



SANDMARTIN INTERNATIONAL HOLDINGS LIMITED

聖馬丁國際控股有限公司

Stock Code 股份代號: 00482

INCORPORATED IN BERMUDA WITH LIMITED LIABILITY
於百慕達註冊成立之有限公司

2017 Interim Report 中期報告



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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Hung Tsung Chin
(resigned as Chairman with effect from August 18, 2017)

Mr. Chen Wei Chun

Ms. Chen Mei Huei
(resigned as Executive Director and Chief Executive Officer with effect from August 18, 2017)

Mr. Liao Wen I
(resigned with effect from August 18, 2017)

Mr. Frank Karl-Heinz Fischer
(resigned with effect from August 18, 2017)

NON-EXECUTIVE DIRECTOR

Mr. Kuo Jen Hao
(appointed with effect from August 18, 2017)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lau Yau Cheung (Chairman)
(appointed as Independent non-executive Director with effect from August 7, 2017 and appointed as Chairman with effect from August 18, 2017)

Mr. Li Chak Hung

Mr. Wu Chia Ming

Mr. Han Chien Shan
(resigned with effect from August 7, 2017)

AUDIT COMMITTEE

Mr. Li Chak Hung (Committee Chairman)
(appointed as Committee Chairman with effect from August 18, 2017)

Mr. Lau Yau Cheung
(appointed with effect from August 7, 2017)

Mr. Wu Chia Ming
(resigned as Committee Chairman with effect from August 18, 2017)

Mr. Han Chien Shan
(resigned with effect from August 7, 2017)

執行董事

洪聰進先生
(已辭任主席，自二零一七年八月十八日起生效)

陳偉鈞先生

陳美惠女士
(已辭任執行董事及行政總裁，自二零一七年八月十八日起生效)

廖文毅先生
(已辭任，自二零一七年八月十八日起生效)

Frank Karl-Heinz Fischer先生
(已辭任，自二零一七年八月十八日起生效)

非執行董事

郭人豪先生
(已獲委任，自二零一七年八月十八日起生效)

獨立非執行董事

劉幼祥先生 (主席)
(已獲委任為獨立非執行董事，自二零一七年八月七日起生效，並已獲委任為主席，自二零一七年八月十八日起生效)

李澤雄先生

吳嘉明先生

韓千山先生
(已辭任，自二零一七年八月七日起生效)

審核委員會

李澤雄先生 (委員會主席)
(已獲委任為委員會主席，自二零一七年八月十八日起生效)

劉幼祥先生
(已獲委任，自二零一七年八月七日起生效)

吳嘉明先生
(已辭任委員會主席，自二零一七年八月十八日起生效)

韓千山先生
(已辭任，自二零一七年八月七日起生效)

CORPORATE INFORMATION *(Continued)* 公司資料 (續)

REMUNERATION COMMITTEE

Mr. Wu Chia Ming (Committee Chairman)
(appointed as Committee Chairman
with effect from August 18, 2017)

Mr. Lau Yau Cheung
(appointed with effect from August 7, 2017)

Mr. Li Chak Hung
(resigned as Committee Chairman
with effect from August 18, 2017)

Mr. Hung Tsung Chin
(resigned with effect from August 18, 2017)

Mr. Han Chien Shan
(resigned with effect from August 7, 2017)

NOMINATION COMMITTEE

Mr. Lau Yau Cheung (Committee Chairman)
(appointed as Committee Chairman
with effect from August 7, 2017)

Mr. Li Chak Hung
(appointed with effect from August 18, 2017)

Mr. Wu Chia Ming

Mr. Han Chien Shan
(resigned with effect from August 7, 2017)

Mr. Hung Tsung Chin
(resigned with effect from August 18, 2017)

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Units 04-05, 16th Floor, Nam Wo Hong Building, 148 Wing Lok Street
Sheung Wan, Hong Kong

REGISTERED OFFICE

Clarendon House, 2 Church Street, Hamilton
HM 11, Bermuda

COMPANY SECRETARY

Mr. Young Ho Kee Bernard

AUTHORISED REPRESENTATIVE

Mr. Hung Tsung Chin
Mr. Young Ho Kee Bernard

薪酬委員會

吳嘉明先生 (委員會主席)
(已獲委任為委員會主席，
自二零一七年八月十八日起生效)

劉幼祥先生
(已獲委任，自二零一七年八月七日起生效)

李澤雄先生
(已辭任委員會主席，
自二零一七年八月十八日起生效)

洪聰進先生
(已辭任，自二零一七年八月十八日起生效)

韓千山先生
(已辭任，自二零一七年八月七日起生效)

提名委員會

劉幼祥先生 (委員會主席)
(已獲委任為委員會主席，
自二零一七年八月七日起生效)

李澤雄先生
(已獲委任，自二零一七年八月十八日起生效)

吳嘉明先生

韓千山先生
(已辭任，自二零一七年八月七日起生效)

洪聰進先生
(已辭任，自二零一七年八月十八日起生效)

總辦事處及主要營業地點

香港上環永樂街148號南和行大廈16樓04-05室

註冊辦事處

Clarendon House, 2 Church Street, Hamilton
HM 11, Bermuda

公司秘書

楊浩基先生

授權代表

洪聰進先生
楊浩基先生

CORPORATE INFORMATION *(Continued)*

公司資料 (續)

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank SinoPac
Industrial and Commercial Bank of China Limited
Taishin International Bank Co., Ltd.

AUDITOR

BDO Limited
Certified Public Accountants

LEGAL ADVISOR

Minter Ellison

SHARE REGISTRAR AND TRANSFER OFFICE

In Hong Kong

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

In Taiwan

KGI Securities Co., Ltd.
5F., No.2, Section 1, Chongqing South Road
Zhongzheng District, Taipei City 100, Taiwan

In Bermuda

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

CORPORATE WEBSITE

www.sandmartin.com.hk

STOCK CODE

Hong Kong 482
Taiwan 910482

主要往來銀行

中國農業銀行股份有限公司
永豐商業銀行股份有限公司
中國工商銀行股份有限公司
台新國際商業銀行股份有限公司

核數師

香港立信德豪會計師事務所有限公司
執業會計師

法律顧問

銘德律師事務所

股份登記及過戶處

香港

香港中央證券登記有限公司
香港
灣仔皇后大道東183號
合和中心17樓1712-1716號舖

臺灣

凱基證券股份有限公司
臺灣臺北市100中正區
重慶南路一段二號五樓

百慕達

Conyers Corporate Services (Bermuda) Limited
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臺灣910482

CHAIRMAN'S LETTER TO SHAREHOLDERS 主席致股東報告

Dear Shareholders,

Over the past six months, it was a challenging period for Sandmartin International Holdings Limited (the "Company") and its subsidiaries ("SMT" or our "Group"), the total revenue and gross profit of the Group decreased due to reallocation of funding for the development of the satellite TV broadcasting business of the Group which adversely impacted the business performance of other segments of the Group. Besides, the Group adopted more prudent credit policy for customers so as to reduce non-recovery of trade receivables.

The Group has invested in and targeted on satellite TV broadcasting business which is correlated to our manufacturing and trading of electronic products business. The Group's 51%-owned subsidiary, MyHD Media FZ-LLC ("MyHD") launched the GOBX Project with Middle East Broadcasting Center ("MBC"), a renowned broadcaster in Middle East since October 2016. The satellite TV broadcasting business is still in the development stage to build up customer bases by purchasing high quality and highly demand television contents and promotion to new subscribers. It incurred substantial amount of the programming costs including payment for content fees, renting satellite transponders, purchase of set-top boxes and payment for dealer's commission for marketing and promotion. Due to this satellite TV broadcasting business is a long term investment project and the high running cost per subscriber as the number of subscribers is not sufficient to cover the programming cost in the first half of year of 2017, the Group recorded segment loss of HK\$64,312,000 from satellite TV broadcasting segment. SMT expected the customer bases will continue to grow in the coming years. The board has formed a business strategy committee (comprising Mr. Lau Yau Cheung (chairman), Mr. Hung Tsung Chin and Mr. Li Chak Hung) to review the business strategy of the Group with an aim to improving the profitability and operation efficiency of the Group. Meanwhile, the board is looking for other potential business partners or investors to cooperate with the Group in MyHD satellite TV broadcasting business.

SMT has established nearly 30 years and become trustworthy brand which distributes quality products and offers professional integration services. We will continue to build our brand through various brand management strategies.

各位股東：

在過去六個月對聖馬丁國際控股有限公司（「本公司」）及其附屬公司（「聖馬丁」或「本集團」）而言為充滿挑戰的時期，本集團之總收入及毛利減少，乃由於就發展本集團之衛星電視廣播業務重新分配資金對本集團其他分部之業務表現造成不利影響所致。另外，本集團對客戶採納更保守之信貸政策以減少無法收回之應收貿易賬款。

本集團已投資及鎖定目標於與本集團之電子產品製造及交易業務相關的衛星電視廣播業務。本集團擁有51%權益之附屬公司MyHD Media FZ-LLC（「MyHD」）自二零一六年十月起與中東著名廣播商中東廣播中心（「MBC」）共同推出GOBX項目。衛星電視廣播業務仍處於透過購買高質素及高需求之電視節目內容以及向新客戶推廣以建立客戶群之發展階段。此階段產生巨額節目製作成本，包括支付內容費用、租用衛星轉發器、購買機頂盒及支付經銷商佣金、市場推廣及促銷費用。由於此衛星電視廣播業務為長期投資項目，且由於客戶數目不足以應付二零一七年上半年之節目製作成本，故每名客戶之營運成本龐大，本集團之衛星電視廣播分部錄得分部虧損64,312,000港元。聖馬丁預期客戶群將於未來數年持續增長。董事會已成立業務策略委員會（由劉幼祥先生（主席）、洪聰進先生及李澤雄先生組成），以審閱本集團之業務策略，從而改善本集團之盈利能力及營運效率。同時，董事會正物色其他潛在業務夥伴或投資者與本集團合作進行MyHD衛星電視廣播業務。

聖馬丁已成立近三十年，並已成為信譽昭著的品牌，奠定了優質產品及提供專業整合服務的品牌形象。我們將繼續通過各種品牌管理策略，以建立我們品牌商譽。

CHAIRMAN'S LETTER TO SHAREHOLDERS *(Continued)*

主席致股東報告 (續)

On behalf of the board, I would like to welcome Mr. Kuo Jen Hao to the board and thank Ms. Chen Mei Huei, Mr. Frank Karl-Heinz Fischer, Mr. Liao Wen I and Mr. Han Chien Shan for their contribution to SMT during their term of service as our directors. I look forward to the recovery of growth of SMT under their leadership.

在此，本人代表董事會歡迎郭人豪先生加盟董事會，並感謝陳美惠女士、Frank Karl-Heinz Fischer先生、廖文毅先生及韓千山先生於作為董事任內對聖馬丁的貢獻。本人期待聖馬丁在彼等領導下恢復增長。

Lau Yau Cheung
Chairman

Hong Kong, August 28, 2017

主席
劉幼祥

香港，二零一七年八月二十八日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL HIGHLIGHT AND BUSINESS REVIEW

Thanks with our frontline colleagues, even the Group recorded an unsatisfactory results in sales, total revenue of our Group excluding the business of MyHD for the six months ended June 30, 2017 had decreased by 16.92% compared with that of the six months ended June 30, 2016. The gross profit margin of the Group excluding the business of MyHD had decreased from 13.46% to 13.20% compared with the six months ended June 30, 2016.

MEDIA ENTERTAINMENT PLATFORM RELATED PRODUCTS

In the first half of 2017, the market competition for media entertainment platform related products was becoming even fiercer than before and the Group's resource has focused on the newly acquired business, MyHD. The Group's revenue and profit margin was affected substantially. The Group recorded the significantly decline in terms of revenue and profit, with 56.27% downturn in revenue and 50.46% downturn in segment results as compared with the six months ended June 30, 2016. Major reasons for the significant decline in segment revenue were as follows:

- (i) the Group stopped shipment of goods to certain customers in Morocco due to the increase in their credit risk; and
- (ii) the delay in phase 3 and phase 4 digitalisation of pay TV in India, which reduced the revenue from this new emerging market.
- Segment turnover of media entertainment platform related products was approximately HK\$102,193,000.
- Segment results from operations was approximately HK\$18,818,000.
- Segment margin 18.41%, increased by 2.15%.

財務摘要及業務回顧

感謝我們前線的同事，儘管本集團錄得之銷售業績未如理想，截至二零一七年六月三十日止六個月，本集團之總收入（MyHD業務除外）較截至二零一六年六月三十日止六個月下降16.92%。本集團之毛利率（MyHD業務除外）由截至二零一六年六月三十日止六個月的13.46%下降至13.20%。

媒體娛樂平臺相關產品

在二零一七年上半年，媒體娛樂平臺相關產品的市場競爭甚至比之前更加激烈，且本集團的資源著重於新近收購之MyHD業務。本集團之收益及利潤率亦受到大幅影響。與截至二零一六年六月三十日止六個月相比，本集團之收入及利潤明顯下降，收入減少56.27%及分部業績減少50.46%。分部收入明顯下跌之主要原因如下：

- (i) 本集團因摩洛哥若干客戶之信貸風險增加而停止向彼等運送貨品；及
- (ii) 延遲印度收費電視之第3期及第4期數碼化工程，令來自此新興市場之收入有所減少。
- 媒體娛樂平臺相關產品的分部營業額約為102,193,000港元。
- 來自經營業務的分部業績約為18,818,000港元。
- 分部利潤率18.41%，上升2.15%。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析 (續)

Outlook

The market competition is remained fierce due to low market penetration requirement and the technology requirement. In order to reduce our production cost of the media entertainment platform related products, we are exploring new markets for our production of television digitalization products in India which create a great opportunity to us for our television set-top box, one of our main products in this segment.

OTHER MULTIMEDIA PRODUCTS

In the first half of 2017, the market competition remained intense even we have enhanced our product portfolio, the Group's other multimedia products recorded a downturn results in terms of profitability. Revenue and the segment results of the Group have recorded a decreased by 14.17% and 14.42% respectively compared with the six months ended June 30, 2016 due to reallocation of funding for the development of the satellite TV broadcasting business of the Group and adoption of more prudent credit policy for customers.

- Segment turnover of other multimedia products was approximately HK\$126,743,000.
- Segment results from operations was approximately HK\$14,075,000.
- Segment margin 11.11%, decreased by 0.03%.

Outlook

We are undergoing our product portfolio enhancement and new business development, one of our major projects is the business of original design manufacturing production and distribution arrangement with a multi-national technology company of computer electronics equipment, we believe this project can achieve steady growth for this segment.

前景

市場因低市場滲透率及技術要求而維持競爭激烈。為了減少媒體娛樂平臺相關產品之生產成本，我們正於印度為生產電視數碼化產品開發新的市場，為我們在此分部的主打產品之一電視機頂盒創造了良好機會。

其他多媒體產品

在二零一七年上半年，市場競爭依然激烈，即使我們加強我們的產品組合，本集團其他多媒體產品在盈利能力方面錄得下降。與截至二零一六年六月三十日止六個月相比，本集團之收入及分部業績分別下降14.17%及14.42%，乃由於就發展本集團之衛星電視廣播業務重新分配資金以及對客戶採納更保守之信貸政策所致。

- 其他多媒體產品的分部營業額約為126,743,000港元。
- 來自經營業務的分部業績約為14,075,000港元。
- 分部利潤率11.11%，下降0.03%。

前景

我們正進行產品組合增強和新業務的發展，其中一個重大項目為與一間電腦及電子設備跨國技術公司的原設計製造生產和分銷安排業務，我們相信這個項目可以為此分部取得穩定增長。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析 (續)

SATELLITE TV EQUIPMENT AND ANTENNA

The profitability of this segment showed 37.75% growth in segment results compared with the six months ended June 30, 2016 due to the improvement in profit margin after the launch of new low noise blocking downconverters ("LNBs") model.

- Segment turnover of satellite TV equipment and antenna was approximately HK\$515,023,000.
- Segment results from operations was approximately HK\$65,404,000.
- Segment margin 12.70%, increased by 3.47%.

Outlook

Year 2017 the Group recorded the steady growth in this segment as our production of new LNBs has been started in the Group's Zhongshan production plant. LNBs are receiving devices mounted on satellite dishes used for reception, which collect microwaves from the satellite dishes and facilitates the transmission of satellite television signals. We believe this product will continue to grow gradually in this segment.

SATELLITE TV BROADCASTING

The significant loss from operations in this segment was due to the acquisition of MyHD, a limited liability company incorporated in Dubai, United Arab Emirates which had become a 51% owned subsidiary of the Company since July 5, 2016. MyHD is headquartered in Dubai Media City. It is principally engaged in the business of provision of Direct-to-Home services for satellite television broadcasting in 22 countries in Middle East, Mediterranean and Africa ("MEMA"), including Saudi Arabia, United Arab Emirates, Qatar, Kuwait and Bahrain, which has 60 million households. The satellite TV broadcasting business of MyHD is still in its development stage to build up its customer bases and MyHD incurred significant loss due to the high running costs per subscriber before it reached the number of subscribers at the breakeven point.

衛星電視設備及天線

就分部業績而言，該分部之盈利能力較截至二零一六年六月三十日止六個月增長37.75%，原因為利潤率於推出新的低雜訊降頻器（「LNBs」）型號後有所改善。

- 衛星電視設備及天線的分部營業額約為515,023,000港元。
- 來自經營業務的分部業績約為65,404,000港元。
- 分部利潤率12.70%，上升3.47%。

前景

於二零一七年，本集團於這一分部錄得穩定增長，我們新的LNBs在本集團的中山生產工廠開始投產。LNBs是安裝在衛星天線以用於自衛星天線接收微波以及有助傳輸衛星電視信號的接收設備。我們相信這款產品將於這一分部繼續逐步增長。

衛星電視廣播

該分部之重大營運虧損乃由於收購MyHD（一間於阿拉伯聯合酋長國杜拜註冊成立之有限公司，其已自二零一六年七月五日起成為本公司擁有51%權益之附屬公司）所致。MyHD之總部位於杜拜國際媒體中心。其主要業務為於中東、地中海及非洲（「MEMA」）內22個國家（包括沙特阿拉伯、阿拉伯聯合酋長國、卡塔爾、科威特及巴林）提供直接入屋衛星電視廣播服務，其擁有超過60,000,000名住戶。MyHD衛星電視廣播業務仍處於建立客戶群之發展階段，故MyHD產生重大虧損，原因為於用戶數目達至收支平衡前，每名客戶之營運成本龐大。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

- Segment turnover of satellite TV broadcasting was approximately HK\$27,741,000.
 - Segment loss from operations was approximately HK\$64,312,000.
 - Segment loss margin 231.83%.
- 衛星電視廣播的分部營業額約為27,741,000港元。
 - 來自經營業務的分部虧損約為64,312,000港元。
 - 分部虧損率231.83%。

Outlook

Based on the past historical information of the number of subscribers, the number of subscribers of MyHD has been increasing after the launch of "GOBX" project in Saudi Arabia on October 8, 2016 in collaboration with MBC, one of the largest television operators and content providers in the Middle East.

According to the Company's investment experience in Dish Media Network Private Limited, a pay television operator, which owned as to approximately 47% by the Company, in Nepal and its market knowledge in MEMA, pay television operator is a capital intensive investment project, which requires large amount of funding in its initial stage of investment and takes several years to develop its localised content and subscribers' base before it turns into a cash cow business. The board expects that the subscribers of the satellite TV broadcasting business in MEMA will continue to grow.

前景

根據用戶數目之過往資料，於二零一六年十月八日於沙特阿拉伯與MBC（中東之最大電視營運商及內容供應商之一）共同推出「GOBX」項目以來，MyHD之用戶數目一直增加。

根據本公司於Dish Media Network Private Limited（一間於尼泊爾收費電視營運商，其由本公司擁有約47%權益）之投資經驗及其於MEMA之市場知識，收費電視營運商為資本密集投資項目，其於投資初步階段需要大量資金及於其須時數年發展其本地化內容及用戶基礎，以成為可產生強勁現金流業務。董事會預期MEMA衛星電視廣播業務之用戶將持續增長。

GEOGRAPHICAL RESULTS

AFRICA

- Segment revenue of Africa was approximately HK\$8,540,000, compared with the six months ended June 30, 2016 which was approximately HK\$49,695,000.
 - 82.82% drop in segment revenue compared with the six months ended June 30, 2016.
 - Africa share 1.1% total revenue of the Group (six months ended June 30, 2016: 5.5%).
- 非洲分部收入約為8,540,000港元，而截至二零一六年六月三十日止六個月則約為49,695,000港元。
 - 分部收入與截至二零一六年六月三十日止六個月相比減少82.82%。
 - 非洲的份額佔本集團的總收入1.1%（截至二零一六年六月三十日止六個月：5.5%）。

地域分部業績

非洲

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析 (續)

ASIA

- Segment revenue of Asia was approximately HK\$84,342,000, compared with the six months ended June 30, 2016 which was approximately HK\$168,216,000.
- 49.86% drop in segment revenue compared with the six months ended June 30, 2016.
- Asia share 10.9% total revenue of the Group (six months ended June 30, 2016: 18.8%).

EUROPE

- Segment revenue of Europe was approximately HK\$75,624,000, compared with the six months ended June 30, 2016 which was approximately HK\$94,336,000.
- 19.84% drop in segment revenue compared with the six months ended June 30, 2016.
- Europe share 9.8% total revenue of the Group (six months ended June 30, 2016: 10.5%).

MIDDLE EAST

- Segment revenue of Middle East was approximately HK\$44,691,000, compared with the six months ended June 30, 2016 which was approximately HK\$33,237,000.
- 34.46% increase in segment revenue compared with the six months ended June 30, 2016.
- Middle East share 5.8% total revenue of the Group (six months ended June 30, 2016: 3.7%).

NORTH AMERICA

- Segment revenue of North America was approximately HK\$516,338,000, compared with the six months ended June 30, 2016 which was approximately HK\$503,520,000.
- 2.55% growth in segment revenue compared with the six months ended June 30, 2016.
- North America share 66.9% total revenue of the Group (six months ended June 30, 2016: 56.2%).

亞洲

- 亞洲分部收入約為84,342,000港元，而截至二零一六年六月三十日止六個月則約為168,216,000港元。
- 分部收入與截至二零一六年六月三十日止六個月相比減少49.86%。
- 亞洲的份額佔本集團的總收入10.9%（截至二零一六年六月三十日止六個月：18.8%）。

歐洲

- 歐洲分部收入約為75,624,000港元，而截至二零一六年六月三十日止六個月則約為94,336,000港元。
- 分部收入與截至二零一六年六月三十日止六個月相比減少19.84%。
- 歐洲的份額佔本集團的總收入9.8%（截至二零一六年六月三十日止六個月：10.5%）。

中東

- 中東分部收入約為44,691,000港元，而截至二零一六年六月三十日止六個月則約為33,237,000港元。
- 分部收入與截至二零一六年六月三十日止六個月相比增長34.46%。
- 中東的份額佔本集團的總收入5.8%（截至二零一六年六月三十日止六個月：3.7%）。

北美洲

- 北美洲分部收入約為516,338,000港元，而截至二零一六年六月三十日止六個月則約為503,520,000港元。
- 分部收入與截至二零一六年六月三十日止六個月相比增長2.55%。
- 北美洲的份額佔本集團的總收入66.9%（截至二零一六年六月三十日止六個月：56.2%）。

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論與分析 (續)

SOUTH AMERICA

- Segment revenue of South America was approximately HK\$41,628,000, compared with the six months ended June 30, 2016 which was approximately HK\$46,008,000.
- 9.52% drop in segment revenue compared with the six months ended June 30, 2016.
- South America share 5.4% total revenue of the Group (six months ended June 30, 2016: 5.1%).

Outlook

As our business in Middle East and North America Market continue to attain good performance and share more of our Group's revenue, therefore we shall focus in these regions in future.

南美洲

- 南美洲分部收入約為41,628,000港元，而截至二零一六年六月三十日止六個月則約為46,008,000港元。
- 分部收入與截至二零一六年六月三十日止六個月相比減少9.52%。
- 南美洲的份額佔本集團的總收入5.4%（截至二零一六年六月三十日止六個月：5.1%）。

前景

由於我們在中東和北美市場的業務都繼續有良好的表現和分佔更多本集團的收入，因此我們將於日後專注於這些地區。

FINANCIAL REVIEW 財務回顧

LIQUIDITY AND FINANCIAL RESOURCES

At June 30, 2017, an overall cash and cash equivalent was HK\$82.8 million (December 31, 2016: HK\$76.1 million). The Group's major financial resources derived from cash generated from financing activities and internal generated cash flow.

The Group's current ratio (ratio of current assets to current liabilities) was 0.70 at June 30, 2017 (December 31, 2016: 0.80).

As at June 30, 2017, the Group's total borrowings were HK\$504.2 million (December 31, 2016: HK\$402.8 million). The gearing ratio (total borrowings over total assets of the Group) increased from 30.5% at December 31, 2016 to 39.9% at June 30, 2017.

CHARGES ON THE GROUP'S ASSETS

As at June 30, 2017, the Group's general banking facilities and other borrowings including bank loans were secured by the following assets of the Group: (i) bank deposits of HK\$14.5 million, (ii) leasehold land and buildings with a carrying value of HK\$37.6 million, (iii) investment properties of HK\$148.8 million, (iv) trade receivables of HK\$136.5 million, and (v) inventory of HK\$118.1 million.

FOREIGN EXCHANGE EXPOSURE

The Group's sales and purchases were denominated mainly in US dollars and Renminbi ("RMB"). The Group was exposed to certain foreign currency exchange risk but it does not expect future currency fluctuations to cause material operation difficulties on the ground that HK dollars are pegged to US dollars and the recent pressure from depreciation of RMB was manageable. However, management continuously assesses the foreign exchange risks, with an aim to minimise the impact of foreign exchange fluctuations on business operations.

CONTINGENT LIABILITIES

As at June 30, 2017 and December 31, 2016, the Group had no contingent liabilities.

流動資金及財務資源

於二零一七年六月三十日，現金及現金等價物整體為82,800,000港元（二零一六年十二月三十一日：76,100,000港元）。本集團的財務資源主要來自融資活動產生的現金及內部產生的現金流量。

本集團於二零一七年六月三十日的流動比率（流動資產與流動負債的比率）為0.70（二零一六年十二月三十一日：0.80）。

於二零一七年六月三十日，本集團的借貸總額為504,200,000港元（二零一六年十二月三十一日：402,800,000港元）。資本負債比率（本集團借貸總額除以資產總值）由二零一六年十二月三十一日的30.5%增加至二零一七年六月三十日的39.9%。

本集團之資產抵押

於二零一七年六月三十日，本集團的一般銀行信貸及其他借貸（包括銀行貸款）以下列本集團資產作抵押：(i)銀行存款14,500,000港元；(ii)賬面值為37,600,000港元的租賃土地及樓宇；(iii)投資物業148,800,000港元；(iv)應收貿易賬款136,500,000港元；及(v)存貨118,100,000港元。

外匯風險

本集團的買賣主要以美元及人民幣（「人民幣」）列值。本集團承受若干外幣匯兌風險，惟鑒於港元與美元掛鈎及近期人民幣貶值的壓力可予控制，故預期未來外幣波動不會造成重大經營困難。然而，管理層持續評估外匯風險，旨在將外匯波動對業務營運的影響減至最低。

或然負債

於二零一七年六月三十日及二零一六年十二月三十一日，本集團並無或然負債。

FINANCIAL REVIEW *(Continued)*

財務回顧 (續)

INTERIM DIVIDEND

The board does not recommend the payment of an interim dividend (six months ended June 30, 2016: Nil) for the six months ended June 30, 2017.

MATERIAL ACQUISITIONS AND DISPOSALS

For the six months ended June 30, 2017, there was no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group.

EVENTS AFTER THE REPORTING PERIOD

On March 20, 2017, the Company announced the Open Offer to raise approximately HK\$236.1 million before expenses on the basis of three Open Offer Shares for every two shares of the Company then in issue held on the record date at the subscription price of HK\$0.12 per Open Offer Share. The Open Offer was completed on July 19, 2017 and 1,967,295,201 Open Offer Shares were allotted and issued pursuant to the Open Offer.

HUMAN RESOURCES

As at June 30, 2017, SMT employed a total of 2,212 (June 30, 2016: 2,445) full-time employees. Employees are remunerated accordingly to their performance and responsibilities.

SMT offers competitive compensation and benefits to attract and retain talents, for which annual review held in June for each year is conducted to maintain their market competitiveness, as well as to motivate employees to attain company goals and objectives.

Employee wellness also contributes to employee engagement. SMT continues our efforts in organizing various social, recreational activities for our colleagues and their family members, including corporate incentive tour to enrich their work and family lives.

SMT is also committed to employee safety and health. Regular safety reviews are performed in accordance with the statutory and industry requirements.

中期股息

董事會並不建議派付截至二零一七年六月三十日止六個月的中期股息（截至二零一六年六月三十日止六個月：無）。

重大收購及出售

截至二零一七年六月三十日止六個月，本集團概無重大收購或出售附屬公司、聯營公司及合資企業。

報告期後發生的事項

於二零一七年三月二十日，本公司宣佈按於記錄日期每持有兩股當時已發行之本公司股份獲發三股公開發售股份之基準按認購價每股公開發售股份0.12港元發售股份之公開發售籌集約236,100,000港元（扣除開支前）。公開發售已於二零一七年七月十九日完成，而1,967,295,201股公開發售股份已根據公開發售獲配發及發行。

人力資源

於二零一七年六月三十日，聖馬丁合共聘用2,212名（二零一六年六月三十日：2,445名）全職僱員。僱員薪酬乃根據其表現及職責釐定。

聖馬丁提供具競爭力的薪酬及福利以吸引及挽留人才，並於每年六月作年度檢討以維持其市場競爭力，並鼓勵僱員積極完成公司的目標。

僱員健康亦有助於僱員參與。聖馬丁繼續致力為僱員及彼等之家庭成員組織不同種類的社交及文娛康樂活動，包括企業獎勵旅遊，以豐富僱員工作及家庭生活。

聖馬丁亦致力為所有僱員提供一個安全和健康的工作環境，並按照法定和行業要求進行定期安全檢討。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

DIRECTOR'S SERVICE CONTRACTS

The Company has entered into service contracts with all directors, with the maximum term of three years. No service contract that cannot be terminated by the Group within one year without paying any compensation (other than the statutory compensation) was entered or is to be entered into between directors and members of the Group.

SHARE OPTION SCHEME

On March 17, 2005, the Company approved and adopted a share option scheme for a period of ten years (the "Expired Option Scheme") which expired on March 16, 2015. No further option shall be offered pursuant to the Expired Option Scheme but the Expired Option Scheme shall in all other respect remain in force to the extent necessary to give effect to the exercise of any outstanding share options granted prior to its expiry. Share options granted under the Expired Option Scheme shall continue to be valid and exercisable in accordance with the terms of the Expired Option Scheme.

董事服務合約

本公司已與全體董事訂立為期最長三年之服務合約。董事與本集團成員公司之間概無已訂立或將訂立本集團於一年間不支付任何賠償（法定賠償除外）而不可終止之服務合約。

購股權計劃

於二零零五年三月十七日，本公司批准並採納為期十年之購股權計劃（「已屆滿購股權計劃」），其於二零一五年三月十六日已屆滿。本公司將不會根據已屆滿購股權計劃進一步授出購股權，惟已屆滿購股權計劃於所有其他方面將維持有效，以其屆滿前所授出任何未行使購股權可有效行使所需者為限。根據已屆滿購股權計劃之條款，已屆滿購股權計劃項下授出之購股權將繼續有效及可行使。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料 (續)

The following table discloses movements in the Company's share options during the six months ended June 30, 2017:

下表披露於截至二零一七年六月三十日止六個月的本公司購股權的變動：

Type of grantee	Date of grant	Exercisable period	Closing price per share immediately prior to the grant date 緊接授出日期前的每股收市價 (HK\$) (港元)	Exercise price 行使價 (HK\$) (港元)	Outstanding at January 1, 2017 於二零一七年一月一日尚未行使	Lapsed, cancelled, or exercised during the six months period 於六個月期間已失效、註銷或行使	Outstanding at June 30, 2017 於二零一七年六月三十日尚未行使
承授人類別	授出日期	行使期 (Note) (附註)					
Directors 董事							
Ms. Chen Mei Huei 陳美惠女士	October 22, 2010 二零一零年十月二十二日	22.10.2012 to 21.10.2020 2012/10/22至2020/10/21	2.05	2.05	2,000,000	—	2,000,000
Mr. Frank Karl-Heinz Fischer Frank Karl-Heinz Fischer先生	October 22, 2010 二零一零年十月二十二日	22.10.2012 to 21.10.2020 2012/10/22至2020/10/21	2.05	2.05	500,000	—	500,000
Subtotal 小計					2,500,000	—	2,500,000
Employees 僱員	December 27, 2007 二零零七年十二月二十七日	27.12.2009 to 26.12.2017 2009/12/27至2017/12/26	1.76	1.76	100,000	—	100,000
	April 1, 2009 二零零九年四月一日	01.04.2011 to 31.03.2019 2011/04/01至2019/03/31	1.10	1.114	100,000	—	100,000
Total 總計					2,700,000	—	2,700,000

Note:

These share options are exercisable in the following manner:

- (i) on or after the second anniversary of the date of grant up to 10 years from the date of grant 50%
- (ii) on or after the third anniversary of the date of grant up to 10 years from the date of grant remaining 50%

附註：

該等購股權可按下列方式行使：

- (i) 於授出日期第二週年或之後直至授出日期起計10年 50%
- (ii) 於授出日期第三週年或之後直至授出日期起計10年 餘下50%

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)* 企業管治及其他資料 (續)

EMOLUMENT POLICY

The emolument policy of the directors and senior management of the Group is set up by the Remuneration Committee on the basis of their merit, qualification and competence. The emoluments of the directors are decided by the board on the recommendation of the Remuneration Committee, having regard to market competitiveness, individual performance and achievement.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at June 30, 2017, the interests and short positions of each of the directors and chief executive of the Company and their associates had in any shares, underlying shares, equity derivatives or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they were taken or deemed to have under such provisions of the SFO), or which are required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuer ("Model Code") contained in Appendix 10 in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange, were as follows:

酬金政策

本集團董事及高級管理層之酬金政策由薪酬委員會根據彼等之考績、資歷及才幹而訂立。董事之酬金由董事會基於薪酬委員會經考慮市場競爭力、個人表現及成就作出之推薦而釐定。

董事及最高行政人員於本公司或其任何相聯法團於股份、相關股份及債券之權益及淡倉

於二零一七年六月三十日，本公司各董事及最高行政人員以及彼等之聯繫人於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之任何股份、相關股份、股票衍生工具或債券中，擁有根據證券及期貨條例第XV部第7及8分部（包括根據證券及期貨條例之該等條文而當作或視作彼等擁有之權益或淡倉）須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉，或根據證券及期貨條例第352條須登記於該條例所述由本公司保管之登記冊內之權益及淡倉，或根據載於聯交所證券上市規則（「上市規則」）附錄10之上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉，列示如下：

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料 (續)

LONG POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

於本公司股份及相關股份之好倉

Name of director	Capacity and nature of interest	Number of shares held	Number of underlying shares held	Approximate % of interest
董事姓名	身份及權益性質	所持股份數目	所持相關股份數目	權益之概約百分比
Mr. Hung Tsung Chin (Note 1)	Interest held through controlled corporation, interest of spouse and beneficial owner	202,875,439	2,000,000	15.62%
洪聰進先生 (附註1)	透過受控制法團、配偶之權益及實益擁有人持有權益			
Ms. Chen Mei Huei (Note 1)	Interest held through controlled corporation, interest of spouse and personal interest	202,875,439	2,000,000	15.62%
陳美惠女士 (附註1)	透過受控制法團、配偶之權益及個人權益持有權益			
Mr. Liao Wen I (Note 2)	Interest held through controlled corporation	3,706,812	—	0.28%
廖文毅先生 (附註2)	透過受控制法團持有權益			
Mr. Frank Karl-Heinz Fischer (Note 3)	Personal interest	—	500,000	0.04%
Frank Karl-Heinz Fischer先生 (附註3)	個人權益			

Note:

- Metroasset Investments Limited holds 202,875,437 shares and the entire issued share capital of which is held as to 45.09% by Mr. Hung Tsung Chin, an executive director, as to 44.38% by his wife, Ms. Chen Mei Huei, also an executive director, and as to 10.53% by Mr. Hung Chih Chun, a son of Mr. Hung Tsung Chin and Ms. Chen Mei Huei. Ms. Chen Mei Huei is interested in 2,000,000 share options convertible into 2,000,000 new shares and Mr. Hung Tsung Chin is interested in 2 shares personally. Both Mr. Hung Tsung Chin and Ms. Chen Mei Huei are interested in the 202,875,439 shares and the 2,000,000 share options.
- Wellever Investments Limited holds 3,706,812 shares and the entire issued share capital of which is held as to 86.14% by Mr. Liao Wen I, an executive director, and as to 13.86% by his wife, Ms. Lin Hsiu Ling. Mr. Liao Wen I is interested in the 3,706,812 shares held by Wellever Investments Limited.
- Mr. Frank Karl-Heinz Fischer, an executive director, is interested in 500,000 share options convertible into 500,000 new shares.

附註：

- Metroasset Investments Limited持有202,875,437股股份，且所有已發行股本中，執行董事洪聰進先生持有45.09%權益、其妻陳美惠女士（同為執行董事）持有44.38%權益及洪聰進先生與陳美惠女士之子洪誌均先生持有10.53%權益。陳美惠女士於2,000,000份可兌換為2,000,000股新股份之購股權擁有權益，而洪聰進先生個人於2股股份中擁有權益。洪聰進先生及陳美惠女士均於202,875,439股股份及2,000,000份購股權中擁有權益。
- Wellever Investments Limited持有3,706,812股股份，且所有已發行股本中，執行董事廖文毅先生持有86.14%權益，而其妻林秀玲女士持有13.86%權益。廖文毅先生於Wellever Investments Limited所持有之3,706,812股股份中擁有權益。
- 執行董事Frank Karl-Heinz Fischer先生於500,000份可兌換為500,000股新股份之購股權中擁有權益。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)* 企業管治及其他資料 (續)

Save as disclosed above, as at June 30, 2017, none of the directors or the chief executive of the Company and their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the directors or chief executive of the Company and their associates, as at June 30, 2017, shareholders of the Company (other than director or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

除以上所披露者外，於二零一七年六月三十日，概無本公司董事或最高行政人員以及彼等之聯繫人於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉（包括彼等根據證券及期貨條例之相關條文而當作或視作擁有之權益或淡倉），或根據證券及期貨條例第352條須記錄於由本公司存置之登記冊內之任何權益或淡倉，或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

主要股東於本公司股份及相關股份中的權益及淡倉

就本公司董事或最高行政人員及彼等之聯繫人所知，於二零一七年六月三十日，本公司股東（本公司董事或最高行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司披露之權益或淡倉，或根據證券及期貨條例第336條須記錄於由本公司存置之登記冊內之權益或淡倉，列示如下：

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料 (續)

LONG POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

於本公司股份及相關股份之好倉

Name of shareholders	Nature of interest	Number of shares held	Approximate percentage of interest
股東姓名	權益性質	所持股份數目	權益之 概約百分比 (Note 1) (附註1)
Metroasset Investments Limited (Note 3)	Beneficial owner	202,875,437	15.47%
Metroasset Investments Limited (附註3)	實益擁有人		
Morton Securities Limited (Note 4)	Beneficial owner	1,662,982,046	50.72%
萬基證券有限公司 (附註4)	實益擁有人		(Note 2) (附註2)
First Mariner Capital Limited (Note 4)	Interest of a controlled corporation	1,662,982,046	50.72%
First Mariner Capital Limited (附註4)	受控制法團之權益		(Note 2) (附註2)
First Mariner Holding Limited (Note 4)	Interest of a controlled corporation	1,662,982,046	50.72%
First Mariner Holding Limited (附註4)	受控制法團之權益		(Note 2) (附註2)
First Steamship Company Limited (Note 4)	Interest of a controlled corporation	1,662,982,046	50.72%
益航股份有限公司 (附註4)	受控制法團之權益		(Note 2) (附註2)

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料 (續)

Notes:

1. As at June 30, 2017, the total number of the issued share of the Company was 1,311,530,134 ordinary shares of nominal value of HK\$0.10 each in the share capital of the Company.
2. The percentage of shareholding is calculated based on the number of the total issued share capital of the Company of 3,278,825,335 shares upon completion of the Open Offer.
3. Metroasset Investments Limited is an investment holding company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is held as to 45.09% by Mr. Hung Tsung Chin, an executive director, as to 44.38% by his wife, Ms. Chen Mei Huei, also an executive director, and as to 10.53% by Mr. Hung Chih Chun, a son of Mr. Hung Tsung Chin and Ms. Chen Mei Huei.
4. The total of 1,662,982,046 open offer shares ("Open Offer Shares") represent the number of Open Offer Shares that Morton Securities Limited ("Morton") has agreed to underwrite pursuant to the terms of the underwriting agreement dated March 20, 2017 entered into between the Company and Morton in respect of the Open Offer. Based on the notices of disclosure of interest of Morton, Morton is a wholly-owned subsidiary of First Mariner Capital Limited. Further to the notices of disclosure of interest of Morton, First Mariner Capital Limited is a wholly-owned subsidiary of First Mariner Holding Limited which in turn is held by First Steamship Company Limited.

Save as disclosed above and so far as the directors and the chief executive of the Company are aware of, as at June 30, 2017, no person or entity had any interest or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to section 336 of the SFO, to be entered in the register referred to therein.

附註：

1. 於二零一七年六月三十日，本公司已發行股份總數為本公司股本中每股面值0.10港元之1,311,530,134股普通股。
2. 股權之百分比乃按於完成公開發售後本公司已發行股本總數3,278,825,335股股份計算。
3. Metroasset Investments Limited為一間於英屬處女群島註冊成立之投資控股有限公司，其全部已發行股本中，執行董事洪聰進先生持有45.09%權益、其妻陳美惠女士（同為執行董事）持有44.38%權益及洪聰進先生與陳美惠女士之子洪誌均先生持有10.53%權益。
4. 總數1,662,982,046股公開發售股份（「公開發售股份」）指萬基證券有限公司（「萬基」）已同意根據本公司與萬基就公開發售所訂立日期為二零一七年三月二十日之包銷協議條款包銷之公開發售股份數目。根據萬基之權益披露通知，萬基為First Mariner Capital Limited之全資附屬公司。除萬基之權益披露通知以外，First Mariner Capital Limited為First Mariner Holding Limited之全資附屬公司，而First Mariner Holding Limited由益航股份有限公司持有。

除上文所披露者外，並就本公司董事及最高行政人員所知，於二零一七年六月三十日，概無個人或實體於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露之任何權益或淡倉，或根據證券及期貨條例第336條須登記於該條例所述之登記冊內之任何權益或淡倉。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料 (續)

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended June 30, 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

SMT is always to maintaining high standards of corporate governance. The board believes that good corporate governance practices are important to promote investor confidence and protect the interest of our shareholders. SMT establish various corporate policies, which together form the basis of our governance practices. We respect the laws, rules and regulations of each jurisdiction in which we operate, and we always ensure a healthy and safe working environment for our colleagues, which is our paramount concern. Besides a good development, we also contribute to the sustainable development of SMT, with particular focus on our accountability to shareholders and stakeholders.

During the six months ended June 30, 2017, the Company has complied with code provisions (the "Code Provisions") of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, except for the deviation from Code Provision A.6.7. The reasons for deviations are as follows:

Under Code Provision A.6.7, independent non-executive directors and other non-executive directors, as equal board members, should attend general meetings and develop a balanced understanding of the views of the shareholders.

購買、出售或贖回上市證券

截至二零一七年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

企業管治

聖馬丁致力在企業管治方面達致高水平。董事會相信良好的企業管治常規對增加投資者的信心及保障股東權益極為重要。聖馬丁制定不同的公司政策，並以此作為我們的管治常規基礎。我們遵守經營業務所在司法地區的法例、規條及規則，並極為關注確保我們的員工可以在健康及安全的環境下工作。除了良好發展，我們亦致力為聖馬丁的可持續發展作出貢獻，尤其著重接受股東及持份者問責。

截至二零一七年六月三十日止六個月內，本公司已遵守上市規則附錄14所載之《企業管治守則》之守則條文（「守則條文」），惟偏離守則條文第A.6.7條除外。有關偏離之原因如下：

根據守則條文第A.6.7條，獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位的董事會成員，應出席股東大會，並對股東的意見有公正的瞭解。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料 (續)

- | | |
|--|---|
| <p>(i) Mr. Han Chien Shan, Mr. Wu Chia Ming and Mr. Li Chak Hung had not attended the special general meeting held on April 24, 2017 due to their other important commitments.</p> | <p>(i) 韓千山先生、吳嘉明先生及李澤雄先生因其他重要事務未能出席於二零一七年四月二十四日舉行之股東特別大會。</p> |
| <p>(ii) Mr. Han Chien Shan, Mr. Wu Chia Ming and Mr. Li Chak Hung had not attended the annual general meeting held on June 12, 2017 due to their other important commitments.</p> | <p>(ii) 韓千山先生、吳嘉明先生及李澤雄先生因其他重要事務未能出席於二零一七年六月十二日舉行之股東週年大會。</p> |
| <p>(iii) Mr. Han Chien Shan and Mr. Li Chak Hung had not attended the special general meeting held on June 15, 2017 due to their other important commitments.</p> | <p>(iii) 韓千山先生及李澤雄先生因其他重要事務未能出席於二零一七年六月十五日舉行之股東特別大會。</p> |

Mr. Hung Tsung Chin and Mr. Chen Wei Chun as executive directors of the Company and the assistant company secretary of the Company had attended the annual general meeting and special general meetings to answer the questions of the shareholders.

洪聰進先生及陳偉鈞先生（作為本公司執行董事）及本公司之助理公司秘書已出席股東週年大會及股東特別大會，以解答股東之提問。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料 (續)

CHANGE OF DIRECTOR'S INFORMATION UNDER RULE 13.51B (1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in director's information of the Company since the date of the annual report of the Company for the year ended December 31, 2016 were as follows:

- (a) Mr. Han Chien Shan resigned as an independent non-executive director, a member and the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee of the Company with effect from August 7, 2017;
- (b) Mr. Lau Yau Cheung ("Mr. Lau") has been appointed as an independent non-executive director, a member and the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee of the Company on August 7, 2017. On August 18, 2017, Mr. Lau has been appointed as the Chairman of the Company with immediate effect;
- (c) Ms. Chen Mei Huei resigned as the chief executive officer and executive director of the Company with effect from August 18, 2017. She has been appointed as the chief executive officer, with effect from August 18, 2017, to several subsidiaries of the Company which engaged in PayTV operation in Middle East, Mediterranean, Africa and in an associate company in Nepal which engaged in provision of satellite broadcasting service to the audience;
- (d) Mr. Frank Karl-Heinz Fischer resigned as the executive director of the Company with effect from August 18, 2017. He remains as the director and chief technology officer of several subsidiaries which operated in PayTV operation in Middle East, Mediterranean, Africa and in an associate company in Nepal which engaged in provision of satellite broadcasting service to the audience;

根據上市規則第13.51B (1)條披露有關董事資料變動

根據上市規則第13.51B (1)條，自本公司截至二零一六年十二月三十一日止年度之年報日期以來，本公司董事資料變動如下：

- (a) 韓千山先生已辭任本公司獨立非執行董事、提名委員會成員兼主席以及審核委員會及薪酬委員會各自之成員，自二零一七年八月七日起生效；
- (b) 劉幼祥先生（「劉先生」）已於二零一七年八月七日獲委任為本公司獨立非執行董事、提名委員會成員兼主席以及審核委員會及薪酬委員會各自之成員。於二零一七年八月十八日，劉先生已獲委任為本公司主席，並即時生效；
- (c) 陳美惠女士已辭任本公司行政總裁及執行董事，自二零一七年八月十八日起生效。彼已獲委任為於中東、地中海及非洲從事收費電視業務之本公司若干附屬公司以及一間從事向觀眾提供衛星廣播服務之尼泊爾聯營公司之行政總裁，自二零一七年八月十八日起生效；
- (d) Frank Karl-Heinz Fischer先生已辭任本公司執行董事，自二零一七年八月十八日起生效。彼留任於中東、地中海及非洲從事收費電視業務之若干附屬公司以及一間從事向觀眾提供衛星廣播服務之尼泊爾聯營公司之董事及技術長；

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)* 企業管治及其他資料 (續)

- (e) Mr. Liao Wen I resigned as the executive director of the Company with effect from August 18, 2017; and
- (f) The composition of board committees of Audit Committee, Remuneration Committee and Nomination Committee had changed on August 18, 2017.

For the changes of the above (a) to (f) should refer to the announcements dated August 7, 2017 and August 18, 2017 for details.

Save as disclosed above, there is no other change in the director's information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the annual report of the Company for the year ended December 31, 2016 and up to the date of this report.

COMPETING AND CONFLICT OF INTEREST

None of the director or the controlling shareholders of the Company or their respective associates had any interest in a business, which competes or may compete, either directly or indirectly, with the business of the Group nor any conflict of interest which had or may have with the Group for the six months ended June 30, 2017.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the directors as at the date of this report, the Company has maintained the prescribed public float under the Listing Rules.

- (e) 廖文毅先生已辭任本公司執行董事，自二零一七年八月十八日起生效；及
- (f) 董事委員會中審核委員會、薪酬委員會及提名委員會之組成已於二零一七年八月十八日變動。

就上述(a)至(f)項變動之詳情，請參閱日期為二零一七年八月七日及二零一七年八月十八日之公佈。

除上文所披露者外，自本公司截至二零一六年十二月三十一日止年度之年報日期起直至本報告日期，概無其他董事資料變動須根據上市規則第13.51B (1)條予以披露。

競爭性權益及利益衝突

截至二零一七年六月三十日止六個月，概無董事或本公司控股股東或彼等各自之聯繫人於與本集團業務直接或間接構成競爭或可能構成競爭或與本集團構成或可能構成任何利益衝突之業務中擁有任何權益。

公眾持股量之充足性

根據本公司可獲得之公開資料及就董事所知，於本報告日期，本公司已根據上市規則維持所規定之公眾持股量。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料 (續)

AUDIT COMMITTEE

The Company has established an Audit Committee for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three members, Mr. Li Chak Hung (as Chairman of Audit Committee), Mr. Lau Yau Cheung (Chairman of the Company) and Mr. Wu Chia Ming, all of whom are independent non-executive directors of the Company. The Audit Committee has reviewed the Group's unaudited condensed financial statements and the interim report for the six months ended June 30, 2017 and held discussion with the management.

GENERAL

On behalf of the board, I would like to take this opportunity to express my sincere gratitude to all of the shareholders for their support to the Company.

LAU Yau Cheung
CHAIRMAN

Hong Kong, August 28, 2017

審核委員會

本公司已成立審核委員會，旨在審閱及監督本集團之財務申報程序及內部監控。審核委員會包括三名成員，分別為李澤雄先生（為審核委員會主席）、劉幼祥先生（本公司主席）及吳嘉明先生，彼等均為本公司獨立非執行董事。審核委員會已審閱本集團截至二零一七年六月三十日止六個月之未經審核簡明財務報表及中期報告並與管理層進行討論。

一般資料

本人謹代表董事會藉此機會衷心感謝全體股東對本公司的支持。

主席
劉幼祥

香港，二零一七年八月二十八日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

		For six months ended June 30, 截至六月三十日 止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
	Notes 附註		
Revenue	收益	4	
Cost of sales	銷售成本	772,367	896,291
		(720,209)	(775,635)
Gross profit	毛利	52,158	120,656
Other income, gains and losses	其他收入、收益及虧損	16,197	21,065
Distribution and selling costs	經銷及銷售成本	(18,152)	(19,094)
Administrative and other expenses	行政及其他開支	(102,394)	(82,144)
Research and development costs	研發成本	(20,858)	(18,790)
Finance costs	融資成本	(15,884)	(8,522)
Share of profit of an associate	應佔一間聯營公司的溢利	362	—
(Loss)/Profit before income tax expense	所得稅支出前(虧損)/溢利	(88,571)	13,171
Income tax expense	所得稅支出	(6,631)	(4,817)
(Loss)/Profit for the period	本期間(虧損)/溢利	(95,202)	8,354
Other comprehensive income	其他全面收益		
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的 項目：</i>		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(15,015)	(3,368)
Total comprehensive income for the period	本期間全面收益總額	(110,217)	4,986
(Loss)/Profit for the period attributable to:	下列各項應佔本期間 (虧損)/溢利：		
– Owners of the Company	– 本公司擁有人	(63,656)	4,889
– Non-controlling interests	– 非控股權益	(31,546)	3,465
		(95,202)	8,354

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

簡明綜合損益及其他全面收益表 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

		For six months ended June 30, 截至六月三十日 止六個月	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
		(unaudited) (未經審核)	(unaudited) (未經審核)
	Notes 附註		
Total comprehensive income	下列各項應佔全面收益		
attributable to:	總額：		
– Owners of the Company	– 本公司擁有人	(75,105)	1,551
– Non-controlling interests	– 非控股權益	(35,112)	3,435
		(110,217)	4,986
		HK cents	HK cents
		港仙	港仙
			(Restated) (經重列)
(Loss)/Earnings per share	每股 (虧損) / 盈利		
Basic	基本	(4.17)	0.35
Diluted	攤薄	(4.17)	0.35

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

AT JUNE 30, 2017

於二零一七年六月三十日

			June 30, 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	December 31, 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
	Notes 附註			
Non-current assets		非流動資產		
Property, plant and equipment	9(b)	物業、廠房及設備	148,255	142,554
Deposit paid to an associate		已付一間聯營公司的訂金	46,306	46,306
Prepaid lease payments		預付租賃款項	4,930	4,859
Investment properties	9(a)	投資物業	148,782	146,648
Goodwill	9(c)	商譽	135,486	134,874
Intangible assets		無形資產	19,904	21,698
Interest in an associate		於一間聯營公司的權益	5,293	4,931
Amount due from an associate	10	應收一間聯營公司的款項	16,723	25,309
Loan receivables	11	應收貸款	—	—
Deferred tax assets		遞延稅項資產	9,372	9,134
Total non-current assets		非流動資產總額	535,051	536,313
Current assets		流動資產		
Inventories		存貨	249,241	267,095
Trade, bills and other receivables	12	應收貿易賬款、應收票據及 其他應收款項	311,029	349,892
Prepaid lease payments		預付租賃款項	157	152
Amount due from an associate	10	應收一間聯營公司的款項	69,838	78,256
Pledged bank deposits		已抵押銀行存款	14,534	14,925
Bank balances and cash		銀行結存及現金	82,828	76,065
Total current assets		流動資產總額	727,627	786,385
Current liabilities		流動負債		
Trade, bills and other payables	13	應付貿易賬款、應付票據及 其他應付款項	518,083	575,591
Tax liabilities		稅項負債	20,851	18,071
Bank and other borrowings	14	銀行及其他借貸	492,572	390,433
Obligations under finance leases		融資租賃承擔	1,875	1,856
Total current liabilities		流動負債總額	1,033,381	985,951
Net current liabilities		流動負債淨值	(305,754)	(199,566)
Total assets less current liabilities		資產總額減流動負債	229,297	336,747

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

簡明綜合財務狀況表 (續)

AT JUNE 30, 2017

於二零一七年六月三十日

			June 30, 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	December 31, 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
	Notes 附註			
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借貸	14	1,408	1,288
Deferred tax liabilities	遞延稅項負債		47,683	44,155
Obligations under finance leases	融資租賃承擔		8,305	9,186
Total non-current liabilities	非流動負債總額		57,396	54,629
NET ASSETS	資產淨值		171,901	282,118
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備			
Share capital	股本	15	131,153	131,153
Reserves	儲備		170,330	245,435
Equity attributable to owners of the Company	本公司擁有人應佔權益		301,483	376,588
Non-controlling interests	非控股權益		(129,582)	(94,470)
TOTAL EQUITY	權益總額		171,901	282,118

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

(unaudited)
(未經審核)

Attributable to owners of the Company 本公司擁有人應佔										Non-controlling interests 非控股權益	Total 總計
	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元 (note a) (附註a)	Special reserve 特別儲備 HK\$'000 千港元 (note b) (附註b)	Property revaluation reserve 物業重估儲備 HK\$'000 千港元 (note c) (附註c)	Currency translation reserve 貨幣換算儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元		
Balance at January 1, 2016 (audited)											
Balance at January 1, 2016 (audited)											
Profit for the period											
Other comprehensive income											
Exchange differences on translation of foreign operations											
Total comprehensive income for the period											
Issue of ordinary shares, net of direct issue costs											
Contribution by non-controlling interest of a subsidiary											
Balance at June 30, 2016											
Balance at January 1, 2017 (audited)											
Loss for the period											
Other comprehensive income											
Exchange differences on translation of foreign operations											
Total comprehensive income for the period											
Balance at June 30, 2017											

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(Continued)*

簡明綜合權益變動表 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

Notes:

- (a) The statutory reserve is required by the relevant law of The People's Republic of China (the "PRC") applicable to the subsidiaries in the PRC. The statutory reserve can be applied in conversion into PRC subsidiaries' capital by means of a capitalisation issue.
- (b) The special reserve represents:
- (i) the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of a group reorganisation prior to the listing of the Company's shares and the surplus arising pursuant to a capitalisation of advances from shareholders as part of the group reorganisation;
 - (ii) the difference between the consideration for acquisition of a subsidiary satisfied by way of partial interest of a subsidiary without the overall gain or loss of control in the partial disposed subsidiary and fair value of net assets acquired; and
 - (iii) the acquisition of additional interest in a subsidiary without the overall gain or loss of control in that subsidiary.
- (c) The property revaluation reserve is frozen upon the transfer of properties from property, plant and equipment to investment properties and will be transferred to accumulated losses when the relevant properties are disposed of.

附註：

- (a) 法定儲備乃適用於位於中華人民共和國（「中國」）的附屬公司的中國相關法律規定。法定儲備可透過資本化發行兌換成中國附屬公司的股本。
- (b) 特別儲備指：
- (i) 所收購附屬公司股份的面值與本公司股份上市前進行集團重組時就收購事項所發行的本公司股份面值及根據將股東墊款撥作資本（為集團重組的一部份）所產生盈餘之間的差額；
 - (ii) 以一間附屬公司的部分權益（並無整體獲得或失去該部分出售附屬公司的控制權）償付的收購一間附屬公司代價與所收購淨資產公平值的差額；及
 - (iii) 收購一間附屬公司額外權益（並無整體獲得或失去該附屬公司的控制權）。
- (c) 物業重估儲備於自物業、廠房及設備轉撥物業至投資物業時被凍結，將於出售相關物業時轉撥至累計虧損。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

		For six months ended	
		June 30,	
		截至六月三十日	
		止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Net cash used in operating activities	經營業務所用現金淨額	(93,458)	(40,467)
Cash flows from investing activities	投資業務之現金流量		
Decrease in pledged bank deposits	已抵押銀行存款減少	391	2,219
Addition to loan receivables	應收貸款增加	–	(137,378)
Advances to an associate	向一間聯營公司墊款	–	(19,650)
Repayment from an associate	一間聯營公司還款	17,776	–
Purchase of property, plant and equipment	購買物業、廠房及設備	(16,725)	(11,172)
Addition to intangible assets	添置無形資產	(92)	–
Receipts from the maturity of bond receivables	收回到期債券應收款項	–	60,000
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	2,347	–
Net cash from (used in) investing activities	投資業務所得(所用)現金淨額	3,697	(105,981)
Cash flows from financing activities	融資活動之現金流量		
Contribution by non-controlling interest of a subsidiary	收取一間附屬公司之非控股權益之貢獻	–	21,492
Repayment of bank and other loans	償還銀行及其他貸款	(237,884)	(315,285)
Repayment of obligations under finance leases	償還融資租賃承擔	(125)	(911)
New bank and other loans raised	新造銀行及其他貸款	329,607	293,830
Proceeds from issue of ordinary shares	發行普通股所得款項	–	106,250
Transaction costs attributable to issuance of shares	發行股份應佔交易成本	–	(1,788)
Net cash from financing activities	融資活動所得現金淨額	91,598	103,588
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額	1,837	(42,860)
Cash and cash equivalents at beginning of period	期初現金及現金等價物	76,065	93,236
Effect of foreign exchange rate changes	外幣匯率變動影響	4,926	(401)
Cash and cash equivalents at end of period, represented by bank balances and cash	期末現金及現金等價物，即銀行結存及現金	82,828	49,975

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

1. GENERAL INFORMATION

The Company is incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda and its principal place of business is located at Units 04-05, 16th Floor, Nam Wo Hong Building, 148 Wing Lok Street, Sheung Wan, Hong Kong. The Company and its subsidiaries (hereafter referred to as the "Group") principally engages in manufacturing and trading of satellite TV equipment products and other electronic goods and satellite TV broadcasting.

2. BASIS OF PREPARATION

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

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties which are measured at fair values.

These condensed consolidated financial statements should be read in conjunction with the 2016 annual financial statements. Except as described below, the accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements for the six months ended June 30, 2017 are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended December 31, 2016.

1. 一般資料

本公司為百慕達註冊成立之有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda，而其主要營業地點位於香港上環永樂街148號南和行大廈16樓04-05室。本公司及其附屬公司（以下簡稱「本集團」）主要從事製造及買賣衛星電視設備產品及其他電子產品以及衛星電視廣播。

2. 編製基準

簡明綜合財務報表乃根據上市規則附錄16的適用披露規定及遵照香港會計師公會（「香港會計師公會」）頒佈的香港會計準則（「香港會計準則」）第34號「中期財務報告」編製。

除投資物業按公平值計量外，簡明綜合財務報表乃根據歷史成本基準編製。

該等簡明綜合財務報表應與二零一六年的年度財務報表一併閱讀。除如下文所披露，編製該等截至二零一七年六月三十日止六個月的簡明綜合財務報表所採用的會計政策及計算方法與編製本集團截至二零一六年十二月三十一日止年度的綜合財務報表時所採用者相同。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

2. BASIS OF PREPARATION (Continued)

Going concern basis

As at June 30, 2017, the Group had net current liabilities of HK\$305,754,000 (December 31, 2016: net current liabilities HK\$199,566,000). In view of this circumstance, the directors of the Company have given careful consideration to the future liquidity and performance of the Group. In particular, the directors of the Company have considered the following measures: (1) the unutilised bank loan facilities available to the Group as of June 30, 2017; (2) the gross proceeds from the Open Offer of the Company which was completed in July 2017; (3) the potential realisation of investment properties of the Group; and (4) a validation order has been granted by the High Court of Hong Kong (the "Court") on August 17, 2017 in relation to the winding up petition (HCCW 207/2017) for transferring of shares of the Company allotted and issued under the Open Offer, so that the allotment and issuance of Open Offer Shares shall not be void by virtue of the provisions of Section 182 of the Companies Ordinance (Cap 32) of Laws of Hong Kong. Although the winding up petition (HCCW 207/2017) may potentially have an impact on the Group's working capital, the validation order validates payment made (or to be made) and disposition of property of the Company made (or to be made) in the ordinary course of business. Details of the petition and validation order should refer to Note 18(6) HCCW 207/2017. After taking into account of financial performance of the Group for the six months ended June 30, 2017, as well as available bank facilities and financing arrangements of the Group, the Group is expected to have sufficient liquidity to finance its operations and able to meet its financial obligations as they fall due. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the condensed consolidated financial statements of the Group on a going concern basis. The condensed consolidated financial statements do not include any adjustments that might be necessary should the Group not be able to continue as a going concern.

2. 編製基準 (續)

持續經營基準

於二零一七年六月三十日，本集團之流動負債淨值為305,754,000港元（二零一六年十二月三十一日：流動負債淨值為199,566,000港元）。鑑於此情況，本公司董事曾經考慮本集團的未來流動性及業績。具體而言，本公司董事已考慮以下措施：(1)本集團於二零一七年六月三十日未動用之銀行貸款額度；(2)本公司於二零一七年七月完成之公開發售之所得款項總額；(3)本集團投資物業之潛在變現；及(4)一份內容有關轉讓根據公開發售配發及發行之本公司股份之清盤呈請書(HCCW 207/2017)認可令於二零一七年八月十七日由香港高等法院（「法院」）發出，使配發及發行公開發售股份根據香港法例第32章公司條例第182條之條文不得被視為屬無效。儘管清盤呈請書(HCCW 207/2017)可能對本集團之營運資金構成潛在影響，認可令認可於日常業務過程中作出（或將予作出）之付款及作出（或將予作出）之本公司物業出售。有關呈請書及認可令之詳情，請參閱附註18(6) HCCW 207/2017。經考慮本集團截至二零一七年六月三十日止六個月的財務表現以及本集團之可用銀行貸款額度及融資安排後，本集團預期將擁有充足的流動資金為其營運提供資金，並有能力履行其到期的財務責任。因此，本公司董事信納按持續經營基準編製本集團的簡明綜合財務報表屬恰當。簡明綜合財務報表並無包括在本集團無法持續經營之情況下可能須作出之任何調整。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRSs issued by the HKICPA that are mandatorily effective for the current interim period.

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle

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

3. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本中期期間，本集團已首次應用以下香港會計師公會頒佈於本中期期間強制性生效之香港財務報告準則之修訂本。

香港會計準則第7號的修訂本	披露計劃
香港會計準則第12號的修訂本	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號的修訂本	作為香港財務報告準則二零一四年至二零一六年週期的年度改進的一部分

於本中期期間應用該等香港財務報告準則的修訂本並無對該等簡明綜合財務報表及／或該等簡明綜合財務報表所載之披露事項構成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

The Group has not early applied the following new and revised HKFRSs that have been issued but not yet effective for the financial year beginning on January 1, 2017.

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers ¹
Amendments to HKFRS 2	Classification and Measurement of Share-Based Payment Transactions ¹
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15) ¹
Amendments to HKAS 40	Transfer of Investment Property ¹
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2014-2016 Cycle ¹
HK(IFRIC)-Int 22	Foreign Currency Transactions And Advance Consideration ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instrument with HKFRS 4 Insurance Contract ¹
HKFRS 16	Leases ²
Amendments to HKFRS 10 and HKAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after January 1, 2018

² Effective for annual periods beginning on or after January 1, 2019

³ The amendments were originally intended to be effective for periods beginning on or after January 1, 2016. The effective date has now been deferred. Early application of the amendments continues to be permitted.

3. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無於二零一七年一月一日開始的財政年度提前應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	來自客戶合約的收入 ¹
香港財務報告準則第2號的修訂本	股份付款交易的分類及計量 ¹
香港財務報告準則第15號的修訂本	來自客戶合約的收入(香港財務報告準則第15號的澄清) ¹
香港會計準則第40號的修訂本	轉讓投資物業 ¹
香港財務報告準則(修訂本)	香港財務報告準則二零一四年至二零一六年週期的年度改進 ¹
香港(國際財務報告詮釋委員會)詮釋第22號	外幣交易及預付代價 ¹
香港財務報告準則第4號的修訂本	對香港財務報告準則第4號保險合約應用香港財務報告準則第9號金融工具 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第10號及香港會計準則第28號的修訂本	投資者與其聯營公司或合營公司之間的資產出售或注資 ³

¹ 於二零一八年一月一日或之後開始的年度期間生效

² 於二零一九年一月一日或之後開始的年度期間生效

³ 該等修訂本原訂於二零一六年一月一日或之後開始的期間生效。生效日期現已延遲。有關修訂繼續獲允許提前應用。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

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截至二零一七年六月三十日止六個月

4. SEGMENT INFORMATION

The segment information reported externally was analysed on the basis of their goods and services delivered or provided by the Group's operating divisions which is consistent with the internal information that are regularly reviewed by the executive directors of the Company, the chief operating decision maker, for the purposes of resource allocation and assessment of performance. This is also the basis of organisation in the Group, whereby the management has chosen to organise the Group around different products and services.

Specifically, the Group's operating segments under HKFRS 8 are as follows:

(i) Media entertainment platform related products

Trading and manufacturing of media entertainment platform related products
– which mainly used for satellite products equipment.

(ii) Other multimedia products

Trading and manufacturing of other multimedia products
– components of audio and video electronic products such as cable lines.

(iii) Integration of signal system and traffic communication network

Integration of signal system and traffic communication network
– provide installation and integration of signal system and traffic communication network.

4. 分類資料

對外呈報的分類資料乃按本集團的營運部門交付或提供其貨品及服務的基準分析，其與由本公司的執行董事（主要營運決策者）就資源分配及表現評估而定期審閱的內部資料一致。此亦為本集團的組織基準，據此，管理層選擇按不同產品及服務組織本集團。

具體而言，本集團根據香港財務報告準則第8號的經營分類如下：

(i) 媒體娛樂平臺相關產品

買賣及製造媒體娛樂平臺相關產品
— 主要用於衛星產品設備。

(ii) 其他多媒體產品

買賣及製造其他多媒體產品
— 影音電子產品零件，例如電纜。

(iii) 整合訊號系統及交通通訊網絡

整合訊號系統及交通通訊網絡
— 提供訊號系統及交通通訊網絡安裝及整合服務。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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4. SEGMENT INFORMATION (Continued)

(iv) Satellite TV equipment and antenna

Trading of satellite TV equipment and antenna.

(v) Satellite TV broadcasting

Provision of Direct-to-Home services for satellite TV broadcasting in the areas of Middle East, Mediterranean and Africa.

4. 分類資料(續)

(iv) 衛星電視設備及天線

衛星電視及天線貿易。

(v) 衛星電視廣播

於中東、地中海及非洲地區提供直接入屋衛星電視廣播服務。

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments for the period under review:

Six months ended June 30, 2017

分類收益及業績

於審閱期間內，按可呈報及經營分類分析的本集團收益及業績如下：

截至二零一七年六月三十日止六個月

		Media entertainment platform related products 媒體娛樂平臺相關產品 HK'000 千港元 (unaudited) (未經審核)	Other multimedia products 其他多媒體產品 HK'000 千港元 (unaudited) (未經審核)	Integration of signal system and traffic communication network 整合訊號系統及交通通訊網絡 HK'000 千港元 (unaudited) (未經審核)	Satellite TV equipment and antenna 衛星電視設備及天線 HK\$'000 千港元 (unaudited) (未經審核)	Satellite TV broadcasting 衛星電視廣播 HK\$'000 千港元 (unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (unaudited) (未經審核)
REVENUE	收益						
External sales	對外銷售	102,193	126,743	667	515,023	27,741	772,367
RESULTS	業績						
Segment results	分類業績	18,818	14,075	21	65,404	(64,312)	34,006
Other income, gains and losses	其他收入、收益及虧損						16,197
Administrative and other expenses	行政及其他開支						(102,394)
Research and development costs	研發成本						(20,858)
Finance costs	融資成本						(15,884)
Share of profit of an associate	應佔一間聯營公司的溢利						362
Loss before income tax expense	所得稅支出前虧損						(88,571)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

4. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

Six months ended June 30, 2016

		Media entertainment platform related products 媒體娛樂平臺 相關產品 HK\$'000 千港元 (unaudited) (未經審核)	Other multimedia products 其他 多媒體產品 HK\$'000 千港元 (unaudited) (未經審核)	Integration of signal system and traffic communication network 整合訊號系統及 交通通訊網絡 HK\$'000 千港元 (unaudited) (未經審核)	Satellite TV equipment and antenna 衛星電視 設備及天線 HK\$'000 千港元 (unaudited) (未經審核)	Satellite TV broadcasting 衛星電視廣播 HK\$'000 千港元 (unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (unaudited) (未經審核)
REVENUE	收益						
External sales	對外銷售	233,682	147,666	574	514,369	–	896,291
RESULTS	業績						
Segment results	分類業績	37,986	16,446	(369)	47,481	–	101,544
Other income, gains and losses	其他收入、收益及虧損						21,083
Administrative and other expenses	行政及其他開支						(82,144)
Research and development costs	研發成本						(18,790)
Finance costs	融資成本						(8,522)
Profit before income tax expense	所得稅支出前溢利						13,171

Segment results represent profit earned/loss suffered by each segment without allocation of other income, gains and losses (except impairment loss on trade and other receivables and loss recognised on projects in respect of integration of signal system and traffic communication network), administrative and other expenses, research and development costs, finance costs and share of profit of an associate. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

4. 分類資料(續)

分類收益及業績(續)

截至二零一六年六月三十日止六個月

分類業績指各分類所賺取的溢利／所承受的虧損，其並未分配其他收入、收益及虧損（應收貿易賬款及其他應收款項減值虧損及於整合訊號系統及交通通訊網絡的項目中已確認的虧損除外）、行政及其他開支、研發成本、融資成本及應佔一間聯營公司的溢利。此乃就資源分配及表現評估向主要營運決策者報告的計量方式。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

5. INCOME TAX EXPENSE

5. 所得稅支出

		For six months ended June 30, 截至六月三十日 止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
The tax charge comprises:	稅項開支包括：		
Current tax:	本期稅項：		
PRC	中國	1,182	1,328
Jurisdictions other than the PRC and Hong Kong	中國及香港以外的司法權區	3,939	2,182
		5,121	3,510
Under-provision in prior years:	過往年度撥備不足：		
Hong Kong	香港	524	—
Deferred taxation:	遞延稅項：		
Current period	本期間	714	1,035
Provision for withholding tax	預扣稅撥備	272	272
		986	1,307
		6,631	4,817

(i) PRC

The applicable PRC enterprise income tax rate of the PRC subsidiaries is 25% (six months ended June 30, 2016: 25%) in accordance with the relevant income tax law and regulations in the PRC.

(i) 中國

根據中國有關所得稅法律及法規，中國附屬公司的適用中國企業所得稅稅率為25%（截至二零一六年六月三十日止六個月：25%）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

5. INCOME TAX EXPENSE (Continued)

(ii) Hong Kong

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

No tax is payable on the profit arising in Hong Kong as the entity operating in Hong Kong incurred tax losses for both years.

(iii) United States of America

The Group's subsidiaries in United States of America are subject to United States Federal Income Tax at 34% and States Income Tax at 6% (six months ended June 30, 2016: 34% and 6% respectively).

(iv) Europe

The Group's European subsidiaries are subject to profit tax rates at a range of 21% to 33% (six months ended June 30, 2016: 26.3% to 30%).

(v) Macau

As stated in the Decree Law No. 58/99/M, Chapter 2, Article 12, dated October 18, 1999, the Macau subsidiary is exempted from Macao Complementary Tax since its income is generated from business outside Macau.

(vi) Others

Other subsidiaries operating in other jurisdictions are subject to applicable tax rates in the relevant jurisdictions.

5. 所得稅支出 (續)

(ii) 香港

香港利得稅按估計應課稅溢利的16.5%計算。

由於在香港經營的實體於兩個年度產生稅項虧損，因此毋須就於香港產生的溢利繳納稅項。

(iii) 美利堅合眾國

本集團的美利堅合眾國附屬公司須分別按34%及6%的稅率繳納美國聯邦所得稅及州所得稅（截至二零一六年六月三十日止六個月：分別按34%及6%）。

(iv) 歐洲

本集團的歐洲附屬公司須按介乎21%至33%（截至二零一六年六月三十日止六個月：26.3%至30%）的稅率繳納利得稅。

(v) 澳門

根據一九九九年十月十八日第58/99/M號法令第二章第十二條規定，由於澳門附屬公司的收入來自澳門境外的業務，故可豁免繳納澳門所得補充稅。

(vi) 其他

於其他司法權區經營的其他附屬公司須按有關司法權區的適用稅率繳稅。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

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6. (LOSS)/PROFIT FOR THE PERIOD

6. 本期間(虧損)/溢利

		For six months ended	
		June 30,	
		截至六月三十日	
		止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
(Loss)/Profit for the period has been arrived at after charging/(crediting):	達致本期間(虧損)/溢利時已扣除/(計入):		
Directors' emoluments	董事酬金	2,372	2,485
Other staff costs	其他員工成本	100,188	81,258
Retirement benefits scheme contribution, excluding directors	退休福利計劃供款(董事除外)	1,602	1,673
Total employee benefit expenses	僱員福利開支總額	104,162	85,416
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15,032	11,264
Amortisation of intangible assets (note i)	無形資產攤銷(附註i)	2,104	2,358
Release of prepaid lease payments	撥回預付租賃款項	77	33
Impairment loss on trade and other receivables (note ii)	應收貿易賬款及其他應收款項的減值虧損(附註ii)	-	18
Write-down of inventories (note i)	存貨撇減(附註i)	6,023	-
Interest income (note ii)	利息收入(附註ii)	(966)	(1,022)
Interest income from an associate (note ii)	從一間聯營公司的利息收入(附註ii)	(791)	(501)
Effective interest income on bond receivables (note ii)	債券應收款項的實際利息收入(附註ii)	-	(794)
Reversal of impairment loss on inventories (note i)	撥回存貨的減值虧損(附註i)	-	(1,504)
(Gain)/Loss on disposal of property, plant and equipment (note ii)	出售物業、廠房及設備的(收益)/虧損(附註ii)	(1,657)	981
Net foreign exchange loss/(gain) (note ii)	外幣匯兌虧損/(收益)淨額(附註ii)	1,808	(2,524)

Note i: Included in cost of sales

附註i: 包括於銷售成本內

Note ii: Included in other income, gains and losses

附註ii: 包括於其他收入、收益及虧損內

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簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

7. DIVIDENDS

No dividend was paid, declared or proposed during the interim period. The directors have determined that no dividend will be paid in respect of the interim period.

7. 股息

於本中期期間並無派付、宣派或擬派中期股息。董事已決定不就本中期期間派付股息。

8. (LOSS)/EARNINGS PER SHARE

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

8. 每股(虧損)/盈利

本公司擁有人應佔每股基本及攤薄(虧損)/盈利乃按下列數據計算：

		For six months ended June 30, 截至六月三十日 止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Basic	基本		
(Loss)/Profit for the period attributable to owners of the Company for the purposes of calculating basic and diluted (loss)/earnings per share	用作計算每股基本及攤薄(虧損)/盈利的本公司擁有人應佔本期間(虧損)/溢利	(63,656)	4,889
Number of shares	股份數目		(Restated) (經重列)
Weighted average number of ordinary shares at June 30 (Note)	於六月三十日的普通股加權平均數(附註)	1,526,855,977	1,389,101,759

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

8. (LOSS)/EARNINGS PER SHARE (Continued)

Note:

On March 20, 2017, the Company announced the Open Offer to raise approximately HK\$236.1 million before expenses on the basis of three Open Offer Shares for every two shares of the Company then in issue held on the record date at the subscription price of HK\$0.12 per Open Offer Share. The Open Offer was completed on July 19, 2017. 1,967,295,201 Open Offer Shares were allotted and issued pursuant to the Open Offer and the gross proceeds after the Open Offer were approximately HK\$236.1 million. Details of the Open Offer disclosed in the announcements of the Company dated March 20, 2017, June 15, 2017 and July 18, 2017; the circular of the Company dated May 24, 2017; and the prospectus of the Company dated June 28, 2017.

The calculation of basic loss per share for the period is based on the consolidated loss for the period attributable to owners of the Company and on the weighted average number of ordinary shares in issue during the period after the adjustment of the bonus elements in the shares issued under the Open Offer as set out above.

The comparative figures for the basic earnings per share for the period ended June 30, 2016 are restated to take into account of the effect of the bonus elements arising from the open offer completed retrospectively as if they has taken place since the beginning of the comparative period.

The computation of diluted (loss)/earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares.

8. 每股(虧損)/盈利(續)

附註：

於二零一七年三月二十日，本公司宣佈按於記錄日期每持有兩股本公司當時已發行之股份獲發三股公開發售股份之基準按認購價每股公開發售股份0.12港元發售股份之公開發售籌集約236,100,000港元(扣除開支前)。公開發售已於二零一七年七月十九日完成。1,967,295,201股公開發售股份已根據公開發售獲配發及發行，公開發售之所得款項總額約為236,100,000港元。公開發售詳情披露於本公司日期為二零一七年三月二十日、二零一七年六月十五日及二零一七年七月十八日之公佈；本公司日期為二零一七年五月二十四日之通函；及本公司日期為二零一七年六月二十八日之售股章程。

本期間每股基本虧損乃按本公司擁有人應佔本期間綜合虧損及本期間已發行普通股加權平均數(經就根據上文所述之公開發售發行之股份中之紅利元素作出調整)計算。

截至二零一六年六月三十日止期間之每股基本盈利之比較數字作出追溯重列，以計及完成公開發售產生之紅利元素之影響，猶如該等事件於比較期間開始時發生。

計算每股攤薄(虧損)/盈利並無假設本公司之尚未行使購股權已獲行使，原因為該等購股權之行使價高於股份平均市價。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

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

(a) Investment properties

In the opinion of the directors of the Company, the carrying amount of the Group's investment properties as at June 30, 2017 does not differ significantly from the fair value of the investment properties as at December 31, 2016. Accordingly, no valuation movement has been recognised in profit or loss with respect to the Group's investment properties in the current period.

(b) Property, plant and equipment

During the current period, the Group acquired property, plant and equipment of approximately HK\$16,725,000 (six months ended June 30, 2016: approximately HK\$11,172,000). During the period, the Group disposal of (six months ended June 30, 2016: written off) certain property, plant and equipment with a carrying amount of approximately HK\$286,000 (six months ended June 30, 2016: approximately HK\$981,000) resulting in a gain of approximately HK\$1,657,000 (six months ended June 30, 2016: loss of approximately HK\$981,000) recognised in profit or loss.

(c) Goodwill

For the purpose of impairment testing, goodwill has been allocated into two (June 30, 2016: two) individual cash-generating units ("CGUs"), including CGU engaged in satellite TV equipment and antenna ("PBT CGU") and CGU engaged in satellite TV broadcasting ("MyHD CGU").

At the end of reporting period, the management performed impairment testing on the carrying amount of goodwill with reference to the cash flow projections of PBT CGU and MyHD CGU. No impairment loss was recognised during the period for respective CGUs as the recoverable amounts of PBT CGU and MyHD CGU based on value in use calculations were higher than their carrying amounts.

9. 投資物業、物業、廠房及設備以及商譽的變動

(a) 投資物業

本公司董事認為，本集團於二零一七年六月三十日的投資物業賬面值與於二零一六年十二月三十一日的投資物業公平值並無重大差異。因此，於本期間並無於損益確認有關本集團投資物業的估值變動。

(b) 物業、廠房及設備

於本期間，本集團添置物業、廠房及設備約16,725,000港元（截至二零一六年六月三十日止六個月：約11,172,000港元）。於本期間，本集團出售（截至二零一六年六月三十日止六個月：撇銷）賬面金額約286,000港元（截至二零一六年六月三十日止六個月：約981,000港元）的若干物業、廠房及設備，因而於損益錄得收益約1,657,000港元（截至二零一六年六月三十日止六個月：虧損約981,000港元）。

(c) 商譽

就減值測試而言，商譽獲分配至兩個（二零一六年六月三十日：兩個）獨立現金產生單位（「現金產生單位」），包括一個從事衛星電視設備及天線的現金產生單位（「PBT現金產生單位」）及一個從事衛星電視廣播的現金產生單位（「MyHD現金產生單位」）。

於報告期末，管理層已參考PBT現金產生單位及MyHD現金產生單位的現金流量預測，對商譽的賬面值進行減值測試。由於PBT現金產生單位及MyHD現金產生單位根據使用價值計算的可收回金額均高於其賬面金額，故於本期間並無就有關現金產生單位確認減值虧損。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

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10. AMOUNT DUE FROM AN ASSOCIATE

Amount due from an associate include:

- (i) amount of approximately HK\$16,723,000 (December 31, 2016: approximately HK\$25,309,000) being unsecured, bearing fixed interest rate at 4.75% (December 31, 2016: 4.75%) per annum, and repayable on demand. It is classified as non-current as the management expected the repayment of loan from an associate will be over one year from the end of the reporting period;
- (ii) amount of approximately HK\$24,195,000 (December 31, 2016: approximately HK\$14,837,000) being unsecured, bearing interest at 5% per annum, and repayable on demand; and
- (iii) amount of approximately HK\$45,643,000 (December 31, 2016: approximately HK\$63,419,000) being unsecured, interest-free and the Group allows a credit period of 360 days to its associate which is trade in nature.

The following is an aged analysis of trade receivables from an associate, which is trade in nature, presented based on the invoice date at the end of the reporting periods:

10. 應收一間聯營公司的款項

應收一間聯營公司的款項包括：

- (i) 金額約16,723,000港元(二零一六年十二月三十一日：約25,309,000港元)，為無抵押、按固定年利率4.75%計息(二零一六年十二月三十一日：4.75%)及須按要求償還。由於管理層預期聯營公司將於報告期末後超過一年方償還貸款，故給予一間聯營公司的貸款已分類為非流動；
- (ii) 金額約24,195,000港元(二零一六年十二月三十一日：約14,837,000港元)，為無抵押、按年利率5%計息及須按要求償還；及
- (iii) 金額約45,643,000港元(二零一六年十二月三十一日：約63,419,000港元)，為無抵押及不計息，且本集團給予其聯營公司的信貸期為360日，屬貿易性質。

應收一間聯營公司的應收貿易賬款(屬貿易性質)於報告期末按發票日期所呈列的賬齡分析如下：

		June 30, 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	December 31, 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0 – 30 days	0至30日	4,708	5,409
31 – 90 days	31至90日	3,359	7,003
91 – 360 days	91至360日	37,576	51,007
		45,643	63,419

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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10. AMOUNT DUE FROM AN ASSOCIATE (Continued)

Included in the Group's amount due from an associate balance, there is no trade debt (December 31, 2016: Nil) which was past due at the end of the reporting period but for which the Group did not consider it to be impaired because the management is of the opinion that the amount is recoverable after taking into account continuous repayments have been made by an associate during current period and after the end of the reporting period.

11. LOAN RECEIVABLES

As at June 30, 2017, the Group had a loan receivable amounting to HK\$12,989,000 granted to a third party. The amount was unsecured and borne interest at 1.2% (December 31, 2016: 1.2%) per annum. This loan receivable was fully impaired as at June 30, 2017 and December 31, 2016.

As at June 30, 2017, the Group had another loan receivables amounting to HK\$2,715,000 and HK\$43,803,000 granted to two customers (the "Debtors"). The Debtors were engaged in the operation of cable television in Nepal. These loan receivables borne interest at 5% (December 31, 2016: 5%) per annum. These loan receivables are unsecured except for the amount of HK\$43,803,000 was secured by all the shares of the borrower and all of its shareholding in its subsidiary. This loan receivable was fully impaired as at June 30, 2017 and December 31, 2016.

10. 應收一間聯營公司的款項(續)

本集團應收一間聯營公司的款項結餘中，概無貿易債務(二零一六年十二月三十一日：無)於報告期末已逾期，惟由於管理層考慮本期內及報告期末後一間聯營公司的持續還款後，認為有關款項仍可收回，故並不認為有關款項需要減值。

11. 應收貸款

於二零一七年六月三十日，本集團向第三方授出12,989,000港元之應收貸款。該款項無抵押及按年利率1.2%(二零一六年十二月三十一日：1.2%)計息。該應收貸款已於二零一七年六月三十日及二零一六年十二月三十一日完全減值。

於二零一七年六月三十日，本集團應收兩名客戶(「債務人」)之應收貸款為2,715,000港元及43,803,000港元。債務人從事尼泊爾有線電視的營運。該等應收貸款按年利率5%(二零一六年十二月三十一日：5%)計息。該等應收貸款為無抵押，惟43,803,000港元以借貸人的所有股份及於其附屬公司的股權作為抵押。該筆應收貸款已於二零一七年六月三十日及二零一六年十二月三十一日完全減值。

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簡明綜合財務報表附註(續)

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12. TRADE, BILLS AND OTHER RECEIVABLES

The Group allows an average credit period of 60 to 120 days to its trade customers. The following is an aged analysis of trade and bills receivables, net of allowance for doubtful debts, presented based on the invoice date, which approximated the respective revenue recognition date, at the end of the reporting periods:

		June 30, 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	December 31, 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0 – 30 days	0至30日	136,744	133,369
31 – 90 days	31至90日	108,543	117,738
91 – 180 days	91至180日	–	33,368
More than 180 days	超過180日	–	13,158
Prepayments and other receivables	預付款項及其他應收款項	245,287 65,742	297,633 52,259
Total trade, bills and other receivables	應收貿易賬款、應收票據及其他應收款項總額	311,029	349,892

During the period, the directors reviewed the carrying amounts of certain long outstanding trade, bills and other receivables and did not identify any impairment loss (six months ended June 30, 2016: approximately HK\$18,000).

12. 應收貿易賬款、應收票據及其他應收款項

本集團給予其貿易客戶的信貸期平均為60日至120日。於報告期末，應收貿易賬款及應收票據（扣除呆賬撥備後）按發票日期（即大概相應收入確認的日期）所呈列的賬齡分析如下：

於本期間，董事已審閱若干長期尚未償還應收貿易賬款、應收票據及其他應收款項的賬面值，並無識別任何減值虧損（截至二零一六年六月三十日止六個月：約18,000港元）。

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簡明綜合財務報表附註(續)

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13. TRADE, BILLS AND OTHER PAYABLES

The following is an aged analysis of trade and bills payables, presented based on the invoice date at the end of the reporting periods:

13. 應付貿易賬款、應付票據及其他應付款項

於報告期末，應付貿易賬款及應付票據按發票日期所呈列的賬齡分析如下：

		June 30, 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	December 31, 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0 – 30 days	0至30日	172,102	239,087
31 – 90 days	31至90日	88,617	67,798
91 – 360 days	91至360日	99,226	121,082
More than 360 days	超過360日	2,451	7,386
Other payables	其他應付款項	362,396 155,687	435,353 140,238
Total trade, bills and other payables	應付貿易賬款、應付票據及 其他應付款項總額	518,083	575,591

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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14. BANK AND OTHER BORROWINGS

14. 銀行及其他借貸

		June 30, 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	December 31, 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Bank loans	銀行借貸	316,082	328,246
Other loans	其他借貸	177,898	63,475
		493,980	391,721
Analysed as:	分析如下：		
Secured	有抵押	217,212	308,683
Unsecured	無抵押	276,768	83,038
		493,980	391,721

During the period, the Group raised bank and other loans in the amount of approximately HK\$329,607,000 (six months ended June 30, 2016: approximately HK\$293,830,000) and repaid bank and other loans of approximately HK\$237,884,000 (six months ended June 30, 2016: approximately HK\$315,285,000).

The variable rates of bank and other borrowings carry interests at LIBOR plus a spread. The ranges of effective interest rates on borrowings are at range of 1.9% to 12.00% per annum as at June 30, 2017 (June 30, 2016: 1.42% to 12.00% per annum).

於本期間，本集團新造銀行及其他貸款約329,607,000港元（截至二零一六年六月三十日止六個月：約293,830,000港元）並已償還銀行及其他貸款約237,884,000港元（截至二零一六年六月三十日止六個月：約315,285,000港元）。

銀行及其他貸款之浮動利率主要根據倫敦銀行同業拆息而定。於二零一七年六月三十日，借貸的有效年利率介乎1.9%至12.00%（二零一六年六月三十日：年利率介乎1.42%至12.00%）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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15. SHARE CAPITAL

15. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元的普通股		
Issued and fully paid	已發行及繳足		
At December 31, 2016 and June 30, 2017	於二零一六年十二月三十一日及 二零一七年六月三十日	1,311,530,134	131,153

16. RELATED PARTY TRANSACTIONS

16. 關連人士交易

(i) Transactions

(i) 交易

The Group had the following related party transaction:

本集團曾進行以下關連人士交易：

Relationship 關係	Nature of transaction 交易性質	For six months ended June 30, 截至六月三十日 止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Associate 聯營公司	Sales of goods 銷售貨品	11,694	19,681
	Interest income 利息收入	791	501

(ii) Balances

(ii) 結餘

Details of the Group's balances with related party are set out in the condensed consolidated statement of financial position and in note 10.

本集團與關連人士的結餘詳情載於簡明綜合財務狀況表以及附註10。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

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16. RELATED PARTY TRANSACTIONS (Continued)

(iii) Compensation of key management personnel

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

		For six months ended June 30, 截至六月三十日 止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Short-term benefits	短期福利	7,228	6,676
Post-employment benefits	僱員退休福利	150	144
		7,378	6,820

In the opinion of the directors, the remuneration of directors and key executives is determined having regard to the performance of individuals and market trends.

16. 關連人士交易 (續)

(iii) 主要管理人員的補償

期內董事及主要管理層其他成員的酬金如下：

董事認為，董事及主要行政人員的酬金乃經考慮個別表現及市場趨勢而釐定。

17. ARBITRATION

On September 29, 2011, the Group entered into a conditional agreement (the "Agreement") with an independent individual third party (the "Original Shareholder") and Technosat Technology JLT FZE ("Technosat", a company incorporated in Dubai, which was wholly owned by the Original Shareholder), to subscribe for 375 new shares in Technosat at a cash consideration of US\$7,500,000 (equivalent to HK\$58,170,000), amounting to 15% of Technosat's enlarged capital. Technosat is set up to be engaged in operation of digital TV and radio platform, pay TV channel, and sales and supply of TV set top boxes.

17. 仲裁

於二零一一年九月二十九日，本集團與一名獨立個人第三方（「原股東」）及Technosat Technology JLT FZE（「Technosat」，一間於杜拜註冊成立的公司，由原股東全資擁有）訂立一份有條件協議（「該協議」），以現金代價7,500,000美元（相當於58,170,000港元）認購Technosat之375股新股份，即Technosat經擴大股本的15%。Technosat的成立目的為從事營運數字電視及廣播平臺、付費電視頻道以及銷售及供應機頂盒。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

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17. ARBITRATION (Continued)

As at June 30, 2012, the Group had paid a deposit of US\$2,500,000 (equivalent to HK\$19,467,000) to Technosat to acquire new shares in Technosat which was fully provided for impairment in prior year. Pursuant to the terms of the Agreement, the Group is required to pay a further US\$5,000,000 in relation to the subscription of this 15% equity interest in Technosat. The subscription is not yet completed up to the date of approval of this report as the conditions precedent of the subscription of new shares in Technosat including the consent and approval by government authority in Dubai has not been fulfilled.

Despite the Group's repeated request for information, there were no satisfactory response from the Original Shareholder or Technosat ("Counterparties") regarding the current status and the procurement of obtaining government approval from the government authority in Dubai. The Group has engaged legal counsel to act for the Group and started dispute resolution proceedings against the Original Shareholder and Technosat.

On January 21, 2013, the legal counsel of the Original Shareholder and Technosat served a notice to the Group's legal counsel for a claim on the further payment of US\$5,000,000 in relation to the subscription of this 15% equity interest in Technosat.

The Group's legal counsel has replied on behalf of the Group on February 11, 2013 in response to the claim of the Original Shareholder and Technosat defending the claim as the directors of the Company consider such claim invalid, as the conditions precedent of the subscription of new shares in Technosat had not been fulfilled and constituted a breach of the Agreement.

The Group's legal counsel had repeated request on the Original Shareholder and Technosat to commence the next step on mediation, but there were no satisfactory response from the legal counsel of the Original Shareholder and Technosat up to the deadline set by August 2014. At the date of approval of this report, the Group's legal counsel is in the process for arrangement to submit for the next step on arbitration.

17. 仲裁 (續)

於二零一二年六月三十日，本集團已向Technosat支付訂金2,500,000美元（相當於19,467,000港元），以收購Technosat的新股份，該等新股已於去年悉數計提減值撥備。根據該協議的條款，本集團須就認購Technosat該15%股本權益進一步支付5,000,000美元。由於完成認購Technosat新股份的先決條件（包括取得杜拜政府部門的同意及批准）尚未達成，故認購事項於截至本報告獲批准當日尚未完成。

儘管本集團一再要求原股東或Technosat（「對手方」）提供關於徵求杜拜政府部門批准的現況及促使取得有關批准，但對手方未有令人滿意的回應。本集團已委聘法律顧問以代本集團行事，並針對原股東及Technosat展開糾紛調解程序。

於二零一三年一月二十一日，原股東及Technosat的法律顧問向本集團的法律顧問送達一份通知，申索有關認購Technosat該15%股本權益的進一步款項5,000,000美元。

本集團的法律顧問於二零一三年二月十一日代表本集團回覆原股東及Technosat的申索，就申索提出抗辯，原因為本公司董事認為由於認購Technosat新股份的先決條件尚未達成，即構成違反該協議，故該項申索屬無效。

本集團的法律顧問已覆述向原股東及Technosat提出開展下一步調解的要求，惟截至二零一四年八月的既定期限，仍未獲得原股東及Technosat的法律顧問的滿意回覆。於本報告獲批准當日，本集團的法律顧問現正準備提出進一步仲裁的安排。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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18. LITIGATIONS

(1) HCA 2948/2016

On November 29, 2016, the Company received a writ of summons ("Writ 1") filed by Zhi, Charles as the Plaintiff (the "Plaintiff") against (i) Mr. Hung Tsung Chin (an executive director), (ii) Ms. Chen Mei Huei, (iii) Mr. Liao Wen I, (iv) Mr. Akihiro Nagahara ("Mr. Nagahara"), (v) Mr. Sia Meow Leng, (vi) the Underwriter and (vii) the Company (collectively "Writ 1 All Parties") as the defendants under action number HCA 2948/2016 in the Court. Details of the writ of summons were set out in the announcement of the Company dated November 29, 2016.

On April 10, 2017, the Company received a summons under action number HCA 2948/2016 filed by the Plaintiff against Writ 1 All Parties ("Summons 1"). Pursuant to Summons 1, the Plaintiff applies for an order that (i) the Company to refrain from further pursuing the Open Offer until it obtains the necessary validation order; and (ii) the Company to refrain from pursuing the Open Offer until the Company obtains the approval or clarification from the Securities and Futures Commission for whitewash waiver. At the hearing held on April 13, 2017, the application by the Plaintiff for an injunction order in Summons 1 was dismissed by the Court with costs payable by the Plaintiff to the defendants, including the Company.

18. 法律訴訟

(1) HCA 2948/2016

於二零一六年十一月二十九日，本公司收到由Zhi, Charles作為原告人（「原告人」）對(i)洪聰進先生（執行董事）；(ii)陳美惠女士；(iii)廖文毅先生；(iv)長原彰弘先生（「長原先生」）；(v)謝妙龍先生；(vi)包銷商；及(vii)本公司（統稱為「傳訊令狀1所有人士」）作為被告人，發出法院訴訟編號為HCA 2948/2016號的傳訊令狀（「傳訊令狀1」）。傳訊令狀之詳情載於本公司日期為二零一六年十一月二十九日之公佈。

於二零一七年四月十日，本公司收到原告人向傳訊令狀1所有人士發出訴訟編號為HCA 2948/2016號之傳票（「傳票1」）。根據傳票1，原告人申請要求(i)本公司在取得需要的認可令前，不得進一步尋求公開發售；及(ii)本公司在取得證券及期貨事務監察委員會批准或澄清清洗豁免前，不得尋求公開發售。於二零一七年四月十三日的聆訊中，原告人於傳票1內申請之禁制令已遭法院駁回，費用應由原告人向被告人（包括本公司）支付。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

18. LITIGATIONS (Continued)

(1) HCA 2948/2016 (Continued)

On May 17, 2017, the Company's legal representative received a facsimile from the Official Receiver's Office informing the Company that the Plaintiff was adjudged bankrupt (the "Bankrupt") on April 26, 2017 in HCB 5395/2016 and the Official Receiver is appointed as the provisional trustee of the property of the Bankrupt. The Official Receiver stated that by operation of section 12(1) and 58(1) of the Bankruptcy Ordinance (Cap 6), on the making of a bankruptcy order, all the property of a bankrupt including all things in action shall vest in the Official Receiver. The effect of the bankruptcy order is that the Bankrupt is divested of and ceased to have any interests in, either his assets or his liabilities. The Bankrupt would have no locus to commence or proceed with the Proceedings unless the Official Receiver agrees to assign the right of action to him. The Official Receiver also stated that, after considering all of the relevant documents, it will not adopt the proceeding under court action HCA 2948/2016.

At the hearing held on May 19, 2017, after considering the notice of discontinuance filed by the Bankrupt, the stance of the Official Receiver and the submissions of the Company's legal representatives, the Court dismissed the court action HCA 2948/2016 against the Company, Hung Tsung Chin, Chen Mei Huei and Liao Wen I with costs to be paid by the Bankrupt.

18. 法律訴訟 (續)

(1) HCA 2948/2016 (續)

於二零一七年五月十七日，本公司法律代表收到一份由破產管理署傳真通知原告人於二零一七年四月二十六日就HCB 5395/2016被判定破產（「破產人」），破產管理署署長被委任成為破產人財產的臨時受託人。破產管理署署長表示根據破產條例（第6章）第12(1)及58(1)條，在作出破產令時，將破產人的全部財產包括在訴訟行動須歸屬破產管理署署長。破產令的影響是破產人的資產或負債已被剝奪及不再具有任何權益。除非破產管理署署長同意向他轉讓訴訟權，否則破產人不會開始或進行任何訴訟。經考慮所有有關文件後，破產管理署署長亦表示將不會採取法律訴訟HCA 2948/2016項下之訴訟。

於二零一七年五月十九日的聆訊中，在考慮破產人已登記的中止通知書、破產管理署署長的意見及本公司法律代表的意見後，法院駁回了針對本公司、洪聰進、陳美惠及廖文毅之法律訴訟HCA 2948/2016，費用將由破產人支付。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

18. LITIGATIONS (Continued)

(2) HCA 3346/2016

On December 22, 2016, the Company received another writ of summons ("Writ 2") filed by the Plaintiff against (i) Mr. Hung Tsung Chin, (ii) Ms. Chen Mei Huei, (iii) Mr. Liao Wen I, (iv) Mr. Frank Karl-Heinz Fischer, (v) Mr. Chen Wei Chun (an executive director), (vi) Yuming Investment Management Limited and (vii) the Company (collectively "Writ 2 All Parties") as the defendants under action number HCA 3346/2016 in the Court.

In the Writ 2, the Plaintiff claimed for (i) a declaration that Writ 2 All Parties have committed an offence under Part XV of the SFO which requires directors, chief executive and substantial shareholders to disclose their interests in the shares and debentures of the Company; (ii) a declaration that Mr. Hung Tsung Chin, Ms. Chen Mei Huei, Mr. Liao Wen I, Mr. Frank Karl-Heinz Fischer and Mr. Chen Wei Chun have breached their fiduciary duties to the Company; (iii) a declaration that Yuming Investment Management Limited, willfully and knowingly advised the Company to hide critical information about the connected parties on proposed Open Offer and Specific Mandate, announced by the Company on October 24, 2016; (iv) an order for clarification announcement that the Stock Exchange was not oppressive but not ruled based; and (v) an order for the Company to exert its power under Section 329 of SFO to investigate the holders of interests in its shares and Debentures. Please refer to announcement dated December 22, 2016 for further details.

The hearing of summons under court action number HCA 3346/2016 is scheduled to be heard on August 30, 2017.

18. 法律訴訟 (續)

(2) HCA 3346/2016

於二零一六年十二月二十二日，本公司收到由原告人對(i)洪聰進先生；(ii)陳美惠女士；(iii)廖文毅先生；(iv) Frank Karl-Heinz Fischer先生；(v)陳偉鈞先生（執行董事）；(vi) Yuming Investment Management Limited；及(vii)本公司（統稱為「傳訊令狀2所有人士」）作為被告人，發出法院訴訟編號為HCA 3346/2016號的另一項傳訊令狀（「傳訊令狀2」）。

在傳訊令狀2中，原告人：(i)聲稱傳訊令狀2所有人士均觸犯根據證券及期貨條例第XV部所規定董事、最高行政人員及主要股東須披露其在本公司股份及債權證中的權益；(ii)聲稱洪聰進先生、陳美惠女士、廖文毅先生、Frank Karl-Heinz Fischer先生及陳偉鈞先生違反對本公司的信託義務；(iii)聲稱Yuming Investment Management Limited故意及知情地建議本公司隱藏關於本公司於二零一六年十月二十四日公佈建議公開發售及特別授權之關連人士之重要資料；(iv)命令作出聯交所並沒有壓迫，且也不根據條例的澄清公佈；及(v)命令本公司根據證券及期貨條例第329條行使其權力，調查其股份及債權證權益持有人。進一步詳情請參閱日期為二零一六年十二月二十二日之公佈。

法院訴訟編號為HCA 3346/2016之傳票之聆訊訂於二零一七年八月三十日審理。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

18. LITIGATIONS (Continued)

(3) HCMP 284/2017

On February 11, 2017, the Company received another writ of summons ("Writ 3") filed by the Plaintiff, Kim Sungho, Kim Kyungsoo, Lim Hang Young and Joung Jong Hyun as the plaintiffs (the "Writ 3 Plaintiffs") against the Company, executive directors of the Company, the auditor of the Company and other party as the defendants (the "Writ 3 Defendants") under action number HCMP 284/2017 in the Court. Details of the writ of summons are set out in the announcement of the Company dated February 13, 2017.

In the Writ 3, the Writ 3 Plaintiffs claim against the Writ 3 Defendants for, among others, the following orders: (i) the Writ 3 Defendants produce the copies of all ledger accounts of the Company, relating to the impairment losses of loans and receivables of the Company, in its 2015 Annual Report, caused by the operations in Nepal of the Company, through its subsidiaries, associate companies, agents or connected parties; (ii) the Writ 3 Defendants produce the copies of all the corresponding and related documents in paragraph (i) above; (iii) the Writ 3 Defendants produce the copies of all communications between the auditor of the Company and the Company regarding among their directors and any of their agents, pertinent to the alleged connected transactions, and (iv) the copies of the documents be inspected by the Writ 3 Plaintiffs and Financial Reporting Council, which will then make necessary complaints as it deems fit.

18. 法律訴訟 (續)

(3) HCMP 284/2017

於二零一七年二月十一日，本公司收到由原告人、Kim Sungho、Kim Kyungsoo、Lim Hang Young及Joung Jong Hyun作為原告人（「傳訊令狀3原告人」）對本公司、本公司之執行董事、本公司之核數師及其他人士作為被告人（「傳訊令狀3被告人」），發出法院訴訟編號為HCMP 284/2017號的另一項傳訊令狀（「傳訊令狀3」）。傳訊令狀的詳情載於本公司日期為二零一七年二月十三日的公佈內。

在傳訊令狀3中，傳訊令狀3原告人聲稱並就（其中包括）以下命令向傳訊令狀3被告人提出申索：(i)傳訊令狀3被告人出示其在二零一五年年報中由於尼泊爾的業務，有關本公司通過其附屬公司、聯營公司、代理或關連方導致本公司貸款和應收款項減值損失相關的分類賬賬目的副本；(ii)傳訊令狀3被告人出示如上段落(i)中所有相應及相關文件的副本；(iii)傳訊令狀3被告人出示本公司之核數師與本公司之間有關彼等之董事或任何彼等之代理涉及被指控之關連交易之所有通訊文件副本；及(iv)向傳訊令狀3原告人及財務匯報局提供相關文件的副本，以便他們採取他們認為適當必要的投訴。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

18. LITIGATIONS (Continued)

(3) HCMP 284/2017 (Continued)

On April 10, 2017, the Company received a summons under action number HCMP 284/2017 filed by the Writ 3 Plaintiffs against the Writ 3 Defendants ("Summons 2"). Pursuant to Summons 2, the Writ 3 Plaintiffs applied for an order that (i) the Company to refrain from further pursuing the production of the annual report for the fiscal year-end 2016 until it obtains the necessary validation order for certain disposal of assets; and (ii) the auditor of the Company to refrain from providing the audit opinion for the fiscal year-end 2016 until the Company obtains the validation order and the auditor of the Company clarifies the problem debts in the 2015 Annual Report.

At a Court hearing held on April 13, 2017, the application by Zhi Charles ("1st Plaintiff") for an injunction order in the Summons 2 under court action HCMP 284/2017 was dismissed by the Court with costs payable by the 1st Plaintiff to the defendants, including the Company, who were present at the hearing.

(4) HCCW 90/2017

On March 23, 2017, the Company received a petition dated March 23, 2017 filed by Zhi, Charles ("Petitioner") against the Company, directors of the Company and other party ("Respondents") in the proceedings in HCCW 90/2017. Details of the petition are set out in the announcement of the Company dated March 23, 2017.

18. 法律訴訟 (續)

(3) HCMP 284/2017 (續)

於二零一七年四月十日，本公司收到傳訊令狀3原告人向傳訊令狀3被告人發出訴訟編號為HCMP 284/2017號之傳票（「傳票2」）。根據傳票2，傳訊令狀3原告人申請命令(i)本公司在取得必要的認可令處置若干資產前，不得進一步印發二零一六年財政年度之年報；及(ii)本公司之核數師在本公司取得認可令及本公司之核數師澄清於二零一五年年報內的問題債務前，不得提供二零一六年財政年度之審計意見。

於二零一七年四月十三日舉行之法院聆訊，Zhi Charles（「第一原告人」）於法律訴訟HCMP 284/2017項下之傳票2的禁制令申請已被法院駁回，並判令第一原告人向出席聆訊的被告人（包括本公司）支付訟費。

(4) HCCW 90/2017

於二零一七年三月二十三日，本公司接獲由Zhi, Charles（「原告人」）於二零一七年三月二十三日向法院提出，對本公司、本公司董事及其他方（「被告人」）發出的呈請書HCCW 90/2017。呈請書的詳情載於本公司日期為二零一七年三月二十三日的公佈內。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

18. LITIGATIONS (Continued)

(4) HCCW 90/2017 (Continued)

Pursuant to the Petition, the Petitioner petitioned for (i) an order that the Company be wound up by the Court under the provisions of the Companies (Winding-Up and Miscellaneous Provisions) Ordinance; (ii) an order that the Company identify all the shares associated with and warehoused by the 2nd Respondent and cancel them; (iii) an order that the Company identify all the loans of the Company used for the money laundering purposes and have the 2nd to 10th Respondents to make the loan repayments for the Company; (iv) an order that the 2nd to 10th Respondents make equitable and adequate compensation to the Company for unfair and prejudicial, in amount no less than HK\$250,000,000; and (v) such other order and costs may be made in the premises as shall be just.

On March 29, 2017, a striking-out summons was filed by the Company to apply for an order to strike out the Petition in the Court. On April 21, 2017, the Petition was struck out and the proceedings therein was dismissed by the Court.

(5) HCMP 1044/2017

The Company received an originating summons (the "Summons 3") on May 5, 2017 filed by Fung Chuen as the plaintiff (the "Summons 3 Plaintiff") against the Company as the defendant under action number HCMP 1044/2017 in the Court. Details of the Summons 3 are set out in the announcement of the Company dated May 5, 2017.

18. 法律訴訟 (續)

(4) HCCW 90/2017 (續)

根據呈請書，原告人要求以下命令：(i)由法院要求本公司依照公司（清盤及雜項條文）條例的指引清盤；(ii)要求本公司辨別所有與第二被告人有關且代持的股份，並將該等股份撤銷；(iii)要求本公司辨別所有作為洗錢用途的本公司貸款，並由第二至第十被告人向本公司償還貸款；(iv)要求第二至第十被告人因不公平且有偏袒的行為，向本公司作出公平及充分的賠償，賠償金額不低於250,000,000港元；及(v)其他命令及相關費用可在公平合理的前提下進行。

於二零一七年三月二十九日，本公司已就申請撤銷令提交傳票。於二零一七年四月二十一日，呈請書已被法院撤銷及其法律訴訟已被法院駁回。

(5) HCMP 1044/2017

於二零一七年五月五日，本公司收到由馮泉（作為原告人，「傳票3原告人」）向本公司（作為被告人）發出法院訴訟編號為HCMP 1044/2017號的原訴傳票（「傳票3」）。傳票3之詳情載於本公司日期為二零一七年五月五日之公佈。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

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截至二零一七年六月三十日止六個月

18. LITIGATIONS (Continued)

(5) HCMP 1044/2017 (Continued)

In the Summons 3, the Summons 3 Plaintiff applies to the Court for, among others, the following orders (the "Application"):

- (i) The Summons 3 Plaintiff and/or his authorized agent be authorized to inspect and make copies of the documents in relation to the investment in Dish Media and the Debtors;
- (ii) The Summons 3 Plaintiff and/or his authorized agent be authorized to inspect and make copies of the documents in relation to the investment in MyHD; and
- (iii) The Summons 3 Plaintiff and/or his authorized agent be authorized to inspect and make copies of the documents in relation to the open offer announced by the Company on October 24, 2016 and the Open Offer.

The Company was advised by its Hong Kong legal advisers in relation to the aforesaid litigations of the Group that if the Application is granted by the Court, the likely orders which would be made by the Court are that the Summons 3 Plaintiff and its authorised agent will be entitled to inspect and make copies of the requested documents (in full or in part), and that the Company shall pay costs of the Application to the Summons 3 Plaintiff (to be taxed if not agreed).

The hearing of summons was scheduled to be heard on September 25, 2017.

18. 法律訴訟 (續)

(5) HCMP 1044/2017 (續)

在傳票3中，傳票3原告人向法院申請（其中包括）以下命令（「申請」）：

- (i) 傳票3原告人及／或其授權代理人被授權查閱及複印有關投資Dish Media及債務人之文件；
- (ii) 傳票3原告人及／或其授權代理人被授權查閱及複印有關投資MyHD之文件；及
- (iii) 傳票3原告人及／或其授權代理人被授權查閱及複印有關本公司於二零一六年十月二十四日公佈之公開發售及公開發售之文件。

本公司就上述本集團訴訟獲其香港法律顧問告知，倘申請獲法院批准，法院有可能作出的命令為傳票3原告人及其授權代理人將有權查閱及複印所要求之文件（全部或部份），且本公司應向傳票3原告人支付申請費（倘未能議定，由法院評定）。

傳票之聆訊訂於二零一七年九月二十五日審理。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

18. LITIGATIONS *(Continued)*

(6) HCCW 207/2017

On July 6, 2017, the Company received a winding up proceeding dated July 5, 2017 ("Winding-Up Petition") filed by Fung Chuen ("Winding Up Petitioner") against the Company ("1st Winding-Up Respondent"), Mr. Hung Tsung Chin ("2nd Winding-Up Respondent") and Ms Chen Mei Huei ("3rd Winding-Up Respondent") in the proceedings in HCCW 207/2017.

Pursuant to the Winding-Up Petition, the Winding Up Petitioner petitioned for (i) an order that the Company be wound up by the Court under section 327(3)(c) of the Companies (Winding-Up and Miscellaneous Provisions) Ordinance (Cap.32) of the Laws of Hong Kong; (ii) an order that a liquidator be appointed by the Court to investigate into the affairs of the Company upon the winding-up of the Company; (iii) an order that the 2nd and/or 3rd Winding-Up Respondents do account to the Company for such payments or dispositions which they had procured to be made for their own benefit and/or for the benefit of entities substantially owned or controlled by them and or other than for the Company's proper purpose and operation of its business; (iv) an order that costs of the Petitioner and the Company be paid by the 2nd and 3rd Winding-Up Respondents and (v) such other order as the Court thinks fit and appropriate.

18. 法律訴訟 (續)

(6) HCCW 207/2017

於二零一七年七月六日，本公司接獲由馮泉（「清盤原告人」）於二零一七年七月五日向法院提出，對本公司（「第一清盤被告人」）、洪聰進先生（「第二清盤被告人」）及陳美惠女士（「第三清盤被告人」）發出的清盤呈請書（「清盤呈請書」），訴訟編號為HCCW 207/2017號。

根據清盤呈請書，清盤呈請人要求以下命令：(i)由法院命令本公司依照香港法例第32章公司（清盤及雜項條文）條例第327(3)(c)條的指引清盤；(ii)由法院委任清盤人於本公司清盤後對本公司事務進行調查；(iii)第二及／或第三清盤被告人為其自身利益及／或為其實質上擁有或控制的實體的公司利益及／或為本公司的適當目的及經營業務之外的其他事項而作出的這種付款或處置的交易負責；(iv)呈請人及本公司的費用由第二及第三清盤被告人支付；及(v)法院認為合適及適當的其他命令。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

18. LITIGATIONS (Continued)

(6) HCCW 207/2017 (Continued)

On July 10, 2017, a summons to apply for a validation order was filed by the Respondents. At the hearing held on August 17, 2017, a validation order was granted by the Court in the terms as follows: the following disposition of property and transfer of shares of the Company shall not be void by virtue of the provisions of section 182 of the Companies Ordinance (Cap 32) of Laws of Hong Kong: (a) payment made (or to be made) into and out of the Company's bank account in the ordinary course of business of the Company between the date of presentation of the Petition and the date of judgment on the Petition; (b) disposition of property of the Company made (or to be made) in the ordinary course of business for proper value between the date of presentation of the Petition and the date of judgment on the Petition; and (c) allotment and issuance of 1,967,295,201 shares of the Company pursuant to the Open Offer and use of the proceeds from the Open Offer by the Company. The Court has also ordered the Petitioner to pay the costs of the validation order to the 1st, 2nd and 3rd Respondents.

The hearing of Winding-Up Petition was scheduled to be heard on September 6, 2017.

18. 法律訴訟 (續)

(6) HCCW 207/2017 (續)

於二零一七年七月十日，被告人提交申請認可令之傳票。於二零一七年八月十七日進行之聆訊，法院已頒授認可令，在有關條款下，就本公司處理以下財產和轉讓股份時不得憑藉香港法例第32章公司條例第182條的規定視為無效：(a)本公司於提交清盤呈請書日期和清盤呈請書判決日期間就本公司日常業務過程中於本公司之銀行賬戶轉入及轉出之支付（或將支付）的付款；(b)本公司於提交清盤呈請書日期和清盤呈請書判決日期間就本公司日常業務過程中作出（或將作出）之任何合理價值之產權處置；及(c)根據公開發售配發及發行本公司1,967,295,201股股份及使用本公司公開發售所得款項。法院亦判令原告人向第一被告人、第二被告人及第三被告人支付申請認可令的費用。

清盤呈請書之聆訊訂於二零一七年九月六日審理。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED JUNE 30, 2017

截至二零一七年六月三十日止六個月

19. EVENTS AFTER THE REPORTING PERIOD

On March 20, 2017, the Company announced to raise approximately HK\$236.1 million before expenses for three Open Offer Shares for every two shares of the Company then in issue held on the record date at the subscription price of HK\$0.12 per Open Offer Share by way of Open Offer of 1,967,295,201 Open Offer Shares. The Completion of Open Offer took place on July 19, 2017. 1,967,295,201 Open Offer Shares were allotted and issued pursuant to the Open Offer and the net proceeds after deduction of expenses from the Open Offer were approximately HK\$220.5 million. Details of the Open Offer disclosed in the announcements of the Company dated March 20, 2017, June 15, 2017 and July 18, 2017; the circular of the Company dated May 24, 2017; and the prospectus of the Company dated June 28, 2017.

Based on the net proceeds after deduction of expenses from the Open Offer of approximately HK\$220.5 million, the Company intends to apply for such net proceeds as at (i) HK\$138.5 million for repayment of bank and other borrowings of the Group; (ii) HK\$67 million for the development of the Direct-to-Home satellite television service in Middle East, Mediterranean and Africa; and (iii) HK\$15 million for general working capital of the Group.

19. 報告期後發生的事項

於二零一七年三月二十日，本公司宣佈透過按於記錄日期每持有兩股當時已發行之本公司股份獲發三股公開發售股份之基準按認購價每股公開發售股份0.12港元公開發售1,967,295,201股公開發售股份之方式籌集約236,100,000港元（扣除開支前）。公開發售已於二零一七年七月十九日完成。1,967,295,201股公開發售股份已根據公開發售獲配發及發行，公開發售所得款項淨額（扣除開支後）約為220,500,000港元。公開發售詳情披露於本公司日期為二零一七年三月二十日、二零一七年六月十五日及二零一七年七月十八日之公佈；本公司日期為二零一七年五月二十四日之通函；及本公司日期為二零一七年六月二十八日之售股章程。

基於公開發售之所得款項淨額（扣除開支後）約為220,500,000港元，本公司擬將該等所得款項淨額中之(i)138,500,000港元用作償還本集團之銀行及其他借貸；(ii)67,000,000港元用作於中東、地中海及非洲發展直接入屋衛星電視服務；及(iii)15,000,000港元用作本集團之一般營運資金。

SANDMARTIN INTERNATIONAL
HOLDINGS LIMITED
聖馬丁國際控股有限公司

