



SHIFANG HOLDING LIMITED
十方控股有限公司

(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

Annual Report

2015 年報

CONTENTS

目錄

| | | |
|--|------------|-----|
| Corporate Information | 公司資料 | 2 |
| Financial Highlights and Summary | 財務摘要及概要 | 5 |
| Board of Directors' Statement | 董事會報告書 | 7 |
| Management Discussion and Analysis | 管理層討論與分析 | 9 |
| Directors and Senior Management Profile | 董事及高級管理層履歷 | 34 |
| Directors' Report | 董事報告 | 41 |
| Corporate Governance Report | 企業管治報告 | 85 |
| Independent Auditor's Report | 獨立核數師報告 | 103 |
| Consolidated Balance Sheet | 合併資產負債表 | 106 |
| Consolidated Statement of Comprehensive Income | 合併全面收益表 | 108 |
| Consolidated Statement of Changes in Equity | 合併權益變動表 | 109 |
| Consolidated Statement of Cash Flows | 合併現金流量表 | 110 |
| Notes to the Consolidated Financial Statements | 合併財務報表附註 | 111 |

CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Shi Jianxiang (appointed on 25 February 2016 and resigned on 1 April 2016)
Mr. Siuming Tsui (appointed on 6 December 2015)
Mr. Chen Zhi
Mr. Hong Pei Feng (resigned on 29 January 2016)
Mr. Zhang Tie Zhu (resigned on 25 February 2016)
Mr. Yu Shi Quan

Non-executive Directors

Mr. Chen Wei Dong (appointed on 1 April 2015)
Ms. Chen Min
Mr. Zhou Xu Xiang (appointed on 20 February 2016 and resigned on 17 March 2016)

Independent non-executive Directors

Mr. Zhou Chang Ren
Mr. Wong Heung Ming, Henry
Mr. Cai Jian Quan
Mr. Zhou Xu Xiang (appointed on 19 November 2015 and resigned on 20 February 2016)
Mr. Ng See Yuen (appointed 20 February 2016)

COMPANY SECRETARY

Ms. Chan Ching Yi

AUTHORISED REPRESENTATIVES

Mr. Siuming Tsui
Ms. Chan Ching Yi

AUDIT COMMITTEE

Mr. Wong Heung Ming, Henry (*Chairman*)
Mr. Zhou Chang Ren
Mr. Cai Jian Quan

董事

執行董事

施建祥先生(於二零一六年二月二十五日獲委任及於二零一六年四月一日辭任)
徐小明先生(於二零一五年十二月六日獲委任)
陳志先生
洪培峰先生(於二零一六年一月二十九日辭任)
張鐵柱先生(於二零一六年二月二十五日辭任)
余詩權先生

非執行董事

陳偉東先生(於二零一五年四月一日獲委任)
陳敏女士
周栩翔先生(於二零一六年二月二十日獲委任及於二零一六年三月十七日辭任)

獨立非執行董事

周昌仁先生
黃向明先生
蔡建權先生
周栩翔先生(於二零一五年十一月十九日獲委任及於二零一六年二月二十日辭任)
吳思遠先生(於二零一六年二月二十日獲委任)

公司秘書

陳靜儀女士

授權代表

徐小明先生
陳靜儀女士

審核委員會

黃向明先生(主席)
周昌仁先生
蔡建權先生

REMUNERATION COMMITTEE

Mr. Zhou Chang Ren (*Chairman*)
Mr. Chen Zhi (resigned on 1 February 2016)
Mr. Siuming Tsui (appointed on 29 January 2016)

Mr. Wong Heung Ming, Henry

NOMINATION COMMITTEE

Mr. Cai Jian Quan (*Chairman*)
Mr. Chen Zhi (resigned on 25 February 2016)
Mr. Shi Jianxiang (appointed on 25 February 2016
and resigned on 1 April 2016)
Mr. Siuming Tsui (appointed on 6 December 2015)
Mr. Wong Heung Ming, Henry
Mr. Zhou Xu Xiang (appointed on 19 November 2015
and resigned on 20 February 2016)
Mr. Ng See Yuen (appointed on 20 February 2016)

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

薪酬委員會

周昌仁先生 (*主席*)
陳志先生 (於二零一六年二月一日辭任)
徐小明先生
(於二零一六年一月二十九日獲委任)
黃向明先生

提名委員會

蔡建權先生 (*主席*)
陳志先生 (於二零一六年二月二十五日辭任)
施建祥先生 (於二零一六年二月二十五日獲委任
及於二零一六年四月一日辭任)
徐小明先生 (於二零一五年十二月六日獲委任)
黃向明先生
周栩翔先生 (於二零一五年十一月十九日獲委任
及於二零一六年二月二十日辭任)
吳思遠先生 (於二零一六年二月二十日獲委任)

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

CORPORATE INFORMATION

公司資料

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

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>

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

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 | | | | |
| | | 2015 | 2014 | 2013 | 2012 | 2011 |
| | | 二零一五年 | 二零一四年 | 二零一三年 | 二零一二年 | 二零一一年 |
| | | 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 | 66,972 | 183,556 | 270,326 | 377,242 | 529,034 |
| Gross (loss)/profit | (毛損)/毛利 | (5,849) | 46,352 | 76,047 | 111,875 | 266,305 |
| Operating (loss)/profit | 經營(虧損)/溢利 | (159,294) | (252,746) | (499,116) | (112,912) | 82,041 |
| (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 | (163,792) | (304,174) | (516,834) | (137,940) | 52,978 |
| (ii) Non-controlling interests | (ii) 非控股權益 | (3,388) | (2,930) | 2,499 | 7,568 | 6,043 |
| (Loss)/earnings per share – Basic | 每股(虧損)/盈利—基本 | | | | | |
| (RMB) | (人民幣) | (0.1755) | (0.3621) | (0.6153) | (0.1799) | 0.0727 |

ASSETS AND LIABILITIES

資產及負債

| | | As at 31 December | | | | |
|-----------------------------------|--------------|-------------------|---------|---------|-----------|-----------|
| | | 於十二月三十一日 | | | | |
| | | 2015 | 2014 | 2013 | 2012 | 2011 |
| | | 二零一五年 | 二零一四年 | 二零一三年 | 二零一二年 | 二零一一年 |
| | | 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 | 227,070 | 307,040 | 595,576 | 1,308,971 | 1,414,639 |
| Total debt | 總債項 | 13,579 | – | – | 44,539 | 49,685 |
| Total liabilities | 總負債 | 81,352 | 100,709 | 82,911 | 246,966 | 258,589 |
| 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 | 140,763 | 211,207 | 502,861 | 1,018,831 | 1,119,045 |
| (ii) Non-controlling interests | (ii) 非控股權益 | 4,955 | (4,876) | 9,804 | 43,174 | 37,005 |

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 | | | | |
| | | 2015 | 2014 | 2013 | 2012 | 2011 |
| | | 二零一五年 | 二零一四年 | 二零一三年 | 二零一二年 | 二零一一年 |
| Gross profits margins: | 毛利率： | | | | | |
| (i) Overall | (i) 整體 | (8.7)% | 25.3% | 28.1% | 29.7% | 50.3% |
| (ii) Newspaper advertising | (ii) 報紙廣告 | (25.1)% | 27.8% | 21.4% | 19.9% | 41.9% |
| (iii) Marketing, distribution management, consulting and printing services | (iii) 營銷、分銷管理、諮詢及印刷服務 | 7.9% | 16.8% | 45.0% | 51.5% | 63.4% |
| (iv) Online services | (iv) 網絡服務 | 80.3% | 46.8% | 38.9% | 67.2% | 92.2% |
| (v) Television and radio advertising | (v) 電視及電台廣告 | – | 51.3% | (4.3%) | (95.3%) | (174.1%) |
| Operating margins | 經營利潤率 | (237.9)% | (137.7%) | (184.6%) | (30.0%) | 15.5% |
| Net margins | 淨利潤率 | (249.6)% | (167.3%) | (190.3%) | (34.6%) | 11.2% |
| Return on equity ⁽¹⁾ | 股本回報率 ⁽¹⁾ | (114.7)% | (148.8%) | (100.3%) | (12.3%) | 5.1% |
| Return on assets ⁽²⁾ | 資產回報率 ⁽²⁾ | (73.6)% | (100.0%) | (86.4%) | (10.0%) | 4.2% |
| Trade receivables turnover (days) | 貿易應收款項周轉率(日) | 148 | 90 | 171 | 226 | 177 |
| Trade payables turnover (days) | 貿易應付款項周轉率(日) | 241 | 66 | 50 | 7 | 6 |
| Gearing ratio | 資產負債比率 | 6.0 | – | – | 3.4% | 3.5% |

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。

BOARD OF DIRECTORS' STATEMENT

董事會報告書

The board (the "Board") of directors (the "Directors") of ShiFang Holding Limited (the "Company") hereby presents the annual report of the Company and its subsidiaries (the "Group") for the year ended 31 December 2015.

In 2015, China's economy entered a "New Normal". Being dependent on the performance of other sectors, the advertising industry, particularly the traditional newspapers, radio and television (TV) advertising segments, suffered a severe blow. In response to the challenging economic environment, the Group actively sought new revenue streams and implemented stringent cost control. The Group streamlined its structure and curtailed costs and expenses by disposing of unprofitable subsidiaries in order to divert resources to the core cultural, advertising and media business. On the other hand, it has further developed new Internet media platforms with technologies and channels so as to realise the integration of its online and offline businesses, and encourage interaction between netizens and readers. It was also actively seeking development opportunities that can create synergies with its existing businesses to surmount the challenges brought by advertising market and media restructuring.

However, these initiatives were still primitive and not yet fully effective. Therefore, revenue from the Group's core business for the year was approximately RMB67.0 million, while net loss after tax amounted to approximately RMB167.2 million.

Nevertheless, the Group believes that demand for quality cultural and entertainment products will continue to rise and the related industries will be fostered by the sophisticated entertainment culture as well as the rising consumption power of the Chinese. As such, the Group is actively exploring new opportunities in the cultural media industry, especially cultural, film and TV media, to capitalise on the established media platforms under the Company, foster business growth and improve performance.

十方控股有限公司（「本公司」）董事（「董事」）會（「董事會」）謹此提呈本公司連同其附屬公司（統稱「本集團」）截至二零一五年十二月三十一日止年度之年報。

二零一五年，中國經濟進入了發展的新常態，廣告作為依附型經濟產業，成為最受衝擊的行業之一，特別是傳統的報紙、電台及電視台廣告。面對經濟環境的重重挑戰，本集團積極開源節流，一方面精簡架構、減省開支、出售表現欠佳的附屬公司，以集中資源發展主營的文化及廣告傳媒業務；另一方面進一步從技術及渠道方面搭建新的互聯網媒體平台，實現線上線下融合，增加與網民、讀者的互動，同時尋求能發揮本集團業務優勢的新發展機遇，應對廣告市場及媒體結構性調整的挑戰。

然而，新方案實施時間尚短，效益未能全面體現，年度內本集團主營業務收入約為人民幣67.0百萬元，並錄得稅後淨虧損約人民幣167.2百萬元。

儘管如此，本集團相信，中國文化娛樂豐富多姿，加上社會消費力不斷提升，對優質文化娛樂的需求必定與日俱增，帶動相關產業的發展。因此，本集團積極探索文化傳媒業務，特別是文化及影視傳媒行業的新機遇，希望利用本公司原有的媒體平台網絡的優勢，促進業務進一步發展，提高營運表現。

BOARD OF DIRECTORS' STATEMENT

董事會報告書

To tap into the enormous potential of the Chinese film market and speed up the development of its cultural and media business, the Group actively strengthened its professional management with the aim of steering the Company towards long-term sustainable development. For instance, Mr. Siuming Tsui ("Mr. Tsui"), a famous Hong Kong director and producer, has been appointed as an executive Director of the Company during the year under review. The Board is confident that with Mr. Tsui's extensive experience in film production, outstanding leadership and management skills as well as great insight into the market, the Company will lay a solid foundation for its future development and maximise the shareholder's value with new strategies and new ideas.

Last but not least, the Board would like to thank the management team and the entire staff for their efforts and selfless contributions throughout the years. The Board would also like to express its sincere gratitude and humble request to our valued shareholders, Directors, management, staff, business partners and other stakeholders for their unceasing support to the Group.

The Board

Hong Kong, 29 March 2016

為了捕捉中國電影市場的龐大機遇，加快延伸文化傳媒的業務發展步伐，本集團積極組建專業管理團隊，希望帶領本公司的長遠可持續發展，包括在回顧年內委任香港著名導演及製片人徐小明先生（「徐先生」）為本公司執行董事。憑藉徐先生豐富的電影製作經驗，卓越的領導及管理能力和敏銳的市場觸覺，董事會相信本公司將以新策略、新思維，為未來業務發展作好部署，並為股東創造最佳價值。

最後，董事會感謝管理團隊和全體員工在過去多年的專業及奉獻精神，也同時對我們尊敬的股東、董事、管理層、員工、商業夥伴，以及所有鼎力支持之各界人士，致以最誠摯之感謝，並期盼各位可以一如既往，繼續支持本集團。

董事會

香港，二零一六年三月二十九日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

INDUSTRY REVIEW

Influenced by the complex international situation and increasing downward pressure, China's economic growth further slowed down in 2015. According to the data released by the National Bureau of Statistics, China's annual gross domestic product (GDP) in 2015 was RMB67.7 trillion, representing a year-on-year increase of 6.9%, which was the lowest since 1990. In particular, growth rate in the fourth quarter dropped to 6.8%. During the year, the advertising sector was under pressure as the growth of fixed asset investment slowed down and the continuous credit crunch had directly affected the real estate and other investment-oriented industries, which also indirectly affected consumer's consumption sentiment in China. On the other hand, "Internet Plus" is having a profound impact on the way of operation of all industries as well as the way of living and this is materially affecting traditional industries. Advertising strategies have been altered by the rapid development of new media, and the industry is undergoing structural reforms.

According to the latest statistics published by China Advertising Association and CVSC – TNS Research ("CTR"), it was noted that the traditional media advertising market continued to shrink as a whole by 7.2% in 2015, indicating a comprehensive decline of the entire market. As shown in the report, the segments of television (TV) advertising, radio advertising and outdoor advertising contracted by 4.6%, 0.4% and 0.2%, respectively in 2015. Among those print media advertising segments with severe decline, magazine advertising fell by 19.8% while newspaper advertising recorded the sharpest decrease among traditional media of 35.4%. The performance of newspaper advertising was the most worrying with four consecutive years of downturn as the decline rate has increased from 7.3% in 2012 to 18.3% in 2014 and then further to 35.4% in 2015. Among the top six advertising segments, spending from the real estate, retail, entertainment and leisure, and finance dropped by 44.8%, 37.3%, 16.5% and 6.5%, respectively.

行業回顧

二零一五年，面對錯綜複雜的國際形勢和不斷加大的經濟下行壓力，中國經濟增長進一步放緩。根據國家統計局數據公佈顯示，二零一五年全年國內生產總值（「GDP」）為人民幣67.7萬億元，同比增長6.9%，創一九九零年以來最低增速，其中第四季度增長放緩至6.8%。年內，內地固定資產投資增速回落，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。另一方面，「互聯網+」正深刻地改變各行業的生產方式和生活方式，對傳統業務造成一定的影響，新媒體的快速發展改變了廣告投放的策略，使行業亦出現結構性的調整。

根據中國廣告協會和央視市場研究（「CTR」）媒介智訊的最新數據，二零一五年傳統媒體廣告市場整體下降7.2%，陷入了全面下降的局面。該報告數據顯示，二零一五年電視廣告下降4.6%；廣播廣告下降0.4%；戶外廣告下降0.2%。下降趨勢依然嚴峻的平面媒體中，雜誌廣告下降19.8%，報紙廣告降幅在傳統媒體中最大，達35.4%。當中，報紙廣告的情況最令人擔憂，已經連續4年呈現下降趨勢，幅度由二零一二年錄得的同比下降7.3%，到二零一四年降速加快至18.3%，而二零一五年的同比跌幅更達35.4%。前六個行業中，房地產降幅高達44.8%，零售業降幅也達37.3%，娛樂及休閒下降16.5%，降幅最小的行業金融業下降了6.5%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As stated in the *Report on the Development of China's Media Industry (2015)* (《中國傳媒產業發展報告(2015)》), the structural adjustment of the media industry has intensified and the Internet is replacing the traditional media. Portable electronic media will gradually become a junction point of media convergence. The report outlined four pillars of the media industry namely print media, radio and TV, the Internet, and mobile network, the last one of which was the most promising. Statistics from iResearch showed that from 2014, the Chinese mobile advertising market has been expanding at an annual rate of over 100%. In 2015, its market size has reached RMB59.25 billion and is expected to surpass RMB250 billion by 2018.

From the above figures, internet and mobile advertising are the main driving forces for the rapid growth of the domestic media industry. On the other hand, traditional media has entered a recession, and some experts even commented that the newspaper sector is experiencing a cliff fall. Against the backdrop of overall economic slowdown, traditional print media are prone to increased pressure, and the Group's newspaper advertising agency business, which is still the largest source of the Group's revenue, will continue to struggle with challenges.

《中國傳媒產業發展報告(2015)》指出，傳媒產業的結構性調整走向深化，互聯網對傳統媒體具有替代效應，可攜式電子媒體將逐漸成為媒介融合的連結點。報告勾勒傳媒產業四大板塊格局，平面、廣電、互聯網和移動互聯網四分天下，其中移動互聯網表現尤為亮眼。艾瑞諮詢統計數據指出，二零一四年起，中國移動廣告市場增速均保持在100%以上，二零一五年市場規模達人民幣592.5億元，預計二零一八年規模將超過人民幣2,500億元。

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，反觀傳統報業步入衰退期已難挽頹勢，甚至有專家稱報業正遭遇「斷崖式」滑落，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。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

The slowdown in China's economic development and the decline of certain industries have adversely affected the advertising spending of the respective industries, thereby posing challenges to the operating environment of the Group in 2015. In view of the restructuring of the advertising market, the continuous switch of advertising platform from print media to new media and the Internet, as well as the reduced advertising spending in certain industries including the real estate industry due to their decline, revenue from newspaper advertising, online services and marketing and promotion services has dropped. For the year ended 31 December 2015, the Group recorded a revenue from core businesses of approximately RMB67.0 million, representing a decline of 63.5% as compared with the previous year. Gross loss for the year was approximately RMB5.8 million, representing a significant fall of 112.5% from gross profit of approximately RMB46.4 million in 2014. Gross loss margin was 8.7% (2014: gross profit margin of 25.3%). Net loss after tax for the year amounted to approximately RMB167.2 million (2014: approximately RMB307.1 million). The performance of the Group's principal business, newspaper advertising, was adversely affected by the increasing threat from new online media and the receding economy in China. As a result, the Group generated a lower revenue and experienced a slower restructuring progress of some of its businesses, such as online media services, than what was originally projected.

業務回顧

二零一五年，國內經濟增速的放緩和部分行業經營壓力的加劇也體現在相應的行業廣告投放上，導致二零一五年本集團的營運環境依然面臨挑戰。廣告市場重組，平面媒體市場受新媒體及互聯網的取代作用愈加明顯，以及房地產等行業衰退、縮減廣告預算等影響，報紙廣告、網絡服務及營銷及宣傳服務收益相應減少，本集團於截至二零一五年十二月三十一日止年度實現主營業務收入約為人民幣67.0百萬元，與上年相比下降63.5%。年內毛損約為人民幣5.8百萬元，與二零一四年的毛利約人民幣46.4百萬元相比大幅下跌112.5%，毛損率為8.7%（二零一四年：毛利率25.3%）。年內錄得除稅後淨虧損約人民幣167.2百萬元（二零一四年：約人民幣307.1百萬元）。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報紙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。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In response to increasing market challenges and the changing operating environment, the Group has sought new revenue streams and implemented stringent cost control by actively seeking development opportunities that can create synergies with its existing businesses and adjusting its business model and development approach. Mr. Siuming Tsui, a famous director and film producer in Hong Kong, was appointed as an executive Director in December 2015. The Group also entered into a memorandum of understanding with Shanghai Hehe Film Investment Co., Ltd. (“Hehe Film”) to use and exploit the existing media-related capabilities of both the Company and Hehe Film with a view to jointly investing in, developing, marketing and managing the production and distribution of motion pictures, thereby giving new growth impetus to the Company. On the other hand, the Group also streamlined its structure by disposing of the entire equity interest in two unprofitable subsidiaries during the year, namely Greatest Ocean Ltd. and Hung Hing To Publishing Ltd., to achieve a better utilisation of its resources and curtailed costs and expenses. The Group also restructured some of its independent divisions with a view to further centralising and streamlining internal operation and better allocating jobs and resources. Investments have been made in reliable resource providers and business partners have been selected in a timely manner. 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 were not in line with the Group’s future strategic requirements have been scaled down.

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，一方面積極物色能與現有業務產生協同效益的業務延伸發展機遇，並進行結構及發展策略重整，包括於二零一五年十二月委任香港著名導演及製片人徐小明先生為執行董事，並與上海合禾影視投資有限公司（「合禾影視」）訂立諒解備忘錄，利用及發掘本公司與合禾影視現有的媒體相關實力，共同參與及開發、推廣及管理電影製作及發行，藉此為本公司帶來新的增長動力，另一方面致力精簡本集團的架構及資源，並減少費用開支，包括於年內出售兩家沒有盈利前景的附屬公司—志海有限公司及鴻馨圖總發行有限公司的全部股權。同時重組本集團旗下的部分獨立子集團，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；適時投入、選擇可靠資源供應商和合作夥伴，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。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In addition, having analysed and reviewed its existing operations and the prevailing market conditions, the Group has identified a business model and market segmentation strategy that were appropriate for its established markets which 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 in the print media market and accurately identified the trends of market segmentation and innovation in order to consolidate existing relationships and to be ready to improve its operations and to seize any market opportunities that may arise.

Consolidating client base and expanding into new markets following business restructuring

The Group has a long-standing and stable client base of advertisers from various sectors such as consumer products, real estate, 3C (computer, communication and consumer products), telecommunications, home appliance retailing, automotive, home construction materials, healthcare and medicine, education and classified advertising. This client base has remained basically the same as compared with the previous year, despite the fact that advertisers have placed less emphasis on newspaper advertising.

Owing to the shift in consumer needs and the emergence of mobile Internet advertising, the traditional media advertising market in China was challenging in 2015. Major indicators of the domestic property market, such as sold area, sales and investment, grew at lower rates in 2015 owing to the slower-than-expected growth of the overall Chinese economy and, in particular, the credit crunch in the real estate industry. Under such circumstances, the Group's traditional advertising business was unavoidably affected. Despite the considerable pressure on revenue and profit, the Group managed to maintain a stable clientele owing to the operational resources accumulated by the Group and the healthy relationships with clients over the years.

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市場細分策略，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。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，不斷牢固現有關係，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。

透過重組業務鞏固客戶基礎及拓展新市場

本集團擁有長期並穩定的廣告商客戶基礎，客戶遍佈各行各業，當中包括消費品、房地產、3C 電子通訊產品、通訊運營商、家電賣場、汽車、家居建材、醫療醫藥、教育與及分類廣告等，客戶基礎與往年基本上一致，但是客戶對報紙廣告的依賴度明顯減弱。

二零一五年，由於受眾需求的變化，移動互聯網廣告的崛起，傳統媒體廣告在中國廣告市場甚具挑戰。年內國內宏觀經濟增速不及預期，尤其是房地產受信貸緊縮影響，二零一五年國內房地產市場銷售面積、銷售額、開發投資等多項主要指標出現同比增速回落，對本集團的傳統廣告業務造成一定衝擊。雖然面對龐大收入及盈利壓力，但憑藉多年積累的經營資源及與客戶的穩健合作，回顧年內本集團的客戶基礎穩定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Group believes that given the continuous 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 form the engine of the Company's long-term growth amid a external environment. Although traditional advertisers have reduced their spending, the Group has actively expanded its client portfolio and revenue source by exploring the advertising market of fast-moving consumer goods, which saw rising spending and are closely related to everyday life. Such a move has diversified the Company's business and demonstrated our cautious but flexible hand in dealing with external challenges and achieving balanced growth. In addition, the Group also strives to develop various media advertising channels so as to become a comprehensive multi-channel marketing solution provider by providing comprehensive advertising solutions to clients with the Group's diversified online and offline media resources in the future.

Moreover, the Group is committed to improve its services by tracking and analysing the consumption behaviour of readers, with the view to expanding the Group's client base with innovative advertising solutions that encompass 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.

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，本集團更致力於成為多渠道、全方位的營銷服務供貨商，未來將通過本集團在線下的多樣媒體資源，為客戶提供全面化廣告方案。

此外，本集團通過對讀者群的消費行為跟蹤和分析，不斷力求改進服務模式，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。於回顧年內，本集團正處於調整和發展業務模式的階段，相信此舉在未來能為本集團的業務建立穩定基礎並帶來積極盈利貢獻。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

NEWSPAPER ADVERTISING

In recent years, the exponential growth of new media advertising and mobile Internet advertising channels have diminished advertising spending and volume in traditional print media. As such, the traditional media advertising segment has suffered a severe blow. Coupled with the cessation of *Lifestyle Express* beginning from 30 June 2015 due to financial difficulties, this segment saw a drop in revenue. Furthermore, the Group has been establishing a platform to integrate its traditional print media and new media businesses, but the new technology is only being tested before officially going online and this new initiative is currently at its investment stage with limited revenue contribution during the year. As a result of the above factors, the Group recorded revenue from newspaper advertising of RMB34.8 million for 2015, down by 74.1% year-on-year. Revenue from marketing, distribution management, consulting and printing services, and outdoor advertising services and activities for 2015 was RMB31.7 million, representing a drop of 32.4% year-on-year. Despite the drop in revenue, the newspaper advertising business remained one of the Group's principal businesses and accounted for approximately 51.9% of the Group's total revenue, a drop from 73.3% for the corresponding period of the previous year, demonstrating less reliance on the traditional advertising platform.

報紙廣告

近年新媒體及移動互聯廣告渠道飛速增長，傳統平面媒體的廣告花費及投放量不斷受到侵蝕，使傳統的廣告業務方式較難推進，加上受《生活新報》因資金鏈斷裂由二零一五年六月三十日起正式休刊所帶來的影響，導致該部分業務收益的下降。此外，本集團傳統平面媒體與新媒體平台的互通搭建正處於投資階段，新技術運用也正處於正式上線測試期，年內所產生的實際收入貢獻暫時有限。以上多種因素導致本集團來自報紙廣告的收入於二零一五年下跌至人民幣34.8百萬元，同比下降74.1%。二零一五年，營銷、分銷管理、諮詢及印刷服務以及戶外廣告服務及活動的收入錄得人民幣31.7百萬元，同比減少32.4%。儘管收益下降，報紙廣告業務仍為本集團的重點業務之一，佔本集團總收入約51.9%，較去年同期的佔比73.3%水平有所下降，反映本集團對傳統廣告平台減少依賴。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As at the end of 2015, the Group had two media partners, comprising *Southeast Express* and *City Lifestyle Weekly*. In the face of the pressure and risk brought by new media and the Internet, the Group has implemented stringent cost controls and actively sought new sources of revenue during the year to improve its operations. For the purpose of improving the internal organisational structure, restructuring was carried out at the management level and manpower was streamlined.

ONLINE SERVICES

To give its full support to the development of the Internet, the central government advocated the “Internet Plus” strategy. Against this backdrop, it is expected that mobile Internet will flourish in terms of user coverage and become a key source of information for the public. The Group believes that the mobile

截至二零一五年年底，本集團共有兩家合作媒體，包括《東南快報》、《城市生活信報》。面對新媒體及互聯網帶來的壓力及風險，本集團於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，進一步優化內部人員的職能結構。

網絡服務

在國家大力推進「互聯網+」戰略，全面支持互聯網發展背景下，預計移動互聯網的覆蓋人數持續攀升，並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，以至文化傳媒行業的發



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Internet presents enormous business opportunities and will be the key drivers of future growth in the advertising, cultural and media industries. To take advantage of the huge market demand from such development trends, the Group is continuously refining its business structure by diverting resources from less profitable segments to online services so as to step up the integration of the expertise of its traditional businesses with new technologies. In 2015, the Group's online services continued to consist mainly of Fangke Web, DNKB (www.dnkb.com.cn) and Duk (www.duk.cn). The Group has further developed these 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 integration of its online and offline businesses.

During the year under review, the Group's developing Internet media platforms have yet to deliver any results. Revenue from this business increased by 66.7% to RMB0.5 million as compared with the corresponding period of the previous year. Gross profit was RMB0.4 million, up by 100% as compared with the corresponding period of the previous year, accounting for only 0.7% of the Group's overall revenue. The Group has high hopes for the development of its online media business, and will seek suitable partners in 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 revenue in the long term.

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 16 metropolitan daily, evening and commercial newspapers, making it one of the largest digital media publishing platforms in China. The Group maintained paid subscriptions and a profit-sharing system with licensors and witnessed an increase in the number of active website members. The Group will continue to grow its online services operation and seize additional market share. As for e-magazine publishing, the Group will continue strengthening its technical support capabilities and speed up the restructuring of its service team to keep up with the rapidly-developing mobile Internet market.

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，集中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。在二零一五年內，本集團網絡業務繼續主要以房客網、東快網(www.dnkb.com.cn)、讀客網(www.duk.cn)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，本集團的互聯網媒體平台建設仍未見成效，此業務的收入與去年同期相比增長66.7%至人民幣0.5百萬元；毛利為人民幣0.4百萬元，較去年同期增長100%，僅佔本集團整體收入的0.7%。本集團對網絡媒體的發展充滿信心，將會尋求合適的合作對象，共同致力於建設綜合性多媒體平台，完成業務轉型，以移動網絡為業務重點，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16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。本集團繼續採用收費閱讀方式與授權者分成的模式，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，本集團繼續加強技術支援能力以及加快服務團隊的相應轉型。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As part of the restructuring process, the Group will actively launch new and integrated versions of Duk, which will become an essential part of the Internet cloud platform of the Group. By cooperating with third-party digital platforms, the Group aims to establish marketing channels for institutional users. Duk will also strive to become an information and servicing website, and will promote the concept of city directories in order to explore business opportunities and enlarge its readership. Duk will concentrate on developing a one-on-one service and marketing model for advertisers with its events and promotional spaces. To enlist business partners/clients, Duk will make marketing effectiveness its top priority. Furthermore, it will offer more highly readable leisure and entertainment content to raise its value.

DNKB boosted the technological capabilities of its existing products during the year under review in accordance with the latest market developments. It has already launched its own mobile application, which has been tested online, with promising results in terms of 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 also 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.

The overall performance of Fangke Web (www.fangke.cc), the Group's advertising platform operated by Fujian Fangke Network Technology Corporation Limited mainly for the property market, was unsatisfactory due to the general economic slowdown in China and the slide in property sales. 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.

本集團將繼續積極推行讀客網的改版整合，並將其作為集團轉型的互聯網雲平台的重要支撐，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，讀客網以推行城市通概念，積極成為信息類服務型網站，發展招商機會及拓寬讀者群。重點推行的活動及優惠欄目，主要是與商家形成一對一的服務營銷合作模式，以營銷效果作為首要的合作條件；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進一步提升。

東快網於回顧年內進行了一次順應市場發展趨勢，強化原有產品的技術更新。東快網目前已開發自有App客戶端，並已上線測試，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、房產等板塊更為清晰，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。

另外，受中國整體經濟增長放緩影響，房地產銷量有所下滑，主要圍繞房地產市場的廣告業務平台福建房客網絡科技股份有限公司 (www.fangke.cc) 整體表現未如理想。房客網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。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In the areas of online services and mobile Internet, the Group's technology and product portfolios were still primitive and not yet profitable notwithstanding continuous business integration and technological developments. The Group has developed several end-user applications and unique products, collected and classified numerous databases and rolled out practical products which are the necessary technological and product support for the development of the Company's cloud computing platform.

MARKETING, DISTRIBUTION MANAGEMENT, CONSULTING AND PRINTING SERVICES

During the year under review, the competitiveness and market of print media continued to be hard hit by the boom in online new media. The marketing, distribution management, consulting and printing service business has a narrow client base. Further, the paper-based printing operation received a huge blow from the cessation of one of the Group's media partners at the end of June 2015 due to financial difficulties. As a result, revenue from this segment for the year under review fell by 32.4% to RMB31.7 million, though it accounted for an impressive 47.3% of the Group's total revenue due to the plummeting revenue from the other business segments.

The Group will endeavour to maintain exclusive co-operation with its existing newspaper partners by selling their advertising spaces and providing them with integrated services as well as certain additional services, such as printing, distribution management, consulting and marketing advice. In relation to distribution and management services, the Group continued to provide comprehensive services for Southeast Express. For the printing service business, the Group's factory in Fuzhou operated smoothly and printed *Southeast Express*, *China Securities Journal* and *Shanghai Securities News*. As one of our media partners ceased publication, the factory in Kunming ceased to provide related printing service to the media partner and operation was suspended in July 2015. Nonetheless, the Group will carry on with its stringent control of the printing quality of its publications so as to ensure the quality of its advertisements as well as strengthen the partnerships with its existing media partners.

本集團在網絡服務、移動互聯等項目上，通過不斷地業務整合、技術開發，只是具備了初步的技術沉澱和無法盈利的產品體系。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，為本集團開發本公司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，紙媒市場持續受到網絡新媒體蓬勃發展的衝擊，其競爭力萎縮，整體市場亦逐漸收縮。公司在營銷、分銷管理、諮詢及印刷服務的客戶群相對較單一，加上本集團一名媒體合作夥伴因為財政困難，已於二零一五年六月底停刊，圍繞相關報刊的印刷業務受到較大打擊，以致本集團於該板塊的收入於回顧年內減少32.4%至人民幣31.7百萬元，惟佔本集團總收入的比重較去年同期大幅提升，達47.3%，主要因其他板塊業務的收入急劇收縮。

本集團將維持與現有部份報紙夥伴訂立的獨家合作關係，竭盡全力為客戶推廣銷售報紙廣告位及綜合服務，並提供若干配套服務，包括印刷、分銷管理、諮詢及營銷建議。在發行及管理服務方面，本集團繼續為《東南快報》提供全面的服務。印刷服務方面，本集團在福州的廠房繼續保持平穩運作，提供《東南快報》、《中國證券報》及《上海證券報》的印刷服務。由於一名媒體合作夥伴的停刊，相關印刷服務將停止，位於昆明的廠房也於二零一五年七月停產。本集團將通過對刊物印製品品質的嚴格把控，確保所刊登廣告的質量，以保持本集團與現有媒體夥伴的合作關係。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Meanwhile, Fangke Web faced immense challenges in 2015 as sales of the property market slipped as a result of the macroeconomic slowdown. During the year, planning fees and commissions from the Group's planning and marketing services provided to property projects, together with the revenue from Fangke Web, amounted to RMB22.6 million.

TELEVISION AND RADIO ADVERTISING

As the TV and radio advertising projects failed to deliver expected returns, the Group ceased cooperation with all TV and radio stations during the year under review. As a result, revenue from TV and radio advertising dropped from RMB1.9 million for 2014 to nil for the year.

FINANCIAL REVIEW

Revenue

Total revenue decreased significantly by 63.5% from RMB183.6 million for the year ended 31 December 2014 to RMB67.0 million for the year ended 31 December 2015, primarily due to the reduced advertising spending in certain sectors, such as real estate, who have entered an adjustment cycle triggered by the domestic economic slowdown, the continuous switch of advertising platform from print media to new online media, the shift in clients' promotion strategies and the restructuring of the advertising market. Revenue from newspaper advertising decreased from RMB134.5 million for the year ended 31 December 2014 to RMB34.8 million for the year ended 31 December 2015 and revenue from marketing, distribution management, consulting and printing services decreased from RMB46.9 million for the year ended 31 December 2014 to RMB31.7 million for the year ended 31 December 2015.

同時，由於房地產行業仍受宏觀經濟增長放緩影響，導致銷量下滑等因素，使公司房客網業務於二零一五年受到嚴峻挑戰。年內，本集團通過為房地產項目提供策劃及營銷服務的策劃費和佣金收入，以及房客網的運營收入達人民幣22.6百萬元。

電視及電台廣告

因電視及電台廣告項目無法實現預期效益，回顧年內，本集團不再與任何電視台及電台合作。因此，本集團的電視及電台廣告收入由二零一四年度的人民幣1.9百萬元減少至本年內無收入。

財務回顧

收入

總收入由截至二零一四年十二月三十一日止年度的人民幣183.6百萬元大幅減少63.5%至截至二零一五年十二月三十一日止年度的人民幣67.0百萬元，主要因為國內經濟增速放緩，房地產等行業進入調整周期縮減廣告預算，加上平面媒體受網絡新媒體的取代作用愈加明顯以及客戶改變宣傳策略及廣告市場重組影響。報紙廣告收入由截至二零一四年十二月三十一日止年度的人民幣134.5百萬元減少至截至二零一五年十二月三十一日止年度的人民幣34.8百萬元，而營銷、分銷管理、諮詢及印刷服務收入則由截至二零一四年十二月三十一日止年度的人民幣46.9百萬元減少至截至二零一五年十二月三十一日止年度的人民幣31.7百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Gross (loss)/profit and gross (loss)/profit margin

Gross profit decreased by 112.5% from RMB46.4 million for the year ended 31 December 2014 to gross loss of RMB5.8 million for the year ended 31 December 2015. Gross profit margin decreased from 25.3% for 2014 to gross loss margin of 8.7% for 2015, which was primarily attributable to the significant drop in revenue caused by the unsatisfactory performance of newspaper advertising and marketing, distribution management, consulting and printing services.

Other income

Other income decreased by 57.6% from RMB3.3 million for the year ended 31 December 2014 to RMB1.4 million for the year ended 31 December 2015, primarily due to the decrease in income from sale of newsprint papers.

Other losses – net

Net other losses amounted to RMB15,231,000 for the year ended 31 December 2015 mainly represented the provision for impairment of intangible assets while the 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.

Selling and marketing expenses

Selling and marketing expenses decreased by 42.0% from RMB29.5 million for the year ended 31 December 2014 to RMB17.1 million for the year ended 31 December 2015, mainly due to the drop in revenue during the year.

(毛損)／毛利及(毛損率)／毛利率

毛利由截至二零一四年十二月三十一日止年度的人民幣46.4百萬元減少112.5%至截至二零一五年十二月三十一日止年度的毛損人民幣5.8百萬元。毛利率由二零一四年的25.3%下跌至二零一五年的毛損率8.7%，主要是由於報紙廣告以及營銷、分銷管理、諮詢及印刷服務的表現不理想，收入大幅下降所致。

其他收入

其他收入由截至二零一四年十二月三十一日止年度的人民幣3.3百萬元減少57.6%至截至二零一五年十二月三十一日止年度的人民幣1.4百萬元，主要是由於銷售新聞紙的收入減少所致。

其他虧損－淨額

截至二零一五年十二月三十一日止年度錄得其他虧損淨額人民幣15,231,000元，主要是無形資產的減值撥備。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，主要由於分別就本集團與瀋陽傳媒公司的訴訟的相關法律申索、應收岳陽市中級人民法院款項減值及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。

銷售及營銷開支

銷售及營銷開支由截至二零一四年十二月三十一日止年度的人民幣29.5百萬元減少42.0%至截至二零一五年十二月三十一日止年度的人民幣17.1百萬元，主要是由於年內收入減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

General and administrative expenses

General and administrative expenses increased by 5.0% from RMB84.6 million for the year ended 31 December 2014 to RMB88.8 million for the year ended 31 December 2015, mainly due to the increases in provision for impairment of trade receivables and properties held for sale of RMB15.6 million and RMB14.6 million respectively, which were offset by the decrease in staff cost.

Provision for impairment of prepayments, deposits and other receivables

Provision for impairment of prepayments, deposits and other receivables decreased significantly by 73.2% from RMB126.1 million for the year ended 31 December 2014 to RMB33.8 million for the year ended 31 December 2015, mainly because provision for majority balances of prepayments, deposits and other receivables were made in the year ended 31 December 2014.

Loss before income tax

As a result of the above factors, loss before income tax for the year ended 31 December 2015 was RMB168.2 million, representing a drop of 44.5% as compared to loss before income tax of RMB302.8 million for the year ended 31 December 2014.

Income tax credit/(expense)

Income tax expense decreased by 123.3% from RMB4.3 million for the year ended 31 December 2014 to income tax credit of RMB1.0 million for the year ended 31 December 2015 as a result of the decrease in taxable income for the year.

一般及行政開支

一般及行政開支由截至二零一四年十二月三十一日止年度的人民幣84.6百萬元上升5.0%至截至二零一五年十二月三十一日止年度的人民幣88.8百萬元，主要是由於貿易應收款項的減值撥備增加人民幣15.6百萬元及持作出售物業減值撥備增加人民幣14.6百萬元所致，而有關影響被員工成本開支減少抵銷。

預付款項、按金及其他應收款項減值撥備

預付款項、按金及其他應收款項減值撥備由截至二零一四年十二月三十一日止年度的人民幣126.1百萬元大幅減少73.2%至截至二零一五年十二月三十一日止年度的人民幣33.8百萬元，主要是由於大部分預付款項、按金及其他應收款項結餘的撥備均於截至二零一四年十二月三十一日止年度作出。

除所得稅前虧損

由於上述因素，於截至二零一五年十二月三十一日止年度錄得除所得稅前虧損人民幣168.2百萬元，較截至二零一四年十二月三十一日止年度的除所得稅前虧損人民幣302.8百萬元減少44.5%。

所得稅抵免／（開支）

所得稅開支由截至二零一四年十二月三十一日止年度的人民幣4.3百萬元減少123.3%至截至二零一五年十二月三十一日止年度的所得稅抵免人民幣1.0百萬元，是由於年內應課稅收入減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Loss for the year

The Group recorded a net loss for the year of RMB167.2 million for the year ended 31 December 2015, mainly attributable to the decline in newspaper advertising revenue, and the provisions for impairment of trade receivables, certain prepayments, deposits and other receivables due from certain metropolitan newspaper publishing partners, properties held for sale and interests in associates.

Loss attributable to non-controlling interests

As a result of the above factors, loss attributable to non-controlling interests increased from RMB2.9 million for the year ended 31 December 2014 to RMB3.4 million for the year ended 31 December 2015.

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 RMB304.2 million for the year ended 31 December 2014 to RMB163.8 million for the year ended 31 December 2015.

年內虧損

截至二零一五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167.2百萬元，主要是由於報紙廣告收入下跌、貿易應收款項的減值撥備、應收若干合作都市報出版商的若干預付款項、按金及其他應收款項的減值撥備、持作出售物業的減值撥備以及於聯營公司的權益的減值撥備所致。

非控股權益應佔虧損

由於上述因素，非控股權益應佔虧損由截至二零一四年十二月三十一日止年度的人民幣2.9百萬元增加至截至二零一五年十二月三十一日止年度的人民幣3.4百萬元。

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二零一四年十二月三十一日止年度的人民幣304.2百萬元減少至截至二零一五年十二月三十一日止年度人民幣163.8百萬元。

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 2015, the Group recorded a net loss of RMB167.2 million and a net cash inflow of RMB77.0 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。於截至二零一五年十二月三十一日止年度，本集團錄得虧損淨額人民幣167.2百萬元及現金流入淨額人民幣77.0百萬元。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 | |
|--|--------------------|--|-----------------------------------|
| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
| Net cash used in operating activities | 經營活動所用現金淨額 | (17,534) | (55,398) |
| Net cash (used in)/generated from investing activities | 投資活動(所用)/所得現金淨額 | (12,380) | 33,274 |
| Net cash generated from financing activities | 融資活動所得現金淨額 | 106,919 | 700 |
| Net increase/(decrease) in cash and cash equivalents | 現金及現金等值項目增加/(減少)淨額 | 77,005 | (21,424) |
| Cash and cash equivalents at beginning of the year | 年初的現金及現金等值項目 | 32,487 | 53,911 |
| Cash and cash equivalents at end of the year | 年末的現金及現金等值項目 | 109,492 | 32,487 |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Cash flows used in operating activities

For the year ended 31 December 2015, net cash used in operating activities amounted to RMB17.5 million, primarily attributable to the net loss for the year amounted to RMB167.2 million.

Cash flows (used in)/generated from investing activities

For the year ended 31 December 2015, net cash used in investing activities amounted to RMB12.4 million, mainly due to the acquisition of a property and the addition of equipment, which were partially offset by release of term deposits.

Cash flows generated from financing activities

For the year ended 31 December 2015, net cash generated from financing activities amounted to RMB106.9 million, mainly attributable to the proceeds from issuance of 167,000,000 ordinary shares at HK\$0.70 each under a general mandate.

Capital expenditures

Capital expenditures incurred are mainly for the renovation of office and the purchase of a property, printing machinery and office equipment. Capital expenditures were RMB1.7 million and RMB18.4 million for the years ended 31 December 2014 and 31 December 2015, respectively.

經營活動所用現金流量

截至二零一五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17.5百萬元，主要由於年內虧損淨額人民幣167.2百萬元所致。

投資活動（所用）／所得現金流量

截至二零一五年十二月三十一日止年度，投資活動所用現金淨額為人民幣12.4百萬元，主要是由於收購一項物業及添置設備（部分已透過解除定期存款相互抵銷）所致。

融資活動所得現金流量

截至二零一五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106.9百萬元，主要來自根據一般性授權按每股0.70港元發行1.67億股普通股的所得款項。

資本支出

本集團產生的資本支出主要用於裝修辦公室、購置一項物業、印刷機器及辦公設備。截至二零一四年十二月三十一日及二零一五年十二月三十一日止年度的資本支出分別為人民幣1.7百萬元及人民幣18.4百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Trade receivables – net

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

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 | |
|---|--------------------|-----------------------------------|-----------------------------------|
| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 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 | 2,402 | 8,739 |
| 31 – 60 days | 31至60日 | 713 | 7,609 |
| 61 – 90 days | 61至90日 | 540 | 4,263 |
| 91 – 180 days | 91至180日 | 1,711 | 20,258 |
| 181 – 365 days | 181至365日 | 4,021 | 19,901 |
| Over 1 year | 一年以上 | 16,075 | 23,134 |
| Total | 總計 | 25,462 | 83,904 |
| Less: provision for impairment of trade receivables | 減：貿易應收款項減值撥備 | (15,748) | (38,411) |
| Total trade receivables – net | 總貿易應收款項－淨額 | 9,714 | 45,493 |

Trade receivables decreased by 78.7% from RMB45.5 million as at 31 December 2014 to RMB9.7 million as at 31 December 2015. Such decrease was mainly attributable to the drop in revenue and the recovery of balances of trade receivables during the year.

貿易應收款項由二零一四年十二月三十一日的人民幣45.5百萬元減少78.7%至二零一五年十二月三十一日的人民幣9.7百萬元，主要是由於年內收入減少及收回貿易應收款項結餘所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Properties held for sale

持作出售物業

| | | As at 31 December 於十二月三十一日 | |
|--------------------------|--------|-----------------------------------|-----------------------------------|
| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
| Properties held for sale | 持作出售物業 | 51,527 | 78,191 |

Properties are classified as properties 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 or receivable from the sales of properties held for sale was RMB7.9 million and RMB5.6 million for the year ended 31 December 2015 and 2014, respectively.

當物業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，物業會分類為持作出售物業。截至二零一五年及二零一四年十二月三十一日止年度，自出售持作出售物業已收或應收的所得款項分別為人民幣7.9百萬元及人民幣5.6百萬元。

Trade payables

貿易應付款項

| | | As at 31 December 於十二月三十一日 | |
|-----------------------|---------------|-----------------------------------|-----------------------------------|
| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
| Trade payables | 貿易應付款項 | | |
| 1 – 30 days | 1至30日 | 521 | 1,294 |
| 31 – 90 days | 31至90日 | 1,087 | 702 |
| Over 90 days | 90日以上 | 2,880 | 3,893 |
| Total | 總計 | 4,488 | 5,889 |

Trade payables decreased by 23.8% from RMB5.9 million as at 31 December 2014 to RMB4.5 million as at 31 December 2015. Trade payables turnover days increased from 66 days for the year ended 31 December 2014 to 241 days for the year ended 31 December 2015, which was mainly due to the longer settlement period of payables for the year.

貿易應付款項由二零一四年十二月三十一日的人民幣5.9百萬元減少23.8%至二零一五年十二月三十一日的人民幣4.5百萬元。貿易應付款項周轉日數由截至二零一四年十二月三十一日止年度的66日增加至截至二零一五年十二月三十一日止年度的241日，主要是由於年內延長結算應付款項結餘的期限所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Indebtedness

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

During the year ended 31 December 2015, the Group obtained mortgage loans amounting to RMB15.5 million, which were drawn on 27 February 2015. The mortgage terms are 7 years and are denominated in RMB. The mortgage loans are carried quarterly adjusted floating interest at 1.15 times the benchmark loan interest as prescribed by the People's Bank of China for loans of a similar length.

Gearing ratio, being the proportion of the Group's total borrowings to total assets, increased from 0% for the year ended 31 December 2014 to 6.0% for the year ended 31 December 2015.

Commitments

(a) Commitment for exclusive cooperative agreements

The future aggregate 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

As at 31 December 2015, the Group did not have any other capital commitments.

債項

債項包括欠貸款人(包括商業銀行以及若干關連人士及公司)的債項。

於截至二零一五年十二月三十一日止年度,本集團取得按揭貸款人民幣15.5百萬元,並於二零一五年二月二十七日提取。按揭年期為7年,以人民幣計值。該等按揭貸款按浮息計息,有關利息為中國人民銀行就類似年期貸款規定的基準貸款利率的1.15倍,每季調整。

於截至二零一五年十二月三十一日止年度,資本負債比率(以本集團借款總額相對總資產的比例計算)由截至二零一四年十二月三十一日止年度的0%上升至6.0%。

承擔

(a) 獨家合作協議承擔

不可撤銷獨家合作協議的日後付款總額如下:

| As at 31 December | |
|-------------------|-----------|
| 於十二月三十一日 | |
| 2015 | 2014 |
| 二零一五年 | 二零一四年 |
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| – | 63,800 |
| – | 227,000 |
| – | 795,000 |
| – | 1,085,800 |

(b) 其他資本承擔

於二零一五年十二月三十一日,本集團並無任何其他資本承擔。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Contingent liabilities

The Group follows the guidance of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” to determine when contingent liabilities should 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 any 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) Lawsuits between the Group and Shenyang Media Corporation

Regarding the judgement of first instance issued by the Shenyang Intermediate People’s Court on 30 August 2012 in favour of Shenyang Media Corporation against Liaoning Aohai, the Group made a provision of RMB17,250,398 in the year ended 31 December 2014 after a series of attempts to appeal with unsatisfactory results. To facilitate the streamlining of the Group’s structure, Liaoning Aohai was disposed of to an independent third party of the Group on 30 November 2015.

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，即會披露或有負債。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。

本集團會審閱任何重大的待決訴訟，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) 本集團與瀋陽傳媒公司的訴訟

就瀋陽市中級人民法院於二零一二年八月三十日作出裁定瀋陽傳媒公司勝訴及遼寧奧海敗訴的一審判決，本集團經過連番上訴不果後，於截至二零一四年十二月三十一日止年度計提撥備人民幣17,250,398元。為推動精簡本集團架構，遼寧奧海已於二零一五年十一月三十日出售予本集團一名獨立第三方。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

(b) Enforcement order issued by Yueyang City Intermediate People's Court against certain Group subsidiaries

Regarding the two enforcement judgements issued by the Yueyang Intermediate People's Court on 22 September 2013 in favour of Yueyanglin Paper Co., Ltd. against Fuzhou Aohai Advertisement Co., Ltd. ("Fuzhou AoHai") and Kunming AoHai Advertising Co., Ltd. ("Kunming AoHai"), the Group made a provision of RMB22,000,000 in the year ended 31 December 2014 after a series of attempts to appeal with unsatisfactory results. To facilitate the streamlining of the Group's structure, Fuzhou AoHai and Kunming AoHai were separately disposed of to independent third parties of the Group, on 12 May 2015 and 31 December 2013 respectively.

Human resources

As at 31 December 2015, the Group had approximately 291 full-time employees. Total staff costs including directors' remuneration for the year ended 31 December 2015 was approximately RMB51.8 million (2014: approximately RMB73.3 million).

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

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

(b) 岳陽市中級人民法院針對若干本集團附屬公司發出的執行裁定書

就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及福州奧海廣告有限公司(「福州奧海」)與昆明奧海廣告有限公司(「昆明奧海」)敗訴的執行裁定書，本集團經過連番上訴不果後，於截至二零一四年十二月三十一日止年度計提撥備人民幣22,000,000元。為推動精簡本集團架構，於二零一五年五月十二日及二零一三年十二月三十一日，福州奧海及昆明奧海已分別出售予本集團的獨立第三方。

人力資源

截至二零一五年十二月三十一日，本集團擁有約291名全職僱員。截至二零一五年十二月三十一日止年度的員工成本總額(包括董事薪酬)約為人民幣51.8百萬元(二零一四年：約人民幣73.3百萬元)。

薪酬委員會負責評估董事薪酬，並向董事會提供推薦意見。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

管理層討論與分析

Subscription Agreements

On 22 December 2015 (after trading hours), the Company entered into two subscription agreements with Mr. Shi Jianxiang and Summit Yield Developments Limited (the “Subscribers”) respectively, pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 200,000,000 new Shares in aggregate at the subscription price of HK\$0.80 per subscription share (the “Subscription”). The completion of the Subscription is subject to conditions precedent as set out in the announcement of the Company dated 29 December 2015. The proceeds of the Subscription was applied as consideration under the Agreement (as defined below).

Events after the reporting period

Subsequent to the end of the reporting period, the Company had issued 200,000,000 shares at HK\$0.8 each on 19 February 2016 to the Subscribers. Proceeds from the share issuance amounted to HK\$160,000,000 (approximately RMB134,730,000).

On 22 February 2016, the Group entered into a movie investment agreement (“Agreement”) with Hehe Film, pursuant to which the Group has agreed to acquire 55% of the target income right of a movie, Ip Man 3, for 30 years. The consideration for the target income right amounted to RMB110,000,000 or equivalent HK\$ translated at central parity rate published by People’s Bank of China. The consideration has been satisfied by HK\$131,168,000 (approximately RMB110,451,000) on 23 February 2016.

認購協議

於二零一五年十二月二十二日（交易時段後），本公司與施建祥先生及崇耀發展有限公司（「認購人」）訂立兩份認購協議，據此，認購人已有條件同意認購及本公司已有條件同意配發及發行合共200,000,000股新股份，認購價為每股認購股份0.80港元（「認購事項」）。認購事項完成受本公司日期為二零一五年十二月二十九日的公告所載的先決條件規限。認購事項的所得款項已用作支付該協議（定義見下文）下的代價。

報告期後事項

於報告期末後，本公司在二零一六年二月十九日向認購人發行200,000,000股股份，作價每股0.8港元。發行股份的所得款項為160,000,000港元（約人民幣134,730,000元）。

於二零一六年二月二十二日，本集團與合禾影視訂立一份電影投資協議（「該協議」），據此，本集團同意收購電影《葉問3》目標收益權的55%，為期30年。目標收益權的代價為人民幣110,000,000元（或按中國人民銀行公佈的匯率中間價換算的等價港元金額）。本集團已於二零一六年二月二十三日以131,168,000港元（約人民幣110,451,000元）結清代價。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Prospects

In 2015, the Chinese film market broke box office records with a year-on-year surge of 48.7%, totaling RMB44.069 billion. In February 2016 alone, total box office receipts in China amounted to approximately RMB6.9 billion, setting a new monthly record and surpassing North America as the largest market in the world for the first time. It is expected that the Chinese film market will enter a golden age of development. The Group believes that the spending of the Chinese consumers on films, TV dramas and other cultural products will continue to rise and the film and TV drama markets are promising. As the film and TV industries are closely linked to the advertising and media industries, in which the Group operates, the Group is confident that it will benefit from this development.

As such, the Group plans to reform its business structure in 2016. While carrying on its existing cultural and media businesses in a prudent manner, the Group will expand into the film business to create synergies. To foster its long-term development, the Group appointed Mr. Siuming Tsui as an executive Director in December 2015 and as the Chief Executive Officer of the Group in January 2016. Mr. Siuming Tsui, who has extensive experience, broad network and great insight in the mainland and Hong Kong film industries, will provide able leadership to the Group's film and media business development while creating synergies for the Group's traditional advertising business by bringing in new connections and insights.

The Group has formulated short-, medium- and long-term development strategies for its film business. In the near future where the film business is still in an early stage, the Group will enlarge its immediate income stream by actively identifying quality film projects in progress for collaboration. In the medium-term, it will seek film partnership opportunities with seasoned production teams. Once the business has established a solid foothold, the Group will consider its own film production with the aim of providing quality entertainment while completing the Group's business model with short-, medium- and long-term incomes.

While progressively implementing these strategies, the Group has prepared itself for a strategic development in the Chinese cultural, media, film and TV markets where huge potential for growth presents.

前景

二零一五年中國電影市場總票房達到人民幣440.69億元的歷史新高，同比增長48.7%，二零一六年二月份，中國電影票房錄得近人民幣69億元，刷新月度票房紀錄，並首次超越北美市場成為全球第一，預期中國電影市場將迎來高增長的黃金年代。本集團相信未來中國消費者對電影電視劇等文化產品的消費將持續增加，電影電視劇市場將大有可為，由於影視行業與本集團的廣告及媒體業務息息相關，相信可為本集團擴闊其發展空間。

為此，本集團計劃於二零一六年重塑集團業務架構，在繼續穩健發展固有的文化傳媒業務的同時，延伸發展富協同效益的電影業務。為配合長遠發展，本集團於二零一五年十二月委任徐小明先生為執行董事，其後於二零一六年一月委任彼為本集團行政總裁。徐小明先生在內地及香港電影行業的豐富經驗、人脈及識見，有助帶領本集團在電影傳媒業務方面的發展，同時能為傳統廣告業務帶來新的網路及視野，並發揮業務相輔相成之效。

本集團將採取「短、中、長」三軌並行的電影業務發展戰略。於進軍電影業務初期，會積極物色在製作中的優質電影項目合作，藉此提升短期收入。中期方面會尋求與富經驗及水準的製作團隊合作參與電影製作。當業務奠定基礎後，會考慮自行製作電影，為廣大觀眾提供高質素的電影娛樂，為本集團實現開拓短、中、長期的多元化收入模式。

隨着逐步落實這些發展策略，本集團已準備就緒有戰略地開發擁有巨大增長潛力的中國文化傳媒及影視傳媒市場。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As at the date of this announcement, the Group has already taken various strategic measures to lay a solid foundation for its long-term and sustainable growth. These measures, which include: (1) entering into a full partnership with Hehe Film in mid-February 2016 to acquire the target income right, being 55% of the net income from the box office in China of the movie Ip Man 3, at a consideration of approximately RMB110.0 million (equivalent to approximately HK\$131.2 million) with contractual guarantees in favour of the Group (such as an investment cap of RMB110.0 million (equivalent to approximately HK\$131.2 million) and a minimum total income from the target income right of RMB16.5 million (approximately HK\$19.7 million) within one year from the first day of release) (as of the date hereof, box office receipts of Ip Man 3 has reached almost RMB800.0 million); and (2) appointing Mr. Siuming Tsui to join the Board and as the chief executive officer, and Mr. Ng See Yuen, Honorary Permanent President of the Hong Kong Film Directors' Guild, Chairman of the Federation of Hong Kong Filmmakers and a famous filmmaker, as an independent non-executive Director of the Group, will continue to strengthen the Board.

In the long run, the gradual recovery of the Chinese macro-economy and the rising consumption power of the overall Chinese population will boost the Group's film, TV, cultural and media businesses.

截至本公告發出之日，本集團已落實多項策略性舉措，為長遠及可持續發展奠定良好的基石，其中包括：(1)於二零一六年二月中落實與合禾影視的深度合作，斥資人民幣1.1億元（相等於約1.312億港元）收購《葉問3》的中國票房淨收入55%的目標收益權，同時合約條款內已為本集團提供保底安排，包括保障投資成本（人民幣1.1億元，約1.312億港元），以及於首次公映日期起計1年內，目標收益權的總收益金額將不少於人民幣1,650萬元（約1,970萬港元），該片目前票房經已接近8億人民幣；及(2)強化董事會的實力，除委任徐小明先生進入董事會及擔任行政總裁外，亦委任吳思遠先生為本集團的獨立非執行董事，吳思遠先生為香港電影導演會永遠榮譽會長、香港電影工作者總會會長兼著名電影製作人。

長遠來看，中國宏觀經濟的逐步回暖和中國民眾的整體消費能力不斷提升，將對本集團的影視文化傳媒業務發展起到推動的作用。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Tsui Yiu Ming Siuming, aged 62, is the chief executive officer and an executive Director. Mr. Tsui is a famous director and producer in Hong Kong. He is the founder and the president of Hong Kong Television Association, was awarded in 2013 “World Outstanding Chinese” by the World Chinese Business Investment Foundation. Mr. Tsui holds a Master degree from Jinan University and an honorary doctorate from Ohio Northern University of the USA. Mr. Tsui has extensive experience in operations management, and has served as senior vice president of Asia Television Limited, chief executive of the Emperor Motion Pictures Group, executive director of i-Cable Entertainment Limited, chief operating officer of i-Cable Satellite Television Limited and president of Sundream Motion Pictures Limited. His film and television work has won several awards. Mr. Tsui has held directorship in China Trends Holdings Limited (Stock Code: 8171) in the last three years preceding the date of this report. Mr. Siuming Tsui was appointed as an executive Director of the Company on 6 December 2015 and was appointed as the chief executive officer on 29 January 2016.

執行董事

徐耀明（別名：徐小明）先生，62歲，行政總裁兼執行董事。徐先生為香港著名導演及製片人。彼為香港電視專業人員協會創會會長，於二零一三年獲世界華商投資基金會頒授「世界傑出華人」。徐先生持有暨南大學碩士學位及美國北方大學(Ohio Northern University) 榮譽博士學位。徐先生具備豐富的公司運營管理經驗，曾先後任職亞洲電視有限公司高級副總裁、英皇電影集團行政總裁、香港有線娛樂有限公司執行董事、有線衛星電視有限公司營運總裁及驕陽電影有限公司總裁。其影視作品多次獲得各項大獎。徐先生於本報告日期前過去三年曾擔任中國趨勢控股有限公司（股份代號：8171）的董事。徐先生於二零一五年十二月六日獲委任為本公司的執行董事並於二零一六年一月二十九日獲委任為本公司的行政總裁。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Chen Zhi, aged 50, is 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 as the chairman, chief executive officer and an executive Director of our Company on 9 December 2009. He was resigned as the chief executive officer of the Company on 29 January 2016 and was resigned as the Chairman of the Company on 25 February 2016. Mr. Chen has accumulated more than ten 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"). Mr. Chen is the spouse of Ms. Zheng Shou Ling and the brother of Ms. Chen Min, a non-executive Director of the Company.

陳志先生，50歲，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主席、首席執行官兼執行董事。彼於二零一六年一月二十九日辭任本公司的首席執行官，並於二零一六年二月二十五日辭任本公司的主席。陳先生於發展本集團業務方面積逾十年相關經驗，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」）的董事。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. Yu Shi Quan, aged 39, 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 Inc. 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 44, 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 the 網絡教育學院 of the Xiamen University in China in 2006, and has been enrolled in the Executive Master of Business Administration programme of School of Management of the Xiamen University since September 2009.

余詩權先生，39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控股有限公司的財務副總裁，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，44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管理學院工商管理碩士課程學習。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Ms. Chen Min, aged 46, 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. She was appointed as our Director on 20 December 2011 and is also the sister of Mr. Chen Zhi, an executive Director of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zhou Chang Ren, aged 68, 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，46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。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陳志先生的胞妹。

獨立非執行董事

周昌仁先生，68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 47, 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 Tohmatsumu 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 23 years in financing, internal controls and corporate governance experience and is currently the president of a multi-national fast-consumer goods corporation..

Mr. Cai Jian Quan, aged 53, 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，47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。黃先生曾於經營快消品、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。黃先生積累逾二十三年豐富的財務、內部控制及企業管治等方面的經驗。目前擔任一跨國企業快消品公司總裁。

蔡建權先生，53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

Mr. Ng See Yuen, aged 72, is an independent non-executive Director. Mr. Ng is a renowned film-maker with over 40 years of experience in the film industry. Mr. Ng is the founder of Seasonal Film Corporation. Over the years, Mr. Ng has produced numerous films locally, in the United States of America and in the People's Republic of China. Mr. Ng served as an independent non-executive director of Imagi International Holdings Limited (stock code: 0585) from 2004 to 2010. Mr. Ng is the Honorary Permanent President of Hong Kong Film Directors' Guild and the Chairman of Federation of Hong Kong Filmmakers. Mr. Ng was decorated with a 'Bronze Bauhinia Star' in 1998, was appointed Justice of the Peace in 2001 and was the recipient of Hong Kong Film Awards 2013 'Lifetime Achievement Award'. Mr. Ng was appointed as an independent non-executive director of the Company on 20 February 2016.

吳思遠先生，72歲，獨立非執行董事。吳先生為著名電影製作人，在電影界積逾40年經驗。吳先生為思遠影業公司的創辦人。多年來，吳先生在本港、美利堅合眾國及中華人民共和國製作影片無數。吳先生自二零零四年至二零一零年擔任意馬國際控股有限公司（股份代號：0585）的獨立非執行董事。吳先生為香港電影導演會永遠榮譽會長及香港電影工作者總會會長。吳先生於一九九八年獲頒「銅紫荊星章」，並於二零零一年獲委任為太平紳士，且獲得香港電影金像獎2013「終身成就獎」。吳先生於二零一六年二月二十日獲委任為本公司的獨立非執行董事。

SENIOR 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.

高級管理層

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瀋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。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

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.

鄭柏齡先生，46歲，本集團總裁助理，協助首席執行官管理資產管理業務。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。

COMPANY SECRETARY

Ms. Chan Ching Yi, aged 41, 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 19 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.

公司秘書

陳靜儀女士，41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，並積累了逾十九年財務及審計經驗。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 2015.

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 2015 are set out in the consolidated statement of comprehensive income on page 109.

The Directors did not recommend the payment of any final dividend for the year ended 31 December 2015 and proposed that loss for the year be retained.

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development and possible risks and uncertainties that the Group may be facing are provided in the "Management Discussion and Analysis" section of this annual report.

The financial risk management objectives and policies of the Group are set out in note 3 to the consolidated financial statements. Particulars of important events affecting the Group that have occurred since the end of the financial year ended 31 December 2015 are set out in note 37 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」）截至二零一五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

本集團截至二零一五年十二月三十一日止年度的業績載於第109頁的合併全面收益表。

董事不建議派付截至二零一五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。

業務回顧

本集團年內業務審視及以及對本集團業務未來發展以及可能面對風險及不明朗因素的討論載於本年報「管理層討論與分析」一節。

本集團的財務風險管理目標及政策載於合併財務報表附註3。於截至二零一五年十二月三十一日止財政年度終結後發生的、對本集團有影響的重大事件的詳情載於合併財務報表附註37。

DIRECTORS' REPORT

董事報告

An analysis of the Group's performance during the year using financial key performance indicators is set out in the "Financial Highlights and Summary" section on pages 5 to 6 of this annual report.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 13 May 2016 to 17 May 2016, both days inclusive, during which no transfer of shares will be registered. To determine eligibility to attend and vote at the forthcoming annual general meeting of the Company, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on 12 May 2016.

FUND RAISING ACTIVITIES

On 18 November 2015, the Company and Orient Securities (Hong Kong) Limited (the "Placing Agent") entered into a placing agreement pursuant to which the Placing Agent agreed to place, on a best effort basis, the placing shares comprising up to 167,988,424 new Shares at the placing price of HK\$0.70 per placing share ("Placing Price") to not less than six independent placees. The closing price of the shares as at 18 November 2015 was HK\$2.14. On 1 December 2015, a total of 167,000,000 Placing Shares were successfully placed to seven placees at the Placing Price of HK\$0.70 per placing share. The net price per placing share is 0.69. The net proceeds of the placing after deducting all the placing commission and all relevant expenses are approximately HK\$114.6 million, which will be utilised as additional funds to finance the potential acquisition activities as identified by the Group from time to time and for its future developments. In addition, the placing will broaden the Company's shareholder base and strengthen its capital base and working capital position.

對本集團年內表現運用財務關鍵表現指標進行的分析載於本年報第5至6頁「財務摘要及概要」一節。

暫停辦理股東登記手續

本公司將於二零一六年五月十三日至二零一六年五月十七日(包括首尾兩天)暫停辦理股東登記手續,期間不會受理股份過戶登記。為釐定出席本公司應屆股東週年大會並於會上投票的資格,所有過戶文件連同有關股票最遲須於二零一六年五月十二日下午四時三十分送達本公司的香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)以作登記。

集資活動

於二零一五年十一月十八日,本公司與東方證券(香港)有限公司(「配售代理」)訂立配售協議,據此,配售代理同意按盡力基準以每股配售股份0.70港元的配售價(「配售價」)向不少於六名獨立承配人配售由最多167,988,424股新股份組成的配售股份。股份於二零一五年十一月十八日的收市價為2.14港元。於二零一五年十二月一日,本公司成功以每股配售股份0.70港元的配售價向七名承配人配售合共167,000,000股配售股份。每股配售股份的淨價為0.69港元。配售的所得款項淨額(經扣除所有配售佣金及所有相關開支)約為114,600,000港元,將用作額外資金以為本集團不時物色的潛在收購活動及為其日後發展提供資金。此外,配售事項將擴闊本公司的股東基礎以及增強其資本基礎及營運資金狀況。

PROPERTY, PLANT AND EQUIPMENT

During the year of 2015, the Group had acquired property, plant and equipment of approximately RMB18.4 million.

Details of these and other movements in the property, plant and equipment of the Group during the year of 2015 are set out in note 7 to the consolidated financial statements.

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 38 and 20 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

物業、廠房及設備

於二零一五年度，本集團收購約人民幣18.4百萬元物業、廠房及設備。

上述及二零一五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。

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38及20及合併權益變動表。

DIRECTORS' REPORT

董事報告

DISTRIBUTABLE RESERVES

The amount of the Company's reserves available for distribution to shareholders as at 31 December 2015 was approximately RMB41.8 million.

DONATIONS

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

MAJOR CUSTOMERS AND SUPPLIERS

During the year of 2015, the aggregate sales attributable to the Group's five largest customers comprised approximately 19.5% of the Group's total sales and the sales attributable to the Group's largest customer were approximately 5.5% of the Group's total sales.

The aggregate purchases during the year of 2015 attributable to the Group's five largest suppliers were approximately 54% of the Group's total purchases and the purchases attributable to the Group's largest supplier were approximately 32% of the Group's total purchases.

ENVIRONMENTAL POLICIES

The Group is subject to a number of laws and regulations in China concerning overall environmental protection, impact to the environment, noise pollution and environmental protection for development projects.

The Group places high emphasis on complying with relevant environmental laws and regulations. We require its own staff and construction contractors to comply with the relevant PRC laws and regulations relating to the quality of construction including environmental, labour, social and safety regulations, as well as its own standards and specifications.

The Group believes that it is in compliance in all material respects with applicable environmental laws and regulations in China.

可供分派儲備

截至二零一五年十二月三十一日，本公司可供分派予股東的儲備金額約為人民幣41.8百萬元。

捐款

本集團年內並無作出慈善及其他捐款。

主要客戶及供應商

於二零一五年度，本集團五大客戶應佔銷售總額佔本集團總銷售額約19.5%，而本集團最大客戶應佔銷售額佔本集團總銷售額約5.5%。

於二零一五年度，本集團五大供應商應佔購貨總額佔本集團總購貨額約54%，而本集團最大供應商應佔購貨額佔本集團總購貨額約32%。

環境政策

本集團須遵守多項中國法律和法規，包括與整體環境保護、對環境造成的影響、噪聲污染及建設項目環境保護相關的法律及法規。

本集團重視符合相關環境法律及法規。本集團要求員工及工程承包商就工程質量符合與包括環境、勞工、社會及安全規例相關的中國法律及法規，以及本身的標準及規範。

本集團相信已於所有重大方面遵守中國適用環境法律及法規。

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC. The Group's establishment and operations accordingly shall comply with relevant laws and regulations in the PRC. During the Year, the Group has complied, to the best knowledge of the Directors, with the relevant laws and regulations that have a significant impact on the Group.

DIRECTORS

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

Executive directors:

- Mr. Shi Jianxiang, chairman (appointed as a Director on 25 February 2016 and resigned on 1 April 2016)
- Mr. Siuming Tsui, chief executive officer (appointed as a Director on 6 December 2015)
- Mr. Chen Zhi (appointed as a Director on 9 December 2009)
- Mr. Hong Pei Feng (appointed on 18 January 2010 and resigned on 29 January 2016)
- Mr. Zhang Tie Zhu (appointed on 18 January 2010 and resigned on 25 February 2016)
- Mr. Yu Shi Quan (appointed on 20 December 2011)

遵守法律及法規

本集團的業務主要由本公司的中國附屬公司進行，因此本集團的成立及業務應符合中國相關法律及法規。據董事所深知，本集團於年內已符合對本集團有重大影響的相關法律及法規。

董事

年內及直至本報告日期的董事如下：

執行董事：

- 施建祥先生（主席）（於二零一六年二月二十五日獲委任為董事及於二零一六年四月一日辭任）
- 徐小明先生（行政總裁）（於二零一五年十二月六日獲委任為董事）
- 陳志先生（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及於二零一六年一月二十九日辭任）
- 張鐵柱先生（於二零一零年一月十八日獲委任及於二零一六年二月二十五日辭任）
- 余詩權先生（於二零一一年十二月二十日獲委任）

DIRECTORS' REPORT

董事報告

Non-executive directors:

Mr. Chen Wei Dong (appointed on 1 April 2015)

Ms. Chen Min (appointed on 20 December 2011)

Mr. Zhou Xu Xiang (appointed 20 February 2016
and resigned on 17 March 2016)

Independent non-executive directors:

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

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

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

Mr. Zhou Xu Xiang (appointed on 19 November 2015
and resigned on 20 February 2016)

Mr. Ng See Yuen (appointed 20 February 2016)

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 34 to 40

非執行董事：

陳偉東先生（於二零一五年四月一日
獲委任）

陳敏女士（於二零一一年十二月二十日
獲委任）

周栩翔先生（於二零一六年二月二十日
獲委任及於二零一六年三月十七日辭任）

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）

蔡建權先生（於二零一一年十二月二十日
獲委任）

周栩翔先生（於二零一五年十一月十九日
獲委任及於二零一六年二月二十日辭任）

吳思遠先生（於二零一六年二月二十日獲委任）

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34至40頁。

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, Mr. Cai Jian Quan and Mr. Ng See Yuen 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.

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, which may be terminated by not less than six months' (in case of executive Directors) and by not less than 2 months' (in case of non-executive Directors) 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 39 to the consolidated financial statements.

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、蔡建權先生及吳思遠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。

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，為期三年，可由任何一方向另一方發出不少於六個月（就執行董事而言）及不少於兩個月（就非執行董事而言）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薪酬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。董事薪酬詳情載於合併財務報表附註39。

DIRECTORS' REPORT

董事報告

The emoluments paid to the senior management (excluding the Directors) during the year ended 31 December 2015 were within the following bands:

於截至二零一五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：

| | | Number of Senior Management 高級管理層人數 |
|--------------------------|-------------------------|--|
| RMB300,000 to RMB400,000 | 人民幣300,000元至人民幣400,000元 | 0 |
| Total: | 總計： | <u>0</u> |

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 2015 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.

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，於二零一五年度，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。

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.

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。

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 2015.

董事於競爭業務中的權益

於截至二零一五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。

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;
- (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;

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通過書面決議案方式批准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；
- (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) 除非於授予函件另有載述外，否則僅購股權總數最多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總數將可於開始日期起計滿三週年後行使；

DIRECTORS' REPORT

董事報告

- (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。

As of the date of this report, options to subscribe for an aggregate of 27,456,156 Shares (representing approximately 2.3% 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.

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").

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2.3%）的購股權已於二零一四年十二月二日失效。

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。

DIRECTORS' REPORT

董事報告

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 2015, 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。

於二零一五年十二月三十一日，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

董事報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 December 2015, 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 | 159,362,041 (note 1) | 15.8% |
| Mr. Chen Zhi 陳志先生 | Beneficial Owner 實益擁有人 | 7,032,655 | 0.7% |
| Mr. Hong Pei Feng (resigned on 29 January 2016) 洪培峰先生(於二零一六年 一月二十九日辭任) | Interest in controlled corporation 於受控制法團的權益 | 13,338,027 (note 2) | 1.3% |
| Mr. Yu Shi Quan 余詩權先生 | Beneficial Owner 實益擁有人 | 892,196 | 0.1% |

董事於股份及相關股份的權益及淡倉

於二零一五年十二月三十一日，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.

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。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2015, 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 |
|------------------------------|---|--------------------------|---|
| TopBig International 昇平國際 | Beneficial Owner (note 1) 實益擁有人(附註1) | 159,362,041 | 15.8% |
| | | 159,362,041 | 15.8% |

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.

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 2015.

主要股東於股份及相關股份的權益

於二零一五年十二月三十一日，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 |
|------------------------------|---|--------------------------|---|
| TopBig International 昇平國際 | Beneficial Owner (note 1) 實益擁有人(附註1) | 159,362,041 | 15.8% |
| | | 159,362,041 | 15.8% |

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。

除本文所披露者外，於二零一五年十二月三十一日，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。

DIRECTORS' REPORT

董事報告

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 and subject to the disclosure requirements under Chapter 14A of 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 – (1) Beijing BaiChuanDuKe

The Structure Contracts were entered into to establish a situation in which Fuzhou ShiFangCe Culture Media Co., Ltd. ("Fuzhou ShiFangCe") has obtained effective management, operational and economic control over Beijing BaiChuanDuKe and has an exclusive option to purchase all or part of the entire equity interest of Beijing BaiChuanDuKe when and to the extent permitted by the PRC law. Beijing BaiChuanDuke's registered capital amounted to RMB1 million and its registered holders were Zheng Bo Ling and Xu Kai Ning (Zheng Bo Ling contributed RMB0.6 million and held 60% of the shareholding interest, and Xu Kai Ning contributed RMB0.4 million and held 40% of the shareholding interest). Starting from 17 December 2015, a party to the Structure Contracts was novated from Fuzhou ShiFangCe to Fuzhou DingCe Culture Communication Co. Ltd. ("Fuzhou DingCe"). Fuzhou ShiFangCe has been indirectly transferred to an independent third party on 24 December 2015. 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 (with subsequent revisions, the latest being the version that came into effect on 10 April 2015), news websites and online publication services are classified as industries in which foreign investors are prohibited from investing, and value-added telecommunication business (Chinese parties as controlling shareholders) and printing of publications (Chinese parties as controlling shareholders) is classified as an industry in which foreign investors are restricted from investing. As such, the Company is currently prohibited from acquiring an equity interest in Beijing BaiChuanDuKe, which, together with its subsidiaries, principally engages in value-added telecommunication business, news websites, online publication services and the printing of publications, to incorporate its businesses into our Group.

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並須遵守上市規則第十四A章下的披露規定的交易。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 – (1)北京百傳讀客

訂立架構合約的目的旨在確立福州十方策文化傳媒有限公司（「福州十方策」）取得北京百傳讀客實際管理、經營及經濟控制權，並有獨家選擇權於中國法律准許的時間及範圍購買所有或部分北京百傳讀客的全部股權。北京百傳讀客註冊資本金人民幣100萬元，其註冊持有人為鄭柏齡及許開寧（鄭柏齡出資人民幣60萬元佔60%股權、許開寧出資人民幣40萬元佔40%股權）。由二零一五年十二月十七日開始，架構合約的簽約方從福州十方策轉為福州鼎策文化傳播有限公司（「福州鼎策」）。福州十方策已於二零一五年十二月二十四日被間接轉讓給予獨立第三方。由於依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》（其後已作修訂，最新版本於二零一五年四月十日生效），新聞網站及網絡出版服務是外國投資者被禁止投資的產業，增值電信業務（中方控股）及出版物印刷（中方控股）是外國投資者被限制投資的產業，而北京百傳讀客及其附屬公司主要從事增值電信業務、新聞網站、網絡出版服務和出版物印刷業務，故本公司目前不得收購北京百傳讀客的任何股權，從而將該等公司的業務併入本集團。

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.

Reasons for the transactions

The Structure Contracts, taken as a whole, have established a contractual position which allows the economic benefits of Beijing BaiChuanDuKe's businesses to flow to the Company. In addition, all the directors of Beijing BaiChuanDuKe are to be nominated by the Company. Through the control over the directors of Beijing BaiChuanDuKe, the Company is able to monitor, supervise and effectively control the business, operations and financial policies of Beijing BaiChuanDuKe and its relevant subsidiaries, so as to ensure due implementation of the Structure Contracts. Also, the Structure Contracts are to ensure that any possible leakage of assets to the registered equity holders of Beijing BaiChuanDuKe is prevented. Based on the terms of the Structure Contracts, the arrangements under the Structure Contracts also enable us to acquire the equity interest of Beijing BaiChuanDuKe at the agreed price of RMB1.0 million respectively or, in the event that such agreed price is lower than the lowest price permissible under PRC law, the lowest price permissible under PRC law.

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

進行該等交易的理由

架構合約整體上已確立一個合約地位，使北京百傳讀客業務的經濟利益得以流入本公司。此外，北京百傳讀客所有董事均由本公司提名。透過對北京百傳讀客董事的控制權，本公司能夠監控、監察及實際控制北京百傳讀客以及其相關附屬公司的業務、營運及財務政策，確保妥為實行架構合約。另外，架構合約乃為確保防止有任何資產可能洩漏予北京百傳讀客的登記權益持有人的情況。依照架構合約的條款，架構合約下的安排亦使本集團可分別按協定價格人民幣1.0百萬元（倘該協定價格低於中國法律下允許的最低價格，則按中國法律下允許的最低價格）購入北京百傳讀客的股權。

DIRECTORS' REPORT

董事報告

Description of the transactions

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 DingCe and Beijing BaiChuanDuKe) entered into between Mr. Zheng Bo Ling, Mr. Xu Kai Ning and Fuzhou DingCe. Mr. Zheng Bo Ling is an associate of Mr. Chen Zhi and therefore is a Connected Person of the Company. Furthermore, Mr. Xu Kai Ning, being a shareholder of Keep Profit International Capital Limited and a party acting in concert with Olympia Media Holdings Limited which are controlling shareholders of the Company, is also a Connected Person of the Company.

(1) *The Loan Agreement*

Fuzhou DingCe has entered into the Loan Agreement with Mr. Zheng Bo Ling and Mr. Xu Kai Ning respectively pursuant to which Fuzhou DingCe loaned RMB600,000 to Mr. Zheng Bo Ling and RMB400,000 to Mr. Xu Kai Ning, respectively, on an interest-free basis, to fund their payment, as Beijing BaiChuanDuKe's equity holders, of the acquisition price for the entire equity interest in Beijing BaiChuanDuKe. The term of the Loan Agreement is ten years commencing on 17 December 2015 and the agreement automatically renews for a further five-year period thereafter unless a written notice to the contrary is served by Fuzhou DingCe within 30 days prior to the expiration of the initial term of the Loan Agreement.

交易描述

架構合約包括五份協議，分別為(i)一份貸款協議、(ii)一份股權質押協議、(iii)一份投票權代表委任協議、(iv)一份獨家選擇購買權協議及(v)一份服務協議，除一份服務協議由福州鼎策與北京百傳讀客訂立外，全部協議均由鄭柏齡先生、許開寧先生與福州鼎策訂立。鄭柏齡先生為陳志先生的聯繫人，因此亦為本公司的關連人士。再者，許開寧先生為創盈國際資本有限公司的股東及奧海傳媒集團有限公司的一致行動人士之一，而該等人士為本公司的控股股東，因此亦為本公司的關連人士。

(1) 一份貸款協議

福州鼎策已分別與鄭柏齡先生及許開寧先生訂立貸款協議，據此，福州鼎策向鄭柏齡先生貸款人民幣600,000元及向許開寧先生貸款人民幣400,000元，全部均為免息，以就彼等作為北京百傳讀客權益持有人支付北京百傳讀客全部股本權益的收購價提供資金。貸款協議由二零一五年十二月十七日開始為期十年，而除非福州鼎策於貸款協議最初年期屆滿前30日內發出書面通知反對，否則貸款協議將於屆滿後自動重續5年。

Each of Mr. Zheng Bo Ling and Mr. Xu Kai Ning is not permitted to repay any of the sums borrowed under the Loan Agreement without the prior written consent of Fuzhou DingCe.

(2) *The Equity Pledge Agreement*

Mr. Zheng Bo Ling and Mr. Xu Kai Ning, who, together, constitute all of the equity holders of Beijing BaiChuanDuKe have entered into the Equity Pledge Agreement with Fuzhou DingCe and Beijing BaiChuanDuKe, pursuant to which each of them pledged all of their relevant equity interests in Beijing BaiChuanDuKe respectively to Fuzhou DingCe to guarantee the repayment of the loans under the Loan Agreement and the payment of the service fees under the Service Agreement. Pursuant to the Equity Pledge Agreement, Fuzhou DingCe is entitled to all of the benefits arising from the pledged equity interests, including dividends.

(3) *The Voting Rights Proxy Agreement*

Mr. Zheng Bo Ling and Mr. Xu Kai Ning, who, together, constitute all of the equity holders of Beijing BaiChuanDuKe have entered into the Voting Rights Proxy Agreement with Fuzhou DingCe and Beijing BaiChuanDuKe, pursuant to which each of them granted to Fuzhou DingCe and its designee(s) the power to exercise all relevant voting rights in Beijing BaiChuanDuKe including but not limited to those relating to:

- (i) the amendment of Beijing BaiChuanDuKe's articles of association;

根據貸款協議，鄭柏齡先生及許開寧先生各人均不得在未經福州鼎策書面同意前，償還任何已借金額。

(2) 一份股權質押協議

鄭柏齡先生及許開寧先生（共同構成北京百傳讀客全部權益持有人）分別與福州鼎策及北京百傳讀客訂立股權質押協議，據此，彼等各自己將彼等於北京百傳讀客的所有相關股權質押予福州鼎策，以擔保償還貸款協議下的貸款及支付服務協議下的服務費用。依據股權質押協議，福州鼎策有權取得所有已質押股權產生的利益（包括股息）。

(3) 一份投票權代表委任協議

鄭柏齡先生及許開寧先生（共同構成北京百傳讀客全部權益持有人）分別與福州鼎策及北京百傳讀客訂立投票權代表委任協議，據此，彼等各自己將行使北京百傳讀客所有相關投票權的權力授予福州鼎策及其指派者，包括但不限於與以下項目相關者：

- (i) 北京百傳讀客的組織章程細則修訂；

DIRECTORS' REPORT

董事報告

- (ii) the appointment, election or dismissal of the directors, supervisors or senior management of Beijing BaiChuanDuKe;
 - (iii) the transfer or disposal otherwise of all or part of the equity interest in Beijing BaiChuanDuKe;
 - (iv) the increase or reduction of the registered capital of Beijing BaiChuanDuKe or other amendment of the registered capital, or approval of merger, split-up, restructuring, dissolution or liquidation of Beijing BaiChuanDuKe, and exercise of other rights of the equity holders of Beijing BaiChuanDuKe as given under its articles of association or under PRC laws; and
 - (v) the right to inspect or otherwise review all documents and information relating to Beijing BaiChuanDuKe, including but not limited to its business, operation, customers, financial status or the employment of staff.
- (ii) 委任、選舉或辭退北京百傳讀客的董事、監事或高級管理層；
 - (iii) 轉讓或以其他方式處置北京百傳讀客所有或部分股本權益；
 - (iv) 增加或削減北京百傳讀客註冊資本或註冊資本的其他修訂、或批准北京百傳讀客進行併購、分拆、重組、解散或清盤，以及行使根據北京百傳讀客組織章程細則或中國法律規定的北京百傳讀客權益持有人的其他權利；及
 - (v) 檢查或以其他方式審閱有關北京百傳讀客的所有文件及資料（包括但不限於有關其業務、營運、客戶、財務狀況或僱用員工）的權利。

Moreover, under the Voting Rights Proxy Agreement, none of the equity holders of Beijing BaiChuanDuKe may transfer all or any part of their equity interest in Beijing BaiChuanDuKe without the prior written consent of Fuzhou DingCe.

此外，根據投票權代表委任協議，在未經驗福州鼎策事先書面同意的情况下，北京百傳讀客權益持有人不得轉讓其於北京百傳讀客的全部或任何部分股權。

The Voting Rights Proxy Agreement took effect upon signing and may be terminated either (i) by written mutual agreement between the parties thereto; or (ii) upon the transfer by the equity holders of Beijing BaiChuanDuKe of their respective interests in Beijing BaiChuanDuKe to Fuzhou DingCe or its designated transferee.

投票權代表委任協議於簽署後生效，並可(i)由訂約各方相互書面協定；或(ii)於北京百傳讀客權益持有人將彼等各自於北京百傳讀客的權益轉讓予福州鼎策或其指定承讓人時終止。

(4) *The Exclusive Purchase Option Agreement*

Mr. Zheng Bo Ling and Mr. Xu Kai Ning, who, together, constitute all of the equity holders of Beijing BaiChuanDuKe have entered into the Exclusive Purchase Option Agreement with Fuzhou DingCe and Beijing BaiChuanDuKe, pursuant to which each of them irrevocably granted Fuzhou DingCe or its designee(s) an exclusive option to purchase, at any time if and when permitted under PRC laws, all or part of their equity interests in Beijing BaiChuanDuKe at the agreed price of RMB1.0 million respectively, or, in the event that such agreed price is lower than the lowest price permissible under PRC laws, the lowest price permissible under PRC laws. The Exclusive Purchase Option Agreement took effect upon signing and may be terminated either (i) by written mutual agreement between the parties thereto; or (ii) upon the transfer by the equity holders of Beijing BaiChuanDuKe of their respective interests in Beijing BaiChuanDuKe to Fuzhou DingCe or its designated transferee. Beijing BaiChuanDuKe is deemed as the wholly-owned subsidiaries and therefore are not Connected Person under the Listing Rules.

(4) 一份獨家選擇購買權協議

鄭柏齡先生及許開寧先生（共同構成北京百傳讀客全部權益持有人）分別與福州鼎策及北京百傳讀客訂立獨家選擇購買權協議，據此，彼等各自不可撤回地向福州鼎策或其指派者授出獨家選擇購買權，以於中國法律允許的任何時間內按協定價格人民幣1.0百萬元（倘該協定價格低於中國法律下允許的最低價格，則按中國法律下允許的最低價格）購買彼等於北京百傳讀客的全部或任何部分股權。獨家選擇購買權協議於簽署後生效，並可(i)由訂約各方相互書面協定；或(ii)於北京百傳讀客權益持有人將彼等各自於北京百傳讀客的權益轉讓予福州鼎策或其指定承讓人時終止。北京百傳讀客被視為全資附屬公司，因此，並非上市規則下的關連人士。

DIRECTORS' REPORT

董事報告

(5) *The Service Agreement*

Fuzhou DingCe has entered into the Service Agreement with Beijing BaiChuanDuKe, pursuant to which Fuzhou DingCe agreed to provide to Beijing BaiChuanDuKe consulting services, including (i) market research; (ii) business development and market consultation; (iii) consulting services in respect of labor matters; (iv) construction and maintenance of information networks and network security; (v) technical support for the software and technology required by Beijing BaiChuanDuKe; and (vi) such other services as may be required by Beijing BaiChuanDuKe and agreed to be performed by Fuzhou DingCe for Beijing BaiChuanDuKe exclusively in relation to its business operations in exchange for service fees according to the nature of the service content and time spent based on market price. The term of the Service Agreement is ten years commencing on 17 December 2015 and the agreement automatically renews for successive periods of five years provided Fuzhou DingCe does not issue any notice of termination 30 days before the relevant termination date.

The Company's PRC legal advisor has advised the Company that:

- each member of Beijing BaiChuanDuKe has been duly established and is validly existing under the relevant PRC laws and regulations;

(5) 一份服務協議

福州鼎策與北京百傳讀客訂立服務協議，據此，福州鼎策同意向北京百傳讀客提供諮詢服務，包括(i)市場研究；(ii)業務發展及市場諮詢；(iii)有關勞務的諮詢服務；(iv)建設及維護資訊網絡及網絡安全；(v)北京百傳讀客要求的軟件及科技技術支援；及(vi)北京百傳讀客可能要求並經福州鼎策同意向北京百傳讀客獨家提供有關其業務經營的其他服務，以換取按照服務內容性質及時間依照市價計算的服務費用。服務協議由二零一五年十二月十七日起為期十年，而倘福州鼎策於有關終止日期前30日並無發出任何終止通知，則協議將自動重續五年。

本公司的中國法律顧問已告知本公司：

- 北京百傳讀客各成員公司已正式成立，且根據相關中國法律法規有效存續；

DIRECTORS' REPORT

董事報告

- each of the Structure Contracts has been duly authorised, executed and delivered by the parties to the Structure Contracts and such contracts are legal, valid and binding under relevant PRC laws and regulations, enforceable against the parties to the Structure Contracts in accordance with the terms and conditions thereunder;
- the execution, delivery and performance of the Structure Contracts do not violate or result in a breach of or default under any PRC laws and regulations or the respective articles of association of or any material contracts to which any member of Beijing BaiChuanDuKe is a party;
- none of the terms and conditions in any of the Structure Contracts (taken individually or together as a whole) nor the legal structure of Beijing BaiChuanDuKe contravene any applicable PRC laws and regulations; and
- the execution, delivery and effectiveness of the Structure Contracts do not require any approvals from or filings with PRC governmental authorities except for the Equity Pledge Agreement, which has been properly filed with the local Administration for Industry and Commerce.

The PRC legal advisor further advised that it is not an administrative function of PRC governmental authorities to issue formal confirmations regarding agreements that do not require examination by and approval of relevant authorities under PRC laws. As such, the Company has not formally filed a request with any authority in the PRC for confirmation on the legality of the Structure Contracts.

- 各項架構合約已獲架構合約各訂約方正式批准、簽立及交付，而有關合約根據相關中國法律法規屬合法、有效並具約束力，且根據其條款及條件可對架構合約各訂約方強制執行；
- 簽立、交付及履行架構合約並不違反或導致違反或不履行任何中國法律法規或北京百傳讀客任何成員公司各自的組織章程細則或北京百傳讀客任何成員公司屬訂約方的重大合約；
- 任何架構合約（個別或整體）的條款及條件以及北京百傳讀客的法律架構並未抵觸中國任何適用法律法規；及
- 架構合約的簽立、交付及有效性無須獲中國政府機關的任何批文或向其存案，惟已向當地工商管理當局妥為存案的股權質押協議除外。

據中國法律顧問進一步告知，根據中國法律，發出任何毋須相關機關審批的協議的正式確認書並非中國政府機關的行政職能。因此，本公司並無向任何中國機關提出確認架構合約的合法性的正式請求。

DIRECTORS' REPORT

董事報告

The Company has complied in good faith in all material aspects with relevant PRC laws and regulations and its operation in China was and is legal and valid before and after implementation of the Structure Contracts except as disclosed in this report. However, the PRC legal advisor has advised that there are uncertainties regarding the interpretation and application of PRC laws and regulations, including those governing its business and the performance and the enforcement of these contractual arrangements. As such, there can be no assurance that the relevant PRC authorities will not take views contrary to the above in the future.

Accounting policies and Financial Information

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

本公司於所有重大方面已真誠地遵守有關中國法律法規，而除本報告所披露者外，本公司在中國的業務於架構合約執行前後均屬合法有效。然而，中國法律顧問告知，中國法律法規（包括規管本公司的業務以及履行及強制執行該等合約安排的法律法規）的詮釋及適用情況存在不確定因素，因此，無法保證中國相關機關日後不會推翻上述意見。

會計政策及財務資料

合併財務資料包括本公司、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資料。本公司全資附屬公司福州鼎策與北京百傳讀客訂立合約性協議（「架構協議」），據此，福州鼎策向北京百傳讀客提供諮詢服務，並有權(1)收取來自北京百傳讀客的絕大部分經濟利益；(2)對北京百傳讀客實施有效控制；及(3)擁有在中國法律允許的時間及範圍內購買北京百傳讀客全部或部分股權的獨家選擇權。憑藉該等合約安排，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，北京百傳讀客被視為本公司的附屬公司。

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 BaiChuanDuKe's results, assets and liabilities in financial statements of the Company.

PRC laws strictly prohibits foreign investment in, and ownership of, companies engaging in the news websites and online publication services, and place significant restrictions on foreign investment in, and ownership of, companies engaging in the value-added telecommunication business (Chinese parties as controlling shareholders) and printing of publications (Chinese parties as controlling shareholders). The Company is considered as a foreign-invested enterprise, and is required to comply with the PRC laws and regulations applicable to foreign-invested enterprises. Due to such restrictions, the Company does not and are not permitted to have direct ownership of any interest in Beijing BaiChuanDuKe as Beijing BaiChuanDuKe, together with its subsidiaries, holds a Permit for Internet Publication (互聯網出版許可證), an Operation Permit for Value-added Telecommunication Business (增值電信業務經營許可證) and an Operation Permit for News Publication Printing (新聞出版物印刷經營許可證). Instead, the Company conducts the above operations in China principally through contractual arrangements among its subsidiary Fuzhou DingCe on the one hand, and Beijing BaiChuanDuKe and its shareholders, on the other. These contractual arrangements permit the financial results of Beijing BaiChuanDuKe to be consolidated with and effectively all of the economic benefits of its business to be transferred to Fuzhou DingCe. The contractual arrangement is not related to any regulations other than the restriction on foreign investment.

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，則特殊目的實體會於本集團合併入賬。基於該等合約安排，本公司將北京百傳讀客的業績、資產及負債於本公司的財務報表合併入賬。

中國法律嚴格禁止外商投資及擁有從事新聞網站、網絡出版服務公司，亦嚴格限制外商投資及擁有從事增值電信業務(中方控股)及出版物印刷(中方控股)公司。本公司被視為外商投資企業，須遵守適用於外商投資企業的中國法律法規。由於該等限制，而北京百傳讀客及其附屬公司持有互聯網出版許可證、增值電信業務經營許可證及新聞出版物印刷經營許可證，故本公司並無亦不得直接擁有北京百傳讀客的任何權益。因此，本公司主要透過附屬公司福州鼎策作為一方與北京百傳讀客以及其股東作為另一方訂立合約安排在中國經營上述業務。該等合約安排使得北京百傳讀客的財務業績與福州鼎策合併，並且實際上其業務的所有的經濟利益均能由此轉移至福州鼎策。合約安排並非與外資進入限制以外的規定相關。

DIRECTORS' REPORT

董事報告

For the years ended 31 December 2015 and 2014, revenue generated from the printing and online services businesses through Beijing BaiChaunDuKe was RMB7.3 million and RMB0.5 million and RMB15.9 million and RMB0.3 million, respectively, which accounted for 10.9% and 0.7% and 8.7% and 0.2%; revenue and gross loss contributed by Beijing BaiChuanDuke and the relevant businesses in 2015 were RMB26.8 million and RMB10.2 million (2014: revenue of RMB45.7 million and gross profit of RMB21.9 million), respectively, which accounted for 40% and 174.1% of total revenue and total gross loss (2014: 24.9% and 47.2% of total revenue and total gross profit), respectively; and the assets of Beijing BaiChuanDuke and the relevant businesses amounted to RMB89.2 million (2014: RMB126 million). As Beijing BaiChuanDuke and the relevant businesses have not contributed any significant profit to the Group in the past, Beijing BaiChuanDuke and the relevant businesses were insignificant to the Group. respectively, of total revenue. The Company relied on and expects to continue to rely on, contractual arrangements with Beijing BaiChaunDuKe and its shareholders to operate the printing and online services business components in China. The PRC legal advisor has advised the Company that the contractual arrangements are in compliance with and enforceable under the relevant PRC laws. However, there exist uncertainties regarding the interpretation and application of PRC laws and regulations regarding the performance and enforcement of such contractual arrangements. As such, there can be no assurance that the relevant PRC regulatory authorities will not in the future determine that the contractual arrangements are in breach of applicable PRC laws. If the contractual arrangements are found to be in breach of any existing or future PRC laws, the relevant PRC regulatory authorities would have broad discretion in dealing with such violations, including revoking the business and operating licenses held by Beijing BaiChaunDuKe, restricting or prohibiting any transactions between the Company and Beijing BaiChaunDuKe, imposing penalties or other requirements with which the Company may not be able to comply, or requiring the Company to restructure the relevant ownership, control or operating structure of the Company or its business. The imposition of any of these penalties or requirements could result in a material and adverse effect on its business, and could even result in us being required to cease the printing and online services businesses completely.

截至二零一五年及二零一四年十二月三十一日止年度，透過北京百傳讀客進行的印刷及網絡服務業務所得收入分別為人民幣7.3百萬元及人民幣0.5百萬元和人民幣15.9百萬元及人民幣0.3百萬元，分別佔收入總額的10.9%及0.7%和8.7%及0.2%；北京百傳讀客及相關業務於二零一五年的收入及毛虧分別為人民幣26.8百萬元和人民幣10.2百萬元（二零一四年的收入及毛利分別為人民幣45.7百萬元和人民幣21.9百萬元），分別佔收入及毛虧總額的40%和174.1%（二零一四年分別佔收入及毛利總額的24.9%和47.2%）；資產為人民幣89.2百萬元（二零一四年：人民幣126百萬元）。由於過往北京百傳讀客及相關業務對集團並未有重大盈利的貢獻，北京百傳讀客及相關業務對集團的重要性低。本公司一貫依賴並預期將繼續依賴與北京百傳讀客以及其股東訂立的合約安排，以經營在中國的印刷及網絡服務業務部分。中國法律顧問告知本公司，合約安排符合相關中國法律，可根據相關中國法律強制執行。然而，中國法律法規有關履行及強制執行相關合約安排的詮釋及應用方面存在不確定因素。因此，無法保證中國有關監管機關日後不會認定該等合約安排違反有關適用中國法律。倘若合約安排被發現違反中國的任何現行法律或日後通過的法律，則相關中國監管機關處理有關違法情況時將擁有高度自由裁量權，包括吊銷北京百傳讀客所持有的營業及經營執照、限制或禁止本公司與北京百傳讀客進行任何交易、徵收罰款或施加本公司可能無法遵守的其他要求，或要求本公司重組本公司或其業務的相關擁有權、控制權或經營架構。該等懲罰或要求可能對本公司的業務構成重大不利影響，甚至可能導致本公司須完全中止印刷及網絡服務業務。

In addition to the possibility of administrative penalties or other requirements being imposed upon us due to the relationships with Beijing BaiChaunDuKe and its shareholders, the Company may not be able to effectively enforce such contractual relationships in a cost-effective manner or at all. Under the current contractual arrangements, if Beijing BaiChaunDuKe or any of their shareholders fails to perform their respective obligations under these contractual arrangements, or are required to incur substantial costs to do so, the Company may be forced to incur substantial costs and resources to enforce such arrangements or to rely on PRC law to obtain remedies, including specific performance or damages, and we may not be successful in obtaining such remedies or obtaining such remedies might be cost prohibitive. In the event the Company is unable to enforce these contractual arrangements, its business, financial condition and results of operations may be materially and adversely affected.

Fuzhou ShiFang Printing Co., Ltd., Kunming HanDing Printing Technology Consulting Co., Ltd. and Guizhou ShiFang Printing Co., Ltd, which are subsidiaries of Beijing BaiChaunDuKe, currently hold Operation Permits for News Publication Printing (新聞出版物印刷經營許可證). Xiamen DuKe Information Science & Technology Co., Ltd., a subsidiary of Beijing BaiChaunDuKe, currently holds a Permit for Internet Publication (互聯網出版許可證) and a Operation Permit for Value-added Telecommunication Business (增值電信業務經營許可證) for the operation of www.duk.cn. Pursuant to the Catalogue of Industries for Guiding Foreign Investment (外商投資產業指導目錄) jointly promulgated by NDRC and MOFCOM on 31 October 2007 (with subsequent revisions, the latest being the version that came into effect on 10 April 2015), news websites and online publication services are classified as industries in which foreign investors are prohibited from investing, and value-added telecommunication business (Chinese parties as controlling shareholders) and printing of publications (Chinese parties as controlling shareholders) is classified as an industry in which foreign investors are restricted from investing. These views have been confirmed by our PRC legal advisor.

除本公司可能因與北京百傳讀客及其股東的關係而被處以行政處分或施加其他要求外，本公司亦可能無法以符合成本效益的方式有效強制執行該等合約關係，或根本無法強制執行合約關係。根據現行合約安排，倘北京百傳讀客或其任何股東無法履行各自於該等合約安排下的責任，或須支付巨額成本方能履行有關責任，則本公司可能被迫付出巨額成本及資源以強制執行有關安排或依賴中國法律獲得補救措施，包括尋求特定的履約或損害賠償，而本公司未必能成功獲得該類補救措施，或本公司可能須付出高昂成本方可獲得該類補救措施。倘本公司無法強制執行該等合約安排，則本公司的業務、財務狀況及營運業績可能受到重大不利影響。

福州十方印務有限公司、昆明漢鼎印刷技術諮詢有限公司及貴州十方印務有限公司（為北京百傳讀客的附屬公司）目前持有新聞出版物印刷經營許可證。廈門讀客信息科技有限公司（為北京百傳讀客的附屬公司）目前持有經營讀客網（www.duk.cn）的互聯網出版許可證和增值電信業務經營許可證。依據國家發改委及商務部於二零零七年十月三十一日共同頒佈的《外商投資產業指導目錄》（其後已作修訂，最新版本於二零一五年四月十日生效），新聞網站、網絡出版服務是外國投資者被禁止投資的產業，而增值電信業務（中方控股）及出版物印刷（中方控股）是限制外商投資經營的產業。此等意見已獲中國法律顧問確認。

DIRECTORS' REPORT

董事報告

The Directors believe that the Company's structure whereby Beijing BaiChaunDuKe'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.

Pursuant to the Listing Rules, in relation to the transactions regarding Beijing BaiChaunDuKe, 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.

In accordance with the relevant Structured Contracts, no dividends or other distributions has been made by Beijing BaiChaunDuKe to their shareholders.

董事相信本公司的架構（據此，北京百傳讀客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，且其業務的經濟利益流入本公司），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。

依據上市規則，本公司已就有關北京百傳讀客的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章下有關架構合約下的持續關連交易的申報、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。

按照相關架構合約，北京百傳讀客並無向其股東派發股息或作出其他分派。

The independent non-executive Directors have reviewed the Structure Contracts and the above continuing connected transactions. 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 BaiChaunDuKe and the subsidiaries of the Company have been mainly retained by the Group;
- (ii) the continuing connected transactions were entered into either (a) on normal commercial terms; or (b) where there is no available comparison, on terms that are no less favourable to the Group than terms to or from independent third parties;
- (iii) no dividends or other distributions have been made by Beijing BaiChaunDuKe to their shareholders; and
- (iv) any new Structure Contracts entered into, renewed or reproduced between Beijing BaiChaunDuKe 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.

獨立非執行董事已審閱架構合約及上述持續關連交易。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，故北京百傳讀客與本公司的附屬公司產生的收入主要撥歸本集團；
- (ii) 持續關連交易乃(a)按正常商業條款；或(b)（倘無條款可作比較）按不遜於本集團給予或來自獨立第三方的條款訂立；
- (iii) 北京百傳讀客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，北京百傳讀客與本公司訂立、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。

DIRECTORS' REPORT

董事報告

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 twelve months ended 31 December 2015.

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 BaiChaunDuKe to its shareholders.

除上文所披露者外，於截至二零一五年十二月三十一日止十二個月，並無其他交易須按照上市規則規定披露為關連交易。

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京百傳讀客概無向其股東派發股息或作出其他分派。

Structure Contracts – (2) Beijing HongXinTu

The Structure Contracts were entered into to establish a situation in which Fuzhou ShiFangCe Culture Media Co., Ltd. ("Fuzhou ShiFangCe") has obtained effective management, operational and economic control over Beijing HongXinTu Culture Communication Co., Ltd. ("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. Beijing HongXinTu's registered capital amounted to RMB30 million and its registered holders were Zheng Bo Ling, Qiang Yi Bin and Xu Kai Ning (Zheng Bo Ling contributed RMB12.0 million and held 40% of the shareholding interest, Qiang Yi Bin contributed RMB9.0 million and held 30% of the shareholding interest, and Xu Kai Ning contributed RMB9.0 million and held 30% of the shareholding interest). Fuzhou ShiFangCe has been indirectly transferred to an independent third party on 24 December 2015, and Beijing HongXinTu has also been indirectly transferred to an independent third party. 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 (with subsequent revisions, the latest being the version that came into effect on 10 April 2015), the classification of Beijing HongXinTu's principal business of general distribution of books, newspapers, periodicals and electronic publications was changed from an industry in which foreign investment is restricted to an industry in which foreign investment is encouraged. As such, if the Company had not disposed of Fuzhou ShiFangCe, the Company would be permitted to acquire an equity interest in Beijing HongXinTu to incorporate its businesses into our Group.

架構合約 – (2)北京鴻馨圖

訂立架構合約的目的旨在確立福州十方策文化傳媒有限公司(「福州十方策」)取得北京鴻馨圖文化傳播有限公司(「北京鴻馨圖」)實際管理、經營及經濟控制權，並有獨家選擇權於中國法律准許的時間及範圍購買所有或部分北京鴻馨圖的全部股權。北京鴻馨圖註冊資本金人民幣3,000萬元，其註冊持有人為鄭柏齡、強亦彬及許開寧(鄭柏齡出資人民幣1,200萬元佔40%股權、強亦彬出資人民幣900萬元佔30%股權、許開寧出資人民幣900萬元佔30%股權)。福州十方策已於二零一五年十二月二十四日被間接轉讓給予獨立第三方，北京鴻馨圖亦被間接轉讓給予獨立第三方。依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》(其後已作修訂，最新版本於二零一五年四月十日生效)，北京鴻馨圖主要從事的圖書、報紙、期刊、電子出版物總發行業務由外國投資者被限制投資的產業變更為鼓勵投資的產業，故如果本公司沒有出售福州十方策，本公司可以收購北京鴻馨圖的任何股權，從而將該等公司的業務併入本集團。

DIRECTORS' REPORT

董事報告

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.

Reasons for the transactions

The Structure Contracts, taken as a whole, have established a contractual position which allows the economic benefits of Beijing HongXinTu's businesses to flow to the Company. In addition, all the directors of Beijing HongXinTu are to be nominated by the Company. Through the control over the directors of Beijing HongXinTu, the Company is able to monitor, supervise and effectively control the business, operations and financial policies of Beijing HongXinTu and its relevant subsidiaries, so as to ensure due implementation of the Structure Contracts. Also, the Structure Contracts are to ensure that any possible leakage of assets to the registered equity holders of Beijing HongXinTu is prevented. Based on the terms of the Structure Contracts, the arrangements under the Structure Contracts also enable us to acquire the equity interest of Beijing HongXinTu at the agreed price of RMB30.0 million respectively or, in the event that such agreed price is lower than the lowest price permissible under PRC law, the lowest price permissible under PRC law.

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

進行該等交易的理由

架構合約整體上已確立一個合約地位，使北京鴻馨圖業務的經濟利益得以流入本公司。此外，北京鴻馨圖所有董事均由本公司提名。透過對北京鴻馨圖董事的控制權，本公司能夠監控、監察及實際控制北京鴻馨圖以及其相關附屬公司的業務、營運及財務政策，確保妥為實行架構合約。另外，架構合約乃為確保防止有任何資產可能洩漏予北京鴻馨圖的登記權益持有人的情況。依照架構合約的條款，架構合約下的安排亦使本集團可分別按協定價格人民幣30.0百萬元（倘該協定價格低於中國法律下允許的最低價格，則按中國法律下允許的最低價格）購入北京鴻馨圖的股權。

Description of the transactions

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 and Beijing HongXinTu and the Loan Agreement which was entered into between Mr. Zheng Bo Ling, Mr. Qiang Yi Bin, Mr. Xu Kai Ning and Fuzhou ShiFangCe) entered into between Mr. Zheng Bo Ling, Mr. Qiang Yi Bin, Mr. Xu Kai Ning and Fuzhou ShiFangCe and Beijing HongXinTu. Mr. Zheng Bo Ling is an associate of Mr. Chen Zhi and therefore is a Connected Person of the Company. Furthermore, Mr. Xu Kai Ning, being a shareholder of Keep Profit International Capital Limited and a party acting in concert with Olympia Media Holdings Limited which are controlling shareholders of the Company, is also a Connected Person of the Company.

(1) *The Loan Agreement*

Fuzhou ShiFangCe has entered into the Loan Agreement with Mr. Zheng Bo Ling, Mr. Qiang Yi Bin and Mr. Xu Kai Ning respectively pursuant to which Fuzhou ShiFangCe loaned RMB12,000,000 to Mr. Zheng Bo Ling, RMB9,000,000 to Mr. Qiang Yi Bin and RMB9,000,000 to Mr. Xu Kai Ning, respectively, on an interest-free basis, to fund their payment, as Beijing HongXinTu's equity holders, of the acquisition price for the entire equity interest in Beijing HongXinTu. The term of the Loan Agreement is ten years commencing on 13 May 2014 and the agreement automatically renews for a further five-year period thereafter unless a written notice to the contrary is served by 福州鼎策 within 30 days prior to the expiration of the initial term of the Loan Agreement.

Each of Mr. Zheng Bo Ling, Mr. Qiang Yi Bin and Mr. Xu Kai Ning is not permitted to repay any of the sums borrowed under the Loan Agreement without the prior written consent of Fuzhou ShiFangCe.

交易描述

架構合約包括五份協議，分別為(i)一份貸款協議、(ii)一份股權質押協議、(iii)一份投票權代表委任協議、(iv)一份獨家選擇購買權協議及(v)一份服務協議，除一份服務協議由福州十方策與北京鴻馨圖訂立及一份貸款協議由鄭柏齡先生、強亦彬先生、許開寧先生與福州十方策訂立外，全部協議均由鄭柏齡先生、強亦彬先生、許開寧先生與福州十方策及北京鴻馨圖訂立。鄭柏齡先生為陳志先生的聯繫人，因此亦為本公司的關連人士。再者，許開寧先生為創盈國際資本有限公司的股東及奧海傳媒集團有限公司的一致行動人士之一，而該等人士為本公司的控股股東，因此亦為本公司的關連人士。

(1) 一份貸款協議

福州十方策已分別與鄭柏齡先生、強亦彬先生及許開寧先生訂立貸款協議，據此，福州十方策向鄭柏齡先生貸款人民幣12,000,000元、向強亦彬先生貸款人民幣9,000,000元及向許開寧先生貸款人民幣9,000,000元，全部均為免息，以就彼等作為北京鴻馨圖權益持有人支付北京鴻馨圖全部股本權益的收購價提供資金。貸款協議由二零一四年五月十三日開始為期十年，而除非福州鼎策於貸款協議最初年期屆滿前30日內發出書面通知反對，否則貸款協議將於屆滿後自動重續5年。

根據貸款協議，鄭柏齡先生、強亦彬先生及許開寧先生各人均不得在未經福州十方策書面同意前，償還任何已借金額。

DIRECTORS' REPORT

董事報告

(2) *The Equity Pledge Agreement*

Mr. Zheng Bo Ling, Mr. Qiang Yi Bin and Mr. Xu Kai Ning, who, together, constitute all of the equity holders of Beijing HongXinTu have entered into the Equity Pledge Agreement with Fuzhou ShiFangCe and Beijing HongXinTu, pursuant to which each of them pledged all of their relevant equity interests in Beijing HongXinTu respectively to Fuzhou ShiFangCe to guarantee the repayment of the loans under the Loan Agreement and the payment of the service fees under the Service Agreement. Pursuant to the Equity Pledge Agreement, Fuzhou ShiFangCe is entitled to all of the benefits arising from the pledged equity interests, including dividends.

(3) *The Voting Rights Proxy Agreement*

Mr. Zheng Bo Ling, Mr. Qiang Yi Bin and Mr. Xu Kai Ning, who, together, constitute all of the equity holders of Beijing HongXinTu have entered into the Voting Rights Proxy Agreement with Fuzhou ShiFangCe and Beijing HongXinTu, pursuant to which each of them granted to Fuzhou ShiFangCe and its designee(s) the power to exercise all relevant voting rights in Beijing HongXinTu including but not limited to those relating to:

- (i) the amendment of Beijing HongXinTu's articles of association;
- (ii) the appointment, election or dismissal of the directors, supervisors or senior management of Beijing HongXinTu;
- (iii) the transfer or disposal otherwise of all or part of the equity interest in Beijing HongXinTu;

(2) 一份股權質押協議

鄭柏齡先生、強亦彬及許開寧先生（共同構成北京鴻馨圖全部權益持有人）分別與福州十方策及北京鴻馨圖訂立股權質押協議，據此，彼等各自己將彼等於北京鴻馨圖的所有相關股權質押予福州十方策，以擔保償還貸款協議下的貸款及支付服務協議下的服務費用。依據股權質押協議，福州十方策有權取得所有已質押股權產生的利益（包括股息）。

(3) 一份投票權代表委任協議

鄭柏齡先生、強亦彬先生及許開寧先生（共同構成北京鴻馨圖全部權益持有人）分別與福州十方策及北京鴻馨圖訂立投票權代表委任協議，據此，彼等各自己將行使北京鴻馨圖所有相關投票權的權力授予福州十方策及其指派者，包括但不限於與以下項目相關者：

- (i) 北京鴻馨圖的組織章程細則修訂；
- (ii) 委任、選舉或辭退北京鴻馨圖的董事、監事或高級管理層；
- (iii) 轉讓或以其他方式處置北京鴻馨圖所有或部分股本權益；

DIRECTORS' REPORT

董事報告

- (iv) the increase or reduction of the registered capital of Beijing HongXinTu or other amendment of the registered capital, or approval of merger, split-up, restructuring, dissolution or liquidation of Beijing HongXinTu, and exercise of other rights of the equity holders of Beijing HongXinTu as given under its articles of association or under PRC laws; and
- (v) the right to inspect or otherwise review all documents and information relating to Beijing HongXinTu, including but not limited to its business, operation, customers, financial status or the employment of staff.

Moreover, under the Voting Rights Proxy Agreement, none of the equity holders of Beijing HongXinTu may transfer all or any part of their equity interest in Beijing HongXinTu without the prior written consent of Fuzhou ShiFangCe.

The Voting Rights Proxy Agreement took effect upon signing and may be terminated either (i) by written mutual agreement between the parties thereto; or (ii) upon the transfer by the equity holders of Beijing HongXinTu of their respective interests in Beijing HongXinTu to Fuzhou ShiFangCe or its designated transferee.

- (iv) 增加或削減北京鴻馨圖註冊資本或註冊資本的其他修訂、或批准北京鴻馨圖進行併購、分拆、重組、解散或清盤，以及行使根據北京鴻馨圖組織章程細則或中國法律規定的北京鴻馨圖權益持有人的其他權利；及
- (v) 檢查或以其他方式審閱有關北京鴻馨圖的所有文件及資料（包括但不限於有關其業務、營運、客戶、財務狀況或僱用員工）的權利。

此外，根據投票權代表委任協議，在未經福州十方策事先書面同意的情況下，北京鴻馨圖權益持有人不得轉讓其於北京鴻馨圖的全部或任何部分股權。

投票權代表委任協議於簽署後生效，並可(i)由訂約各方相互書面協定；或(ii)於北京鴻馨圖權益持有人將彼等各自於北京鴻馨圖的權益轉讓予福州十方策或其指定承讓人時終止。

DIRECTORS' REPORT

董事報告

(4) *The Exclusive Purchase Option Agreement*

Mr. Zheng Bo Ling, Mr. Qiang Yi Bin and Mr. Xu Kai Ning, who, together, constitute all of the equity holders of Beijing HongXinTu, have entered into the Exclusive Purchase Option Agreement with Fuzhou ShiFangCe and Beijing HongXinTu, pursuant to which each of them irrevocably granted Fuzhou ShiFangCe or its designee(s) an exclusive option to purchase, at any time if and when permitted under PRC laws, all or part of their equity interests in Beijing HongXinTu at the agreed price of RMB30.0 million respectively, or, in the event that such agreed price is lower than the lowest price permissible under PRC laws, the lowest price permissible under PRC laws. The Exclusive Purchase Option Agreement took effect upon signing and may be terminated either (i) by written mutual agreement between the parties thereto; or (ii) upon the transfer by the equity holders of Beijing HongXinTu of their respective interests in Beijing HongXinTu to Fuzhou ShiFangCe or its designated transferee. Beijing HongXinTu is deemed as the wholly-owned subsidiaries and therefore are not Connected Person under the Listing Rules.

(5) *The Service Agreement*

Fuzhou ShiFangCe has entered into the Service Agreement with Beijing HongXinTu, pursuant to which Fuzhou ShiFangCe agreed to provide to Beijing HongXinTu consulting services, including (i) market research; (ii) business development and market consultation; (iii) consulting services in respect of labor matters; (iv) construction and maintenance of information networks and network security; (v) technical support for the software and technology required by Beijing HongXinTu; and (vi) such other services as may be required by Beijing HongXinTu and agreed to be performed by Fuzhou ShiFangCe for Beijing HongXinTu exclusively in relation to its business operations in exchange for service fees according to the nature of the service content and time spent based on market price. The term of the Service Agreement is ten years commencing on 13 May 2014 and the agreement automatically renews for successive periods of five years provided Fuzhou ShiFangCe does not issue any notice of termination 30 days before the relevant termination date.

(4) 一份獨家選擇購買權協議

鄭柏齡先生、強亦彬先生及許開寧先生（共同構成北京鴻馨圖全部權益持有人）分別與福州十方策及北京鴻馨圖訂立獨家選擇購買權協議，據此，彼等各自不可撤回地向福州十方策或其指派者授出獨家選擇購買權，以於中國法律允許的任何時間內按協定價格人民幣30.0百萬元（倘該協定價格低於中國法律下允許的最低價格，則按中國法律下允許的最低價格）購買彼等於北京鴻馨圖的全部或任何部分股權。獨家選擇購買權協議於簽署後生效，並可(i)由訂約各方相互書面協定；或(ii)於北京鴻馨圖權益持有人將彼等各自於北京鴻馨圖的權益轉讓予福州十方策或其指定承讓人時終止。北京鴻馨圖被視為全資附屬公司，因此，並非上市規則下的關連人士。

(5) 一份服務協議

福州十方策與北京鴻馨圖訂立服務協議，據此，福州十方策同意向北京鴻馨圖提供諮詢服務，包括(i)市場研究；(ii)業務發展及市場諮詢；(iii)有關勞務的諮詢服務；(iv)建設及維護資訊網絡及網絡安全；(v)北京鴻馨圖要求的軟件及科技技術支援；及(vi)北京鴻馨圖可能要求並經福州十方策同意向北京鴻馨圖獨家提供有關其業務經營的其他服務，以換取按照服務內容性質及時間依照市價計算的服務費用。服務協議由二零一四年五月十三日起為期十年，而倘福州鼎策於有關終止日期前30日並無發出任何終止通知，則協議將自動重續五年。

The Company's PRC legal advisor has advised the Company that:

- each member of Beijing HongXinTu has been duly established and is validly existing under the relevant PRC laws and regulations;
- each of the Structure Contracts has been duly authorised, executed and delivered by the parties to the Structure Contracts and such contracts are legal, valid and binding under relevant PRC laws and regulations, enforceable against the parties to the Structure Contracts in accordance with the terms and conditions thereunder;
- the execution, delivery and performance of the Structure Contracts do not violate or result in a breach of or default under any PRC laws and regulations or the respective articles of association of or any material contracts to which any member of Beijing HongXinTu is a party;
- none of the terms and conditions in any of the Structure Contracts (taken individually or together as a whole) nor the legal structure of Beijing HongXinTu contravene any applicable PRC laws and regulations; and
- the execution, delivery and effectiveness of the Structure Contracts do not require any approvals from or filings with PRC governmental authorities except for the Equity Pledge Agreement, which has been properly filed with the local Administration for Industry and Commerce.

本公司的中國法律顧問已告知本公司：

- 北京鴻馨圖各成員公司已正式成立，且根據相關中國法律法規有效存續；
- 各項架構合約已獲架構合約各訂約方正式批准、簽立及交付，而有關合約根據相關中國法律法規屬合法、有效並具約束力，且根據其條款及條件可對架構合約各訂約方強制執行；
- 簽立、交付及履行架構合約並不違反或導致違反或不履行任何中國法律法規或北京鴻馨圖任何成員公司各自的組織章程細則或北京鴻馨圖任何成員公司屬訂約方的重大合約；
- 任何架構合約（個別或整體）的條款及條件以及北京鴻馨圖的法律架構並未抵觸中國任何適用法律法規；及
- 架構合約的簽立、交付及有效性無須獲中國政府機關的任何批文或向其存案，惟已向當地工商管理當局妥為存案的股權質押協議除外。

DIRECTORS' REPORT

董事報告

The PRC legal advisor further advised that it is not an administrative function of PRC governmental authorities to issue formal confirmations regarding agreements that do not require examination by and approval of relevant authorities under PRC laws. As such, the Company has not formally filed a request with any authority in the PRC for confirmation on the legality of the Structure Contracts.

The Company has complied in good faith in all material aspects with relevant PRC laws and regulations and its operation in China was and is legal and valid before and after implementation of the Structure Contracts except as disclosed in this report. However, the PRC legal advisor has advised that there are uncertainties regarding the interpretation and application of PRC laws and regulations, including those governing its business and the performance and the enforcement of these contractual arrangements. As such, there can be no assurance that the relevant PRC authorities will not take views contrary to the above in the future.

Accounting policies and Financial Information

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

據中國法律顧問進一步告知，根據中國法律，發出任何毋須相關機關審批的協議的正式確認書並非中國政府機關的行政職能。因此，本公司並無向任何中國機關提出確認架構合約的合法性的正式請求。

本公司於所有重大方面已真誠地遵守有關中國法律法規，而除本報告所披露者外，本公司在中國的業務於架構合約執行前後均屬合法有效。然而，中國法律顧問告知，中國法律法規（包括規管本公司的業務以及履行及強制執行該等合約安排的法律法規）的詮釋及適用情況存在不確定因素，因此，無法保證中國相關機關日後不會推翻上述意見。

會計政策及財務資料

合併財務資料包括本公司、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資料。本公司全資附屬公司福州十方策與北京鴻馨圖訂立合約性協議（「架構協議」），據此，福州十方策向北京鴻馨圖提供諮詢服務，並有權(1)收取來自北京鴻馨圖的絕大部分經濟利益；(2)對北京鴻馨圖實施有效控制；及(3)擁有在中國法律允許的時間及範圍內購買北京鴻馨圖全部或部分股權的獨家選擇權。憑藉該等合約安排，北京鴻馨圖為特殊目的實體，且根據國際財務報告準則第10號「合併財務報表」的規定，北京鴻馨圖被視為本公司的附屬公司。

DIRECTORS' REPORT

董事報告

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's results, assets and liabilities in financial statements of the Company.

Originally, PRC laws placed significant restrictions on foreign investment in, and ownership of, companies engaging in the general distribution of books, newspapers, periodicals and electronic publications. The Company is considered as a foreign-invested enterprise, and is required to comply with the PRC laws and regulations applicable to foreign-invested enterprises. Due to such restrictions, the Company does not and are not permitted to have direct ownership of any interest in Beijing HongXinTu as Beijing HongXinTu held an Operation Permit for Publications (出版物經營許可證). Instead, the Company conducts the above operations in China principally through contractual arrangements among its subsidiary Fuzhou ShiFangCe, on the one hand, and Beijing HongXinTu and its shareholders, on the other. These contractual arrangements permit the financial results of Beijing HongXinTu to be consolidated with and effectively all of the economic benefits of its business to be transferred to Fuzhou ShiFangCe. The contractual arrangement is not related to any regulations other than the restriction on foreign investment.

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，則特殊目的實體會於本集團合併入賬。基於該等合約安排，本公司將北京鴻馨圖的業績、資產及負債於本公司的財務報表合併入賬。

原中國法律嚴格限制外商投資及擁有從事圖書、報紙、期刊、電子出版物總發行公司。本公司被視為外商投資企業，須遵守適用於外商投資企業的中國法律法規。由於該等限制，而北京鴻馨圖原持有出版物經營許可證，故本公司並無亦不得直接擁有北京鴻馨圖的任何權益。因此，本公司主要透過附屬公司福州十方策作為一方與北京鴻馨圖以及其股東作為另一方訂立合約安排在中國經營上述業務。該等合約安排使得北京鴻馨圖的財務業績與福州十方策合併，並且實際上其業務的所有的經濟利益均能由此轉移至福州十方策。合約安排並非與外資進入限制以外的規定相關。

DIRECTORS' REPORT

董事報告

For the years ended 31 December 2015 and 2014, revenue generated from the newspaper distribution business through Beijing HongXinTu was RMB0.2 million, which accounted for 0.3% of total revenue; revenue and gross profit contributed by Beijing HongXinTu and the relevant businesses in 2015 were RMB0.2 million (2014: RMB0.2 million) and RMB0.2 million (2014: RMB0.1 million), respectively, which accounted for 0.3% (2014: 0.1%) and 3% (2014: 0.1%), respectively, of total revenue and total gross profit; and the assets of Beijing HongXinTu and the relevant businesses amounted to RMB1.7 million (2014: RMB5.2 million). As Beijing HongXinTu and the relevant businesses have not contributed any significant profit to the Group in the past, Beijing HongXinTu and the relevant businesses were insignificant to the Group. The PRC legal advisor has advised the Company that the contractual arrangements are in compliance with and enforceable under the relevant PRC laws. However, there exist uncertainties regarding the interpretation and application of PRC laws and regulations regarding the performance and enforcement of such contractual arrangements. As such, there can be no assurance that the relevant PRC regulatory authorities will not in the future determine that the contractual arrangements are in breach of applicable PRC laws. If the contractual arrangements are found to be in breach of any existing or future PRC laws, the relevant PRC regulatory authorities would have broad discretion in dealing with such violations, including revoking the business and operating licenses held by Beijing HongXinTu, restricting or prohibiting any transactions between the Company and Beijing HongXinTu, imposing penalties or other requirements with which the Company may not be able to comply, or requiring the Company to restructure the relevant ownership, control or operating structure of the Company or its business. The imposition of any of these penalties or requirements could result in a material and adverse effect on its business, and could even result in us being required to cease the newspaper distribution business completely.

截至二零一五年及二零一四年十二月三十一日止年度，透過北京鴻馨圖進行的報紙發行業務所得收入為人民幣0.2百萬元，佔收入總額的0.3%；北京鴻馨圖及相關業務於二零一五年的收入及毛利分別為人民幣0.2百萬元（二零一四年：人民幣0.2百萬元）和人民幣0.2百萬元（二零一四年：人民幣0.1百萬元），分別佔收入及毛利總額的0.3%（二零一四年：0.1%）和3%（二零一四年：0.1%）；資產為人民幣1.7百萬元（二零一四年：人民幣5.2百萬元）。由於過往北京鴻馨圖及相關業務對集團並未有重大盈利的貢獻，北京鴻馨圖及相關業務對集團的重要性低。中國法律顧問告知本公司，合約安排符合相關中國法律，可根據相關中國法律強制執行。然而，中國法律法規有關履行及強制執行相關合約安排的詮釋及應用方面存在不確定因素。因此，無法保證中國有關監管機關日後不會認定該等合約安排違反有關適用中國法律。倘若合約安排被發現違反中國的任何現行法律或日後通過的法律，則相關中國監管機關處理有關違法情況時將擁有高度自由裁量權，包括吊銷北京鴻馨圖所持有的營業及經營執照、限制或禁止本公司與北京鴻馨圖進行任何交易、徵收罰款或施加本公司可能無法遵守的其他要求，或要求本公司重組本公司或其業務的相關擁有權、控制權或經營架構。該等懲罰或要求可能對本公司的業務構成重大不利影響，甚至可能導致本公司須完全中止報紙發行業務。

In addition to the possibility of administrative penalties or other requirements being imposed upon us due to the relationships with Beijing HongXinTu and its shareholders, the Company may not be able to effectively enforce such contractual relationships in a cost-effective manner or at all. Under the current contractual arrangements, if Beijing HongXinTu or any of their shareholders fails to perform their respective obligations under these contractual arrangements, or are required to incur substantial costs to do so, the Company may be forced to incur substantial costs and resources to enforce such arrangements or to rely on PRC law to obtain remedies, including specific performance or damages, and we may not be successful in obtaining such remedies or obtaining such remedies might be cost prohibitive. In the event the Company is unable to enforce these contractual arrangements, its business, financial condition and results of operations may be materially and adversely affected.

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.

除本公司可能因與北京鴻馨圖以及其股東的關係而被處以行政處分或施加其他要求外，本公司亦可能無法以符合成本效益的方式有效強制執行該等合約關係，或根本無法強制執行合約關係。根據現行合約安排，倘北京鴻馨圖或其任何股東無法履行各自於該等合約安排下的責任，或須支付巨額成本方能履行有關責任，則本公司可能被迫付出巨額成本及資源以強制執行有關安排或依賴中國法律獲得補救措施，包括尋求特定的履約或損害賠償，而本公司未必能成功獲得該類補救措施，或本公司可能須付出高昂成本方可獲得該類補救措施。倘本公司無法強制執行該等合約安排，則本公司的業務、財務狀況及營運業績可能受到重大不利影響。

董事相信本公司的架構（據此，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，且其業務的經濟利益流入本公司），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。

DIRECTORS' REPORT

董事報告

Pursuant to the Listing Rules, in relation to the transactions regarding Beijing HongXinTu, 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.

In accordance with the relevant Structured Contracts, no dividends or other distributions has been made by Beijing HongXinTu to their shareholders.

The independent non-executive Directors have reviewed the Structure Contracts and the above continuing connected transactions. 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;
- (ii) the continuing connected transactions were entered into either (a) on normal commercial terms; or (b) where there is no available comparison, on terms that are no less favourable to the Group than terms to or from independent third parties;
- (iii) no dividends or other distributions have been made by Beijing HongXinTu to their shareholders; and

依據上市規則，本公司已就有關北京鴻馨圖的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章下有關架構合約下的持續關連交易的申報、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。

按照相關架構合約，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及上述持續關連交易。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；
- (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) 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.

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 twelve months ended 31 December 2015.

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 BaiChaunDuKe and Beijing HongXinTu to its shareholders.

(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。

除上文所披露者外，於截至二零一五年十二月三十一日止十二個月，並無其他交易須按照上市規則規定披露為關連交易。

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京百傳讀客及北京鴻馨圖概無向其股東派發股息或作出其他分派。

DIRECTORS' REPORT

董事報告

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.

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.

ON BEHALF OF THE BOARD

Siuming Tsui

Executive Director (Chief Executive Officer)

Hong Kong
29 March 2016

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。

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。

代表董事會

執行董事（行政總裁）

徐小明

香港
二零一六年三月二十九日

CORPORATE GOVERNANCE REPORT

企業管治報告

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 2015.

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.

Board Composition

At the date of this report, the Board comprises 9 Directors, 3 of whom are executive Directors and 2 of whom is non-executive Director and 4 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 34 to 39 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.

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二零一五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。

董事會組成

於本報告日期，董事會成員包括九名董事，三名為執行董事，兩名為非執行董事，其餘四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34至39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。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company has adopted the Board Diversity Policy in March 2015. 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.

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, during the financial year ended 31 December 2015, acted as the chairman and chief executive officer of the Company. The Board met 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 had been taken and it would not have impaired the balance of power and authority between the Board and the management. Mr. Chen ceased to be the chief executive officer of the Company on 29 January 2016 and the chairman of the Company on 25 February 2016.

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.

本公司已於二零一五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。

主席及行政總裁

根據企業管治守則的守則條文A.2.1，主席與行政總裁的角色應有區分，並不應由一人同時兼任。

陳志先生於截至二零一五年十二月三十一日止財政年度擔任本公司主席兼首席執行官。董事會定期舉行會議，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。陳先生於二零一六年一月二十九日終止出任本公司首席執行官，並於二零一六年二月二十五日終止出任本公司主席。

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。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the period under review, the Board convened 1 shareholders' general meeting, 11 board meetings, 4 Audit Committee meetings, 1 Remuneration Committee meeting and 3 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、十一次董事會會議、四次審核委員會會議、一次薪酬委員會會議及三次提名委員會會議。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 | Extraordinary general meeting 股東特別大會 | 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 | | | | | | |
| Shi Jianxiang (Chairman) (appointed on 25 February 2016 and resigned on 1 April 2016) | 施建祥 (主席) (於二零一六年二月二十五日獲委任及於二零一六年四月一日辭任) | 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 Zhi (Executive Director) | 陳志 (執行董事) | 1 | 1 | 11 | N/A 不適用 | N/A 不適用 | 3 |
| Siuming Tsui (Chief executive officer) (appointed on 6 December 2015) | 徐小明 (行政總裁) (於二零一五年十二月六日獲委任) | N/A 不適用 | 1 | 7 | N/A 不適用 | 1 | 2 |
| Hong Pei Feng (resigned on 29 January 2016) | 洪培峰 (於二零一六年一月二十九日辭任) | 1 | - | 6 | N/A 不適用 | N/A 不適用 | N/A 不適用 |
| Zhang Tie Zhu (resigned on 25 February 2016) | 張鐵柱 (於二零一六年二月二十五日辭任) | - | - | 7 | N/A 不適用 | N/A 不適用 | N/A 不適用 |
| Yu Shi Quan (Chief Financial Officer) | 余詩權 (首席財務官) | 1 | 1 | 11 | N/A 不適用 | N/A 不適用 | N/A 不適用 |
| Non-executive Directors | 非執行董事 | | | | | | |
| Chen Wei Dong (appointed on 1 April 2015) | 陳偉東 (於二零一五年四月一日獲委任) | - | 1 | 11 | N/A 不適用 | N/A 不適用 | N/A 不適用 |
| Chen Min | 陳敏 | 1 | - | 11 | N/A 不適用 | N/A 不適用 | N/A 不適用 |
| Zhou Xu Xiang (appointed on 20 February 2016 and resigned on 17 March 2016) | 周栩栩 (於二零一六年二月二十日獲委任及於二零一六年三月十七日辭任) | N/A 不適用 | N/A 不適用 | 2 | 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 | - | 1 | 9 | 3 | 1 | 3 |
| Zhou Chang Ren | 周昌仁 | - | - | 11 | 4 | 1 | N/A 不適用 |
| Cai Jian Quan | 蔡建權 | 1 | - | 11 | 4 | N/A 不適用 | 3 |
| Zhou Xu Xiang (appointed on 19 November 2016 and resigned on 20 February 2016) | 周栩栩 (於二零一五年十一月十九日獲委任及於二零一六年二月二十日辭任) | N/A 不適用 | 1 | 5 | N/A 不適用 | N/A 不適用 | N/A 不適用 |
| Ng See Yuen (appointed on 20 February 2016) | 吳思遠 (於二零一六年二月二十日獲委任) | N/A 不適用 | N/A 不適用 | 2 | N/A 不適用 | N/A 不適用 | 1 |

CORPORATE GOVERNANCE REPORT

企業管治報告

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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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）。

CORPORATE GOVERNANCE REPORT

企業管治報告

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 2015, no claim had been made against the Directors and the officers of the Company.

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A.6.5，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。於二零一五年全年，並無任何人士向本公司董事及高級職員提出索償。

主席及首席執行官

根據企業管治守則的守則條文A.2.1，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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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' (in case of executive Directors) and by not less than 2 months' (in case of non-executive Directors) 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（就執行董事而言）及不少於兩個月（就非執行董事而言）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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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. 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具體查詢後，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。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

CORPORATE GOVERNANCE REPORT

企業管治報告

- 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.
 - To review the financial reporting system, risk management and internal control system.
- 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。
 - 檢討財務報告制度、風險管理及內部監控制度。

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, 2015, including the accounting policies and practice adopted by the Group.

審核委員會已會同外部核數師與管理層審閱本集團截至二零一五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。

During the year ended 31 December 2015, 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.

截至二零一五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。

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.

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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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. The Remuneration Committee comprises three members, namely Mr. Zhou Chang Ren (Chairman), Mr. Chen Zhi (resigned on 1 February 2016), Mr. Siuming Tsui (appointed on 29 January 2016) 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
- (d) reviewing and making recommendations to the Board on compensation-related issues.

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。薪酬委員會包括三名成員，即周昌仁先生（主席）、陳志先生（於二零一六年二月一日辭任）、徐小明先生（於二零一六年一月二十九日獲委任）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
- (d) 檢討有關薪酬相關問題，並向董事會提供建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

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. The Nomination Committee currently comprises three members, namely Mr. Cai Jian Quan (Chairman), Mr. Chen Zhi (resigned on 1 February 2016), Mr. Shi Jianxiang (appointed on 25 February 2016 and resigned on 1 April 2016), Mr. Siuming Tsui (appointed on 6 December 2015), Mr. Wong Heung Ming and Mr. Ng See Yuen, Henry (appointed on 20 February 2016), 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.

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。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（於二零一六年二月一日辭任）、施建祥先生（於二零一六年二月二十五日獲委任及於二零一六年四月一日辭任）、徐小明先生（於二零一五年十二月六日獲委任）、黃向明先生及吳思遠先生（於二零一六年二月二十日獲委任），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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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 2015, 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。

截至二零一五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, 2015 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 103 to 105 of this annual report.

During the year ended 31 December 2015, the remuneration paid or payable to PwC for audit services and non-audit services amounted to RMB3,053,000 (2014: RMB3,600,000), RMB838,000 (2014: RMB856,000) respectively.

Internal Control and Risk Management

The Board is responsible for maintaining sound and effective risk management and internal control systems, and for reviewing their design, operational adequacy, and effectiveness on an ongoing basis to safeguard the shareholders' investment and the assets of the Group. During the year ended 31 December 2015, the Board has reviewed the effectiveness of the risk management and internal control systems 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二零一五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103至105頁的獨立核數師報告內。

於截至二零一五年十二月三十一日止年度，就審核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3,053,000元（二零一四年：人民幣3,600,000元）及人民幣838,000元（二零一四年：人民幣856,000元）。

內部監控及風險管理

董事會負責維持穩健而有效的風險管理及內部監控制度，且不斷檢討其設計、運作充份性及效益，以保障股東的投資及本集團資產。於截至二零一五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風險管理及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)

We have audited the consolidated financial statements of ShiFang Holding Limited ("the Company") and its subsidiaries set out on pages 106 to 236, which comprise the consolidated balance sheet as at 31 December 2015, 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.

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.

致十方控股有限公司股東

(於開曼群島註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審計列載於第106至236頁十方控股有限公司(以下簡稱「貴公司」)及其附屬公司的合併財務報表。此合併財務報表包括於二零一五年十二月三十一日的合併資產負債表與截至該日止年度的合併全面收益表、合併權益變動表和合併現金流量表，以及主要會計政策概要及其他附註解釋資料。

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》的披露規定擬備真實而中肯的合併財務報表，並對其認為為使合併財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制負責。

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

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發表意見。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對合併財務報表是否不存在任何重大錯誤陳述獲取合理保證。

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。所選擇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擬備真實而中肯的合併財務報表相關的內部控制，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恰當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 financial position of the Company and its subsidiaries as at 31 December 2015, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

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, 29 March 2016

意見

我們認為，該等合併財務報表已根據國際財務報告準則真實而中肯地反映 貴公司及其附屬公司於二零一五年十二月三十一日的財務狀況及彼等截至該日止年度的財務表現及現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

其他事項

本報告（包括意見）乃為 閣下而擬備並僅向 閣下（作為整體）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，二零一六年三月二十九日

CONSOLIDATED BALANCE SHEET

合併資產負債表

AS AT 31 DECEMBER 2015

於二零一五年十二月三十一日

| | | Note | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|---------------------|-------|-----------------------------------|-----------------------------------|
| | | 附註 | | |
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 7 | 20,443 | 40,107 |
| Intangible assets | 無形資產 | 8 | 1,500 | 18,150 |
| Interests in associates | 於聯營公司的權益 | 9 | – | 9,121 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 11 | 22,907 | 25,294 |
| | | | <u>44,850</u> | <u>92,672</u> |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 13 | 5,583 | 6,560 |
| Properties held for sale | 持作出售物業 | 12 | 51,527 | 78,191 |
| Trade receivables – net | 貿易應收款項 – 淨額 | 10 | 9,714 | 45,493 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 11 | 5,382 | 22,273 |
| Amounts due from related parties | 應收關連人士款項 | 31(c) | 522 | 24,364 |
| Short-term bank deposits | 短期銀行存款 | 15 | – | 5,000 |
| Cash and cash equivalents | 現金及現金等值項目 | 14 | 109,492 | 32,487 |
| | | | <u>182,220</u> | <u>214,368</u> |
| Total assets | 總資產 | | <u>227,070</u> | <u>307,040</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 | 86,295 | 72,687 |
| Share premium | 股份溢價 | 19 | 636,180 | 556,440 |
| Other reserves | 其他儲備 | 20 | 54,971 | 68,671 |
| Accumulated deficits | 累計虧絀 | | (636,683) | (486,591) |
| | | | <u>140,763</u> | <u>211,207</u> |
| Non-controlling interests | 非控股權益 | 21(a) | 4,955 | (4,876) |
| Total equity | 權益總額 | | <u>145,718</u> | <u>206,331</u> |

CONSOLIDATED BALANCE SHEET

合併資產負債表

AS AT 31 DECEMBER 2015

於二零一五年十二月三十一日

| | Note | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-------------------------------------|-------|-----------------------------------|-----------------------------------|
| | 附註 | | |
| LIABILITIES | | | |
| | | | |
| Non-current liabilities | | | |
| Amount due to a related party | 31(c) | 688 | 688 |
| Deferred income tax liabilities | 18 | 360 | 1,475 |
| | | 1,048 | 2,163 |
| Current liabilities | | | |
| Trade payables | 17 | 4,488 | 5,889 |
| Other payables and accrued expenses | 17 | 41,927 | 60,890 |
| Bank borrowings | 16 | 13,579 | – |
| Current income tax liabilities | | 19,267 | 30,536 |
| Amounts due to related parties | 31(c) | 1,043 | 1,231 |
| | | 80,304 | 98,546 |
| Total liabilities | | 81,352 | 100,709 |
| Total equity and liabilities | | 227,070 | 307,040 |

Approved and authorised for issue by the Board of Directors on 29 March 2016 and signed on behalf of the Board by:

經董事會於二零一六年三月二十九日批准並授權刊發，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 111 to 236 are an integral part of these financial statements.

第111至236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 2015
截至二零一五年十二月三十一日止年度

| | | Note | 2015 | 2014 |
|---|-------------------------|------|------------------|-----------|
| | | 附註 | 二零一五年 | 二零一四年 |
| | | | RMB'000 | RMB'000 |
| | | | 人民幣千元 | 人民幣千元 |
| Revenue | 收入 | 5 | 66,972 | 183,556 |
| Cost of sales | 銷售成本 | 23 | (72,821) | (137,204) |
| Gross (loss)/profit | (毛損)／毛利 | | (5,849) | 46,352 |
| Selling and marketing expenses | 銷售及營銷開支 | 23 | (17,085) | (29,515) |
| General and administrative expenses | 一般及行政開支 | 23 | (88,767) | (84,590) |
| Provision for impairment of prepayments, deposits and other receivables | 預付款項、按金及其他應收款項減值撥備 | 23 | (33,800) | (126,097) |
| Other gains/(losses) – net | 其他收益／(虧損) – 淨額 | 22 | (15,231) | (62,174) |
| Other income | 其他收入 | 22 | 1,438 | 3,278 |
| Operating loss | 經營虧損 | | (159,294) | (252,746) |
| Finance income | 融資收益 | 25 | 206 | 1,239 |
| Finance costs | 融資成本 | 25 | – | (62) |
| Finance income – net | 融資收益 – 淨額 | 25 | 206 | 1,177 |
| Share of losses of associates | 應佔聯營公司虧損 | 9 | (4,115) | (5,191) |
| Provision for impairment of interests in associates | 於聯營公司的權益減值撥備 | 9 | (5,006) | (46,026) |
| Loss before income tax | 除所得稅前虧損 | | (168,209) | (302,786) |
| Income tax credit/(expense) | 所得稅抵免／(開支) | 26 | 1,029 | (4,318) |
| Loss and total comprehensive loss for the year | 年內虧損及全面虧損總額 | | (167,180) | (307,104) |
| 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 | | (163,792) | (304,174) |
| – Non-controlling interests | – 非控股權益 | | (3,388) | (2,930) |
| | | | (167,180) | (307,104) |
| 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) | 27 | (0.1755) | (0.3132) |
| – Diluted (RMB per share) | – 攤薄 (每股人民幣) | 27 | (0.1755) | (0.3132) |

The notes on pages 111 to 236 are an integral part of these financial statements.

第111至236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 2015
截至二零一五年十二月三十一日止年度

| | | 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 |
|--|----------------------|------------------|------------------|----------------------------|------------------|---------------------|--|--------------------|----------------------|------------------|---------------------------|------------------|
| | Note | 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 2015 | 於二零一五年一月一日的結餘 | 72,687 | 556,440 | 997 | 41,297 | - | - | 26,377 | (486,591) | 211,207 | (4,876) | 206,331 |
| Comprehensive income | 全面收益 | | | | | | | | | | | |
| Loss for the year | 年內虧損 | - | - | - | - | - | - | - | (163,792) | (163,792) | (3,388) | (167,180) |
| Total comprehensive income | 全面收益總額 | - | - | - | - | - | - | - | (163,792) | (163,792) | (3,388) | (167,180) |
| Transactions with owners | 與擁有人的交易 | | | | | | | | | | | |
| Disposal of equity interests in subsidiaries | 出售附屬公司股本權益 | 35 | - | - | - | - | - | (13,700) | 13,700 | - | 12,908 | 12,908 |
| Issuance of ordinary shares | 發行普通股 | 19 | 13,608 | 79,740 | - | - | - | - | - | 93,348 | - | 93,348 |
| Incorporation of a subsidiary with non-controlling interest | 與非控股權益註冊成立一間附屬公司 | 21 | - | - | - | - | - | - | - | - | 420 | 420 |
| Deregister of a subsidiary | 撤銷一間附屬公司的註冊 | | - | - | - | - | - | - | - | - | (109) | (109) |
| Total transactions with owners | 與擁有人的交易總額 | | 13,608 | 79,740 | - | - | - | (13,700) | 13,700 | 93,348 | 13,219 | 106,567 |
| Balance at 31 December 2015 | 於二零一五年十二月三十一日的結餘 | 86,295 | 636,180 | 997 | 41,297 | - | - | 12,677 | (636,683) | 140,763 | 4,955 | 145,718 |
| 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 | 35 | - | - | (31,677) | (919) | - | (6,074) | 38,670 | - | 70 | 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權益變動 | 34 | - | - | 12,520 | - | - | - | - | 12,520 | (12,520) | - |
| Lapse of share options | 購股權失效 | 33 | - | - | - | - | (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 |

The notes on pages 111 to 236 are an integral part of these financial statements.

第111至236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 2015
截至二零一五年十二月三十一日止年度

| | Note 附註 | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|------------|-----------------------------------|-----------------------------------|
| Cash flows from operating activities | | | |
| Cash flows from operating activities | | | |
| Cash used in operations | 29(a) | (16,774) | (50,777) |
| Interest received | 25 | 206 | 1,239 |
| Interest paid | | (735) | (62) |
| Income tax paid | | (231) | (5,798) |
| Net cash used in operating activities | | (17,534) | (55,398) |
| Cash flows from investing activities | | | |
| Cash flows from investing activities | | | |
| Disposal of subsidiaries net of cash | 29(c) | (2,736) | (3,925) |
| Prepayment for acquisition of a property | 11(ii) | (15,470) | (6,694) |
| Proceeds from disposals of intangible assets | | - | 14 |
| Additions of property, plant and equipment | 7 | (2,978) | (1,667) |
| Additions of intangible assets | 8 | - | (20) |
| Release of term deposits with initial term of over three months | 15 | 5,000 | 45,000 |
| Proceeds from disposal of property, plant and equipment | 29(b) | 3,804 | 566 |
| Net cash (used in)/generated from investing activities | | (12,380) | 33,274 |
| Cash flows from financing activities | | | |
| Cash flows from financing activities | | | |
| Net proceeds from bank borrowings | | 15,435 | - |
| Repayment of bank borrowings | | (1,864) | - |
| Capital contribution from non-controlling interest shareholders | | - | 700 |
| Net proceeds from issuance of ordinary shares | 19 | 93,348 | - |
| Net cash generated from financing activities | | 106,919 | 700 |
| Net increase/(decrease) in cash and cash equivalents | | 77,005 | (21,424) |
| Cash and cash equivalents at beginning of the year | 14 | 32,487 | 53,911 |
| Cash and cash equivalents at end of the year | 14 | 109,492 | 32,487 |

The notes on pages 111 to 236 are an integral part of these financial statements.

第111至236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 (the “Board”) on 29 March 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of ShiFang Holding Limited have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRS”). The consolidated financial statements have been prepared under the historical cost convention.

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二零一六年三月二十九日批准刊發。

2 主要會計政策概要

2.1 編製基準

十方控股有限公司的合併財務報表已根據所有適用國際財務報告準則編製。合併財務報表乃按歷史成本法編製。

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 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.

2.1.2 Changes in accounting policy and disclosures

(a) Amendments to standards effective in 2015

The Group has adopted the following amended standards for the accounting periods beginning on or after 1 January 2015:

| | |
|----------------------------|---|
| Amendments to IAS 19 | Defined benefit plans: employee contributions |
| Annual Improvement Project | Annual Improvements 2010-2012 Cycle |
| Annual Improvement Project | Annual Improvements 2011-2013 Cycle |

2 主要會計政策概要 (續)

2.1 編製基準 (續)

編製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。

2.1.2 會計政策及披露變動

(a) 於二零一五年生效的準則的修訂本

本集團已就於二零一五年一月一日或之後開始的會計期間採納以下經修訂準則：

| | |
|----------------|--------------------|
| 國際會計準則第19號的修訂本 | 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 |

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 effective in 2015 (continued)*

Amendments to IAS 19 – Defined benefit plans: employee contributions

Amendment to IAS 19 on contributions from employees or third parties to defined benefit plans. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits.

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) 於二零一五年生效的準則的修訂本 (續)

國際會計準則第19號的修訂本—界定福利計劃：僱員供款

國際會計準則第19號有關僱員或第三方向界定福利計劃作出供款的修訂本。該修訂本區分僅與供款產生期間的服務掛鉤及與一個以上期間的服務掛鉤的供款。該修訂本允許與服務掛鉤但不會隨僱員服務的長短而變動的供款，自提供服務期間所賺取福利的成本中扣減。與服務掛鉤但隨僱員服務的長短而變動的供款，必須使用適用於有關福利的相同歸屬法在服務期間分攤。

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 effective in 2015 (continued)*

Amendments from annual improvements to IFRSs 2010-2012 Cycle, on IFRS 8, 'Operating segments', IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets' and IAS 24, 'Related party disclosures'.

- IFRS 8, 'Operating segments'

The standard is amended to require disclosure of the judgements made by management in aggregating operating segments and a reconciliation of segment assets to the entity's assets when segment assets are reported.

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) 於二零一五年生效的準則的修訂本 (續)

國際財務報告準則二零一零年至二零一二年週期的年度改進內有關國際財務報告準則第8號「經營分類」、國際會計準則第16號「物業、廠房及設備」及國際會計準則第38號「無形資產」以及國際會計準則第24號「關連人士披露」的修訂本。

- 國際財務報告準則第8號「經營分類」

修訂該準則旨在要求披露管理層於合併經營分類時所作判斷，以及於報告分類資產時披露分類資產與實體資產的對賬。

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 effective in 2015 (continued)

- IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets'

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

- IAS 24, 'Related Party Disclosures'

The reporting entity is not required to disclose the compensation paid by the management entity (as a related party) to the management entity's employee or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided.

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) 於二零一五年生效的準則的修訂本 (續)

- 國際會計準則第16號「物業、廠房及設備」及國際會計準則第38號「無形資產」

修訂該兩項準則旨在澄清實體使用重估模型時如何處理賬面總金額及累計折舊。

- 國際會計準則第24號「關連人士披露」

報告實體毋須披露管理實體(作為關連人士)向管理實體僱員或董事支付的薪酬,惟須披露管理實體就所提供服務向報告實體收取的金額。

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 effective in 2015 (continued)*

Amendments from annual improvements to IFRSs 2011-2013 Cycle, on IFRS 3, 'Business combinations', IFRS 13, 'Fair value measurement' and IAS 40, 'Investment property'.

- IFRS 3, 'Business combinations'

It clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement.

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) 於二零一五年生效的準則的修訂本 (續)

國際財務報告準則二零一一年至二零一三年週期的年度改進內有關國際財務報告準則第3號「業務合併」、國際財務報告準則第13號「公允價值計量」及國際會計準則第40號「投資物業」的修訂本。

- 國際財務報告準則第3號「業務合併」
該修訂本澄清，國際財務報告準則第3號不適用於成立國際財務報告準則第11號下任何共同安排在共同安排的財務報表中的會計處理。

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 effective in 2015 (continued)*

- IFRS 13, 'Fair value measurement'

It clarifies that the portfolio exception in IFRS 13, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of IAS 39 or IFRS 9.

- IAS 40, 'Investment property'

It clarifies that the interrelationship between IAS 40 and IFRS 3 when classifying property as investment property or owner-occupied property.

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) 於二零一五年生效的準則的修訂本 (續)

- 國際財務報告準則第13號「公允價值計量」

該修訂本澄清，國際財務報告準則第13號的投資組合例外情況適用於屬國際會計準則第39號或國際財務報告準則第9號範圍內的所有合約（包括非金融合約）。該準則容許實體以淨額基準計量一組金融資產及金融負債的公允價值。

- 國際會計準則第40號「投資物業」

該修訂本澄清將物業分類為投資物業或自用物業時，國際會計準則第40號與國際財務報告準則第3號之間的相互關係。

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 effective in 2015 (continued)*

The adoption of these revised IFRSs has not led to any significant changes in the accounting policies applied in these consolidated financial statements, and has no material effect on the Group's results and financial position for the current or prior accounting periods reflected in these consolidated financial statements.

(b) *New Hong Kong Companies Ordinance (Cap. 622)*

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation during the financial year, as a result, there are changes to presentation and disclosures of certain information in the consolidated 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)

(a) 於二零一五年生效的準則的修訂本 (續)

採納此等經修訂國際財務報告準則並無導致此等合併財務報表所用會計政策出現任何重大變動。對此等合併財務報表所反映本集團於當前或過往會計期間的業績及財務狀況亦無重大影響。

(b) 新香港《公司條例》(第622章)

此外，由於新香港《公司條例》(第622章)第9部「帳目及審計」的規定於本財政年度開始實施，因此，合併財務報表若干資料的呈列及披露均有所改變。

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)

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

| | |
|---|--|
| Amendments to IAS 1 | Disclosure initiative |
| 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 |
| Amendments to IAS 27 | Equity Method in Separate Financial Statements |
| Amendments to IFRS 10 and IAS 28 (2011) | Sales or Contribution of Assets between an Investor and its Associate or Joint Venture |
| Amendments to IFRS 10, IFRS 12 and IAS 28 | Investment entities: applying the consolidation exception |

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)

(c) *尚未生效且本集團並無提早採納的準則及修訂本*

| | |
|--|-------------------------|
| 國際會計準則第1號的修訂本 | 披露計劃 |
| 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的修訂本 |
| 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27號的修訂本 | 於獨立財務報表使用權益法 |
| 國際財務報告準則第10號及國際會計準則第28號(二零一一年)的修訂本 | 投資者與其聯營公司或合營企業之間出售或注入資產 |
| 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28號的修訂本 | 投資實體：應用合併豁免 |

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)

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

| | |
|----------------------------|--|
| 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 |
| IFRS 16 | Leases |
| Annual Improvement Project | Annual Improvements 2012-2014 Cycle |

The Group has already commenced an assessment of the impact of these new standards and amendments to the existing standards, but is not yet in a position to state whether these new standards and amendments would have a significant impact on its results of operation and finance position.

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)

(c) *尚未生效且本集團並無提早採納的準則及修訂本 (續)*

| | |
|---------------------|--------------------|
| 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 |
| 國際財務報告準則第16號 | 租賃 |
| 年度改進項目 | 二零一二年至二零一四年週期的年度改進 |

本集團已着手評估以上新訂準則及現有準則的修訂本的影響，惟現階段尚未能確定此等新訂準則及修訂本會否對本集團的營運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 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.

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。

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) Structured entity

The consolidated financial statements include the financial statements of the Company, its subsidiaries, and structured entity where the Company is deemed the primary beneficiary. Fuzhou DingCe Culture Communication Co. Ltd., one of the Company's wholly-owned subsidiary, entered into contractual agreements with Beijing BaiChuanDuKe Science and Technology Co., Ltd., where Fuzhou DingCe Culture provides consulting services to Beijing BaiChuanDuKe, and is entitled to (1) receive a substantial portion of the economic benefits from Beijing BaiChuanDuKe; (2) exercise effective control over Beijing BaiChuanDuKe, and (3) have an exclusive option to purchase all or part of the equity interests in Beijing BaiChuanDuKe when and to the extent permitted by the PRC laws. By virtue of the contractual arrangements, Beijing BaiChuanDuKe is a structured entity and deemed as subsidiary 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)

(b) 結構性實體

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結構性實體的財務報表。本公司全資附屬公司福州鼎策文化傳播有限公司與北京百傳讀客科技有限公司訂立合約性協議，據此，福州鼎策文化向北京百傳讀客提供諮詢服務，並有權(1)收取來自北京百傳讀客的大部分經濟利益；(2)對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，擁有購買北京百傳讀客全部或部分股本權益的獨家期權。根據合約性安排，北京百傳讀客為結構性實體，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) Structured entity (continued)

When assessing whether to combine a structured entity, the Group evaluates a range of factors, including whether (1) the activities of the structured entity are being conducted on behalf of the Group according to its specific business needs so that the Group obtains the benefits from the structured entity'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 structured entity, 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 a structured entity if an assessment of the relevant factors indicates that it controls the structured entity.

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

2 主要會計政策概要 (續)

2.2 合併財務報表 (續)

(b) 結構性實體 (續)

當評估一家結構性實體是否合併入賬時，本集團會評估多項因素，包括(1)結構性實體業務活動是否根據其特殊業務需要代表本集團進行，而本集團因此從結構性實體業務中獲利；(2)本集團是否擁有獲得大多數利益的決策權；(3)本集團是否獲得結構性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結構性實體，則結構性實體將於本集團合併入賬。

基於合約性安排，本公司將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。

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)

(c) Associates

An associate is an entity 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 investments in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

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.

2 主要會計政策概要 (續)

2.2 合併財務報表 (續)

(c) 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。根據權益法，投資初步按成本確認，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。在收購聯營公司的擁有權權益時，該聯營公司的成本與本集團應佔該聯營公司可識別資產及負債的公允淨值的任何差額會入賬列為商譽。

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）。

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)

(c) Associates (continued)

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.

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' for using equity method 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)

(c) 聯營公司 (續)

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。

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。倘存在減值證據，則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，並使用權益法於合併全面收益表「應佔聯營公司虧損」確認有關金額。

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)

(c) Associates (continued)

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.

Gains or losses on dilution of equity interest in associates are recognised in the consolidated statement of comprehensive income.

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 that makes strategic decisions.

2 主要會計政策概要 (續)

2.2 合併財務報表 (續)

(c) 聯營公司 (續)

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。

攤薄於聯營公司的股本權益所產生的收益或虧損於合併全面收益表確認。

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。

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

(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.

All foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'general and administrative expenses'.

2 主要會計政策概要 (續)

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。

所有外匯收益及虧損均於合併全面收益表的「一般及行政開支」呈列。

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

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 currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

2 主要會計政策概要 (續)

2.4 外幣換算 (續)

(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) 所產生的所有貨幣換算差額均於其他全面收益內確認。

因收購海外實體而產生的商譽及公允價值調整,均視作為該海外實體的資產及負債處理,並以收市匯率換算。所產生的貨幣換算差額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)

2.5 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.

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 |

2 主要會計政策概要 (續)

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。

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 |

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)

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.

2.6 Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

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.

2 主要會計政策概要 (續)

2.5 物業、廠房及設備 (續)

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的「一般及行政開支」內確認。

2.6 無形資產

商譽

收購附屬公司所產生的商譽，指所轉讓代價、於被收購方的任何非控股權益金額及於被收購方的任何先前股本權益的收購日公允價值超出所收購可識別淨資產的公允價值的差額。

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。

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)

Goodwill (continued)

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

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)

商譽 (續)

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。包括商譽在內的現金產生單位的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。

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 programme 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.

2.7 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 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。

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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Properties held for sale

Properties are classified as properties 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.

2.9 Financial assets

2.9.1 Classification

The Group classifies its financial assets as 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.

(a) *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)

2.8 持作出售物業

當物業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，則分類為持作出售物業。倘該等物業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，則該等物業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。

2.9 金融資產

2.9.1 分類

本集團將其金融資產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。

(a) *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

(a) 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

(a) 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)

(a) 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)

(a) 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)

(a) 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)

(a) 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 year 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

年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 substantively 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 are provided on taxable temporary differences arising from 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應課稅暫時差額作撥備，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 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2 主要會計政策概要 (續)

2.20 借款

借款於扣除所產生的交易成本後，初步按公允價值確認，其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值之間的任何差額，於借款期內以實際利息法於合併全面收益表內確認。

在貸款融資將可能部分或全部提取的情況下，就設立融資支付的費用乃確認為貸款的交易成本。在此情況下，該費用將遞延至提取貸款為止。在並無跡象顯示將可能部分或全部提取該融資的情況下，該費用會撥充資本作為流動資金服務的預付款項，並於有關融資期間內攤銷。

除非本集團擁有無條件權利可將負債的償還日期遞延至報告期末後至少十二個月，否則借款乃分類為流動負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Revenue recognition

Revenue is measured at 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)

2.21 收入確認

收入按於本集團日常業務過程中銷售服務的已收或應收代價的公允價值計量。收入於扣除增值稅、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地計量，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)

2.21 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.

(d) Marketing, distribution management, consulting and printing services

Revenue from marketing, distribution management, consulting and printing services is recognised as the services are delivered to the customers.

2 主要會計政策概要 (續)

2.21 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。

(d) 營銷、分銷管理、諮詢及印刷服務

營銷、分銷管理、諮詢及印刷服務收入於服務交付予客戶時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 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 are deferred and recognised in the consolidated statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to expenses are shown separately as other income.

2.23 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.

2.24 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.

2 主要會計政策概要 (續)

2.22 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。

為配合擬補償的成本，政府補助會於必要期間內遞延處理並於合併全面收益表內確認。與開支相關的政府補助獨立呈列為其他收入。

2.23 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。

2.24 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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the consolidated statement of comprehensive income in the period in which they are incurred.

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.

2 主要會計政策概要 (續)

2.25 借貸成本

收購、建造或生產合資格資產(指需要用上大量時間準備就緒作擬定用途或出售的資產)直接應佔的一般及特定借貸成本乃計入該等資產的成本,直至該等資產大致上已準備就緒作擬定用途或出售為止。

特定借款用於合資格資產之前作為短暫投資所賺取的投資收入,自合資格撥充資本的借款成本扣除。

所有其他借款成本於產生期間於合併全面收益表內確認。

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。

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

(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. Foreign exchange risk mainly arises from cash and cash equivalent balance denominated in Hong Kong dollar (“HKD”). The Group does not hold or issue any derivative financial instruments to manage its exposure to foreign currency risk.

As at 31 December 2015, if HKD had weakened/strengthened by 5% against RMB with all other variables held constant, post-tax loss for the year would have been RMB4,805,000 (2014: RMB121,000) higher/lower, mainly as a result of foreign exchange losses/gains on translation of HKD denominated cash and cash equivalent balance.

(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.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(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。外匯風險主要來自以港元計值的現金及現金等值項目結餘。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。

於二零一五年十二月三十一日，倘港元兌人民幣貶值／升值5%，而所有其他變數維持不變，則年內稅後虧損將增加／減少人民幣4,805,000元（二零一四年：人民幣121,000元），主要是由於換算以港元計值的現金及現金等值項目結餘產生的匯兌虧損／收益所致。

(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。

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)

(iii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from bank borrowings and bank deposits. Bank borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by bank deposits held at variable rates. As at 31 December 2015 and 2014, the Group did not hold any financial assets nor financial liabilities that are carried at fixed rates which could expose the Group to 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 borrowings and bank deposits at the balance sheet date and prepared assuming the amount of bank borrowings and bank deposits outstanding at each balance sheet date was outstanding for the whole year.

At 31 December 2015, if interest rates had been 100 basis points higher/lower with all other variables held constant, the Group's post-tax loss for the year ended 31 December 2015 would have been RMB102,000 higher/lower (2014: RMB38,000 lower/higher) mainly as a result of higher/lower interest expense on the bank borrowings.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(iii) 現金流量及公允價值利率風險

本集團的利率風險來自銀行借款及銀行存款。按浮息取得的銀行借款使本集團面對現金流量利率風險，部分風險被按浮息持有的銀行存款所抵銷。於二零一五年及二零一四年十二月三十一日，本集團並無持有任何使本集團面對公允價值利率風險的定息金融資產或金融負債。

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

於二零一五年十二月三十一日，倘利率上升／下降100個基點，而所有其他變數維持不變，本集團截至二零一五年十二月三十一日止年度的稅後虧損將增加／減少人民幣102,000元（二零一四年：減少／增加人民幣38,000元），主要是由於銀行借款的利息開支增加／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、並無知名品牌的省外客戶、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 licences, 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 2015, 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 which 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 consolidated statement of comprehensive income.

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。於截至二零一五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,會影響本集團的合併全面收益表。

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 and Hong Kong. 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) property developer for acquisition of a property.

Management regularly reviews the utilisation and realisation 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.

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 2015, management had performed detailed assessment and made a provision for impairment of deposits and other receivables balances. Please refer to Note 11 for details.

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中國及香港多家主要銀行。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。本集團所面對對方貸款風險的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)為收購一項物業而向物業發展商支付的現金。

管理層定期檢討該等結餘的動用及變現情況，並跟進糾紛或逾期款項金額。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。

倘存在客觀減值證據，則減值虧損金額乃按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計量。於二零一五年十二月三十一日，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。

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

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. The Group invests surplus cash in time deposits and money market deposits with appropriate maturities. The Group reported a net loss of RMB167,180,000 and an operating cash outflow of RMB17,534,000 during the year ended 31 December 2015. As at the same date, the Group held cash and cash equivalent of RMB109,492,000 (2014: 32,487,000) (Note 14) and trade receivables of RMB9,714,000 (2014: 45,493,000) (Note 10) that are expected to readily generate cash inflows for managing liquidity risk and to fund the Group's operations.

On 29 January 2015, the Group obtained mortgage loans amounting to RMB15,470,000 to finance the Group's acquisition of a property. The mortgage loans were drawn on 27 February 2015, and the maturity of the mortgage term is 7 years with floating interest adjusted quarterly. Additionally, the Group obtained a bank borrowing facility of RMB20,000,000 on 6 March 2015, which was undrawn during the year ended 31 December 2015. The facility had expired on 5 March 2016. Details of the bank borrowings are disclosed in Note 16.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(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融資額，滿足短期及長期的流動資金需求。本集團將現金盈餘投資於附有合適到期日的定期存款及貨幣市場存款。於截至二零一五年十二月三十一日止年度，本集團錄得虧損淨額人民幣167,180,000元及經營現金流出人民幣17,534,000元。同日，本集團持有現金及現金等值項目人民幣109,492,000元（二零一四年：人民幣32,487,000元）（附註14）以及貿易應收款項人民幣9,714,000元（二零一四年：人民幣45,493,000元）（附註10），預計可為管理流動資金風險帶來現金流入及為本集團營運提供資金。

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，以就收購一項物業融資。該等按揭貸款已於二零一五年二月二十七日提取。按揭年期為七年，按每季調整的浮動利率計息。此外，於二零一五年三月六日，本集團取得人民幣20,000,000元的銀行借款融資授信，於截至二零一五年十二月三十一日止年度尚未提取。該融資授信已於二零一六年三月五日到期。銀行借款詳情載於附註16。

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 within 12 months equal their carrying balances, as the impact of discounting is not significant. Specifically, for bank borrowings which contain a repayment on demand clause which can be exercised at the bank's discretion, the analysis shows the cash outflow based on the earliest period in which the entity can be required to pay.

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個月內到期的結餘相等於其賬面結餘。具體而言，對於載有銀行可酌情行使的應要求償還條款的銀行借款，以下分析所示現金流出量乃以實體可能被要求付款的最早期限為基礎。

| | | 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 2015 | 於二零一五年十二月三十一日 | | | |
| Trade and other payables | 貿易及其他應付款項 | 25,897 | - | 25,897 |
| Bank borrowings | 銀行借款 | 13,606 | - | 13,606 |
| Amounts due to related parties | 應付關連人士款項 | 1,043 | 688 | 1,731 |
| | | 40,546 | 688 | 41,234 |
| 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 | - | 24,872 |
| Amounts due to related parties | 應付關連人士款項 | 1,231 | 688 | 1,919 |
| | | 26,103 | 688 | 26,791 |

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 2014, was to maintain the gearing ratio below 40%. Gearing ratio as at 31 December 2015 was 6.0% (2014: zero).

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持份者帶來利益，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，與二零一四年相同。於二零一五年十二月三十一日的資產負債比率為6.0% (二零一四年：零)。

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

3 財務風險管理 (續)

3.3 按類別劃分的金融工具

| | | Loans and receivables | |
|--|-------------------|------------------------------|---------|
| | | 貸款及應收款項 | |
| | | 2015 | 2014 |
| | | 二零一五年 | 二零一四年 |
| | | 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 | | |
| Trade receivables and deposits and other receivables | 貿易應收款項以及按金及其他應收款項 | 13,792 | 59,506 |
| Amount due from related parties | 應收關連人士款項 | 522 | 24,364 |
| Short-term bank deposits | 短期銀行存款 | - | 5,000 |
| Cash and cash equivalents | 現金及現金等值項目 | 109,492 | 32,487 |
| Total | 總計 | 123,806 | 121,357 |

| | | Other financial liabilities at amortised cost | |
|---|-------------------|--|---------|
| | | 其他金融負債，按攤銷成本 | |
| | | 2015 | 2014 |
| | | 二零一五年 | 二零一四年 |
| | | 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 | | |
| Trade and other payables | 貿易及其他應付款項 | 25,897 | 24,872 |
| Bank borrowings | 銀行借款 | 13,579 | - |
| Amounts due to related parties | 應付關連人士款項 | 1,731 | 1,919 |
| Total | 總計 | 41,207 | 26,791 |

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, bank borrowings and amounts due to related parties.

As at 31 December 2015 and 31 December 2014, there were certain deposits and other receivables measured at value in use using discounted cash flow method which is approximate to their fair values. See Note 11 for disclosures relevant to deposits and other receivables.

As at 31 December 2015 and 31 December 2014, there were certain properties held for sale measured at fair value less cost to sell using direct market comparable method which is approximate to their fair values. See Note 12 for disclosures relevant to properties held for sale.

3.5 Offsetting financial assets and financial liabilities

No disclosure of the offsetting of financial assets and financial liabilities was made as there were no netting arrangements in place during the year.

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，此乃由於該等項目均屬短期性質所致：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、銀行借款以及應付關連人士款項。

於二零一五年十二月三十一日及二零一四年十二月三十一日，若干按金及其他應收款項採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。按金及其他應收款項的相關披露見附註11。

於二零一五年十二月三十一日及二零一四年十二月三十一日，若干持作出售物業採用直接市場比較法按公允價值減銷售成本計量，其減去銷售成本的公允價值與其公允價值相若。持作出售物業的相關披露見附註12。

3.5 抵銷金融資產及金融負債

由於年內並無淨額結算安排，因此並無作出抵銷金融資產及金融負債的披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

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.

(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. 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.

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。

(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當年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,以釐定資產何時出現減值(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 of 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

當出現情況轉變事件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，並按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地計量時，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，並按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

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, and outdoor advertising services and activities. The total sales amount of the Group's five largest customers is RMB13,082,000 for the year ended 31 December 2015 (2014: RMB26,712,000). 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，以及戶外廣告服務及活動。截至二零一五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13,082,000元（二零一四年：人民幣26,712,000元）。本集團年內收入分析如下：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|----------------------------|-----------------------------------|-----------------------------------|
| Newspaper advertising | 報紙廣告 | 34,820 | 134,469 |
| Online services | 網絡服務 | 491 | 338 |
| 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 | 31,661 | 46,867 |
| Television and radio advertising | 電視及電台廣告 | - | 1,882 |
| | | 66,972 | 183,556 |

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 advertising, marketing, distribution management and printing businesses from both geographic and product perspectives. From a product perspective, management takes into consideration of the economic benefits of abovementioned 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 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為分配資源及評估表現而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廣告、營銷、分銷管理及印刷業務的表現。產品角度方面，由於首席營運決策人認為上述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，以總體考慮上述業務的經濟利益。地域方面，管理層認為本集團的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

7 物業、廠房及設備

| | | 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 | 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 2014 | 於二零一四年一月一日 | | | | | | |
| 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 | 出售 | (1,753) | (22) | – | (1,123) | (3,638) | (6,536) |
| Depreciation (Note 23) | 折舊(附註23) | (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> |
| Year ended 31 December 2015 | 截至二零一五年 十二月三十一日止年度 | | | | | | |
| Opening net carrying amount | 年初賬面淨額 | 1,671 | 8,197 | 15,996 | 2,863 | 11,380 | 40,107 |
| Additions | 添置 | – | 1,418 | 972 | 437 | 151 | 2,978 |
| Disposals | 出售 | (1,630) | (157) | (3,882) | (348) | (5,523) | (11,540) |
| Depreciation (Note 23) | 折舊(附註23) | (41) | (1,581) | (4,811) | (1,120) | (1,378) | (8,931) |
| Provision for impairment (Note 23) | 減值撥備(附註23) | – | – | (2,171) | – | – | (2,171) |
| Closing net carrying amount | 年末賬面淨額 | <u>–</u> | <u>7,877</u> | <u>6,104</u> | <u>1,832</u> | <u>4,630</u> | <u>20,443</u> |
| At 31 December 2015 | 於二零一五年十二月三十一日 | | | | | | |
| Cost | 成本 | – | 12,778 | 38,447 | 6,769 | 8,611 | 66,605 |
| Accumulated depreciation | 累計折舊 | – | (4,901) | (30,172) | (4,937) | (3,981) | (43,991) |
| Accumulated impairment losses | 累計減值虧損 | – | – | (2,171) | – | – | (2,171) |
| Net carrying amount | 賬面淨額 | <u>–</u> | <u>7,877</u> | <u>6,104</u> | <u>1,832</u> | <u>4,630</u> | <u>20,443</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation of the Group's property, plant and equipment has been charged to the consolidated statement of comprehensive income as follows:

7 物業、廠房及設備 (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：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-------------------------------------|---------|---|-----------------------------------|
| Cost of sales | 銷售成本 | 3,208 | 2,986 |
| General and administrative expenses | 一般及行政開支 | 5,723 | 7,184 |
| Total | 總計 | 8,931 | 10,170 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

8 INTANGIBLE ASSETS

8 無形資產

| | | Computer Software | Non- compete agreement | Goodwill | Customer relationships | Trademark | Web site | Other intangible assets 其他 | Total |
|------------------------------------|-------------------|--------------------------|------------------------------|------------------------|---------------------------|------------------------|------------------------|-------------------------------------|------------------------|
| | | 電腦軟件 RMB'000 人民幣千元 | 不競爭協議 RMB'000 人民幣千元 | 商譽 RMB'000 人民幣千元 | 客戶關係 RMB'000 人民幣千元 | 商標 RMB'000 人民幣千元 | 網站 RMB'000 人民幣千元 | 無形資產 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| At 1 January 2014 | 於二零一四年一月一日 | | | | | | | | |
| Cost | 成本 | 3,692 | 11,500 | 12,573 | 16,100 | 9,400 | 9,378 | 1,000 | 63,643 |
| Accumulated amortisation | 累計攤銷 | (2,830) | (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 23) | 攤銷(附註23) | (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> |
| Year ended 31 December 2015 | 截至二零一五年十二月三十一日止年度 | | | | | | | | |
| Opening net carrying amount | 年初賬面淨額 | 632 | - | 12,573 | - | 4,924 | 21 | - | 18,150 |
| Disposals | 出售 | (57) | - | - | - | - | - | - | (57) |
| Amortisation (Note 23) | 攤銷(附註23) | (103) | - | - | - | (1,221) | (21) | - | (1,345) |
| Provision for impairment (Note 23) | 減值撥備(附註23) | (410) | - | (12,573) | - | (2,265) | - | - | (15,248) |
| Closing net carrying amount | 年末賬面淨額 | <u>62</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,438</u> | <u>-</u> | <u>-</u> | <u>1,500</u> |
| At 31 December 2015 | 於二零一五年十二月三十一日 | | | | | | | | |
| Cost | 成本 | 3,112 | 11,500 | 12,573 | 14,500 | 9,400 | 8,476 | - | 59,561 |
| Accumulated amortisation | 累計攤銷 | (2,640) | (11,500) | - | (14,500) | (5,697) | (8,476) | - | (42,813) |
| Accumulated impairment losses | 累計減值虧損 | (410) | - | (12,573) | - | (2,265) | - | - | (15,248) |
| Net carrying amount | 賬面淨額 | <u>62</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,438</u> | <u>-</u> | <u>-</u> | <u>1,500</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 (continued)

On 30 November 2015, other intangible assets were disposed of along with the disposal of subsidiaries by the Group (Note 35(a)).

Due to the acquisition of business from Fuzhou H-Brand Estate Marketing and Planning Company Limited 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 the 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 2015, management of the Group determined that the provision for impairment of goodwill and trademark amounted to RMB15,248,000 (2014: nil). 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 20%. The cash flows beyond the 5-year period are extrapolated using a constant growth rate of 3.0%. This growth rate is based on the relevant industry growth forecasts in the PRC.

8 無形資產 (續)

於二零一五年十一月三十日，其他無形資產已隨本集團出售附屬公司一併出售（附註35(a)）。

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。於截至二零一五年十二月三十一日止年度，本集團管理層確定商譽及商標的減值撥備為人民幣15,248,000元（二零一四年：無）。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20%的稅前貼現率。五年期以後的現金流量則採用3.0%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

8 INTANGIBLE ASSETS (continued)

Management has performed sensitivity analysis for business of Fujian Haobang by adjusting the revenue growth rate 5% more than or less than the based estimate. Based on the sensitivity analysis, should revenue growth increase or reduce by 5% over the base case, the recoverable amount of Fujian Haobang CGU would be approximately RMB1,391,000 higher or lower than the current estimate amount.

8 無形資產(續)

管理層已就福建好邦的業務進行敏感度分析，將收入增長率調整至較基準估算增加或減少5%。根據該敏感度分析，倘收入增長率較基準情況增加或減少5%，則福建好邦現金產生單位的可收回金額將較現時估算金額增加或減少約人民幣1,391,000元。

9 INTERESTS IN ASSOCIATES

9 於聯營公司的權益

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|------------------------|-----------------------------------|-----------------------------------|
| At 1 January | 於一月一日 | 9,121 | 59,993 |
| 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 | (4,115) | (5,191) |
| Provision for impairment of interests in associates (Note 23) | 於聯營公司的權益減值撥備 (附註23) | (5,006) | (46,026) |
| At 31 December | 於十二月三十一日 | <u>-</u> | <u>9,121</u> |

On 30 November 2015, the Group's entire interests in Skybroad International Limited ("Skybroad") and Beijing HanDing Advertisement Co., Limited ("Beijing HanDing") were disposed of to facilitate the streamlining of the Group's structure (Note 35 (a)).

為推動精簡本集團架構，於二零一五年十一月三十日，本集團出售於Skybroad International Limited (「Skybroad」)及北京漢鼎廣告有限公司(「北京漢鼎」)的全部權益(附註35(a))。

As at 31 December 2014, the Group's interests in associates represented its 34% equity interest in Skybroad and its 30% interest in Beijing HanDing. The Group's interest in Skybroad included a quasi-equity loan of RMB680,000 to Skybroad, which was unsecured and interest-free.

於二零一四年十二月三十一日，本集團於聯營公司的權益指其於Skybroad的34%股本權益及其於北京漢鼎的30%權益。本集團於Skybroad的權益包括給予Skybroad的無抵押及免息準股本性質貸款人民幣680,000元。

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 using the discounted cash flow method. Impairment provision of RMB4,724,000 (2014: RMB46,026,000) was recognised during the year ended 31 December 2015 for the Group's interest in Skybroad. In addition, an impairment provision of RMB282,000 (2014: nil) was made during the year ended 31 December 2015 for Beijing HanDing in view of the significant deterioration in financial performance.

The impairment assessment includes assumptions of net cash receipts generated from the business of Skybroad and Beijing HanDing which are categorised into Level 3 within the fair value hierarchy. 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 -1.0% to 3.0% per annum 年增長率-1.0%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 | 22.0% 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 rate, 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時，本集團會就於聯營公司的權益審閱減值。鑒於來自互聯網語音系統軟件行業現有競爭對手及新加入者的競爭導致收入下跌，管理層利用貼現現金流量法評估Skybroad權益的可收回金額。於截至二零一五年十二月三十一日止年度，本集團就其於Skybroad的權益確認減值撥備人民幣4,724,000元（二零一四年：人民幣46,026,000元）。此外，鑒於北京漢鼎的財務表現大幅倒退，於截至二零一五年十二月三十一日止年度，本集團就北京漢鼎確認減值撥備人民幣282,000元（二零一四年：無）。

減值評估包括假設Skybroad及北京漢鼎的業務所產生的現金收款淨額（歸入公允價值架構等級的第三級）。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)

Management has performed sensitivity analysis for business of Skybroad by adjusting the revenue growth rate 5% more than or less than the based estimate. Based on the sensitivity analysis, should revenue growth increase or reduce by 5% over the base case, the recoverable amount of the Skybroad CGU would be approximately RMB664,000 higher or lower than the current estimate amount, respectively.

Set out below are details of the associates of the Group as at 31 December 2014. They had share capitals consisting solely of ordinary shares, which were held directly by the Group; the country of their principal place of businesses was in PRC.

9 於聯營公司的權益（續）

管理層已就Skybroad的業務進行敏感度分析，將收入增長率調整至較基準估算增加或減少5%。根據該敏感度分析，倘收入增長率較基準情況增加或減少5%，則Skybroad現金產生單位的可收回金額將較現時估算金額增加或減少約人民幣664,000元。

下文載列本集團於二零一四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，並由本集團直接持有；而其主要營業地點所在國家為中國。

| Name of entity | Country of incorporation | Nature of the relationship | Measurement method | % of ownership interest held as at 31 December | |
|-----------------|--------------------------|----------------------------|--------------------|--|---------------|
| | | | | 2015 二零一五年 | 2014 二零一四年 |
| 實體名稱 | 註冊成立國家 | 關係性質 | 計量方法 | 於十二月三十一日 所持擁有權權益百分比 | |
| Skybroad | British Virgin Islands | Communication software | Equity | - | 34.0 |
| Skybroad | 英屬處女群島 | 通訊軟件 | 權益 | | |
| Beijing HanDing | The PRC | Advertising agent | Equity | - | 30.0 |
| 北京漢鼎 | 中國 | 廣告代理 | 權益 | | |

No information for summarised financial information of Skybroad is presented as Skybroad was disposed of by the Group during the year.

由於本集團已於年內出售Skybroad，因此並無呈列Skybroad的財務資料概要。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 TRADE RECEIVABLES – NET

10 貿易應收款項－淨額

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|--------------|-----------------------------------|-----------------------------------|
| Trade receivables | 貿易應收款項 | 25,462 | 83,904 |
| Less: provision for impairment of trade receivables | 減：貿易應收款項減值撥備 | (15,748) | (38,411) |
| Trade receivables – net | 貿易應收款項－淨額 | 9,714 | 45,493 |

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:

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：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|--------------|-----------------------------------|-----------------------------------|
| 1 – 30 days | 1至30日 | 2,402 | 8,739 |
| 31 – 60 days | 31至60日 | 713 | 7,609 |
| 61 – 90 days | 61至90日 | 540 | 4,263 |
| 91 – 180 days | 91至180日 | 1,711 | 20,258 |
| 181– 365 days | 181至365日 | 4,021 | 19,901 |
| Over 1 year | 一年以上 | 16,075 | 23,134 |
| Less: provision for impairment of trade receivables | 減：貿易應收款項減值撥備 | (15,748) | (38,411) |
| Trade receivables – net | 貿易應收款項－淨額 | 9,714 | 45,493 |

The carrying amounts of the Group's trade receivables are denominated in RMB.

本集團貿易應收款項的賬面金額以人民幣計值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 TRADE RECEIVABLES – NET (continued)

As at 31 December 2015, trade receivables of RMB2,243,000 (2014: RMB6,380,000) 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:

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-----------------------|----------|-----------------------------------|-----------------------------------|
| Past due 1 – 30 days | 逾期1至30日 | 261 | 1,535 |
| Past due 31 – 60 days | 逾期31至60日 | 516 | 436 |
| Past due 61 – 90 days | 逾期61至90日 | 302 | 519 |
| Past due over 91 days | 逾期91日以上 | 1,164 | 3,890 |
| | | 2,243 | 6,380 |

As at 31 December 2015, trade receivables of RMB15,748,000 (2014: RMB38,411,000) were impaired and provided for. For the year ended 31 December 2015, the amounts of the provision charged to the consolidated statement of comprehensive income were RMB17,187,000 (2014: RMB1,842,000). The aging of these receivables based on due date were as follows:

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-------------------------|------------|-----------------------------------|-----------------------------------|
| Past due 1 – 30 days | 逾期1至30日 | 550 | – |
| Past due 31 – 60 days | 逾期31至60日 | 334 | 2,091 |
| Past due 61 – 90 days | 逾期61至90日 | 11 | 1,717 |
| Past due 91 – 180 days | 逾期91至180日 | 2,003 | 2,327 |
| Past due 181 – 365 days | 逾期181至365日 | 9,437 | 13,348 |
| Past due over 1 year | 逾期一年以上 | 3,413 | 18,928 |
| | | 15,748 | 38,411 |

10 貿易應收款項－淨額（續）

於二零一五年十二月三十一日，貿易應收款項人民幣2,243,000元（二零一四年：人民幣6,380,000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：

於二零一五年十二月三十一日，貿易應收款項人民幣15,748,000元（二零一四年：人民幣38,411,000元）已減值並計提撥備。截至二零一五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17,187,000元（二零一四年：人民幣1,842,000元）。該等應收款項根據到期日的賬齡如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 TRADE RECEIVABLES – NET (continued)

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.

During the year ended 31 December 2015, trade receivables of RMB1,072,000 (2014: nil) were directly written-off to the consolidated statement of comprehensive income. 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 of trade receivables are as follows:

| | |
|---|------------|
| At 1 January | 於一月一日 |
| Provision for impairment of trade receivables | 貿易應收款項減值撥備 |
| Receivables written back | 應收款項撥回 |
| Disposal of subsidiaries | 出售附屬公司 |
| Receivables written off | 應收款項撇銷 |
| At 31 December | 於十二月三十一日 |

The creation and release of provision for impaired receivables have been included in "General and administrative expenses" in the consolidated statement of comprehensive income. 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（續）

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。

於截至二零一五年十二月三十一日止年度，貿易應收款項人民幣1,072,000元（二零一四年：無）直接於合併全面收益表撇銷。管理層在盡合理努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如下：

| | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|-----------------------------------|-----------------------------------|
| | 38,411 | 179,040 |
| | 17,187 | 1,842 |
| | (1,541) | (800) |
| | (3,053) | (64,349) |
| | (35,256) | (77,322) |
| | 15,748 | 38,411 |

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。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

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|------------------------|-----------------------------------|-----------------------------------|
| <u>Non-current portion</u> | <u>非流動部分</u> | | |
| Long term prepayment (note (i)) | 長期預付款項 (附註(i)) | 138,000 | 173,000 |
| Prepayment for acquisition of a property (note (ii)) | 收購一項物業的預付款項 (附註(ii)) | 22,907 | 6,694 |
| Deposits to newspaper publishers (note (iii)) | 給予報紙出版商的按金 (附註(iii)) | 30,000 | 92,000 |
| | | 190,907 | 271,694 |
| Less: Provision for impairment | 減：減值撥備 | (168,000) | (246,400) |
| Prepayments, deposits and other receivables – net | 預付款項、按金及其他應收款項－淨額 | 22,907 | 25,294 |
| <u>Current portion</u> | <u>流動部分</u> | | |
| Prepayments to newspaper publishers and others (note (iv)) | 預付報紙出版商及其他款項 (附註(iv)) | 90,407 | 243,542 |
| Deposits and other receivables (note (v)) | 按金及其他應收款項 (附註(v)) | 18,264 | 47,949 |
| Receivable from Yueyang City Intermediate People's Court (note (vi)) | 應收岳陽市中級人民法院款項 (附註(vi)) | – | 22,000 |
| | | 108,671 | 313,491 |
| Less: Provision for impairment | 減：減值撥備 | (103,289) | (291,218) |
| Prepayments, deposits and other receivables – net | 預付款項、按金及其他應收款項－淨額 | 5,382 | 22,273 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

The carrying amounts of the Group's prepayments, deposits and other receivables were denominated in RMB.

(i) Long term prepayment

As at 31 December 2015, long term prepayment represented cash paid by the Group to one (2014: two) metropolitan newspaper(s) publisher in the PRC, namely Southeast Express (2014: Southeast Express and Lifestyle Express), in relation to the potential establishment of joint ventures with these metropolitan newspaper publisher(s).

Lifestyle Express had ceased publication from 30 June 2015 due to financial difficulties. The management reviewed the recoverability of the long term prepayment made to Lifestyle Express and write-off the entire balance amounted to RMB35,000,000, of which RMB31,400,000 had been provided for in prior years. The management assessed the probability of recovering the Group's investment costs to be remote.

In view of the continuous decline in advertising revenue associated with the exclusive advertising rights over the years, the management reviewed the Group's ability to recover the carrying amount of the long term prepayment made to Southeast Express and determined a provision totaling RMB138,000,000 (2014: RMB123,000,000) should be made as at 31 December 2015. As at 31 December 2015, the entire balance had been provided for.

11 預付款項、按金及其他應收款項 (續)

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) 長期預付款項

於二零一五年十二月三十一日，長期預付款項指本集團就可能與中國一家（二零一四年：兩家）都市報出版商（即東南快報社（二零一四年：東南快報社及生活新報社））成立合營公司而向該等出版商支付的現金。

生活新報社因財政困難而從二零一五年六月三十日起停刊。管理層已檢討收回向生活新報社所支付的長期預付款項的能力，並撇銷全部結餘人民幣35,000,000元，當中人民幣31,400,000元乃於過往年度計提撥備。管理層評估，收回本集團投資成本的可能性甚微。

鑒於與獨家廣告權利相關的廣告收入逐年下跌，管理層已檢討本集團收回向東南快報社所支付的長期預付款項的賬面金額的能力，並決定須於二零一五年十二月三十一日計提撥備合共人民幣138,000,000元（二零一四年：人民幣123,000,000元）。於二零一五年十二月三十一日，全數結餘已作撥備。

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 2015, prepayment for acquisition of a property represented the prepayment paid by the Group to Xiamen Information Group Ltd. for the purchase of certain commercial premises located within Xiamen Software Park III. Total consideration for the property is RMB22,164,000. The initial down payment of RMB6,694,000 was paid by the Group to the seller during the year ended 31 December 2014. During the year ended 31 December 2015, the Group made a further payments of RMB15,470,000 which were financed by mortgage loans on the property granted by a bank to the Group. Details of the mortgage loans are disclosed in Note 16. Ownership of the property is expected to be conveyed to the Group before 31 December 2017 when construction of the property is expected to be substantially completed. During the year, the Group capitalised borrowing costs amounting to RMB743,000 (2014: nil) on the prepayment.

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

於二零一五年十二月三十一日，收購一項物業的預付款項指本集團就購買位於廈門軟件園三期的若干商業物業而向廈門信息集團有限公司支付的預付款項。該物業的總代價為人民幣22,164,000元。本集團已於截至二零一四年十二月三十一日止年度向賣方支付首期付款人民幣6,694,000元。於截至二零一五年十二月三十一日止年度，本集團以一家銀行就該物業向本集團授出的按揭貸款進一步支付款項人民幣15,470,000元。按揭貸款的詳情於附註16披露。該物業的業權預期將於二零一七年十二月三十一日前該物業工程預計大致完成時移交本集團。年內，本集團已就該預付款項將借款成本人民幣743,000元（二零一四年：無）撥充資本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(iii) Deposits to newspaper publishers

As at 31 December 2015, deposits to newspaper publishers represented cash paid by the Group to one (2014: three) metropolitan newspaper publisher(s) in the PRC, namely Southeast Express (2014: Southeast Express, Lifestyle Express and Central Guizhou Morning Post), pursuant to exclusive agreements between the Group and the newspaper publisher(s).

Owing to the aforementioned reason in Note 11(i), the management reviewed the recoverability of deposits to Lifestyle Express and write-off the entire balance amounted to RMB30,000,000, which had been fully provided for in prior years.

During the year ended 31 December 2015, the management reviewed the recoverability of deposits made to Central Guizhou Morning Post and determined the deposits to be uncollectible. The entire balance amounted to RMB32,000,000, which had been fully provided for in prior years, has been written off.

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. In view of the continuous decline in advertising revenue associated with the exclusive advertising rights over the years, the entire deposits of RMB30,000,000 made to Southeast Express have been provided for in prior years.

11 預付款項、按金及其他應收款項 (續)

(iii) 給予報紙出版商的按金

於二零一五年十二月三十一日，給予報紙出版商的按金指本集團根據其與中國一家（二零一四年：三家）都市報出版商（即東南快報社（二零一四年：東南快報社、生活新報社及黔早傳媒））訂立的獨家協議向該報紙出版商支付的現金。

鑒於上文附註11(i)所述的理由，管理層已檢討收回向生活新報社所支付的按金的能力，並將已於過往年度悉數撥備的結餘人民幣30,000,000元全數撇銷。

於截至二零一五年十二月三十一日止年度，管理層已檢討收回向黔早傳媒所支付的按金的能力，並確定無法收回按金。於過往年度悉數撥備的結餘人民幣32,000,000元現已全數撇銷。

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。鑒於與獨家廣告權利相關的廣告收入逐年下跌，向東南快報社支付的全數按金人民幣30,000,000元已於過往年度計提撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(iv) Prepayments

Under the terms of certain (exclusive and non-exclusive) advertising agreements with one (2014: three) metropolitan newspaper(s), the Group has to make prepayments for print media advertising to the newspaper publisher(s). The amounts prepaid to these metropolitan newspaper publishers can be utilised as advertising costs in the coming 12 months.

Owing to the aforementioned reasons in Notes 11(i) and 11(iii), the management write-off the entire balances for prepayments to Lifestyle Express and Central Guizhou Morning Post amounted to RMB68,376,000 and RMB49,198,000 respectively, which had been fully provided for in prior years.

As at 31 December 2012, prepayment of RMB33,780,000 was made to Shenyang Evening News pursuant to the exclusive advertising agreement between the Group and Shenyang Evening News. The exclusive advertising agreement was terminated on 26 July 2011. The management considered the recoverability of the prepayment and probable outcome of the pending litigation with Shenyang Evening News, and a full provision was made in prior years.

Prepayment made to Shenyang Evening News and its impairment provision were disposed of along with the disposal of a subsidiary by the Group on 30 November 2015 (Note 35(a)).

In view of the continuous decline in printing revenue associated with the advertising agreement over the years, the entire prepayment totaling RMB83,927,000 made to Southeast Express have been provided for in prior years.

11 預付款項、按金及其他應收款項 (續)

(iv) 預付款項

根據與一家(二零一四年:三家)都市報訂立的若干(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。向該等都市報出版商預付的款項可用作未來十二個月的廣告成本。

鑒於上文附註11(i)及11(iii)所述的理由,管理層撇銷向生活新報社及黔早傳媒所分別支付並已於過往年度悉數撥備的預付款項的全部結餘人民幣68,376,000元及人民幣49,198,000元。

於二零一二年十二月三十一日,根據本集團與瀋陽晚報社訂立的獨家廣告協議,本集團向瀋陽晚報社預付人民幣33,780,000元。該獨家廣告協議已於二零一一年七月二十六日終止。管理層已考慮收回該預付款項的能力及與瀋陽晚報社的待決訴訟可能出現的結果,並於過往年度作出全數撥備。

預付瀋陽晚報社的款項及其減值撥備已隨本集團於二零一五年十一月三十日出售一間附屬公司一併出售(附註35(a))。

鑒於與廣告協議相關的印刷收入逐年下跌,向東南快報社預付的全數款項合共人民幣83,927,000元已於過往年度計提撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(v) 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.

Owing to the aforementioned reason in Note 11(i), the management write-off the entire balances for deposits and other receivables to Lifestyle Express amounted to RMB19,775,000, which had been fully provided for in prior years.

Pursuant to the aforementioned exclusive advertising agreement with Shenyang Evening News in Note 11(iv), the Group also made a deposit of RMB10,000,000 to Shenyang Evening News which had been fully provided for in prior years.

Deposits made to Shenyang Evening News and its impairment provision were disposed of along with the disposal of a subsidiary by the Group on 30 November 2015 (Note 35(a)).

Management has assessed the recoverability of deposits and other receivables, including those from Southeast Express of RMB4,162,000 that had been fully provided for in prior years, a further impairment provision of RMB10,024,000 has been made for the year ended 31 December 2015.

11 預付款項、按金及其他應收款項 (續)

(v) 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。

鑒於上文附註11(i)所述的理由，管理層撇銷向生活新報社所支付並已於過往年度悉數撥備的按金及其他應收款項的全部結餘人民幣19,775,000元。

根據上文附註11(iv)所述與瀋陽晚報社訂立的獨家廣告協議，本集團亦向瀋陽晚報社支付人民幣10,000,000元的按金，該款項已於過往年度悉數撥備。

向瀋陽晚報社支付的按金及其減值撥備已隨本集團於二零一五年十一月三十日出售一間附屬公司一併出售(附註35(a))。

管理層已評估收回已於過往年度悉數撥備的按金及其他應收款項(包括來自東南快報社的按金及其他應收款項人民幣4,162,000元)的能力，並已於截至二零一五年十二月三十一日止年度作出進一步減值撥備人民幣10,024,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

(vi) Receivable from Yueyang City Intermediate People's Court

On 30 September 2013, the Company and its former 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 favour of Yueyang Paper Co., Ltd.

On 17 February 2014 and 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 amount of RMB22,000,000 to the Group (Note 36 (b)).

The management 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 a full provision for the amount of RMB22,000,000 in prior years.

Receivables and its impairment provision from Yueyang City Intermediate People's Court were disposed of along with the disposal of a subsidiary by the Group on 12 May 2015 (Note 35(a)).

11 預付款項、按金及其他應收款項 (續)

(vi) 應收岳陽市中級人民法院款項

於二零一三年九月三十日，本公司及其前全資附屬公司（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。

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款項人民幣22,000,000元（附註36(b)）。

管理層已考慮上述發展、岳陽市中級人民法院根據上述執行裁定書提取的款項及待決訴訟的可能結果，並決定於過往年度作出全數撥備人民幣22,000,000元。

應收岳陽市中級人民法院款項及其減值撥備已隨本集團於二零一五年五月十二日出售一間附屬公司一併出售（附註35(a)）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

12 PROPERTIES HELD FOR SALE

The Group's properties 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 properties 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 RMB14,555,000 for the year ended 31 December 2015 (2014: RMB1,828,000) (Note 23).

Cash flows associated with the disposal of properties held for sale are presented under "Operating activities" in the consolidated statement of cash flows. The gain/loss on disposal and impairment loss of properties held for sale are recorded in "General and administrative expenses" in the consolidated statement of comprehensive income.

13 INVENTORIES

Newsprint and printing consumables

新聞紙及印刷消耗品

12 持作出售物業

本集團的持作出售物業包括以下項目：

| 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 51,527 | 78,191 |

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物業。

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，於截至二零一五年十二月三十一日止年度作出減值撥備人民幣14,555,000元（二零一四年：人民幣1,828,000元）（附註23）。

有關出售持作出售物業的現金流量呈列於合併現金流量表「經營活動」下。出售持作出售物業的收益／虧損及持作出售物業的減值虧損記錄在合併全面收益表的「一般及行政開支」內。

13 存貨

| 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 5,583 | 6,560 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

14 CASH AND CASH EQUIVALENTS

The Group's cash and cash equivalents are denominated in the following currencies:

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 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 | 13,385 | 30,002 |
| Denominated in HKD | 以港元計值 | 96,101 | 2,418 |
| Denominated in USD | 以美元計值 | 6 | 67 |
| | | <u>109,492</u> | <u>32,487</u> |
| Maximum exposure to credit risk | 最高信貸風險 | <u>107,643</u> | <u>29,066</u> |

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.

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%. As at 31 December 2015, no placement of short-term bank deposits was made by the Group (2014: RMB5,000,000).

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：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|--|-----------------------------------|-----------------------------------|
| 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例。 | | | |

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例。

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%。於二零一五年十二月三十一日，本集團並無辦理短期銀行存款（二零一四年：人民幣5,000,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

16 BANK BORROWINGS

16 銀行借款

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--------------------------------------|----------------|-----------------------------------|-----------------------------------|
| Bank borrowings – current (Note (i)) | 銀行借款－即期（附註(i)） | 13,579 | – |

The maturity of the above borrowings based on scheduled repayment dates set out in the loan agreements and excluding the repayment on demand clause is as follows:

按照貸款協議所載預定還款日期，並撇除應要求償還條款，上述借款的到期日如下：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-----------------------|------|-----------------------------------|-----------------------------------|
| Within 1 year | 一年內 | 2,229 | – |
| Between 1 and 2 years | 一至兩年 | 2,230 | – |
| Between 2 and 5 years | 兩至五年 | 6,698 | – |
| Beyond 5 years | 五年以上 | 2,422 | – |
| | | 13,579 | – |

Note (i):

During the year ended 31 December 2015, the Group obtained mortgage loans amounting to RMB15,470,000 to finance the Group's acquisition of a property (Note 11(ii)). Transaction costs directly attributable to mortgage loans amounted to RMB35,000. The mortgage loans were drawn on 27 February 2015 and a further payment of RMB15,470,000 was made by the Group to Xiamen Information Group Ltd. for the property. The mortgage loans are secured by the ownership rights of the property and the personal guarantee of Zheng Bai Ling and Zhang Hui, a key management and the spouse of a key management of a subsidiary of the Group. Total consideration for the property is RMB22,164,000, of which the initial down payment of RMB6,694,000 was paid by the Group during the year ended 31 December 2014.

附註(i)：

於截至二零一五年十二月三十一日止年度，本集團取得按揭貸款人民幣15,470,000元，為本集團收購一項物業提供資金（附註11(ii)）。按揭貸款直接應佔的交易成本為人民幣35,000元。該等按揭貸款乃於二零一五年二月二十七日提取，而本集團已就該物業向廈門信息集團有限公司進一步支付人民幣15,470,000元。該等按揭貸款以該物業的所有權及本集團一間附屬公司的主要管理人員鄭柏齡及主要管理人員的配偶張輝提供的個人擔保作抵押。該物業的總代價為人民幣22,164,000元，本集團已於截至二零一四年十二月三十一日止年度支付首期款項人民幣6,694,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

16 BANK BORROWINGS (continued)

Note (i): (continued)

As at 31 December 2015, the mortgage loans were classified as current liabilities due to the related loan agreements containing a repayment on demand clause which gives the bank unconditional right to call the loans at any time. The mortgage terms are 7 years and are denominated in RMB. The mortgage loans are carried at quarterly adjusted floating interest rate of 1.15 times the benchmark loan interest rate as prescribed by the People's Bank of China for loans of a similar length. The effective interest rate for the year is 7.39% per annum.

The fair value of current borrowings approximates their carrying amount, the fair values are based on cash flows discounted using the effective interest rate and are within level 2 of the fair value hierarchy.

Note (ii):

The Group has the following undrawn borrowing facilities:

| | |
|--------------------------|-------|
| Expiring within one year | 一年內到期 |
|--------------------------|-------|

On 6 March 2015, the Group obtained a short-term bank facility under which the Group can draw borrowings of up to RMB20,000,000 and each drawdown will require approval from the bank. Each drawdown of the bank facility shall be secured by the personal guarantee of Chen Zhi, executive director of the Group, and/or certain assets held by a wholly-owned subsidiary of the Group, at the discretion of the bank. The facility has expired on 5 March 2016.

16 銀行借款 (續)

附註(i)：(續)

於二零一五年十二月三十一日，由於該等按揭貸款的相關貸款協議載有應要求償還條款，賦予銀行無條件權利隨時追收貸款，故該等按揭貸款分類為流動負債。按揭年期為7年，以人民幣計值。該等按揭貸款按浮息計息，有關利息為中國人民銀行就類似年期貸款規定的基準貸款利率的1.15倍，每季調整。年內實際年利率為7.39%。

即期借款的公允價值與其賬面金額相若，其公允價值乃按以實際利率貼現的現金流量計算，屬於公允價值架構等級的第二級。

附註(ii)：

本集團有以下未提取借款融資：

| | 2015 | 2014 |
|--------------------------|---------------|---------|
| | 二零一五年 | 二零一四年 |
| | RMB'000 | RMB'000 |
| | 人民幣千元 | 人民幣千元 |
| Expiring within one year | 20,000 | - |

於二零一五年三月六日，本集團取得短期銀行融資，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，並由銀行全權決定以本集團執行董事陳志的個人擔保及／或本集團一間全資附屬公司所持有的若干資產作抵押。該融資已於二零一六年三月五日到期。

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

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|-------------------|-----------------------------------|-----------------------------------|
| Trade payables | 貿易應付款項 | 4,488 | 5,889 |
| 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 | 4,757 | 736 |
| Accrued salaries and welfare | 應計薪金及福利 | 6,150 | 6,276 |
| Value added tax and other taxes payable | 增值稅及其他應付稅項 | 4,940 | 7,755 |
| Provision for legal claims | 法律申索撥備 | - | 17,329 |
| Other payables | 其他應付款項 | 15,681 | 12,032 |
| Deposits from customers | 來自客戶的按金 | 971 | 6,215 |
| Receipts in advance | 預先收取的款項 | 9,428 | 10,547 |
| | | 41,927 | 60,890 |
| | | 46,415 | 66,779 |

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:

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--------------|--------|-----------------------------------|-----------------------------------|
| 1 – 30 days | 1至30日 | 521 | 1,294 |
| 31 – 90 days | 31至90日 | 1,087 | 702 |
| Over 90 days | 90日以上 | 2,880 | 3,893 |
| | | 4,488 | 5,889 |

The carrying amounts of the Group's trade payables are all denominated in RMB.

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：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--------------|--------|-----------------------------------|-----------------------------------|
| 1 – 30 days | 1至30日 | 521 | 1,294 |
| 31 – 90 days | 31至90日 | 1,087 | 702 |
| Over 90 days | 90日以上 | 2,880 | 3,893 |
| | | 4,488 | 5,889 |

本集團貿易應付款項的賬面金額以人民幣計值。

18 DEFERRED INCOME TAX

The analysis of deferred income tax liabilities is as follows:

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---------------------------------|---------|-----------------------------------|-----------------------------------|
| Deferred income tax liabilities | 遞延所得稅負債 | 360 | 1,475 |

Management expects the deferred income tax will be recovered after 12 months of the balance sheet date.

18 遞延所得稅

遞延所得稅負債分析如下：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---------------------------------|---------|-----------------------------------|-----------------------------------|
| Deferred income tax liabilities | 遞延所得稅負債 | 360 | 1,475 |

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:

18 遞延所得稅 (續)

遞延所得稅負債變動如下：

| | | Intangible assets 無形資產 | |
|--|-----------------------|-----------------------------------|-----------------------------------|
| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
| At 1 January | 於一月一日 | 1,475 | 2,157 |
| Recognised in the consolidated statement of comprehensive income (Note 26) | 於合併全面收益表內確認 (附註26) | (1,115) | (682) |
| At 31 December | 於十二月三十一日 | 360 | 1,475 |

No deferred income tax asset has been recognised in respect of estimated tax losses of RMB84,166,000 as at 31 December 2015 (2014: RMB101,192,000) 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.

於二零一五年十二月三十一日，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84,166,000元（二零一四年：人民幣101,192,000元）的估計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 HK\$ 港元 | 等值面值 RMB'000 人民幣千元 | 股份溢價 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| Authorised: | | | | | |
| Ordinary shares of HK\$0.1 each at 31 December 2015 and 2014 (Note (a)) | | | | | |
| 法定： 於二零一五年及 二零一四年十二月 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 2014 and 1 January 2015 | | | | | |
| 已發行： 於二零一四年 十二月三十一日及 二零一五年一月一日的 普通股 | 839,942,121 | 83,994,212 | 72,687 | 556,440 | 629,127 |
| Net proceeds from issuance of ordinary shares (Note (b)) | | | | | |
| 發行普通股所得款項淨額 (附註(b)) | 167,000,000 | 16,700,000 | 13,608 | 79,740 | 93,348 |
| At 31 December 2015 | | | | | |
| 於二零一五年 十二月三十一日 | 1,006,942,121 | 100,694,212 | 86,295 | 636,180 | 722,475 |

Notes:

- (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.
- (b) The Company issued 167,000,000 shares at HK\$0.7 each on 1 December 2015 (representing 16.6% of the total enlarged ordinary shares issued) to 7 independent third parties. The related transaction costs of RMB1,912,548 have been netted off against share premium.

附註：

- (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。
- (b) 本公司於二零一五年十二月一日按每股0.7港元的價格向7名獨立第三方發行167,000,000股股份(相當於經擴大已發行普通股總額的16.6%)。相關交易成本人民幣1,912,548元已經與股份溢價抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 RESERVES

The details of movement in the Group's reserves are set out in the consolidated statement of changes in equity on page 109:

(a) 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

本集團儲備的變動詳情載於第109頁的合併權益變動表：

(a) 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組織章程細則，本集團旗下各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該旗下公司註冊資本的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%。

本集團旗下各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批准。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 RESERVES (continued)

(b) 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.

(c) Capital redemption reserve

The capital redemption reserve relates to the redemption and cancellation of the Company's own shares.

20 儲備 (續)

(b) 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。

(c) 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。

21 SUBSIDIARIES

The following is a list of principal subsidiaries of the Company as at 31 December 2015:

21 附屬公司

下表載列本公司於二零一五年十二月三十一日的主要附屬公司：

| 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 | |
|--|--|--|--|---|---|---------------|
| | | | | | 2015 二零一五年 | 2014 二零一四年 |
| 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 英屬處女群島 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% | 100% |
| Greatest Ocean Ltd. ("Greatest Ocean") 志海有限公司(「志海」) | 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. ("Hung Hing To") 鴻馨圖總發行有限公司(「鴻馨圖」) | The British Virgin Islands, 13 December 2005 英屬處女群島 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% |
| YSOLDE Group Limited 優良集團有限公司 | Samoa, 10 June 2015 薩摩亞 二零一五年六月十日 | Investment holding 投資控股 | Limited liabilities company 有限責任公司 | USD50,000 50,000美元 | 100% | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 SUBSIDIARIES (continued)

21 附屬公司 (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 | |
|---|--|---|--|---|---|---------------|
| | | | | | 2015 二零一五年 | 2014 二零一四年 |
| 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% | 100% |
| Fuzhou ShiFangCe Culture Media Co., Ltd. ("ShiFangCe") 福州十方策文化傳媒有限公司(「十方策」) | 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% |
| 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% |
| 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% |
| Fuzhou ShiFangYuan Advertisement Co., Ltd. 福建十方源廣告有限公司 | Fuzhou, the PRC 3 September 2002 中國福州 二零零二年九月三日 | 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 | RMB5,000,000 人民幣5,000,000元 | 100% | 100% |
| Kunming ShiFang Real Estate Consulting & Agency Co. Ltd 昆明十方房地產營銷策劃有限公司 | Kunming, the PRC 19 July 2012 中國昆明 二零一二年七月十九日 | Property marketing & agency services 物業營銷及代理服務 | Limited liability company 有限責任公司 | RMB3,000,000 人民幣3,000,000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% | 100% |
| 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 | Fuzhou, the PRC 27 January 2014 中國福州 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% | 100% |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 SUBSIDIARIES (continued)

21 附屬公司 (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 | |
|--|--|---|--|---|---|---------------|
| | | | | | 2015 二零一五年 | 2014 二零一四年 |
| Indirectly owned subsidiaries: 間接擁有附屬公司: | | | | | | |
| Xiamen DingCe Network Technology Co., Ltd. ("Xiamen DingCe") 廈門鼎策網絡科技有限公司(「廈門鼎策」) | 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 Tian Yi Media Advertisement Co., Ltd. ("Liaoning AoHai") 遼寧奧海天一廣告傳媒有限公司(「遼寧奧海」) | 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% |
| 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. ("Shifang YaQi") 十方亞祺文化傳播(廈門)有限公司(「十方亞祺」) | 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% |
| 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. ("Guizhou ShiFang HanDing") 貴州十方漢鼎傳媒有限公司(「貴州十方漢鼎」) | 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% |
| 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 April 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 December 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% |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 SUBSIDIARIES (continued)

21 附屬公司 (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 | |
|--|--|---|--|---|---|---------------|
| | | | | | 2015 二零一五年 | 2014 二零一四年 |
| Indirectly owned subsidiaries: 間接擁有附屬公司: | | | | | | |
| Guangxi ShiFang Culture Communication Co., Ltd. ("Guangxi ShiFang") 廣西十方文化傳播有限公司(「廣西十方」) | 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% |
| 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% |
| ShiFang YouLi (Xiamen) Network Technology Co., Ltd. 十方優力(廈門)網絡科技有限公司 | Xiamen, the PRC 25 April 2012 中國廈門 二零一二年四月二十五日 | 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 | - | 51% |
| Fujian ShiFang KaiTai Advertisement Technology Co., Ltd. 福建十方開泰傳媒科技有限公司 | Fuzhou, the PRC 6 December 2014 中國福州 二零一四年十二月六日 | 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 | RMB10,000,000 人民幣10,000,000元 | 100% | 100% |
| Shenyang DaFang Technology Co., Ltd. 瀋陽大方科技有限公司 | Shenyang, the PRC 27 January 2015 中國瀋陽 二零一五年一月二十七日 | 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 | 58% | - |
| Fuzhou QiHaoCangKu E-Commerce Ltd. 福州七號倉庫電子商務有限公司 | Fuzhou, the PRC 28 August 2015 中國福州 二零一五年八月二十八日 | Provision of trading, wholesaling and e-commerce services 提供買賣、批發及電子商貿服務 | Limited liability company 有限責任公司 | RMB1,000,000 人民幣1,000,000元 | 100% | - |
| Structured entities: 結構性實體: | | | | | | |
| Beijing HongXinTu Culture Communication Co., Ltd. ("Beijing HongXinTu") 北京鴻馨圖文化傳播有限公司(「北京鴻馨圖」) | 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% |
| 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 SUBSIDIARIES (continued)

(a) Material non-controlling interests

21 附屬公司 (續)

(a) 重大非控股權益

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|----------------------------|-----------------------------------|-----------------------------------|
| By subsidiaries: | 按附屬公司： | | |
| Fujian Fangke Network Technology Corporation Ltd. ("Fujian Fangke") | 福建房客網絡科技股份 有限公司(「福建房客」) | 11,635 | 13,334 |
| Liaoning Aohai | 遼寧奧海 | - | (12,594) |
| Others | 其他 | (6,680) | (5,616) |
| | | 4,955 | (4,876) |

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 34 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34。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 SUBSIDIARIES (continued)

(a) Material non-controlling interests (continued)
Summarised balance sheets for Fujian Fangke

21 附屬公司 (續)

(a) 重大非控股權益 (續)
福建房客的資產負債表概要

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--------------------|--------|-----------------------------------|-----------------------------------|
| Current: | 流動： | | |
| Assets | 資產 | 22,645 | 26,326 |
| Liabilities | 負債 | (5,029) | (5,265) |
| Net current assets | 流動資產淨值 | 17,616 | 21,061 |
| Non-current: | 非流動： | | |
| Assets | 資產 | 6,128 | 6,152 |
| Net assets | 資產淨值 | 23,744 | 27,213 |

Summarised statements of comprehensive income
for Fujian Fangke

福建房客的全面收益表概要

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|---------------------|-----------------------------------|-----------------------------------|
| Revenue | 收入 | 22,837 | 26,821 |
| Loss before income tax | 除所得稅前虧損 | (3,469) | (2,980) |
| Income tax expense | 所得稅開支 | - | (349) |
| Post-tax loss from continuing operations | 持續經營業務的稅後虧損 | (3,469) | (3,329) |
| Other comprehensive income | 其他全面收益 | - | - |
| Total comprehensive loss | 全面虧損總額 | (3,469) | (3,329) |
| Total comprehensive loss allocated to non-controlling interests | 分配至非控股權益的 全面虧損總額 | (1,699) | (1,631) |
| Dividends paid to non-controlling interests | 已付非控股權益的股息 | - | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 SUBSIDIARIES (continued)

(a) Material non-controlling interests (continued)
Summarised cash flow statements for Fujian Fangke

21 附屬公司 (續)

(a) 重大非控股權益 (續)
福建房客的現金流量表概要

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|---------------------------|-----------------------------------|-----------------------------------|
| Cash flows from operating activities | 經營活動所得現金流量 | | |
| Cash (used in)/generated from operations | 經營業務(所用)/所得現金 | (2,761) | 5,437 |
| Interest received | 已收利息 | 13 | 9 |
| Income tax paid | 已付所得稅 | (228) | (1,634) |
| Net cash (used in)/generated from operating activities | 經營活動(所用)/所得現金淨額 | (2,976) | 3,812 |
| Net cash used in investing activities | 投資活動所用現金淨額 | (75) | (76) |
| Net cash used in financing activities | 融資活動所用現金淨額 | - | (287) |
| Net (decrease)/increase in cash and cash equivalents | 現金及現金等值項目(減少)/增加淨額 | (3,051) | 3,449 |
| Cash and cash equivalents at beginning of year | 年初的現金及現金等值項目 | 5,993 | 2,544 |
| Cash and cash equivalents at end of year | 年末的現金及現金等值項目 | 2,942 | 5,993 |

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 OTHER INCOME AND OTHER GAINS/ (LOSSES)

22 其他收入及其他收益/ (虧損)

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|-------------------------|-----------------------------------|-----------------------------------|
| Other income: | 其他收入： | | |
| Sale of newsprint papers | 銷售新聞紙 | – | 523 |
| Sale of scrap material | 銷售報廢材料 | 74 | 135 |
| Government grants (note a) | 政府補助(附註a) | 1,236 | 2,127 |
| Sundry income | 雜項收入 | 128 | 493 |
| | | <u>1,438</u> | <u>3,278</u> |
| Other gains: | 其他收益： | | |
| Gains on disposal of subsidiaries | 出售附屬公司的收益 | 17 | 315 |
| | | <u>17</u> | <u>315</u> |
| Other losses: | 其他虧損： | | |
| Provision for impairment of intangible assets | 無形資產減值撥備 | (15,248) | – |
| Provision for legal claims | 法律申索撥備 | – | (17,329) |
| Provision for impairment of receivable from Yueyang City Intermediate People's Court (Note 11) | 應收岳陽市中級人民法院款項減值撥備(附註11) | – | (22,000) |
| Provision for administrative foreign exchange penalty | 外匯結算行政處罰撥備 | – | (23,160) |
| | | <u>(15,248)</u> | <u>(62,489)</u> |
| Other gains/(losses) – net | 其他收益/(虧損) – 淨額 | <u>(15,231)</u> | <u>(62,174)</u> |

Note:

(a) The Group obtained and recognised as income government grants of RMB1,236,000 (2014: RMB2,127,000) from the Fujian, Guizhou and Kunming government authority for the year ended 31 December 2015 as an incentive for the Group to expand its business in the PRC.

附註：

(a) 截至二零一五年十二月三十一日止年度，本集團已確認從福建、貴州及昆明政府機關收取的政府補助人民幣1,236,000元(二零一四年：人民幣2,127,000元)為收入，作為在中國擴大業務的獎勵。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

23 EXPENSES BY NATURE

Loss before income tax is stated after charging/(crediting) the following:

23 按性質劃分的開支

除所得稅前虧損經扣除／（計入）以下項目後入賬：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|-----------------------------|-----------------------------------|-----------------------------------|
| Cost of newspaper advertising | 報紙廣告成本 | | |
| – Media costs | – 媒體成本 | 41,824 | 95,208 |
| Cost of marketing and promotion services | 營銷及宣傳服務成本 | 18,530 | 19,459 |
| Cost of online services | 網絡服務成本 | 60 | 165 |
| Cost of television and radio advertising | 電視及電台廣告成本 | | |
| – Media costs | – 媒體成本 | – | 916 |
| Cost of distribution management, consulting and printing services, and outdoor advertising services and activities: | 分銷管理、諮詢及印刷服務以及戶外廣告服務及活動成本： | | |
| – Raw materials | – 原材料 | 5,461 | 9,822 |
| – Media costs | – 媒體成本 | 1,466 | 4,304 |
| – Other costs | – 其他成本 | 263 | 1,293 |
| Depreciation (Note 7) | 折舊（附註7） | 8,931 | 10,170 |
| Amortisation (Note 8) | 攤銷（附註8） | 1,345 | 3,228 |
| Auditor's remuneration | 核數師酬金 | 3,112 | 4,759 |
| Operating lease charges in respect of land and buildings | 有關土地及樓宇的經營租賃收費 | 5,241 | 6,108 |
| Net loss on disposal of property, plant and equipment (Note 29(b)) | 出售物業、廠房及設備的虧損淨額（附註29(b)） | 3,934 | 90 |
| Net loss on disposal of properties held for sale | 出售持作出售物業的虧損淨額 | 3,558 | 520 |
| Provision for impairment of prepayments, deposits and other receivables (Note 11) | 預付款項、按金及其他應收款項減值撥備（附註11） | 33,800 | 126,097 |
| Provision for impairment of trade receivables, net of trade receivables written back (Note 10) | 貿易應收款項減值撥備，扣除貿易應收款項撥回（附註10） | 15,646 | 1,042 |
| Write-off of trade receivables (Note 10) | 撇銷貿易應收款項（附註10） | 1,072 | – |
| Provision for impairment of properties held for sale (Note 12) | 持作出售物業減值撥備（附註12） | 14,555 | 1,828 |
| Provision for impairment of property, plant and equipment (Note 7) | 物業、廠房及設備減值撥備（附註7） | 2,171 | – |
| Net foreign exchange (gain)/loss | 外匯（收益）／虧損淨額 | (1,330) | 35 |
| Employee benefit expenses (including directors' emoluments) (Note 24) | 僱員福利開支（包括董事酬金）（附註24） | 51,842 | 73,347 |
| Business tax | 營業稅 | 2,825 | 3,039 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

24 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

24 僱員福利開支（包括董事酬金）

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--------------------------------|---------|-----------------------------------|-----------------------------------|
| Salaries and other allowances | 薪金及其他補貼 | 46,424 | 65,528 |
| Discretionary bonus | 酌情花紅 | 856 | 1,562 |
| Social security costs | 社保費用 | 2,475 | 3,180 |
| Retirement scheme contribution | 退休計劃供款 | 2,087 | 3,077 |
| | | 51,842 | 73,347 |

(a) Five highest paid individuals

For the year ended 31 December 2015, the five individuals whose emoluments were the highest in the Group included 4 directors (2014: 4 directors), whose emoluments were reflected in the analysis presented above and note 39. The emoluments paid/payable to the remaining 1 individual (2014: 1 individual) during the year ended 31 December 2015 were as follows:

(a) 五名最高薪人士

截至二零一五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（二零一四年：四名）董事，彼等的酬金在上文及附註39所呈列的分析中反映。於截至二零一五年十二月三十一日止年度，已付／應付餘下一名（二零一四年：一名）人士的酬金如下：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-------------------------------|---------|-----------------------------------|-----------------------------------|
| Salaries and other allowances | 薪金及其他補貼 | 299 | 378 |
| Social security costs | 社保費用 | - | 4 |
| | | 299 | 382 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

24 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

(a) Five highest paid individuals (continued)

For the years ended 31 December 2015 and 2014, the emoluments of the highest paid individuals of the Group fall within the following bands:

24 僱員福利開支(包括董事酬金)(續)

(a) 五名最高薪人士(續)

截至二零一五年及二零一四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 | |
|----------------------|---------------|-----------------------------|---------------|
| | | 2015 二零一五年 | 2014 二零一四年 |
| Nil to HK\$1,000,000 | 零至1,000,000港元 | <u>1</u> | <u>1</u> |

25 FINANCE INCOME – NET

25 融資收益－淨額

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 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 | 206 | 1,239 |
| Finance costs: | 融資成本： | | |
| – Bank borrowings | – 銀行借款 | 743 | (62) |
| Less: amounts capitalised on qualifying assets (Note 11(ii)) | 減：合資格資產撥充資本款項(附註11(ii)) | (743) | – |
| Total finance costs | 融資成本總額 | – | (62) |
| Finance income – net | 融資收益－淨額 | <u>206</u> | <u>1,177</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

26 INCOME TAX EXPENSE

26 所得稅開支

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 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 | 19 | 1,519 |
| – Under-provision in prior years | – 過往年度撥備不足 | 67 | 3,481 |
| | | 86 | 5,000 |
| Deferred income tax | 遞延所得稅 | (1,115) | (682) |
| | | (1,029) | 4,318 |

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 2015 and 2014.

由於本集團於截至二零一五年及二零一四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

26 INCOME TAX EXPENSE (continued)

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:

26 所得稅開支 (續)

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溢利的加權平均稅率所計算理論金額之間的差額如下：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|--------------------------|-----------------------------------|-----------------------------------|
| Loss before income tax | 除所得稅前虧損 | (168,209) | (302,786) |
| 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 | (42,052) | (77,622) |
| Tax effects of: | 以下項目的稅項影響： | | |
| – Income not subject to tax | – 毋須繳稅收入 | (303) | (812) |
| – Expenses not deductible for tax purposes | – 不可扣稅開支 | 21,738 | 59,679 |
| – Tax losses for which no deferred income tax asset was recognised | – 未確認遞延所得稅資產的稅項虧損 | 19,521 | 19,751 |
| – Effect of tax holiday | – 稅項豁免期的影響 | – | (159) |
| – Under-provision in prior years | – 過往年度撥備不足 | 67 | 3,481 |
| | | (1,029) | 4,318 |

The weighted average applicable tax rate was 25.0% (2014: 25.6%). The decrease was mainly caused by the increase in profit before income tax of certain subsidiaries which were entitled to lower applicable corporate income tax rates.

加權平均適用稅率為25.0% (二零一四年：25.6%)。稅率下跌主要由於若干享有較低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

27 LOSS PER SHARE

(a) Basic

Basic loss per share for the years ended 31 December 2015 and 2014 is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue, including bonus element, during the year.

| | | 2015 二零一五年 | 2014 二零一四年 |
|---|----------------------------|------------------|------------------|
| 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>(163,792)</u> | <u>(304,174)</u> |
| Weight average number of shares in issue, including bonus element (thousands) | 已發行股份加權平均數 (包括紅利元素)(千股) | <u>933,040</u> | <u>839,942</u> |
| Basic loss per share (RMB per share) | 每股基本虧損 (每股人民幣) | <u>(0.1755)</u> | <u>(0.3621)</u> |

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares, including bonus element, outstanding to assume conversion of all dilutive potential ordinary shares. For the year ended 31 December 2015, the Company had no dilutive potential ordinary shares. For the year ended 31 December 2014, the Company's share options granted 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.

28 DIVIDEND

No dividend has been declared by the Company since its incorporation.

27 每股虧損

(a) 基本

截至二零一五年及二零一四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(包括紅利元素)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(包括紅利元素)以假設所有具潛在攤薄影響的普通股獲兌換計算。截至二零一五年十二月三十一日止年度,本公司並無具潛在攤薄影響的普通股。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授出的購股權,為唯一一類具潛在攤薄影響的普通股,而該等年內發行在外的普通股獲兌換的假設帶來反攤薄影響。

28 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

29 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Cash used in operations

29 現金流量表附註

(a) 經營業務所用現金

| | | Note | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|--------------------|------|-----------------------------------|-----------------------------------|
| | | 附註 | | |
| Loss before income tax | 除所得稅前虧損 | | (168,209) | (302,786) |
| Adjustments for: | 就下列各項作出調整： | | | |
| Depreciation | 折舊 | 7 | 8,931 | 10,170 |
| Amortisation | 攤銷 | 8 | 1,345 | 3,228 |
| Net loss on disposal of property, plant and equipment | 出售物業、廠房及設備的虧損淨額 | 23 | 3,934 | 90 |
| Net loss on disposal of intangible assets | 出售無形資產的虧損淨額 | | 5 | - |
| Provision for impairment of prepayments, deposits and other receivables | 預付款項、按金及其他應收款項減值撥備 | 23 | 33,800 | 126,097 |
| Provision for impairment of trade receivables | 貿易應收款項減值撥備 | 10 | 15,646 | 1,042 |
| Write-off of trade receivables | 撇銷貿易應收款項 | 10 | 1,072 | - |
| Share of post-acquisition losses of associates | 應佔聯營公司收購後虧損 | 9 | 4,115 | 5,191 |
| Provision for the impairment of interests in associates | 於聯營公司的權益減值撥備 | 9 | 5,006 | 46,026 |
| Provision for impairment of properties held for sale | 持作出售物業減值撥備 | 23 | 14,555 | 1,828 |
| Provision for impairment of property, plant and equipment | 物業、廠房及設備減值撥備 | 7 | 2,171 | - |
| Provision for impairment of intangible assets | 無形資產減值撥備 | 8 | 15,248 | - |
| Provision for legal claims | 法律申索撥備 | | - | 17,329 |
| Provision for administrative foreign exchange penalty | 外匯結算行政處罰撥備 | | - | 23,160 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

29 NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(a) Cash used in operations (continued)

29 現金流量表附註 (續)

(a) 經營業務所用現金 (續)

| | | Note | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|-------------------|------|-----------------------------------|-----------------------------------|
| | | 附註 | | |
| 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 | – | 22,000 |
| Finance income | 融資收益 | 25 | (206) | (1,239) |
| Finance costs | 融資成本 | 25 | – | 62 |
| Gain on disposal of subsidiaries | 出售附屬公司的收益 | 22 | (17) | (315) |
| Changes in working capital: | 營運資金變動： | | | |
| – Trade receivables | – 貿易應收款項 | | 13,408 | (7,977) |
| – Inventories | – 存貨 | | 977 | 226 |
| – Prepayments, deposits and other receivables | – 預付款項、按金及其他應收款項 | | (3,610) | 4,101 |
| – Amounts due from related parties | – 應收關連人士款項 | | 23,842 | (4,497) |
| – Trade payables | – 貿易應付款項 | | (968) | 589 |
| – Other payables and accrued expenses | – 其他應付款項及應計開支 | | 12,369 | 3,324 |
| – Amounts due to related parties | – 應付關連人士款項 | | (188) | 1,574 |
| Cash used in operations | 經營業務所用現金 | | (16,774) | (50,777) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

29 NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(b) Disposal of property, plant and equipment

In the statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|---------------------------|-----------------------------------|-----------------------------------|
| Net carrying amount (Note 7) | 賬面淨額 (附註7) | 11,540 | 6,536 |
| Net loss on disposal of property, plant and equipment (Note 23) | 出售物業、廠房及設備的虧損淨額 (附註23) | <u>(3,934)</u> | <u>(90)</u> |
| Total consideration from disposal of property, plant and equipment | 出售物業、廠房及設備的代價總額 | 7,606 | 6,446 |
| Disposal of property, plant and equipment due to disposal of subsidiaries (Note 35) | 因出售附屬公司而出售物業、廠房及設備 (附註35) | <u>(3,802)</u> | <u>(5,880)</u> |
| Cash consideration from disposal of property, plant and equipment | 出售物業、廠房及設備的現金代價 | <u>3,804</u> | <u>566</u> |

(c) Disposal of subsidiaries

In the statements of cash flows, net cash outflow on disposal of subsidiaries comprise:

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|---|----------------------------|-----------------------------------|-----------------------------------|
| Cash consideration received (Note 35) | 已收現金代價 (附註35) | 30 | 489 |
| Cash and cash equivalents disposed of (Note 35) | 已出售現金及現金等值項目 (附註35) | <u>(2,766)</u> | <u>(4,414)</u> |
| 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 | <u>(2,736)</u> | <u>(3,925)</u> |

29 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：

(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：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

29 NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(d) The principal non-cash transaction was the reclassification of trade receivables of RMB7,226,000 to properties held for sale as the customers opted to settle their balances by means of transferring their properties to the Group.

30 COMMITMENTS

(a) Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases 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) Commitment for exclusive cooperative agreements

The future aggregate 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 |

29 現金流量表附註 (續)

(d) 主要非現金交易為將貿易應收款項人民幣7,226,000元重新分類為持作出售物業，此乃由於客戶選擇以轉讓其物業予本集團的方式結算結餘。

30 承擔

(a) 經營租約承擔

不可撤銷經營租約的日後最低租賃付款總額如下：

| | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|-----------------------------------|-----------------------------------|
| Not later than 1 year | 3,198 | 5,105 |
| Later than 1 year and not later than 5 years | 3,601 | 7,792 |
| Later than 5 years | 1,400 | 1,467 |
| | 8,199 | 14,364 |

(b) 獨家合作協議承擔

不可撤銷獨家合作協議的日後付款總額如下：

| | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|-----------------------------------|-----------------------------------|
| Not later than 1 year | - | 63,800 |
| Later than 1 year and not later than 5 years | - | 227,000 |
| Later than 5 years | - | 795,000 |
| | - | 1,085,800 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

31 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 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連。關連人士可以為個人（即主要管理人員、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

31 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 2015:

| Name 名稱／姓名 | Relationship with the Group 與本集團的關係 |
|---|--|
| Mr. Siuming Tsui 徐小明先生 | Executive Director of the Company/Chief Executive Officer of the Group ¹ 本公司執行董事／本集團行政總裁 ¹ |
| Mr. Chen Zhi 陳志先生 | Executive Director of the Company/Former Chief Executive Officer of the Group ² 本公司執行董事／本集團前首席執行官 ² |
| Ms. Zheng Shou Ling 鄭守齡女士 | Spouse of an executive director of the Group 本集團一名執行董事的配偶 |
| China TopReach Inc. 中國天瑞控股有限公司 | Former immediate holding company ³ 前直接控股公司 ³ |
| Fujian ShiFang Digital Technology Co., Ltd 福建十方數碼技術有限公司 | Controlled by an executive Director of the Group 由本集團一名執行董事控制 |
| Beijing Wangxin Gaoke Information Technology Co., Ltd. 北京網信高科信息技術有限公司 | Controlled by an executive director of the Company 由本公司一名執行董事控制 |
| 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 | Former executive Director of the Company ⁴ 本公司前執行董事 ⁴ |
| Mr. Hong Pei Feng 洪培峰先生 | Former executive Director of the Company ⁵ 本公司前執行董事 ⁵ |
| 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. Wang Ping 王平先生 | Former non-executive Director of the Company ⁶ 本公司前非執行董事 ⁶ |
| Mr. Chen Wei Dong 陳偉東先生 | 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 |

31 關連人士交易（續）

- (a) 本公司董事認為，以下公司／個人為於截至二零一五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

31 RELATED-PARTY TRANSACTIONS (continued)

(a) (continued)

Notes:

1. Appointed as executive Director on 6 December 2015, appointed as Chief Executive Officer on 29 January 2016.
2. Resigned as Chief Executive Officer on 29 January 2016.
3. Ceased to be an immediate holding company on 15 July 2015.
4. Resigned on 25 February 2016.
5. Resigned on 29 January 2016.
6. Resigned on 31 March 2015.
7. Resigned on 17 March 2016.
8. Resigned during the year.

31 關連人士交易 (續)

(a) (續)

附註：

1. 於二零一五年十二月六日獲委任為執行董事，於二零一六年一月二十九日獲委任為行政總裁。
2. 於二零一六年一月二十九日辭任首席執行官。
3. 於二零一五年七月十五日不再為直接控股公司。
4. 於二零一六年二月二十五日辭任。
5. 於二零一六年一月二十九日辭任。
6. 於二零一五年三月三十一日辭任。
7. 於二零一六年三月十七日辭任。
8. 於年內辭任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

31 RELATED-PARTY TRANSACTIONS (continued)

(b) Transactions with related parties:

In addition to those disclosed elsewhere in the financial statements, the following transactions were undertaken by the Group with related parties during the year ended 31 December 2015:

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-----------------------------|----------|-----------------------------------|-----------------------------------|
| Continuing transactions: | 持續交易： | | |
| Key management compensation | 主要管理人員薪酬 | <u>4,936</u> | <u>8,324</u> |

The amounts below represented expenses paid by the Group on behalf of China TopReach Inc., a former shareholder of the Company.

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|----------------------|-----------------------------------|-----------------------------------|
| Expenses paid on behalf of a related party: | 代表一名關連人士所付開支： | | |
| A former shareholder of the Company | 本公司一名前股東 | <u>—</u> | <u>5,450</u> |
| | | <u>—</u> | <u>5,450</u> |

31 關連人士交易（續）

(b) 與關連人士進行的交易：

除財務報表其他部分所披露者外，本集團於截至二零一五年十二月三十一日止年度與關連人士進行以下交易：

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|-----------------------------|----------|-----------------------------------|-----------------------------------|
| Continuing transactions: | 持續交易： | | |
| Key management compensation | 主要管理人員薪酬 | <u>4,936</u> | <u>8,324</u> |

以下款項指本集團代表本公司的前股東中國天瑞控股有限公司支付的開支。

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|----------------------|-----------------------------------|-----------------------------------|
| Expenses paid on behalf of a related party: | 代表一名關連人士所付開支： | | |
| A former shareholder of the Company | 本公司一名前股東 | <u>—</u> | <u>5,450</u> |
| | | <u>—</u> | <u>5,450</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

31 RELATED-PARTY TRANSACTIONS (continued)

(c) Balances with related parties

As at 31 December 2015 and 2014, the balances were unsecured, interest-free and repayable on demand.

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|----------------------------|-----------------------------------|-----------------------------------|
| Amount due from a former shareholder of the Company – non-trade | 應收本公司 — 名前股東款項 — 非貿易 | — | 20,444 |

31 關連人士交易 (續)

(c) 與關連人士存有的結餘

於二零一五年及二零一四年十二月三十一日，結餘為無抵押、免息及須應要求償還。

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 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 | 522 | 1,790 |
| Key management of the Group | 本集團主要管理人員 | — | 2,130 |
| | | 522 | 3,920 |
| | | 522 | 24,364 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

31 RELATED-PARTY TRANSACTIONS (continued)

(c) Balances with related parties (continued)

As at 31 December 2015 and 2014, the balances were unsecured, interest-free and repayable on demand.

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|----------------------------------|----------------|-----------------------------------|-----------------------------------|
| Amounts due to directors: | 應付董事款項： | | |
| Mr. Chen Zhi | 陳志先生 | 159 | 959 |
| Mr. Siuming Tsui | 徐小明先生 | 103 | - |
| Mr. Yu Shi Quan | 余詩權先生 | 77 | 66 |
| Mr. Hong Pei Feng | 洪培峰先生 | 601 | 109 |
| Mr. Zhang Tie Zhu | 張鐵柱先生 | 43 | 47 |
| Others | 其他 | 60 | 50 |
| | | 1,043 | 1,231 |

The balances mainly represented the Directors' fee payable to the Directors.

31 關連人士交易（續）

(c) 與關連人士存有的結餘（續）

於二零一五年及二零一四年十二月三十一日，該等結餘為無抵押、免息及須應要求償還。

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|--|-----------------------------------|-----------------------------------|
| | | | |
| | | 159 | 959 |
| | | 103 | - |
| | | 77 | 66 |
| | | 601 | 109 |
| | | 43 | 47 |
| | | 60 | 50 |
| | | 1,043 | 1,231 |

該等結餘主要指應付董事的董事袍金。

| 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 | 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.

| | | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 RMB'000 人民幣千元 |
|--|--|-----------------------------------|-----------------------------------|
| | | | |
| | | 688 | 688 |

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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 RETIREMENT BENEFIT 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 benefit 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.

The total contributions incurred in this connection for the year ended 31 December 2015 were approximately RMB2,087,000 (2014: RMB3,077,000). No forfeited contributions are available to reduce the contribution payable by the Group in the future years.

33 STOCK 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 (the "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 to any of its subsidiaries (each an "Eligible Person").

32 退休福利計劃

本集團在中國成立的附屬公司的僱員為地方市政府所營辦的中央退休金計劃的成員。有關附屬公司須按僱員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。

截至二零一五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2,087,000元（二零一四年：人民幣3,077,000元）。概無沒收供款可用作減少未來年度本集團應付供款。

33 股份期權計劃

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)本公司或其任何附屬公司的任何顧問、諮詢人、供應商、客戶及代理（各為「合資格人士」）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

33 STOCK OPTION SCHEME (continued)

The Board 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 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.

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, being 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.

33 股份期權計劃 (續)

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) 股份於要約日期在聯交所每日報價表所報的收市價；
- (ii) 股份於緊接要約日期前五個營業日在聯交所每日報價表所報的平均收市價；及
- (iii) 本公司股份的面值。

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時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）時已經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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

33 STOCK OPTION SCHEME (continued)

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.

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. As at 31 December 2015 and 31 December 2014, no share option had been granted under the Share Option Scheme.

33 股份期權計劃 (續)

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）獲行使後已經及將予發行的股份(i)合共超過已發行股份總數0.1%，及(ii)按於每次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。根據購股權計劃授出的任何購股權的行使期不得超過由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。於二零一五年十二月三十一日及二零一四年十二月三十一日，並無根據購股權計劃授出任何購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

34 TRANSACTIONS WITH NON-CONTROLLING INTEREST

On 24 December 2014, the Group partially disposed of 30% equity interest in 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 to 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 2014, the Company acquired an additional 49% of the issued shares of Shenyang ZhuQin ShiFang Media Development Co., Ltd. ("Shenyang ZhuQin ShiFang") at 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.

35 CONSIDERATIONS FROM DISPOSAL OF SUBSIDIARIES

(a) Disposal of subsidiaries during the year ended 31 December 2015

During the year ended 31 December 2015, the Group entered into sale and purchase agreements with independent third parties to dispose of controlling equity interests in certain subsidiaries, namely Guangxi ShiFang, Fuzhou Aohai, Greatest Ocean, Hung Hing To, ShiFangCe, Xiamen DingCe, Liaoning Aohai, Guizhou ShiFang HanDing, ShiFang YaQi and Beijing HongXinTu, (together, the "Disposed Companies") for total cash considerations of RMB30,000 (the "Disposal").

The Disposal was completed during the year ended 31 December 2015.

34 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）已轉撥至非控股權益。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。

於二零一四年十二月三十一日，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。

35 出售附屬公司的代價

(a) 於截至二零一五年十二月三十一日止年度出售附屬公司

於截至二零一五年十二月三十一日止年度，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（分別為廣西十方、福州奧海、志海、鴻馨圖、十方策、廈門鼎策、遼寧奧海、貴州十方漢鼎、十方亞祺及北京鴻馨圖，統稱「已出售公司」）的控股股本權益，總現金代價為人民幣30,000元（「出售事項」）。

出售事項已於截至二零一五年十二月三十一日止年度完成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

35 CONSIDERATIONS FROM DISPOSAL OF SUBSIDIARIES (continued)

(a) Disposal of subsidiaries during the year ended 31 December 2015 (continued)

The aggregate net assets of the Disposed Companies at disposal were as follows:

35 出售附屬公司的代價(續)

(a) 於截至二零一五年十二月三十一日止年度出售附屬公司(續)

已出售公司於出售時的淨資產總值如下:

| | | 2015 二零一五年 RMB'000 人民幣千元 |
|---|-----------------|-----------------------------------|
| Net assets disposed of: | 已出售淨資產: | |
| Property, plant and equipment | 物業、廠房及設備 | 3,802 |
| Intangible assets | 無形資產 | 52 |
| Properties held for sale | 持作出售物業 | 6,830 |
| Trade receivables – net | 貿易應收款項 – 淨額 | 6,975 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 9,569 |
| Cash and cash equivalents | 現金及現金等值項目 | 2,766 |
| Trade payables | 貿易應付款項 | (433) |
| Other payables and accrued expenses | 其他應付款項及應計開支 | (31,332) |
| Income tax payables | 應付所得稅 | (11,124) |
| Non-controlling interests | 非控股權益 | 12,908 |
| | | <u>13</u> |
| Gains on disposal of subsidiaries (Note 22) | 出售附屬公司的收益(附註22) | <u>17</u> |
| | | <u>30</u> |
| Satisfied by: | 支付方式: | |
| – Cash considerations | – 現金代價 | 30 |
| – Non-cash considerations | – 非現金代價 | – |
| | | <u>30</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

35 CONSIDERATIONS FROM DISPOSAL OF SUBSIDIARIES (continued)

(a) Disposal of subsidiaries during the year ended 31 December 2015 (continued)

Net cash outflow arising on disposal of subsidiaries

Cash consideration received
Cash and cash equivalents disposed

Net cash outflow on disposal of subsidiaries included in cash flows from investing activities (Note 29(c))

出售附屬公司所產生的現金流出淨額

已收現金代價
已出售現金及現金等值項目

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（附註29(c)）

2015
二零一五年
RMB'000
人民幣千元

30

(2,766)

(2,736)

(b) Disposal of subsidiaries during the year ended 31 December 2014

During the year ended 31 December 2014, 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 (the "Disposal"). As a result of the Disposal, 30% equity interest in Beijing HanDing 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.

35 出售附屬公司的代價（續）

(a) 於截至二零一五年十二月三十一日止年度出售附屬公司（續）

(b) 於截至二零一四年十二月三十一日止年度出售附屬公司

於截至二零一四年十二月三十一日止年度，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。

出售事項已於截至二零一四年十二月三十一日止年度完成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

35 CONSIDERATIONS FROM DISPOSAL OF SUBSIDIARIES (continued)

(b) Disposal of subsidiaries during the year ended 31 December 2014 (continued)

The aggregate net assets of the Disposed Companies at disposal were as follows:

35 出售附屬公司的代價 (續)

(b) 於截至二零一四年十二月三十一日止年度出售附屬公司 (續)

已出售公司於出售時的淨資產總值如下：

| | | 2014 二零一四年 RMB'000 人民幣千元 |
|---|---------------------------|-----------------------------------|
| Net assets disposed of: | 已出售淨資產： | |
| Property, plant and equipment | 物業、廠房及設備 | 5,880 |
| 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 |
| Cash and cash equivalents | 現金及現金等值項目 | 4,414 |
| 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) |
| Income tax payables | 應付所得稅 | (3,715) |
| Non-controlling interests | 非控股權益 | 70 |
| | | <u>519</u> |
| Fair value of equity interest of Beijing HanDing retained by the Group (Note i) | 本集團所保留北京漢鼎股本權益的公允價值 (附註i) | (345) |
| Gains on disposal of subsidiaries (Note 22) | 出售附屬公司的收益 (附註22) | 315 |
| | | <u>489</u> |
| Satisfied by: | 支付方式： | |
| – Cash considerations | – 現金代價 | 489 |
| – Non-cash considerations | – 非現金代價 | – |
| | | <u>489</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

35 CONSIDERATIONS FROM DISPOSAL OF SUBSIDIARIES (continued)

(b) Disposal of subsidiaries during the year ended 31 December 2014 (continued)

35 出售附屬公司的代價 (續)

(b) 於截至二零一四年十二月三十一日止年度出售附屬公司 (續)

| | | 2014 二零一四年 RMB'000 人民幣千元 |
|--|--------------------------------------|-----------------------------------|
| Net cash outflow arising on disposal of subsidiaries | 出售附屬公司所產生的現金流出淨額 | |
| Cash consideration received | 已收現金代價 | 489 |
| Cash and cash equivalents disposed of | 已出售現金及現金等值項目 | <u>(4,414)</u> |
| Net cash outflow on disposal of subsidiaries included in cash flows from investing activities (Note 29(c)) | 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 (附註29(c)) | <u><u>(3,925)</u></u> |

Notes:

- (i) The fair value of 30% equity interest in Beijing HanDing retained by the Group is determined based on the proportionate share of the net asset value of the said company.

附註：

- (i) 本集團所保留北京漢鼎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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

36 CONTINGENT LIABILITIES

The Group follows the guidance of IAS 37, "Provisions, Contingent Liabilities and Contingent Assets" to determine when contingent liabilities should 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 for any 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) Lawsuits between the Group and Shenyang Media Corporation

Regarding the judgement of first instance issued by the Shenyang Intermediate People's Court on 30 August 2012 in favour of Shenyang Media Corporation against Liaoning Aohai, the Group made a provision of RMB17,250,398 in the year ended 31 December 2014 after a series of attempts to appeal with unsatisfactory results. To facilitate the streamlining of the Group's structure, Liaoning Aohai was disposed of to an independent third party of the Group on 30 November 2015.

36 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，即會披露或有負債。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。

本集團會審閱任何重大的待決訴訟，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) 本集團與瀋陽傳媒公司的訴訟

就瀋陽市中級人民法院於二零一二年八月三十日作出裁定瀋陽傳媒公司勝訴及遼寧奧海敗訴的一審判決，本集團經過連番上訴不果後，於截至二零一四年十二月三十一日止年度計提撥備人民幣17,250,398元。為推動精簡本集團架構，遼寧奧海已於二零一五年十一月三十日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

36 CONTINGENT LIABILITIES (continued)

(b) Enforcement order issued by Yueyang City Intermediate People's Court against certain Group subsidiaries

Regarding the two enforcement judgements issued by Yueyang Intermediate People's Court on 22 September 2013 in favour of Yueyanglin Paper Co., Ltd. against Fuzhou Aohai and Kunming AoHai, the Group made a provision of RMB22,000,000 in the year ended 31 December 2014 after a series of attempts to appeal with unsatisfactory results. To facilitate the streamlining of the Group's structure, Fuzhou AoHai and Kunming AoHai were separately disposed of to independent third parties of the Group, on 12 May 2015 and 31 December 2013 respectively.

37 SUBSEQUENT EVENTS

The Company issued 200,000,000 shares at HK\$0.8 each on 19 February 2016 (representing 16.6% of the total enlarged ordinary share capital issued) to 2 third parties. Proceeds from the share issuance amounted to HK\$160,000,000 (approximately RMB134,730,000).

On 22 February 2016, the Group entered into a movie investment agreement (the "Agreement") with Shanghai Hehe Film Investment Co., Ltd., pursuant to which the Group has agreed to acquire 55% of the target income right of a movie, Ip Man 3, for 30 years. The consideration for the target income right amounted to RMB110,000,000 or equivalent HK\$ translated at central parity rate published by People's Bank of China. The consideration has been satisfied by HK\$131,168,000 (approximately RMB110,451,000) on 23 February 2016.

36 或有負債 (續)

(b) 岳陽市中級人民法院針對若干本集團附屬公司發出的執行裁定書

就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及福州奧海與昆明奧海敗訴的執行裁定書，本集團經過連番上訴不果後，於截至二零一四年十二月三十一日止年度計提撥備人民幣22,000,000元。為推動精簡本集團架構，於二零一五年五月十二日及二零一三年十二月三十一日，福州奧海及昆明奧海已分別出售予本集團的獨立第三方。

37 報告期後事項

本公司在二零一六年二月十九日向兩名第三方發行200,000,000股股份（相當於經擴大已發行普通股股本總額16.6%），作價每股0.8港元。發行股份的所得款項為160,000,000港元（約人民幣134,730,000元）。

於二零一六年二月二十二日，本集團與上海合禾影視投資有限公司訂立一份電影投資協議（「該協議」），據此，本集團同意收購電影《葉問3》目標收益權的55%，為期30年。目標收益權的代價為人民幣110,000,000元（或按中國人民銀行公佈的匯率中間價換算的等價港元金額）。本集團已於二零一六年二月二十三日以131,168,000港元（約人民幣110,451,000元）結清代價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

38 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

38 本公司的資產負債表及儲備變動

| | | Note | 2015 二零一五年 RMB'000 人民幣千元 | 2014 二零一四年 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 | — | 4,767 |
| Current assets | 流動資產 | | | |
| Prepayments and other receivables | 預付款項及 其他應收款項 | | 149 | 314 |
| Amounts due from subsidiaries | 應收附屬公司款項 | | 20,968 | 206,746 |
| Cash and cash equivalents | 現金及現金等值項目 | | 94,566 | 1,660 |
| | | | 115,683 | 208,720 |
| Total assets | 總資產 | | 115,683 | 213,487 |
| 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 | | 86,295 | 72,687 |
| Share premium | 股份溢價 | | 636,180 | 556,440 |
| Equity-based compensation reserve | 以股權為基礎的 薪酬儲備 | a | — | — |
| Accumulated deficits | 累計虧絀 | a | (624,218) | (456,307) |
| Total equity | 權益總額 | | 98,257 | 172,820 |
| LIABILITIES | 負債 | | | |
| Current liabilities | 流動負債 | | | |
| Other payables | 其他應付款項 | | 241 | 240 |
| Amounts due to subsidiaries | 應付附屬公司款項 | | 17,185 | 40,427 |
| | | | 17,426 | 40,667 |
| Total liabilities | 總負債 | | 17,426 | 40,667 |
| Total equity and liabilities | 權益及負債總額 | | 115,683 | 213,487 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

38 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (continued)

Note a: Reserve movement of the Company

38 本公司的資產負債表及儲備變動(續)

附註a：本公司的儲備變動

| | | Accumulated deficits | Equity-based compensation reserve |
|--|-----------------------------|---------------------------------|--|
| | | 累計虧絀 | 以股權 為基礎的 薪酬儲備 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| At 1 January 2014 | 於二零一四年一月一日 | (220,462) | 13,850 |
| Loss for the year | 年內虧損 | (249,695) | - |
| Lapse of equity-based compensation | 以股權為基礎的薪酬失效 | 13,850 | (13,850) |
| At 31 December 2014 and 1 January 2015 | 於二零一四年十二月三十一日及 二零一五年一月一日 | (456,307) | - |
| Loss for the year | 年內虧損 | (167,911) | - |
| At 31 December 2015 | 於二零一五年十二月三十一日 | <u>(624,218)</u> | <u>-</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

39 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

39 董事利益及權益 (香港《公司條例》(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則規定的披露)

(A) Directors' and chief executive's emoluments

The remuneration of every Director and the chief executive is set out below:

(A) 董事及行政總裁的酬金

各董事及行政總裁的薪酬載列如下：

For the year ended 31 December 2015:

截至二零一五年十二月三十一日止年度：

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:
就個人擔任(不論是本公司或其附屬企業)董事所提供的服務已付或應收的酬金：

| Name | 姓名 | Fees RMB'000 人民幣千元 | Salary RMB'000 人民幣千元 | Discretionary bonuses RMB'000 人民幣千元 | Housing allowance RMB'000 人民幣千元 | Estimated value of other benefits RMB'000 人民幣千元 | Employer's contribution to a retirement benefit scheme RMB'000 人民幣千元 | Emoluments paid or receivable in respect of office as director RMB'000 人民幣千元 | Emoluments paid or receivable in respect of other services in connection with the management of the affairs of the Company or its subsidiary undertaking RMB'000 人民幣千元 | Total RMB'000 人民幣千元 |
|--|------------------------|--------------------------|----------------------------|---|---------------------------------------|---|--|--|--|---------------------------|
| | | | | | | | | | | |
| Executive Directors | | 執行董事 | | | | | | | | |
| Mr. Chen Zhi (Former Chairman and CEO, Note (a)) | 陳志先生(前主席兼首席執行官, 附註(a)) | - | 1,220 | - | - | - | - | - | - | 1,220 |
| Mr. Hong Pei Feng (Note (b)) | 洪培峰先生(附註(b)) | - | 536 | - | - | - | - | - | - | 536 |
| Mr. Zhang Tie Zhu (Note (c)) | 張鐵柱先生(附註(c)) | - | 536 | - | - | - | 12 | - | - | 548 |
| Mr. Yu Shiquan | 余詩權先生 | - | 734 | - | - | - | 9 | - | - | 743 |
| Mr. Siuming Tsui (CEO, Note (d)) | 徐小明先生(行政總裁, 附註(d)) | - | 103 | - | - | - | - | - | - | 103 |
| Non-executive Directors | | 非執行董事 | | | | | | | | |
| Mr. Chen Wei Dong (Note (e)) | 陳偉東先生(附註(e)) | 90 | - | - | - | - | - | - | - | 90 |
| Ms. Chen Min | 陳敏女士 | 120 | - | - | - | - | - | - | - | 120 |
| Mr. Wang Ping (Note (f)) | 王平先生(附註(f)) | 30 | - | - | - | - | - | - | - | 30 |
| 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. Cai Jianquan | 蔡建權先生 | 120 | - | - | - | - | - | - | - | 120 |
| Mr. Zhou Xu Xiang (Note (g)) | 周栩翔先生(附註(g)) | 16 | - | - | - | - | - | - | - | 16 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

39 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (continued)

(A) Directors' and chief executive's emoluments (continued)

For the year ended 31 December 2014
(Restated):

Certain of the comparative information of Directors' emoluments for the year ended 31 December 2014 previously disclosed in accordance with the predecessor Companies Ordinance have been restated in order to comply with the new scope and requirements by the Hong Kong Companies Ordinance (Cap. 622).

39 董事利益及權益 (香港《公司條例》(第622章)第383條·公司(披露董事利益資料)規例(第622G章)及香港上市規則規定的披露)(續)

(A) 董事及行政總裁的酬金(續)

截至二零一四年十二月三十一日止年度(經重列):

先前根據前《公司條例》所披露截至二零一四年十二月三十一日止年度的董事酬金的若干可資比較資料已予重列,以遵守香港《公司條例》(第622章)的新範疇及規定。

Emoluments paid or receivable in respect of a person's services as a director,
whether of the Company or its subsidiary undertaking.
就個人擔任(不論是本公司或其附屬企業)董事所提供的服務已付或應收的酬金:

| Name | 姓名 | Fees RMB'000 人民幣千元 | Salary RMB'000 人民幣千元 | Discretionary bonuses RMB'000 人民幣千元 | Housing allowance RMB'000 人民幣千元 | Estimated money value of other benefits RMB'000 人民幣千元 | Employer's contribution to a retirement benefit scheme RMB'000 人民幣千元 | Remunerations paid or receivable in respect of accepting office as director RMB'000 人民幣千元 | Retirement benefit scheme's contribution RMB'000 人民幣千元 | Total RMB'000 人民幣千元 | |
|--|-----------------------|--------------------------|----------------------------|--|--|--|--|---|---|---------------------------|--|
| | | | | | | | | | | | 就董事 有關管理 本公司或其 附屬企業事務 所提供的其他 服務已付或 應收的酬金 RMB'000 人民幣千元 |
| Executive Directors | | 執行董事 | | | | | | | | | |
| Mr. Chen Zhi (Former Chairman and CEO, Note (a)) | 陳志先生(前主席兼首席執行官·附註(a)) | - | 1,932 | - | - | - | - | - | - | 1,932 | |
| Mr. Hong Pei Feng (Note (b)) | 洪培峰先生(附註(b)) | - | 1,440 | - | - | - | - | - | - | 1,440 | |
| Mr. Zhang Tie Zhu (Note (c)) | 張鐵柱先生(附註(c)) | - | 1,005 | - | - | - | 12 | - | - | 1,017 | |
| Mr. Yu Shiquan | 余詩權先生 | - | 833 | - | - | - | 8 | - | - | 841 | |
| Non-executive Directors | | 非執行董事 | | | | | | | | | |
| Ms. Chen Min | 陳敏女士 | 120 | - | - | - | - | - | - | - | 120 | |
| Mr. Wang Ping (Note (f)) | 王平先生(附註(f)) | 120 | - | - | - | - | - | - | - | 120 | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

39 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (continued)

(A) Directors' and chief executive's emoluments (continued)

For the year ended 31 December 2014
(Restated): (continued)

39 董事利益及權益 (香港《公司條例》(第622章)第383條·公司(披露董事利益資料)規例(第622G章)及香港上市規則規定的披露)(續)

(A) 董事及行政總裁的酬金(續)

截至二零一四年十二月三十一日止年度(經重列):
(續)

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:
就個人擔任(不論是本公司或其附屬企業)董事所提供的服務已付或應收的酬金:

| Name | 姓名 | Fees | Salary | Discretionary bonuses | Housing allowance | Estimated money value of other benefits | Employer's contribution to a retirement benefit scheme | Retirement plan contribution | Other emoluments | Total |
|--|--------------|----------------|---------|-----------------------|-------------------|---|--|------------------------------|------------------|---------|
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| 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. Cai Jianquan | 蔡建權先生 | 120 | - | - | - | - | - | - | - | 120 |
| Mr. Zhuo Ze Yuan (Note (h)) | 卓澤淵先生(附註(h)) | 60 | - | - | - | - | - | - | - | 60 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

39 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (continued)

(A) Directors' and chief executive's emoluments (continued)

For the year ended 31 December 2014
(Restated): (continued)

Notes:

- (a) Resigned as CEO of the Company on 29 January 2016 and resigned as Chairman of the Board on 25 February 2016
- (b) Resigned on 29 January 2016
- (c) Resigned on 25 February 2016
- (d) Appointed on 6 December 2015, and appointed as CEO of the Company on 29 January 2016
- (e) Appointed on 1 April 2015
- (f) Resigned on 31 March 2015
- (g) Appointed on 19 November 2015, re-designed as a non-executive Director on 20 February 2016 and resigned on 17 March 2016
- (h) Resigned on 9 June 2014

39 董事利益及權益 (香港《公司 條例》(第622章)第383條· 公司(披露董事利益資料)規例 (第622G章)及香港上市規則 規定的披露)(續)

(A) 董事及行政總裁的酬金(續)

截至二零一四年十二月
三十一日止年度(經重列):
(續)

附註:

- (a) 於二零一六年一月二十九日辭任本公司首席執行官，於二零一六年二月二十五日辭任董事會主席
- (b) 於二零一六年一月二十九日辭任
- (c) 於二零一六年二月二十五日辭任
- (d) 於二零一五年十二月六日獲委任，於二零一六年一月二十九日獲委任為本公司行政總裁
- (e) 於二零一五年四月一日獲委任
- (f) 於二零一五年三月三十一日辭任
- (g) 於二零一五年十一月十九日獲委任，於二零一六年二月二十日調任非執行董事及於二零一六年三月十七日辭任
- (h) 於二零一四年六月九日辭任

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

39 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (continued)

- (B) **Directors' retirement benefits**
None of the Directors received or will receive any retirement benefits during the year (2014: nil).
- (C) **Directors' termination benefits**
None of the Directors received or will receive any termination benefits during the year (2014: nil).
- (D) **Consideration provided to third parties for making available directors' services**
During the year ended 31 December 2015, the Company did not pay consideration to any third parties for making available directors' services (2014: nil).
- (E) **Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors**
There is no other loans, quasi-loans and other dealing arrangements in favour of Directors, bodies corporate controlled by and entities connected with all Directors of the Company as at 31 December 2015.
- (F) **Directors' material interests in transactions, arrangements or contracts**
No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

39 董事利益及權益 (香港《公司條例》(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則規定的披露)(續)

- (B) **董事退休福利**
年內，概無董事已收取或將收取任何退休福利(二零一四年：無)。
- (C) **董事終止僱傭福利**
年內，概無董事已收取或將收取任何終止僱傭福利(二零一四年：無)。
- (D) **就提供董事服務向第三方支付代價**
於截至二零一五年十二月三十一日止年度，本公司概無就提供董事服務向任何第三方支付代價(二零一四年：無)。
- (E) **有關以董事、受該等董事控制的法人團體及該等董事的關連實體為受益人的貸款、準貸款及其他交易的資料**
於二零一五年十二月三十一日，概無有關以董事、受本公司所有董事控制的法人團體及本公司所有董事的關連實體為受益人的其他貸款、準貸款及其他交易安排。
- (F) **董事於交易、安排或合約的重大權益**
於年末或年內任何時間並無任何由本公司就本集團業務訂立而本公司董事直接或間接擁有重大權益的重大交易、安排或合約存續。

