



2016

Annual

Report

年報

Diversity
Exploration
多元發展 開拓商機

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

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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
2 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
The Hongkong and Shanghai
Banking Corporation Limited

+ names are in alphabetical order

註冊辦事處

Clarendon House
2 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
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

Chairman's Statement 主席報告

On behalf of the board of directors (the "Board") of Neway Group Holdings Limited (the "Company"), I would like to present to shareholders the results of the Company and its subsidiaries (together, the "Group") for the year ended 31 December 2016 (the "Year").

After adopting various cost control policies and devoting continuous efforts in increasing the turnover, the Group made a turnaround from loss to profit for the Year. In particular, a remarkable improvement was recorded in the Manufacturing and Sales Business and the Music and Entertainment Business. Detailed analysis of each business segment is covered in the section headed "Management Discussion and Analysis".

During the Year, the Group allocated more resources to each business segment and identified more business opportunities to create value for the Group. Together with the newly introduced business segment, namely the Gaming Business, the Group's business profile became more diversified, and more new elements were added to enlarge the revenue base of the Group.

Looking forward, the Group's business will continue to face with challenges in different industries, especially the challenges from the People's of Republic of China (the "PRC"). The volatility of foreign exchange rate of Renminbi, the soaring material prices and the increasing minimum wages imposed by the PRC government will exert extra burdens on the operating cost of the Group. The Group will closely monitor the changes in the local and international market, and will adopt various measures timely if necessary.

At the same time, the Group will continue to divert more human and financial resources to all business segments to enlarge their respective customer base and market share. For the Gaming Business newly introduced during the Year, the Group will allocate more resources to enlarge the global distribution network and increase the product deployment. The Group will also expand the businesses in a prudent way and adjust the strategy and evaluate the results from time to time.

On behalf of the Board, I would like to take this opportunity to express my gratitude to all shareholders, investors, business partners and staff for their continuous support and dedication to the Group throughout the Year.

SUEK Ka Lun, Ernie
Chairman

Hong Kong
24 March 2017

本人謹代表Neway Group Holdings Limited 中星集團控股有限公司*（「本公司」）董事會（「董事會」）欣然向股東提呈本公司及其附屬公司（統稱「本集團」）截至二零一六年十二月三十一日止年度（「本年度」）的業績。

經採取多項控制成本的措施和努力不懈地提高營業額後，本集團終於在本年度轉虧為盈，製造及銷售業務和音樂及娛樂業務的改善尤其突出。各業務分部的詳細分析載於「管理層討論及分析」一節。

於本年度，本集團向各業務分部投放更多資源和尋找更多商機，以為本集團創造更大的價值。鑑於開始經營遊戲業務作為新的業務分部，本集團的業務組合更多元化，為本集團的收益基礎帶來更多新元素。

展望未來，本集團各項業務將依然面對挑戰，其中來自中華人民共和國（「中國」）的挑戰尤為嚴峻，當中包括人民幣匯率波動、原材料價格飆升和中國政府上調最低工資，以上因素均會令本集團的經營成本百上加斤。本集團將密切監察國內和國際市場的變化，以在有需要的情況下採取相應措施。

同時，為擴大各業務分部的客戶基礎和市場佔有率，本集團將繼續向不同業務分部投入更多人力和財政資源。至於在本年度新設的遊戲業務，本集團也將撥出更多資源，以擴大其全球分銷網絡和加強產品的部署。此外，本集團將以審慎方式擴充業務，並會不時調整策略和評估業績。

於本年度內，全體股東、投資者、業務夥伴及員工一直鼎力支持本集團及為本集團竭誠服務，本人謹藉此機會代表董事會向彼等衷心致謝。

主席
薛嘉麟

香港
二零一七年三月二十四日

* 僅供識別

Neway Group Holdings Limited 中星集團控股有限公司
Annual Report 2016 年報

Management Discussion and Analysis

管理層討論及分析

OVERVIEW

During the year ended 31 December 2016 (the “Year”), Newway Group Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) devoted more efforts in increasing the turnover of its various business segments and adopted several cost control policies, especially for the Manufacturing and Sales Business. As a result, the Group made a turnaround from a loss of approximately HK\$67.5 million for the year ended 31 December 2015 (“Year 2015”) to a profit of approximately HK\$74.0 million for the Year. Remarkable improvement and increase in profit was noted in the Lending Business, the Manufacturing and Sales Business, the Music and Entertainment Business and the Securities Trading Business.

The Gaming Business, which commenced operation in Year 2015, was presented as a new reportable and operating segment in the annual results of the Group for the Year. In light of the increasing management attention and financial and human resources devoted to the Gaming Business, the management considered that the presentation of a new segment will facilitate a better review of Group’s overall performance in various aspects. The detailed business and financial review of each business segment is stated below.

概覽

截至二零一六年十二月三十一日止年度（「本年度」），Newway Group Holdings Limited中星集團控股有限公司*（「本公司」）及其附屬公司（統稱「本集團」）更加努力提高各業務分類的營業額，並採納了若干成本控制的政策，其中尤以製造及銷售業務為然。因此，本集團轉虧為盈，由截至二零一五年十二月三十一日止年度（「二零一五年度」）的虧損約67,500,000港元扭轉到本年度賺得溢利約74,000,000港元。放貸業務、製造及銷售業務、音樂及娛樂業務以及證券買賣業務均顯著改善，溢利亦大幅上升。

於二零一五年度開始經營的遊戲業務，在本年度的本集團年度業績中作為一個新的可報告及經營分類提呈。由於管理層更加關注遊戲業務，並投入更多財政及人力資源，管理層認為，提呈新業務分類有助更有效地在各層面審視本集團的整體表現。就各業務分類所作的業務和財務回顧詳情現載列如下。

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

BUSINESS AND FINANCIAL REVIEW

Revenue and Gross Profit Margin

During the Year, total revenue of the Group was approximately HK\$562.9 million (Year 2015: approximately HK\$521.3 million), the gross profit margin for the Year increased to 31.7% (Year 2015: 17.9%). The segments' respective contributions to the revenue of the Group are as follows:

業務和財務回顧

收益和毛利率

於本年度，本集團的總收益約為562,900,000港元（二零一五年度：約521,300,000港元），而本年度的毛利率升至31.7%（二零一五年度：17.9%）。各分類對本集團收益的貢獻如下：

		2016 二零一六年 HK\$ 港元	Approximate % to total revenue 佔總收益 概約百分比	2015 二零一五年 HK\$ 港元	Approximate % to total revenue 佔總收益 概約百分比
Gaming Business	遊戲業務	88,319	0.0%	-	-
Lending Business	放貸業務	8,215,087	1.5%	7,089,375	1.4%
Manufacturing and Sales Business	製造及銷售業務	492,941,761	87.6%	466,163,695	89.4%
Music and Entertainment Business	音樂及娛樂業務	27,039,363	4.8%	11,919,662	2.3%
Property Business	物業業務	1,713,770	0.3%	1,010,823	0.2%
Trading Business	貿易業務	32,912,733	5.8%	35,072,106	6.7%
Total revenue	總收益	562,911,033	100%	521,255,661	100%

Management Discussion and Analysis

管理層討論及分析

Gaming Business

The Group commenced the business of design and development of platforms and software for the gaming industry in 2015. With the increasing management attention and financial and human resources allocated to this business, it was presented as a new business segment in this annual report for the Year. During the Year, the Group established specialised teams with extensive technical experiences in Hong Kong and the People's Republic of China (the "PRC") respectively, which were responsible for improving, enriching and enhancing the existing platform and software and developing new technologies to raise the awareness of the Gaming Business in the global market. As at 31 December 2016, the target markets of the business included, but were not limited to, Japan, Taiwan, Macau, Mexico, Serbia, the Philippines, the Netherlands and Peru. The Group devoted more resources in marketing and promotion, such as participating in various international gaming exhibitions held in Macau, Mexico and San Francisco to introduce and promote the business concepts and ideas to potential partners and customers all over the world during the Year.

The Group has been actively seeking co-operation opportunities with various software design companies to enrich the content of its games and to expand its customer network in the global market. Meanwhile, the Group is also actively recruiting sales and marketing personnel in order to reach more overseas customers. During the Year, the Group was granted the license of Gaming Laboratories International (GLI®) and had deployed its products to Mexico by the end of the Year. The Group expects that more products will be introduced to other regions of the world in coming years.

遊戲業務

本集團於二零一五年開展設計和開發遊戲平台和軟件的業務。鑑於管理層對是項業務的關注程度提高和投入更多財務和人力資源，遂於本年度的本年報中作為全新的業務分類呈列。於本年度，本集團分別在香港和中華人民共和國（「中國」）成立具備豐富技術經驗的專責小組，負責改良、提升和加強現有的平台和軟件，以及發展新技術，以期提高遊戲業務在國際市場的知名度。截至二零一六年十二月三十一日止，本業務分類的目標市場包括（但不限於）日本、台灣、澳門、墨西哥、塞爾維亞、菲律賓、荷蘭和秘魯。為向全球各地的潛在合作夥伴和客戶介紹和推廣業務概念和理念，於本年度，本集團在市場推廣和宣傳方面投入更多資源，例如於本年度曾參加在澳門、墨西哥和三藩市等地舉行的多個國際性遊戲業展銷會。

本集團一直主動尋找與不同軟件設計公司合作的機會，目的是加強其遊戲產品的內容和開拓其在全球市場的客戶網絡。同時，本集團也積極招聘銷售和市場推廣人員，以招徠更多海外客戶。於本年度，本集團獲得Gaming Laboratories International (GLI®)授出的特權，並於本年度年底之前在墨西哥部署旗下產品。本集團預計，將於未來數年在全球其他地區推出更多產品。

Management Discussion and Analysis

管理層討論及分析

Lending Business

The Lending Business included 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 Year and the Group is still in search for deals with potential.

For the money lending business in Hong Kong, the Group was actively expanding the customer base and its loan portfolio during the Year. Customers of the business included both individuals and corporate entities and the majority of loans were secured by properties located in Hong Kong. No default has been recorded since the commencement of business and majority of interest income was received on time. During the Year, the loan interest income increased by approximately 15.9% to approximately HK\$8.2 million (Year 2015: approximately HK\$7.1 million). The Group will continue to allocate additional funding to expand the money lending business in Hong Kong, and will closely monitor the repayment abilities of borrowers and perform risk assessment on each loan application in a prudent manner.

Manufacturing and Sales Business

This segment principally included the manufacturing and sales of printing products, such as packaging boxes, labels and paper products. During the Year, the Group introduced a new product line, namely paper shopping bags. The customer base of this segment covered the worldwide market.

During the Year, two key focuses were adopted for the Manufacturing and Sales Business, including: (i) continuing cost reduction, as well as efficiency and quality enhancement of the factories in the PRC; and (ii) expansion of sales network to customers with higher profit margin. A new product line, namely paper shopping bags, was also introduced. After years of efforts put in this business for improving its financial results and product quality, the business made a remarkable turnaround from a segment loss of approximately HK\$36.6 million in Year 2015 to a segment profit of approximately HK\$58.3 million for the Year, which was mainly attributable to the increasing revenue and the significant reduction in production costs and material costs following the streamlining of the production process and increased productivity and production efficiency of the factories of the Group.

放貸業務

放貸業務包括在上海的融資租賃業務和在香港的放貸業務。於本年度，融資租賃業務並無達成任何交易，而本集團正積極物色具潛力的交易機會。

至於在香港的放貸業務，本集團於本年度積極擴大其客戶基礎和貸款組合。是項業務的客戶包括私人 and 企業客戶，大部分貸款均以位於香港的物業作抵押。自開展業務以來，並未出現任何拖欠記錄，且能按時收到大部分利息收入。於本年度，貸款利息收入增加約15.9%，升至約8,200,000港元（二零一五年度：約7,100,000港元）。本集團將繼續投入更多資金，以擴展在香港的放貸業務，並會密切監察借款人的還款能力和以審慎態度就每宗貸款申請作風險評估。

製造及銷售業務

本分類主要包括製造及銷售印刷產品，例如包裝用紙箱、標籤及紙類產品。於本年度，本集團推出新產品系列，即購物紙袋產品。本分類的客戶遍佈全球各地的市場。

於本年度，製造及銷售業務有兩項重點工作，包括：(i)繼續為設於中國的廠房節省成本，以及提高效益和產品質素；及(ii)將銷售網絡擴展至毛利率較高的客戶，並推出新產品系列，即購物紙袋產品。為改善是項業務的財政業績和提高產品質素而作出多年努力後，是項業務轉虧為盈，由二零一五年度出現虧損約36,600,000港元，扭轉至本年度賺得約58,300,000港元的分類溢利，主要是由於收益增加，精簡生產過程後生產成本及原材料成本大幅下降，以及本集團工廠的生產力及生產效率提高。

Management Discussion and Analysis 管理層討論及分析

The segment profit for the Year was approximately HK\$58.3 million (Year 2015: segment loss of approximately HK\$36.6 million). The segment profit margin for the Year was approximately 11.8% (Year 2015: segment loss margin of approximately 7.8%). The improvement in segment margin was mainly due to the following reasons:

- (i) the revenue from the Manufacturing and Sales Business increased by approximately 5.7% to approximately HK\$492.9 million (Year 2015: approximately HK\$466.2 million), primarily attributable to the increase in export sales. During the Year, the Group successfully introduced a new product line, namely paper shopping bags, which targets at overseas customers. At the same time, more orders were placed by some of the Group's existing customers, resulting in an increase of the segment revenue for the Year.
- (ii) there was a drop in staff costs during the Year. The ratio of total staff costs to sales was approximately 29.3% for the Year (Year 2015: approximately 33.5%). The decrease in such ratio was due to the higher sales volume with less manpower recorded for the Year following of a series of tightening policies adopted in the Year to boost production efficiency and streamline the workflow. The average number of headcount in this segment decreased by approximately 20% as compared with last year. Furthermore, no upward adjustment to the minimum wages in Shenzhen was made by the PRC government during the Year and this alleviated the pressure of rising staff costs and other related costs. Meanwhile, a more attractive reward system was designed to award those employees with improved performance, so as to enhance the overall production efficiency of this segment.
- (iii) the Group has recognised an one-off impairment loss of approximately HK\$9.2 million for Year 2015 in respect of the non-current assets of the Manufacturing and Sales Business, while no such impairment loss was recorded for the Year.

本年度的分類溢利約58,300,000港元(二零一五年度:分類虧損約36,600,000港元),而本年度的分類溢利率約為11.8%(二零一五年度:分類虧損率約7.8%)。分類毛利率改善的主要原因如下:

- (i) 製造及銷售業務的收益增加約5.7%,升至約492,900,000港元(二零一五年度:約466,200,000港元),主因是出口銷售上升。於本年度,本集團成功推出以海外客戶為目標的新產品系列—購物紙袋。同時,本集團部分現有客戶的訂單量上升,因而提高了本年度的分類收益。
- (ii) 員工成本於本年度下跌。於本年度,員工成本對銷售額的比率約29.3%(二零一五年度:約33.5%)。為提高生產效率和精簡工作流程而採納一系列緊縮政策後,得以於本年度以較少的人手編制締造較高的銷售額,乃該比率下跌的原因。與去年比較,本分類的平均員工數目下跌約20%。此外,中國政府於本年度並無調高深圳的最低工資,因而減輕員工成本和其他相關成本的上漲壓力。同時,實行更具吸引力的獎勵計劃,以嘉許工作表現有所改善的員工,從而提高本分類的整體生產效率。
- (iii) 本集團於二零一五年度就製造及銷售業務的非流動資產確認一筆一次過的減值虧損約9,200,000港元,而本年度並無此等減值虧損。

Management Discussion and Analysis 管理層討論及分析

- (iv) in order to reduce wastage and materials consumption, the Group took various measures during the Year to control materials and other costs. These measures were reviewed by the management and respective department head monthly through continuous checking against various pre-set key performance indicators. Investigation and remedial actions would be made immediately as and when necessary. The materials consumption ratio dropped by more than 5% as compared with Year 2015, which were attributable to the reduced consumption of both main and ancillary materials. Some production flows and location of departments were re-designed to reduce the wastage and loss incurred in in-house transportation of materials and products. Such process will continue in the year of 2017. During the Year, some machines were acquired or replaced by newer models, facilitating a better usage of materials in all aspects. All the above measures also brought positive results in decreasing fuel and utility expenses and other daily operating expenses.
- (v) the business also took advantages from the depreciation of Renminbi against Hong Kong dollars during the Year. The average exchange rate of Renminbi to Hong Kong dollars decreased by approximately 6% as compared with Year 2015. As most of the production costs and operating expenses were denominated in Renminbi and approximately 80% sales of this segment was denominated in Hong Kong dollars and other currencies, the depreciation of Renminbi lessen the cost pressure of the Group.
- (iv) 為減少廢料和原材料消耗，本集團於本年度採取多項控制原材料和其他成本的措施，而該等措施經由管理層和各相關部門主管每月檢討一次，方式是持續與多個預設的主要表現指標作出對照。如有需要，會立即作出調查和作出補救。與二零一五年度比較，原材料的消耗比率下降超過5%，原因是主要和輔助原材料的消耗均有減少。部分生產流程和部門所在地已作重新調配，以減少原材料和產品在內部運輸過程中出現的浪費和損耗。該措施將於二零一七年繼續實行。並於本年度，購入部分新機器或以新型號取代部分機器，因而在各方面提高使用原材料的效益。上述所有措施在節省燃料和公用設施開支和其他日常營運開支方面均帶來理想成效。
- (v) 於本年度，是項業務也因人民幣兌港元的匯價下跌而受惠。與二零一五年度比較，人民幣兌港元的平均匯率下跌約6%。由於大部分生產成本和經營開支均以人民幣計值，且本分類約80%的銷售額以港元和其他貨幣計值，故人民幣貶值有助減輕本集團的成本壓力。

Management Discussion and Analysis

管理層討論及分析

Music and Entertainment Business

Segment profit for the Year was approximately HK\$660,000 (Year 2015: segment loss of approximately HK\$8.2 million). The improvement in segment results was due to the following reasons:

- (i) revenue from this segment mainly consisted of income from concerts and shows, artiste management income, album distribution income, promotion income and song licensing income.

During the Year, revenue from the Music and Entertainment Business increased significantly by approximately 126.8% to approximately HK\$27.0 million (Year 2015: approximately HK\$11.9 million). Such increase was mainly due to: (i) the increase in income from concerts and shows which contributed approximately HK\$17.5 million to the segment revenue for the Year (Year 2015: approximately HK\$3.4 million); and (ii) the increase in song licensing income by approximately 12.1% as compared with the same period last year;

- (ii) the absence of an one-off impairment loss of approximately HK\$5.3 million recognised in respect of intangible assets during Year 2015; and
- (iii) in 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 Year was approximately HK\$2.6 million, making an average return of approximately 16.9%.

音樂及娛樂業務

本年度的分類溢利約660,000港元(二零一五年度:分類虧損約8,200,000港元),分類業績由於以下原因而有所改善:

- (i) 分類收益主要包括演唱會和表演的收入、藝人管理收入、唱片發行收入、宣傳收入和歌曲特許收入。

於本年度,音樂及娛樂業務的收益大幅上升約126.8%,增至約27,000,000港元(二零一五年度:約11,900,000港元),主因包括:(i)演唱會及表演收入上升,為本年度的分類收益貢獻約17,500,000港元(二零一五年度:約3,400,000港元);及(ii)歌曲特許收入較去年同期上升約12.1%。

- (ii) 於二零一五年度曾就無形資產確認一筆一次過的減值虧損約5,300,000港元,惟本年度並無此等減值虧損;及
- (iii) 於二零一四年和二零一五年,本集團在中國投資於兩部電影的總投資成本約人民幣13,100,000元。兩部電影於本年度的投資回報約2,600,000港元,平均回報約16.9%。

Management Discussion and Analysis

管理層討論及分析

Property Business

Property development business

The Group had two property development projects as at 31 December 2016. One of which involved 四川英華房地產有限公司(“英華房地產”) and was classified as an available-for-sale investment in the consolidated statement of financial position of the Group as at 31 December 2016. The other property 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 Company.

英華房地產 holds the land use right of a parcel of commercial land in Chengdu. The related property consisted of both residential and commercial units. The construction work commenced in 2014 and was completed as at the date of this report. The pre-sale of the project was almost completed, the residential units were nearly sold out and titles commenced to be delivered to buyers. As at the date of this report, some car parking spaces and the shopping complex are still available for sale.

In 2013, the Group invested in 英華房地產 by way of capital injection in an amount of RMB10 million and provision of a shareholder's loan in an amount of RMB30 million (the “Ying Wah Shareholder's Loan”). During the Year, (i) the Group entered into two supplemental shareholder's loan agreements with 英華房地產 pursuant to which the maturity date of the Ying Wah Shareholder's Loan was extended from 19 March 2016 to 30 June 2017, which would allow the Group to have sufficient time to evaluate the financial performance of 英華房地產; and (ii) 英華房地產 partially repaid the Ying Wah Shareholder's Loan in the amount of RMB2 million.

物業業務

物業發展業務

截至二零一六年十二月三十一日止，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」)，在本集團截至二零一六年十二月三十一日止的綜合財務狀況報表內分類為可供出售投資。另一個項目涉及本公司的非全資附屬公司清遠市中清房地產開發有限公司(「中清房地產」)。

英華房地產於成都持有一幅商業用地之土地使用權，相關的物業包括住宅和商業單位。建築工程早於二零一四年展開，截至本報告日期為止經已落成。項目的預售工作已大致完成，住宅單位幾近全部售出，並已開始向買家交付業權。截至本報告日期為止，仍有部分泊車位和購物商場待售。

於二零一三年，本集團通過注資人民幣10,000,000元及提供人民幣30,000,000元的股東貸款(「英華房地產股東貸款」)於英華房地產作出投資。於本年度，(i)本集團與英華房地產訂立兩項補充股東貸款協議，據此，英華房地產股東貸款的到期日由二零一六年三月十九日延至二零一七年六月三十日，令本集團有充足的時間評估英華房地產的財務表現；及(ii)英華房地產償還部分英華股東貸款人民幣2,000,000元。

Management Discussion and Analysis 管理層討論及分析

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 a 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 from 24 June 2014 to 23 June 2016 (the “Freeze Order”). The Freeze Order aimed to ensure that 中清房地產 has sufficient assets to repay the shareholder’s loan to the Group.

Two hearings sessions of the Litigation were held on 18 August 2014 and 25 September 2014 respectively. On 15 October 2014, the Group received the civil mediation document (民事調解書) dated 30 September 2014 and issued by the People’s Court of Baoan District, acknowledging 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 a sum of RMB23,479,330; (ii) 中清房地產 agreed to repay to 中星國盛 a sum of RMB23,479,330, together with interests accrued from 18 June 2014 to the date of repayment, which was within 15 days of 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 be entitled 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.

As advised by the Group’s PRC legal advisers, the effective date of the civil mediation 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 and accrued interests to 中星國盛.

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，本公司之全資附屬公司深圳中星國盛投資發展有限公司(「中星國盛」)就(其中包括)償還其提供之股東貸款金額為人民幣23,479,330元在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，寶安區人民法院於本年度頒令，由二零一四年六月二十四日至二零一六年六月二十三日止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。

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，據此確認：(i)本集團與中清房地產確認，中清房地產欠中星國盛合共人民幣23,479,330元；(ii)中清房地產同意於民事調解書生效日期後15天內，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償還日期止期間之應計利息；及(iii)倘中清房地產未能償還所協定之款額，則中星國盛有權要求中清房地產支付違約利息，而違約利息將按同期的中國人民銀行貸款利率之兩倍計算。

根據本集團中國法律顧問的意見，民事調解書之生效日期為二零一四年十月十五日，因此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，中清房地產仍未向中星國盛償還結欠的股東貸款和應計利息。

Management Discussion and Analysis 管理層討論及分析

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 issue, 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 interest as and when appropriate.

Property investment business

The property investment business included (i) the mini storage business operated by a wholly-owned subsidiary of the Company; (ii) the office leasing business operated by a joint venture; and (iii) the leasing of several commercial units to a related company by a wholly-owned subsidiary of the Company during the Year.

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") in 2014 for the operation of the mini storage business. As at 31 December 2016, the occupancy rate of the storage units increased to approximately 68% (31 December 2015: approximately 42%). During the Year, 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 also worked with external professionals to evaluate the safety requirements stipulated by the relevant government bodies and to estimate the costs that might incur. The Group will continue its marketing efforts put in this business in order to uplift the occupancy rate of the Fanling Building. The Group will also pay close attention to the recent development of the regulations imposed on the mini storage industry.

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申請，將凍結令所覆蓋的期間延長，有關申請已獲法院接納。經延長後，凍結令覆蓋的期間由二零一六年六月十三日至二零一九年六月十二日止。本集團管理層一直監察市場情況和評估解決凍結令事宜將產生的所有相關費用，而截至本報告日期為止，本集團仍未採取進一步行動。本集團將密切監察與業務夥伴所作商討的過程，並會於適當時候採取進一步的法律行動以保障本集團的利益。

物業投資業務

物業投資業務包括：(i)由本公司旗下全資附屬公司經營的迷你倉業務；(ii)由合營公司經營的辦公室租賃業務；及(iii)向於本年度收購的本公司全資附屬公司的關連公司租出若干商業單位。

迷你倉業務

本集團已於二零一四年裝修一幢位於粉嶺的自置工業大廈（「粉嶺大廈」）的地下、一樓、二樓及四樓一半的樓面面積，作經營迷你倉業務之用。截至二零一六年十二月三十一日止，存儲單位出租率升至約68%（二零一五年十二月三十一日：約42%）。於本年度，已投入更多資源，用於檢查、改善和保養迷你倉所佔樓層和整幢建築物的狀況和安全等級。本集團並與外界專業人士合作，評估有關政府部門所訂立的安全規定和估算可能須承擔的費用。本集團將繼續努力為此業務進行市場推廣工作，以提高粉嶺大廈的出租率。本集團亦將會密切注意對迷你倉行業近期實施的規管發展。

Management Discussion and Analysis 管理層討論及分析

Office leasing business

The office leasing business, being the operation of the business service centre 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. A brand name of "Prime Business Centres" was established and approximately 61% of units was rented out as at 31 December 2016 (31 December 2015: approximately 41%). During the Year, the business encountered keen competition in Kwun Tong district and rental price of offices was lowered in order to attract more tenants. The highest occupancy rate during the Year was approximately 92%.

Considering the keen market competition in the industry and the operating forecast for the business centre, an impairment loss of approximately HK\$5.3 million was made during the Year (Year 2015: nil).

Nevertheless, in view of the increasing rental expenses of office premises and the large demand for small-sized offices from small enterprises in Hong Kong, the Group positively believes that there remains huge potential in the office leasing business in Hong Kong. The Group will devote more marketing efforts to boost the occupancy rate of the business service centre.

Properties leasing and investment

In order to expand the Property Business with a view to broaden the Group's earning base, the Group acquired the entire issued share capital of Supreme Cycle Inc. ("Supreme Cycle") from a related company on 30 November 2016 at a consideration of approximately HK\$87.2 million (the "Acquisition"). 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 "Yuen Long Properties"). Pursuant to a tenancy agreement (the "Tenancy Agreement") signed by Supreme Cycle on 16 March 2016, the Yuen Long Properties have been leased to a related company of the Group and operating as a karaoke outlet as at 31 December 2016. Such tenancy forms part of the Group's Property Business since Supreme Cycle has become a wholly-owned subsidiary of the Company and its financial information was consolidated into the Group's consolidated financial statements for the Year upon completion of the Acquisition.

辦公室租務業務

辦公室租務業務乃在香港觀塘經營的商務中心業務，該中心由本集團與擁有豐富管理和營運經驗的獨立第三方成立一間名為Estate Summit Limited的合營公司經營，並以「Prime Business Centres」為品牌。截至二零一六年十二月三十一日止，約61%的單位已租出（二零一五年十二月三十一日：約41%）。於本年度，是項業務在觀塘區面對激烈的競爭，為吸引更多租戶，故調低辦公室租金。於本年度，出租率最高達到92%左右。

經考慮業內激烈的市場競爭和該商務中心的營運預測後，於本年度作出約5,300,000港元的減值虧損（二零一五年度：無）。

然而，由於香港的辦公室物業租金乃持續上升，加上小型企業對面積較細的辦公室仍有龐大的需求，本集團抱正面態度，相信香港的辦公室租務業務仍具優厚潛力。為大幅提升該商務服務中心的出租率，本集團將進行更多市場營銷工作。

物業租賃及投資業務

為了拓展本集團物業業務以鞏固本集團的盈利基礎，本集團於二零一六年十一月三十日以代價約87,200,000港元自關連公司收購Supreme Cycle Inc.（「Supreme Cycle」）的全部已發行股本（「收購事項」）。Supreme Cycle的主要業務為投資控股和物業投資，其主要資產包括位於香港元朗的商用物業（「元朗物業」）。根據Supreme Cycle於二零一六年三月十六日簽訂的租賃協議（「租賃協議」），截至二零一六年十二月三十一日止，元朗物業由本集團的關連公司作經營卡拉OK之用。由於Supreme Cycle已成為本公司之全資附屬公司，該租賃構成本集團物業業務之一部分，並且於收購事項完成後，其財務資料併入本集團本年度的綜合財務報表。

Management Discussion and Analysis 管理層討論及分析

In view of the steady rental income generated under the Tenancy Agreement and the rapid development and growing population and business activities in the area, the Directors considered that the Acquisition and the continuation of the Tenancy Agreement upon completion of the Acquisition allowed the Group to increase the income and enjoy capital appreciation potential in the future.

For details, please refer to the paragraphs headed “Material Acquisition of a Company during the Year” on pages 27 to 28 of this report.

According to the Group’s accounting standards, the ground floor, 1st floor, 2nd floor and half of the floor area of 4th floor of the Fanling Building and the Yuen Long Properties were classified as investment properties of the Group. The investment properties were carried at market value and a fair value gain of approximately HK\$631,000 was recorded in other gains and losses of the Group during the Year.

Trading Business

The Trading Business included (i) the trading of printing products in Hong Kong and the PRC; and (ii) the operation of neighbourhood stores in the PRC.

Revenue from the Trading Business decreased by approximately 6.2% to approximately HK\$32.9 million (Year 2015: approximately HK\$35.1 million). The decrease was mainly attributable to the drop in number of orders placed by customers of a trading company in Hong Kong. Such decrease was partially offset by the increase in sales generated by a printing product trading company in the PRC and the sales contributed by the operation of neighbourhood stores in the PRC. The business of operating neighbourhood stores in the PRC commenced in 2015.

The profit margin remained stable as compared with Year 2015 due to the tightened cost control measures adopted in the Trading Business which offset the impact of decreasing revenue. The revenue generated from neighbourhood stores in the PRC represented approximately 2% of total revenue of the Trading Business (Year 2015: nil). As at 31 December 2016, six stores have been opened in Weifang city of Shandong province.

鑒於租賃協議產生穩定的租金收入，加上該區快速發展，人口及業務活動均有增長，董事認為，收購事項及於收購事項完成後延續租賃協議可使本集團在日後收購事項提高收入並享有資本增值潛力。

有關詳情，請參閱本報告第27頁至第28頁「本年度對一間公司的重大收購」一段。

根據本集團的會計準則，粉嶺大廈的地下、一樓、二樓及四樓一半樓面面積和元朗物業均分類為本集團的投資物業。於本年度，投資物業乃按市值列賬，並在本集團的其他收益和虧損中錄得約631,000港元的公平值收益。

貿易業務

貿易業務包括：(i)在香港和中國印刷產品貿易；及(ii)在中國經營社區店舖。

貿易業務的收益減少約6.2%，降至約32,900,000港元（二零一五年度：約35,100,000港元）。收益減少的主因是在香港的一間貿易公司客戶的訂單量下降，但收益的降幅部分被一家在中國的印刷產品貿易公司上升的銷售額和在中國開展的社區店舖業務的銷售額所抵消。社區店舖業務於二零一五年在中國展開。

由於已因應貿易業務採納更嚴謹的成本控制措施，故能抵消收益下跌的影響，因此，溢利率與二零一五年度比較仍維持穩定。在中國的社區店舖帶來的收益佔貿易業務總收益約2%（二零一五年度：無）。截至二零一六年十二月三十一日止，已在山東省濰坊市開設六間店舖。

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Securities Trading Business and available-for-sale investments of the Group

During the Year, the Group recorded a fair value gain of approximately HK\$80.0 million (including a realised gain of approximately HK\$4.0 million) and a dividend income of approximately HK\$715,000 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 Year.

Set out below is the breakdown of the Group's available-for-sale investments and held-for-trading investments as at 31 December 2016:

證券買賣業務及本集團的可供出售投資

於本年度，本集團就所持的香港上市證券錄得公平值收益約80,000,000港元（包括已變現收益約4,000,000港元）和股息收入約715,000港元。於本年度，本集團進一步撥出備用資金20,000,000港元以供證券買賣業務使用。

截至二零一六年十二月三十一日止，本集團的可供出售投資及持作買賣投資之細目載列如下：

Description of investments	Notes	Form of investments	Principal activities of invested companies	Percentage of total share capital held by the Group	Carrying amount as at 31 December 2016	Percentage to the Group's audited net assets as at 31 December 2016 (approximate)	Percentage to the Group's audited total assets as at 31 December 2016
投資描述	附註	投資形式	被投資公司主要業務	本集團持有股本總數百分比	截至二零一六年十二月三十一日止的賬面值 HK\$ 港元	佔本集團截至二零一六年十二月三十一日止經審核資產淨值百分比 (概約) HK\$ 港元	佔本集團截至二零一六年十二月三十一日止經審核總資產百分比 HK\$ 港元
Largest five investments of the Group 本集團五大投資							
Wang On Properties Limited (stock code: 1243) 宏安地產有限公司(股份代號: 1243)		Held-for-trading investment 持作買賣投資	Property 物業	0.39%	83,216,000	9.1%	7.5%
China Agri-Products Exchange Limited (stock code: 149) 中國農產品交易所有限公司(股份代號: 149)		Held-for-trading investment 持作買賣投資	Property 物業	1.19%	17,388,000	1.9%	1.6%
Equity investment in 四川英華房地產有限公司 於四川英華房地產有限公司的股本投資		Available-for-sale investment 可供出售投資	Property development in the PRC 於中國的物業發展	16.67%	14,142,889	1.5%	1.3%
Equity investment in 深圳市住百家發展股份有限公司 於深圳市住百家發展股份有限公司的股本投資		Available-for-sale investment 可供出售投資	Overseas short term apartment rentals, Bed & Breakfast, family inn and accommodation booking website 海外短租公寓、民宿、家庭旅館及住宿預定網站	1.96%	11,163,206	1.2%	1.0%
Town Health International Medical Group Limited (stock code: 3886) 康健國際醫療集團有限公司(股份代號: 3886)		Held-for-trading investment 持作買賣投資	Health & Personal Care 健康及個人護理	0.09%	8,387,500	0.9%	0.8%
Other investments 其他投資							
Club membership 會所會籍		Available-for-sale investment 可供出售投資	-n/a- 不適用		3,403,700	0.4%	0.3%
Other equity investments, at cost 其他股本投資·按成本	(a)	Available-for-sale investment 可供出售投資	-n/a- 不適用		13,025,232	1.4%	1.2%
Other equity securities listed in Hong Kong 於香港上市的其他股本證券	(b)	Held-for-trading investment 持作買賣投資	-n/a- 不適用		23,255,856	2.5%	2.1%
Total 總計					173,982,383	19.0%	15.6%

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Notes:

- (a) Equity investments carried at cost under the category of available-for-sale investments represented the Group's investments in nine companies incorporated in Hong Kong, the PRC and overseas.
- (b) Equity securities listed in Hong Kong under the category of held-for-trading investments represented the Group's investments in 15 companies whose shares are listed on the Main Board or the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Each of such investments has a carrying amount that account for less than 5% of the Group's audited net assets as at 31 December 2016.

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

附註：

- (a) 可供出售投資類別中按成本列賬的股本投資是指本集團於九間在香港、中國及海外註冊成立的公司的投資。
- (b) 持作買賣投資類別中於香港上市之股本證券指本集團於十五間公司的投資，該等公司之股份於香港聯合交易所有限公司（「聯交所」）主板或創業板上市。各項投資之賬面值均少於本集團截至二零一六年十二月三十一日止之經審核資產淨值的5%。

於購入任何證券之前，本集團均會仔細研究市場和與潛在接受投資公司有關的任何資料，並會密切監察於購買後證券的表現，以及在有需要的情況下審慎調整投資策略，以儘量降低市場波動帶來的風險。

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OTHER GAINS AND LOSSES

Other gains and losses comprised the following major items:

其他收益及虧損

其他收益及虧損包括以下主要項目：

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
(Allowance for) reversal of bad and doubtful debts	呆壞賬(撥備)撥回	(1,715,533)	268,854
Change in fair value in derivative financial instrument	衍生金融工具的公平值變動	752,339	4,101,597
Change in fair value in held-for-trading investments	持作買賣投資的公平值變動	79,983,930	(6,673,489)
Change in fair value in investment properties	投資物業的公平值變動	630,600	2,265,000
Impairment loss recognised in respect of available-for-sale investments (Note 1)	可供出售投資的已確認減值虧損(附註1)	(5,581,603)	(7,765,000)
Impairment loss recognised in respect of intangible assets (Note 2)	無形資產的已確認減值虧損(附註2)	-	(5,317,632)
Impairment loss recognised in respect of property, plant and equipment (Note 3)	物業、廠房及設備的已確認減值虧損(附註3)	-	(9,156,985)
Impairment loss recognised in respect of a jointly controlled entity (Note 4)	一家共同控制實體的已確認減值虧損(附註4)	(5,268,340)	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	(26,709)	(2,674)
Loss on disposal of a subsidiary	出售一間附屬公司的虧損	-	(1,183,198)
Net foreign exchange gains	外匯收益淨額	3,812,271	3,101,642
Total	總計	72,586,955	(20,361,885)

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Notes:

- (1) The Group entered into a share subscription agreement on 30 July 2015 to subscribe for 10% of the total issued share capital of 北京愛美微科技有限公司 (“愛美微”), which is principally engaged in the provision of professional cleaning and repairing services for shoes and luxury bags in Beijing, the PRC, at a total investment cost of HK\$5.6 million. 愛美微 actively opened its stores in Beijing during years 2015 and 2016. However, given the keen competition in the local market, 愛美微 was unable to compete with large corporations which devoted more financial resources in expanding their market share. As at the date of this report, shareholders of 愛美微 decided to cease the operation of all its stores and full impairment was made in the Year.

The Group entered into a share subscription agreement on 11 February 2015 to subscribe for 4.41% of the total issued share capital of Soliton Holdings Limited (“Soliton”), which is principally engaged in cloud-based and cross-device enabled digital music streaming service with over 1,700,000 music tracks and videos. Soliton is responsible for providing digital music streaming services to the wholly-owned subsidiaries of the Group. In Year 2015, the management of Soliton failed to implement the investment plan as scheduled and the return on investment was uncertain. In view of the uncertainty on the recoverability of investment, full impairment was made in Year 2015.

- (2) In Year 2015, the Group recognised an impairment loss in respect of the trademarks, which was classified as intangible assets, of the Music and Entertainment Business. No such impairment loss was made during the Year.
- (3) In Year 2015, the Group recognised an impairment loss in respect of the property, plant and equipment of the Manufacturing and Sales Business. No such impairment loss was made during the Year.
- (4) The Group recognised an impairment loss in respect of the investment made in a jointly controlled entity principally engaged in the Property Business. For the reason of impairment, please refer to the financial review of Property Business stated above.

附註:

- (1) 截至二零一五年七月三十日止，本集團與北京愛美微科技有限公司（「愛美微」）訂立股份認購協議，以認購愛美微已發行股本總額10%。愛美微主要業務為於中國北京提供鞋履及名貴手袋專業清潔及修理服務，總投資成本為5,600,000港元。愛美微於二零一五年及二零一六年於北京積極開設門市。然而，由於當地市場競爭激烈，愛美微未能與投放更多財力擴大市場份額的大企業競爭。於本報告日期為止，愛美微的全體股東決定停止其所有門市業務，並於本年度作出悉數減值。

於二零一五年二月十一日，本集團與Soliton Holdings Limited（「Soliton」）訂立股份認購協議，以認購Soliton已發行股本總額4.41%。Soliton主要業務為提供雲端跨器材數碼音樂串流服務，包羅超過1,700,000條音樂聲帶及影片。Soliton負責向本集團的全資附屬公司提供數碼音樂串流服務。於二零一五年度，Soliton的管理層並無如期實施投資計劃，且投資回報並不明確。鑑於投資的可收回性存疑，故於二零一五年度作出悉數減值。

- (2) 於二零一五年度，本集團就分類為無形資產的音樂及娛樂業務商標確認減值虧損。於本年度並無作出有關減值虧損。
- (3) 於二零一五年度，本集團就製造及銷售業務之物業、廠房及設備確認減值虧損。於本年度並無作出有關減值虧損。
- (4) 本集團就一家主要從事物業業務的共同控制實體作出的投資確認減值虧損。有關減值原因請參閱上述物業業務的財務回顧。

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LIQUIDITY, CAPITAL RESOURCES AND CAPITAL STRUCTURE

The following table sets out the Group's current ratio, quick ratio and gearing ratio as at 31 December 2016 and 31 December 2015:

		Notes	As at 31 December 2016 截至二零一六年 十二月三十一日止	As at 31 December 2015 截至二零一五年 十二月三十一日止
Current ratio	流動比率	(i)	3.7	4.4
Quick ratio	速動比率	(ii)	3.3	3.9
Gearing ratio (%)	資產負債比率(%)	(iii)	8.1	3.5

Notes:

- (i) Current ratio is calculated by dividing total current assets by total current liabilities as at the end of the year.
- (ii) Quick ratio is calculated by dividing the difference between total current assets and inventories (including properties under development for sale) by total current liabilities as at the end of the year.
- (iii) Gearing ratio is calculated by dividing total borrowings by total equity as at the end of the year and then multiplying it by 100%. The total borrowings included the amount due to a related company, bank borrowings and finance lease obligations.

As at 31 December 2016, the Group had short-term bank deposits and cash and cash equivalents of approximately HK\$227.3 million (31 December 2015: approximately HK\$234.1 million) and total borrowings of approximately HK\$73.7 million (31 December 2015: approximately HK\$30.0 million).

The total borrowings included the amount due to a related company, bank borrowings and finance lease obligations. The amount due to a related company is payable within two years and is fixed-interest bearing at a range from 12% to 30% per annum. The secured bank borrowings are payable within six years and carry interest at the Hong Kong Inter-bank Offered Rate ("HIBOR") plus 1.85% to 2.5% per annum while the unsecured bank borrowing contains a repayment on demand clause and carries interest at HIBOR plus 1.5% per annum. The finance lease obligations represent leases of certain motor vehicles for a term of three years a fixed interest rate of 2.8% per annum.

All borrowings are denominated in HK dollar and majority of the cash and cash equivalents are denominated in Renminbi, HK dollar and US dollar.

流動資金、資本資源及資本架構

下表載列本集團截至二零一六年十二月三十一日止及二零一五年十二月三十一日止的流動比率、速動比率及資產負債比率：

	Notes	As at 31 December 2016 截至二零一六年 十二月三十一日止	As at 31 December 2015 截至二零一五年 十二月三十一日止
流動比率	(i)	3.7	4.4
速動比率	(ii)	3.3	3.9
資產負債比率(%)	(iii)	8.1	3.5

附註：

- (i) 流動比率乃根據本年度終結時總流動資產除以總流動負債計算。
- (ii) 速動比率乃根據本年度終結時總流動資產減存貨（包括待售發展中物業）的差額除以總流動負債計算。
- (iii) 資產負債比率乃根據本年度終結時總借貸除以權益總額再乘以100%計算。總借貸包括應付一家關連公司款項、銀行借貸及融資租賃責任。

截至二零一六年十二月三十一日止，本集團的短期銀行存款以及現金及現金等值約227,300,000港元（二零一五年十二月三十一日：約234,100,000港元）及借貸總額約73,700,000港元（二零一五年十二月三十一日：約30,000,000港元）。

借貸總額包括應付一間關連公司款項、銀行借款及融資租賃責任。應付一家關連公司的款項須於兩年內支付，並按固定年利率介乎12%至30%計息。須於六年內支付之抵押銀行借款按香港銀行同業拆息（「香港銀行同業拆息」）加1.85%至2.5%之年利率計息。而無抵押銀行借款載有須按要償還之條款，並按照香港銀行同業拆息加1.5%之年利率計息。融資租賃責任指為期三年的若干汽車租賃，並按固定年利率2.8%計息。

所有借款以港元計值，大多數現金及現金等值以人民幣、港元及美元計值。

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The liquidity of the Group remained strong and healthy as compared with Year 2015. The sharp increase in gearing ratio to 8.1% as at 31 December 2016 (31 December 2015: 3.5%) was mainly due to the increase in borrowings after the acquisition of Supreme Cycle which was engaged in property investment in Hong Kong during the Year.

The current ratio and quick ratio as at 31 December 2016 decreased as compared with the respective figures as at 31 December 2015. It was mainly attributable to (i) the increase in short-term borrowings after the acquisition of Supreme Cycle; and (ii) the decrease in loan receivables.

The Group generally financed its operation with cash flows generated internally and bank facilities granted in Hong Kong and the PRC. Taking into account the amount of the anticipated funds generated internally and the available banking facilities, the Group will have adequate resources to meet its future capital expenditure and working capital requirements. The Group will continue to implement its prudent policy in managing cash balances, thereby maintaining a strong and healthy liquidity level and ensuring that any business opportunity will be promptly seized.

FUTURE OUTLOOK

The Group will continue to strengthen, develop and diversify its portfolio to further establish sustainable business growth. The Manufacturing and Sales Business continues to be the core of the Group's portfolio. Other business segments, including the Gaming Business, continue to develop and contribute to the Group's portfolio. The Group will remain committed to this diversification strategy to generate stable return and promising business growth to its shareholders.

Gaming Business

Product deployment and expansion of distribution network will be the main focus of the Gaming Business in coming years. The Group will continue to recruit talents with extensive technical, sales and marketing experiences in Hong Kong and the PRC for continuous product enhancement and speeding up the expansion of international distribution network. Meanwhile, the Group is actively seeking co-operation opportunities with various software design companies to enlarge its share in the global market through its established platforms and customer networks.

與二零一五年度比較，本集團維持雄厚穩健之流動資金。截至二零一六年十二月三十一日止，流動比率大幅升至8.1%（二零一五年十二月三十一日：3.5%），主要是借貸於年內收購於香港從事物業投資的Supreme Cycle後增加所致。

與截至二零一五年十二月三十一日止的各項數字比較，截至二零一六年十二月三十一日止的流動比率和速動比率均有所下跌，主要由於：(i)短期借貸於收購Supreme Cycle後增加；及(ii)應收貸款減少。

本集團一般以內部產生之現金流，以及從香港及中國的銀行獲得的融資作為業務營運資金。計及預期之中內部可產生之資金及可供動用之銀行融資後，本集團將具備充裕資源應付其未來資本開支及營運資金需求。本集團將繼續秉承審慎理財政策以管理現金結餘，並維持雄厚穩健的流動資金，以確保本集團能夠及時掌握任何業務增長機會。

前景展望

本集團將繼續強化、發展及開拓多元化旗下業務組合，以進一步建立可持續增長的業務。製造及銷售業務仍然是本集團業務組合的核心。其他業務分類（包括遊戲業務）皆持續發展，佔據本集團業務組合的比重日益增加。本集團將貫徹此多元化發展策略，以為其股東提供穩定回報及豐碩的業務增長。

遊戲業務

產品配置及分銷網絡的擴張將成為遊戲業務於未來幾年的重點。本集團將繼續於香港及中國招聘具廣泛技術、銷售及營銷經驗的人才，以持續推進產品升級及加快擴張國際分銷網絡。同時，本集團透過其已建立的平台及客戶網絡，積極尋求與各軟件設計公司合作的機會，以擴大其於環球市場的份額。

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Lending Business

Due to the keen competition of the industry and the volatile economic environment, the risks and difficulties facing by the Lending Business may increase in the course of enlarging its loan portfolio. The Group will actively seek for new customers and allocate more financial resources to expand this business in the future. At the same time, the Group will also closely monitor the repayment abilities of borrowers and perform risk assessments on each loan application in a more prudent way.

Manufacturing and Sales Business and Trading Business

The series of costs control measures adopted since 2015 brought positive impact on the segments' results during the Year. In particular, they delivered the encouraging performance of the Manufacturing and Sales Business. More challenges are expected in 2017, including but not limited to (i) the increase in raw materials prices; (ii) the increase in labour costs in Shenzhen; (iii) the increase in various environmental requirements in Shenzhen; and (iv) the global economic uncertainty that may adversely affect the business of the export sales customers.

To cope with these challenges facing the printing industry and to maintain the positive results in the future, the Group will continue to put more efforts in the following areas: (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 introduction of new product lines to enhance its competitiveness as a whole; (iv) continuous efforts in sourcing and testing the quality of alternative materials and negotiating more favourable terms with vendors; and (v) expansion of its market share to cover high value products and securing a foothold in the paper shopping bag market.

The Group will continue to adopt prudent measures to enhance the overall efficiency, expand customer networks, increase its value proposition and improve its business model to overcome the uncertainty in the PRC and global economy in coming years.

放貸業務

由於業內競爭激烈，加上波動的經濟環境，可能增加放貸業務於擴大其貸款組合過程中面對的風險及困難。本集團未來將積極尋求新客戶並調撥更多財務資源擴展此項業務，同時亦將密切監察借款人的還款能力，更審慎評估每宗貸款申請之風險。

製造及銷售業務以及貿易業務

自二零一五年起採取之一系列成本控制措施於年內為此等分類業績帶來正面影響，製造及銷售業務表現尤其令人鼓舞。預期二零一七年將面對更多挑戰，包括但不限於：(i) 原材料價格上升；(ii) 深圳勞工成本上漲；(iii) 深圳各種環保規定有所增加；及(iv) 不確定的環球經濟可能對出口銷售客戶的業務造成不利影響。

為應付印刷行業面對之此等挑戰及為維持未來之理想業績，本集團將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，以提升效益及效能；(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；(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；及(v) 擴大市場份額以覆蓋高價值產品及於紙製購物袋市場取得立足點。

本集團將繼續採取審慎措施以提升整體效益，擴大客戶網絡，提高價值主張及完善業務模式，以克服未來幾年中國及全球經濟的不明朗因素。

Management Discussion and Analysis

管理層討論及分析

Music and Entertainment Business

In coming years, the Group will allocate more financial resources in professional training, promotion services and investment and organisations of concerts and shows. In view of the desirable investment return generated during the Year, the Group will continue to invest in the film and entertainment market in the PRC and to identify and evaluate potential projects in the PRC and overseas.

Securities Trading Business and Property Business

The Group will closely monitor the market and market data related to prospective investees before committing to any securities investment.

For the Property Business, the Group will devote more marketing efforts in promoting the mini storage business and business service centre business to increase the occupancy rate of properties of both businesses. For the mini storage business, the Group will pay attention to the development of any new rule and regulation to be imposed on the industry and evaluate their potential financial impact on the business.

OTHER INVESTMENTS OR ACQUISITIONS

The Company will continue looking for any potential investments in Hong Kong and overseas in order to generate positive return to the shareholders. The Group expects to finance these investments with internal financial resources or other financing method if necessary.

FUND RAISING ACTIVITY

Set out below is the fund raising activity conducted by the Company during the Year and the usage of the net proceeds up to the date of this report.

音樂及娛樂業務

來年，本集團將繼續投放更多財務資源於專業培訓、宣傳服務以及投資和舉辦演唱會和表演。鑑於本年度賺得之投資回報理想，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。

證券買賣業務及物業業務

本集團在作出任何證券投資前，將會密切注視市場及任何關於潛在被投資方的資料。

就物業業務而言，本集團將投放更多營銷資源推廣迷你倉業務及商務中心業務，以提高該兩項業務的物業出租率。就迷你倉業務而言，本集團會留意將會就是項行業實施的任何新訂規例及法例的發展，並評估彼等可能對業務造成的財務影響。

其他投資或收購

本公司將繼續於香港及海外尋找任何潛在投資，以為股東帶來正面回報。本集團預期於必要時，使用內部財務資源或其他融資方法對該等投資進行融資。

集資活動

下文載列本集團於本年度的集資活動及截至本報告日期為止所得款項淨額用途。

Management Discussion and Analysis 管理層討論及分析

To broaden the shareholders' base and the capital base of the Company, on 27 September 2016, the Company and a placing agent entered into a placing agreement pursuant to which the Company had appointed the placing agent to procure, on best endeavor basis, not less than six placees to subscribe for 42,270,000 ordinary shares of the Company at a price of HK\$0.47 per placing share (the "September Placing"). The placing price of HK\$0.47 per share represented a discount of approximately 18.97% to the closing price of HK\$0.58 per share as quoted on the Stock Exchange on 27 September 2016, which was the date of the placing agreement. Completion of the September Placing was conditional upon the Stock Exchange granting the listing of, and permission to deal in, the placing shares. The listing approval was granted by the Stock Exchange and completion of the September Placing took place on 11 October 2016. An aggregate of 42,270,000 placing shares were successfully placed and the aggregate nominal value of the placing shares was HK\$422,700. The placing shares were allotted and issued pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 30 June 2016.

The net proceeds from the placing were approximately HK\$19.36 million and were intended to be utilised as to (i) approximately two-third for the renovation of the manufacturing facilities of the Group in the PRC and the acquisition of machinery for the manufacturing of the printing products of the Group; and (ii) approximately one-third for the general working capital of the Group. As at the date of this report, approximately HK\$6.5 million out of the net proceeds was utilised for general working capital of the Group and approximately HK\$7.0 million out of the net proceeds was utilised for the renovation of the manufacturing facilities of the Group in the PRC and the acquisition of machinery for the manufacturing of the printing products of the Group as intended. The net issue price was approximately HK\$0.458 per placing share.

FOREIGN EXCHANGE RISK

The Group's sales and purchases are principally denominated in Renminbi, HK dollar and US dollar. Except for Renminbi, there was no significant fluctuation in the exchange rate of HK dollar and US dollar throughout the Year. The management will closely monitor the foreign exchange rate risk of Renminbi, and identify any significant adverse impact on the PRC operations as caused by such risk. If necessary, the Group will consider using appropriate hedging solutions. During the Year, the Group had not used any financial instruments for hedging purpose and it did not have any outstanding hedging instruments as at 31 December 2016.

為鞏固本公司的股東基礎及資金基礎，於二零一六年九月二十七日，本公司與配售代理訂立配售協議，據此，本公司委任該配售代理以盡力基準促成至少六名承配人以每股配售股份0.47港元的價格認購本公司42,270,000股股份（「九月配售」）。配售價每股0.47港元較股份於二零一六年九月二十七日（配售協議日期）在聯交所所報之收市價每股0.58港元折讓約18.97%。於聯交所授予配售股份上市及交易之許可後，九月配售方告完成。上市許可由聯交所授予，且九月配售已於二零一六年十月十一日完成。合共42,270,000股配售股份已成功配售，配售股份的總面值為422,700港元。配售股份乃根據本公司於二零一六年六月三十日舉行的股東週年大會上授予董事的一般授權進行配發及發行。

配售所得款項淨額約為19,360,000港元，建議用途如下：(i)約三分之二用於翻新本集團於中國之製造設施及收購本集團製造印刷產品所用之機器；及(ii)約三分之一用於本集團一般運營資金。截至本報告日期為止，所得款項淨額中約6,500,000港元已用於本集團一般運營資金，所得款項淨額中約7,000,000港元已按預期用於翻新本集團於中國之製造設施及收購本集團製造印刷產品所用之機器。發行價淨額約為每股配售股份0.458港元。

外匯風險

本集團之買賣主要以人民幣、港元及美元列值。除人民幣外，港元兌美元之匯率全年均無重大波動。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。於本年度，本集團並無使用任何金融工具作對沖用途，截至二零一六年十二月三十一日止亦無任何尚未平倉之對沖工具。

Management Discussion and Analysis

管理層討論及分析

CAPITAL EXPENDITURE

For the Year, capital expenditure of the Group for property, plant and equipment amounted to approximately HK\$6.9 million (Year 2015: approximately HK\$7.6 million). The capital expenditure for the Year was mainly attributable to the acquisition of machinery for production in the PRC.

CAPITAL COMMITMENTS

As at 31 December 2016, the Group had capital commitments of approximately HK\$13.7 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. The Group did not have any capital commitments for the acquisition of property, plant and equipment that had been authorised but not contracted for in both reporting periods.

CONTINGENT LIABILITIES

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

PLEDGE OF ASSETS

As at 31 December 2016, the Group had pledged a leasehold building and investment properties with an aggregate carrying value of approximately HK\$200.7 million to secure the mortgage loan of certain investment properties and general banking facilities granted to the Group (31 December 2015: approximately HK\$87.3 million).

As at 31 December 2016, none of the Group's property, plant and equipment was pledged to secure other borrowings granted to the Group (31 December 2015: nil).

資本開支

本年度本集團物業、廠房及設備之資本開支約為6,900,000港元(二零一五年度:約7,600,000港元)。於本年度的資本開支主要來自購買在中國之生產業務所用之機器。

資本承擔

截至二零一六年十二月三十一日止,本集團就已訂約但未在財務報表撥備之物業、廠房及設備收購及預付租賃款項作出資本承擔約13,700,000港元(二零一五年十二月三十一日:約12,900,000港元)。本集團於兩個報告期間均無就已獲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

截至二零一六年十二月三十一日止,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)。

資產抵押

截至二零一六年十二月三十一日止,本集團已將賬面總值約200,700,000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抵押,以作為若干投資物業之按揭貸款及本集團獲授之一般銀行信貸之擔保。

截至二零一六年十二月三十一日止,本集團沒有抵押物業、廠房及設備作為本集團獲授之其他借貸之擔保(二零一五年十二月三十一日:無)。

Management Discussion and Analysis

管理層討論及分析

SHARE CAPITAL AND CAPITAL STRUCTURE AND CHANGE IN BOARD LOTS SIZE

(A) Capital Reorganisation

Pursuant to a special resolution passed by the shareholders of the Company at the special general meeting of the Company 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.

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.

(B) September Placing

On 11 October 2016, an aggregate of 42,270,000 shares of HK\$0.01 each in the issued share capital of the Company were allotted and issued under the September Placing, further details of which are set out in the paragraphs headed "Fund Raising Activity" on page 23 of this report.

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

股本及股本架構以及每手買賣單位更改

(A) 股本重組

根據本公司股東在本公司於二零一六年四月一日舉行的股東特別大會上通過的特別決議案，股份合併、股本削減及股份分拆已於二零一六年四月五日進行並完成（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二零一六年三月九日之通函）：

- (i) 股份合併：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1股面值0.50港元之合併股份（「合併股份」）；
- (ii) 股本削減：透過註銷當時已發行合併股份之本公司實繳股本每股0.49港元，將當時本公司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：每股面值0.50港元之當時法定但未發行合併股份分拆為本公司股本中50股每股面值0.01港元之普通股。

此外，本公司股份之每手買賣單位已更改為10,000股普通股，自二零一六年四月五日起生效。

(B) 九月配售

於二零一六年十月十一日，根據本公司九月配售配發及發行合共42,270,000股本公司已發行股本中每股面值0.01港元之股份，進一步詳情載於本報告第23頁「集資活動」一段。

除上文所披露者外，本公司之股本及股本架構於本年度內並無其他任何變動。

Management Discussion and Analysis

管理層討論及分析

HUMAN RESOURCES

As at 31 December 2016, the Group had approximately 1,540 full-time employees (31 December 2015: approximately 1,740). Total staff costs (including directors' remuneration) for the Year was approximately HK\$180.9 million (Year 2015: approximately HK\$176.2 million). The remuneration schemes are generally structured with reference to market conditions and the qualifications of the employees. The reward packages (mainly consist of fixed salary and bonus scheme) for the staff in the Group are generally reviewed on an annual basis, depending on the staff's and the Group's performance. Apart from salary payments, other staff benefits include contributions to the 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.

MATERIAL ACQUISITION OF A COMPANY DURING THE YEAR

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, is/are one of the discretionary objects as vendor, and Mr. SUEK Ka Lun, Ernie as guarantor in relation to the acquisition of the entire issued share capital of Supreme Cycle. The consideration of the Acquisition was agreed to be the amount of the net asset value of Supreme Cycle at a reference date agreed by the parties but in any event not be more than HK\$95 million.

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. Completion of the Acquisition took place on 30 November 2016. The final consideration was HK\$87,165,828 and was funded by the internal resources of the Group. Immediately after completion of the Acquisition, Supreme Cycle became a wholly-owned subsidiary of the Company and the financial information of Supreme Cycle was consolidated into the Group's consolidated financial statement.

人力資源

截至二零一六年十二月三十一日止，本集團共有約1,540名全職僱員（二零一五年十二月三十一日：約1,740名）。於本年度，員工總成本（包括董事薪酬）約180,900,000港元（二零一五年度：約176,200,000港元）。薪酬待遇的構成一般參考市況及僱員資歷而釐定。本集團員工之待遇（主要包括固定薪金及花紅計劃）通常每年按照員工表現及本集團業績進行檢討。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。

本年度對一間公司的重大收購

於二零一六年四月二十五日，本公司之全資附屬公司We-do-best Limited作為買方，與Preserve Capital Realty Limited（一間由全權信託的受託人全資擁有的公司，其中薛嘉麟先生的直系親屬為受益對象之一）作為賣方及薛嘉麟先生作為擔保人就收購Supreme Cycle之全部已發行股本訂立一項買賣協議（「買賣協議」）。該收購事項之代價協定為Supreme Cycle於訂約方協定參考日期的資產淨值，惟無論如何不超過95,000,000港元。

批准買賣協議及據此擬進行之交易的決議案已於二零一六年八月五日舉行的股東特別大會上由本公司股東正式投票通過。收購事項於二零一六年十一月三十日完成。最終代價為87,165,828港元，由本集團內部出資。緊隨收購事項完成後，Supreme Cycle成為本公司之全資附屬公司，而Supreme Cycle之財務資料亦併入本集團之綜合財務報表。

Management Discussion and Analysis 管理層討論及分析

The principal activities of Supreme Cycle are investment holding and property investment and its principal assets are the Yuen Long Properties. Pursuant to the Tenancy Agreement dated 16 March 2016 entered into between Supreme Cycle as landlord and Well Dragon Limited (“Well Dragon”) as tenant, the Yuen Long Properties have been leased to Well Dragon for an initial term of three years from 16 March 2016 to 15 March 2019. Such leasing of the Yuen Long Properties continued after the completion of the Acquisition. Since Well Dragon is wholly owned by a trustee on trust for a discretionary trust of which Mr. SUEK Ka Lun, Ernie is one of the discretionary objects, Well Dragon is a connected person of the Company under the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the transaction contemplated under the Tenancy Agreement became a continuing connected transaction of the Company under the Listing Rules upon completion of the Acquisition. The Yuen Long Properties have been operating as a karaoke outlet by a related company of the Group as at 31 December 2016.

Details of the Acquisition have been set out in the announcements of the Company dated 25 April 2016 and 30 November 2016 and the circular of the Company dated 20 July 2016.

Save for the event above-mentioned, the Group did not have any material acquisition or disposal of subsidiaries or associated companies during the Year.

Supreme Cycle之主要業務為投資控股及物業投資，其主要資產為元朗物業。根據Supreme Cycle作為業主與樺龍有限公司（「樺龍」）作為租戶訂立日期為二零一六年三月十六日之租賃協議，元朗物業已租賃予樺龍，初步年期為三年，自二零一六年三月十六日至二零一九年三月十五日。元朗物業之租賃於收購事項完成後繼續進行。由於樺龍乃由全權信託的信託受託人全資擁有，而薛嘉麟先生為全權受益人之一，因此根據聯交所證券上市規則（「上市規則」），樺龍為本公司的關連人士，且根據上市規則，於收購事項完成後，按照租賃協議擬進行之交易成為本公司之持續關連交易。截至二零一六年十二月三十一日止，元朗物業已由本集團之相關公司用作經營卡拉OK專門店。

有關該收購事項之詳情已載列於本公司日期為二零一六年四月二十五日及二零一六年十一月三十日之公告及日期為二零一六年七月二十日之通函內。

除上述提及事項外，本集團於本年度並無就附屬公司或聯營公司作任何重大收購或出售行動。

Management Discussion and Analysis 管理層討論及分析

EVENT AFTER REPORTING PERIOD

Zhongda Printing (Qingyuan) Company Limited (“Zhongda Qingyuan”), a wholly foreign-owned enterprise established in the PRC with limited liability and a wholly-owned subsidiary of the Company, currently owns two parcels of land at Dong Keng Industrial Park, Yuantan Town, Qingcheng District, Qingyuan City, the PRC with a total area of approximately 311.748 mu (the “Existing Land”). The Existing Land is currently vacant. Due to policy driven zone planning, Qingyuan Hi-tech Zone Management Committee requested and Zhongda Qingyuan has agreed to swap the Existing Land with a parcel of land situated at Dongkeng Cun Management Committee (東坑村委會) Yuantan Town, Qingcheng District, Qingyuan City, the PRC with a total area of 312 mu (the “New Land”) and the compensatory payment payable to Zhongda Qingyuan (the “Land Swap”). On 17 March 2017, Qingyuan Hi-tech Zone Management Committee (being 廣東清遠高新技術產業開發區管理委員會 (unofficial English translation being Guangdong Qingyuan New High Technology Industrial Development Zone Management Committee)), Qingcheng Government (being 清遠市清城區源潭鎮人民政府 (unofficial English translation as Qingyuan City Qingcheng District Yuantan Town People’s Government)), and Zhongda Qingyuan entered into the land swap agreement and the compensation agreement. Qingyuan Hi-tech Zone Management Committee and Zhongda Qingyuan agreed that the price for the Existing Land and the New Land are the same and set as RMB57,200,000. In connection with the Land Swap, Qingyuan Hi-tech Zone Management Committee has also agreed to pay the compensatory payment of RMB45,009,700 to Zhongda Qingyuan. The land swap agreement will only become effective after the shareholders of the Company have approved the land swap agreement at the special general meeting of the Company to be convened. Details of the Land Swap has been set out in the announcement of the Company dated 17 March 2017.

報告期後事項

中大印刷(清遠)有限公司(「中大清遠」)(一間於中國成立的全外資有限責任公司,並為本公司之全資附屬公司)目前擁有中國清遠市清城區源潭鎮東坑工業園的兩塊土地,總面積約為311.748畝(「現有土地」)。現有土地目前空置。由於政策性土地使用計劃,廣東清遠高新技術產業開發區管理委員會要求及中大清遠同意將現有土地與位於中國清遠市清城區源潭鎮東坑村委會的一塊總面積為312畝的土地(「新土地」)交換,並且向中大清遠支付補償費(「土地置換」)。於二零一七年三月十七日,廣東清遠高新技術產業開發區管理委員會、清城區政府(即清遠市清城區源潭鎮人民政府)及中大清遠訂立土地置換協議及補償協議。清遠市高新區管理委員會及中大清遠同意現有土地與新土地的價格相同,為人民幣57,200,000元。清遠市高新區管理委員會亦同意就土地交換向中大清遠支付補償費人民幣45,009,700元。然而,本公司股東於即將召開之本公司股東特別大會上批准土地置換協議後,土地置換協議方屬有效。有關土地置換的詳情已載於本公司日期為二零一七年三月十七日之公告。

Corporate Governance Report

企業管治報告

The Board (the “Board”) of directors (the “Directors”) of Newway Group Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) is pleased to present this Corporate Governance Report in the annual report of the Company for the year ended 31 December 2016 (the “Year”).

The Company acknowledges the important roles of its Board in providing effective leadership and direction to the Company’s business and ensuring transparency and accountability of the Company operations. The Board recognises that good corporate governance practices are vital to maintain and promote shareholder value and investor confidence and has adopted the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company is committed to enhancing and reviewing its corporate governance practices from time to time to ensure that they align with the latest development of the Group.

In the opinion of the Board, the Company has applied the principles of and complied with the code provisions set out in the CG Code, save for certain deviations which are explained in the relevant paragraphs in this Corporate Governance Report.

THE BOARD

Responsibilities

The overall management of the Company’s business is vested in the Board, which assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors take decisions objectively in the interests of the Company and in the attainment of the objective of creating value to its shareholders. Every Director carries out his/her duty in good faith and in compliance with the standards of applicable laws and regulations, and acts in the interests of the Company and its shareholders as a whole at all times.

Board Composition

The Board comprises eight members as at the date of this Corporate Governance Report, which include two executive Directors, three non-executive Directors and three independent non-executive Directors, and has in its composition a balance of expertise, skills and experience necessary for independent decision-making.

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」)欣然在本公司截至二零一六年十二月三十一日止年度(「本年度」)之年報內呈列本企業管治報告。

本公司知悉董事會在提供有效領導及指引本公司業務, 以及確保本公司運作之透明度及問責性方面扮演重要角色。董事會認同良好之企業管治常規對保持及提高股東價值及投資者信心十分重要, 並已採納香港聯合交易所有限公司(「聯交所」)證券上市規則附錄十四所載企業管治守則(「企業管治守則」)所載之守則條文。本公司致力於提升其企業管治常規, 並不時作出檢討, 以確保其配合本集團最新發展。

董事會認為, 除若干偏離之情況(詳見於本企業管治報告內有關段落之敘述)外, 本公司已應用企業管治守則之原則並遵守企業管治守則所載之守則條文。

董事會

責任

董事會負責本公司之整體業務管理, 負責帶領及掌管本公司, 並共同肩負領導及監督本公司業務以推動本公司成功之責任。全體董事以本公司利益及達致為其股東創造價值之目標, 客觀地作出決定。各董事按照適用法律及法規之準則, 秉誠執行職責, 並時刻以本公司及其股東之整體利益行事。

董事會組成

董事會於本企業管治報告日期共有八名成員, 包括兩名執行董事、三名非執行董事及三名獨立非執行董事, 成員各具專長、技能及經驗, 使董事會能作出獨立決策。

* 僅供識別

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Board Composition (Continued)

The Board comprises the following Directors as at the date of this report:

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 (*member of Audit Committee and Remuneration Committee*)

Independent non-executive Directors:

Mr. TSE Tin Tai
Ms. LUI Lai Ping, Cecily (*Chairman of Audit Committee and member of Remuneration Committee*)
Mr. LEE Kwok Wan
(*Chairman of Remuneration Committee and member of Audit Committee*)

Alternate Director:

Mr. LAU Kam Cheong (*alternate Director to Dr. NG Wai Kwan*)

The names of the Directors are disclosed in all corporate communications issued by the Company pursuant to the Listing Rules.

Mr. SUEK Chai Hong, the chief executive officer of the Company (the "Chief Executive Officer"), is the uncle of Mr. SUEK Ka Lun, Ernie, the chairman of the Company (the "Chairman"). The detailed relationships among members of the Board are disclosed under the section headed "Biographical Details of Directors and Senior Executives" on pages 47 to 51.

During the Year, the Board has at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise. During the Year, the Company also has at all times met the requirements of the Listing Rules relating to the appointment of independent non-executive Directors representing at least one-third of the Board.

董事會 (續)

董事會組成 (續)

截至本報告日期為止，董事會由以下董事組成：

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 (審核委員會及
薪酬委員會成員)

獨立非執行董事：

謝天泰先生
呂麗萍女士 (審核委員會主席及
薪酬委員會成員)
李國雲先生
(薪酬委員會主席及
審核委員會成員)

替任董事：

劉錦昌先生 (吳惠群博士之替任董事)

根據上市規則，董事之姓名在本公司刊發之所有公司通訊中均有披露。

本公司行政總裁 (「行政總裁」) 薛濟匡先生為本公司主席 (「主席」) 薛嘉麟先生之叔父。董事會各成員間之關係已在第47頁至第51頁之「董事及高級行政人員之簡歷」一節中詳細披露。

於本年度，董事會一直符合上市規則之規定，委任最少三名獨立非執行董事，而當中最少一名獨立非執行董事具備恰當專業資歷或會計或相關財務管理專長。於本年度，本公司亦一直符合上市規則之規定，委任佔董事會最少三分之一之獨立非執行董事。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Board Composition (Continued)

The Company has received written annual confirmation from each independent non-executive Director of his/her independence pursuant to the requirements of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

The non-executive Directors bring a wide range of business and financial expertise and experiences to the Board. Through participation in Board meetings and serving on Board committees, all non-executive Directors make various contributions to the effective direction of the Company.

Chairman and Chief Executive Officer

The positions of the Chairman and the Chief Executive Officer are held by different persons in order to preserve independence and a balanced judgment of views. The Chairman, Mr. SUEK Ka Lun, Ernie, is responsible for the effective functioning of the Board in accordance with good corporate governance practices and is also responsible for chairing the meetings and managing the operations of the Board and ensuring that all major and appropriate issues are discussed by the Board in a timely and constructive manner. The Chief Executive Officer, Mr. SUEK Chai Hong, is responsible for running the Company's businesses, developing and implementing the Group's strategic plans and business goals.

Despite that the Chief Executive Officer and the Chairman are uncle and nephew, they consider issues and make decisions independently.

Annual Meetings Between Chairman and Non-executive Directors Without Executive Directors Present

Provision A.2.7 of the CG code stipulates that the Chairman should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the executive Directors present. The Chairman during the Year, namely Mr. SUEK Ka Lun, Ernie, was himself an executive Director and as such, compliance with this code provision was infeasible.

董事會 (續)

董事會組成 (續)

本公司已接獲各獨立非執行董事根據上市規則之規定每年就其獨立性而發出之書面確認聲明。根據上市規則所載獨立指引，本公司認為全體獨立非執行董事均屬獨立人士。

非執行董事為董事會注入廣泛之業務及金融專業知識及經驗。透過參與董事會會議及擔任董事會委員會成員，全體非執行董事對有效領導本公司方面貢獻良多。

主席及行政總裁

主席及行政總裁之職務分別由不同人士擔任，以便保持獨立性及作出判斷時有平衡意見。主席為薛嘉麟先生，彼負責使董事會得以根據良好之企業管治常規有效運作，亦負責主持董事會會議以及管理董事會之運作，確保董事會能適時就所有重大及適當事宜進行有建設性討論。行政總裁為薛濟匡先生，彼負責本公司業務之運作，制訂及執行本集團之策略計劃及落實業務目標。

儘管行政總裁與主席為叔姪關係，但彼等均能獨立考慮問題並作出決定。

主席與非執行董事之間舉行並無執行董事與會之年度會議

企業管治守則之條文第A.2.7條訂明，主席應至少每年與非執行董事（包括獨立非執行董事）舉行一次並無執行董事與會之會議。於本年度，主席薛嘉麟先生本身為執行董事，故無法遵守此守則條文。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Appointment and Re-election of Directors

Each of the non-executive Directors and independent non-executive Directors has signed a letter of appointment with the Company. Mr. LEE Kwok Wan was appointed for a term of three years from 5 April 2016 to 4 April 2019. Save for Mr. LEE Kwok Wan, all other non-executive Directors and independent non-executive Directors have a term of appointment which commenced from 1 April 2016 and will continue for a period of three years until 31 March 2019. The term of appointment of each Director is subject to retirement by rotation and re-election in accordance with the Company's bye-laws (the "Bye-laws") and the Listing Rules.

The procedures and process of appointment, re-election and removal of Directors are laid down in the Company's Bye-laws. The Board as a whole is responsible for reviewing the structure and composition of the Board by reference to the business model of the Company, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors.

The Company has not adopted written terms of the Directors' nomination procedures. Where vacancies on the Board exist, the Board will carry out the selection process.

Induction and Continuing Development for Directors

The Directors are encouraged to attend external seminars and training programmes at the Company's expense to update themselves with the legal and regulatory developments and the business and market changes to facilitate the discharge of their responsibilities. Continuing briefings and professional development will be arranged for the Directors whenever necessary.

Professional Training for Directors

During the Year, each of Mr. SUEK Ka Lun, Ernie, Mr. SUEK Chai Hong, Dr. NG Wai Kwan, Mr. CHAN Kwing Choi, Warren, Mr. WONG Sun Fat, Mr. TSE Tin Tai, Ms. LUI Lai Ping, Cecily, Mr. LEE Kwok Wan and Mr. LAU Kam Cheong confirmed to the Company that he/she had complied with provision A.6.5 of the CG Code by reading all materials provided by the company secretary of the Company (the "Company Secretary") and/or attending trainings on the topics relating to corporate governance and latest change and development of regulatory regime launched by professional parties.

董事會 (續)

委任及重選董事

各非執行董事及獨立非執行董事已與本公司簽訂委任書。李國雲先生之任期由二零一六年四月五日起至二零一九年四月四日止為期三年。除李國雲先生外，所有其他非執行董事及獨立非執行董事之任期均由二零一六年四月一日起至二零一九年三月三十一日止為期三年。各董事之任期均須按照本公司之公司細則(「細則」)及上市規則輪值告退及重選。

董事之委任、重選及罷免程序及流程均載於本公司之公司細則。董事會整體參考本公司之業務模式後負責檢討董事會之結構及組成、發展及制定有關提名及委任董事之程序、監察董事之委任及接任計劃，以及評估獨立非執行董事之獨立性。

本公司並未採納書面之董事提名程序。倘董事會出現空缺，董事會將執行甄選程序。

董事之就職及持續發展

本公司亦鼓勵董事出席坊間研討會及培訓課程，一切費用由本公司支付，以獲悉最新之法律及法規發展情況，以及業務及市場變化，協助其履行職責。本公司亦會於有需要時為董事安排持續簡介及專業發展培訓。

董事專業培訓

於本年度，薛嘉麟先生、薛濟匡先生、吳惠群博士、陳焯材先生、黃新發先生、謝天泰先生、呂麗萍女士、李國雲先生及劉錦昌先生均向本公司確認，彼等已閱覽本公司之公司秘書(「公司秘書」)提供之所有資料，及／或出席由專業團體所舉辦、題目與企業管治及最新監管制度轉變及發展有關之培訓，故已遵守企業管治守則之條文第A.6.5條。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

COMPANY SECRETARY

Ms. CHEUNG Yuk Shan joined the Group as the Company Secretary since 23 August 2010. Acting as the Company Secretary, Ms. CHEUNG Yuk Shan reports to the Board and is responsible for advising the Board on corporate governance matters. She has undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

Board Meetings, Board Committee Meetings and General Meetings

Board practices and conduct of meetings

Notices of regular Board meetings were served to all Directors at least 14 days before the meetings during the Year. For other Board and committee meetings, reasonable notices were given.

Board papers together with all appropriate, complete and reliable information were sent to all Directors at least three days before each Board meeting or committee meeting during the Year to keep the Directors apprised of the latest development and financial position of the Company and to enable them to make informed decisions. The Board and each Director also had separate and independent access to the senior management whenever necessary.

The Company Secretary is responsible for taking and keeping minutes of all Board meetings and committee meetings. During the Year, draft minutes were normally circulated to Directors for comment within a reasonable time after each meeting and the final version was open for Directors' inspection.

The Company's Bye-laws contains provisions, with certain permitted exemptions, requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such directors or any of their respective associates have a material interest.

Directors' attendance records

During the Year, the Board held four meetings, two of which were regular Board meetings for reviewing and approving the financial and operating performance of the Group. The Company did not announce its quarterly results and hence did not consider the holding of quarterly meetings as necessary.

董事會 (續)

公司秘書

張玉珊小姐自二零一零年八月二十三日起加入本集團出任本公司之公司秘書。作為公司秘書，張玉珊小姐向董事會匯報，負責就企業管治事宜向董事會提供意見。彼已根據上市規則第3.29條接受不少於15個小時之相關專業培訓。

董事會會議、董事委員會會議及股東大會

董事會會議常規及程序

於本年度召開定期董事會會議至少十四天前會向全體董事發出通知。至於其他董事會會議及委員會會議，會給予合理通知。

董事會文件連同一切適當、完整及可靠資料會於本年度董事會會議或委員會會議召開之前至少三天寄發予全體董事，以便董事獲悉本公司之最新發展及財政狀況，並在知情下作出決定。董事會及每名董事在有需要時，均可個別及自行接觸高級管理人員。

公司秘書負責記錄及保存所有董事會會議及委員會會議記錄。於本年度，會議記錄初稿一般會於各會議完結後合理時間內分發予董事，以收集董事之意見，最終版本可供董事查閱。

本公司之細則載有條文及若干獲准許豁免，規定在批准董事或彼等各自之任何聯繫人擁有重大利益之交易之會議上，有關董事須放棄投票表決，亦不獲計算在有關會議之法定人數內。

董事出席記錄

於本年度，董事會曾舉行四次會議，其中兩次為董事會就審閱及批准本集團財務及營運業績所舉行之定期會議。本公司並無公佈季度業績，因此認為並無必要舉行季度會議。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Board Meetings, Board Committee Meetings and General Meetings (Continued)

Directors' attendance records (Continued)

Provision A.6.7 of the CG Code requires the independent non-executive Directors and other non-executive Directors to attend general meetings of the Company and develop a balanced understanding of the views of the shareholders. During the Year, all the independent non-executive Directors were unable to attend the special general meetings of the Company held on 1 April 2016 and 19 December 2016 as they had other important business engagements at the relevant time. 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. For the special general meeting of the Company held on 5 August 2016, an independent non-executive Director and a non-executive Director were unable to attend due to other business commitments. Save as mentioned above, all non-executive Directors and independent non-executive Directors attended all general meetings of the Company held during the Year.

The individual attendance record of each Director at the meetings of the Board, the Board Committees and at the general meetings of the Company for the Year is set out below:

董事會 (續)

董事會會議、董事委員會會議及股東大會 (續)

董事出席記錄 (續)

企業管治守則第A.6.7條規定，獨立非執行董事及其他非執行董事須參加本公司股東大會並就股東的意見形成客觀周全的認識。於本年度，所有獨立非執行董事由於在相關時間有其他重要業務安排，故未能出席本公司於二零一六年四月一日及二零一六年十二月十九日舉行之股東特別大會。此外，一名獨立非執行董事由於承擔其他業務，未能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。一名獨立非執行董事及一名非執行董事由於承擔其他業務，故未能出席本公司於二零一六年八月五日舉行之股東特別大會。除上述所提及者外，全體非執行董事及獨立非執行董事均出席本年度本公司舉行之所有股東大會。

以下所載為各董事於本年度內，出席本公司董事會會議、董事委員會會議及股東大會之記錄：

Name of Directors 董事姓名	Attendance/Number of meetings held during the tenure of directorship 董事任內之出席次數/會議次數					Annual General Meeting held on 30 June 2016 於二零一六年六月三十日舉行之股東週年大會
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Special General Meeting 股東特別大會		
Executive Directors – Mr. SUEK Ka Lun, Ernie (Chairman)	執行董事 – 薛嘉麟先生 (主席)	4/4	N/A 不適用	N/A 不適用	1/3	✓
– Mr. SUEK Chai Hong (Chief Executive Officer)	– 薛濟匡先生 (行政總裁)	4/4	N/A 不適用	N/A 不適用	2/3	✓
Non-executive Directors – Dr. NG Wai Kwan	非執行董事 – 吳惠群博士	3/4	N/A 不適用	N/A 不適用	3/3	✓
– Mr. CHAN Kwing Choi, Warren	– 陳焯材先生	4/4	N/A 不適用	N/A 不適用	3/3	✓
– Mr. WONG Sun Fat (member of Audit Committee and Remuneration Committee)	– 黃新發先生 (審核委員會及薪酬委員會成員)	4/4	2/2	1/1	2/3	✓
Independent Non-executive Directors – Mr. TSE Tin Tai	獨立非執行董事 – 謝天泰先生	3/4	N/A 不適用	N/A 不適用	1/3	×
– Ms. LUI Lai Ping, Cecily (Chairman of Audit committee and member of Remuneration Committee)	– 呂麗萍女士 (審核委員會主席及薪酬委員會成員)	3/4	1/2	1/1	1/3	✓
– Mr. LEE Kwok Wan (Chairman of Remuneration Committee and member of Audit Committee)	– 李國雲先生 (薪酬委員會主席及審核委員會成員)	3/4	2/2	1/1	0/3	✓

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

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 Listing Rules as the code of conduct regarding Directors' securities transactions.

The Company has made specific enquiry of all Directors and they have confirmed that they have complied with the required standards set out in the Model Code throughout the Year.

The Company has also established written guidelines no less exacting than the Model Code (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company.

No incident of non-compliance of the Employees Written Guidelines was noted by the Company during the Year.

DIRECTORS' INSURANCE

The Company has arranged for appropriate liability insurance for the directors and officers of the Group for indemnifying their liabilities arising from corporate activities. The insurance coverage is reviewed on an annual basis.

DELEGATION

In practice, the Board takes responsibility for decision making in all major matters of the Company including the approval and monitoring of all policy matters, the setting of objectives and overall strategies, internal controls and risk management systems, material transactions (in particular those may involve a conflict of interests), appointment of Directors and other significant financial and operational matters. The day-to-day management, administration and operation of the Company are delegated to the senior executives. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by these senior executives and the Board has the full support for them to discharge their responsibilities.

董事會 (續)

證券交易之標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)作為有關董事證券交易的行為守則。

本公司已向全體董事作出具體查詢，而董事確認彼等於本年度內已遵守標準守則所載的規定標準。

本公司亦已就有機會管有本公司未經公佈內幕消息之僱員進行之證券交易，制訂不比標準守則寬鬆之書面指引(「僱員書面指引」)。

於本年度內，本公司並未發現任何違反僱員書面指引之事件。

董事保險

本公司已為董事及本集團高級人員安排適當之責任保險，就彼等因公司活動而引起之責任作出彌償。承保範圍每年進行檢討。

權力轉授

實際上，董事會負責本公司一切重要決策，包括批准及監察所有政策事宜、釐定目標及整體策略、內部監控及風險管理系統、重大交易(尤其是可能涉及利益衝突之交易)、委任董事及其他有關財務及營運之重大事項。本公司之日常管理、行政及營運則交由高級行政人員主理。轉授之職能及工作定期作出檢討。高級行政人員進行任何重大交易前必須獲得董事會批准，董事會在履行職責時亦獲得高級行政人員全面支持。

Corporate Governance Report

企業管治報告

DELEGATION (Continued)

All Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The Board has established three committees, namely, the Remuneration Committee, the Audit Committee and the Investment Management Committee for overseeing particular aspects of the Company's affairs. All Board committees are established with defined written terms of reference.

Remuneration Committee

The Remuneration Committee comprised two independent non-executive Directors, namely Mr. LEE Kwok Wan (chairman) and Ms. LUI Lai Ping, Cecily, and one non-executive Director, namely Mr. WONG Sun Fat throughout the Year, the majority of them was independent non-executive Directors.

The primary functions of the Remuneration Committee include making recommendations on the remuneration policy and structure and remuneration packages of the executive Directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration. Remuneration of each Director is determined by reference to the performance of the individual and the Company as well as market practice and conditions. The Remuneration Committee shall consult the Chairman and/or the Chief Executive Officer in relation to its proposals relating to the remuneration of the executive Directors and have access to professional advice at the Company's expense, if necessary.

During the Year, the Remuneration Committee has held one meeting to review the remuneration of the Directors and senior management and made recommendation to the Board.

The written terms of reference for the Remuneration Committee is posted on the websites of the Company (www.newaygroup.com.hk) and of the Stock Exchange (www.hkexnews.hk) and is available to shareholders upon request.

權力轉授 (續)

全體董事均可隨時取得一切有關資料，以及得到公司秘書之意見及服務，務求確保遵從董事會規程及一切適用規則及規例。在適當情況下，各董事一般可向董事會提出要求尋求獨立專業意見，費用由本公司支付。

董事會已成立三個委員會，分別為薪酬委員會、審核委員會及投資管理委員會，以監察本公司特定層面之事務。所有董事委員會均以書面設定職權範圍。

薪酬委員會

於本年度全年，薪酬委員會由兩名獨立非執行董事，即李國雲先生（主席）及呂麗萍女士，以及一名非執行董事，即黃新發先生組成，大部分成員為獨立非執行董事。

薪酬委員會之首要職責包括建議執行董事及高級管理人員之薪酬政策與架構及薪酬方案。薪酬委員會亦負責建立具透明度之程序以制訂該等薪酬政策及架構，從而確保董事或其任何聯繫人不會參與釐定本身之薪酬。每名董事之薪酬乃參考個別表現及本公司之業績以及市場慣例及市況釐定。薪酬委員會須就其有關執行董事之薪酬建議徵詢主席及／或行政總裁之意見，並可於有需要時尋求專業意見，費用由本公司支付。

於本年度，薪酬委員會曾舉行一次會議，以檢討董事及高級管理人員之薪酬，並向董事會提供建議。

薪酬委員會之書面職權範圍已上載本公司網站(www.newaygroup.com.hk)及聯交所網站(www.hkexnews.hk)，股東亦可要求索閱。

Corporate Governance Report

企業管治報告

DELEGATION (Continued)

Investment Management Committee

For the purpose of effective and timely management of the investment matters of the Company, and in order to cope with the Company's business development in the future, a committee of the Board known as Investment Management Committee was established in March 2014 for identifying, assessing and analysing all investment opportunities for the Group and to make recommendations on an acquisition or disposal to the Directors from time to time.

The Investment Management Committee comprised five members, namely Mr. SUEK Ka Lun, Ernie (chairman), Mr. SUEK Chai Hong, Mr. CHAN Kwing Choi, Warren, Mr. CHOW Yun Cheung, and Ms. CHEUNG Yuk Shan throughout the Year, all of whom possess experience and familiarity with financial and investment analysis.

During the Year, the Investment Management Committee has held two meetings and all members of the Investment Management Committee attended the meetings.

NOMINATION OF DIRECTORS

The Board has not established a nomination committee at present, which was in deviation of Provisions A.5.1 to A.5.4 of the CG Code. 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 become Board members when necessary. The Board considers potential directorship based on the candidate's qualification, expertise, experience and knowledge as well as the requirements under the Listing Rules.

CORPORATE GOVERNANCE FUNCTION

The Board has not established a corporate governance committee. Instead, the full Board is responsible for performing the corporate governance function such as developing and reviewing the policies and practices of the Company on corporate governance, reviewing and monitoring the training and continuous professional development of the Directors and senior management and the policies and practices of the Company on compliance with legal and regulatory requirements and developing, reviewing and monitoring the codes of conduct applicable to employees and Director. During the Year, the Board reviewed the Company's status of compliance with the CG Code and the disclosure in this Corporate Governance Report.

權力轉授 (續)

投資管理委員會

為有效適時管理本公司之投資事宜，並應付本公司未來業務發展，董事會已於二零一四年三月成立名為投資管理委員會之董事委員會，為本集團物色、評估及分析所有投資商機，以及不時就收購或出售向董事提供推薦建議。

於本年度全年，投資管理委員會由五名成員組成，分別為薛嘉麟先生（主席）、薛濟匡先生、陳焯材先生、周潤璋先生及張玉珊小姐，彼等均具備財務及投資分析經驗及知識。

於本年度，投資管理委員會曾舉行兩次會議，全體成員均有出席會議。

提名董事

董事會目前尚未成立提名委員會，此舉偏離企業管治守則條文第A.5.1條至第A.5.4條。董事會負責不時檢討董事會之結構、規模及組成，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。

企業管治職能

董事會並無成立企業管治委員會。然而，全體董事會負責履行企業管治職能，例如制訂及檢討本公司之企業管治政策及常規、檢討及監察董事及高級管理人員之培訓及持續專業發展、本公司遵守法律及監管規定之政策及常規，以及制訂、檢討及監察適用於僱員及董事的行為守則。於本年度，董事會已檢討本公司有關企業管治守則之合規情況，並於本企業管治報告中披露。

Corporate Governance Report

企業管治報告

BOARD DIVERSITY

The Board has adopted a board diversity policy on 1 September 2013 (the "Board Diversity Policy"). In assessing the Board composition, the Board would consider various aspects set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, knowledge, professional experience and skills. The ultimate decision will be based on merit and the contribution that the selected candidates may bring to the Board. Despite the Board only consists of one female member, the Board considers that an appropriate balance of diversity in terms of experience and knowledge of the Board is maintained.

ACCOUNTABILITY AND AUDIT

Directors' Responsibilities in respect of Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Year.

The Board is responsible for presenting a balanced, clear and understandable assessment in annual and interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other regulatory requirements.

The management provides such explanation and information to the Board so as to enable the Board to make an informed assessment of the financial information put to the Board for approval and the financial position of the Company.

Risk Management and Internal Control

During the Year, the Group has complied with Provision C.2 of the CG Code by establishing appropriate and effective risk management and internal control systems. The management of the Company is responsible for the design, implementation and monitoring of such system while the Board oversees the management in performing its duties on an ongoing basis. Main features of the risk management and internal control systems are described below:

董事會多元化

於二零一三年九月一日，董事會已採納董事會多元化政策（「董事會多元化政策」）。在評價董事會組成時，董事會會考慮董事會多元化政策所載之不同範疇，包括但不限於性別、年齡、文化及教育背景、知識、專業經驗及技能。最終決定將本着用人為材，以及候選人可為董事會帶來之貢獻為宗旨。儘管董事會的組成僅包括一名女性成員，但董事會認為就經驗及知識而言，董事會多元化維持了適當的平衡。

問責性及審計

董事就財務報表須承擔之責任

董事確認彼等負有編製本公司於本年度之財務報表之責任。

董事會負責就年度及中期報告、股價敏感資料公告，以及上市規則與其他監管規定要求之其他披露事項作出中肯、清晰及易於理解之評估。

管理層已向董事會提供所需解釋及資料，使董事會得以對提呈予董事會以供批准之財務資料及本公司之財務狀況作出知情評估。

風險管理及內部監控

於本年度，本集團遵從企業管治守則第C.2條，建立適當及高效的風險管理及內部控制系統。本公司管理層負責設計、執行及監督該等系統，而董事會持續監督管理層履行其職責。風險管理及內部監控系統的描述如下：

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (Continued)

Risk Management and Internal Control (Continued)

Risk Management System

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- Identification: Identify ownership of risks, business objectives and risks that could affect the achievement of objectives;
- Evaluation: Analyse the likelihood and impact of risks and evaluate the risk portfolio accordingly; and
- Management: Consider the risk responses, ensure effective communication to the Board and monitor the residual risks on an on-going basis.

Based on the risk assessments conducted during the Year, no significant risk was identified.

Internal Control System

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organizations of the Treadway Commission (the "COSO") 2013 framework. The framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follows:

- Control environment: A set of standards, processes and structures that provide the basis for carrying out internal control across the Group;
- Risk assessment: A dynamic and iterative process for identifying and analysing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed;

問責性及審計 (續)

風險管理及內部監控 (續)

風險管理系統

本集團採納風險管理系統管理與其業務及經營有關的風險。該系統包括以下幾個階段：

- 識別：識別風險所屬、業務目標及可能影響達致目標之風險；
- 評估：分析風險的可能性及影響，並相應地評估風險組合；及
- 管理：考慮風險應對，確保與董事會有效溝通並按持續經營基準監督剩餘風險。

根據於本年度進行的風險評估，並未識別重大風險。

內部監控系統

本公司設有內部監控系統，與Committee of Sponsoring Organizations of the Treadway Commission (「COSO」)二零一三年框架相符。該框架使本集團能夠實現經營的效力及效率、財務報告的可靠性及適用法律法規的遵循之目標。該框架的組成如下所示：

- 控制環境：一套可作為本集團實施內部監控的基礎的標準、程序及架構；
- 風險評估：一個識別及分析風險的動態及迭代過程，以達致本集團的目標，為確定如何管理風險奠定基礎；

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (Continued)

Risk Management and Internal Control (Continued)

Internal Control System (Continued)

- Control activities: Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out;
- Information and communication: Internal and external communication to provide the Group with the information needed to carry out day-to-day controls; and
- Monitoring: Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

In order to enhance the Group's system of handling inside information and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- the access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality;
- confidentiality agreements are in place when the Group enters into significant negotiations; and
- the executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.

Based on the internal control reviews conducted during the Year, no significant control deficiency was identified.

問責性及審計 (續)

風險管理及內部監控 (續)

內部監控系統 (續)

- 監控活動：通過政策及程序制定的行動，以確保管理層為實現目標而緩解風險的指令能落實執行；
- 資料及溝通：內部及外部的溝通為本集團提供進行日常管理所需的資料；及
- 監督：持續及獨立的評估以確定內部監控的各組成部分是否存在及產生作用。

為強化本集團處理內部資料的系統，以及確保其公開披露的真實性、準確性、完整性及及時性，本集團亦採納及執行內部資料政策及程序。本集團已不時採取若干合理措施，以確保有適當的防範措施以避免違反與本集團有關的披露要求，其中包括：

- 資料在需要知情的基礎上，僅限供少數僱員接觸。擁有內部資料的僱員須充分認識彼等的保密義務；
- 本集團進行重大協商時，會簽訂保密協議；及
- 執行董事是與媒體、分析員或投資者等外界人士溝通時代表本公司發言的指定人士。

根據於本年度進行的內部監控檢討，並未發現重大監控不足。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (Continued)

Risk Management and Internal Control (Continued)

Internal Auditors

The Group has an Internal Audit (“IA”) function, which consists of professional staff with relevant expertise (such as Certified Public Accountant). The IA function is independent of the Group’s daily operation and carries out appraisal of the risk management and internal control systems by conducting interviews, walkthroughs and tests of operating effectiveness.

An IA plan has been approved by the Board. According to the established plan, review of the risk management and internal control systems is conducted annually, covering a period of each financial year and the results are reported to the Board via Audit Committee afterwards.

Effectiveness of the Risk Management and Internal Control Systems

The Board is responsible for the risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted annually. Several areas have been considered during the Board’s review, which include but are not limited to (i) the changes in the nature and extent of significant risks since the last annual review and the Group’s ability to respond to changes in its business and the external environment; and (ii) the scope and quality of management’s on-going monitoring of risks and of the internal control systems.

The Board and the IA function had conducted a review of the effectiveness of the risk management and internal control systems during the Year. The Board, through its review and the review made by IA function and Audit Committee, concluded that the risk management and internal control systems were effective and adequate. Such systems, however, are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

問責性及審計 (續)

風險管理及內部監控 (續)

內部核數師

本集團設有內部審計(「內部審計」)職能，由具備相關專業知識的專業員工(例如執業會計師)組成。內部審計職能獨立於本集團日常運作，並通過面談、巡視及進行效力測試，對風險管理及內部監控進行評估。

董事會已批准一項內部審計計劃。根據既定的計劃，每年(指每個財政年度)對風險管理及內部監控系統進行審查，且之後通過審核委員會將結果報告至董事會。

風險管理及內部監控系統的有效性

董事會負責本集團的風險管理及內部監控系統，確保每年對該等制度的有效性進行審查。董事會進行審查時已作出多方面的考慮，其中包括(但不限於)：(i)自上次年度審查後，重大風險性質及程度的改變，以及本集團於其業務及外部環境中應對變化的能力；及(ii)管理層持續監督風險及內部監控系統的範圍及質量。

於本年度，董事會及內部審計職能已進行對風險管理及內部監控有效性的檢討。董事會通過其審查和審計職能與審核委員會的審查，認定風險管理和內部監控系統均屬有效及適當。然而，該等制度旨在管理而非杜絕未能實現業務目標的風險，並且只能就防止重大失實陳述或損失提供合理而非絕對的保證。資源、員工資歷及相關員工的經驗視作足夠，提供的培訓項目及預算亦屬充裕。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (Continued)

Audit Committee

The Audit Committee comprised two independent non-executive Directors, namely Ms. LUI Lai Ping, Cecily (chairman) and Mr. LEE Kwok Wan, and one non-executive Director, namely Mr. WONG Sun Fat throughout the Year, the majority of them was independent non-executive Directors (including at least one independent non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise). None of the members of the Audit Committee was a former partner of the Company's existing external auditors.

The written terms of reference for the Audit Committee is posted on the websites of the Company (www.newwaygroup.com.hk) and of the Stock Exchange (www.hkexnews.hk) and is available to shareholders upon request.

The main duties of the Audit Committee include the following:

- to review the financial statements and reports of the Company and consider any significant or unusual items raised by the Company's staff responsible for the accounting and financial reporting function and external auditors before submission to the Board;
- to review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management systems via the IA function and their associated procedures; and
- to review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement and make recommendation to the Board on the appointment, re-appointment and removal of external auditors.

問責性及審計 (續)

審核委員會

於本年度全年，審核委員會由兩名獨立非執行董事，即呂麗萍女士（主席）及李國雲先生，以及一名非執行董事，即黃新發先生組成，大部分成員為獨立非執行董事（其中包括最少一名具備適當專業資歷或會計或相關財務管理專長之獨立非執行董事）。審核委員會之成員均非本公司現任外聘核數師之前度合夥人。

審核委員會之書面職權範圍已上載本公司網站(www.newwaygroup.com.hk)及聯交所網站(www.hkexnews.hk)，股東亦可要求索閱。

審核委員會之主要職責包括：

- 於向董事會提交本公司財務報表與報告之前，先行審閱該等報表及報告，並考慮由本公司負責會計及財務申報職能之員工及外聘核數師提出之任何重大或不尋常事項；
- 通過內部審計職能檢討本公司之財務申報系統、內部監控系統及風險管理系統以及以上各項的相關程序是否足夠及有效；及
- 參考核數師執行之工作、其費用及聘用條款，以檢討與外聘核數師之關係，並就委聘、續聘及撤換外聘核數師向董事會作出推薦建議。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (Continued)

Audit Committee (Continued)

During the Year, the Audit Committee has held two meetings and reviewed the Group's final results and annual report for the Year and interim results for the six months ended 30 June 2016. The Audit Committee has also reviewed with the management the Group's accounting policies, the risk management and internal control systems via the IA function and the effectiveness of the Company's internal audit function, discussed auditing, internal controls and financial reporting matters of the Group, reported to the Board on material issues, if any, and made recommendations to the Board. It has also reviewed the work performed and fees charged by the external auditors and made recommendation to the Board on the re-appointment of external auditors.

The Company's final results for the Year have also been reviewed by the Audit Committee. There is no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

There is no disagreement between the Board and the Audit Committee regarding the selection and appointment of external auditors.

External Auditors and Auditor's Remuneration

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 94 to 101.

For the Year, the remuneration paid/payable to the external auditors of the Company in respect of audit services and non-audit services amounted to HK\$1.7 million and HK\$0.8 million respectively. The non-audit services charged by the external auditors of the Company for the Year included (i) interim review of the financial statements of the Company for the six months ended 30 June 2016; (ii) filling of tax return of the Company and its subsidiaries; and (iii) professional services rendered on the major acquisition of the Company during the Year.

問責性及審計 (續)

審核委員會 (續)

於本年度，審核委員會曾召開兩次會議，審閱本集團本年度之全年業績及年報及截至二零一六年六月三十日止六個月之中期業績。審核委員會亦已聯同管理層通過內部審計職能審閱本集團之會計政策、風險管理及內部監控系統及本公司內部核數職能之成效，並就本集團之審核、內部監控及財務申報事宜進行討論，就重大事宜（如有）向董事會匯報並向董事會提供建議。審核委員會亦審閱外聘核數師之工作及其收費，並就續聘外聘核數師向董事會提供建議。

本公司本年度之全年業績亦由審核委員會審閱。目前並無任何可能令本公司持續經營之能力存在重大疑問之重大不明朗事件或情況。

董事會與審核委員會之間並無就甄選及委任外聘核數師之事宜出現意見分歧。

外聘核數師及核數師酬金

本公司外聘核數師有關其須就財務報表履行申報責任之聲明載於第94頁至第101頁「獨立核數師報告」內。

於本年度，就核數服務及非核數服務而向本公司外聘核數師已支付／應支付之酬金分別為1,700,000港元及800,000港元。於本年度，本公司外聘核數師收取的非核數服務之費用包括：(i)對本公司截至二零一六年六月三十日止六個月財務報表的中期審核；(ii)填寫本公司及其附屬公司之報稅表；及(iii)就本公司本年度的主要收購事項提供專業服務。

Corporate Governance Report

企業管治報告

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information which enables shareholders and investors to make the best investment decision.

The Company continues to enhance communications and relationships with its investors. Designated senior executives maintain regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments. Investors may write directly to the Company at the principal place of business in Hong Kong for any enquiries. Enquiries from investors are dealt with in an informative and timely manner.

The general meetings of the Company provide a forum for communication between the Board and the shareholders. The Company encourages its shareholders to attend general meetings to ensure a high level of accountability to the shareholders and for the shareholders to stay informed of the Group's strategy and goals. External auditors, the Chairman as well as the chairmen of the Remuneration Committee and the Audit Committee or, in their absence, other members of the respective committees, normally attend the annual general meeting and other relevant general meetings to answer questions from the shareholders.

Pursuant to Bye-law 58 of the Company's Bye-laws, shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda, as amended from time to time. The written requisition must state the objects of the meeting, and must be signed by the relevant shareholder(s) and deposited to the Company Secretary at the Company's principal place of business.

與股東及投資者之溝通

本公司相信，與股東建立有效溝通，對於加強投資者關係以及投資者對本集團業務表現及策略的了解非常重要。本集團亦明白，具透明度及適時披露公司資料讓股東及投資者能作出最佳投資決定之重要性。

本公司不斷加強與投資者之間的溝通及關係。指定高級行政人員亦會與機構投資者及分析員保持定期對話，向彼等提供有關本公司發展之最新訊息。投資者如有任何查詢，可直接致函本公司在香港之主要營業地點。投資者提出之查詢將會盡快獲得圓滿答覆。

本公司之股東大會乃董事會與股東溝通之場合。本公司鼓勵其股東出席股東大會，以確保對股東有高度之問責性，並讓股東緊貼本集團之策略和目標。外聘核數師、主席以及薪酬委員會及審核委員會之主席（倘主席未克出席，則指個別委員會之其他成員）一般會出席股東週年大會及其他有關股東大會，以解答股東之提問。

根據本公司之公司細則第58條，於遞呈要求日期持有不少於本公司繳足股本（賦有於本公司股東大會上投票之權利）十分一之本公司股東有權隨時透過向本公司董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明之任何事項；且該大會須於遞呈該要求後兩個月內舉行。倘遞呈後二十一日內，董事會未有召開該大會，則遞呈要求人士可根據百慕達一九八一年公司法（經不時修訂）第74(3)條之規定自行召開大會。書面要求必須載列大會目的，並須經相關股東簽署及送達公司秘書（地址為本公司主要營業地點）。

Corporate Governance Report

企業管治報告

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS (Continued)

Pursuant to the Companies Act 1981 of Bermuda, (i) shareholders representing not less than one-twentieth of the total voting rights of all shareholders having a right to vote at the general meeting; or (ii) not less than one hundred shareholders, can submit a written requisition stating the resolution which is intended to be moved at a general meeting, or to submit a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

Shareholders who wish to put forward any enquiry to the Board may send such written enquiry to the Company's principal place of business in Hong Kong, to the attention of the Company Secretary.

The Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, deals with shareholders' questions on their shareholdings and related share registration matters.

SHAREHOLDERS' RIGHTS

To safeguard the shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantially separate issue, including the election of individual Directors.

All resolutions put forward at a general meeting will be taken by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company (www.newaygroup.com.hk) and of the Stock Exchange (www.hkexnews.hk) after the general meeting.

CONSTITUTIONAL DOCUMENTS

During the Year, there was no significant change in the Company's constitutional documents.

與股東及投資者之溝通 (續)

根據百慕達一九八一年公司法，(i)佔有權在股東大會上投票所有股東之投票權總額不少於二十分之一之股東；或(ii)不少於一百名股東，可遞交呈請書闡明有意於股東大會上動議之決議案，或就任何將於大會上擬提呈之決議案或事務所提述之事項，遞交不多於一千字的聲明書。

有意向董事會作出任何查詢之股東，可將有關書面查詢寄往本公司於香港之主要營業地點，收件人註明為公司秘書。

本公司之香港股份過戶登記分處卓佳秘書商務有限公司負責處理股東有關彼等之股權及相關股份登記事宜之問題。

股東權利

為保障股東利益及權利，於股東大會上，各項重大事宜（包括推選個別董事）均會以重大獨立決議案之方式提呈大會。

所有於股東大會提呈之決議案將根據上市規則進行投票表決，投票結果將於股東大會後刊登於本公司網站(www.newaygroup.com.hk)及聯交所網站(www.hkexnews.hk)。

憲章

於本年度，本公司之憲章並無重大變動。

Biographical Details of Directors and Senior Executives 董事及高級行政人員之簡歷

EXECUTIVE DIRECTOR

Mr. SUEK Ka Lun, Ernie, aged 38, was appointed as the Chairman since August 2009. He has been an executive Director since July 2004 and the chief executive officer of the Company from November 2007 to 31 August 2009. Mr. SUEK Ka Lun, Ernie obtained an EMBA degree and a master degree in marketing from the Chinese University of Hong Kong in 2008 and 2003 respectively. He had two years of experience in investment banking and subsequently moved to commercial sector and has been a director of a private company for two years. Mr. SUEK Ka Lun, Ernie possesses sophisticated and professional management experience and is familiar with investment analysis. He is responsible for monitoring the Group's business development and to search for business opportunities in the PRC market and overseas. Mr. SUEK Ka Lun, Ernie has not entered into any service contract with the Company and there is no designated length of service. Mr. SUEK Ka Lun, Ernie is entitled to receive a remuneration of HK\$2,100,000 per annum.

Mr. SUEK Ka Lun, Ernie is the nephew of Mr. SUEK Chai Hong, an executive Director and the Chief Executive Officer and Dr. NG Wai Kwan, a non-executive Director.

Mr. SUEK Ka Lun, Ernie, is a director of CNA Company Limited, which had an interest in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and Divisions 3 of Part XV of the Securities and Futures Ordinance.

Mr. SUEK Chai Hong, aged 55, was appointed as the Chief Executive Officer since August 2009, he has been an executive Director since 1992. Mr. SUEK Chai Hong obtained a bachelor degree of Business Administration in Finance from York University, Canada, he has more than 25 years of experience in marketing and is responsible for running the Company's businesses and developing and implementing the Group's strategic plans and business goals. Mr. SUEK Chai Hong has not entered into any service contract with the Company and there is no designated length of service. Mr. SUEK Chai Hong is entitled to receive a remuneration of HK\$1,260,000 per annum.

Mr. SUEK Chai Hong is the uncle of Mr. SUEK Ka Lun, Ernie, an executive Director and the Chairman.

執行董事

薛嘉麟先生，現年38歲，於二零零九年八月獲委任為本公司主席，彼於二零零四年七月出任執行董事，並於二零零七年十一月至二零零九年八月三十一日期間擔任本公司行政總裁。薛先生分別於二零零八年及二零零三年獲香港中文大學頒授行政人員工商管理碩士學位及市場學碩士學位。彼曾任職於投資銀行界兩年，後轉投商界，曾於一間私人公司擔任董事兩年。薛嘉麟先生擁有豐富及專業管理經驗，亦熟悉投資分析。彼現負責監督本集團業務發展及開拓中外市場，尋求商機。薛嘉麟先生並未與本公司訂立任何服務合約，且無指定服務期限。薛嘉麟先生有權收取年薪2,100,000港元。

薛嘉麟先生為執行董事兼行政總裁薛濟匡先生之姪兒，亦為非執行董事吳惠群博士之外甥。

薛嘉麟先生為CNA Company Limited之董事，於本公司的股份及相關股份中擁有權益，根據證券及期貨條例第XV部第2分部及第3分部之條文，須向本公司披露該等權益。

薛濟匡先生，現年55歲，於二零零九年八月獲委任為行政總裁，而彼自一九九二年起已出任執行董事。薛濟匡先生持有加拿大約克大學財務系工商管理學士學位，彼從事市場拓展工作逾25年，負責本公司業務之運作及制訂及執行本集團之策略計劃及落實業務目標。薛濟匡先生並未與本公司訂立任何服務合約，且無指定服務期限。薛濟匡先生有權收取年薪1,260,000港元。

薛濟匡先生為執行董事兼主席薛嘉麟先生之叔父。

Biographical Details of Directors and Senior Executives 董事及高級行政人員之簡歷

NON-EXECUTIVE DIRECTORS

Dr. NG Wai Kwan, aged 67, was appointed as a non-executive Director in March 2007. Dr. NG Wai Kwan holds an engineering doctorate degree from the University of Warwick in the United Kingdom. Dr. NG Wai Kwan has over 30 years' experience in procurement, logistic planning, and executive and leadership development.

Pursuant to a letter of appointment entered into between Dr. NG Wai Kwan and the Group, Dr. NG Wai Kwan was appointed for a specific term of three years commenced from 1 April 2016 until 31 March 2019. Dr. NG Wai Kwan is entitled to receive a remuneration of HK\$100,000 per annum.

Dr. NG Wai Kwan is the uncle of Mr. SUEK Ka Lun, Ernie, an executive Director and the Chairman.

Mr. CHAN Kwing Choi, Warren, aged 65, was appointed as an independent non-executive Director in February 2002 and was re-designated as a non-executive Director in November 2007. Mr. CHAN Kwing Choi, Warren is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Chartered Institute of Management Accountants (UK) and an associate member of the Institute of the Chartered Accountants in England and Wales, the Institute of Chartered Secretaries & Administrators (UK), the Hong Kong Institutes of Chartered Secretaries and the Chartered Global Management Accountants.

Mr. CHAN Kwing Choi, Warren has over 30 years of experience in financial management, corporate administration and corporate finance in several multinational corporations and listed public companies.

Pursuant to a letter of appointment entered into between Mr. CHAN Kwing Choi, Warren and the Group, Mr. CHAN Kwing Choi, Warren is appointed for a specific term of three years commenced from 1 April 2016 until 31 March 2019. Mr. CHAN Kwing Choi, Warren is entitled to receive a remuneration of HK\$150,000 per annum.

非執行董事

吳惠群博士，現年67歲，於二零零七年三月獲委任為非執行董事。吳惠群博士持有英國華威大學工程學博士學位，於採購、物流規劃、行政及領袖培訓方面具有逾30年經驗。

根據吳惠群博士與本集團訂立之委任函，吳博士之特定任期由二零一六年四月一日起至二零一九年三月三十一日止，為期三年。吳惠群博士有權收取年薪100,000港元。

吳惠群博士為執行董事兼主席薛嘉麟先生之舅父。

陳焯材先生，現年65歲，於二零零二年二月獲委任為獨立非執行董事，並於二零零七年十一月調任非執行董事。陳焯材先生為香港會計師公會及英國特許管理會計師公會之資深會員，以及英格蘭及威爾斯特許會計師公會、英國特許秘書及行政人員公會及香港特許秘書公會會員，亦為及全球特許管理會計師。

陳焯材先生曾為多家跨國企業及上市公司服務，擁有超過30年財務管理、企業行政及企業融資經驗。

根據陳焯材先生與本集團訂立之委任函，陳焯材先生之特定任期由二零一六年四月一日起至二零一九年三月三十一日止，為期三年。陳焯材先生有權收取年薪150,000港元。

Biographical Details of Directors and Senior Executives 董事及高級行政人員之簡歷

Mr. WONG Sun Fat, aged 61, was appointed as an independent non-executive Director from December 1994 to August 2009 and was re-designated as a non-executive Director in August 2009. He is currently a member of the Audit Committee and the Remuneration Committee. Mr. WONG Sun Fat holds a Bachelor degree of Arts from The University of Hong Kong and has over 30 years of experience in electronic products business and has vast experience in manufacturing operations.

Pursuant to a letter of appointment entered into between Mr. WONG Sun Fat and the Group, Mr. WONG Sun Fat was appointed for a specific term of three years commenced from 1 April 2016 until 31 March 2019. Mr. WONG Sun Fat is entitled to receive a remuneration of HK\$100,000 per annum.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. TSE Tin Tai, aged 53, was appointed as an independent non-executive Director in August 2006. He holds a Bachelor of Business Administration degree from York University, Canada and has over 20 years' experience in sales and marketing field in information technology related companies.

Pursuant to a letter of appointment entered into between Mr. TSE Tin Tai and the Group, Mr. TSE Tin Tai was appointed for a specific term of three years commenced from 1 April 2016 until 31 March 2019. Mr. TSE Tin Tai is entitled to receive a remuneration of HK\$100,000 per annum.

Ms. LUI Lai Ping, Cecily, aged 52, was appointed as an independent non-executive Director in August 2009. Ms. LUI Lai Ping, Cecily holds a master degree of science in accountancy and a master degree in business administration. She is a fellow member of the Institute of Public Accountants, the Institute of Financial Accountants and the Institute of Certified Management Accountants and also an associate member of the Association of International Accountants. Ms. LUI Lai Ping, Cecily has more than 15 years' experience in financial management, financial accounting, human resources management and company secretarial field. She is currently manager of a sizeable company in Hong Kong, overseeing the company's financial and human resources management and company secretarial affairs.

黃新發先生，現年61歲，曾於一九九四年十二月至二零零九年八月期間出任獨立非執行董事，並於二零零九年八月調任非執行董事。彼現為審核委員會及薪酬委員會成員。黃新發先生持有香港大學文學士學位，從事電子產品業務逾30年，對製造營運有豐富經驗。

根據黃新發先生與本集團訂立之委任函，黃新發先生之特定任期由二零一六年四月一日起至二零一九年三月三十一日止，為期三年。黃新發先生有權收取年薪100,000港元。

獨立非執行董事

謝天泰先生，現年53歲，於二零零六年八月獲委任為獨立非執行董事。彼持有加拿大約克大學工商管理學士學位，於資訊科技相關公司擔任銷售及市場推廣工作逾20年。

根據謝天泰先生與本集團訂立之委任函，謝天泰先生之特定任期由二零一六年四月一日起至二零一九年三月三十一日止，為期三年。謝天泰先生有權收取年薪100,000港元。

呂麗萍女士，現年52歲，於二零零九年八月獲委任為獨立非執行董事。呂麗萍女士持有會計學理學碩士學位及工商管理碩士學位。彼為公共會計師協會、註冊財務會計師公會及特許管理會計師公會資深會員及國際會計師公會會員。呂麗萍女士在財務管理、財務會計、人力資源管理及公司秘書等領域擁有逾15年經驗。彼現任香港一家具規模公司之經理，負責監察該公司之財務及人力資源管理及公司秘書事宜。

Biographical Details of Directors and Senior Executives 董事及高級行政人員之簡歷

Pursuant to a letter of appointment entered into between Ms. LUI Lai Ping, Cecily and the Group, Ms. LUI Lai Ping, Cecily was appointed for a specific term of three years commenced from 1 April 2016 until 31 March 2019. Ms. LUI Lai Ping, Cecily is entitled to receive a remuneration of HK\$100,000 per annum.

Mr. LEE Kwok Wan, aged 49, was appointed as an independent non-executive Director in April 2013. Mr. LEE Kwok Wan holds a MBA degree in Business Administration and a bachelor's degree in the Commerce and Accountancy and is an associate member of the Hong Kong Institute of Certified Public Accountants, the CPA Australia, the Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. Mr. LEE Kwok Wan has more than 15 years of accounting and management experience. He is the chief financial officer of a sizable company in Hong Kong engaging in the manufacturing of watches. He was appointed as the company secretary of the Company from March 2007 to May 2008.

Pursuant to a letter of appointment entered into between Mr. LEE Kwok Wan and the Group, Mr. LEE Kwok Wan was appointed for a specific term of three years commenced from 5 April 2016 until 4 April 2019. Mr. LEE Kwok Wan is entitled to receive a remuneration of HK\$100,000 per annum.

As at 31 December 2016, each of Mr. SUEK Ka Lun, Ernie, Mr. SUEK Chai Hong, Dr. NG Wai Kwan and Mr. WONG Sun Fat had an interest in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong). For further details, please refer to the paragraphs headed "Directors' interests in shares, underlying shares and debentures" of the Directors' Report contained herein.

根據呂麗萍女士與本集團訂立之委任函，呂麗萍女士之特定任期由二零一六年四月一日起至二零一九年三月三十一日止，為期三年。呂麗萍女士有權收取年薪100,000港元。

李國雲先生，現年49歲，於二零一三年四月獲委任為獨立非執行董事。李國雲先生持有工商管理碩士學位及商業及會計學學士學位，並為香港會計師公會、澳洲會計師公會、英國特許秘書及行政人員公會及香港特許秘書公會會員。李國雲先生於會計及管理方面擁有逾15年經驗。彼現時於一家在香港從事腕錶製造業務、規模宏大之公司出任財務總監。彼於二零零七年三月至二零零八年五月期間獲委任為本公司之公司秘書。

根據李國雲先生與本集團訂立之委任函，李國雲先生之特定任期由二零一六年四月五日起至二零一九年四月四日止，為期三年。李國雲先生有權收取年薪100,000港元。

截至二零一六年十二月三十一日止，薛嘉麟先生、薛濟匡先生、吳惠群博士及黃新發先生各自於本公司之股份及相關股份中享有權益，須根據香港法例第571章證券及期貨條例第XV部第7及第8分部之條文向本公司披露。有關進一步詳情，請參閱本年報中董事會報告內「董事於股份、相關股份及債券中之權益」各段。

Biographical Details of Directors and Senior Executives 董事及高級行政人員之簡歷

ALTERNATE DIRECTOR

Mr. LAU Kam Cheong, aged 54, was appointed as the alternate Director to Dr. NG Wai Kwan, a non-executive Director, in July 2008. He is a manager of Delight Source Limited. Mr. LAU Kam Cheong joined the Group in 2001. He holds a master degree in Business Administration and a master degree in Professional Accounting from The Open University of Hong Kong. He is a member of the Chartered Institute of Marketing in the United Kingdom and has over 25 years of experience in management, sales and marketing.

SENIOR EXECUTIVES

Ms. NG Wai Chi, aged 57, has over 30 years of experience in label and silkscreen printing. She is the vice president of Chung Tai Printing Company Limited and Chung Tai Printing (China) Company Limited. Ms. NG Wai Chi is responsible for the corporate social responsibility and quality management of the Group.

Mr. WAN Kwok Leung, Nicholas, aged 37, is a director of various companies under the Music and Entertainment Business of the Group, he was the human resources manager of Neway Karaoke Box Limited for the period from 2001 to 2007 before being appointed as an executive director thereof. Mr. WAN Kwok Leung, Nicholas has over 15 years of experience in the related fields of management and holds a bachelor's degree in human resources management from Hong Kong Baptist University and a master of science degree of management from The Hong Kong Polytechnic University.

替任董事

劉錦昌先生，現年54歲，於二零零八年七月獲委任為非執行董事吳惠群博士之替任董事。彼為亮燃有限公司之經理。劉錦昌先生於二零零一年加盟本集團，持有香港公開大學之工商管理碩士學位及專業會計碩士學位。彼為英國特許市務學會之會員，於管理、銷售及市場推廣方面擁有逾25年經驗。

高級行政人員

吳惠芝女士，現年57歲，從事標籤及絲網印刷業務逾30年。彼為中大印刷有限公司及中大印刷(中國)有限公司之副總裁。吳惠芝女士負責本集團之企業社會責任及品質管理工作。

溫國樑先生，現年37歲，為本集團音樂及娛樂業務多家公司之董事。彼曾於二零零一年至二零零七年為Neway Karaoke Box Limited之人力資源經理，隨後獲委任為該公司執行董事。溫國樑先生於相關管理工作方面擁有逾15年經驗，並持有香港浸會大學人力資源管理學士學位及香港理工大學管理學碩士學位。

Directors' Report 董事會報告

The board (the "Board") of directors (the "Directors") of Newway Group Holdings Limited (the "Company", together with its subsidiaries, the "Group") present its annual report for the year ended 31 December 2016 (the "Year"). All cross-references mentioned in this Directors' Report form part of this Directors' Report.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. During the Year, the principal activities of the Group include (i) gaming business; (ii) money lending; (iii) manufacturing and sales of printing products; (iv) artistes management, production and distribution of music albums and movies; (v) property development and investment; (vi) securities trading; and (vii) trading of printing products. The principal activities and other details of the principal subsidiaries of the Company are set out in note 47 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 102 to 103.

No interim dividend of was paid, declared or proposed during the Year.

The Board did not recommend the payment of a final dividend for the Year (Year ended 31 December 2015 ("Year 2015"): nil).

BUSINESS REVIEW

A review of the Group's businesses with analysis using key performance indicators, the particulars of important events affecting the Group after the reporting period and the likely future development of the Group are set out in the section headed "Management Discussion and Analysis" on pages 4 to 29.

Newway Group Holdings Limited 中星集團控股有限公司* (「本公司」, 連同其附屬公司, 統稱為「本集團」) 董事 (「董事」) 會 (「董事會」) 謹此提呈截至二零一六年十二月三十一日止年度 (「本年度」) 之年報。本董事會報告內之所有相互參照均構成本董事會報告之一部分。

主要業務

本公司為一家投資控股公司。於本年度, 本集團的主要業務包括: (i) 遊戲業務; (ii) 放貸; (iii) 印刷品製造及銷售; (iv) 藝人管理、唱片及電影製作及分銷; (v) 物業發展與投資; (vi) 證券買賣; 及 (vii) 印刷品貿易。本公司各主要附屬公司之主要業務及其他詳情載於綜合財務報表附註 47。

業績與分配

本集團本年度之業績載於第102頁至第103頁之綜合損益及其他全面收入報表內。

於本年度並無支付、宣派或建議派發中期股息。

董事會不建議派付本年度之末期股息 (截至二零一五年十二月三十一日止年度 (「二零一五年度」): 無)。

業務回顧

運用關鍵績效指標之本集團業務回顧分析、於報告期後影響本集團之重大事件之詳情及本集團未來可能之發展列載於第4頁至第29頁的「管理層討論與分析」一節。

* 僅供識別

Directors' Report

董事會報告

PROPERTY, PLANT AND EQUIPMENT

The Group acquired property, plant and equipment during the Year at an aggregate cost of approximately HK\$6.9 million in order to increase its production capacity. Details of such acquisitions and other movements in the property, plant and equipment of the Group during the Year are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 35 to the consolidated financial statements.

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

ISSUE OF SHARES

On 11 October 2016, an aggregate of 42,270,000 placing shares were allotted and issued pursuant to the September Placing, details of which are set out in the paragraphs headed "Fund Raising Activity" on pages 23 to 24. Save for the September Placing, the Company has not issued any shares or debentures during the Year.

DISTRIBUTABLE RESERVES

As at 31 December 2016, the reserves of the Company available for distribution to shareholders were approximately HK\$655.7 million, calculated in accordance with the Companies Act 1981 of Bermuda.

物業、廠房及設備

於本年度，本集團收購物業、廠房及設備合共支出約6,900,000港元，以增加生產力。該等收購之詳情及於本年度內本集團之物業、廠房及設備之其他變動載於綜合財務報表附註14。

股本

本公司股本之詳情列載於綜合財務報表附註35。

於本年度，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。

發行股份

於二零一六年十月十一日，根據九月配售合共配發及發行42,270,000股配售股份，其詳情列載於第23頁至第24頁的「集資活動」各段。除九月配售外，本公司於本年度概無發行任何股份或債券。

可供分派儲備

截至二零一六年十二月三十一日止，本公司可供分派予股東之儲備約為655,700,000港元，此乃根據百慕達一九八一年公司法計算。

Directors' Report 董事會報告

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 236.

DIRECTORS

The Directors during the Year and up to the date of this report were:

Executive Directors:

Mr. SUEK Ka Lun, Ernie (Chairman)
Mr. SUEK Chai Hong (Chief Executive Officer)

Non-executive Directors:

Dr. NG Wai Kwan (alternate Director:
Mr. LAU Kam Cheong)
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

In accordance with Bye-law 87(1) of the Company's bye-laws (the "Bye-laws"), Mr. SUEK Chai Hong, Dr. NG Wai Kwan and Ms. LUI Lai Ping, Cecily will retire at the forthcoming annual general meeting (the "AGM") of the Company. Mr. SUEK Chai Hong and Dr. NG Wai Kwan, being eligible, will offer themselves for re-election at the AGM pursuant to Bye-law 87(2) whilst Ms. LUI Lai Ping, Cecily has indicated that she will not offer herself for re-election at the AGM.

DIRECTORS' SERVICE CONTRACTS

No Director being proposed for re-election at the AGM has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

財務摘要

本集團過去五個財政年度之業績及資產與負債概要載於第236頁。

董事

於本年度及截至本報告日期之董事如下：

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 (替任董事：劉錦昌先生)
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

根據本公司之公司細則(「細則」)第87(1)條，薛濟匡先生、吳惠群博士及呂麗萍女士將於本公司應屆股東週年大會(「股東週年大會」)上退任。根據公司細則第87(2)條，薛濟匡先生及吳惠群博士符合資格並願意於股東週年大會上膺選連任，而呂麗萍女士已表明不會於股東週年大會上參選連任。

董事之服務合約

獲提名在股東週年大會上重選之董事概無與本集團訂立任何不可於一年內終止而毋須作出補償(法定賠償除外)之服務合約。

Directors' Report

董事會報告

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 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 of 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 持有普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. SUEK Ka Lun, Ernie 薛嘉麟先生	Beneficiary of a trust (Note) 信託受益人 (附註)	39,872,000	15.72%
Mr. SUEK Chai Hong 薛濟匡先生	Beneficial owner 實益擁有人	700,000	0.28%
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	0.04%

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 Ka Lun, Ernie, the beneficiaries of which include certain family member of Mr. SUEK Ka Lun, Ernie 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 (一項由薛嘉麟先生成立之全權信託，其受益人包括薛嘉麟先生若干家族成員及一間於香港成立的慈善機構)實益擁有。

董事於股份、相關股份及債券中之權益

截至二零一六年十二月三十一日止，本公司之董事及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) 本公司每股面值0.01港元之普通股之好倉

Number of ordinary shares held 持有普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
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39,872,000	15.72%
700,000	0.28%
8,000	0.01%
100,000	0.04%

Directors' Report 董事會報告

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

(ii) Long positions of shares in associated corporations

As at 31 December 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 持有無投票權遞延股數目
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

The rights and restrictions of such deferred non-voting shares are set out in note 47 to the consolidated financial statements.

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 31 December 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

截至二零一六年十二月三十一日止，CNA實益擁有本公司下列附屬公司之無投票權遞延股：

該等無投票權遞延股附帶之權利及限制載於綜合財務報表附註47。

除上文所披露者外，截至二零一六年十二月三十一日止，概無本公司之董事或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。

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2016, the interests or short positions of the substantial shareholders (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 ordinary shares held 持有普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
CNA ¹	Beneficial owner 實益擁有人	39,872,000	15.72%
Fiducia Suisse SA	Trustee 受託人	39,872,000 ²	15.72%
David Henry Christopher Hill	Interest in a controlled corporation 於控制法團之權益	39,872,000 ²	15.72%
Rebecca Ann Hill ³	Interest of spouse 配偶權益	39,872,000 ²	15.72%

Notes:

- CNA is beneficially owned by the Preserve Capital Trust, a discretionary trust set up by Mr. SUEK Ka Lun, Ernie, the beneficiaries of which include certain family member of Mr. SUEK Ka Lun, Ernie and a charitable institution set up in Hong Kong.
- These 39,872,000 shares duplicate with those held by CNA.
- Spouse of Mr. David Henry Christopher Hill.

Save as disclosed above, the Directors are not aware of any other persons who had any interests or short positions in the shares or underlying shares of the Company as recorded in the register maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance.

主要股東

截至二零一六年十二月三十一日止，主要股東（本公司之董事或最高行政人員除外）於本公司按照證券及期貨條例第336條存置之登記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 ordinary shares held 持有普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
CNA ¹	Beneficial owner 實益擁有人	39,872,000	15.72%
Fiducia Suisse SA	Trustee 受託人	39,872,000 ²	15.72%
David Henry Christopher Hill	Interest in a controlled corporation 於控制法團之權益	39,872,000 ²	15.72%
Rebecca Ann Hill ³	Interest of spouse 配偶權益	39,872,000 ²	15.72%

附註：

- CNA由Preserve Capital Trust（一項由薛嘉麟先生成立之全權信託，其受益人包括薛嘉麟先生若干家族成員及一間於香港成立的慈善機構）實益擁有。
- 該等39,872,000股股份指由CNA持有之同一批股份。
- David Henry Christopher Hill先生之配偶。

除上文所披露者外，董事概不知悉有任何其他人士於本公司股份或相關股份中擁有本公司根據證券及期貨條例第336條存置之登記冊所記錄的任何權益或淡倉。

Directors' Report

董事會報告

SHARE OPTION SCHEME

On 13 February 2014, a share option scheme (the "Share Option Scheme") was approved by shareholders of the Company and adopted by the Company. Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted.

The purpose of the Share Option Scheme is to enable the Company to grant options to eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any invested entity

The Directors may, subject to the provisions of the Share Option Scheme and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), invite any person belonging to any of the following classes of participants to take up the options:

- (a) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, any subsidiary or any invested entity;
- (b) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any invested entity;
- (c) any supplier of goods or services to any member of the Group or any invested entity;
- (d) any customer of any member of the Group or any invested entity;
- (e) any person or entity that provides research, development or other technological support to any member of the Group or any invested entity;
- (f) any shareholder of any member of the Group or any invested entity or any holder of any securities issued by any member of the Group or any invested entity;
- (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any invested entity; and

購股權計劃

於二零一四年二月十三日，一項購股權計劃（「購股權計劃」）獲本公司股東批准並由本公司採納。除非另行註銷或修訂，否則購股權計劃將由購股權計劃獲採納當日起計十年內有效。

購股權計劃旨在使本公司可向合資格參與者授出購股權，藉以獎勵或回報合資格參與者為本集團作出之貢獻，及／或有助本集團羅致及挽留優秀僱員，並招攬對本集團及任何被投資實體有價值之人力資源。

董事可在購股權計劃之條文及香港聯合交易所有限公司證券上市規則（「上市規則」）之規限下，邀請屬於任何以下類別參與者的人士接納購股權：

- (a) 本公司、任何附屬公司或任何被投資實體的任何僱員（不論為全職或兼職，包括任何執行董事但不包括任何非執行董事）；
- (b) 本公司、任何附屬公司或任何被投資實體的任何非執行董事（包括獨立非執行董事）；
- (c) 本集團任何成員公司或任何被投資實體的商品或服務之任何供應商；
- (d) 本集團任何成員公司或任何被投資實體的任何客戶；
- (e) 向本集團任何成員公司或任何被投資實體提供研究、開發或其他技術支持的任何人士或實體；
- (f) 本集團任何成員公司或任何被投資實體的任何股東，或本集團任何成員公司或任何被投資實體發行的任何證券的任何持有人；
- (g) 本集團任何成員公司或任何被投資實體的任何業務範疇或任何業務發展的任何顧問（專業或其他）或諮詢人；及

Directors' Report 董事會報告

SHARE OPTION SCHEME (Continued)

- (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangements to the development and growth of the Group.

and, for the purposes of the Share Option Scheme, the offer may be made to any company wholly owned by one or more persons belonging to any of the above classes of eligible participants.

The total number of shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group must not in aggregate exceed 10% of the aggregate number of issued shares of the Company at the day on which the Share Option Scheme was adopted which was 10,193,545 shares (restated to reflect the share consolidation effected on 5 April 2016), representing approximately 4.02% of the issued share capital of the Company as at the date of this report. The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group must not in aggregate exceed 30% of aggregate number of issued shares of the Company (or the subsidiaries) from time to time.

The total number of shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Group to each participant in any 12-month period shall not exceed 1% of the aggregate number of issued shares of the Company for the time being. Share options granted to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding independent non-executive Director who is a grantee of the options). Where any grant of options would result in the shares issued or to be issued upon exercise of all options already granted to a substantial shareholder or an independent non-executive Director or any of their respective associate in excess of 0.1% of the aggregate number of issued shares of the Company and having an aggregate value, based on the closing price of the shares at the date of grant, in excess of HK\$5 million in the 12-month period up to and including the date of such grant, such further grant of options must be approved by the shareholders of the Company in general meeting.

購股權計劃 (續)

- (h) 通過合營企業、業務聯合或其他業務安排對本集團的發展及增長已做出或可能做出貢獻的任何其他集體或類別的參與人士。

並且，就購股權計劃而言，可能會向由屬於任何一個或多個上述類別的合資格參與者全資擁有的任何公司作出要約。

根據購股權計劃及本集團任何其他購股權計劃將授出之所有購股權獲行使時，可予配發及發行之股份總數合計不得超過於採納購股權計劃之日本公司已發行股份總數之10%（即10,193,545股股份，已重列以反映於二零一六年四月五日生效之股份合併，相當於本公司截至本報告日期為止已發行股本約4.02%）。所有根據購股權計劃及本集團任何其他購股權計劃已授出但尚未行使之購股權獲行使時，可予配發及發行之股份總數最多不得超過本公司（或其附屬公司）不時已發行股份總數之30%。

於任何十二個月內，根據購股權計劃及本集團任何其他購股權計劃向每名參與者授出之購股權獲行使時已發行及將予發行之股份總數不得超過本公司當時已發行股份總數之1%。向本公司董事、最高行政人員或主要股東或彼等各自之任何聯繫人授出購股權必須獲獨立非執行董事（不包括身為該等購股權承授人之獨立非執行董事）批准。倘任何授出之購股權將導致於截至授出購股權當日（包括該日）止十二個月期間行使向主要股東或獨立非執行董事或彼等各自之任何聯繫人已授出之全部購股權後所發行或將予發行之股份數目超過本公司已發行股份總數0.1%及總值（按於授出日期股份的收市價計算）超過5,000,000港元，則進一步授出該等購股權必須獲本公司股東於股東大會上批准。

Directors' Report

董事會報告

SHARE OPTION SCHEME (Continued)

The subscription price for shares under the Share Option Scheme shall be a price determined by the Directors, but shall not be less than the higher of (i) the closing price of shares of the Company as stated in the Stock Exchange's daily quotations sheet on the offer date, which must be a business day; (ii) the average closing price of shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date; and (iii) the nominal value of the shares. A nominal consideration of HK\$1.00 is payable on acceptance of the grant of an option.

An option may be accepted by a participant within 21 days from the date of the offer for grant of the option.

Unless otherwise determined by the Directors and stated in the offer for the grant of options to grantees, there is no performance target and no minimum period for which an option must be held before it can be exercised under the Share Option Scheme.

No dividend will be payable and no voting rights will be exercisable in relation to an option that has not been exercised.

During the Year, no share option was granted, exercised, cancelled or lapsed under the Share Option Scheme. There was no outstanding share option under the Share Option Scheme as at 1 January 2016 and 31 December 2016.

EQUITY-LINKED AGREEMENTS

Save as disclosed above relating to the Share Option Scheme and the placing agreement for the September Placing, no equity-linked agreements were entered into by the Group during the Year or subsisted at the end of the Year.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save for the Share Option Scheme, at no time during the Year was the Company, or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

購股權計劃 (續)

根據購股權計劃認購股份之認購價須為由董事釐定之價格，惟不得低於下列各項之較高者：(i)本公司股份於要約日期（須為營業日）於聯交所每日報價表所列之收市價；(ii)股份於緊接要約日期前五個營業日在聯交所每日報價表所列之平均收市價；及(iii)股份面值。接納所授出購股權時須支付象徵式代價1.00港元。

參與者可於購股權提呈授出日期後21日內接納購股權。

除非董事另行釐定並於向承授人提呈授出購股權時列明，否則根據購股權計劃並無有關績效目標及於行使前必須持有購股權之最短時間規定。

尚未行使之購股權概不會獲派付任何股息，亦概無可行使之投票權。

於本年度，概無購股權根據購股權計劃授出、行使、註銷或失效。於二零一六年一月一日及二零一六年十二月三十一日，概無任何根據購股權計劃授出而尚未行使之購股權。

權益掛鈎協議

除上文所披露之購股權計劃及有關九月配售之配售協議外，於本年度內或本年度末本集團並無訂立與權益掛鈎之協議。

購買股份或債券之安排

除購股權計劃外，於本年度內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

Directors' Report

董事會報告

COMPETING INTERESTS

The spouse of Mr. SUEK Ka Lun, Ernie is a shareholder of a private company which is principally engaged in artiste management business. Save as aforesaid, as at 31 December 2016, none of the Directors and their respective close associates had any business or interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 41(a) to the consolidated financial statements, the paragraphs headed "Material Acquisition of a Company during the Year" on page 27 to 28 and the paragraphs headed "Continuing Connected Transactions" below, none of the Directors or an entity connected with a Director had a material interest, whether directly or indirectly, in any transaction, arrangement or contract of significance subsisting as at the end of the Year or at any time during the Year.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive Directors are independent.

CONTINUING CONNECTED TRANSACTIONS

During the Year, the Group has engaged in certain continuing connected transactions, details of which are set out below:

Exempt Continuing Connected Transactions

1. Sharing of office

Neway Entertainment Limited and/or its subsidiaries (the "Neway Entertainment Group") (being wholly-owned subsidiaries of the Company) entered into a licence agreement with Neway Karaoke Box Limited (the "Neway Karaoke Box") pursuant to which Neway Karaoke Box agreed to grant a license to Neway Entertainment Group to occupy and use certain areas at Unit 801-2, 8/F, East Ocean Centre, 98 Granville Road, Tsim Sha Tsui East, Kowloon, Hong Kong (the "Office") at a license fee of HK\$30,000 per month for a term commencing on 1 April 2015 and ending on 31 March 2016. Such licence agreement was renewed for a term commencing on 1 April 2016 and ending on 31 March 2017.

競爭權益

薛嘉麟先生之配偶為一間主要從事藝人管理業務之私人公司之股東。除前述者外，截至二零一六年十二月三十一日止，概無董事及彼等各自之緊密聯繫人擁有與或可能與本集團業務直接或間接競爭之業務或業務權益。

董事之合約權益

除綜合財務報表附註41(a)、第27頁至第28頁題為「本年度對一間公司的重大收購」各段及下文題為「持續關連交易」各段所披露者外，於本年度年末或本年度任何時間，概無董事或與董事相關之實體於現存的任何交易、安排或重大合約中直接或間接擁有重大權益。

獨立非執行董事

本公司已接獲各獨立非執行董事根據上市規則第3.13條就本身之獨立地位而發出之年度確認聲明。本公司認為，全體獨立非執行董事均具有獨立地位。

持續關連交易

於本年度，本集團曾從事若干持續關連交易，詳情載列如下：

獲豁免持續關連交易

1. 共用辦公室

Neway Entertainment Limited 及／或其附屬公司（「Neway Entertainment集團」，即本公司之全資附屬公司）與Neway Karaoke Box Limited（「Neway Karaoke Box」）訂立許可協議，據此，Neway Karaoke Box同意許可Neway Entertainment集團佔用及使用位於香港九龍尖沙咀東部加連威老道98號東海商業中心8樓801-2室之若干面積（「辦公室」），許可費為每月30,000港元，期限由二零一五年四月一日開始至二零一六年三月三十一日結束。該許可協議獲重續，期限由二零一六年四月一日起至二零一七年三月三十一日止。

Directors' Report 董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

Exempt Continuing Connected Transactions (Continued)

1. *Sharing of office (Continued)*

Neway Entertainment Group is currently occupying the Office as its head office. The license fee was determined after arm's length negotiation between the parties having regard to the prevailing market rates of similar commercial properties in the same vicinity.

Neway Karaoke Box is indirectly wholly-owned by a discretionary trust for the benefits of Dr. SUEK Chai Kit, Christopher and his family members (the "SUEK Family").

2. *Sale of goods*

During the Year, Chung Tai Printing (China) Company Limited sold certain goods to a company of which Dr. SUEK Chai Kit, Christopher, the father of Mr. SUEK Ka Lun, Ernie, an executive Director and the chairman of the Company, is one of the ultimate beneficial owners.

The above transactions constitute continuing connected transactions of the Company during the Year. Since all the applicable percentage ratios are less than 5% and the total consideration of each of the respective transactions is less than HK\$3,000,000, each of the above transactions is exempted from reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

持續關連交易 (續)

獲豁免持續關連交易 (續)

1. *共用辦公室 (續)*

Neway Entertainment集團現時佔用辦公室作為其總辦事處。許可費乃由雙方考慮鄰近類似商用物業之現行市值租金，經公平磋商後釐定。

Neway Karaoke Box乃由為薛濟傑博士及其家族成員(「薛氏家族」)利益而成立之一項全權信託間接全資擁有。

2. *銷售貨品*

於本年度，中大印刷(中國)有限公司向一家公司出售若干貨品，而薛濟傑博士(本公司執行董事兼主席薛嘉麟先生之父親)為該公司之最終實益擁有人之一。

於本年度，上述交易構成本公司之持續關連交易。由於所有適用之百分比率均低於5%，以及各項交易之總代價少於3,000,000港元，故此根據上市規則第十四A章上述各交易獲豁免遵守申報、公告及獨立股東批准之規定。

Directors' Report

董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

Non-exempt Continuing Connected Transactions

1. *Provision of the promotion services and distribution of licensed content*

Neway Entertainment Group has been providing services (including promotion services and distribution of licensed content in the form of karaoke music videos) to the karaoke outlets operated by Neway Karaoke Box and its subsidiaries (the "Neway Karaoke Box Group") (the "Services"). Such transactions constitute continuing connected transaction of the Company. On 31 March 2015, a renewed master agreement (the "Master Agreement") was signed by the parties to continue the provision of the Services for a term commencing from 1 April 2015 and ending on 31 December 2017.

Parties

- (A) Neway Entertainment Limited (for itself and on behalf of other members of Neway Entertainment Group). Neway Entertainment Limited and its subsidiaries are wholly-owned subsidiaries of the Company; and
- (B) Neway Karaoke Box (for itself and on behalf of other members of Neway Karaoke Box Group). Neway Karaoke Box is indirectly wholly-owned by a discretionary trust for the benefits of members of SUEK Family, and therefore, a connected person of the Company.

Term

Commenced on 1 April 2015 and ending on 31 December 2017.

持續關連交易 (續)

不獲豁免持續關連交易

1. *提供推廣服務及分銷許可音樂內容*

Neway Entertainment集團一直向Neway Karaoke Box及其附屬公司(「Neway Karaoke Box集團」)提供服務，當中包括推廣服務，並以卡拉OK音樂錄像之方式向Neway Karaoke Box集團經營之卡拉OK專門店分銷許可音樂內容(「服務」)。該等交易構成本公司之持續關連交易。於二零一五年三月三十一日，訂約各方已簽訂經重續總協議(「總協議」)，以於二零一五年四月一日起至二零一七年十二月三十一日止期間繼續提供服務。

訂約方

- (A) Neway Entertainment Limited (為其本身及代表Neway Entertainment集團之其他成員公司)。Neway Entertainment Limited及其附屬公司為本公司全資附屬公司；及
- (B) Neway Karaoke Box (為其本身及代表Neway Karaoke Box集團之其他成員公司)。Neway Karaoke Box乃由為薛氏家族成員利益而成立之一項全權信託間接全資擁有，因此，其亦為本公司之關連人士。

期限

由二零一五年四月一日起至二零一七年十二月三十一日止。

Directors' Report

董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

Non-exempt Continuing Connected Transactions (Continued)

1. Provision of the promotion services and distribution of licensed content (Continued)

Terms and fees

The term of the Master Agreement are on normal commercial terms and are determined by Neway Entertainment Limited and Neway Karaoke Box on arm's length basis.

Under the Master Agreement,

- (i) terms of the provision of the Services shall be mutually agreed on a case by case basis and shall not be more favourable than those provided by Neway Entertainment Group to independent third parties;
- (ii) the exact fee charged for each provision of promotion services (the "Service Fee") shall be determined based on commercial negotiation, making reference to the type of promotion services to be provided, the working hours, skills and popularity required of the artistes;
- (iii) the exact fee charged for each provision and distribution of licensed content in the form of karaoke music videos to the karaoke outlets operated by the Neway Karaoke Box Group (the "License Fee") shall be determined based on the number of karaoke music videos and popularity required of the artistes; and
- (iv) the relevant member of Neway Karaoke Box Group shall make payment of the Service Fee and/or License Fee within 30 days after the receipt of the debit note issued by the relevant member of Neway Entertainment Group from time to time.

During the Year, the Licensed Fee charged by Neway Entertainment Group to Neway Karaoke Box Group was HK\$1,690,000 (Year 2015: HK\$2,130,000).

持續關連交易 (續)

不獲豁免持續關連交易 (續)

1. 提供推廣服務及分銷許可音樂內容 (續)

條款及費用

總協議之年期乃按一般商業條款訂定，並由Neway Entertainment Limited及Neway Karaoke Box經公平磋商釐定。

根據總協議，

- (i) 提供服務之條款須由雙方按個別個案協定，且不得優於Neway Entertainment集團向獨立第三方所提供的條款；
- (ii) 就提供各項推廣服務收取之確實收費（「服務費」）須經商業磋商釐定，並參考所提供推廣服務類型、工作時數，以及藝人所需之技能及受歡迎程度而釐定；
- (iii) 就以卡拉OK音樂錄像之方式向Neway Karaoke Box集團所經營卡拉OK專門店提供及分銷各項許可內容收取之確實收費（「許可費」）須按卡拉OK音樂錄像的數量及藝人所需的受歡迎程度而釐定；及
- (iv) Neway Karaoke Box集團有關成員公司須於收到由Neway Entertainment集團有關成員公司不時開出的繳款單後30日內支付服務費及／或許可費。

於本年度，Neway Entertainment集團向Neway Karaoke Box集團收取之許可費為1,690,000港元（二零一五年度：2,130,000港元）。

Directors' Report

董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

Non-exempt Continuing Connected Transactions (Continued)

1. *Provision of the promotion services and distribution of licensed content (Continued)*

The annual caps of the fees for the provision of the Services payable by Neway Karaoke Box Group under the Master Agreement are set out as follows:

For the year ended 31 December 2015	HK\$9,000,000
For the year ending 31 December 2016	HK\$9,000,000
For the year ending 31 December 2017	HK\$9,000,000

The annual cap amounts are determined by reference to, among other things, historical figures of the Services Fee and Licensed Fee charged by Neway Entertainment Group to Neway Karaoke Box Group and the projected development and promotion plan of Neway Entertainment Group and Neway Karaoke Box Group.

Announcements were published on the websites of the Stock Exchange and of the Company on 19 March 2012 and 31 March 2015 regarding this non-exempt continuing connected transaction in accordance with the Listing Rules.

持續關連交易 (續)

不獲豁免持續關連交易 (續)

1. *提供推廣服務及分銷許可音樂內容 (續)*

Neway Karaoke Box集團根據總協議就其獲提供服務應付之服務費之年度上限載列如下：

截至二零一五年 十二月三十一日止年度	9,000,000港元
截至二零一六年 十二月三十一日止年度	9,000,000港元
截至二零一七年 十二月三十一日止年度	9,000,000港元

該等年度上限金額乃參考(其中包括)由Neway Entertainment集團向Neway Karaoke Box集團收取服務費及許可費之過往數據以及Neway Entertainment集團及Neway Karaoke Box集團之預計發展及推廣計劃而釐定。

本公司已根據上市規則分別於二零一二年三月十九日及二零一五年三月三十一日就該項不獲豁免持續關連交易於聯交所及本公司網站刊發公告。

Directors' Report 董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

Non-exempt Continuing Connected Transactions (Continued)

2. *Lease of commercial properties in Hong Kong*

During the Year, the Group acquired the entire issued share capital of Supreme Cycle Inc. ("Supreme Cycle"), details of which are set out in the paragraphs headed "Material Acquisition of a Company during the Year" on pages 27 to 28.

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 "Yuen Long Properties"). Pursuant to the tenancy agreement (the "Tenancy Agreement") dated 16 March 2016 entered into between Supreme Cycle as landlord and Well Dragon Limited ("Well Dragon") as tenant, the Yuen Long Properties, namely units 21, 22, 23, 41 and 77 of 1/F and the whole of 3/F, Hop Yick Commercial Centre (Phase I), No. 33 Hop Choi Street, Yuen Long, New Territories, Hong Kong have been leased to Well Dragon for an initial term of three years from 16 March 2016 to 15 March 2019. Since Well Dragon is wholly owned by a trustee on trust for a discretionary trust of which Mr. SUEK Ka Lun, Ernie is one of the discretionary objects, Well Dragon is a connected person of the Company under the Listing Rules and the transaction contemplated under the Tenancy Agreement became a continuing connected transaction of the Company under the Listing Rules upon completion of the acquisition on 30 November 2016.

持續關連交易（續）

不獲豁免持續關連交易（續）

2. 於香港租賃商用物業

於本年度，本集團收購Supreme Cycle Inc.（「Supreme Cycle」）的全部已發行股本，詳情載於第27頁至第28頁題為「本年度對一間公司的重大收購」各段。

Supreme Cycle之主要業務為投資控股及物業投資，其主要資產為位於香港元朗之商用物業（「元朗物業」）。根據Supreme Cycle作為業主與樺龍有限公司（「樺龍」）作為租戶訂立日期為二零一六年三月十六日之租賃協議（「租賃協議」），元朗物業（即香港新界元朗合財街33號合益商業中心（I期）一樓的21、22、23、41及77號單位及三樓全層）已租賃予樺龍，初步年期為三年，自二零一六年三月十六日至二零一九年三月十五日。由於樺龍乃由全權信託受託人全資擁有，而薛嘉麟先生為全權受益人之一，因此，根據上市規則，樺龍為本公司的關連人士，且根據上市規則，於收購事項於二零一六年十一月三十日完成後，按照租賃協議擬進行之交易成為本公司之持續關連交易。

Directors' Report

董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

Non-exempt Continuing Connected Transactions (Continued)

2. Lease of commercial properties in Hong Kong (Continued)

Principal terms

The terms of the Tenancy Agreement were determined after arm's length negotiations between the parties thereto. The principal terms of the Tenancy Agreement are set out below:

Use: Operation of a karaoke outlet or related business ancillary to karaoke operations conducted by Well Dragon and its affiliated companies.

Term: A fixed term of three years commencing from 16 March 2016 to 15 March 2019 (both days inclusive) (the "Initial Term") with two options of renewal for two further terms of three years respectively.

Subject to the terms and conditions of the Tenancy Agreement, Well Dragon has an option to renew the tenancy for a further term of three years from the expiration of the Initial Term (the "First Renewal Term") by giving Supreme Cycle prior written notice not less than six months before the expiration of the Initial Term.

Subject to the terms and conditions of the tenancy agreement for the First Renewal Term, Well Dragon has an option to renew the tenancy for a further term of three years from the expiration of the First Renewal Term (the "Second Renewal Term") by giving Supreme Cycle prior written notice not less than six months before the expiration of the First Renewal Term.

持續關連交易 (續)

不獲豁免持續關連交易 (續)

2. 於香港租賃商用物業 (續)

主要條款

租賃協議之條款乃由雙方經公平磋商釐定。租賃協議之主要條款載列如下：

用途：由樺龍及其聯屬公司經營卡拉OK專門店或經營卡拉OK之相關附屬業務。

年期：固定年期為三年，由二零一六年三月十六日起至二零一九年三月十五日止（包括首尾兩日）（「初步年期」），連同兩項選擇權，分別可續期兩次，每次三年。

在租賃協議之條款及條件之規限下，樺龍有權選擇於初步年期屆滿前不少於六個月向Supreme Cycle發出事先書面通知，由初步年期屆滿起計，為租約再續期三年（「首次續租年期」）。

在首次續租年期的租賃協議之條款及條件之規限下，樺龍有權選擇於首次續租年期屆滿前不少於六個月向Supreme Cycle發出事先書面通知，由首次續租年期屆滿起計，為租約再續期三年（「第二次續租年期」）。

Directors' Report 董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

Non-exempt Continuing Connected Transactions (Continued)

2. Lease of commercial properties in Hong Kong (Continued)

Principal terms (Continued)

Rent: For the Initial Term, a monthly rent of HK\$370,000 exclusive of rates, government rent, management fee and air-conditioning expense.

For the First Renewal Term, a monthly rent as agreed by the Target and the Tenant and in any event the increase of monthly rent shall be within a range of 0% to 10% of the monthly rent of the Initial Term.

For the Second Renewal Term, a prevailing market rent to be agreed by the Target and Tenant and in the absence of agreement, to be determined by an independent surveyor nominated by the president of the Hong Kong Institute of Surveyors.

The monthly rent under the Tenancy Agreement was arrived at after arm's length negotiations between the parties thereto with reference to the prevailing market rents in the same district.

During the Year, the rental income charged by the Group to Well Dragon was HK\$370,000.

持續關連交易 (續)

不獲豁免持續關連交易 (續)

2. 於香港租賃商用物業 (續)

主要條款 (續)

租金：就初步年期而言，每月租金為370,000港元，不包括差餉、地租、管理費及空調費用。

就首次續租年期而言，每月租金按目標公司與租戶所協定，且無論如何，每月租金之增幅須為初步年期每月租金之0%至10%範圍內。

就第二次續租年期而言，按目標公司與租戶協定之當前市值租金，如未有協定，則由香港測量師學會會長提名之獨立測量師釐定。

租賃協議訂明之每月租金乃由各訂約方參考同區當前市值租金，經公平磋商後達致。

於本年度，本集團向樺龍收取租金收入為370,000港元。

Directors' Report

董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

Non-exempt Continuing Connected Transactions (Continued)

2. Lease of commercial properties in Hong Kong (Continued)

Annual caps

The annual caps for the transactions contemplated under the Tenancy Agreement are set out below:

For the year

ending 31 December

截至十二月三十一日止年度

		Annual Caps amount 年度上限金額 (HK\$) (港元)
2016	二零一六年	3,515,000
2017	二零一七年	4,440,000
2018	二零一八年	4,440,000
2019	二零一九年	4,791,500
2020	二零二零年	4,884,000
2021	二零二一年	4,884,000
2022	二零二二年	5,270,650
2023	二零二三年	5,372,400
2024	二零二四年	5,372,400
2025	二零二五年	1,119,250

The above annual caps are determined based on the rental income receivable by Supreme Cycle from Well Dragon under the Tenancy Agreement taking into account the maximum 10% increment of the monthly rent for the First Renewal Term as agreed under the Tenancy Agreement and a further 10% increment of the monthly rent estimated for the Second Renewal Term.

Details of the above transaction have been set out in the announcements of the Company dated 25 April 2016 and 30 November 2016 and the circular of the Company dated 20 July 2016.

The Company has followed the policies and guidelines when determining the prices and terms of the continuing connected transactions.

持續關連交易 (續)

不獲豁免持續關連交易 (續)

2. 於香港租賃商用物業 (續)

年度上限

根據租賃協議擬進行之交易的年度上限載列如下：

上述年度上限乃基於Supreme Cycle根據租賃協議應收樺龍之租金收入而釐定，當中已計及根據租賃協議所協定首次續租年期之每月租金最高增幅10%，以及第二次續租年期估計每月租金再增加10%。

上文交易之詳情已載列於本公司日期為二零一六年四月二十五日及二零一六年十一月三十日之公告及日期為二零一六年七月二十日之通函。

於釐定持續關連交易之價格及條款時，本公司已遵守有關政策及指引。

Directors' Report

董事會報告

CONTINUING CONNECTED TRANSACTIONS (Continued)

Non-exempt Continuing Connected Transactions (Continued)

The continuing connected transactions have been reviewed by the independent non-executive Directors. The independent non-executive Directors have confirmed that the continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Company; (ii) on normal commercial terms; and (iii) in accordance with the Master Agreement and the Tenancy Agreement respectively on terms that are fair and reasonable and in the interest of the Company and the shareholders of the Company as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Company has engaged the external auditors of the Company to perform certain agreed-upon procedures in respect of these continuing connected transactions of the Group. The auditors have reported to the Board that:

- (i) nothing has come to the external auditors' attention that causes them to believe that the non-exempt continuing connected transactions have not been approved by the Board;
- (ii) for transactions involving the provision of goods or services by the Group, nothing has come to external auditors' attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Company;
- (iii) nothing has come to the external auditors' attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the Master Agreement and the Tenancy Agreement respectively; and
- (iv) with respect to the aggregate amount of the non-exempt continuing connected transactions, nothing has come to the external auditors' attention that causes them to believe that the non-exempt continuing connected transactions have exceeded the maximum aggregate annual value disclosed in the relevant announcements of the Company in respect of the non-exempt continuing connected transactions.

The Directors confirm that the related party transactions as disclosed in note 41(a) in the notes to the consolidated financial statements fall under the definition of "connected transaction" or "continuing connected transaction" (as the case may be) under Chapter 14A of the Listing Rules. The Directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in respect of such transactions.

持續關連交易 (續)

不獲豁免持續關連交易 (續)

獨立非執行董事已審閱持續關連交易。獨立非執行董事已確認，持續關連交易乃：(i)於本公司日常及一般業務過程中訂立；(ii)按一般商業條款訂立；及(iii)分別根據總協議及租賃協議進行，而有關協議之條款屬公平合理，並符合本公司及本公司股東之整體利益。

根據上市規則第14A.56條，本公司已委聘本公司外聘核數師就該等本集團持續關連交易執行若干協定程序。核數師已向董事會報告：

- (i) 外聘核數師並無發現任何事宜會令彼等相信不獲豁免持續關連交易未獲董事會批准；
- (ii) 就涉及本集團提供貨品或服務之交易而言，外聘核數師並無發現任何事宜會令彼等相信有關交易在各重大方面未有遵守本公司之定價政策；
- (iii) 外聘核數師並無發現任何事宜會令彼等相信有關交易在各重大方面並非分別按照總協議及租賃協議訂立；及
- (iv) 就不獲豁免持續關連交易之總額而言，外聘核數師並無發現任何事宜會令彼等相信，不獲豁免持續關連交易已超出本公司有關不獲豁免持續關連交易之相關公告內所披露之年度總值上限。

董事確認，綜合財務報表附註41(a)所披露之關連人士交易符合上市規則第十四A章內有關「關連交易」或「持續關連交易」(視情況而定)之定義。董事確認，就有關交易而言，本公司已遵守上市規則第十四A章之披露規定。

Directors' Report

董事會報告

EMOLUMENT POLICY

The emolument policy of the general staff of the Group is determined by the management of the Group with reference to the market conditions and qualifications of the employees. The Share Option Scheme as set out on page 58 to 60 above was also adopted by the Company as a long-term incentive or rewards for their contribution.

The emoluments of the Directors and senior management of the Company are recommended by the Remuneration Committee and approved by the Board having regard to the Company's operating results, individual performance and comparable market statistics.

Both Ms. NG Wai Chi and Mr. WAN Kwok Leung, Nicholas, the senior management of the Company received an emolument which falls within the band of HK\$0 to HK\$1,000,000 for the Year.

CORPORATE GOVERNANCE

Throughout the Year, the Company applied the principles of and complied with all the provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules, save for certain deviations. Details of the corporate governance practices of the Group during the Year are set out in Corporate Governance Report on pages 30 to 46.

PERMITTED INDEMNITY PROVISION

During the Year and as at the date of this report, an indemnity provision was in force such that the Directors should be indemnified by Company against all actions, costs, charges, losses, damages and expenses they may incur or sustain in the execution of their duty.

The Company has arranged for appropriate liability insurance for the directors and officers of the Group for indemnifying their liabilities arising out of corporate activities of the Company.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the date of this report, the Company has maintained a sufficient public float throughout the Year.

薪酬政策

本集團一般員工之薪酬政策乃由本集團管理層參考市況及僱員資格後釐定。本公司亦採納上文第58頁至第60頁所載之購股權計劃作為彼等對本公司貢獻的一項長期激勵或獎勵。

董事及高級管理人員之薪酬由薪酬委員會推薦及由董事批准，並已考慮本公司之經營業績、個別人士之表現及可資比較之市場統計數據。

本公司高級管理層吳惠芝女士及溫國樑先生於本年度均已收取介乎零港元至1,000,000港元的薪金。

企業管治

除若干偏離外，本公司於本年度一直應用上市規則附錄十四所載企業管治守則之原則，並遵守所有條文。有關本集團本年度企業管治常規之詳情載於第30頁至第46頁之「企業管治報告」。

獲准許的彌償條文

於本年度內及截至本報告日期為止，彌償條文已生效，據此，董事獲本公司彌償彼等於履行職責時可能產生或面臨的所有訴訟、成本、費用、虧損、損失及開支。

本公司已為董事及本集團之高級人員安排合適之責任保險，以為彼等因本公司企業活動而產生之法律責任提供賠償保證。

優先認購權

本公司之公司細則或百慕達法律並無關於優先認購權之條文，以規定本公司須按比例向現有股東提呈新股份。

足夠公眾持股量

基於本公司可公開獲得之資料及據董事所知悉，於本報告日期前之最後實際可行日期，本公司於本年度一直維持足夠之公眾持股量。

Directors' Report

董事會報告

DONATIONS

The Group made donations for charitable or other purposes totalling HK\$132,000 for the Year.

SOCIAL RESPONSIBILITIES AND ENVIRONMENTAL POLICIES

The Group is committed to the long term sustainability of the environment and communities in which it engages. Acting in an environmentally responsible manner, the Group endeavours to identify and adopt effective measures to achieve efficient use of resources, energy saving and waste reduction. Please refer to the Environmental, Social and Governance Report on pages 75 to 93 for further informations on the work done and efforts made by the Company on environmental protection and other aspects for the sustainable growth and development of the business of the Group.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial performance, operating results, business operation and prospects may be affected by a number of risks and uncertainties. The followings are the key risks and uncertainties identified by the Group. However, there may be other risks and uncertainties in addition to those shown below, which are not known to the Group or which may not be material now but could become material in the future. The management of the Company meets periodically to discuss these risks, and where appropriate, will monitor these risks closely and adopt any necessary risk mitigation measures. In respect of the details of the risk management system and internal audit function of the Company, please refer to the paragraphs headed "Risk Management and Internal Control" on pages 39 to 42.

Business Risk

The Group currently has seven operating segments in various industries and each operating segment has its specific business risks. For the Manufacturing and Sales Business and Trading Business, the Group is subject to intense competition in terms of product prices and production costs, and is also affected by seasonal factors prevailing in the countries of targeted and existing customers. For the Lending Business, the collectability of outstanding loans and the customer network of the Group are both affecting the financial performance of the segment. The Music and Entertainment Business may be affected by the economic environment of Hong Kong and the People's Republic of China ("PRC") as it will have impact on the consumption behaviors of both individual and corporate customers. With respect to the Property Business, alternatives can be found in the respective location of the Group's premises and thus the rentals of its units offered to customers are subject to fierce market competition. To maintain the competitiveness of the Group, the management of the Company will meet regularly with the head of the respective business units to update the business environment.

捐款

於本年度，本集團因慈善或其他目的所作的捐款總額為132,000港元。

社會責任及環境政策

本集團致力於所在環境及社區的長期可持續發展。本集團以對環境負責的方式行事，努力物色及採取有效措施以實現有效地利用資源、節約能源及減少浪費。有關本公司為環境保護及本集團業務可持續增長及發展的其他方面所作的工作及努力，請參閱第75頁至第93頁所載之環境、社會及管治報告以進一步了解詳情。

主要風險及不明朗因素

本集團的財務表現、經營業績、業務營運及前景可能受多項風險及不明朗因素所影響。本集團已識別的主要風險及不明朗因素載於下文。然而，除下文所示者外，亦可能出現本集團所知以外，或現時並不重大但日後可能屬重大的其他風險及不明朗因素。本公司管理層定期會面討論該等風險，並將於適當時緊密監督該等風險，並採納任何必要的風險緩解措施。有關本公司風險管理系統及內部審計職能之詳情，請參閱第39頁至第42頁題為「風險管理及內部審計」各段。

業務風險

本集團現時擁有七個不同行業的營運分部，各營運分部面對特定的業務風險。就製造及銷售業務以及貿易業務而言，本集團面對產品價格及生產成本的激烈競爭，亦受目標客戶及現有客戶所在國家當前的季節性因素所影響。就放貸業務而言，未償還貸款的可收回性及本集團的客戶網絡均受到分部的財務表現所影響。音樂及娛樂業務可能受香港及中華人民共和國（「中國」）的經濟環境所影響，而中港兩地的經濟會影響個人及公司客戶的消費行為。就物業業務而言，本集團的物業各自所在的地點存在其他選擇，因而向客戶提供的單位租金面對激烈的市場競爭。為維持本集團的競爭力，本公司管理層將與各業務部門主管定期會面，以更新業務環境。

Directors' Report

董事會報告

Environmental Risk

The Group's Manufacturing and Sales Business is obliged to comply with a variety of environment protection laws and regulations on the discharge and disposal of waste materials, water and gas imposed by relevant governmental bodies in the PRC. These law and regulations govern the disposal of these wastes and impose fines and penalties for serious violation of environmental requirements, and any non-compliance may jeopardise the operating licences of the Group's subsidiaries engaged in the Manufacturing and Sales Business.

Moreover, environmental laws and regulations applicable to the Group are subject to change from time to time. It may be impracticable for the Group to continuously quantify the costs of complying with such laws and regulations, and any further change may also lead to a substantial increase in the operating costs of the Group. In this regard, the management of the Company regularly reviews adherence to relevant environmental laws and regulations with the head of the Manufacturing and Sales Business.

Market Price Risk

The Group's Securities Trading Business is exposed to the risk of decreasing fair values of equity securities as a result of the volatile market changes. The management of the Company together with the Investment Management Committee of the Board monitor the changes of respective securities' prices and may change the investment portfolio held and investment strategy whenever necessary.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are carried out both in Hong Kong and the PRC and are regulated by their laws and regulations accordingly. During the Year and up to date of this report, the Group has complied with the relevant laws and regulations that have significant impact in Hong Kong and the PRC. For details, please refer to the Environmental, Social and Governance Report on pages 75 to 93.

MAJOR CUSTOMERS AND SUPPLIERS

The Group's largest supplier accounted for 11.8% of total purchases while the Group's five largest suppliers accounted for 25.4% of total purchases for the Year.

The Group's largest customer accounted for 9.3% of total turnover while the Group's five largest customers were accounted for 25.2% of total turnover for the Year.

環境風險

本集團的製造及銷售業務有責任就排放及處理廢棄物料、廢水及廢氣遵守由中國相關政府機關頒佈的多項環保法例及規例。有關法例及規例監管此等廢棄物料處理方法，並對嚴重違反環保規定者施加罰款及處罰，而任何不合規情況可能會對本集團旗下從事製造及銷售業務的附屬公司的經營執照造成不利影響。

此外，適用於本集團之環保法例及規例可能不時變動。本集團持續計算遵守有關法例及規例的合規成本可能屬不切實際，而任何其他變動均可能令本集團的營運成本大增。就此方面，本公司管理層與製造及銷售業務主管定期審閱對相關法例及規例的合規情況。

市場價格風險

本集團的證券買賣業務正面臨由於不穩定的市場變化而導致股本證券公平值下降的風險。本公司管理層連同董事會轄下的投資管理委員會監察各證券價格的變動，並在有需要之情況下，可能會改變持有的投資組合及投資策略。

遵守法律及規例

本集團的業務是在香港及中國營運，因此受兩地法律及規例監管。於本年度及截至本報告日期為止，本集團已遵守具重大影響力的香港及中國相關法律及規例。請參閱第75頁至第93頁之環境、社會及管治報告以進一步了解詳情。

主要客戶及供應商

於本年度，本集團最大供應商佔總採購額11.8%，而本集團五大供應商則佔總採購額25.4%。

於本年度，本集團最大客戶佔總營業額9.3%，而本集團五大客戶則佔總營業額25.2%。

Directors' Report 董事會報告

At no time during the Year did a Director, a close associate of a director or a shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had a beneficial interest in any of the Group's five largest customers and five largest suppliers.

AUDITOR

A resolution will be proposed at the AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as the external auditors of the Company.

On behalf of the Board

SUEK Ka Lun, Ernie
Chairman

Hong Kong, 24 March 2017

於本年度內任何時間，本公司董事、董事之緊密聯繫人或股東（就董事所知擁有本公司股本5%以上者）於本集團之任何五大客戶及五大供應商均無擁有實益權益。

核數師

本公司將於股東週年大會上提呈續聘德勤•關黃陳方會計師行為本公司外聘核數師之決議案。

代表董事會

主席
薛嘉麟

香港，二零一七年三月二十四日

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THE REPORT

Reporting Guideline

This report is prepared by Newway Group Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) in compliance with the Environmental, Social and Governance (“ESG”) Reporting Guide (the “ESG Reporting Guide”) set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in disclosing the sustainability performance of the Group. This report complies with the “comply or explain” provisions set out in the ESG Reporting Guide for the financial year ended 31 December 2016 (the “Year”) by making general disclosures on environmental and social information and environmental key performance indicators (KPIs). Selected KPIs in the social aspects are also disclosed for a better picture of the sustainability performance of the Group.

Reporting Scope

This report covers the sustainability performance of the Group from 1 January 2016 to 31 December 2016. As this is the first ESG report of the Group, it mainly focuses on disclosing the ESG performance of the largest subsidiary of the Group – Chung Tai Printing (China) Company Limited (“Chung Tai Printing”), in terms of the percentage of its contribution in the annual revenue generated by the Group.

報告背景

報告指引

本報告乃由Newway Group Holdings Limited中星集團控股有限公司*（「本公司」與其附屬公司，統稱為「本集團」）根據香港聯合交易所有限公司證券上市規則附錄27所載《環境、社會及管治報告指引》（「環境、社會及管治報告指引」）編製，以披露本集團的可持續發展表現。本報告就環境及社會資料以及環境關鍵績效指標作出一般披露，以符合截至二零一六年十二月三十一日止（「本年度」）財政年度之環境、社會及管治報告指引所載的「不遵守就解釋」條文。本報告亦披露在社會方面的經選定關鍵績效指標，以更有效反映本集團的可持續發展表現。

報告範圍

本報告涵蓋本集團由二零一六年一月一日至二零一六年十二月三十一日之可持續發展表現。由於此為本集團的首份環境、社會及管治報告，故主要集中披露本集團最大的附屬公司中大印刷（中國）有限公司（「中大印刷」）的環境、社會及管治表現，基於其對本集團年度收入貢獻的所佔百分比。

* 僅供識別

Environmental, Social and Governance Report

環境、社會及管治報告

PEOPLE

Employment and Labour Practice

The majority of the employees of the Group are located in the People's Republic of China ("PRC"). During the Year, the Group strictly complied with the relevant labour laws in the PRC. No child or forced labour was recruited by the Group. To protect the rights of its employees, anti-discrimination, free labour and employment disclaimer policies have been devised to ensure that employees of the Group are working under a decent and comfortable environment. During the Year, the Group had no reported incidents of discrimination.

Labour Rights

Employees' rights are well protected under the Group's labour policy and employment disclaimer. During the Year, the Group's employees working in the printing factory worked approximately 40 hours per week on average and were allowed to take short breaks during appropriate times at work. The Group has been certified with the International Council of Toy Industries (ICTI) Care Foundation Code of Business Practice Class A since 2006, showing its dedication in providing fair working hours and a decent working environment for its employees.

The Group holds a people-oriented management style, where everyone is treated in the same way with regards to recruitment, promotion, and salary increases. Discrimination is strictly prohibited towards employees of different gender, age, nationality, family status, religion and ethnicity. All levels of staff are appraised by the same set of performance criteria. In case of the occurrence of any discrimination incidents, employees are encouraged to report to the management of the Company or directly report to the Company's human resources and administration departments.

員工

僱傭與勞工常規

本集團大部份僱員均位處中華人民共和國（「中國」）。於二零一六年，本集團嚴格遵守中國相關勞工法律。本集團概無聘用童工或非自願勞工。為保障僱員權利，本集團訂立反歧視、自願勞工及僱傭免責聲明政策，以確保本集團僱員乃於合宜舒適的環境工作。於本年度，本集團並無已呈報的歧視事件。

勞工權益

僱員權益受本集團的勞工政策及僱傭免責聲明妥為保障。於本年度，於印刷廠工作的本集團僱員平均每周工作約40小時，他們並可在工時內的合適時段作短暫休息。本集團自二零零六年起獲國際玩具工業理事會商業實務關顧基金守則A級認證，證明本集團致力為僱員提供公平工時及合宜的工作環境。

本集團秉持以人為本的管理方式，在聘用、晉升及加薪方面均採一視同仁的準則，嚴禁因性別、年齡、國籍、家庭崗位、宗教及種族而出現歧視情況。本集團並以相同的表現準則評估各級員工。倘發生任何歧視事件，本集團鼓勵僱員向本公司管理層報告或直接向本公司人力資源及行政部報告。

Environmental, Social and Governance Report

環境、社會及管治報告

PEOPLE (Continued)

Labour Rights (Continued)

Regarding employee dismissal, financial compensation and injury/disability subsidies are provided in accordance to relevant laws and regulations. In Hong Kong, employees employed under a continuous contract for not less than five years and fulfilling certain conditions employed under a continuous contract are eligible for long service payment. The way of calculating the long service payment and the maximum entitlement of employees accord to the Hong Kong Employment Ordinance (Cap. 57, Laws of Hong Kong).

As the Group prioritises employees' welfare, a comfortable environment is created for its employees. At the dormitories of the Group in the PRC, leisure areas and recreational facilities such as library, tennis court, karaoke rooms and canteens are provided and various activities are organised for its employees to participate in.

In addition, the Group hosts an annual dinner at which colleagues can interact socially and enjoy their fellowships.

Employee Composition

As at 31 December 2016, the Group had approximately 1,540 full-time employees, of which 94 staff were employed in Hong Kong and 1,446 staff were employed in the PRC.

Health and Safety

The Group is committed to providing a healthy and safe working environment to its employees. The health and safety policy mentioned below is designed to reduce potential safety risks and to regularly improve and strengthen the occupational health and safety system of the Group.

During the Year, the Group has complied with all applicable laws and regulations relating to safe working environment and protection of employees from occupational hazards, including but not limited to the Law of the PRC on Prevention and Control of Occupational Diseases and Regulations of Guangdong Province on Work Safety.

員工 (續)

勞工權益 (續)

在解僱僱員方面，本集團會根據相關法律及法例向有關員工提供經濟補償及意外傷殘賠償。於香港，連續任職不少於五年並符合若干條件的僱員可獲發放長期服務金。僱員之長期服務金及有關最高金額乃根據香港法例第57章《香港僱傭條例》計算。

本集團優先考慮員工的福祉，為員工創造舒適的工作環境。本集團於中國的員工宿舍設有圖書館、網球場、卡拉OK室及食堂等休閒區及康樂設施，並舉辦各項活動供員工參與。

此外，本集團亦會舉行週年晚宴，讓員工歡聚聯誼。

員工組成

截至二零一六年十二月三十一日止，本集團聘有約1,540名全職員工，其中94人受僱於香港，1,446人於受僱於中國。

健康及安全

本集團致力為員工提供健康及安全的工作環境。下文的健康及安全政策旨在減少潛在的安全風險，以及定期改進及加強本集團的職業健康及安全體系。

本集團於年內一直遵守有關工作環境安全及保護僱員免受職業危害所有適用法律及法規，包括但不限於《中華人民共和國職業病防治法》及《廣東省安全生產條例》。

Environmental, Social and Governance Report

環境、社會及管治報告

PEOPLE (Continued)

Health and Safety (Continued)

At Chung Tai Printing, we have been implementing an occupational health and safety management system (GB/T 28001-2011/OHSAS 18001:2007) since 2012. During the Year, targets were established to control occupational accidents, for instance, electric shock accidents, and to prevent vehicle accidents and large scaled fire accidents. Safety training is provided to every employee regardless of his/her professional profile. Efforts are made to ensure that every employee is aware of the company's health and safety policy, for instance, the use of protective devices at work and the handling of emergencies or accidents. For the managers, extra training is provided to ensure that they understand the relevant governmental laws and regulations and are competent in analysing or evaluating the occurrence of accidents to prevent accidents from happening in the future.

In the daily operations of Chung Tai Printing, all technicians who work in dangerous positions are required to have an authorised license to ensure that they have sufficient safety knowledge in order to prevent or handle potential accidents. During the Year, the Group recorded zero work-related fatalities and the accident rate per 1000 employees was low at approximately 1.84%. In total, 21 work-related incidents and 186 lost days were recorded due to work injury in the Year.

Development and Training

The Group strives to assist employees' development by providing them with opportunities to advance their careers. Employees are encouraged to take part in internal and external training courses. Induction programmes are also provided to all newcomers who join the Group. During these training sessions, efforts are made to ensure that the newcomers understand the Group's vision, their job roles and company policies, for instance, the Group's policies on environmental, quality control and occupational health and safety. The Group devises and updates its annual training plan based on its needs and requirements.

員工 (續)

健康及安全 (續)

中大印刷自二零一二年起一直實施職業健康安全管理体系(GB/T 28001-2011/OHSAS 18001:2007)，並於本年度訂立目標，以控制電擊事故等職業意外及預防車禍及大型火警意外。不論僱員的專業背景，本集團均安排每名員工接受安全培訓，並致力確保每名員工均知悉須於工作時使用保護裝置及如何處理緊急情況或意外事故等公司健康及安全政策。在主管方面，本集團會提供額外培訓以確保他們了解相關政府法律及法規，以及有能力分析或評估意外事故的發生，以防日後發生同類事故。

於中大印刷的日常營運中，所有於危險環境工作的技術員均須持有授權許可，以確保他們具備防止或處理潛在意外事故的足夠安全知識。於本年度，本集團並無錄得任何與工作有關的死亡事故，而每1,000名員工發生意外事故比率僅約1.84%。本年度錄得與工作有關事故合計21宗，因工傷損失186天。



Figure 1. Occupational Health and Safety Management System Certificate

圖1.職業健康安全管理体系認證證書

於本年度錄得與工作有關事故合計21宗，因工傷損失186天。

發展及培訓

本集團致力協助員工發展，為他們提供晉升機會，並鼓勵員工參加內部及外間培訓課程。所有新入職員工均獲安排參加入職課程。於培訓期間，本集團致力確保他們了解本集團的願景、其職位角色及公司政策（如本集團的環境、品質控制及職業健康與安全政策）。本集團會根據本身需要及要求制定並更新年度培訓計劃。

Environmental, Social and Governance Report

環境、社會及管治報告

PEOPLE (Continued)

Development and Training (Continued)

員工 (續)

發展及培訓 (續)



Figure 2. Employee Training
圖2. 僱員培訓

During these training sessions, qualified professionals are invited to provide training on enhancing employees' management and technical skills and updating their knowledge on the relevant certification systems. Overall, approximately 91% of the Group's employees was trained during the Year and training opportunities have been allocated in an equal manner amongst different gender and employment types.

Directors and senior management of the Group are provided with continuous professional development training to develop and refresh their knowledge and skills. These include seminars and workshops organised in the PRC and Hong Kong on leadership development, enhancing managerial skills, corporate governance updates as well as the latest developments in regulatory requirements.

ENVIRONMENT

The Group is committed to protecting the environment in its daily business operations. The Environmental Management System of a wholly-owned subsidiary of the Company has been awarded the certificate of compliance with ISO 14001 since 2005. During the Year, all environmental laws and regulations in the PRC regarding air pollution and chemical wastage had been strictly complied with.

During the Year, the Group established a total of eight management policies for aspects such as emissions, use of resources, and impact on the environment. With the efforts of its dedicated staff, the Group has been able to improve its environmental performance during the Year.

於培訓期間，本集團邀請合資格的專業人員提供培訓，以加強員工的管理及技術技能，並更新員工在相關認證體系方面的知識。於本年度，接受培訓的本集團員工合計約91%，而培訓機會平均分配予兩性僱員及不同的僱用類別。

本集團為董事及高級管理人員提供持續專業發展培訓，以發展及更新他們的知識和技能。有關培訓包括於中國和香港舉辦有關發展領導能力的研討會及工作坊，以加強管理技能、企業管治的最新知識及有關監管規定的最新發展。

環境

本集團致力於日常業務營運中保護環境。本公司一間全資附屬公司的環境管理體系自二零零五年起獲ISO 14001認證證書。於本年度，本集團嚴格遵守中國所有有關空氣污染及化學廢物的環保法律及法例。

於本年度，本集團在排放物、資源使用及環境影響等方面共制訂八項管理政策。在本集團員工的不懈努力下，環保表現於本年度有所改善。



Figure 3. ISO 14001:2015 Environmental Management System Certificate
圖3. ISO 14001:2015 環境管理體系認證證書

Environmental, Social and Governance Report

環境、社會及管治報告

ENVIRONMENT (Continued)

Environmental Management

Committed to being a responsible corporate citizen and promote a green living environment, the Group is aware of the impact it may cause on the environment by its consumption of paper. Over-cutting of trees can bring significant impact to the ecosystem and climate, as it might affect the living habitat of species and reduce the amount of carbon absorbed.

The Group understands the importance of using responsible paper sources to protect the biodiversity and carbon system. Paper with Forest Stewardship Council ("FSC") certification ensures paper products are from well managed and responsible sources that provide environmental, social and economic benefits. Although not all of the customers of the Group understand the benefits of using FSC paper, the Group strongly supports the use of FSC paper and actively promotes the product to its customers. In order to encourage customers to choose the green products, Chung Tai Printing has taken up part of the additional cost of purchasing FSC paper. During the Year, approximately 40-60% of its products was printed with FSC paper.



Figure 4. FSC Certificate
圖4. 森林管理委員會證書

環境 (續)

環境管理

本集團致力成為負責任的企業公民及促進綠色生活環境並知悉消耗紙張會對環境造成影響，以及過度砍伐樹木可能會對生態系統及氣候產生重大影響，因此舉可能影響物種的棲息地及減少被吸收的碳數量。本集團了解使用負責任紙張來源以保護生物多樣性及碳體系的重要。如紙張具備森林管理委員會（「森林管理委員會」）認證，可確保紙製產品來自管理良好、負責任及可提供環境、社

會及經濟效益的來源。雖然本集團並非所有客戶均了解使用森林管理委員會認證紙張的好處，但本集團堅決支持使用有關紙張，並積極向客戶推廣有關產品。為鼓勵客戶選用環保產品，中大印刷承擔採購森林管理委員會認證紙張的部分額外成本。於本年度，中大印刷以有關紙張印製的產品約佔整體產品的40%至60%。

Environmental, Social and Governance Report

環境、社會及管治報告

ENVIRONMENT (Continued)

Resources Consumption and Conservation

For the Year, the total direct energy consumption arising from the use of petrol, diesel and gas were approximately 26,555 litres, 5,000 litres and 198,007 m³ respectively. For the Year, the total indirect energy consumption from the use of electricity was about 12 million kWh.

Energy Consumption 能源消耗	Unit 單位	Amount (approximate) 數量 (概約)
Petrol 汽油	Litres 公升	26,555
Diesel 柴油	Litres 公升	5,000
Gas 天然氣	m ³ 立方米	198,007
Electricity 電力	kWh 千瓦時	11,955,120

Table 1. Energy Consumption
表1. 能源消耗量

Over the past three years, the Group has substituted approximately 1,900 T8 light bulbs with T5 light bulbs and installed LED light bulbs in office areas and production units. Furthermore, the Group changed its traditional energy intensive water dispenser to a newer energy saving model. In the hope of encouraging its employees to save energy, separate energy meters were installed for each department and production unit, and thus each department could monitor its energy consumption level and consequently plans relevant energy saving measures.

During the Year, the Group's total water consumption was approximately 152,026 tonnes. The Group recognises how precious water is and therefore, during the Year it continued to dedicate efforts in reducing the Group's water consumption level. The Group established a target of reducing 0.23 tonnes of water per thousand press pile boards of production units during the Year.

環境 (續)

資源消耗及保護

於本年度，使用汽油、柴油及天然氣的直接能源消耗量總計分別約26,555公升、5,000公升及198,007立方米，而本年度使用電力的間接能源消耗量總計約12,000,000千瓦時。

於過去三年，本集團將大約1,900個T8燈泡更換為T5燈泡，並於辦公室範圍及生產單位安裝LED燈泡。此外，本集團將較為耗電的傳統飲水機更換為新的節能機款。為鼓勵員工節約能源，本集團於各部門及生產單位安裝獨立能量計，讓各部門可監察本身的能源消耗水平，從而規劃相關的節能措施。

於本年度，本集團的總用水量約152,026噸。本集團確知水資源珍貴，因此於同年繼續致力減少本集團的用水量並制訂目標，將該年每千印刷生產單位的用水量減少0.23噸。

Environmental, Social and Governance Report

環境、社會及管治報告

ENVIRONMENT (Continued)

Resources Consumption and Conservation (Continued)

Measures such as upgrading water infrastructure and encouraging water saving programs amongst employees have been adopted by the Group to achieve such goal. A chilling water recycling system was installed for the Group's cooling system so that it can reduce more than 1,000 tonnes of water consumed per year. Furthermore, in order to motivate and encourage its employees to conserve water, a water saving reward scheme was established. Water meters were installed in nearly 30 departments, so that employees could regularly monitor their water consumption levels and consequently devise measures to reduce usage. Departments with lower consumption levels were rewarded.

Mitigation of GHG Emission

Chung Tai Printing has been committed to reducing its GHG emission in the past years. Since 2012, the Group has completely abandoned the use of heavy oil for its boilers and changed to use cleaner natural gas. During the Year, the Group also upgraded its boiler to reduce emissions. To further reduce its GHG emissions, the Group captured waste heat from the boiler and successfully converted it into energy. By carrying out such energy reduction programmes, the Group was able to reduce its energy consumption and thus its indirect emissions for the Year. Overall, the Group achieved a total of approximately 13.0% absolute reduction in carbon emissions for the Year.

環境 (續)

資源消耗及保護 (續)

本集團採用改善水利基礎設施及鼓勵員工節約用水方案等措施，以實現節約用水的目標。本集團為其冷卻系統安裝冷水循環系統，每年用水量可減少1,000噸以上。此外，為推動和鼓勵員工節約用水，本集團訂立節約用水獎勵計劃，於接近30個部門安裝水錶，讓有關員工可定期監測用水量，從而制訂減少用水措施。本集團會獎勵用水量較低的部門。

減少溫室氣體排放

中大印刷於過去數年一直致力減少溫室氣體排放。自二零一二年起，本集團鍋爐全面棄用重油，轉用較清潔的天然氣，並於本年度進行鍋爐升級以減少排放。為進一步減少溫室氣體排放，本集團收集鍋爐的廢熱並成功轉化為能源。透過實施有關減排計劃，本集團得以在本年度減少能源消耗量，從而減少其間接排放量。總體而言，本集團於本年度減少碳排放共約13.0%。

Scope 範圍		2015 (tCO ₂ e) (approximate) 二零一五年 (二氧化碳當量) (概約)	2016 (tCO ₂ e) (approximate) 二零一六年 (二氧化碳當量) (概約)	Percentage Change (approximate) 變動百分比 (概約)
Direct emission	直接排放量	994	599	-39.8%
Indirect emission	間接排放量	12,727	11,344	-10.9%
Total	總計	13,721	11,943	-13.0%

Table 2. GHG Emissions in 2015 & 2016
表2. 二零一五年及二零一六年溫室氣體排放量

Environmental, Social and Governance Report

環境、社會及管治報告

ENVIRONMENT (Continued)

Mitigation of GHG Emission (Continued)

To further mitigate GHG emissions, the Group is committed to reducing its energy consumption, in particular electricity. During the Year, by applying more durable energy efficient devices and increasing promotional efforts within the company, the Group aims to reduce electricity consumption in the manufacturing of press pile boards.

Effluent and Waste

For waste water, the Group strictly follows the Guangdong provinces statutory discharge limit regarding waste water. An external testing party is appointed each year to ensure the discharge by the Group complies with the relevant laws and regulations. During the Year, the Group installed a non-invasive electromagnetic scale control system to reduce the emission of hydrochloric acid waste by 8 tonnes per year.

The Group's main air emissions are volatile organic compounds ("VOCs"), GHG emission and exhaust emissions from the vehicles owned by the Groups. During the Year, efforts were made to reduce air emissions from the above sources and the Group has strictly complied with the statutory requirements for VOC emissions. Close attention was paid to monitoring vehicle emissions whilst regular inspections and maintenance were also carried out for the vehicles and VOC control facilities of the Group. Since 2005, the Group has been using a systematic waste management system so that the Group is able to sort, collect, store and handle the waste generated from its production and office activities.



Figure 5. VOC's Treatment Facility
圖5. VOC處理廠

環境 (續)

減少溫室氣體排放 (續)

為進一步減少溫室氣體排放，本集團致力減少能源消耗，尤其是電力。於本年度，透過在本集團內部採用更耐用的節能設備及加強推廣工作，本集團旨在減少製造印刷生產的用電量消耗。

污水及廢物

在廢水方面，本集團嚴格遵守廣東省有關廢水的法定排放限額，並每年委任外聘檢測方，確保本集團的廢水排放符合相關法律及法規。於本年度，本集團安裝非嵌入式電磁波水垢清除系統，以將鹽酸廢物的每年排放量減少8噸。

本集團的主要空氣排放物為本集團擁有車輛排放的揮發性有機化合物（「VOC」）、溫室氣體排放及廢氣排放。於本年度，本集團為減少以上源頭的空氣排放物作出努力，並嚴格遵守有關VOC排放的法定規定。本集團密切注意車輛排放的監測，並對本集團的車輛及VOC控制設施進行定期檢查及保養。自二零零五年起，本集團一直採用有系統的廢物管理制度，讓本集團可分類、收集、貯存及處理因生產及辦公室活動產生的廢物。

Environmental, Social and Governance Report

環境、社會及管治報告

ENVIRONMENT (Continued)

Effluent and Waste (Continued)

環境 (續)

污水及廢物 (續)

Waste 廢物		Amount of waste (approximate) 廢物數量 (概約)
Hazardous waste	有害廢物	7.04 tonnes 7.04噸
Non-hazardous waste	無害廢物	386.2 tonnes 386.2噸

Table 3. Amount of Hazardous and Non-hazardous Waste
表3. 有害及無害廢物數量

Each department of the Group is required to record the type of waste generated by filling in the waste sorting form. Furthermore, external specialists such as the Dongjiang Environmental Company Limited were appointed to treat and manage hazardous waste legally. The amount of both hazardous and non-hazardous wastes has been recorded in Table 3.

本集團各部門須填報廢物分類表，以記錄所產生的廢物種類。此外，本集團委任東江環保股份有限公司等外聘專家合法處理及管理有害廢物。有害及無害廢物的數量記錄於表3。

Project Study – Installation of non-invasive electromagnetic scale control system

項目研究 – 安裝非嵌入式電磁波水垢清除系統

Background:

背景：



Figure 6. Installation of Non-invasive Electromagnetic Scale Control System
圖6. 安裝非嵌入式電磁波水垢清除系統

Environmental, Social and Governance Report

環境、社會及管治報告

ENVIRONMENT (Continued)

Effluent and Waste (Continued)

For production purposes, Chung Tai Printing currently has two boilers which use natural gas to generate steam. Due to the high calcium and magnesium content of the water, scaling has been a problem in the inner layer of the boilers, even after the use of water softener.

Since the use of water softener lowers the operating efficiency of the boiler, a larger amount of natural gas was required to produce the same amount of heat. To solve the problem, Chung Tai Printing has joined the Cleaner Production Partnership Programme sponsored by the Hong Kong government and supported by the Hong Kong Productivity Council, and installed a non-invasive electromagnetic scale control system to improve the performance of its boilers. The purposes are to clear the scale, improve heating efficiency and to prevent future scaling problems. Overall, the project brought considerable environmental and economic benefits.

環境 (續)

污水及廢物 (續)

就生產用途而言，中大印刷目前擁有兩個使用天然氣的鍋爐產生蒸汽。由於當中水份含高鈣及鎂，即使使用硬水軟化劑，鍋爐內層一直存在水垢的問題。

由於使用硬水軟化劑會降低鍋爐的運作效率，因此需耗用更多天然氣以產生相同熱量。為解決有關問題，中大印刷參加了由香港政府主辦及香港生產力促進局協辦的清潔生產伙伴計劃，並安裝非嵌入式電磁波水垢清除系統以改善其鍋爐的表現。有關目的為清除水垢、提高加熱效率及防止日後的水垢問題。整體而言，該項目帶來相當大的環境及經濟效益。

Result 成果	Environmental Benefit 環境效益	Economic Benefit 經濟效益
Reduce approximately 24,805 m ³ consumption of natural gas per year 天然氣消耗每年減少約24,805立方米	Reduce approximately 53.63 tonnes of GHG emissions per year 溫室氣體排放每年減少約53.63噸	Reduce expenditure on natural gas by approximately RMB113,358 per year 天然氣開支每年減少約人民幣113,358元
Reduce the need of cleaning the scale by using acidic chemicals 減少使用酸性化學品清潔水垢	Reduce the consumption of water and discharge of acidic waste by approximately 8 tonnes per year 每年減少用水量及酸性廢物排放量約8噸	Reduce approximately RMB13,000 cleaning fees per year 每年減少清潔費約人民幣13,000元

Packaging

At Chung Tai Printing, the packaging of products mainly consists of carton boxes. Chung Tai Printing encourages its clients to return the carton boxes and approximately 30%-50% of the boxes used in its packaging was reused during the Year.

包裝

中大印刷產品主要使用紙箱作產品包裝，並鼓勵客戶退回用於包裝的紙箱，於本年度重複使用的紙箱約佔30%至50%。

PRODUCT EXCELLENCE

With over 30 years of experience, the products of the Group are innovative and of a high quality. The Group has tightened its quality control regarding hazardous contents in its products and the potential hazards resulting from its products.

產品卓越

本集團從事生產超過30年，產品創新及品質優良。本集團並加強品質控制，以防產品含有害成份及帶來潛在危害。

Environmental, Social and Governance Report

環境、社會及管治報告

PRODUCT EXCELLENCE (Continued)

Being certified for ISO 9001 Quality Management System since 2007, the Group continued to improve throughout the years and have managed to build a strong quality control management system to ensure its products are manufactured in compliance with relevant laws and regulations. During the Year, the Group updated its quality control system manual based on the latest ISO 9001:2015. In addition, the Group continuously upgrades its quality testing equipment to satisfy the increasing demand from its customers. A quality management handbook and a well-structured quality assurance process have been established for implementation.

The customer service department of the Group regularly communicates with the clients of the Group to understand their needs and consequently provide feedback to the procurement and production units. Furthermore, material tests are carried out on the products before the products being sent off to the production unit.

The production process of the Group is monitored by relevant departments such as the production, quality assurance, human resources and environmental departments. A final quality audit ("FQA") assessment is carried out on the products before they are sent to customers. Clients' feedbacks and comments are regularly received and incorporated in the next production cycle as a quality assurance measure.

產品卓越 (續)

本集團自二零零七年獲ISO 9001品質管理體系認證，多年來不斷作出改進，得以建立優良的品質控制體系，以確保我們的產品按照相關法律及法規製造。於本年度，本集團根據最新的ISO 9001:2015更新品質控制體系手冊。此外，本集團持續提升其品質檢測設備以滿足客戶日益增加的需求，並訂有品質管理手冊及完善的品質保證程序以供實施。

本集團的客戶服務部定期與客戶溝通，了解他們的需要，繼而向採購及生產單位提供反饋。此外，本集團把產品發送生產單位前，會先對產品進行物料檢測。

本集團的生產程序由生產、品質保證、人力資源及環境部等相關部門監察。在產品發送予客戶前，本集團會對產品進行最後品質審核（「FQA」）評估。本集團定期收到客戶的反饋及意見，並把有關意見納入下一個生產週期以作品質保證措施。



Figure 7. ISO 9001 Quality Management Certificate
圖7. ISO 9001 品質管理證書

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環境、社會及管治報告

PRODUCT EXCELLENCE (Continued)

Customer Satisfaction

The Group has established a systematic and efficient mechanism for handling customer complaints. Whenever it receives any customer complaints about the products, the corresponding staff will respond immediately and measures are taken to correct and prevent the occurrence of similar events in the future.

During the Year, the recall rate of the Group's products was less than 0.1% and the Group received less than 1% product complaints relative to its turnover for the Year.

Supply Chain Management

In order to provide quality, safe and responsible products to the customers, the Group has formulated strict procedures for selecting suppliers and sub-contractors to work with. In addition to the selection criteria such as legal operating licenses, good service quality and price, the Group also pays attention to the environmental and social performance of the suppliers. During its selection process for potential suppliers, on-site assessments are carried out.

產品卓越 (續)

客戶滿意度

本集團訂立有系統及有效率的機制處理客戶投訴。每當接獲客戶對產品的任何投訴，本集團相關員工將立即回應並採取修正措施，以防止日後發生類似事件。

於本年度，本集團產品的回收率低於0.1%，而接獲的產品投訴數目佔同年營業額比例少於1%。

供應鏈管理

為向客戶提供優質、安全及負責的產品，本集團制定嚴格甄選供應商及分包商的程序。除合法經營許可證、良好服務質素及價格等甄選準則外，本集團亦注意供應商的環保及社會表現。於甄選潛在供應商的過程中，本集團會派員進行實地評估。

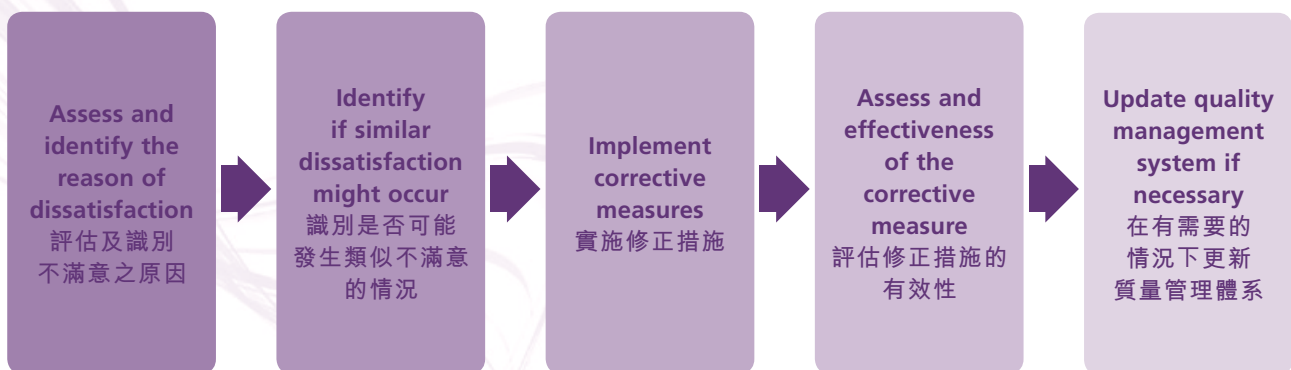


Figure 8. Products Recall Procedures and Ways to Handle
圖8.產品回收程序及處理方式

Environmental, Social and Governance Report

環境、社會及管治報告

PRODUCT EXCELLENCE (Continued)

Supplier Assessment Criteria

Social responsibility

- Prohibits the use of child labour
- Prohibits the use of forced labour
- Prohibits the use of prison labour
- Safety Management

Chemical safety

- Material Safety Data Sheet (MSDS)

Green procurement

- Compliance with European regulation
- Compliance with specific industry regulation
- Waste/rubbish classification
- Emergency Plan

Quality assessment

- ISO 9001 Quality Management
- ISO 19001 related procedures documentation

Chung Tai Printing also has a Supplier Social Responsibility Assessment Process for all of its suppliers. The Group believes that it is important for companies to fulfil their responsibilities as a responsible corporate citizen and hence in the selection of suppliers, the Group ensures that its suppliers align with its vision and are committed to being sustainable in their business practices.

Green Procurement

As a responsible company, the Group is concerned about the health impacts of its products in society. Therefore, in order to prevent excessive chemical content in its products, the Group has established and prioritised a green procurement policy to work with green suppliers whose supplies are made of non-toxic material. Furthermore, a green product management handbook has been formulated to ensure all employees are aware of their responsibilities in maintaining the quality of the green products.

產品卓越 (續)

評估供應商準則

社會責任

- 禁止聘用童工
- 禁止聘用非自願勞工
- 禁止聘用監獄勞工
- 安全管理

化學安全

- 物料安全數據表(MSDS)

綠色採購

- 遵守歐洲法例
- 遵守特定業界法例
- 廢物／垃圾分類
- 應急計劃

品質評估

- ISO 9001品質管理
- ISO 19001有關程序文件

中大印刷並為其所有供應商制訂供應商社會責任評估程序。本集團認為，企業履行本身的企業公民責任極為重要，因此在甄選供應商時會確保其供應商能否配合本集團的願景，以及會否致力於業務常規上推動可持續發展。

綠色採購

作為一家負責任的公司，本集團關注其產品於社會上對健康產生的影響。因此，為防產品的化學品成份過量，本集團因應與生產無毒物料環保供應商的合作訂立綠色採購政策並訂出政策上的優次。此外，本集團編製綠色產品管理手冊，以確保所有員工知悉保持綠色產品品質的責任。

Environmental, Social and Governance Report

環境、社會及管治報告

PRODUCT EXCELLENCE (Continued)

Green Procurement (Continued)

For green products, after the customer service team of the Group collects the updated requirements from its clients, the environmental team of the Group updates the criteria for its green suppliers. Each supplier has to undergo a hazardous chemical assessment and sign the hazardous material management contract with the Group to promise to manage chemicals used during production. Furthermore, the suppliers are also required to submit a MSDS and third party MSDS environmental report for assessment by the Group. For all suppliers who fail to meet the Group's requirements regarding chemical use, alternative solutions would subsequently be provided.

Supplier Assessment Procedures

1. Procurement department selects supplier according to their social responsibility performance.
2. Procurement department keeps records of the supplier assessments and their corrective actions.
3. Every supplier should sign the social responsibility charter as a pledge to follow the regional labour laws and regulations as well as Business Social Compliance Initiative (BSCI) social responsibility standard.
4. Procurement department undergoes site assessment with suppliers and contractors each year to assess their social responsibility performance and follow up on their remedial actions.
5. The use of child labour, forced labour and other law violations are forbidden. In case of violations, the Group will terminate the contract with such business partner.
6. Chung Tai Printing actively monitors the performance of suppliers to prevent any violation of laws and regulations along the supply chain.

As the plant and production of the Group are based in the PRC, most of its suppliers are from the PRC, with only a few located overseas. Since most of the Group's suppliers are located nearby, the carbon footprint involved in raw material transportation is largely reduced.

產品卓越 (續)

綠色採購 (續)

在綠色產品方面，本集團的客戶服務團隊於收集客戶的最新要求後，本集團的環保團隊會更新其綠色供應商的準則。每名供應商均須接受有害化學品評估，並與本集團簽訂有害物料管理合約，以承諾管理生產過程所用的化學品。此外，供應商亦須呈交MSDS及第三方MSDS環境報告以供本集團評估。本集團其後將向所有未能符合本集團有關化學品使用規定的供應商提供替代解決方案。

供應商評估程序

1. 採購部乃根據供應商的社會責任表現進行甄選。
2. 採購部備存供應商評估及其修正行動的記錄。
3. 每名供應商均須簽署社會責任約章，作為遵守地區勞工法律及法例以及企業社會責任倡議(Business Social Compliance Initiative)訂明的社會責任準則的承諾。
4. 採購部每年對供應商及承包商進行實地評估，以評估他們的社會責任表現並跟進其補救行動。
5. 本集團禁止聘用童工、非自願勞工及其他違法勞工，在違規的情況下，本集團會終止與有關業務夥伴之間的合約。
6. 中大印刷積極監察供應商的表現，以防有關供應鏈出現任何觸犯法律及法例的情況。

由於本集團的廠房及生產業務位於中國，大部份供應商來自中國，只有少數來自海外。鑑於本集團鄰近大部分供應商的所在地，因而大大減少原材料運輸所涉及的碳足跡。

Environmental, Social and Governance Report

環境、社會及管治報告

PRODUCT EXCELLENCE (Continued)

Green Procurement (Continued)

產品卓越 (續)

綠色採購 (續)

Region 地區		PRC 中國	Hong Kong 香港	Taiwan 台灣	Japan 日本
Number	數目	400	37	2	1

Table 4. Location of Suppliers as at 31 December 2016
表4. 供應商所在地(截至二零一六年十二月三十一日止)

Intellectual Property Rights

The Group prohibits infringement of customers' privacy in any form. The Group obligates to safeguard its customers' intellectual property rights by signing confidentiality agreements. It has also implemented a product property right control procedure in 2013, since then, reviews are regularly carried out every year for improvements. The control procedure sets out clear instructions in handling product property rights at different stages of production from manufacturing, storage, transportation to disposal. During the Year, the Group has complied with all applicable laws and regulations regarding advertising, product labelling and privacy matters.

Anti-corruption

The operations at the Group are steered by the highest level of ethical business standards. Corrupt activities are strictly forbidden in the Group's daily business operations. In order to prevent corruption, the Group regularly updates its employees of the latest anti-corruption rules and relevant laws. In case of any suspected corruption activity, employees are encouraged to report to the human resources and administration departments, in which further investigation would be carried out and the reporter is rewarded and protected. The Group strictly complies with the laws and regulations relevant to anti-corruption and there was no incident reported on bribery, extortion, fraud, and money laundering during the Year.

知識產權

本集團禁止以任何形式侵犯客戶的私隱。本集團有義務簽署保密協議以維護其客戶的知識產權。其亦於二零一三年實施產品產權控制程序，自此每年定期進行有關檢討以作改善。控制程序訂明生產、儲存、運輸乃至棄置等生產各階段的清晰指引。於本年度，本集團已遵守所有廣告、產品標籤及隱私事項相關的適用法律及規例。

反貪污

本集團的營運採用最高水平的道德商業標準。本集團嚴禁日常業務營運涉及貪腐行為。為防止有關個案，本集團定期通知員工有關最新的反腐規例及相關法律。倘有任何懷疑貪腐行為，本集團鼓勵員工向人力資源及行政部報告。該部門會作進一步調查，而本集團將獎勵舉報人並將其身份保密。本集團嚴守有關反腐的法律及法例，於本年度並無有關賄賂、勒索、欺詐及洗黑錢事件的報告。

Environmental, Social and Governance Report

環境、社會及管治報告

COMMUNITY

The Group is committed to encouraging organisations and the general public to participate in environmental protection activities. During the Year, the Group participated in different community events to promote green living among different parties. Furthermore, a Chung Tai Volunteer Team was formed where the employees of the Group came together and devote their time to environmental protection and education.

社區

本集團致力鼓勵各機構及市民大眾參與環保活動。於本年度，本集團參與不同的社區活動，以向不同人士推廣綠色生活。此外，本集團成立中大義工團隊，讓員工一起為環保及教育付出時間。

Events 活動	Organisations 機構
International Coastal Cleanup 2016 Hong Kong 香港國際海岸清潔運動2016	Green Council 環保促進會
Hong Kong Green Day 2016 香港綠色日2016	Green Council 環保促進會
Clothing donation 衣物捐贈	MaYi MaYi
Corporate Environmental Leadership Award 2016 企業環保領先大獎2016	Federation of Hong Kong Industries 香港工業總會
Art performance on anti-scam behavior in community 反欺騙行為之社區藝術表演	Local Government 地方政府

Table 5. List of Participated Activities in 2016
表5. 二零一六年參與活動一覽

International Coastal Cleanup 2016 Hong Kong

The Group supported the International Coastal Cleanup Hong Kong organised by the Green Council for a few years. Apart from making donations, the Group nominated its volunteer team from the Hong Kong office to participate in the cleanup event during the Year so as to protect the environment of Hong Kong while engaging in team building.

香港國際海岸清潔運動2016

本集團多年來一直支持環保促進會主辦的香港國際海岸清潔運動。除捐款支持外，本集團並於本年度派出香港辦事處的義工團隊參與該項活動，以保護香港環境並同時建立團隊精神。

Environmental, Social and Governance Report

環境、社會及管治報告

COMMUNITY (Continued)

Hong Kong Green Day 2016

The Group also supported Hong Kong Green Day 2016, "Green Run", which was organised by the Green Council. The Group believes that such event helps to increase public awareness about living green in daily life.

社區 (續)

香港綠色日2016

本集團亦支持環保促進會主辦的香港綠色日2016「著綠狂奔」，因本集團認為該項活動有助提升市民對日常綠色生活的意識。



Figure 9. Green Run in Hong Kong Green Day 2016
圖9.香港綠色日2016「著綠狂奔」

Environmental, Social and Governance Report

環境、社會及管治報告

COMMUNITY (Continued)

Clothing Donation with MaYi

In the summer of 2016, all employees in Chung Tai Printing were encouraged to donate their clothes to MaYi, a clothes recycling start-up company which aims to reduce textile waste and maximises the value of wasted textiles in the PRC. Donated clothes were sorted, and consequently sent to the people in need or recycled to make new textiles.

Corporate Environmental Leadership Award 2016

To show its support and encourage more companies to go green. During the Year, Chung Tai Printing sponsored the printing of booklets for the event – the Corporate Environmental Leadership Award 2016.

社區 (續)

MaYi衣物捐贈

於二零一六年夏季，本集團鼓勵中大印刷所有員工向衣物回收初創公司MaYi捐贈衣物。該公司旨在減少中國的廢棄衣物及盡量發揮有關衣物的價值。所捐衣物經分類後，將送贈有需要人士或回收以製造新織物。

企業環保領先大獎2016

為支持及鼓勵更多企業參與環保活動，於本年度，中大印刷贊助印製企業環保領先大獎2016活動的小冊子。



Figure 10. Sponsored Booklet
圖10. 贊助印製的小冊子

Independent Auditor's Report

獨立核數師報告

Deloitte.

德勤

TO THE SHAREHOLDERS OF NEWAY GROUP HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

致中星集團控股有限公司股東
(於百慕達註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Neway Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 102 to 234, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本核數師(以下簡稱「我們」)已審計列載於第102頁至第234頁的Neway Group Holdings Limited中星集團控股有限公司*(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零一六年十二月三十一日的綜合財務狀況報表與截至該日止年度的綜合損益及其他全面收入報表、綜合權益變動表及綜合現金流量報表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團截至二零一六年十二月三十一日止的綜合財務狀況,以及其於截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則項下承擔的責任在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於 貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

* 僅供識別

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
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Fair value of equity interest of Sichuan Ying Wah Real Estate Company Limited (四川英華房地產有限公司) ("Ying Wah") and impairment of loan to Ying Wah

We identified that the fair value of equity interest of Ying Wah classified as the available-for-sale investment and the impairment assessment of the loan to Ying Wah, as a key audit matter due to the judgments and estimates required by the management in the valuation.

As set out in note 4 to the consolidated financial statements, the management used their judgment in selecting an appropriate methodology for the assessment of the fair value of equity interest in Ying Wah with the involvement of the independent professional valuer. In determining the fair value of the equity interest in Ying Wah, it is assessed based on adjusted net asset value of Ying Wah as at 31 December 2016 where the value involved certain key inputs as stated in note 43.

Our procedures in relation to evaluating the appropriateness of the fair value of equity interest of Ying Wah and the impairment assessment of the loan to Ying Wah included:

- Understanding how the management performed the assessment of the fair value of equity interest of Ying Wah and impairment assessment of the loan to Ying Wah, including the involvement of the independent professional valuer;
- Evaluating the competence, capabilities and objectivity of the independent professional valuer;
- Evaluating the appropriateness of the valuation methodology adopted by the management;

關鍵審計事項

關鍵審計事項是我們的專業判斷，認為對本期綜合財務報表最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

關鍵審計事項	我們的審計如何對關鍵審計事項進行處理
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四川英華房地產有限公司（「英華房地產」）股權之公平值及給予英華房地產貸款之減值

我們認為分類為可供出售投資的英華房地產股權之公平值及給予英華房地產貸款之減值為關鍵審計事項，此乃由於估值中管理層需要進行判斷及估計。

誠如綜合財務報表附註4所載，在外部獨立專業估值師參與下，管理層於就評估英華房地產的股權公平值選擇適當之方法時運用了彼等之判斷。於釐定英華房地產股權的公平值時，有關評估乃基於英華房地產截至二零一六年十二月三十一日止的經調整資產淨值作出，有關價值涉及及附註43所述若干主要輸入數據。

我們有關評估於英華房地產股權之公平值及給予英華房地產貸款之減值是否適當的程序包括：

- 了解管理層如何評估英華房地產股權之公平值及給予英華房地產貸款之減值，包括獨立專業估值師之參與；
- 評估獨立專業估值師的資格、能力及客觀性；
- 評估管理層採用的估值方法的是否適當；

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獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key audit matter	How our audit addressed the key audit matter
<p>In determining whether there is impairment loss on the loan to Ying Wah, the directors of the Company assessed the recoverability of the loan to Ying Wah by reviewing the adjusted net asset value of Ying Wah as at 31 December 2016.</p> <p>As at 31 December 2016, the fair value of equity interest of Ying Wah (included in the available-for-sale investments as set out in note 19 to the consolidated financial statements) amounted to HK\$14,142,889 and the loan to Ying Wah (included in loans to available-for-sale investees as set out in note 20 to the consolidated financial statements) amounted to HK\$31,256,977. The directors of the Company consider that no impairment on loan to Ying Wah is required as at 31 December 2016.</p>	<ul style="list-style-type: none"> Evaluating the reasonableness of the key inputs applied in the valuation of (i) the properties under development for sale of Ying Wah, including the market prices, expected profit margin and discount rate; and (ii) the marketability discount; and Evaluating the appropriateness of the management assessment on the recoverability of loan to Ying Wah by reviewing the adjusted net asset value of Ying Wah as at 31 December 2016.

關鍵審計事項 (續)

關鍵審計事項	審計中處理有關事項的方法
<p>於釐訂給予英華房地產之貸款是否存在減值虧損時，貴公司董事通過審閱英華房地產截至二零一六年十二月三十一日止的經調整資產淨值，評估給予英華房地產之貸款的可收回性。</p> <p>截至二零一六年十二月三十一日止，英華房地產股權的公平值（計入綜合財務報表附註19所載可供出售投資）達14,142,889港元，而給予英華房地產之貸款（計入綜合財務報表附註20所載給予可供出售被投資方的貸款）達31,256,977港元。貴公司董事認為截至二零一六年十二月三十一日止，給予英華房地產之貸款並無減值。</p>	<ul style="list-style-type: none"> 評估(i)英華房地產待售發展中物業估值中所應用之主要輸入數據（包括市場價格、預期溢利率及折算率）；及(ii)市場流通性折讓是否合理；及 通過審閱英華房地產截至二零一六年十二月三十一日止的經調整資產淨值，評估管理層對給予英華房地產貸款的可收回性的評估是否適當。

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獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of properties under development for sale	
<p>We identified the valuation of properties under development for sale as a key audit matter because of the management's judgment involved in the valuation assessment for the recoverability from the project.</p> <p>Included in the consolidated statement of financial position are the properties under development for sale amounted to HK\$42,309,793 as at 31 December 2016.</p> <p>As set out in note 4 to the consolidated financial statements, management has estimated the net realisable value of the Group's properties under development for sale with reference to the comparable market transactions in similar location.</p>	<p>Our procedures in relation to evaluating the appropriateness of the management's valuation of properties under development for sale included:</p> <ul style="list-style-type: none"> • Discussing with management to obtain an understanding in relation to the valuation methodology; • Evaluating the appropriateness of the comparable market transactions in similar location identified by the management; • Verifying the accuracy of the comparable market transactions in similar location; and • Obtaining legal opinion on whether there is any restriction for the Group to realise the properties under development for sale pursuant to the updated Freeze Order (as defined in note 23 to the consolidated financial statements).

關鍵審計事項 (續)

關鍵審計事項	審計中處理有關事項的方法
對待售發展中物業估值	
<p>我們認為對待售發展中物業估值為關鍵審計事項，因為該項目的可收回性價值評估涉及管理層判斷。</p> <p>綜合財務狀況報表包括截至二零一六年十二月三十一日止的待售發展中物業42,309,793港元。</p> <p>誠如綜合財務報表附註4所載，管理層通過參考相若位置的可比市場交易，估計貴集團待售發展中物業的可變現淨值。</p>	<p>我們有關評估管理層對待售發展中物業的估值是否適當的程序包括：</p> <ul style="list-style-type: none"> • 與管理層討論，以了解估值方法； • 評估管理層識別的相若位置可比市場交易是否適當； • 核實相若位置可比市場交易的準確性；及 • 就貴集團根據更新凍結令（定義見綜合財務報表附註23）將待售發展中物業變現是否存在限制獲取法律意見。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資訊

貴公司董事對其他資訊負責。其他資訊包括刊載於年報內的資訊，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資訊，我們亦不對該等資訊發表任何形式的鑒證結論。

綜合我們對綜合財務報表的審計，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸，或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及管治層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營的會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

管治層須負責監督貴集團的財務報告過程。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照百慕達公司法第90條僅向全體成員出具包括我們意見的核數師報告。除此之外，我們的報告不可用作其他用途。本行並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審核相關的內部控制，以設計適當的審計程式，但目的並非對貴集團內部控制的有效性表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計及相關披露的合理性。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

核數師就審計綜合財務報表承擔的責任（續）

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體呈列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內各實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與管治層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們是向管治層提交聲明，說明我們已符合有關獨立性的相關道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的關係和其他事項，以及在適用的情況下，相關的防範措施。

Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in the independent auditor's report is Mr. Wong Wang Hei.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
24 March 2017

核數師就審計綜合財務報表承擔 的責任 (續)

從與管治層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不容許公開披露這些事項，或在極罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計專案合夥人是黃宏禧先生。

執業會計師
德勤•關黃陳方會計師行

香港
二零一七年三月二十四日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入報表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		NOTES 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Revenue	收益	5	562,911,033	521,255,661
Gross proceeds from sale of held-for-trading investments	出售持作買賣投資所得款項總額		74,508,138	122,362,297
			637,419,171	643,617,958
Revenue	收益	5	562,911,033	521,255,661
Cost of sales	銷售成本		(384,742,566)	(427,777,409)
Gross profit	毛利		178,168,467	93,478,252
Interest income	利息收入		1,990,981	4,531,948
Other income	其他收入		2,031,543	6,374,126
Selling and distribution expenses	銷售及經銷開支		(29,294,729)	(30,625,413)
Administrative expenses	行政開支		(133,351,116)	(116,747,676)
Other gains and losses	其他收益及虧損	6	72,586,955	(20,361,885)
Finance costs	融資成本	7	(3,907,893)	(3,347,007)
Share of results of joint ventures	應佔合營公司之業績		(1,500,119)	(1,571,202)
Profit (loss) before taxation	除稅前溢利(虧損)		86,724,089	(68,268,857)
Taxation (charge) credit	稅項(開支)抵免	10	(12,720,487)	725,942
Profit (loss) for the year	本年溢利(虧損)	11	74,003,602	(67,542,915)
Other comprehensive (expense) income:	其他全面(開支)收入:			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目:</i>			
Exchange differences arising on translation of foreign operations	換算海外業務所產生之匯兌差額		(26,715,082)	(30,998,194)
Total comprehensive income (expense) for the year	本年全面收入(開支)總額		47,288,520	(98,541,109)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入報表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		NOTE 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Profit (loss) for the year attributable to:	以下人士應佔本年溢利(虧損):			
Owners of the Company	本公司擁有人		74,205,738	(67,261,328)
Non-controlling interests	非控股權益		(202,136)	(281,587)
			74,003,602	(67,542,915)
Total comprehensive income (expense) for the year attributable to:	以下人士應佔本年全面收入(開支)總額:			
Owners of the Company	本公司擁有人		48,443,936	(97,395,768)
Non-controlling interests	非控股權益		(1,155,416)	(1,145,341)
			47,288,520	(98,541,109)
Earnings (loss) per share	每股盈利(虧損)			(restated) (經重列)
Basic	基本	13	33.60 HK cents 港仙	(36.54) HK cents港仙

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2016

於二零一六年十二月三十一日

		NOTES 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	136,221,165	151,391,617
Prepaid lease payments	預付租賃款項	15	28,767,708	29,433,639
Investment properties	投資物業	16	190,125,000	76,365,000
Deposits for land use rights	土地使用權訂金	17	17,378,953	17,485,995
Intangible assets	無形資產	18	–	–
Available-for-sale investments	可供出售投資	19	41,735,027	40,844,006
Loans to joint ventures	給予合營公司之貸款	21	2,216,491	13,253,626
Interests in joint ventures	於合營公司之權益	21	424,647	427,900
Deposit paid for acquisition of property, plant and equipment	已付收購物業、廠房及設備訂金		1,370,661	340,258
			418,239,652	329,542,041
Current assets	流動資產			
Inventories and record masters	存貨及唱片母帶	22	35,340,492	39,636,341
Properties under development for sale	待售發展中物業	23	42,309,793	44,882,520
Held-for-trading investments	持作買賣投資	24	132,247,356	45,089,662
Derivative financial instrument	衍生金融工具	19	10,416,328	10,369,795
Trade and other receivables, prepayments and deposits	貿易及其他應收款項、預付款項以及訂金	25	175,947,838	178,591,899
Loans to available-for-sale investees	給予可供出售被投資方之貸款	20	31,256,977	41,162,700
Loans to joint ventures	給予合營公司之貸款	21	3,864,955	–
Loans receivable	應收貸款	26	36,785,343	76,220,410
Prepaid lease payments	預付租賃款項	15	665,931	718,048
Amount due from a related company	應收一家關連公司款項	27	1,481,546	3,488,638
Tax recoverable	可收回稅項		349,534	862,309
Short-term bank deposits	短期銀行存款	28	61,766,602	113,390,297
Cash and cash equivalents	現金及現金等值	28	165,573,968	120,746,792
			698,006,663	675,159,411

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2016

於二零一六年十二月三十一日

		NOTES 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
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	29	99,195,766	103,471,119
Tax liabilities	稅項負債		907,785	2,561,911
Amount due to a non-controlling shareholder of a subsidiary	應付一家附屬公司 一名非控股 股東款項	30	16,744,809	17,908,309
Amount due to a related company	應付一家關連公司 款項	31	11,536,034	23,330,597
Obligations under finance leases – due within one year	融資租賃責任 – 於一年內到期	33	236,890	–
Borrowings	借貸	32	61,343,200	6,000,000
			189,964,484	153,271,936
Net current assets	流動資產淨值		508,042,179	521,887,475
Total assets less current liabilities	總資產減流動負債		926,281,831	851,429,516
Non-current liabilities	非流動負債			
Amount due to a related company	應付一家關連公司款項	31	422,940	673,947
Deferred taxation	遞延稅項	34	11,842,860	3,679,799
Obligation under finance leases – due after one year	融資租賃責任 – 於一年後到期	33	182,179	–
			12,447,979	4,353,746
Net assets	資產淨值		913,833,852	847,075,770
Capital and reserves	資本及儲備			
Share capital	股本	35	2,536,395	105,684,728
Reserves	儲備		913,837,779	742,775,948
Total attributable to owners of the Company	本公司擁有人應佔總額		916,374,174	848,460,676
Non-controlling interests	非控股權益		(2,540,322)	(1,384,906)
Total equity	權益總額		913,833,852	847,075,770

The financial statements on pages 102 to 234 were approved and authorised for issue by the Board of Directors on 24 March 2017 and are signed on its behalf by:

載於第102頁至第234頁之財務報表已由董事會於二零一七年三月二十四日批准及授權刊發，並由以下董事代表簽署：

SUEK Ka Lun, Ernie 薛嘉麟
Chairman 主席

SUEK Chai Hong 薛濟匡
Director 董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		Attributable to the 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 資本贖回儲備	Contributed surplus 實繳盈餘	Properties valuation reserve 物業估值儲備	Translation reserve 匯兌儲備	Retained profits 保留溢利	Total	Non-controlling interests	Total
		股本 HK\$ 港元	股份溢價 HK\$ 港元	股東之貢獻 HK\$ 港元	儲備 HK\$ 港元	實繳盈餘 HK\$ 港元	儲備 HK\$ 港元	匯兌儲備 HK\$ 港元	保留溢利 HK\$ 港元	總計 HK\$ 港元	非控股權益 HK\$ 港元	總計 HK\$ 港元
At 1 January 2015	於二零一五年一月一日	73,392,728	257,973,169	188,956,957	62,400	-	56,223,266	56,012,702	189,014,126	821,635,348	(239,565)	821,395,783
Loss for the year	本年虧損	-	-	-	-	-	-	-	(67,261,328)	(67,261,328)	(281,587)	(67,542,915)
Exchange differences arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	(30,134,440)	-	-	(30,134,440)	(863,754)	(30,998,194)
Total comprehensive expense for the year	本年全面開支總額	-	-	-	-	-	(30,134,440)	-	(67,261,328)	(97,395,768)	(1,145,341)	(98,541,109)
Issue of new shares	發行新股份	32,292,000	95,114,960	-	-	-	-	-	-	127,406,960	-	127,406,960
Transaction costs attributable to issue of new shares	發行新股份應佔交易成本	-	(3,185,864)	-	-	-	-	-	-	(3,185,864)	-	(3,185,864)
At 31 December 2015	於二零一五年十二月三十一日	105,684,728	349,902,265	188,956,957	62,400	-	56,223,266	25,878,262	121,752,798	848,460,676	(1,384,906)	847,075,770
Profit (loss) for the year	本年溢利(虧損)	-	-	-	-	-	-	-	74,205,738	74,205,738	(202,136)	74,003,602
Exchange differences arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	(25,761,802)	-	-	(25,761,802)	(953,280)	(26,715,082)
Total comprehensive (expense) income for the year	本年全面(開支)收入總額	-	-	-	-	-	(25,761,802)	-	74,205,738	48,443,936	(1,155,416)	47,288,520
Effect of capital reduction (note 35)	股本削減之影響(附註35)	(103,571,033)	-	-	-	103,571,033	-	-	-	-	-	-
Issue of new shares	發行新股份	422,700	19,444,200	-	-	-	-	-	-	19,866,900	-	19,866,900
Transaction costs attributable to issue of new shares	發行新股份應佔交易成本	-	(397,338)	-	-	-	-	-	-	(397,338)	-	(397,338)
At 31 December 2016	於二零一六年十二月三十一日	2,536,395	368,949,127	188,956,957	62,400	103,571,033	56,223,266	116,460	195,958,536	916,374,174	(2,540,322)	913,833,852

Consolidated Statement of Cash Flows

綜合現金流量報表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
OPERATING ACTIVITIES	經營業務		
Profit (loss) before taxation	除稅前溢利(虧損)	86,724,089	(68,268,857)
Adjustments for:	已作出下列調整:		
Allowance for (reversal of) bad and doubtful debts, net	呆壞賬撥備(撥回), 淨額	1,715,533	(268,854)
Write-down of inventories	撇減存貨	268,039	3,407,873
Depreciation of property, plant and equipment	物業、廠房及設備折舊	11,174,567	15,908,575
Release of prepaid lease payments	解除預付租賃款項	718,048	708,341
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	26,709	2,674
Loss on disposal of a subsidiary	出售一家附屬公司之虧損	-	1,183,198
Change in fair value of investment properties	投資物業之公平值變動	(630,600)	(2,265,000)
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	-	9,156,985
Impairment loss recognised in respect of intangible assets	就無形資產確認之減值虧損	-	5,317,632
Impairment loss recognised in respect of available-for-sale investments	就可供出售投資確認之減值虧損	5,581,603	7,765,000
Impairment loss recognised in respect of loans to joint ventures	就給予合營公司貸款確認之減值虧損	5,268,340	-
Change in fair value of derivative financial instrument	衍生金融工具公平值變動	(752,339)	(4,101,597)
Share of results of joint ventures	應佔合營公司之業績	1,500,119	1,571,202
Dividend income	股息收入	(715,278)	(267,287)
Interest expense	利息開支	3,907,893	3,347,007
Interest income	利息收入	(1,990,981)	(4,531,948)
Operating cash flows before movements in working capital	未計營運資金變動前之經營現金流量	112,795,742	(31,335,056)
Decrease in inventories and record masters	存貨及唱片母帶減少	2,337,580	8,680,719
Increase in trade and other receivables, prepayments and deposits	貿易及其他應收款項、預付款項以及訂金增加	(6,562,654)	(14,374,218)
Decrease (increase) in amount due from a related company	應收一家關連公司款項減少(增加)	2,007,092	(800,735)
Increase in held-for-trading investments	持作買賣投資增加	(87,157,694)	(35,007,822)
Decrease (increase) in loans receivable	應收貸款減少(增加)	39,435,067	(67,305,410)
(Decrease) increase in trade and other payables and accruals	貿易及其他應付款項以及應計款項(減少)增加	(93,189)	28,629,928
Cash from (used in) operations	經營所得(所耗)之現金	62,761,944	(111,512,594)
Dividend income	股息收入	715,278	267,287
Hong Kong Profits Tax paid	已付香港利得稅	(1,162,154)	(3,521,164)
Overseas tax paid	已付海外稅項	(4,610,970)	(227,933)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營業務所得(所耗)現金淨額	57,704,098	(114,994,404)

Consolidated Statement of Cash Flows

綜合現金流量報表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		NOTES 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
INVESTING ACTIVITIES	投資活動			
Investment in available-for-sale investments	投資可供出售投資		(2,377,434)	(33,556,912)
Loan to an available-for-sale investee	給予可供出售被投資方之貸款		–	(4,960,047)
Repayment from loan to an available-for-sale investee	給予可供出售被投資方之貸款還款		2,332,090	–
Deposit paid for acquisition of property, plant and equipment	已付收購物業、廠房及設備訂金		(1,370,661)	(340,258)
Placement of short term bank deposits	存置短期銀行存款		(36,147,388)	(1,192,693)
Withdrawal of short term bank deposits	提取短期銀行存款		86,107,178	40,073,374
Disposal of a subsidiary	出售一家附屬公司	37	–	22,529,057
Loan to joint ventures	給予合營公司之貸款		(1,093,026)	(9,466,607)
Repayment from loan to joint ventures	給予合營公司之貸款還款		1,500,000	–
Purchase of property, plant and equipment	購入物業、廠房及設備		(5,859,035)	(6,748,652)
Interest received	已收利息		1,195,950	1,714,196
Acquisition of a subsidiary	收購一家附屬公司	36	(85,449,791)	–
NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資活動(所耗)所得現金淨額		(41,162,117)	8,051,458
FINANCING ACTIVITIES	融資活動			
Repayment of borrowings	償還借貸		(6,120,800)	(4,457,500)
New borrowings raised	新增借貸		35,000,000	–
Advance from a related company	來自一家關連公司之墊款		–	24,004,544
Repayment to a related company	向一家關連公司之還款		(13,155,570)	–
Issue of new shares	發行新股份		19,866,900	127,406,960
Share issues expenses	發行股份開支		(397,338)	(3,185,864)
Repayment of obligations under finance leases	償還融資租賃責任		(293,031)	–
Interest paid	已付利息		(3,907,893)	(3,347,007)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額		30,992,268	140,421,133
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值增加淨額		47,534,249	33,478,187
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金等值		120,746,792	92,770,073
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動影響		(2,707,073)	(5,501,468)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及現金等值		165,573,968	120,746,792
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值結餘之分析			
Bank balances and cash	銀行結餘及現金		165,573,968	120,746,792

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The addresses of the registered office and principal place of business of the Company are disclosed in Corporate Information to the annual report.

The Company acts as an investment holding company. The principal activities and other details of its subsidiaries are set out in note 47.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year.

Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations
Amendments to HKAS 1	Disclosure initiative
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle

1. 一般資料

本公司於百慕達註冊成立為一家受豁免之有限責任公司，其股份在香港聯合交易所有限公司上市。本公司之註冊辦事處及主要營業地點已載於年報「公司資料」內。

本公司為一家投資控股公司。其主要業務及附屬公司之其他詳情載於附註47。

綜合財務報表以港元（「港元」）呈列，而港元亦為本公司之功能貨幣。

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂

本集團已於本年度首次應用下列由香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則修訂。

香港財務報告準則第11號之修訂	收購合營業務權益之會計處理方法
香港會計準則第1號之修訂	披露計劃
香港會計準則第16號及香港會計準則第38號之修訂	對可接受之折舊及攤銷方法之釐清
香港會計準則第16號及香港會計準則第41號之修訂	農業：生產性植物
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂	投資實體：應用合併豁免
香港財務報告準則之修訂	二零一二年至二零一四年週期香港財務報告準則之年度改進

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current year and prior period and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 1 Disclosure initiative

The Group has applied the amendments to HKAS 1 Disclosure Initiative for the first time in the current year. The amendments to HKAS 1 clarify that an entity needs not provide a specific disclosure required by an HKFRS if the information resulting from that disclosure is not material, and give guidance on the bases of aggregating and disaggregating information. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements in HKFRS is insufficient to enable users of financial statements to understand the impact of particular transactions, events and conditions on the entity's financial position and financial performance.

As regards the structure of the financial statements, the amendments provide examples of systematic ordering or grouping of the notes.

The Group has applied these amendments retrospectively. The grouping and ordering of notes have been revised to give prominence to the areas of the Group's activities that management considered to be most relevant to an understanding of the Group's financial performance and financial position. Specifically, information to financial instruments was reordered to note 43. Other than the above presentation and disclosure changes, the application of the amendments to HKAS 1 has not resulted in any impact on the financial performance or financial position of the Group in these consolidated financial statements.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

除下文所述外，於本年度應用該等香港財務報告準則之修訂對此等綜合財務報表所載本集團於本年度及過往期間之財務表現及狀況及／或當中所載披露並無重大影響。

香港會計準則第1號披露計劃之修訂

本集團於本年度首次應用香港會計準則第1號披露計劃之修訂。香港會計準則第1號之修訂闡明，倘實體根據香港財務報告準則規定之特定披露所披露的資料並不重大，則該實體無需提供有關資料，有關修訂並提供有關匯總及分列資料的指引。然而，修訂重申如實體在符合香港財務報告準則的具體要求時仍不足以使財務報表使用者了解特定交易、事件及條件對該實體的財務狀況及財務表現的影響，則其應考慮作出額外披露。

關於財務報表之架構，修訂提供了對附註作系統化排序或分組的示例。

本集團已追溯應用該等修訂。附註的分組和排序已作修訂，以突出管理層認為與理解本集團財務業績和財務狀況最相關的本集團業務領域。具體而言，金融工具之資料已重新排序為附註43。除上述有關呈列及披露的變動外，應用香港會計準則第1號之修訂並未對本集團於該等綜合財務報表所載的財務表現或財務狀況造成任何影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 1 Disclosure initiative (Continued)

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

HKFRS 9	Financial instruments ²
HKFRS 15	Revenue from contracts with customers and the related amendments ²
HKFRS 16	Leases ³
Amendments to HKAS 7	Disclosure initiative ¹
Amendments to HKAS 12	Recognition of deferred tax assets for unrealised losses ¹
Amendments to HKFRS 2	Classification and measurement of share-based payment transactions ²
Amendments to HKFRS 4	Applying HKFRS 9 Financial instruments with HKFRS 4 Insurance contracts ²
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ⁴
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014 – 2016 Cycle ⁵

¹ Effective for annual periods beginning on or after 1 January 2017.

² Effective for annual periods beginning on or after 1 January 2018.

³ Effective for annual periods beginning on or after 1 January 2019.

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 2017 or 1 January 2018 as appropriate.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港會計準則第1號披露計劃之修訂（續）

本集團並無提早應用下列已頒佈但尚未生效之新訂香港財務報告準則及其修訂：

香港財務報告準則第9號	金融工具 ²
香港財務報告準則第15號	客戶合約收益及有關修訂 ²
香港財務報告準則第16號	租賃 ³
香港會計準則第7號之修訂	披露計劃 ¹
香港會計準則第12號之修訂	就未變現虧損確認遞延稅項資產 ¹
香港財務報告準則第2號之修訂	以股份為基礎付款交易的分類及計量 ²
香港財務報告準則第4號之修訂	一併應用香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約 ²
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業間的資產銷售或注資 ⁴
香港財務報告準則之修訂	二零一四年至二零一六年週期香港財務報告準則之年度改進 ⁵

¹ 於二零一七年一月一日或之後開始之年度期間生效。

² 於二零一八年一月一日或之後開始之年度期間生效。

³ 於二零一九年一月一日或之後開始之年度期間生效。

⁴ 於有待釐訂的日期或之後開始之年度期間生效。

⁵ 於二零一七年一月一日或二零一八年一月一日（視何者適用）之後開始之年度期間生效。

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綜合財務報表附註

For the year ended 31 December 2016

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 15 Revenue from contracts with customers

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 will supersede the current revenue recognition guidance including Hong Kong Accounting Standard ("HKAS") 18 "Revenue", HKAS 11 "Construction contracts" and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces 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 obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第15號「客戶合約收益」

香港財務報告準則第15號已頒佈，其制定一項單一全面模式供實體用作將自客戶合約所產生之收益入賬。於香港財務報告準則第15號生效後，其將取代香港會計準則（「香港會計準則」）第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋現時所載之收益確認指引。

香港財務報告準則第15號之核心原則為實體所確認描述向客戶轉讓承諾貨品或服務之收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入確認收益之五個步驟：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於（或當）實體完成履約責任時確認收益

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 15 Revenue from contracts with customers (Continued)

Under HKFRS 15, an entity 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.

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have an impact on the amounts reported (e.g. sales of printing products and albums) as the timing of revenue recognition may be affected/and the amounts of revenue recognised are subject to variable consideration constraints, and more disclosures relating to revenue is required. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the directors of the Company performs a detailed review. In addition, the application of HKFRS 15 in the future may result in more disclosures in the consolidated financial statements.

HKFRS 9 Financial instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第15號「客戶合約收益」（續）

根據香港財務報告準則第15號，一間實體於（或當）完成履約責任時（即於與特定履約責任相關之商品或服務之「控制權」轉讓予客戶時）確認收益。香港財務報告準則第15號已就特別情況之處理方法加入更明確之指引。此外，香港財務報告準則第15號要求更詳盡之披露。

於二零一六年，香港會計師公會對香港財務報告準則第15號有關識別履約責任、主事人與代理人之代價及發牌申請指引方面作出澄清。

本公司董事預期，於日後應用香港財務報告準則第15號可能對所報告金額（例如：銷售印刷產品及唱片）產生影響，因為確認收益的時間可能受到影響／及確認收益的金額受到各種考慮的限制，需要更多有關收益的披露。然而，在本公司董事進行詳細審閱前，難以就香港財務報告準則第15號之影響作出合理估計。此外，於日後應用香港財務報告準則第15號可能要求綜合財務報表作出更多的披露。

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號引入分類及計量金融資產、金融負債、一般對沖會計及金融資產減值要求之新規定。

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綜合財務報表附註

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 Financial instruments (Continued)

Key requirements of HKFRS 9 which are relevant to the Group are:

- All recognised financial assets that are within the scope of HKFRS 9 are required to be 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 that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting 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.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第9號「金融工具」（續）

與本集團有關的香港財務報告準則第9號的主要規定：

- 香港財務報告準則第9號範圍內所有已確認之金融資產須於其後按攤銷成本或公平值計量。具體而言，在目標為收取合約現金流及有僅為本金金額及未付本金利息付款之合約現金流之業務模式中持有之債務投資，一般在往後會計期末按攤銷成本計量。債務工具以達到收回合約性現金流量及出售金融資產為目的的業務模式下持有，且僅為支付本金及尚未償還本金的利息的現金流量（由合約性條款於特定日期產生）按公平值計入其他全面收益（「按公平值計入其他損益」）計量。所有其他債務投資及股權投資均在往後會計期末按其公平值計量。此外，根據香港財務報告準則第9號，實體可不可撤回地選擇在其他全面收入中呈列股權投資（非持作買賣）公平值之其後變動，僅股息收入一般於損益確認。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 9 Financial instruments (Continued)

- 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.

Based on the Group's financial instruments and risk management policies as at 31 December 2016, application of HKFRS 9 in the future may have a material impact on the classification and measurement of the Group's available-for-sale financial assets. The Group's available-for-sale investments, including those currently stated at cost less impairment, will either be measured as fair value through profit or loss or be designated as FVTOCI (subject to fulfillment of the designation criteria). In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised cost. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 until the Group performs a detailed review.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第9號「金融工具」（續）

- 就金融資產的減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算有所不同，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損的變動入賬，以反映信貸風險自初步確認以來的變動。換言之，毋須再待發生信貸事件後方可確認信貸虧損。

根據本集團截至二零一六年十二月三十一日止的金融工具及風險管理政策，於未來應用香港財務報告準則第9號可能會對本集團可供出售金融資產的分類及計量造成重大影響。本集團的可供出售投資（包括現時以成本扣除減值列賬者）將以按公平值計入損益或指定作按公平值計入其他全面收益（須符合指定條件）計量。此外，預期信貸虧損模型會導致提前就本集團按攤銷成本計量之金融資產尚未產生的信貸虧損作出撥備。然而，於本集團完成詳盡審閱前難以就香港財務報告準則第9號之影響作合理估計。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 “Leases” and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments under operating lease as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為出租人及承租人引入識別租賃安排的全面模型及會計指引。於香港財務報告準則第16號生效後，其將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。承租人會計處理中已毋須區分經營租賃及融資租賃，並以承租人須就所有租賃（短期租賃或低價值資產的租賃除外）確認使用權資產及相應負債的模式所取代。

使用權資產初步按成本計量，其後則按成本（若干例外情況除外）減累計減值及減值虧損計量，並就租賃責任的任何重新計量作出調整。租賃責任初步按於該日尚未支付的租賃付款的現值計量。其後，租賃責任會就利息及租賃付款，以及租賃修訂等影響作出調整。至於現金流分類，本集團現時將預付租賃付款呈列為自用租賃土地及分類為投資物業的租賃土地的投資現金流，而其他經營租賃付款則呈列為經營現金流。於應用香港財務報告準則第16號後，有關租賃責任的租賃付款將就本金及利息部份作出分配，並將由本集團呈列為融資現金流。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 16 Leases (Continued)

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is an operating lease lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2016, the Group has non-cancellable operating lease commitments of HK\$62,905,816 as disclosed in note 38. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第16號「租賃」（續）

根據香港會計準則第17號，本集團已就融資租賃安排確認一項資產及一項相關融資租賃負債，並就本集團作為經營租賃承租人的租賃土地確認預付租賃款項。視乎本集團的使用權資產乃分開呈列或與對應的相關資產（如擁有有關資產）所呈列的同一項目中呈列，應用香港財務報告準則第16號可能導致該等資產的分類出現潛在變動。

與承租人的會計處理方法不同，香港財務報告準則第16號大體上沿用香港會計準則第17號出租人會計處理方法的規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求更詳盡的披露。

誠如附註38所披露，截至二零一六年十二月三十一日止，本集團有不可撤銷經營租賃承擔62,905,816港元。初步評估顯示，此等安排將符合香港財務報告準則第16號項下租賃的定義，因此，本集團將就所有此等租賃確認使用權資產及相應的負債，惟該等資產於應用根據香港財務報告準則第16號時符合低價值或短期租賃的情況下除外。此外，應用新規定可能導致上述計量、呈列及披露的變動。然而，於本公司董事完成詳細審閱前，無法合理估計有關財務影響。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 7 Disclosure initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes. Specifically, the amendments require the following changes in liabilities arising from financing activities to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

The amendments apply prospectively for annual periods beginning on or after 1 January 2017 with earlier application permitted. The application of the amendments will result in additional disclosures on the Group’s financing activities, specifically reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

The directors of the Company do not anticipate that the application of other new and amendments to HKFRSs will have a material effect on the accounts recognised in the Group’s consolidated financial statements.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港會計準則第7號披露計劃之修訂

有關修訂規定實體作出的披露可讓財務報表使用者評估融資活動產生之負債變動，包括現金流產生的變動及非現金變動。具體而言，該修訂要求披露以下融資活動產生負債之變動：(i) 融資現金流變動；(ii) 取得或失去附屬公司或其他業務的控制權產生之變動；(iii) 外匯匯率變動之影響；(iv) 公平值變動；及(v) 其他變動。

於未來二零一七年一月一日或之後開始的年度期間適用的該修訂允許提早應用。應用該修訂將導致本集團融資活動的額外披露，具體而言是綜合財務狀況報表中融資活動產生的負債年初結餘與年末結餘的對賬於應用後須予披露。

本公司董事預期，應用其他新訂香港財務報告準則及修訂對本集團綜合財務報表內所確認的金額並無重大影響。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance ("CO").

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 "Share-based payment", leasing transactions that are within the scope of HKAS 17 "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 "Inventories" or value in use in HKAS 36 "Impairment of assets".

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

3. 主要會計政策

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例（「公司條例」）所規定之適用披露事項。

綜合財務報表乃按歷史成本基準編製，惟誠如下文所載會計政策所闡述，投資物業及若干金融工具按公平值計量除外。歷史成本一般以就交換貨品及服務給予之代價之公平值為基礎。

公平值指市場參與者之間在計量日期進行有序交易中出售一項資產所收取或轉移一項負債所支付之價格，而不論該價格是否可直接觀察或採用其他估值技術估計。在對資產或負債之公平值作出估計時，倘市場參與者在計量日期為該資產或負債定價時將會考慮有關該資產或負債之特點，則本集團亦會考慮該等特點。在此等綜合財務報表中就計量及／或披露用途而採用之公平值均按此基礎釐定，惟香港財務報告準則第2號「股份付款交易」範圍界定之股份付款交易、香港會計準則第17號「租賃」範圍界定之租賃交易及與公平值部分相若但非公平值之計量（例如，香港會計準則第2號「存貨」中之可變現淨值或香港會計準則第36號「資產減值」中之使用價值）除外。

非金融資產之公平值計量會計及市場參與者將資產用於最高價值及最佳用途或售予會將資產用於最高價值及最佳用途之另一市場參與者而產生經濟利益的能力。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. 主要會計政策 (續)

此外，就財務申報而言，公平值計量按照公平值計量之輸入數據可觀察程度及公平值計量輸入數據之整體重要性，分類為1級、2級或3級，情況如下所述：

- 1級輸入數據是實體於計量日期可取得之相同資產或負債於活躍市場之報價（未經調整）；
- 2級輸入數據是就資產或負債直接或間接地可觀察之輸入數據（1級包括之報價除外）；及
- 3級輸入數據是資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

綜合賬目基準

綜合財務報表包括本公司以及本公司及其附屬公司控制之實體財務報表。當本公司出現以下情況時，即取得控制權：

- 可向被投資方行使權力；
- 因參與被投資方事務而承擔風險或有權擁有被投資方之可變回報；及
- 有能力運用其對被投資方之權力影響回報。

倘事實及情況顯示上述三項控制權元素中一項或以上有所變動，則本集團會重新評估是否對被投資方擁有控制權。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All inter-group assets and liabilities, equity, income, expenses and cash flows relating to transaction between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

3. 主要會計政策 (續)

綜合賬目基準 (續)

附屬公司之綜合入賬自本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支自本集團取得控制權之日期起計入綜合損益及其他全面收入報表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收入之各項目歸屬於本公司擁有人及非控股權益。附屬公司之全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

附屬公司之財務報表視乎需要作出調整，以使其會計政策與本集團其他成員公司所採用之會計政策一致。

本集團內各公司間所有資產及負債、權益、收入、開支及與本集團成員公司間交易有關的現金流量均於綜合賬目時悉數對銷。

附屬公司之非控股權益與本集團於附屬公司之權益分開呈列。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

3. 主要會計政策 (續)

業務合併

業務收購使用收購法入賬。業務合併中代價之轉讓按公平值計量，按本集團轉讓之資產、應付被收購方的前擁有人款項產生的負債及本集團為交換被收購方的控制權而發行的股權於收購日期的公平值之和計算。收購的相關費用通常於產生時於損益中確認。

於收購日期，可識別自資產及承擔的負債按彼等之公平值確認，以下除外：

- 遞延稅項資產或負債，及分別根據香港會計準則第12號所得稅及香港財務報告第19號僱員福利確認及計量的與僱員福利安排相關的資產或負債；
- 與被收購方以股份為基礎的付款安排，或本集團為替代於收購日期根據香港財務報告準則第2號以股份為基礎付款計量的被收購方的以股份為基礎付款安排（見下文會計政策）而訂立的以股份為基礎付款安排相關的負債或股本工具；及
- 根據香港財務報告準則第5號持作出售的非流動資產及終止經營業務並根據其標準計量的分類為持作出售的資產（或出售組別）。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

3. 主要會計政策 (續)

業務合併 (續)

商譽按超出轉讓之代價、於被收購方的任何非控股權益金額及收購方先前於被收購方(如有)就收購的可識別資產及承擔的負債於收購日期的淨額而持有股權的公平值之和的部分計量。倘於重新評估後,可識別資產及承擔的負債之淨額超過轉讓之代價、於被收購方的任何非控股權益金額及收購方先前於被收購方持有股權之公平值之和(如有),則超額作為廉價購買收入立即於損益中確認。

非控股權益為現時所有權權益,當流動資金可能初始按公平值或按非控股權益就被收購方的可識別淨資產的已確認金額的比例份額計量時,授予彼等持有人於相關附屬公司淨資產的比例份額。計量基準之選擇以各交易為基礎作出的。其他類型的非控股權益按彼等之公平值計量。

收購不構成業務之附屬公司

當本集團收購一組不構成一項業務的資產及負債時,本集團最初通過按其各自的公平值分配購買價,購買價結餘隨後按照其他單一可識別資產及負債於購買日期彼等各自的公平值分配,以識別並確認收購的單一可識別資產及負債。該交易不會造成商譽上漲或購買收益的減少。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

3. 主要會計政策 (續)

於合營公司之權益

合營公司指一項聯席安排，對安排擁有共同控制權之訂約方據此對聯席安排之資產淨值擁有權利。共同控制權指按照合約協定對一項安排所共有之控制權，僅在相關活動必須獲得共同享有控制權之各方一致同意方能決定時存在。

合營公司之業績及資產與負債使用權益會計法計入綜合財務報表。就權益會計法所用合營公司之財務報表，採用本集團於類似情況下類似交易及事項所用之相同會計政策編製。根據權益法，於合營公司之投資初始於綜合財務狀況報表按成本確認，其後作出調整，以確認本集團應佔合營公司之損益及其他全面收入。倘本集團應佔合營公司虧損超出本集團於該合營公司之權益（包括大致上構成本集團於合營公司之投資淨額部分之長期權益），則本集團會終止確認應佔之進一步虧損。額外虧損僅於本集團產生法定或推定責任或代表合營公司付款時確認。

自被投資方成為一家合營公司當日起，於合營公司之投資採用權益法入賬。於收購一間合營公司之投資時，投資成本超出本集團分佔該被投資方可識別資產及負債公平淨值之任何差額會確認為商譽，並計入投資賬面值。本集團所佔可識別資產及負債於重新評估後之公平淨值與投資成本之任何差額，會於收購投資期間即時於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in joint ventures (Continued)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of investment (include goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;

3. 主要會計政策 (續)

於合營公司之權益 (續)

本集團應用香港會計準則第39號之規定，以釐定是否需要就本集團於合營公司之投資確認任何減值虧損。如有需要，該項投資之全部賬面值（包括商譽）會根據香港會計準則第36號「資產減值」，以單一資產方式進行減值測試，比較其可收回金額（即使用價值與公平值減出售成本之較高者）與賬面值。任何已確認減值虧損構成該項投資賬面值一部分。有關減值虧損之任何撥回乃於該項投資之可收回金額其後增加時根據香港會計準則第36號確認。

收益確認

收益按已收或應收代價之公平值計量，乃於正常業務過程中就已售貨品及已提供服務所應收取之款項（扣除折扣及銷售相關稅項）。

收益於收益金額能可靠地計量時；未來經濟利益將有可能流入本集團時；及本集團各業務活動達致特定條件時確認，詳情參見下文。

銷售貨品之收益於下列條件全部達成時確認：

- 本集團已將貨品擁有權之重大風險及報酬轉移至買方；
- 本集團既無保留通常與擁有權相關之持續管理，亦無保留對已售貨品之實際控制權；
- 收益之金額能可靠地計量；

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

- the costs incurred or to be incurred in respect of the transaction can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the Group.

Sales of albums are recognised when the albums are delivered and the title has passed.

Artistes management fee income is recognised when the services are provided.

Promotion income is recognised when the services are provided.

Concerts and shows income is recognised on the completion of the relevant concerts and shows.

Income from the licensing of the musical works is recognised when the Group's entitlement to such payments has been established.

Service income is recognised when services are provided.

Deposits received from purchases prior to meeting the above criteria for revenue recognition are included in consolidated statement of financial position under current liabilities.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income is recognised, on a straight-line basis, over the terms of relevant leases. The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy for leasing below.

3. 主要會計政策 (續)

收益確認 (續)

- 已經或將會就交易產生之成本能可靠地計量；及
- 與交易相關之經濟效益很可能流入本集團。

唱片之銷售於交付唱片及轉移擁有權時確認。

管理藝人費收入於提供服務時確認。

宣傳收入於提供服務時確認。

音樂會及表演收入於相關音樂會及表演完成時確認。

音樂作品特許收入於本集團獲得有關款項之權利確立時確認。

服務收入於提供服務時確認。

於符合上述收益確認條件前自買入收取之訂金會計入綜合財務狀況報表內流動負債項下。

金融資產之利息收入於經濟利益將有可能流入本集團及收益金額能可靠地計量時確認。金融資產之利息收入就未償還本金額及適用實際利率按時間基準累計，有關利率為於金融資產之預計年期將估計日後所收現金準確折算至該資產於初始確認時之賬面淨額之利率。

租金收入於相關租賃期內按直線法確認。本集團確認經營租賃收益的會計政策已於下列租賃會計政策中說明。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are classified and accounted for as investment properties and are measured using fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Transfer from owner-occupied property to investment property carried at fair value

If an item of property, plant and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in properties revaluation reserve. On the subsequent sale or retirement of the asset, the properties revaluation reserve will be transferred directly to retained profits.

3. 主要會計政策 (續)

投資物業

投資物業乃指持有作為賺取租金及／或作為資本增值的物業。

投資物業初步按成本計量，包括任何直接相關支出。於初步確認後，投資物業按公平值計量。本集團就賺取租金或資本增值而根據經營租約持有之全部物業權益分類並作為投資物業入賬，且使用公平值模式計量。投資物業公平值變動產生的損益，已計入其產生期間的損益表內。

投資物業於出售後或在投資物業永久不再使用及預期出售該等物業不會產生未來經濟利益時取消確認。取消確認資產所產生的任何損益（按出售所得款項淨額與資產賬面值的差額計算）將計入該項目取消確認期間的損益賬內。

由業主自用物業轉撥至以公平值列賬之投資物業

倘某一物業、廠房及設備項目不再由業主自用，顯示用途已改變，則成為投資物業，而該項目於轉撥日期之賬面值與公平值之間之任何差額，乃於其他全面收入確認及於物業重估儲備中累計。當資產其後銷售或報廢時，物業重估儲備將直接轉撥至保留溢利。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment, other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

3. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備(在建工程除外)按成本減其後累計折舊及累計減值虧損(如有)後列賬。

折舊乃根據物業、廠房及設備項目(在建工程除外)之估計可使用年期以直線法確認,以撇銷其減去剩餘價值後之成本。估計可使用年期、剩餘價值及折舊方法會在各報告期末檢討,並採用未來適用法將任何估計變更之影響入賬。

供生產、供應或行政用途之在建物業按成本減任何已確認減值虧損列賬。成本包括專業費用及(就合資格資產而言)按照本集團會計政策撥充資本之借貸成本。有關物業於竣工及已可作擬定用途時歸類為物業、廠房及設備之適當類別。該等資產在已可作擬定用途時按與其他物業資產相同之基準開始計算折舊。

根據融資租賃持有之資產於預期使用年期內按自有資產相同之基準折舊。然而,未能合理確定可於租期結束後獲得擁有權之資產,乃於租期及彼等之可使用年期(以較短者為準)計算折舊。

物業、廠房及設備項目於出售或當預期持續使用該資產將不會產生未來經濟利益時終止確認。出售物業、廠房及設備項目或將有關項目報廢所產生之任何收益或虧損乃以銷售所得款項與該資產之賬面值之差額釐定,並於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Record masters

Record masters represent the accumulated costs incurred in the production of master tapes of relevant audio-visual products at the end of the reporting period and are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

Properties under development for sale

Properties under development for sale are stated at the lower of cost and net realisable value. Cost comprises both the land use rights and development cost of the property. Net realisable value takes into account the price ultimately expected to be realised, less applicable selling expenses and the anticipated costs to completion.

Development cost of property comprises construction costs, borrowing costs capitalised according to the Group's accounting policy and directly attributable cost incurred during the development period. On completion, the properties are transferred to properties held for sale.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

3. 主要會計政策 (續)

存貨

存貨以成本與可變現淨值兩者中之較低值入賬。成本按先進先出方法計算。可變現淨值指估計存貨售價減所有估計完成成本及銷售所需成本。

唱片母帶

唱片母帶指製作相關影音產品母帶時於報告期末產生之累計成本，並按成本與可變現淨值兩者中之較低者列賬。成本乃以先入先出方法計算。

待售發展中物業

待售發展中物業按成本與可變現淨值之較低者入賬。成本包括土地使用權及物業開發成本。可變現淨值考慮最終預期實現之價格，扣除適用銷售開支以及預期竣工成本。

物業開發成本包括建築成本、按照本集團會計政策資本化之借貸成本及發展期內產生之直接應佔成本。物業於竣工時轉撥至持作出售物業。

於業務合併中收購之無形資產

本集團會將於業務合併時收購之無形資產初始按於收購日期之公平值（被視作無形資產之成本）確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets acquired in a business combination (Continued)

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

Impairment losses on tangible and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

3. 主要會計政策 (續)

於業務合併中收購之無形資產 (續)

於初始確認後，有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。有限可使用年期之無形資產於估計可使用年期內以直線法作攤銷撥備。然而，無限可使用年期之無形資產按成本減任何其後累計減值虧損列賬（見下文有關有形及無形資產之減值虧損之會計政策）。

終止確認無形資產所產生之收益或虧損按出售所得款項淨額與該資產之賬面值之差額計量，並於終止確認該項資產之期間在損益中確認。

有形及無形資產之減值虧損

於報告期末，本集團檢討其有限可使用年期之有形及無形資產之賬面值，以釐定有否跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則須估計資產之可收回金額，以釐定減值虧損（如有）之程度。倘無法估計個別資產之可收回金額，則本集團會估計該資產所屬現金產生單位之可收回金額。倘可識別合理及一致之分配基準，則企業資產亦會分配至個別現金產生單位，或分配至可識別合理及一致分配基準之最小組別現金產生單位。

無限可使用年期之無形資產及未可供使用之無形資產至少每年及於出現可能減值之跡象時進行減值測試。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment losses on tangible and intangible assets (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised as an expense immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

3. 主要會計政策 (續)

有形及無形資產之減值虧損 (續)

可收回金額為公平值(減出售成本)與使用價值兩者中之較高值。於評估使用價值時,乃以反映目前市場對金錢時間價值及資產於估計未來現金流量調整前之獨有風險之稅前折算率折算估計未來現金流量至其現值。

倘估計資產(或現金產生單位)之可收回金額少於其賬面值,資產(或現金產生單位)之賬面值被削減至其可收回金額。資產的賬面值不會被調低至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零(以較高者為準)。其他已分配至資產的減值虧損金額則按比例分配至該單位內的其他資產。減值虧損即時於損益確認為開支。

倘減值虧損於其後撥回,則該項資產之賬面值會增加至其經修訂之估計可收回金額,惟增加後之賬面值不得超出假設過往年度並無就該項資產(或現金產生單位)確認減值虧損原應釐定之賬面值。減值虧損撥回即時於損益確認。

借貸成本

收購、建造或生產合資格資產(即需要長時間準備方可作擬定用途或銷售之資產)直接應佔之借貸成本,會加入該等資產之成本,直至該等資產已大致完成可作擬定用途或銷售為止。特定借貸有待用作合資格資產開支前暫時投資所賺取之投資收入會自可撥充資本之合資格借貸成本中扣除。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs (Continued)

All other borrowing costs are recognised as and included in profit or loss under the finance costs in the consolidated statement of profit or loss and other comprehensive income in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before taxation' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising from investments in subsidiaries and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 主要會計政策 (續)

借貸成本 (續)

所有其他借貸成本均於產生期間之綜合損益及其他全面收入報表內確認為融資成本，並計入損益。

稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收入報表所報之除稅前溢利不同，乃由於在其他年度應課稅或可扣稅之收入或開支項目及從不課稅或扣稅之項目所致。本集團之即期稅項負債乃採用於報告期末經已生效或實際上已生效之稅率計算。

遞延稅項乃就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基兩者間之臨時差額確認。遞延稅項負債通常會就所有應課稅臨時差額確認。遞延稅項資產通常會在有可能利用可扣稅臨時差額抵銷應課稅溢利時，就所有可扣稅臨時差額確認。若於一項交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致之臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等遞延稅項資產及負債。

遞延稅項負債會就於附屬公司及合營公司權益之投資所產生之應課稅臨時差額確認，惟本集團能夠控制臨時差額之撥回，且臨時差額在可見將來可能不會撥回則作別論。與該等投資相關之可扣稅臨時差額所產生之遞延稅項資產於可能有足夠應課稅溢利可以使用臨時差額之益處，且預計於可見將來可以撥回時方會確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax for such investment properties are measured in accordance with the above general principles set out in HKAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

Current and deferred tax are recognised in profit or loss.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值於各報告期末檢討，並在不大可能有足夠應課稅溢利抵銷將予收回之全部或部分資產時調減。

遞延稅項資產及負債基於報告期末經已生效或實際上已生效之稅率（及稅法）按預期於清償負債或變現資產之期間適用之稅率計量。

遞延稅項負債及資產之計量方式反映本集團預期於報告期末收回資產或清償負債賬面值之方式所產生之稅務影響。

使用公平值模式計量的投資物業而言，在計量其遞延稅項時，這些物業之賬面值乃假設是透過出售時全數收回，除非當投資物業是非透過出售，而可以折舊及以由一個商業模式所持有並透過使用該物業所包含的絕大部分經濟利益，從而收回其賬面值，則此假設被駁回。如此假設被駁回，此等投資物業的遞延稅項負債則根據上述載於香港會計準則第12號的一般準則（即根據投資物業賬面值可被收回的預計方式）計量。

即期及遞延稅項於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs increased in negotiating and arranging an operating lease are added to the carrying amount of the leased asset.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below).

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3. 主要會計政策 (續)

租賃

當租賃之條款實質上將擁有權所產生之絕大部分風險及回報轉移至承租人時，該等租賃被分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為出租人

經營租賃之租金收入乃按相關租賃年期以直線法於損益內確認。初始成本於磋商及安排經營租賃期間的上升部份，乃計入所租賃資產的賬面值。

本集團作為承租人

根據融資租賃持有的資產按有關資產於租約開始時之公平值或（如為較低者）最低租賃付款之現值確認為本集團之資產。對出租人的相關責任作為融資租賃責任計入綜合財務狀況報表。

租賃付款在融資開支及租賃責任扣減之間劃撥，以使責任餘額之利率維持一致。融資開支即時於損益中確認，除非有關開支由合資格資產直接產生，於該情況下，彼等根據本集團借款成本之一般政策撥充資本（見下文之會計政策）。

經營租賃款項於租期內按直線法確認為開支，惟倘有另一系統化基礎更能表示消耗來自所租資產經濟利益之時間模式則除外。

倘收取租賃獎勵以訂立經營租賃，則該等獎勵確認為負債。獎勵總利益按直線法確認為扣減租金開支，惟倘有另一系統化基礎更能表示消耗來自所租賃資產經濟利益之時間模式則除外。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 主要會計政策 (續)

租賃 (續)

租賃土地及樓宇

當租賃包括土地及樓宇部分時，則本集團會依照其所評估與各部分擁有權有關之絕大部分風險與報酬是否已轉移至本集團，評估各部分應獨立分類為融資或經營租賃，除非明顯兩個部分均為經營租賃，在此情況下則整項租賃分類為經營租賃。具體而言，最低租賃款項（包括任何一次性預付款項）在租賃開始時，按租賃土地部分及樓宇部分租賃權益之相對公平值之比例分為土地及樓宇部分。

倘租賃款項能可靠地分配，入賬列為經營租賃之租賃土地之權益會於綜合財務狀況報表呈列為「預付租賃款項」，並於租期內按直線法攤銷。

外幣

於編製各集團實體之財務報表時，以該實體之應用貨幣以外貨幣（外幣）進行之交易按交易日期之通用匯率折算為其應用貨幣（即該實體經營之主要經濟環境之貨幣）記錄。於報告期末，以外幣列值之貨幣項目按該日之通用匯率重新換算。以外幣及按歷史成本計量之非貨幣項目不會重新換算。

結算貨幣項目及貨幣項目之重新換算產生匯兌差額於產生期間之損益內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

Retirement benefit costs

Payments to defined contribution retirement benefits schemes, state-managed retirement benefit schemes and Mandatory Provident Fund Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

3. 主要會計政策 (續)

外幣 (續)

就呈列綜合財務報表而言，本集團之海外業務資產及負債按於報告期末之通用匯率換算為本集團之呈列貨幣（即港元），而其收入及開支則按該年度之平均匯率換算，惟倘期內之匯率大幅波動，則使用交易當日之通用匯率換算。所產生之匯兌差額（如有）於其他全面收入中確認及於權益中（匯兌儲備）累計。

退休福利成本

定額供款退休福利計劃、國家管理退休福利計劃及強制性公積金計劃之供款均於僱員提供服務而使其有權享有供款時以開支扣除。

短期僱員福利

短期僱員福利按預期於僱員提供服務時支付的福利的未貼現金額確認。除非另一項香港財務報告準則規定或允許將福利計入一項資產的成本中，否則所有短期僱員福利會確認為開支。

負債於扣除任何已付金額後就僱員的累計福利（如工資及薪金、年假及病假）確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified as loans and receivables, held for trading investments and available-for-sale investments. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition. Interest income is recognised on an effective interest basis for debt instruments.

3. 主要會計政策 (續)

金融工具

當某集團實體成為工具合約條文之一方時，會在綜合財務狀況報表內確認金融資產及金融負債。金融資產及金融負債在初始確認時以公平值計量。購置或發行金融資產及金融負債（按公平值計入損益之金融資產或金融負債除外）直接應佔之交易成本在初始確認時計入或扣自各金融資產或金融負債（倘適用）之公平值。購置按公平值計入損益之金融資產或金融負債直接應佔之交易成本即時在損益中確認。

金融資產

本集團之金融資產分類為貸款及應收款項、持作買賣投資及可供出售投資。以常規方式買賣之所有金融資產均按交易日基準確認或終止確認。以常規方式買賣指要求在相關市場中之規例或慣例通常約定之時間內交付資產之金融資產買賣。

實際利率法

實際利率法為於有關期間用作計算債務工具攤銷成本及分配利息收入之方法。實際利率為於債務工具之預計年期或（倘適用）較短期間將估計日後所收現金（包括構成實際利率一部分之所有已付或已收費用、交易成本及其他溢價或折讓）準確折算至該資產於初始確認時之賬面淨額之利率。債務工具之利息收入按實際利率法確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Held for trading investment

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Held for trading investment is measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned in the financial assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investment.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

持作買賣投資

倘若金融資產屬以下性質，則分類為持作買賣：

- 收購之主要目的為於不久將來出售；或
- 屬於本集團合併管理之已識別金融工具組合之一部分，並於近期具有短期獲利之實際模式；或
- 並非指定及實質為對沖工具之衍生工具。

持作買賣投資按公平值計量，重新計量產生之公平值變動直接於產生期間內於損益確認。於損益確認之收益或虧損淨額不包括金融資產所賺取之任何股息或利息。

可供出售金融資產

可供出售金融資產為指定為或並非分類為按公平值計入損益之金融資產、貸款及應收款項或持至到期投資之非衍生工具。

可供出售股本工具之股息於本集團收取股息之權利獲確立時在損益中確認。可供出售金融資產賬面值之其他變動於其他全面收益中確認，並於投資重估儲備下累計。當投資出售或被釐定為減值時，過往於投資重估儲備內累計之累計收益或虧損重新分類至損益（見下文金融資產減值虧損之會計政策）。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets (Continued)

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment loss on financial assets below).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including loan to available-for-sale investees, loans to joint ventures, trade and other receivables and deposits, loans receivable, amount due from a related company, short-term bank deposits and cash and cash equivalents) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

可供出售金融資產 (續)

就並無活躍市場報價且公平值不能可靠地計量之可供出售股本投資而言，其於報告期末按成本減任何已識別減值虧損計量（詳見下文有關金融資產減值虧損之會計政策）。

貸款及應收款項

貸款及應收款項為有固定或可釐定款項、且並無在活躍市場上報價之非衍生金融資產。於初始確認後，貸款及應收款項（包括給予可供出售被投資方之貸款、給予合營公司之貸款、貿易及其他應收款項以及訂金、應收貸款款項、應收一家關連公司款項、短期銀行存款以及現金及現金等值）採用實際利率法按攤銷成本減任何已識別減值虧損（詳見下文有關金融資產減值之會計政策）列賬。

Notes to the Consolidated Financial Statements

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For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

3. 主要會計政策 (續)

金融工具 (續)

金融資產減值

本集團會於各報告期末評估金融資產有否跡象顯示出現減值。倘有客觀證據顯示金融資產因初始確認後發生之一宗或多宗事件而令有關金融資產之估計未來現金流量受影響，則該等金融資產為已減值。

就貸款及應收款項而言，減值之客觀證據可包括：

- 發行人或對手方出現重大財政困難；或
- 違反合約，如逾期或拖欠利息及本金還款；或
- 借款人有可能破產或進行財務重組。

就貿易應收款項等若干金融資產類別而言，被評估為非個別減值之資產其後會按整體基準評估減值。應收款項組合之客觀減值證據可包括本集團之過往收款經驗，以及與應收款項逾期有關之全國或地方經濟狀況之明顯改變。

就按攤銷成本列賬之金融資產而言，減值虧損於有客觀證據顯示有關資產已減值時在損益中確認，並按該資產之賬面值及以原實際利率折算之估計未來現金流量現值兩者之間之差額計量。

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截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When the trade receivables are considered uncollectible, they are written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets carried at cost, the amount of the impairment loss recognised is difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar asset. Such impairment loss will not be reversed in subsequent periods.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

3. 主要會計政策 (續)

金融工具 (續)

金融資產減值 (續)

所有金融資產之賬面值均直接按減值虧損減少，惟貿易應收款項則透過使用撥備賬目扣減賬面值。撥備賬之賬面值變動於損益內確認。倘貿易應收款項被視為無法收回，則與撥備賬對銷。其後收回過往已撇銷之款項乃計入損益內。

就按成本列賬之金融資產而言，已確認減值虧損金額乃資產賬面值與按相類資產現時市場回報率折算之估計未來現金流量現值兩者間之差額。該減值虧損不會於往後期間撥回。

就按攤銷成本計量之金融資產而言，倘減值虧損金額於往後期間減少，且減少可客觀地與確認減值虧損後發生之事件有關，則先前確認之減值虧損乃透過損益撥回，惟該資產於撥回減值當日之賬面值不得超過在並無確認減值之情況下應有之攤銷成本。

金融負債及股本工具

由集團實體發行之金融負債及股本工具按照所訂立之合約安排之實質內容以及金融負債及股本工具之定義歸類為金融負債或權益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables, borrowings and amount due to a non-controlling shareholder of a subsidiary and a related company are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

股本工具

股本工具指能證明擁有本集團在減除其所有負債後之資產中之剩餘權益之任何合約。本公司發行之股本工具按已收所得款項減除直接發行成本後入賬。

實際利率法

實際利率法為於有關期間用作計算金融負債攤銷成本及分配利息開支之方法。實際利率為於金融負債之預計年期或(倘適用)較短期間將估計日後所付現金準確折算至首次確認時之賬面淨額之利率。利息開支按實際利率法確認。

按成本攤銷之金融負債

金融負債(包括貿易及其他應付款項、借貸及應付一家附屬公司一名非控股股東及一家關連公司款項)於其後採用實際利率法按攤銷成本計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Derivative financial instrument

Derivative is initially recognised at fair value at the dates when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

衍生金融工具

衍生工具於訂立衍生合約時初始按公平值確認，其後按公平值重新計量。由此產生的損益立即於損益賬確認，惟該衍生工具被指定為有效對沖工具則除外，在該情況下，於損益賬確認之時間乃視乎對沖關係之性質。

終止確認

只有於從資產收取現金流量之合約權利屆滿時，本集團方會終止確認金融資產。

一旦終止確認金融資產，該資產之賬面值與已收及應收代價兩者總和之間之差額會於損益中確認。

當有關合約中指明之義務解除、取消或到期時，該等金融負債將會終止確認。已終止確認之金融負債賬面值與已付及應付代價兩者間之差額會於損益中確認。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

Fair value of equity interest of Sichuan Ying Wah Real Estate Company Limited (四川英華房地產有限公司) ("Ying Wah") and impairment of loan to Ying Wah

The fair value of equity interest of Ying Wah (included in the available-for-sale investments as set out in note 19) amounting to HK\$14,142,889 (2015: HK\$15,044,294) and the loan to Ying Wah (included in loans to available-for-sale investees as set out in note 20) amounting to HK\$31,256,977 (2015: HK\$35,002,605) as at 31 December 2016. The directors of the Company consider that no impairment on loan to Ying Wah is required as at 31 December 2016.

During the assessment of the fair value of equity interest of Ying Wah, the directors of the Company use their judgment in selecting an appropriate valuation methodology for the valuation of financial instruments not quoted in an active market. The Group engaged an independent professional valuer to perform the valuation. The fair value of available-for-sale equity investments is assessed based on adjusted net asset value of Ying Wah as at 31 December 2016. Details of the valuation methodology and key inputs involved are disclosed in note 43. Determining whether there is impairment loss on the loan to Ying Wah, the directors of the Company assess the recoverability of the loan to Ying Wah by reviewing the adjusted net asset value of Ying Wah as at 31 December 2016.

Where there are any changes in the key inputs due to the change in market conditions, the fair value of equity interest of Ying Wah may be significantly affected and significant impairment loss on the loan to Ying Wah may arise.

4. 估計不確定因素之主要來源

下文載述之未來主要假設及於報告期末存在之其他主要估計不確定因素來源存在重大風險，可能導致須於下一財政年度對資產之賬面值作出重大調整。

四川英華房地產有限公司（「英華房地產」）股權之公平值及給予英華房地產貸款之減值

截至二零一六年十二月三十一日止，英華房地產股權之公平值（計入附註19所載之可供出售投資）為14,142,889港元（二零一五年：15,044,294港元），及給予英華房地產之貸款（計入附註20所載給予可供出售被投資方之貸款）為31,256,977港元（二零一五年：35,002,605港元）。本公司董事認為，截至二零一六年十二月三十一日止給予英華房地產之貸款無須減值。

對英華房地產股權之公平值進行評估時，本公司董事就並無活躍市場報價的金融工具的估值選擇適當的估值方法時運用了彼等的判斷。本集團聘用獨立專業估值師進行估值。可供出售股權投資之公平值乃基於英華房地產截至二零一六年十二月三十一日止經調整資產淨值進行評定。估值方法及涉及的關鍵輸入數據之詳情於附註43中披露。釐定給予英華房地產之貸款是否有減值虧損時，本公司董事通過審閱英華房地產截至二零一六年十二月三十一日止的經調整資產淨值評估給予英華房地產貸款的可收回性。

倘由於市場狀況變動而導致關鍵輸入數據有任何變動，英華房地產股權的公平值可能會受到重大影響，且可能導致給予英華房地產之貸款出現重大減值虧損。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment of properties under development for sale

As at 31 December 2016, properties under development for sale of approximately HK\$42,309,793 (2015: HK\$44,882,520) is stated at lower of cost and net realisable value. The directors of the Company use their judgment in determining the net realisable value of properties under development for sale with reference to the comparable market transaction in similar location. The directors of the Company consider that no impairment is identified as at 31 December 2016. Where there are any decrease in the net realisable value arising from any changes to the market conditions in the PRC, there may be impairment loss recognised on the properties under development for sale.

Fair value of derivative financial instrument

The directors of the Company use their judgment in selecting an appropriate valuation inputs for the valuation of financial instruments not quoted in an active market. Black-Scholes option pricing model is used for valuation of the instrument which involves several key assumptions and estimates including share price volatility of comparable companies, dividend yield and risk-free rate. As at 31 December 2016, the fair value of derivative financial instrument measured at fair value was approximately HK\$10,416,328 (2015: HK\$10,369,795). Details of the valuation methodology are disclosed in note 19.

Fair value of investment properties

The fair value was based on a valuation on these properties conducted by independent firms of professional valuers using property valuation techniques which involve certain estimates, including appropriate capitalisation rates and level and location adjustments. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment properties and corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss. As at 31 December 2016, the fair values of investment properties are approximately HK\$190,125,000 (2015: HK\$76,365,000). Details of the valuation methodology are disclosed in note 16.

4. 估計不確定因素之主要 來源 (續)

待售發展中物業之估計減值

截至二零一六年十二月三十一日止，待售發展中物業之價值約為42,309,793港元（二零一五年：44,882,520港元），乃按成本及可變現淨值之較低者列賬。本公司董事於釐定待售發展中物業的可變現淨值時運用了彼等之判斷，並參考相若位置的可比較市場交易。本公司董事認為截至二零一六年十二月三十一日止並無識別任何減值。倘中國市場狀況出現任何變動，令可變現淨值減少，則可能就待售發展中物業確認減值虧損。

衍生金融工具公平值

本公司董事就並無活躍市場報價的金融工具選擇適當之估值方法時運用了彼等之判斷。畢蘇期權定價模式已用作為工具進行估值，當中涉及多個關鍵假設及估計（包括可比較公司的股價波動、股息收益率及無風險利率）。截至二零一六年十二月三十一日止，按公平值計量的衍生金融工具的的公平值約為10,416,328港元（二零一五年：10,369,795港元）。估值方法之詳情於附註19內披露。

投資物業公平值

公平值乃根據獨立專業估值師行使用物業估值技巧進行的估值釐訂，其中涉及若干估計，包括適當的資本化率及樓層及位置調整。該等假設的有利或不利變動將導致本集團投資物業公平值的變動及對綜合損益表中報告的損益金額作出相應調整。截至二零一六年十二月三十一日止，投資物業的公平值約為190,125,000港元（二零一五年：76,365,000港元）。估值法之詳情於附註16內披露。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment of trade receivables

In determining whether there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2016, the carrying amount of trade receivables is approximately HK\$140,037,000 (net of allowance for doubtful debts of approximately HK\$4,336,000) (2015: carrying amount of trade receivables is approximately HK\$144,217,000 (net of allowance for doubtful debts of approximately HK\$3,116,000).

5. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable for goods sold and services provided by the Group, less discounts and sales related taxes during the year.

Segment revenue and results

Information reported to the executive directors of the Company, 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.

4. 估計不確定因素之主要來源 (續)

貿易應收款項之估計減值

在釐定是否存在客觀證據證明出現減值虧損時，本集團會考慮未來現金流量之估計。減值虧損金額以有關資產賬面值與按該項金融資產原實際利率（即於初始確認時計算之實際利率）折算之估計未來現金流量（不包括並未產生之未來信貸虧損）現值兩者間之差額計量。倘實際未來現金流量較預期為少，則可能出現重大減值虧損。截至二零一六年十二月三十一日止，貿易應收款項之賬面值約為140,037,000港元（已扣除呆賬撥備約4,336,000港元）（二零一五年：貿易應收款項賬面值約144,217,000港元，已扣除呆賬撥備約3,116,000港元）。

5. 收益及分類資料

收益指本集團年內就售出貨品及提供服務所收及應收之款項（減折扣及銷售相關稅項）。

分類收益及業績

就分配資源及評估分類表現而向本公司執行董事（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。

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

During the year ended 31 December 2016, management considered that gaming business ("Gaming Business") has become a substantial operating activity to the Group as the Group started to record the revenue from the business in the current year. Therefore, the Gaming Business is reported as a new reportable and operating segment for the current year. Figures in the segment information for the year ended 31 December 2015 have been restated for comparative purposes. Expenses in relation to the Gaming Business for the year ended 31 December 2015 previously included in unallocated corporate expenses have been represented and included in the segment result of the Gaming Business.

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

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

5. 收益及分類資料 (續)

分類收益及業績 (續)

截至二零一六年十二月三十一日止年度，由於本集團於本年度開始自遊戲業務（「遊戲業務」）錄得收益，管理層認為有關業務已成為本集團的重大經營業務。因此，遊戲業務於本年度已作為全新的可報告及經營分類報告。截至二零一五年十二月三十一日止年度的分類資料中的數字已予重列作比較之用。先前於截至二零一五年十二月三十一日止年度計入未分配企業支出的遊戲業務相關開支已呈列於及計入遊戲業務分類業績。

因此，本集團之可報告及經營分類如下：

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

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

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

		Revenue 收益		Segment profit (loss) 分類溢利(虧損)	
		2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
					(re-presented) (重新提呈)
Gaming Business	遊戲業務	88,319	–	(19,795,026)	(7,959,791)
Lending Business	放貸業務	8,215,087	7,089,375	3,320,390	1,403,435
Manufacturing and Sales Business	製造及銷售業務	492,941,761	466,163,695	58,337,913	(36,563,273)
Music and Entertainment Business	音樂及娛樂業務	27,039,363	11,919,662	659,976	(8,204,791)
Property Business	物業業務	1,713,770	1,010,823	(6,608,054)	5,431,628
Securities Trading Business	證券買賣業務	–	–	68,591,575	(6,890,866)
Trading Business	貿易業務	32,912,733	35,072,106	2,086,385	2,206,707
Total	總計	562,911,033	521,255,661	106,593,159	(50,576,951)
Bank interest income	銀行利息收入			1,195,950	1,714,196
Loss on disposal of a subsidiary	出售一間附屬公司之虧損			–	(1,183,198)
Unallocated corporate expenses	未分配企業支出			(15,480,164)	(14,954,675)
Unallocated other income and other gains and losses	未分配其他收入以及其他收益及虧損			–	4,500,000
Impairment loss recognised in respect of available-for-sale investments	就可供出售投資確認減值虧損			(5,581,603)	(7,765,000)
Unallocated share of results of joint ventures	未分配之應佔合營公司業績			(3,253)	(3,229)
Profit (loss) before taxation	除稅前溢利(虧損)			86,724,089	(68,268,857)

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。

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the profit earned/loss incurred by each segment without allocation of bank interest income, unallocated other income and other gains and losses, unallocated corporate expenses, impairment loss recognised in respect of available-for-sale investments, loss on disposal of a subsidiary, unallocated share of results of joint ventures and taxation. This is the measure reported to the Group's management for the purpose of resource allocation and performance assessment.

Segment assets and liabilities

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

As at 31 December 2016

		Gaming Business 遊戲業務	Lending Business 放貸業務	Manufacturing and Sales Business 製造及銷售業務	Music and Entertainment Business 音樂及娛樂業務	Property Business 物業業務	Securities Trading Business 證券買賣業務	Trading Business 貿易業務	Consolidated
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Segment assets	分類資產	8,253,558	37,294,789	285,627,273	12,881,213	291,477,500	148,337,998	15,762,384	799,634,715
Other assets	其他資產								316,611,600
Consolidated assets	綜合資產								1,116,246,315
Segment liabilities	分類負債	363,124	11,505,016	119,097,575	9,194,593	45,000,946	30,360	3,116,159	188,307,773
Other liabilities	其他負債								14,104,690
Consolidated liabilities	綜合負債								202,412,463

5. 收益及分類資料 (續)

分類收益及業績 (續)

經營及可報告分類之會計政策與附註3所述本集團之會計政策相同。分類溢利(虧損)指各分類賺取之溢利/產生之虧損,且並無就銀行利息收入、未分配其他收入以及其他收益及虧損、未分配企業支出、就可供出售投資確認之減值虧損、出售一間附屬公司之虧損、未分配之應佔合營公司業績及稅項作出分配。此為就資源分配及表現評估向本集團管理層報告之計量方法。

分類資產及負債

本集團按經營及可報告分類劃分之資產及負債分析如下:

截至二零一六年十二月三十一日止

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

As at 31 December 2015 (re-presented)

		Gaming Business 遊戲業務 HK\$ 港元	Lending Business 放貸業務 HK\$ 港元	Manufacturing and Sales Business 製造及銷售業務 HK\$ 港元	Music and Entertainment Business 音樂及娛樂業務 HK\$ 港元	Property Business 物業業務 HK\$ 港元	Securities Trading Business 證券買賣業務 HK\$ 港元	Trading Business 貿易業務 HK\$ 港元	Consolidated 綜合 HK\$ 港元
Segment assets	分類資產	8,956,387	77,431,090	301,770,162	28,794,325	190,850,057	47,662,489	14,821,027	670,285,537
Other assets	其他資產								334,415,915
Consolidated assets	綜合資產								1,004,701,452
Segment liabilities	分類負債	194,647	24,324,402	94,765,208	6,443,287	18,747,408	30,000	6,331,611	150,836,563
Other liabilities	其他負債								6,789,119
Consolidated liabilities	綜合負債								157,625,682

For the purposes of monitoring segments performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments other than certain interest in joint ventures, certain loans to joint ventures and available-for-sale investees, certain available-for-sale investments, certain other receivables, prepayments and deposits, tax recoverable, short-term bank deposits and cash and cash equivalents.
- all liabilities are allocated to operating and reportable segments other than certain other payables and accruals, deferred taxation and tax liabilities.

5. 收益及分類資料 (續)

分類資產及負債 (續)

截至二零一五年十二月三十一日止 (重新提呈)

就監察分類表現及於分類間分配資源而言：

- 除於合營公司之若干權益、給予合營公司及可供出售被投資方之若干貸款、若干可供出售投資、若干其他應收款項、預付款項及訂金、可收回稅項、短期銀行存款以及現金及現金等值外，所有資產會分配至經營及可報告分類。
- 除若干其他應付款項及應計費用、遞延稅項及稅項負債外，所有負債會分配至經營及可報告分類。

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Other segment information

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5. 收益及分類資料 (續)

其他分類資料

截至二零一六年十二月三十一日止年度

	Gaming Business	Lending Business	Manufacturing and Sales Business	Music and Entertainment Business	Property Business	Securities Trading Business	Trading Business	Segment total	Unallocated	Consolidated
	遊戲業務	放貸業務	製造及銷售業務	音樂及娛樂業務	物業業務	證券買賣業務	貿易業務	分類總計	未分配	綜合
	HKS	HKS	HKS	HKS	HKS	HKS	HKS	HKS	HKS	HKS
	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
Amounts included in the measure of segment results or segment assets:	計算分類業績或分類資產時計入之金額:									
Interest income (exclusion of interest income from money lending business)	-	-	-	-	(795,031)	-	-	(795,031)	(1,195,950)	(1,990,981)
Interest expenses	-	3,064,918	784,154	-	44,636	-	14,185	3,907,893	-	3,907,893
Amortisation of prepaid lease payments	-	-	718,048	-	-	-	-	718,048	-	718,048
Depreciation of property, plant and equipment	444,947	106,205	8,471,679	12,635	1,256,562	-	882,539	11,174,567	-	11,174,567
Write down of inventories	-	-	268,039	-	-	-	-	268,039	-	268,039
Allowance for bad and doubtful debts, net	-	-	1,653,133	62,400	-	-	-	1,715,533	-	1,715,533
Loss on disposal of property, plant and equipment	-	26,709	-	-	-	-	-	26,709	-	26,709
Additions to property, plant and equipment	537,490	92,975	4,933,883	-	617,664	-	729,381	6,911,393	-	6,911,393
Impairment loss recognised in respect of available-for-sale investment	-	-	-	-	-	-	-	-	5,581,603	5,581,603
Impairment loss recognised in respect of loans to joint ventures	-	-	-	-	5,268,340	-	-	5,268,340	-	5,268,340
Change in fair value of derivative financial instrument	-	-	-	-	(752,329)	-	-	(752,339)	-	(752,339)
Change in fair value of held-for-trading investments	-	-	-	-	-	(79,983,930)	-	(79,983,930)	-	(79,983,930)

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 December 2015 (re-presented)

	Gaming Business	Lending Business	Manufacturing and Sales Business	Music and Entertainment Business	Property Business	Securities Trading Business	Trading Business	Segment total	Unallocated	Consolidated
	遊戲業務	放貸業務	製造及銷售業務	音樂及娛樂業務	物業業務	證券買賣業務	貿易業務	分類總計	未分配	綜合
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
Amounts included in the measure of segment results or segment assets (re-presented):	計算分類業績或分類資產時計入之金額 (重新提呈):									
Interest income (exclusion of interest income from money lending business)	-	-	-	-	(2,817,752)	-	-	(2,817,752)	(1,714,196)	(4,531,948)
Interest expenses	-	2,591,217	755,790	-	-	-	-	3,347,007	-	3,347,007
Amortisation of prepaid lease payments	-	-	708,341	-	-	-	-	708,341	-	708,341
Depreciation of property, plant and equipment	120,708	91,976	13,663,496	28,677	1,010,941	-	95,242	15,011,040	897,535	15,908,575
Write down of inventories	-	-	3,407,873	-	-	-	-	3,407,873	-	3,407,873
Reversal of bad and doubtful debts	-	-	(268,854)	-	-	-	-	(268,854)	-	(268,854)
Loss on disposal of property, plant and equipment	-	-	-	-	-	-	-	-	2,674	2,674
Additions to property, plant and equipment	1,521,341	87,807	5,639,171	62,581	48,550	-	80,249	7,439,699	209,291	7,648,990
Impairment loss recognised in respect of property, plant and equipment	-	-	9,156,985	-	-	-	-	9,156,985	-	9,156,985
Impairment loss recognised in respect of intangible assets	-	-	-	5,317,632	-	-	-	5,317,632	-	5,317,632
Impairment loss recognised in respect of available-for-sale investment	-	-	-	-	-	-	-	-	7,765,000	7,765,000
Change in fair value of derivative financial instrument	-	-	-	-	(4,101,597)	-	-	(4,101,597)	-	(4,101,597)
Change in fair value of held-for-trading investments	-	-	-	-	-	6,673,489	-	6,673,489	-	6,673,489

5. 收益及分類資料 (續)

其他分類資料 (續)

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Revenue from major products and services

The following is an analysis of the Group's revenue from its major products and services:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Artistes management fee income	藝人管理費收入	1,309,737	1,124,333
Concerts and shows income	演唱會及表演收入	17,491,920	3,350,525
Income from the licensing of the musical works	音樂作品特許收入	4,174,044	3,723,210
Loan interest income from money lending business	來自放貸業務之 貸款利息收入	8,215,087	7,089,375
Other music and entertainment services	其他音樂及娛樂服務	1,119,407	639,853
Printing products	印刷產品	525,854,494	501,235,801
Promotion income	宣傳收入	1,453,718	1,483,011
Rental income	租金收入	1,713,770	1,010,823
Sales of albums	銷售唱片	1,490,537	1,598,730
Income from Gaming Business	遊戲業務收入	88,319	—
		562,911,033	521,255,661

Geographical information

The Group's income from Manufacturing and Sales Business is mainly derived from Hong Kong and the PRC. The Lending Business, the Trading Business, Music and Entertainment Business and Securities Trading Business are carried out in Hong Kong. The Property Business is carried out in the Hong Kong and the PRC. The Gaming Business is carried out outside Hong Kong.

5. 收益及分類資料 (續)

來自主要產品及服務之收益

以下為本集團來自其主要產品及服務之收益分析：

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Artistes management fee income	1,309,737	1,124,333
Concerts and shows income	17,491,920	3,350,525
Income from the licensing of the musical works	4,174,044	3,723,210
Loan interest income from money lending business	8,215,087	7,089,375
Other music and entertainment services	1,119,407	639,853
Printing products	525,854,494	501,235,801
Promotion income	1,453,718	1,483,011
Rental income	1,713,770	1,010,823
Sales of albums	1,490,537	1,598,730
Income from Gaming Business	88,319	—
	562,911,033	521,255,661

地區資料

本集團來自製造及銷售業務之收入主要源於香港及中國。放貸業務、貿易業務、音樂及娛樂業務及證券買賣業務主要於香港經營。物業業務於香港及中國經營。遊戲業務於香港以外地區經營。

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Geographical information (Continued)

The Group's revenue from external customers and information about non-current assets by geographical location of the customers and assets respectively are detailed below:

		Revenue from external customers 來自外部客戶之收益		Non-current assets 非流動資產	
		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Hong Kong	香港	272,421,151	218,297,503	205,685,947	87,912,943
The PRC	中國	169,249,675	185,323,839	168,602,187	187,531,466
Europe	歐洲	54,614,355	48,395,233	-	-
United States	美國	39,849,765	35,618,205	-	-
Others	其他	26,776,087	33,620,881	-	-
		562,911,033	521,255,661	374,288,134	275,444,409

Note: Non-current assets exclude available-for-sale investments and loans to joint ventures.

附註：非流動資產不包括可供出售投資及給予合營公司之貸款。

Information about major customers

There was no customer contributing over 10% of total sales of the Group for the year ended 31 December 2016 and 2015.

主要客戶資料

於截至二零一六年及二零一五年十二月三十一日止年度，概無客戶貢獻本集團銷售總額超過10%。

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6. OTHER GAINS AND LOSSES

6. 其他收益及虧損

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Net foreign exchange gain	外匯收益淨額	3,812,271	3,101,642
Fair value changes in investment properties	投資物業之公平值變動	630,600	2,265,000
Loss on disposal of a subsidiary (note 37)	出售一家附屬公司之虧損 (附註37)	-	(1,183,198)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(26,709)	(2,674)
(Allowance for) reversal of bad and doubtful debts, net	呆壞賬(撥備)撥回,淨額	(1,715,533)	268,854
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	-	(9,156,985)
Impairment loss recognised in respect of intangible assets	就無形資產確認之減值虧損	-	(5,317,632)
Impairment loss recognised in respect of available-for-sale investments	就可供出售投資確認之減值虧損	(5,581,603)	(7,765,000)
Impairment loss recognised in respect of loans to joint ventures	就給予合營公司貸款確認之減值虧損	(5,268,340)	-
Change in fair value of held-for-trading investments	持作買賣投資公平值變動	79,983,930	(6,673,489)
Change in fair value of derivative financial instrument	衍生金融工具公平值變動	752,339	4,101,597
		72,586,955	(20,361,885)

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7. FINANCE COSTS

7. 融資成本

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Interest on:	以下項目之利息：		
Bank borrowings and bank import loans	銀行借貸及銀行入口貸款	828,791	755,790
Amount due to a related company	應付一間關連公司款項	3,064,918	2,591,217
Obligations under finance leases	融資租賃責任	14,184	-
		3,907,893	3,347,007

8. DIRECTORS' AND CHIEF EXECUTIVE EMOLUMENTS

8. 董事及行政總裁酬金

The emoluments paid or payable to each of the nine (2015: nine) directors of the Company were as follows:

以下為已付或應付予9名(二零一五年:9名)本公司董事之酬金:

	Executive directors 執行董事		Non-executive directors 非執行董事			Independent non-executive directors 獨立非執行董事			Alternate director 替任董事	Total 總計
	SUEK Ka Lun, Ernie 薛嘉麟 HK\$ 港元	SUEK Chai Hong 薛濟匡 HK\$ 港元	CHAN Kwing Choi, Warren 陳炳材 HK\$ 港元	WONG Sun Fat 黃新發 HK\$ 港元	NG Wai Kwan 吳惠群 HK\$ 港元	TSE Tin Tai 謝天泰 HK\$ 港元	LEE Kwok Wan 李國雲 HK\$ 港元	LUI Lai Ping, Cecily 呂麗萍 HK\$ 港元	LAU Kam Cheong 劉錦昌 HK\$ 港元	
2016		二零一六年								
Fees	-	-	142,500	100,000	100,000	100,000	100,000	100,000	-	642,500
Other emoluments		其他酬金								
- Salaries and other benefits	2,082,000	1,242,000	-	-	-	-	-	-	430,807	3,754,807
- Contributions to retirement benefits schemes	18,000	18,000	7,500	-	-	-	-	-	18,000	61,500
Total emoluments	2,100,000	1,260,000	150,000	100,000	100,000	100,000	100,000	100,000	448,807	4,458,807

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8. DIRECTORS' AND CHIEF EXECUTIVE EMOLUMENTS (Continued)

8. 董事及行政總裁酬金 (續)

	Executive directors 執行董事		Non-executive directors 非執行董事			Independent non-executive directors 獨立非執行董事			Alternate director 替任董事	Total 總計
	SUEK Ka Lun, Ernie 薛嘉麟	SUEK Chai Hong 薛濟匡	CHAN Kwing Choi, Warren 陳炳材	WONG Sun Fat 黃新發	NG Wai Kwan 吳惠群	TSE Tin Tai 謝天泰	LEE Kwok Wan 李國雲	LUI Lai Ping, Cecily 呂麗萍	LAU Kam Cheong 劉錦昌	
	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	
		(note i) (附註i)								
2015	二零一五年									
Fees 袍金	-	-	146,250	96,250	96,250	96,250	96,250	96,250	-	627,500
Other emoluments 其他酬金										
- Salaries and other benefits - 薪金及其他福利	2,100,000	1,260,000	-	-	-	-	-	-	437,790	3,797,790
- Contributions to retirement - 退休福利計劃供款 benefits schemes	18,000	18,000	7,313	-	-	-	-	-	18,000	61,313
Total emoluments	2,118,000	1,278,000	153,563	96,250	96,250	96,250	96,250	96,250	455,790	4,486,603

Notes:

- (i) Mr. SUEK Chai Hong is also the chief executive of the Company and his remuneration disclosed above included those for services rendered by him as chief executive.
- (ii) The emoluments and retirement benefits of executive directors were for their services in connection with the management of the affairs of the Company and the Group. The emoluments and retirement benefits of non-executive directors and independent non-executive directors were for their services as directors of the Company.

No directors of the Company waived or agreed to waive any emoluments during the year.

附註:

- (i) 薛濟匡先生亦為本公司之行政總裁，其於上文披露之酬金已包括其身為行政總裁所提供服務之酬金。
- (ii) 執行董事之薪酬及退休福利乃就彼等管理本公司及本集團的事宜所提供之服務發放。非執行董事及獨立非執行董事之薪酬及退休福利乃就彼等作為本公司董事所提供之服務而發放。

於本年度，概無本公司董事放棄或同意放棄任何酬金。

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9. FIVE HIGHEST PAID EMPLOYEES

Of the five individuals with the highest emoluments in the Group, two (2015: two) were directors of the Company whose emoluments are set out above. The emoluments of the remaining three (2015: three) individuals are as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Salaries and other benefits	薪金及其他福利	2,836,500	3,074,440
Bonus (note)	花紅(附註)	11,393,101	65,380
Contributions to retirement benefits schemes	退休福利計劃供款	54,000	90,225
		14,283,601	3,230,045

Note: Bonus is determined based on their duties and responsibilities of the relevant individuals within the Group and the Group's performance.

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

		2016 二零一六年 Number of employees 僱員人數	2015 二零一五年 Number of employees 僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	-	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	2	2
HK\$11,000,001 to HK\$11,500,000	11,000,001港元至 11,500,000港元	1	-
		3	3

No emoluments were paid by the Group to the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office in any of the year.

9. 五名最高薪僱員

在本集團五名最高薪人士中，兩名(二零一五年：兩名)為本公司董事，彼等酬金之詳情已載於上文。其餘三名人士(二零一五年：三名)之酬金如下：

附註：花紅乃根據彼等各自於本集團的職責及責任以及本集團的業績釐定。

並非本公司董事之最高薪僱員的酬金屬於以下範圍之人數如下：

於兩個年度，本集團概無向本公司董事或五名最高薪人士支付任何酬金，作為加入本集團或加盟後之獎勵或失去職位之補償。

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10. TAXATION CHARGE (CREDIT)

10. 稅項開支（抵免）

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
The taxation comprises:	稅項包括：		
Hong Kong Profits Tax	香港利得稅		
Charge for the year	本年支出	1,051,300	2,065,811
Under (over) provision in prior years	過往年度撥備不足 (超額撥備)	50,275	(479,402)
		1,101,575	1,586,409
PRC Enterprise Income Tax	中國企業所得稅		
Charge for the year	本年支出	3,452,851	3,285,064
Overprovision in prior years	過往年度超額撥備	-	(3,444,415)
		3,452,851	(159,351)
Deferred tax charge (credit) for the year (note 34)	本年遞延稅項開支（抵免） (附註34)	8,166,061	(2,153,000)
		12,720,487	(725,942)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year.

香港利得稅乃根據年內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 the PRC subsidiaries is 25%.

根據《中華人民共和國企業所得稅法》（「《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%。

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10. TAXATION CHARGE (CREDIT) (Continued)

The taxation for the year can be reconciled to the profit (loss) before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 稅項開支(抵免)(續)

年內稅項可與綜合損益及其他全面收入報表所示除稅前溢利(虧損)對賬如下:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Profit (loss) before taxation	除稅前溢利(虧損)	86,724,089	(68,268,857)
Tax at the income tax rate of 16.5% (2015: 16.5%)	按所得稅稅率16.5%計算之稅項(二零一五年: 16.5%)	14,309,475	(11,264,361)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	2,936,429	7,067,283
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	(805,296)	(3,571,265)
Tax effect of the tax losses/deductible temporary differences not recognised	未獲確認稅項虧損/可扣減臨時差額之稅務影響	4,805,036	8,164,638
Under (over) provision provision in respect of prior years	過往年度撥備不足(超額撥備)	50,275	(3,923,817)
Utilisation of tax losses previously not recognised	動用先前未確認稅務虧損	(8,363,178)	(23,115)
Tax effect of recognition of tax losses previously not recognised	先前未確認稅務虧損之稅務影響	(1,518,080)	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司不同稅率之影響	1,058,306	2,565,447
Tax effect of share of results of joint ventures	分佔合營公司業績之稅務影響	247,520	259,248
Taxation for the year	年內稅項	12,720,487	(725,942)

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11. PROFIT (LOSS) FOR THE YEAR

11. 本年溢利(虧損)

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Profit (loss) for the year has been arrived at after charging (crediting):	計算本年溢利(虧損)時已扣除(計入):		
Auditor's remuneration	核數師酬金	1,800,000	1,800,000
Cost of inventories and record masters recognised as an expense	確認為開支之存貨及唱片母帶成本	384,474,527	424,369,536
Write-down of inventories (included in cost of sales)	撇減存貨(計入銷售成本內)	268,039	3,407,873
Depreciation of property, plant and equipment	物業、廠房及設備折舊	11,174,567	15,908,575
Less: capitalised in inventories	減:撥充資本之存貨	(7,456,684)	(9,804,714)
		3,717,883	6,103,861
Amortisation of prepaid lease payments	預付租賃款項攤銷	718,048	708,341
Rental payments in respect of premises under operating leases	根據經營租賃就物業支付之租金	13,232,616	12,063,124
Staff costs including directors' emoluments	員工成本(包括董事酬金)		
– Salaries, wages and other benefits	–薪金、工資及其他福利	171,467,227	166,741,627
– Contributions to retirement benefits schemes	–退休福利計劃供款	9,424,545	9,420,671
Less: capitalised in inventories	減:撥充資本之存貨	(87,536,315)	(103,039,372)
Total staff costs	總員工成本	93,355,457	73,122,926
Research expense (included in administrative expenses)	研究開支(計入行政開支內)	8,057,556	1,647,016
Dividend income (included in other income)	股息收入(計入其他收入內)	(715,278)	(267,287)
Income received from termination of disposal of a subsidiary (included in other income)	終止出售一間附屬公司所收取之收入(計入其他收入內)	–	(4,500,000)
Bank interest income (included in interest income)	銀行利息收入(計入利息收入內)	(1,195,950)	(1,714,196)
Effective interest income on loan to an available-for-sale investee (included in interest income)	來自給予可供出售被投資方之貸款之實際利息收入(計入利息收入內)	(795,031)	(2,817,752)
Gross rental income from investment properties	來自投資物業之租金收入總額	(1,713,770)	(1,010,823)
Less: Direct operating expenses incurred for investment properties that generated rental income during the year	減:本年產生租金收入之投資物業之直接經營開支	54,072	4,514
		(1,659,698)	(1,006,309)

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12. DIVIDENDS

No dividend was paid, declared or proposed for the years ended 31 December 2016 and 2015, nor has any dividend been proposed since the end of the reporting period.

13. EARNINGS (LOSS) PER SHARE

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

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Profit (loss) for the purposes of calculating basic earnings (loss) per share 計算每股基本盈利(虧損)之溢利(虧損)	74,205,738	(67,261,328)
Weighted average number of shares 加權平均股份數目		
Weighted average number of shares in issue for the purposes of calculating basic earnings (loss) per share 計算每股基本盈利(虧損)之加權平均已發行股數	220,839,784	184,055,911

No separate diluted earnings (loss) per share information has been presented as there were no potential ordinary shares outstanding for both 2016 and 2015.

The number of ordinary shares for the calculation of the basic loss per share for the year ended 31 December 2015 has been adjusted to reflect the impact of the share consolidation effected on 5 April 2016 as disclosed in note 35.

12. 股息

截至二零一六年及二零一五年十二月三十一日止年度內並無派付、宣派或建議派發任何股息，自報告期末以來亦無建議派發任何股息。

13. 每股盈利(虧損)

本年本公司擁有人應佔每股基本盈利(虧損)按以下數據計算：

二零一六年及二零一五年並無發行在外之潛在普通股，故並無獨立呈列每股攤薄盈利(虧損)之資料。

截至二零一五年十二月三十一日止年度，計算每股基本虧損之普通股數目已作出調整，以反映附註35所披露於二零一六年四月五日所進行股份合併之影響。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Construction in progress	Leasehold land and buildings	Leasehold improvements	Furniture, fixtures and office equipment	Machinery and equipment	Motor vehicles	Total
		在建工程	租賃土地 及樓宇	租賃 物業裝修	傢俬、裝置及 辦公室設備	機器及設備	汽車	總計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元
COST	成本							
At 1 January 2015	於二零一五年一月一日	17,323,873	152,385,532	62,762,647	46,594,704	477,852,375	12,093,326	769,012,457
Exchange adjustments	匯兌調整	(783,876)	(6,445,365)	(1,958,073)	(1,889,103)	(2,967,058)	(340,291)	(14,383,766)
Additions	添置	-	-	1,116,193	1,257,069	4,522,973	752,755	7,648,990
Disposals	出售	-	-	-	(9,297)	-	-	(9,297)
Transfer from investment properties	轉撥自投資物業	-	11,165,187	-	-	-	-	11,165,187
At 31 December 2015	於二零一五年十二月三十一日	16,539,997	157,105,354	61,920,767	45,953,373	479,408,290	12,505,790	773,433,571
Exchange adjustments	匯兌調整	(973,860)	(6,589,753)	(2,275,832)	(2,094,815)	(3,422,967)	(351,963)	(15,709,190)
Additions	添置	-	-	96,600	988,755	3,609,559	2,216,479	6,911,393
Disposals	出售	-	-	(7,400)	(37,128)	-	-	(44,528)
Written-off	撇銷	-	-	-	-	(24,911,998)	-	(24,911,998)
At 31 December 2016	於二零一六年十二月三十一日	15,566,137	150,515,601	59,734,135	44,810,185	454,682,884	14,370,306	739,679,248
DEPRECIATION AND IMPAIRMENT	折舊及減值							
At 1 January 2015	於二零一五年一月一日	-	46,742,150	55,510,230	44,631,790	445,222,175	10,878,575	602,984,920
Exchange adjustments	匯兌調整	-	(1,744,720)	(1,355,980)	(1,593,160)	(1,118,583)	(189,460)	(6,001,903)
Provided for the year	本年撥備	-	3,990,577	3,676,297	1,355,823	6,866,017	19,861	15,908,575
Eliminated on disposals	出售時對銷	-	-	-	(6,623)	-	-	(6,623)
Impairment loss recognised	已確認減值虧損	-	-	-	-	9,156,985	-	9,156,985
At 31 December 2015	於二零一五年十二月三十一日	-	48,988,007	57,830,547	44,387,830	460,126,594	10,708,976	622,041,954
Exchange adjustments	匯兌調整	-	(1,054,815)	(944,124)	(1,799,164)	(1,006,235)	(24,283)	(4,828,621)
Provided for the year	本年撥備	-	2,555,403	2,366,380	875,945	4,384,690	992,149	11,174,567
Eliminated on disposals	出售時對銷	-	-	(3,083)	(14,736)	-	-	(17,819)
Eliminated on written-off	撇銷時對銷	-	-	-	-	(24,911,998)	-	(24,911,998)
At 31 December 2016	於二零一六年十二月三十一日	-	50,488,595	59,249,720	43,449,875	438,593,051	11,676,842	603,458,083
CARRYING VALUES	賬面值							
At 31 December 2016	於二零一六年十二月三十一日	15,566,137	100,027,006	484,415	1,360,310	16,089,833	2,693,464	136,221,165
At 31 December 2015	於二零一五年十二月三十一日	16,539,997	108,117,347	4,090,220	1,565,543	19,281,696	1,796,814	151,391,617

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14. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and buildings	Over the shorter of the lease terms or 30 – 50 years
Leasehold improvements	12.5% – 20%
Furniture, fixtures and office equipment	10% – 25%
Machinery and equipment	10% – 25%
Motor vehicles	25% – 33 1/3%

14. 物業、廠房及設備 (續)

上述物業、廠房及設備項目(在建工程除外)之折舊乃採用以下年率按直線基準計算:

租賃土地及樓宇	按租約期限或30至50年 (以較短者為準)
租賃物業裝修	12.5% – 20%
傢俬、裝置及辦公室設備	10% – 25%
機器及設備	10% – 25%
汽車	25% – 33 1/3%

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
The carrying values of leasehold land and buildings shown above comprise:	上述租賃土地及樓宇之賬面值包括:		
Leasehold land and buildings in Hong Kong	位於香港之租賃土地及樓宇	11,597,045	12,019,174
Buildings in the PRC	位於中國之樓宇	88,429,961	96,098,173
		100,027,006	108,117,347

Property, plant and equipment with an aggregate carrying value of HK\$11,597,045 (2015: HK\$12,019,174) have been pledged to banks to secure general banking facilities granted to the Group and obligations under finance leases.

賬面值合共11,597,045港元之物業、廠房及設備(二零一五年: 12,019,174港元)已質押予銀行, 作為本集團獲授之一般銀行信貸及融資租賃項下責任之抵押。

At 31 December 2016, the carrying values of motor vehicles included an amount of HK\$548,910 (2015: nil) in respect of assets held under finance leases.

於二零一六年十二月三十一日, 汽車的賬面值包括根據融資租賃下持有之資產548,910港元(二零一五年: 零)。

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14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Due to the Group's recurring loss resulted in manufacturing and sale of printing products segment during the year ended 31 December 2015, the directors of the Company conducted an impairment assessment of the Group's property, plant and equipment which are allocated to manufacturing and sale of printing products segment as at 31 December 2015. Details of impairment assessment on property, plant and equipment are disclosed in note 46.

15. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise:	本集團之預付租賃款項包括：
Leasehold land in the PRC	位於中國之租賃土地
Analysed for reporting purposes as:	就申報分析如下：
Current asset	流動資產
Non-current asset	非流動資產

The carrying amount of the leasehold land is charged to consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the remaining term of the leases.

14. 物業、廠房及設備（續）

由於本集團於截至二零一五年十二月三十一日止年度之印刷品製造及銷售分類出現經常性虧損，本公司董事已於截至二零一五年十二月三十一日止對本集團物業、廠房及設備款項（分配至印刷品製造及銷售分類）進行減值評估。有關物業、廠房及設備減值評估之詳情於附註46披露。

15. 預付租賃款項

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
The Group's prepaid lease payments comprise:		
Leasehold land in the PRC	29,433,639	30,151,687
Analysed for reporting purposes as:		
Current asset	665,931	718,048
Non-current asset	28,767,708	29,433,639
	29,433,639	30,151,687

租賃土地之賬面值乃按直線基準於剩餘租約期內自綜合損益及其他全面收入報表扣除。

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16. INVESTMENT PROPERTIES

16. 投資物業

		HK\$ 港元
At 1 January 2015	於二零一五年一月一日	85,265,187
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	(11,165,187)
Fair value change recognised to profit or loss	於損益確認之公平值變動	2,265,000
At 31 December 2015	於二零一五年十二月三十一日	76,365,000
Acquired through acquisition of a subsidiary (note 36)	透過收購一間附屬公司收購(附註36)	113,129,400
Fair value change recognised to profit or loss	於損益確認之公平值變動	630,600
At 31 December 2016	於二零一六年十二月三十一日	190,125,000
Unrealised gain on property revaluation included in other gains and losses – for the year ended 31 December 2016	包含於其他損益內的未變現物業重估收益 —截至二零一六年十二月三十一日止年度	630,600
– for the year ended 31 December 2015	—截至二零一五年十二月三十一日止年度	2,265,000

During the year ended 31 December 2015, certain premises situated in the PRC which were previously leased out for rental income have been changed to self-used premises. Accordingly, the investment properties with fair value of HK\$11,165,187 had been transferred to leasehold land and buildings. For the remaining investment properties continued to be leased out for rental income, a fair value gain of HK\$2,265,000 was credited to profit or loss for the year ended 31 December 2015.

於截至二零一五年十二月三十一日止年度，本集團位於中國的若干物業已由出租以賺取租金收入改變為自用物業。因此，公平值為11,165,187港元的投資物業已轉撥至租賃土地及樓宇。就餘下繼續用作出租以賺取租金收入的投資物業，於截至二零一五年十二月三十一日止年度，2,265,000港元的公平值收益計入損益內。

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16. INVESTMENT PROPERTIES (Continued)

The fair value of investment properties have been arrived at on the basis of valuations carried out by Peak Vision Appraisals Limited for properties located in Hong Kong as at 31 December 2016 (as at the date of transfer and at 31 December 2015: Citiland Surveyors Limited). They are independent qualified professional valuers not related to the Group.

The fair value of HK\$78,125,000 (2015: HK\$76,365,000) as at 31 December 2016 was 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.

The fair value of HK\$112,000,000 (2015: nil) as at 31 December 2016 was determined based on the income capitalisation approach, where the market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for this type of properties. The market rentals are assessed based on estimates of future cash flows, supported by the terms of existing lease and the market rentals of the similar properties in the neighbourhood. The capitalisation rate is determined by reference to the yields derived from analysing the sales transactions of similar properties and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties.

In estimating the fair value of the investment properties, the highest and best use of the properties is their current use. At the end of the reporting period, the chief financial officer works closely with the independent qualified external valuer to establish the appropriate valuation techniques and inputs into the model. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to management of the Group.

There were no transfers into or out of Level 3 during the year.

16. 投資物業 (續)

投資物業之公平值乃根據滙鋒評估有限公司就位於香港之物業於二零一六年十二月三十一日進行之估值得出(於轉讓日期及二零一五年十二月三十一日:天俊測量師行有限公司)。彼等均為獨立合資格專業估值師,與本集團概無關連。

截至二零一六年十二月三十一日止之公平值78,125,000港元(二零一五年:76,365,000港元)乃按直接比較法釐定,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。

截至二零一六年十二月三十一日止之公平值112,000,000港元(二零一五年:零)乃按收入資本化法釐定,所有物業可出租單位的市值租金按照投資者對該類型物業的預期市場收益率進行評估及貼現。市值租金乃根據未來現金流量預測進行評估,並以現存租賃條款及附近相似物業的市值租金作證明。資本化率參考分析類似物業銷售交易得出的收益率釐定,並考慮到物業投資者的市場預期進行調整,以反映本集團投資物業的獨有因素。

於估計投資物業之公平值時,有關物業之最高及最佳用途即為其當前用途。於報告期末,財務總監與獨立外部合資格估值師緊密合作,選定合適的估值技術及輸入模式之數據。倘資產的公平值出現重大變動,將向本集團管理層匯報波動的原因。

年內,概無第三級別轉入或轉出。

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16. INVESTMENT PROPERTIES (Continued)

Information about fair value measurements using significant unobservable input

The following table shows the valuation techniques used in the determination of fair values for investment properties and unobservable inputs used in the valuation models.

Description 項目	Fair value 公平值		Fair value hierarchy 公平值架構	Valuation techniques 估值技術	Unobservable inputs 不可觀察輸入數據	Range of significant inputs 重大輸入數據範圍		Relationship of inputs to fair value 輸入數據與公平值之關係
	as at 31 December 2016 截至二零一六年 十二月三十一日止 HK\$ 港元	as at 31 December 2015 截至二零一五年 十二月三十一日止 HK\$ 港元				2016 二零一六年	2015 二零一五年	
Industrial properties in Fanling 於粉嶺之工業物業	78,125,000	76,365,000	Level 3	Direct comparison approach 直接比較法	(i) Based on market observable transactions of comparable properties 根據可比較物業之市場 可觀察交易	HK\$2,398 to HK\$3,297 per square feet 每平方呎 2,398港元至 3,297港元	HK\$1,998 to HK\$4,182 per square feet 每平方呎 1,998港元至 4,182港元	The higher the market price, the higher the fair value. 市價愈高，公平值愈高。
					(ii) level adjustment 樓層調整	0% to 3% 0%至3%	0% to 3% 0%至3%	The lower the level adjustment/ location adjustment, the higher. 樓層調整/位置調整愈低，公 平值愈高。
					(iii) location adjustment 位置調整	0% to 5% 0%至5%	0% to 10% 0%至10%	the fair value. 公平值。
Commercial properties in Yuen Long 於元朗之商用物業	112,000,000	-	Level 3	Income approach 收入法	(i) Capitalisation rate taking into account the capitalisation of rental income potential 資本化率（計入潛在租金 收入的資本化）	4% 4%	N/A 不適用	The lower the capitalisation rate, the higher the fair value. 資本化率越低，公平值愈高。
					(ii) Market rent 市場租金	HK\$33 to HK\$70 per square feet 每平方呎 33港元至 70港元	N/A 不適用	The higher the market price, the higher the fair value. 市價越高，公平值愈高。

The Group's investment properties are located in Hong Kong. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

As at 31 December 2016, all investment properties have been pledged to banks to secure bank borrowings as stated in note 32 and general banking facilities granted to the Group.

16. 投資物業（續）

使用重大不可觀察輸入數據之公平值計量之資料

下表列示釐定投資物業公平值所使用估值技術及估值模式中所使用之不可觀察輸入數據。

本集團投資物業乃位於香港。本集團就賺取租金或資本增值而根據經營租約持有之所有物業權益乃使用公平值模式計量，並分類及作為投資物業入賬。

截至二零一六年十二月三十一日止，所有投資物業已質押予銀行，作為附註32所述銀行借款之本集團獲授之一般銀行信貸之擔保。

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17. DEPOSITS FOR LAND USE RIGHTS

The deposits were paid for land use rights situated in the PRC to the PRC local government. The completion of the purchases is pending for receiving the land use right certificates. As such, the amounts paid for the land use rights are recorded as deposits at the end of the reporting period.

Subsequently to the end of the reporting period, the Group entered into the compensation agreement (補償協議) and the state-owned land swap agreement (國有土地置換協議) with the PRC local government and 廣東清遠高新技術產業開發區管理委員會 (the "Committee") in exchange of the deposits for land use rights. Details of which are disclosed in note 45.

18. INTANGIBLE ASSETS

17. 土地使用權訂金

訂金乃就位於中國之土地使用權向中國地方政府支付。有關收購須待取得土地使用權證後方告完成。因此，於報告期末，就土地使用權支付之款項已入賬列為訂金。

於報告期末後，本集團與中國當地政府及廣東清遠高新技術產業開發區管理委員會（「委員會」）就交換土地使用權訂金訂立補償協議及國有土地置換協議。協議詳情於附註45內披露。

18. 無形資產

		Artiste contracts 藝人合約	Trademark 商標	Total 總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元
COST	成本			
At 1 January 2015,	於二零一五年一月一日、			
31 December 2015 and	二零一五年十二月三十一日及			
31 December 2016	二零一六年十二月三十一日	9,192,248	5,317,632	14,509,880
AMORTISATION AND IMPAIRMENT	攤銷及減值			
At 1 January 2015	於二零一五年一月一日	9,192,248	-	9,192,248
Impairment loss recognised to profit or loss	於損益確認之減值虧損	-	5,317,632	5,317,632
At 31 December 2015 and 31 December 2016	於二零一五年十二月三十一日及 二零一六年十二月三十一日	9,192,248	5,317,632	14,509,880
CARRYING VALUES	賬面值			
At 31 December 2016	於二零一六年十二月三十一日	-	-	-
At 31 December 2015	於二零一五年十二月三十一日	-	-	-

Artiste contracts, which have definite useful lives, are amortised over the contract term (4 years) on a straight-line basis.

藝人合約具有有限可使用年期，以直線法按合約年期（4年）攤銷。

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18. INTANGIBLE ASSETS (Continued)

The trademark is considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. Various studies including product life cycle studies, market, competitive and environmental trends, and brand extension opportunities have been performed by management of the Group, which supports that the trademark has no foreseeable limit to the period over which the trademarked products or services are expected to generate net cash flows for the Group. The trademark will not be amortised until its useful life is determined to be finite. Instead it will be tested for impairment annually and whenever there is an indication that it may be impaired.

For the purpose of impairment testing during the year ended 31 December 2015, intangible assets were allocated to the CGUs of music and entertainment business. The recoverable amount of the CGUs was determined based on a value in use calculation, which approximated to fair value less costs of sell. The calculation used cash flow projections based on financial budgets approved by management covering a 5-years period and discount rate of 17.46%. The cash flows beyond the 5-years period were extrapolated with nil growth. The growth rate was based on the budgeted growth rate, which is determined by management's expectations for the market development, and did not exceed the average long-term growth rate for the relevant industry. Other key assumption of the value in use calculation was based on the budgeted cash inflow/outflows which included budgeted sales and gross margin on respective products and services from the CGU, such estimations were based on the past performance.

18. 無形資產 (續)

由於預期商標可無限期貢獻現金流入淨額，故本集團管理層認為商標具有無限可使用年期。本集團管理層已進行多項研究，包括產品生命週期研究、市場、競爭及環境趨勢以及品牌擴展機會，有關研究支持商標於預期商標產品或服務可為本集團產生淨現金流之期間並無可預見期限。商標將不會攤銷，直至其可使用年期釐定為有限期為止。然而，商標會每年及於有跡象顯示可能出現減值時進行減值測試。

就截至二零一五年十二月三十一日止年度的減值測試而言，無形資產已分配至音樂及娛樂業務現金產生單位。該等現金產生單位之可收回金額按使用價值（與公平值減銷售成本相若）計算方法釐定。該計算方法使用以根據經管理層批准之五年期財務預算得出之現金流量預測，以及17.46%之折算率。五年期以外之現金流量則使用零增長推算。該增長率乃按管理層對市場發展之預期而釐定之預算增長率得出，且不超過相關行業平均長期增長率。使用價值計算方法之其他主要假設以現金流入／流出預算為基礎，當中包括以過往表現為基礎估算之現金產生單位各項產品及服務預算銷售額及毛利率。

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18. INTANGIBLE ASSETS (Continued)

During the year ended 31 December 2015, the financial performance and actual net cash flows generating from the music and entertainment business were significantly worse than previous budgeted. Moreover, management considered that the profit margin from music and entertainment business is declining as a result of the severe completion in the market. In view of this, management adjusted downward the estimated cash flows of the CGU, taking into account the actual performance in the year ended 31 December 2015 as well as the future prospect from CGU. As a result of the re-estimation, the recoverable amount of the CGU was estimated to be less than the carrying amount of trademark and full impairment of HK\$5,317,632 was recognised to profit or loss during the year ended 31 December 2015.

19. AVAILABLE-FOR-SALE INVESTMENTS/ DERIVATIVE FINANCIAL INSTRUMENT

Available-for-sale investments

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Available-for-sale investments comprise: 可供出售投資包括：			
Club membership	會所會籍	3,403,700	3,403,700
Equity securities established in the PRC measured at fair value (note i)	於中國成立 按公平值計量之 股本證券(附註i)	14,142,889	15,044,294
Equity securities established in the PRC measured at cost (note ii)	於中國成立按成本計量之 股本證券(附註ii)	11,163,206	17,908,309
Equity securities established in Hong Kong and overseas measured at cost (note ii)	於香港及海外成立 按成本計量之 股本證券(附註ii)	13,025,232	4,487,703
		41,735,027	40,844,006

18. 無形資產(續)

於截至二零一五年十二月三十一日止年度，音樂及娛樂業務之財務表現及所產生之實際現金流量淨額顯著低於之前預算。此外，管理層認為，音樂及娛樂業務之利潤率因市場競爭激烈而正在下跌。有見及此，管理層經考慮截至二零一五年十二月三十一日止年度之實際表現及現金產生單位之未來前景後，已調低現金產生單位之估計現金流量。由於進行重估，現金產生單位之可收回金額估計少於商標之賬面值，並已於截至二零一五年十二月三十一日止年度之損益中確認全數減值5,317,632港元。

19. 可供出售投資／衍生金融工具

可供出售投資

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19. AVAILABLE-FOR-SALE INVESTMENTS/ DERIVATIVE FINANCIAL INSTRUMENT (Continued)

Available-for-sale investments (Continued)

Notes:

- (i) On 27 February 2013, the Group signed a capital injection agreement with shareholders of Sichuan Ying Wah Real Estate Company Limited (四川英華房地產有限公司) ("Ying Wah"), which are all independent third parties, to inject Renminbi ("RMB")10,000,000 (equivalent to approximately HK\$12,502,000) in Ying Wah, representing approximately 16.67% equity interest of the enlarged paid-in capital of Ying Wah. Ying Wah is principally engaged in the property development in the PRC.

The investment in Ying Wah and the related derivative financial instrument (as stated below) are measured at cost less impairment as at 31 December 2014 because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that its fair value cannot be measured reliably. During the year ended 31 December 2015, Ying Wah has started pre-sale on its residential properties and the construction of the project has reached to the final stage. The directors of the Company considered that the variability in the range of reasonable fair value estimates measurements is not significant and the probabilities of the various estimates within the range can be reasonably assessed and used in estimating when measuring fair value, the investment in Ying Wah and derivative financial instruments are measured at their fair values since the year ended 31 December 2015. The valuation of investment in Ying Wah and derivative financial instruments were performed by the independent qualified professional valuer. Details of the fair value measurement of this investment are disclosed in note 43 and the fair value measurement of derivative financial instrument is disclosed below.

19. 可供出售投資／衍生金融 工具(續)

可供出售投資(續)

附註:

- (i) 於二零一三年二月二十七日，本集團與四川英華房地產有限公司(「英華房地產」)之股東(全部均為獨立第三方)簽訂注資協議，向英華房地產注資人民幣(「人民幣」)10,000,000元(相等於約12,502,000港元)，相當於英華房地產經擴大實繳資本約16.67%股本權益。英華房地產主要於中國從事物業發展。

於二零一四年十二月三十一日，於英華房地產及相關衍生金融工具(如下文所述)的投資按成本扣除減值計算，此乃由於公平值估算的合理範圍過大，令公司董事認為無法可靠地計量其公平值。截至二零一五年十二月三十一日止年度，英華房地產開始其住宅物業的預售，而項目的建築工程已進入最後階段。本公司董事認為，公平值估算的合理範圍變化不大，且範圍內多項估計的可能性能合理地評估及於計量公平值時用作估算，故於英華房地產及衍生金融工具的投資自截至二零一五年十二月三十一日止年度起以公平值計量。於英華房地產及衍生金融工具的投資的估值由獨立合資格專業估值師進行。有關是項投資公平價值計量之詳情附註43內披露，而衍生金融工具之公平值計量披露如下。

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19. AVAILABLE-FOR-SALE INVESTMENTS/ DERIVATIVE FINANCIAL INSTRUMENT (Continued)

Available-for-sale investments (Continued)

Notes: (Continued)

- (ii) As at 31 December 2016, the Group has investments in ten unlisted equity securities issued by private entities (2015: six) which were held for an identified long term strategic purpose. The available-for-sale investments are measured at cost less impairment at the end of the reporting period because the ranges of reasonable fair value estimates are so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

On 11 February 2015, the Group subscribed for 4.41% of the total issued share capital of an entity incorporated in the British Virgin Islands ("BVI"), which is principally engaged in online music industry in Hong Kong and the PRC, as the investee's pre-IPO investor at a consideration of US\$1,000,000 (equivalent to HK\$7,765,000). The investee failed to implement the investment plan during the year ended 31 December 2015. Management of the Group considered that the investee might not result in future cash inflows in the foreseeable future, and thus a full impairment of HK\$7,765,000 was recognised to profit or loss in the year ended 31 December 2015.

During the year ended 31 December 2016, full impairment loss of HK\$5,581,603 has been recognised on an investment in a company incorporated in the PRC which engaged in providing O2O leather products maintenance services as the available-for-sale investee decided to suspend the operations as a result of continuous losses of its business and poor market response, while the business was still in development trial stage during the year ended 31 December 2015.

During the year ended 31 December 2016, there was an additional investment of HK\$6,160,095 in unlisted equity securities established in Hong Kong as the directors of the Company waived the shareholder's loan to such investee with the same balance for long term strategic purpose. There is no change on the shareholding over the available-for-sale investments upon the waiver of the loan.

19. 可供出售投資／衍生金融 工具（續）

可供出售投資（續）

附註：（續）

- (ii) 截至二零一六年十二月三十一日止，本集團投資於由私人實體發行的十項非上市股本證券（二零一五年：六項），並持有作已識別長期策略用途。可供出售投資乃按成本扣除報告期末之減值計量，原因為合理公平價值估算範圍太大，令本公司董事認為其公平值不能可靠地計量。

於二零一五年二月十一日，本集團認購一家於英屬處女群島（「英屬處女群島」）註冊成立的實體全部已發行股本之4.41%，作為被投資公司的首次公開招股前投資者，代價為1,000,000美元（相當於7,765,000港元）。該被投資公司主要於香港及中國從事網上音樂行業。被投資公司未能於截至二零一五年十二月三十一日止年度落實執行其投資方案。本集團管理層認為，被投資公司於可見將來或未能產生未來現金流入，因此已於截至二零一五年十二月三十一日止年度的損益內確認全數減值7,765,000港元。

截至二零一六年十二月三十一日止年度，已就一家於中國註冊成立從事提供O2O皮革產品維修服務的公司的投資確認全數減值5,581,603港元，原因是可供出售被投資方因其業務連續虧損及市場反應欠佳而決定暫停營運，而截至二零一五年十二月三十一日止年度，有關業務仍處於開發實驗階段。

截至二零一六年十二月三十一日止年度，於香港成立之股本證券的額外投資為6,160,095港元，此乃本公司董事因應長期策略而豁免該等被投資方同等餘額的股東貸款所致。在豁免貸款後，可供出售投資的股權並無變化。

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19. AVAILABLE-FOR-SALE INVESTMENTS/ DERIVATIVE FINANCIAL INSTRUMENT (Continued)

Derivative financial instrument

Further to the capital injection to Ying Wah as stated above, the Group signed a put option deed with the major shareholder of Ying Wah, who has 61.67% equity interest in Ying Wah, pursuant to which the Group has the right to dispose of the Group's entire equity interest in Ying Wah through the disposal of an indirect wholly-owned subsidiary which held the equity interest over Ying Wah and the remaining Ying Wah Shareholder's Loan at a consideration of the higher of RMB52 million or amount equal to 16.67% of the performance target (or where the performance target is not available, the consideration shall be deemed to be RMB52 million), in each case, less the repayment of the Ying Wah Shareholder's Loan and the dividends received by the Group during the period commencing from the date of the put option deed and ending on the agreed cut-off date. The performance target is based on cumulative sales proceeds accrued by Ying Wah 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. The put option can be exercised within 6 months from 26 February 2016.

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.

19. 可供出售投資／衍生金融 工具（續）

衍生金融工具

繼上文所述向英華房地產注資後，本集團與英華房地產的主要股東（其持有英華房地產61.67%股權）簽訂認沽期權契據，據此，本集團有權透過出售一間間接全資附屬公司（其持有英華房地產的股權）處置本集團於英華房地產的全部股權及餘下英華房地產股東貸款，代價為人民幣52,000,000元或相等於表現目標16.67%（以較高者為準）（或倘無表現目標，則代價將被視為人民幣52,000,000元），而於各情況下再減英華房地產股東貸款之還款及本集團自認沽期權契據日期起至協定結束日期止期間收到的股息。表現目標乃根據英華房地產於二零一三年二月二十七日起至二零一六年二月二十六日（包括該日）止期間就特定房地產項目累計之銷售所得款項計算，其將由本集團與該主要股東共同委任的獨立核數師審核。認沽期權可於二零一六年二月二十六日起六個月內行使。

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，並協定如下：

1. 表現目標的截止日期由二零一六年二月二十六日延至二零一六年十二月三十一日；及
2. 認沽期權的可行使期間已修訂為自二零一六年十二月三十一日起六個月內的期間。

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19. AVAILABLE-FOR-SALE INVESTMENTS/ DERIVATIVE FINANCIAL INSTRUMENT (Continued)

Derivative financial instrument (Continued)

The carrying amount of put option at 31 December 2016 and 2015 is measured at fair value. As the maturity of the put option is 30 June 2017 (2015: 31 August 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 the put option.

		2016 二零一六年	2015 二零一五年
Equity value	權益價值	RMB12,669,000 人民幣12,669,000元	RMB13,336,000 人民幣13,336,000元
Exercise price (note a)	行使價 (附註a)	RMB22,000,000 人民幣22,000,000元	RMB22,000,000 人民幣22,000,000元
Expected life of options	預期期權年期	6 months 六個月	8 months 八個月
Expected volatility (note b)	預期波幅 (附註b)	26.263%	45.84%
Expected dividend yield	預期股息率	0%	0%
Risk-free rate	無風險利率	2.85%	3.58%

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

Notes:

- (a) The exercise price is based on RMB52 million less the Shareholder's Loan at the date of completion of capital injection of RMB30 million as the exercise price is deemed to include a guarantee for the repayment of the 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 0.712 (2015: 0.658) year.

19. 可供出售投資／衍生金融 工具 (續)

衍生金融工具 (續)

認沽期權於二零一六年及二零一五年十二月三十一日的賬面值乃以公平值計量。由於認沽期權於二零一七年六月三十日(二零一五年:二零一六年八月三十一日)到期,就報告而言,衍生金融工具的公平值分類為流動資產。已採用畢蘇期權定價模式及以下假設計算認沽期權之公平值。

畢蘇期權定價模式需要輸入高度主觀假設,包括股價波幅。主觀輸入數據假設的變動可大幅影響公平值估計。

附註:

- (a) 由於行使價被視為涵蓋償還股東貸款之保證,故行使價乃按照人民幣52,000,000元減注資完成當日之股東貸款人民幣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0.712(二零一五年:0.658)年之過往每日股價變動為基礎。

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20. LOANS TO AVAILABLE-FOR-SALE INVESTEES

Loans to available-for-sale investees comprise:

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Ying Wah Shareholder's Loan (note (i)) 英華股東貸款 (附註(i))	31,256,977	35,002,605
Other shareholder's loan (note (ii)) 其他股東貸款 (附註(ii))	-	6,160,095
	31,256,977	41,162,700

Notes:

- (i) Other than capital injection to Ying Wah as stated in note 19(i) on 27 February 2013, the Group signed a loan agreement with Ying Wah that the Group granted an unsecured interest-free loan of RMB30,000,000 ("Ying Wah Shareholder's Loan") to Ying Wah, with effective interest rate of 10% per annum.

On 26 February 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 extending from 19 March 2016 to 31 December 2016. During the year ended 31 December 2016, 英華房地產 partially repaid RMB2,000,000 (equivalent to HK\$2,332,090) to the Group.

On 29 December 2016, the Group entered into a second supplemental shareholder's loan agreement with 英華房地產 pursuant to which the maturity period of the Ying Wah Shareholder's Loan extending from 31 December 2016 to 30 June 2017.

- (ii) As at 31 December 2015, the loan was unsecured, interest-free and repayable within one year from the end of reporting period. During the year ended 31 December 2016, the amount is transferred to available-for-sale investments upon the waiver of the loan as disclosed in note 19.

20. 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：

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Ying Wah Shareholder's Loan (note (i)) 英華股東貸款 (附註(i))	31,256,977	35,002,605
Other shareholder's loan (note (ii)) 其他股東貸款 (附註(ii))	-	6,160,095
	31,256,977	41,162,700

附註：

- (i) 除附註19(i)所述於二零一三年二月二十七日向英華房地產注資外，本集團與英華房地產簽署一項貸款協議，本集團向英華房地產授予一筆無抵押、免息貸款人民幣30,000,000元（「英華股東貸款」），實際年利率為10%。

於二零一六年二月二十六日，本集團與英華房地產訂立一項補充股東貸款協議，據此，英華股東貸款之到期日由二零一六年三月十九日延長至二零一六年十二月三十一日。截至二零一六年十二月三十一日止年度，英華房地產已向本集團償還部份款項人民幣2,000,000元（相當於2,332,090港元）。

於二零一六年十二月二十九日，本集團與英華房地產訂立第二份補充股東貸款協議，據此，英華股東貸款之到期日由二零一六年十二月三十一日延長至二零一七年六月三十日。

- (ii) 於二零一五年十二月三十一日，該貸款為無抵押、免息且須由報告期末起一年內償還。截至二零一六年十二月三十一日止年度，誠如附註19所披露，於貸款獲豁免後，該金額轉撥至可供出售投資。

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21. LOANS TO JOINT VENTURES/INTERESTS IN JOINT VENTURES

21. 給予合營公司之貸款／於合營公司之權益

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Costs of investments in unlisted joint ventures	於非上市合營公司之投資成本	16	16
Share of post-acquisition profit and other comprehensive income	應佔收購後溢利及其他全面收入	424,631	427,884
		424,647	427,900
Loan to Reliance Partner Limited (<i>note i</i>)	給予Reliance Partner Limited之貸款(附註i)	3,864,955	5,364,955
Loan to Estate Summit Limited ("Estate Summit") (<i>note ii</i>)	給予Estate Summit Limited (「Estate Summit」)之貸款(附註ii)	10,549,667	9,456,641
Share of post-acquisition losses and other comprehensive expense	應佔收購後虧損及其他全面開支	(3,064,836)	(1,567,970)
Impairment loss recognised (<i>note ii</i>)	已確認減值虧損(附註ii)	(5,268,340)	-
		6,081,446	13,253,626
Less: Amount repayable within one year shown under current asset	減：流動資產項下所顯示須於一年內償還之金額	(3,864,955)	-
Amount repayable after one year	須於一年後償還之金額	2,216,491	13,253,626

Notes:

- (i) Loan to Reliance Partner Limited is reclassified from non-current assets as at 31 December 2016 to current assets as the directors of the Company consider that the loan will be repaid within twelve months.
- (ii) Loan to Estate Summit is considered as a net investment. The Group has recognised its share of loss of Estate Summit in excess of the cost of investment against its loan as at 31 December 2016 and 2015. Due to the continuous loss incurred by Estate Summit, the directors of the Company assessed the recoverable amount of the loan to Estate Summit taking into consideration the estimated future cash flows and timing of such cash flows discounted at its original effective interest rate. During the year ended 31 December 2016, an impairment loss of HK\$5,268,340 has been recognised. The loan has no fixed repayment term and it is not expected to be repayable in the next twelve months.

附註：

- (i) 截至二零一六年十二月三十一日止，給予Reliance Partner Limited之貸款已從非流動資產重新分類為流動資產，因為本公司董事認為有關貸款將於十二個月內償還。
- (ii) 給予Estate Summit之貸款被認為是淨投資。截至二零一六年及二零一五年十二月三十一日止，本集團已確認其所分佔之Estate Summit之虧損超過其貸款的投資成本。由於Estate Summit連續錄得虧損，本公司董事已評估給予Estate Summit之貸款之可收金額，當中已考慮估計未來現金流量及該等現金流量按其原有實際利率貼現的時間。截至二零一六年十二月三十一日止年度，已確認減值虧損5,268,340港元。該貸款並無固定還款期，且預期不會於未來十二個月償還。

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21. LOANS TO JOINT VENTURES/INTERESTS IN JOINT VENTURES (Continued)

As at 31 December 2016 and 31 December 2015, the Group had interests in the following joint ventures:

Name of entity 實體名稱	Form of business structure 業務結構形式	Country of incorporation 註冊成立國家	Principal place of operation 主要營業地點	Class of share held 所持股份類別	Proportion of nominal value of issued capital held by the Group 本集團所持已發行股本面值比例		Proportion of voting power held 所持投票權比例		Principal activities 主要業務
					2016 二零一六年 %	2015 二零一五年 %	2016 二零一六年 %	2015 二零一五年 %	
Reliance Partner Limited	Incorporated 註冊成立	Anguilla 安圭拉	Hong Kong 香港	Ordinary 普通股	50	50	50	50	Investment holding 投資控股
Estate Summit	Incorporated 註冊成立	BVI 英屬處女群島	Hong Kong 香港	Ordinary 普通股	50	50	50	50	Office leasing and property investment in Hong Kong 於香港進行辦公室租賃及物業投資

Summarised financial information of material joint venture

Summarised financial information in respect of the Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs.

The joint ventures are accounted for using the equity method in these consolidated financial statements.

21. 給予合營公司之貸款／於合營公司之權益（續）

截至二零一六年十二月三十一日及二零一五年十二月三十一日止，本集團於以下合營公司擁有權益：

重大合營公司之財務資料概要

本集團重大合營公司之財務資料概要載列如下。以下財務資料概要反映該等合營公司按照香港財務報告準則編製之財務報表所示金額。

於此等綜合財務報表內，該等合營公司乃使用權益法入賬。

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21. LOANS TO JOINT VENTURES/INTERESTS IN JOINT VENTURES (Continued)

Summarised financial information of material joint venture (Continued)

Estate Summit

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Non-current assets	非流動資產	3,040,649	3,995,306
Current assets	流動資產	2,011,637	2,894,878
Current liabilities	流動負債	(11,181,957)	(10,026,123)
Net liabilities	負債淨值	(6,129,671)	(3,135,939)

The above amounts of assets and liabilities include the following:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Cash and cash equivalents	現金及現金等值	727,659	1,384,497
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括貿易及 其他應付款項及撥備)	(10,549,667)	(9,456,641)
Income	收入	3,851,567	211,900
Loss for the year	本年度虧損	(2,993,732)	(3,135,946)

21. 給予合營公司之貸款／於合營公司之權益 (續)

重大合營公司之財務資料概要 (續)

Estate Summit

上述資產及負債金額包括下列各項：

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21. LOANS TO JOINT VENTURES/INTERESTS IN JOINT VENTURES (Continued)

Summarised financial information of material joint venture (Continued)

Estate Summit (Continued)

The above loss for the year includes the following:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Depreciation and amortisation	折舊及攤銷	1,139,875	450,847

Reconciliation of the above summarised financial information to the carrying amount of the interest in Estate Summit:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Net liabilities of Estate Summit	Estate Summit負債淨值	(6,129,671)	(3,135,939)
Proportion of the Group's ownership interest in Estate Summit	本集團於Estate Summit擁有權權益比例	50%	50%
Carrying amount of the Group's interest in Estate Summit	本集團於Estate Summit權益之賬面值	(3,064,836)	(1,567,970)

21. 給予合營公司之貸款／於合營公司之權益 (續)

重大合營公司之財務資料概要 (續)

Estate Summit (續)

上述本年度虧損包括以下項目：

上述財務資料概要與於Estate Summit權益之賬面值對賬：

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21. LOANS TO JOINT VENTURES/INTERESTS IN JOINT VENTURES (Continued)

Aggregate information of joint venture that is not individually material

21. 給予合營公司之貸款／於合營公司之權益（續）

個別並不重大之合營公司總計資料

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
The Group's share of loss	本集團應佔虧損	3,253	3,229

22. INVENTORIES AND RECORD MASTERS

22. 存貨及唱片母帶

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Inventories:	存貨：		
Raw materials	原材料	6,631,998	9,482,837
Work in progress	在製品	4,078,569	6,538,463
Finished goods	製成品	22,419,544	21,779,608
		33,130,111	37,800,908
Record masters	唱片母帶	2,210,381	1,835,433
		35,340,492	39,636,341

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23. PROPERTIES UNDER DEVELOPMENT FOR SALE

23. 待售發展中物業

		HK\$ 港元
At 1 January 2015	於二零一五年一月一日	46,786,144
Exchange differences	匯兌差額	(1,903,624)
At 31 December 2015	於二零一五年十二月三十一日	44,882,520
Exchange differences	匯兌差額	(2,572,727)
At 31 December 2016	於二零一六年十二月三十一日	42,309,793

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

The properties under development for sale are developed on the land in the PRC 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 深圳市寶安區人民法院 (“People’s Court of Baoan District”) for the repayment of the shareholder’s loan owing by 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 lands owned by 中清房地產 during the period from 24 June 2014 to 23 June 2016 (“Freeze Order”).

本集團之待售發展中物業位於中國之土地上。

待售發展中物業於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)於中國擁有之土地上發展。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)就償還中星國盛所結欠之股東貸款人民幣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。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之資產合共人民幣23,400,000元, 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」)。

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23. PROPERTIES UNDER DEVELOPMENT FOR SALE (Continued)

On 30 September 2014, the Group received the civil mediation document (民事調解書) 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 中星國盛 the sum of RMB23,479,330 together with the interests accrued from 18 June 2014 until the date of repayment 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 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.

24. HELD-FOR-TRADING INVESTMENTS

Equity securities listed in Hong Kong 香港上市股本證券

23. 待售發展中物業 (續)

於二零一四年九月三十日，本集團收到由寶安區人民法院發出之民事調解書，內容為(i)中清房地產及本集團均確認股東貸款為人民幣23,479,330元；(ii)中清房地產已同意於民事調解書生效日期(即二零一四年十月十五日)後15天內向中星國盛償還人民幣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，本集團收到由寶安區人民法院發出的協助執行通知書，以於二零一六年六月十三日至二零一九年六月十二日期間凍結及保存中清房地產擁有之土地(「更新凍結令」)。

於本報告日期，中清房地產尚未清償股東貸款。董事認為，更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概無減值。中星國盛可以撤回法院就償還股東貸款作出的頒令，然後隨時解除寶安區人民法院頒佈的更新凍結令，中星國盛仍可控制中清房地產，因為除於中清房地產所擁有土地上的建造外，其營運不受凍結令或更新凍結令的影響。

24. 持作買賣投資

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Equity securities listed in Hong Kong 香港上市股本證券	132,247,356	45,089,662

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25. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

The Group's credit terms of the 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 its customers of the 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:

25. 貿易及其他應收款項、預付款項以及訂金

本集團之製造以及銷售業務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業務關係且財務狀況良好之客戶可享有較長之信貸期限。本集團音樂及娛樂業務客戶之信貸期限平均為60至90日。以下為於報告期末根據發票日期呈列之貿易應收款項（已扣除呆賬撥備）賬齡分析：

		31.12.2016 二零一六年 十二月三十一日 HK\$ 港元	31.12.2015 二零一五年 十二月三十一日 HK\$ 港元
Manufacturing and Sales Business and Trading Business: 製造及銷售業務及貿易業務：			
0 – 30 days	0至30日	103,298,949	115,367,170
31 – 60 days	31至60日	14,440,858	13,399,376
61 – 90 days	61至90日	12,186,438	6,028,114
Over 90 days	超過90日	7,041,536	5,828,189
		136,967,781	140,622,849
Music and Entertainment Business: 音樂及娛樂業務：			
0 – 30 days	0至30日	1,290,956	1,052,705
31 – 60 days	31至60日	355,138	414,729
61 – 90 days	61至90日	210,747	166,120
Over 90 days	超過90日	1,212,033	1,960,461
		3,068,874	3,594,015
Total trade receivables	貿易應收款項總額	140,036,655	144,216,864
Deposits with brokers' houses	經紀行存款	16,065,842	2,505,412
Deposits, prepayments and other receivables	訂金、預付款項及其他應收款項	19,845,341	31,869,623
		175,947,838	178,591,899

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25. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

Trade receivables of approximately HK\$1,705,000 (2015: HK\$18,895,000) was denominated in United States dollars ("USD"), the currencies other than the functional currency of the respective group entities.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits attributable to customers are reviewed regularly. Approximately 94% (2015: 96%) of trade receivables that are neither past due nor impaired have the best credit quality. These customers have no default of payment in the past and have good credit rating attributable under the credit review procedures used by the Group, including profitability, liquidity, financial leverage and operational performance quality of the counterparties.

The Group has a policy for allowance of bad and doubtful debts which is based on the evaluation of collectibility and ageing analysis of accounts and on management's judgment including the creditworthiness and the past collection history of each client.

Included in the Group's trade receivables are debtors with aggregate carrying amount of approximately HK\$8,254,000 (2015: HK\$4,482,000), which are past due at the end of the reporting period for which the Group has not provided for impairment loss as there has not been a significant change in credit quality of the trade receivable and the amounts are still considered recoverable. The Group does not hold any collateral over these balances. The average age of these receivables is 135 days (2015: 131 days).

25. 貿易及其他應收款項、預付款項以及訂金(續)

為數約1,705,000港元(二零一五年: 18,895,000港元)之貿易應收款項以美元(「美元」)為單位,而美元並非個別集團實體之功能貨幣。

本集團在接納任何新客戶前,會先評估潛在客戶之信貸質素及為客戶設定信貸限額。客戶之信貸限額會獲定期審閱。約94%(二零一五年: 96%)並未逾期亦無減值之貿易應收款項擁有最佳信貸質素。該等客戶過往並無拖欠記錄,並於本集團所用信貸檢討程序(包括對方之盈利能力、流動資金、財務槓桿及營運表現質素)中獲得良好信貸評級。

本集團已就呆壞賬撥備制定政策,撥備乃根據對賬項可收回性之評估及賬齡分析以及管理層之判斷(包括每名客戶之信譽及過往還款記錄)而作出。

本集團之貿易應收款項中,包括賬面總額約8,254,000港元(二零一五年: 4,482,000港元)之應收款項,該等應收款項於報告期末已逾期,且本集團並無就此提撥減值虧損撥備,原因是有關貿易應收款項之信貸質素並無重大變動,且有關款項仍被視為可收回。本集團並無就該等結餘持有任何抵押品。該等應收款項之平均賬齡為135日(二零一五年: 131日)。

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25. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

Ageing of trade receivables which are past due but not impaired

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Manufacturing and Sales Business and Trading Business:	製造及銷售業務及貿易業務：		
91 – 180 days	91至180日	7,041,536	2,521,443
Music and Entertainment Business:	音樂及娛樂業務：		
91 – 180 days	91至180日	1,212,033	1,960,461
Total	總計	8,253,569	4,481,904

25. 貿易及其他應收款項、預付款項以及訂金（續）

已逾期但無減值之貿易應收款項之賬齡

Movement in the allowance for doubtful debts

呆賬撥備之變動

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Balance at beginning of the year	年初結餘	3,115,975	3,450,425
Impairment losses recognised on receivables	就應收款項確認之減值虧損	1,826,092	-
Impairment losses reversed	減值虧損撥回	(110,559)	(268,854)
Written off as uncollectible	因不可收回而撇銷	(410,182)	-
Exchange realignment	匯兌調整	(84,921)	(65,596)
Balance at end of the year	年末結餘	4,336,405	3,115,975

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25. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

Movement in the allowance for doubtful debts (Continued)

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of approximately HK\$1,360,000 (2015: HK\$163,000) which have been in severe financial difficulties in repaying their outstanding balances. The Group does not hold any collateral over these balances.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The trade receivables past due but not provided for as at the end of the reporting period were either subsequently settled or no historical default of payments was noted by the respective customers. The concentration of credit risk is limited due to the customer base being large and unrelated. The directors of the Company believe that there is no further credit provision required in excess of the allowance for doubtful debts.

26. LOANS RECEIVABLE

Fixed-rate loans	定息貸款
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The loans receivable has contractual maturity dated within one year as at 31 December 2016 and 2015.

The Group has policy for allowance of bad and doubtful debts which is based on the evaluation of recoverability and aging analysis of accounts and on management's judgment, including the current creditworthiness, collaterals and the past collection history of each client.

25. 貿易及其他應收款項、預付款項以及訂金 (續)

呆賬撥備之變動 (續)

呆賬撥備包括於償還結欠餘額時有嚴重財務困難之個別已減值貿易應收款項，結餘總額約為1,360,000港元(二零一五年：163,000港元)。本集團並無就該等結餘持有任何抵押品。

在釐定貿易應收款項是否可收回時，本集團考慮由初始授出信貸當日起至報告期末止期間，有關貿易應收款項信貸質素之任何變動。截至報告期末已逾期但並無撥備之貿易應收款項乃指其後已清償，或有關客戶過往並無拖欠記錄之款項。由於客戶群較大及客戶之間互不關連，故信貸風險之集中程度有限。本公司董事相信毋須作出超出呆賬撥備之額外信貸撥備。

26. 應收貸款

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Fixed-rate loans	36,785,343	76,220,410

截至於二零一六年及二零一五年十二月三十一日止，應收貸款的合約到期日為一年內。

本集團已制定呆壞賬撥備政策，據此會根據賬款可收回性之評估及賬齡分析及管理層之判斷(包括每一客戶當前之信譽、抵押品及過去收款之歷史)作出撥備。

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26. LOANS RECEIVABLE (Continued)

In determining the recoverability of the loans receivable, the Group considers any change in the credit quality of the loans receivable from the date credit was initially granted up to the end of the reporting period. Accordingly, the directors believe that there is no further credit provision required. There is no loans receivables which were past due but not impaired at the end of the reporting period for which the Group believes that the amounts are considered recoverable as the creditworthiness and the past collection history of each client are satisfactory.

The average interest rate for the fixed-rate loans receivable was ranging from 8% to 26% (2015: 8% to 36%) per annum.

The loans receivable as at 31 December 2016 and 2015 are secured by properties located in Hong Kong. The fair values of these properties are higher than the carrying amounts of the respective loans receivable.

27. AMOUNT DUE FROM A RELATED COMPANY

Dr. SUEK Chai Kit, Christopher ("Dr. SUEK"), who can exercise significant influence over the Company, is one of the ultimate owners of the related company. The Group's credit terms of 30 days has been granted to the related company.

The following is an ageing analysis of the amount due from a related company presented based on the invoice date at the end of the reporting period.

26. 應收貸款 (續)

於釐定應收貸款之可收回性時，本集團考慮自信貸首次授出日期至報告期末應收貸款信貸質素之任何變動。因此，董事相信毋須作出進一步信貸撥備。於報告期末並無已逾期但並無減值之應收貸款，原因是每名客戶之信譽及過往收款記錄令人滿意，且本集團認為該等金額屬可收回。

定息應收貸款之平均年利率介乎8%至26%（二零一五年：8%至36%）。

截至二零一六年及二零一五年十二月三十一日止，應收貸款已由位於香港的物業作出抵押。該等物業的公平值較相關應收貸款的賬面值為高。

27. 應收一家關連公司款項

可對本公司行使重大影響力之薛濟傑博士（「薛博士」）為該關連公司之其中一名最終擁有人。本集團已給予該關連公司30日之信貸期。

以下為於報告期末根據發票日期呈列之應收一家關連公司款項之賬齡分析。

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
0 – 30 days	0至30日	465,188	241,406
31 – 60 days	31至60日	250,000	–
61 – 90 days	61至90日	160,000	250,013
91 – 180 days	91至180日	355,463	487,250
Over 180 days	超過180日	250,895	2,509,969
		1,481,546	3,488,638

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27. AMOUNT DUE FROM A RELATED COMPANY (Continued)

Included in the amount due from a related company with an aggregate carrying amount of approximately HK\$1,016,000 (2015: HK\$3,489,000), which are past due at the end of the reporting period for which the Group has not provided for impairment loss as the amount are subsequently settled. The Group does not hold any collateral over these balances. The average age of these receivables is 137 days (2015: 209 days).

Ageing of amount due from a related company which are past due but not impaired

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
31-60 days	31至60日	250,000	56,306
61-90 days	61至90日	160,000	–
91-180 days	91至180日	355,463	960,000
Over 180 days	超過180日	250,895	2,472,332
Total	總計	1,016,358	3,488,638

27. 應收一家關連公司款項 (續)

應收一家關連公司款項中，包括賬面總額約1,016,000港元（二零一五年：3,489,000港元）於報告期末已逾期，且本集團並無就此計提減值虧損撥備之款項，原因是有關款項其後已清償。本集團並無就該等結餘持有任何抵押品。該等應收款項之平均賬齡為137日（二零一五年：209日）。

已逾期但無減值之應收一家 關連公司款項之賬齡

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28. SHORT-TERM BANK DEPOSITS/CASH AND CASH EQUIVALENTS

Short term bank deposits and cash and cash equivalents comprise cash held by the Group and bank deposits with an original maturity of three months or less. Bank balances and short-term bank deposits of approximately HK\$28,804,000 (2015: HK\$815,000), HK\$46,891,000 (2015: HK\$12,773,000), HK\$566,000 (2015: HK\$542,000) and HK\$1,530,000 (2015: HK\$1,345,000) were denominated in USD, HK\$, Euro ("EURO") and RMB respectively, the currencies other than the functional currency of the respective group entities.

Furthermore, included in the short term bank deposits and cash and cash equivalents are amounts denominated in RMB of approximately HK\$34,639,000 (2015: HK\$39,019,000), which are not freely convertible into other currencies.

The bank balances and short-term bank deposits carry interest rates with a range from 0.1% to 2.5% (2015: 0.1% to 2.5%) per annum.

28. 短期銀行存款／現金及現金等值

短期銀行存款、現金以及現金等值包括本集團所持現金及原到期日為三個月或以下之銀行存款。為數約28,804,000港元（二零一五年：815,000港元）、46,891,000港元（二零一五年：12,773,000港元）、566,000港元（二零一五年：542,000港元）及1,530,000港元（二零一五年：1,345,000港元）之銀行結餘及短期銀行存款分別以美元、港元、歐元（「歐元」）及人民幣為單位，全部均非個別集團實體之功能貨幣。

此外，短期銀行存款、現金以及現金等值包括約34,639,000港元（二零一五年：39,019,000港元）以人民幣計值之款項，該筆款項不可自由兌換為其他貨幣。

銀行結餘及短期銀行存款按年利率介乎0.1%至2.5%（二零一五年：0.1%至2.5%）計息。

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29. TRADE AND OTHER PAYABLES AND ACCRUALS

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

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
0 – 30 days	0至30日	25,187,136	42,834,847
31 – 60 days	31至60日	16,436,033	12,280,588
61 – 90 days	61至90日	6,869,131	2,075,544
Over 90 days	超過90日	2,408,527	2,850,465
		50,900,827	60,041,444
Accrued expenses and other payables	應計費用及其他應付款項	48,294,939	43,429,675
		99,195,766	103,471,119

The credit period ranges from 90 days to 120 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

Trade payables of approximately HK\$3,704,000 (2015: HK\$2,284,000) and nil (2015: HK\$1,349,000) were denominated in RMB and USD respectively, the currencies other than the functional currency of the respective group entities, as at 31 December 2016.

30. AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

The amount is unsecured, interest-free and repayable on demand.

29. 貿易及其他應付款項以及應計款項

以下為於報告期末根據發票日期呈列之貿易應付款項賬齡分析：

信貸期介乎90至120日。本集團已制定財務風險管理政策，以確保所有應付款項按期支付。

截至二零一六年十二月三十一日止，為數約3,704,000港元（二零一五年：2,284,000港元）及零港元（二零一五年：1,349,000港元）之貿易應付款項分別以人民幣及美元計值，而有關貨幣均並非個別集團實體之功能貨幣。

30. 應付一家附屬公司一名非控股股東款項

該筆款項為無抵押、免息及須按要求償還。

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31. AMOUNT DUE TO A RELATED COMPANY

31. 應付一家關連公司款項

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Carrying amount that is repayable:	應償還賬面值：		
– within one year	– 一年內	11,536,034	23,330,597
– over one year but less than two years	– 超過一年但少於兩年	42,908	78,461
– over two years but less than five years	– 超過兩年但少於五年	156,677	329,903
– over five years	– 超過五年	223,355	265,583
		11,958,974	24,004,544
Less: Amount due for settlement within one year (shown under current liabilities)	減：一年內到期償還款項（於流動負債項下列示）	(11,536,034)	(23,330,597)
Amount due for settlement after one year	一年後到期償還款項	422,940	673,947

The amount is unsecured and fixed-interest bearing at a range from 12% per annum to 30% per annum. The related company is controlled by the father of Mr. SUEK Ka Lun, Ernie, who is a director of the Company.

該筆款項為無抵押、按固定年利率介乎12%至30%計息。該關連公司由本公司董事薛嘉麟先生之父親控制。

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32. BORROWINGS

The following table provides an analysis of the borrowings:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Secured bank borrowings (note a)	有抵押銀行借貸 (附註a)	61,343,200	-
Unsecured bank borrowing (note b)	無抵押銀行借貸 (附註b)	-	6,000,000
		61,343,200	6,000,000
The carrying amount of bank borrowings (shown under current liabilities) contain a repayment on demand clause:	包含按要求償還條款之銀行借貸賬面值(於流動負債項下列示):		
- Within one year	- 一年內	36,449,600	6,000,000
- Within a period of more than one year, but not exceeding two years	- 超過一年但不超過兩年的期間內	1,449,600	-
- Within a period of more than two years, but not exceeding five years	- 超過兩年但不超過五年的期間內	4,348,800	-
- Within a period of more than five years	- 超過五年的期間內	19,095,200	-
		61,343,200	6,000,000
Less: Amount due within one year shown under current liabilities	減: 於流動負債項下列示之一年內到期款項	(61,343,200)	(6,000,000)
Amount due after one year	一年後到期款項	-	-

32. 借貸

下表提供借貸之分析:

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32. BORROWINGS (Continued)

Notes:

(a) Secured bank borrowings

Details of the pledged assets for the secured bank borrowings are disclosed in notes 14 and 16.

The secured bank borrowings carry interest at HIBOR plus 1.85% to 2.5% per annum.

(b) Unsecured bank borrowing

The unsecured bank borrowing was repayable within one year from the end of the reporting period but contained a repayment on demand clause and carried at HIBOR plus 1.5% per annum.

The unsecured bank borrowing was guaranteed by the Company.

32. 借貸 (續)

附註：

(a) 有抵押銀行借貸

有抵押銀行借貸的抵押資產詳情見附註14和16。

有抵押銀行借貸按香港銀行同業拆息加1.85%至2.5%之年利率計息。

(b) 無抵押銀行借貸

無抵押銀行借貸須於報告期末起計一年內償還，但載有按要償還條款，並按香港銀行同業拆息加1.5%之年利率計息。

有關無抵押銀行借貸由本公司提供擔保。

33. OBLIGATIONS UNDER FINANCE LEASES

33. 融資租賃責任

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Amounts payable under finance leases:	融資租賃應付款項：				
Within one year	一年內	245,772	-	236,890	-
More than one year but not exceeding two years	超過一年但不超過兩年	184,329	-	182,179	-
		430,101	-	419,069	-
Less: Future finance charges	減：未來租賃開支	(11,032)	-	-	-
Present value of lease obligations	租賃責任現值	419,069	-	419,069	-
Less: Amounts due from settlement within one year (shown as current liabilities)	減：一年內到期償還款項 (於流動負債項下列示)			(236,890)	-
Amounts due for settlement after one year	一年後到期償還款項			182,179	-

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33. OBLIGATIONS UNDER FINANCE LEASES (Continued)

The Company leases certain of its motor vehicles under finance leases. The lease term was 3 years. The borrowing rate was 2.8% per annum as at 31 December 2016. Interest rate was fixed at the contract date. The lease was on a fixed repayment basis and no arrangement was entered into for contingent rental payments.

34. DEFERRED TAXATION

The following are the major deferred tax liability (asset) recognised and movements thereon during the current year and prior period:

		Accelerated tax depreciation	Tax losses	Intangible assets	Change in fair value of held-for- trading investments 持作買賣 投資 公平值變動	Total
		加速 稅務折舊 HK\$ 港元	稅務虧損 HK\$ 港元	無形資產 HK\$ 港元	公平值變動 HK\$ 港元	總計 HK\$ 港元
At 1 January 2015	於二零一五年一月一日	5,113,485	(161,096)	877,410	-	5,829,799
Credit to profit or loss for the year	撥入本年損益	(1,275,590)	-	(877,410)	-	(2,153,000)
At 31 December 2015	於二零一五年 十二月三十一日	3,837,895	(161,096)	-	-	3,676,799
(Credit) charge to profit or loss for the year	(撥入)扣自本年損益	(943,301)	(3,518,080)	-	12,627,442	8,166,061
At 31 December 2016	於二零一六年 十二月三十一日	2,894,594	(3,679,176)	-	12,627,442	11,842,860

33. 融資租賃責任 (續)

本公司根據融資租賃租賃其若干汽車。租期為三年。截至二零一六年十二月三十一日止的借款年利率為2.8%。利率於合同日確定。租賃乃以固定還款為基礎，並未就或然租金付款訂立安排。

34. 遞延稅項

以下為於本年度及過往期間確認之主要遞延稅項負債(資產)及其變動：

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34. DEFERRED TAXATION (Continued)

At the end of the reporting period, the Group has estimated unused tax losses of approximately HK\$170,573,000 (2015: HK\$175,533,000) available to offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$22,298,000 (2015: HK\$976,000) of the tax losses. No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$148,275,000 (2015: HK\$174,557,000) due to the unpredictability of future profit streams. Included in unused tax losses of HK\$9,524,000, HK\$9,116,000, HK\$5,263,000 (2015: HK\$9,524,000, HK\$9,116,000, HK\$5,263,000 and HK\$4,718,000) that will expire by 2020, 2019 and 2018 respectively (2015: 2020, 2019, 2018 and 2017 respectively). Other losses may be carried forward indefinitely.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to approximately HK\$17,526,000 (2015: HK\$19,829,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

34. 遞延稅項 (續)

於報告期末，本集團可供抵銷未來溢利之估計未動用稅務虧損約為170,573,000港元（二零一五年：175,533,000港元）。本集團已就為數約22,298,000港元（二零一五年：976,000港元）之稅務虧損確認遞延稅項資產。由於難以預測未來溢利流量，故並無就其餘稅務虧損148,275,000港元（二零一五年：174,557,000港元）確認遞延稅項資產。包括於未動用稅務虧損9,524,000港元、9,116,000港元、5,263,000港元（二零一五年：9,524,000港元、9,116,000港元、5,263,000港元及4,718,000港元）將分別於二零二零年、二零一九年及二零一八年（二零一五年：二零二零年、二零一九年、二零一八年及二零一七年）屆滿。其他虧損可無限期結轉。

根據中國企業所得稅法，就中國附屬公司由二零零八年一月一日起賺取之溢利宣派之股息須繳納預扣稅。由於本集團可控制中國附屬公司累計溢利所產生之臨時差額之撥回時間，且臨時差額不大可能於可見將來撥回，故並無於綜合財務報表內就約17,526,000港元（二零一五年：19,829,000港元）之臨時差額作出遞延稅項撥備。

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35. SHARE CAPITAL

35. 股本

		Number of shares 股份數目	HK\$ 港元
Authorised:	法定：		
Ordinary shares of HK\$0.05 each at 1 January 2015 and 31 December 2015	於二零一五年一月一日及二零一五年十二月三十一日每股面值0.05港元之普通股	10,000,000,000	500,000,000
Share consolidation (note (ii)(a))	股份合併 (附註(ii)(a))	(9,000,000,000)	-
Share sub-division (note (ii)(c))	股份分拆 (附註(ii)(c))	49,000,000,000	-
Ordinary shares of HK\$0.01 each at 31 December 2016	二零一六年十二月三十一日每股面值0.01港元之普通股	50,000,000,000	500,000,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.05 each at 1 January 2015	於二零一五年一月一日每股面值0.05港元之普通股	1,467,854,560	73,392,728
Issue of placing shares (note i)	發行配售股份 (附註i)	645,840,000	32,292,000
Ordinary shares of HK\$0.05 each at 31 December 2015	於二零一五年十二月三十一日每股面值0.05港元之普通股	2,113,694,560	105,684,728
Share consolidation (note (ii)(a))	股份合併 (附註(ii)(a))	(1,902,325,104)	-
Capital reduction (note (ii)(b))	股本削減 (附註(ii)(b))	-	(103,571,033)
Issue of placing shares of HK\$0.01 each (note iii)	發行每股面值0.01港元之配售股份 (附註iii)	42,270,000	422,700
Ordinary shares each at 31 December 2016	於二零一六年十二月三十一日之普通股	253,639,456	2,536,395

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35. SHARE CAPITAL (Continued)

Notes:

- (i) On 30 April 2015, 293,560,000 new ordinary shares of the Company of HK\$0.05 each were issued to independent third parties by placing at the placing price of HK\$0.146 per share. On 2 July 2015, 352,280,000 new ordinary shares of the Company of HK\$0.05 each were issued to independent third party by placing at the placing price of HK\$0.240 per placing share.

All the shares issued rank pari passu with the existing shares of the Company in all respect.

- (ii) 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:
- (a) every ten issued and unissued shares of par value of HK\$0.05 each in the share capital of the Company had been consolidated into one consolidated share of par value of HK\$0.50;
- (b) 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
- (c) 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.

- (iii) On 11 October 2016, 42,270,000 new ordinary shares of the Company of HK\$0.01 each were issued to independent third parties by placing at price of HK\$0.47 per share.

35. 股本 (續)

附註:

- (i) 於二零一五年四月三十日，本公司通過配售按配售價每股0.146港元向獨立第三方發行了293,560,000股每股面值0.05港元的新普通股。於二零一五年七月二日，本公司通過配售按配售價每股0.240港元向獨立第三方發行了352,280,000股每股面值0.05港元的新普通股。

所有已發行的股份在各方面與本公司現有股份均享有同等權益。

- (ii) 於二零一六年四月一日舉行的本公司股東特別大會上，本公司股東通過一項特別決議案，據此：
- (a) 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1股面值0.50港元之合併股份；
- (b) 透過註銷當時已發行合併股份之本公司實繳股本每股0.49港元，將當時本公司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
- (c) 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。

- (iii) 於二零一六年十月十一日，通過配售按配售價每股0.47港元向獨立第三方發行42,270,000股本公司每股面值0.01港元之新普通股。

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36. ACQUISITION OF A SUBSIDIARY

On 30 November 2016, the Group acquired an investment property through the acquisition of the 100% equity interest in Supreme Cycle Inc. ("Supreme Cycle") from a related company, which is controlled by a discretionary trust, of which the immediate family member(s) of Mr. SUEK Ka Lun, Ernie is/are one of the discretionary objects, at cash consideration of HK\$87,165,828. Supreme Cycle is engaged in property investment in Hong Kong.

Assets acquired and liabilities recognised at the date of acquisition are as follows:

36. 收購一家附屬公司

於二零一六年十一月三十日，本集團以現金代價87,165,828港元從一家關連公司（由一項以薛嘉麟先生的直系家庭成員為酌情對象的酌情信託控制）收購Supreme Cycle Inc.（「Supreme Cycle」）之100%股權。Supreme Cycle主要於香港從事物業投資業務。

於收購日期已收購資產及已確認負債如下：

		HK\$ 港元
Investment properties	投資物業	113,129,400
Trade and other receivables, prepayments and deposits	貿易及其他應收款項、 預付款項及訂金	864,592
Cash and cash equivalents	現金及現金等值	1,716,037
Trade and other payables and accruals	貿易及其他應付款項以及應計款項	(2,080,201)
Borrowings	借貸	(26,464,000)
		87,165,828
Net cash outflow arising on acquisition:	收購產生現金流出淨額：	
Cash consideration	現金代價	87,165,828
Less: Cash and cash equivalents acquired	減：已獲得現金及現金等值	(1,716,037)
		85,449,791

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37. DISPOSAL OF A SUBSIDIARY

Luxury Field Limited, a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with an independent third party to dispose of the entire equity interest in Marble Arch Investments Limited ("Marble Arch") at a consideration of HK\$25,039,012 in cash on 14 December 2015. The net assets of Marble Arch and its subsidiaries on 14 December 2015 were as follows:

37. 出售一家附屬公司

於二零一五年十二月十四日本集團全資擁有之附屬公司Luxury Field Limited與獨立第三方訂立一項買賣協議，以現金代價25,039,012港元出售其於蒼萃投資管理有限公司（「蒼萃」）的全部股權。蒼萃及其附屬公司於二零一五年十二月十四日的資產淨值如下：

		HK\$ 港元
Net assets disposed of:	出售之資產淨值：	
Advance to potential investees	給予潛在被投資方之墊款	23,877,746
Cash and cash equivalents	現金及現金等值	2,509,955
Other payables	其他應付款項	(165,491)
		26,222,210
Loss on disposal of a subsidiary:	出售一家附屬公司之虧損：	
Cash consideration	現金代價	25,039,012
Net assets disposed of	出售之資產淨值	(26,222,210)
		(1,183,198)
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration	現金代價	25,039,012
Less: cash and cash equivalents disposed of	減：出售之現金及現金等值	(2,509,955)
		22,529,057

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37. DISPOSAL OF A SUBSIDIARY (Continued)

The impact of Marble Arch on the Group's results and cash flows for the year ended 31 December 2015 is shown as follows:

		HK\$ 港元
Loss from the operation of Marble Arch and its subsidiaries	來自蒼萃及其附屬公司的業務虧損	(25,994)
Loss on disposal of Marble Arch (included in other gains and losses)	出售蒼萃的虧損 (計入其他收益及虧損)	(1,183,198)
		(1,209,192)

During the year ended 31 December 2015, Marble Arch and its subsidiaries incurred HK\$25,994 to the Group's net operating cash flows.

37. 出售一家附屬公司 (續)

蒼萃對本集團於截至二零一五年十二月三十一日止年度的業績及現金流量的影響列示如下：

於截至二零一五年十二月三十一日止年度，蒼萃及其附屬公司為本集團之經營現金流量淨額帶來25,994港元。

38. LEASE COMMITMENTS

The Group as lessee

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

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Within one year	一年內	8,831,587	16,984,914
In the second to fifth year inclusive	第二至第五年內 (包括首尾兩年)	13,408,747	3,117,509
Over five years	超過五年	40,665,482	41,932,307
		62,905,816	62,034,730

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 one to fifty years. Rentals are fixed for one to fifty years.

38. 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於以下期間到期繳付之未來最低租賃款項承擔：

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。

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38. LEASE COMMITMENTS (Continued)

The Group as lessor

All of the Group's properties held for rental purposes have committed tenants for the next one to three years. At the end of the reporting period, the Group has contracted with tenants for the future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Within one year	一年內	6,008,200	453,703
In the second to fifth year inclusive	第二至第五年內(包括 首尾兩年)	5,653,300	41,200
		11,661,500	494,903

At the end of the reporting period, the Group has contracted with a related party of HK\$9,990,000 (2015: nil) for the future minimum lease payments.

38. 租賃承擔(續)

本集團作為出租人

本集團所有持作出租用途之物業於未來一至三年均有租客承租。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約於下列期間到期之未來應付最低租賃款項：

於本報告期末，本集團已與關連人士就未來最低租賃付款9,990,000港元(二零一五年：零)訂約。

39. CAPITAL COMMITMENTS

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of:	以下各項已訂約但未在綜合財務報表中提撥準備之資本開支：		
– acquisition of property, plant and equipment	– 收購物業、廠房及設備	1,948,897	404,250
– prepaid lease payments in the PRC	– 於中國之預付租賃款項	11,719,833	12,534,177
		13,668,730	12,938,427

39. 資本承擔

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39. CAPITAL COMMITMENTS (Continued)

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:

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Commitment to provide shareholder's loan 提供股東貸款之承擔	—	47,049,800

The commitment to provide shareholder's loan is released during the year ended 31 December 2016 upon the termination of contribution agreement.

40. RETIREMENT BENEFITS SCHEMES

The Group operates a defined contribution retirement benefits scheme ("ORSO Scheme") for certain qualifying employees in Hong Kong. The assets of the ORSO Scheme are held separately from those of the Group in funds under the control of the trustee. Contributions to the ORSO Scheme are at rates specified in the rules of the ORSO Scheme. Where there are employees who leave the ORSO Scheme prior to vesting in full in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

With effect from 1 December 2000, the Group has also joined a mandatory provident fund scheme ("MPF Scheme") for its employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Scheme Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions. Except for voluntary contribution, no forfeited contribution under the MPF Scheme is available to reduce the contribution payable in future years.

39. 資本承擔 (續)

本集團就其合營公司Reliance Partner Limited與其他合營方共同作出之資本承擔中所分佔的部份如下：

終止供款協議後，提供股東貸款之承擔已於截至二零一六年十二月三十一日止年度解除。

40. 退休福利計劃

本集團為香港之若干合資格僱員推行定額供款退休福利計劃（「ORSO計劃」）。ORSO計劃之資產由信託人控制之基金持有，與本集團之資產分開處理。對ORSO計劃之供款乃按ORSO計劃之規則所訂明之比率計算。倘僱員於可全數取得供款前退出ORSO計劃，則本集團應作出之供款可利用已沒收之供款金額扣減。

自二零零零年十二月一日起，本集團亦已為其香港僱員參加強制性公積金計劃（「強積金計劃」）。強積金計劃已根據強制性公積金計劃條例向強制性公積金計劃管理局註冊。強積金計劃之資產由獨立信託人控制之基金持有，與本集團之資產分開處理。根據強積金計劃，僱主及其僱員各須按規則訂明之比率向強積金計劃作出供款。本集團有關強積金計劃之唯一責任為作出規定作出之供款。除自願供款外，概無任何強積金計劃之沒收供款可用以扣減未來年度應作出之供款。

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40. RETIREMENT BENEFITS SCHEMES (Continued)

The retirement benefits schemes contributions arising from the ORSO Scheme and the MPF Scheme charged to the consolidated statement of profit or loss and other comprehensive income represent contributions payable to the funds by the Group at rates specified in the rules of the schemes.

For the retirement benefits of the Group's qualifying employees in the PRC, the Group has participated in the retirement benefits scheme operated by the local municipal government of Shenzhen. The Group is required to contribute a specified percentage of their payroll costs to the scheme to fund the benefits. The employees are entitled to retirement pension calculated with reference to their basic salaries on retirement and their length of services in accordance with the relevant government regulations. The only obligation of the Group with respect to the scheme is to pay the ongoing required contributions under the scheme. Contributions to the scheme are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the scheme. No forfeited contribution under retirement benefits scheme in PRC is available to reduce the contribution payable in future years.

As at 31 December 2016 and 2015, there were no significant forfeited contributions which arose upon employees leaving the schemes before they are fully vested in the contributions and which are available to reduce the contributions payable by the Group in the future.

The total expenses recognised in profit or loss of approximately HK\$9,425,000 (2015: HK\$9,421,000) represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

40. 退休福利計劃 (續)

於綜合損益及其他全面收入報表內扣除之ORSO計劃及強積金計劃所產生退休福利計劃供款，指本集團按該等計劃規則訂明之比率應向基金作出之供款。

至於本集團在中國之合資格僱員之退休福利方面，本集團已參加由深圳地方市政府營辦之退休福利計劃。本集團須按有關僱員薪酬成本之指定百分比向計劃供款，以為福利提供資金。根據相關政府規例，僱員可享有按退休時之基本薪金及服務年期計算之退休福利。本集團有關該計劃之唯一責任為持續作出計劃規定作出之供款。向該計劃作出之供款會於根據該計劃之規則應付時，在綜合損益及其他全面收入報表內扣除。概無任何於中國之退休福利計劃之沒收供款可用以扣減未來年度應作出之供款。

截至二零一六年及二零一五年十二月三十一日止，概無因僱員於供款全數歸屬前退出該等計劃而沒收，並可用以扣減本集團之未來應繳供款之重大沒收供款。

於損益內確認的開支總額約為9,425,000港元（二零一五年：9,421,000港元）指本集團按該等計畫規定訂明之供款率的應付之供款。

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41. RELATED PARTY TRANSACTIONS

- (a) Apart from the amounts due from/to related companies as disclosed in notes 27 and 31, respectively, the Group has entered into significant transactions between related parties and subsidiaries of the Company as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Licensed fee income (note 1)	特許費收入 (附註1)	1,690,000	1,630,000
Promotion income (note 1)	宣傳收入 (附註1)	–	500,000
Sales of goods (note 1)	出售貨品 (附註1)	44,640	267,735
Rental income (note 1)	租金收入 (附註1)	370,000	–
Office rental expenses (note 1)	辦公室租金開支 (附註1)	360,000	360,000
Premises rental expense (note 2)	物業租金開支 (附註2)	–	666,664
Finance costs (note 3)	融資成本 (附註3)	3,064,918	2,591,217

Notes:

- (1) The transactions were carried out with Neway Karaoke Box Limited and its subsidiaries which are controlled by Dr. SUEK.
- (2) The transaction was carried out with another related company, which is beneficially owned by Mr. SUEK Ka Lun, Ernie.
- (3) The transaction was carried out with a related company which is controlled by Dr. SUEK.

附註:

- (1) 該等交易乃與由薛博士控制之Neway Karaoke Box Limited及其附屬公司進行。
- (2) 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。
- (3) 該交易乃與由薛博士控制之關連公司進行。

41. 關連人士交易

- (a) 除附註27及附註31分別披露應收／付關連公司款項外，本集團已與本公司關連人士及附屬公司進行下列重大交易：

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41. RELATED PARTY TRANSACTIONS (Continued)

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Short-term benefits	短期福利	8,378,403	6,679,820
Post-employment benefits	離職後福利	164,760	126,225
		8,543,163	6,806,045

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

41. 關連人士交易 (續)

(b) 主要管理人員之報酬

以下為董事及其他主要管理人員於年內之薪酬：

董事及主要行政人員之薪酬乃由薪酬委員會按個別人士之表現及市場趨勢釐定。

42. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which includes amount due to a related company, borrowings and obligations under finance leases disclosed in notes 31, 32 and 33, respectively, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued capital and reserves.

The management of the Group reviews the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through new share issues, repurchase of shares and the issue of new debt or the redemption of the existing debt.

The Group's overall strategy remains unchanged from prior year.

42. 資本風險管理

本集團管理其資本以確保本集團旗下各實體能持續經營，同時透過維持良好的債項及權益平衡，盡量提高擁有人回報。

本集團之資本架構由債項（包括附註31、32及33分別披露之應付一家關連公司款項、借貸及融資租賃責任，扣除現金及現金等值）及本公司擁有人應佔權益（包括已發行股本及儲備）組成。

本集團之管理層持續檢討資本架構，當中會考慮資本成本及與資本相關之風險。本集團將透過發行新股、購回股份及發行新債或贖回現有債項平衡其整體資本架構。

本集團之整體策略與上年度相同。

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43. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及 現金等值)	469,580,667	538,837,040
Held-for-trading investments	持作買賣投資	132,247,356	45,089,662
Available-for-sale investments	可供出售投資	41,735,027	40,844,006
Derivative financial instrument	衍生金融工具	10,416,328	10,369,795
Financial liabilities	金融負債		
Amortised cost	攤銷成本	181,236,495	145,901,180

Financial risk management objectives and policies

The Group's major financial instruments include loans to available-for-sale investees and joint ventures, derivative financial instrument, available-for-sale investments, held-for-trading investments, trade and other receivables and deposits, loans receivable, amount due from a related company, short-term bank deposits, cash and cash equivalents, trade and other payables and accruals, amount due to a non-controlling shareholder of a subsidiary, borrowings and amount due to a related company. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk, currency risk and price risk), credit risk and liquidity risk and the policies on how to mitigate these risks are set out below. The directors of the Company manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

43. 金融工具

金融工具之類別

財務風險管理目標及政策

本集團之主要金融工具包括給予可供出售被投資方及合營公司之貸款、衍生金融工具、可供出售投資、持作買賣投資、貿易及其他應收款項以及訂金、應收貸款、應收一家關連公司款項、短期銀行存款、現金及現金等值、貿易及其他應付款項以及應計款項、應付一家附屬公司一名非控股股東款項、借貸及應付一家關連公司款項。此等金融工具之詳情於有關附註披露。與此等金融工具有關之風險包括市場風險（利率風險、貨幣風險及價格風險）、信貸風險及流動資金風險，減低有關風險之政策載於下文。本公司董事管理及監察該等風險，確保及時採取適當有效措施。

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For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk

(i) Currency risk

Several subsidiaries of the Group have foreign currency sales and purchases, which expose the Group to foreign currency risk. In addition, certain trade receivables, bank balances, short-term bank deposits, trade payables of the Group are denominated in RMB, USD, HK\$ and EURO, the currencies other than the functional currency of the respective group entities as disclosed in notes 25, 28 and 29 respectively. Approximately 33% (2015: 45%) of the Group's sales are denominated in currencies other than the functional currency of the group entity making the sale, whilst almost 20% (2015: 20%) of costs are denominated in currencies other than the functional currency of the group entity's functional currency.

The Group currently does not have a foreign currency hedging policy. However, directors of the Company monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The Group's intra-group balances do not form part of the net investment in foreign operations. The carrying amounts of the foreign currency denominated intra-group balances which have been eliminated in the consolidated financial statements of certain subsidiaries of which the functional currency is HK\$ and RMB at the end of the reporting period are as follows:

43. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險

(i) 貨幣風險

本集團旗下多家附屬公司以外幣進行買賣交易，因而令本集團須承受外幣風險。此外，本集團有若干貿易應收款項、銀行結餘、短期銀行存款、貿易應付款項以人民幣、美元、港元及歐元（均非有關集團實體之功能貨幣）為單位，分別於附註25、28及29披露。本集團約33%（二零一五年：45%）之銷售以進行銷售之集團實體之功能貨幣以外之貨幣為單位，接近20%（二零一五年：20%）之成本以集團實體功能貨幣以外之貨幣為單位。

本集團目前並無實施外幣對沖政策。然而，本公司董事監察外匯風險，在有需要時將會考慮對沖重大外幣風險。

本集團集團間結餘不構成外資經營淨投資的一部份。於報告期末功能性貨幣為港元及人民幣的若干附屬公司的綜合財務報表中已刪除的按外幣計值的集團間結餘賬面值如下：

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43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Net amounts due from (to) group companies denominated in RMB against HK\$	7,086,000	(3,238,000)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are approximately as follows:

本集團以外幣計值之貨幣資產及貨幣負債於報告期末之賬面值概列如下：

		Assets 資產		Liabilities 負債	
		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
USD against HK\$	美元兌港元	30,509,000	19,710,000	-	1,349,000
HK\$ against RMB	港元兌人民幣	46,891,000	12,773,000	-	-
RMB against HK\$	人民幣兌港元	207,490,000	214,538,000	202,578,000	218,715,000
EURO against HK\$	歐元兌港元	566,000	542,000	-	-

Sensitivity analysis

Since the exchange rate of HK\$ is pegged with USD, the Group does not expect any significant movements in the USD/HK\$ exchange rates.

敏感度分析

由於港元匯率與美元掛鈎，本集團預期美元／港元之匯率不會出現任何重大變動。

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截至二零一六年十二月三十一日止年度

43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis (Continued)

The following table details the Group's sensitivity to a 10% (2015: 10%) increase and decrease in functional currency of respective group entity against relevant foreign currencies (other than USD) and all other variables were held constant. 10% (2015: 10%) is the sensitivity rate used and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 10% (2015: 10%) change in foreign currency rates. A positive number below indicates a decrease in post-tax profit (2015: increase in post-tax loss) for the year where functional currency of respective group entity strengthen 10% (2015: 10%) against foreign currencies. For a 10% (2015: 10%) weakening of functional currency of respective group entity against foreign currencies, there would be an equal and opposite impact on the result for the year.

43. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

敏感度分析 (續)

下表詳列假設一切其他可變因素不變，本集團因個別集團實體之功能貨幣兌有關外幣(不包括美元)升值及貶值10%(二零一五年: 10%)之敏感度。所用敏感度比率為10%(二零一五年: 10%)，乃經管理層所評估匯率可能出現之合理變動。敏感度分析只包括以外幣計值之未償還貨幣項目，並就匯率出現10%(二零一五年: 10%)變動調整彼等於報告期末之換算金額。下文正數反映在個別集團實體之功能貨幣兌外幣升值10%(二零一五年: 10%)之情況下，本年除稅後溢利有所減少(二零一五年: 除稅後虧損增加)。倘個別集團實體之功能貨幣兌外幣貶值10%(二零一五年: 10%)，則對本年業績有相同數額但相反之影響。

		Impact of HK\$ 港元之影響 HK\$ 港元	Impact of EURO 歐元之影響 HK\$ 港元	Impact of RMB 人民幣之影響 HK\$ 港元
2016 (Decrease) increase in profit for the year	二零一六年 年度溢利(減少)增加	(3,915,000)	(47,000)	182,000
2015 (Increase) decrease in loss for the year	二零一五年 年度虧損(增加)減少	(1,067,000)	(45,000)	78,000

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43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to cash flow interest rate risk primarily relates to variable-rate bank deposits, bank balances and bank borrowings. The Group is also exposed to fair value interest rate risk relates primarily to the fixed-rate loans receivable, amount due to a related company and obligations under finance leases and interest-free loans to available-for-sale investments and joint ventures and amount due to non-controlling shareholder of the subsidiary. The Group has not used any derivative instruments in order to mitigate its exposure associated with fluctuations relating to interest cash flows. However, the directors of the Company monitor interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

Sensitivity analysis

The management considers that the Group's exposure to future cash flow risk on variable-rate bank balances as a result of the change of market interest rate is insignificant and thus variable-rate bank balances are not included in the sensitivity analysis.

The impact on the Group's cash flow is due in part to its sensitivity to interest rate which has been determined based on the exposure to the variable-rate bank deposits and bank borrowings. The analysis is prepared assuming the amount of asset outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used which represents management's assessment of the reasonable possible change in interest rates.

43. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險

本集團承受之現金流量利率風險主要與浮息銀行存款、銀行結餘及銀行借貸相關。本集團亦承受主要與定息應收貸款、應付一家關連公司款項及融資租賃責任及給予可供出售投資及合營公司之免息貸款以及應付一家附屬公司非控股股東之款項相關之公平值利率風險。本集團並無採用任何衍生工具減低所承受與利率現金流量波動有關之風險。然而，本公司董事監察利率風險，並將考慮於預期須承受重大利率風險時採取其他所需行動。

敏感度分析

管理層認為，本集團因市場利率變動而就浮息銀行結餘承受之未來現金流量風險輕微，因此，浮息銀行結餘並未包括在敏感度分析內。

對本集團現金流量造成影響部分是由於其對利率之敏感度所致，該敏感度乃根據所承受之浮息銀行存款及銀行借貸風險而釐定。該分析乃假設於報告期末未償還之資產金額於整個年度亦為未償還而得出。所採用之50個基點上落幅度乃管理層所評估利率可能出現之合理變動。

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43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk (Continued)

Sensitivity analysis (Continued)

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax profit (2015: loss) for the year would decrease/increase (2015: increase/decrease) by approximately HK\$2,000 (2015: HK\$448,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank deposits and bank borrowings.

(iii) Other price risk

The Group is exposed to price risk in respect of:

- held-for-trading investments in equity securities listed in Hong Kong Stock markets. The directors of the Company manage the exposure by maintaining a portfolio of equity investments with different risk profiles.
- derivative financial instrument in relation to the put option to dispose of the Group's equity interest in Ying Wah.

Sensitivity analysis

The sensitivity analyses on held-for-trading investments during the year have been determined based on the exposure to equity price risks at the end of the reporting period. For sensitivity analysis purpose, the sensitivity rate considers at 10% in the current year. If the prices of the respective equity instruments had been 10% higher/lower and all other variables were held constant, the Group's post-tax profit for the year would increase/decrease approximately by HK\$11,043,000 (2015: post-tax loss would decrease/increase HK\$3,765,000) as a result of the changes in fair value of held-for-trading investments.

43. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險 (續)

敏感度分析 (續)

倘利率上升/下降50個基點，而所有其他可變因素不變，本集團之本年除稅後溢利(二零一五年：虧損)將減少/增加(二零一五年：增加/減少)約2,000港元(二零一五年：448,000港元)。有關變化主要來自本集團就浮息銀行存款及銀行借貸所承受之利率風險。

(iii) 其他價格風險

本集團須就以下方面承受價格風險：

- 於香港股票市場上市的股本證券的持作買賣投資。本公司董事藉維持不同風險程度之股本投資組合管理有關風險。
- 與處置本集團於英華房地產的股本權益的認沽期權有關的衍生金融工具。

敏感度分析

年內之持作買賣投資敏感度分析乃根據於報告期末之股本價格風險釐定。就敏感度分析而言，敏感度比率於本年度被視為10%。倘各項股本工具之價格上升/下跌10%，而所有其他可變因素不變，則本集團之本年除稅後溢利將因持作買賣投資公平值變動而增加/減少約11,043,000港元(二零一五年：除稅後虧損將減少/增加3,765,000港元)。

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43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(iii) Other price risk (Continued)

Sensitivity analysis (Continued)

No sensitivity analysis is provided on derivative financial instrument as the management of the Company considers that the effect of the price fluctuation on the fair value of derivative financial instrument is considered as insignificant.

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, loans receivable, amount due from a related company, loans to available-for-sale investees and joint ventures, short-term bank deposits and bank balances as at 31 December 2016 and 2015.

As at 31 December 2016, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group has significant concentration risk on loans to available-for-sale investees and joint ventures. The directors of the Company continuously monitor the credit quality and financial positions of the counterparties and the level of exposure to ensure that the follow-up action is taken to recover the debts. Other than these, there is no significant concentration of credit risk in receivables as the exposure spread over a number of counterparties and customers. Under such circumstances, the directors of the Company consider that the Group's credit risk is not material.

43. 金融工具 (續)

財務風險管理目標及政策 (續)

市場風險 (續)

(iii) 其他價格風險 (續)

敏感度分析 (續)

並未就衍生金融工具提供敏感度分析，因為本公司管理層認為價格波動對衍生金融工具公平值的影響並不重大。

信貸風險

本集團之信貸風險主要來自於截至二零一六年及二零一五年十二月三十一日止之貿易及其他應收款項、應收貸款、應收一家關連公司款項、給予可供出售被投資方及合營公司之貸款、短期銀行存款及銀行結餘。

截至二零一六年十二月三十一日止，本集團因對手方未能履行責任將蒙受財務損失而承受之最高信貸風險，為綜合財務狀況報表所載個別已確認金融資產之賬面值。

本集團給予可供出售被投資方及合營公司之貸款之墊款有高度集中風險。本公司董事持續監察信貸質素及對手方之財務狀況以及風險水平，以確保有採取跟進行動收回債項。除此之外，本集團之信貸風險分散至多名對手方及客戶，故應收款項並無信貸風險過度集中之情況。根據有關情況，本公司董事認為，本集團之信貸風險並不重大。

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43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

In order to minimise the credit risk, the directors of the Company have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the directors of the Company review the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The credit risk on liquid funds is limited because the counterparties are banks with good reputations.

Liquidity risk

The Group manages its liquidity risk by monitoring and maintaining a level of cash and cash equivalents secured adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensure compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the financial institutions choosing to exercise their rights. The maturity dates for other financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from prevailing market rate at the end of the reporting period.

43. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

為減低信貸風險，本公司董事已委派專責小組負責釐定信貸限額、審批信貸及其他監管程序，以確保採取跟進行動收回逾期債項。此外，本公司董事於報告期末檢討各個別債項之可收回金額，確保就不可收回款項確認足夠減值虧損。

由於對手方均為聲譽良好之銀行，故就流動資金所承受之信貸風險有限。

流動資金風險

本集團管理流動資金風險之方法乃由管理層監控及維持充裕之現金及現金等值水平，以撥付本集團業務經營所需資金及減低現金流量波動之影響。管理層監控銀行借貸之使用情況，確保遵循貸款契約。

下表詳述本集團根據其須付款之最早日期釐定之金融負債餘下合約到期情況。具體而言，附帶按要求償還條款之借貸均計入最早償還時間範圍，而不論財務機構選擇行使其權利之可能性。其他金融負債之到期日根據協定還款日期釐定。

下表包括利息及本金現金流量。倘利息流為按浮動利率計息，則未折算金額按報告期末之當前市場利率計算。

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43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables

		Weighted average effective interest rate	On demand	1 month	3 months	1 year	2 years	Over 5 years	Total undiscounted cash flows	Carrying amount at the end of the reporting period
				to 3 months	to 1 year	to 2 years	to 5 years			
		加權平均實際利率	按要求	一個月至三個月	三個月至一年	一年至兩年	兩年至五年	超過五年	現金流量總額	報告期末之賬面值
		%	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		%	港元	港元	港元	港元	港元	港元	港元	港元
2016	二零一六年									
Trade payables	貿易應付款項	-	-	50,900,827	-	-	-	-	50,900,827	50,900,827
Other payables and accruals	其他應付款項及應計款項	-	-	40,288,685	-	-	-	-	40,288,685	40,288,685
Amount due to a non-controlling shareholder of a subsidiary	應付一家附屬公司 一名非控股股東款項	-	16,744,809	-	-	-	-	-	16,744,809	16,744,809
Amount due to a related company	應付一家關連公司款項	Note 1 附註1	2,073,249	245,514	10,145,813	117,084	320,534	310,806	13,213,000	11,958,974
Secured bank borrowings	有抵押銀行貸款	Note 2 附註2	61,343,200	-	-	-	-	-	61,343,200	61,343,200
Obligation under finance leases	融資租賃責任	2.8	-	61,443	184,329	184,329	-	-	430,101	419,069
			80,161,258	91,496,469	10,330,142	301,413	320,534	310,806	182,920,622	181,655,564

		Weighted average effective interest rate	On demand	1 month	3 months	1 year	2 years	Over 5 years	Total undiscounted cash flows	Carrying amount at the end of the reporting period
				to 3 months	to 1 year	to 2 years	to 5 years			
		加權平均實際利率	按要求	一個月至三個月	三個月至一年	一年至兩年	兩年至五年	超過五年	現金流量總額	報告期末之賬面值
		%	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		%	港元	港元	港元	港元	港元	港元	港元	港元
2015	二零一五年									
Trade payables	貿易應付款項	-	-	60,041,444	-	-	-	-	60,041,444	60,041,444
Other payables and accruals	其他應付款項及應計款項	-	-	37,946,883	-	-	-	-	37,946,883	37,946,883
Amount due to a non-controlling shareholder of a subsidiary	應付一家附屬公司 一名非控股股東款項	-	17,908,309	-	-	-	-	-	17,908,309	17,908,309
Amount due to a related company	應付一家關連公司款項	Note 1 附註1	335,719	561,546	24,481,289	203,268	581,076	397,906	26,560,804	24,004,544
Unsecured bank borrowing	無抵押銀行貸款	Note 3 附註3	6,000,000	-	-	-	-	-	6,000,000	6,000,000
			24,244,028	98,549,873	24,481,289	203,268	581,076	397,906	148,457,440	145,901,180

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43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

Notes:

- (1) The amount due to a related company carried at interest rate ranging from 12% to 30% per annum.
- (2) The secured bank borrowings carry at HIBOR plus 1.85% to 2.5% per annum.
- (3) The unsecured bank borrowing carries at HIBOR plus 1.5% per annum.

Bank borrowings with a repayment on demand clause as at 31 December 2016 and 2015 are included in the "on demand" time band in the above maturity analysis. The carrying amount of the bank borrowing amounted to HK\$61,343,200 (2015: HK\$6,000,000) as at 31 December 2016. Taking into account the Group's financial position and assets pledged for the borrowings, the directors of the Company do not believe that it is probable that the financial institutions would exercise their discretionary rights to demand immediate payment. As at 31 December 2016, the directors of the Company believed that such borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements. The aggregate principal and interest cash outflows amounted to HK\$64,031,980 (2015: HK\$6,051,250) as at 31 December 2016. The repayment schedule based on the scheduled repayment dates is set out below:

43. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表 (續)

附註:

- (1) 應付一家關連公司款項按介乎12%至30%之年利率計息。
- (2) 有抵押銀行借貸按香港銀行同業拆息加1.85%至2.5%之年利率計息。
- (3) 無抵押銀行借貸按香港銀行同業拆息加1.5%之年利率計息。

截至二零一六年及二零一五年十二月三十一日止附帶按要求償還條款之銀行借貸在上述到期日分析中計入「按要求」之時間範圍內。截至二零一六年十二月三十一日止，銀行借貸的賬面約為61,343,200港元（二零一五年：6,000,000港元）。考慮到本集團之財務狀況及就借貸質押之資產，本公司董事相信，財務機構不可能行使酌情權要求即時付款。截至二零一六年十二月三十一日止，本公司董事相信，該等借貸將根據貸款協議所載預定還款日期償還。截至二零一六年十二月三十一日止，本金及利息現金流出總額為64,031,980港元（二零一五年：6,051,250港元）。根據預定還款日期，還款時間表如下：

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43. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Within one year	一年內	37,257,465	6,051,250
Over one year but less than two years	超過一年但少於兩年	1,956,746	–
Over two years but less than five years	超過兩年但少於五年	5,689,422	–
Over five years	超過五年	19,128,347	–
		64,031,980	6,051,250

Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

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).

43. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表 (續)

金融工具之公平值計量

此附註提供本集團如何釐訂各項金融資產公平值之資料。

本集團按照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。下表列出有關釐定該等金融資產公平值方法之資料 (尤其是所用估值技術及輸入數據)。

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43. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

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

Financial assets 金融資產	Fair value as at 於以下年度之公平值		Fair value hierarchy 公平值架構	Valuation technique(s) and key input(s) 估值技術及主要輸入數據
	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元		
Held-for-trading investments 持作買賣投資	132,247,356	45,089,662	Level 1 第一層	Quoted bid prices in an active market 活躍市場上之買入報價
Available-for-sale investments Club membership 可供出售投資會所會籍	3,403,700 3,403,700	3,403,700 3,403,700	Level 2 第二層	Quoted bid prices in secondary market 二級市場上之買入報價
Available-for-sale investments in equity securities established in the PRC measured at fair value 於中國成立按公平值計量之 股本證券中的可供出售投資	14,142,889 14,142,889	15,044,294 15,044,294	Level 3 第三層	Adjusted net asset value of Ying Wah as at 31 December 2016 (note i) 英華房地產於截至二零一六年十二 月三十一日止的經調整資產淨 值(附註i)

43. 金融工具(續)

金融工具之公平值計量(續)

本集團按照經常性基準按公平
值計量之金融資產之公平值
(續)

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43. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

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

Financial assets 金融資產	Fair value as at 於以下年度之公平值		Fair value hierarchy 公平值架構	Valuation technique(s) and key input(s) 估值技術及主要輸入數據
	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元		
Derivative financial instrument 衍生金融工具	10,416,328	10,369,795	Level 3 第三層	Black-scholes option pricing model (note ii) 畢蘇期權定價模式 (附註ii)

Notes:

- (i) The key inputs of valuation of available-for-sale investments at fair value included (a) fair value of properties under development for sale (which is based on residual approach with key inputs of market prices with expected profit margin of 6% and discount rate of 10%) net of deferred income for pre-sale of properties and (b) marketability discount of 10%.

Except for the fair value of properties under development for sale, the fair value of the other assets and liabilities (except the deferred income for pre-sale of properties) of Ying Wah in the statement of financial position as at 31 December 2016 are approximately to their carrying values.

- (ii) The key input in the Black-Scholes model are disclosed in note 19.

There were no transfers between Level 1 and 2 during the year.

43. 金融工具 (續)

金融工具之公平值計量 (續)

本集團按照經常性基準按公平值計量之金融資產之公平值 (續)

附註：

- (i) 按公平值計量的可供出售投資估值中的主要輸入數據包括(a)待售發展中物業的公平值(基於使用市場價格作主要輸入數據的剩餘法·預期溢利率為6%及折算率為10%)減預售物業的遞延收入;及(b) 10%的市場流通性折讓。

除待售發展中物業的公平值外,於二零一六年十二月三十一日之財務狀況報表內英華房地產其他資產及負債的公平值(預售物業的遞延收入除外)與彼等之公平值相若。

- (ii) 畢蘇期權定價模式的主要輸入數據於附註19披露。

於本年度,第一層與第二層間並無轉讓情況。

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截至二零一六年十二月三十一日止年度

43. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Reconciliation of Level 3 fair value measurements of financial liabilities

		Available- for-sale financial assets 可供出售 金融資產 HK\$ 港元	Derivative financial instrument 衍生金融工具 HK\$ 港元
At 1 January 2015 (note)	於二零一五年一月一日 (附註)	-	-
Transfer	轉讓	16,307,559	6,268,198
Unrealised gain in profit or loss	損益中未變現收益	-	4,101,597
Exchange difference	匯兌差額	(1,263,265)	-
At 31 December 2015	於二零一五年十二月三十一日	15,044,294	10,369,795
Unrealised gain in profit or loss	損益中未變現收益	-	752,339
Exchange difference	匯兌差額	(901,405)	(705,806)
At 31 December 2016	於二零一六年十二月三十一日	14,142,889	10,416,328

Note: Available-for-sale investments and derivative financial instrument are stated at cost less impairment as at 31 December 2014.

註：截至二零一四年十二月三十一日止，可供出售投資及衍生金融工具按成本扣除減值列賬。

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The directors of the Company estimate the fair value of its financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values.

本集團並非按照經常性基準 按公平值計量之金融資產及 金融負債之公平值

本公司董事採用已折算現金流量分析估計按攤銷成本計量之金融資產及金融負債之公平值。

本公司董事認為，按攤銷成本列入綜合財務狀況報表之金融資產及金融負債之賬面值與其公平值相若。

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43. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value measurement and valuation process

The financial controller of the Company is responsible to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engaged third party qualified valuers to perform the valuation. The financial controller works closely with qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Chief financial officer reports to executive directors semi-annually to explain the cause of fluctuations in the fair value of the assets.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed above.

44. NON-CASH TRANSACTION

The Group entered into finance lease arrangement in respect of motor vehicle of HK\$712,100 for the year ended 31 December 2016 (2015: nil).

45. EVENT AFTER THE REPORTING PERIOD

On 17 March 2017, the Group, the Committee and the PRC local government entered into the compensation agreement (補償協議) and the state-owned land swap agreement (國有土地置換協議) pursuant to which the Committee agreed to pay the compensatory payment to the Group with an amount of RMB45,009,700 together with land use rights located in Qingyuan in exchange of the deposits for land use rights, certain construction in progress properties and certain land use rights held by the Group. Details of which is disclosed in the announcement of the Company dated 17 March 2017.

43. 金融工具 (續)

金融工具之公平值計量 (續)

公平值計量及估值程序

本公司財務總監負責釐定適當的估值方法及公平值計量輸入數據。

於估計資產或負債的公平值時，本集團在其可獲得的情況下使用市場可觀察數據。未能獲得第一級輸入數據時，本集團委聘第三方合資格估值師進行估值。財務總監與合資格外聘估值師緊密合作確立適當的估值方法及模式的輸入數據。首席財務總監每半年向執行董事匯報以闡釋資產公平值波動的原因。

有關釐定不同資產公平值所用的估值方法及輸入數據的資料於上文披露。

44. 非現金交易

本集團於截至二零一六年十二月三十一日止年度就汽車訂立金額為712,100港元(二零一五年：零)之融資租賃安排。

45. 報告期後事項

於二零一七年三月十七日，本集團、委員會及中國當地政府訂立一項補償協議及國有土地置換協議，據此，委員會同意支付本集團補償金人民幣45,009,700元連同位於清遠的一塊土地的使用權以交換土地使用權訂金、若干在建物業及本集團持有之若干土地使用權。有關詳情於本公司日期為二零一七年三月十七日的公告中披露。

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46. IMPAIRMENT ASSESSMENT ON PROPERTY, PLANT AND EQUIPMENT

As stated in note 14, due to the Group's recurring loss resulted in manufacturing and sale of printing products segment, the directors of the Company also conducted an impairment assessment of the Group's assets based on value in use calculation.

There are two separated CGUs in the manufacturing and sale of printing products segment, Factory A and Factory B. Factory A is responsible for the manufacturing and sale of printing products to the customers located in Hong Kong or overseas customers and Factory B is responsible for manufacturing and sale of printing products to the customers located in the PRC.

During the year ended 31 December 2015, Factory B recorded a recurring net operating cash inflow from its operation and management considered that there is no impairment indication on the assets allocated to this CGU.

Due to the recurring loss resulted in Factory A, an impairment assessment was performed on Factory A. The property, plant and equipment and prepaid lease payments have been allocated to Factory A. Details are set as follows:

46. 物業、廠房及設備之減值評估

誠如附註14所述，由於本集團印刷產品製造及銷售分部出現經常性虧損，本公司董事亦根據使用價值計算方法對本集團之資產進行減值評估。

印刷產品製造及銷售分部包含兩個獨立現金產生單位，分別為工廠A及工廠B。工廠A負責為香港客戶或海外客戶製造及向彼等銷售印刷產品，而工廠B則負責為中國客戶製造及向彼等銷售印刷產品。

截至二零一五年十二月三十一日止年度，工廠B自其營運中錄得經常性經營現金流入淨額，管理層認為，分配至此現金產生單位之資產並無減值跡象。

由於工廠A出現經常性虧損，已就工廠A進行減值評估。物業、廠房及設備及預付租賃款項已分配至工廠A。詳情如下：

		Before impairment 減值前 HK\$ 港元	Impairment 減值 HK\$ 港元	After impairment 減值後 HK\$ 港元
As at 31 December 2015	截至二零一五年 十二月三十一日止			
Property, plant and equipment	物業、廠房及設備			
– Buildings	– 樓宇	88,987,973	–	88,987,973
– Machinery and equipment	– 機器及設備	9,156,985	(9,156,985)	–
Prepaid lease payments	預付租賃款項	2,631,247	–	2,631,247
Total assets allocated to CGU	分配至現金產生單位之 總資產	100,776,205	(9,156,985)	91,619,220

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46. IMPAIRMENT ASSESSMENT ON PROPERTY, PLANT AND EQUIPMENT (Continued)

For impairment assessment on Factory A, the recoverable amount of the CGU has been determined based on value in use calculation as there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the assets would take place under current market conditions. The calculation uses cash flow projections based on financial budgets approved by management covering 5-years period, nil growth rate and discount rate of 15%. The cash flow beyond the 5-years period are extrapolated with nil growth rate. The growth rate is based on budgeted growth rate, which is determined by management's expectations for the market development, and does not exceed the average long-term growth rate for the printing industry. Other key assumption of the value in use calculation is based on the budgeted cash inflow/outflows which include budgeted sales and gross margin on respective products from the CGU, such estimations are based on the past performance.

At the same time, the recoverable amounts of the buildings and prepaid lease payments have been determined on the basis of their fair values less costs of disposal. The fair values of the relevant assets at the end of the reporting period were based on the valuation performed by an independent professional valuer, RHL Appraisal Limited. The fair value was determined by reference to the depreciated replacement cost approach, which takes into account a market participant's ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The fair value measurement of buildings and prepaid lease payments are categorised as Level 3 fair value hierarchy as at 31 December 2015. There is no impairment on buildings and prepaid lease payments recognised during the year ended 31 December 2015.

46. 物業、廠房及設備之減值評估 (續)

就工廠A之減值評估而言，由於並無可用以可靠評估在現時市況下於有序市場交易中出售資產的價格的基礎，故現金產生單位之可收回金額乃根據使用價值計算方法釐定。該計算方法使用根據經管理層批准之五年期財務預算得出之現金流量預測、零增長率及15%之折算率。五年期以外之現金流量則使用零增長率推算。該增長率以管理層對市場發展之預期而釐定之預算增長率為依據，且不超過相關行業平均長期增長率。使用價值計算方法之其他主要假設以現金流入／流出預算為基礎，當中包括以過往表現為基礎估算之現金產生單位各項產品之預算銷售額及毛利率。

與此同時，樓宇及預付租賃款項之可收回金額已按公平值減出售成本釐定。有關資產於報告期末之公平值乃根據獨立專業估值師永利行評估顧問有限公司進行之估值得出。公平值乃參考折舊重置成本法釐定，當中會考慮市場參與者將資產作最高及最佳用途或將其出售予會將其作最高及最佳用途之另一市場參與者而產生經濟利益之能力。於二零一五年十二月三十一日，樓宇及預付租賃款項之公平值計量被分類為公平值架構之第三級。估值技術於年內並無變動。截至二零一五年十二月三十一日止年度，概無就樓宇及預付租賃款項確認減值。

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46. IMPAIRMENT ASSESSMENT ON PROPERTY, PLANT AND EQUIPMENT (Continued)

During the year ended 31 December 2015, impairment loss of the CGU amounting to HK\$9,156,985 is charged to profit or loss as the recoverable amount of the CGU is lower than carrying amount of the CGU. The recoverable amount of buildings and prepaid lease payments, and machinery and equipment are HK\$191,380,000 and nil respectively as at 31 December 2015. As the recoverable amount (determined based on fair value less costs of disposal) of buildings and prepaid lease payments is higher than the carrying amounts, the impairment loss is then allocated to machinery and equipment.

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries of the Company at 31 December 2016 and 31 December 2015 are as follows:

46. 物業、廠房及設備之減值評估 (續)

於截至二零一五年十二月三十一日止年度，由於現金產生單位之可收回金額低於其賬面值，已於損益內扣除現金產生單位之減值虧損9,156,985港元。於截至二零一五年十二月三十一日止，樓宇及預付租賃款項及機器及設備之可收回金額分別為191,380,000港元及零元。由於樓宇及預付租賃款項之可收回金額（根據公平值減出售成本而釐定）高於其賬面值，故減值虧損隨之分配至機器及設備。

47. 主要附屬公司之詳情

本公司主要附屬公司於二零一六年十二月三十一日及二零一五年十二月三十一日之詳情如下：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Paid up issued/registered share capital 實繳已發行/ 註冊股本	Effective percentage of issued share capital/ registered capital held by the Company 本公司所持已發行 股本/註冊資本 實際百分比		Principal activities 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
Chung Tai Printing Holdings Limited	BVI 英屬處女群島	HK\$10,000 ordinary 10,000港元普通股	100	100	Investment holding 投資控股
Chung Tai Printing Company Limited 中大印刷有限公司	Hong Kong 香港	HK\$1,000 ordinary HK\$500,000 deferred non-voting 1,000港元普通股 500,000港元 無投票權遞延股	100	100	Investment holding 投資控股
The Greatime Printing (Shenzhen) Co., Ltd. (note 1) 雅大印刷(深圳)有限公司(附註1)	The PRC 中國	HK\$12,000,000 registered capital 12,000,000港元 註冊資本	100	100	Deregistered 已註銷

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

47. 主要附屬公司之詳情 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Paid up issued/registered share capital 實繳已發行/ 註冊股本	Effective percentage of issued share capital/ registered capital held by the Company 本公司所持已發行 股本/註冊資本 實際百分比		Principal activities 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
中大印刷(清遠)有限公司 (note 1)(附註1)	The PRC 中國	HK\$72,000,000 registered capital 72,000,000港元 註冊資本	100	100	Inactive 暫無業務
雅大印刷(清遠)有限公司 (note 1)(附註1)	The PRC 中國	HK\$10,000,000 registered capital 10,000,000港元 註冊資本	100	100	Inactive 暫無業務
深圳精準檢測技術有限公司 (note 1)(附註1)	The PRC 中國	RMB1,000,000 registered capital 人民幣1,000,000元 註冊資本	100	100	Testing of printing products 印刷品檢測
錦翰印刷(深圳)有限公司 (note 1)(附註1)	The PRC 中國	HK\$30,000,000 registered capital 30,000,000港元 註冊資本	100	100	Label and paper products printing 標籤及紙製品印刷
Chung Tai Printing (China) Company Limited 中大印刷(中國)有限公司	Hong Kong 香港	HK\$1,000 ordinary HK\$10,000 deferred non-voting 1,000港元普通股 10,000港元 無投票權遞延股	100	100	Trading of label, packaging and paper products and printing products 買賣標籤、包裝和 紙製品和印刷品
中星中大印刷(深圳)有限公司 (note 1)(附註1)	The PRC 中國	HK\$98,000,000 registered capital 98,000,000港元 註冊資本	100	100	Label, packaging and paper products printing 標籤、包裝及 紙製品印刷
Delight Source Limited 亮燃有限公司	Hong Kong 香港	HK\$200,000 ordinary 200,000港元普通股	100	100	Trading of printing products 買賣印刷產品

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

47. 主要附屬公司之詳情 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Paid up issued/registered share capital 實繳已發行/ 註冊股本	Effective percentage of issued share capital/ registered capital held by the Company 本公司所持已發行 股本/註冊資本 實際百分比		Principal activities 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
Profit Link Investment Limited 中大投資管理有限公司	Hong Kong 香港	HK\$100 ordinary HK\$2 deferred non-voting 100港元普通股 2港元 無投票權遞延股	100	100	Property investment 物業投資
New Box Mini Storage Limited 中大迷你倉有限公司	Hong Kong 香港	HK\$100 ordinary HK\$2 deferred non-voting 100港元普通股 2港元 無投票權遞延股	100	100	Provision of mini storage services 提供迷你倉庫服務
Fruitful Global (Asia) Limited 豐蒼國際(亞洲)有限公司	Hong Kong 香港	HK\$10,000 ordinary 10,000港元普通股	100	100	Inactive 暫無業務
Star Entertainment (Universe) Limited 星娛樂(環宇)有限公司	Hong Kong 香港	HK\$1 Ordinary 1港元普通股	100	100	Provision of artistes management and music licensing services and sales of music albums 提供藝人管理及 音樂特許服務及 銷售音樂唱片
Newway Star Limited 新時代星工廠有限公司	Hong Kong 香港	HK\$10,000 Ordinary 10,000港元普通股	100	100	Provision of music licensing services, sales of music albums and investment holding 提供音樂特許服務、 銷售音樂唱片及 投資控股
Newway Star Pictures Limited 新時代影畫製作有限公司	Hong Kong 香港	HK\$10,000 Ordinary 10,000港元普通股	100	100	Inactive 暫無業務
Newway Star Music Limited 新時代音樂製作有限公司	Hong Kong 香港	HK\$10,000 Ordinary 10,000港元普通股	100	100	Inactive 暫無業務

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

47. 主要附屬公司之詳情 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Paid up issued/registered share capital 實繳已發行/ 註冊股本	Effective percentage of issued share capital/ registered capital held by the Company 本公司所持已發行 股本/註冊資本 實際百分比		Principal activities 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
Newway Star Artiste Management Limited 新時代藝員管理有限公司	Hong Kong 香港	HK10,000 Ordinary 10,000港元普通股	100	100	Provision of artistes management services 提供藝人管理服務
Showtimes (Asia) Limited 演藝時代(亞洲)有限公司	Hong Kong 香港	HK\$1 ordinary 1港元普通股	100	100	Organisation of shows and concerts 籌辦表演及演唱會
Troupe Magnesium Hong Kong Limited 香港鎂藝社有限公司	Hong Kong 香港	HK\$10,000 ordinary 10,000港元普通股	65	65	Inactive 暫無業務
Kingbay Investments Limited 始昇投資有限公司	Hong Kong 香港	HK\$1 ordinary 1港元普通股	100	100	Securities trading 買賣證券
Fruitful Global Co., Limited 豐蒼國際有限公司	Hong Kong 香港	HK\$1 ordinary 1港元普通股	100	100	Trading of printing products 買賣印刷品
Grand Prospects Finance International Limited 華泰財務國際有限公司	Hong Kong 香港	HK\$100,000 ordinary 100,000港元普通股	100	100	Money lending 放貸
Supreme Cycle Inc.	BVI 英屬處女群島	US\$1 ordinary 1美元普通股	100 [#]	–	Property investment 物業投資
深圳市中星國隆投資發展有限公司 (note 2) (附註2)	The PRC 中國	RMB10,000,000 registered capital 人民幣10,000,000元 註冊資本	100	100	Inactive 暫無業務
上海中星富達融資租賃有限公司 (note 1) (附註1)	The PRC 中國	US\$20,000,000 registered capital 20,000,000美元 註冊資本	100	100	Financial leasing 融資租賃

[#] The subsidiary was acquired during the year ended 31 December 2016.

[#] 該附屬公司乃於截至二零一六年十二月三十一日止年度收購。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

47. 主要附屬公司之詳情 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Paid up issued/registered share capital 實繳已發行/ 註冊股本	Effective percentage of issued share capital/ registered capital held by the Company 本公司所持已發行 股本/註冊資本 實際百分比		Principal activities 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
中星國盛 (note 2) (附註2)	The PRC 中國	RMB2,000,000 registered capital 人民幣2,000,000元 註冊資本	100	100	Investment holding 投資控股
中清房地產 (note 2) (附註2)	The PRC 中國	RMB2,000,000 registered capital 人民幣2,000,000元 註冊資本	60	60	Property development 物業發展
中星嘉盛信息諮詢(深圳)有限公司 (note 1) (附註1)	The PRC 中國	RMB1,000,000 registered capital 人民幣1,000,000元 註冊資本	100	100	Investment holding 投資控股
Takara Global Development Limited 皓天環球發展有限公司	Hong Kong 香港	HK\$1 ordinary 1港元普通股	100	100	Gaming 遊戲
中星皓天科技(深圳)有限公司 (Note 1) (附註1)	The PRC 中國	HK\$5,000,000 registered capital 5,000,000港元 註冊資本	100	100	Design, research and development of multi-media technology 多媒體技術的設計、 研究及開發

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For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Notes:

- (1) These subsidiaries are wholly foreign owned enterprise in the PRC.
- (2) These subsidiaries are domestic-invested enterprise established in the PRC.

The operations of all subsidiaries are carried out principally in Hong Kong and the PRC.

With the exception of Chung Tai Printing Holdings Limited, Brilliant Wise International Limited, Gain Capital International Limited, Smart Max International Limited, Dream Class Limited, We-do-best Limited and Galaxy Way Enterprise Limited which are directly owned by the Company, all other subsidiaries are indirectly owned by the Company.

The above table only includes those subsidiaries which, in the opinion of the directors of the Company, principally affected the results of the Group for the year or formed a substantial portion of the net assets of the Group. To give details of all subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length. The deferred non-voting shares, which are not held by the Group, practically carry no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of the relevant companies or to participate in any distribution on winding up.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

47. 主要附屬公司之詳情 (續)

附註：

- (1) 該等附屬公司乃中國之外商獨資企業。
- (2) 該等附屬公司乃於中國成立之內資企業。

所有附屬公司之業務主要於香港及中國進行。

除Chung Tai Printing Holdings Limited、Brilliant Wise International Limited、Gain Capital International Limited、Smart Max International Limited、Dream Class Limited、We-do-best Limited及Galaxy Way Enterprise Limited由本公司直接擁有外，所有其他附屬公司由本公司間接擁有。

上表僅包括本公司董事認為主要影響本集團本年度業績或構成本集團淨資產主要部分的附屬公司。董事認為詳述所有附屬公司將導致資料過於冗長。無投票權遞延股（非由本集團持有）實質上並無附有權利獲派股息及接收有關公司之股東大會通告或出席任何股東大會或於會上投票，或於清盤時參與任何分派。

附屬公司於年終或年內任何時間概無任何尚未償還之債務證券。

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

The table below shows details of non-wholly-owned subsidiaries of the Group that have non-controlling interests:

Name of subsidiaries 附屬公司名稱	Place of establishment and principal place of business 成立地點及主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持擁有權權益及投票權之比例		Loss allocated to non-controlling interests 分配至非控股權益之虧損		Accumulated non-controlling interests 累計非控股權益	
		2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
				HK\$	HK\$	HK\$	HK\$
				港元	港元	港元	港元
中清房地產	PRC	40%	40%	(197,507)	(281,587)	(2,093,991)	(943,204)
中清房地產	中國						
Individually immaterial subsidiaries with non-controlling interests 擁有非控股權益之個別不重大附屬公司				(4,629)	-	(446,331)	(441,702)
				(202,136)	(281,587)	(2,540,322)	(1,384,906)

Summarised financial information for the year ended 31 December 2016 and 2015 in respect of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

中清房地產

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Non-current assets	非流動資產	9,198	9,838
Current assets	流動資產	39,845,180	42,515,712
Current liabilities	流動負債	(50,428,263)	(50,222,467)
Total equity	權益總額	(10,573,885)	(7,696,917)

47. 主要附屬公司之詳情 (續)

下表顯示本集團擁有非控股權益之非全資附屬公司詳情：

本集團擁有重大非控股權益之附屬公司截至二零一六年及二零一五年十二月三十一日止年度之財務資料概要載列如下。以下財務資料概要指未作出集團內公司間撇銷前之金額。

中清房地產

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47. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

中清房地產(Continued)

47. 主要附屬公司之詳情 (續)

中清房地產(續)

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Expenses	開支	(493,768)	(703,968)
Loss for the year	本年虧損	(493,768)	(703,968)
Other comprehensive expense for the year	本年其他全面開支	(2,383,200)	(2,159,385)
Total comprehensive expense for the year	本年全面開支總額	(2,876,968)	(2,863,353)
Loss for the year attributable to – the owners of the Company	以下人士應佔本年虧損 – 本公司擁有人	(296,261)	(422,381)
– non-controlling interests of the Company	– 本公司非控股權益	(197,507)	(281,587)
Loss for the year	本年虧損	(493,768)	(703,968)
Other comprehensive expense for the year attributable to – the owners of the Company	以下人士應佔本年 其他全面開支 – 本公司擁有人	(1,429,920)	(1,295,631)
– non-controlling interests of the Company	– 本公司非控股權益	(953,280)	(863,754)
Other comprehensive expense for the year	本年其他全面 開支	(2,383,200)	(2,159,385)

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截至二零一六年十二月三十一日止年度

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

中清房地產(Continued)

47. 主要附屬公司之詳情 (續)

中清房地產(續)

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Total comprehensive expense for the year since acquisition attributable to	以下人士應佔自收購以來本年全面開支總額		
– the owners of the Company	– 本公司擁有人	(1,726,181)	(1,718,012)
– non-controlling interests of the Company	– 本公司非控股權益	(1,150,787)	(1,145,341)
Total comprehensive expense for the year	本年全面開支總額	(2,876,968)	(2,863,353)
Net cash outflow from operating activities	經營業務現金流出淨額	(638,578)	(773,966)
Net cash inflow from financing activities	融資活動現金流入淨額	588,852	292,495
Net cash outflow	現金流出淨額	(49,726)	(481,471)
Dividend paid to non-controlling shareholder of 中清房地產	已付中清房地產非控股股東股息	–	–

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綜合財務報表附註

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48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

48. 本公司財務狀況表

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Assets	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	42,671,967	42,671,959
Loans to joint ventures	給予合營公司之貸款	2,191,888	7,460,228
Amounts due from subsidiaries	應收附屬公司款項	745,200,378	680,184,547
		790,064,233	730,316,734
Current assets	流動資產		
Other receivables, deposits and prepayments	其他應收款項、訂金及預付款項	1,018,300	849,424
Bank balances and cash	銀行結餘及現金	25,415,784	72,656,828
		26,434,084	73,506,252
Liabilities	負債		
Current liabilities	流動負債		
Other payables and accrued charges	其他應付款項及應計費用	990,984	930,154
Amounts due to subsidiaries	應付附屬公司款項	39,108,556	38,522,690
		40,099,540	39,452,844
Net current (liabilities) assets	流動(負債)資產淨值	(13,665,456)	34,053,408
Total assets less total liabilities	總資產減總負債	776,398,777	764,370,142
Capital and reserves	資本及儲備		
Share capital	股本	2,536,395	105,684,728
Reserves (note)	儲備(附註)	773,862,382	658,685,414
Total equity	權益總額	776,398,777	764,370,142

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截至二零一六年十二月三十一日止年度

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

Reserves

		Share premium 股份溢價 HK\$ 港元	Capital redemption reserve 資本贖回儲備 HK\$ 港元	Contributed surplus 實繳盈餘 HK\$ 港元	Reorganisation reserve 重組儲備 HK\$ 港元	Retained earnings 保留盈利 HK\$ 港元	Total 總計 HK\$ 港元
At 1 January 2015	於二零一五年一月一日	257,973,169	62,400	-	19,782,427	300,461,848	578,279,844
Loss for the year	本年虧損	-	-	-	-	(11,523,526)	(11,523,526)
Issue of new shares	發行新股份	95,114,960	-	-	-	-	95,114,960
Transaction costs attributable to issue of new shares	發行新股份應佔交易成本	(3,185,864)	-	-	-	-	(3,185,864)
At 31 December 2015	於二零一五年十二月三十一日	349,902,265	62,400	-	19,782,427	288,938,322	658,685,414
Loss for the year	本年虧損	-	-	-	-	(7,440,927)	(7,440,927)
Effect of capital reduction (note 35)	股本削減之影響 (附註35)	-	-	103,571,033	-	-	103,571,033
Issue of new shares	發行新股份	19,444,200	-	-	-	-	19,444,200
Transaction costs attributable to issue of new shares	發行新股份應佔交易成本	(397,338)	-	-	-	-	(397,338)
At 31 December 2016	於二零一六年十二月三十一日	368,949,127	62,400	103,571,033	19,782,427	281,497,395	773,862,382

48. 本公司財務狀況表 (續)

附註：

儲備

Principal Properties

主要物業

AT 31 DECEMBER 2016

於二零一六年十二月三十一日

A. INVESTMENT PROPERTIES

A. 投資物業

Location 地點	Group's effective interest in the properties 本集團於物業中之實際權益	Approximate gross floor area 概約總樓面面積 (sq. m) (平方米)	Usage 用途	Category of lease 租約類別
Lot. No. 5378 IN D.D.51, G/F-2/F, 4/F, Chung Tai Printing Group Building No. 11 Yip Cheong Street, On Lok Tsuen, Fanling, New Territories, Hong Kong 香港新界粉嶺安樂村業暢街11號 中大印刷集團大廈丈量約分51號 地段5378號·地下至2樓及4樓	100%	4,859	Industrial 工業	Medium-term lease 中期租約
Units 21, 22, 23, 41 and 77 of 1/F and the whole of 3/F, Hop Yick Commercial Centre (Phase I), No. 33 Hop Choi Street, Yuen Long, New Territories, Hong Kong 香港新界元朗合財街33號 合益商業中心(一期)一樓之21、22、 23、41及77號單位及三樓全層	100%	1,063.82	Commercial 商業	Medium-term lease 中期租約

B. PROPERTIES UNDER DEVELOPMENT FOR SALE

B. 待售發展中物業

Location 地點	Group's effective interest in the properties 本集團於物業中之實際權益	Approximate site area 概約地盤面積 (sq. m) (平方米)	Usage 用途	Category of lease 租約類別
Two parcels of lands designated as No. B19001-1*1 and No. B19001-2*1 of Villagers Committee of Lian Tang Village, Dong Cheng Sub-district Office, Qingcheng District, Qingyuan City, the PRC 中國清遠市清城區東城街辦事處 蓮塘村民委員會之兩幅土地(地段編號 第B19001-1*1號及第B19001-2*1號)	60%	3,406.67	Commercial and Residential 商業及住宅	Medium-term lease 中期租約

Financial Summary

財務概要

RESULTS

業績

		For the year ended 31 March 截至三月三十一日止年度			1.4.2014 to 31.12.2014 二零一四年 四月一日至 二零一四年 十二月三十一日	For the year ended 31 December 截至十二月三十一日止年度	
		2012	2013	2014		2015	2016
		二零一二年 HK\$'000 千港元	二零一三年 HK\$'000 千港元	二零一四年 HK\$'000 千港元	二零一四年 十二月三十一日 HK\$'000 千港元	二零一五年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
Revenue	收益	660,687	643,749	613,269	419,513	521,256	562,911
(Loss) profit before taxation	除稅前(虧損)溢利	(54,862)	3,463	(20,531)	(79,577)	(68,269)	86,724
Taxation	稅項	(1,253)	(1,810)	(1,219)	734	726	(12,720)
(Loss) profit for the year/period	本年/本期(虧損)溢利	(56,115)	1,653	(21,750)	(78,843)	(67,543)	74,004
Attributable to:	以下人士應佔:						
Owners of the Company	本公司擁有人	(55,938)	1,672	(21,016)	(78,637)	(67,262)	74,206
Non-controlling interests	非控股權益	(177)	(19)	(734)	(206)	(281)	(202)
		(56,115)	1,653	(21,750)	(78,843)	(67,543)	74,004

ASSETS AND LIABILITIES

資產及負債

		As at 31 March 截至三月三十一日止			As at 31 December 截至十二月三十一日止		
		2012	2013	2014	2014	2015	2016
		二零一二年 HK\$'000 千港元	二零一三年 HK\$'000 千港元	二零一四年 HK\$'000 千港元	二零一四年 HK\$'000 千港元	二零一五年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
Total assets	資產總值	883,671	881,998	897,928	940,561	1,004,702	1,116,246
Total liabilities	負債總額	(97,428)	(87,837)	(125,160)	(119,165)	(157,626)	(202,412)
Total equity	權益總額	786,243	794,161	772,768	821,396	847,076	913,834
Equity attributable to owners of the Company	本公司擁有人應佔權益	786,420	794,357	772,880	821,636	848,461	916,374
Non-controlling interests	非控股權益	(177)	(196)	(112)	(240)	(1,385)	(2,540)
		786,243	794,161	772,768	821,396	847,076	913,834

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

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