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漢傳媒集團有限公司*
SEE CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 491)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2016

The Board of Directors (the "Board" or "Directors") of See Corporation Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 30 June 2016 (the "Year"), together with the comparative figures for the previous year, as follows:

* *for identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2016

	Notes	2016 HK$'000	2015 HK$'000
Continuing operations:			
Revenue	3	**24,251**	85,332
Cost of sales		**(16,056)**	(71,322)
Gross profit		**8,195**	14,010
Other revenue		**10,574**	640
Distribution costs		**(7,497)**	(1,013)
Administrative expenses		**(29,553)**	(19,434)
Other operating expenses	5	**(26,786)**	(24,824)
Change in fair value of financial assets at fair value through profit or loss		**(21,640)**	(3,761)
Loss from continuing operations	5	**(66,707)**	(34,382)
Gain on disposal of subsidiaries and a joint venture	14	**18,039**	6,319
Finance costs	6	**(12)**	(291)
Loss before taxation from continuing operations		**(48,680)**	(28,354)
Taxation	7	**–**	(17)
Loss for the year from continuing operations		**(48,680)**	(28,371)
Discontinued operation:			
Loss for the year from discontinued operation	8	**(28,747)**	(48,873)
Loss for the year		**(77,427)**	(77,244)
Other comprehensive loss for the year			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**(5,964)**	(614)
Reclassification adjustments relating to foreign operations disposed of during the year		**1,066**	–
Other comprehensive loss for the year, net of tax		**(4,898)**	(614)
Total comprehensive loss for the year		**(82,325)**	(77,858)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2016

	Notes	2016 HK$'000	2015 HK$'000
Loss for the year attributable to:			
Owners of the Company		**(106,015)**	(75,115)
Non-controlling interests		**28,588**	(2,129)
		(77,427)	(77,244)
Total comprehensive loss attributable to:			
Owners of the Company		**(108,287)**	(75,483)
Non-controlling interests		**25,962**	(2,375)
		(82,325)	(77,858)
Loss per share attributable to the owners of the Company:			
From continuing and discontinued operations			
– Basic and diluted	*9*	**HK$(0.05)**	HK$(0.05)
From continuing operations			
– Basic and diluted	*9*	**HK$(0.02)**	HK$(0.02)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2016

	Notes	2016 HK$'000	2015 HK$'000
Non-current assets			
Property, plant and equipment		**59,431**	28,899
Goodwill		**–**	106,082
Intangible assets		**–**	39,060
Interests in associates		**–**	–
Deposit paid for acquisition of subsidiaries		**30,000**	–
Deferred tax assets		**–**	6,418
		89,431	180,459
Current assets			
Inventories		**152**	–
Film rights		**50,471**	57,964
Film production in progress		**108,173**	162,235
Investments in film production		**15,647**	600
Trade receivables	*10*	**5,544**	85,296
Other receivables, deposits and prepayments	*11*	**96,514**	8,005
Financial assets at fair value through profit or loss		**63,385**	30,392
Cash and bank balances		**398,515**	411,475
		738,401	755,967
Assets classified as held for sale		**–**	19,784
		738,401	775,751
Current liabilities			
Trade and other payables	*12*	**38,744**	36,438
Amounts due to related companies		**–**	21,589
Amount due to a director		**–**	1,526
Amount due to non-controlling interests		**37,782**	27,200
Tax payable		**17**	1,875
Obligations under finance lease		**–**	230
Bank borrowings		**–**	3,004
		76,543	91,862

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2016

	2016	2015
	HK$'000	*HK$'000*
Net current assets	**661,858**	683,889
Total assets less current liabilities	**751,289**	864,348
Non-current liability		
Deferred tax liability	**–**	6,445
Net assets	**751,289**	857,903
Equity		
Capital and reserves attributable to the owners of the Company		
Share capital	**22,133**	22,133
Reserves	**754,044**	862,331
	776,177	884,464
Non-controlling interests	**(24,888)**	(26,561)
	751,289	857,903

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2016

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements included applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under historical cost convention except for certain financial assets which are carried at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Except as described in note 2, the accounting policies adopted for preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 30 June 2015.

Certain comparative amounts have been reclassified to conform with the current year's presentation.

2. APPLICATION OF NEW AND REVISED HKFRSs

The Group has applied for the first time in the current year the following amendments to HKFRSs and Hong Kong Accounting Standards ("HKASs") issued by the HKICPA.

HKFRSs (Amendments)	Annual improvements to HKFRSs 2010-2012 cycle
HKFRSs (Amendments)	Annual improvements to HKFRSs 2011-2013 cycle
HKAS 19 (Amendments)	Defined benefit plans: Employee contributions

The application of the above amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

2. APPLICATION OF NEW AND REVISED HKFRSs *(Continued)*

New and revised standards and interpretations in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial instruments[3]
HKFRS 15	Revenue from contracts with customers[3]
HKFRS 16	Leases[5]
HKFRS 11 (Amendments)	Accounting for acquisitions of interests in joint operations[1]
HKFRS 15 (Amendments)	Clarification to HKFRS 15 Revenue from contracts with customers[3]
HKAS 1 (Amendments)	Disclosure initiative[1]
HKAS 7 (Amendments)	Disclosure initiative[2]
HKAS 12 (Amendments)	Recognition of deferred tax assets for unrealised losses[2]
HKAS 16 and HKAS 38 (Amendments)	Clarification of acceptable methods of depreciation and amortisation[1]
HKAS 16 and HKAS 41 (Amendments)	Agriculture: Bearer plants[1]
HKAS 27 (Amendments)	Equity method in separate financial statements[1]
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture[4]
HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	Investment entities: Applying the consolidation exception[1]
HKFRSs (Amendments)	Annual improvements to HKFRSs 2012-2014 cycle[1]

1 Effective for annual periods beginning on or after 1 January 2016.
2 Effective for annual periods beginning on or after 1 January 2017.
3 Effective for annual periods beginning on or after 1 January 2018.
4 Effective for annual periods beginning on or after a date to be determined.
5 Effective for annual periods beginning on or after 1 January 2019.

HKFRS 9, Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" ("FVTOCI") measurement category for certain simple debt instruments.

2. APPLICATION OF NEW AND REVISED HKFRSs *(Continued)*

HKFRS 9, Financial Instruments *(Continued)*

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39, Financial instruments: Recognition and measurement are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The Directors considered that the expected credit loss model may result in earlier recognition of impairment on financial assets. The Directors will assess the impact of the application of HKFRS 9. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

HKFRS 15, Revenue from contracts with customers

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 supersedes the revenue recognition guidance including HKAS 18, Revenue, HKAS 11, Construction contracts and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that the Group should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Specifically, the standard has a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligation in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The Directors anticipate that the application of HKFRS 15 in the future may have an impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

2. APPLICATION OF NEW AND REVISED HKFRSs *(Continued)*

HKFRS 16, Leases

HKFRS 16, which upon the 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 classifies cash repayments of the lease liability into a principal portion and an interest portion and presents 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 also includes 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 for leases that are classified as operating leases under the predecessor standard, HKAS 17, which does not require the recognition of such right-of-use asset or lease liability, but which requires certain information about operating lease commitments to be made as disclosed in note to the consolidated financial statements.

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.

The Directors are in the process of assessing the impact of HKFRS 16 on the consolidated financial statements. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

The Directors anticipate that the application of the other new and revised HKFRSs will have no material impact on the consolidated financial statements.

3. REVENUE

An analysis of the Group's revenue from continuing operations is as follows:

	2016	2015
	HK$'000	*HK$'000*
Film and TV programme production and investment	**14,529**	74,329
Cinema operation	**12,887**	–
Event production and investment, music production and others	**650**	797
Investment in securities	**(3,815)**	10,206
	24,251	85,332

4. SEGMENT INFORMATION

For the purposes of resource allocation and assessment of segment performance, information reported to the Executive Directors of the Company, being the Chief Operating Decision Makers (the "CODM"), focus on types of goods or services delivered or provided.

In the manner consistent with the way in which information is reported internally to the CODM for the purposes of resource allocation and performance assessment, the business activities of the Group are organised into the following operating segments:

- Film and TV programme production and investment
- Cinema operation
- Event production and investment, music production and others (including artiste and model management)
- Investment in securities

The post production service operating segment was discontinued in the current year upon disposal of 60% equity interest in Lucrative Skill Holdings Limited and its subsidiaries (collectively referred to as "Lucrative Skill Group"), details of which are disclosed in note 14. Save as disclosed, the segment information reported as below does not include any amounts for this discontinued operation, which are described in more details in note 8.

Information regarding the Group's reportable segments from continuing operations is presented below:

(a) Segment revenue and results

	Film and TV programme production and investment *HK$'000*	Cinema operation *HK$'000*	Event production and investment, music production and others *HK$'000*	Investment in securities *HK$'000*	Consolidated *HK$'000*
2016					
Segment revenue	**14,529**	**12,887**	**650**	**(3,815)**	**24,251**
Segment results	**4,555**	**6,999**	**456**	**(3,815)**	**8,195**
Interest income					**1,169**
Convertible bond interest income	**–**	**–**	**–**	**5,734**	**5,734**
Dividend income	**–**	**–**	**–**	**1,940**	**1,940**
Reversal of impairment loss in respect of trade receivables	**351**	**–**	**–**	**–**	**351**
Unallocated gains					**1,380**
Unallocated corporate expenses					**(3,997)**
Distribution costs	**(23)**	**(7,474)**	**–**	**–**	**(7,497)**
Administrative expenses	**(8,066)**	**(17,089)**	**(337)**	**(64)**	**(25,556)**
Other operating expenses	**(26,617)**	**–**	**(169)**	**–**	**(26,786)**
Change in fair value of financial assets at fair value through profit or loss	**–**	**–**	**–**	**(21,640)**	**(21,640)**
Loss from continuing operations					**(66,707)**
Gain on disposal of subsidiaries					**18,039**
Finance costs					**(12)**
Loss before taxation from continuing operations					**(48,680)**

4. **SEGMENT INFORMATION** *(Continued)*

(a) **Segment revenue and results** *(Continued)*

	Film and TV programme production and investment *HK$'000*	Event production and investment, music production and others *HK$'000*	Investment in securities *HK$'000*	Consolidated *HK$'000*
2015				
Segment revenue	74,329	797	10,206	85,332
Segment results	3,211	593	10,206	14,010
Interest income				190
Dividend income	–	–	308	308
Reversal of impairment loss in respect of trade receivables	43	17	–	60
Unallocated gains				82
Unallocated corporate expenses				(11,290)
Distribution costs	(975)	(38)	–	(1,013)
Administrative expenses	(8,088)	(48)	(8)	(8,144)
Other operating expenses	(24,573)	(251)	–	(24,824)
Unallocated change in fair value of financial assets at fair value through profit or loss				(7,384)
Change in fair value of financial assets at fair value through profit or loss	–	–	3,623	3,623
Loss from continuing operations				(34,382)
Gain on disposal of subsidiaries and a joint venture				6,319
Finance costs				(291)
Loss before taxation from continuing operations				(28,354)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment revenue in the current year (2015: Nil).

Segment results represent the profit earned by each segment without allocation of corporate gains such as exchange gain, central administration costs which mainly include Directors' emoluments and corporate legal and professional fees, and gain on disposal of subsidiaries and a joint venture. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

4. **SEGMENT INFORMATION** *(Continued)*

(b) Segment assets and liabilities

	Film and TV programme production and investment *HK$'000*	Cinema operation *HK$'000*	Event production and investment, music production and others *HK$'000*	Investment in securities *HK$'000*	Total *HK$'000*
2016					
Segment assets	**199,156**	**69,548**	**1,879**	**63,385**	**333,968**
Unallocated assets					**493,864**
Consolidated assets					**827,832**
Segment liabilities	**20,142**	**53,959**	**50**	**22**	**74,173**
Unallocated liabilities					**2,370**
Consolidated liabilities					**76,543**
2015					
Segment assets	305,066	–	194	42,546	347,806
Assets relating to the discontinued operation					217,515
Unallocated assets					390,889
Consolidated assets					956,210
Segment liabilities	20,735	–	60	–	20,795
Liabilities relating to the discontinued operation					72,074
Unallocated liabilities					5,438
Consolidated liabilities					98,307

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than deposit paid for acquisition of subsidiaries, interests in associates and other unallocated head office and corporate assets that are not attributable to segments; and

- all liabilities are allocated to reportable segments other than unallocated corporate financial liabilities that are not attributable to segments.

4. SEGMENT INFORMATION *(Continued)*

(c) Other segment information

	Film and TV programme production and investment *HK$'000*	Cinema operation *HK$'000*	Event production and investment, music production and others *HK$'000*	Investment in securities *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
2016						
Other segment information:						
Additions to property, plant and equipment	**–**	**66,464**	**–**	**–**	**–**	**66,464**
Amortisation of film rights	**1,527**	**–**	**–**	**–**	**–**	**1,527**
Cost of investments in film production	**8,447**	**–**	**–**	**–**	**–**	**8,447**
Depreciation of property, plant and equipment	**97**	**5,220**	**–**	**–**	**155**	**5,472**
Impairment loss recognised in respect of:						
– film rights	**5,966**	**–**	**–**	**–**	**–**	**5,966**
– investments in film production	**20,651**	**–**	**–**	**–**	**–**	**20,651**
– other receivables	**–**	**–**	**169**	**–**	**–**	**169**
Reversal of impairment loss in respect of trade receivables	**(351)**	**–**	**–**	**–**	**–**	**(351)**
2015						
Other segment information:						
Additions to property, plant and equipment	5	–	–	–	–	5
Amortisation of film rights	13,433	–	–	–	–	13,433
Cost of investment in film production	57,685	–	–	–	–	57,685
Depreciation of property, plant and equipment	116	–	–	–	223	339
Impairment loss recognised in respect of:						
– film rights	12,980	–	–	–	–	12,980
– investment in film production	11,593	–	–	–	–	11,593
– trade receivables	–	–	25	–	–	25
– other receivables	–	–	226	–	–	226
Loss on disposal of property, plant and equipment	60	–	–	–	–	60
Reversal of impairment loss in respect of trade receivables	(43)	–	(17)	–	–	(60)

4. **SEGMENT INFORMATION** *(Continued)*

(d) **Geographical information**

The Group's revenue from continuing operations from external customers by location of sales and information about its non-current assets by location of assets are detailed as below:

	Revenue from external customers		Non-current assets*	
	2016	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**7,425**	80,205	**30,114**	217
The People's Republic of China (the "PRC")	**16,624**	–	**59,317**	–
Hungary	**139**	3,269	**–**	–
Others	**63**	1,858	**–**	–
	24,251	85,332	**89,431**	217

* *Non-current assets exclude those relating to the discontinued operation.*

(e) **Information about major customers**

Revenue from two (2015: one) major customers contributing over 10% of the Group's revenue from continuing operations for the Year were HK$8,492,000 and HK$2,707,000 respectively (2015: HK$57,685,000), which was derived from the film and TV programme production and investment segment.

5. **LOSS FROM CONTINUING OPERATIONS**

	2016	2015
	HK$'000	*HK$'000*
Loss from continuing operations has been arrived at after charging/(crediting):		
Amortisation of film rights (included in cost of sales)	**1,527**	13,433
Cost of investments in film production (included in cost of sales)	**8,447**	57,685
Cost of inventories (included in cost of sales)	**244**	–
Depreciation of property, plant and equipment	**5,472**	339
Impairment loss recognised in respect of:		
– film rights*	**5,966**	12,980
– investments in film production*	**20,651**	11,593
– trade receivables*	**–**	25
– other receivables*	**169**	226
Loss on disposal of property, plant and equipment	**–**	60
Operating leases in respect of land and buildings	**5,461**	1,246
Bank interest income	**(1,169)**	(121)
Convertible bond interest income	**(5,734)**	–
Other interest income	**–**	(69)
Reversal of impairment loss in respect of trade receivables	**(351)**	(60)

* *The aggregation of these items represents "Other operating expenses" in the consolidated statement of profit or loss.*

6. FINANCE COSTS

	2016	2015
	HK$'000	*HK$'000*
Continuing operations:		
Interest on bank borrowings	**–**	240
Bank charges	**12**	51
	12	291

7. TAXATION

Tax charge for continuing operations comprises:

	2016	2015
	HK$'000	*HK$'000*
Current tax:		
Hong Kong Profits Tax	**–**	17

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Under the Enterprise Income Tax Law of the PRC (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% from 1 January 2008 onwards. No provision for the PRC Enterprise Income Tax ("EIT") is made in the current year as the Group has no assessable profits arising in the PRC for the Year. No provision for EIT was made in the prior year as the Group did not have any continuing operations carried on business in this jurisdiction.

8. DISCONTINUED OPERATION

The Group had operated the post production service business in Hong Kong and the PRC. As a result of the disposal of 60% equity interest in Lucrative Skill Group (see note 14), the Group ceased this business and therefore this operating segment constitutes a discontinued operation.

Loss for the year from discontinued operation up to the date of disposal is analysed as follows:

	2016	2015
	HK$'000	*HK$'000*
Revenue	**63,521**	38,171
Cost of sales	**(58,075)**	(26,535)
Gross profit	**5,446**	11,636
Other revenue	**72,839**	765
Distribution costs	**(3,656)**	(239)
Administrative expenses	**(23,919)**	(18,725)
Other operating expense	**(599)**	(39,701)
Profit/(loss) from operation	**50,111**	(46,264)
Loss on disposal of Lucrative Skill Group *(note 14)*	**(79,184)**	–
Finance costs	**(181)**	(1,095)
Loss before taxation	**(29,254)**	(47,359)
Taxation	**507**	(1,514)
Loss for the year	**(28,747)**	(48,873)
Loss for the year attributable to:		
Owners of the Company	**(64,728)**	(45,772)
Non-controlling interests	**35,981**	(3,101)
	(28,747)	(48,873)

Profit/(loss) from discontinued operation has been arrived at after charging/(crediting):

	2016	2015
Amortisation of intangible asset (included in administrative expenses)	**3,397**	1,698
Depreciation of property, plant and equipment	**7,328**	4,105
Impairment loss recognised in respect of goodwill	**–**	39,701
Impairment loss recognised in respect of trade receivables	**599**	–
Loss on disposal of property, plant and equipment	**1,133**	6
Operating lease in respect of land and buildings	**10,489**	3,226
Bank interest income	**–**	(3)
Waiver of amounts due to related companies	**(20,508)**	–
Waiver of amount due to non-controlling interests	**(52,331)**	–

Cash flows from discontinued operation up to the date of disposal is analysed as follows:

	2016	2015
	HK$'000	*HK$'000*
Net cash (outflow)/inflow from operating activities	**(5,698)**	3,047
Net cash inflow/(outflow) from investing activities	**18**	(3,469)
Net cash inflow from financing activities	**27,221**	1,772
Net cash inflow	**21,541**	1,350

9. LOSS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

(a) From continuing and discontinued operations

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	2016	2015
	HK$'000	*HK$'000*
Loss attributable to the owners of the Company for the purpose of basic and diluted loss per share	**(106,015)**	(75,115)

	Number of shares	Number of shares
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**2,213,341**	1,668,460

For the years ended 30 June 2016 and 2015, the diluted loss per share for continuing and discontinued operations was the same as the basic loss per share as there was no dilutive potential ordinary share for both years.

(b) From continuing operations

The calculation of the basic and diluted loss per share from continuing operations attributable to the owners of the Company is based on the following data:

	2016	2015
	HK$'000	*HK$'000*
Loss for the year attributable to the owners of the Company	**(106,015)**	(75,115)
Less: Loss for the year attributable to the owners of the Company from discontinued operation	**64,728**	45,772
Loss attributable to the owners of the Company from continuing operations for the purpose of basic and diluted loss per share	**(41,287)**	(29,343)

The denominators used are the same as those detailed above for both basic and diluted loss per share.

For the years ended 30 June 2016 and 2015, the diluted loss per share for continuing operations was the same as the basic loss per share as there was no dilutive potential ordinary share for both years.

(c) From discontinued operation

Basic and diluted loss per share for discontinued operation is HK$0.03 (2015: HK$0.03), based on the loss for the year attributable to the owners of the Company from discontinued operation of HK$64,728,000 (2015: HK$45,772,000) and the denominators detailed above for both basic and diluted loss per share.

For the years ended 30 June 2016 and 2015, the diluted loss per share for discontinued operation was the same as the basic loss per share as there was no dilutive potential ordinary share for both years.

10. TRADE RECEIVABLES

The Group allows an average credit period of 30 to 180 days (2015: 30 to 180 days) to its customers. The ageing analysis of the trade receivables of the Group based on the invoice date at the end of the reporting period is as follows:

	2016	2015
	HK$'000	*HK$'000*
0 to 90 days	**5,544**	79,214
91 to 180 days	**–**	6,082
Over 180 days	**6,241**	6,592
	11,785	91,888
Less: Impairment loss recognised in respect of trade receivables	**(6,241)**	(6,592)
	5,544	85,296

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2016	2015
	HK$'000	*HK$'000*
Other receivables, net *(note (i))*	**5,516**	347
Promissory note receivable *(note (ii))*	**65,000**	–
Deposits and prepayments *(note (iii))*	**25,998**	7,658
	96,514	8,005

Notes:

(i) As at 30 June 2016, other receivables included an amount of HK$5,000,000 reclassified from film production in progress upon terminations of film production contracts with production houses.

(ii) The amount represents part of the consideration receivable for the disposal of 60% equity interest in Lucrative Skill Group (see note 14), which is interest-free, unsecured and repayable to the Company within one year. This promissory note is freely transferable and/or can be assigned in whole or in part to any party by the Company.

(iii) As at 30 June 2016, the amount included a deposit of HK$18,000,000 paid for a potential film investment subject to the fulfillment of terms and conditions of the relevant agreement.

12. TRADE AND OTHER PAYABLES

	2016	2015
	HK$'000	*HK$'000*
Trade payables	**8,323**	11,564
Accruals	**12,531**	17,798
Deposits received from customers	**6,388**	5,175
Other payables	**11,502**	1,901
	38,744	36,438

12. TRADE AND OTHER PAYABLES *(Continued)*

The following is an ageing analysis of trade payables of the Group based on the invoice date at the end of the reporting period:

	2016	2015
	HK$'000	*HK$'000*
0 to 90 days	**1,508**	967
Over 90 days	**6,815**	10,597
	8,323	11,564

13. BUSINESS COMBINATION

Acquisition of Sino Spirit Group (as defined below)

On 7 December 2015, the Group entered into an agreement with an independent third party in relation to investment in a newly established cinema in the PRC through the acquisition of 55% equity interest in Sino Spirit International Limited and its subsidiary (collectively referred to as "Sino Spirit Group") and the respective percentage of sharing of the shareholder's loan due to such independent third party at a cash consideration of HK$45,596,000. The acquisition was completed on 7 December 2015. Sino Spirit Group is principally engaged in cinema operation in the PRC.

The following table summaries the consideration paid for this acquisition and the fair value of identifiable assets acquired and liabilities assumed at the acquisition date.

	HK$'000
Fair value of identifiable assets acquired and liabilities assumed	
Property, plant and equipment	**55,645**
Inventories	**283**
Trade receivables	**4,103**
Other receivables, deposits and prepayments	**17,636**
Cash and cash equivalents	**52,467**
Trade and other payables	**(47,231)**
Amount due to non-controlling interests	**(82,901)**
Total identifiable net assets	**2**
Non-controlling interests	**(1)**
Assignment of 55% shareholder's loan	**45,595**
Total cash consideration paid	**45,596**
Net cash inflow arising from the acquisition:	
Cash consideration paid	**(45,596)**
Cash and cash equivalents acquired	**52,467**
	6,871

14. DISPOSAL OF SUBSIDIARIES

Disposal of Anyone Holdings Limited

On 11 April 2016, the Group disposed of its entire interest in Anyone Holdings Limited ("AHL") to an independent third party at a cash consideration of HK$38,000,000, which resulted in a gain on disposal of HK$18,039,000. AHL is the legal and beneficial owner of a property located in Hong Kong. Details of this disposal are set out in the Company's announcement dated 8 April 2016.

Disposal of Lucrative Skill Group

On 14 April 2016, the Group disposed of its 60% equity interest in Lucrative Skill Group to an independent third party at a consideration of HK$95,000,000, which was satisfied by cash of HK$30,000,000 and an issuance of a promissory note in a principal amount of HK$65,000,000 to the Company. A loss on disposal of HK$79,184,000 was recognised in the consolidated statement of profit or loss. Lucrative Skill Group was principally engaged in provision of post production service which includes conducting post production work on advertisements, featured films, TV programmes, music video, internet and mobile applications content, visual matters on corporate events, etc in Hong Kong and the PRC. Details of this disposal are set out in the Company's announcement dated 22 January 2016 and circular dated 24 March 2016.

Summary of the effect of the disposals of the above subsidiaries is as follows:

	AHL *HK$'000*	Lucrative Skill Group *HK$'000*	Total *HK$'000*
Property, plant and equipment	**19,579**	**19,280**	**38,859**
Intangible asset	**–**	**35,663**	**35,663**
Deferred tax assets	**–**	**6,418**	**6,418**
Goodwill	**–**	**106,082**	**106,082**
Trade receivables	**–**	**28,443**	**28,443**
Other receivables, deposits and prepayments	**52**	**4,552**	**4,604**
Cash and cash equivalents	**–**	**25,003**	**25,003**
Trade and other payables	**–**	**(18,084)**	**(18,084)**
Amount due to a director	**–**	**(235)**	**(235)**
Bank borrowings	**–**	**(2,999)**	**(2,999)**
Tax payable	**–**	**(1,651)**	**(1,651)**
Deferred tax liability	**–**	**(5,884)**	**(5,884)**
Net assets disposed of	**19,631**	**196,588**	**216,219**
Total consideration received, net *(see below)*	**37,670**	**94,180**	**131,850**
Net assets disposed of	**(19,631)**	**(196,588)**	**(216,219)**
Exchange reserve realised	**–**	**(1,066)**	**(1,066)**
Non-controlling interests	**–**	**24,290**	**24,290**
Gain/(loss) on disposal	**18,039**	**(79,184)**	**(61,145)**
Consideration of the disposals are satisfied by:			
Cash	**38,000**	**30,000**	**68,000**
Promissory note	**–**	**65,000**	**65,000**
	38,000	**95,000**	**133,000**
Less: Professional fees paid	**(330)**	**(820)**	**(1,150)**
Total consideration received, net	**37,670**	**94,180**	**131,850**
Net cash inflow arising from the disposals:			
Cash consideration received, net of the fees paid	**37,670**	**29,180**	**66,850**
Cash and cash equivalents disposed of	**–**	**(25,003)**	**(25,003)**
	37,670	**4,177**	**41,847**

MANAGEMENT DISCUSSION AND ANALYSIS

Results

During the Year, the Group reported revenue from continuing operations of HK$24.3 million (2015: HK$85.3 million), representing a decrease of 71.5% when compared with last year. Loss from the continuing operations attributable to the owners of the Company amounted to HK$41.3 million (2015: HK$29.3 million) while the basic loss per share was HK$0.02 (2015: HK$0.02). Such loss mainly resulted from (i) the impairment of film rights and investments in film production of HK$26.6 million and (ii) the decrease in fair value of financial assets of HK$21.6 million.

After taking into account the results from discontinued operation, the Group recorded a loss attributable to the owners of the Company of HK$106.0 million (2015: HK$75.1 million). Such loss mainly resulted from the loss of HK$79.2 million in relation to disposal of the post production service business. Basic loss per share for the Year was HK$0.05 (2015: HK$0.05).

Review of Operations

Continuing operations

The Group is principally engaged in the entertainment and media business and its activities can be categorised as (i) film and TV programme production and investment; (ii) cinema operation; (iii) event production and investment, music production and others; and (iv) investment in securities.

Film and TV programme production and investment

During the Year, this segment generated revenue of HK$14.5 million (2015: HK$74.3 million) to the Group. The gross profit derived from these activities was HK$4.6 million (2015: HK$3.2 million). Revenue of this segment was mainly contributed by licensing of certain film rights and release of certain co-invested films during the Year.

As of 30 June 2016, the carrying values of the Group's film rights and film production in progress were HK$50.5 million and HK$108.2 million (2015: HK$58.0 million and HK$162.2 million) respectively. The carrying amount of the investments in film production was HK$15.6 million (2015: HK$0.6 million). Due to worsen marketability of certain films, total impairment loss of film rights and investments in film production of HK$26.6 million (2015: HK$24.6 million) was recognised for the Year.

Cinema operation

In order to diversify its entertainment business, the Group invested in a joint venture through its subsidiary for the operation of a newly established cinema which provides theatrical exhibition service for films in Mainland China during the Year. The joint venture is owned as to 55% and 45% by the Group and the joint venture partner respectively. The cinema, with 13 screens, is equipped with advanced technologies including the IMAX theater system, the 4DX motion system, D-Box seats, and the Dolby Atmos audio system. The cinema also features a luxury VIP house and a VIP lounge where the customers can enjoy premium and exclusive entertainment services.

During the Year, the Group recorded revenue and gross profit of HK$12.9 million and HK$7.0 million respectively from this segment. It is expected that the new operation will continue to bring in stable income and contribution to the Group and also strengthen the asset base of the Group.

Event production and investment, music production and others

During the Year, this segment had revenue of HK$0.7 million as compared with HK$0.8 million in last year. Revenue of this segment was mainly contributed by artiste management and certain co-invested concerts which were held in the second half of the Year. The Group continues to keep cautious in the selection of the events to be invested.

Investment in securities

During the Year, the Group transacted certain investments in listed securities and convertible bond and resulted in a loss of HK$3.8 million (2015: a gain of HK$10.2 million). At the end of the reporting period, the Group continues to hold certain investment in listed securities with the carrying amount of HK$63.4 million (2015: HK$30.4 million). Based on the stock market price of such portfolio of investment in securities and the valuation of convertible bond conducted by an independent firm of valuers, the Group recorded a decrease in the fair value of HK$21.6 million (2015: an increase in fair value of HK$3.6 million) for the Year.

Discontinued operation

Post production service

In view of the unsatisfactory performance and the lack of strategic development of post production service business for the Group under the challenging environment, the Group disposed of its 60% equity interest in Lucrative Skill Group to an independent third party at a consideration of HK$95.0 million (the "Disposal"), which was satisfied by cash of HK$30.0 million and an issuance of a promissory note in a principal amount of HK$65.0 million to the Company. As the Disposal would release the Group from making significant capital contribution in the future, though a loss of HK$79.2 million on disposal was arisen, the Disposal was in the interests of the Company and its shareholders as a whole. The Disposal was completed in April 2016, since then, the Group ceased to have any interest in the post production service business and this business segment constitutes a discontinued operation.

Up to date of the Disposal, revenue generated from this business segment was HK$63.5 million (2015: HK$38.2 million) while its gross profit was HK$5.4 million (2015: HK$11.6 million). Significant decrease in gross profit was mainly due to the recent challenging business environment as a result of the economic downturn in Hong Kong and unfavourable changes in the industry environment.

Acquisition and Disposal of Subsidiaries

In December 2015, the Group jointly invested in cinema operation with a joint venture partner through the acquisition of 55% equity interest in Sino Spirit Group and the respective percentage of sharing of the shareholder's loan owed by Sino Spirit Group to the joint venture partner at a cash contribution of HK$45.6 million.

Other than the Disposal as mentioned in the section headed "Discontinued operation" above, during the Year, the Company also disposed of an indirect wholly-owned subsidiary, AHL, to an independent third party at a cash consideration of HK$38.0 million. AHL was a property holding company. The transaction was completed in April 2016 and resulted in a gain on disposal of HK$18.0 million.

Event After the End of the Reporting Period

The Group has been looking for potential entertainment related investment opportunities in the market for development of its businesses. In July 2016, the Group acquired approximately 78.64% of the issued share capital of Jade Dynasty Multi-Media Limited ("JDMM") and the shareholders' loan owed by JDMM to the vendors (who are independent third parties) at a cash consideration of HK$142.6 million (the "Acquisition"). A refundable deposit of HK$30.0 million was paid during the Year for the Acquisition upon signing of the sale and purchase agreement on 4 May 2016.

JDMM and its subsidiaries (collectively referred to as "JDMM Group") are principally engaged in the production, distribution and licensing of animated TV episodes and theatrical films in Hong Kong, Mainland China and overseas countries. Details of the Acquisition are disclosed in the Company's announcements dated 4 May 2016 and 21 July 2016.

Future Business Prospects and Plans

The Group has dedicated its efforts in exploring the film investment opportunities and strengthening distribution channels for its film and TV programmes. According to the publication by State Administration of Press, Publication, Radio, Film and Television (國家新聞出版廣電總局), the box office in Mainland China in 2015 achieved RMB44.1 billion, represented year-on-year growth of 48.7%. In the first half of 2016, it reached RMB24.6 billion, soared by 20.7% as compared with the last corresponding period. Given the sustainable rapid growth in the box office in Mainland China, the Directors believe that there is a great potential market for the development of film and TV programmes production and investment business of the Group.

In view of the rapid expansion of the Mainland China film market, the Group has diversified its business into cinema operation through the investment in Sino Spirit Group and animation business through the acquisition of JDMM Group. The Directors expect that these operations will not only bring in new income stream and stable return to the Group but also develop a platform for exhibition of its film production and investment in Mainland China and create various business opportunities for the Group, including but not limited to animation-derived products like figures, apparels and mobile games.

Nevertheless, the Group is still facing a challenging year ahead with weakening of marco-economic conditions and uncertain recovery in market sentiment for the retail sector. The Group has been cautious in the selection of stories and scripts for the production and investment of our films and TV programmes. Stringent measures are also continuously adopted in the cost control and risk management for the Group's different business segments. With the improvement of working capital after the Disposal, the Group can focus its resources on expansion and development of its movie related businesses such as film investment, cinema operation and animation business or other entertainment related investment opportunities in the market if the Directors think fit and beneficial.

Capital Structure, Financial Review and Liquidity

There was no change in the capital structure of the Company during the Year.

As at 30 June 2016, the Group's net assets amounted to HK$751.3 million, as compared with HK$857.9 million as of 30 June 2015. The current ratio, representing current assets divided by current liabilities, was 9.65 (2015: 8.44).

The Group's cash and bank balances at the end of the reporting period amounted to HK$398.5 million (2015: HK$411.5 million).

After the Disposal, the Group had reduced its indebtedness from HK$53.5 million as at 30 June 2015 to HK$37.8 million as at 30 June 2016. Such indebtedness represents amount due to non-controlling interests which is denominated in Hong Kong dollars, unsecured, interest-free and repayable on demand. As a result, the gearing ratio (expressed as a percentage of total borrowings over total assets) decreased to 0.05 (2015: 0.06) as at 30 June 2016.

At the end of the reporting period, the Company had provided a corporate guarantee of HK$24.0 million in favour of a financial institution in respect of banking facilities granted to certain former subsidiaries, HK$5.5 million of which was utilised by those former subsidiaries and this amount was subject to a claim by the financial institution concerned. Details of the claim have been disclosed in point 2 under the section headed "Major Litigation and Arbitration Proceedings" below.

Exposure to Fluctuation in Exchange Rates and Related Hedges

The Group's cash and bank balances, income and expenditure are primarily denominated in Hong Kong dollars and Renminbi. Despite the abrupt devaluation of Renminbi by the People's Bank of China during the Year, the carrying amount of the Group's Renminbi denominated monetary assets was only less than 5% of its net assets at the end of the reporting period. Hence, the Group's exposure to fluctuations in exchange rates is insignificant.

The Group will closely monitor the foreign currency exposure and may consider to arrange for hedging facilities when it is necessary.

Use of Proceeds from Equity Fund Raising

During the Year, the Group had utilised the remaining proceeds of HK$27.1 million raised from the rights issue by way of issuing 1,345,014,801 ordinary shares at the subscription price of HK$0.228 per rights share on the basis of nine rights shares for every one ordinary share held on 14 May 2014. In addition, the Group partially used HK$207.4 million out of the net proceeds of HK$291.2 million raised from the placing of 368,880,000 shares of the Company at an issue price of HK$0.81 per share (the "Placing") on 4 June 2015. These proceeds were used as intended for the investments in films and cinema operation, the deposit paid for the Acquisition as well as general working capital. As at 30 June 2016, the remaining proceeds raised from the Placing amounting to HK$83.8 million were retained at the bank. Shortly after the end of the reporting period, such remaining proceeds were fully used to settle part of the consideration of the Acquisition.

Employees and Remuneration Policy

As at 30 June 2016, the Group's number of employees was 43 (2015: 162). Total staff costs from continuing and discontinued operations including the Directors' remuneration for the Year were HK$56.3 million (2015: HK$17.1 million). If excluding the staff costs of the discontinued operation, the total staff cost would be HK$8.5 million (2015: HK$10.3 million). Employees' remuneration was determined in accordance with individual's responsibility, competence and skills, experience and performance as well as market pay level. Employees' benefits include the retirement benefit schemes, in-house training programmes, medical insurance scheme and discretionary bonuses.

To provide incentive or rewards to staff, the Company has adopted a share option scheme under which options of the Company may be granted to Directors and employees of the Group to subscribe for shares of the Company.

Pledge of Assets

As at 30 June 2016, the Group had no pledge of assets whereas certain assets of the Group with an aggregate carrying amount of HK$19.7 million were pledged to a bank as security for the banking facilities granted to the Group as at 30 June 2015.

Major Litigation and Arbitration Proceedings

1. The Company and its ex-subsidiary, P.N. Electronic Limited ("PNE"), have been involved in arbitration proceedings with North American Foreign Trading Corporation ("NAFT") in respect of a gross receivable of HK$18 million and related damages from various parties for goods shipped by PNE and NAFT in 1996. The arbitration proceedings were initiated by NAFT against the Company and PNE claiming for alleged damages in New York, USA. The Company has upon legal advice, vigorously contested the alleged claims and has counterclaimed the said sum of HK$18 million as well as other damages. The Company has not received any documents in relation to the arbitration proceedings for a substantial period of time and insofar as the Company is aware, the proceedings remain dormant.

2. On 13 October 2003, a Writ of Summons and Statement of Claim was issued by BII Finance Company Limited ("BII Finance") against the Company under a guarantee allegedly given by the Company in favour of BII Finance in respect of certain liabilities of Welback Enterprises Limited, a former subsidiary of the Company. The claim is for a sum of approximately HK$3,583,000 and US$248,000 (approximately HK$1,936,000), together with interest.

   The Company has issued Third Party proceedings against Mr. Lee Chun Kwok and Mr. Fong Wing Seng, former Directors, seeking a contribution to the extent of 49% of BII Finance's claim in the event that the Company is found liable to BII Finance (which is denied).

   BII Finance has not taken any steps to progress with the action since June 2006. The Company is prepared and ready to continue to defend BII Finance's claim, and also continue to pursue the Third Party proceedings against Mr. Lee Chun Kwok and Mr. Fong Wing Seng.

FINAL DIVIDEND

The Board did not recommend the payment of any final dividend for the year ended 30 June 2016 (2015: Nil).

REVIEW OF ANNUAL RESULTS

The annual results for the Year had been reviewed by the Audit Committee of the Company in conjunction with the external auditor, HLB Hodgson Impey Cheng Limited. Based on this review and discussions with the management, the Audit Committee was satisfied that the audited consolidated financial statements were prepared in accordance with applicable accounting standards and fairly presented the Group's financial position as at 30 June 2016 and the annual results for the Year.

CORPORATE GOVERNANCE

Corporate Governance Code

The Company had complied throughout the Year with all the code provisions of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. Detailed information of the Company's corporate governance practices as set out in the Corporate Governance Report will be included in the Company's annual report to be dispatched to the shareholders in due course.

Model Code for Securities Transactions

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules as its code regarding Directors' securities transactions. Having made specific enquiry to the Directors, all of them confirmed that they had complied with the required standard of dealings as set out in the Model Code throughout the Year.

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

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

PUBLICATION OF THE AUDITED ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the designated websites of the Stock Exchange at www.hkexnews.hk and the Company at www.irasia.com/listco/hk/see. The annual report of the Company for the Year will be dispatched to the shareholders of the Company and will be available on the above websites in due course.

By order of the Board
See Corporation Limited
Direk Lim
Chairman

Hong Kong, 30 September 2016

As at the date hereof, the Board comprises :

Executive Directors:
Mr. Direk Lim *(Chairman)*
Dr. Fan Rongzhang

Independent Non-executive Directors:
Mr. Li Fui Lung, Danny
Mr. Ng Hoi Yue
Ms. Chan Sim Ling, Irene