	(86.4%)	(10.0%)	4.2%	12.5%
Trade receivables turnover (days)	貿易應收款項周轉率(日)	90	171	226	177	141
Trade payables turnover (days)	貿易應付款項周轉率(日)	66	50	7	6	5
Gearing ratio	資產負債比率	-	-	3.4%	3.5%	4.3%

Notes

附註

(1): Return on equity is calculated based on (loss)/profit for the year divided by total equity.

(1): 股本回報率按年內(虧損)/溢利除以權益總額計算。

(2): Return on assets is calculated based on (loss)/profit for the year divided by total assets.

(2): 資產回報率按年內(虧損)/溢利除以總資產計算。



Chen Zhi 陳志

Chairman, Chief Executive Officer and Executive Director
主席、首席執行官兼執行董事

In 2014, the global economic recovery was weak and the domestic economy was faced with increasing downward pressure. As the national economy is adjusting to the record five-year low CPI and experiencing a weakening growth momentum, there was an across-the-board decrease in advertising spending. During the year, the development of the advertising industry was hindered by the credit crunch resulting from the economic slowdown in China, and the weak consumption sentiment which seriously affected investment-oriented industries, such as the property sector. Due to the economic depression and continual reduction in print media and television advertising spending, the traditional media advertising sector saw a contraction in 2014. Meanwhile, the widespread use of the internet across various cities has facilitated new media development, which transformed the strategies of advertisers, thus leading to a restructuring of the industry. Amidst severe competition in the advertising industry, the operation results of the Group's core print media advertising business declined during the year under review. The online business, on the other hand, was still in the investment stage. Therefore, revenue from the Group's principal businesses for 2014 was approximately RMB183.6 million, representing a decrease of 32.1% as compared to the last year, while net loss after tax amounted to approximately RMB307.1 million.

二零一四年，全球經濟復甦曲折乏力，國內經濟下行壓力持續加大。隨着國家經濟調整，CPI創五年新低，經濟整體形勢下行趨勢明顯，行業間的廣告預算出現壓縮。過去一年，國內經濟增長步伐減慢引致信貸環境持續緊縮，加上居民消費意欲降低，地產等以投資為先導的行業受到打擊，直接影響廣告行業的發展。面對經濟不景氣，平面媒體廣告和電視媒體廣告的投放量持續下降，令傳統媒體廣告於二零一四年出現萎縮性的發展。另外，隨着互聯網於各城市的滲透率日益增加，新興媒體的發展愈來愈成熟，新媒體的快速發展改變了廣告主投放廣告的策略，行業亦出現結構性的調整。面對廣告行業的激烈競爭，於回顧年內，本集團主要業務平面媒體廣告的營運業績下滑，加上網絡業務仍處於投資期，於二零一四年，本集團的主營業務收入錄得約人民幣183.6百萬元，與上年相比下降32.1%，稅後淨虧損約人民幣307.1百萬元。

CHAIRMAN'S STATEMENT

主席報告書

MODIFYING BUSINESS MODEL, STREAMLINING STRUCTURE AND CUTTING COSTS

Advertising in traditional print media has suffered a severe blow due to the blossoming communication channels of new media and mobile internet. As the mobile internet is becoming increasingly popular, the Group believes that mobile internet service enjoys enormous market opportunities. As a result, the Group persistently refined its business structure by recovering resources from less profitable segments and diverting them to the online services while fusing its technologies in both traditional and new media businesses during the year under review. Although such projects were still in the investment stage, the Group targets to increase the share of internet business in our revenue to 50% in order to tap into the huge market demand brought by the development of the mobile internet. Also, the Group has implemented stringent controls and actively sought new sources of income during the period under review in order to improve its operating performance. During the year under review, restructuring was carried out at the management level and manpower was streamlined. Furthermore, the Group's management and executive personnel took a substantial pay cut as a vow to overcome challenges together with the Group. The Group also restructured some of its independent divisions with a view to better allocating jobs and resources for effective use and efficient operation.

CONTINUALLY PERFECTING PRODUCT QUALITY AND BROADENING CUSTOMER BASE

The Group strives to offer value-added services and enhanced solutions that cover multiple advertising platforms including new media to its newspaper advertisers. By doing so, the Group can expand its revenue source, increase its income per customer and broaden its customer base. Through persistent innovation, the Group makes every effort to gain a solid foothold in the enormous mobile user market in China and expand its media coverage. The Group believes that given the continual rapid growth of the internet, mobile network and other new communication media, the Group's online and new media business is presented with ample opportunities. Clients' trust and support is the engine of the Company's long-term growth amidst the tough external environment. Although traditional advertisers have reduced their spending, the Group has actively expanded its client portfolio and income source by exploring the advertising market of fast-moving consumer goods, which saw rising spending and are closely

調整業務模式，精簡架構及資源

新媒體、移動互聯網傳播渠道發展快速，令傳統平面媒體的廣告受到衝擊。本集團相信，在移動互聯網日漸普及的大背景下，移動互聯網服務存在龐大的商機潛力，故此，本集團於回顧年內致力整合盈利能力較低的資源，讓更多資源能夠投入於網絡服務方面的發展，同時加大自身在傳統業務的技術與新技術資源的對接，以進一步實現業務轉型。雖然目前相關項目仍處於投資階段，但本集團將繼續提高互聯網業務的佔比至五成，以把握移動互聯網發展趨勢所帶來的強勁市場需求。另外，為改善營運表現，本集團於回顧期內積極以開源節流的方式，進一步控制成本以改善經營狀況。回顧年內，本集團對整體管理架構進行調整，精簡人手，另外，為表示與本集團共度時艱之決心，本集團管理層及員工的薪金進行了大幅度調整。本集團亦同時重組旗下部分獨立子集團，集中內部業務分工以優化資源分配，更有效地運用資源，提升營運效率。

持續優化產品素質豐富客戶基礎

本集團致力為報紙廣告客戶提供滲透至新媒體等其他廣告領域的增值服務，提供更優化的解決方案。與此同時，本集團可拓寬收入來源，深挖客戶價值，豐富客戶基礎。本集團同時在不斷創新，致力快速搶佔中國龐大的手機用戶市場，進一步加強媒體覆蓋範圍。本集團相信，隨着互聯網和手機等新興傳播行業的持續蓬勃發展，本集團網絡新媒體業務的發展正迎來豐富龐大的機遇。面對較為嚴峻的外部經營環境，客戶的信賴和支持是本公司長期發展的源動力。儘管傳統廣告客戶投放量減少，本集團積極拓展投放量不斷增長的、與民生息息相關的快速消費品廣告業務，拓寬客戶組合及收入來源，使本公司業務方向更趨多元化，審慎靈活應對經營環境的挑戰，爭取平衡發展。此外，本集團

CHAIRMAN'S STATEMENT 主席報告書

related to everyday life. Such move has diversified the Company's business and demonstrated our cautious but flexible hand in dealing with external challenges and achieving balanced growth. Moreover, the Group has made extra effort to establish itself as a multi-channel all-round turnkey marketing service provider. In the future, the Group will offer comprehensive advertising solutions to its advertisers with its diversified online and offline multimedia resources.

QUICKLY ESTABLISHING NEW MEDIA PLATFORMS TO CAPTURE FUTURE OPPORTUNITIES WITH BETTER RESOURCE ALLOCATION

Looking ahead, internet and mobile app advertising will become the key engine of growth of the domestic media industry. The Group believes that as China's traditional and new media are fusing together, the traditional media will embrace new media while the new media will need the support of their traditional counterparts. The emergence of online and new media will continue to make room for domestic advertising demand to grow sustainably. The Group will quickly establish new media platforms based on its print media resources and new mobile internet technologies in order to formulate an integrated online and offline marketing service model. Having laid a solid foundation, the Group is on its way to a successful transformation.

Furthermore, the Group's efforts in controlling costs and improving operating efficiency are producing positive results. Capitalising on our all-round strengths such as existing brand equity and customer base, multi-regional geographical coverage and cross-media platforms, the Group has an edge in its transformation and development.

Last but not least, on behalf of the board of directors, I would like to thank the management team and all staff for their efforts and selfless contributions. I would also like to express my sincere gratitude to our valued shareholders, clients and business partners for their continual trust and unceasing support.

Chen Zhi

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 26 March 2015

更致力於成為多渠道、全方位的全案營銷服務供應商，未來將通過本集團線上線下的多樣媒體資源，為客戶提供全面化廣告方案。

善用資源快速搭建，新媒介平台迎新機遇

展望未來，互聯網和移動終端廣告將成為內地傳媒產業快速成長的重要驅動力，本集團相信，隨着中國進入傳統媒體與新媒體融合的時代，傳統媒體將積極擁抱新媒體，新媒體也需要傳統媒體的渠道平台作為支撐，國內的廣告需求在網絡媒體和新媒體傳播方式方興未艾的發展趨勢下仍會保持健康發展。未來，本集團繼續持續善用紙媒的資源與新移動互聯網的技術版塊，快速搭建新媒介平台，搭建綜合線上線下的營銷服務架構。目前，本集團已奠定一定的基礎，轉型之路已邁出堅實的第一步。

此外，本集團在成本管控、工作效率改善等方面的切實努力已開始產生積極效果。憑藉本集團已有的品牌效應和客戶基礎，其跨地域覆蓋及跨媒體平台等綜合實力在轉型發展之路上將發揮更大優勢。

最後，本人代表董事會感謝管理團隊和全體員工的專業及奉獻精神，也同時對我們尊敬的股東、客戶和商業夥伴的長期以來的信任與不懈支持表示誠摯的感謝。

主席、首席執行官兼執行董事

陳志

香港，二零一五年三月二十六日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

INDUSTRY REVIEW

In 2014, the Chinese government has implemented a series of fiscal policies and adjusted the Gross Domestic Product target rate for the year to accommodate for the over expanding economy. Over the past year, the advertising sector was under pressure as the slowdown in domestic economic growth and the continuous credit crunch had a direct impact on investment-oriented industries, such as property, which in turn, weakened consumption sentiment. According to the most recent statistics published by China Advertising Association and CVSC – TNS Research (“CTR”), it was noted that there was a negative growth in the domestic advertising market of traditional media and an enlarged fall in property advertising to 9.6% for 2014.

Traditional media advertising shrunk in 2014 primarily due to declining print media advertising and the negative growth of television (“TV”) advertising. Data showed that in 2014, print media advertising plunged further by 18.3%, and that of magazine fell by 10.2%, which was higher than that for 2013. Though the volume of TV advertisements only dropped slightly by 0.5%, it is evident that there is a shift in the overall dynamics of the traditional advertising industry.

The widespread use of the internet across various cities has facilitated new media development. As such, the internet and mobile platforms are the new advertising arenas supported by the enormous potential arising from the surge in the number of internet users.

As stated in the *Report on the Development of China's Media Industry (2014)*, the emergence of new media platforms and the increasing speed of mobile connection in China have contributed to a growing usage of the internet during spare time. Driven by such favourable factors, spending on mobile-end video advertising is exhibiting a promising growth and an increasing proportion in the total advertising spending in the video market. The mobile-end video advertising market alone amounted to RMB1.43 billion for the third quarter of 2014, contributing to 30.6% of the total video advertising market (2013: 20.6%), representing an increase of 10 percentage points.

行業回顧

二零一四年，中國政府推出一系列財政政策，因應經濟過度膨脹情況下調國內生產總值目標。過去一年，內地經濟增長放緩，信貸環境持續緊縮，令地產等以投資為先導的行業受到直接的影響，同時亦間接影響居民消費意欲，對於廣告行業的發展造成壓力。根據中國廣告協會、央視市場研究媒介智訊(CTR)公佈的最新數據顯示，二零一四年內地傳統媒體廣告市場出現負增長，當中房地產廣告跌幅擴大至9.6%。

傳統媒體廣告於二零一四年發展萎縮，主要因素為平面媒體廣告持續下降的同時，電視媒體廣告亦由增長轉為下降。數據顯示，二零一四年平面媒體廣告跌幅繼續擴大，達到18.3%。其中，雜誌跌幅為10.2%，大大超過二零一三年的跌幅。電視廣告下降0.5%，跌幅雖小，但足以顯示出傳統媒體廣告市場的趨勢改變。

隨着互聯網於各城市的滲透率日益增加，新興媒體的發展愈來愈成熟，互聯網用戶大幅增長引發巨大發展潛力，互聯網和移動終端廣告成為了廣告市場的新發展方向。

《中國傳媒產業發展報告(2014)》指出，新媒體的崛起，加上內地移動上網速度提高，用戶逐漸養成「碎片化」的使用習慣，移動端視頻廣告規模增長樂觀，佔整體視頻市場廣告規模的比例也不斷提升。二零一四年第三季度期內，單是移動端視頻市場廣告規模便達人民幣14.3億元，佔整體視頻市場廣告規模的比重大增到30.6%（二零一三年：20.6%），增幅達到10個百分點。

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As reflected by the figures, internet and mobile advertising are the main contributors to the rapid growth in the domestic media industry, and traditional media are hard hit amid sluggish economic growth in general. Traditional print media will experience greater pressure in securing advertisements, and the Group's newspaper advertising agency business, which is still the largest source of its revenue, will continue to be under great pressure and face market challenges.

BUSINESS REVIEW

The slowdown in the Chinese economic development and the increasing pressure on certain industries to expand have impacted the advertising spending of the respective industries, thereby posing challenges for the operating environment of the Group in the year 2014. In view of the restructuring of the advertising market, the continuous switch to new media and the internet from print media as a platform of advertising, and the slow recovery in advertising spending of certain industries such as property, advertising revenue from newspaper advertising, online services and TV advertising dropped. For the year ended 31 December 2014, the Group recorded revenue from core businesses of approximately RMB183.6 million, representing a decline of 32.1% as compared to the previous year. Gross profit for 2014 was approximately RMB46.4 million, decreased by 38.9% as compared to the previous year. Gross profit margin was 25.3% (2013: 28.1%). Net loss after tax for the year amounted to approximately RMB307.1 million (2013: approximately RMB514.4 million). The performance of the Group's principal business, print media advertisements, was adversely affected due to the increasing threat from new online media and the receding Chinese economy. As a result, the Group generated a lower revenue and experienced a slower restructuring progress of some of its businesses, such as online media service, than what were originally projected by the Group.

由此可見，互聯網和移動終端廣告成為內地傳媒產業快速成長的重要驅動力，至於傳統紙媒則受到新媒體的直接競爭，在整體經濟增長放緩的氣氛下，傳統平面媒體廣告業發展將會面臨更大壓力，目前仍佔本集團最大業務收入分佈的報刊廣告代理業務受到壓力和挑戰。

業務回顧

二零一四年，國內經濟增速的放緩和部分行業增長壓力的加劇也體現在相應的行業廣告投放上，致使二零一四年全年本集團的營運環境依然面臨挑戰。受廣告投放市場結構調整，平媒市場受新媒體及互聯網投放的取代作用愈加明顯，以及房地產等行業投放量復甦緩慢等影響，報紙廣告、網絡服務及電視台廣告收益相應減少，本集團於截至二零一四年十二月三十一日止年度實現主營業務收入約為人民幣183.6百萬元，與上年相比下降32.1%。二零一四年毛利為約人民幣46.4百萬元，與上年相比下降38.9%，毛利率為25.3%（二零一三年：28.1%）。年內錄得稅後淨虧損約人民幣307.1百萬元（二零一三年錄得稅後淨虧損約人民幣514.4百萬元）。受網絡新媒體衝擊，加上中國經濟衰退，導致本集團主要業務平面媒體廣告的營運成果下滑，因此本集團線上媒體服務等業務收入及轉型進度不及預期。

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In response to the increasing market challenges and the changing operating environment, the Group sought new revenue streams and implemented stringent cost controls by adjusting its business model and development approach, as well as identifying and centring on the direction of its future business development. The Group also streamlined its structure to achieve a better utilisation of its resources and curtailed costs and expenses. During the year, the Group disposed of its controlling equity interest in its subsidiaries with no profit operations which included Olympia Media Holdings Limited (奧海傳媒集團有限公司), Gloria Fair Limited (漢鼎有限公司), Dailian ShiFang Media Co., Limited (大連十方傳媒有限公司), Shenyang ZhuQin ShiFang Media Development Co., Limited (瀋陽祝秦十方傳媒發展有限公司), Dongkuai (Fuzhou) Investment Consulting Services Co., Limited (東快(福州)投資諮詢服務有限公司), Chongqing ShiFang Culture Communication Co., Limited (重慶十方文化傳播有限公司), Fujian ShiFang Health Technology Co., Limited (福建十方健康科技有限公司), Fuzhou ShiFang Advertising Co., Limited (福建十方文化傳播有限公司), Shenyang Jinxiyuan Advertising Co., Limited (瀋陽金溪源廣告有限公司), Beijing HanDing Advertising Co., Limited (北京漢鼎廣告有限公司), Fuzhou HanDing Network Technology Co., Limited (福州漢鼎網絡科技有限公司), and Yunnan HanDing Technology Co., Limited (雲南漢鼎科技有限公司), so as to focus its resources on its core businesses, subsequently reducing the Group headquarter headcount from 100 to 37. In order to support the Group during its hardship, the management and executive personnel have agreed to take a pay cut of 25%-40%. The Group also restructured some of its independent divisions with a view to further centralising internal operation and better allocating jobs and resources. To ensure there were sufficient resources available for the development of core teams and major markets, a team of competent personnel with expertise in new technologies and new media was trained, and segments that are not in line with the Group's restructuring and strategic requirements have been scaled down. Investments have been made and reliable resource providers and business partners have been selected in a timely manner. In addition, having analysed and reviewed its existing operations and the

面對不斷加劇的市場挑戰和經營環境變化，本集團積極開源節流，一方面調整業務模式，轉變發展方式；找準並把握未來業務發展方向和重心，另一方面致力精簡本集團的架構及資源，並減少費用開支，包括於年內出售沒有可以盈利的業務經營之附屬公司—奧海傳媒集團有限公司、漢鼎有限公司、大連十方傳媒有限公司、瀋陽祝秦十方傳媒發展有限公司、東快(福州)投資諮詢服務有限公司、重慶十方文化傳播有限公司、福建十方健康科技有限公司、福建十方文化傳播有限公司、瀋陽金溪源廣告有限公司、北京漢鼎廣告有限公司、福州漢鼎網絡科技有限公司及雲南漢鼎科技有限公司的控股股本權益，以集中資源經營公司的主營業務，並將本集團總部員工由100人減至37人。另外，管理層及執行層面員工為表示與本集團共度時艱之決心，減薪幅度達25%-40%，同時重組本集團旗下部分獨立子集團，增強內部業務分工的集中化和精煉化，優化和合理配置資源；注重對掌握新技術、新媒體的人員的配備和團隊加強，縮減不符合本集團轉型和未來戰略需求的業務分塊，保證核心團隊、核心市場支持的資源配備和發展需求，適時投入、選擇可靠資源供應商和合作夥伴。此外，本集團不斷在現有經營和市場狀況中進行總結和提煉，找準能為本集團在已立足的市場範疇內帶來增收的業務模式和營銷方式，瞭解客戶群喜好轉變和互動方式，有針對性地進行服務產品調整和改進。

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prevailing market conditions, the Group has identified a business model and a market strategy that were appropriate for its market position and could bring in new streams of revenue. The Group further improved and refined its services and products based on the change in preferences of and interactions with its clients. The Group took advantage of its established clientele and resource base from its years of development in the print media market and accurately identified the trends of market segmentation and innovation in order to cement existing relationships and be ready to improve its operations and to grasp any market opportunities that may arise.

Consolidating client base and expanding into new markets following business restructuring

The Group strives to expand and diversify its client base of advertisers by providing tailored advertising and total marketing services for clients from various sectors such as property, finance, tourism, catering, lifestyle products, consumer products, 3C (computer, communication and consumer products), telecommunications, home appliance retailing, automotive, home construction materials, healthcare and medicine, education, and human resources.

Investment sentiment showed no signs of improvement in 2014 owing to the slowdown in overall economic growth in China and the continuous credit crunch in various industries including property. Under such circumstances, the Group's traditional advertising business was unavoidably affected as advertisers' budget for newspaper advertising decreased. Despite the considerable pressure on revenue and profit, the Group managed to maintain a stable clientele thanks to the operational resources accumulated and the strong relationship with clients established over the years. During the year under review, the Group focused on restructuring its business by consolidating operations that under-performed in terms of revenue growth with a goal of reserving resources for strategically developing business segments with promising growth potential.

本集團充分利用在平面媒體市場運營多年的客戶群和資源沉澱，不斷鞏固現有關係，同時準確把握市場細分和創新的發展方向，為改善業務運營並抓緊新市場機遇做好準備。

鞏固客戶基礎以業務轉型拓展新市場

本集團不斷擴闊及提升廣泛的廣告商客戶基礎，致力為客戶提供量身定制的、涵蓋房地產、金融、旅遊、餐飲、生活方式、消費品、3C電子通訊產品、通訊運營商、家電賣場、汽車、家裝建材、醫療醫藥、教育招聘及分類廣告等多個業務範疇的廣告投放及全案營銷服務。

二零一四年國內宏觀經濟增長減速，房地產等行業信貸政策依然緊縮，加上市場投資氣氛仍然有待改善，廣告客戶減少報紙廣告的投放預算，對本集團的傳統廣告業務造成一定衝擊，雖然給收入及盈利方面帶來很大壓力，但憑藉多年積累的經營資源及與客戶的穩健合作，本集團的客戶基礎持續穩定。回顧年內，本集團專注於業務架構調整，致力整合收入增長表現較差的業務，集中資源以策略性發展具增長潛力的業務板塊。

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New media and mobile internet have become the trend that steers the Group's future development, which will focus on expanding the clientele through enhancing services, and offering creative advertising solutions encompassing new technologies and new media. While the business restructuring is at a stage of adjustment and development, the Group believes that such initiative will be the basis for establishing a stable business growth in the long run and will contribute to the Group's future profitability.

NEWSPAPER ADVERTISING

Advertising in traditional print media has suffered a severe blow due to China's economic slowdown and the change in reading habits of youngsters caused by blossoming communication channels of new media and mobile internet. The overall volume of advertisements in Chinese publications continued to dwindle in 2014. Despite the Group's well-established clientele, the Group experienced a decline in both advertising spending and volume, resulting in a 25.8% fall in newspaper advertising revenue to RMB134.5 million, as well as a 3.9% decrease in gross profit to RMB37.3 million for the year ended 31 December 2014. Revenue from marketing and promotional services for 2014 was RMB26.1 million, down by 43.6% year-on-year. In spite of the drop in revenue, the newspaper advertising business remained one of the Group's principal businesses and accounted for approximately 73.3% of the Group's revenue from core businesses.

新媒體與移動互聯網成為本集團未來的發展方向，透過優化服務模式，爭取以基於新科技、新媒體的創新廣告服務方案，拓寬客戶群。雖然業務轉型仍處於磨合和發展階段，本集團相信業務轉型有助各業務的長遠穩定發展，並為將來實現盈利帶來積極貢獻。

報紙廣告

中國經濟增速放緩，加上新媒體、移動互聯網傳播渠道發展日趨成熟，年輕人閱讀習慣改變，令傳統平面媒體的廣告受到衝擊，中國整體報刊廣告投放數量於二零一四年持續下滑。雖然客戶群保持平穩，但廣告客戶的花費及投放量明顯出現下跌，導致截至二零一四年十二月三十一日止年度的報紙廣告收入減少25.8%至人民幣134.5百萬元，毛利亦減少3.9%至人民幣37.3百萬元。二零一四年，營銷及推廣服務收入錄得人民幣26.1百萬元，同比減少43.6%。儘管收益下降，報紙廣告業務仍為本集團的重點業務之一，佔本集團實現主營業務收入約73.3%。



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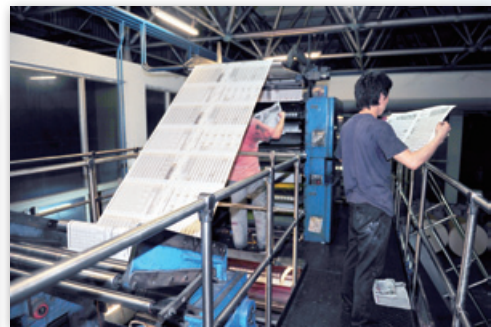
Facing the pressure and risk brought by new media and the internet, the Group has implemented stringent cost controls and actively sought new sources of income during the year under review in order to improve its operations. For the purpose of improving the organisational structure, restructuring was carried out at the management level and manpower was streamlined. Such efforts were proven effective as the Group's workforce was reduced from 854 to 805 during the year under review. On the other hand, the Group's staff received a substantial adjustment to salary, and the management and executive personnel, in particular, took a pay cut of 25%-40% as a vow to overcome challenges faced by the Group.

To cope with the downward trends in the domestic newspaper and magazine advertising industry, the Group further strengthened its comprehensive collaborative business model. During the year under review, the Group actively and effectively negotiated with some comprehensive collaborative media partners to adjust the cooperation arrangements. This was aimed that the Group could cease paying advertising costs of these comprehensive collaborative media partners in accordance with the minimum guaranteed payment commitment under the original comprehensive collaborative contracts. Under the new model, the Group will bear the newspaper printing costs, newsprint paper costs, and distribution costs of its partners, while enjoying advertising and circulation income from those operations. As of 31 December 2014, the Group had seven media partners, including *Southeast Express*, *Lifestyle Express*, *Modern Life Daily*, *Central Guizhou Morning Post*, *Xiamen Evening News*, *City Lifestyle Weekly*, and a magazine, *TV Friends*. The Group's operations span more than six second- and third-tier cities across five provinces in China.



面對新媒體及互聯網帶來的壓力及風險，本集團於回顧年內積極以開源節流的方式，進一步控制成本以改善經營狀況。本集團對整體管理架構進行調整，精簡人手，進一步優化職能結構。回顧年內，本集團將員工數目由854人減至805人；另外，本集團管理層及員工薪金亦進行了大幅度調整，管理層和執行層面的員工減薪幅度達25%-40%之間，與本集團共度時艱。

本集團持續鞏固全面合作的經營平台，以應對國內報刊廣告行業的下行趨勢。回顧年內，本集團與部分全面合作媒體夥伴就業務合作模式的變化而進行了積極有效的溝通。根據新合作模式，本集團今後不再需要按照原訂全面合作合同的最低保底承諾金額支付給全面合作媒體夥伴廣告成本。相關媒體的報紙印刷費、紙張成本和發行成本由本集團承擔，至於廣告收入和發行收入亦由本集團所享有。截至二零一四年十二月三十一日，本集團共有七家合作媒體，包括《東南快報》、《生活新報》、《當代生活報》、《黔中早報》、《廈門晚報》、《城市生活信報》，以及一份雜誌《電視朋友》。本集團的業務跨越中國五個省份，並覆蓋至六個二、三線城市。



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On the other hand, Shenyang Media Corporation unilaterally terminated its cooperation contract with the Group on 26 July 2011, and this has had an impact on the Group's business. On 5 May 2014, the Group received a civil judgement issued by the Shenyang Intermediate People's Court in Liaoning Province in respect of the legal proceedings with Shenyang Media Corporation. Liaoning Aohai, a subsidiary of the Group, was ordered to pay Shenyang Media Corporation advertising agency fees in the sum of RMB17,250,398 within ten days after the judgement becomes effective. The Group had sought legal advice from its PRC legal counsel and had made an appeal to the Higher People's Court in a timely manner. Such appeal was subsequently dismissed on 26 November 2014. Having sought further legal advice from the PRC legal counsel, the Group decided to file an application for retrial to the Supreme People's Court against the judgement. Further developments of this case will be disclosed as and when appropriate.

此外，瀋陽傳媒公司於二零一一年七月二十六日單方面解除與本集團的合作合約，對本集團業務帶來一定程度影響。本集團就與瀋陽傳媒公司展開的法律訴訟程序於二零一四年五月五日收到遼寧省瀋陽市中級人民法院發出的民事判決書，判決遼寧奧海（本集團之附屬公司）於判決書生效後十日內向瀋陽傳媒公司支付廣告代理費人民幣17,250,398元。本集團聽取中國法律顧問的建議，向高級人民法院及時提出上訴。儘管該上訴在二零一四年十一月二十六日遭駁回，本集團將採納中國法律顧問法律意見，決定就該判決向最高人民法院申請重審。有關該案件的進一步進展將會適時對外進行披露。



ONLINE SERVICES

Mobile internet has been on the rise in terms of user coverage and has become a key source of information for the public in recent years. The Group believes that the mobile network and the internet present enormous business opportunities and will be the key growth drivers of the advertising industry in the future. To tap into the huge market demand from such trend, the Group continually refines its business structure, and recovers resources from less profitable segments and diverts them to our online

網絡服務

近年，移動互聯網的覆蓋人數持續上升，已經成為大眾獲取信息的重要途徑。本集團相信，移動互聯網存在龐大的商機潛力，將會是未來廣告行業的發展重點。為把握此發展趨勢所帶來的強勁市場需求，本集團持續調整業務架構，整合盈利能力較低的資源，積極投入資源於網絡服務，加大自身在傳統業務的技術與新技術資源的對接，以實現業務轉型。二零一四年，各

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services so as to achieve business transformation by fusing its technologies in both traditional and new media businesses, and in 2014, such projects were still in the investment stage. The Group targets to increase the share of mobile internet business in our total revenue to 50%. The Group's online services continue to consist mainly of Cloud Call technology, Duk, DNKB, Life News and Fangke Web. The Group has further established its new internet media platforms with technologies and channels that complement the traditional media in terms of resources and technological standards so as to realise the fusion of online and offline businesses.

For the year under review, our premature internet media platforms were still in the establishment and investment stages, while the competition in the online services and digital media industry intensified. As a result, the performance of the online services business fell short of expectation in 2014 with revenue of RMB0.3 million, representing a decrease of 95.2% as compared to last year. Gross profit was RMB0.2 million, down by 92.0% as compared to last year. However, the Group has high hopes for the development of its online media and will continue to put a lot of efforts into the establishment of comprehensive multi-media platforms to achieve business transformation, shift its business focus to mobile internet operations, expand its market share and increase its income in the long run.

During the year under review, Duk, which is owned by the Group, had online cooperative publishing rights with over 300 publishers, 860 magazine publishers and 5,000 magazines, as well as digital cooperative publishing rights with 17 metropolitan daily, evening, and commercial newspapers, thereby becoming one of the largest digital media publishing platforms in China. Duk mainly generated its income from three sections, namely online advertisement, paid

相關項目目前仍處於投資階段，本集團的目標是將移動互聯網業務的佔比提高到五成。本集團網絡業務繼續主要以雲呼技術、讀客網、東快網、生活新報網、房客網等為支撐，進一步從技術及渠道方面搭建新的互聯網媒體平台，加強與傳統媒體渠道的資源及技術互補，以實現線上線下的雙線融合。

於回顧年內，由於網絡服務和數碼媒體業務的行業競爭加劇，本集團的互聯網媒體平台還未成熟，有關建設仍處投入階段，網絡服務於二零一四年的表現未如理想，此業務的收入與去年相比下滑95.2%至人民幣300,000元；毛利為人民幣200,000元，較去年減少92.0%。然而，本集團對網絡媒體的發展前景充滿信心，本集團將繼續致力於建設綜合性多媒體平台，實現業務轉型，以移動網絡為發展方向，擴大市場份額，長遠提升收入水平。

回顧年內，本集團旗下的讀客網擁有超過300家出版社、860家雜誌商及5,000多本雜誌的網絡合作版權，並與17家都市日報、晚報及商報類數碼報紙建立了發行合作關係，成為中國最大的數碼媒體發行平台之一。讀客網主要收入來自在線廣告、收費閱讀及電子雜誌出版三大板塊。本集團繼續採用收費閱讀方式與授權者

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subscriptions and e-magazine publishing. The Group maintained paid subscriptions and a profit-sharing system with licensors and witnessed an increase in active website members. The Group will continue to foster the online services operation and seize additional market share. For e-magazine publishing, the Group will carry on strengthening its technical support capabilities and speeding up the restructuring of the service team in order to keep up with the rapidly-developing mobile internet market.

As part of the restructuring process, the Group has sped up launches of new and integrated versions of Duk, which will become an essential part of the internet cloud platform for the Group. By cooperating with third-party digital platforms, the Group aims to establish marketing channels for institutional users. Duk will also enhance the features of its information and servicing web pages, and will promote the concept of city directories to improve the market penetration of its clients' advertisements. Duk will develop a one-on-one service and marketing model for advertisers with its key events and promotional spaces. To strengthen its ties with advertisers, Duk will make marketing effectiveness its top priority. Furthermore, it will offer more highly readable leisure and entertainment contents to raise its value and reader loyalty. Duk will undergo a three to four months long revamp in order to establish and enlarge a stable readership base.

The Group has also actively upgraded the technological capabilities of its existing products in adherence to the latest market development. DNKB has already launched its own mobile application, which has been tested online, with promising results in the number of advertisers and operating revenue. With a clearer separation of the healthcare, travel, automobile and property sections, the links will be more user-friendly and will greatly enhance the value of DNKB, and will encourage interaction with publishers, netizens and readers. In addition, DNKB has successfully rolled out a new marketing model with graphics, stories and videos tailored for events such as car shows.

分成的模式，網站活躍會員人數有所增長，本集團將會繼續發展在網絡服務領域，提升市場份額。電子雜誌出版方面，由於移動互聯網發展迅速，本集團繼續推動技術平台的發展以及加快服務團隊的相應轉型。

本集團目前正積極為讀客網推行改版整合，將其作為本集團轉型的互聯網雲平台的主要支撐，通過與第三方數字平台的合作，建立機構用戶的營銷渠道。同時，讀客網將提升其信息類服務型網站的功能，以推行城市通概念，提高客戶廣告市場滲透。讀客網將透過重點推行的活動及優惠欄目，與商家形成一對一的服務營銷合作模式。為了加強與廣告商的關係，讀客網將以營銷效果作為首要的合作目標；另推行可讀性更強的休閒娛樂閱讀內容等，使讀客網平台附加值及讀者忠誠度進一步提升。讀客網將通過三至四個月的改造調整，力求建立並拓寬穩定用戶群基礎。

另外，本集團積極順應市場發展趨勢，強化原有產品的技術更新。東快網已開發自有App客戶端，目前均已上線測試，在市場招商項取得突破、經營創收取得較大進展。健康、旅遊、汽車、房產等版塊更為清晰，規劃「便民頻道」將大幅提升服務性和實用性，增加報社與網民、讀者的互動。此外，該網針對汽車展等推行新的營銷模式，充分發揮圖文、視頻優勢，取得良好效果。

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Advertising in new media via mobile devices and the internet is developing swiftly. In order to expand its existing advertising business and to share the results of the booming development, in August 2012, the Group completed the acquisition of 34% of the issued shares in the Voice over Internet Protocol (VoIP) based communications software known as “Cloud Call” (“Cloud Call/Cloud Call App”) for mobile devices and personal computers. The main feature of the system is to allow users to use 3G, wireless networks or the internet for fixed line or mobile phone calls to China and Hong Kong from China and around the world without paying roaming or long distance telephone charges. With defined target users and outstanding features, Cloud Call is competing for market recognition, penetrating the market and generating revenue for the Group. The Group has completed the development of the Cloud Call platform and perfected the relevant systems in 2014. However, the operating revenue of Cloud Call has yet to reach the targeted economic results as the development has been hampered by the increasing market competition resulted from the remarkable growth of other mobile service operators. To counter such difficulties, the Group has actively expanded its membership base by rolling out free downloads of Cloud Call, thereby boosting the number of registered members to over 8 million and the number of address book entries uploaded to over 400 million. In view of the bright prospects of the development of Cloud Call, the Group will continue with the relevant technological upgrade so as to tap into the enormous market potential.

為進一步將本集團現有廣告業務拓展至移動裝置及互聯網新媒體以把握此快速發展廣告行業的契機，本集團於二零一二年八月完成收購基於互聯網語音系統的通訊軟件雲呼（「雲呼／雲呼應用程序」）之34%的已發行股份。其可於移動及個人計算機平台上運行，主要功能是讓用戶不論身處中國或海外，均可透過3G、無線網絡或互聯網撥打中國及香港的固網或移動電話號碼而毋須支付任何漫遊及長途電話費。為獲得市場知名度及促進市場滲透，由於雲呼業務的受眾明顯，性能優越，已為本集團帶來部分收益。二零一四年，本集團成功搭建雲呼平台，並完善有關建設。不過，受到同業移動客戶端運營商發展迅速，行業競爭壓力加劇影響，雲呼發展受到挑戰，因此營運收入暫未實現預期經濟指標。不過本集團積極拓展會員群體，發展雲呼客戶端的免費下載服務，目前註冊會員已達到800多萬，上傳電話簿有4億多條，發展前景亮麗，因此本集團將繼續積極進行技術革新，以把握優厚的市場潛力。

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Fangke Web (www.fangke.cc) operated by Fujian Fangke Network Technology Corporation Limited, a non wholly-owned subsidiary of the Group, remained one of the development focuses of the Group's online business. Being an advocate and forerunner of new business marketing models for the property industry, Fangke Web has been focusing on resource integration, brand-building, and research and development of electronic business platforms for the property sector. It offers comprehensive industry information, integrated marketing services, and business applications to players in the property sector. Key features of Fangke Web include a property information portal, an online property selling system, an online agency system, an agency software named "Agency Finder" and management software for property selling.

In terms of online services and mobile network, the Group has built up a strong and comprehensive hi-tech product portfolio with continuous business integration and technological developments. The Group has developed several user-end applications and separate products, collected and classified numerous databases, rolled out practical products, developed an integrated servicing, sale and turnkey business model based on the original print media sales system. The Group has also established the necessary technological and product support for the development of ShiFang's cloud computing platform.

MARKETING, DISTRIBUTION MANAGEMENT, CONSULTING AND PRINTING SERVICES

Due to the relatively narrow client base of the Group's marketing, distribution management, consulting and printing services and the impact of the emerging new media on the paper-based media, revenue from this segment for the year under review fell by 39.6% to RMB46.9 million, accounting for 25.5% of the Group's total revenue.

另外，本集團非全資附屬公司福建房客網絡科技股份有限公司運營的房客網(www.fangke.cc)仍然為本集團網絡業務的發展重點之一。房客網積極倡導房地產新價值商務傳媒的發展，專注於房地產行業資源整合、品牌價值傳播和房地產電子商務平台研發，為房地產業界提供綜合行業資訊、整合推廣及商務應用。主要產品包括房地產資訊門戶、網上售樓系統、中介網店系統、「門店通」中介企業軟件及樓盤銷售管理軟件。

本集團在網絡服務、移動互聯網等項目上，通過不斷地業務整合、技術開發，已經具備了一定的技術沉澱和較完整的產品體系。目前本集團已經開發了若干APP客戶端並形成獨立產品、採集並分類了多項垂直大數據、推出了應用型工具等產品；並以原有平媒銷售系統，組建了服務型、銷售型、全案整合形式相結合的商業模式，為本集團開發十方雲平台形成了必要的技術和產品支撐。

營銷、分銷管理、諮詢及印刷服務

回顧年內，由營銷、分銷管理、諮詢及印刷服務的客戶群相對較單一，紙媒業務的發展受到新媒體崛起的衝擊，本集團於該板塊的收入於回顧年內減少39.6%至人民幣46.9百萬元，佔本集團總收入的25.5%。

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The Group has entered into exclusive cooperation contracts with some of its newspaper partners for the sale of advertising space and the provision of integrated services. The Group is committed to maintaining close relationships with its newspaper partners by offering certain additional services, such as printing, distribution management, consulting and marketing advice, helping publications maintain their excellent printing quality, and increasing revenue from the provision of integrated print media services to advertisers. In relation to distribution and management services, the Group continued to provide comprehensive services for *Southeast Express* and *Lifestyle Express*.

In terms of printing services, the Group's three factories located in Fuzhou, Kunming and Guizhou operated smoothly and printed *Southeast Express*, *Lifestyle Express* and *Central Guizhou Morning Post*, respectively. In addition to the printing of *Southeast Express*, the Fuzhou factory also continued to print *China Securities Journal* and *Shanghai Securities News* which offered higher overall profit margins. With its persistent and stringent quality control on the printing of its publications, the Group was able to maintain strategic and close cooperative relationships with its media partners. Due to the close tie between our printing services and the circulation of our key newspaper clients, the recent fall in newspaper subscribers affected the printing services to a certain extent and had a negative impact on the revenue from newspaper printing service.

In addition, by leveraging its own resources and the established technologies developed by Fangke Web, the Group continued to deepen its cooperation with clients by offering professional marketing and planning solutions along with its property marketing planning services. Even though property sales dipped during the period due to the macro-control measures of the Chinese government and the general slowdown in the Chinese economic growth, our business in this aspect maintained its momentum and is expected to stay profitable in the future.

During the year, the Group disposed of Fujian ShiFang Health Technology Co., Limited so as to further streamline its structure and divert its resources to other businesses with better potential.

本集團透過與部份報紙夥伴訂立的獨家合作關係，繼續向客戶推廣銷售報紙廣告位及綜合服務。本集團致力於加深報紙夥伴的合作關係，提供若干配套服務，包括印刷、分銷管理、諮詢及市場推廣建議，從而增加向廣告客戶銷售綜合印刷媒體服務所產生的收入，維持刊物高水平的質量。在發行及管理服務方面，本集團繼續為《東南快報》及《生活新報》提供全面的服務。

印刷服務方面，本集團在福州、昆明及貴州的3座廠房繼續保持平穩運作，提供《東南快報》、《生活新報》及《黔中早報》的印刷服務。其中，福州印刷廠繼續印刷《東南快報》、《中國證券報》和《上海證券報》，整體利潤水平較好。憑藉本集團對刊物的印製品持續進行嚴格的品質控制，本集團得以加強和媒體夥伴緊密的策略合作關係。由於印刷服務業務與主營的報紙銷量關係密不可分，受到近年訂報人數減少影響，印刷服務業務也受到一定的衝擊，報紙媒體印刷的收入也在減少。

另外，本集團利用自身的資源優勢與房客網的成熟技術，在房產營銷策劃中，以專業的營銷能力，進一步深化與客戶的合作。年內，雖然房地產受中國政府調控政策及中國整體經濟增長放緩有一定影響，房地產銷量有所下滑，然而相關業務勢態仍然良好，未來相信可以持續錄得盈利。

年內，本集團出售 Fujian ShiFang Health Technology Co., Limited，以進一步精簡架構，將資源投放於更具潛力的業務方面。

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TELEVISION AND RADIO ADVERTISING

The Group's television and radio advertising revenue in 2014 amounted to RMB1.9 million, a year-on-year decrease of 62.0%, accounting for 1.0% of the Group's total revenue. The further decrease in proportion reflected the Group's future strategy of lowering reliance on traditional media, including television and radio, advertising and focusing more on the mobile internet business.

The Group's television advertising business mainly operates as an extended and supplementary service to newspaper partners as a way for them to extend their coverages to a medium beyond newspaper. This business principally offers diversified television advertising solutions to the Group's property and automobile clients. During the year under review, the Group maintained an amicable cooperative relationship with Nanning Television Station in Guangxi Province for the broadcasting of advertisements for home-improvement and building material companies during advertising time slots on four of the station's channels. The Group is also actively exploring opportunities for cooperation with other television stations in order to expand this business. The Group will strive to establish relationships with such stations similar to our comprehensive or partial collaborative partnership with newspapers, thus further expanding the sources of income from the television advertising business and eventually establishing the Group as a major television media operator and a media resource provider.

電視及電台廣告

於二零一四年，本集團在電視及電台廣告方面的收入為人民幣1.9百萬元，同比下跌62.0%，佔本集團總收入的1.0%，佔比進一步下跌，反映本集團未來將減低對傳統媒體如電視及電台廣告的依賴，將發展重點投放於移動互聯網業務中。

電視廣告業務是本集團提供報紙媒體客戶的延伸服務和配套，拓展報紙媒體以外業務範疇，主要為本集團房地產和汽車行業客戶提供多元的電視廣告服務。回顧年內，本集團持續與廣西南寧電視台合作，在四個頻道的廣告時間發佈家裝、建材行業廣告。目前本集團正積極通過尋求與其他更多的電視台建立合作關係，拓展業務。本集團將爭取與之形成類似於本集團與報紙媒體之間的全面或部份合作性的夥伴關係，從而進一步開拓電視廣告業務的收入來源，將自身打造成為一間主要的電視媒體運營商和媒介資源銷售商。

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FINANCIAL REVIEW

Revenue

Total revenue decreased significantly by 32.1% from RMB270.3 million for the year ended 31 December 2013 to RMB183.6 million for the year ended 31 December 2014, primarily due to the proliferation of online new media, as well as the change in clients' advertising strategy and the restructuring of the advertising market. Revenue from newspaper advertising decreased from RMB181.3 million for the year ended 31 December 2013 to RMB134.5 million for the year ended 31 December 2014 and revenue from marketing, distribution management, consulting and printing services decreased from RMB77.7 million to RMB46.9 million for the year ended 31 December 2014.

Gross profit and gross profit margin

Gross profit decreased by 38.9% from RMB76.0 million for the year ended 31 December 2013 to RMB46.4 million for the year ended 31 December 2014. Gross profit margin decreased from 28.1% for 2013 to 25.3% for 2014, which was primarily attributable to the unsatisfactory performance of newspaper advertising and marketing, distribution management, consulting and printing services.

Other income

Other income decreased by 10.8% from RMB3.7 million for the year ended 31 December 2013 to RMB3.3 million for the year ended 31 December 2014, primarily due to the decrease in the income from sale of newsprint papers.

Other (losses)/gains-net

Net other losses amounted to RMB62.2 million for the year ended 31 December 2014 was mainly due to provision for legal claims related to lawsuit between the Group and Shenyang Media Corporation, provision for impairment of receivable from Yueyang City Intermediate People's Court and provision for administrative foreign exchange penalty imposed by Fujian Province Branch of the State Administration of Foreign Exchange.

財務回顧

收入

本集團總收入由截至二零一三年十二月三十一日止年度的人民幣270.3百萬元大幅減少32.1%至截至二零一四年十二月三十一日止年度的人民幣183.6百萬元，主要因為線上新媒體數量急增，客戶改變宣傳策略及廣告市場重組，均導致報紙廣告收入由截至二零一三年十二月三十一日止年度的人民幣181.3百萬元減少至截至二零一四年十二月三十一日止年度的人民幣134.5百萬元，而營銷、分銷管理、諮詢及印刷服務收入則由人民幣77.7百萬元減少至截至二零一四年十二月三十一日止年度的人民幣46.9百萬元。

毛利及毛利率

毛利由截至二零一三年十二月三十一日止年度的人民幣76.0百萬元減少38.9%至截至二零一四年十二月三十一日止年度的人民幣46.4百萬元。毛利率由二零一三年的28.1%下跌至二零一四年的25.3%，主要是受到報紙廣告以及營銷、分銷管理、諮詢及印刷服務的表現不理想影響而有所下降。

其他收入

其他收入由截至二零一三年十二月三十一日止年度的人民幣3.7百萬元減少10.8%至截至二零一四年十二月三十一日止年度的人民幣3.3百萬元，主要是由於銷售新聞紙的收入減少所致。

其他（虧損）／收益－淨額

於截至二零一四年十二月三十一日止年度，本集團錄得其他虧損淨額人民幣62.2百萬元，主要由於本集團與瀋陽傳媒公司的訴訟的相關法律申索撥備、應收岳陽市中級人民法院款項減值撥備及就國家外匯管理局福建省分局所作出的外匯行政處罰計提撥備所致。

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Selling and marketing expenses

Selling and marketing expenses decreased by 8.7% from RMB32.3 million for the year ended 31 December 2013 to RMB29.5 million for the year ended 31 December 2014, mainly due to decline in marketing expenses incurred by the Group corresponding to decline in revenue during the year.

General and administrative expenses

General and administrative expenses decreased by 61.8% from RMB221.5 million for the year ended 31 December 2013 to RMB84.6 million for the year ended 31 December 2014, mainly due to a decrease in provision for impairment of trade receivables and amortisation charge on intangible assets.

Provision for impairment of long term investments, long term deposits, prepayments, and deposits and other receivables

Provision for impairment of long term investments, long term deposits, prepayments, and deposits and other receivables decreased significantly by 64.8% from RMB358.7 million for the year ended 31 December 2013 to RMB126.1 million for the year ended 31 December 2014, mainly because of the decrease in provision for impairment of long term investments, long term deposits, prepayments, and deposits and other receivables from two metropolitan newspaper publishers. Provisions made during the year is due to further declines in advertising revenue associated with the exclusive advertising rights from two metropolitan newspaper publishers.

Loss before income tax

As a result of the above factors, loss before income tax for the year ended 31 December 2014 was RMB302.8 million, representing a drop of 39.5% as compared to loss before income tax of RMB500.7 million for the year ended 31 December 2013.

銷售及營銷開支

銷售及營銷開支由截至二零一三年十二月三十一日止年度的人民幣32.3百萬元減少8.7%至截至二零一四年十二月三十一日止年度的人民幣29.5百萬元，主要是由於年內收入減少令本集團產生的營銷開支也相應減少所致。

一般及行政開支

一般及行政開支由截至二零一三年十二月三十一日止年度的人民幣221.5百萬元減少61.8%至截至二零一四年十二月三十一日止年度的人民幣84.6百萬元，主要是由於貿易應收款項的減值撥備減少及無形資產攤銷費用減少所致。

長期投資、長期按金、預付款項以及按金及其他應收款項減值撥備

長期投資、長期按金、預付款項以及按金及其他應收款項減值撥備由截至二零一三年十二月三十一日止年度的人民幣358.7百萬元大幅減少64.8%至截至二零一四年十二月三十一日止年度的人民幣126.1百萬元，主要是由於兩家都市報出版商的長期投資、長期按金、預付款項以及按金及其他應收款項的減值撥備減少所致。年內撥備源自與兩家都市報出版商獨立廣告權利有關的廣告收入進一步下跌。

除所得稅前虧損

由於上述因素，於截至二零一四年十二月三十一日止年度錄得除所得稅前虧損人民幣302.8百萬元，較截至二零一三年十二月三十一日止年度的除所得稅前虧損人民幣500.7百萬元減少39.5%。

MANAGEMENT DISCUSSION AND ANALYSIS

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Income tax expense

Income tax expense decreased by 68.6% from RMB13.7 million for the year ended 31 December 2013 to RMB4.3 million for the year ended 31 December 2014 as a result of the decrease in taxable income for the year.

Loss for the year

The Group recorded a net loss for the year of RMB307.1 million for the year ended 31 December 2014, mainly attributable to the significant decline in newspaper advertising revenue and the provision for impairment of long term investments, long term deposits, prepayments and deposits and other receivables and provision for impairment of interest in an associate.

(Loss)/profit attributable to non-controlling interests

As a result of the above factors, profit attributable to non-controlling interests decreased from RMB2.4 million for the year ended 31 December 2013 to a loss of RMB2.9 million for the year ended 31 December 2014.

Loss attributable to equity holders of the Company

As a result of the above factors, loss attributable to equity holders of the Company decreased from RMB516.8 million for the year ended 31 December 2013 to a loss of RMB304.2 million for the year ended 31 December 2014.

所得稅開支

所得稅開支由截至二零一三年十二月三十一日止年度的人民幣13.7百萬元減少68.6%至截至二零一四年十二月三十一日止年度的人民幣4.3百萬元，是由於年內應課稅收入減少所致。

年內虧損

截至二零一四年十二月三十一日止年度，本集團錄得年內虧損淨額人民幣307.1百萬元，主要是由於報紙廣告收入大幅下跌和長期投資、長期按金、預付款項以及按金及其他應收款項減值撥備以及於一間聯營公司的權益減值撥備所致。

非控股權益應佔（虧損）／溢利

由於上述因素，非控股權益應佔溢利由截至二零一三年十二月三十一日止年度的人民幣2.4百萬元減少至截至二零一四年十二月三十一日止年度的虧損人民幣2.9百萬元。

本公司權益持有人應佔虧損

由於上述因素，本公司權益持有人應佔虧損由截至二零一三年十二月三十一日止年度的人民幣516.8百萬元減少至截至二零一四年十二月三十一日止年度的虧損人民幣304.2百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Liquidity and capital resources

The Group's management monitors current and expected liquidity requirements regularly to ensure the Group has sufficient working capital to meet its future obligations as and when they fall due. During the year ended 31 December 2014, the Group recorded a net loss of RMB307.1 million and a net cash outflow of RMB21.4 million. The management closely monitors the Group's liquidity position and is implementing measures to improve the Group's cash flow.

流動資金及資本資源

本集團管理層定期監察現時及預期流動資金需要，確保本集團具備足夠營運資金應付未來到期責任。於截至二零一四年十二月三十一日止年度，本集團錄得虧損淨額人民幣307.1百萬元及現金流出淨額人民幣21.4百萬元。管理層密切監察本集團的流動資金水平，並正實行多項措施改善本集團的現金流量。

		Year ended 31 December 截至十二月三十一日止年度	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Net cash used in operating activities	經營活動所用現金淨額	(55,398)	(71,248)
Net cash generated from investing activities	投資活動所得現金淨額	33,274	202,122
Net cash generated from/(used in) financing activities	融資活動所得／(所用)現金淨額	700	(130,398)
Net (decrease)/increase in cash and cash equivalents	現金及現金等值項目(減少)／增加淨額	(21,424)	476
Cash and cash equivalents at the beginning of the year	年初的現金及現金等值項目	53,911	53,435
Cash and cash equivalents at the end of the year	年末的現金及現金等值項目	32,487	53,911

Cash flows used in operating activities

For the year ended 31 December 2014, net cash used in operating activities amounted to RMB55.4 million, primarily attributable to the net loss for the year amounted to RMB307.1 million.

經營活動所用現金流量

截至二零一四年十二月三十一日止年度，經營活動所用現金淨額為人民幣55.4百萬元，主要由於年內虧損淨額人民幣307.1百萬元所致。

Cash flows generated from investing activities

For the year ended 31 December 2014, net cash generated from investing activities amounted to RMB33.3 million, mainly due to the release of term deposits with initial terms of over three months.

投資活動所得現金流量

截至二零一四年十二月三十一日止年度，投資活動所得現金淨額為人民幣33.3百萬元，主要是由於解除原到期日為三個月以上的定期存款所致。

MANAGEMENT DISCUSSION AND ANALYSIS

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Cash flows generated from financing activities

For the year ended 31 December 2014, net cash generated from financing activities amounted to RMB0.7 million, solely attributable to capital contributions from non-controlling interest shareholders.

Capital expenditures

The Group's business generally does not require significant ongoing capital expenditures. Capital expenditures incurred are mainly for the purchase of printing machinery and office equipment. Capital expenditures were RMB5.3 million and RMB1.7 million for the years ended 31 December 2013 and 31 December 2014, respectively.

Trade receivables – net

The following table sets out the aging analysis of the Group's trade receivables at the dates indicated:

融資活動所得現金流量

截至二零一四年十二月三十一日止年度，融資活動所得現金淨額為人民幣700,000元，全數來自非控股權益股東的出資。

資本支出

本集團的業務一般不需要大量持續資本支出。本集團產生的資本支出主要用於購置印刷機器及辦公設備。截至二零一三年十二月三十一日及二零一四年十二月三十一日止年度的資本支出分別為人民幣5.3百萬元及人民幣1.7百萬元。

貿易應收款項－淨額

下表載列於所示日期本集團貿易應收款項的賬齡分析：

		As at 31 December 於十二月三十一日	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Aging analysis of trade receivables	貿易應收款項的賬齡分析		
1 – 30 days	1至30日	8,739	17,543
31 – 60 days	31至60日	7,609	8,170
61 – 90 days	61至90日	4,263	5,535
91 – 365 days	91至365日	40,159	30,471
Over 1 year	一年以上	23,134	164,645
Total	總計	83,904	226,364
Less: provision for impairment of trade receivables	減：貿易應收款項減值撥備	(38,411)	(179,040)
Total trade receivables – net	總貿易應收款項－淨額	45,493	47,324

MANAGEMENT DISCUSSION AND ANALYSIS

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Trade receivables decreased by 3.8% from RMB47.3 million as at 31 December 2013 to RMB45.5 million as at 31 December 2014. Such decrease was mainly attributable to the decrease in revenue from newspaper advertising. Trade receivables turnover days has decreased from 171 days for the year ended 31 December 2013 to 90 days for the year ended 31 December 2014.

Assets held for sale

The properties for which the Group is given the contractual right to sell under these arrangements are held under the line item "assets held for sale".

本集團的貿易應收款項由二零一三年十二月三十一日的人民幣47.3百萬元減少3.8%至二零一四年十二月三十一日的人民幣45.5百萬元，主要是由於報紙廣告收入減少所致。貿易應收款項周轉日數由截至二零一三年十二月三十一日止年度的171日縮短至截至二零一四年十二月三十一日止年度的90日。

持作出售資產

本集團根據該等安排獲得合約出售權的物業乃根據「持作出售資產」項目持有。

		As at 31 December	
		於十二月三十一日	
		2014	2013
		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Assets held for sale	持作出售資產	78,191	27,492

Assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The amount of proceeds received from the sales of assets held for sale was RMB5.6 million and RMB1.2 million for the year ended 31 December 2013 and 31 December 2014, respectively.

當資產的賬面金額主要透過銷售交易收回，且被視為極有機會進行銷售，則資產會分類為持作出售資產。截至二零一三年十二月三十一日及二零一四年十二月三十一日止年度，自出售持作出售資產收取的所得款項分別為人民幣5.6百萬元及人民幣1.2百萬元。

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管理層討論與分析

Trade payables

貿易應付款項

		As at 31 December 於十二月三十一日	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Trade payables	貿易應付款項		
1 – 30 days	1至30日	1,294	2,533
31 – 90 days	31至90日	702	769
Over 90 days	90日以上	3,893	3,351
Total	總計	<u>5,889</u>	<u>6,653</u>

Trade payables decreased by 11.9% from RMB6.7 million as at 31 December 2013 to RMB5.9 million as at 31 December 2014. Trade payables turnover days increased from 50 days for the year ended 31 December 2013 to 66 days for the year ended 31 December 2014, which was mainly due to lengthening of settlement periods of payable balances for the year ended 31 December 2014.

貿易應付款項由二零一三年十二月三十一日的人民幣6.7百萬元減少11.9%至二零一四年十二月三十一日的人民幣5.9百萬元。貿易應付款項周轉日數由截至二零一三年十二月三十一日止年度的50日增加至截至二零一四年十二月三十一日止年度的66日，主要是由於截至二零一四年十二月三十一日止年度延長結算應付款項結餘的期限所致。

Indebtedness

Indebtedness consists of obligations to lenders, including commercial banks and certain related parties and companies.

債項

債項包括欠貸款人（包括商業銀行及若干關連人士及公司）的債項。

No borrowings were recorded as at 31 December 2014 and 2013. On 6 March 2015, the Group has obtained a bank facility where the Group can draw borrowings of up to RMB20,000,000 under this facility and each drawdown will require approval from the bank.

截至二零一四年及二零一三年十二月三十一日並無錄得借款。於二零一五年三月六日，本集團取得銀行融資額度，據此，本集團可根據有關融資額度提取借款最多人民幣20,000,000元，每次提取均須經銀行批核。

Gearing ratio remained unchanged at 0% since 31 December 2013.

自二零一三年十二月三十一日以來，資本負債比率為0%，維持不變。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Commitments

(a) Commitment for exclusive cooperative agreements

The future aggregate minimum advertising payments under non-cancellable exclusive cooperative agreements are as follows:

Not later than 1 year	一年以下
Later than 1 year and not later than 5 years	一年以上及五年以下
Later than 5 years	五年以上

(b) Other capital commitments

On 13 June 2014, the Group has entered into an agreement with Xiamen Information Group Ltd. for the purchase of level 23 and 24 of the research and development building no. A01 situated in the first phase of Xiamen Software Park III for a total consideration of RMB22,164,000. The Group has made a deposit of RMB6,694,000 on 16 June 2014 and has obtained a 7 year mortgage loan on 29 January 2015 in connection with the remaining payment amounting to RMB15,470,000.

承擔

(a) 獨家合作協議承擔

不可撤銷獨家合作協議的日後最低廣告付款總額如下：

As at 31 December	
於十二月三十一日	
2014	2013
二零一四年	二零一三年
RMB'000	RMB'000
人民幣千元	人民幣千元
63,800	119,910
227,000	259,240
795,000	891,040
1,085,800	1,270,190

(b) 其他資本承擔

於二零一四年六月十三日，本集團與廈門信息集團有限公司訂立協議，購買位於廈門軟件園三期一期工程A01號研發樓23層、24層，總代價為人民幣22,164,000元。本集團已於二零一四年六月十六日支付按金人民幣6,694,000元，並於二零一五年一月二十九日就餘下付款人民幣15,470,000元取得七年期按揭貸款。

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Contingent liabilities

The Group follows the guidance of IAS37 “Provisions, Contingent Liabilities and Contingent Assets” to determine when should contingent liabilities be recognised, which requires significant judgement.

A contingent liability will be disclosed when a possible obligation has arisen, but its existence has to be confirmed by future events outside the Group’s control, or when it is not possible to calculate the amount. Realisation of any contingent liabilities not currently recognised or disclosed could have a material impact on the Group’s financial position.

The Group reviews significant outstanding litigations in order to assess the need for provisions. Among the factors considered are the nature of the litigation, legal processes and potential level of damages, the opinions and views of the legal counsel, and the management’s intentions to respond to the litigations. To the extent the estimates and judgements do not reflect the actual outcome, this could materially affect the results for the year end and the financial position.

(a) Fine Imposed by Fujian Province Branch of the State Administration of Foreign Exchange

On 15 April 2014, a subsidiary of the Group received a letter of administrative penalty notice (Min Hui Gao No. [2014] 2 (閩匯告[2014]2號)) issued by Fujian Province Branch of the State Administration of Foreign Exchange to impose a fine of RMB11,580,000 on that subsidiary in relation to certain of its foreign exchange settlement transactions.

On 21 April 2014, the subsidiary applied for a hearing which was subsequently accepted by Fujian Province Branch of the State Administration of Foreign Exchange on 25 April 2014.

或有負債

本集團遵照國際會計準則第37號「撥備、或有負債及或有資產」的指引釐定應何時確認或有負債，而確認時須作出重大判斷。

當有可能產生義務，惟其存在與否須透過非本集團所能控制的未來事件確定；或當不可能計算義務所涉金額，則會披露或有負債。任何目前未有確認或披露的或有負債一旦實現，則可能對本集團的財務狀況造成重大影響。

本集團會審閱重大的待決訴訟，以評估是否有需要計提撥備。所考慮的因素包括訴訟的性質、損害賠償的法律程序及潛在水平、法律顧問的意見及見解以及管理層對回應訴訟的意向。倘估計及判決不能反映實際結果，則可能嚴重影響年內業績及財務狀況。

(a) 國家外匯管理局福建省分局判處罰款

於二零一四年四月十五日，本集團一間附屬公司收到國家外匯管理局福建省分局就該附屬公司若干結匯交易發出對其判處罰款人民幣11,580,000元的行政處罰告知書（閩匯告[2014]2號）。

於二零一四年四月二十一日，該附屬公司提出聽證申請，其後於二零一四年四月二十五日獲國家外匯管理局福建省分局受理。

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On 14 July 2014, the subsidiary received the opinion of hearing (聽證意見書[2014]1號) issued by the Fujian Province Branch of the State Administration of Foreign Exchange. The hearing officers advised Fujian Province Branch of the State Administration of Foreign Exchange to maintain the proposed fine as stated on the letter of administrative penalty notice (Min Hui Gao No. [2014] 2(閩匯告[2014]2號)).

On 21 July 2014, the subsidiary received a letter of administrative penalty decision (Min Hui Fa No. [2014] 5(閩匯罰[2014]5號)) issued by Fujian Province Branch of the State Administration of Foreign Exchange to impose a fine of RMB11,580,000.

The subsidiary shall remit the fine of RMB11,580,000 to a designated account for fines and penalties within 15 days from the date of receiving the letter of administrative penalty decision. In the event of non-payment of fine when overdue, Fujian Province Branch of the State Administration of Foreign Exchange shall impose an additional daily penalty of 3% on the amount of such, or apply to the People's Court for enforcement. Accrued additional daily penalties shall not exceed the original fine of RMB11,580,000.

The subsidiary has applied to the State Administration of Foreign Exchange for an administrative review. On 3 November 2014, the State Administration of Foreign Exchange issued a letter of administrative reconsideration decision (Hui Fa No. [2014] 45 匯發[2014]45號) to the subsidiary, stating the letter of administrative penalty decision (Hui Fa No. [2014] 5) dated 21 July 2014 will be upheld and the said enforcement order will not be suspended during the period of the administrative review.

於二零一四年七月十四日，該附屬公司收到國家外匯管理局福建省分局發出的聽證意見書[2014]1號。聽證人員建議國家外匯管理局福建省分局維持行政處罰告知書(閩匯告[2014]2號)所載的處罰意見。

於二零一四年七月二十一日，該附屬公司收到國家外匯管理局福建省分局發出對其判處罰款人民幣11,580,000元的行政處罰決定書(閩匯罰[2014]5號)。

該附屬公司應在收到該行政處罰決定書當日起計15日內，將罰款人民幣11,580,000元繳至罰沒款專戶。倘逾期不繳納罰款，國家外匯管理局福建省分局將每日按罰款金額的3%加處罰款，或向人民法院申請強制執行。應計每日加處罰款總額將不會超過原罰款人民幣11,580,000元。

該附屬公司已向國家外匯管理局申請行政複議。於二零一四年十一月三日，國家外匯管理局向該附屬公司發出行政複議決定書(匯發[2014]45號)，表示將維持日期為二零一四年七月二十一日的行政複議決定書(匯發[2014]5號)的決定，上述執行令於行政複議期內將不會停止執行。

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On 20 November 2014, the subsidiary brought an administrative lawsuit to the Fuzhou City GuLou District People's Court ("Fuzhou People's Court") and is awaiting the judgement of the court.

Notwithstanding the lawsuit that was brought to Fuzhou People's Court, the management has made a provision of RMB23,160,000 in respect of the penalty charge and daily penalty charges, which has been included in the statement of comprehensive income.

To facilitate the streamlining of the Group's structure, the aforementioned subsidiary was disposed to an independent third party of the Group, on 24 December 2014.

(b) Lawsuits between the Group and Shenyang Media Corporation

On 26 July 2011, Shenyang Media Corporation unilaterally terminated the Comprehensive Cooperation Contract with the Group.

A subsidiary of the Group received a summons issued by the Shenyang Intermediate People's Court in Liaoning Province (the "Shenyang Intermediate People's Court") on 25 October 2011, where Shenyang Media Corporation claimed the subsidiary for, among others, a total sum of RMB17,328,767 being the outstanding advertising fees payable by the subsidiary to Shenyang Media Corporation (the "Case 1").

於二零一四年十一月二十日，該附屬公司於福州市鼓樓區人民法院（「福州人民法院」）提出行政訴訟，現正等待法院判決。

儘管於福州人民法院提出訴訟，管理層已就該罰款支出及每日罰款支出作出撥備人民幣23,160,000元，並已計入全面收益表內。

為推動精簡本集團架構，於二零一四年十二月二十四日，上述附屬公司已出售予本集團一名獨立第三方。

(b) 本集團與瀋陽傳媒公司的訴訟

於二零一一年七月二十六日，瀋陽傳媒公司單方面解除與本集團的全面合作合約。

於二零一一年十月二十五日，本集團的一間附屬公司收到遼寧省瀋陽市中級人民法院（「瀋陽市中級人民法院」）發出的傳票，據此，瀋陽傳媒公司向該附屬公司索償（其中包括）總額人民幣17,328,767元，即該附屬公司應付予瀋陽傳媒公司的未付廣告費（「案件一」）。

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On 22 December 2011, the subsidiary filed summons of claim to the Higher People's Court of Liaoning Province (the "Higher People's Court") against Shenyang Daily Agency and Shenyang Evening News Media Corporation, where the Group sued Shenyang Daily Agency and Shenyang Media Corporation for, among others, a total sum of RMB105,579,352, being the outstanding advertising fees payable by Shenyang Daily Agency and Shenyang Media Corporation (the "Case 2") to the subsidiary.

On 8 March 2012, the subsidiary received a civil judgement issued by the Higher People's Court in relation to Case 2, pursuant to which the Higher People's Court decided to refer the case back to the Shenyang Intermediate People's Court. As advised by the PRC legal counsel, the subsidiary has lodged an appeal to the Supreme People's Court of the PRC (the "Supreme People's Court") on 13 March 2012 to request the Supreme People's Court to overrule the Higher People's Court's decision.

On 30 August 2012, the subsidiary received a judgement of first instance awarded by the Shenyang Intermediate People's Court in relation to Case 1. It was ruled that the subsidiary shall pay Shenyang Media Corporation RMB17,250,398 as advertising fees together with court fees within 10 days after the judgement becomes effective. On 6 September 2012, the subsidiary has lodged an appeal to the Higher People's Court to seek to revoke the judgement of first instance in due course.

On 27 December 2012, Higher People's Court ordered the judgement of first instance issued by the Shenyang Intermediate People's Court on 30 August 2012 be dismissed and a retrial of the case at the Shenyang Intermediate People's Court was ruled ("Case 1"). On 25 June 2013, the Shenyang Intermediate People's Court commenced the retrial of the case.

於二零一一年十二月二十二日，該附屬公司針對瀋陽日報社及瀋陽晚報傳媒有限公司向遼寧省高級人民法院（「高級人民法院」）發出民事起訴狀，據此，本集團就（其中包括）總額人民幣105,579,352元，即瀋陽日報社及瀋陽傳媒公司應付予該附屬公司的未付廣告費向瀋陽日報社及瀋陽傳媒公司提出起訴（「案件二」）。

於二零一二年三月八日，該附屬公司收到高級人民法院有關案件二的民事裁定書，據此，高級人民法院裁定將該案件發還瀋陽市中級人民法院審理。根據中國法律顧問的意見，於二零一二年三月十三日，該附屬公司已向中國最高人民法院（「最高人民法院」）提出上訴，請求最高人民法院駁回高級人民法院的裁定。

於二零一二年八月三十日，該附屬公司收到瀋陽市中級人民法院就案件一作出一審判決，判決該附屬公司於判決生效後的10日內，向瀋陽傳媒公司支付人民幣17,250,398元廣告費，連同庭費。於二零一二年九月六日，該附屬公司向高級人民法院提出上訴，於適當時間尋求撤銷一審判決。

於二零一二年十二月二十七日，高級人民法院下令撤銷瀋陽市中級人民法院於二零一二年八月三十日作出的一審判決，並由瀋陽市中級人民法院重審該案件（「案件一」）。於二零一三年六月二十五日，瀋陽市中級人民法院就該案件重審開庭。

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On 5 December 2013, a civil judgement was issued by the Supreme People's Court in relation to Case 2. It was ruled that the civil judgement dated 8 March 2012 by the Higher People's Court be dismissed, and that the case be handled by the Higher People's Court.

On 5 May 2014, a civil judgement was issued by Shenyang Intermediate People's Court. It was ruled the subsidiary shall pay Shenyang Media Corporation the advertising agency fee of RMB17,250,398. As advised by PRC legal counsel, the subsidiary has filed an appeal against the civil judgement to the Higher People's Court.

On 15 October 2014, the hearing at the Higher People's Court commenced for Case 2. After seeking legal consultation, the management believes that it is not probable that this litigation would result in any material outflow of economic benefits from the Group.

On 4 December 2014, the subsidiary received a civil judgement of (2014) Liao Min Er Zhong Zi no. 00170 ((2014) 遼民二終字第00170號) dated 26 November 2014 issued by the Higher People's Court which dismissed the appeal by the subsidiary to uphold the original judgement made by the Intermediate People's Court for Case 1, which ordered the subsidiary to pay to Shenyang Media Corporation advertising agency fees in the sum of RMB17,250,398. The judgement was the final judgement of the Higher People's Court and an enforcement order was placed to freeze the bank balances of Liaoning Aohai amounting to RMB1,797,906. Maximum value of the freezing order is RMB17,250,398. As advised by the PRC legal counsel, the subsidiary filed an application for retrial to the Supreme People's Court on 30 December 2014.

於二零一三年十二月五日，最高人民法院發出有關案件二的民事裁定書，裁定撤銷高級人民法院於二零一二年三月八日發出的民事裁定書，該案件仍由高級人民法院審理。

於二零一四年五月五日，瀋陽市中級人民法院發出民事判決書，判決該附屬公司向瀋陽傳媒公司支付廣告代理費人民幣17,250,398元。根據中國法律顧問的意見，該附屬公司已針對該民事判決書向高級人民法院提出上訴。

於二零一四年十月十五日，高級人民法院對案件二開庭審理。於諮詢法律意見後，管理層相信，該訴訟不大可能會導致本集團有重大經濟利益流出。

於二零一四年十二月四日，該附屬公司收到高級人民法院所發出日期為二零一四年十一月二十六日的民事判決書(2014)遼民二終字第00170號，駁回該附屬公司的上訴，維持中級人民法院就案件一判決該附屬公司向瀋陽傳媒公司支付廣告代理費人民幣17,250,398元的原審判決。該判決為高級人民法院的最終判決，並已落實執行令凍結遼寧奧海為數人民幣1,797,906元的銀行結餘。凍結裁定的最高價值為人民幣17,250,398元。根據中國法律顧問的意見，該附屬公司已於二零一四年十二月三十日向最高人民法院申請再審。

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Notwithstanding that an application for retrial was lodged to the Supreme People's Court, management has made provision of RMB17,250,398 in respect of the advertising agency fee, which has been included in the consolidated statement of comprehensive income. With reference to legal opinion, management believes economic outflow arising from the litigation is limited to Liaoning Aohai, and the litigation would not result in material outflow of economic benefits from other subsidiaries of the Group.

The Group is currently waiting for further instructions from the court and will notify the shareholders of any progress in the litigations in a timely manner.

(c) Enforcement order issued by Yueyang City Intermediate People's Court against certain wholly-owned Group subsidiaries

On 4 June 2012, Yueyanglin Paper Co., Ltd. has filed a civil claim against Southeast Express and Lifestyle Express in respect of an outstanding payment of RMB31,859,018 relating to certain sales made in prior years.

On 10 July 2012, Yueyang Intermediate People's Court has made a civil judgement that Southeast Express and Lifestyle Express shall pay Yueyanglin Paper Co., Ltd. the aforesaid amount.

On 26 October 2012, the Yueyang Intermediate People's Court ruled that in view of intentional transfer of assets among Southeast Express, Lifestyle Express, and certain wholly-owned Group subsidiaries, the court froze the bank balances of the aforementioned subsidiaries, which included Fuzhou Aohai Advertisement Co., Ltd. ("Fuzhou AoHai") and Kunming AoHai Advertising Co., Ltd. ("Kunming AoHai"), up to a maximum value of RMB31,859,018 ("Freezing Order").

儘管已向最高人民法院申請再審，管理層已就廣告代理費作出撥備人民幣17,250,398元，並已計入合併全面收益表。經參考法律意見後，管理層相信，該訴訟產生的經濟流出僅限於遼寧奧海，而該訴訟不會導致本集團其他附屬公司有重大經濟利益流出。

目前本集團正等待該等法院的進一步指示，並將會及時向股東公告該等訴訟的進展情況。

(c) 岳陽市中級人民法院針對本集團若干全資附屬公司發出的執行裁定書

於二零一二年六月四日，岳陽林紙股份有限公司就過往年度進行若干銷售涉及的尚未償還付款人民幣31,859,018元向東南快報社及生活新報社提出民事索償。

於二零一二年七月十日，岳陽市中級人民法院發出民事判決書，判決東南快報社及生活新報社須向岳陽林紙股份有限公司支付上述金額。

於二零一二年十月二十六日，岳陽市中級人民法院裁定鑑於東南快報社及生活新報社與本集團若干全資附屬公司之間存在有意轉移資產，法院凍結上述附屬公司（包括福州奧海廣告有限公司（「福州奧海」）及昆明奧海廣告有限公司（「昆明奧海」））最高不超過價值人民幣31,859,018元的銀行結餘（「凍結裁定」）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

On 8 November 2012, the subsidiaries appealed to the Yueyang Intermediate People's Court against the Freezing Order. The Freezing Order was revoked on 30 January 2013. Yueyanglin Paper Co., Ltd. has subsequently lodged an appeal to the Higher People's Court of Hunan Province against this decision, but on 22 August 2013, the Higher People's Court of Hunan Province dismissed the appeal application by Yueyanglin Paper Co., Ltd.

However, Yueyang Intermediate People's Court issued two enforcement judgements in favour of Yueyanglin Paper Co., Ltd. on 22 September 2013. The court ruled to draw the cash deposit of RMB22,000,000 out of the bank accounts of Fuzhou AoHai and to freeze advertising fee of up to RMB14,000,000 expected to be paid by Fuzhou AoHai and Kunming AoHai to Southeast Express and Lifestyle Express. The subsidiaries have subsequently raised an objection to the enforcement judgement to the Yueyang Intermediate People's Court against the court's decision together with other economic losses and damages on the reputation of the subsidiaries.

On 17 February 2014, the Yueyang Intermediate People's Court dismissed the objection application by the subsidiaries. As advised by the PRC legal counsel, the subsidiaries have lodged a review application to the Higher People's Court of Hunan Province (the "Higher People's Court") against the implementation of the above-mentioned decision of the Yueyang Intermediate People's Court. The application is lodged to the Higher People's Court to dismiss the above-mentioned enforcement judgements and return the improperly drawn bank balances of RMB22,000,000 to the subsidiaries.

於二零一二年十一月八日，該附屬公司針對凍結裁定向岳陽市中級人民法院上訴。凍結裁定已於二零一三年一月三十日撤銷。岳陽林紙股份有限公司其後針對該裁定向湖南省高級人民法院提出上訴，惟於二零一三年八月二十二日，湖南省高級人民法院駁回岳陽林紙股份有限公司的上訴申請。

然而，岳陽市中級人民法院於二零一三年九月二十二日發出兩份裁定岳陽林紙股份有限公司勝訴的執行裁定書。法院裁定從福州奧海的銀行賬戶中扣劃現金存款人民幣22,000,000元，並凍結福州奧海及昆明奧海預期支付予東南快報社及生活新報社的最多人民幣14,000,000元廣告費。該等附屬公司其後針對法院裁定連同對該等附屬公司聲譽造成的其他經濟損失及損害向岳陽市中級人民法院提出執行裁定書異議。

於二零一四年二月十七日，岳陽市中級人民法院駁回該等附屬公司的異議申請。根據中國法律顧問的意見，該等附屬公司已針對執行上述岳陽市中級人民法院的裁定向湖南省高級人民法院（「高級人民法院」）提出覆議申請，請求高級人民法院撤銷上述執行裁定書，並向該等附屬公司退回被不當扣劃的銀行結餘人民幣22,000,000元。

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On 28 April 2014, the Higher People's Court of Hunan Province dismissed the implementation review application by the subsidiaries. As advised by the PRC legal counsel, an application for execution monitoring was lodged to the Supreme People's Court to dismiss the above-mentioned enforcement judgements and refund the improperly drawn bank balances of RMB22,000,000 to the subsidiaries. The case is currently being examined by the court and is pending judgement.

Taking into account of the latest developments of the case, the directors considered to recognise full impairment provision of RMB22,000,000 in respect of this legal claim, which has been included in the consolidated financial statements.

Human resources

As at 31 December 2014, the Group had approximately 805 full-time employees. Total staff costs including directors' remuneration for the year ended 31 December 2014 was approximately RMB73.3 million (2013: approximately RMB78.5 million). The Group offers competitive remuneration packages to employees that include salaries, bonuses and share options to qualified employees.

The remuneration of the directors are evaluated by the remuneration committee and the committee makes recommendations to the Board. In addition, the remuneration committee conducts reviews of the performance, and determines the remuneration structure, of the Group's senior management.

The Company operates an employee share option scheme and the purpose of which is to provide incentive or reward to eligible persons who provide services to the Company for their contribution and continuing efforts to promote the interests of the Company, and for such other purposes as the Board may approve from time to time.

於二零一四年四月二十八日，湖南省高級人民法院駁回該等附屬公司的執行覆議申請。根據中國法律顧問的意見，該等附屬公司已向最高人民法院提起了申請執行監督，請求撤銷上述執行裁定書，並向該等附屬公司退回被不當扣劃的銀行結餘人民幣22,000,000元。現該案件正由法院審查，並等待判決。

經考慮個案之最新發展，董事考慮就該法律申索確認全數減值撥備人民幣22,000,000元，並已計入合併財務報表內。

人力資源

截至二零一四年十二月三十一日，本集團擁有約805名全職僱員。截至二零一四年十二月三十一日止年度的僱員成本總額（包括董事酬金）約為人民幣73.3百萬元（二零一三年：約人民幣78.5百萬元）。本集團向僱員提供具競爭力的薪酬組合，包括薪金及向合資格僱員提供獎金及購股權。

薪酬委員會負責評估董事薪酬，並向董事會作出建議。此外，薪酬委員會亦會檢討本集團高級管理層表現及制訂彼等的薪酬結構。

本公司營辦一項僱員購股權計劃，藉以向為本公司提供服務的合資格人士對本公司作出的貢獻及努力不懈地促進本公司利益，以及董事會可能不時批准的其他原因給予鼓勵或獎賞。

MANAGEMENT DISCUSSION AND ANALYSIS

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Prospects

Looking forward to 2015, the Chinese government has set its target of economic growth, the maximum consumer price index increase and 2015 M2 Money Supply expansion at around 7%, 3% and 12%, respectively. 2015 marks both the harvest year of the Twelfth Five-Year Plan and the planning stage of the Thirteenth Five-Year Plan and the economic and social development beyond. Throughout the Twelfth Five-Year Plan period, China has achieved substantial progress in its reform and development notwithstanding the continuance of the Global Financial Crisis, a monumental transformation in the domestic economy and the change in leadership. The Group remains cautiously optimistic about the future. In respect of the traditional media advertising market, the substantial slowdown in the traditional media business during the year signified that the transformation of media has come to a critical point. The boundary between new and traditional media was blurred and the traditional media needs new formats and positions through transformation. Against the backdrop of the accelerating economic restructuring and increasing government support for and guidance on the integration of the internet, new media, traditional media and social networks, the Group will reposition and reform itself, and redeploy its resources so as to shift its strategic focus to marketing and expanding the customer base of its new media platform as well as from providing marketing service to traditional media to new media.

The Group is equipped with abundant marketing resources and a well-established customer base together with a professional management team with ample experience, and a technical team with strong technical capability and competitive products. As such, the Group will speed up the integration of its traditional media platform and new online technologies in order to establish an integrated platform business model which is more comprehensive and has more and wider audience.

前景

展望二零一五年，中國政府經濟增長目標為7%左右，居民消費價格漲幅控制目標為3%左右，二零一五年廣義貨幣供應量(M2)增速目標為12%左右。二零一五年將是「十二五」規劃的收官之年，也是「十三五」和今後更長時期經濟社會發展的規劃之年。回顧「十二五」，中國在國際金融危機持續影響、國內經濟出現階段性轉型和決策層換屆三大背景下，改革發展取得重大進展。本集團對前景保持審慎樂觀。而針對年內傳統媒體廣告市場的表現，傳統媒體業務增速的顯著下降意味着媒體轉型已經到了關鍵時刻。新媒體和傳統媒體的界限正在被打破，傳統媒體通過轉型需找到新的形態和地位。隨着國內結構調整節奏不斷加快，及政府對互聯網、新媒體與傳統媒體及社區平台的融合提供政策支持和引導，本集團將在此趨勢中重新定位，推進轉型，不斷強化自身資源整合，策略性地將發展重點轉移至新媒體平台的營銷效果和客戶拓展上，加快由傳統媒體營銷服務向新媒體的過渡。

本集團將憑藉積累多年豐富的市場資源和規模化的客戶基礎，經受考驗的專業經驗豐富的管理團隊，以及技術過硬、產品具一定競爭力的技術團隊，本集團將加速傳統媒體平台與網絡新技術的結合，形成更為整合、受眾更新更廣的綜合媒體平台商業模式。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Having laid a solid foundation, the Group is on its way to a successful transformation. For 2015, our key task will be to quickly establish a number of media platforms based on its print media resources and new mobile and internet technologies. The foundation works of these platforms, such as the establishment of Cloud Call and news and information platforms, are substantially completed. The Group aims at rolling out new products and services in April 2015 so as to set the direction of the Company's transformation. In addition, we will continue to shut down businesses with relatively unsatisfactory profitability and poor revenue so as to divert their resources to other platforms that have the potential to cement and fit with the market's needs and integrate them with new technologies so as to accelerate the launch of new products. In the next three years, the Group targets to increase the share of mobile and internet business in our total revenue to 50% while reducing the share of print media to 50% so as to form a balanced online and offline marketing service structure.

Furthermore, the Group's efforts in controlling costs and improving operating efficiency are producing positive results. Capitalising on our all-round strengths such as existing brand equity and customer base, multi-regional geographical coverage and cross-media platforms, the Group has an edge in its transformation and development. Though the road of transformation may seem long and tough, it is our only way to fit into the new operating environment.

目前，本集團已奠定較為堅實的基礎，轉型之路已邁出堅實的第一步。二零一五年的工作重點，將是利用紙媒的資源與新移動互聯網的技術版塊，快速搭建一些媒介平台。相關搭建工作已大部份完成，包括『雲呼』及新聞信息平台等的搭建。本集團計劃在二零一五年四月份推出新的產品服務線，作為本公司轉型的方向。另外，持續結束一些盈利能力較差及營利情況不佳的業務，把資源重點投入一些可以形成沉澱並符合市場需求的平台，與新技術結合，以加快新產品線的推出。未來三年，本集團希望移動互聯網業務佔總收入比例提升至50%，搭建綜合線上線下的營銷服務架構；紙媒的佔比則減至50%。

此外，本集團在成本管控、工作效率改善等方面的切實努力已開始產生積極效果。憑藉本集團已有的品牌效應和客戶基礎，其跨地域覆蓋及跨媒體平台等綜合實力在轉型發展之路上將發揮更大優勢。儘管轉型之路還漫長艱難，但順應新形勢發展轉型也是本集團唯一的發展途徑。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In the long run, the macro-economic condition in China will be promising, the consumption power of the Chinese population as a whole will rise, and the domestic internet technology will mature. These trends will be conducive to the Group's growth. Moreover, it was stated in the work report of the government delivered at the third session of the twelfth National People's Congress that the government will seek and rapidly develop new sources of consumption growth, expand cultural spending, nurture the newspaper, publishing, radio, film and television industries, and foster the integration of traditional and new media, which will greatly benefit the Group. In fact, the relevant permits and licences issued by government authorities to the Group give us an initial lead in terms of resources. Looking ahead, the Group will insist on strengthening ShiFang's comprehensive advertising network and realising a general transformation, and focus on resuming the stable overall business growth. Through actively procuring transformation and development, the Group will spare no efforts to create long-term value for the Shareholders amidst severe competition.

長遠來看，中國宏觀經濟態勢良好和中國民眾的整體消費能力不斷提升，以及網絡技術的不斷成熟，將對本集團的發展起到推動的作用。再者，十二屆全國人大三次會議政府工作報告中提到，將加快培育消費增長點，擴大文化消費，繁榮發展新聞出版、廣播影視等事業，並促進傳統媒體與新興媒體融合發展等機遇。這對本集團而言，將是莫大裨益。基於本集團已得到政府審批的相關許可牌照，在初期的資源上，將處於領先的位置。未來，本集團將繼續不斷致力於「十方」廣告網絡的打造，將實現整體轉型、整體經營平穩回升放在首位。在致力於積極推動本集團的轉型發展的同時，本集團將通過不懈努力在激烈的競爭中為股東創造長遠價值。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Chen Zhi, aged 49, is the chairman, chief executive officer and an executive Director. He is a qualified accountant as conferred by the Ministry of Finance. Mr. Chen was a cadre of the Fuzhou Minhou Tax Bureau from 1982 to 1989 (during which he was granted leave from 1985 to 1988 to pursue his studies at Fujian Radio and Television University), deputy section chief of the Fuzhou Economic and Technology Development Area Tax Bureau from 1989 to 1993, and subsequently the section chief from 1993 to 2002. He joined our Group in 2003 and pioneered our distinctive business model of cooperating with newspaper partners to provide integrated print media services to advertisers, undertook the main decision-making role in the management of our overall operations and oversaw the strategic development of our Group. He was appointed a Director of our Company on 9 December 2009. Mr. Chen has accumulated more than eight years of relevant experience from developing the business of our Group and possesses a deep understanding of the PRC print media and advertising industries. Mr. Chen graduated from Fujian Radio and Television University in 1988 with a diploma in financial economics. Mr. Chen is one of our controlling shareholders. He is also a director of TopBig International Development Limited ("TopBig International") and China TopReach Inc. ("China TopReach"), a SPAC with its shares traded on the OTC Pink Sheet in the United States. Mr. Chen is the spouse of Ms. Zheng Shou Ling and the brother of Ms. Chen Min, a non-executive Director of the Company.

執行董事

陳志先生，49歲，主席、首席執行官兼執行董事。他是財政部認可的合資格會計師。陳先生於一九八二年至一九八九年（期間他曾於一九八五年至一九八八年獲批准離職前往福建廣播電視大學深造）為福州閩候稅務局的一名幹部，於一九八九年至一九九三年為福州經濟技術開發區稅務局的副科長，其後於一九九三年至二零零二年擔任科長。他於二零零三年加入本集團，並開創本公司獨樹一幟的業務模式（即與報章合夥人合作，向廣告客戶提供綜合印刷媒體服務），在本公司整體經營管理中擔當主要決策角色及監督本集團的策略開發。他於二零零九年十二月九日獲委任為本公司的董事。陳先生於發展本集團業務方面積逾八年相關經驗，諳熟中國印刷媒體及廣告行業。陳先生於一九八八年畢業於福建廣播電視大學，獲經濟財政學文憑。陳先生為本公司控股股東之一。他亦為昇平國際發展有限公司（「昇平國際」）及中國天瑞控股有限公司（「中國天瑞」）的董事。中國天瑞為特別目的收購公司，其股份於美國場外交易粉單市場進行買賣。陳先生為鄭守齡女士的配偶，亦為本公司非執行董事陳敏女士的胞兄。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Hong Pei Feng, aged 49, is an executive Director. Mr. Hong was an administrative officer with Jimei Teachers College from 1985 to 1990, the general manager of Xiamen Yuanhong Group Co., Ltd, a real estate development company, from 1991 to 2000, and the general manager of Xiamen Yuantong Chuanbo Co., Ltd, a company engaged in the advertising business, from 2001 to 2003. He joined our Group in 2004, and was appointed the chairman of Olympia Media Holdings Limited (“Olympia Media”) from 2005 to 2007 before subsequently retiring from that role and assuming the position of its vice chairman in 2007 due to a reorganisation of Olympia Media’s corporate structure. Mr. Hong is also a core management member who developed the business of Beijing HongXinTu Culture Communication Co., Ltd. (“Beijing HongXinTu”). Mr. Hong was appointed a Director of our Company on 18 January 2010 and currently also serves as the vice chairman of the China International Chamber of Commerce in Fujian Province. He graduated from Jimei Normal College (presently known as Jimei University) in 1985 with a diploma in Chinese. Due to Mr. Hong’s substantial experience in publication and distribution gained from his work with Olympia Media and Beijing HongXinTu, he has significant expertise in print media business management. Mr. Hong is one of our controlling shareholders. He is also a director of Blazing Sun Holdings Ltd. (“Blazing Sun”) and China TopReach, a SPAC with its shares traded on the OTC Pink Sheet in the United States.

洪培峰先生，49歲，執行董事。洪先生於一九八五年至一九九零年為集美師範學院的一名行政管理人員，並於一九九一年至二零零零年為房地產開發公司廈門元洪集團有限公司總經理，而於二零零一年至二零零三年出任廈門遠通傳播有限公司（一間從事廣告業務的公司）的總經理。他於二零零四年加入本集團，並於二零零五年至二零零七年獲委任為奧海傳媒集團有限公司（「奧海傳媒」）的主席，其後退任，並因奧海傳媒重組公司架構而於二零零七年起擔任副主席一職。洪先生亦為開拓北京鴻馨圖文化傳播有限公司（「北京鴻馨圖」）業務的核心管理層成員。洪先生於二零一零年一月十八日獲委任為本公司董事，現兼任福建省中國國際商會副主席。他於一九八五年畢業於集美師範專科學校（現稱「集美大學」），獲中文文憑。由於洪先生於奧海傳媒及北京鴻馨圖任職而累積有關出版及發行方面的豐富經驗，故洪先生在印刷媒體業務管理方面擁有明顯的專長。洪先生為本公司控股股東之一。他亦為驕陽控股有限公司（「驕陽」）及中國天瑞的董事。中國天瑞為特別目的收購公司，其股份於美國場外交易粉單市場進行買賣。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Zhang Tie Zhu, aged 41, is an executive Director. Mr. Zhang is a certified public accountant as conferred by the Ministry of Finance and a qualified lawyer as conferred by the Ministry of Justice of the PRC. Mr. Zhang was with Deloitte Touche Tohmatsu from 1994 to 2000, an investment director of TechFoster Technology Ventures Ltd. from 2000 to 2002, a senior manager with PricewaterhouseCoopers from 2002 to 2005, and an executive director of Chum Investment Corporation from 2006 to 2009. In 2009, Mr. Zhang was appointed as a director and subsequently the chief financial officer of China TopReach. Mr. Zhang is responsible for China TopReach's investor relations and regulatory compliance, including regular dealings with competent authorities such as the Securities and Exchange Commission. He joined our Group in 2010, and was appointed a Director of our Company on 18 January 2010 and our chief financial officer on 15 February 2010 and resigned as the chief financial officer of the Group on 9 June 2014. He graduated from Hua Dong Industrial University in 1994 with a bachelor's degree in economics. Mr. Zhang possesses substantial financial experience from his previous work with venture capital firms and top global audit firms. Mr. Zhang is also a director of China TopReach, a SPAC with its shares traded on the OTC Pink Sheet in the United States.

張鐵柱先生，41歲，執行董事。張先生是中國財政部認可的註冊會計師並具有中國司法部授予的律師資格。張先生於一九九四年至二零零零年在德勤會計師事務所任職，於二零零零年至二零零二年為科創投資有限公司投資總監，於二零零二年至二零零五年為普華永道會計師事務所高級經理，於二零零六年至二零零九年為北京傳隆投資有限公司的執行董事。張先生於二零零九年獲委任為中國天瑞董事，其後兼任首席財務官，負責中國天瑞的投資者關係和法規適用方面的工作，包括與監管機構（如美國證監會）溝通等。他於二零一零年加入本集團，並於二零一零年一月十八日及二零一零年二月十五日分別獲委任為本公司董事及首席財務官，於二零一四年六月九日辭任本集團首席財務官。他於一九九四年畢業於華東工業大學，獲經濟學學士學位。張先生從其先前在創投公司及全球頂級審計公司的工作中獲得豐富的財務經驗。張先生亦為中國天瑞的董事。中國天瑞為特別目的收購公司，其股份於美國場外交易粉單市場進行買賣。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Yu Shi Quan, aged 38, is an executive Director and the chief financial officer. He is a qualified accountant as conferred by the Ministry of Finance. Mr. Yu was an accountant at Fujian Lan Tian Tax Accounting Co., Ltd. from 1996 to 1997, the finance director of Fujian Huanyu Investment Development Co., Ltd from 1997 to 1998 and the finance director of Fujian ShiFang Investment Co. Ltd. ("Fujian ShiFang") from 1998 to 2000. He joined our Group in 2000 and was head of finance of Fujian ShiFang until 2008 when he became the head of finance of Olympia Media, and, subsequently, vice president of finance of China TopReach in 2009, and was appointed a Director of our Company on 20 December 2011. He graduated from Fujian Radio and Television University in 1996 with a diploma in finance and accounting. Mr. Yu has gained significant management experience from his work with the overall financial operations of our Group and was appointed as the chief financial officer of the Group on 9 June 2014.

NON-EXECUTIVE DIRECTORS

Mr. Chen Wei Dong, aged 43, is a non-executive Director. He was appointed as our Director on 1 April 2015. He is currently the managing director of China Science & Kingwin Investment Management Limited, a position which he has been serving for more than five years since January 2010. He served as the deputy director of business of Shenzhen China Science & Merchants Capital Management Group Co., Ltd., from January 2003 to December 2009. From March 1996 to December 2012, Mr. Chen held the position as an assistant general manager of 廈門華閩包裝有限公司 (Xiamen Huamin Packaging Co., Ltd.). In addition, he also had approximately six years of experience working in the Local Taxation Bureau of Pingyu County, Henan Province. Mr. Chen received his Bachelor's degree from College of Continuing Education Xiamen University in China in 2006, and has been enrolled in the Executive Master of Business Administration programme of Xiamen University since September 2009.

余詩權先生，38歲，執行董事兼首席財務官。他是財政部認可的合資格會計師。余先生一九九六年至一九九七年於福建藍天稅務師事務所有限公司任會計師，一九九七年至一九九八年於福建省環宇投資發展有限公司擔任財務總監，而一九九八年至二零零零年於福建十方投資有限公司（「福建十方」）擔任財務總監。他於二零零零年加入本集團，出任福建十方的財務總監，直至他於二零零八年成為奧海傳媒的財務總監止，其後於二零零九年擔任中國天瑞的財務副總裁，並於二零一一年十二月二十日獲委任為本公司董事。他於一九九六年畢業於福建廣播電視大學，獲財務及會計文憑。余先生在本集團的整體財務運營工作中積累了豐富的管理經驗，並於二零一四年六月九日獲委任為本集團首席財務官。

非執行董事

陳偉東先生，43歲，非執行董事。他於二零一五年四月一日獲委任為董事。他現任深圳市中科宏易創業投資管理有限公司的董事總經理，他自二零一零年一月起擔任此職位，至今已逾五年。他於二零零三年一月至二零零九年十二月期間擔任深圳市中科招商創業投資管理有限公司業務副總監。於一九九六年三月至二零一二年十二月，陳先生出任廈門華閩包裝有限公司的助理總經理。此外，他亦於河南省平輿縣地方稅務局任職約六年。陳先生於二零零六年自中國廈門大學網絡繼續教育學院取得學士學位，並自二零零九年九月起參與廈門大學的管理人員工商管理碩士課程。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Ms. Chen Min, aged 44, is a non-executive Director. She graduated from the Faculty of Arts, Fujian Normal University with a bachelor's degree in arts in June 1993 and a master's degree in arts specialising in contemporary Chinese drama in June 2002. She also obtained a doctorate degree in arts specialising in theatrical aesthetics from the Central Academy of Drama in June 2006. Ms. Chen had taken up various academic teaching posts at the College of Chinese Language and Literature Fujian Normal University between September 1993 and May 2007 and has been an associate professor of drama literature at the Central Academy of Drama since May 2007. Ms. Chen has also served as a secretary and a member of council of the China Branch of The International Association of Theatre Critics and a member of the expert panel of academic degrees and graduate education of the Ministry of Education of the PRC since May 2007. Ms. Chen currently is a non-executive director of China TopReach (listed and traded on the OTC Pink Sheet in the United States). She was appointed as our Director on 20 December 2011 and is also the sister of Mr. Chen Zhi, an executive Director and the chairman of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zhou Chang Ren, aged 67, is an independent non-executive Director. He was appointed as our Director on 8 November 2010, and is a qualified senior economist as conferred by the Fujian Provincial Department of Personnel. Mr. Zhou was appointed as the chairman of the Qingliu Country Party Committee in 1990. He was engaged in the newspaper industry in the PRC and held several positions including the deputy bureau chief and editorial board member of *Fujian Daily* from 1996 to 2002, and the general manager, senior economist and Party Committee deputy secretary of the Fujian Daily Newspaper Group from 2002 to 2008. In addition, Mr. Zhou was the vice chairman and, later, chairman of the Fujian Province Newspaper Industry Association during the same periods, before retiring in 2008. He graduated from Fujian Provincial Party School of the CPC in 1986 with a diploma in politics. Mr. Zhou has extensive print media experience and expertise with particular knowledge of the Fujian newspaper industry.

陳敏女士，44歲，非執行董事。她於一九九三年六月畢業於福建師範大學文學院，持有漢語言文學學士學位，並於二零零二年六月取得中國當代戲劇方面碩士學位。她亦於二零零六年六月獲中央戲劇學院戲劇文學系戲劇美學方面博士學位。陳女士已於一九九三年九月至二零零七年五月期間於福建師範大學中國語言文學院承擔多個專業任教職務，並自二零零七年五月起在中央戲劇學院擔任戲劇文學系副教授。陳女士亦自二零零七年五月起任職國際戲劇評論家協會中國分會秘書、理事及中國教育部學位及研究生教育專家組成員。陳女士現任中國天瑞（於美國的場外交易粉單市場上市及買賣）的非執行董事。她於二零一一年十二月二十日獲委任為本公司董事，亦為本公司執行董事兼主席陳志先生的胞妹。

獨立非執行董事

周昌仁先生，67歲，獨立非執行董事。他於二零一零年十一月八日獲委任為本公司董事，並獲福建省人事廳認可具有高級經濟師資格。周先生於一九九零年獲委任為中共清流縣黨委書記。他曾從事於中國的報紙行業，並擔任多種職務，包括於一九九六年至二零零二年為《福建日報》副社長及編委委員，以及於二零零二年至二零零八年為福建日報報業集團總經理、高級經濟師及黨委副書記。此外，周先生曾於同期在福建省報業協會先為副主席後升任為主席，直至二零零八年退休。他於一九八六年畢業於中共福建省委黨校，獲政治學文憑。周先生擁有豐富的印刷媒體經驗及專業知識，諳熟福建的報紙行業。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Wong Heung Ming Henry, aged 45, is an independent non-executive Director. He was appointed as our Director on 8 November 2010. Mr. Wong took some senior positions, by serving as the finance directors and the internal audit director, for some multinationals, the United States and Hong Kong listed companies engaged in fast-moving consumables, real estates, shopping malls operation and media industry. Prior to that, Mr. Wong had worked for two international accounting firms, Deloitte Touch Tohmatsu and PricewaterhouseCoopers. Mr. Wong graduated from City University in Hong Kong in 1993 with a bachelor's degree in accountancy and also obtained a master's degree in electronic commerce from the Open University of Hong Kong in 2003. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants as well as a certified internal auditor. Mr. Wong has accumulated more than 21 years in financing, internal controls and corporate governance experience.

Mr. Cai Jian Quan, aged 52, is an independent non-executive Director. He was appointed as our Director on 20 December 2011. He graduated from the Anhui University of Finance Economics with a bachelor's degree in financial accounting in July 1984. Mr. Cai was a finance manager of the finance department of Shanghai Baihuo Headquarters Watches and Glasses Branch between July 1984 and June 1992. He was the general manager of the sales department of Shenyin & Wanguo Securities Co. Ltd. between June 1992 and June 2002. He has also been the chairman of the board of directors of Shanghai Guantong Investment Co. Ltd. since September 2002.

黃向明先生，45歲，獨立非執行董事。他於二零一零年十一月八日獲委任為本公司董事。黃先生曾於經營快銷品、房地產、百貨及媒體等跨國、美國及香港上市公司任職財務總監及內審總監等高管職位。在此之前，黃先生於德勤及普華永道兩家國際會計事務所工作。黃先生於一九九三年畢業於香港城市大學，並獲取會計學學士學位，而二零零三年亦於香港公開大學兼讀並取得其電子商務碩士學位。他目前為英國特許公認會計師公會及香港會計師公會資深會員及註冊內部審計師。黃先生積累逾二十一年豐富的財務、內部控制及企業管治等方面的經驗。

蔡建權先生，52歲，獨立非執行董事。他於二零一一年十二月二十日獲委任為本公司董事。他於一九八四年七月畢業於安徽財經大學，持有財務會計學學士學位。蔡先生自一九八四年七月至一九九二年六月為上海百貨總公司鐘錶眼鏡分公司財務部的財務經理。他自一九九二年六月至二零零二年六月為申銀萬國證券股份有限公司的營業部總經理。他自二零零二年九月以來亦一直為上海冠通投資有限公司的董事會主席。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Li Gang, aged 57, is the vice president of the Group assisting the chief executive officer to manage the print media business in the PRC. Mr. Li served as a reporter and editor of Fujian Daily from 1987 to 1997. He was a member of the editorial board of Strait News and was responsible for operation from 1997 to 2004. In 2004, he joined the Group and served as the general manager for the Digital Media Center of Fujian ShiFang Culture Communication Co., Ltd., the general manager of Dalian ShiFang Media Co., Ltd. and the vice president of the Group's office. Mr. Li has worked in the media industry for over 20 years and has extensive experience in media operation and management.

Mr. Xu Kai Ning, aged 41, is the assistant to the president of the Group assisting the chief executive officer to manage the new media business. Mr. Xu served as a director and the general manager of ShiFang YaQi Culture Communication (Xiamen) Co. Ltd from 2004 to 2008 and also took the role of chairman of Shenyang ZhuQin ShiFang Media Development Co., Ltd. from 2007 to 2008. He served as the general manager of the Investment and Development Center and the general manager of the Media Commerce Center of the Olympia Media Group and the vice president of the Integrated Marketing Center of the ShiFang Holding Group since 2008 until he assumed the role of the president of the new media division of ShiFang Holding in June 2012.

Mr. Zheng Bo Ling, aged 46, is the assistant to the president assisting the chief executive officer to manage the asset management business. Mr. Zheng joined the Group in 2002 and served as the deputy general manager and general manager of Quan Zhou ShiFang Advertising Company Ltd. from 2002 to 2006. He later served as the general manager of the Tangshan branch of Fujian ShiFang from 2006 to 2010 and the general manager of 貴州十方漢鼎廣告有限公司 from 2010 to 2011.

高級管理層

李剛先生，57歲，本集團副總裁，協助首席執行官分管全國平面媒體業務。李先生一九八七年至一九九七年間於福建日報社任記者、編輯職務。一九九七年至二零零四年於海峽都市報社任編委，分管經營。於二零零四年加入本集團，先後出任福建十方文化傳播有限公司數位傳媒中心總經理、大連十方傳媒有限公司總經理、集團辦公室副總裁職務。李先生二十餘年傳媒行業履職經歷，積累了豐富的傳媒運營管理經驗。

許開寧先生，41歲，本集團總裁助理，協助首席執行官分管新媒體業務。許先生二零零四年至二零零八年於十方亞祺文化傳播（廈門）有限公司任董事兼總經理職務；二零零七至二零零八年還兼任濟陽祝秦十方文化傳媒發展有限公司董事長。自二零零八年起先後在奧海傳媒集團任投資發展中心總經理、傳媒商務中心總經理、十方控股集團整合營銷中心副總裁，直至二零一二年六月擔任十方控股新媒體子集團總裁。

鄭柏齡先生，46歲，本集團總裁助理，協助首席執行官資產管理業務。鄭先生於二零零二年加入本集團，二零零二年至二零零六年於泉州十方廣告有限公司擔任副總經理、總經理職務。二零零六年至二零一零年於福建十方唐山分公司擔任總經理職務，二零一零年至二零一一年於貴州十方漢鼎廣告有限公司擔任總經理職務。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Pan Jian Ping, aged 41, is a vice president of finance and internal control of our Company. He is a qualified accountant as conferred by the Fujian Provincial Department of Finance and a certified asset valuer as conferred by the China Appraisal Society. Mr. Pan was a project manager with Fujian Audit Firm (now known as Fujian Hongshen Certified Public Accountants Ltd.) from 1995 to 1997 and 2000 to 2004, and a project manager with Fujian Huashen Asset Valuation Real Estate Appraisal Co., Ltd. from 1998 to 1999. He joined our Group in 2004 and was the financial controller as well as assistant to the president of Beijing HongXinTu until 2007, before assuming the position as our vice president of internal control in 2008. He graduated from Fuzhou University in 1995 with a diploma in accounting and also obtained a diploma in law from Huazhong Normal University in 2009 through part-time study. Mr. Pan has more than eight years of accounting experience and is mainly responsible for our Group's internal financial management and audit supervision.

COMPANY SECRETARY

Ms. Chan Ching Yi, aged 40, is our company secretary. She is a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. Ms. Chan holds a bachelor's degree in accountancy and has accumulated more than 18 years of financial and auditing experience. She is currently the company secretary of Zheda Lande Scitech Limited (stock code: 8106), a company listed on the Growth Enterprise Market Board of the Stock Exchange. Ms. Chan joined our Group in August 2010.

潘建平先生，41歲，本公司財務內部控制副總裁。他是福建省財政廳認可的合資格會計師及中國資產評估協會認可的執業資產估值師。潘先生於一九九五年至一九九七年和二零零零年至二零零四年為福建省審計師事務所（現稱福建弘審會計師事務所）的項目經理，並於一九九八年至一九九九年為福建華審資產評估房地產土地估價有限責任公司的項目經理。他於二零零四年加入本集團，於二零零八年擔任本公司內部控制副總裁前，擔任北京鴻馨圖財務總監兼總裁助理，直至二零零七年止。他於一九九五年畢業於福州大學並獲會計學文憑，而二零零九年亦於華中師範大學兼讀並獲取法學文憑。潘先生擁有逾八年的會計經驗，主要負責本集團的內部財務管理及審核監管。

公司秘書

陳靜儀女士，40歲，本公司的公司秘書。她是香港會計師公會會員及英國特許公認會計師公會資深會員。陳女士持有會計學學士學位，並積累了逾十八年財務及審計經驗。她目前為聯交所創業板上市公司浙江浙大網新蘭德科技股份有限公司（股份代號：8106）的公司秘書。陳女士於二零一零年八月加入本集團。

DIRECTORS' REPORT

董事會報告

The directors (the "Directors") of ShiFang Holding Limited (the "Company") present their report and the audited financial statements of the Company and its subsidiaries (together, the "Group") for the year ended 31 December 2014.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in the business of publishing and advertising (the "Publishing and Advertising Businesses") in the People's Republic of China (the "PRC"). There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2014 are set out in the consolidated statement of comprehensive income on page 94.

The Directors did not recommend the payment of any final dividend for the year ended 31 December 2014 and proposed that loss for the year be retained.

SUMMARY FINANCIAL INFORMATION

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on pages 5 to 6.

PROPERTY, PLANT AND EQUIPMENT

During the year of 2014, the Group had acquired property, plant and equipment of approximately RMB1.7 million.

Details of these and other movements in the property, plant and equipment of the Group during the year of 2014 are set out in note 7 to the consolidated financial statements.

十方控股有限公司（「本公司」）董事（「董事」）謹此提呈彼等的報告，以及本公司及其附屬公司（統稱「本集團」）截至二零一四年十二月三十一日止年度的經審核財務報表。

主要業務

本公司為一家投資控股公司，而其附屬公司主要於中華人民共和國（「中國」）從事出版及廣告業務。本集團主要業務的性質於年內並無重大變動。

業績及分配

本集團截至二零一四年十二月三十一日止年度的業績載於第94頁的合併全面收益表。

董事不建議派付截至二零一四年十二月三十一日止年度任何末期股息，並建議保留年內虧損。

財務資料概要

本集團於過往五個財政年度的業績、資產及負債概要載於第5至6頁。

物業、廠房及設備

於二零一四年度，本集團收購約人民幣1.7百萬元物業、廠房及設備。

上述及二零一四年度其他有關本集團物業、廠房及設備的變動詳情載於合併財務報表附註7。

SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in note 19 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 20 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

The amount of the Company's reserves available for distribution to shareholders as at 31 December 2014 was approximately RMB206.3 million.

DONATIONS

No charitable and other donations has been made by the Group during the year.

股本

本公司股本於年內的變動詳情載於合併財務報表附註19。

優先購買權

本公司組織章程細則（「細則」）或開曼群島法律並無任何規定本公司須向現有股東按比例發售新股份的優先購買權的條文。

購買、贖回或出售本公司上市證券

年內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

儲備

本公司及本集團儲備於年內的變動詳情分別載於合併財務報表附註20及合併權益變動表。

可供分派儲備

截至二零一四年十二月三十一日，本公司可供分派予股東的儲備金額約為人民幣206.3百萬元。

捐款

本集團年內並無作出慈善及其他捐款。

DIRECTORS' REPORT

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

During the year of 2014, the aggregate sales attributable to the Group's five largest customers comprised approximately 15.0% of the Group's total sales and the sales attributable to the Group's largest customer were approximately 5.9% of the Group's total sales.

The aggregate purchases during the year of 2014 attributable to the Group's five largest suppliers were approximately 71.9% of the Group's total purchases and the purchases attributable to the Group's largest supplier were approximately 30.5% of the Group's total purchases.

DIRECTORS

The Directors during the year and up to the date of this report were as follows:

Executive directors:

Mr. Chen Zhi (chairman and chief executive officer, appointed as a Director on 9 December 2009)

Mr. Hong Pei Feng (appointed on 18 January 2010)

Mr. Zhang Tie Zhu (appointed on 18 January 2010)

Mr. Yu Shi Quan (appointed on 20 December 2011)

Non-executive directors:

Mr. Wang Ping (appointed on 18 January 2010 and resigned on 31 March 2015)

Mr. Chen Wei Dong (appointed on 31 March 2015)

Ms. Chen Min (appointed on 20 December 2011)

主要客戶及供應商

於二零一四年度，本集團五大客戶應佔銷售總額佔本集團總銷售額約15.0%，而本集團最大客戶應佔銷售額佔本集團總銷售額約5.9%。

於二零一四年度，本集團五大供應商應佔購貨總額佔本集團總購貨額約71.9%，而本集團最大供應商應佔購貨額佔本集團總購貨額約30.5%。

董事

年內及直至本報告日期的董事如下：

執行董事：

陳志先生（主席兼首席執行官，
於二零零九年十二月九日獲委任為董事）
洪培峰先生（於二零一零年
一月十八日獲委任）
張鐵柱先生（於二零一零年
一月十八日獲委任）
余詩權先生（於二零一一年
十二月二十日獲委任）

非執行董事：

王平先生（於二零一零年
一月十八日獲委任，
並於二零一五年三月三十一日辭任）
陳偉東先生（於二零一五年
三月三十一日獲委任）
陳敏女士（於二零一一年
十二月二十日獲委任）

Independent non-executive directors:

Mr. Zhou Chang Ren (appointed on 8 November 2010)

Mr. Wong Heung Ming, Henry (appointed on 8 November 2010)

Mr. Zhuo Ze Yuan (appointed on 8 November 2010 and resigned on 9 June 2014)

Mr. Cai Jian Quan (appointed on 20 December 2011)

In accordance with the Articles, one-third of the Directors will retire and, being eligible, offer themselves for re-election, at the forthcoming annual general meeting of the Company. Moreover, the Directors appointed during the year will hold office until the forthcoming annual general meeting of the Company and will be eligible for re-election.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 42 to 49.

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION OF INDEPENDENCE

The Company has received, from each of its independent non-executive Directors, namely Mr. Zhou Chang Ren, Mr. Wong Heung Ming, Henry and Mr. Cai Jian Quan a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of its independent non-executive Directors are independent.

獨立非執行董事：

周昌仁先生（於二零一零年十一月八日獲委任）

黃向明先生（於二零一零年十一月八日獲委任）

卓澤淵先生（於二零一零年十一月八日獲委任，並於二零一四年六月九日辭任）

蔡建權先生（於二零一一年十二月二十日獲委任）

按照細則，三分一的董事將於本公司應屆股東週年大會上退任，並符合資格且願意於會上膺選連任。此外，於年內獲委任的董事，其任期直至本公司應屆股東週年大會為止，並符合資格於會上膺選連任。

董事及高級管理層履歷

本集團董事及高級管理層履歷詳情載於第42至49頁。

獨立非執行董事的獨立身份確認書

本公司已接獲各獨立非執行董事周昌仁先生、黃向明先生及蔡建權先生根據上市規則第3.13條發出的獨立身份確認書。本公司認為其全部獨立非執行董事均為獨立人士。

DIRECTORS' REPORT

董事會報告

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors and the non-executive Director has entered into a service contract with the Company for a term of three years commencing from 3 December 2010, which may be terminated by not less than six months' notice in writing served by either party on the other. Each of the independent non-executive Director has been appointed by the Company for a term of three years and shall be terminable by either party by giving not less than two months' prior notice in writing.

During the year, none of the Directors had a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

REMUNERATION POLICY

The remuneration policy for the Directors and senior management members of the Group was based on their individual performance as well as market trends and practices. In addition, each of the executive Directors and the non-executive Directors is entitled to a discretionary bonus provided that the aggregate amount of the bonuses payable to all the executive Directors at the sole and absolute discretion of the Company. Details of the remuneration of the Directors are set out in note 25 to the consolidated financial statements.

The emoluments paid to the senior management (excluding the Directors) during the year ended 31 December 2014 were within the following bands:

RMB300,000 to RMB400,000

人民幣300,000元至人民幣400,000元

Total:

總計:

**Number
of Senior
Management**
高級管理層人數

7

7

董事服務合約

各執行董事及非執行董事已與本公司訂立服務合約，由二零一零年十二月三日起為期三年，可由任何一方向另一方發出不少於六個月的書面通知而終止。本公司委任的各獨立非執行董事的任期為三年，有關任命可由任何一方向另一方發出不少於兩個月的事先書面通知而終止。

年內，各董事概無與本公司訂有任何不可由本公司於一年內免付賠償（法定賠償除外）而終止的服務合約。

薪酬政策

董事及本集團高級管理層成員的酬金政策乃依照個人表現以及市場趨勢與慣例制訂。此外，各執行董事及非執行董事均有權獲得酌情花紅，惟應支付予所有執行董事的花紅總額由本公司全權酌情決定。董事酬金詳情載於合併財務報表附註25。

於截至二零一四年十二月三十一日止年度，已付高級管理層（董事除外）的酬金介乎下列幅度：

DIRECTORS' RIGHTS TO ACQUIRE SHARES IN OR DEBT SECURITIES OF THE COMPANY

Other than the pre-IPO share option scheme of the Company (the "Pre-IPO Share Option Scheme") adopted by written resolutions of its shareholders on 26 February 2010 and the post-IPO share option scheme of the Company (the "Post-IPO Share Option Scheme") adopted by the written resolutions of its shareholders on 8 November 2010, at no time during the year of 2014 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors held any interests in any competing business against the Company or any of its jointly controlled entities and subsidiaries for the year ended 31 December 2014.

PRE-IPO SHARE OPTION SCHEME

The principal terms of the Pre-IPO Share Option Scheme, approved by written resolutions of the shareholders of the Company passed on 26 February 2010, were set out as follows:

- (a) the purpose of the Pre-IPO Share Option Scheme is to provide incentive or reward to eligible participants for their contribution to, and continuing efforts to promote the interests of, the Company and to enable the Company and its subsidiaries to recruit and retain high-caliber employees;

董事購入本公司股份或債務證券的權利

除經本公司股東於二零一零年二月二十六日以書面決議案方式採納的本公司首次公開發售前購股權計劃（「首次公開發售前購股權計劃」），以及經本公司股東於二零一零年十一月八日以書面決議案方式採納的本公司首次公開發售後購股權計劃（「首次公開發售後購股權計劃」）外，於二零一四年度，本公司或其任何附屬公司概無訂立任何安排，致使本公司董事可藉購入本公司或任何其他法人團體的股份或債務證券（包括債券）而獲益。

董事於合約中的權益

董事概無於本公司或其任何控股公司、附屬公司或同系附屬公司於年內訂立而對本集團業務而言屬重大的任何合約中直接或間接擁有重大權益。

董事於競爭業務中的權益

於截至二零一四年十二月三十一日止年度，董事概無於任何與本公司或其任何共同控制實體及附屬公司競爭的業務中擁有權益。

首次公開發售前購股權計劃

經本公司股東於二零一零年二月二十六日以書面決議案方式通過的首次公開發售前購股權計劃的主要條款載列如下：

- (a) 首次公開發售前購股權計劃旨在獎勵或回饋合資格參與者對本公司的貢獻，並激勵彼等繼續努力提升本公司的利益，並藉此讓本公司及其附屬公司得以招聘及挽留高質素僱員；

DIRECTORS' REPORT

董事會報告

- (b) the maximum number of Shares in respect of which options may be granted under the Pre-IPO Share Option Scheme shall be 27,456,156, representing approximately 5% of the issued share capital of the Company as at the date of approval of the Pre-IPO Share Option Scheme;
 - (c) the subscription price for the Shares under the Pre-IPO Share Option Scheme shall not be less than 100% of the fair market value of the Shares on the date of grant of the option as valued by the valuer to be appointed by the Company;
 - (d) save as otherwise stated in the letter of grant, a maximum of 40% of the total number of the options shall only be exercisable from the expiry of the first anniversary of the commencement date; a maximum of 70% of the total number of the options shall only be exercisable from the expiry of the second anniversary of the commencement date; and all the total outstanding number of the options will be exercisable from the expiry of the third anniversary of the commencement date;
- (b) 可根據首次公開發售前購股權計劃授出的購股權涉及的股份數目最多為27,456,156股，佔首次公開發售前購股權計劃獲批准當日本公司已發行股本約5%；
 - (c) 首次公開發售前購股權計劃項下股份的認購價不得低於股份於購股權授出之日的公允市值（由本公司委聘的估值師估值得出）的100%；
 - (d) 除授予函件所述者外，僅購股權總數最多40%可於開始日期起計滿一週年後行使；僅購股權總數最多70%可於開始日期起計滿兩週年後行使；而尚未獲行使的所有購股權數目將可於開始日期起計滿三週年後行使；

- (e) subject to the termination provisions in the Pre-IPO Share Option Scheme, the Pre-IPO Share Option Scheme shall be valid and effective for a period commencing on 26 February 2010, being the date on which the Pre-IPO Share Option Scheme is adopted by the Shareholders, and ending on the day immediately prior to the Listing Date (both dates inclusive), after which period no further options pursuant to the Pre-IPO Share Option Scheme will be granted but in all other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the Pre-IPO Share Option Scheme, and options which are granted during the life of the Pre-IPO Share Option Scheme may continue to be exercisable in accordance with their terms of issue; and
- (f) the Pre-IPO Share Option Scheme shall take effect subject to the passing of the necessary resolution to adopt the Pre-IPO Share Option Scheme by the shareholders of the Company. The option granted may be exercised during the option period which shall commence on the expiry of the first anniversary of the commencement date and end on the date immediately before the fourth anniversary of the Listing Date (subject to the provisions for early termination contained in the Pre-IPO Share Option Scheme). In the event that dealings in the Shares have commenced on the Stock Exchange, the exercise after the Listing Date of any option granted will be conditional upon the Listing Committee granting approval of the listing of, and permission to deal in, the Shares which may fall to be allotted and issued pursuant to the exercise of any options granted under the Pre-IPO Share Option Scheme.
- (e) 根據首次公開發售前購股權計劃的終止條款，首次公開發售前購股權計劃自二零一零年二月二十六日（即股東採納首次公開發售前購股權計劃之日）起，至緊接上市日期前一日止期間（包括首尾兩日）屬合法及有效。此後，不可根據首次公開發售前購股權計劃授出任何額外購股權，惟首次公開發售前購股權計劃的條文於所有其他方面將具有十足效力及作用，以在必要時使之前已授出或根據首次公開發售前購股權計劃條文可能規定的其他情況下授出的任何購股權之行使生效。於首次公開發售前購股權計劃期限內授出的購股權可根據其發行條款繼續行使；及
- (f) 首次公開發售前購股權計劃須待本公司股東通過必要決議案採納首次公開發售前購股權計劃後，方可作實。授出的購股權可於購股權期間（自開始日期滿一週年起計，於緊接上市日期滿四週年前一日屆滿，且可根據首次公開發售前購股權計劃內條文提早終止）內行使。倘股份已開始於聯交所買賣，則於上市日期之後行使任何已授出的購股權，須待上市委員會批准將根據首次公開發售前購股權計劃授出的購股權獲行使而可能須配發及發行的股份上市及買賣後，方可作實。

DIRECTORS' REPORT

董事會報告

As of the date of this report, options to subscribe for an aggregate of 27,456,156 Shares (representing approximately 3.81% of the total issued share capital of the Company as at the date of this report) were granted by the Company under the Pre-IPO Share Option Scheme have been lapsed on 2 December 2014. Particulars of the options granted under the Pre-IPO Share Option Scheme are set out below:

截至本報告日期，本公司根據首次公開發售前購股權計劃授出可認購合共27,456,156股股份（佔於本報告日期本公司已發行股本總額約3.81%）的購股權已於二零一四年十二月二日失效。根據首次公開發售前購股權計劃授出的購股權的詳情載於下文：

Name and position of grantee in our Group	Exercise price	Outstanding as at the beginning of the year	No. of share options 購股權數目			Outstanding as at the year end	Approximate percentage of total issued share capital 佔已發行股本總額的概約百分比	Exercisable period
			Granted during the year	Lapsed during the year	Exercised during the year			
承授人的姓名及在本集團的職位	行使價 (HK\$) (港元)	於年初 尚未行使	年內授出	年內失效	年內獲行使	於年末 尚未行使		行使期
Mr. Chen Zhi, Executive Director 陳志先生·執行董事	1.82	10,433,339	-	(10,433,339)	-	-	-%	(note 1) (附註1)
Mr. Hong Pei Feng, Executive Director 洪培峰先生·執行董事	1.82	2,745,616	-	(2,745,616)	-	-	-%	(note 1) (附註1)
Mr. Zhang Tie Zhu, Executive Director 張鐵柱先生·執行董事	1.82	9,335,093	-	(9,335,093)	-	-	-%	(note 1) (附註1)
Mr. Yu Shi Quan, Executive Director 余詩權先生·執行董事	1.82	1,098,246	-	(1,098,246)	-	-	-%	(note 1) (附註1)
Mr. Wang Ping, Non-executive Director 王平先生·非執行董事	1.82	549,123	-	(549,123)	-	-	-%	(note 1) (附註1)
Mr. Chan Chun Kau, General Counsel 陳振球先生·總顧問	1.82	1,647,369	-	(1,647,369)	-	-	-%	(note 1) (附註1)
Mr. Xiao Zhen Bin, Investor Relations Director 肖振彬先生·投資關係總監	1.82	1,098,246	-	(1,098,246)	-	-	-%	(note 1) (附註1)
Mr. Pan Jian Ping, Vice President of Internal Control 潘建平先生·內部控制副總裁	1.82	549,124	-	(549,124)	-	-	-%	(note 1) (附註1)

Note 1:

Each of the grantees to whom the options have been granted under the Pre-IPO Share Option Scheme is entitled to exercise:

- (i) up to 40% of the shares that are subject to the options granted to the relevant grantee at any time during the period commencing on 26 February 2011, a year after grant date, and ending on 2 December 2014;
- (ii) up to 70% of the shares that are subject to the options granted to the relevant grantee at any time during the period commencing on 26 February 2012, two years after grant date, and ending on 2 December 2014;
- (iii) up to 100% of the shares that are subject to the options granted to the relevant grantee at any time during the period commencing on 26 February 2013, three years after grant date, and ending on 2 December 2014.

Other particulars of the Pre-IPO Share Option Scheme are set out in note 34 to the consolidated financial statements.

POST-IPO SHARE OPTION SCHEME

Pursuant to the resolutions in writing passed by the shareholders of the Company on 8 November 2010, the Company adopted the Post-IPO Share Option Scheme. The purpose of the Post-IPO Share Option Scheme is to provide incentive or reward to (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; (ii) any Directors (whether executive or non-executive, including any independent non-executive Director) of the Company or any of its subsidiaries; or (iii) any advisors, consultants, suppliers, customers and agents to the Company or any subsidiaries (each "Eligible Person").

附註1：

根據首次公開發售前購股權計劃獲授購股權的每名承授人有權按下列方式行使其購股權：

- (i) 相關承授人於二零一一年二月二十六日（即授出日期後一年）起至二零一四年十二月二日止期間內可隨時行使獲授購股權中涉及最高40%股份的購股權；
- (ii) 相關承授人於二零一二年二月二十六日（即授出日期後兩年）起至二零一四年十二月二日止期間內可隨時行使獲授購股權中涉及最高70%股份的購股權；
- (iii) 相關承授人於二零一三年二月二十六日（即授出日期後三年）起至二零一四年十二月二日止期間內可隨時行使獲授購股權中涉及最高100%股份的購股權。

首次公開發售前購股權計劃其他詳情載於合併財務報表附註34。

首次公開發售後購股權計劃

根據本公司股東於二零一零年十一月八日通過的書面決議案，本公司採納首次公開發售後購股權計劃。首次公開發售後購股權計劃旨在獎勵或回饋(i)本公司或其任何附屬公司的任何全職或兼職僱員、行政人員或高級職員；(ii)本公司或其任何附屬公司的任何董事（執行或非執行董事，包括獨立非執行董事）；或(iii)本公司或任何附屬公司的任何顧問、諮詢人士、供應商、客戶及代理（各為「合資格人士」）。

DIRECTORS' REPORT

董事會報告

The Board may, at any time within 10 years after the date of approval of the Post-IPO Share Option Scheme, make an offer to grant options to any Eligible Person. The subscription price for shares granted pursuant to the Post-IPO Share Option Scheme shall be determined by the Board in its absolute discretion and shall be at least the highest of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of offer;
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which such offer is made; and
- (iii) the nominal value of a Share.

The total number of Shares in respect of which options may be granted under the Post-IPO Share Option Scheme is not permitted to exceed 10% of the total number of Shares in issue as at the Listing Date, 73,216,512 Shares, without prior approval from the shareholders of the Company. The maximum number of Shares which may be issued upon exercise of all outstanding options granted, and yet to be exercised, under the Post-IPO Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the issued share capital of the Company from time to time. The total number of Shares issued and to be issued upon exercise of all options granted under the Post-IPO Share Option Scheme to each Eligible Person (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of issued shares of the Company. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

董事會可於首次公開發售後購股權計劃獲批准當日後十年內隨時向任何合資格人士提呈授出購股權。根據首次公開發售後購股權計劃授出的股份認購價由董事會全權酌情釐定，且不得低於下列各項的最高者：

- (i) 股份於提呈授出購股權當日在聯交所每日報價表所報的正式收市價；
- (ii) 股份於緊接提呈授出購股權當日前五個營業日在聯交所每日報價表所報的平均正式收市價；及
- (iii) 股份的面值。

如未經本公司股東事先批准，根據首次公開發售後購股權計劃可授出的購股權涉及的股份總數不得超過於上市日期已發行股份總數的10%（即73,216,512股股份）。行使根據首次公開發售後購股權計劃及本公司任何其他購股權計劃授出但尚待行使的所有未行使購股權而可發行的股份數目上限，不得超過本公司不時已發行股本的30%。於任何十二個月期間行使根據首次公開發售後購股權計劃授予每名合資格人士的所有購股權（包括已行使、已註銷及未行使的購股權）而發行及將予發行的股份總數，不得超過本公司已發行股份總數的1%。凡進一步授出超過此上限的購股權均須經股東於股東大會上批准。

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors of the Company. In addition, if shares issued and to be issued upon exercise of all options granted under the Post-IPO Share Option Scheme (including options exercised, cancelled and outstanding) to a participant who is a substantial shareholder or an independent non-executive director of the Company, or any of their associates, in any 12-month period (i) represent in aggregate more than 0.1% of the total number of shares in issue, and (ii) have an aggregate value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK\$5,000,000, the proposed grant of option must be approved by the shareholders of the Company in a general meeting.

The amount payable on acceptance of an option is RMB1.00. The exercise period of any option granted under the Post-IPO Share Option Scheme shall not be longer than 10 years from the date of grant of the relevant option. There is no minimum period for which an option must be held before the exercise of the option except otherwise imposed by the Board.

As at 31 December 2014, no share option had been granted under the Post-IPO Share Option Scheme.

凡向本公司董事、最高行政人員或主要股東或彼等任何聯繫人授出購股權，均須經本公司獨立非執行董事預先批准。此外，倘在任何十二個月期間內，於根據首次公開發售後購股權計劃向參與者（屬本公司主要股東或獨立非執行董事）或彼等任何聯繫人授出的所有購股權（包括已行使、已註銷及未行使的購股權）獲行使後發行及將予發行的股份(i)合共超過已發行股份總數0.1%，及(ii)按於每個授出日期本公司股份收市價計算的總值超過5,000,000港元，則建議授出購股權須經本公司股東於股東大會上批准。

於接納購股權時應付的金額為人民幣1.00元。根據首次公開發售後購股權計劃授出的任何購股權的行使期不得超過相關購股權授出當日起計十年。購股權於獲行使前並無必須持有的最短期限，惟董事會另有施加者則作別論。

於二零一四年十二月三十一日，並無根據首次公開發售後購股權計劃授出任何購股權。

DIRECTORS' REPORT

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 December 2014, the interests and short positions of the directors in the share capital and underlying shares (the "Share(s)") of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were set out as follows:

(i) Long position in the Company

Name of Director 董事姓名	Capacity/Nature of Interest 身份／權益性質	Number of Shares 股份數目	Approximate percentage of interest 權益概約百分比
Mr. Chen Zhi 陳志先生	Interest in controlled corporation 於受控制法團的權益	43,018,170 (note 1)	5.1%
Mr. Chen Zhi 陳志先生	Beneficial Owner 實益擁有人	390,000 390,000	0.1%
Mr. Hong Pei Feng 洪培峰先生	Interest in controlled corporation 於受控制法團的權益	3,146,604 (note 2)	0.4%
Mr. Yu Shi Quan 余詩權先生	Interest in controlled corporation 於受控制法團的權益	21,142,026 (note 3)	2.5%
		21,142,026 (附註3)	2.5%

董事於股份及相關股份的權益及淡倉

於二零一四年十二月三十一日，董事於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股本及相關股份（「股份」）中擁有記錄於根據證券及期貨條例第352條本公司須存置的登記冊，或根據上市發行人董事進行證券交易的標準守則已知會本公司及聯交所的權益及淡倉載列如下：

(i) 於本公司的好倉

Notes:

- (1) These Shares are held by TopBig International, which is wholly-owned by Mr. Chen Zhi.
- (2) These Shares are held by Blazing Sun, which is wholly-owned by Mr. Hong Pei Feng.
- (3) These shares are held by Keep Profit International Capital Limited, which Mr. Yu owns 30% of the shareholding.

(ii) Interests in the underlying Shares of equity derivatives of the Company

As at 31 December 2014, share options granted under the Pre-IPO Share Option Scheme have lapsed. Further details of such options are disclosed under the paragraph above headed "Pre-IPO Share Option Scheme".

附註：

- (1) 該等股份由陳志先生全資擁有的昇平國際持有。
- (2) 該等股份由洪培峰先生全資擁有的驕陽持有。
- (3) 該等股份由余先生擁有30%股權的創盈國際資本有限公司持有。

(ii) 於本公司股本衍生工具所涉及相關股份的權益

於二零一四年十二月三十一日，根據首次公開發售前購股權計劃授出之購股權已告失效。有關該等購股權的進一步詳情於上文「首次公開發售前購股權計劃」一段披露。

DIRECTORS' REPORT

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2014, the following persons (other than Directors or chief executives of the Company) had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in Shares:

Name 名稱	Capacity/Nature of Interest 身份／權益性質	Number of Shares 股份數目	Approximate percentage of interest 權益概約百分比
China TopReach 中國天瑞	Beneficial Owner 實益擁有人	303,526,306 303,526,306	36.1% 36.1%
TopBig International 昇平國際	Beneficial Owner (note 1) 實益擁有人(附註1)	43,018,170 43,018,170	5.1% 5.1%
Templeton Strategic Emerging Markets Fund III, LDC ("Templeton") 鄧普頓新興市場基金(「鄧普頓」)	Interest in controlled corporation (note 2) 於受控制法團的權益(附註2)	42,606,606 42,606,606	5.1% 5.1%

Notes:

- (1) TopBig International is a company incorporated under the laws of the BVI, which is wholly-owned by Mr. Chen, the executive director and chairman of the Company.
- (2) Templeton is a limited duration company incorporated in the Cayman Islands. It makes strategic investments in emerging markets and is managed by Templeton Asset Management Ltd.

Save as disclosed herein, the Company has not been notified of any other person (other than a Director or a chief executive of the Company) who had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 31 December 2014.

主要股東於股份及相關股份的權益

於二零一四年十二月三十一日，以下人士(董事或本公司最高行政人員除外)擁有記錄於根據證券及期貨條例第336條本公司須存置的登記冊的股份及相關股份權益或淡倉：

於股份的好倉：

Name 名稱	Capacity/Nature of Interest 身份／權益性質	Number of Shares 股份數目	Approximate percentage of interest 權益概約百分比
China TopReach 中國天瑞	Beneficial Owner 實益擁有人	303,526,306 303,526,306	36.1% 36.1%
TopBig International 昇平國際	Beneficial Owner (note 1) 實益擁有人(附註1)	43,018,170 43,018,170	5.1% 5.1%
Templeton Strategic Emerging Markets Fund III, LDC ("Templeton") 鄧普頓新興市場基金(「鄧普頓」)	Interest in controlled corporation (note 2) 於受控制法團的權益(附註2)	42,606,606 42,606,606	5.1% 5.1%

附註：

- (1) 昇平國際為一家根據英屬處女群島法律註冊成立的公司，由本公司執行董事兼主席陳先生全資擁有。
- (2) 鄧普頓為一家於開曼群島註冊成立的有限期公司，在新興市場作出戰略投資，由Templeton Asset Management Ltd管理。

除本文所披露者外，於二零一四年十二月三十一日，本公司並無獲知會有任何其他人士(董事或本公司最高行政人員除外)擁有記錄於根據證券及期貨條例第336條本公司須存置的登記冊的本公司股份及相關股份權益或淡倉。

CONTINUING CONNECTED TRANSACTIONS

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

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Structure Contracts

As the original shareholders of Beijing HongXinTu, including Mr. Zhang Jin Gui, Mr. Chen Zhi, Mr. Qiang Yi Bin and Ms. Lin Yu Lin, were replaced by Mr. Zheng Bo Ling, Mr. Qiang Yi Bin and Mr. Xu Kai Ning respectively as the new shareholders of Beijing HongXinTu on 8 July 2013 in accordance with the Structure Contracts, whose registered capital is owned as to 40% by Mr. Zheng Bo Ling, 30% by Mr. Qiang Yi Bin and 30% by Mr. Xu Kai Ning, the new shareholders of Beijing HongXinTu have entered into the Structure Contracts with the Company in order to continue and secure the transactions under the Structure Contracts.

The Structure Contracts comprise five agreements, namely (i) the Loan Agreement, (ii) the Equity Pledge Agreement, (iii) the Voting Rights Proxy Agreement, (iv) the Exclusive Purchase Option Agreement and (v) the Service Agreement, which were all (except the Service Agreement which was entered into between Fuzhou ShiFangCe Culture Media Co. Limited and Beijing HongXinTu) entered into between, inter alia, Mr. Zheng Bo Ling, Mr. Qiang Yi Bin, Mr. Xu Kai Ning and Fuzhou ShiFangCe Culture Media Co. Limited. Each of Mr. Zheng Bo Ling and Mr. Qiang Yi Bin is an associate of Mr. Chen Zhi and Mr. Hong Pei Feng respectively and therefore are Connected Persons of the Company. Furthermore, Mr. Xu Kai Ning, being a shareholder of Keep Profit International Capital Limited and a party to the Olympia Media Concert Parties which are controlling shareholders of the Company, is also a Connected Person of the Company.

持續關連交易

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

非豁免持續關連交易

架構合約

由於北京鴻馨圖的原股東（包括張錦貴先生、陳志先生、強亦彬先生及林育琳女士）於二零一三年七月八日根據架構合約分別被鄭柏齡先生、強亦彬先生及許開寧先生作為北京鴻馨圖的新股東代替，而鄭柏齡先生、強亦彬先生及許開寧先生分別擁有40%、30%及30%註冊資本，故北京鴻馨圖的新股東與本公司訂立架構合約，以繼續進行並維持架構合約項下的交易。

架構合約包括五份協議，分別為(i)貸款協議、(ii)股權抵押協議、(iii)投票權代表協議、(iv)獨家購買選擇權協議及(v)服務協議，除服務協議由福州十方策文化傳媒有限公司與北京鴻馨圖訂立外，全部協議均由（其中包括）鄭柏齡先生、強亦彬先生、許開寧先生與福州十方策文化傳媒有限公司訂立。鄭柏齡先生及強亦彬先生各自分別為陳志先生及洪培峰先生的聯繫人，因此也是本公司的關連人士。此外，許開寧先生為創盈國際資本有限公司的股東及奧海傳媒的一致行動人士之一，而該等人士為本公司的控股股東，因此也是本公司的關連人士。

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The Structure Contracts were entered into to establish a situation in which Fuzhou ShiFangCe Culture Media Co. Limited has obtained effective management, operational and economic control over Beijing HongXinTu and has an exclusive option to purchase all or part of the entire equity interest of Beijing HongXinTu when and to the extent permitted by the PRC law. The Company is currently prohibited from acquiring an equity interest in Beijing HongXinTu, which holds a license for the general distribution of books, newspapers and periodicals, to incorporate its business into our Group because pursuant to the Catalogue of Industries for Guiding Foreign Investment jointly promulgated by The National Development and Reform Commission of the PRC and The Ministry of Commerce of the PRC on 31 October 2007, the publication and general distribution of books, newspapers and periodicals business is classified as an industry in which foreign investors are prohibited from investing.

The transactions under the Structure Contracts (except those under the Service Agreement) constitute continuing connected transactions for our Company under the Listing Rules and are subject to the requirements of reporting, announcement and independent shareholders' approval under Chapter 14A of the Listing Rules following the Listing.

The Directors believe that the Company's structure whereby Beijing HongXinTu's financial results are consolidated into the Company's financial statements as if it was a wholly-owned subsidiary and the flow of economic benefits from its business to the Company, places the Group in a special position in relation to the connected transactions rules. Accordingly, notwithstanding that the transactions contemplated under the Structure Contracts technically constitute continuing connected transactions for the purposes of Chapter 14A of the Listing Rules, the Directors consider that it would be unduly burdensome and impracticable and would impose unnecessary administrative costs on us to be subject to strict compliance with the requirements set out under Chapter 14A of the Listing Rules in respect of these continuing connected transactions.

架構合約確立了福州十方策文化傳媒有限公司取得北京鴻馨圖實際管理、經營及經濟控制權，以及有獨家選擇權於中國法律准許的時間及規定下購買所有或部分北京鴻馨圖的全部股權。由於根據由中國國家發展和改革委員會及中國商務部於二零零七年十月三十一日聯合頒佈的外商投資產業指導目錄，出版及總發行圖書、報紙及期刊是外國投資者被禁止投資的產業，而北京鴻馨圖現時持有圖書、報紙及期刊總發行的執照，故本公司目前不得收購北京鴻馨圖的任何股權，從而將北京鴻馨圖的業務併入本集團。

根據上市規則，架構合約項下的交易（服務協議項下的交易除外）構成本公司的持續關連交易，故於上市後須遵守上市規則第十四A章項下的申報、公告及獨立股東批准規定。

董事相信本公司的架構（北京鴻馨圖的財務業績將於本公司的財務報表內合併入賬，猶如其為本公司的全資附屬公司，且其業務的經濟收益流入本公司），使本集團處於關連交易規則的特殊位置。因此，儘管根據架構合約擬進行的交易技術上構成上市規則第十四A章項下的持續關連交易，惟董事認為就該等持續關連交易嚴格遵守上市規則第十四A章所載的規定會構成不必要的繁重負擔及不可行，並會為本公司帶來不必要的行政費用。

Pursuant to the Listing Rules, the Company has applied for and the Stock Exchange has granted a waiver from strict compliance with the reporting, announcement, independent shareholders' approval, annual cap and agreements with fixed term of no more than three years requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions under the Structure Contracts for so long as the Shares are listed on the Stock Exchange.

For details of the Structure Contracts, please refer to the sections headed "History and Corporate Structure" and "Connected Transactions" of the Prospectus.

Pursuant to Rule 14A.56 of the Listing Rules, the Board engaged PricewaterhouseCoopers, the auditor of the Company to report on the continuing connected transactions of the Group in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. PricewaterhouseCoopers has reported the results and their work to the Board, confirming that the transaction has received the approval of the Directors, has been entered into in accordance with the relevant Structured Contracts and that no dividends or other distributions has been made by Beijing HongXinTu to its shareholders.

The independent non-executive Directors have reviewed the Structure Contracts, the above continuing connected transactions and the report of the auditor. In the opinion of the independent non-executive Directors:

- (i) the continuing connected transactions carried out during the year are in the ordinary and usual course of business of the Group and have been entered into in accordance with the relevant provisions of the Structure Contracts so that the revenue generated by Beijing HongXinTu and the subsidiaries of the Company have been mainly retained by the Group;

根據上市規則，本公司已就架構合約項下的持續關連交易向聯交所申請於股份在聯交所上市期間豁免嚴格遵守上市規則第十四A章項下的申報、公告、獨立股東批准、年度上限及協議固定年期不得超過三年的規定，並已獲聯交所批准。

有關架構合約的詳情，請參閱招股章程「歷史及公司架構」及「關連交易」等節。

依據上市規則第14A.56條，董事會已委聘本公司核數師羅兵咸永道會計師事務所根據香港會計師公會頒佈的香港核證委聘準則第3000號「歷史財務資料審計或審閱以外的核證聘用」，並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。羅兵咸永道會計師事務所已向董事會匯報有關結果及彼等的工作，並確認交易已獲董事批准，已根據相關架構合約進行以及北京鴻馨圖並無向其股東派發股息或作出其他分派。

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

- (i) 年內進行的持續關連交易乃於本集團日常及一般業務過程中訂立，並遵照架構合約有關規定而訂立，故北京鴻馨圖與本公司的附屬公司產生的收入主要撥歸本集團；

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- (ii) the continuing connected transactions were entered into either (a) on normal commercial terms; or (b) where there is no available comparison, on terms that are no less favorable to the Group than terms to or from independent third parties;
 - (iii) no dividends or other distributions have been made by Beijing HongXinTu to its shareholders; and
 - (iv) any new Structure Contracts entered into, renewed or reproduced between Beijing HongXinTu and the Company during the relevant financial period are fair and reasonable, or advantageous, so far as the Company are concerned and in the interests of our shareholders as a whole.
- (ii) 持續關連交易乃(a)按正常商業條款;或(b) (倘無條款可作比較)按不遜於本集團給予或來自獨立第三方的條款訂立;
 - (iii) 北京鴻馨圖並無向其股東派發股息或作出其他分派;及
 - (iv) 於有關財政期間內,北京鴻馨圖與本公司訂立、續簽或重訂的任何新架構合約對本公司而言是公平合理或有利,且符合股東整體利益。

Other than disclosed above, there was no other transaction which needs to be disclosed as connected transaction in accordance with the requirements of the Listing Rules during the year ended 31 December 2014.

除上文所披露者外,於截至二零一四年十二月三十一日止年度,並無其他交易須按照上市規則規定披露為關連交易。

SUFFICIENCY OF PUBLIC FLOAT

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

公眾持股量充足程度

依照本公司可公開獲得的資料及就董事所知,於本報告日期,本公司已發行股本總額最少25%由公眾人士持有。

AUDITORS

The consolidated financial statements have been audited by PricewaterhouseCoopers who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

核數師

羅兵咸永道會計師事務所已審核合併財務報表。羅兵咸永道會計師事務所將於本公司應屆股東週年大會上任滿告退,惟合資格並願意於會上獲續聘。

ON BEHALF OF THE BOARD

代表董事會

Chen Zhi

Chairman, Chief Executive Officer and Executive Director

主席、首席執行官兼執行董事

陳志

Hong Kong
26 March 2015

香港
二零一五年三月二十六日

CORPORATE GOVERNANCE REPORT

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CORPORATE GOVERNANCE CODE

The Company recognises the importance and value of achieving high standards of corporate governance practices. The Board believes that good corporate governance is an essential element in maintaining and promoting shareholder value and investor confidence.

The Company has adopted the principles and complied with the former and revised code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) as its own code of corporate governance since the date of the listing of the shares of the Company on the Main Board of the Stock Exchange on 3 December, 2010, which shall also be revised from time to time in accordance with the Listing Rules. Save as disclosed below, the Board considers the Company has complied with the code provisions as set out in the CG Code.

Set out below the corporate governance principles and the practices adopted and observed by the Company during the year ended 31 December 2014.

THE BOARD

The Board provides effective and responsible leadership for the Company in setting the strategic decision and overseeing the Company’s overall operations. The Board meets regularly and each Director has to make decisions objectively in the best interests of the Company and its shareholders.

企業管治守則

本公司深明達致高水平企業管治常規的重要性及價值。董事會相信良好企業管治乃維持及提升股東價值與投資者信心的要素。

自本公司股份於聯交所主板上市日期二零一零年十二月三日起，本公司一直採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載先前及經修訂企業管治守則（「企業管治守則」）的原則，並遵守該守則的守則條文，作為本身的企業管治守則，而本公司亦須按照上市規則不時修訂此守則。除下文所披露者外，董事會認為本公司已遵守企業管治守則所載的守則條文。

下文載列本公司於截至二零一四年十二月三十一日止年度採納及遵循的企業管治原則及常規。

董事會

董事會負責有效領導本公司，制訂策略及監督本公司整體營運。董事會定期舉行會議，各董事須以本公司及其股東的最佳利益為依歸，客觀地作出決策。

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Board Composition

The Board comprises 9 Directors, 4 of whom are executive Directors and 2 of whom is non-executive Director and 3 of whom are independent non-executive Directors. The Composition of the Board is well balanced with each Director having extensive knowledge, experience and expertise relevant to the business operations and development of the Group. The biographies of all Directors are set out on pages 42 to 49 of this annual report. Save as disclosed in this annual report, none of the Directors has any other financial, business, family or other material or relevant relationships among members of the Board.

The Company has adopted the Board Diversity Policy in March 2014. The policy sets out the approach to achieve diversity on the Board of the Company which includes but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional experience. The Nomination Committee made an annual review on the structure, size and composition of the Board and where appropriate, made recommendations on changes to the Board that are relevant to the Company's business growth.

Board Proceedings

The Company will hold at least four board meetings at approximately quarterly intervals and will also meet at such other times when necessary. Formal agenda of all Board meetings are distributed to the Directors for comments and approval, generally, at least 14 days before the meetings. Adequate time and sufficient resources will provide to all Directors to discharge their duties at which the Directors actively participate and hold informed discussions. All minutes of Board meetings will record in sufficient detail the matters considered by the Board and decisions reached.

董事會組成

董事會成員包括九名董事，四名為執行董事，兩名為非執行董事，其餘三名為獨立非執行董事。董事會的組成均衡，各董事均具備與本集團業務營運及發展相關的豐富知識、經驗及專長。各董事的履歷載於本年報第42至49頁。除本年報所披露者外，概無董事與董事會成員擁有任何其他財務、業務、家族或其他重大或相關關係。

本公司已於二零一四年三月採納董事會多元政策，制定實現本公司董事會多元化的方針，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及地區經驗。提名委員會將每年檢討董事會的架構、規模及組成，並在適當時候就本公司的業務發展提供改變董事會的推薦建議。

董事會程序

本公司將最少舉行四次董事會會議，約每季舉行一次，有需要時亦會於其他時間舉行會議。所有董事會會議的正式議程一般於會議前最少十四日分發予董事，以供發表意見及批准。各董事將獲賦予足夠時間及充足資源履行其職務，而董事須積極參與並於知情情況下進行討論。董事會會議所有會議紀錄將充分詳細記錄董事會審議的議題及作出的決策。

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During the period under review, the Board convened 1 shareholders' general meeting, 5 board meetings, 3 Audit Committee meetings, 1 Remuneration Committee meeting and 1 Nomination Committee meeting respectively. The attendance of individual Directors at general meetings and meetings of the Board, Audit Committee, Remuneration Committee and Nomination Committee is as follows:

於回顧期間，董事會分別曾召開一次股東大會、五次董事會會議、三次審核委員會會議、一次薪酬委員會會議及一次提名委員會會議。董事於股東大會以及董事會、審核委員會、薪酬委員會及提名委員會各會議的出席率如下：

		Shareholders' general meeting 股東大會	Meeting attended/held 出席/舉行會議次數			
			Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Executive Directors	執行董事					
Chen Zhi (<i>Chairman & Chief Executive Officer</i>)	陳志 (<i>主席兼首席執行官</i>)	1	5	N/A 不適用	1	1
Hong Pei Feng	洪培峰	1	5	N/A 不適用	N/A 不適用	N/A 不適用
Zhang Tie Zhu	張鐵柱	-	5	N/A 不適用	N/A 不適用	N/A 不適用
Yu Shi Quan (<i>Chief Financial Officer</i>)	余詩權 (<i>首席財務官</i>)	1	5	N/A 不適用	N/A 不適用	N/A 不適用
Non-executive Directors	非執行董事					
Wang Ping (resigned on 31 March 2015)	王平 (於二零一五年三月三十一日辭任)	-	3	N/A 不適用	N/A 不適用	N/A 不適用
Chen Wei Dong (appointed on 1 April 2015)	陳偉東 (於二零一五年四月一日獲委任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Chen Min	陳敏	1	5	N/A 不適用	N/A 不適用	N/A 不適用
Independent Non-executive Directors	獨立非執行董事					
Wong Heung Ming, Henry	黃向明	-	5	3	1	1
Zhou Chang Ren	周昌仁	-	5	3	1	N/A 不適用
Zhuo Ze Yuan (resigned on 9 June 2014)	卓澤淵 (於二零一四年六月九日辭任)	-	1	3	N/A 不適用	1
Cai Jian Quan	蔡建權	1	5	N/A 不適用	N/A 不適用	N/A 不適用

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All the Directors have access to relevant and timely information. They also have access to the advice and services of the company secretary of the Company, who is responsible for providing the Directors with Board papers and related materials. Where queries are raised by the Directors, prompt and full responses will be given if possible.

Should a potential conflict of interest involving a substantial shareholder of the Company or a Director arise, the matter will be discussed in a physical Board meeting, as opposed to being dealt with by a written resolution. Independent Non-Executive Directors with no conflict of interest will be present at meetings dealing with such conflict issues.

Independent Non-Executive Directors are identified in all corporate communications containing the names of the Directors. An updated list of the Directors identifying the Independent Non-Executive Directors and the roles and functions of the Directors is maintained on the website of the Company and the website of the Stock Exchange.

Roles and responsibilities of the Board

The Board is collectively responsible for promoting the success and interest of the Group through its leadership and supervision. The principal tasks of the Board are to:

- (i) provide entrepreneurial leadership for the Company with a framework of prudent and effective controls which enables risks to be assessed and managed;
- (ii) set the Company's strategic aims, ensuring that the necessary financial and human resources are in place for the Company to meet its objectives and review its management performance; and
- (iii) set the Company's values and standards and ensure that its obligations to its shareholders and others are understood and met.

所有董事可獲得相關及適時的資料。彼等亦可獲得本公司的公司秘書提供的意見及服務，公司秘書負責向董事提供董事會文件及有關材料。倘董事提出問題，本公司會在可能情況下儘快作出詳盡回應。

倘出現涉及本公司主要股東或董事的潛在利益衝突，有關事宜將於實際董事會會議上討論，而不會透過提呈書面決議案處理。並無涉及利益衝突的獨立非執行董事將會出席會議，處理有關衝突事宜。

所有載有董事姓名的公司通訊均會列出獨立非執行董事的身份。列有獨立非執行董事身份以及董事角色及職能的最新董事名單載於本公司網站及聯交所網站。

董事會的角色及責任

董事會通過領導及監督，集體負責推動本集團的成功及增進其利益。董事會的主要工作為：

- (i) 以審慎有效的監控架構為本公司提供企業領導，令風險得以評估及管理；
- (ii) 制定本公司的策略目標，確保所需財務及人力資源配置得宜，令本公司可達成其目標及檢討其管理層的表現；及
- (iii) 訂定本公司的價值及標準，確保可了解及履行其對股東及其他人士的責任。

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No event or condition of material uncertainties was found that may cast significant doubt about the Company's ability to continue as a going concern during the period under review. The Directors were responsible for the preparation and the true and fair presentation of the financial statements of the Company, in all material respects, in accordance with applicable regulatory requirements.

Skills, knowledge, experience and attributes of Directors

All Directors of the Board had served in office during the period under review. Every Director commits to give sufficient time and attention to the affairs of the Company. The Directors also demonstrate their understanding and commit to high standards of corporate governance. The Executive Director brings his perspectives to the Board through his deep understanding of the Group's business. The Non-Executive Directors and the Independent Non-Executive Directors contribute their own skills and experience, understanding of local and global economies, and knowledge of capital markets to the Group's business. The Company is responsible for arranging and funding suitable continuous professional development programmes for all Directors to hone and refresh their knowledge and skills.

Induction and training

Each newly appointed Director, executive or non-executive, is required to undertake an induction program to ensure that he has a proper understanding of his duties and responsibilities. The induction program includes an overview of the Group's business operation and governance policies, the Board meetings' procedures, matters reserved to the Board, an introduction of the Board committees, the Directors' responsibilities and duties, relevant regulatory requirements, review(s) of minutes of the Board and Board committees in the past 12 months, and briefings with senior officers of the Group and site visits (if necessary).

於回顧期內並無發現有任何重大不明朗事件或情況，可導致本公司能否持續經營嚴重成疑。董事有責任根據適用監管規定，編製及在各重大方面真實而公平地呈列本公司的財務報表。

董事技能、知識、經驗及特性

董事會所有董事於回顧期間在任。各董事承諾投放足夠時間及注意力處理本公司事務。董事亦表明了解並致力維持高水平的企業管治。執行董事透過對本集團業務的深入了解將其視野帶入董事會。非執行董事及獨立非執行董事則因應本身的技能及經驗、對本地及全球經濟的了解以及對資本市場的認識，為本集團業務作出貢獻。本公司有責任為所有董事安排及出資提供合適的持續專業發展課程，以增進及更新彼等的知識及技能。

就職與培訓

各新任執行或非執行董事須參與就職計劃，以確保對其職責及責任有正確理解。就職計劃包括本集團業務營運及管治政策概覽、董事會會議程序、保留予董事會決策的事項、董事委員會簡介、董事責任及職責、有關監管規定、過往十二個月董事會及董事委員會的會議紀錄回顧以及本集團高級管理人員簡報與實地考察（如有需要）。

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Pursuant to the Code Provision A.6.5 of the Revised CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure their contribution to the Board remains informed and relevant. During the Year, all Directors had participated in appropriate continuous professional development activities by ways of attending training and/or reading materials relevant to the Company's business or to the Directors' duties and responsibilities. In addition, all Directors have been updated on the latest development regarding the Listing Rules and other applicable regulatory requirement to ensure compliance and enhance their awareness of good corporate governance practices.

Directors' and officers' liability insurance and indemnity

The Company has arranged appropriate liability insurance to indemnify its Directors and officers in respect of legal actions against the Directors. Throughout 2014, no claim had been made against the Directors and the officers of the Company.

On 1 March 2015, the Company learned from the media that Mr. Wang Ping, a Non-executive Director of the Company, has been detained by the Beijing police for investigation on matters not related to the Company or its business. The Company has no information as to the details of the incident.

Chairman and Chief Executive Officer

Under code provision A.2.1 of the CG code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Chen Zhi, who acts as the chairman and chief executive officer of the Company, is responsible in pioneering the Company's distinctive business model and undertaking the main decision-making role in the management of the Company's overall operations and overseeing the strategic development of the Group. The Board will meet regularly to consider and review the major and appropriate issues affecting the operations of the Company. As such, the Board considers that the sufficient measures have been taken and it will not impair the balance of power and authority between the Board and the management.

根據經修訂企業管治守則的守則條文第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，以確保其在具備全面資訊及切合所需的情況下對董事會作出貢獻。本年度內，所有董事已透過參加培訓及／或閱讀有關本公司業務或董事職責及責任的材料參與適當的持續專業發展活動。此外，所有董事已獲提供關於上市規則及其他適用監管規定的最新發展資料，以確保遵守及提升彼等對良好企業管治常規的認知。

董事及高級職員的責任保險及彌償保證

本公司已安排適當責任保險，以就針對董事的法律訴訟向董事及高級職員作出彌償保證。於二零一四年全年，並無任何人士向本公司董事及高級職員提出索償。

本公司於二零一五年三月一日自傳媒獲悉，本公司非執行董事王平先生已被北京警方拘留，以調查與本公司或其業務無關的事宜。本公司並無有關該事件詳情的資料。

主席及首席執行官

根據企業管治守則的守則條文第A.2.1條，主席與首席執行官的角色應有區分，並不應由一人同時兼任。

陳志先生擔任本公司主席兼首席執行官，負責開創本公司獨樹一幟的業務模式，在本公司整體經營管理中擔當主要決策角色及監督本集團的策略開發。董事會將定期舉行會議，考慮及審議影響本公司經營的重大及合適議題。因此，董事會認為已採取足夠措施，不會使董事會與管理層之間的權力及授權失衡。

Independent Non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, the Company has appointed four independent non-executive Directors representing more than one-third of the Board. The Company has received from each of its independent non-executive Directors the written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board, based on such confirmation, considers all independent non-executive Directors independent.

Appointment and Re-election of Directors

Each of the executive Directors and non-executive Directors has entered into a service contract with the Company for a term of three years, which may be terminated by not less than six months' notice in writing served by either party on the other. The independent non-executive Directors have been appointed for a term of three years and shall be terminable by either party giving not less than two months prior notice in writing. The Directors have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next annual general meeting of our Company and shall then be eligible for re-election at that meeting. In accordance with the Articles of the Company, at every annual general meeting of the Company, one-third of the Directors for the time being or, if the number is not three or a multiple of three, then the number nearest to, but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

獨立非執行董事

本公司已遵守上市規則第3.10(1)條，委任四名獨立非執行董事，佔董事會人數三分之一以上。本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性發出的書面確認。基於有關確認，董事會認為全體獨立非執行董事均屬獨立人士。

委任及重選董事

各執行董事及非執行董事已與本公司訂立服務合約，為期三年，可由任何一方向另一方發出不少於六個月的書面通知而終止。獨立非執行董事委任年期為三年，可由任何一方發出不少於兩個月的事先書面通知而終止。董事有權隨時及不時委任任何人士出任董事，以填補臨時空缺或出任新增的董事職位。按上述方式委任的董事，任期將於本公司下屆股東週年大會舉行時屆滿，屆時符合資格可於會上重選連任。根據本公司細則，於本公司每年的股東週年大會上，三分之一在任董事，或倘董事人數並非三位或三的倍數，則最接近但不少於三分之一的董事須輪席告退，惟每名董事（包括按特定任期獲委任的董事）均須最少每三年輪席告退一次。

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Relationships and associations among the Directors

Ms. Chen Min is the sister of Mr. Chen Zhi, who is also the chairman of the Company. Save as disclosed, there was no relationship between members of the Board (including financial, business, family or other material/relevant relationship(s)).

Company secretary

The company secretary of the Company (the “Company Secretary”) is responsible for keeping detailed minutes of each meeting of the Board or the Board committees including any dissenting views expressed by the Directors, which should be made available to all Directors for inspection. She is also responsible for ensuring that the Board procedures comply with all applicable laws, rules and regulations and advising the Board on corporate governance matters. All agenda, relevant materials and document are required to be sent out at least 3 days prior to the intended dates of the Board meetings or meetings of the Board committees. It is the responsibility of the Company Secretary to send the draft minutes of the meetings of the Board or the Board committees to all Directors for comments within a reasonable time after the aforesaid meetings. Final versions of minutes of meetings of the Board or the Board committees are also required to be sent to all Directors for record. All Directors have access to the advice and services of the Company Secretary to ensure that the Board procedures and all applicable laws are followed.

Moreover, the Company Secretary is responsible for keeping all Directors updated on the Listing Rules, regulatory requirements, as well as internal codes of conduct of the Company.

During the Year, the Company Secretary had confirmed that she had taken no less than 15 hours of relevant professional training.

董事間之關係及聯繫

陳敏女士為本公司主席陳志先生的胞妹。除已披露者外，董事會成員間並無任何關係（包括財務、業務、家族或其他重大／相關關係）。

公司秘書

本公司的公司秘書（「公司秘書」）負責保存各董事會會議或董事委員會會議的詳細會議紀錄，當中包括董事發表的任何相反意見。有關會議紀錄應可供全體董事查閱。彼亦負責確保董事會程序符合所有適用法律、規則及規例，以及就企業管治事宜向董事會提供意見。所有會議議程、有關資料及文件至少須於董事會或董事委員會會議預定舉行日期前3天發出。公司秘書有責任於上述會議結束後，在合理時間內將董事會或董事委員會會議的會議紀錄初稿提交予全體董事，讓董事給予意見，而董事會或董事委員會會議紀錄定稿亦須交予全體董事備存。所有董事可取得公司秘書的意見及享用其提供的服務，以確保董事會程序及所有適用法律得以遵循。

再者，公司秘書有責任讓全體董事得悉有關上市規則、監管規定及本公司內部行為守則的最新資訊。

於本年度內，公司秘書確認已參加不少於15個小時的相關專業培訓。

Model Code for Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by the Directors of the Company of Listed Issuers (the "Model Code") as set forth in Appendix 10 of the Listing Rules as its own code of conduct for dealing in securities by the Directors of the Company. Specific enquiries have been made with all the Directors of the Company and all of them confirmed and declared that they have complied with the required standards as set out in the Model Code during the period from the Listing Date to 31 December 2014.

BOARD COMMITTEES

Audit Committee

The audit committee of the Company (the "Audit Committee") has been established on 8 November, 2010 with written terms of reference in compliance with the CG Code. In compliance with the amendments to the Listing Rules which will become effective on 1 April 2012, the Board adopted revised terms of reference for the Audit Committee on 27 March 2012. The Audit Committee comprises three members, all are independent non-executive Directors, namely Mr. Wong Heung Ming, Henry (Chairman), Mr. Zhou Chang Ren and Mr. Cai Jianquan.

The primary duties of the Audit Committee are:

- To make recommendations to the Board on (i) the appointment, reappointment and removal of the external auditors; (ii) the audit fee and terms of engagement of the external auditors; and (iii) any questions of resignation or dismissal of that auditor
- To review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards

董事進行證券交易的標準守則

本公司採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易的行為守則。在向本公司全體董事作出特定查詢後，彼等全部確認及聲明彼等於上市日期至二零一四年十二月三十一日期間一直遵守標準守則所載的規定標準。

董事委員會

審核委員會

本公司於二零一零年十一月八日成立審核委員會，並制訂符合企業管治守則的書面職權範圍。為遵守於二零一二年四月一日生效的上市規則修訂，董事會已於二零一二年三月二十七日採納經修訂的審核委員會職權範圍。審核委員會包括三名成員，即黃向明先生（主席）、周昌仁先生及蔡建權先生，全部均為獨立非執行董事。

審核委員會的主要職責為：

- 就(i)委任、重新委任及撤換外部核數師；(ii)外部核數師的核數費用及委聘條款；及(iii)任何有關核數師辭任或解聘的問題向董事會提出建議
- 按照適用準則，檢討及監察外部核數師的獨立及客觀性，以及核數程序的成效

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- To monitor the integrity of the financial statements of the Company and the Company's annual report and accounts, interim report and quarterly financial highlights, and reviewing significant financial reporting judgements contained in those reports
- To review the adequacy and monitor the effectiveness of the Company's financial reporting system, internal control and risk management systems.

The Audit Committee has reviewed with the management in conjunction with the external auditor, the annual results and annual report of the Group for the year ended 31 December, 2013, including the accounting policies and practice adopted by the Group.

During the year ended 31 December 2014, the Audit Committee had performed their primary duties to review and supervise the financial reporting process and the internal control procedures of the Company. The Audit Committee has also held meeting with the Company's external auditors, Messrs. PricewaterhouseCoopers ("PwC") without the presence of executive Directors and management, to discuss matters arising from the auditing and report to the Board on material issues, if any, and make recommendations to the Board.

The Audit Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Audit Committee can be viewed on the website of the Company and the website of the Stock Exchange.

- 監察本公司財務報表、本公司年報及賬目、中期報告及季度財務摘要的完整性，並審閱該等報告所載就財務報告作出的重大判斷
- 檢討本公司財務報告制度、內部監控及風險管理制度是否全面，並監察其成效。

審核委員會已會同外部核數師與管理層審閱本集團截至二零一三年十二月三十一日止年度的年度業績及年報，包括本集團採納的會計政策及慣例。

截至二零一四年十二月三十一日止年度，審核委員會已履行其主要職責，檢討及監督本公司的財務報告程序及內部監控程序。審核委員會亦在執行董事及管理層避席的情況下，與本公司外部核數師羅兵咸永道會計師事務所舉行會議，討論因核數而產生的事項，並向董事會匯報重大事宜（如有），以及向董事會提供推薦意見。

本公司已向審核委員會提供足夠資源，供其履行職責。審核委員會的最新職權範圍可在本公司網站及聯交所網站查閱。

Remuneration Committee

The remuneration committee of the Company (the “Remuneration Committee”) has been established on 8 November, 2010 with written terms of reference in compliance with the CG Code. In compliance with the amendments to the Listing Rules which will become effective on 1 April 2012, the Board adopted revised terms of reference for the Remuneration Committee on 27 March 2012. The Remuneration Committee comprises three members, namely Mr. Zhou Chang Ren (Chairman), Mr. Chen Zhi and Mr. Wong Heung Ming, Henry, the majority of which are independent non-executive Directors. The primary duties of the Remuneration Committee are to evaluate and make recommendations to the Board regarding the remuneration packages to the Directors and senior management which will be determined by reference to the performance of the individual and the Company as well as market trends and practices.

The Remuneration Committee is provided with sufficient resources to perform its duties. The current duties and responsibilities of the Remuneration Committee are more specifically set out in its latest terms of reference, details of which can be viewed on the website of the Company and the website of the Stock Exchange.

The following is a summary of work performed by the Remuneration Committee during the period under review:

- (a) formulating and recommending the policy and structure of the remuneration of the Directors and senior officers of the Group to the Board;
- (b) assessing individual performance of the Directors and senior officers of the Group;
- (c) reviewing specific remuneration packages of the Directors and senior officers of the Group with reference to the Board’s corporate goals and objectives as well as individual performances; and

薪酬委員會

本公司於二零一零年十一月八日成立薪酬委員會，並制訂符合企業管治守則的書面職權範圍。為遵守於二零一二年四月一日生效的上市規則修訂，董事會已於二零一二年三月二十七日採納經修訂的薪酬委員會職權範圍。薪酬委員會包括三名成員，即周昌仁先生（主席）、陳志先生及黃向明先生，大部分為獨立非執行董事。薪酬委員會的主要職責為評估董事及高級管理層的薪酬組合，並就此向董事會提供推薦意見。有關薪酬將參照個人及本公司表現以及市場趨勢及慣例釐定。

本公司已向薪酬委員會提供足夠資源，供其履行職責。薪酬委員會現時的職責及責任於其最新職權範圍有更具體描述，詳情可在本公司網站及聯交所網站查閱。

於回顧期間，薪酬委員會已進行的工作概列如下：

- (a) 制訂本集團董事及高級職員的薪酬政策及架構，並向董事會提供建議；
- (b) 評估本集團董事及高級職員的個別表現；
- (c) 參照董事會的企業目標及目的以及個別表現，檢討本集團董事及高級職員的特定薪酬待遇；及

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(d) reviewing and making recommendations to the Board on compensation-related issues.

Nomination Committee

The nomination committee of the Company (the "Nomination Committee") has been established on 8 November, 2010 with written terms of reference in compliance with the CG Code. In compliance with the amendments to the Listing Rules which will become effective on 1 April 2012, the Board adopted revised terms of reference for the Nomination Committee on 27 March 2012. The Nomination Committee currently comprises three members, namely Mr. Cai Jian Quan (Chairman), Mr. Chen Zhi and Mr. Wong Heung Ming, Henry, the majority of which are independent non-executive Directors. The primary duties of the Nomination Committee are to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors. The Nomination Committee selects and recommends the candidates for directorship shall base on the criterion including professional knowledge, competence, experience, independence and integrity.

The Nomination Committee is provided with sufficient resources to perform its duties. The current duties and responsibilities of the Nomination Committee are more specifically set out in its latest terms of reference, details of which can be viewed on the website of the Company and the website of the Stock Exchange.

The Company has adopted the Board Diversity Policy in March 2014. The policy sets out the approach to achieve diversity on the Board of the Company which include but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional experience. The Nomination Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board that are relevant to the Company's business growth.

(d) 檢討有關薪酬相關問題，並向董事會提供建議。

提名委員會

本公司於二零一零年十一月八日成立提名委員會，並制訂符合企業管治守則的書面職權範圍。為遵守於二零一二年四月一日生效的上市規則修訂，董事會已於二零一二年三月二十七日採納經修訂的提名委員會職權範圍。提名委員會現時包括三名成員，即蔡建權先生（主席）、陳志先生及黃向明先生，大部分為獨立非執行董事。提名委員會的主要職責為就委任或重新委任董事及董事繼任計劃向董事會提供推薦意見。提名委員會根據專業知識、勝任能力、經驗、獨立性及誠信等準則挑選及推薦董事人選。

本公司已向提名委員會提供足夠資源，供其履行職責。提名委員會現時的職責及責任於其最新職權範圍有更具體描述，詳情可在本公司網站及聯交所網站查閱。

本公司已於二零一四年三月採納董事會多元政策，制定實現本公司董事會多元化的方針，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及地區經驗。提名委員會將每年檢討董事會的架構、規模及組成，並在適當時候就本公司的業務發展提供改變董事會的推薦建議。

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The following is a summary of the work performed by the Nomination Committee during the period under review:

- (a) reviewing and evaluating the composition of the Board with reference to certain criteria. These criteria included qualifications required under the Listing Rules or any other relevant laws regarding characteristics and skills of the Directors, professional ethics and integrity, appropriate professional knowledge and industry experience, as well as ability to devote sufficient time to the work of the Board and its committees and to participate in all Board meetings and shareholders' meetings;
- (b) reviewing and recommending the re-appointment of the retiring Directors for reelection at the previous general meeting; and
- (c) assessing independence of the Independent Non-Executive Directors.

During the year ended 31 December 2014. The Nomination Committee had performed their primary duties to review and make recommendations to the Board on the structure, size and composition of the Board, including its diversity, based on a range of perspectives with reference to the Company's business model and requirements, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional experience. The Nomination Committee considered that the current composition of the Board is balanced in terms of diversity and is able to meet the objectives of the Board.

於回顧期間，提名委員會已進行的工作概列如下：

- (a) 參照若干準則檢討及評價董事會組成。該等準則包括上市規則或任何其他相關法例規定須具備的資格，包括董事個性及技能、專業操守及誠信、適合的專業知識及行業經驗、能否付出足夠時間參與董事會及其委員會的工作以及參與所有董事會會議及股東大會；
- (b) 檢討續聘於之前股東大會上膺選連任的退任董事，並提供建議；及
- (c) 評估獨立非執行董事的獨立性。

截至二零一四年十二月三十一日止年度，提名委員會已履行其主要職責，參照本公司的業務模式及需要及從多個角度（包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及地區經驗）檢討董事會的架構、規模及組成（包括其多元性），並就此向董事會提供推薦建議。提名委員會認為，董事會目前之組成在多元性方面誠屬均衡，並夠達到董事會的目標。

CORPORATE GOVERNANCE REPORT

企業管治報告

ACCOUNTABILITY AND AUDIT

Directors' and Auditors' Responsibilities for the Financial Statements

The Directors acknowledge their responsibility for preparing the Company's financial statements for the year ended 31 December, 2014 which reflect true and fair view of the financial position of the Company and the Group and in compliance with relevant law and disclosure provisions of the Listing Rules. The Board is responsible for presenting a balanced, clear and comprehensible assessment extends to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules.

The Group appointed PwC as the Group's external auditor. The statement by PwC regarding their reporting responsibility to the shareholders on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 87 to 89 of this annual report.

During the year ended 31 December 2014, the remuneration paid or payable to PwC for audit services, audit related services and non-audit services amounted to RMB3,600,000 (2013: RMB2,872,000), RMB843,000 (2013: RMB957,000) and RMB13,000 (2013: RMB10,000) respectively.

Internal Controls

The Board is responsible for maintaining sound and effective internal controls to safeguard the shareholders' investment and the assets of the Group. During the year ended 31 December 2014, the Board has reviewed the effectiveness of the internal control system of the Group through the Audit Committee.

問責及核數

董事及核數師就財務報表的責任

董事清楚彼等須負責編製本公司截至二零一四年十二月三十一日止年度的財務報表，而財務報表須真實及公平地反映本公司及本集團的財務狀況，及符合相關法例及上市規則的披露規定。董事會負責衡平、清晰及全面地呈列年報及中期報告、其他股價敏感公告及上市規則規定的其他財務披露事項。

本集團已委任羅兵咸永道會計師事務所為本集團外部核數師。羅兵咸永道會計師事務所就其向股東報告本集團合併財務報表的責任發出的聲明載於本年報第87至89頁的獨立核數師報告內。

於截至二零一四年十二月三十一日止年度，就審核服務、審核相關服務及非審核服務而已付或應付羅兵咸永道會計師事務所的酬金分別為人民幣3,600,000元（二零一三年：人民幣2,872,000元）、人民幣843,000元（二零一三年：人民幣957,000元）及人民幣13,000元（二零一三年：人民幣10,000元）。

內部監控

董事會負責維持穩健而有效的內部監控，以保障股東的投資及本集團資產。於截至二零一四年十二月三十一日止年度，董事會已透過審核委員會檢討本集團內部監控制度的成效。

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate governance functions

The Board is responsible for performing the following corporate governance duties as required under the Revised CG Code:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of the Directors and senior officers of the Group;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the codes of conduct applicable to employees and the Directors; and
- (e) to review the Company's compliance with the CG Code and the Revised CG Code and disclosure in this Corporate Governance Report.

During the period under review, the Board considered the following corporate governance matters:

- (i) review of the compliance with the CG Code and the Revised CG Code; and
- (ii) review of the effectiveness of the internal controls and risk management systems of the Group through the Audit Committee.

企業管治職能

董事會有責任根據經修訂企業管治守則履行下列企業管治職責：

- (a) 制定及檢討本公司的企業管治政策及常規；
- (b) 檢討及監察本集團董事及高級職員的培訓及持續專業發展；
- (c) 檢討及監察本公司遵守法定及監管規定的政策及常規；
- (d) 制定、檢討及監察適用於僱員及董事的行為守則；及
- (e) 檢討本公司有否遵守企業管治守則及經修訂企業管治守則，以及審閱本企業管治報告中的披露資料。

於回顧期間，董事會已考慮以下企業管治事宜：

- (i) 檢討有否遵守企業管治守則及經修訂企業管治守則；及
- (ii) 透過審核委員會檢討本集團的內部監控及風險管理系統的成效。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTORS AND SHAREHOLDERS RELATIONS

The Board recognises the importance of effective communications with shareholders and continues to act in the best interests of the Company and its shareholders. The Company keeps shareholders and investors informed of its business performance and strategies by adopting a transparent and timely disclosure policy which complies with the Listing Rules and provides all shareholders equal access to such information. The Company also publishes all documents on the Company's website at www.shifangholding.com.

The annual general meeting of the Company (the "AGM") also provides a forum for the Board to dialogue and interact with the Shareholders directly. The Directors and the committee members are available to answer questions during the AGM.

Notice of AGM, annual report, financial statements and related papers were posted to shareholders of the Company for their consideration at least 20 clear business days prior to the AGM. AGM proceedings of the Company are continually reviewed in the light of corporate governance best practices.

投資者及股東關係

董事會了解與股東有效溝通的重要性，繼續以本公司及其股東的最佳利益為依歸行事。本公司透過採納符合上市規則、具透明度及適時的披露政策，讓股東及投資者清楚其業務表現及策略，並為所有股東提供取得該等資料的平等途徑。本公司亦於本公司網站 (www.shifangholding.com) 登載所有文件。

本公司股東週年大會（「股東週年大會」）亦為董事會提供與股東直接對話及互動的平台。董事及委員會成員均會出席股東週年大會解答提問。

股東週年大會通告、年報、財務報表及有關文件已於股東週年大會舉行前最少20個完整營業日寄予本公司股東，供彼等省覽。本公司股東週年大會程序會根據企業管治最佳常規持續檢討。

Shareholders' rights

Set out below is a summary of certain rights of the shareholders of the Company as required to be disclosed pursuant to the mandatory disclosure requirements under Paragraph O of the Revised CG Code which is effective from 1 April 2012.

(a) Convening of general meeting on requisition by shareholders

General meetings shall also be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company.

股東權利

以下載有根據由二零一二年四月一日起生效的經修訂企業管治守則第O段的強制性披露規定須予披露的本公司股東若干權利概要。

(a) 應股東要求召開股東大會

股東大會亦須在兩名或以上本公司股東向本公司於香港的主要辦事處或（倘本公司並無主要辦事處）登記辦事處送達書面要求的情況下召開，書面要求須列明大會目的，並由提出要求的人士簽署，惟提出要求的人士於遞交要求當日須持有有權於本公司股東大會上投票的本公司繳足股本不少於十分一。股東大會亦可在任何一名屬認可結算所的本公司股東（或其代名人）向本公司於香港的主要辦事處或（倘本公司並無主要辦事處）登記辦事處送達書面要求的情況下召開，書面要求須列明大會目的，並由提出要求的人士簽署，惟提出要求的人士於遞交要求當日須持有有權於本公司股東大會上投票的本公司繳足股本不少於十分一。

CORPORATE GOVERNANCE REPORT

企業管治報告

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

(b) Procedures for putting forward proposals at a Shareholders' meeting

There are no provisions allowing Shareholders to move new resolutions at the general meetings under the Cayman Islands Companies Law (as amended from time to time) or the articles of association of the Company. However, Shareholders who wish to move a resolution may request the Company to convene an extraordinary general meeting following the procedures set out above.

Detailed procedures for shareholders to propose a person for election as a Director are available on the Company's website.

(c) Enquiries to the Board

Shareholders may put forward enquiries to the Board in writing to the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the enquiries.

Constitutional documents

During the period under review, there had been no significant change in the Company's constitutional documents.

倘董事會未有於提交要求日期後21天內正式召開須於其後21天內舉行的大會，提出要求的人士或當中持有彼等總投票權過半的任何人士可自行以與董事會召開大會同樣的方式（盡可能相近）召開股東大會，惟如此召開的大會不可遲於提交要求當日起三個月後召開，而提出要求的人士因董事會未能完成有關要求而產生的所有合理開支，將由本公司向彼等作出補償。

(b) 於股東大會上提呈議案的程序

開曼群島公司法（經不時修訂）或本公司組織章程細則並無容許股東於股東大會上動議新決議案的條文。然而，股東如欲動議決議案，可按上文所載程序要求本公司召開股東特別大會。

股東提名任何人士參選董事之詳細程序可於本公司網站查閱。

(c) 向董事會查詢

股東可以書面形式向董事會作出查詢，有關查詢應送遞至本公司於香港的主要辦事處或（倘本公司並無主要辦事處）登記辦事處，並列明查詢事項。

憲章文件

於回顧期間，本公司的憲章文件並無重大變動。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

TO THE SHAREHOLDERS OF SHIFANG HOLDING LIMITED

(incorporated in the Cayman Islands with limited liability)

致十方控股有限公司

(於開曼群島註冊成立的有限公司)

股東

We have audited the consolidated financial statements of ShiFang Holding Limited ("the Company") and its subsidiaries (together, the "Group") set out on pages 90 to 240, which comprise the consolidated and company balance sheets as at 31 December 2014, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

本核數師(以下簡稱「我們」)已審計列載於第90至240頁十方控股有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的合併財務報表。此合併財務報表包括於二零一四年十二月三十一日的合併和公司資產負債表與截至該日止年度的合併全面收益表、合併權益變動表及合併現金流量表，以及主要會計政策概要及其他附註解釋資料。

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 International Financial Reporting Standards 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.

董事就合併財務報表須承擔的責任

貴公司董事須負責根據國際財務報告準則及香港《公司條例》的披露規定編製合併財務報表，以令合併財務報表作出真實而公平的反映，及落實其認為編製合併財務報表所必要的內部控制，以使合併財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. 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.

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 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.

核數師的責任

我們的責任是根據我們的審計對該等合併財務報表提出意見。我們已根據國際審計準則進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定合併財務報表是否不存在任何重大錯誤陳述。

審計涉及執程序以獲取有關合併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合併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合併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，以及評價合併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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 2014, and of the Group's loss and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

EMPHASIS OF MATTER

We draw attention to Note 2.1.1 to the consolidated financial statements, which states that the Group incurred a net loss of RMB307,104,000 and had a net cash outflow from operating activities of RMB55,398,000 during the year ended 31 December 2014. These conditions, along with other matters as described in Note 2.1.1 to the consolidated financial statements, indicate that the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

OTHER MATTERS

This report, including the opinion, has been prepared for and only for 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.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 26 March 2015

意見

我們認為，合併財務報表已根據國際財務報告準則真實而公平地反映貴公司及貴集團於二零一四年十二月三十一日的事務狀況，以及貴集團截至該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。

強調事項

我們謹請股東垂注合併財務報表附註2.1.1，當中載明貴集團於截至二零一四年十二月三十一日止年度錄得虧損淨額人民幣307,104,000元及經營活動現金流出淨額人民幣55,398,000元。該等狀況連同合併財務報表附註2.1.1所述其他事項顯示存在重大不明朗因素，或會對貴集團持續經營能力產生重大疑慮。就此事項而言，我們並無保留意見。

其他事項

本報告（包括意見）乃為股東而編製並僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

執業會計師

羅兵咸永道會計師事務所

香港，二零一五年三月二十六日

CONSOLIDATED BALANCE SHEET

合併資產負債表

As at 31 December 2014

於二零一四年十二月三十一日

		Note 附註	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	7	40,107	55,146
Intangible assets	無形資產	8	18,150	21,466
Interests in associates	於聯營公司的權益	9	9,121	59,993
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	11	25,294	160,947
			<u>92,672</u>	<u>297,552</u>
Current assets	流動資產			
Inventories	存貨	13	6,560	6,789
Assets held for sale	持作出售資產	12	78,191	27,492
Trade receivables – net	貿易應收款項－淨額	10	45,493	47,324
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	11	22,273	92,641
Amounts due from related parties	應收關連人士款項	32(c)	24,364	19,867
Short-term bank deposits	短期銀行存款	15	5,000	50,000
Cash and cash equivalents	現金及現金等值項目	14	32,487	53,911
			<u>214,368</u>	<u>298,024</u>
Total assets	總資產		<u>307,040</u>	<u>595,576</u>
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	19	72,687	72,687
Share premium	股份溢價	19	556,440	556,440
Other reserves	其他儲備	20	68,671	107,614
Accumulated deficits	累計虧絀		(486,591)	(233,880)
			<u>211,207</u>	<u>502,861</u>
Non-controlling interests	非控股權益	21(b)	(4,876)	9,804
Total equity	權益總額		<u>206,331</u>	<u>512,665</u>

CONSOLIDATED BALANCE SHEET

合併資產負債表

As at 31 December 2014
於二零一四年十二月三十一日

	Note	2014	2013
	附註	二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
LIABILITIES			
Non-current liabilities			
Amount due to a related party	32(c)	688	–
Deferred income tax liabilities	18	1,475	2,157
		<u>2,163</u>	<u>2,157</u>
Current liabilities			
Trade payables	17	5,889	6,653
Other payables and accrued expenses	17	60,890	38,707
Current income tax liabilities		30,536	35,049
Amounts due to related parties	32(c)	1,231	345
		<u>98,546</u>	<u>80,754</u>
Total liabilities		<u>100,709</u>	<u>82,911</u>
Total equity and liabilities		<u>307,040</u>	<u>595,576</u>
Net current assets		<u>115,822</u>	<u>217,270</u>
Total assets less current liabilities		<u>208,494</u>	<u>514,822</u>

Approved and authorised for issue by the Board of Directors on 26 March 2015 and signed on behalf of the Board by:

經董事會於二零一五年三月二十六日批准並授權刊發，並由下列董事代表董事會簽署：

Chen Zhi

陳志

Director

董事

Yu Shi Quan

余詩權

Director

董事

The notes on pages 97 to 240 are an integral part of these financial statements.

第97至240頁的附註屬此等財務報表的重要部分。

BALANCE SHEET

資產負債表

As at 31 December 2014

於二零一四年十二月三十一日

		Note	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
		附註		
ASSETS	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司的投資	21	<u>4,767</u>	<u>4,767</u>
			<u>4,767</u>	<u>4,767</u>
Current assets	流動資產			
Prepayments and other receivables	預付款項及其他應收款項	11	<u>314</u>	<u>176</u>
Amounts due from subsidiaries	應收附屬公司款項	22	<u>206,746</u>	<u>533,750</u>
Cash and cash equivalents	現金及現金等值項目	14	<u>1,660</u>	<u>1,611</u>
			<u>208,720</u>	<u>535,537</u>
Total assets	總資產		<u><u>213,487</u></u>	<u><u>540,304</u></u>
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	19	<u>72,687</u>	<u>72,687</u>
Share premium	股份溢價	19	<u>556,440</u>	<u>556,440</u>
Equity-based compensation reserve	以股權為基礎的薪酬儲備	20	<u>–</u>	<u>13,850</u>
Accumulated deficits	累計虧絀	20	<u>(456,307)</u>	<u>(220,462)</u>
			<u>172,820</u>	<u>422,515</u>
Total equity	權益總額		<u><u>172,820</u></u>	<u><u>422,515</u></u>

BALANCE SHEET

資產負債表

As at 31 December 2014
於二零一四年十二月三十一日

		Note	2014	2013
		附註	二零一四年	二零一三年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
LIABILITIES	負債			
Current liabilities	流動負債			
Other payables	其他應付款項	17	240	240
Amounts due to subsidiaries	應付附屬公司款項	22	40,427	117,549
			<u>40,667</u>	<u>117,789</u>
Total liabilities	總負債		<u>40,667</u>	<u>117,789</u>
Total equity and liabilities	權益及負債總額		<u>213,487</u>	<u>540,304</u>
Net current assets	流動資產淨值		<u>168,053</u>	<u>417,748</u>
Total assets less current liabilities	總資產減流動負債		<u>172,820</u>	<u>422,515</u>

Approved and authorised for issue by the Board of Directors on 26 March 2015 and signed on behalf of the Board by:

經董事會於二零一五年三月二十六日批准並授權刊發，並由下列董事代表董事會簽署：

Chen Zhi

陳志

Director

董事

Yu Shi Quan

余詩權

Director

董事

The notes on pages 97 to 240 are an integral part of these financial statements.

第97至240頁的附註屬此等財務報表的重要部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併全面收益表

For the year ended 31 December 2014

截至二零一四年十二月三十一日止年度

		Note	2014	2013
		附註	二零一四年	二零一三年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
Revenue	收入	5	183,556	270,326
Cost of sales	銷售成本	24	(137,204)	(194,279)
Gross profit	毛利		46,352	76,047
Selling and marketing expenses	銷售及營銷開支	24	(29,515)	(32,287)
General and administrative expenses	一般及行政開支	24	(84,590)	(221,493)
Provision for impairment of long term investments, long term deposits, prepayments, and deposits and other receivables	長期投資、長期按金、預付款項以及按金及其他應收款項減值撥備	11	(126,097)	(358,741)
Other (losses)/gains – net	其他(虧損)/收益 – 淨額	23	(62,174)	33,664
Other income	其他收入	23	3,278	3,694
Operating loss	經營虧損		(252,746)	(499,116)
Finance income	融資收益	26	1,239	454
Finance costs	融資成本	26	(62)	(1,839)
Finance income/(costs) – net	融資收益/(成本) – 淨額	26	1,177	(1,385)
Share of losses of associates	應佔聯營公司虧損	9	(5,191)	(169)
Provision for impairment of interest in an associate	於一間聯營公司的權益減值撥備		(46,026)	–
Loss before income tax	除所得稅前虧損		(302,786)	(500,670)
Income tax expense	所得稅開支	27	(4,318)	(13,715)
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額		(307,104)	(514,385)
Loss and total comprehensive loss attributable to:	以下各項應佔虧損及全面虧損總額:			
– Equity holders of the Company	– 本公司權益持有人		(304,174)	(516,834)
– Non-controlling interests	– 非控股權益		(2,930)	2,449
			(307,104)	(514,385)
Loss per share for loss attributable to equity holders of the Company	本公司權益持有人應佔虧損的每股虧損			
– Basic (RMB per share)	– 基本(每股人民幣)	28	(0.3621)	(0.6153)
– Diluted (RMB per share)	– 攤薄(每股人民幣)	28	(0.3621)	(0.6153)
Dividend	股息	29	–	–

The notes on pages 97 to 240 are an integral part of these financial statements.

第97至240頁的附註屬此等財務報表的重要部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

For the year ended 31 December 2014
截至二零一四年十二月三十一日止年度

	Note 附註	Share capital	Share premium	Capital redemption reserve	Capital reserves	Revaluation reserve	Equity-based compensation reserve 以股權為基礎的薪酬儲備	Statutory reserves	Accumulated deficits	Total	Non-controlling interests	Total equity
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2014	於二零一四年一月一日的結餘	72,687	556,440	997	60,454	919	13,850	31,394	(233,880)	502,861	9,804	512,665
Comprehensive income	全面收益											
Loss for the year	年內虧損	-	-	-	-	-	-	-	(304,174)	(304,174)	(2,930)	(307,104)
Total comprehensive income	全面收益總額	-	-	-	-	-	-	-	(304,174)	(304,174)	(2,930)	(307,104)
Transactions with owners	與擁有人的交易											
Appropriation to statutory reserves	轉撥至法定儲備	-	-	-	-	-	-	1,057	(1,057)	-	-	-
Disposal of equity interests in subsidiaries	出售附屬公司股本權益	-	-	-	(31,677)	(919)	-	(6,074)	38,670	-	70	-
Capital injection from non-controlling shareholders of subsidiaries	附屬公司非控股股東注資	-	-	-	-	-	-	-	-	-	700	700
Changes in ownership interests in subsidiaries without change of control	不涉及控制權變動的附屬公司擁有權益變動	-	-	-	12,520	-	-	-	-	12,520	(12,520)	-
Lapse of share options	購股權失效	-	-	-	-	-	(13,850)	-	13,850	-	-	-
Total transactions with owners	與擁有人的交易總額	-	-	-	(19,157)	(919)	(13,850)	(5,017)	51,463	12,520	(11,750)	770
Balance at 31 December 2014	於二零一四年十二月三十一日的結餘	72,687	556,440	997	41,297	-	-	26,377	(486,591)	211,207	(4,876)	206,331

	Note 附註	Share capital	Share premium	Capital redemption reserve	Capital reserves	Revaluation reserve	Equity-based compensation reserve 以股權為基礎的薪酬儲備	Statutory reserves	(Accumulated deficits)/ retained earnings (累計虧蝕)/	Total	Non-controlling interests	Total equity
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2013	於二零一三年一月一日的結餘	72,687	556,440	997	60,454	919	12,986	35,457	278,891	1,018,831	43,174	1,062,005
Comprehensive income	全面收益											
Loss for the year	年內虧損	-	-	-	-	-	-	-	(516,834)	(516,834)	2,449	(514,385)
Total comprehensive income	全面收益總額	-	-	-	-	-	-	-	(516,834)	(516,834)	2,449	(514,385)
Transactions with owners	與擁有人的交易											
Appropriation to statutory reserves	轉撥至法定儲備	-	-	-	-	-	-	3,021	(3,021)	-	-	-
Capital injection from non-controlling shareholders of subsidiaries	附屬公司非控股股東注資	-	-	-	-	-	-	-	-	-	1,960	1,960
Purchase of ownership interest in a subsidiary without change of control	不涉及控制權變動的購買一間附屬公司擁有權益	-	-	-	-	-	-	-	-	-	(2,381)	(2,381)
Realised on disposal of interest in subsidiaries	出售附屬公司權益時變現	-	-	-	-	-	-	(7,084)	7,084	-	-	-
Distribution of dividends to non-controlling shareholders of a subsidiary	向一間附屬公司的非控股股東分派股息	-	-	-	-	-	-	-	-	-	(35,398)	(35,398)
Equity-based compensation	以股權為基礎的薪酬	-	-	-	-	-	864	-	-	864	-	864
Total transactions with owners	與擁有人的交易總額	-	-	-	-	-	864	(4,063)	4,063	864	(35,819)	(34,955)
Balance at 31 December 2013	於二零一三年十二月三十一日的結餘	72,687	556,440	997	60,454	919	13,850	31,394	(233,880)	502,861	9,804	512,665

The notes on pages 97 to 240 are an integral part of these financial statements.

第97至240頁的附註屬此等財務報表的重要部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

For the year ended 31 December 2014

截至二零一四年十二月三十一日止年度

	Note 附註	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash flows from operating activities			
Cash used in operations	30(a)	(50,777)	(62,370)
Interest received	26	1,239	454
Interest paid	26	(62)	(1,839)
Income tax paid		(5,798)	(7,493)
Net cash used in operating activities		(55,398)	(71,248)
Cash flows from investing activities			
Disposal of subsidiaries net of cash	30(c)	(3,925)	(325)
Deposit paid for acquisition of a property	11	(6,694)	-
Proceeds from disposal of available-for-sale investment		-	108,798
Proceeds from disposals of intangible assets		14	-
Additions of intangible assets	8	(20)	(66)
Prepayment for outdoor advertising projects	11	-	(1,392)
Proceeds from disposal of property, plant and equipment	30(b)	566	386
Additions of property, plant and equipment	7	(1,667)	(5,279)
Return of deposits from marketing and promotion projects	11	-	150,000
Release/(placement) of term deposits with initial term of over three months	15	45,000	(50,000)
Net cash generated from investing activities		33,274	202,122
Cash flows from financing activities			
Repayment of borrowings		-	(44,539)
Capital contribution from non-controlling interest shareholders		700	980
Repayment of advance from a related party		-	(51,441)
Distribution of dividends to non-controlling shareholders of a subsidiary		-	(35,398)
Net cash generated from/(used in) financing activities		700	(130,398)
Net (decrease)/increase in cash and cash equivalents		(21,424)	476
Cash and cash equivalents at beginning of the year	14	53,911	53,435
Cash and cash equivalents at end of the year	14	32,487	53,911

The notes on pages 97 to 240 are an integral part of these financial statements.

第97至240頁的附註屬此等財務報表的重要部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

1 GENERAL INFORMATION

ShiFang Holding Limited (the “Company”) is an investment holding company and its subsidiaries (together, the “Group”) are principally engaged in the business of publishing and advertising (the “Publishing and Advertising Businesses”) in the People’s Republic of China (the “PRC”).

The Company was incorporated in the Cayman Islands on 9 December 2009 as an exempted company with limited liability under the Companies Law (2009 Revision as amended, supplemented or otherwise modified) of the Cayman Islands. The address of its registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

These consolidated financial statements are presented in thousands of units of Renminbi (RMB’000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 26 March 2015.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

1 一般資料

十方控股有限公司(「本公司」)為一間投資控股公司，而其附屬公司(統稱「本集團」)主要於中華人民共和國(「中國」)從事出版及廣告業務。

本公司於二零零九年十二月九日在開曼群島根據開曼群島公司法(二零零九年修訂版，經修訂、補充或以其他方式修改)註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands。

除另有說明者外，此等合併財務報表以人民幣千元呈列。合併財務報表已獲董事會於二零一五年三月二十六日批准刊發。

2 主要會計政策概要

2.1 編製基準

本財政年度及比較期間的合併財務報表乃根據前公司條例(第32章)的適用規定編製。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The preparation of the Group's consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1.1 Going concern

During the year ended 31 December 2014, the Group reported a net loss of RMB307,104,000 and had a net cash outflow from operating activities of RMB55,398,000. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

編製本集團符合國際財務報告準則的合併財務報表需要採用若干關鍵會計估計。管理層亦須在採用本集團會計政策的過程中作出判斷。涉及高度判斷或極為複雜的範疇，或涉及對合併財務報表屬重大假設及估計的範疇於附註4披露。

下文載列編製此等合併財務報表時所應用的主要會計政策。除另有說明者外，該等政策已於所有呈報年度貫徹應用。

2.1.1 持續經營

於截至二零一四年十二月三十一日止年度，本集團錄得虧損淨額人民幣307,104,000元及經營活動現金流出淨額人民幣55,398,000元。此等狀況顯示存有重大不明朗因素，或會對本集團持續經營能力產生重大疑慮。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Going concern (continued)

The directors of the Company have assessed the appropriateness of adopting the going concern basis for the preparation of the consolidated financial statements for the year ended 31 December 2014. In order to improve the Group's financial position, the directors of the Company have been implementing various measures as follows:

- (1) On 6 March 2015, the Group has obtained a short-term bank borrowing facility of RMB20,000,000 where the drawdown of borrowings under this facility will require approval from the bank (Note 38);
- (2) the Group is taking active measures to control operating costs through various means, including streamlining the Group's operational structure, adjusting management remuneration and containing administrative expenditures;
- (3) the Group is in on-going negotiations with key exclusive cooperative newspaper partners to reduce advertising costs;
- (4) the Group is maximising its efforts to liquidate its assets held for sales with a carrying amount of approximately RMB78,000,000; and

2 主要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 持續經營 (續)

本公司董事為採用持續經營基準編製截至二零一四年十二月三十一日的合併財務報表是否恰當作出評核。為改善本集團財務狀況，本公司董事正實施如下多項措施以改善本集團的財務狀況：

- (1) 於二零一五年三月六日，本集團取得人民幣20,000,000元的短期銀行融資授信，提取該融資授信下的借款時須經銀行批核（附註38）；
- (2) 本集團正積極採取各種措施控制營運成本，其中包括精簡本集團營運架構、調整管理層薪酬及控制行政開支；
- (3) 本集團正與主要獨家報紙廣告合作夥伴磋商減少廣告成本；
- (4) 本集團正致力對其賬面金額約人民幣78,000,000元的持作出售資產提升銷售力度以加快變現；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Going concern (continued)

- (5) the Group is considering to raise new capital by carrying out fund raising activities including but not limited to rights issue, open offer, placing of new shares and issuance of convertible notes.

The directors of the Company have reviewed the Group's cash flow projections, which cover a period of not less than twelve months from 31 December 2014. The directors of the Company are of the opinion that, taking into account the above-mentioned measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due in the next twelve months from 31 December 2014. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash inflows by successfully:

- (i) securing bank or other sources of financing;
- (ii) implementing the operational plans and measures to control costs; and
- (iii) generating and obtaining adequate cash flows from other sources.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 持續經營 (續)

- (5) 本集團正考慮透過開展籌資活動以籌集新資金，其中包括但不限於供股、公开发售、配售新股及發行可換股票據。

本公司董事已審閱本集團的現金流量預測，該現金流量預測涵蓋自二零一四年十二月三十一日起不少於十二個月的預測。本公司董事考慮到上述措施，認為本集團將有充足的營運資金應付由二零一四年十二月三十一日起未來十二個月營運所需的資金以及履行到期的財務責任。因此，合併財務報表已按持續經營基準編製。

儘管如此，本集團能否達成上述計劃及措施仍存有重大不明朗因素。本集團能否持續性經營將視乎本集團能否透過下列途徑成功產生充足的融資及經營現金流量：

- (i) 獲取銀行或其他融資；
- (ii) 執行營運計劃和措施以控制成本；及
- (iii) 產生及獲得充足其他現金流量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.1 Going concern (continued)

Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for financial liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

2.1.2 Changes in accounting policy and disclosures

(a) Amendments to standards and interpretation effective in 2014

The Group has adopted the following amendments to standards and interpretation for the accounting periods beginning on or after 1 January 2014

Amendment to IAS 32	Financial Instruments: Presentation on Asset and Liability Offsetting	國際會計準則第32號的修訂本	金融工具：呈列資產及債務抵銷
Amendments to IAS 36	Impairments of Assets – Recoverable Amount Disclosures for Non-financial Assets	國際會計準則第36號的修訂本	資產減值－披露非金融資產的可收回金額
Amendment to IAS 39	Financial Instruments: Recognition and Measurement	國際會計準則第39號的修訂本	金融工具：確認及計量
Amendments to IFRS 10, IFRS 12 and IAS 27 (2011)	Investment Entities	國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第27號 (二零一一年)的修訂本	投資實體
IFRIC-Int 21	Levis	國際財務報告詮釋委員會－詮釋第21號	徵費

2 主要會計政策概要 (續)

2.1 編製基準 (續)

2.1.1 持續經營 (續)

倘若本集團無法持續經營，則須作出相關調整，將本集團資產的賬面值調低至其可收回金額，就可能產生的金融負債作出撥備，並將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響並未於合併財務報表內反映。

2.1.2 會計政策及披露變動

(a) 於二零一四年生效的準則的修訂及詮釋

本集團已就於二零一四年一月一日或之後開始的會計期間採納以下準則的修訂及詮釋

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.2 Changes in accounting policy and disclosures (continued)

(a) *Amendments to standards and interpretation effective in 2014 (continued)*

Amendment to IAS 32 – Financial Instruments: Presentation on Asset and Liability Offsetting

These amendments are to the application guidance in IAS 32, ‘Financial instruments: Presentation’, and clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.

Amendments to IAS 36 – Impairments of Assets – Recoverable Amount Disclosures for Non-financial Assets

This amendment addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

Amendment to IAS 39 – Financial Instruments: Recognition and Measurement

This amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument to a central counterparty meets specified criteria.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

2.1.2 會計政策及披露變動 (續)

(a) 於二零一四年生效的準則的修訂及詮釋 (續)

國際會計準則第32號的修訂本—金融工具：呈列資產及債務抵銷

此等修訂本為國際會計準則第32號「金融工具：呈列」的應用指引，並澄清在資產負債表抵銷金融資產及金融負債的部分規定。

國際會計準則第36號的修訂本—資產減值—披露非金融資產的可收回金額

此修訂本規定倘減值資產的可收回金額乃基於公允價值減出售成本釐定，則須披露有關該金額的資料。

國際會計準則第39號的修訂本—金融工具：確認及計量

此修訂本闡明，在對沖工具更替至中央對手時倘符合特定的準則，可延續使用對沖會計法。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.2 Changes in accounting policy and disclosures (continued)

(a) Amendments to standards and interpretation effective in 2014 (continued)

Amendments to IFRS 10, IFRS 12 and IAS 27 (2011) – Investment Entities

These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. The amendments give an exception to entities that meet an ‘investment entity’ definition and which display particular characteristics. Changes have also been made IFRS 12 to introduce disclosures that an investment entity needs to make.

IFRIC-Int 21 – Levies

This is an interpretation of IAS 37, ‘Provisions, contingent liabilities and contingent assets’. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

2.1.2 會計政策及披露變動 (續)

(a) 於二零一四年生效的準則的修訂及詮釋 (續)

國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第27號(二零一一年)的修訂本—投資實體

此等修訂本意味着眾多基金和類似實體將獲豁免，毋須將其大部分附屬公司合併入賬，只須將其公允價值計量計入損益賬。此等修訂本為符合「投資實體」定義並具指定特點的實體提供豁免。國際財務報告準則第12號亦已更改，引入投資實體所需披露。

國際財務報告詮釋委員會—詮釋第21號—徵費
此詮釋乃對國際會計準則第37號「撥備、或有負債及或有資產」的詮釋。國際會計準則第37號載列有關確認負債的標準，其中一項規定關乎實體承擔過往事件（稱為責任事件）所產生的現有責任。此詮釋澄清產生支付徵費的法律責任的責任事件為引致支付徵費的相關法例所述的活動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.2 Changes in accounting policy and disclosures (continued)

(b) *Standards and amendments to standards that are not yet effective and have not been early adopted by the Group*

Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants
Amendment to IAS 19 (2011)	Defined Benefit Plans: Employee Contributions
Annual Improvement Project	Annual Improvements 2010-2012 Cycle
Annual Improvement Project	Annual Improvements 2011-2013 Cycle
Annual Improvement Project	Annual Improvements 2012-2014 Cycle
Amendment to IAS 27	Equity Method in Separate Financial Statements

2 主要會計政策概要 (續)

2.1 編製基準 (續)

2.1.2 會計政策及披露變動 (續)

(b) *尚未生效且本集團並無提早採納的準則及準則的修訂*

國際會計準則第16號及國際會計準則第38號的修訂本	澄清折舊及攤銷的可接受方法
國際會計準則第16號及國際會計準則第41號的修訂本	農業：生產性植物
國際會計準則第19號 (二零一一年)的修訂本	界定福利計劃：僱員供款
年度改進項目	二零一零年至二零一二年週期的年度改進
年度改進項目	二零一一年至二零一三年週期的年度改進
年度改進項目	二零一二年至二零一四年週期的年度改進
國際會計準則第27號的修訂本	於獨立財務報表內使用權益法

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

2.1.2 Changes in accounting policy and disclosures (continued)

(b) *Standards and amendments to standards that are not yet effective and have not been early adopted by the Group (continued)*

Amendments to IFRS 10 and IAS 28 (2011)	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendment to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations
IFRS 9 (2014)	Financial Instruments
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers

The Directors anticipate that the adoption of these new standards and amendments to standards will not result in a significant impact on the results and financial position of the Group.

2 主要會計政策概要 (續)

2.1 編製基準 (續)

2.1.2 會計政策及披露變動 (續)

(b) *尚未生效且本集團並無提早採納的準則及準則的修訂 (續)*

國際財務報告準則第10號及國際會計準則第28號	投資者與其聯營公司或合營企業之間出售或注入資產
(二零一一年)的修訂本	
國際財務報告準則第11號的修訂本	收購共同業務權益的會計方法
國際財務報告準則第9號(二零一四年)	金融工具
國際財務報告準則第14號	規管遞延賬目
國際財務報告準則第15號	客戶合約收入

董事預期，採納此等新訂準則及準則的修訂不會對本集團的業績及財務狀況構成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidated Financial Statements

(a) Subsidiaries

Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, 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. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2 主要會計政策概要 (續)

2.2 合併財務報表

(a) 附屬公司

合併入賬

附屬公司為受本集團控制的實體(包括結構性實體)。當本集團因參與實體的營運而承擔可變回報的風險或享有可變回報的權利，並有能力透過其對該實體的權力影響有關回報時，本集團即控制該實體。附屬公司自控制權轉讓予本集團當日起合併入賬，並自該項控制權終止當日起終止合併入賬。

出售附屬公司

本集團失去控制權時，於實體的任何保留權益將按失去控制權當日的公允價值重新計量，有關賬面金額變動在損益賬內確認。就其後入賬列作聯營公司、合資企業或金融資產的保留權益，其公允價值為初始賬面金額。此外，先前於其他全面收益內確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這可能意味着先前在其他全面收益內確認的金額重新分類至損益賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidated Financial Statements (continued)

(a) Subsidiaries (continued)

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

2 主要會計政策概要 (續)

2.2 合併財務報表 (續)

(a) 附屬公司 (續)

不涉及控制權變動的附屬公司擁有權益變動

與非控股權益的交易如並無導致失去控制權，則入賬列為權益交易，即與附屬公司擁有人以擁有人身份進行的交易。任何已付代價的公允價值與該附屬公司淨資產賬面金額的所收購相關份額的差額於權益入賬。向非控股權益出售的收益或虧損亦於權益入賬。

獨立財務報表

於附屬公司的投資乃以成本減減值的方法記賬。成本亦包括投資的直接應佔成本。附屬公司的業績由公司按已收及應收股息入賬。

當收到於附屬公司的投資的股息，而股息超過附屬公司在宣派股息期間的全面收益總額，或倘獨立財務報表的投資賬面金額超過被投資方淨資產（包括商譽）在合併財務報表的賬面金額，則必須對有關投資進行減值測試。

公司間的交易、結餘及集團公司之間交易的未變現收益已對銷。未變現虧損亦已對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidated Financial Statements (continued)

(a) Subsidiaries (continued)

Separate financial statements (continued)

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Special purpose entities

The consolidated financial statements include the financial statements of the Company, its subsidiaries, and special purpose entities (“SPEs”) where the Company is deemed the primary beneficiary. Fuzhou ShiFangCe Culture Media Co. Limited, one of the Company’s wholly-owned subsidiaries, entered into contractual agreements with Beijing HongXinTu and Beijing BaiChuanDuKe (the “Structural Agreements”), where Fuzhou ShiFangCe Culture Media Co. Limited provides consulting services to Beijing HongXinTu and Beijing BaiChuanDuKe respectively, and is entitled to (1) receive a substantial portion of the economic benefits from Beijing HongXinTu and Beijing BaiChuanDuKe; (2) exercise effective control over Beijing HongXinTu and Beijing BaiChuanDuKe, and (3) have an exclusive option to purchase all or part of the equity interests in Beijing HongXinTu and Beijing BaiChuanDuKe when and to the extent permitted by the PRC laws. By virtue of the contractual arrangements, Beijing HongXinTu and Beijing BaiChuanDuKe are SPEs and deemed as subsidiaries of the Company under the requirements of IFRS 10 “Consolidated financial statements”.

2 主要會計政策概要 (續)

2.2 合併財務報表 (續)

(a) 附屬公司 (續)

獨立財務報表 (續)

附屬公司的會計政策已作必要更改，以確保與本集團所採納的政策貫徹一致。

(b) 特殊目的實體

合併財務報表包括本公司、其附屬公司及本公司被視為首要受益人的特殊目的實體的財務報表。本公司全資附屬公司福州十方策文化傳媒有限公司與北京鴻馨圖及北京百傳讀客訂立合約性協議（「架構協議」），據此，福州十方策文化傳媒有限公司向北京鴻馨圖及北京百傳讀客提供諮詢服務，並有權(1)收取來自北京鴻馨圖及北京百傳讀客的大部分經濟利益；(2)對北京鴻馨圖及北京百傳讀客實施有效控制；及(3)在中國法律允許的情況下，擁有購買北京鴻馨圖及北京百傳讀客全部或部分股權的獨家期權。根據合約性安排，北京鴻馨圖及北京百傳讀客為特殊目的實體，且根據國際財務報告準則第10號「合併財務報表」的規定，北京鴻馨圖及北京百傳讀客被視為本公司的附屬公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidated Financial Statements (continued)

(b) Special purpose entities (continued)

When assessing whether to combine an SPE, the Group evaluates a range of factors, including whether (1) the activities of the SPE are being conducted on behalf of the Group according to its specific business needs so that the Group obtains the benefits from the SPE's operations, (2) the Group has decision-making powers to obtain the majority of the benefits, (3) the Group obtains the majority of the benefits of the activities of the SPE, and (4) the Group retains the majority of the residual ownership risks related to the assets in order to obtain the benefits from its activities. The Group consolidates an SPE if an assessment of the relevant factors indicates that it controls the SPE.

Based on the contractual arrangements, the Company consolidated Beijing HongXinTu and Beijing BaiChuanDuKe's results, assets and liabilities in financial statements of ShiFang Holding Limited.

(c) Transactions with non-controlling interest

The Group treats transactions with non-controlling interest as transactions with equity holders of the Company. For purchases from non-controlling interest, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interest are also recorded in equity.

2 主要會計政策概要 (續)

2.2 合併財務報表 (續)

(b) 特殊目的實體 (續)

當評估一家特殊目的實體是否合併入賬時，本集團會評估多項因素，包括(1)特殊目的實體業務活動是否根據其特殊業務需要代表本集團進行，而本集團因此從特殊目的實體業務中獲利；(2)本集團是否擁有獲得大多數利益的決策權；(3)本集團是否獲得特殊目的實體業務活動的大多數利益；及(4)本集團是否保留大多數與資產有關的餘下擁有權風險以從其業務活動中獲利。倘評估相關因素顯示其控制特殊目的實體，特殊目的實體將於本集團合併入賬。

基於合約性安排，本公司將北京鴻馨圖及北京百傳讀客的業績、資產及負債於十方控股有限公司的財務報表合併入賬。

(c) 與非控股權益的交易

本集團將其與非控股權益進行的交易視為與本公司權益持有人進行的交易。對於來自非控股權益的收購，所支付的任何代價與相關應佔所收購附屬公司淨資產賬面值的差額會於權益記錄。出售非控股權益的收益或虧損亦記錄在權益中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidated Financial Statements (continued)

(d) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

2 主要會計政策概要 (續)

2.2 合併財務報表 (續)

(d) 聯營公司

聯營公司指本集團對其有重大影響力而無控制權的所有實體，通常附帶有20%至50%投票權的股權。於聯營公司的投資以權益會計法入賬，初步按成本確認，並調高或調低賬面金額以確認投資者於收購日期後應佔的被投資方損益。本集團於聯營公司的投資包括收購時已識別的商譽。

倘於聯營公司的擁有權權益減少，而重大影響力獲保留，則先前於其他全面收益內確認的金額僅有一定比例部分重新分類至損益賬（視情況而定）。

本集團應佔的收購後溢利或虧損於合併全面收益表內確認，而應佔收購後其他全面收益的變動則於其他全面收益內確認，而投資賬面金額會作相應調整。當本集團應佔聯營公司虧損等於或超過其佔聯營公司的權益（包括任何其他無抵押應收款項）時，本集團不再確認進一步虧損，除非本集團須承擔法定或推定負債或代聯營公司支付款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidated Financial Statements (continued)

(d) Associates (continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of losses of associates' in the consolidated statement of comprehensive income.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the consolidated statement of comprehensive income.

2 主要會計政策概要 (續)

2.2 合併財務報表 (續)

(d) 聯營公司 (續)

本集團在每個報告日期釐定於聯營公司的投資是否存在客觀減值證據。一旦存在減值證據，本集團會按聯營公司可收回金額與其賬面值差額計算減值金額，並於合併全面收益表「應佔聯營公司虧損」確認有關金額。

本集團與其聯營公司之間的上游及下游交易產生的溢利及虧損於本集團的財務報表確認，惟僅以聯營公司中的非關連投資者權益為限。未變現虧損已對銷，除非有關交易有證據顯示所轉讓資產出現減值。聯營公司的會計政策已作必要更改，以確保與本集團所採納政策貫徹一致。

於聯營公司的投資所產生攤薄收益及虧損於合併全面收益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors (the “Board”) that makes strategic decisions.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in Renminbi (“RMB”), which is the Company’s functional and the Group’s presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statements of comprehensive income.

2 主要會計政策概要 (續)

2.3 分類報告

經營分類按與向首席營運決策人作內部呈報者一致的方式呈報。首席營運決策人負責分配資源及評核經營分類的表現，被認為負責作出策略決定的董事會。

2.4 外幣換算

(a) 功能及呈列貨幣

本集團旗下各實體財務報表計入的項目，均以該實體經營所在主要經濟環境的通行貨幣（「功能貨幣」）計量。合併財務報表以人民幣呈列，而人民幣為本公司功能貨幣及本集團呈列貨幣。

(b) 交易及結餘

外幣交易均按交易當日或倘有關項目經重計則按估值當日的匯率換算為功能貨幣。因結算該等交易及按年終匯率換算以外幣列值的貨幣資產和負債而產生的外匯收益及虧損均在合併全面收益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation (continued)

(b) Transactions and balances (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statements of comprehensive income within 'Finance income/(costs) – net'. All other foreign exchange gains and losses are presented in the consolidated statements of comprehensive income within 'Other (losses)/gains – net'.

(c) Group companies

The results and financial positions of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

2 主要會計政策概要 (續)

2.4 外幣換算 (續)

(b) 交易及結餘 (續)

有關借款以及現金及現金等值項目的外匯收益及虧損於合併全面收益表的「融資收益／(成本) – 淨額」呈列。所有其他外匯收益及虧損則於合併全面收益表的「其他(虧損)／收益 – 淨額」呈列。

(c) 集團公司

功能貨幣有別於呈列貨幣的所有集團實體(並不涉及嚴重通脹經濟地區的貨幣)的業績及財務狀況,按下述方式換算為呈列貨幣:

- (i) 各資產負債表呈列的資產與負債以該資產負債表結算日的收市匯率換算;
- (ii) 各全面收益表的收入及支出乃按平均匯率換算,惟倘該平均值並非交易日通行匯率累計影響的合理約數,則收入及支出按交易日的匯率換算;及
- (iii) 所產生的所有匯兌差額均於其他全面收益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation (continued)

(c) Group companies (continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated statements of comprehensive income as part of the gain or loss on sale.

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

2 主要會計政策概要 (續)

2.4 外幣換算 (續)

(c) 集團公司 (續)

合併賬目時，換算海外業務淨投資及借款所產生匯兌差額均被當作股東權益。處置或售出部分海外業務時，計入權益的匯兌差額於合併全面收益表內確認作出售收益或虧損一部分。

2.5 物業、廠房及設備

物業、廠房及設備按過往成本減累計折舊及累計減值虧損入賬。過往成本包括收購項目直接應佔的開支。

當項目相關的未來經濟利益可能會流入本集團及能可靠地計算項目成本時，其後成本方會視適用情況計入資產賬面金額或確認為獨立資產。替代部分的賬面金額會終止確認。所有其他維修及保養於產生財政期間自合併全面收益表扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment (continued)

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	40 years
Leasehold improvements	5 – 10 years or the remaining term of any non-renewable lease, whichever is shorter
Machinery	5 – 10 years
Fixture, furniture and equipment	5 years
Motor vehicles	5 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'General and administrative expenses' in the consolidated statement of comprehensive income.

2 主要會計政策概要 (續)

2.5 物業、廠房及設備 (續)

物業、廠房及設備的折舊以直線法計算，按估計可使用年期將成本分攤至其剩餘價值。有關年期如下：

樓宇	40年
租賃物業裝修	5至10年或未重續租約的餘下年期 (以較短者為準)
機器	5至10年
裝置、傢俬及設備	5年
汽車	5至10年

資產的剩餘價值及可使用年期在各報告期末進行審閱，並在適當時作出調整。

倘資產的賬面金額超過其估計可收回金額，則資產的賬面金額即時撇減至其可收回金額(附註2.7)。

出售產生的收益及虧損乃透過比較所得款項與賬面金額而釐定，並於合併全面收益表「一般及行政開支」內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2 主要會計政策概要 (續)

2.6 無形資產

商譽

商譽產生自收購附屬公司、聯營公司及合營公司，並指所轉讓代價超出本集團於被收購方的淨可識別資產、負債及或有負債公允淨值中的權益及被收購方非控股權益的公允價值的差額。

就減值測試而言，因業務合併獲得的商譽會分配至預期將受惠於合併的協同效應的各個或各組現金產生單位。獲分配商譽的各單位或各組單位指實體內為內部管理目的而對商譽進行監督的最低層面。商譽按經營分類層面監督。

商譽會每年進行減值檢討，或當有事件出現或情況轉變顯示可能出現減值時，作出更頻密檢討。商譽賬面值與可收回金額作比較，可收回金額為使用價值與公允價值減銷售成本的較高者。任何減值即時確認為開支，且其後不會撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Intangible assets (continued)

Trademarks and licences

Separately acquired trademarks and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of seven years.

Contractual customer relationships

Contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate over the expected life of the customer relationship of three years.

2 主要會計政策概要 (續)

2.6 無形資產 (續)

商標及特許權

分開購入的商標及特許權按歷史成本列示。經業務合併購入的商標及特許權按於收購當日的公允價值確認。商標及特許權有限定可使用年限，並按成本減累計攤銷列賬。攤銷利用直線法將商標及特許權的成本於其估計可使用年限七年攤分計算。

合約客戶關係

經業務合併獲得的合約客戶關係按收購當日的公允價值確認。合約客戶關係具有有限定可使用年限，並按成本減累計攤銷列賬。攤銷利用直線法於客戶關係的預計年期三年攤分計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Intangible assets (continued)

Computer software and web site

Costs associated with maintaining computer software program and web site are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique computer software and web site controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the computer software and web site so that they will be available for use;
- Management intends to complete the computer software and web site, and use or sell them;
- There is an ability to use or sell the computer software and web site;
- It can be demonstrated how the computer software and web site will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the computer software and web site are available; and
- The expenditure attributable to the computer software and web site during their development can be reliably measured.

2 主要會計政策概要 (續)

2.6 無形資產 (續)

電腦軟件及網站

有關維護電腦軟件程式及網站的成本在產生時確認為開支。直接歸屬於設計及測試由本集團控制的可識別及獨特電腦軟件及網站的開發成本，會於符合以下準則時確認為無形資產：

- 於完成電腦軟件及網站使其可供使用方面，屬技術上可行的；
- 管理層有完成該電腦軟件及網站並使用或將其出售的意圖；
- 有使用或出售該電腦軟件及網站的能力；
- 能顯示該電腦軟件及網站將可能產生未來經濟利益；
- 有足夠的技術、財務及其他資源完成開發及使用或出售該電腦軟件及網站；及
- 能可靠地計量開發該電腦軟件及網站應佔的支出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Intangible assets (continued)

Computer software and web site (continued)

Directly attributable costs that are capitalised as part of the computer software and web site cost include the development employee costs. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Remaining computer software and web site costs recognised as assets are amortised over their estimated useful lives and the terms of validity granted by corresponding authorities, which are three years.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised as an expense as incurred.

2 主要會計政策概要 (續)

2.6 無形資產 (續)

電腦軟件及網站 (續)

資本化為電腦軟件及網站成本一部分的直接應佔成本包括參與開發的僱員成本。其他不符合該等準則的開發支出於產生時確認為開支。先前確認為開支的開發成本不會在後續期間確認為資產。

確認為資產的餘下電腦軟件及網站成本於其估計可使用年期及相關機關授予的三年有效期攤銷。

已資本化無形資產的往後開支，僅於與其相關的特定資產所體現的未來經濟利益增加時撥充資本。所有其他開支均於產生時確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 Assets held for sale

Assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

2 主要會計政策概要 (續)

2.7 非金融資產減值

須攤銷的資產會於出現顯示賬面金額可能無法收回的事件或情況轉變時檢討有否減值。當資產賬面金額高於可收回金額時，會將差額確認為減值虧損。可收回金額即資產公允價值扣除銷售成本後的數額與使用價值兩者的較高者。為評估減值，資產按獨立可識別現金流量的最低級別（現金產生單位）分類。商譽以外的非金融資產若出現減值，則須於各報告日期評估其能否撥回減值。

2.8 持作出售資產

當資產的賬面金額將主要透過一項出售交易收回而該項出售被視為極有可能，則分類為持作出售的資產。倘該等資產的賬面金額將主要透過一項出售交易而非持續使用而收回，則該等資產按賬面金額與公允價值減去銷售成本後的數額兩者的較低者列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Financial assets

2.9.1 Classification

The primary classification of the Group's financial assets is loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'Trade and other receivables', and 'Cash and cash equivalents' in the consolidated balance sheet (Notes 2.13 and 2.14).

2 主要會計政策概要 (續)

2.9 金融資產

2.9.1 分類

本集團金融資產的主要分類為貸款及應收款項。有關分類乃視乎購入金融資產的目的而定。管理層於初步確認金融資產時釐定其分類。

貸款及應收款項

貸款及應收款項為有固定或可釐定付款且沒有在活躍市場上報價的非衍生金融資產。此等款項包括在流動資產內，但於或預期於報告期末起計超過十二個月結算的款項，則歸類為非流動資產。本集團的貸款及應收款項包括合併資產負債表內的「貿易及其他應收款項」及「現金及現金等值項目」（附註2.13及2.14）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Financial assets (continued)

2.9.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2 主要會計政策概要 (續)

2.9 金融資產 (續)

2.9.2 確認及計量

正常的金融資產買賣於交易日確認，即本集團承諾購買或出售資產當日。所有並非按公允價值計入損益賬的金融資產投資初步按公允價值加交易成本確認。

當自投資收取現金流量的權利屆滿或已轉讓而本集團已轉讓擁有權絕大部分風險及回報時，金融資產會被終止確認。可供出售金融資產其後按公允價值列賬。貸款及應收款項隨後採用實際利率法按攤銷成本列賬。

2.10 抵銷金融工具

當有可合法強制執行抵銷已確認金額的權利，並有意按淨額基準結算或同一時間變現資產及清償負債時，金融資產及負債予以抵銷，淨額於資產負債表呈列。可合法強制執行的權利不得視未來事件而定，必須於正常業務過程中及本公司或交易對手違約、無力償債或破產的事件中可強制執行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Impairment of financial assets

Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or

2 主要會計政策概要 (續)

2.11 金融資產減值

按攤銷成本列賬的資產

本集團於各報告期末評估是否有客觀證據表明一項或一組金融資產出現減值。僅於有客觀證據顯示因資產在初步確認後發生一項或多項事件(「虧損事件」)而出現減值，並能夠可靠地估計虧損事件對一項或一組金融資產估計未來現金流量構成的影響時，該項或該組金融資產方會減值並產生減值虧損。

本集團用以釐定是否有客觀證據顯示出現減值虧損的準則包括：

- 債務人有重大財務困難；
- 違反合約，如拖欠或欠繳利息或本金款項；
- 因與借款人的財政困難相關的經濟或法律原因，本集團給予借款人在一般情況下貸款人不會考慮的優惠條件；
- 借款人有可能破產或進行其他財務重組；
- 財政困難導致該金融資產的活躍市場消失；或

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 - (i) adverse changes in the payment status of borrowers in the portfolio; and
 - (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

2 主要會計政策概要 (續)

2.11 金融資產減值 (續)

按攤銷成本列賬的資產 (續)

- 顯示金融資產組合所產生估計未來現金流量自該等資產獲初步確認起有可量度減幅 (即使未能於組合內個別金融資產內識別有關減幅) 的可觀察數據, 包括:
 - (i) 組合內借款人的還款狀況有不利轉變; 及
 - (ii) 與組合內資產逾期還款相關的國家或地區經濟狀況。

本集團首先評估是否存在減值的客觀證據。

虧損金額按資產賬面金額與按金融資產原實際利率貼現的估計未來現金流量現值 (不包括尚未產生的未來信貸虧損) 之間的差額計量。資產賬面金額會予以削減, 而虧損金額會於合併全面收益表內確認。倘貸款按浮動利率計息, 則計量任何減值虧損的貼現率為根據合約釐定的當前實際利率。在實際運作上, 本集團可能以可觀察市價釐定的工具公允價值為基準計量減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods comprises newsprint paper and printing consumables. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.13 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2 主要會計政策概要 (續)

2.11 金融資產減值 (續)

按攤銷成本列賬的資產 (續)

倘減值虧損金額在往後期間減少，減幅亦可與確認減值後發生的事件有客觀關連（例如債務人信貸評級改善），則於合併全面收益表內確認撥回過往已確認的減值虧損。

2.12 存貨

存貨按成本與可變現淨值兩者的較低者入賬。成本按加權平均法釐定。製成品的成本包括新聞紙及印刷耗材。可變現淨值指日常業務過程中的估計售價減適用可變銷售開支。

2.13 貿易及其他應收款項

貿易應收款項為在日常業務過程中就已提供服務應收客戶的款項。倘貿易及其他應收款項預期可於一年或以內（或倘時間更長，則在業務的正常營運週期）收回，會分類為流動資產，否則以非流動資產呈列。

貿易及其他應收款項初步按公允價值確認，其後採用實際利率法按攤銷成本並扣除減值撥備計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand and deposits held at call with banks with original maturities of three months or less.

2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.17 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 主要會計政策概要 (續)

2.14 現金及現金等值項目

在合併現金流量表，現金及現金等值項目包括手頭現金及原定於三個月或以內到期的銀行活期存款。

2.15 股本

普通股歸類為權益。直接歸屬於發行新股或購股權的遞增成本在權益中列為所得款項的扣減項目（扣除稅項）。

2.16 貿易應付款項

貿易應付款項為在日常業務過程中自供應商取得貨品或服務的付款責任。倘貿易應付款項於一年或以內（或倘時間更長，則在業務的正常營運週期）到期，會分類為流動負債，否則以非流動負債呈列。

貿易應付款項初步按公允價值確認，隨後採用實際利率法按攤銷成本計量。

2.17 即期及遞延所得稅

期內稅項開支包括即期及遞延稅項。稅項乃在合併全面收益表內確認，惟涉及已於其他全面收益內確認或直接於權益內確認的項目則除外。在此情況下，有關稅項亦會分別於其他全面收益內或直接於權益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Current and deferred income tax (continued)

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the balance sheet date in the countries where the Company, its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2 主要會計政策概要 (續)

2.17 即期及遞延所得稅 (續)

(a) 即期所得稅

即期所得稅支出乃按照本公司、其附屬公司及聯營公司經營所在及產生應課稅收入的國家內於結算日已頒佈或已大致頒佈的稅法計算。管理層定期就適用稅務條例出現須待詮釋的情況評估其採取的報稅立場。管理層會基於預期將向稅務機關繳付的金額於適當時作出撥備。

(b) 遞延所得稅

內在差異

遞延所得稅乃以負債方法按照資產負債的稅基與於合併財務報表內兩者賬面金額之間所產生的暫時差額確認。然而，倘遞延稅項負債因商譽經初步確認而產生，則不確認遞延稅項負債。倘遞延所得稅因一宗交易（而非業務合併）中的資產或負債經初步確認而產生（而該項交易當時並無對會計或應課稅溢利或虧損構成影響），則不會將遞延所得稅入賬。遞延所得稅乃以於結算日已頒佈或已大致頒佈、並預期會於有關遞延所得稅資產變現時或於遞延所得稅負債清償時應用的稅率（及稅法）釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Current and deferred income tax (continued)

(b) Deferred income tax (continued)

Inside basis differences (continued)

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax liabilities is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 主要會計政策概要 (續)

2.17 即期及遞延所得稅 (續)

(b) 遞延所得稅 (續)

內在差異 (續)

遞延所得稅資產僅於可能有未來應課稅溢利以供用於抵銷暫時差額時確認。

外在差異

遞延所得稅負債乃根據於附屬公司及聯營公司的投資所產生的暫時差額作撥備，惟對於撥回暫時差額的時間由本集團控制，並於可見將來不大可能撥回暫時差額的遞延所得稅負債則另作別論。

(c) 抵銷

當享有可依法執行的權利以即期稅項資產抵銷即期稅項負債，以及當遞延所得稅資產及負債乃關於同一稅務機關對有意按淨額基準結清即期所得稅資產及負債結餘的應課稅實體或不同應課稅實體所徵收的所得稅，遞延所得稅資產及負債會互相抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Employee benefits

(a) Pension obligations

Full time employees of the PRC entities participate in a government mandated multiemployer defined contribution plan pursuant to which certain pension benefits, medical care, unemployment insurance, employee housing fund and other welfare benefits are provided to employees. Chinese labor regulations require the Company to accrue for these benefits based on certain percentages of the employees' salaries. Management believes full time employees who have passed the probation period are entitled to such benefits.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 主要會計政策概要 (續)

2.18 僱員福利

(a) 退休金責任

中國實體的全職僱員參與政府強制性多邊僱主界定供款計劃，據此，僱員享有若干退休金福利、醫療福利、失業保險、僱員住房津貼及其他福利。中國勞工法規規定本公司根據僱員薪金的若干比例計付該等福利。管理層認為，通過試用期的全職僱員有權享有該等福利。

支付供款後，本集團再無其他付款責任。供款在到期時確認為僱員福利開支，並扣除在供款完全歸屬前離開計劃的僱員被沒收的供款。預付供款確認為資產，以可獲得現金退款或可從未來付款中扣除者為限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Employee benefits (continued)

(b) Employee leaves entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service payment as a result of services rendered by employees up to the reporting date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(c) Bonus plans

The Group recognises a liability and an expense for bonuses, based on performance and takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(d) Equity-based compensation

The Group operates employee share option scheme, under which the entity receives services from eligible participants as consideration for options to acquire ordinary shares of the Company.

2 主要會計政策概要 (續)

2.18 僱員福利 (續)

(b) 僱員有薪假期

僱員可享有的年假乃於僱員可享有假期時確認。本公司就僱員於截至報告日期為止提供服務而可享有的年假及長期服務付款的估計負債作出撥備。僱員可享有的病假及產假於放假時方予確認。

(c) 花紅計劃

本集團就按業績計算並計及本公司股東應佔溢利在作出若干調整後的花紅確認負債及開支。本集團於有合約責任或過往慣例產生推定責任時確認撥備。

(d) 以股權為基礎的薪酬

本集團營辦僱員購股權計劃，據此，實體向合資格參與人士收取服務作為可購入本公司普通股的購股權的代價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Employee benefits (continued)

(d) Equity-based compensation (continued)

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statements of comprehensive income, with a corresponding adjustment to equity.

2 主要會計政策概要 (續)

2.18 僱員福利 (續)

(d) 以股權為基礎的薪酬 (續)

以授出購股權換取的僱員服務的公允價值乃確認為開支。將予支銷的總金額乃參照已授出購股權公允價值釐定：

- 包括任何市場表現條件 (如實體的股價)；
- 不包括任何服務及非市場表現歸屬條件的影響 (例如於特定期間的溢利能力、銷售增長目標及繼續為有關實體的僱員)；及
- 包括任何非歸屬條件的影響 (如挽留僱員的規定)。

於各報告期末，本集團修訂其對預期根據非市場表現及服務條件歸屬的購股權數目的估計。本集團在合併全面收益表確認對原估算修訂 (如有) 的影響，並對權益作出相應調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Employee benefits (continued)

(d) Equity-based compensation (continued)

The cash subscribed for the shares issued when the options are exercised is credited to share capital (nominal value), net of any directly attributable transaction costs. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value).

2.19 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 主要會計政策概要 (續)

2.18 僱員福利 (續)

(d) 以股權為基礎的薪酬 (續)

認購於購股權獲行使時發行的股份的現金會計入股本(面值), 並扣除任何直接應佔交易成本。本公司於購股權獲行使時發行新股份。所取的所得款項經扣除任何直接應佔交易成本後會計入股本(面值)。

2.19 撥備

當本集團因過去事件而須承擔現有法律或推定責任, 而履行該責任很有可能導致資源流出, 且能夠可靠地估計金額的情況下, 便會確認撥備。本集團不會就日後經營虧損確認撥備。

倘出現多項類似責任, 履行責任時導致資源流出的可能性乃考慮責任整體類別釐定。即使同類責任中任何一項可能導致資源流出的機會不大, 仍會確認撥備。

撥備乃按採用稅前比率計算預期須就履行責任支付開支的現值計量, 有關比率反映市場當時對貨幣時間價值及該責任的特定風險的評估。因時間流逝而產生的撥備增加確認為利息開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Publishing and advertising

The Group's role in the provision of services on publishing and advertising is that of a principal. When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Group and its business partners are reviewed to determine each party's respective role in the transaction.

Hence, revenue from publishing and advertising services is recognised on a gross basis when services are rendered for the creation, production and placement of advertising materials through all media.

2 主要會計政策概要 (續)

2.20 收入確認

收入包括於本集團日常業務過程中銷售服務的已收或應收代價公允價值，於扣除增值稅、退貨、回扣及折扣以及沖銷本集團內部銷售後呈列。

當收入的金額能夠可靠計量，而未來經濟利益有可能流入實體，且本集團每項活動均符合下文所述的具體條件時，本集團將確認收入。本集團會根據其過往業績並考慮客戶類別、交易種類和每項安排的特點作出估計。

(a) 出版及廣告

本集團在提供出版及廣告服務方面的身份極為重要。在釐定收入或收入成本的最佳呈列基準時，本集團會審閱其與業務夥伴所訂立協議的法律形式及內容，以釐定各方在交易中的身份。

因此，來自出版及廣告服務的收入於在所有媒體創設、製作及投放廣告材料提供服務時按總額基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Revenue recognition (continued)

(b) Barter transaction

When services are exchanged or swapped for services which are of a similar nature and value, the exchange is not regarded as a revenue generating transaction.

When services are rendered in exchange for dissimilar services, the exchange is regarded as a revenue generating transaction. The revenue is measured at the fair value of the services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the services received cannot be measured reliably, the revenue is measured at the fair value of the services provided in a barter transaction, by reference to non-barter transaction involving similar services, adjusted by the amount of any cash or cash equivalents transferred.

(c) Online services

Revenue from online services is recognised when the services, including electronic publications, online advertisements and website maintenance and technical services, are rendered. Revenue from online services provided over fixed periods is recognised on straight-line basis over the respective period.

2 主要會計政策概要 (續)

2.20 收入確認 (續)

(b) 易貨交易

服務用於交換或換取類似性質及價值的服務時，交換不會被視為產生收入的交易。

提供服務交換不同服務時，交換被視為產生收入的交易。收入按所收取服務的公允價值計量，並就轉讓的現金或現金等值項目的金額作出調整。當所獲服務的公允價值無法可靠地計量時，收入參考涉及類似服務的非易貨交易，按易貨交易中提供的服務的公允價值計量，並就轉讓的現金或現金等值項目的金額作出調整。

(c) 網絡服務

網絡服務收入於提供服務（包括電子出版、網絡廣告及網站保養及技術服務）時確認。於固定期間提供的網絡服務收入於各自期間按直線基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Revenue recognition (continued)

- (d) Marketing, distribution management, consulting and printing services
Revenue from marketing, distribution management and printing services is recognised as the services are delivered to the customers.

2.21 Government grants

Grants from the government are recognised at fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.22 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

2 主要會計政策概要 (續)

2.20 收入確認 (續)

- (d) 營銷、分銷管理、諮詢及印刷服務
營銷、分銷管理及印刷服務收入於服務交付予客戶時確認。

2.21 政府補助

倘能合理保證將取得政府補助及本集團將符合所有附帶條件，則該等補助將按公允價值確認。

應收政府補助於必要期間有系統地確認為收入，以與其擬補償的相關費用相符。與開支相關的政府補助獨立呈列為其他收入。

2.22 租賃

如租賃擁有權的絕大部分風險和報酬由出租方保留，則租賃列為經營租賃。根據經營租賃支付的款項在扣除自出租方收取的任何獎勵金後，於租期內按直線基準自合併全面收益表扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group has not used any derivative financial instruments to hedge its risk exposures.

(a) Market risk

(i) Foreign exchange risk

The Group operates principally in the PRC. Majority of recognised assets and liabilities are denominated in RMB and majority of transactions are settled in RMB. The Group does not hold or issue any derivative financial instruments to manage its exposure to foreign currency risk. The Group had only insignificant foreign exchange risk exposure to US dollar and HK dollar as at 31 December 2014 and as such, no sensitivity analysis has been presented.

2 主要會計政策概要 (續)

2.23 股息分派

向本公司股東分派的股息在股息獲本公司股東或董事(如適用)批准的期間內於本集團及本公司的財務報表內確認為負債。

3 財務風險管理

3.1 財務風險因素

本集團的業務承受多項財務風險：市場風險(包括貨幣風險、公允價值利率風險、現金流量利率風險及價格風險)、信貸風險及流動資金風險。本集團的整體風險管理計劃集中於金融市場的不可預測事項，並尋求盡量減低對本集團財務表現的潛在不利影響。本集團並無採用任何衍生金融工具對沖其所面對的風險。

(a) 市場風險

(i) 外匯風險

本集團主要在中國經營業務。已確認的大部分資產及負債均以人民幣列值，且大部分交易均以人民幣結算。本集團並無持有或發行任何衍生金融工具，以管理其所面對的外幣風險。本集團於二零一四年十二月三十一日僅面對美元兌港元的輕微外匯風險，因此並無呈列敏感度分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Price risk

The Group does not hold equity securities and is not exposed to equity securities price risk. The Group is also not exposed to commodity price risk.

(iii) Cash flow and fair value interest rate risk

The sensitivity analysis below has been determined based on the exposure to interest rate risk on its variable rate bank deposits at the balance sheet date and prepared assuming the amount of bank deposits outstanding at each balance sheet date was outstanding for the whole year.

At 31 December 2014, if interest rates had been 100 basis points higher/lower with all other variables held constant, the Group's pre-tax loss for the year ended 31 December 2014, would have been RMB50,000 lower/higher (2013: RMB500,000 lower/higher the Group's pre-tax loss), mainly as a result of higher/lower interest income on the short-term deposits.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(ii) 價格風險

本集團並無持有股本證券，因此並無面對股本證券價格風險。本集團亦無面對商品價格風險。

(iii) 現金流量及公允價值利率風險

下列敏感度分析乃根據於結算日浮息銀行存款的利率風險釐定，並假設於各結算日現有銀行存款金額於全年內存置而編製。

於二零一四年十二月三十一日，倘利率上升／下降100個基點，而所有其他變數維持不變，本集團截至二零一四年十二月三十一日止年度的稅前虧損將減少／增加人民幣50,000元（二零一三年：本集團稅前虧損增加／減少人民幣500,000元），主要是由於短期存款的利息收入增加／減少所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk

Credit risk is managed on group basis. Credit risk primarily arises from trade receivables, prepayments, deposits and other receivables, amounts due from related parties, short-term bank deposits and cash and cash equivalents.

The trade receivables mainly represent the advertising fee due from advertising customers. The Group generally grants to its advertising customers a credit period ranging from one month to one year after delivery of the relevant advertising services. The length of the credit period the Group grants to its customers varies by industry and is driven by credit periods granted by its competitors. The Group grants customers from industries such as real estate, automotive and telecommunications as well as those with national brand names and its long-term customers with large orders longer credit periods. For short-term customers with small orders, out-of-province customers that do not have well-known brand names, classified advertising customers and secondary advertising agents, the Group usually requests that the contractual amount be paid in full prior to delivery of service.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險

信貸風險按組別基準管理。信貸風險主要因貿易應收款項、預付款項、按金及其他應收款項、應收關連人士款項、短期銀行存款以及現金及現金等值項目而產生。

貿易應收款項主要指應收廣告客戶的廣告費。本集團一般給予其廣告客戶介乎提供相關廣告服務後一個月至一年的信貸期。本集團給予客戶的信貸期長短因行業而異，視乎其競爭對手給予的信貸期而定。本集團給予房地產、汽車及電訊等行業的客戶、國家品牌客戶及大額訂單的長期客戶較長信貸期。至於小額訂單的短期客戶、並無知名品牌的外省客戶、分類廣告客戶及二級廣告代理，本集團一般要求於提供服務前全數支付合約金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

The Group has a credit policy with established procedures in place, which it reviews from time to time. The Group's credit management team assigns internal credit ratings to customers after evaluation of their creditworthiness through assessment of their particulars including business licenses, certifications and credit rating reports and considering factors such as operating status, business condition, profitability, indebtedness and assets. These internal credit ratings are used to determine the credit-related clauses in the sales contracts signed with customers. The Group also prepares regular credit reports to update its understanding of the customer's operating conditions and business information for better risk management in relation to bad debts. In the event the credit rating of a particular customer drops after the Group's review, it may adopt measures such as settlement of its fee through barter transactions, requesting the customer to provide or procure a guarantor to provide security or reducing the customer's advertisement publication volume.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

本集團訂有信貸政策和既定程序，並不時作出檢討。本集團的信貸管理團隊透過評核客戶的資料（包括營業執照、認證資格及信貸評級報告）及考慮經營狀況、營商條件、盈利能力、債務及資產等因素，評估客戶的信譽，之後會給予客戶內部信貸評級。有關內部信貸評級乃用以釐定與客戶簽訂的銷售合約中的信貸相關條款。本集團亦編製定期信貸報告，以了解客戶經營狀況及業務資料的最新情況，藉此達致較佳的壞賬風險管理。倘經本集團檢討後，某一客戶的信貸評級下降，則本集團可能採取透過易貨交易結算費用、要求客戶提供或安排擔保人提供擔保或調低客戶廣告刊登量等各種措施。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

The Group makes allowance for doubtful accounts based on assessments of the recoverability of the trade receivable, including the current creditworthiness and the past collection history of each debtor. During the year ended 31 December 2014, the Group has assessed the recoverability of its trade receivables and made impairment provision for certain trade receivables where the recoverability has become less than probable. Details of allowance for doubtful trade receivables are set out in Note 10. Determining the allowance involves significant management judgements and estimates about and, by definition, would seldom equal to actual results. Any difference between management's estimates of the recoverability of trade receivables and the amounts that the Group eventually recovers will impact the Group's profit or loss.

Receivables that were past due but not impaired relate to a number of independent customers with satisfactory repayment history and no recent history of default. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

本集團根據對貿易應收款項的可收回性(包括各債務人當前的信譽及過往還款紀錄)的評估作出呆賬撥備。於截至二零一四年十二月三十一日止年度,本集團已評估貿易應收款項的可收回性,並於不大可能收回時就若干貿易應收款項作出減值撥備。貿易應收款項呆賬撥備詳情載於附註10。釐定撥備涉及管理層的重大判斷及估計,顧名思義,甚少等同實際結果。管理層對貿易應收款項可收回性的估計與本集團最終收回的數額如有任何差異,會影響本集團的損益賬。

已逾期但未減值的應收款項乃與多名還款紀錄良好及近期並無違約紀錄的獨立客戶有關。由於信貸質素並無重大變動及結餘仍然被視為可以完全收回,故根據過往經驗,管理層認為並無必要就該等結餘作出減值撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

The Group's bank balances and short-term bank deposits are placed with a number of major banks in the PRC. Counterparties' credit risks are carefully reviewed and in general, the Group only deals with financial institutions with low credit risk. The amount of counterparties' lending exposure to the Group is also an important consideration as a means to control credit risk.

The deposits and other receivables mainly represent the cash paid to (i) metropolitan newspaper publishers for obtaining their exclusive advertising rights to sell advertising spaces in respective newspapers, and (ii) commercial customers for the rights as the sole marketing and promotion services providers for certain real estate development projects owned by these customers for terms that ranged within 3 years or throughout the selling period of the real estate development projects.

Management regularly reviews the utilisation and realisability of these balances and follows up on the disputes or amounts overdue. The Group actively monitors the credit qualities and business development of its debtors by taking into account of their financial positions, relationships with the Group, credit history and other factors. The Group also assesses on a case-by-case basis at each reporting date whether there is any objective evidence exists for impairment of these balances.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

本集團的銀行結餘及短期銀行存款存放於若干中國主要銀行。本集團審慎檢討對方的信貸風險，且本集團一般只與信貸風險低的金融機構交易。本集團承受的對方貸款風險金額亦為控制信貸風險方法的重要考慮因素。

按金及其他應收款項主要指：(i)為換取銷售都市報紙出版商各報紙廣告位的獨家廣告權而向該等都市報出版商支付；及(ii)為若干商業客戶所擁有若干房地產發展項目的獨家營銷及宣傳服務的權利（期限為三年或房地產發展項目的整段銷售期）而向該等客戶支付的現金。

管理層定期檢討該等結餘的動用及變現情況，並跟進糾紛或欠款金額。本集團按其債務人的財務狀況、與本集團的關係、信貸紀錄及其他因素積極監察其債務人的信貸質素及業務發展。本集團亦於各報告日期按個別情況評估該等結餘是否存在客觀減值證據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

When objective evidence of impairment exists, the amount of impairment loss is measured as the short-fall of the expected cash receipts from counterparties or the value in use measured by discounted cash flow method as compared to the carrying value of the deposits and other receivables. As at 31 December 2014, management has performed detailed assessment and made a provision for impairment on deposits and other receivables balances. Please refer to Note 11(ix) for details.

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements for maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet its liquidity requirements in the short and longer term.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

倘存在客觀減值證據，減值虧損金額為來自對方的預期現金收入或採用貼現現金流量法計量的使用價值與按金及其他應收款項賬面值比較下的不足額。於二零一四年十二月三十一日，管理層已進行詳盡評估，並就按金及其他應收款項結餘作出減值撥備。詳情請參閱附註11(ix)。

(c) 流動資金風險

本集團的政策是定期監察即期及預期流動資金需求，以維持充足的現金，並透過足夠的承諾信貸金融資額，滿足短期及長期的流動資金需求。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due over 12 months equal their carrying balances, as the impact of discounting is not significant.

Group

		Less than 1 year 一年以內 RMB'000 人民幣千元	Over 1 year 一年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2014	於二零一四年 十二月三十一日			
Trade and other payables	貿易及其他應付款項	24,872	-	24,892
Amounts due to directors	應付董事款項	1,231	-	1,231
		26,103	-	26,103
At 31 December 2013	於二零一三年 十二月三十一日			
Trade and other payables	貿易及其他應付款項	21,081	-	21,081
Amounts due to directors	應付董事款項	345	-	345
		21,426	-	21,426

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險 (續)

下表乃根據由結算日至合約到期日止剩餘期間，將本集團的金融負債劃分為相關到期日組別的分析。表中披露的金額為合約未貼現現金流。由於貼現的影響不大，於12個月後到期的結餘相等於其賬面結餘。

本集團

		Less than 1 year 一年以內 RMB'000 人民幣千元	Over 1 year 一年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2014	於二零一四年 十二月三十一日			
Trade and other payables	貿易及其他應付款項	24,872	-	24,892
Amounts due to directors	應付董事款項	1,231	-	1,231
		26,103	-	26,103
At 31 December 2013	於二零一三年 十二月三十一日			
Trade and other payables	貿易及其他應付款項	21,081	-	21,081
Amounts due to directors	應付董事款項	345	-	345
		21,426	-	21,426

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

Company

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險 (續)

本公司

		Less than 1 year 一年以內 RMB'000 人民幣千元	Over 1 year 一年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2014	於二零一四年 十二月三十一日			
Other payables	其他應付款項	240	-	240
Amounts due to subsidiaries	應付附屬公司款項	<u>40,427</u>	<u>-</u>	<u>40,427</u>
		<u>40,667</u>	<u>-</u>	<u>40,667</u>
At 31 December 2013	於二零一三年 十二月三十一日			
Other payables	其他應付款項	240	-	240
Amounts due to subsidiaries	應付附屬公司款項	<u>117,549</u>	<u>-</u>	<u>117,549</u>
		<u>117,789</u>	<u>-</u>	<u>117,789</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total assets, as shown in the consolidated balance sheet.

During the year, the group's strategy, which was unchanged from 2013, was to maintain the gearing ratio below 40%. Gearing ratio as at 31 December 2014 and 31 December 2013 are zero. No borrowings were drawn by the Group during the year.

3 財務風險管理 (續)

3.2 資本風險管理

在資本管理上，本集團的目標為保障本集團以持續經營基準繼續營運的能力，務求為股東提供回報及為其他相關權益人士帶來利益，以及維持最有效的資本架構以減省資金成本。

為維持或調整資本架構，本集團或會調整派付予股東的股息額、發行新股或出售資產以削減債項。

本集團根據資產負債比率監察資本。該比率按合併資產負債表所示的借款總額除以總資產計算。

本集團於年內的策略是將資產負債比率維持在40%以下，與二零一三年相同。於二零一四年及二零一三年十二月三十一日的資產負債比率均為零。本集團年內並無提取任何借款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Financial instruments by category – Group and Company

(a) Group

3 財務風險管理 (續)

3.3 按類別劃分的金融工具－本集團及本公司

(a) 本集團

		Loans and receivables	Total
		貸款及 應收款項	總計
		RMB'000	RMB'000
		人民幣千元	人民幣千元
31 December 2014			
Assets as per balance sheet		資產負債表所列的資產	
Trade receivables and deposits and other receivables	貿易應收款項以及按金及其他應收款項	59,506	59,506
Amount due from related parties	應收關連人士款項	20,444	20,444
Amount due from a significant shareholder of the Company	應收本公司主要股東款項	3,920	3,920
Short-term bank deposits	短期銀行存款	5,000	5,000
Cash and cash equivalents	現金及現金等值項目	32,487	32,487
Total	總計	<u>121,357</u>	<u>121,357</u>
		Other financial liabilities at amortised cost	Total
		其他金融負債，按攤銷成本	總計
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Liabilities as per balance sheet		資產負債表所列的負債	
Trade and other payables	貿易及其他應付款項	24,872	24,872
Amounts due to directors	應付董事款項	1,231	1,231
Total	總計	<u>26,103</u>	<u>26,103</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Financial instruments by category – Group and Company (continued) (a) Group (continued)

3 財務風險管理 (續)

3.3 按類別劃分的金融工具 – 本集團 及本公司 (續) (a) 本集團 (續)

		Loans and receivables	Total
		貸款及 應收款項	總計
		RMB'000	RMB'000
		人民幣千元	人民幣千元
31 December 2013			
Assets as per balance sheet	二零一三年十二月三十一日 資產負債表所列的資產		
Trade receivables and deposits and other receivables	貿易應收款項以及按金及 其他應收款項	164,505	164,505
Amount due from related parties	應收關連人士款項	4,873	4,873
Amount due from a significant shareholder of the Company	應收本公司主要股東款項	14,994	14,994
Short-term bank deposits	短期銀行存款	50,000	50,000
Cash and cash equivalents	現金及現金等值項目	53,911	53,911
Total	總計	<u>288,283</u>	<u>288,283</u>
		Other financial liabilities at amortised cost	Total
		其他 金融負債， 按攤銷成本	總計
		RMB'000	RMB'000
		人民幣千元	人民幣千元
31 December 2013			
Liabilities as per balance sheet	二零一三年十二月三十一日 資產負債表所列的負債		
Trade and other payables	貿易及其他應付款項	21,081	21,081
Amounts due to directors	應付董事款項	345	345
Total	總計	<u>21,426</u>	<u>21,426</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Financial instruments by category – Group and Company (continued) (b) Company

3 財務風險管理 (續)

3.3 按類別劃分的金融工具—本集團 及本公司 (續) (b) 本公司

		Loans and receivables	
		貸款及應收款項	
		2014	2013
		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Assets as per balance sheet	資產負債表所列的資產		
Amounts due from subsidiaries	應收附屬公司款項	206,746	533,750
Cash and cash equivalents	現金及現金等值項目	1,660	1,611
Total	總計	208,406	535,361
		Financial liabilities at amortised cost	
		金融負債，按攤銷成本	
		2014	2013
		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Liabilities as per balance sheet	資產負債表所列的負債		
Other payables	其他應付款項	240	240
Amounts due to subsidiaries	應付附屬公司款項	40,427	117,549
Total	總計	40,667	117,789

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.4 Fair value estimation

The carrying amounts of the following financial assets and financial liabilities approximate their fair values as all of them are short-term in nature: cash and cash equivalents, trade and other receivables, amounts due from related parties, trade and other payables, borrowings and amounts due to related parties.

As at 31 December 2014 and 31 December 2013, there are certain deposits and other receivables and interests in associates measured at value in use using discounted cash flow method which is approximate to their fair values. See Note 9 for disclosures relevant to interest in associates and Note 11(ix) for disclosures relevant to deposits and other receivables.

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

3 財務風險管理 (續)

3.4 公允價值估計

以下金融資產及金融負債的賬面金額與其公允價值相若，此乃由於彼等均屬短期性質所致：現金及現金等值項目、貿易及其他應收款項、應收關連人士款項、貿易及其他應付款項、借款以及應付關連人士款項。

於二零一四年十二月三十一日及二零一三年十二月三十一日，若干按金及其他應收款項以及於聯營公司的權益利用貼現現金流量法按使用價值計量，其使用價值與其公允價值相若。於聯營公司的權益的相關披露見附註9，而按金及其他應收款項的相關披露則見附註11(ix)。

4 關鍵會計估計及假設

本集團持續根據過往經驗及其他因素（包括對相信日後在若干情況下屬合理的若干事件的期望）衡量估計及判斷。

本集團對未來作出估計及假設。顧名思義，所得會計估計甚少等同相關實際結果。下文指出具有重大風險導致須就下個財政年度的資產和負債賬面金額作出重大調整的估計和假設。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

(a) Recoverability of prepayments and deposits

The Group has made prepayments and deposits in respect of exclusive agreements with newspaper publishers and exclusive marketing and promotion projects. Impairment loss arises where events or changes in circumstances indicate that the expected future economic benefits to be generated from these arrangements are lower than the carrying amounts of these prepayments and deposits.

Management assesses the valuation of prepayments and deposits based on financial projections reviewed and approved by the board of directors of the Company. The projections make assumptions about the economic benefit obtained in connection with the prepayments and deposits made to the respective newspaper publishers and property developers. Difference between the actual and original estimates will impact the carrying value of prepayments and deposits. Details of the provisions for impairment of prepayments and deposits are disclosed in Note 11(ix).

4 關鍵會計估計及假設 (續)

(a) 預付款項及按金的可收回性

本集團已就有關報紙出版商以及獨家營銷及宣傳項目的獨家協議支付預付款項及按金。倘有任何事件出現或情況轉變顯示該等安排預期產生的未來經濟利益少於該等預付款項及按金的賬面金額，則會產生減值虧損。

管理層根據本公司董事會已審閱及批准的財務預測評估預付款項及按金的估值。該等預測就向各報紙出版商及物業發展商支付預付款項及按金所得到的經濟利益作出假設。實際結果與原估計的差額將會影響預付款項及按金的賬面值。預付款項及按金減值撥備詳情於附註11(ix)披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

(b) Allowance for doubtful accounts

The Group makes allowance for doubtful accounts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such a difference will impact the carrying value of the trade and other receivables and bad and doubtful debt expenses in the year in which such estimate has been changed. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. Details of allowance for doubtful accounts are described in Note 10.

(c) Impairment of assets

The Group follows the guidance of IAS 36 "Impairment of Assets" to determine when assets are impaired, which requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the recoverable amount of assets is less than their carrying balance, including factors such as the industry performance and changes in operational and financing cash flows. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (a CGU). The recoverable amount of the CGU has been determined based on value-in-use calculations. These calculations require the use of estimates, including operating results, income and expenses of the business, future economic conditions on growth rates and future returns.

4 關鍵會計估計及假設 (續)

(b) 呆賬撥備

本集團根據對貿易及其他應收款項的可收回性(包括各債務人當前的信譽及過往還款紀錄)的評估作出呆賬撥備。倘有任何事件出現或情況轉變顯示餘款可能無法收回,則會出現減值。識別呆壞賬需要作出判斷及估計。倘實際結果不同於原估計,則差額會影響估計變動的年度的貿易及其他應收款項的賬面值以及呆壞賬開支。倘債務人的財務狀況惡化,導致其還款能力受到影響,則可能須作出額外撥備。呆賬撥備詳情載於附註10。

(c) 資產減值

本集團遵從國際會計準則第36號「資產減值」的指引,以釐定資產減值(須作出重大判斷)。在作出此項判斷時,本集團評估(其中包括)資產的可收回金額少於賬面餘額的持續期間及程度,包括行業表現以及營運及融資現金流量變動等因素。就評估減值而言,資產按可獨立識別現金流量的最低水平分組(現金產生單位)。現金產生單位的可收回金額乃根據使用價值計算方法釐定。該等計算須使用估計,包括經營業績、業務的收入及開支、增長率等未來經濟狀況及未來回報。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

(c) Impairment of assets (continued)

Changes in the key assumptions on which the recoverable amount of the assets is based could significantly affect the Group's financial position and results of operations.

(d) Impairment of interests in associates

The Group assesses whether interests in associates have suffered any impairment whenever events or changes in circumstances indicate that the carrying amount of the interests in associates may not be recoverable. The recoverable amounts of interests in associates have been determined based on value-in-use calculation or market valuations. These calculations require the use of judgement and estimates, in particular of future revenue or cash flows.

Changing the key assumptions, including discount rates or growth rates assumptions could significantly affect the recoverable amounts.

(e) Revenue recognition for barter transactions

When services are rendered in exchange for dissimilar goods or services, such as when the Group receives the rights to sell or receive the proceeds of a sale of real estate properties in exchange for advertising services the Group provided to certain of the real estate industry customers, the exchange is regarded as a revenue generating transaction.

4 關鍵會計估計及假設 (續)

(c) 資產減值 (續)

資產可收回金額所依據的主要假設的變動可對本集團的財務狀況及經營業績造成重大影響。

(d) 於聯營公司的權益減值

當出現事件或情況轉變顯示於聯營公司的權益賬面金額可能無法收回時，本集團會評估於聯營公司的權益有否減值。於聯營公司的權益的可收回金額已按使用價值計算法或市場估值釐定。該等計算方法規定運用判斷及估計，特別是關於未來收入或現金流量者。

貼現率或增長率假設等主要假設的變動可對可收回金額造成重大影響。

(e) 易貨交易的收入確認

當提供服務以交換不同貨品或服務時（如本集團獲得銷售房地產物業或收取出售房地產物業的所得款項的權利，交換本集團向若干房地產行業客戶提供廣告服務時），交換會被視為產生收入的交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

(e) Revenue recognition for barter transactions (continued)

The revenue from such barter transactions is measured at the fair value of the related real estate properties received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the rights to the real estate properties received cannot be measured reliably, the revenue is measured at the fair value of the goods or services provided in the barter transactions, by reference to non-barter transaction involving similar goods or services, adjusted by the amount of any cash or cash equivalents transferred.

(f) Income taxes

The Group is principally subject to income taxes in the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax provision and deferred income tax assets and liabilities in the period in which such determination is made.

4 關鍵會計估計及假設 (續)

(e) 易貨交易的收入確認 (續)

有關易貨交易的收入按所收取的相關房地產物業的公允價值計量，並就轉讓的現金或現金等值項目的金額作出調整。所收取房地產物業的權利的公允價值無法可靠計量時，收入將參考涉及類似貨品或服務的非易貨交易，按易貨交易中提供的貨品或服務的公允價值計量，並就轉讓的現金或現金等值項目的金額作出調整。

(f) 所得稅

本集團主要須在中國繳納所得稅。釐定所得稅撥備時須作出重大判斷。在日常業務過程中有許多交易及計算會導致難以明確作出最終的稅務釐定。倘有關事項最終的稅務結果與最初記入的金額不同，則該等差額會影響作出釐定期間的即期所得稅撥備以及遞延所得稅資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

(g) Contingent liabilities from on-going litigations

The Group follows the guidance of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” to determine when should contingent liabilities be recognised, which requires significant judgement. A contingent liability will be disclosed when a possible obligation has arisen, but its existence has to be confirmed by future events outside the Group’s control, or when it is not possible to calculate the amount. Realisation of any contingent liabilities not currently recognised or disclosed could have a material impact on the Group’s financial position.

The Group reviews significant outstanding litigations in order to assess the need for provisions. Among the factors considered, are the nature of the litigation, legal processes and potential level of damages, the opinions and views of the legal counsel, and the management’s intentions to respond to the litigations. To the extent the estimates and judgements do not reflect the actual outcome, this could materially affect the results for the year and the financial position. As at 31 December 2014, the Group has several on-going litigations. The details of these litigations and the Group’s assessment of the effect to the consolidated financial statements are disclosed in Note 37.

4 關鍵會計估計及假設（續）

(g) 來自未了結訴訟的或有負債

本集團遵照國際會計準則第37號「撥備、或有負債及或有資產」的指引釐定應何時確認或有負債，須作出重大判斷。當有可能產生責任，惟其存在與否須透過非本集團所能控制的未來事件確定；或當不可能計算責任所涉金額，則會披露或有負債。任何目前未有確認或披露的或有負債一旦實現，均可能對本集團的財務狀況造成重大影響。

本集團會審閱重大的待決訴訟，以評估是否有需要計提撥備。所考慮的因素包括訴訟的性質、損害賠償的法律程序及潛在水平、法律顧問的意見及見解以及管理層對回應訴訟的意向。倘估計及判決不能反映實際結果，則可能嚴重影響年內業績及財務狀況。於二零一四年十二月三十一日，本集團有數項未了結訴訟。有關該等訴訟及本集團評估該等訴訟對合併財務報表的影響的詳情於附註37披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

5 REVENUE

Revenue from external customers are derived from the provision of newspaper advertising services to advertisers in the PRC, online services, including electronic dissemination of publication and provision of online system development services to newspaper publishers, and the provision of marketing, distribution management, consulting and printing services, television and radio advertising, and outdoor advertising services and activities. The total sales amount of the Group's five largest customers is RMB26,712,000 for the year ended 31 December 2014 (2013: RMB69,858,000). An analysis of the Group's revenue for the year is as follows:

5 收入

來自外部客戶的收入源於向中國廣告客戶提供報紙廣告服務、網絡服務（包括出版物的電子分發及向報紙出版商提供網上系統開發服務），以及提供營銷、分銷管理、諮詢及印刷服務、電視及電台廣告，以及戶外廣告服務及活動。截至二零一四年十二月三十一日止年度，本集團五大客戶所佔銷售總額為人民幣26,712,000元（二零一三年：人民幣69,858,000元）。本集團年內收入分析如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Newspaper advertising	報紙廣告	134,469	181,260
Online services	網絡服務	338	6,311
Marketing, distribution management, consulting and printing services, and outdoor advertising services and activities	營銷、分銷管理、諮詢及 印刷服務以及 戶外廣告服務及活動	46,867	77,709
Television and radio advertising	電視及電台廣告	1,882	5,046
		183,556	270,326

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

6 SEGMENT INFORMATION

The Executive Directors have been identified as the CODM. Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance.

The Executive Directors assess the performance of the Group's publishing and advertising businesses from both geographic and product perspectives. From a product perspective, management takes into consideration of the economic benefits of publishing and advertising businesses as a whole when executing a centralised assessment of the performance as the CODM considers they are mutually dependent and inseparable. Geographically, management considers the Group's publishing and advertising businesses activities are included in a single reportable segment in accordance with IFRS 8 "Operating segments". As such, no segment information is presented.

6 分類資料

執行董事被認定為首席營運決策人。管理層根據首席營運決策人分配資源及評估表現時審閱的資料釐定經營分類。

執行董事從地域及產品角度評估本集團出版及廣告業務的表現。產品角度方面，由於首席營運決策人認為出版及廣告業務互相依賴及不可分割，故管理層在進行集中表現評估時，以總體考慮出版及廣告業務的經濟利益。地域方面，管理層認為本集團的出版及廣告業務活動均按照國際財務報告準則第8號「經營分類」計入單獨須呈報分類。因此，並無呈列分類資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT – GROUP

7 物業、廠房及設備 – 本集團

		Land and buildings	Leasehold improvement	Machinery	Fixture, furniture and equipment	Motor vehicles	Total
		土地及樓宇 RMB'000 人民幣千元	租賃物業裝修 RMB'000 人民幣千元	機器 RMB'000 人民幣千元	裝置、 傢俬及設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2013	於二零一三年一月一日						
Cost	成本	3,776	11,886	49,275	13,134	23,044	101,115
Accumulated depreciation	累計折舊	(214)	(3,448)	(24,136)	(7,397)	(5,875)	(41,070)
Net carrying amount	賬面淨額	<u>3,562</u>	<u>8,438</u>	<u>25,139</u>	<u>5,737</u>	<u>17,169</u>	<u>60,045</u>
Year ended 31 December 2013	截至二零一三年十二月三十一日止年度						
Opening net carrying amount	年初賬面淨額	3,562	8,438	25,139	5,737	17,169	60,045
Additions	添置	–	2,359	8	819	2,093	5,279
Disposals (Note 30(b))	出售(附註30(b))	–	–	–	(149)	(267)	(416)
Depreciation (Note 24)	折舊(附註24)	(69)	(1,287)	(4,543)	(1,518)	(2,345)	(9,762)
Closing net carrying amount	年末賬面淨額	<u>3,493</u>	<u>9,510</u>	<u>20,604</u>	<u>4,889</u>	<u>16,650</u>	<u>55,146</u>
At 31 December 2013	於二零一三年十二月三十一日						
Cost	成本	3,776	14,245	49,283	11,791	24,109	103,204
Accumulated depreciation	累計折舊	(283)	(4,735)	(28,679)	(6,902)	(7,459)	(48,058)
Net carrying amount	賬面淨額	<u>3,493</u>	<u>9,510</u>	<u>20,604</u>	<u>4,889</u>	<u>16,650</u>	<u>55,146</u>
Year ended 31 December 2014	截至二零一四年十二月三十一日止年度						
Opening net carrying amount	年初賬面淨額	3,493	9,510	20,604	4,889	16,650	55,146
Additions	添置	–	102	2	785	778	1,667
Disposals (Note 30(b))	出售(附註30(b))	(1,753)	(22)	–	(1,123)	(3,638)	(6,536)
Depreciation (Note 24)	折舊(附註24)	(69)	(1,393)	(4,610)	(1,688)	(2,410)	(10,170)
Closing net carrying amount	年末賬面淨額	<u>1,671</u>	<u>8,197</u>	<u>15,996</u>	<u>2,863</u>	<u>11,380</u>	<u>40,107</u>
At 31 December 2014	於二零一四年十二月三十一日						
Cost	成本	1,801	13,216	49,287	8,794	18,162	91,260
Accumulated depreciation	累計折舊	(130)	(5,019)	(33,291)	(5,931)	(6,782)	(51,153)
Net carrying amount	賬面淨額	<u>1,671</u>	<u>8,197</u>	<u>15,996</u>	<u>2,863</u>	<u>11,380</u>	<u>40,107</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT – GROUP (continued)

Depreciation of the Group's property, plant and equipment has been charged to the consolidated statement of comprehensive income as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cost of sales	銷售成本	2,986	3,549
General and administrative expenses	一般及行政開支	7,184	6,213
Total	總計	<u>10,170</u>	<u>9,762</u>

The Group's land and buildings at their carrying amounts are analysed as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Held outside Hong Kong on:	於香港以外地方		
	按以下方式持有：		
Lease term of less than 50 years	租期50年以下	1,671	1,916
Lease term of more than 50 years	租期50年以上	–	1,577
Total	總計	<u>1,671</u>	<u>3,493</u>

As at 31 December 2014, no land and buildings were pledged as collateral for the Group's bank borrowing facilities (Notes 16).

7 物業、廠房及設備—本集團 (續)

本集團的物業、廠房及設備折舊已按下列方式於合併全面收益表扣除：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cost of sales	銷售成本	2,986	3,549
General and administrative expenses	一般及行政開支	7,184	6,213
Total	總計	<u>10,170</u>	<u>9,762</u>

本集團的土地及樓宇按其賬面金額分析如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Held outside Hong Kong on:	於香港以外地方		
	按以下方式持有：		
Lease term of less than 50 years	租期50年以下	1,671	1,916
Lease term of more than 50 years	租期50年以上	–	1,577
Total	總計	<u>1,671</u>	<u>3,493</u>

於二零一四年十二月三十一日，本集團並無就其銀行借款融資抵押土地及樓宇作為抵押品（附註16）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

8 INTANGIBLE ASSETS – GROUP

8 無形資產－本集團

		Computer Software	Non- compete agreement	Goodwill	Customer relationships	Trademark	Web site	Other intangible assets	Total
		電腦軟件	不競爭協議	商譽	客戶關係	商標	網站	其他 無形資產	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2013	於二零一三年一月一日								
Cost	成本	3,626	11,500	12,573	16,100	9,400	9,378	1,000	63,577
Accumulated amortisation	累計攤銷	(2,052)	(6,390)	-	(10,550)	(2,035)	(3,885)	(708)	(25,620)
Net carrying amount	賬面淨額	<u>1,574</u>	<u>5,110</u>	<u>12,573</u>	<u>5,550</u>	<u>7,365</u>	<u>5,493</u>	<u>292</u>	<u>37,957</u>
Year ended 31 December 2013	截至二零一三年十二月三十一日止年度								
Opening net carrying amount	年初賬面淨額	1,574	5,110	12,573	5,550	7,365	5,493	292	37,957
Additions	添置	66	-	-	-	-	-	-	66
Amortisation (Note 24)	攤銷(附註24)	(778)	(3,833)	-	(5,370)	(1,221)	(5,063)	(292)	(16,557)
Closing net carrying amount	年末賬面淨額	<u>862</u>	<u>1,277</u>	<u>12,573</u>	<u>180</u>	<u>6,144</u>	<u>430</u>	<u>-</u>	<u>21,466</u>
At 31 December 2013	於二零一三年十二月三十一日								
Cost	成本	3,663	11,500	12,573	16,100	9,400	9,378	1,000	63,643
Accumulated amortisation	累計攤銷	(2,801)	(10,223)	-	(15,920)	(3,256)	(8,948)	(1,000)	(42,177)
Net carrying amount	賬面淨額	<u>862</u>	<u>1,277</u>	<u>12,573</u>	<u>180</u>	<u>6,144</u>	<u>430</u>	<u>-</u>	<u>21,466</u>
Year ended 31 December 2014	截至二零一四年十二月三十一日止年度								
Opening net carrying amount	年初賬面淨額	862	1,277	12,573	180	6,144	430	-	21,466
Additions	添置	20	-	-	-	-	-	-	20
Disposals	出售	(108)	-	-	-	-	-	-	(108)
Amortisation (Note 24)	攤銷(附註24)	(142)	(1,277)	-	(180)	(1,220)	(409)	-	(3,228)
Closing net carrying amount	年末賬面淨額	<u>632</u>	<u>-</u>	<u>12,573</u>	<u>-</u>	<u>4,924</u>	<u>21</u>	<u>-</u>	<u>18,150</u>
At 31 December 2014	於二零一四年十二月三十一日								
Cost	成本	3,222	11,500	12,573	14,500	9,400	8,476	1,000	60,671
Accumulated amortisation	累計攤銷	(2,590)	(11,500)	-	(14,500)	(4,476)	(8,455)	(1,000)	(42,521)
Net carrying amount	賬面淨額	<u>632</u>	<u>-</u>	<u>12,573</u>	<u>-</u>	<u>4,924</u>	<u>21</u>	<u>-</u>	<u>18,150</u>

The amortisation of intangible assets has been charged to "General and administrative expenses" in the consolidated statement of comprehensive income.

無形資產攤銷已於合併全面收益表的「一般及行政開支」扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

8 INTANGIBLE ASSETS – GROUP (continued)

Due to the acquisition of business from Fuzhou H-Brand Estate Marketing and Planning Company Limited (“Fuzhou H-Brand”) on 10 July 2011, the Group recognised intangible assets of RMB36,570,000, deferred tax liabilities of RMB9,143,000 and goodwill of RMB12,573,000, with total purchase consideration of RMB40,000,000 fully settled in cash during year ended 31 December 2011.

For the purpose of impairment testing, goodwill has been allocated to a cash generating unit, Fujian Haobang Real Estate Consulting & Agency Co. Ltd. (“Fujian Haobang”), a subsidiary of the Group. During the year ended 31 December 2014, management of the Group determined that the goodwill is not impaired. The basis of determining the recoverable amount of Fujian Haobang and the major underlying assumptions are summarised below:

The recoverable amount has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the Directors covering a 5-year period, and at a pre-tax discount rate of 15%. The cash flows beyond the 5-year period are extrapolated using a constant growth rate of 5%. This growth rate is based on the relevant industry growth forecasts in the PRC.

8 無形資產－本集團（續）

本集團於二零一一年七月十日收購福州好邦房產營銷策劃有限公司（「福州好邦」）的業務，為此本集團確認無形資產人民幣36,570,000元、遞延稅項負債人民幣9,143,000元及商譽人民幣12,573,000元，總購買代價人民幣40,000,000元已於截至二零一一年十二月三十一日止年度內以現金悉數支付。

為進行減值測試，商譽已分配至本集團附屬公司福建好邦房產策劃代理有限公司（「福建好邦」）現金產生單位。於截至二零一四年十二月三十一日止年度內，本集團管理層確定商譽並無減值。下文概述釐定福建好邦可收回金額的基準及主要相關假設：

可收回金額乃根據使用價值計算方法釐定。此計算方法採用根據經董事批准的五年期財政預算所作現金流量預測，以及15%的稅前貼現率。五年期以後的現金流量則採用5%的固定增長率推算。此增長率乃以中國相關行業增長預測為基礎。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

9 INTERESTS IN ASSOCIATES

9 於聯營公司的權益

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	59,993	60,162
Retained interest in a former subsidiary	於一間前附屬公司的保留權益	345	-
Share of post-acquisition losses	應佔收購後虧損	(5,191)	(169)
Provision for impairment of interest in an associate (Note 24)	於一間聯營公司的權益的減值撥備(附註24)	(46,026)	-
At 31 December	於十二月三十一日	9,121	59,993

As at 31 December 2014, the carrying amount of the Group's interests in associates of RMB9,121,000 represented its 34% equity interest in Skybroad International Limited ("Skybroad") and its 30% interest in Beijing HanDing Advertisement Co., Limited ("Beijing HanDing").

The Group's interest in Skybroad includes a quasi-equity loan of RMB680,000 to Skybroad, which is unsecured and interest-free. Beijing HanDing, formerly a wholly-owned subsidiary of the Group, is recognised as an associate of the Group after the disposal of 70% equity interest in Beijing Handing during the year.

Skybroad and Beijing HanDing are private companies and there are no quoted market prices available for their shares. There are no contingent liabilities relating to the Group's interests in associates.

於二零一四年十二月三十一日，本集團於聯營公司的權益的賬面金額人民幣9,121,000元指其於Skybroad International Limited（「Skybroad」）的34%股本權益及其於北京漢鼎廣告有限公司（「北京漢鼎」）的30%權益。

本集團於Skybroad的權益包括於Skybroad的無抵押及免息準股本性質貸款人民幣680,000元。本集團前全資附屬公司北京漢鼎則於本集團年內出售其於北京漢鼎的70%股本權益後確認為本集團的聯營公司。

Skybroad及北京漢鼎均為私人公司，故其股份並無可供參閱的市場報價。並無有關本集團於聯營公司的權益的或有負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

9 INTERESTS IN ASSOCIATES (continued)

Interests in associates are reviewed for impairment whenever events or changes in circumstances indicate there may be diminution in the associates' value. In view of the decline in revenue due to competition from incumbent competitors and new entrants in the voice over internet protocol software industry, management has assessed the recoverable amount of the interest in Skybroad with the assistance of American Appraisal China Limited, an independent valuer, using the discounted cash flow method. Impairment provision totaling RMB46,026,000 was recognised as at 31 December 2014.

The impairment assessment includes assumptions of net cash receipts generated from the Cloud Call software. The projection is based on significant unobservable inputs which were reviewed and approved by the Directors and are summarised as follows:

Unobservable inputs 不可觀察輸入數據	Range of unobservable input 不可觀察輸入數據的範圍	Relationship of unobservable input to value in use 不可觀察輸入數據與使用價值的關係
Future revenue growth 未來收入增長率	Growth of 3.0% to 10.0% per annum 年增長率3.0%至10.0%	The higher the revenue growth, the higher the value in use 收入增幅愈高，使用價值則愈高
Discount rate 貼現率	22.0%	The higher the discount rate, the lower the value in use 貼現率愈高，使用價值則愈低

In determining the revenue growth rates and discount rates, management has made references to the future and long-term forecasts quoted by industry research reports.

9 於聯營公司的權益（續）

每當有事件出現或情況轉變顯示聯營公司可能出現減值，本集團會就於聯營公司的權益審閱減值。鑑於來自現時競爭對手的競爭及有新競爭者加入互聯網語音系統軟件行業，導致收入下跌，管理層已委聘獨立估值師美國評值有限公司，利用貼現現金流量法評估Skybroad權益的可收回金額。於二零一四年十二月三十一日，本集團確認減值撥備合共人民幣46,026,000元。

減值評估包括假設雲呼軟件所產生的現金收款淨額。預測以經董事審閱及批准的重大不可觀察輸入數據為基礎，概述如下：

於釐定收入增長率及貼現率時，管理層已參照行業研究報告所報的未來及長遠預測。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

9 INTERESTS IN ASSOCIATES (continued)

If the revenue growth rate adopted in the valuation had decreased by 5%, the recoverable amount would be reduced by approximately RMB1,300,000 and further impairment loss of RMB1,300,000 would be required. If the discount rate used in the discounted cash flow calculation had been increased from 22% to 23%, the recoverable amount would be decreased by RMB300,000 and further impairment loss of RMB300,000 would be required.

Set out below are details of the associates of the Group as at 31 December 2014 and 2013. They have share capitals consisting solely of ordinary shares, which are held directly by the Group; the country of their principal place of businesses is the PRC.

Name of entity 實體名稱	Country of incorporation 註冊成立國家	Nature of the relationship 關係性質	Measurement method 計量方法	% of ownership interest held as at 31 December 於十二月三十一日所持擁有權權益百分比	
				2014 二零一四年	2013 二零一三年
Skybroad	British Virgin Islands	Note 1	Equity	34.0	34.0
Skybroad	英屬處女群島	附註1	權益		
Beijing HanDing 北京漢鼎	The PRC 中國	Note 2 附註2	Equity 權益	30.0	100.0

Note 1: Skybroad provides voice over internet protocol (VoIP) based communication software known as Cloud Call that operates on mobile and personal computer platforms. Skybroad is a strategic partnership for the Group, providing access to the mobile advertising market.

Note 2: Beijing HanDing provides one stop advertising agency services. Beijing HanDing was a wholly-owned subsidiary of the Group before the Group's disposal of its 70% equity interest in Beijing HanDing on 24 December 2014.

9 於聯營公司的權益 (續)

倘估值採納的收入增長率下跌5%，則可收回金額將減少約人民幣1,300,000元，並須作出進一步減值虧損人民幣1,300,000元。倘貼現現金流量計算法使用的貼現率由22%上升至23%，則可收回金額將減少約人民幣300,000元，並須作出進一步減值虧損人民幣300,000元。

下文載列本集團於二零一四年及二零一三年十二月三十一日的聯營公司詳情。該等聯營公司的股本僅由普通股組成，由本集團直接持有；而其主要營業地點所在國家為中國。

附註1: Skybroad提供基於互聯網語音系統的通訊軟件雲呼應用程序，該應用程序可於流動及個人電腦平台操作。Skybroad為本集團策略夥伴，提供渠道進軍流動廣告市場。

附註2: 北京漢鼎提供一站式廣告代理服務。於二零一四年十二月二十四日本集團出售於北京漢鼎的70%股本權益前，北京漢鼎為本集團的全資附屬公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

9 INTERESTS IN ASSOCIATES (continued)

Summarised financial information for an associate

Set out below are the summarised financial information for Skybroad which, in the opinion of the Directors, is material to the Group.

Summarised balance sheet

9 於聯營公司的權益（續）

一間聯營公司的財務資料概要

下文載列董事認為對本集團而言屬重大的Skybroad財務資料概要。

資產負債表概要

		Skybroad	
		2014	2013
		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current	流動		
Cash and cash equivalents	現金及現金等值項目	138	686
Other current assets (excluding cash)	其他流動資產（不包括現金）	20,379	19,563
Total current assets	總流動資產	20,517	20,249
Current liabilities	流動負債	(13,379)	(7,247)
Total current liabilities	總流動負債	(13,379)	(7,247)
Non-current	非流動		
Property, plant and equipment	物業、廠房及設備	240	348
Total non-current assets	總非流動資產	240	348
Net assets	資產淨值	7,378	13,350

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

9 INTERESTS IN ASSOCIATES (continued)

Summarised statement of comprehensive income

9 於聯營公司的權益（續）

全面收益表概要

		Skybroad	
		2014	2013
		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收入	19,197	20,021
Depreciation and amortisation	折舊及攤銷	(112)	(48)
Interest expense	利息開支	(55)	(1)
Income tax expense	所得稅開支	(2,197)	(2,921)
Post-tax (loss)/profit	除稅後（虧損）／溢利	(5,972)	8,728
Total comprehensive (loss)/income	全面（虧損）／收益總額	(5,972)	8,728

The information above reflects the amounts presented in the financial statements of the associate (and not the Company's share of those amounts) adjusted for differences in accounting policies between the Group and the associate.

Reconciliation of summarised financial information

Set out below is the reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in Skybroad.

上述資料反映聯營公司財務報表呈列的金額（而非本公司應佔的金額），已就本集團與聯營公司會計政策的差別作出調整。

財務資料概要對賬

以下載述所呈列財務資料概要與本集團於Skybroad權益賬面金額的對賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

9 INTERESTS IN ASSOCIATES (continued)

Summarised financial information

9 於聯營公司的權益（續）

財務資料概要

		Skybroad	
		2014	2013
		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Opening net assets 1 January	一月一日年初資產淨值	13,350	4,622
(Loss)/profit for the period	期內（虧損）／溢利	(5,972)	8,728
Closing net assets	年末資產淨值	7,378	13,350
Interest in an associate (34%)	於一間聯營公司的權益(34%)	2,508	4,539
Intangible assets – net	無形資產－淨額	6,292	10,128
Goodwill	商譽	–	45,326
Carrying value	賬面值	8,800	59,993

10 TRADE RECEIVABLES – NET – GROUP

10 貿易應收款項－淨額－本集團

		2014	2013
		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables	貿易應收款項	83,904	226,364
Less: provision for impairment of trade receivables	減：貿易應收款項減值撥備	(38,411)	(179,040)
Trade receivables – net	貿易應收款項－淨額	45,493	47,324

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 TRADE RECEIVABLES – NET – GROUP (continued)

The payment terms with customers are mainly cash on delivery and on credit. The credit periods range from 30 days to 365 days after the end of the month in which the relevant sales occurred. Aging analysis of the Group's trade receivables based on invoice date was as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
1 – 30 days	1至30日	8,739	17,543
31 – 60 days	31至60日	7,609	8,170
61 – 90 days	61至90日	4,263	5,535
91– 365 days	91至365日	40,159	30,471
Over 1 year	一年以上	23,134	164,645
		83,904	226,364
Less: provision for impairment on trade receivables	減：貿易應收款項減值撥備	(38,411)	(179,040)
Trade receivables – net	貿易應收款項－淨額	45,493	47,324

The carrying amounts of the Group's trade receivables are denominated in RMB.

As at 31 December 2014, trade receivables of RMB6,380,000 (2013: RMB7,926,000) were past due but not impaired. These receivables relate to a number of independent customers for whom there is no recent history of default and the repayment periods are consistent with the Group's practice. The aging analysis of these trade receivables were as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Past due 1 – 30 days	逾期1至30日	1,535	764
Past due 31 – 60 days	逾期31至60日	436	574
Past due 61 – 90 days	逾期61至90日	519	485
Past due over 91 days	逾期91日以上	3,890	6,103
		6,380	7,926

10 貿易應收款項－淨額－本集團 (續)

客戶主要按貨到付現及以記賬方式付款。信貸期由作出相關銷售當月結束起計介乎30日至365日不等。本集團的貿易應收款項根據發票日期的賬齡分析如下：

本集團貿易應收款項的賬面金額以人民幣計值。

於二零一四年十二月三十一日，貿易應收款項人民幣6,380,000元（二零一三年：人民幣7,926,000元）已逾期但並未減值。該等應收款項乃有關近期並無違約紀錄的多名獨立客戶，且還款期與本集團慣例一致。該等貿易應收款項的賬齡分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 TRADE RECEIVABLES – NET – GROUP (continued)

As at 31 December 2014, trade receivables of RMB38,411,000 (2013: RMB179,040,000) were impaired and provided for. For the year ended 31 December 2014, the amounts of the provision charged to the consolidated statement of comprehensive income were RMB1,842,000 (2013: RMB78,671,000). The aging of these receivables were as follows:

1 – 30 days	1至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
91 – 365 days	91至365日
Over 1 year	一年以上

The provision was made as management has determined that the ability of the debtors to repay the trade receivables has deteriorated. This provision amount was determined in line with the Group's policies and historical practice, where management has reviewed the relevant debtors' current creditworthiness and past payment history.

10 貿易應收款項－淨額－本集團 (續)

於二零一四年十二月三十一日，貿易應收款項人民幣38,411,000元（二零一三年：人民幣179,040,000元）已減值並計提撥備。截至二零一四年十二月三十一日止年度，於合併全面收益表扣除的撥備金額為人民幣1,842,000元（二零一三年：人民幣78,671,000元）。該等應收款項的賬齡如下：

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	–	1,216
	2,091	1,655
	1,717	1,498
	15,675	16,648
	18,928	158,023
	38,411	179,040

由於管理層認為該等貿易應收款項的債務人的還款能力已下降，因而計提撥備。釐定該撥備金額的基準與本集團政策和過往慣例相符，而管理層已審視相關債務人現時的信用狀況及還款紀錄。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 TRADE RECEIVABLES – NET – GROUP (continued)

For the year ended 31 December 2014, no trade receivables were directly written-off to the consolidated statement of comprehensive income (2013: RMB11,154,000). For trade receivables written off, management has tried reasonable efforts to collect the trade receivables from those debtors and has determined that the recoverability of these balances is not probable.

Movements on the Group's provision for impairment on trade receivables are as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	179,040	107,426
Provision for impairment on trade receivables	貿易應收款項減值撥備	1,842	78,671
Receivables written back	應收款項撥回	(800)	(2,963)
Disposal of subsidiaries	出售附屬公司	(64,349)	-
Receivables written off	應收款項撇銷	(77,322)	(4,094)
At 31 December	於十二月三十一日	38,411	179,040

The creation and release of provision for impaired receivables have been included in "General and administrative expenses" in the consolidated statement of comprehensive income (Note 24). Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash. Apart from the trade receivables with impairment provided, the remaining trade receivables do not contain impaired assets.

The Group does not hold any collateral as security.

10 貿易應收款項－淨額－本集團 (續)

截至二零一四年十二月三十一日止年度，概無貿易應收款項直接於合併全面收益表撇銷（二零一三年：人民幣11,154,000元）。已撇銷貿易應收款項方面，管理層在合理情況下盡力從有關債務人收回貿易應收款項，並判斷該等結餘的收回機會不大。

本集團貿易應收款項減值撥備的變動情況如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	179,040	107,426
Provision for impairment on trade receivables	貿易應收款項減值撥備	1,842	78,671
Receivables written back	應收款項撥回	(800)	(2,963)
Disposal of subsidiaries	出售附屬公司	(64,349)	-
Receivables written off	應收款項撇銷	(77,322)	(4,094)
At 31 December	於十二月三十一日	38,411	179,040

應收款項減值撥備的產生及解除已計入合併全面收益表的「一般及行政開支」內（附註24）。於備抵賬扣除的數額一般會於預期不可收回額外現金時撇銷。除已計提減值撥備的貿易應收款項外，其餘貿易應收款項不包括已減值資產。

本集團並無持有任何抵押品作擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

11 預付款項、按金及其他應收款項

Group 本集團		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Non current portion	非流動部分		
Prepayment for long term investments (note (i))	長期投資的預付款項 (附註(i))	173,000	173,000
Prepayment for acquisition of a property (note (ii))	收購一項物業的預付款項 (附註(ii))	6,694	–
Deposits to newspaper publishers (note (iii))	給予報紙出版商的按金 (附註(iii))	92,000	92,000
Deposits for marketing and promotion projects (note (iv))	就營銷及宣傳項目作出的按金 (附註(iv))	–	16,250
		271,694	281,250
Less: Provision for impairment (note (ix))	減：減值撥備 (附註(ix))	(246,400)	(120,303)
Prepayments, deposits and other receivables – net	預付款項、按金及其他應收款項 – 淨額	25,294	160,947
Current portion	流動部分		
Deposit for a marketing and promotion project (note (iv))	就一個營銷及宣傳項目作出的按金 (附註(iv))	–	33,750
Prepayments for outdoor advertising projects (note (v))	就戶外廣告項目作出的預付款項 (附註(v))	–	18,497
Prepayments to newspaper publishers and others (note (vi))	預付報紙出版商及其他款項 (附註(vi))	243,542	239,934
Deposits and other receivables (note (vii))	按金及其他應收款項 (附註(vii))	47,949	60,678
Receivable from Yueyang City Intermediate People's Court (note (viii))	應收岳陽市中級人民法院款項 (附註(viii))	22,000	22,000
		313,491	374,859
Less: Provision for impairment (note (ix))	減：減值撥備 (附註(ix))	(291,218)	(282,218)
Prepayments, deposits and other receivables – net	預付款項、按金及其他應收款項 – 淨額	22,273	92,641

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

11 預付款項、按金及其他應收款項 (續)

Company		2014	2013
本公司		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Prepayments	預付款項	118	117
Other receivables	其他應收款項	196	59
Prepayment and other receivables	預付款項及其他應收款項	314	176

The carrying amounts of the Group's prepayments, deposits and other receivables were denominated in RMB.

本集團的預付款項、按金及其他應收款項的賬面金額以人民幣計值。

(i) Prepayment for long term investments

As at 31 December 2014, prepayment for long term investments represents cash paid by the Group to two (2013: two) metropolitan newspaper publishers in the PRC in relation to the potential establishment of joint ventures ("JV") with these metropolitan newspaper publishers. During the year ended 31 December 2014, Lifestyle Express has obtained official approval from the respective local government authority, while Southeast Express made a preliminary consensus with local council, regarding the establishment of a JV with the Group.

The Group consistently shows strong intention of forming the JV and assesses the probability of the formation to be high. Hence the prepayment was classified as long term investment as at 31 December 2014 and management has assessed the recoverability as set out in Note 11(ix).

(i) 長期投資的預付款項

於二零一四年十二月三十一日，長期投資的預付款項指本集團就可能與中國兩家（二零一三年：兩家）都市報出版商成立合營公司向該等出版商支付的現金。於截至二零一四年十二月三十一日止年度，《生活新報》已向有關地方政府機關取得關於與本集團成立合營公司的官方批文，而《東南快報》亦就與本集團成立合營公司與地方政府達成初步共識。

本集團持續顯示其成立合營公司的強烈意向，並將成立的可能性評估為高。因此，預付款項於二零一四年十二月三十一日歸入長期投資類別，而管理層已評估的可收回性（見附註11(ix)所載）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(ii) Prepayment for acquisition of a property

As at 31 December 2014, prepayment for acquisition of property represents the first instalment paid by the Group to Xiamen Information Group Ltd. for purchase of level 23 and 24 of the research and development building no. A01 situated in the first phase of Xiamen Software Park III. Total consideration for the property is RMB22,164,000. The remaining instalment has been satisfied by mortgage loans on the property granted by a bank to the Group on 29 January 2015.

(iii) Deposits to newspaper publishers

As at 31 December 2014, deposits to newspaper publishers represent cash paid by the Group to three (31 December 2013: three) metropolitan newspaper publishers in the PRC pursuant to exclusive agreements between the Group and newspaper publishers. Under the terms of the agreements, the Group has obtained the exclusive rights to sell advertising space of the respective newspapers for a fixed term of 7 to 30 years and it has to place specified amount of cash to the newspaper publishers. The cash held by the newspaper publishers will be repayable to the Group upon the expiry of the agreements. The Group assesses the recoverable amounts of the deposits on each balance sheet date and the carrying values of these amounts are written down immediately to their recoverable amounts if recoverable amounts are less than the carrying values. Management assessment on the impairment of such deposits is set out in Note 11(ix).

11 預付款項、按金及其他應收款項 (續)

(ii) 收購一項物業的預付款項

於二零一四年十二月三十一日，收購物業的預付款項指本集團就購買位於廈門軟件園三期一期工程A01號研發樓23層、24層而向廈門信息集團有限公司支付的首期付款。該物業的總代價為人民幣22,164,000元。剩餘分期付款已於二零一五年一月二十九日由一家銀行向本集團就該物業授出的按揭貸款支付。

(iii) 給予報紙出版商的按金

於二零一四年十二月三十一日，給予報紙出版商的按金指本集團根據其與中國三家（二零一三年十二月三十一日：三家）都市報出版商訂立的獨家協議向該等報紙出版商支付的現金。根據該等協議的條款，本集團取得銷售相關報紙廣告版面的獨家權利，期限固定為7至30年，而其須向報紙出版商支付指定的現金數額。報紙出版商持有的現金將在協議屆滿後歸還給本集團。本集團於各結算日評估按金的可收回金額，若可收回金額低於賬面值，則該等款項的賬面值會即時撇減至其可收回金額。管理層已評估有關按金的減值（見附註11(ix)所載）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(iv) Deposits for marketing and promotion projects

As at 31 December 2014, deposits for marketing and promotion projects represent cash paid by the Group to three (31 December 2013: four) commercial customers in the PRC in relation to exclusive marketing and promotion services agreements between the Group and the customers. Pursuant to these agreements, the Group has obtained rights as the sole marketing and promotion services provider for certain real estate development projects owned by these customers for terms that ranged within 3 years or throughout the selling period of the real estate development projects. In return, the Group has to place specific amount of upfront deposits to the customers for the exclusive rights. These deposits will, amongst other terms and conditions, be repayable to the Group in equal instalments throughout the term of the respective contracts or upon the expiry of the agreements.

During the year ended 31 December 2014, the Group received properties totaling RMB48,895,000 as an alternative settlement method from two of these projects and the original marketing and promotion for the aforementioned projects were then terminated.

(v) Prepayments for outdoor advertising projects

Prepayments for outdoor advertising projects were ceased upon the disposal of the relevant subsidiaries by the Group on 24 December 2014. Previously, prepayment for outdoor advertising projects represents cash paid by the Group to four commercial customers to obtain the exclusive rights to sell advertising spaces in designated malls and outdoor billboards in the PRC.

11 預付款項、按金及其他應收款項 (續)

(iv) 就營銷及宣傳項目作出的按金

於二零一四年十二月三十一日，就營銷及宣傳項目作出的按金指本集團就其與中國三名（二零一三年十二月三十一日：四名）商業客戶訂立的獨家營銷及宣傳服務協議支付予該等客戶的現金。根據該等協議，本集團已取得出任該等客戶所擁有若干房地產發展項目的獨家營銷及宣傳服務供應商的權利，期限為三年或房地產發展項目的整段銷售期。就此，本集團已為獨家權利向該等客戶支付特定金額的前期按金。其他條款及條件包括該等按金可於有關合約期內平均地分期或於該等協議屆滿後歸還給本集團。

於截至二零一四年十二月三十一日止年度內，本集團從其中兩個項目接收合共人民幣48,895,000元的物業作為替代還款方法，而上述項目的原有營銷及宣傳已告終止。

(v) 就戶外廣告項目作出的預付款項

隨着本集團於二零一四年十二月二十四日出售相關附屬公司，就戶外廣告項目作出的預付款項已告終止。在此之前，就戶外廣告項目作出的預付款項指本集團支付予四名商業客戶的現金，以取得獨家權利出售中國指定購物中心及戶外廣告版的廣告位。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(vi) Prepayments

Under the terms of certain (exclusive and non-exclusive) advertising agreements with three metropolitan newspaper and radio operators, the Group has to make prepayments for print media advertising to the newspaper publishers. The amounts prepaid to the three metropolitan newspaper publishers totaling RMB201,501,000 (2013: RMB201,501,000) can be utilised as advertising costs in the coming 12 months. Management has considered the impairment provision as set out in Note 11(ix).

(vii) Deposits and other receivables

Deposits and other receivables primarily include cash paid to contracted business partners as deposits for operation rights. The deposits are interest free and are refundable upon the expiry of the agreements or on request under mutual consent. Management has assessed the impairment of deposits and other receivables, including those from the three metropolitan newspaper publishers of RMB23,937,000 (2013: RMB23,937,000) as at 31 December 2014, as set out in Note 11(ix).

(viii) Receivable from Yueyang City Intermediate People's Court

On 30 September 2013, the Company, and its wholly-owned subsidiaries, including Fuzhou AoHai Advertisement Co., Ltd. ("Fuzhou AoHai") and Kunming AoHai Advertising Co., Ltd. ("Kunming AoHai") received an enforcement judgement issued by Yueyang City Intermediate People's Court dated 22 September 2013 which ordered for the deduction of RMB22,000,000 out of the bank accounts of Fuzhou AoHai and Kunming AoHai in favor of Yueyanglin Paper Co., Ltd (Note 37 (c)).

11 預付款項、按金及其他應收款項 (續)

(vi) 預付款項

根據與三家都市報及電台營運商訂立的若干(獨家及非獨家)廣告協議的條款,本集團須就印刷媒體廣告向報紙出版商支付預付款項。向三家都市報出版商預付的款項合共人民幣201,501,000元(二零一三年:人民幣201,501,000元),可用作未來十二個月產生的廣告成本。管理層已考慮附註11(ix)所載的減值撥備。

(vii) 按金及其他應收款項

按金及其他應收款項主要包括已付已訂約業務夥伴作為經營權按金的現金。按金屬於免息及可於協議屆滿時或在雙方同意下按要求退回。管理層已評估於二零一四年十二月三十一日的按金及其他應收款項(包括來自三家都市報出版商的按金及其他應收款項)減值人民幣23,937,000元(二零一三年:人民幣23,937,000元)(見附註11(ix)所載)。

(viii) 應收岳陽市中級人民法院款項

於二零一三年九月三十日,本公司及其全資附屬公司(包括福州奧海廣告有限公司(「福州奧海」)及昆明奧海廣告有限公司(「昆明奧海」))接獲岳陽市中級人民法院於二零一三年九月二十二日出具的執行裁定書,裁定從福州奧海及昆明奧海的銀行賬戶扣除人民幣22,000,000元予岳陽林紙股份有限公司(附註37(c))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(ix) Provision of impairment for long term investments, long term deposits, prepayments, and deposits and other receivables

Movements of carrying values before provision for impairment of long term investments, long term deposits, prepayments, and deposits and other receivables were as follows:

		Shenyang Evening News 瀋陽晚報 RMB'000 人民幣千元	Outdoor advertising projects 戶外廣告項目 RMB'000 人民幣千元	Yueyang City Intermediate People's Court 岳陽市中級 人民法院 RMB'000 人民幣千元	Three metropolitan newspaper publishers 三家都市報 出版商 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Long term investments	長期投資	-	-	-	173,000	173,000
Long term deposits	長期按金	-	-	-	92,000	92,000
Prepayments	預付款項	33,780	18,498	-	201,501	253,779
Deposits and other receivables	按金及其他應收款項	10,000	-	22,000	23,937	55,937
Less: disposal of subsidiaries	減：出售附屬公司	-	(18,498)	-	-	(18,498)
Balance as at 31 December 2014	於二零一四年十二月三十一日的結餘	<u>43,780</u>	<u>-</u>	<u>22,000</u>	<u>490,438</u>	<u>556,218</u>

11 預付款項、按金及其他應收款項 (續)

(ix) 長期投資、長期按金、預付款項以及按金及其他應收款項的減值撥備

長期投資、長期按金、預付款項以及按金及其他應收款項的賬面值(未計減值撥備)變動如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(ix) Provision of impairment for long term investments, long term deposits, prepayments, and deposits and other receivables (continued)

As at 31 December 2014 provisions for impairment of long term investments, long term deposits, prepayments, and deposits and other receivables included provisions for exclusive cooperative newspaper publishers of RMB471,838,000 (2013: RMB345,741,000), Shenyang Evening News of RMB43,780,000 (2013: RMB43,780,000), outdoor advertising projects of nil (2013: RMB13,000,000) and Yueyang City Intermediate People's Court of RMB22,000,000 (2013: nil). Movements of the provisions for impairment were as follows:

		Shenyang Evening News	Outdoor advertising projects	Yueyang City Intermediate People's Court	Three metropolitan newspaper publishers	Total
		瀋陽晚報 RMB'000 人民幣千元	戶外廣告項目 RMB'000 人民幣千元	岳陽市中級 人民法院 RMB'000 人民幣千元	三家都市報 出版商 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Balance as at 1 January 2014	於二零一四年一月一日的結餘	43,780	13,000	-	345,741	402,521
Provision for impairment during the year (Note 24)	年內減值撥備(附註24)	-	-	22,000	126,097	148,097
Less: disposal of subsidiaries	減: 出售附屬公司	-	(13,000)	-	-	(13,000)
Balance as at 31 December 2014	於二零一四年十二月三十一日的結餘	43,780	-	22,000	471,838	537,618

11 預付款項、按金及其他應收款項(續)

(ix) 長期投資、長期按金、預付款項以及按金及其他應收款項的減值撥備(續)

於二零一四年十二月三十一日，長期投資、長期按金、預付款項以及按金及其他應收款項的減值撥備包括獨家合作報紙出版商撥備人民幣471,838,000元(二零一三年: 人民幣345,741,000元)、瀋陽晚報撥備人民幣43,780,000元(二零一三年: 人民幣43,780,000元)、戶外廣告項目撥備零(二零一三年: 人民幣13,000,000元)及岳陽市中級人民法院撥備人民幣22,000,000元(二零一三年: 零)。減值撥備變動如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(ix) Provision of impairment for long term investments, long term deposits, prepayments, and deposits and other receivables (continued)

(a) Shenyang Evening News

As at 31 December 2012, deposit made to Shenyang Evening News pursuant to the exclusive advertising agreement between the Group and Shenyang Evening News was RMB10,000,000. The Group had also made prepayment of RMB33,780,000 to Shenyang Evening News under the terms of the exclusive advertising agreement. The exclusive advertising agreement between the Group and Shenyang Evening News was terminated on 26 July 2011. The Directors considered the recoverability of the prepayment and probable outcome of the pending litigation with Shenyang Evening News, and determined full provision of these amounts for the year ended 31 December 2012 (Note 37 (b)).

(b) Outdoor advertising projects

Prepayments and impairment provision for outdoor advertising projects were disposed along with the disposal of subsidiaries by the Group on 24 December 2014. Previously, pursuant to exclusive agreements signed, commercial customers were contractually obligated to make delivery of certain advertising resources to the Group by the year ended 31 December 2013, of which they were unable to fulfill. The Group considered the legal advices from the Group's legal counsel and the probable utilisation of rental expenses for the operations of the outdoor advertising projects and made impairment provision for the aforementioned projects.

11 預付款項、按金及其他應收款項 (續)

(ix) 長期投資、長期按金、預付款項以及按金及其他應收款項的減值撥備 (續)

(a) 瀋陽晚報

於二零一二年十二月三十一日，根據本集團與瀋陽晚報之間的獨家廣告協議向瀋陽晚報作出的按金為人民幣10,000,000元。本集團亦已根據獨家廣告協議的條款向瀋陽晚報預付人民幣33,780,000元。本集團與瀋陽晚報的獨家廣告協議已於二零一一年七月二十六日終止。董事已考慮預付款項的可收回性及與瀋陽晚報的待決訴訟可能出現的結果，並認為須於截至二零一二年十二月三十一日止年度就該等款項作出全數撥備（附註37 (b)）。

(b) 戶外廣告項目

本集團已於二零一四年十二月二十四日連同出售附屬公司一併出售戶外廣告項目的預付款項及減值撥備。以往，根據所簽訂的獨家協議，有關商業客戶負有合約責任，於截至二零一三年十二月三十一日止年度或之前向本集團交付若干廣告資源，而該等客戶未能履行該等責任。經考慮法律顧問的法律意見及營運戶外廣告項目的租金開支的可能動用情況，本集團已就上述項目作出減值撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(ix) Provision of impairment for long term investments, long term deposits, prepayments, and deposits and other receivables (continued)

(c) Yueyang City Intermediate People's Court

On 17 February 2014 and on 28 April 2014, the Yueyang City Intermediate People's Court and Higher People's Court of Hunan Province respectively dismissed the appeal application by the Group against the enforcement orders issued by Yueyang City Intermediate People's Court. An appeal application was lodged to the Supreme People's Court to dismiss the above mentioned enforcement judgement and to refund the improperly drawn bank balances of RMB22,000,000 to the Group.

The Directors considered the above developments, the amount drawn by Yueyang City Intermediate People's Court pursuant to the aforementioned enforcement orders, and the probable outcome of the pending litigation and determined to make full provision for the amount of RMB22,000,000 for the year ended 31 December 2014.

11 預付款項、按金及其他應收款項 (續)

(ix) 長期投資、長期按金、預付款項以及按金及其他應收款項的減值撥備 (續)

(c) 岳陽市中級人民法院

於二零一四年二月十七日及二零一四年四月二十八日，岳陽市中級人民法院及湖南省高級人民法院分別駁回本集團就岳陽市中級人民法院所頒佈執行裁定書提出的上訴申請。上訴申請已提交最高人民法院，以駁回上述執行裁定書，並向本集團退回被不當扣劃的銀行結餘人民幣22,000,000元。

董事已考慮上述發展、岳陽市中級人民法院根據上述執行裁定書提取的金額及待決訴訟的可能結果，並決定於截至二零一四年十二月三十一日止年度作出全數撥備人民幣22,000,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(ix) Provision of impairment for long term investments, long term deposits, prepayments, and deposits and other receivables (continued)

(d) Three metropolitan newspaper publishers

As at 31 December 2014, prepayments, deposits and other receivables totaling RMB490,438,000 (2013: RMB490,438,000) were made by the Group to three metropolitan newspaper publishers, namely Southeast Express, Lifestyle Express, and Central Guizhou Morning Post. Pursuant to the exclusive cooperative agreements signed with these metropolitan newspaper publishers, the Group has to make initial deposits and periodic payments throughout the contract period in exchange for the exclusive advertising rights to sell advertising spaces of respective newspapers.

In view of the continuous decline in advertising revenue associated with the exclusive advertising rights over the years, the Directors reviewed the Group's ability to recover the carrying amount of the prepayment for long term investments and deposits, current prepayments and receivables made to the metropolitan newspaper publishers and provided for an impairment provision of RMB471,838,000 (2013: RMB345,741,000) as at 31 December 2014.

11 預付款項、按金及其他應收款項 (續)

(ix) 長期投資、長期按金、預付款項以及按金及其他應收款項的減值撥備 (續)

(d) 三家都市報出版商

於二零一四年十二月三十一日，本集團已向三家都市報出版商（即東南快報社、生活新報社及黔早傳媒）作出預付款項、按金及其他應收款項合共人民幣490,438,000元（二零一三年：人民幣490,438,000元）。根據與該等都市報出版商簽訂的獨家合作協議，本集團須支付初步按金及於合約期內定期付款，以換取銷售各報紙廣告位的獨家廣告權。

鑑於與獨家廣告權利相關的廣告收入逐年下跌，董事已檢討本集團收回向都市報出版商所作出的長期投資預付款項及按金、流動預付款項及應收款項的賬面金額的能力，並於二零一四年十二月三十一日作出減值撥備人民幣471,838,000元（二零一三年：人民幣345,741,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(ix) Provision of impairment for long term investments, long term deposits, prepayments, and deposits and other receivables (continued)

(d) Three metropolitan newspaper publishers (continued)

Value in use of long term investments and long term deposits were measured using the discounted cash flow method. An independent valuer, American Appraisal China Limited, was engaged to assist the management to perform the impairment assessment. The impairment assessment was determined using cash flow projections considering net cash receipts from advertising, printing and circulation operations. The projections are based on significant unobservable inputs which were reviewed and approved by the Directors and are summarised as follows:

Unobservable inputs	Range of unobservable input	Relationship of unobservable input to value in use
不可觀察輸入數據	不可觀察輸入數據的範圍	不可觀察輸入數據與使用價值的關係
Future revenue growth 未來收入增長率	Growth of -7.0% to 3.0% per annum 年增長率-7.0%至3.0%	The higher the revenue growth, the higher the value in use 收入增幅愈高，使用價值則愈高
Discount rate 貼現率	15.5%	The higher the discount rate, the lower the value in use 貼現率愈高，使用價值則愈低
Contract period 合約期	20 years to 2034 20年，直至二零三四年	The longer the estimate contract period, the higher the value in use 估計合約期愈長，使用價值則愈高

11 預付款項、按金及其他應收款項 (續)

(ix) 長期投資、長期按金、預付款項以及按金及其他應收款項的減值撥備 (續)

(d) 三家都市報出版商 (續)

長期投資及長期按金的使用價值利用貼現現金流量法計量。美國評估有限公司(獨立估值師)獲委聘協助管理層進行減值評估。減值評估乃考慮從廣告、印刷及發行業務收取的淨現金後，使用現金流量預測釐定。有關預測乃依據董事所審閱及批准的重大不可觀察輸入數據作出，概述如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(ix) Provision of impairment for long term investments, long term deposits, prepayments, and deposits and other receivables (continued)

(d) Three metropolitan newspaper publishers (continued)

In determining the revenue growth rates and discounts rates, management has made reference to the future and long-term forecasts quoted by industry research reports.

If the revenue growth rate adopted in the valuation had decreased by 5%, the recoverable amount would be reduced by approximately RMB2,100,000, and further impairment loss of RMB2,100,000 would be required. If the discount rate used in the discounted cash flow calculation had been increased from 15.5% to 16.5%, the recoverable amount would decrease by RMB1,600,000, and further impairment loss of RMB1,600,000 would be required.

11 預付款項、按金及其他應收款項 (續)

(ix) 長期投資、長期按金、預付款項以及按金及其他應收款項的減值撥備 (續)

(d) 三家都市報出版商 (續)

釐定收入增長率及貼現率時，管理層已參考多份行業研究報告所報的未來及長期預測。

倘估值使用的收入增長率下跌5%，則可收回金額將減少約人民幣2,100,000元，並須作出進一步減值虧損人民幣2,100,000元。倘貼現現金流量計算法使用的貼現率由15.5%上升至16.5%，則可收回金額將減少人民幣1,600,000元，並須作出進一步減值虧損人民幣1,600,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

12 ASSETS HELD FOR SALE – GROUP

The Group's assets held for sale includes the following:

Properties held for sale 持作出售物業

The properties in the PRC were received in exchange of advertising services to real estates developers in the PRC. The Group's intention is to sell these properties and, accordingly, such rights are recognised as assets held for sale upon the completion of the advertising sales transaction if the related property is ready to be sold.

Management assessed the fair value of the acquired properties with reference to the market value of the properties with the assistance of an independent property valuer and made impairment provisions of RMB1,828,000 (Note 24).

Cash flows associated with the disposal of assets held for sale are presented under "Operating activities" in the consolidated statement of cash flows. The gain/loss on disposal and impairment loss of assets held for sale are recorded in "General and administrative expenses" in the consolidated statement of comprehensive income.

12 持作出售資產 – 本集團

本集團的持作出售資產包括以下項目：

2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
78,191	27,492

中國物業乃於向中國房地產開發商交換廣告服務時取得。本集團的目的為銷售該等物業，因此，若相關物業可供出售，則有關權利於完成廣告銷售交易時確認為持作出售資產。

管理層在獨立物業估值師的協助下，參照所收購物業的市值評估該等物業的公允價值，並作出減值撥備人民幣1,828,000元（附註24）。

有關出售持作出售資產的現金流量呈列於合併現金流量表「經營活動」下。出售持作出售資產的收益／虧損及持作出售資產的減值虧損記錄在合併全面收益表的「一般及行政開支」內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

13 INVENTORIES – GROUP

13 存貨 – 本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Newsprint and printing consumables	新聞紙及印刷消耗品	6,560	6,789

14 CASH AND CASH EQUIVALENTS

The Group's cash and cash equivalents are denominated in the following currencies:

14 現金及現金等值項目

本集團的現金及現金等值項目乃以下列貨幣計值：

Group 本集團		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash at bank and on hand:	銀行及手頭現金：		
Denominated in RMB	以人民幣計值	30,002	51,433
Denominated in HKD	以港元計值	2,418	2,414
Denominated in USD	以美元計值	67	64
		32,487	53,911
Maximum exposure to credit risk	最高信貸風險	29,066	48,087

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

14 CASH AND CASH EQUIVALENTS (continued)

Company
本公司

Cash at bank: 銀行現金：
Denominated in HKD 以港元計值
Denominated in USD 以美元計值
Denominated in RMB 以人民幣計值

14 現金及現金等值項目 (續)

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	24	24
	6	-
	1,630	1,587
	1,660	1,611

Cash at bank earns interest at floating rates based on daily bank deposits rate. The carrying amounts of the cash at bank approximate their fair values.

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

銀行現金按基於銀行每日存款利率的浮動利率計息。銀行現金的賬面金額與其公允價值相若。

將以人民幣計值的結餘兌換為外幣以及將有關以外幣計值的銀行結餘及現金匯出中國須遵守中國政府頒佈的相關外匯管制規則及規定。

15 SHORT-TERM BANK DEPOSITS

The effective interest rate for the Group's short-term bank deposits with original maturities of over three months for the year ended 31 December 2014 was 3.3% (2013: 3.3%). The carrying value of the short-term bank deposits approximated their fair values as at 31 December 2014.

15 短期銀行存款

截至二零一四年十二月三十一日止年度，本集團原定於三個月以上到期的短期銀行存款的實際利率為3.3%（二零一三年：3.3%）。於二零一四年十二月三十一日，短期銀行存款的賬面值與其公允價值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

16 BORROWINGS – GROUP

The Group has the following undrawn borrowing facilities:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Expiring within one year	於一年內到期	-	55,000

The Group had the following pledge of assets as collateral to secure the Group's bank borrowings:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At net book value:	按賬面淨值：		
Building (Note 7)	樓宇（附註7）	-	1,916
		-	1,916

Bank borrowing facilities amounting to RMB55,000,000 and building pledged as collateral amounting to RMB1,916,000 were disposed by the Group on 24 December 2014. No bank borrowings were drawn or obtained by the Group during the year ended 31 December 2014.

On 6 March 2015, the Group has obtained a bank facility where the Group can draw borrowings of up to RMB20,000,000 under this facility and each drawdown will require approval by the bank. For details, refer to Note 38.

16 借款－本集團

本集團有以下未提取借款融資：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Expiring within one year	於一年內到期	-	55,000

本集團抵押以下資產作為抵押品，以獲取本集團的銀行借款融資：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At net book value:	按賬面淨值：		
Building (Note 7)	樓宇（附註7）	-	1,916
		-	1,916

於二零一四年十二月二十四日，本集團出售人民幣55,000,000元的銀行借款融資及人民幣1,916,000元的樓宇（已質押作為抵押品）。於截至二零一四年十二月三十一日止年度，本集團並無提取或獲得銀行借款。

於二零一五年三月六日，本集團獲得一筆銀行融資，據此，本集團可提取借款最多人民幣20,000,000元，每次提取均須經銀行批核。詳情請參閱附註38。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

17 TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES

17 貿易應付款項、其他應付款項及應計開支

Group		2014	2013
本集團		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables	貿易應付款項	5,889	6,653
Other payables and accrued expenses:	其他應付款項及應計開支：		
Accrued utility expenses and other liabilities	應計公共設施開支及其他負債	736	954
Accrued salaries and welfare	應計薪金及福利	6,276	6,919
Value added tax and other taxes payable	增值稅及其他應付稅項	7,755	6,788
Provision for legal claims	法律申索撥備	17,329	–
Other payables	其他應付款項	12,032	8,211
Deposits from customers	來自客戶的按金	6,215	5,263
Receipts in advance	預先收取的款項	10,547	10,572
		60,890	38,707
		66,779	45,360
Company		2014	2013
本公司		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Other payables	其他應付款項	240	240
		240	240

Payment terms granted by suppliers are mainly cash on delivery and on credit. The credit periods range from 30 days to 365 days after end of the month in which the relevant purchase occurred.

供應商給予的付款條款主要為貨到付現及以記賬方式付款。信貸期由作出相關採購當月結束起計介乎30日至365日不等。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

17 TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES (continued)

The aging analysis of the trade payables based on the invoice date was as follows:

1 – 30 days	1至30日
31 – 90 days	31至90日
Over 90 days	90日以上

The carrying amounts of the Group's trade payables are all denominated in RMB.

18 DEFERRED INCOME TAX

The analysis of deferred income tax liabilities is as follows:

Deferred income tax liabilities	遞延所得稅負債
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Management expects the deferred income tax will be recovered after 12 months of the balance sheet date.

17 貿易應付款項、其他應付款項及應計開支(續)

貿易應付款項根據發票日期的賬齡分析如下：

2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
1,294	2,533
702	769
<u>3,893</u>	<u>3,351</u>
<u>5,889</u>	<u>6,653</u>

本集團貿易應付款項的賬面金額全部以人民幣計值。

18 遞延所得稅

遞延所得稅負債分析如下：

2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
<u>1,475</u>	<u>2,157</u>

管理層預期遞延所得稅將於結算日起計十二個月後收回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

18 DEFERRED INCOME TAX (continued)

The movements on the deferred income tax liabilities are as follows:

		Intangible assets 無形資產	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	2,157	4,777
Recognised in the consolidated statement of comprehensive income (Note 27)	於合併全面收益表內確認 (附註27)	(682)	(2,620)
At 31 December	於十二月三十一日	1,475	2,157

No deferred income tax asset has been recognised in respect of tax losses of RMB101,192,000 as at 31 December 2014 (2013: RMB139,975,000) as it is not probable that the relevant subsidiaries of the Group will generate taxable profit to utilise the tax losses in the foreseeable future. Such tax losses have an expiry period of five years.

18 遞延所得稅 (續)

遞延所得稅負債變動如下：

於二零一四年十二月三十一日，因本集團相關附屬公司並不可能會產生應課稅溢利以於可見將來利用稅項虧損，故並無就人民幣101,192,000元（二零一三年：人民幣139,975,000元）的稅項虧損確認遞延所得稅資產。該等稅項虧損的屆滿期間為五年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

19 SHARE CAPITAL

19 股本

	Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares	Share premium	Total
	普通股數目	普通股面值	等值面值	股份溢價	總計
		HK\$ 港元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Authorised:					
Ordinary shares of HK\$0.1 each at 31 December 2014 and 2013 (Note (a))					
法定： 於二零一四年及二零一三年十二月三十一日每股面值0.1港元的普通股（附註(a)）	2,000,000,000	0.1			
Issued:					
Ordinary shares at 31 December 2013, 1 January 2014, and 31 December 2014					
已發行： 於二零一三年十二月三十一日、二零一四年一月一日及二零一四年十二月三十一日的普通股	839,942,121	83,994,212	72,687	556,440	629,127

Notes:

附註：

(a) The Company was incorporated in the Cayman Islands on 9 December 2009 with an authorised share capital of HK\$200 million divided into 2,000,000,000 shares of HK\$0.1 each. On the same date, the Company issued and allotted one share, credited as fully paid at par, to China TopReach Inc., the immediate holding company of the Company.

(a) 本公司於二零零九年十二月九日在開曼群島註冊成立，法定股本為200,000,000港元，分為2,000,000,000股每股面值0.1港元的股份。同日，本公司向其直接控股公司中國天瑞控股有限公司發行及配發一股按面值入賬列為繳足的股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 RESERVES

(a) Group

The details of movement in the Group's reserves are set out in the consolidated statement of changes in equity on page 95:

(i) Statutory reserves

The statutory reserves represent reserves of the PRC incorporated companies which are set aside for future development purpose in accordance with the regulations in the PRC. The allocation is based on certain percentages of these companies' profit for the year, as reported in their statutory financial statements.

Pursuant to the PRC regulations and the companies' respective Articles of Association, each of the Group companies is required to transfer 10% of its profit for the year, as determined under the PRC Accounting Regulations, to a statutory common reserve fund until the fund balance exceeds 50% of the Group company's registered capital. The statutory common reserve fund can be used to make good previous years' losses, if any, and to issue new shares to shareholders in proportion to their existing shareholdings or to increase the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

Each of the Group companies is also permitted to transfer a certain percentage of its profit for the year as determined under the PRC Accounting Regulations, to a discretionary common reserve fund. The transfer to this reserve is subject to approval at shareholders' meetings.

20 儲備

(a) 本集團

本集團儲備的變動詳情載於第95頁的合併權益變動表：

(i) 法定儲備

法定儲備指中國註冊成立公司就未來發展目的根據中國法規設立的儲備。法定儲備乃基於該等公司在法定財務報表內所報的年內溢利的若干百分比進行劃撥。

根據中國法規及公司各自的章程細則，本集團各成員公司須將按中國會計法規所釐定的年內溢利的10%撥入法定公積金，直至該公積金結餘超過本集團成員公司註冊資本的50%。法定公積金可用於彌補以往年度虧損（如有），亦可按現有持股比例發行新股予股東或增加股東現時所持股份的面值，惟發行後的結餘不可少於註冊資本的25%。

本集團各成員公司亦可將按中國會計法規所釐定的年內溢利的若干百分比撥入任意公積金。該項撥款須經股東大會通過。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 RESERVES (continued)

(a) Group (continued)

(ii) Capital reserves

Capital reserves primarily represent capital contributions to certain subsidiaries of the Group and the differences between the consideration and proportionate carrying value of the subsidiary disposed of where the Group still retains control of the subsidiary.

(iii) Revaluation reserve

Revaluation reserve relates to the increase in carrying amount of property, plant and equipment upon transfer to investment properties at its then fair value. Following the disposal of a subsidiary during the year ended 31 December 2014, revaluation reserve amounting to RMB919,000 was transferred to accumulated deficits.

(iv) Capital redemption reserve

The capital redemption reserve relates to the redemption and cancellation of the Company's own shares.

20 儲備 (續)

(a) 本集團 (續)

(ii) 資本儲備

資本儲備主要指向本集團若干附屬公司出資及代價與所出售附屬公司(本集團仍保留其控制權)比例賬面值之間的差額。

(iii) 重估儲備

重估儲備與物業、廠房及設備按其當時的公允價值撥入投資物業時賬面金額的增加有關。於截至二零一四年十二月三十一日止年度出售一間附屬公司後，人民幣919,000元的重估儲備已轉撥至累計虧絀。

(iv) 股本贖回儲備

股本贖回儲備與本公司贖回及註銷本身股份有關。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 RESERVES (continued)

(b) Company

20 儲備 (續)

(b) 本公司

		Accumulated deficits	Equity-based compensation reserve	Total
		累計虧絀	以股權 為基礎的 薪酬儲備	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2013	於二零一三年一月一日的結餘	(27,940)	12,986	(14,954)
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	(192,522)	-	(192,522)
Equity-based compensation	以股權為基礎的薪酬	-	864	864
Balance at 31 December 2013	於二零一三年十二月三十一日的結餘	(220,462)	13,850	(206,612)
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	(249,695)	-	(249,695)
Lapse of equity-based compensation	以股權為基礎的薪酬失效	13,850	(13,850)	-
Balance at 31 December 2014	於二零一四年十二月三十一日的結餘	(456,307)	-	(456,307)

(c) Loss attributable to owners of the company

The loss attributable to owners of the Company is dealt with in the financial statement of the Company to the extent of RMB249,695,000 (2013: RMB192,522,000)

(c) 本公司擁有人應佔虧損

本公司擁有人應佔虧損當中的人民幣249,695,000元(二零一三年:人民幣192,522,000元)於本公司財務報表處理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 INVESTMENTS IN SUBSIDIARIES – COMPANY

21 於附屬公司的投資—本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股份，按成本	<u>4,767</u>	<u>4,767</u>

(a) Investment in subsidiaries

Movements on the investment in subsidiaries of the Company are as follows:

(a) 於附屬公司的投資

本公司於附屬公司的投資的變動如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	4,767	5,118
Provision for impairment on investment in subsidiaries	於附屬公司的投資減值撥備	-	(351)
		<u>4,767</u>	<u>4,767</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 INVESTMENTS IN SUBSIDIARIES – COMPANY (continued)

(a) Investment in subsidiaries (continued)

The following is a list of principal subsidiaries of the Company as at 31 December 2014:

Name 名稱	Place and date of incorporation/establishment 註冊成立/成立地點及日期	Principal activities 主要業務	Legal status 法律地位	Issued or registered/ paid up capital 已發行或註冊/ 實繳股本	Effective interest held as at 31 December 於十二月三十一日 持有的實際權益	
					2014 二零一四年	2013 二零一三年
Directly owned subsidiary: 直接擁有附屬公司：						
Dragon Soar Ltd. 龍翔有限公司	The British Virgin Islands, 9 December 2009 英屬維爾京群島 二零零九年十二月九日	Investment holding 投資控股	Limited liability company 有限責任公司	USD1 1美元	100%	-
Greatest Ocean Ltd. 志海有限公司	Hong Kong, 29 August 2014 香港 二零一四年八月二十九日	Investment holding 投資控股	Limited liability company 有限責任公司	HKD1 1港元	100%	-
Hung Hing To Publishing Ltd. 鴻馨圖總發行有限公司	The British Virgin Islands, 13 December 2005 英屬維爾京群島 二零零五年十二月十三日	Provision of publishing and advertising services 提供出版及廣告服務	Limited liability company 有限責任公司	USD622,500 622,500美元	100%	100%
Indirectly owned subsidiaries: 間接擁有附屬公司：						
Fuzhou DingCe Culture Communication Co. Ltd. 福州鼎策文化傳播有限公司	Fuzhou, the PRC 23 January 2013 中國福州 二零一三年一月二十三日	Provision of full-line advertising agency services 提供全方位廣告代理服務	Limited liability company 有限責任公司	USD200,000 200,000美元	100%	-
Fuzhou ShiFangCe Culture Media Co. Ltd. 福州十方策文化傳媒有限公司	Fuzhou, the PRC 2 November 2006 中國福州 二零零六年十一月二日	Provision of full-line advertising agency services 提供全方位廣告代理服務	Limited liability company 有限責任公司	RMB1,030,000 人民幣1,030,000元	100%	100%
Fuzhou AoHai Advertisement Co., Ltd. 福州奧海廣告有限公司	Fuzhou, the PRC 19 February 2008 中國福州 二零零八年二月十九日	Provision of full-line advertising agency services 提供全方位廣告代理服務	Limited liability company 有限責任公司	RMB1,000,000 人民幣1,000,000元	100%	100%
Fuzhou ShiFang Printing Co., Ltd. 福州十方印務有限公司	Fuzhou, the PRC 10 October 2012 中國福州 二零一二年十月十日	Provision of printing services 提供印刷服務	Limited liability company 有限責任公司	RMB10,000,000 人民幣10,000,000元	100%	100%
Kunming ShiFang Culture Communication Co., Ltd. 昆明十方文化傳播有限公司	Kunming, the PRC 23 November 2012 中國昆明 二零一二年十一月二十三日	Provision of full-line advertising services 提供全方位廣告服務	Limited liability company 有限責任公司	RMB5,000,000 人民幣5,000,000元	100%	100%
Guizhou ShiFang Printing Co. Ltd. 貴州十方印務有限公司	Guizhou, the PRC 16 October 2014 中國貴州 二零一四年十月十六日	Provision of printing services 提供印刷服務	Limited liability company 有限責任公司	RMB5,000,000 人民幣5,000,000元	100%	-

21 於附屬公司的投資—本公司 (續)

(a) 於附屬公司的投資 (續)

下表載列本公司於二零一四年十二月三十一日的主要附屬公司：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 INVESTMENTS IN SUBSIDIARIES – COMPANY (continued)

(a) Investment in subsidiaries (continued)

21 於附屬公司的投資—本公司 (續)

(a) 於附屬公司的投資 (續)

Name 名稱	Place and date of incorporation/establishment 註冊成立/成立地點及日期	Principal activities 主要業務	Legal status 法律地位	Issued or registered/ paid up capital 已發行或註冊/ 實繳股本	Effective interest held as at 31 December 於十二月三十一日持有的實際權益	
					2014 二零一四年	2013 二零一三年
Fuzhou ShiFang HeQiang Electronic Technology Co., Ltd. 福州十方合強電子科技有限公司	Fuzhou, the PRC 2 December-2013 中國福州 二零一三年十二月二日	Provision of technology promotion and consultancy services 提供技術推廣及諮詢服務	Limited liability company 有限責任公司	RMB2,000,000 人民幣2,000,000元	51%	51%
Fujian DaFang Advertisement Co., Ltd. 福建大方廣告有限公司	Xiamen, the PRC 27 January 2014 中國廈門 二零一四年一月二十七日	Provision of full-line advertising services 提供全方位廣告服務	Limited liability company 有限責任公司	RMB5,000,000 人民幣5,000,000元	100%	-
Xiamen DingCe Network Technology Co., Ltd. 廈門鼎策網絡科技有限公司	Fuzhou, the PRC 18 September 2014 中國福州 二零一四年九月十八日	Provision of software development, information technology and consultancy services 提供軟件開發、資訊科技及諮詢服務	Limited liability company 有限責任公司	HKD1,000,000 1,000,000港元	100%	-
Liaoning AoHai TianYi Media Advertisement Co., Ltd. 遼寧奧海天一廣告傳媒有限公司	Shenyang, the PRC 17 March 2008 中國瀋陽 二零零八年三月十七日	Provision of full-line advertising services 提供全方位廣告服務	Limited liability company 有限責任公司	RMB5,000,000 人民幣5,000,000元	70%	100%
Kunming HanDing Printing Technology Consulting Co., Ltd. 昆明漢鼎印刷技術諮詢有限公司	Kunming, the PRC 7 September 2012 中國昆明 二零一二年九月七日	Provision of publishing and printing services 提供出版及印刷服務	Limited liability company 有限責任公司	RMB10,000,000 人民幣10,000,000元	100%	100%
Shifang YaQi Culture Communication (Xiamen) Co. Ltd. 十方亞祺文化傳播(廈門)有限公司	Xiamen, the PRC 27 December 2004 中國廈門 二零零四年十二月二十七日	Provision of full-line advertising services 提供全方位廣告服務	Limited liability company 有限責任公司	RMB2,000,000 人民幣2,000,000元	100%	100%
Xiamen DuKe Information Science & Technology Co., Ltd. ("Xiamen DuKe") 廈門讀客信息科技有限公司 (「廈門讀客」)	Xiamen, the PRC 24 February 2006 中國廈門 二零零六年二月二十四日	Provision of technology promotion and consultancy services 提供技術推廣及諮詢服務	Limited liability company 有限責任公司	RMB11,000,000 人民幣11,000,000元	100%	100%
Guizhou Qianzhong Newspaper Industry Printing Co. Ltd. 貴州黔中報業印務有限公司	Guizhou, the PRC 3 June 2011 中國貴州 二零一一年六月三日	Provision of publishing and printing services 提供出版及印刷服務	Limited liability company 有限責任公司	RMB4,000,000 人民幣4,000,000元	100%	100%
Guizhou ShiFang HanDing Media Co. Ltd. 貴州十方漢鼎傳媒有限公司	Guizhou, the PRC 20 October 2011 中國貴州 二零一一年十月二十日	Provision of full-line advertising services 提供全方位廣告服務	Limited liability company 有限責任公司	RMB10,000,000 人民幣10,000,000元	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 INVESTMENTS IN SUBSIDIARIES – COMPANY (continued)

(a) Investment in subsidiaries (continued)

21 於附屬公司的投資—本公司 (續)

(a) 於附屬公司的投資 (續)

Name 名稱	Place and date of incorporation/establishment 註冊成立/成立地點及日期	Principal activities 主要業務	Legal status 法律地位	Issued or registered/ paid up capital 已發行或註冊/ 實繳股本	Effective interest held as at 31 December 於十二月三十一日 持有的實際權益	
					2014 二零一四年	2013 二零一三年
Fujian Haobang Real Estate Consulting & Agency Co. Ltd. 福建好邦房產策劃代理有限公司	Fuzhou, the PRC 5 Apr 2012 中國福州 二零一二年四月五日	Property marketing & agency services 物業營銷及代理服務	Limited liability company 有限責任公司	RMB10,000,000 人民幣10,000,000元	51%	51%
Fujian Fangke Network Technology Corporation Ltd. 福建房客網絡科技股份有限公司	Fuzhou, the PRC 23 Dec 2011 中國福州 二零一一年十二月二十三日	Provision of full-line advertising services & Property marketing 提供全方位廣告服務及物業營銷	Limited liability company 有限責任公司	RMB50,000,000 人民幣50,000,000元	51%	51%
Guangxi ShiFang Culture Communication Co., Ltd. 廣西十方文化傳播有限公司	Nanning, the PRC 26 May 2012 中國南寧 二零一二年五月二十六日	Provision of full-line advertising services 提供全方位廣告服務	Limited liability company 有限責任公司	RMB11,680,000 人民幣11,680,000元	100%	100%
Liaoning ShiFang XinDa Culture Communication Co., Ltd. 遼寧十方信達文化傳媒有限公司	Shenyang, the PRC 21 Nov 2011 中國瀋陽 二零一一年十一月二十一日	Provision of full-line advertising services 提供全方位廣告服務	Limited liability company 有限責任公司	RMB5,000,000 人民幣5,000,000元	60%	60%
Special purpose entity: 特殊目的實體:						
Beijing HongXinTu Culture Communication Co., Ltd. ("Beijing HongXinTu") (Note 2) 北京鴻馨圖文化傳播有限公司 (「北京鴻馨圖」)(附註2)	Beijing, the PRC 2 July 2004 中國北京 二零零四年七月二日	Provision of publishing services 提供出版服務	Limited liability company 有限責任公司	RMB30,000,000 人民幣30,000,000元	100%	100%
Beijing BaiChuanDuKe Science and Technology Co., Ltd. 北京百傳讀客科技有限公司	Beijing, the PRC 14 November 2006 中國北京 二零零六年十一月十四日	Provision of technology promotion and consultancy services 提供技術推廣及諮詢服務	Limited liability company 有限責任公司	RMB1,000,000 人民幣1,000,000元	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 INVESTMENTS IN SUBSIDIARIES – COMPANY (continued)

(b) Material non-controlling interests

21 於附屬公司的投資—本公司 (續)

(b) 重大非控股權益

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
By subsidiaries:	按附屬公司：		
Fujian Fangke Network Technology Co. Ltd (“Fujian Fangke”)	福建房客網絡科技股份 有限公司(「福建房客」)	13,334	14,965
Liaoning Aohai Tian Yi Media Advertisement Co., Ltd.	遼寧奧海天一廣告傳媒 有限公司	(12,594)	-
Others	其他	(5,616)	(5,161)
		(4,876)	9,804

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. See Note 35 for transactions with non-controlling interests.

擁有重大非控股權益的附屬公司的財務資料概要

下文載列擁有對本集團而言屬重大的非控股權益的各附屬公司的財務資料概要。與非控股權益的交易見附註35。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 INVESTMENTS IN SUBSIDIARIES – COMPANY (continued)

(b) Material non-controlling interests (continued)
Summarised balance sheets for Fujian Fangke

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Current:	流動：		
Assets	資產	26,326	52,364
Liabilities	負債	(5,265)	(55,233)
Net current assets/(liabilities)	流動資產／(負債)淨值	21,061	(2,869)
Non-current:	非流動：		
Assets	資產	6,152	33,410
Net assets	資產淨值	27,213	30,541

Summarised statements of comprehensive income for Fujian Fangke

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Revenue	收入	26,821	52,279
(Loss)/profit before income tax	除所得稅前(虧損)／溢利	(2,980)	14,775
Income tax expense	所得稅開支	(349)	(1,390)
Post-tax (loss)/profit from continuing operations	持續經營業務的除稅後(虧損)／溢利	(3,329)	13,385
Other comprehensive income	其他全面收益	-	-
Total comprehensive (loss)/income	全面(虧損)／收益總額	(3,329)	13,385
Total comprehensive (loss)/income allocated to non-controlling interests	分配至非控股權益的全面(虧損)／收益總額	(1,631)	6,559
Dividends paid to non-controlling interests	已付非控股權益的股息	-	(35,398)

21 於附屬公司的投資—本公司(續)

(b) 重大非控股權益(續)
福建房客的資產負債表概要

福建房客的全面收益表概要

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 INVESTMENTS IN SUBSIDIARIES – COMPANY (continued)

(b) Material non-controlling interests (continued)

Summarised cash flow statements for Fujian Fangke

21 於附屬公司的投資—本公司 (續)

(b) 重大非控股權益 (續)

福建房客的現金流量表概要

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash flows from operating activities	經營業務所得現金流量		
Cash generated from operations	經營業務所得現金	5,437	36,823
Interests received	已收利息	9	34
Income tax paid	已付所得稅	(1,634)	(1,659)
Net cash generated from operating activities	經營業務所得現金淨額	3,812	35,198
Net cash (used in)/generated from investing activities	投資活動(所用)/所得現金淨額	(76)	97,741
Net cash used in financing activities	融資活動所用現金淨額	(287)	(139,644)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目增加/(減少)淨額	3,449	(6,705)
Cash and cash equivalents at beginning of year	年初的現金及現金等值項目	2,544	9,249
Cash and cash equivalents at end of year	年末的現金及現金等值項目	5,993	2,544

The information above is the amount before inter-company eliminations.

上述資料為未計公司間對銷的金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

22 AMOUNTS DUE FROM/(TO) SUBSIDIARIES – COMPANY

22 應收／（應付）附屬公司款項－ 本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Amounts due from subsidiaries	應收附屬公司款項	634,771	719,504
Provision for impairment on amounts due from subsidiaries	應收附屬公司款項減值撥備	(428,025)	(185,754)
		206,746	533,750
Amount due to subsidiaries	應付附屬公司款項	40,427	117,549

The balances with subsidiaries are unsecured, interest-free and repayable on demand. As at 31 December 2014 and 2013, the carrying values approximate their fair values and are denominated in RMB.

與附屬公司的結餘乃無抵押、免息及應要求償還。於二零一四年及二零一三年十二月三十一日，賬面值與其公允價值相若，並以人民幣列值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

23 OTHER INCOME AND OTHER (LOSSES)/ GAINS

23 其他收入及其他（虧損）／收益

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Other income:	其他收入：		
Sale of newsprint papers	銷售新聞紙	523	2,592
Sale of scrap material	銷售報廢材料	135	487
Government grants (note a)	政府補助（附註a）	2,127	269
Sundry income	雜項收入	493	346
		<u>3,278</u>	<u>3,694</u>
Other gain:	其他收益：		
Gain on disposal of subsidiaries	出售附屬公司的收益	315	-
Gain on disposal of interest in Yunnan Handing Investment (note b)	出售雲南漢鼎投資權益的收益（附註b）	-	33,664
		<u>315</u>	<u>33,664</u>
Other losses:	其他虧損：		
Provision for legal claims (Note 37(b))	法律申索撥備（附註37(b)）	(17,329)	-
Provision for impairment of receivable from Yueyang City Intermediate People's Court (Note 11(ix))	應收岳陽市中級人民法院款項減值撥備（附註11(ix)）	(22,000)	-
Provision for administration foreign exchange penalty (Note 37(a))	外匯結算行政處罰撥備（附註37(a)）	(23,160)	-
		<u>(62,489)</u>	<u>-</u>

Note:

- (a) The Group recognised government grants of RMB2,127,000 (2013: RMB269,000) from the Fujian government authority for the year ended 31 December 2014 as an incentive for the Group to expand its business in the PRC.
- (b) On 8 May 2013, the Group disposed of its entire equity interest in Yunnan Handing Investment and recognised a gain of RMB33,664,000 in connection with this disposal.

附註：

- (a) 截至二零一四年十二月三十一日止年度，本集團已確認從福建政府機關收取的政府補助人民幣2,127,000元（二零一三年：人民幣269,000元），作為在中國擴大業務的獎勵。
- (b) 於二零一三年五月八日，本集團出售其於雲南漢鼎投資的全部股本權益，並確認出售收益人民幣33,664,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

24 EXPENSES BY NATURE

Loss before income tax is stated after charging the following:

24 按性質劃分的開支

除所得稅前虧損經扣除以下項目後入賬：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cost of newspaper advertising	報紙廣告成本		
– Media costs	– 媒體成本	95,208	147,393
Cost of marketing and promotion services	營銷及宣傳服務成本	19,459	14,829
Cost of online services	網絡服務成本	165	3,629
Cost of television and radio advertising	電視及電台廣告成本		
– Media costs	– 媒體成本	916	5,261
Cost of distribution management, consulting and printing services:	分銷管理、諮詢及印刷服務成本：		
– Raw material	– 原材料	9,822	12,350
– Media costs	– 媒體成本	4,304	7,155
– Other costs	– 其他成本	1,293	823
Depreciation (Note 7)	折舊(附註7)	10,170	9,762
Amortisation (Note 8)	攤銷(附註8)	3,228	16,557
Auditor's remuneration	核數師酬金	4,759	4,647
Operating lease charges in respect of land and buildings	有關土地及樓宇的經營租賃收費	6,108	6,373
Net loss on disposal of property, plant and equipment (Note 30)	出售物業、廠房及設備虧損淨額(附註30)	90	20
Provision for impairment of long term investment, long term deposits, prepayment, and deposits and other receivables (Note 11(ix))	長期投資、長期按金、預付款項以及按金及其他應收款項減值撥備(附註11(ix))	126,097	358,741
Provision for impairment of trade receivables (Note 10)	貿易應收款項減值撥備(附註10)	1,042	75,708
Provision for impairment of interest in an associate (Note 9)	於一間聯營公司的權益減值撥備(附註9)	46,026	–
Provision for impairment of assets held for sale (Note 12)	持作出售資產減值撥備(附註12)	1,828	–
Write-off of trade receivables (Note 10)	撇銷貿易應收款項(附註10)	–	11,154

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

24 EXPENSES BY NATURE (continued)

24 按性質劃分的開支(續)

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Write-off of prepayments and other receivables	撇銷預付款項及其他應收款項	-	12,988
Loss on disposal of assets held for sales	出售持作出售資產的虧損	520	7,747
Net foreign exchange loss	外匯虧損淨額	35	310
Employee benefit expenses (including directors' emoluments) (Note 25)	僱員福利開支 (包括董事酬金) (附註25)	73,347	78,459
Business tax	營業稅	3,039	7,510

25 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

25 僱員福利開支(包括董事酬金)

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Salaries and other allowances	薪金及其他補貼	65,528	66,081
Equity-based compensation expenses	以股權為基礎的薪酬開支	-	864
Discretionary bonus	酌情花紅	1,562	4,400
Social security costs	社保費用	3,180	3,486
Retirement scheme contribution	退休計劃供款	3,077	3,628
		73,347	78,459

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

25 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

(a) Directors' emoluments

The remuneration of each of the director of the Company paid/payable by the Group for the years ended 31 December 2014 and 2013 is set out below:

25 僱員福利開支(包括董事酬金)(續)

(a) 董事酬金

截至二零一四年及二零一三年十二月三十一日止年度，本集團已付／應付本公司各董事的酬金載列如下：

		Year ended 31 December 2014 截至二零一四年十二月三十一日止年度					
		Salaries and other allowances 薪金及 其他補貼	Discretionary bonus 酌情花紅	Social security cost 社保費用	Share-based compensation 以股份 為基礎的薪酬	Total 總計	
		Fees 袍金 RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
Executive directors:	執行董事:						
Mr. Chen Zhi (CEO)	陳志先生(首席執行官)	-	1,932	-	-	1,932	
Mr. Hong Pei Feng	洪培峰先生	-	1,440	-	-	1,440	
Mr. Zhang Tie Zhu	張鐵柱先生	-	1,005	12	-	1,017	
Mr. Yu Shi Quan	余詩權先生	-	833	8	-	841	
Non-executive director:	非執行董事:						
Mr. Wang Ping	王平先生	120	-	-	-	120	
Ms. Chen Min	陳敏女士	120	-	-	-	120	
Independent Non-executive directors:	獨立非執行董事:						
Mr. Zhou Chang Ren	周昌仁先生	120	-	-	-	120	
Mr. Wong Heung Ming, Henry	黃向明先生	120	-	-	-	120	
Mr. Zhuo Ze Yuan	卓澤淵先生	60	-	-	-	60	
Mr. Cai Jian Quan (appointed on 9 June 2014)	蔡建權先生(於二零一四年 六月九日獲委任)	120	-	-	-	120	
Total	總計	660	5,210	20	-	5,890	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

25 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

(a) Directors' emoluments (continued)

25 僱員福利開支(包括董事酬金)(續)

(a) 董事酬金(續)

Year ended 31 December 2013
截至二零一三年十二月三十一日止年度

	Fees	Salaries and other allowances	Discretionary bonus	Social security cost	Share-based compensation	Total
	袍金	薪金及其他補貼	酌情花紅	社保費用	為基礎的薪酬以股份	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors:	執行董事:					
Mr. Chen Zhi (CEO)	-	1,932	-	-	329	2,261
Mr. Hong Pei Feng	-	942	-	-	86	1,028
Mr. Zhang Tie Zhu	-	1,732	-	9	294	2,035
Mr. Yu Shi Quan	-	611	-	7	35	653
Non-executive director:	非執行董事:					
Mr. Wang Ping	120	-	-	-	17	137
Ms. Chen Min	120	-	-	-	-	120
Independent Non-executive directors:	獨立非執行董事:					
Mr. Zhou Chang Ren	120	-	-	-	-	120
Mr. Wong Heung Ming, Henry	120	-	-	-	-	120
Mr. Zhuo Ze Yuan (resigned on 9 June 2014)	120	-	-	-	-	120
Mr. Cai Jian Quan (appointed on 9 June 2014)	120	-	-	-	-	120
Total	720	5,217	-	16	761	6,714

During the year ended 31 December 2014, none of the directors of the Company (i) received any emolument from the Group as an inducement to join or upon joining the Group; or (ii) received any compensation for loss of office as a director or management of any member of the Group; or (iii) waived or has agreed to waive any emolument (2013: nil).

There was no arrangement under which a director waived or agreed to waive any emoluments during the year ended 31 December 2014 (2013: nil).

於截至二零一四年十二月三十一日止年度，本公司董事概無(i)收取本集團任何酬金作為加入本集團或加入本集團後的獎勵；或(ii)就離任本集團任何成員公司的董事或管理層收取任何賠償；或(iii)放棄或同意放棄任何酬金(二零一三年：無)。

於截至二零一四年十二月三十一日止年度，並無董事放棄或同意放棄任何酬金的安排(二零一三年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

25 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

(b) Five highest paid individuals

For the year ended 31 December 2014, the five individuals whose emoluments were the highest in the Group included 4 directors (2013: 4 directors), whose emoluments were reflected in the analysis presented above. The emoluments paid/payable to the remaining 1 (2013: 1 individual) individual during the year ended 31 December 2014 were as follows:

Salaries and other allowances	薪金及其他補貼
Social security costs	社保費用

For the years ended 31 December 2014 and 2013, the emoluments of the highest paid individuals of the Group fall within the following bands:

Nil to HK\$1,000,000	零至1,000,000港元
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25 僱員福利開支(包括董事酬金)(續)

(b) 五名最高薪人士

截至二零一四年十二月三十一日止年度，本集團五名最高薪人士包括四名(二零一三年：四名)董事，其酬金反映在上文所呈列的分析中。於截至二零一四年十二月三十一日止年度，已付／應付餘下一名(二零一三年：一名)人士的酬金如下：

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	378	426
	4	7
	382	433

截至二零一四年及二零一三年十二月三十一日止年度，本集團最高薪人士的酬金介乎下列幅度：

	Number of individuals 人數	
	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	1	1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

25 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

(c) Key management compensation

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Salaries and other allowances	薪金及其他補貼	8,253	8,206
Equity-based compensation expenses	以股權為基礎的薪酬開支	-	864
Social security costs	社保費用	71	50
		<u>8,324</u>	<u>9,120</u>

25 僱員福利開支（包括董事酬金）（續）

(c) 主要管理層薪酬

26 FINANCE INCOME/(COSTS) – NET

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Finance income:	融資收益：		
– Interest income on short-term bank deposits	– 短期銀行存款的利息收入	1,239	454
Finance costs:	融資成本：		
– Bank borrowings	– 銀行借款	-	(1,839)
– Bank charges	– 銀行費用	(62)	-
Finance costs – net	融資成本 – 淨額	<u>1,177</u>	<u>(1,385)</u>

26 融資收益／（成本）－淨額

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

27 INCOME TAX EXPENSE

27 所得稅開支

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Current income tax	即期所得稅		
Mainland China enterprise income tax	中國大陸企業所得稅		
– Current tax	– 即期稅項	1,519	16,506
– Under/(over) provision in prior years	– 過往年度撥備不足/ (超額撥備)	<u>3,481</u>	<u>(171)</u>
		5,000	16,335
Deferred income tax	遞延所得稅	(682)	<u>(2,620)</u>
		<u>4,318</u>	<u>13,715</u>

The Group is not subject to Hong Kong profits tax as it has no assessable income arising in or derived from Hong Kong during the years ended 31 December 2014 and 2013.

由於本集團於截至二零一四年及二零一三年十二月三十一日止年度並未於香港產生或獲得應課稅收入，故毋須繳納香港利得稅。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

27 INCOME TAX EXPENSE (continued)

Xiamen Duke was granted the qualification as a new and high-tech enterprise, and was entitled to the tax rate of 15% for year ended 31 December 2014 (2013: 15%). The taxation on the Group's loss before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities in the respective jurisdictions as follows:

27 所得稅開支(續)

廈門讀客獲高新技術企業資格，於截至二零一四年十二月三十一日止年度有權享受15%（二零一三年：15%）的稅率。本集團除所得稅前虧損的稅項與採用適用於各個司法權區的合併實體的溢利的加權平均稅率計算的理論金額之間的差額如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Loss before income tax	除所得稅前虧損	(302,786)	(500,670)
Tax calculated at domestic rates applicable to profits of the entities in the respective jurisdictions	按適用於各個司法權區實體溢利的地方稅率計算的稅項	(77,622)	(127,875)
Tax effects of:	以下項目的稅項影響：		
– Income not subject to tax	– 毋須繳稅收入	(812)	(233)
– Expenses not deductible for tax purposes	– 不可扣稅開支	59,679	133,085
– Tax losses for which no deferred income tax asset was recognised	– 未確認遞延所得稅資產的稅務虧損	19,751	13,511
– Effect of tax holiday	– 稅項豁免期的影響	(159)	(4,602)
– Under/(over) provision in prior years	– 過往年度撥備不足／ (超額撥備)	3,481	(171)
		4,318	13,715

The weighted average applicable tax rate was 25.6% (2013: 25.5%). The slight increase is mainly caused by the increase in profit before income tax of certain subsidiaries which were entitled to higher applicable corporate income tax rates.

加權平均適用稅率為25.6%（二零一三年：25.5%）。輕微減少主要由於若干享有較高適用企業所得稅率的附屬公司的除所得稅前溢利增加所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

28 LOSS PER SHARE

(a) Basic

Basic loss per share for the years ended 31 December 2014 and 2013 is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

		2014 二零一四年	2013 二零一三年
Loss attributable to equity holders of the Company (RMB'000)	本公司權益持有人應佔虧損 (人民幣千元)	<u>304,174</u>	<u>516,834</u>
Weight average number of shares in issue (thousands)	已發行股份加權平均數 (千股)	<u>839,942</u>	<u>839,942</u>
Basic loss per share (RMB per share)	每股基本虧損 (每股人民幣)	<u>0.3621</u>	<u>0.6153</u>

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the year ended 31 December 2014, the Company's share options issued under the pre-IPO share option scheme were the sole category of dilutive potential ordinary shares where the effect of the assumed conversion of these potential ordinary shares outstanding during the year was anti-dilutive (2013: the same).

29 DIVIDEND

No dividend has been declared by the Company since its incorporation.

28 每股虧損

(a) 基本

截至二零一四年及二零一三年十二月三十一日止年度的每股基本虧損乃按本公司權益持有人應佔虧損除以年內已發行普通股加權平均數計算。

(b) 攤薄

每股攤薄虧損乃按調整發行在外普通股的加權平均數以假設所有具潛在攤薄影響的普通股獲兌換計算。截至二零一四年十二月三十一日止年度，本公司根據首次公開發售前購股權計劃發行的購股權，為唯一類具潛在攤薄影響的普通股，而年內發行在外的具潛在攤薄影響的普通股獲兌換的假設帶來反攤薄影響（二零一三年：相同）。

29 股息

本公司自註冊成立以來概無宣派任何股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

30 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Cash used in operation

30 現金流量表附註

(a) 經營所用現金

		Note	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
		附註		
Loss before income tax	除所得稅前虧損		(302,786)	(500,670)
Adjustments for:	就下列各項作出調整：			
Depreciation	折舊	7	10,170	9,762
Amortisation	攤銷	8	3,228	16,557
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損淨額	24	90	20
Provision for impairment of long term investments, long term deposits, prepayments, and deposits and other receivables	長期投資、長期按金、預付款項以及按金及其他應收款項減值撥備	11	126,097	358,741
Provision for impairment of trade receivables	貿易應收款項減值撥備	10	1,042	75,708
Share of post-acquisition losses of associates	應佔聯營公司收購後虧損	9	5,191	169
Provision for the impairment of interest in an associate	於一間聯營公司的權益減值撥備	9	46,026	–
Provision for impairment of assets held for sale	持作出售資產減值撥備	24	1,828	–
Provision for legal claims	法律申索撥備	37	17,329	–
Provision for administrative foreign exchange penalty	外匯結算行政處罰撥備	37	23,160	–
Provision for impairment of receivable from Yueyang Intermediate People's Court	應收岳陽市中級人民法院款項減值撥備	11, 37	22,000	–
Write-off of prepayments and other receivables	撤銷預付款項及其他應收款項	24	–	12,988
Write-off of trade receivables	撤銷貿易應收款項	10	–	11,154
Finance income	融資收益	26	(1,239)	(454)
Finance costs	融資成本	26	62	1,839

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

30 NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(a) Cash used in operation (continued)

30 現金流量表附註 (續)

(a) 經營所用現金 (續)

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	Note 附註		
Loss on disposal assets held for sale	出售持作出售資產的虧損 12	-	7,747
Equity-based compensation expenses	以股權為基礎的薪酬開支 25	-	864
Gain on disposal of available-for-sale investment	出售可供出售投資的收益 -	-	(33,664)
Gain on disposal of subsidiaries	出售附屬公司的收益 23	(315)	-
Changes in working capital:	營運資金變動：		
- Trade receivables	- 貿易應收款項	(7,977)	37,077
- Inventories	- 存貨	226	1,111
- Prepayments, deposits and other receivables	- 預付款項、按金及其他應收款項	4,101	(34,711)
- Amounts due from related parties	- 應收關連人士款項	(4,497)	(10,967)
- Trade payables	- 貿易應付款項	589	1,008
- Other payables and accrued expenses	- 其他應付款項及應計開支	3,324	(15,935)
- Amounts due to related parties	- 應付關連人士款項	1,574	(714)
Cash used in operations	經營所用現金	(50,777)	(62,370)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

30 NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(b) Disposal of property, plant and equipment

In the statements of cash flows, proceeds from disposal of property, plant and equipment comprise:

30 現金流量表附註 (續)

(b) 出售物業、廠房及設備

現金流量表中出售物業、廠房及設備的所得款項包括：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Net carrying amount (Note 7)	賬面淨額 (附註7)	6,536	416
Net loss on disposal of property, plant and equipment (Note 24)	出售物業、廠房及設備的虧損淨額 (附註24)	(90)	(20)
Total consideration from disposal of property, plant and equipment	出售物業、廠房及設備的代價總額	6,446	396
Disposal of property, plant and equipment due to disposal of subsidiaries (Note 36)	因出售附屬公司而 出售物業、廠房及設備 (附註36)	(5,880)	(10)
Cash consideration from disposal of property, plant and equipment	出售物業、廠房及設備的現金代價	566	386

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

30 NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(c) Disposal of subsidiaries

In the statements of cash flows, net cash outflow on disposal of subsidiaries comprise:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash consideration received (Note 36)	已收現金代價(附註36)	489	33,657
Cash and cash equivalents disposed (Note 36)	所出售現金及現金等值項目(附註36)	(4,414)	(34,000)
Net cash outflow from disposal of subsidiaries included in the cash flows from investing activities	出售附屬公司的現金流出淨額(計入投資活動所得現金流量)	(3,925)	(325)

(d) The principal non-cash transaction is (i) the reclassification of restricted cash of RMB1,798,000 to other receivables after the enforcement order issued by the Higher People's Court of Liaoning Province to draw RMB17,250,000 from bank accounts of a subsidiary of the Group (Note 37) and (ii) properties amounting to RMB48,895,000 received by the Group as settlement of deposits for marketing and promotion projects by certain commercial customers (Note 11(iv)).

30 現金流量表附註(續)

(c) 出售附屬公司

現金流量表中出售附屬公司的現金流出淨額包括：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash consideration received (Note 36)	已收現金代價(附註36)	489	33,657
Cash and cash equivalents disposed (Note 36)	所出售現金及現金等值項目(附註36)	(4,414)	(34,000)
Net cash outflow from disposal of subsidiaries included in the cash flows from investing activities	出售附屬公司的現金流出淨額(計入投資活動所得現金流量)	(3,925)	(325)

(d) 主要非現金交易為(i)於遼寧省高級人民法院出具有關從本集團一間附屬公司銀行賬戶扣劃人民幣17,250,000元的執行裁定書後，將受限制現金人民幣1,798,000元重新分類至其他應收款項(附註37)；及(ii)本集團接收的人民幣48,895,000元物業，作為若干商業客戶結算營銷及宣傳項目的按金(附註11(iv))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

31 COMMITMENTS

(a) Operating lease commitments – Group

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Not later than 1 year	一年以下	5,105	5,305
Later than 1 year and not later than 5 years	一年以上及 五年以下	7,792	10,270
Later than 5 years	五年以上	1,467	1,533
		14,364	17,108

(b) Commitment for exclusive cooperative agreements – Group

The future aggregate payments under non-cancellable exclusive cooperative agreements are as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Not later than 1 year	一年以下	63,800	119,910
Later than 1 year and not later than 5 years	一年以上及 五年以下	227,000	259,240
Later than 5 years	五年以上	795,000	891,040
		1,085,800	1,270,190

31 承擔

(a) 經營租約承擔—本集團

不可撤銷經營租約的日後最低租賃付款總額如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Not later than 1 year	一年以下	5,105	5,305
Later than 1 year and not later than 5 years	一年以上及 五年以下	7,792	10,270
Later than 5 years	五年以上	1,467	1,533
		14,364	17,108

(b) 獨家合作協議承擔—本集團

不可撤銷獨家合作協議的日後付款總額如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Not later than 1 year	一年以下	63,800	119,910
Later than 1 year and not later than 5 years	一年以上及 五年以下	227,000	259,240
Later than 5 years	五年以上	795,000	891,040
		1,085,800	1,270,190

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

31 COMMITMENTS (continued)

(c) Other capital commitments

On 13 June 2014, the Group has entered into an agreement with Xiamen Information Group Ltd. for the purchase of level 23 and 24 of the research and development building no. A01 situated in the first phase of Xiamen Software Park III for a total consideration of RMB22,164,000. The Group has made a deposit of RMB6,694,000 (Note 11(ii)) on 16 June 2014 and has obtained a 7 year mortgage loan on 29 January 2015 in connection with the remaining payment amounting to RMB15,470,000. For details of the mortgage loan obtained, refer to Note 38.

32 RELATED-PARTY TRANSACTIONS

For the purposes of these consolidated financial statements, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions, or vice versa. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms mutually negotiated between the Group and the respective related parties.

31 承擔 (續)

(c) 其他資本承擔

於二零一四年六月十三日，本集團已與廈門信息集團有限公司訂立一份協議，以購買廈門軟件園三期一期工程A01號研發樓23層及24層，總代價為人民幣22,164,000元。本集團已於二零一四年六月十六日支付按金人民幣6,694,000元（附註11(ii)），並已於二零一五年一月二十九日就餘下款項人民幣15,470,000元取得一筆七年期的按揭貸款。有關所取得按揭貸款的詳情，請參閱附註38。

32 關連人士交易

就本合併財務報表而言，倘某人士有能力在本集團作出財務及經營決策時直接或間接對本集團施加重大影響（反之亦然），該人士即被認為與本集團有關聯。關連人士可以為個人（主要管理人員、主要股東及／或彼等的近親）或其他實體。倘本集團的關連人士為個人，則關連人士亦包括受到關連人士重大影響的實體。倘有關實體受到共同控制，亦被認為是關連人士。

本公司董事認為，該等關連人士交易乃於日常業務過程中按照本集團與各關連人士相互磋商的條款進行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 RELATED-PARTY TRANSACTIONS (continued)

- (a) The directors of the Company are of the view that the following companies/individuals were related parties that had transactions or balances with the Group during the year ended 31 December 2014:

Name 名稱／姓名	Relationship with the Group 與本集團的關係
Mr. Chen Zhi 陳志先生	Executive director of the Company/Chief Executive Officer of the Group 本公司執行董事／本集團首席執行官
Ms. Zheng Shou Ling 鄭守齡女士	Spouse of the Chief Executive Officer of the Group 本集團首席執行官的配偶
China TopReach Inc. 中國天瑞控股有限公司	Immediate holding company 直接控股公司
Fujian ShiFang Digital Technology Co., Ltd 福建十方數碼技術有限公司	Controlled by the Chief Executive Officer of the Group 由本集團首席執行官控制
Beijing Wangxin Gaoke Information Technology Co., Ltd. 北京網信高科信息技術有限公司	Controlled by the Chief Executive Officer of the Company 由本公司首席執行官控制
Fujian Lanting Network Technology Holding Limited Company 福建蘭庭網路科技股份有限公司	A significant shareholder of a subsidiary of the Group 本集團一間附屬公司的主要股東
Mr. Zhang Tie Zhu 張鐵柱先生	Director of the Company 本公司董事
Mr. Hong Pei Feng 洪培峰先生	Executive director of the Company 本公司執行董事

32 關連人士交易（續）

- (a) 本公司董事認為，以下公司／個人為於截至二零一四年十二月三十一日止年度內與本集團進行交易或存有結餘的關連人士：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 RELATED-PARTY TRANSACTIONS (continued) 32 關連人士交易 (續)

(a) (continued)

(a) (續)

Name	Relationship with the Group
名稱／姓名	與本集團的關係
Mr. Yu Shi Quan 余詩權先生	Executive director of the Company/Chief Financial Officer of the Group 本公司執行董事／本集團首席財務官
Mr. Qiang Yi Bing 強亦彬先生	A close family member of a director of the Company 本公司一名董事的近親
Mr. Wang Ping 王平先生	Non-executive director of the Company 本公司非執行董事
Ms. Chen Min 陳敏女士	Non-executive director of the Company 本公司非執行董事
Liaoning Baixin Media Company Limited 遼寧百信傳媒有限公司	A significant shareholder of a subsidiary of the Group 本集團一間附屬公司的主要股東
Ms. Chan Ching Yi 陳靜儀女士	Key Management of the Group 本集團主要管理人員
Mr. Pan Jian Ping 潘建平先生	Key Management of the Group 本集團主要管理人員
Ms. Chen Xiao Min 陳小敏女士	Key Management of the Group 本集團主要管理人員
Ms. Zhang Yan Wen 張燕雯女士	Key Management of the Group 本集團主要管理人員
Mr. Xu Kai Ning 許開寧先生	Key Management of the Group 本集團主要管理人員

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 RELATED-PARTY TRANSACTIONS (continued)

(a) (continued)

Name 名稱／姓名	Relationship with the Group 與本集團的關係
Mr. Zheng Bo Ling 鄭柏齡先生	Key Management of the Group 本集團主要管理人員
Mr. Li Gang 李剛先生	Key Management of the Group 本集團主要管理人員
Mr. Cai Jian Quan 蔡建權先生	Independent non-executive director of the Company 本公司獨立非執行董事
Mr. Zhou Chang Ren 周昌仁先生	Independent non-executive director of the Company 本公司獨立非執行董事
Mr. Wong Heung Ming, Henry 黃向明先生	Independent non-executive director of the Company 本公司獨立非執行董事

The above names of certain related parties companies represented the best effort by management of the Company in translating their Chinese names as they do not have official English names.

32 關連人士交易 (續)

(a) (續)

上列若干關連人士公司的英文名稱由本公司管理層以其中文名稱盡力翻譯而提供，原因是有關公司並無正式英文名稱。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 RELATED-PARTY TRANSACTIONS (continued)

(b) Transactions with related parties:

The following transactions were undertaken by the Group with related parties during the year ended 31 December 2014:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Continuing transactions:	持續交易：		
Key management compensation (Note 25(c))	主要管理人員薪酬 (附註25(c))	8,324	9,120
Non – continuing transactions:			
Advertising service cost	非持續交易： 廣告服務成本	-	1,080

The transactions with related parties were conducted in accordance with commercial terms mutually agreed between the Group and the respective related parties.

32 關連人士交易 (續)

(b) 與關連人士進行的交易：

本集團於截至二零一四年十二月三十一日止年度與關連人士進行以下交易：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Continuing transactions:			
Key management compensation (Note 25(c))	主要管理人員薪酬 (附註25(c))	8,324	9,120
Non – continuing transactions:			
Advertising service cost	非持續交易： 廣告服務成本	-	1,080

與關連人士進行的交易乃按照本集團與各關連人士相互協定的商業條款進行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 RELATED-PARTY TRANSACTIONS (continued)

(b) Transactions with related parties: (continued)

The amounts below represented expenses paid by the Group on behalf of China TopReach Inc., a significant shareholder of the Company.

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Expenses paid on behalf of related party:	代表關連人士所付開支：		
A significant shareholder of the Company	本公司一名主要股東	5,450	8,478
		5,450	8,478

(c) Balances with related parties

As at 31 December 2014 and 2013, the balances are unsecured, interest-free and are repayable on demand.

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Amount due from a significant shareholder of the Company – non-trade	應收本公司主要股東款項 – 非貿易	20,444	14,994

The maximum balance due from a significant shareholder of the Company during the year ended 31 December 2014 was RMB20,444,000 (2013: RMB14,994,000).

32 關連人士交易 (續)

(b) 與關連人士進行的交易：(續)

以下款項指本集團代表本公司的主要股東中國天瑞控股有限公司支付的開支。

(c) 與關連人士存有的結餘

於二零一四年及二零一三年十二月三十一日，結餘為無抵押、免息及應要求償還。

於截至二零一四年十二月三十一日止年度，應收本公司一名主要股東款項的最高結餘為人民幣20,444,000元（二零一三年：人民幣14,994,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 RELATED-PARTY TRANSACTIONS (continued)

(c) Balances with related parties (continued)

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Amounts due from related parties – non-trade	應收關連人士款項 – 非貿易		
Non-controlling shareholders of subsidiaries of the Group	本集團附屬公司的非控股股東	1,790	3,791
Mr. Chen Zhi	陳志先生	–	730
Key management of the Group	本集團主要管理人員	2,130	–
A company controlled by the CEO of the Group	本集團首席執行官所控制的一間公司	–	352
		<u>3,920</u>	<u>4,873</u>
		<u>24,364</u>	<u>19,867</u>

As at 31 December 2014 and 2013, the balances are unsecured, interest-free and are repayable on demand.

於二零一四年及二零一三年十二月三十一日，該等結餘為無抵押、免息及應要求償還。

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Amounts due to directors:	應付董事款項：		
Mr. Chen Zhi	陳志先生	959	–
Mr. Hong Pei fang	洪培峰先生	109	109
Mr. Zhang Tie zhu	張鐵柱先生	47	132
Others	其他	116	104
		<u>1,231</u>	<u>345</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 RELATED-PARTY TRANSACTIONS (continued)

(c) Balances with related parties (continued)

The balances mainly represent the directors' fee payable to the directors.

32 關連人士交易 (續)

(c) 與關連人士存有的結餘 (續)

該等結餘主要指應付董事的董事袍金。

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Amount due to a related party – non-trade (non-current portion)	應付一名關連人士款項 – 非貿易 (非流動部分)		
A non-controlling shareholder of a subsidiary of the Group	本集團一間附屬公司的一名非控股股東	688	–

The balance due to a non-controlling shareholder is unsecured, interest-free, with no fixed repayment term and repayable upon mutual agreement between the Group and the non-controlling shareholder.

應付一名非控股股東的結餘為無抵押、免息及無固定還款期，並須按本集團與該名非控股股東的相互協議償還。

33 RETIREMENT BENEFITS SCHEME

The employees of the Group's subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

33 退休福利計劃

本集團在中國成立的附屬公司的僱員參與地方市政府所營辦的中央退休金計劃。有關附屬公司須按僱員的基本薪金及工資的若干百分比向中央退休金計劃供款，以撥付退休福利。地方市政府承諾承擔有關附屬公司的所有現有及未來退休僱員的退休福利責任。有關附屬公司就中央退休金計劃的唯一責任乃根據計劃作出所規定的供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

33 RETIREMENT BENEFITS SCHEME (continued)

The total contributions incurred in this connection for the year ended 31 December 2014 were approximately RMB3,077,000 (2013: RMB3,628,000). No forfeited contributions are available to reduce the contribution payable by the Group in the future years.

34 STOCK OPTIONS SCHEME

(a) Pre-IPO Share Option Scheme

Pursuant to a resolution in writing passed by all the shareholders of the Company on 26 February 2010, the Company conditionally approved and adopted a Pre-IPO Option Scheme (the "Pre-IPO Share Option Scheme"). By the same resolution, the Company granted 27,456,156 share options to its directors and employees which are exercisable under the following terms:

- (i) The exercise price of the option should not be less than 100% of the fair market value of the shares as at the grant date as determined by valuer appointed by the Company;
- (ii) 40% of total options granted become exercisable a year after grant date, another 30% also become exercisable 2 years after grant date and remaining 30% become exercisable 3 years after grant date.

33 退休福利計劃 (續)

截至二零一四年十二月三十一日止年度，就此產生的供款總額約為人民幣3,077,000元（二零一三年：人民幣3,628,000元）。概無沒收供款可用作減少未來年度本集團應付供款。

34 股份期權計劃

(a) 首次公開發售前購股權計劃

根據本公司全體股東於二零一零年二月二十六日通過的書面決議案，本公司有條件批准及採納首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）。根據該決議案，本公司向其董事及僱員授予27,456,156份購股權，該等購股權可按下列條款予以行使：

- (i) 購股權行使價不得低於本公司委聘的估值師所釐定股份於授出日期的公允市值的100%；
- (ii) 已授出購股權總數的40%可於授出日期一年後行使，另外30%可於授出日期兩年後行使，餘下30%則可於授出日期三年後行使。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

34 STOCK OPTIONS SCHEME (continued)

(a) Pre-IPO Share Option Scheme (continued)

The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense, with a corresponding adjustment to equity-based compensation reserves, over the vesting period. At the end of each reporting period, the Company revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of comprehensive income, with a corresponding adjustment to equity. For the year ended 31 December 2014, no equity-based compensation expenses were recognised (2013: RMB864,000).

Each share option gives the holder the right to subscribe for one ordinary share of the Company.

The weighted average fair value per share option granted during the period is determined by using the binomial option pricing model and it was HK\$0.57 per option. The significant inputs into the Binomial option pricing model in determining the fair value of the share options granted by the Company are: the fair market value at the grant date of HK\$1.79 per option, exercise price of HK\$1.82, volatility of 40.66%, expected option life of 4.4 years, dividend yield of 0%, and risk-free annual interest rate of 1.493%. Expected volatility is estimated based on historical volatility of the comparable companies over the period that has the same length as the expected life of each grant.

34 股份期權計劃 (續)

(a) 首次公開發售前購股權計劃 (續)

授出購股權換取的僱員服務的公允價值於歸屬期內確認為開支，並於以股權為基礎的薪酬儲備作相應調整。於各報告期末，本公司修訂其對預期將予歸屬購股權數目的估計，在合併全面收益表確認修訂原先估計的影響（如有），並對權益作出相應調整。截至二零一四年十二月三十一日止年度並無確認以股權為基礎的薪酬開支（二零一三年：人民幣864,000元）。

每份購股權賦予持有人認購本公司一股普通股的權利。

按二項式期權定價模型釐定已於期內授出的每份購股權的加權平均公允價值為0.57港元。在釐定本公司所授出購股權的公允價值時，二項式期權定價模型所用的重要輸入值為：授出日期的公允市值每份購股權1.79港元、行使價1.82港元、波幅40.66%、預期購股權有效期4.4年、派息率0%及無風險年息率1.493%。預期波幅乃根據可資比較公司於與各次授出購股權的預期年期相同的期間的過往波幅估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

34 STOCK OPTIONS SCHEME (continued)

(a) Pre-IPO Share Option Scheme (continued)

Movements of Pre-IPO Share Option Scheme during the year ended 31 December 2014 and 2013 are as follows:

		Held at 1 January and 31 December 2013 於二零一三年 一月一日及 十二月三十一日 持有	Lapsed during the year 於年內失效	Held at 31 December 2014 於二零一四年 十二月三十一日 持有	Grant date 授出日期	Expiry date 到期日	Exercise Price 行使價
Directors	董事	24,161,417	(24,161,417)	-	26 February 2010 二零一零年 二月二十六日	2 December 2014 二零一四年 十二月二日	HK\$1.82港元
Other employees	其他僱員	3,294,739	(3,294,739)	-	26 February 2010 二零一零年 二月二十六日	2 December 2014 二零一四年 十二月二日	HK\$1.82港元
		<u>27,456,156</u>	<u>(27,456,156)</u>	<u>-</u>			

As at 31 December 2014, no options were exercisable. All of the outstanding share options have expired on 2 December 2014. Following the expiry of the Pre-IPO Share Option Scheme, equity-based compensation reserve amounting to RMB13,850,000 was transferred to accumulated deficits.

34 股份期權計劃 (續)

(a) 首次公開發售前購股權計劃 (續)

首次公開發售前購股權計劃於截至二零一四年及二零一三年十二月三十一日止年度的變動如下：

於二零一四年十二月三十一日，並無購股權獲行使。所有尚未行使的購股權已於二零一四年十二月二日到期。於首次公開發售前購股權計劃到期後，以股權為基礎的薪酬儲備人民幣13,850,000元已轉撥至累計虧絀。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

34 STOCK OPTIONS SCHEME (continued)

(b) Share option scheme

Pursuant to the resolutions in writing passed by the shareholders of the Company on 8 November 2010, the Company adopted a share option scheme on 8 November 2010 (“Share Option Scheme”). The purpose of the Share Option Scheme is to provide incentive or reward to (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; (ii) any Directors (whether executive or non-executive, including any independent non-executive Director) of the Company or any of its subsidiaries; or (iii) any advisors, consultants suppliers, customers and agents to the Company or any subsidiaries (each “Eligible Person”).

The Board of Directors may, at any time within 10 years after the date of approval of the Share Option Scheme, make an offer to grant options to any Eligible Person. The subscription price for shares granted pursuant to the Share Option Scheme shall be determined by the Board of Directors in its absolute discretion and shall be at least the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the date of offer;
- (ii) the average of the closing prices of the shares as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the date on which such offer is made; and
- (iii) the nominal value of shares of the Company.

34 股份期權計劃 (續)

(b) 購股權計劃

根據本公司股東於二零一零年十一月八日通過的書面決議案，本公司於二零一零年十一月八日採納購股權計劃（「購股權計劃」）。購股權計劃旨在獎勵或回饋(i)本公司或其任何附屬公司的任何全職或兼職僱員、行政人員或高級職員；(ii)本公司或其任何附屬公司的任何董事（執行或非執行董事，包括獨立非執行董事）；或(iii)本公司或任何附屬公司的任何顧問、諮詢人士、供應商、客戶及代理（各為「合資格人士」）。

董事會可於購股權計劃獲批准當日後十年內隨時向任何合資格人士提呈授出購股權。根據購股權計劃授出的股份認購價由董事會全權酌情釐定，且不得低於下列各項的最高者：

- (i) 股份於提呈授出購股權當日在聯交所每日報價表所報的收市價；
- (ii) 股份於緊接提呈授出購股權當日前五個營業日在聯交所每日報價表所報的平均收市價；及
- (iii) 本公司股份的面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

34 STOCK OPTIONS SCHEME (continued)

(b) Share option scheme (continued)

The total number of Shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 10% of the total number of shares in issue as at the Listing Date, 73,216,512 Shares, without prior approval from the shareholders of the Company. The maximum number of shares which may be issued upon exercise of all outstanding options granted, and yet to be exercised, under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the issued share capital of the Company from time to time. The total number of shares issued and to be issued upon exercise of all options granted under the Share Option Scheme to each Eligible Person (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of issued shares of the Company. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors of the Company. In addition, if shares issued and to be issued upon exercise of all options granted under the Share Option Scheme (including options exercised, cancelled and outstanding) to a participant who is a substantial shareholder or an independent non-executive director of the Company, or any of their associates, in any 12-month period (i) represent in aggregate more than 0.1% of the total number of shares in issue, and (ii) have an aggregate value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK\$5,000,000, the proposed grant of option must be approved by the shareholders of the Company in a general meeting.

34 股份期權計劃 (續)

(b) 購股權計劃 (續)

如未經本公司股東事先批准，根據購股權計劃可授出的購股權涉及的股份總數不得超過於上市日期已發行股份總數的10%（即73,216,512股股份）。行使根據購股權計劃及本公司任何其他購股權計劃授出但尚待行使的所有未行使購股權而可發行的股份數目上限，不得超過本公司不時已發行股本的30%。於任何十二個月期間行使根據購股權計劃授予每名合資格人士的所有購股權（包括已行使、已註銷及未行使的購股權）而發行及將予發行的股份總數，不得超過本公司已發行股份總數的1%。凡進一步授出超過此上限的購股權均須經股東於股東大會上批准。

凡向本公司董事、最高行政人員或主要股東或彼等任何聯繫人授出購股權，均須經本公司獨立非執行董事預先批准。此外，倘在任何十二個月期間內，於根據購股權計劃向參與者（屬本公司主要股東或獨立非執行董事）或彼等任何聯繫人授出的所有購股權（包括已行使、已註銷及未行使的購股權）獲行使後發行及將予發行的股份(i)合共超過已發行股份總數0.1%，及(ii)按於每個授出日期本公司股份收市價計算的總值超過5,000,000港元，則建議授出購股權須經本公司股東於股東大會上批准。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

34 STOCK OPTIONS SCHEME (continued)

(b) Share option scheme (continued)

The amount payable on acceptance of an option is RMB1.00. The exercise period of any option granted under the Share Option Scheme shall not be longer than 10 years from the date of grant of the relevant option. There is no minimum period for which an option must be held before the exercise of the option except otherwise imposed by the board of Directors. As at 31 December 2014 and 2013, no share option had been granted under the Share Option Scheme.

35 TRANSACTIONS WITH NON-CONTROLLING INTEREST

On 24 December 2014, the Group has partially disposed of 30% equity interest in Liaoning Aohai TianYi Media Advertisement Co., Ltd. ("Liaoning Aohai") reducing its equity interest held to 70% as a result of Group restructuring for no consideration. As a result, an amount of RMB12,520,000 (being the proportionate share of the carrying amount of the net liabilities of Liaoning Aohai) has been transferred from non-controlling interests. The difference of RMB12,520,000 between the decrease in non-controlling interest and the consideration received has been credited to capital reserves.

On 31 December 2013, the Company acquired an additional 49% of the issued shares of Shenyang ZhuQin ShiFang Media Development Co. Ltd., ("Shenyang ZhuQin ShiFang") for a purchase consideration of RMB2,381,000. The carrying amount of the non-controlling interest in Shenyang ZhuQin ShiFang on the date of acquisition was RMB2,381,000. The Group recognised a decrease in non-controlling interests of RMB2,381,000 as a result of this transaction.

34 股份期權計劃 (續)

(b) 購股權計劃 (續)

於接納購股權時應付的金額為人民幣1.00元。根據購股權計劃授出的任何購股權的行使期不得超過相關購股權授出當日起計十年。購股權於獲行使前並無必須持有的最短期限，惟董事會另有施加者則作別論。於二零一四年及二零一三年十二月三十一日，並無根據購股權計劃授出任何購股權。

35 與非控股權益的交易

於二零一四年十二月二十四日，本集團因進行集團重組而無償出售遼寧奧海天一廣告傳媒有限公司（「遼寧奧海」）的30%股本權益，致使所持遼寧奧海的股本權益減至70%。因此，人民幣12,520,000元（即按比例應佔遼寧奧海淨負債的賬面金額）已從非控股權益轉撥。非控股權益減少與已收代價之間的差額人民幣12,520,000元已計入資本儲備。

於二零一三年十二月三十一日，本公司收購瀋陽祝秦十方傳媒發展有限公司（「瀋陽祝秦十方」）已發行股份的額外49%，購買代價為人民幣2,381,000元。瀋陽祝秦十方非控股權益於收購日的賬面金額為人民幣2,381,000元。本集團已因是次交易而確認非控股權益減少人民幣2,381,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

36 CONSIDERATIONS FROM DISPOSAL OF SUBSIDIARIES

During the year, the Group entered into sale and purchase agreements with independent third parties to dispose of controlling equity interests in certain subsidiaries (“Disposed Companies”) for total cash considerations of RMB489,000 (“Disposal”). As a result of the Disposal, 30% equity interest in Beijing HanDing Limited was retained by the Group and is accounted for as an investment in an associate by the Group.

The Disposal was completed during the year ended 31 December 2014.

The aggregate net assets of the Disposed Companies at disposal were as follows:

36 出售附屬公司的代價

年內，本集團與獨立第三方訂立買賣協議，以出售於若干附屬公司（「已出售公司」）的控股股本權益，總現金代價為人民幣489,000元（「出售事項」）。由於進行出售事項，本集團已保留北京漢鼎廣告有限公司的30%股本權益，並將之入賬列為於一間聯營公司的投資。

出售事項於截至二零一四年十二月三十一日止年度完成。

已出售公司於出售日期的淨資產總值如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Net assets disposed of:	所出售淨資產：		
Property, plant and equipment	物業、廠房及設備	5,880	10
Intangible assets	無形資產	94	-
Inventories	存貨	3	-
Trade receivables – net	貿易應收款項—淨額	6,478	-
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	11,808	72,400
Cash and cash equivalents	現金及現金等值項目	4,414	325
Trade payables	貿易應付款項	(1,353)	-
Other payables and accrued expenses	其他應付款項及應計開支	(23,160)	(22,034)
Income tax payables	應付所得稅	(3,715)	(16,701)
Non-controlling interests	非控股權益	70	-
		519	34,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

36 CONSIDERATIONS FROM DISPOSAL OF SUBSIDIARIES (continued)

36 出售附屬公司的代價(續)

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Fair value of equity interest of Beijing HanDing Ltd. retained by the Group (Note a)	本集團所保留北京漢鼎廣告有限公司股本權益的公允價值(附註a)	(345)	–
Gain on disposal of subsidiaries (Note 23)	出售附屬公司的收益(附註23)	315	–
		<u>489</u>	<u>34,000</u>
Satisfied by:	支付方式:		
– Cash considerations	– 現金代價	489	–
– Non-cash considerations (Note b)	– 非現金代價(附註b)	–	34,000
		<u>489</u>	<u>34,000</u>
Net cash outflow arising on disposal of subsidiaries	出售附屬公司產生的現金流出淨額		
Cash consideration received	已收現金代價	489	–
Cash and cash equivalents disposed	所出售現金及現金等值項目	(4,414)	(325)
Net cash outflow on disposal of subsidiaries included in cash flows from investing activities	出售附屬公司的現金流出淨額(計入投資活動所得現金流量)	<u>(3,925)</u>	<u>(325)</u>

Notes:

- (a) Fair value of 30% equity interest in Beijing HanDing Limited retained by the Group is determined based on the proportionate share of the net asset value of the said company.
- (b) Non-cash consideration of RMB34,000,000 was correspondingly offset by payable balances due to the purchaser.

附註:

- (a) 本集團所保留北京漢鼎廣告有限公司30%股本權益的公允價值依照按比例應佔上述公司的資產淨值釐定。
- (b) 非現金代價人民幣34,000,000元被應付買方結餘相應抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 CONTINGENT LIABILITIES

The Group follows the guidance of IAS37 “Provisions, Contingent Liabilities and Contingent Assets” to determine when should contingent liabilities be recognised, which requires significant judgement.

A contingent liability will be disclosed when a possible obligation has arisen, but its existence has to be confirmed by future events outside the Group’s control, or when it is not possible to calculate the amount. Realisation of any contingent liabilities not currently recognised or disclosed could have a material impact on the Group’s financial position.

The Group reviews significant outstanding litigations in order to assess the need for provisions. Among the factors considered are the nature of the litigation, legal processes and potential level of damages, the opinions and views of the legal counsel, and the management’s intentions to respond to the litigations. To the extent the estimates and judgements do not reflect the actual outcome, this could materially affect the results for the year and the financial position.

(a) Fine Imposed by Fujian Province Branch of the State Administration of Foreign Exchange

On 15 April 2014, a subsidiary of the Group received a letter of administrative penalty notice (Min Hui Gao No. [2014] 2 (閩匯告[2014]2號)) issued by Fujian Province Branch of the State Administration of Foreign Exchange to impose a fine of RMB11,580,000 on that subsidiary in relation to certain of its foreign exchange settlement transactions.

37 或有負債

本集團遵照國際會計準則第37號「撥備、或有負債及或有資產」的指引釐定應何時確認或有負債，而確認時須作出重大判斷。

當有可能產生義務，惟其存在與否須透過非本集團所能控制的未來事件確定；或當不可能計算義務所涉金額，則會披露或有負債。任何目前未有確認或披露的或有負債一旦實現，則可能對本集團的財務狀況造成重大影響。

本集團會審閱重大的待決訴訟，以評估是否有需要計提撥備。所考慮的因素包括訴訟的性質、損害賠償的法律程序及潛在水平、法律顧問的意見及見解以及管理層對回應訴訟的意向。倘估計及判決不能反映實際結果，則可能嚴重影響年內業績及財務狀況。

(a) 國家外匯管理局福建省分局判處罰款

於二零一四年四月十五日，本集團一間附屬公司收到國家外匯管理局福建省分局就該附屬公司若干結匯交易發出對其判處罰款人民幣11,580,000元的行政處罰告知書（閩匯告[2014]2號）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 CONTINGENT LIABILITIES (continued)

(a) Fine Imposed by Fujian Province Branch of the State Administration of Foreign Exchange (continued)

On 21 April 2014, the subsidiary applied for a hearing which was subsequently accepted by Fujian Province Branch of the State Administration of Foreign Exchange on 25 April 2014.

On 14 July 2014, the subsidiary received the opinion of hearing (聽證意見書[2014]1號) issued by the Fujian Province Branch of the State Administration of Foreign Exchange. The hearing officers advised Fujian Province Branch of the State Administration of Foreign Exchange to maintain the proposed fine as stated on the letter of administrative penalty notice (Min Hui Gao No. [2014] 2(閩匯告[2014]2號)).

On 21 July 2014, the subsidiary received a letter of administrative penalty decision (Min Hui Fa No. [2014] 5(閩匯罰[2014]5號)) issued by Fujian Province Branch of the State Administration of Foreign Exchange to impose a fine of RMB11,580,000.

The subsidiary shall remit the fine of RMB11,580,000 to a designated account for fines and penalties within 15 days from the date of receiving the letter of administrative penalty decision. In the event of non-payment of fine when overdue, Fujian Province Branch of the State Administration of Foreign Exchange shall impose an additional daily penalty of 3% on the amount of such, or apply to the People's Court for enforcement. Accrued additional daily penalties shall not exceed the original fine of RMB11,580,000.

37 或有負債(續)

(a) 國家外匯管理局福建省分局判處罰款(續)

於二零一四年四月二十一日，該附屬公司提出聽證申請，其後於二零一四年四月二十五日獲國家外匯管理局福建省分局受理。

於二零一四年七月十四日，該附屬公司收到國家外匯管理局福建省分局發出的聽證意見書[2014]1號。聽證人員建議國家外匯管理局福建省分局維持行政處罰告知書(閩匯告[2014]2號)所載的處罰意見。

於二零一四年七月二十一日，該附屬公司收到國家外匯管理局福建省分局發出對其判處罰款人民幣11,580,000元的行政處罰決定書(閩匯罰[2014]5號)。

該附屬公司應在收到該行政處罰決定書當日起計15日內，將罰款人民幣11,580,000元繳至罰沒款專戶。倘逾期不繳納罰款，國家外匯管理局福建省分局將每日按罰款金額的3%加處罰款，或向人民法院申請強制執行。應計每日加處罰款總額將不會超過原罰款人民幣11,580,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 CONTINGENT LIABILITIES (continued)

(a) Fine Imposed by Fujian Province Branch of the State Administration of Foreign Exchange (continued)

The subsidiary has applied to the State Administration of Foreign Exchange for an administrative review. On 3 November 2014, the State Administration of Foreign Exchange issued a letter of administrative reconsideration decision (Hui Fa No. [2014] 45 匯發 [2014] 45 號) to the subsidiary, stating the letter of administrative penalty decision (Hui Fa No. [2014] 5) dated 21 July 2014 will be upheld and the said enforcement order will not be suspended during the period of the administrative review.

On 20 November 2014, the subsidiary brought an administrative lawsuit to the Fuzhou City GuLou District People's Court ("Fuzhou People's Court") and is awaiting the judgement of the court.

Notwithstanding the lawsuit that was brought to Fuzhou People's Court, the management has made a provision of RMB23,160,000 in respect of the penalty charge and daily penalty charges, which has been included in the statement of comprehensive income.

To facilitate the streamlining of the Group's structure, the aforementioned subsidiary was disposed to an independent third party of the Group, on 24 December 2014.

37 或有負債 (續)

(a) 國家外匯管理局福建省分局判處罰款 (續)

該附屬公司已向國家外匯管理局申請行政複議。於二零一四年十一月三日，國家外匯管理局向該附屬公司發出行政複議決定書 (匯發 [2014]45 號)，表示將維持日期為二零一四年七月二十一日之行政複議決定書 (匯發 [2014]5 號) 的決定，上述執行令於行政複議期內將不會停止執行。

於二零一四年十一月二十日，該附屬公司於福州市鼓樓區人民法院 (「福州人民法院」) 提出行政訴訟，現正等待法院判決。

儘管於福州人民法院提出訴訟，管理層已就該罰款支出及每日罰款支出作出撥備人民幣 23,160,000 元，並已計入全面收益表內。

為推動精簡本集團架構，於二零一四年十二月二十四日，上述附屬公司已出售予本集團一名獨立第三方。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 CONTINGENT LIABILITIES (continued)

(b) Lawsuits between the Group and Shenyang Media Corporation

On 26 July 2011, Shenyang Media Corporation unilaterally terminated the Comprehensive Cooperation Contract with the Group.

A subsidiary of the Group received a summons issued by the Shenyang Intermediate People's Court in Liaoning Province (the "Shenyang Intermediate People's Court") on 25 October 2011, where Shenyang Media Corporation claimed the subsidiary for, among others, a total sum of RMB17,328,767 being the outstanding advertising fees payable by the subsidiary to Shenyang Media Corporation (the "Case 1").

On 22 December 2011, the subsidiary filed summons of claim to the Higher People's Court of Liaoning Province (the "Higher People's Court") against Shenyang Daily Agency and Shenyang Evening News Media Corporation, where the Group sued Shenyang Daily Agency and Shenyang Media Corporation for, among others, a total sum of RMB105,579,352, being the outstanding advertising fees payable by Shenyang Daily Agency and Shenyang Media Corporation (the "Case 2") to the subsidiary.

On 8 March 2012, the subsidiary received a civil judgement issued by the Higher People's Court in relation to Case 2, pursuant to which the Higher People's Court decided to refer the case back to the Shenyang Intermediate People's Court. As advised by the PRC legal counsel, the subsidiary has lodged an appeal to the Supreme People's Court of the PRC (the "Supreme People's Court") on 13 March 2012 to request the Supreme People's Court to overrule the Higher People's Court's decision.

37 或有負債 (續)

(b) 本集團與瀋陽傳媒公司的訴訟

於二零一一年七月二十六日，瀋陽傳媒公司單方面解除與本集團的全面合作合約。

於二零一一年十月二十五日，本集團的一間附屬公司收到遼寧省瀋陽市中級人民法院（「瀋陽市中級人民法院」）發出的傳票，據此，瀋陽傳媒公司向該附屬公司索償（其中包括）總額人民幣17,328,767元，即該附屬公司應付予瀋陽傳媒公司的未付廣告費（「案件一」）。

於二零一一年十二月二十二日，該附屬公司針對瀋陽日報社及瀋陽晚報傳媒有限公司向遼寧省高級人民法院（「高級人民法院」）發出民事起訴狀，據此，本集團就（其中包括）總額人民幣105,579,352元，即瀋陽日報社及瀋陽傳媒公司應付予該附屬公司的未付廣告費向瀋陽日報社及瀋陽傳媒公司提出起訴（「案件二」）。

於二零一二年三月八日，該附屬公司收到高級人民法院有關案件二的民事裁定書，據此，高級人民法院裁定將該案件發還瀋陽市中級人民法院審理。根據中國法律顧問的意見，於二零一二年三月十三日，該附屬公司已向中國最高人民法院（「最高人民法院」）提出上訴，請求最高人民法院駁回高級人民法院的裁定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 CONTINGENT LIABILITIES (continued)

(b) Lawsuits between the Group and Shenyang Media Corporation (continued)

On 30 August 2012, the subsidiary received a judgement of first instance awarded by the Shenyang Intermediate People's Court in relation to Case 1. It was ruled that the subsidiary shall pay Shenyang Media Corporation RMB17,250,398 as advertising fees together with court fees within 10 days after the judgement becomes effective. On 6 September 2012, the subsidiary has lodged an appeal to the Higher People's Court to seek to revoke the judgement of first instance in due course.

On 27 December 2012, Higher People's Court ordered the judgement of first instance issued by the Shenyang Intermediate People's Court on 30 August 2012 be dismissed and a retrial of the case at the Shenyang Intermediate People's Court was ruled ("Case 1"). On 25 June 2013, the Shenyang Intermediate People's Court commenced the retrial of the case.

On 5 December 2013, a civil judgement was issued by the Supreme People's Court in relation to Case 2. It was ruled that the civil judgement dated 8 March 2012 by the Higher People's Court be dismissed, and that the case be handled by the Higher People's Court.

On 5 May 2014, a civil judgement was issued by Shenyang Intermediate People's Court. It was ruled the subsidiary shall pay Shenyang Media Corporation the advertising agency fee of RMB17,250,398. As advised by PRC legal counsel, the subsidiary has filed an appeal against the civil judgement to the Higher People's Court.

37 或有負債 (續)

(b) 本集團與瀋陽傳媒公司的訴訟 (續)

於二零一二年八月三十日，該附屬公司收到瀋陽市中級人民法院就案件一作出的一審判決，判決該附屬公司於判決生效後的10日內，向瀋陽傳媒公司支付人民幣17,250,398元廣告費，連同庭費。於二零一二年九月六日，該附屬公司向高級人民法院提出上訴，於適當時間尋求撤銷一審判決。

於二零一二年十二月二十七日，高級人民法院下令撤銷瀋陽市中級人民法院於二零一二年八月三十日作出的一審判決，並由瀋陽市中級人民法院重審該案件（「案件一」）。於二零一三年六月二十五日，瀋陽市中級人民法院就該案件重審開庭。

於二零一三年十二月五日，最高人民法院發出有關案件二的民事裁定書，裁定撤銷高級人民法院於二零一二年三月八日發出的民事裁定書，該案件仍由高級人民法院審理。

於二零一四年五月五日，瀋陽市中級人民法院發出民事判決書，判決該附屬公司向瀋陽傳媒公司支付廣告代理費人民幣17,250,398元。根據中國法律顧問的意見，該附屬公司已針對該民事判決書向高級人民法院提出上訴。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 CONTINGENT LIABILITIES (continued)

(b) Lawsuits between the Group and Shenyang Media Corporation (continued)

On 15 October 2014, the hearing at the Higher People's Court commenced for Case 2. After seeking legal consultation, the management believes that it is not probable that this litigation would result in any material outflow of economic benefits from the Group.

On 4 December 2014, the subsidiary received a civil judgement of (2014) Liao Min Er Zhong Zi no. 00170 ((2014) 遼民二終字第00170號) dated 26 November 2014 issued by the Higher People's Court which dismissed the appeal by the subsidiary to uphold the original judgement made by the Intermediate People's Court for Case 1, which ordered the subsidiary to pay to Shenyang Media Corporation advertising agency fees in the sum of RMB17,250,398. The judgement was the final judgement of the Higher People's Court and an enforcement order was placed to freeze the bank balances of Liaoning Aohai amounting to RMB1,797,906. Maximum value of the freezing order is RMB17,250,398. As advised by the PRC legal counsel, the subsidiary filed an application for retrial to the Supreme People's Court on 30 December 2014.

Notwithstanding that an application for retrial was lodged to the Supreme People's Court, management has made provision of RMB17,250,398 in respect of the advertising agency fee, which has been included in the consolidated statement of comprehensive income. With reference to legal opinion, management believes economic outflow arising from the litigation is limited to Liaoning Aohai, and the litigation would not result in material outflow of economic benefits from other subsidiaries of the Group.

The Group is currently waiting for further instructions from the court and will notify the shareholders of any progress in the litigations in a timely manner.

37 或有負債 (續)

(b) 本集團與瀋陽傳媒公司的訴訟 (續)

於二零一四年十月十五日，高級人民法院對案件二開庭審理。於諮詢法律意見後，管理層相信，該訴訟不大可能會導致本集團有重大經濟利益流出。

於二零一四年十二月四日，該附屬公司收到高級人民法院所發出日期為二零一四年十一月二十六日的民事判決書(2014)遼民二終字第00170號，駁回該附屬公司的上訴，維持中級人民法院就案件一判決該附屬公司向瀋陽傳媒公司支付廣告代理費人民幣17,250,398元的原審判決。該判決為高級人民法院的最終判決，並已落實執行令凍結遼寧奧海為數人民幣1,797,906元的銀行結餘。凍結裁定的最高價值為人民幣17,250,398元。根據中國法律顧問的意見，該附屬公司已於二零一四年十二月三十日向最高人民法院申請再審。

儘管已向最高人民法院申請再審，管理層已就廣告代理費作出撥備人民幣17,250,398元，並已計入合併全面收益表。經參考法律意見後，管理層相信，該訴訟產生的經濟流出僅限於遼寧奧海，而該訴訟不會導致本集團其他附屬公司有重大經濟利益流出。

目前本集團正等待該等法院的進一步指示，並將會及時向股東公告該等訴訟的進展情況。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 CONTINGENT LIABILITIES (continued)

(c) Enforcement order issued by Yueyang City Intermediate People's Court against certain Group subsidiaries

On 4 June 2012, Yueyanglin Paper Co., Ltd. has filed a civil claim against Southeast Express and Lifestyle Express in respect of an outstanding payment of RMB31,859,018 relating to certain sales made in prior years.

On 10 July 2012, Yueyang Intermediate People's Court has made a civil judgement that Southeast Express and Lifestyle Express shall pay Yueyanglin Paper Co., Ltd. the aforesaid amount.

On 26 October 2012, the Yueyang Intermediate People's Court ruled that in view of intentional transfer of assets among Southeast Express, Lifestyle Express, and certain wholly-owned Group subsidiaries, the court froze the bank balances of the aforementioned subsidiaries, which included Fuzhou Aohai Advertisement Co., Ltd. ("Fuzhou AoHai") and Kunming Aohai Advertising Co., Ltd. ("Kunming AoHai"), up to a maximum value of RMB31,859,018 ("Freezing Order").

On 8 November 2012, the subsidiaries appealed to the Yueyang Intermediate People's Court against the Freezing Order. The Freezing Order was revoked on 30 January 2013. Yueyanglin Paper Co., Ltd. has subsequently lodged an appeal to the Higher People's Court of Hunan Province against this decision, but on 22 August 2013, the Higher People's Court of Hunan Province dismissed the appeal application by Yueyanglin Paper Co., Ltd.

37 或有負債 (續)

(c) 岳陽市中級人民法院針對本集團若干附屬公司發出的執行裁定書

於二零一二年六月四日，岳陽林紙股份有限公司就過往年度進行若干銷售涉及的尚未償還付款人民幣31,859,018元向東南快報社及生活新報社提出民事索償。

於二零一二年七月十日，岳陽市中級人民法院發出民事判決書，判決東南快報社及生活新報社須向岳陽林紙股份有限公司支付上述金額。

於二零一二年十月二十六日，岳陽市中級人民法院裁定鑑於東南快報社及生活新報社與本集團若干全資附屬公司之間存在有意轉移資產，法院凍結上述附屬公司（包括福州奧海廣告有限公司（「福州奧海」）及昆明奧海廣告有限公司（「昆明奧海」））最高不超過價值人民幣31,859,018元的銀行結餘（「凍結裁定」）。

於二零一二年十一月八日，該附屬公司針對凍結裁定向岳陽市中級人民法院上訴。凍結裁定已於二零一三年一月三十日撤銷。岳陽林紙股份有限公司其後針對該裁定向湖南省高級人民法院提出上訴，惟於二零一三年八月二十二日，湖南省高級人民法院駁回岳陽林紙股份有限公司的上訴申請。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 CONTINGENT LIABILITIES (continued)

(c) Enforcement order issued by Yueyang City Intermediate People's Court against certain Group subsidiaries (continued)

However, Yueyang Intermediate People's Court issued two enforcement judgements in favour of Yueyanglin Paper Co., Ltd. on 22 September 2013. The court ruled to draw the cash deposit of RMB22,000,000 out of the bank accounts of Fuzhou AoHai and to freeze advertising fee of up to RMB14,000,000 expected to be paid by Fuzhou AoHai and Kunming AoHai to Southeast Express and Lifestyle Express. The subsidiaries have subsequently raised an objection to the enforcement judgement to the Yueyang Intermediate People's Court against the court's decision together with other economic losses and damages on the reputation of the subsidiaries.

On 17 February 2014, the Yueyang Intermediate People's Court dismissed the objection application by the subsidiaries. As advised by the PRC legal counsel, the subsidiaries have lodged a review application to the Higher People's Court of Hunan Province (the "Higher People's Court") against the implementation of the above-mentioned decision of the Yueyang Intermediate People's Court. The application is lodged to the Higher People's Court to dismiss the above-mentioned enforcement judgements and return the improperly drawn bank balances of RMB22,000,000 to the subsidiaries.

37 或有負債 (續)

(c) 岳陽市中級人民法院針對本集團若干附屬公司發出的執行裁定書 (續)

然而，岳陽市中級人民法院於二零一三年九月二十二日發出兩份裁定岳陽林紙股份有限公司勝訴的執行裁定書。法院裁定從福州奧海的銀行賬戶中扣劃現金存款人民幣22,000,000元，並凍結福州奧海及昆明奧海預期支付予東南快報社及生活新報社的最多人民幣14,000,000元廣告費。該等附屬公司其後針對法院裁定連同對該等附屬公司聲譽造成的其他經濟損失及損害向岳陽市中級人民法院提出執行裁定書異議。

於二零一四年二月十七日，岳陽市中級人民法院駁回該等附屬公司的異議申請。根據中國法律顧問的意見，該等附屬公司已針對執行上述岳陽市中級人民法院的裁定向湖南省高級人民法院（「高級人民法院」）提出覆議申請，請求高級人民法院撤銷上述執行裁定書，並向該等附屬公司退回被不當扣劃的銀行結餘人民幣22,000,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 CONTINGENT LIABILITIES (continued)

(c) Enforcement order issued by Yueyang City Intermediate People's Court against certain Group subsidiaries (continued)

On 28 April 2014, the Higher People's Court of Hunan Province dismissed the implementation review application by the subsidiaries. As advised by the PRC legal counsel, an application for execution monitoring was lodged to the Supreme People's Court to dismiss the above-mentioned enforcement judgements and refund the improperly drawn bank balances of RMB22,000,000 to the subsidiaries. The case is currently being examined by the court and is pending judgement.

Taking into account of the latest developments of the case, the directors considered to recognise full impairment provision of RMB22,000,000 in respect of this legal claim, which has been included in the consolidated financial statements.

38. SUBSEQUENT EVENTS

- (a) On 29 January 2015, the Group has obtained a mortgage loan amounting to RMB15,470,000 to finance the Group's acquisition of a property situated in the first phase of Xiamen Software Park III. The mortgage term is 7 years with floating interest adjusted quarterly. The mortgage is secured by the aforementioned property.
- (b) On 6 March 2015, the Group obtained a short-term bank facility where the Group can draw borrowings of up to RMB20,000,000 under this facility and each drawdown will require approval from the bank. Each drawdown of the bank facility shall be secured by personal guarantee of Mr. Chen Zhi, executive director and CEO of the Group, and/or certain assets held by a wholly-owned subsidiary of the Group, at the discretion of the bank. Up to 26 March 2015, the bank facility is unutilised.

37 或有負債 (續)

(c) 岳陽市中級人民法院針對本集團若干附屬公司發出的執行裁定書 (續)

於二零一四年四月二十八日，湖南省高級人民法院駁回該等附屬公司的執行覆議申請。根據中國法律顧問的意見，該等附屬公司已向最高人民法院提起了申請執行監督，請求撤銷上述執行裁定書，並向該等附屬公司退回被不當扣劃的銀行結餘人民幣22,000,000元。現該案件正由法院審查，並等待判決。

經考慮個案的最新發展，董事考慮就該法律申索確認全數減值撥備人民幣22,000,000元，並已計入合併財務報表內。

38. 期後事項

- (a) 於二零一五年一月二十九日，本集團取得按揭貸款人民幣15,470,000元，為本集團收購位於廈門軟件園三期第一階段的物業提供資金。按揭年期為7年，按每季調整的浮息計息。按揭以上述物業作抵押。
- (b) 於二零一五年三月六日，本集團取得短期銀行融資額度，據此，本集團可根據有關融資額度提取借款最多人民幣20,000,000元，每次提取均須經銀行批核，並由銀行全權決定以本集團執行董事兼首席執行官陳志先生的個人擔保及／或本集團一間全資附屬公司所持有的若干資產作抵押。截至二零一五年三月二十六日，該銀行融資額度尚未動用。

