



Neway Group Holdings Limited
中星集團控股有限公司

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)
Stock Code 股份代號: 00055

2016

INTERIM REPORT

中期報告

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive directors:

Mr. SUEK Ka Lun, Ernie (*Chairman*)

Mr. SUEK Chai Hong

(*Chief Executive Officer*)

Non-executive directors:

Dr. NG Wai Kwan

Mr. CHAN Kwing Choi, Warren

Mr. WONG Sun Fat

Independent non-executive directors:

Mr. TSE Tin Tai

Ms. LUI Lai Ping, Cecily

Mr. LEE Kwok Wan

Alternate director:

Mr. LAU Kam Cheong

(*Alternate director to Dr. NG Wai Kwan*)

COMPANY SECRETARY

Ms. CHEUNG Yuk Shan

董事會

執行董事：

薛嘉麟先生 (*主席*)

薛濟匡先生 (*行政總裁*)

非執行董事：

吳惠群博士

陳焯材先生

黃新發先生

獨立非執行董事：

謝天泰先生

呂麗萍女士

李國雲先生

替任董事：

劉錦昌先生

(*吳惠群博士之替任董事*)

公司秘書

張玉珊小姐

REGISTERED OFFICE

Clarendon House

Church Street

Hamilton HM 11

Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Chung Tai Printing Group Building

11 Yip Cheong Street

On Lok Tsuen, Fanling

New Territories

Hong Kong

PRINCIPAL BANKERS+

Bank of China (Hong Kong) Limited

Bank of Communications Co., Limited

Hang Seng Bank Limited

The Hongkong and Shanghai Banking

Corporation Limited

+ names are in alphabetical order

註冊辦事處

Clarendon House

Church Street

Hamilton HM 11

Bermuda

香港總辦事處及主要營業地點

香港

新界

粉嶺安樂工業村

業暢街11號

中大印刷集團大廈

主要往來銀行+

中國銀行(香港)有限公司

交通銀行股份有限公司

恒生銀行有限公司

香港上海滙豐銀行有限公司

+ 名稱以英文字母次序排列

LEGAL ADVISER AS TO HONG KONG LAW

Leung & Lau

AUDITOR

Deloitte Touche Tohmatsu

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Services Limited

Clarendon House

2 Church Street

Hamilton, HM 11, Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited

Level 22, Hopewell Centre

183 Queen's Road East

Wanchai

Hong Kong

WEBSITE

<http://www.newwaygroup.com.hk>

STOCK CODE

00055

有關香港法律之法律顧問

梁寶儀劉正豪律師行

核數師

德勤•關黃陳方會計師行

主要股份登記及過戶處

Codan Services Limited

Clarendon House

2 Church Street

Hamilton, HM 11, Bermuda

香港之股份過戶登記分處

卓佳秘書商務有限公司

香港

灣仔

皇后大道東183號

合和中心22樓

公司網址

<http://www.newwaygroup.com.hk>

股份代號

00055

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF NEWAY GROUP HOLDINGS LIMITED

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Neway Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 4 to 34, which comprise the condensed consolidated statement of financial position as of 30 June 2016 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company (the "Directors") are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

致NEWAY GROUP HOLDINGS LIMITED 中星集團控股有限公司* 董事會之中期財務資料審閱報告

緒言

吾等已審閱第4頁至第34頁所載Neway Group Holdings Limited中星集團控股有限公司*（「貴公司」）及其附屬公司（下文統稱「貴集團」）之簡明綜合財務報表，其包括於二零一六年六月三十日之簡明綜合財務狀況報表以及截至該日止六個月之相關簡明綜合損益及其他全面收入報表、權益變動表及現金流量報表，以及若干說明附註。香港聯合交易所有限公司證券上市規則規定，中期財務資料報告須遵照其有關條文及香港會計師公會頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」編製。貴公司董事（「董事」）負責按照香港會計準則第34號編製及呈列該等簡明綜合財務報表。吾等之責任為基於吾等之審閱對該等簡明綜合財務報表作出結論，並按照吾等雙方協定之委聘條款，僅向董事會整體報告，除此以外，吾等之報告概不作其他用途。吾等概不就本報告之內容向任何其他人士負責或承擔任何責任。

審閱範圍

吾等按照香港會計師公會頒佈之香港審閱委聘準則第2410號「實體之獨立核數師審閱中期財務資料」進行審閱工作。該等簡明綜合財務報表之審閱工作包括向主要負責財務及會計事宜之人士作出查詢，以及應用分析及其他審閱程序。審閱工作之範圍遠較按照香港核數準則進行之審核工作之範圍為小，因此吾等無法保證能識別於審核工作中可能發現之所有重大事宜。因此，吾等不會發表審核意見。

* 僅供識別

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

26 August 2016

結論

根據吾等之審閱，吾等並無發現任何事宜導致吾等相信該等簡明綜合財務報表於各重大方面未有按照香港會計準則第34號編製。

德勤•關黃陳方會計師行

執業會計師

香港

二零一六年八月二十六日

**CONDENSED CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME**

FOR THE SIX MONTHS ENDED 30 JUNE 2016

**簡明綜合損益及其他全面收入
報表**

截至二零一六年六月三十日止六個月

		Six months ended 截至下列日期止六個月	
		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
		NOTES 附註	
Revenue	收益		274,840
Gross proceeds from sale of held-for-trading investments	出售持作買賣投資之所得款項總額	6	13,794
			288,634
			217,621
			79,635
			297,256
4 Revenue	收益	3	274,840
Cost of sales	銷售成本		(193,233)
			217,621
			(183,467)
Gross profit	毛利		81,607
Interest income	利息收入		1,354
Other income	其他收入		3,427
Selling and distribution expenses	銷售及經銷開支		(13,622)
Administrative expenses	行政開支		(55,660)
Other gains and losses	其他收益及虧損		30,038
Finance costs	融資成本	4	(1,851)
Share of loss of joint ventures	應佔合營公司之虧損		(947)
			34,154
			2,603
			5,077
			(12,629)
			(52,246)
			(7,739)
			(1,330)
			(253)
Profit (loss) before taxation	除稅前溢利(虧損)		44,346
Taxation	稅項	5	(4,854)
			(32,363)
			(521)
Profit (loss) for the period	本期溢利(虧損)	6	39,492
			(32,884)
Other comprehensive expense for the period:	本期其他全面開支:		
Item that may be reclassified subsequently to profit or loss:	其後可重新分類至損益之項目:		
Exchange differences arising on translation of foreign operations	換算海外業務所產生之匯兌差額		(9,550)
			(1,065)
Total comprehensive income (expense) for the period	本期全面收入(開支)總額		29,942
			(33,949)

**CONDENSED CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME**

FOR THE SIX MONTHS ENDED 30 JUNE 2016

**簡明綜合損益及其他全面收入
報表**

截至二零一六年六月三十日止六個月

		Six months ended 截至下列日期止六個月	
		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
		NOTE 附註	
Profit (loss) for the period attributable to:	以下人士應佔本期溢利(虧損):		
Owners of the Company	本公司擁有人	39,593	(32,711)
Non-controlling interests	非控股權益	(101)	(173)
		39,492	(32,884)
Total comprehensive income (expense) for the period attributable to:	以下人士應佔本期全面收入(開支)總額:		
Owners of the Company	本公司擁有人	30,043	(33,535)
Non-controlling interests	非控股權益	(101)	(414)
		29,942	(33,949)
Basic earnings (loss) per share (HK cents)	每股基本盈利(虧損) (港仙)	18.73	(restated) (經重列) (20.86)
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2016

簡明綜合財務狀況報表

於二零一六年六月三十日

			30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
		NOTES 附註		
Non-current assets		非流動資產		
Property, plant and equipment	物業、廠房及設備	9	145,256	151,392
Prepaid lease payments	預付租賃款項		29,091	29,433
Investment properties	投資物業	9	78,365	76,365
Deposits for land use rights	土地使用權訂金		17,452	17,486
Available-for-sale investments	可供出售投資	10	42,173	40,844
Loans to joint ventures	給予合營公司之貸款		12,314	13,254
Interests in joint ventures	於合營公司之權益		428	428
Deposit paid for acquisition of property, plant and equipment	已付收購物業、廠房及設備之訂金		-	340
Deposit paid for acquisition of a company	已付收購一間公司之訂金	11	10,000	-
			335,079	329,542
Current assets		流動資產		
Inventories and record masters	存貨及唱片母帶		41,803	39,636
Properties under development for sale	待售發展中物業	12	44,064	44,883
Held-for-trading investments	持作買賣投資	14	91,242	45,090
Derivative financial instrument	衍生金融工具	13	10,709	10,370
Trade and other receivables, prepayments and deposits	貿易及其他應收款項、預付款項以及訂金	15	187,111	178,592
Loans to available-for-sale investees	給予可供出售被投資方之貸款	10	40,902	41,163
Loans receivable	應收貸款		60,172	76,220
Prepaid lease payments	預付租賃款項		701	718
Amount due from a related company	應收一間關連公司款項	15	1,865	3,489
Tax recoverable	可收回稅項		787	862
Short-term bank deposits	短期銀行存款		82,446	113,390
Cash and cash equivalents	現金及現金等值		149,455	120,747
			711,257	675,160

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2016

簡明綜合財務狀況報表

於二零一六年六月三十日

			30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
		NOTES 附註		
Current liabilities	流動負債			
Trade and other payables and accruals	貿易及其他應付款項 以及應計款項	16	121,764	103,471
Tax liabilities	稅項負債		5,033	2,562
Amount due to a non-controlling shareholder of a subsidiary	應付一間附屬公司 一名非控股股東 款項	16	17,908	17,908
Amount due to a related company	應付一間關連公司 款項		20,398	23,331
Obligations under finance leases – due within one year	融資租賃債務 – 於一年內到期		535	–
Borrowings	借貸	17	–	6,000
			165,638	153,272
Net current assets	流動資產淨值		545,619	521,888
Total assets less current liabilities	總資產減流動負債		880,698	851,430
Non-current liabilities	非流動負債			
Amount due to a related company	應付一間關連公司 款項		–	674
Deferred taxation	遞延稅項	18	3,680	3,680
			3,680	4,354
Net assets	資產淨值		877,018	847,076
Capital and reserves	資本及儲備			
Share capital	股本	19	2,114	105,685
Reserves	儲備		876,390	742,776
Total attributable to owners of the Company	本公司擁有人應佔總額		878,504	848,461
Non-controlling interests	非控股權益		(1,486)	(1,385)
Total equity	權益總額		877,018	847,076

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2016

簡明綜合權益變動表

截至二零一六年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Deemed contribution from a shareholder 視作一名股東之貢獻	Capital redemption reserve	Contributed surplus	Properties valuation reserve	Translation reserve	Retained profits	Total	Non-controlling interests	Total
		股本	股份溢價	股東之貢獻	資本贖回儲備	實繳盈餘	物業估值儲備	匯兌儲備	保留溢利	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2015	於二零一五年一月一日	73,393	257,973	188,957	63	-	56,223	56,013	189,014	821,636	(240)	821,396
Loss for the period	本期虧損	-	-	-	-	-	-	-	(32,711)	(32,711)	(173)	(32,884)
Exchange differences arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	(824)	-	(824)	(241)	(1,065)
Total comprehensive expense for the period	本期全面開支總額	-	-	-	-	-	-	(824)	(32,711)	(33,535)	(414)	(33,949)
Issue of new shares upon placing	於配售時發行新股份	14,678	28,182	-	-	-	-	-	-	42,860	-	42,860
Transaction costs attributable to issue of new shares	發行新股份應佔交易成本	-	(1,072)	-	-	-	-	-	-	(1,072)	-	(1,072)
At 30 June 2015	於二零一五年六月三十日	88,071	285,083	188,957	63	-	56,223	55,189	156,303	829,889	(654)	829,235
At 1 January 2016	於二零一六年一月一日	105,685	349,902	188,957	63	-	56,223	25,878	121,753	848,461	(1,385)	847,076
Profit (loss) for the period	本期溢利(虧損)	-	-	-	-	-	-	-	39,593	39,593	(101)	39,492
Exchange differences arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	(9,550)	-	(9,550)	-	(9,550)
Total comprehensive income for the period	本期全面收入總額	-	-	-	-	-	-	(9,550)	39,593	30,043	(101)	29,942
Effect of capital reduction (Note 19)	股本削減之影響(附註19)	(103,571)	-	-	-	103,571	-	-	-	-	-	-
At 30 June 2016	於二零一六年六月三十日	2,114	349,902	188,957	63	103,571	56,223	16,328	161,346	878,504	(1,486)	877,018

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2016

簡明綜合現金流量報表

截至二零一六年六月三十日止六個月

		Six months ended 截至下列日期止六個月	
		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
Net cash from (used in) operating activities:	經營業務所得(所耗)現金淨額:		
Operating cash flows before movements of working capital	未計營運資金變動前之經營現金流量	24,970	(19,713)
Increase in held-for-trading investments	持作買賣投資增加	(19,490)	(15,534)
Decrease (increase) in loans receivable	應收貸款減少(增加)	16,048	(59,088)
Other operating cash flows	其他經營現金流量	3,561	13,938
		25,089	(80,397)
Net cash from investing activities:	投資活動所得現金淨額:		
Purchases of property, plant and equipment	購入物業、廠房及設備	(2,374)	(1,181)
Purchases of available-for-sale investments	購入可供出售投資	(1,703)	(8,921)
Loans to an available-for-sale investee	給予一名可供出售被投資方之貸款	(2,013)	(3,641)
Repayment from an available-for-sale investee	一名可供出售被投資方還款	2,372	-
Loans to a joint venture	給予一間合營公司之貸款	(1,010)	(4,198)
Repayment from a joint venture	一間合營公司還款	1,003	-
Deposit paid for acquisition of a company	已付收購一間公司之訂金	(10,000)	-
Placement of short-term bank deposits	存置短期銀行存款	(9,787)	(708)
Withdrawal of short-term bank deposits	提取短期銀行存款	39,561	35,684
Other investing cash flows	其他投資現金流量	1,085	1,194
		17,134	18,229
Net cash (used in) from financing activities:	融資活動(所耗)所得現金淨額:		
New borrowings raised	新增借貸	-	24,542
Repayment of borrowings	償還借貸	(6,000)	(6,223)
Issue of new shares	發行新股份	-	42,860
Share issues expenses	發行股份開支	-	(1,072)
Repayment to a related company	向一間關連公司還款	(5,133)	-
Other financing cash flows	其他融資現金流量	(413)	(1,330)
		(11,546)	58,777
Net increase (decrease) in cash and cash equivalents	現金及現金等值增加(減少)淨額	30,677	(3,391)
Cash and cash equivalents at the beginning of the period	期初之現金及現金等值	120,747	92,770
Effect of foreign exchange differences	外匯差額影響	(1,969)	(479)
Cash and cash equivalents at the end of the period represented by bank balances and cash	期終之現金及現金等值，以銀行結餘及現金表示	149,455	88,900

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2016

1. GENERAL AND BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2016 are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2015.

In the current interim period, the Group has applied, for the first time, certain amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are mandatorily effective for the current interim period.

The application of the new amendments to HKFRSs in the current interim period had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

During the current interim period, the Group has not early applied HKFRS 16 "Leases" which has been issued but is not yet effective.

簡明綜合財務報表附註

截至二零一六年六月三十日止六個月

1. 一般資料及編製基準

簡明綜合財務報表乃按香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十六之適用披露規定及香港會計師公會頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。

2. 主要會計政策

簡明綜合財務報表乃根據歷史成本基準編製，惟投資物業及若干金融工具按公平值計量除外。

截至二零一六年六月三十日止六個月之簡明綜合財務報表所用之會計政策及計算方法與編製本集團截至二零一五年十二月三十一日止年度之綜合財務報表時依循者相同。

於本中期期間，本集團已首次應用若干由香港會計師公會頒佈、就本中期期間強制生效之香港財務報告準則修訂。

於本中期期間應用香港財務報告準則之新修訂對本簡明綜合財務報表所呈報之金額及／或所載述之披露事項並無重大影響。

於本中期期間，本集團並無提早應用已頒佈但尚未生效之香港財務報告準則第16號「租賃」。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

HKFRS 16, which upon its effective date will supersede HKAS 17 "Leases", introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classify cash repayments of the lease liability into a principal portion and an interest portion and present them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting of classifying leases as operating leases under the predecessor standard, HKAS 17.

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

As set out in note 20, total operating lease commitment as lessee of the Group in respect of leased premises as at 30 June 2016 amounted to approximately HK\$55,564,000. The Directors do not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in significant impact on the Group's result but it is expected that certain portion of these lease commitments will be required to be recognised in the condensed consolidated statement of financial position as right-of-use assets and lease liabilities.

The principal activities of the Group are (i) money lending; (ii) manufacturing and sales of printing products; (iii) artistes management, production and distribution of music albums and movies; (iv) property development and investment; (v) securities trading; and (vi) trading of printing products.

2. 主要會計政策 (續)

香港財務報告準則第16號(自其生效之日起取代香港會計準則第17號「租賃」)引入單一承租人會計處理模型,並要求承租人對所有超過12個月之租賃確認資產及負債,除非相關資產價值較低則作別論。具體而言,根據香港財務報告準則第16號,承租人須確認一項使用權資產(代表其使用相關租賃資產之權利)及一項租賃負債(代表其支付租賃款項義務)。因此,承租人應確認使用權資產之折舊及租賃負債之利息,並將租賃負債之現金還款分為本金部分及利息部分以及於現金流量報表呈報該等還款。同時,使用權資產及租賃負債初步以現值基礎計量。計量包括不可撤銷租賃付款及在承租人能合理確定行使選擇權以延長租賃或不行使該選擇權以終止租賃之情況下之可變期間付款。該會計處理明顯有別於根據原準則(即香港會計準則第17號)將租賃分類為經營租賃之承租人會計處理。

就出租人會計處理而言,香港財務報告準則第16號實質上延續了香港會計準則第17號中有關出租人會計處理之要求。因此,出租人繼續將其租賃分類為經營租賃或融資租賃,並對兩種租賃採用不同之會計處理。

誠如附註20所載,於二零一六年六月三十日,有關租賃物業而本集團作為承租人之經營租賃承擔總額約為55,564,000港元。董事預期,與現行會計政策相比,採納香港財務報告準則第16號將不會對本集團之業績造成重大影響,惟預期該等租賃承擔之若干部分將須於簡明綜合財務狀況報表確認為使用權資產及租賃負債。

本集團之主要業務為(i)放貸;(ii)製造及銷售印刷品;(iii)藝人管理、唱片及電影製作及發行;(iv)物業發展及投資;(v)證券買賣;及(vi)印刷品貿易。

3. SEGMENT INFORMATION

Information reported to the executive Directors, being the chief operating decision makers, for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

The Group's reportable and operating segments are therefore as follows:

- (a) Money lending (the "Lending Business");
- (b) Manufacturing and sales of printing products (the "Manufacturing and Sales Business");
- (c) Artistes management, production and distribution of music albums and movies (the "Music and Entertainment Business");
- (d) Property development and investment, including properties development projects and properties investments in the People's Republic of China (the "PRC") and mini storage business and office leasing and properties investment in Hong Kong (the "Property Business");
- (e) Securities trading (the "Securities Trading Business"); and
- (f) Trading of printing products (the "Trading Business").

3. 分類資料

就分配資源及評估分類表現而向執行董事（即主要經營決策者）報告之資料，主要按所交付貨品或所提供服務類型劃分。

因此，本集團之可報告及經營分類如下：

- (a) 放貸（「放貸業務」）；
- (b) 印刷產品製造及銷售（「製造及銷售業務」）；
- (c) 藝人管理、音樂唱片及電影製作及發行（「音樂及娛樂業務」）；
- (d) 物業發展及投資（包括於中華人民共和國（「中國」）之物業發展項目及物業投資、於香港之迷你倉業務以及辦公室租賃及物業投資）（「物業業務」）；
- (e) 證券買賣（「證券買賣業務」）；及
- (f) 印刷產品貿易（「貿易業務」）。

3. SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue and results by reportable and operating segment:

3. 分類資料 (續)

本集團按可報告及經營分類劃分之收益及業績分析如下：

		Revenue 收益		Segment profit (loss) 分類溢利 (虧損)	
		Six months ended 截至下列日期止六個月		Six months ended 截至下列日期止六個月	
		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
Lending Business	放貸業務	3,950	2,740	1,829	570
Manufacturing and Sales Business	製造及銷售業務	249,256	195,485	25,690	(24,939)
Music and Entertainment Business	音樂及娛樂業務	6,427	2,497	1,511	(6,650)
Property Business	物業業務	564	391	1,517	3,283
Securities Trading Business	證券買賣業務	-	-	26,570	(2,576)
Trading Business	貿易業務	14,643	16,508	901	1,191
Total	總計	274,840	217,621	58,018	(29,121)
Bank interest income	銀行利息收入			545	1,194
Unallocated other incomes	未分配其他收入			12	4,513
Unallocated corporate expenses	未分配企業開支			(14,232)	(8,709)
Unallocated net foreign exchange gain	未分配外匯收益淨額			3	13
Share of loss of joint ventures	應佔合營公司之虧損			-	(253)
Profit (loss) before taxation	除稅前溢利 (虧損)			44,346	(32,363)

All of the segment revenue reported above is from external customers.

上文所報告之所有分類收益均來自外部客戶。

3. SEGMENT INFORMATION (Continued)

Segment profit (loss) represents the profit earned/loss incurred by each segment without allocation of bank interest income, unallocated corporate expenses, unallocated other incomes, unallocated net foreign exchange gain and certain share of loss of joint ventures. This is the measure reported to the executive Directors for the purposes of resources allocation and assessment of segment performance.

The following is an analysis of the Group's assets by reportable and operating segment:

3. 分類資料 (續)

分類溢利(虧損)指各分類賺取之溢利/產生之虧損,當中並無分配銀行利息收入、未分配企業開支、未分配其他收入、未分配外匯收益淨額及若干應佔合營公司之虧損。此為就資源分配及分類表現評估向執行董事報告之計量標準。

本集團按可報告及經營分類劃分之資產分析如下:

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Lending Business	放貸業務	61,079	77,431
Manufacturing and Sales Business	製造及銷售業務	313,721	301,770
Music and Entertainment Business	音樂及娛樂業務	16,180	28,795
Property Business	物業業務	199,052	190,850
Securities Trading Business	證券買賣業務	94,450	47,663
Trading Business	貿易業務	19,577	14,821
Total segment assets	總分類資產	704,059	661,330
Other assets	其他資產	342,277	343,372
Consolidated assets	綜合資產	1,046,336	1,004,702

4. FINANCE COSTS

4. 融資成本

		Six months ended 截至下列日期止六個月	
		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
Interest on:	以下項目之利息：		
Bank borrowings	銀行借貸	325	359
Amount due to a related company	應付一間關連公司款項	1,526	-
Other borrowings	其他借貸	-	971
		1,851	1,330

5. TAXATION

5. 稅項

		Six months ended 截至下列日期止六個月	
		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
The charge comprises:	支出包括：		
Current tax for the period:	本期即期稅項：		
Hong Kong	香港	3,022	435
The PRC	中國	1,832	86
		4,854	521

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both periods.

香港利得稅乃根據兩個期間之估計應課稅溢利按稅率16.5%計算。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of PRC subsidiaries is 25%.

根據《中國企業所得稅法》(「《企業所得稅法》」)及《企業所得稅法實施條例》，中國附屬公司之稅率為25%。

6. PROFIT (LOSS) FOR THE PERIOD

6. 本期溢利（虧損）

		Six months ended 截至下列日期止六個月	
		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
Profit (loss) for the period has been arrived at after charging (crediting):	計算本期溢利（虧損）已扣除（計入）：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7,655	6,978
Amortisation of prepaid lease payments	預付租賃款項攤銷	463	463
Included in other gains and losses:	計入其他收益及虧損：		
Net foreign exchange (gain) loss	外匯（收益）虧損淨額	(1,100)	821
Allowance for bad and doubtful debts	呆壞賬撥備	507	691
Change in fair value in held-for-trading investments (Note)	持作買賣投資之公平值變動（附註）	(26,662)	2,264
Change in fair value in investment properties	投資物業之公平值變動	(2,000)	(3,165)
Change in fair value in derivative financial instrument	衍生金融工具之公平值變動	(339)	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(444)	-
Impairment loss recognised in respect of property, plant and equipment	就物業、廠房及設備確認之減值虧損	-	3,297
Impairment loss recognised in respect of intangible assets	就無形資產確認之減值虧損	-	3,831
		(30,038)	7,739
Included in interest income:	計入利息收入：		
Bank interest income	銀行利息收入	(545)	(1,194)
Effective interest income from loan to an available-for-sale investee	來自給予一名可供出售被投資方之貸款之實際利息收入	(809)	(1,409)
		(1,354)	(2,603)

Note:

The amounts included the net realised gain of approximately HK\$1,620,000 (six months ended 30 June 2015: net realised loss of approximately HK\$1,181,000) on disposal of held-for-trading investments for the current interim period of which the gross proceeds were approximately HK\$13,794,000 (six months ended 30 June 2015: approximately HK\$79,635,000).

附註：

該等款項包括於本中期期間出售持作買賣投資之已變現收益淨額約1,620,000港元（截至二零一五年六月三十日止六個月：已變現虧損淨額約1,181,000港元），所得款項總額約為13,794,000港元（截至二零一五年六月三十日止六個月：約79,635,000港元）。

7. DIVIDENDS

No dividends were paid, declared or proposed for both interim periods. The Directors did not recommend the payment of an interim dividend in respect of the current interim period.

8. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to the owners of the Company for the current interim period is based on the following data:

		Six months ended 截至下列日期止六個月	
		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
Profit (loss) for the purpose of basic earnings (loss) per share (profit (loss) for the period)	用於計算每股基本盈利(虧損)之 溢利(虧損) (本期溢利(虧損))	39,593	(32,711)
		30.6.2016 二零一六年 六月三十日	30.6.2015 二零一五年 六月三十日 (restated) (經重列)
Number of shares	股份數目		
Weighted average number of shares in issue for the purpose of basic earnings (loss) per share	用於計算每股基本盈利(虧損)之 已發行加權平均股數	211,369,456	156,841,102

No diluted earnings (loss) per share has been presented as there were no potential ordinary shares outstanding during the current or prior period.

The number of ordinary shares for the calculation of the basic loss per share for the interim period ended 30 June 2015 has been adjusted to reflect the impact of the share consolidation effected during the current interim period as disclosed in note 19.

7. 股息

兩個中期期間均無派付、宣派或建議派發任何股息。董事不建議就本中期期間派付任何中期股息。

8. 每股盈利(虧損)

本中期期間本公司擁有人應佔每股基本盈利(虧損)乃基於以下數據計算：

由於本期或過往期間內並無發行在外之潛在普通股，故並無呈列每股攤薄盈利(虧損)。

用於計算截至二零一五年六月三十日止中期期間之每股基本虧損之普通股數目已作調整，以反映附註19所披露於本中期期間進行之股份合併之影響。

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT/INVESTMENT PROPERTIES

Property, plant and equipment

During the current interim period, the Group's addition to property, plant and equipment was approximately HK\$3,344,000 (six months ended 30 June 2015: approximately HK\$2,081,000) and the Group entered into finance lease arrangements in respect of motor vehicles with a total capital value of HK\$630,000 (six months ended 30 June 2015: nil) at the inception of the leases.

Investment properties

During the six months ended 30 June 2015, certain premises situated in the PRC previously leased out for rental income had been changed to self-used premises. Accordingly, the investment properties with fair value of HK\$11,165,000 were transferred to leasehold land and buildings. The increase in fair value of investment properties of HK\$2,000,000 has been recognised directly in profit or loss for the six months ended 30 June 2016 (six months ended 30 June 2015: HK\$3,165,000).

The fair value of investment properties as at 30 June 2016 and 31 December 2015 have been arrived at on the basis of valuations carried out by Citiland Surveyors Limited for properties located in Hong Kong. It is an independent qualified professional valuer not related to the Group.

The fair values were determined based on the direct comparison approach assuming sale of each of these properties in existing state and by making reference to comparable sales transactions as available in the relevant market and adjusted for differences in the nature and location.

9. 物業、廠房及設備／投資物業之變動

物業、廠房及設備

於本中期期間，本集團添置約3,344,000港元（截至二零一五年六月三十日止六個月：約2,081,000港元）之物業、廠房及設備，而本集團就汽車訂立融資租賃安排（汽車於租賃起始時之總資本值為630,000港元（截至二零一五年六月三十日止六個月：無））。

投資物業

於截至二零一五年六月三十日止六個月，若干位於中國、先前出租以賺取租金收入之物業已更改為自用物業。因此，公平值為11,165,000港元之投資物業已轉撥至租賃土地及樓宇。投資物業之公平值增加2,000,000港元已直接於截至二零一六年六月三十日止六個月之損益確認（截至二零一五年六月三十日止六個月：3,165,000港元）。

投資物業於二零一六年六月三十日及二零一五年十二月三十一日之公平值乃根據天俊測量師行有限公司就位於香港之物業進行之估值達致。上述公司為獨立合資格專業估值師，與本集團概無關連。

公平值乃基於直接比較法釐定，當中假設各項物業按現狀出售，並已參考相關市場上可得之可資比較銷售交易以及就性質及位置差異作出調整。

**10. AVAILABLE-FOR-SALE INVESTMENTS/
LOANS TO AVAILABLE-FOR-SALE INVESTEES**
Available-for-sale investments

**10. 可供出售投資／給予可供
出售被投資方之貸款**
可供出售投資

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Available-for-sale investments comprise:	可供出售投資包括：		
Club membership	會所會籍	3,404	3,404
Unlisted equity securities established in the PRC measured at fair value (Note (i))	於中國成立之非上市股本證券， 按公平值計量 (附註(i))	15,044	15,044
Unlisted equity securities established in the PRC measured at cost (Note (iii))	於中國成立之非上市股本證券， 按成本計量 (附註(iii))	17,534	17,908
Unlisted equity securities established in overseas measured at cost (Notes (ii) and (iii))	於海外成立之非上市股本證券， 按成本計量 (附註(ii)及(iii))	6,191	4,488
		42,173	40,844

Notes:

- (i) In 2013, the Group signed a capital injection agreement with shareholders of 四川英華房地產有限公司 (Sichuan Ying Wah Real Estate Company Limited) ("英華房地產"), all being independent third parties, to inject RMB10,000,000 in 英華房地產, representing approximately 16.67% equity interest of the enlarged paid-in capital of 英華房地產. 英華房地產 is principally engaged in the property development in the PRC. The available-for-sale investments in 英華房地產 were measured at fair value on 30 June 2016 and 31 December 2015.
- (ii) During the six months ended 30 June 2016, the Group further invested in an entity established in overseas at a consideration of HK\$1,703,000.
- (iii) The unlisted equity investments were measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates was so significant that the Directors were of the opinion that their fair values could not be measured reliably.

附註：

- (i) 於二零一三年，本集團與四川英華房地產有限公司（「英華房地產」）之股東（均為獨立第三方）簽訂一份注資協議，向英華房地產注資人民幣10,000,000元，相當於英華房地產經擴大實收資本約16.67%股本權益。英華房地產主要於中國從事物業發展。於二零一六年六月三十日及二零一五年十二月三十一日，於英華房地產之可供出售投資乃按公平值計量。
- (ii) 於截至二零一六年六月三十日止六個月，本集團進一步投資於一間於海外成立之實體，代價為1,703,000港元。
- (iii) 非上市股本投資於報告期末按成本扣除減值計量，此乃由於合理公平值估算之範圍過大，董事認為無法可靠地計量該等投資之公平值。

10. AVAILABLE-FOR-SALE INVESTMENTS/ LOANS TO AVAILABLE-FOR-SALE INVESTEES (Continued)

Loans to available-for-sale investees

Loans to available-for-sale investees comprise:

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Ying Wah Shareholder's Loan (Note (i))	英華股東貸款 (附註(i))	32,729	35,003
Other shareholder's loan (Note (ii))	其他股東貸款(附註(ii))	8,173	6,160
		40,902	41,163

Notes:

- (i) In 2013, the Group signed a loan agreement with 英華房地產 pursuant to which that the Group granted an unsecured interest-free loan of RMB30,000,000 ("Ying Wah Shareholder's Loan") to 英華房地產. The loan is unsecured, interest-free and repayable within three years from loan advance date (i.e. 19 March 2013). The effective interest rate on this loan is 10% per annum. During the six months ended 30 June 2016, the Group entered into a supplemental shareholder's loan agreement with 英華房地產 pursuant to which the maturity period of the Ying Wah Shareholder's Loan is extended from 19 March 2016 to 31 December 2016 and 英華房地產 partially repaid the Ying Wah Shareholder's Loan in the amount of RMB2,000,000.
- (ii) The loan is unsecured, interest-free and repayable within one year from the end of reporting period.

10. 可供出售投資／給予可供 出售被投資方之貸款 (續)

給予可供出售被投資方之貸款

給予可供出售被投資方之貸款包括：

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Ying Wah Shareholder's Loan (Note (i))	英華股東貸款 (附註(i))	32,729	35,003
Other shareholder's loan (Note (ii))	其他股東貸款(附註(ii))	8,173	6,160
		40,902	41,163

附註：

- (i) 於二零一三年，本集團與英華房地產簽訂一份貸款協議，據此由本集團授予英華房地產為數人民幣30,000,000元之無抵押免息貸款（「英華股東貸款」）。該筆貸款為無抵押、免息及須於由貸款墊付日期（即二零一三年三月十九日）起計三年內償還。該筆貸款之實際年利率為10%。於截至二零一六年六月三十日止六個月，本集團與英華房地產訂立補充股東貸款協議，據此，英華股東貸款之期限由二零一六年三月十九日延後至二零一六年十二月三十一日，而英華房地產償還部分英華股東貸款人民幣2,000,000元。
- (ii) 該筆貸款為無抵押、免息及須於由報告期末起計一年內償還。

11. DEPOSIT PAID FOR ACQUISITION OF A COMPANY

On 25 April 2016, We-do-best Limited (a wholly-owned subsidiary of the Company) as purchaser, Preserve Capital Realty Limited (a company wholly-owned by a family trust of Mr. Suek Ka Lun, Ernie) as vendor and Mr. Suek Ka Lun, Ernie as guarantor signed a conditional sale and purchase agreement in relation to the possible acquisition of 100% equity interest in Supreme Cycle Inc., a company principally engaged in investment holding and property investment in Hong Kong. The consideration is the amount of the net asset value of Supreme Cycle Inc. at a reference date agreed by the parties but shall not be more than HK\$95,000,000. Based on the terms of the agreement, the Group agreed and had paid HK\$10,000,000 in cash to the vendor, a related company, as a refundable deposit. The acquisition was approved by the shareholders of the Company on 5 August 2016. The acquisition has not yet been completed as at the date of approval of these condensed consolidated financial statements.

12. PROPERTIES UNDER DEVELOPMENT FOR SALE

The properties under development for sale of the Group are situated on the land located in PRC.

The properties under development for sale classified as current assets as at 30 June 2016 and 31 December 2015 are expected to be completed and sold after twelve months from the end of the reporting period. The development has been suspended since June 2014. The land, which the properties under development for sale are located, is currently frozen by the 深圳市寶安區人民法院 (the "People's Court of Baoan District"). Details of the freeze of land are stated below.

The properties under development for sale are owned by 清遠市中清房地產開發有限公司 ("中清房地產"), a non-wholly-owned subsidiary of the Company. On 18 June 2014, 深圳市中星國盛投資發展有限公司 ("中星國盛"), the immediate holding company of 中清房地產, initiated civil proceedings against 中清房地產 in the People's Court of Baoan District for the repayment of the shareholder's loan owing to 中星國盛 of RMB23,479,330. On 19 June 2014, pursuant to an application made by 中星國盛 to freeze and preserve assets of 中清房地產 in the total value of RMB23,400,000, an order was granted by the People's Court of Baoan District to freeze and preserve the land owned by 中清房地產 during the period from 24 June 2014 to 23 June 2016 (the "Freeze Order").

11. 已付收購一間公司之訂金

於二零一六年四月二十五日，We-do-best Limited（本公司之全資附屬公司，作為買方）、Preserve Capital Realty Limited（由薛嘉麟先生之家族信託全資擁有之公司，作為賣方）及薛嘉麟先生（作為擔保人）簽訂一份有條件買賣協議，內容有關可能收購 Supreme Cycle Inc.（主要於香港從事投資控股及物業投資之公司）100%股本權益。代價金額為 Supreme Cycle Inc. 於訂約各方協定之參考日期之資產淨值，惟不得多於 95,000,000 港元。依照協議條款，本集團同意並已經向賣方（為一間關連公司）支付現金 10,000,000 港元作為可退回按金。本公司股東於二零一六年八月五日批准該項收購。於本簡明綜合財務報表獲批准當日，該項收購尚未完成。

12. 待售發展中物業

本集團之待售發展中物業位於中國一幅土地上。

於二零一六年六月三十日及二零一五年十二月三十一日，分類為流動資產之待售發展中物業預期於由報告期末起計十二個月後落成及出售。該發展項目自二零一四年六月起暫停。待售發展中物業位處之土地現時被 深圳市寶安區人民法院（「寶安區人民法院」）凍結。土地凍結詳情列於下文。

待售發展中物業由清遠市中清房地產開發有限公司（「中清房地產」，本公司之非全資附屬公司）擁有。於二零一四年六月十八日，深圳市中星國盛投資發展有限公司（「中星國盛」，中清房地產之直接控股公司）就償還結欠中星國盛之股東貸款人民幣 23,479,330 元向寶安區人民法院提出對中清房地產之民事訴訟。於二零一四年六月十九日，因應中星國盛申請凍結及保存中清房地產總值人民幣 23,400,000 元之資產，寶安區人民法院頒令，於二零一四年六月二十四日至二零一六年六月二十三日期間凍結及保存中清房地產擁有之土地（「凍結令」）。

12. PROPERTIES UNDER DEVELOPMENT FOR SALE (Continued)

On 30 September 2014, the civil mediation document (民事調解書) was issued by the People's Court of Baoan District that (i) both 中清房地產 and the Group confirmed the shareholder's loan was in sum of RMB23,479,330; (ii) 中清房地產 agreed to repay to the Group the sum of RMB23,479,330 together with the interests accrued from 18 June 2014 until the date of repayment, which was within 15 days after the effective date of the civil mediation document (i.e. 15 October 2014); and (iii) if 中清房地產 fails to repay the amount stated in (ii) in full on time, the Group has the right to request 中清房地產 to pay default interests calculated at two times of the lending rate of the People's Bank of China over the same period.

On 27 May 2016, the Group received the assistance execution notice (協助執行通知書) issued by the People's Court of Baoan District to freeze and preserve the land owned by 中清房地產 during the period from 13 June 2016 to 12 June 2019 (the "Updated Freeze Order").

At the date of this report, the shareholder's loan has not yet been settled by 中清房地產. In the opinion of the Directors, the Updated Freeze Order is for the purpose of securing the Group's rights and to ensure that 中清房地產 has sufficient assets to repay the shareholder's loan to the Group. Therefore, the Directors considered there is no impairment on both the properties under development for sale and the shareholder's loan. 中星國盛 can withdraw the court order for the repayment of the shareholder's loan and then release the Updated Freeze Order from the People's Court of Baoan District at any time and 中星國盛 remains in control over 中清房地產 for this interim period as its operations other than the construction on the land owned by 中清房地產 is not affected by the Freeze Order or the Updated Freeze Order.

13. DERIVATIVE FINANCIAL INSTRUMENT

Other than the investments in 英華房地產 as disclosed in note 10, the Group signed a put option deed with the major shareholder of 英華房地產, who has 61.67% equity interest in 英華房地產, pursuant to which the Group has the right to dispose of the Group's entire equity interest in 英華房地產 through the disposal of an indirect wholly-owned subsidiary which held the equity interest over 英華房地產 and the remaining Ying Wah Shareholder's Loan at a consideration of the higher of RMB52,000,000 or amount equal to 16.67% of the performance target, in each case, less the repayment of the Ying Wah Shareholder's Loan. The performance target is based on cumulative sales proceeds accrued by 英華房地產 in respect of a specific real estate project during the period from 27 February 2013 up to and including 26 February 2016 to be audited by an independent auditor jointly appointed by the Group and the major shareholder. If the performance target is not achieved, the consideration shall be deemed to be RMB52,000,000 less the repayment of the Ying Wah Shareholder's Loan. The put option can be exercised within 6 months from 26 February 2016.

12. 待售發展中物業(續)

於二零一四年九月三十日，寶安區人民法院發出民事調解書，內容為(i)中清房地產與本集團均確認股東貸款為人民幣23,479,330元；(ii)中清房地產同意向本集團償還人民幣23,479,330元，連同由二零一四年六月十八日起至還款日期(民事調解書生效日期後15天(即二零一四年十月十五日)內)止累計之利息；及(iii)倘中清房地產未能準時全數償還(ii)所載之款項，則本集團有權要求中清房地產支付違約利息，金額乃按同一期間中國人民銀行借貸利率之兩倍計算。

於二零一六年五月二十七日，本集團接獲寶安區人民法院發出之協助執行通知書，以於二零一六年六月十三日至二零一六年六月十二日期間凍結及保存中清房地產擁有之土地(「最新凍結令」)。

於本報告日期，中清房地產尚未清償股東貸款。董事認為，最新凍結令旨在保障本集團之權利，確保中清房地產備有足夠資產向本集團償還股東貸款。因此，董事認為待售發展中物業及股東貸款均無減值。中星國盛可隨時撤回償還股東貸款之法院命令，然後解除寶安區人民法院之最新凍結令，而由於中星國盛之營運(於中清房地產擁有之土地上進行之建築工程除外)不受凍結令或最新凍結令影響，故中星國盛於本中期間仍然擁有中清房地產之控制權。

13. 衍生金融工具

除附註10所披露於英華房地產之投資外，本集團已與英華房地產之主要股東(擁有英華房地產61.67%股本權益)簽訂一份認沽期權契據，據此，本集團有權透過出售一間持有英華房地產股本權益之間接全資附屬公司及餘下英華股東貸款，出售本集團於英華房地產之全部股本權益，代價為人民幣52,000,000元或相等於表現目標16.67%之金額(以較高者為準)，而於各種情況下均需扣除英華股東貸款還款。表現目標乃基於英華房地產就一個特定房地產項目於二零一三年二月二十七日至二零一六年二月二十六日(包括該日)期間累計之累積銷售所得款項(將由本集團與該主要股東共同委任之獨立核數師審核)計算。如未能達成表現目標，則代價將被視作人民幣52,000,000元減去英華股東貸款還款。認沽期權可於由二零一六年二月二十六日起計六個月內行使。

13. DERIVATIVE FINANCIAL INSTRUMENT (Continued)

On 26 February 2016, the Group entered into a supplemental put option deed with the major shareholder of 英華房地產 and agreed as follows:

1. the cut off date of the performance target was extended from 26 February 2016 to 31 December 2016; and
2. the exercisable period of the put option has amended to a period within 6 months from 31 December 2016.

The derivative financial instrument is measured at fair value. As the put option will expire on 31 December 2016, the fair value of derivative financial instrument is classified as current asset for reporting purposes. Black-Scholes option pricing model is used and the following assumptions were used to calculate the fair value of put option.

Equity value	RMB12,836,000 (31 December 2015: RMB13,336,000)
Exercise price (Note a)	RMB22,000,000 (31 December 2015: RMB22,000,000)
Expected life of options	12 months (31 December 2015: 8 months)
Expected volatility (Note b)	39.33% (31 December 2015: 45.84%)
Expected dividend yield	0% (31 December 2015: 0%)
Risk-free rate	3.58% (31 December 2015: 3.58%)

The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price of comparable companies and project on the performance target. The changes in subjective input assumptions can materially affect the fair value estimate.

13. 衍生金融工具 (續)

於二零一六年二月二十六日，本集團與英華房地產之主要股東訂立補充認沽期權契據，並同意作出下列修訂：

1. 將表現目標之截止日期由二零一六年二月二十六日延後至二零一六年十二月三十一日；及
2. 認沽期權之行使期修訂為由二零一六年十二月三十一日起計六個月內。

衍生金融工具乃按公平值計量。由於認沽期權將於二零一六年十二月三十一日到期，故就報告而言，衍生金融工具之公平值分類為流動資產。本集團已採用畢蘇期權定價模型，並採用以下假設計算認沽期權之公平值。

權益價值	人民幣12,836,000元 (二零一五年十二月三十一日： 人民幣13,336,000元)
行使價 (附註a)	人民幣22,000,000元 (二零一五年十二月三十一日： 人民幣22,000,000元)
預期期權年期	12個月(二零一五年十二月 三十一日：8個月)
預期波幅 (附註b)	39.33%(二零一五年十二月 三十一日：45.84%)
預期股息率	0%(二零一五年十二月三十一日： 0%)
無風險利率	3.58%(二零一五年十二月 三十一日：3.58%)

畢蘇期權定價模型需要輸入高度主觀之假設，包括可資比較公司之股價波幅及對表現目標之預測。主觀輸入數據假設變動可大幅影響公平值估計。

13. DERIVATIVE FINANCIAL INSTRUMENT (Continued)

Notes:

- (a) The exercise price is calculated based on RMB52,000,000 less the Ying Wah Shareholder's Loan at the date of completion of capital injection of RMB30,000,000 as the exercise price is deemed to include a guarantee for the repayment of the Ying Wah Shareholder's Loan.
- (b) The expected volatility of the put option is based on the historical daily share price movements of a set of comparable companies over a historical period of 0.658 years.

During the six months ended 30 June 2016, the fair value of derivative financial instruments credit to the profit or loss is approximately HK\$339,000 (six months ended 30 June 2015: nil).

14. HELD-FOR-TRADING INVESTMENTS

13. 衍生金融工具 (續)

附註：

- (a) 由於行使價被視作涵蓋償還英華股東貸款之擔保，故行使價乃依照人民幣52,000,000元減去注資完成當日之英華股東貸款人民幣30,000,000元計算。
- (b) 認沽期權之預期波幅乃以一組可資比較公司過去0.658年之過往每日股價變動為基礎。

於截至二零一六年六月三十日止六個月，計入損益之衍生金融工具公平值約為339,000港元（截至二零一五年六月三十日止六個月：無）。

14. 持作買賣投資

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	30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Equity securities listed in Hong Kong 香港上市股本證券	91,242	45,090

15. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS/AMOUNT DUE FROM A RELATED COMPANY

The Group's credit terms on Manufacturing and Sales Business and Trading Business generally range from 60 to 90 days. A longer period is granted to a few customers with whom the Group has a good business relationship and which are in sound financial condition. The Group allows an average credit period of 60 to 90 days to the customers of its Music and Entertainment Business. The following is an ageing analysis of the trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period.

15. 貿易及其他應收款項、預付款項以及訂金／應收一間關連公司款項

本集團製造及銷售業務以及貿易業務之信貸期限一般為60至90日。少數與本集團有良好商業關係且財務狀況良好之客戶可享較長之信貸期限。本集團音樂及娛樂業務客戶之信貸期限平均為60至90日。於報告期末之貿易應收款項（已扣除呆賬撥備）按發票日期呈列之賬齡分析如下。

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Manufacturing and Sales Business and Trading Business: 製造及銷售業務以及貿易業務:			
0 – 30 days	0至30日	133,392	115,367
31 – 60 days	31至60日	13,995	13,399
61 – 90 days	61至90日	2,372	6,028
Over 90 days	超過90日	5,325	5,829
		155,084	140,623
Music and Entertainment Business: 音樂及娛樂業務:			
0 – 30 days	0至30日	5,667	1,053
31 – 60 days	31至60日	276	415
61 – 90 days	61至90日	83	166
Over 90 days	超過90日	1,978	1,960
		8,004	3,594
Total trade receivables	貿易應收款項總額	163,088	144,217
Deposits with brokers' houses	經紀行存款	3,159	2,505
Deposits, prepayments and other receivables	訂金、預付款項及其他應收款項	20,864	31,870
		187,111	178,592

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15. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS/AMOUNT DUE FROM A RELATED COMPANY (Continued)

During the six months ended 30 June 2016, trade receivables of printing operation of HK\$507,000 (six months ended 30 June 2015: HK\$691,000) were impaired as the counterparties have been in financial difficulties in repaying their outstanding balances.

Amount due from a related company is of a trade nature, unsecured and interest-free. A credit term of 30 days has been granted to the related company.

16. TRADE AND OTHER PAYABLES AND ACCRUALS/AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

An aged analysis of the trade and other payables and accruals presented based on the invoice date at the end of the reporting period is as follows:

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
0 – 30 days	0至30日	63,638	42,835
31 – 60 days	31至60日	10,748	12,281
61 – 90 days	61至90日	2,769	2,075
Over 90 days	超過90日	3,933	2,850
		81,088	60,041
Accrued expenses and other payables	應計費用及其他應付款項	40,676	43,430
		121,764	103,471

The amount due to a non-controlling shareholder of a subsidiary is unsecured, interest-free and repayable on demand.

15. 貿易及其他應收款項、預付款項以及訂金／應收一間關連公司款項（續）

於截至二零一六年六月三十日止六個月，印刷業務為數507,000港元（截至二零一五年六月三十日止六個月：691,000港元）之貿易應收款項由於交易對手償還結欠餘額時有財務困難，故已減值。

應收一間關連公司款項為貿易性質、無抵押及免息。該關連公司獲授之信貸期為30日。

16. 貿易及其他應付款項以及應計款項／應付一間附屬公司一名非控股股東款項

於報告期末之貿易及其他應付款項以及應計款項按發票日期呈列之賬齡分析如下：

應付一間附屬公司一名非控股股東款項為無抵押、免息及須按要求償還。

17. BORROWINGS

The following table provides an analysis of the borrowings:

	30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Unsecured bank borrowing	—	6,000
無抵押銀行借貸	—	6,000

The unsecured bank borrowing as at 31 December 2015 was repayable within one year from the end of the reporting period (subject to a repayment on demand clause) and carried at Hong Kong Interbank Offered Rate ("HIBOR") plus 1.5% per annum. The unsecured bank borrowing was repaid during the six months ended 30 June 2016.

於二零一五年十二月三十一日，無抵押銀行借貸須於由報告期末起計一年內償還（受按要求償還條款所規限）及按香港銀行同業拆息加年利率1.5%計息。無抵押銀行借貸已於截至二零一六年六月三十日止六個月償還。

18. DEFERRED TAXATION

The following are the major deferred tax liabilities and asset recognised and movements thereon during the current and prior periods:

	Accelerated tax depreciation 加速稅務折舊 HK\$'000 千港元	Tax losses 稅務虧損 HK\$'000 千港元	Intangible assets 無形資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元	
At 1 January 2015 and 30 June 2015	於二零一五年一月一日及 二零一五年六月三十日	5,114	(161)	877	5,830
Credit to profit and loss for the period	撥入本期損益	(1,273)	—	(877)	(2,150)
At 31 December 2015 and 30 June 2016	於二零一五年十二月三十一日及 二零一六年六月三十日	3,841	(161)	—	3,680

17. 借貸

下表提供借貸之分析：

	30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Unsecured bank borrowing	—	6,000
無抵押銀行借貸	—	6,000

於二零一五年十二月三十一日，無抵押銀行借貸須於由報告期末起計一年內償還（受按要求償還條款所規限）及按香港銀行同業拆息加年利率1.5%計息。無抵押銀行借貸已於截至二零一六年六月三十日止六個月償還。

18. 遞延稅項

以下為本期間及過往期間確認之主要遞延稅務負債及資產以及其變動：

19. SHARE CAPITAL

19. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.05 each at 1 January 2016	於二零一六年一月一日 每股面值0.05港元之普通股	10,000,000,000	500,000
Share consolidation (note (i))	股份合併 (附註(i))	(9,000,000,000)	-
Share sub-division (note (iii))	股份分拆 (附註(iii))	49,000,000,000	-
Ordinary shares of HK\$0.01 each at 30 June 2016	於二零一六年六月三十日 每股面值0.01港元之普通股	50,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.05 each at 1 January 2016	於二零一六年一月一日 每股面值0.05港元之普通股	2,113,694,560	105,685
Share consolidation (note (i))	股份合併 (附註(i))	(1,902,325,104)	-
Capital reduction (note (ii))	股本削減 (附註(ii))	-	(103,571)
Ordinary shares of HK\$0.01 each at 30 June 2016	於二零一六年六月三十日 每股面值0.01港元之普通股	211,369,456	2,114

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Note:

At a special general meeting of the Company held on 1 April 2016, a special resolution was passed by the shareholders of the Company whereby:

- (i) every ten issued and unissued shares of par value of HK\$0.05 each had been consolidated into one consolidated share of par value of HK\$0.50;
- (ii) the par value of each of the then issued consolidated shares of the Company had been reduced from HK\$0.50 to HK\$0.01 by cancelling the paid-up capital of the Company to the extent of HK\$0.49 on each of the then issued consolidated shares; and
- (iii) each of the then authorised but unissued consolidated shares of par value of HK\$0.50 each was sub-divided into 50 ordinary shares of par value of HK\$0.01 each.

The abovementioned share consolidation, capital reduction and share sub-division became effective on 5 April 2016.

附註：

於本公司在二零一六年四月一日舉行之股東特別大會上，本公司股東通過一項特別決議案，據此：

- (i) 每十股每股面值0.05港元之已發行及未發行股份合併為1股面值0.50港元之合併股份；
- (ii) 透過按每股當時已發行合併股份0.49港元註銷本公司之實繳股本，將本公司當時已發行合併股份之面值由每股0.50港元削減至每股0.01港元；及
- (iii) 將當時每股面值0.50港元之法定但未發行合併股份分拆為50股每股面值0.01港元之普通股。

上述股份合併、股本削減及股份分拆於二零一六年四月五日生效。

20. LEASE COMMITMENTS

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of premises which fall due as follows:

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Within one year	一年內	10,151	16,985
In the second to fifth year inclusive	第二至第五年內(包括首尾兩年)	5,279	3,118
Over five years	超過五年	40,134	41,932
		55,564	62,035

Operating lease payments represent rentals payable by the Group for factory premises and staff quarters in the PRC. Leases for factory premises and staff quarters are negotiated for terms of 1 to 50 years. Rentals are fixed for 1 to 50 years.

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Within one year	一年內	413	454
In the second to fifth year inclusive	第二至第五年內(包括首尾兩年)	-	41
		413	495

20. 租賃承擔

本集團作為承租人

於報告期末，本集團就物業之不可撤銷經營租賃應付之未來最低租賃款項承擔於以下期間到期繳付：

經營租賃款項指本集團就位於中國之工廠物業及員工宿舍應付之租金。工廠物業及員工宿舍之租期議定為1至50年不等。租金於1至50年內固定不變。

本集團作為出租人

於報告期末，本集團就出租物業之不可撤銷經營租賃已與租戶訂有於下列期間到期之未來應付最低租賃款項之合約：

21. CAPITAL COMMITMENTS

21. 資本承擔

	30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Capital expenditure contracted for but not provided for in the condensed consolidated financial statements in respect of:		
已就以下各項訂約 但未在簡明綜合財務報表中 提撥準備之資本開支：		
– acquisition of property, plant and equipment	950	404
– prepaid lease payments in the PRC	12,272	12,534
	13,222	12,938

The Group's share of the capital commitments made jointly with other joint venturer relating to its joint venture, Reliance Partner Limited, is as follows:

本集團分佔與其他合營方就其合營公司 Reliance Partner Limited 共同作出之資本承擔如下：

	30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Commitment to provide shareholder's loan	47,050	47,050
提供股東貸款之承擔		

22. RELATED PARTY TRANSACTIONS

- (a) During each of the six month periods ended 30 June 2016 and 2015, the Group had entered into the following significant transactions with related companies of the Company as follows:

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
Income:	收入:		
Sales of goods (Note i)	出售貨品 (附註i)	2	210
License fee income (Note i)	特許費收入 (附註i)	600	609
Expenses:	開支:		
Office rental expenses (Note i)	辦公室租金開支 (附註i)	180	180
Premise rental expenses (Note ii)	物業租金開支 (附註ii)	500	500
Finance costs (Note ii)	融資成本 (附註ii)	1,526	-

Notes:

- (i) The transactions were carried out with Neway Karaoke Box Limited and its subsidiaries which are controlled by the father of Mr. Suek Ka Lun, Ernie.
- (ii) The transaction was carried out with another related company, which is beneficially owned by Mr. Suek Ka Lun, Ernie.

22. 關連人士交易

- (a) 於截至二零一六年及二零一五年六月三十日止六個月各期間，本集團與本公司關連公司進行下列重大交易：

附註：

- (i) 該等交易乃與由薛嘉麟先生之父親控制之Neway Karaoke Box Limited及其附屬公司進行。
- (ii) 該交易乃與由薛嘉麟先生實益擁有之另一間關連公司進行。

22. RELATED PARTY TRANSACTIONS (Continued)

(b) Compensation of key management personnel

The remuneration of Directors and other members of key management during the period was as follows:

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
Short-term benefits	短期福利	3,315	2,944
Post-employment benefits	離職後福利	45	68
		3,360	3,012

23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2: fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

22. 關連人士交易(續)

(b) 主要管理人員之報酬

董事及其他主要管理人員於本期內之薪酬如下：

		30.6.2016 二零一六年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30.6.2015 二零一五年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
Short-term benefits	短期福利	3,315	2,944
Post-employment benefits	離職後福利	45	68
		3,360	3,012

23. 金融工具之公平值計量

本集團按經常性基準按公平值計量之金融資產之公平值

本集團部分金融資產於各報告期末按公平值計量。下表列出有關該等金融資產公平值之釐定方法(尤其是所用估值技術及輸入之數據),以及公平值架構層級(當中根據公平值計量輸入值之可觀察程度將公平值計量分類為第一級至第三級)之資料。

- 第1級:就相同資產或負債來自活躍市場報價(未經調整)之公平值計量;
- 第2級:源自可直接(即價格)或間接(即源自價格)就資產或負債觀察而不屬第1級內報價之輸入數據之公平值計量;及
- 第3級:源自包括並非基於可觀察市場數據之資產或負債輸入數據(不可觀察輸入數據)之估值技術之公平值計量。

23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

23. 金融工具之公平值計量 (續)

本集團按經常性基準按公平值計量之金融資產之公平值 (續)

Financial assets 金融資產	Fair value as at 於下列日期之公平值		Fair value hierarchy 公平值架構	Valuation techniques and key input(s) 估值技術及主要輸入值
	30.6.2016 二零一六年 六月三十日 HK\$'000 千港元	31.12.2015 二零一五年 十二月三十一日 HK\$'000 千港元		
Held-for-trading investments 持作買賣投資	91,242	45,090	Level 1 第1級	Quoted bid prices in an active market 活躍市場上之買入報價
Club membership 會所會籍	3,404	3,404	Level 2 第2級	Quoted bid prices in a secondary market 二級市場上之買入報價
Available-for-sale investments at fair value 按公平值計量之可供出售投資	15,044	15,044	Level 3 第3級	Asset approach with key input of adjusted fair value of properties under development for sale (note i) 資產法·當中主要輸入數據為待售發展中物業之經調整公平值(附註i)
Derivative financial instrument 衍生金融工具	10,709	10,370	Level 3 第3級	Black-Scholes option pricing model (note ii) 畢蘇期權定價模型(附註ii)

23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

Notes:

- (i) The fair value of properties under development for sale is based on residual approach with key inputs of market unit prices with expected profit margin of 6.2% and marketability discount.
- (ii) The key inputs in the Black-Scholes model are disclosed in note 13.

There was no transfers amongst Level 1, Level 2 and Level 3 in both periods.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

24. EVENTS AFTER THE REPORTING PERIOD

At the special general meeting of the Company held on 5 August 2016, the resolution approving the acquisition of entire equity interest in Supreme Cycle Inc. and the transactions contemplated thereunder was duly passed by way of poll by the shareholders of the Company. The acquisition has not yet been completed as at the date of approval of these condensed consolidated financial statements. Details of the transaction are disclosed in note 11.

23. 金融工具之公平值計量 (續)

本集團按經常性基準按公平值計量之金融資產之公平值 (續)

附註:

- (i) 待售發展中物業之公平值乃按照剩餘法應用預期利潤率為6.2%之市場單位價格及可推銷性貼現關鍵輸入數據得出。
- (ii) 畢蘇期權定價模型關鍵輸入數據於附註13披露。

於兩個期間，第1級、第2級及第3級之間並無轉撥。

董事認為，按攤銷成本列入簡明綜合財務報表之金融資產及金融負債之賬面金額與公平值相若。

24. 報告期後事項

於二零一六年八月五日舉行之本公司股東特別大會上，本公司股東以投票表決方式正式通過批准收購Supreme Cycle Inc.全部股本權益及據此擬進行之交易之決議案。於本簡明綜合財務報表獲批准當日，該項收購尚未完成。該交易之詳情於附註11披露。

INTERIM DIVIDEND

The board (the "Board") of directors (the "Directors") of Newway Group Holdings Limited (the "Company", together with its subsidiaries, the "Group") does not recommend the payment of an interim dividend for the six months ended 30 June 2016 (the "Period") (six months ended 30 June 2015: nil).

REVIEW OF OVERALL FINANCIAL RESULTS

For the Period, revenue of the Group amounted to approximately HK\$274.8 million (six months ended 30 June 2015: approximately HK\$217.6 million), which has increased by approximately 26.3% as compared with the six months ended 30 June 2015.

Gross profit for the Period amounted to approximately HK\$81.6 million (six months ended 30 June 2015: approximately HK\$34.2 million). Gross profit margin improved by approximately 14 percentage points to approximately 29.7% for the Period (six months ended 30 June 2015: approximately 15.7%).

The Group made a turnaround from a loss of approximately HK\$32.9 million for the six months ended 30 June 2015 to a profit of approximately HK\$39.5 million for the Period, mainly due to (i) the increase in gross profit, which was largely the result of the increase in revenue from the Manufacturing and Sales Business; (ii) the investment return of approximately HK\$2.6 million (six months ended 30 June 2015: nil) generated from the Group's investments in two movies in the People's Republic of China (the "PRC"); (iii) the net fair value gain from held-for-trading investments of approximately HK\$26.7 million (six months ended 30 June 2015: net fair value loss of approximately HK\$2.3 million) recorded for the Period; and (iv) the absence of an impairment loss on the property, plant and equipment and intangible assets of the Group (six months ended 30 June 2015: approximately HK\$7.1 million). The above factors will be further explained below.

中期股息

Newway Group Holdings Limited 中星集團控股有限公司* (「本公司」, 連同其附屬公司統稱「本集團」) 董事 (「董事」) 會 (「董事會」) 不建議派付截至二零一六年六月三十日止六個月 (「本期」) 之中期股息 (截至二零一五年六月三十日止六個月: 無)。

整體財務業績回顧

本集團於本期之收益約為274,800,000港元 (截至二零一五年六月三十日止六個月: 約217,600,000港元), 較截至二零一五年六月三十日止六個月增加約26.3%。

本期毛利約為81,600,000港元 (截至二零一五年六月三十日止六個月: 約34,200,000港元)。本期毛利率改善約14個百分點至約29.7% (截至二零一五年六月三十日止六個月: 約15.7%)。

本集團於本期內轉虧為盈, 由截至二零一五年六月三十日止六個月約32,900,000港元之虧損改善至本期約39,500,000港元之溢利, 主要是由於(i) 毛利上升, 主要因為製造及銷售業務之收益增加; (ii) 本集團於兩齣中華人民共和國 (「中國」) 電影之投資產生投資回報約2,600,000港元 (截至二零一五年六月三十日止六個月: 無); (iii) 本期內錄得持作買賣投資公平值收益淨額約26,700,000港元 (截至二零一五年六月三十日止六個月: 公平值虧損淨額約2,300,000港元); 及(iv) 缺少本集團物業、廠房及設備以及無形資產之減值虧損 (截至二零一五年六月三十日止六個月: 約7,100,000港元) 所致。以上因素將於下文進一步闡述。

* 僅供識別

REVIEW OF OPERATIONS AND PROSPECTS

Lending Business

The lending business comprised of the financial leasing business in Shanghai and the money lending business in Hong Kong. For the financial leasing business, no transaction was conducted during the Period, and the Group is still in search of deals with great potential.

For the money lending business, the Group is still actively expanding the customer base and its loan portfolio was approximately HK\$60.2 million as at 30 June 2016 (31 December 2015: approximately HK\$76.2 million). The customers of the business included both individuals and corporate entities and the majority of the loans was secured by properties located in Hong Kong. No default has been recorded since the commencement of the business and the majority of the interest income was received on time. During the Period, the loan interest income was approximately HK\$4.0 million (six months ended 30 June 2015: approximately HK\$2.7 million). The Group will continue to actively secure new customers and allocate more financial resources to expand this business in the future, and will closely monitor the repayment abilities of borrowers and perform risk assessment on each loan application in a prudent manner.

36 Manufacturing and Sales Business

Segment profit margin for the Period was approximately 10.3% (six months ended 30 June 2015: segment loss margin of approximately 12.8%). The improvement in segment margin was mainly due to the following reasons:

- (i) the revenue from the Manufacturing and Sales Business increased by approximately 27.5% to approximately HK\$249.3 million (six months ended 30 June 2015: approximately HK\$195.5 million), primarily attributable to the increase in both export and domestic sales during the Period as some of the Group's existing major customers and new customers developed last year and more orders were placed by them. Both export and domestic sales recorded a double-digit growth as compared with the same period last year;

營運回顧及前景展望

放貸業務

放貸業務包括於上海之融資租賃業務及於香港之放貸業務。融資租賃業務方面，於本期內並無進行任何交易，而本集團仍在物色潛力優厚之交易。

放貸業務方面，本集團仍積極擴大客戶基礎，於二零一六年六月三十日，貸款組合維持於約60,200,000港元（二零一五年十二月三十一日：約76,200,000港元）。該項業務之客戶包括個人及企業客戶，而大部分貸款均以位於香港之物業作抵押。自開展業務以來並無出現拖欠記錄，大部分利息收入均能準時收訖。於本期內，貸款利息收入約為4,000,000港元（截至二零一五年六月三十日止六個月：約2,700,000港元）。本集團日後將繼續積極招攬新客戶，並調撥更多財務資源擴展此項業務，同時會密切監察借款人之還款能力，審慎評估每宗貸款申請之風險。

製造及銷售業務

本期分類溢利率約為10.3%（截至二零一五年六月三十日止六個月：分類虧損率約12.8%）。分類利潤改善之主要原因如下：

- (i) 製造及銷售業務之收益增加約27.5%至約249,300,000港元（截至二零一五年六月三十日止六個月：約195,500,000港元），主要是由於本集團部分現有主要客戶及去年物色之新客戶增加訂單數目，使本期內之出口及國內銷售增加所致。出口及國內銷售與去年同期相比錄得雙位數增幅；

- (ii) there was a drop in staff costs during the Period. The ratio of total staff costs to sales was approximately 26.8% for the Period (six months ended 30 June 2015: approximately 36.8%). The decrease in such ratio was due to the fact that the Group reported a higher sales volume with less manpower during the Period following a series of tightening policies adopted last year to boost production efficiency and streamline the workflow. Furthermore, no upward adjustment to the minimum wages in Shenzhen was made by the government of PRC during the Period and this alleviated the pressure of rising staff costs and other related costs;
- (iii) the Group recognised an one-off impairment loss of approximately HK\$3.3 million for the six months ended 30 June 2015 in respect of the non-current assets of the Manufacturing and Sales Business, while no such impairment loss was recorded for the Period; and
- (iv) in order to reduce wastage and material consumption, the Group has taken various measures since last year to control material and other costs, and these measures were reviewed regularly during the Period. The efforts have been proven effective as fuel and utility expenses decreased by approximately 11.0% as compared with the same period last year.

The series of control measures adopted last year generated positive results during the Period, particularly for the Manufacturing and Sales Business which delivered an encouraging performance. To cope with the challenges facing the printing industry and maintain the positive results achieved in the first half of 2016, the Group will continue to put more efforts in the following areas in the remainder of the year: (i) efficiency and effectiveness enhancement by streamlining the production process of its factories so as to reduce operation and production wastage; (ii) talent recruitment, provision of value-added services and upgrade of its technology infrastructure; (iii) enhanced quality management of its products and the development of new product lines to enhance its competitiveness as a whole; and (iv) continuous efforts in sourcing and testing the quality of alternative materials and negotiating more favourable terms with vendors.

- (ii) 本期員工成本減少，員工成本總額對銷售額之比率約為26.8%（截至二零一五年六月三十日止六個月：約36.8%）。比率下跌乃由於去年採取一系列緊縮政策以提高生產效益及精簡工作流程，使本集團能於本期內以較少人手取得較高銷量。再者，中國政府於本期內並無上調深圳市之最低工資，得以紓緩員工成本及其他相關成本上漲之壓力；
- (iii) 於截至二零一五年六月三十日止六個月，本集團就製造及銷售業務之非流動資產確認一筆一次性減值虧損約3,300,000港元，而本期內並無錄得有關減值虧損；及
- (iv) 為減少浪費及材料用量，本集團自去年起持續採取多項措施控制材料及其他成本，並於本期內定期檢討該等措施。本集團在這方面之努力已見成效，燃料及水電開支較去年同期減少約11.0%。

自去年起採取之一系列緊縮政策於本期內帶來正面影響，製造及銷售業務尤其受惠，表現令人鼓舞。為應對印刷行業面對之挑戰及為維持二零一六年上半年之理想業績，本集團將於本年度餘下時間繼續倍加努力處理下列範疇：(i)精簡廠房生產工序，減少營運及生產過程中產生之廢料，提升效益及效能；(ii)招聘人才、提供增值服務及將技術基建升級；(iii)加強產品質量管理及開發新產品線，務求提高整體競爭力；及(iv)繼續努力採購替代物料及檢測替代物料之質素，並與供應商磋商更有利之條款。

Music and Entertainment Business

Segment profit for the Period was approximately HK\$1.5 million (six months ended 30 June 2015: segment loss of approximately HK\$6.7 million). The improvement in segment results was mainly due to the following reasons:

(i) Increase in revenue

Revenue from this segment mainly consists of income from concerts and shows, artistes management income, album distribution income, promotion income and song licensing income.

Revenue from the Music and Entertainment Business increased significantly by approximately 157.4% to approximately HK\$6.4 million for the Period (six months ended 30 June 2015: approximately HK\$2.5 million). The increase was mainly due to (i) the increase in income from concerts for the Period which contributed approximately HK\$2.7 million to the revenue for the Period (six months ended 30 June 2015: nil); and (ii) the increase in song licensing income by approximately 162.1% as compared with the six months ended 30 June 2015;

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- (ii) the absence of an one-off impairment loss of approximately HK\$3.8 million recognised in respect of intangible assets in the same period last year; and
 - (iii) in the years 2014 and 2015, the Group invested in two movies in the PRC with an aggregate investment cost of approximately RMB13.1 million. The investment return of both movies for the Period was approximately HK\$2.6 million, producing an average return of approximately 16.9%.

More resources will be allocated in talent cultivation and the organisation of concerts and shows. In view of the desirable investment return realised during the Period, the Group will continue to invest in the PRC film and entertainment market, and also to identify and evaluate potential projects in the PRC and overseas countries.

音樂及娛樂業務

本期分類溢利約為1,500,000港元(截至二零一五年六月三十日止六個月:分類虧損約6,700,000港元)。分類業績改善之主要原因如下:

(i) 收益增加

本分類之收益主要包括來自演唱會和表演之收入、藝人管理收入、唱片發行收入、宣傳收入以及歌曲特許收入。

於本期內,音樂及娛樂業務之收益大幅增加約157.4%至約6,400,000港元(截至二零一五年六月三十日止六個月:約2,500,000港元),主要是由於(i)本期之演唱會收入增加,為本期收益貢獻約2,700,000港元(截至二零一五年六月三十日止六個月:無);及(ii)與截至二零一五年六月三十日止六個月比較,歌曲特許收入增加約162.1%所致;

- (ii) 缺少去年同期就無形資產確認之一次性減值虧損約3,800,000港元;及
- (iii) 本集團於二零一四及二零一五年度投資兩齣中國電影,總投資成本約為人民幣13,100,000元。於本期內就該兩齣電影產生之投資回報約為2,600,000港元,平均回報率約為16.9%。

本集團將投放更多資源培養人才,以及舉辦演唱會及表演節目。鑑於本期實現之投資回報理想,本集團將繼續投資中國電影及娛樂市場,並物色及評估中國及海外國家之潛在項目。

Property Business

Property Development Business

The Group had two property development projects as at 30 June 2016, one of which involved 四川英華房地產有限公司 (“英華房地產”), classified as an available-for-sale investment of the Group, and the other one involved 清遠市中清房地產開發有限公司 (“中清房地產”), a non wholly-owned subsidiary of the Group.

英華房地產 holds the land use right of a parcel of commercial land in Chengdu, and the related property consisted of both residential and commercial units. The construction work commenced in 2014 and is progressing as scheduled. The pre-sale of the project started in mid-March 2015 and approximately 85% of the residential units was pre-sold as at the date of this report.

中清房地產 holds the land use rights of two parcels of commercial land in Qingyuan. On 18 June 2014, 深圳中星國盛投資發展有限公司 (“中星國盛”), a wholly-owned subsidiary of the Company, initiated civil proceedings against 中清房地產 in 深圳市寶安區人民法院 (the “People’s Court of Baoan District”) for, among other matters, the repayment of the shareholder’s loan contributed by 中星國盛 in an amount of RMB23,479,330 (the “Litigation”). On 19 June 2014, pursuant to an application made by 中星國盛 to freeze and preserve the assets of 中清房地產 in the total value of RMB23,400,000, an order was granted by the People’s Court of Baoan District to freeze and preserve the two parcels of land owned by 中清房地產 for the period from 24 June 2014 to 23 June 2016 (the “Freeze Order”). The Freeze Order aims to ensure that 中清房地產 has sufficient assets of value to repay the shareholder’s loan to the Group.

物業業務

物業發展業務

於二零一六年六月三十日，本集團擁有兩個物業發展項目，其中一個涉及四川英華房地產有限公司（「英華房地產」），該投資已分類為本集團之可供出售投資；另一個則涉及清遠市中清房地產開發有限公司（「中清房地產」，本集團之非全資附屬公司）。

英華房地產於成都持有一幅商業用地之土地使用權，相關物業包括住宅及商業單位，建築工程已於二零一四年展開，進度符合項目時間表。項目預售工作已於二零一五年三月中開始，截至本報告日期為止，已售出約85%住宅單位；

中清房地產於清遠持有兩幅商業用地之土地使用權。於二零一四年六月十八日，深圳中星國盛投資發展有限公司（「中星國盛」，本公司之全資附屬公司）就（其中包括）償還其提供之股東貸款人民幣23,479,330元向深圳市寶安區人民法院（「寶安區人民法院」）提出對中清房地產之民事訴訟（「該訴訟」）。於二零一四年六月十九日，因應中星國盛申請凍結及保存中清房地產總值人民幣23,400,000元之資產，寶安區人民法院頒令，於二零一四年六月二十四日至二零一六年六月二十三日期間凍結及保存中清房地產擁有之兩幅土地（「凍結令」）。凍結令旨在確保中清房地產備有足夠資產值以向本集團償還股東貸款。

Two hearing sessions of the Litigation were held on 18 August 2014 and 25 September 2014 respectively. On 15 October 2014, the Group received a civil mediation document (民事調解書) dated 30 September 2014 and issued by the People's Court of Baoan District. Pursuant to the civil mediation document, the People's Court of Baoan District confirmed that: (i) the Group and 中清房地產 confirmed that 中清房地產 was indebted to 中星國盛 in the sum of RMB23,479,330; (ii) 中清房地產 agreed to repay to 中星國盛 the sum of RMB23,479,330 together with the interest accrued from 18 June 2014 to the date of repayment, which was within 15 days after the effective date of the civil mediation document; and (iii) if 中清房地產 fails to repay the agreed amount, 中星國盛 shall have the right to request 中清房地產 to pay a default interest calculated at two times of the lending rate of the People's Bank of China over the same period.

As advised by the Group's PRC legal advisers, the effective date of the civil mediation document was 15 October 2014 and thus, the deadline for repayment by 中清房地產 was 30 October 2014. As at the date of this report, 中清房地產 has not repaid the outstanding shareholder's loan with accrued interests to 中星國盛.

- 40 On 27 May 2016, 中星國盛 submitted an application to the People's Court of Baoan District for the extension of the period covered by the Freeze Order and the application was accepted by the court. The extended period covered by the Freeze Order was from 13 June 2016 to 12 June 2019. The management of the Group is monitoring the market condition and assessing all the relevant costs that would be incurred in resolving the land freezing matter and no further action has been taken by the Group as at the date of this report. The Group will closely monitor the negotiation progress with the business partners and will take further legal actions to protect the Group's interests as and when appropriate.

Property Investment Business

The property investment business included the mini storage business operated by a wholly-owned subsidiary of the Company and the office leasing business operated by a joint venture.

該訴訟之兩次聆訊分別於二零一四年八月十八日及二零一四年九月二十五日進行。於二零一四年十月十五日，本集團接獲由寶安區人民法院發出、日期為二零一四年九月三十日之民事調解書，據此，寶安區人民法院確認：(i)本集團與中清房地產確認，中清房地產結欠中星國盛合共人民幣23,479,330元；(ii)中清房地產同意向中星國盛償還合共人民幣23,479,330元，連同由二零一四年六月十八日起至還款日期（即於民事調解書生效日期後15天內）止累計之利息；及(iii)倘中清房地產未能償還協定款項，則中星國盛有權要求中清房地產支付違約利息，金額乃按同一期間中國人民銀行借貸利率之兩倍計算。

根據本集團中國法律顧問之意見，民事調解書之生效日期為二零一四年十月十五日，而中清房地產之還款限期為二零一四年十月三十日。截至本報告日期為止，中清房地產尚未向中星國盛償還未償還之股東貸款連同應計利息。

於二零一六年五月二十七日，中星國盛向寶安區人民法院提交有關延長凍結令期間之申請，而法院已接納有關申請。延長後之凍結令期限為二零一六年六月十三日至二零一九年六月十二日。本集團管理層現正關注市場狀況，並評估解決土地凍結事宜將產生之所有相關成本，截至本報告日期，本集團尚未採取進一步行動。本集團將密切留意與業務夥伴磋商之進度，並會於適當時採取進一步法律行動以保障本集團之利益。

物業投資業務

物業投資業務包括由本公司一間全資附屬公司經營之迷你倉業務及由一間合營公司經營之辦公室租賃業務。

Mini Storage Business

The Group has renovated the ground floor, 1st floor, 2nd floor and half of the floor area of the 4th floor of a self-owned industrial building in Fanling (the "Fanling Building") for operating the mini storage business since the end of 2014. As at 30 June 2016, the occupancy rate of the storage units increased to approximately 55% (31 December 2015: approximately 42%). During the Period, more resources were put in place for inspecting, improving and maintaining the conditions and safety level of the mini storage floors and the whole building. The Group will continue its marketing efforts put into this business in order to increase the occupancy rate of the Fanling Building in the future.

Office Leasing Business

The office leasing business, which is the operation of the business service center in Kwun Tong, Hong Kong, is operated by Estate Summit Limited, a joint venture of the Group and an independent third party with extensive management and operating experiences. The business service center, namely Prime Business Centres, commenced operation in September 2015. As at 30 June 2016, approximately 71% of the units was rented out. The Group will devote more marketing efforts to increase the occupancy rate of the center.

Securities Trading Business

During the Period, the Group recorded a fair value gain of approximately HK\$26.7 million (including a realised gain of approximately HK\$1.6 million) and a dividend income of approximately HK\$125,000 in respect of the Hong Kong listed securities held by it. The Group further allocated idle fund of HK\$20 million to the Securities Trading Business during the Period. As at 30 June 2016, the Group held a stock portfolio comprising 21 listed share securities, including Blue Sky Power Holdings Limited (stock code: 6828), China Agri-Products Exchange Limited (stock code: 149), Fuguiniao Co., Ltd. (stock code: 1819), Fullshare Holdings Limited (stock code: 607), Future Bright Mining Holdings Limited (stock code: 2212), Hin Sang Group (International) Holdings Co. Ltd. (stock code: 6893), Easy One Financial Group Limited (stock code: 221), Silk Road Energy Services Group Limited (stock code: 8250), Wang On Group Limited (stock code: 1222) and Wang On Properties Limited (stock code: 1243), which are listed on the Main Board or Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with an aggregate value of approximately HK\$83.5 million, representing approximately 91.5% of the fair value of the Group's held-for-trading investments as at 30 June 2016.

迷你倉業務

本集團自二零一四年完結後起翻新位於粉嶺之自置工業大廈(「粉嶺大廈」)地下、一樓、二樓及四樓一半樓層面積，以經營迷你倉業務。於二零一六年六月三十日，倉庫單位之出租率上升至約55% (二零一五年十二月三十一日：約42%)。於本期內，本集團已投放更多資源檢查、改善及維持迷你倉樓層及整幢大廈之狀況及安全水平。本集團日後將繼續加強此項業務之市場推廣工作，以提升粉嶺大廈之出租率。

辦公室租賃業務

辦公室租賃業務(即經營位於香港觀塘之商務中心)由本集團與一名擁有豐富管理和營運經驗之獨立第三方成立之合營公司Estate Summit Limited經營。該間名為「Prime Business Centres」之商務中心於二零一五年九月開始營業。截至二零一六年六月三十日，已租出約71%單位。本集團將加強市場推廣工作，以提升該中心之出租率。

證券買賣業務

於本期內，本集團自其所持香港上市證券錄得公平值收益(包括已變現收益約1,600,000港元)約26,700,000港元及股息收入約125,000港元。本集團於本期內進一步調撥備用資金20,000,000港元至證券買賣業務。於二零一六年六月三十日，本集團持有之股份組合中有21項上市證券，其中包括藍天威力控股有限公司(股份代號：6828)、中國農產品交易所有限公司(股份代號：149)、富貴鳥股份有限公司(股份代號：1819)、豐盛控股有限公司(股份代號：607)、高鵬礦業控股有限公司(股份代號：2212)、衍生集團(國際)控股有限公司(股份代號：6893)、易易壹金融集團有限公司(股份代號：221)、絲路能源服務集團有限公司(股份代號：8250)、宏安集團有限公司(股份代號：1222)及宏安地產有限公司(股份代號：1243)(上述公司均於香港聯合交易所有限公司(「聯交所」)主板或創業板上市)，總值約為83,500,000港元，相當於二零一六年六月三十日本集團持作買賣投資之公平值約91.5%。

The Group will carefully study the market and the information related to the prospective investees before purchasing any securities and will closely monitor the performance of the shares after purchase as well as adjust the investment strategy in a cautious manner to minimise the impact of market volatility as and when necessary.

Trading Business

Revenue from the Trading Business decreased by approximately 11.3% to approximately HK\$14.6 million for the Period (six months ended 30 June 2015: approximately HK\$16.5 million). The decrease was mainly attributable to the drop in the number of orders placed by the customers of a trading company in Hong Kong. Such decrease was partially offset by the increase in sales generated by the printing product trading company which was established in the PRC and commenced operation at the end of last year. The segment profit margin decreased by approximately 1.0 percentage point to approximately 6.2% (six months ended 30 June 2015: approximately 7.2%), primarily attributable to the increase in operating costs arisen from the full-scale operation of the trading company in the PRC.

The Group will continue to devote extra resources to expand its sales team in both Hong Kong and the PRC and broaden its customer base and product mix.

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Other businesses

Gaming Business

The Group has commenced a new business of the design and development of platforms and software for the gaming industry during the year of 2015. The target markets include but are not limited to Japan, Taiwan, Macau, Mexico, Serbia, the Philippines, the Netherlands and Peru. The Group is actively recruiting talents with extensive technical experience in Hong Kong and the PRC to improve, enhance and enrich the platforms and software being developed and to develop new technology and platform for launch to the global market. As at 30 June 2016, the Group employed more than 50 staffs with different technical background and industry expertise for this business and will continue to expand the team in the future.

Meanwhile, the Group is also actively seeking co-operation opportunities with various software design companies to expand the foothold in the global market through its established platforms and customer network. At the date of this report, the Group has built up a network comprising software design companies in seven countries. The Group will press ahead with its efforts in this area to enrich the content of the games.

於購買證券前，本集團會審慎研究市場及與潛在被投資方有關之資料，並會於購入後密切留意股份表現，審慎地調整投資策略，以期在必要時盡量減低市場波動之影響。

貿易業務

於本期內，貿易業務之收益減少約11.3%至約14,600,000港元（截至二零一五年六月三十日止六個月：約16,500,000港元），主要是由於香港一間貿易公司之客戶減少訂單所致。有關減幅部分被於中國成立並於去年底開展業務之印刷品貿易公司之銷售額增幅抵銷。分部溢利率減少約1.0個百分點至約6.2%（截至二零一五年六月三十日止六個月：約7.2%），主要是由於該中國貿易公司全面營運所產生之經營成本上升所致。

本集團將繼續投放更多資源擴充香港及中國之銷售團隊，同時拓闊客戶基礎及產品組合。

其他業務

遊戲業務

本集團於二零一五年度開展一項新業務—為遊戲設計及開發平台及軟件業務。目標市場包括但不限於日本、台灣、澳門、墨西哥、塞爾維亞、菲律賓、荷蘭及秘魯。本集團現正積極於香港及中國招聘擁有豐富技術經驗之人才，以提升、加強及豐富發展中之平台及軟件，同時開發新技術及平台以於全球市場上推出。於二零一六年六月三十日，本集團為此項業務聘用超過50名各自擁有不同技術背景及行業知識之員工，並將會於日後繼續壯大團隊。

與此同時，本集團透過已建立之平台及客戶網絡，積極物色與各類型軟件設計公司合作之機會，從而擴大環球市場業務版圖。於本報告日期，本集團已於七個國家與多間軟件設計公司建立網絡。本集團將繼續循此方面努力發展，務求使遊戲內容更加豐富。

The efforts put in the business has started to reap success with the first sale made during the Period, and the Group will keep on introducing its technology to other customers in the targeted countries around the world.

“Internet + Community” Business in the PRC

During the year of 2015, the Group commenced a new business in the PRC by acting as an exclusive top-level operator of the neighborhood stores of Vinux (Beijing) Information Technology Co. Ltd. for a term of two years (subject to fulfillment of certain performance targets), renewable for successive terms of one year each upon mutual agreement. During the Period, the operation of the neighborhood stores in Weifang city of Shandong province through a wholly-owned subsidiary of the Company has fulfilled the performance target for the first quarter. As at 30 June 2016, eight stores have been opened in Weifang city. The Group will keep on finding suitable locations to expand the store network in Weifang city.

LIQUIDITY, CAPITAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2016, the Group had cash and cash equivalents and short-term bank deposits of approximately HK\$231.9 million (31 December 2015: approximately HK\$234.1 million). Current ratio stood at 4.3 (31 December 2015: 4.4), indicating an ample cash flow and a stable liquidity position during the Period.

As at 30 June 2016, the Group's cash and cash equivalents and short-term bank deposits (mainly consist of HK dollar, Renminbi and US dollar) included the amount due to a related company of approximately HK\$20.4 million (31 December 2015: approximately HK\$24.0 million). Gearing ratio was 2.3% as at 30 June 2016 (31 December 2015: 3.5%), which is calculated by dividing the Group's total borrowings of approximately HK\$20.4 million as at 30 June 2016 (31 December 2015: approximately HK\$30.0 million) by the Group's total equity of approximately HK\$878.5 million as at 30 June 2016 (31 December 2015: approximately HK\$848.5 million) then multiplying by 100%.

於本期內，隨着首宗銷售成功，該項業務已漸見成果，本集團將會繼續向其他位於世界各地目標國家之客戶介紹其技術。

中國「網絡及社區」業務

本集團於二零一五年度在中國開展一項新業務活動，擔任九櫻天下（北京）信息技術有限公司社區店舖之獨家頂級營運商，為期兩年（須達成若干表現目標），可於相互協定後每次重續一年。於本期內，本集團透過本公司一間全資附屬公司所經營位於山東省濰坊市之社區店舖已達成首季表現目標。截至二零一六年六月三十日，本集團已於濰坊市開設八家店舖。本集團將繼續物色合適地點，以拓展濰坊市之店舖網絡。

流動資金、資本資源及資本架構

於二零一六年六月三十日，本集團之現金及現金等值以及短期銀行存款約為231,900,000港元（二零一五年十二月三十一日：約234,100,000港元）。流動比率維持於4.3（二零一五年十二月三十一日：4.4），顯示本期內現金流量充足及流動資金狀況穩定。

本集團於二零一六年六月三十日之現金及現金等值以及短期銀行存款（主要為港元、人民幣及美元）包括應付一間關連公司款項約20,400,000港元（二零一五年十二月三十一日：約24,000,000港元）。於二零一六年六月三十日之資產負債比率為2.3%（二零一五年十二月三十一日：3.5%），乃以本集團於二零一六年六月三十日之總借貸約20,400,000港元（二零一五年十二月三十一日：約30,000,000港元）除以本集團於二零一六年六月三十日之權益總額約878,500,000港元（二零一五年十二月三十一日：約848,500,000港元）再乘以100%計算。

As at 30 June 2016, the Group's total borrowings represented the amount due to a related company of approximately HK\$20.4 million, which bears a fixed interest rate ranging from 12% to 30% per annum. The Group did not have any bank borrowings as at 30 June 2016 (31 December 2015: short-term unsecured bank borrowings of HK\$6 million).

As at 30 June 2016, the Group had a working capital of approximately HK\$545.6 million (31 December 2015: approximately HK\$521.9 million), which primarily comprised of inventories and record masters and properties under development for sale of approximately HK\$85.9 million, trade and other receivables, prepayments and deposits of approximately HK\$187.1 million and cash and cash equivalents and short-term deposits of approximately HK\$231.9 million, less trade and other payables and accruals of approximately HK\$121.8 million, tax liabilities of approximately HK\$5.0 million and the amount due to a related company of approximately HK\$20.4 million.

The treasury and funding policy of the Group did not change materially from that as disclosed in its annual report for the year ended 31 December 2015.

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FOREIGN EXCHANGE RISK

The Group's sales and purchases were principally denominated in Renminbi, HK dollar and US dollar. Except for Renminbi, there was no significant fluctuation in the exchange rate between HK dollar and US dollar throughout the Period. The management will closely monitor the foreign exchange risk of Renminbi and identify any significant adverse impact thereof on the PRC operations. The Group will consider using appropriate hedging solutions if necessary. For the Period, the Group did not use any financial instrument for hedging purpose and did not have any outstanding hedging instrument as at 30 June 2016.

CAPITAL EXPENDITURE

During the Period, capital expenditure of the Group for property, plant and equipment amounted to approximately HK\$3.3 million (six months ended 30 June 2015: approximately HK\$2.1 million). The increase was mainly attributable to the acquisition of machinery for production in the PRC and motor vehicles for business use.

於二零一六年六月三十日，本集團之總借貸指應付一間關連公司款項約20,400,000港元，有關款項乃按固定年利率介乎12%至30%不等計息。於二零一六年六月三十日，本集團並無任何銀行借貸（二零一五年十二月三十一日：短期無抵押銀行借貸6,000,000港元）。

於二零一六年六月三十日，本集團之營運資金約為545,600,000港元（二零一五年十二月三十一日：約521,900,000港元），主要包括存貨及唱片母帶以及待售發展中物業約85,900,000港元、貿易及其他應收款項、預付款項以及訂金約187,100,000港元，以及現金及現金等值及短期存款約231,900,000港元，另扣除貿易及其他應付款項以及應計款項約121,800,000港元、稅項負債約5,000,000港元以及應付一間關連公司款項約20,400,000港元。

本集團之庫務及資金政策與截至二零一五年十二月三十一日止年度年報所披露者比較並無重大變動。

外匯風險

本集團之買賣主要以人民幣、港元及美元計值。除人民幣外，港元兌美元之匯率於本期內並無重大波動。管理層將密切監察人民幣之外匯風險，並識別其對中國業務造成之任何重大不利影響。本集團將按需要考慮採用合適對沖方案。於本期內，本集團並無使用任何金融工具作對沖用途，亦無任何於二零一六年六月三十日尚未平倉之對沖工具。

資本開支

於本期內，本集團物業、廠房及設備之資本開支約為3,300,000港元（截至二零一五年六月三十日止六個月：約2,100,000港元）。資本開支增加主要是由於購買在中國生產時所需之機器及作商業用途之汽車。

CAPITAL COMMITMENTS

As at 30 June 2016, the Group had capital commitments of approximately HK\$13.2 million (31 December 2015: approximately HK\$12.9 million) for the acquisition of property, plant and equipment and prepaid lease payments which had been contracted for but had not been provided for in the financial statements. It is expected that the capital commitments will be funded by internal resources of the Group. The Group did not have any capital commitment for the acquisition of property, plant and equipment which had been authorised but had not been contracted for in both periods.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 June 2016 (31 December 2015: nil).

PLEDGE OF ASSETS

As at 30 June 2016, the Group has pledged a leasehold building and an investment property with an aggregate carrying value of approximately HK\$90.2 million (31 December 2015: approximately HK\$87.3 million) to secure general banking facilities granted to the Group.

SHARE CAPITAL AND CAPITAL STRUCTURE

Pursuant to a special resolution passed by the shareholders of the Company at the special general meeting of the Company (the "Capital Re-organisation SGM") held on 1 April 2016, a share consolidation, capital reduction and share sub-division had been taken place and completed on 5 April 2016 (further details of which are set out in the announcement of the Company dated 22 February 2016 and the circular of the Company dated 9 March 2016):

- (i) the share consolidation: every 10 issued and unissued shares of par value of HK\$0.05 each in the share capital of the Company were consolidated into one consolidated share of par value of HK\$0.50 (the "Consolidated Share");
- (ii) the capital reduction: the par value of each of the then issued Consolidated Shares of the Company was reduced from HK\$0.50 to HK\$0.01 by cancelling the paid-up capital of the Company to the extent of HK\$0.49 on each of the then issued Consolidated Shares; and
- (iii) the share sub-division: each of the then authorised but unissued Consolidated Shares of par value of HK\$0.50 each was subdivided into 50 ordinary shares of par value of HK\$0.01 each in the share capital of the Company.

資本承擔

於二零一六年六月三十日，本集團就已訂約但未在財務報表撥備之物業、廠房及設備以及預付租賃款項收購作出資本承擔約13,200,000港元（二零一五年十二月三十一日：約12,900,000港元）。預期本集團將以內部資源撥付資本承擔。本集團於兩個期間均無就已授權但未訂約之物業、廠房及設備收購作出任何資本承擔。

或然負債

於二零一六年六月三十日，本集團並無任何重大或然負債（二零一五年十二月三十一日：無）。

資產質押

於二零一六年六月三十日，本集團已將賬面總值約90,200,000港元（二零一五年十二月三十一日：約87,300,000港元）之租賃樓宇及投資物業質押，以作為本集團獲授之一般銀行信貸之擔保。

股本及資本架構

根據本公司股東於本公司在二零一六年四月一日舉行之股東特別大會（「股本重組股東特別大會」）上通過之特別決議案，股份合併、股本削減及股份分拆（有關進一步詳情載於本公司日期為二零一六年二月二十二日之公告及日期為二零一六年三月九日之通函）已進行並於二零一六年四月五日完成：

- (i) 股份合併：將本公司股本中每10股每股面值0.05港元之已發行及未發行股份合併為一股面值0.50港元之合併股份（「合併股份」）；
- (ii) 股本削減：透過按每股當時已發行合併股份0.49港元註銷本公司之實繳股本，將當時已發行合併股份之面值由每股0.50港元削減至每股0.01港元；及
- (iii) 股份分拆：將本公司股本中當時每股面值0.50港元之法定但未發行合併股份分拆為50股每股面值0.01港元之普通股。

In addition, the board lot size for trading in the shares of the Company has been changed to 10,000 ordinary shares with effect from 5 April 2016.

Save as disclosed above, there was no change in the share capital and capital structure of the Company during the Period.

HUMAN RESOURCES

As at 30 June 2016, the Group had approximately 1,680 full time employees (30 June 2015: approximately 2,050). Total staff costs (including Directors remuneration) for the Period was approximately HK\$76.3 million (six months ended 30 June 2015: approximately HK\$79.0 million).

The remuneration schemes are generally structured with reference to market conditions and the qualifications of the employees. The reward packages of the Group's staff are normally reviewed on an annual basis based on the staff's and the Group's performance. Apart from salary payments, other staff benefits include contributions to retirement benefit scheme, participation in share option scheme and medical insurance for eligible employees. In-house and external training programmes are provided as and when required.

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MATERIAL ACQUISITION OF A COMPANY DURING THE PERIOD

On 25 April 2016, a sale and purchase agreement (the "Sale and Purchase Agreement") was entered into among We-do-best Limited, a wholly-owned subsidiary of the Company as purchaser, Preserve Capital Realty Limited, a company which is wholly-owned by the trustee of a discretionary trust of which the immediate family member(s) of Mr. Suek Ka Lun, Ernie, an executive Director and the chairman of the Company ("Mr. Suek"), is/are one of the discretionary objects as vendor, and Mr. Suek as guarantor in relation to the acquisition of the entire issued share capital of Supreme Cycle Inc. ("Supreme Cycle"). The consideration of such acquisition will be the amount of the net asset value of Supreme Cycle at a reference date agreed by the parties but in any event shall not be more than HK\$95 million and will be funded by the internal resource of the Group. Details of such acquisition have been set out in the announcement of the Company dated 25 April 2016 and the circular of the Company dated 20 July 2016.

此外，由二零一六年四月五日起，買賣本公司股份之每手買賣單位已改為10,000股普通股。

除上文所披露者外，本公司之股本及資本架構於本期內概無變動。

人力資源

於二零一六年六月三十日，本集團共有約1,680名（二零一五年六月三十日：約2,050名）全職僱員。本期之總員工成本（包括董事薪酬）約為76,300,000港元（截至二零一五年六月三十日止六個月：約79,000,000港元）。

薪酬待遇一般參照市場情況及僱員資歷制定。本集團員工之待遇通常每年按照員工表現及本集團業績檢討。除薪金外，其他員工福利包括向合資格僱員提供之退休福利計劃供款、讓彼等參與購股權計劃及為彼等投購醫療保險。本集團亦按需要提供內部及外界培訓計劃。

本期內有關一間公司之重大收購

於二零一六年四月二十五日，We-do-best Limited（本公司之全資附屬公司，作為買方）、Preserve Capital Realty Limited（由一項酌情信託之受託人全資擁有之公司（本公司執行董事兼主席薛嘉麟先生（「薛先生」）之直系家族成員為該信託酌情對象之一），作為賣方）及薛先生（作為擔保人）訂立一份買賣協議（「買賣協議」），內容有關收購Supreme Cycle Inc.（「Supreme Cycle」）全部已發行股本。收購代價將為Supreme Cycle於訂約各方協定之參考日期之資產淨值，惟無論如何不多於95,000,000港元，將以本集團之內部資源撥付。該項收購之詳情載於本公司日期為二零一六年四月二十五日之公告及日期為二零一六年七月二十日之通函。

The principal activities of Supreme Cycle are investment holding and property investment and its principal assets are the commercial properties situated in Yuen Long, Hong Kong. The properties have been operating as a karaoke outlet by a related company of the Group as at 30 June 2016.

The resolution approving the Sale and Purchase Agreement and transactions contemplated thereunder was duly passed by way of poll by the shareholders of the Company at the special general meeting held on 5 August 2016. After all conditions precedent set out in the Sale and Purchase Agreement have been fulfilled, the acquisition will be completed and the financial information of Supreme Cycle will be consolidated in the financial statement of the Group as a wholly-owned subsidiary of the Company. As at the date of this report, certain conditions precedent had not yet been fulfilled and the acquisition was not yet completed.

SHARE OPTION SCHEME

During the Period, no share option has been granted, exercised, cancelled or lapsed under the share option scheme approved by the shareholders of the Company on 13 February 2014. As at 1 January 2016 and 30 June 2016, no share options were outstanding.

EVENTS AFTER REPORTING PERIOD

On 8 August 2016, the Group entered into two loan extension agreements pursuant to which a wholly-owned subsidiary of the Group agreed to extend the repayment date of each of the loans granted to a corporate borrower, a private company incorporated in Hong Kong with limited liability and principally engaged in trading and investment (the "Corporate Borrower") and the individual borrowers, the directors and shareholders of the Corporate Borrower and who in aggregate hold 70% of the issued share capital of the Corporate Borrower (the "Individual Borrowers") in the principal amount of HK\$5 million and HK\$15 million respectively, both bearing interest at a rate of 12% per annum. The full principal amount of the loans together with the interest accrued thereon shall be repaid by the Corporate Borrower and Individual Borrowers on or before 15 June 2017 (as extended). The loans were secured by first legal charges over certain properties owned by the Corporate Borrower and the Individual Borrowers located in Hong Kong and rental assignment(s) (if any) in respect of the said properties. Details of the loan extension are set out in the announcement of the Company dated 8 August 2016.

Supreme Cycle之主要業務為投資控股及物業投資，主要資產為香港元朗之商用物業。於二零一六年六月三十日，該等物業一直由本集團一間關連公司用於經營卡拉OK門店。

本公司股東於二零一六年八月五日舉行之股東特別大會上以投票表決方式正式通過批准買賣協議及據此擬進行之交易之決議案。於買賣協議所載之先決條件全部達成後，收購事項將會完成，而Supreme Cycle之財務資料將於本集團之財務報表綜合計算為本公司之全資附屬公司。於本報告日期，若干先決條件尚未達成，而該項收購亦尚未完成。

購股權計劃

於本期內，本公司股東於二零一四年二月十三日批准的購股權計劃項下概無購股權獲授出、行使、註銷或失效。於二零一六年一月一日及二零一六年六月三十日，概無尚未行使之購股權。

報告期後事項

於二零一六年八月八日，本集團訂立兩份貸款延長協議，據此，本集團一間全資附屬公司同意延長授予一名企業借款人（一間於香港註冊成立之私人有限公司，主要從事貿易及投資業務，「企業借款人」）及多名個人借款人（企業借款人之董事及股東，合共持有企業借款人已發行股本之70%，「個人借款人」）之貸款各自之還款日期。該等貸款之本金額分別為5,000,000港元及15,000,000港元，均按年利率12%計息。貸款全部本金額連同其應計利息，須由企業借款人及個人借款人於二零一七年六月十五日（經延遲）或之前償還。該等貸款以企業借款人及個人借款人所擁有位於香港之若干物業之第一法定押記以及有關上述物業之租金（如有）轉讓作抵押。延長貸款之詳情載於本公司日期為二零一六年八月八日之公告。

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2016, the interests of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, 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 as follows:

(i) Long positions in the ordinary shares of HK\$0.01 each of the Company

Name of Director 董事姓名	Capacity 身份	Number of ordinary shares held 所持普通股數目	Percentage of the issued share capital of the Company as at 30 June 2016 佔本公司 於二零一六年 六月三十日 已發行股本百分比
Mr. SUEK 薛先生	Beneficiary of a trust ^(Note) 信託受益人 ^(附註)	39,872,000	18.86%
Mr. SUEK Chai Hong 薛濟匡先生	Beneficial owner 實益擁有人	700,000	0.33%
Dr. NG Wai Kwan 吳惠群博士	Beneficial owner 實益擁有人	8,000	0.01%
Mr. WONG Sun Fat 黃新發先生	Beneficial owner 實益擁有人	100,000	0.05%

Note: These shares are beneficially owned by CNA Company Limited ("CNA") which in turn is beneficially owned by the Preserve Capital Trust, a discretionary trust set up by Mr. Suek, the beneficiaries of which include certain family member of Mr. Suek and a charitable institution set up in Hong Kong.

附註: 該等股份乃由CNA Company Limited (「CNA」)實益擁有，而該公司則由Preserve Capital Trust (一項由薛先生成立之全權信託，其受益人包括薛先生之若干家庭成員及一間於香港成立之慈善機構)實益擁有。

董事於股份、相關股份及債券中之權益

於二零一六年六月三十日，董事及本公司最高行政人員於本公司及其相聯法團之股份、相關股份及債券中，擁有本公司根據證券及期貨條例第352條存置之登記冊所記錄，或根據上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之權益如下：

(i) 於本公司每股面值0.01港元之普通股之好倉

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

(ii) Long positions in the shares of associated corporations

As at 30 June 2016, CNA beneficially owned deferred non-voting shares in the following subsidiaries of the Company:

Name of subsidiary 附屬公司名稱	Number of deferred non-voting shares held 所持無投票權遞延股之數目
New Box Mini Storage Limited 中大迷你倉有限公司	2
Chung Tai Printing (China) Company Limited 中大印刷(中國)有限公司	100
Chung Tai Printing Company Limited 中大印刷有限公司	3,000
Profit Link Investment Limited 中大投資管理有限公司	2
The Greatime Offset Printing Company, Limited 雅大柯式印刷有限公司	9,500

Other than as disclosed above, none of the Directors nor chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations as at 30 June 2016.

董事於股份、相關股份及債券中之權益(續)

(ii) 於相聯法團股份之好倉

於二零一六年六月三十日，CNA實益擁有本公司下列附屬公司之無投票權遞延股：

除上文所披露者外，於二零一六年六月三十日，概無董事或本公司最高行政人員於本公司或其任何相聯法團之任何股份、相關股份及債券中擁有任何權益或淡倉。

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2016, the interests or short positions of the substantial shareholders of the Company (other than the Directors or chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance were as follows:

Long Positions

Name of shareholder 股東名稱	Capacity 身份	Number of shares held 所持股份數目	Percentage of the issued share capital of the Company as at 30 June 2016 佔本公司 於二零一六年 六月三十日 已發行股本百分比
CNA ¹	Beneficial owner 實益擁有人	39,872,000	18.86%
50 Fiducia Suisse SA	Trustee 受託人	39,872,000 ²	18.86%
David Henry Christopher Hill	Interest in a controlled corporation 於控制法團之權益	39,872,000 ²	18.86%
Rebecca Ann Hill ³	Interest of spouse 配偶權益	39,872,000 ²	18.86%

Notes:

- CNA is beneficially owned by the Preserve Capital Trust, a discretionary trust set up by Mr. Suek, the beneficiaries of which include certain family member of Mr. Suek and a charitable institution set up in Hong Kong.
- These 398,720,000 shares duplicate with those held by CNA.
- Spouse of Mr. David Henry Christopher Hill.

主要股東

於二零一六年六月三十日，本公司主要股東（董事或本公司最高行政人員除外）於本公司按照證券及期貨條例第336條存置之名冊中所記錄之本公司股份及相關股份權益或淡倉如下：

好倉

Name of shareholder 股東名稱	Capacity 身份	Number of shares held 所持股份數目	Percentage of the issued share capital of the Company as at 30 June 2016 佔本公司 於二零一六年 六月三十日 已發行股本百分比
CNA ¹	Beneficial owner 實益擁有人	39,872,000	18.86%
50 Fiducia Suisse SA	Trustee 受託人	39,872,000 ²	18.86%
David Henry Christopher Hill	Interest in a controlled corporation 於控制法團之權益	39,872,000 ²	18.86%
Rebecca Ann Hill ³	Interest of spouse 配偶權益	39,872,000 ²	18.86%

附註：

- CNA由Preserve Capital Trust（一項由薛先生成立之全權信託，其受益人包括薛先生之若干家庭成員及一間於香港成立的慈善機構）實益擁有。
- 該398,720,000股股份指由CNA持有之同一批股份。
- David Henry Christopher Hill先生之配偶。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) as code of conduct regarding Directors’ securities transactions. After having made specific enquiry with all Directors, the Company has received confirmations from all Directors that they have complied with the required standards set out in the Model Code during the Period.

The Company has also adopted procedures on terms no less exacting than the Model Code in respect of the securities transactions of the employees who are likely to be in possession of unpublished inside information of the Group.

AUDIT COMMITTEE

The audit committee of the Board (the “Audit Committee”) comprises one non-executive Director and two independent non-executive Directors. The Audit Committee has reviewed the Group’s accounting policies, discussed with the Board the auditing, internal controls, risk management and financial reporting matters of the Group and reviewed the interim results and the condensed consolidated financial statements of the Group for the Period.

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

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

CORPORATE GOVERNANCE

The Board is collectively responsible for performing the corporate governance duties. The Board recognises that good corporate governance practices are vital to the maintenance and promotion of shareholder value and investor confidence. In the opinion of the Board, the Company has met the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules throughout the Period, except for the following deviations:

Provision A.2.7 of the CG Code

Provision A.2.7 of the CG Code requires the chairman of the Board (the “Chairman”) to hold meetings at least annually with the non-executive Directors (including independent non-executive Directors) without the executive Directors present. The Chairman during the Period, namely Mr. Suek, was himself an executive Director and as such, compliance with this code provision was infeasible.

證券交易之標準守則

本公司已採納聯交所證券上市規則(「上市規則」)附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行證券交易之操守準則。於向全體董事作出具體查詢後，本公司獲全體董事確認，彼等於本期內已遵守標準守則所載之規定標準。

本公司亦已就有機會管有本集團未經公佈內幕消息之僱員進行之證券交易，採納不比標準守則寬鬆之程序。

審核委員會

董事會轄下之審核委員會(「審核委員會」)由一名非執行董事及兩名獨立非執行董事組成。審核委員會已檢討本集團之會計政策、與董事會討論本集團審核、內部監控、風險管理及財務申報事宜，並審閱本集團本期之中期業績及簡明綜合財務報表。

購買、出售或贖回本公司之上市證券

於本期內，本公司及其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

企業管治

董事會共同負責履行企業管治之責任。董事會認同良好企業管治常規對維持及提高股東價值及投資者信心十分重要。董事會認為，於本期內，本公司一直符合上市規則附錄十四所載企業管治守則(「企業管治守則」)之守則條文，惟如下文所述有所偏離：

企業管治守則條文A.2.7

企業管治守則條文A.2.7訂明，董事會主席(「主席」)最少每年與非執行董事(包括獨立非執行董事)舉行一次沒有執行董事列席之會議。於本期內，主席薛先生本身為執行董事，故無法遵守此守則條文。

Provisions A.5.1 to A.5.4 of the CG Code

The Board has not established a nomination committee. The Board is responsible for reviewing the structure, size and composition of the Board from time to time, and the appointment and removal of Directors are subject to the Board's collective decision. The Board will identify individuals suitably qualified to be appointed to the Board when necessary. The Board considers potential candidates based on their qualifications, expertise, experience and knowledge as well as the requirements under the Listing Rules.

Provision A.6.7 of the CG Code

All the independent non-executive Directors were unable to attend the Capital Re-organisation SGM as they had other business commitments. In addition, an independent non-executive Director was unable to attend the Annual General Meeting of the Company held on 30 June 2016 as he had other business commitments. Save as mentioned, all non-executive Directors and independent non-executive Directors attended all general meetings of the Company held during the Period.

REVIEW OF INTERIM RESULTS

The interim results of the Group for the Period have not been audited, but have been reviewed by the Audit Committee and the Group's auditors, Messrs. Deloitte Touche Tohmatsu.

APPRECIATION

On behalf of the Board, I would like to express my sincere thanks to our shareholders, customers, suppliers, business partners and all staff for their continuous support and trust to the Group during the Period.

On behalf of the Board

Suek Ka Lun, Ernie

Chairman

Hong Kong, 26 August 2016

企業管治守則條文A.5.1至A.5.4

董事會目前尚未成立提名委員會。董事會負責不時檢討董事會之架構、規模及成員組合，而董事任命及罷免之事宜則由董事會共同決定。董事會將於有需要時物色合資格之適合人士成為董事會成員。董事會依照候選人之資歷、專才、經驗及知識以及上市規則之規定考慮董事之候任人選。

企業管治守則條文A.6.7

全體獨立非執行董事因需處理其他公務而無法出席股本重組股東特別大會。此外，一名獨立非執行董事因需處理其他公務而無法出席本公司於二零一六年六月三十日舉行之股東週年大會。除所述者外，全體非執行董事及獨立非執行董事均已出席本公司於本期內舉行之所有股東大會。

審閱中期業績

本集團本期之中期業績乃未經審核，惟已由審核委員會及本集團核數師德勤•關黃陳方會計師行審閱。

致謝

本人謹代表董事會衷心向本集團股東、客戶、供應商、業務夥伴及全體員工致謝，感謝彼等於本期內一直支持及信任本集團。

代表董事會

主席

薛嘉麟

香港，二零一六年八月二十六日

Neway Group Holdings Limited
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