

PEGASUS ENTERTAINMENT HOLDINGS LIMITED 天馬影視文化控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code / 股份代號 : 1326



ANNUAL REPORT
2016 / 17
年報

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Corporate Information

公司資料

Board of Directors (The "Board")

Executive Directors
Mr. Wong Pak Ming (*Chairman*)
Ms. Wong Yee Kwan Alvina
Mr. Wong Chi Woon Edmond

董事會 (「董事會」)

執行董事
黃栢鳴先生 (主席)
黃漪鈞女士
黃子桓先生

Independent Non-Executive Directors
Mr. Lam Kam Tong
Mr. Lo Eric Tien-cheuk
Mr. Tang Kai Kui Terence

獨立非執行董事
林錦堂先生
羅天爵先生
鄧啟駒先生

Audit committee

Mr. Lam Kam Tong (*Chairman*)
Mr. Lo Eric Tien-cheuk
Mr. Tang Kai Kui Terence

審核委員會

林錦堂先生 (主席)
羅天爵先生
鄧啟駒先生

Nomination committee

Mr. Lo Eric Tien-cheuk (*Chairman*)
Mr. Lam Kam Tong
Mr. Tang Kai Kui Terence

提名委員會

羅天爵先生 (主席)
林錦堂先生
鄧啟駒先生

Remuneration committee

Mr. Tang Kai Kui Terence (*Chairman*)
Mr. Lam Kam Tong
Mr. Lo Eric Tien-cheuk

薪酬委員會

鄧啟駒先生 (主席)
林錦堂先生
羅天爵先生

Company secretary

Mr. Chan Chi Ming CPA FCCA

公司秘書

陳志明先生，香港會計師，
特許公認會計師公會資深會員

Compliance officer

Ms. Wong Yee Kwan Alvina

合規主任

黃漪鈞女士

Authorised representatives

Mr. Wong Pak Ming
Mr. Chan Chi Ming

授權代表

黃栢鳴先生
陳志明先生

Registered office

Cricket Square Hutchins Drive
P. O. Box 2681
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Cayman Islands

註冊辦事處

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P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

**Headquarter and principal
place of business in
Hong Kong**

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Quarry Bay
Hong Kong

**香港總部及
主要營業地點**

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華蘭路20號
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Company's website

www.pegasusmovie.com

公司網站

www.pegasusmovie.com

**Principal share registrar and
transfer office**

**Codan Trust Company
(Cayman) Limited**
Cricket Square
Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

**主要股份過戶
登記處**

**Codan Trust Company
(Cayman) Limited**
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

**Hong Kong branch share
registrar and transfer office**

Tricor Investor Services Limited
Level 22
Hopewell Centre
183 Queen's Road East
Hong Kong

**香港股份過戶
登記分處**

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心
22樓

Principal banker

Bank of China (Hong Kong) Limited
1 Garden Road, Central
Hong Kong

主要往來銀行

中國銀行(香港)有限公司
香港
中環花園道1號

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F One Pacific Place
88 Queensway
Hong Kong

核數師

德勤•關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場一座35樓

Chairman's Statement 主席報告



Dear Shareholders,

On behalf of Pegasus Entertainment Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), I am pleased to present to you the Group's annual report for the year ended 30 June 2017 (the "year under review").

Business Review

During the year under review, the film industry in the People's Republic of China (the "PRC") has maintained steady growth in terms of box office receipts, number of new cinemas and cinema screens. According to the State Administration of Press, Publication, Radio, Film and Television (國家新聞出版廣電總局) ("SAPPRFT"), the total national box office receipts in the first half of 2017 increased 10.49% to approximately Renminbi ("RMB") 27.2 billion from the corresponding period in 2016. The number of new cinemas and new cinema screens were 460 and 2,584, respectively in the first half of 2017. With the total number of cinema screens reaching over 45,000, the PRC has officially overtaken the United States to become the country with most cinema screens around the globe. The cinema's admissions in the PRC were reached to approximately 781 million in the first half of 2017, representing a period-on-period growth of 7.92%. On the other hand, total box office receipts in Hong Kong slightly dropped about 4.2% in the first half of 2017; however, the Group believes that this is just a healthy adjustment, and the industry is still on the right developmental track for continuous growth.

各位股東：

本人謹代表天馬影視文化控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)，欣然向閣下呈報本集團截至2017年6月30日止年度(「回顧年度」)的年報。

業務回顧

於回顧年度內，中華人民共和國(「中國」)電影產業在票房收入、新電影院數量及影院屏幕數量方面均保持穩步增長。根據國家新聞出版廣電總局(「廣電總局」)的資料，與2016年同期相比，2017年上半年全國總票房收入增加10.49%至約人民幣(「人民幣」)272億元。2017年上半年，新電影院及影院屏幕數量分別為460家及2,584塊。隨著影院屏幕總數超過45,000塊，中國已正式超越美國而成為全球電影屏幕最多的國家。2017年上半年，中國電影院錄得約7.81億觀影人次，同比增長7.92%。另一方面，2017年上半年香港總票房收入微跌約4.2%；然而，本集團認為此乃健康調整，而該產業的發展勢頭依然強勁。

Regarding our film production business, the Group has released two films, namely "Bounty Hunters" (賞金獵人) and "S Storm" (S風暴) during the year under review. "Bounty Hunters" (賞金獵人) was a large-scale adventure action film produced by a joint venture among the Group and production companies from Korea and the PRC, starring Lee Min Ho (李敏鎬) and Wallace Chung (鍾漢良); and "S Storm" (S風暴) was a general-scale action film and a sequel to the Group's previously released film entitled "Z Storm" (Z風暴), starring Louis Koo (古天樂) and Julian Cheung (張智霖).

In recent years, the Group has been producing multiple film genres, such as martial arts, drama, crime and romantic features, etc., aiming to reach a wider audience with different interests. We also invested in western sci-fi and animation films. For instance, the international blockbuster movie "Inversion" (tentative name), which its filming is tentatively scheduled to take place in early 2018. "Ballerina" (天使愛芭蕾), a meaningful French animated film presented by the Group dubbed voice acting by me and Stephanie Au (歐鎧淳), three-time Olympic swimmer, which debuted in Hong Kong in August 2017. We believe this diversification strategy can empower us to provide quality entertainment for the audiences in Hong Kong and the PRC as well as the international.

As for our film exhibition operations, with the overall downward adjustment of the film exhibition industry in Hong Kong, our flagship cinema complex, Cinema City Langham Place, has also recorded a slight decrease of 2.6% of the box office receipts during the year under review; however, it has still maintained the number one ranking in terms of box office receipts among all cinemas in Hong Kong over the year under review and up to August 2017. During the year under review, the Group has made efforts to explore suitable sites for opening new cinemas in order to expand our film exhibition operations. In August 2017, Cinema City Chai Wan, the Group's second cinema in Hong Kong was officially opened. As the only cinema in Chai Wan, Cinema City Chai Wan offers a convenient entertainment experience for residents throughout the community. During the soft opening period in July 2017, the cinema was recorded a promising attendance of our cinemagoers. In the same month, Cinema City JP, the Group's third cinema in Hong Kong was also opened for trial operation and will officially commence operation in late September 2017. The encouraging response of these cinemas have fueled our confidence in the film exhibition business, and the Group will accelerate laying the groundwork for the opening of two new additional cinemas located in Causeway Bay and Tsuen Wan, slated for operation in the fourth quarter of 2017.

在電影製作業務方面，本集團於回顧年度發行了兩部電影，分別為《賞金獵人》及《S風暴》。《賞金獵人》是由本集團與來自韓國及中國的製作公司組成的合營企業製作並由李敏鎬及鍾漢良主演的大型驚險動作電影；而《S風暴》是由古天樂及張智霖主演的一般規模動作電影，為本集團早前所發行的電影《Z風暴》的續集。

近年來，本集團一直以製作武術、劇情、警匪及浪漫等各式各樣題材的電影類型，旨在吸引興趣各異的廣大觀眾。我們亦投資了國外的科幻及動畫片。例如，國際級大片《Inversion》(暫名)的拍攝暫定於2018年初進行；《天使愛芭蕾》是一部富有意義的法國動畫片，由我與三屆奧運會游泳健將歐鎧淳聲演，並已於2017年8月在香港上映。我們相信，該多元化戰略有助我們為香港、中國及國際觀眾提供優質的娛樂。

在電影放映業務方面，由於香港電影放映業整體下滑，我們的旗艦電影院Cinema City朗豪坊於回顧年度的票房收入亦錄得2.6%的輕微下跌；然而，於回顧年度及直至2017年8月，其票房收入在香港所有電影院中仍保持排名第一。於回顧年度內，本集團努力物色合適的地點開設新電影院，以擴大我們的電影放映業務。於2017年8月，本集團在香港的第二家電影院Cinema City柴灣正式開業。作為柴灣區內的唯一電影院，Cinema City柴灣為區內居民提供便利的娛樂體驗。於2017年7月的試業期間，電影院錄得可觀的觀影人數。同月，本集團在香港的第三家電影院Cinema City JP亦試運營，並將於2017年9月底正式開業。觀眾對這些電影院的理想回應提振了我們對電影放映業務的信心，而本集團將加快銅鑼灣及荃灣的兩個新增電影院的籌備工作，並預計於2017年第四季度投入運營。

Chairman's Statement

主席報告

Results for the Year and Dividend

For the year ended 30 June 2017, the Group reported total revenues of approximately Hong Kong Dollar ("HK\$") 225.6 million, representing a decrease of approximately 49.5% over the corresponding period last year. This was mainly attributable to the decrease in the revenue from film and television ("TV") series production and distribution segment. During the corresponding period last year, impressive revenue was recorded for the large-scale film "Ip Man 3" (葉問3), while during the year under review, only the contributions mainly from "S Storm" (S風暴) were reflected in the revenue total, and "Bounty Hunters" (賞金獵人) was a film jointly produced by the Group and production companies from Korea and the PRC, the results were reflected in the share of results of a joint venture. Loss attributable to owners of the Company was HK\$40.0 million during the year under review, compared with the corresponding period last year of approximately HK\$72.6 million, representing a year-on-year decrease of 44.9%, the decrease was mainly attributable to the reduction of the impairment losses recognised during the year under review.

The Board does not recommend the payment of a final dividend for the year ended 30 June 2017.

Prospects

Looking ahead, in the face of a rapid and continuous industry growth, the growth momentum has remained strong in the PRC, we will maintain the steady expansion of our core businesses based on the firm foundation as well as of our established brand we have built so far. On the one hand, we are committed to strengthen our film and TV series production and distribution operations by producing and investing in more diversified and higher quality films; on the other hand we will accelerate our progress in developing our film exhibition operations by opening more cinemas in Hong Kong and the PRC.

Appreciation

In closing, I would like to express my deep appreciation to all fellow Board members and our staff for their tireless dedication and hard work. On behalf of the Board, I would also like to thank our shareholders for their ongoing support and trust in our vision and development.

Wong Pak Ming
Chairman

Hong Kong, 28 September 2017

年度業績及股息

截至2017年6月30日止年度，本集團的總收益約為港幣(「港幣」)225.6百萬元，較去年同期下降約49.5%，主要是由於電影及電視(「電視」)劇製作及發行分部的收益下降所致。於去年同期內，大型電影《葉問3》錄得強勁的收益，而於回顧年度內，收益總額中的主要貢獻僅來自《S風暴》，《賞金獵人》則是由本集團與來自韓國及中國的製作公司所聯合製作的電影，其成果反映在應佔合營企業業績中。於回顧年度內，本公司擁有人應佔虧損為港幣40.0百萬元，較去年同期約港幣72.6百萬元同比減少44.9%，主要由於回顧年度確認的減值虧損減少所致。

董事會不建議派付截至2017年6月30日止年度的末期股息。

前景

放眼未來，面對快速而持續的行業發展，中國保持強勁增長勢頭，我們將在堅實的基礎以及迄今建立的品牌上，繼續穩步擴張我們的核心業務。一方面，我們致力於通過製作及投資更多元化的優質電影來加強電影及電視劇製作及發行業務；另一方面，我們將在香港及中國開設更多的電影院以加快發展我們的電影放映業務。

鳴謝

最後，本人對董事會成員及員工孜孜不倦的奉獻及辛勤工作致以深深的謝意；並謹代表董事會，感謝股東們的不懈支持與對我們的願景及發展的信心。

主席
黃栢鳴

香港，2017年9月28日

Management Discussion and Analysis

管理層討論及分析

Business Review

The Group is principally engaged in (i) film and TV series production, distribution and licensing of film rights, (ii) film exhibitions, (iii) post-production, and (iv) advertising, marketing and publication. The Group produces films and TV series in the Chinese language with Hong Kong and the PRC as its major markets. The Group also operates both a cinema and a post-production house in Hong Kong during the year under review.

Film and TV series production and distribution

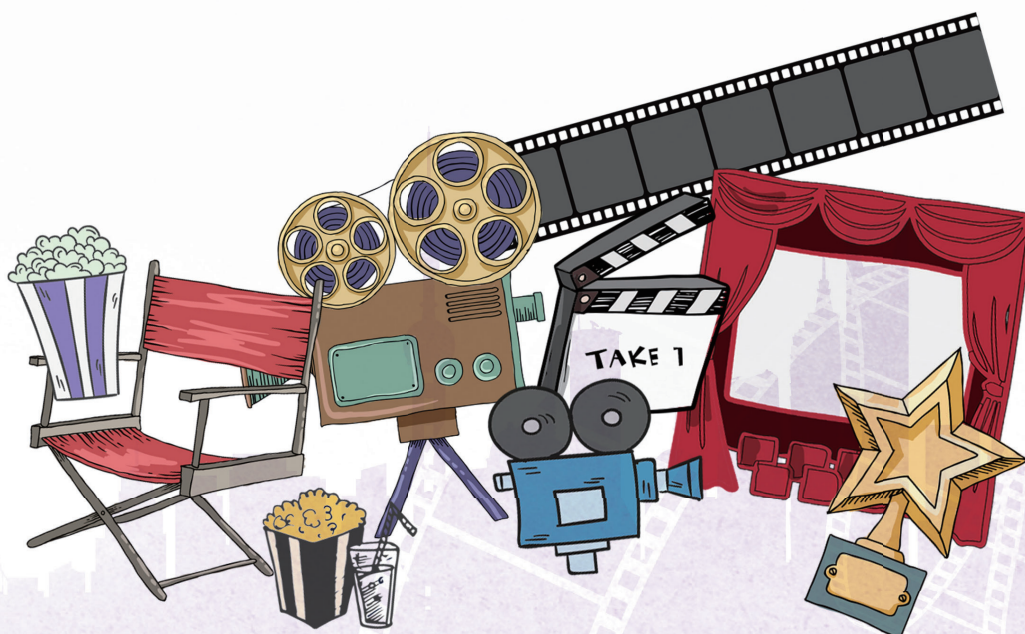
During the year under review, film and TV series production and distribution operations had remained one of the core businesses of the Group with reported revenues of approximately HK\$83.9 million, a decrease of approximately 72.1% compared to the corresponding period last year. This was because even though two films were released during the year under review, namely "Bounty Hunters" (賞金獵人) and "S Storm" (S風暴), only the contributions from "S Storm" (S風暴) were reflected in the revenue, while "Bounty Hunters" (賞金獵人) was a film jointly produced by the Group and production companies from Korea and the PRC, the results of which were reflected in the share of the results of a joint venture. During the corresponding period last year, the Group released two films, namely "Ip Man 3" (葉問3) and "Wong Ka Yan" (王家欣), however, revenues were mainly bolstered by the large-scale blockbuster "Ip Man 3" (葉問3). "Bounty Hunters" (賞金獵人) generated revenue over HK\$152.6 million to the joint venture, in return it attributed net profit to the Group of approximately HK\$13.5 million during the year under review. As a result, the profit from this business segment was decreased from HK\$56.8 million during the corresponding period last year to HK\$22.1 million during the year under review.

業務回顧

本集團主要從事(i)電影及電視劇製作、發行及授出電影發行權使用許可，(ii)電影放映，(iii)後期製作，及(iv)廣告、市場推廣及出版業務。由於香港及中國為本集團的主要市場，故本集團從事華語電影及電視劇製作。於回顧年度本集團亦於香港經營電影院及後期製作公司。

電影及電視劇製作及發行

於回顧年度內，電影及電視劇製作及發行業務仍是本集團的核心業務之一，錄得的收益約為港幣83.9百萬元，較去年同期下降約72.1%。這是由於儘管在回顧年度內上映了兩部電影，即《賞金獵人》及《S風暴》，但僅《S風暴》的貢獻數額計入收益之中；而《賞金獵人》乃由本集團與韓國及中國的製作公司聯合製作的一部電影，其業績計入應佔一間合營企業業績。於去年同期，本集團發行兩部電影，分別為《葉問3》及《王家欣》，當中，收益主要來自大型賣座電影《葉問3》。《賞金獵人》為合營企業帶來逾港幣152.6百萬元的收益，於回顧年度內為本集團貢獻純利約港幣13.5百萬元。因此，該業務分部的溢利由去年同期的港幣56.8百萬元減至回顧年度內的港幣22.1百萬元。



Management Discussion and Analysis 管理層討論及分析

Currently, the Group has a number of films and TV series in the production pipeline which are scheduled for release during the next financial year. These include two films that are in the pre-release stage: “Lucid Dreams” (八步半之喜怒哀樂), a general-scale drama film starring Kevin Cheng (鄭嘉穎), Louis Cheung (張繼聰), Dada Chan (陳靜) and Stephy Tang (鄧麗欣) and directed by Teddy Robin (泰迪羅賓); and “Tomorrow Is Another Day” (黃金花), a general-scale drama film starring Teresa Mo (毛舜筠) and Ray Lui (呂良偉). “The Invincible Dragon” (九龍不敗) is a large-scale action film starring Max Zhang (張晉) and Anderson Silva, a former UFC middleweight champion, and directed by Fruit Chan (陳果), which has now entered into the final stage of production.

In addition, several more films are scheduled to start production by the forthcoming financial year, namely, “L Storm” (L風暴), a large-scale action film and sequel to the Group’s previously released films entitled “Z Storm” (Z風暴) and “S Storm” (S風暴), starring Louis Koo (古天樂) and Julian Cheung (張智霖); along with “Ip Man 4” (葉問4), the forth sequel in the “Ip Man” (葉問) film series starring Donnie Yen (甄子丹).

Other than film production, the Group has been extending its scope of film development by investing in a number of movies across different genres and from different countries in order to cater to wider audience interests. Subsequent to the year under review, the Group invested in the distribution of a meaningful French animated film “Ballerina” (天使愛芭蕾) that was released in August 2017, voice acting by Mr. Wong Pak Ming (黃栢鳴), the Chairman of the Board, and Stephanie Au (歐鎧淳), three-time Olympic swimmer. Moreover, the Group also invested in an international blockbuster movie entitled “Inversion” (tentative name) to be produced for worldwide theatrical distribution. “Inversion” is a science fiction movie about a streetwise American con man and a young Chinese physicist who race against the clock to save the earth from a terrifying loss of gravity. Crystal Liu (劉亦菲), a famous Chinese actress is part of the main cast. The pre-production of “Inversion” is underway with filming and worldwide theatrical distribution tentatively scheduled to take place in early 2018 and by 2019, respectively. Based on the outstanding pre-sale performance track record, the Group expects the film to receive a positive market response when it is finally released. This will serve as a significant catalyst for income growth over the next few years.

目前，本集團正籌備製作多部電影及電視劇，並預期於下個財政年度上映，其中包括兩部在預發佈階段的電影：由鄭嘉穎、張繼聰、陳靜及鄧麗欣主演以及泰迪羅賓執導的一般規模劇情電影《八步半之喜怒哀樂》；以及由毛舜筠及呂良偉主演的一般規模劇情電影《黃金花》。《九龍不敗》由張晉及前UFC中量級冠軍Anderson Silva主演，由陳果執導，現已進入影片的最終製作階段。

此外，多部影片亦開始計劃在下個財政年度製作，包括《L風暴》，一部由古天樂及張智霖主演的大型動作電影，為本集團早前上映的電影《Z風暴》及《S風暴》的續集；以及由甄子丹主演的《葉問》系列片第四集—《葉問4》。

除電影製作外，本集團通過投資來自不同國家不同題材的多部電影，不斷擴大其電影發展範圍以迎合更多觀眾興趣。於回顧年度後，本集團投資發行了一部富有意義的法國動畫片《天使愛芭蕾》，已於2017年8月上映，由董事會主席黃栢鳴先生及三屆奧運會游泳健將歐鎧淳聲演。此外，本集團亦投資製作國際電影大片《Inversion》(暫名)作全球性的院線發行。《Inversion》為一部科幻電影，內容有關一個美國街頭混混和一名年青中國物理學家爭分奪秒拯救地球免於失去重力的危機，由中國著名女影星劉亦菲主演。《Inversion》的前期製作正在進行，並分別暫定於2018年初拍攝及2019年於全球影院發行。基於出色的預售表現往績，本集團預計電影在最終上映時將獲得正面市場反應，並將成為未來幾年內收入增長的重大推動因素。

In the future, the Group will continue to identify quality investment opportunities in film and TV series projects worldwide, not only to strengthen the Group's revenue base, but also to enrich its knowledge and experience for tapping into the global market. The Group has also made use of the 3-year strategic cooperation framework with 華策影業(天津)有限公司 (in English, for identification purpose only, Huace Pictures (Tianjin) Co., Ltd.) ("Huace Pictures") entered in June 2016 to strengthen the Group's capability and to further extend penetration into the PRC film market. "L Storm" (L風暴) will be the second cooperative venture between the Group and Huace Pictures in which the Group will serve as producer and Huace Pictures will be the film's distributor across the PRC.

As disclosed in the prospectus of the Company dated 9 October 2012 (the "Prospectus") and the reports published in previous financial years, various factors such as number of films distributed by the Group, the scale, schedule of film release and the result of a film could have significant impact on the Group's results. Taking all these factors into consideration, the Group's interim financial results may not be indicative of the Group's financial results of a full year and the Group's financial performance would fluctuate from period to period.

Film exhibition

In terms of film exhibition operations, the Group's flagship cinema complex — Cinema City Langham Place, which is situated in a prime location of Mongkok, has maintained its number one ranking in terms of box office receipts among all cinemas in Hong Kong during the year under review.

As the only cinema in Hong Kong equipped with "4Dx" exclusive viewing technology, which provides an advanced, sophisticated cinematic experience for audiences, Cinema City Langham Place has been maintaining its primary position as the largest box office receipts cinema in Hong Kong. During the year under review, the box office receipts came to approximately HK\$119.6 million, which was a slight decrease of approximately 2.6% year on year. The Group considers the performance of Cinema City Langham Place outperforming the market as its drop was less than the overall market given the fact that the total Hong Kong box office receipts in the first half of 2017 were down 4.2% and Cinema City Langham Place still ranked top of the list among all cinemas in Hong Kong.

As for the Group's first cinema in the PRC, located in "Vivo City" (怡豐城), a new large-scale retail complex in the Central Business District (CBD) of southwest Shanghai, renovation work has already been completed. Currently, "Vivo City" (怡豐城) is under refurbishment and undergoing structure consolidation work. Given that we need to coordinate with "Vivo City" (怡豐城) and wait for its completion on the construction work, we expect the cinema's commencement date will be delayed and begin full operation in late 2017. Nevertheless, the cinema is currently under the trial operation period, the Group is look forward to commence full operation as early as practicable.

未來，本集團將繼續在世界各地物色優質電影及電視劇項目的投資機會，藉此加強本集團的收益基礎，並豐富進軍全球市場的知識及經驗。本集團亦已利用2016年6月與華策影業(天津)有限公司(「華策影業」)訂立的3年期戰略合作框架，以增強本集團的實力及進一步增加中國電影市場的份額。《L風暴》將為本集團與華策影業之間的第二次合作事項，其中本集團將充當製作人，而華策影業將為中國範圍內的電影發行商。

如本公司日期為2012年10月9日的招股章程(「招股章程」)及過往財政年度刊發的報告所披露，本集團發行電影的數量、規模、電影上映日期及電影票房等多項因素會對本集團的業績產生重大影響。經考慮所有該等因素，本集團的中期財務業績可能無法反映本集團的全年財務業績，本集團的財務表現於不同期間會有所波動。

電影放映

在電影放映業務方面，於回顧年度內，位於旺角黃金地段的本集團旗艦影院Cinema City朗豪坊，其票房收入在香港所有電影院中仍排名第一。

作為香港唯一一家設有「4Dx」獨家觀影技術的電影院，為觀眾提供先進、立體的觀影體驗，Cinema City朗豪坊一直保持其作為香港最高票房收入電影院的領先地位。於回顧年度內，票房收入達約港幣119.6百萬元，同比略下降約2.6%。由於2017年上半年香港票房總收入減少4.2%，本集團認為Cinema City朗豪坊的表現超出市場水平，因為其降幅低於整個市場，仍穩居香港所有電影院票房之首。

至於本集團於中國的首家電影院，位於上海西南部中央商務區的大型新零售綜合商場「怡豐城」，其裝修工程已完工。目前，「怡豐城」正在進行翻新且開展結構加固工程。鑒於我們需與「怡豐城」合作及等待其施工工程完工，我們預期該電影院的全面開業日期將推遲至2017年底。雖然該電影院現正處於試營業階段，本集團期望在切實可行情況下盡早開始全面營運。

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During the year under review, the Group successfully expanded its film exhibition business and scheduled to open four new cinemas in different strategic locations across the territory, including Chai Wan, Causeway Bay and Tsuen Wan.

Cinema City Chai Wan first opened for trial operation in mid-July 2017 and officially started operation in August 2017. This is the Group's second cinema in Hong Kong, and is now the only cinema operated in the Chai Wan district. With five movie halls and approximately 500 seats, equipped with the world's most advanced 4K projection and 7.1 Dolby surround sound systems, Cinema City Chai Wan has enjoyed an overwhelmingly positive response and has achieved a promising attendance in its first month of business. In addition, Cinema City JP, the Group's third cinema in Hong Kong, has approximately 700 seats and is one of the few cinemas in Hong Kong equipped with a 4K laser phosphor projection system, which has already soft opened in mid-August 2017. The fourth cinema in Causeway Bay and the fifth cinema in Tsuen Wan are expected to open for business in the fourth quarter of 2017. With 5 cinemas in full operation by the end of 2017, the Group is expected to become one of the three largest cinema circuits in Hong Kong.

Cinema City Langham Place has been another key revenue driver for the Group. During the year under review, revenue from film exhibition amounted to approximately HK\$137.3 million, accounting for approximately 60.8% of total revenue of the Group. The revenue amount was similar to the corresponding period last year, while loss of this business segment increased significantly from HK\$12.9 million during the corresponding period last year to approximately HK\$25.6 million this year mainly attributable to the accounting treatment relating to the lease recognition and the amortisation of the rent-free period as compensation for the renovation period offered by the landlords of all the new cinemas were not in operation during the year under review. Pursuant to the lease agreements entered into between the Group and the landlords of all the new cinemas, rent-free periods ranging from 3 to 9 months were offered by the landlords. Based on the accepted accounting principles, practices and policies adopted by the Group, these rent-free incentives were treated as a uniform reduction of overall rental expenses on a straight-line or systematic basis over the entire lease term. Despite the fact that the lease terms began during the year under review and rental payments had not to pay during the rent-free periods, rental expenses were immediately recognised under the aforementioned accounting treatment while revenues only began to generate when the cinema started operations, which was after the year under review.

於回顧年度內，本集團成功擴充其電影放映業務，並計劃在香港不同戰略位置(包括柴灣、銅鑼灣及荃灣)共開設四家新影院。

Cinema City 柴灣於2017年7月中旬開張試營業，並於2017年8月開始正式營業。此為本集團在香港的第二家影院，現為於柴灣區經營的唯一一家影院。Cinema City 柴灣設有五個影廳及約500個座位，配備全球最先進的4K投影及7.1杜比環迴音響系統，觀眾反映熱烈，在開業首月即錄得可觀的觀影人數。此外，本集團在香港的第三家電影院Cinema City JP有約700個座位，是香港少數幾家配備4K激光熒光投影系統的電影院之一，已於2017年8月中旬試營業。銅鑼灣第四家影院及荃灣第五家影院預期將於2017年第四季度開始營業。2017年底前，五家影院全面投入營運後，預期本集團將有望成為香港三大電影院線之一。

Cinema City朗豪坊為本集團的另一項主要收益推動力。於回顧年度內，電影放映所得收益達約港幣137.3百萬元，佔本集團總收益約60.8%。收益額與去年同期相若，而該業務分部的虧損由上年同期的港幣12.9百萬元顯著增加至本年度的約港幣25.6百萬元，主要歸因於與租約確認及免租期攤銷有關的會計處理，原因在於回顧年度內，所有並未投入營運的新影院均獲得業主所提供的裝修期補償。根據本集團與所有新影院業主訂立的租賃協議，業主提供介乎三至九個月的免租期。根據本集團認可的會計原則、慣例及政策，該等免租獎勵乃視為於整個租期內按直線法或系統基準對整體租賃開支的統一減免。雖然租期始於回顧年度內且免租期內並無支付租金，但租賃開支根據上述會計處理即時確認，而收益僅在影院開始營業起才開始產生，而此將為回顧年度之後。

Notwithstanding the short-term losses as mentioned above, the Group believes that these new cinemas will bring steady and continual cash returns for the Group, once the cinemas start operations, which will, in turn, help further expand the overall revenue base of the Group. The Group is confident that the performance of film exhibition will be further improved going forward. Therefore, the Group is optimistic about prospects for the film exhibition business and will be on the lookout for any chance to open more cinemas in Hong Kong as well as in the PRC.

Post-production

Post-production plays an important role in the Group's overall integrated film production process. In order to fully control this business segment, the Group has acquired the remaining 20% equity stake from the owner of the non-controlling interest during the year under review. In spite of a loss of HK\$3.2 million recorded during the year under review, the loss was narrowed when compared with HK\$3.8 million loss in the corresponding period last year. Going forward, the post-production business is poised to maintain its small-scale operation to support the Group's overall profitability in the film production, and more importantly to benefit the Group's film production business in terms of efficiency and cost control.

Advertising, marketing and publication

The film advertising and marketing business has allowed the Group to benefit from sophisticated advertising and promotion strategies as well as cost reductions during the year under review. As for the publication business, the Group ceased the publication of the monthly luxury lifestyle magazine — "Platinum of UnionPay" (銀聯白金) in August 2016 in view of its unsatisfactory performance in order to save costs and to reallocate the Group's resources to make further investments in other business segments. As a result, the losses in this business segment narrowed substantially from HK\$79.9 million during the corresponding period last year to approximately HK\$1.9 million this year.

The Group continues to review the overall structure and strategies of its print and digital media publication business, including using the Group's publication platform for promotional events and joint film marketing campaigns thereby creating a synergy effect from the Group's publication business and film production, distribution, advertising and marketing businesses. By focusing on other business segments, the re-orientation of print and digital media publication operations has helped strengthen the core business development of the Group, which forms an important part of the Group's film production value chain. The Group intends to maintain this business segment as a small-scale operation with a supportive role to the Group's core businesses before a solid development plan comes up.

雖然有上述短期虧損，但本集團認為該等新影院一旦開始營業，則將為本集團帶來穩定持續的現金回報，從而將有助進一步擴大本集團的整體收益基礎。本集團有信心電影放映的表現日後將進一步提升，因此，本集團對電影放映業務的前景持樂觀態度，並將留意在香港及中國開設更多影院的機會。

後期製作

後期製作在本集團的整體綜合電影製作過程中扮演重要角色。為全面監控此業務分部，本集團於回顧年度內已自非控股權益擁有人收購餘下20%的股權。雖然回顧年度內錄得港幣3.2百萬元的虧損，但與去年同期的港幣3.8百萬元虧損相比，該虧損有所減少。展望未來，後期製作業務將保持其小規模營運，以維持本集團電影製作方面的整體盈利能力，更重要的是，本集團電影製作業務效益及成本控制方面更為有效。

廣告、市場推廣及出版

於回顧年度內，電影廣告及市場推廣業務讓本集團從廣告及促銷策略中獲利，並可以削減推廣成本。在出版業務方面，鑒於本集團奢華時尚月刊雜誌《銀聯白金》表現不如人意，本集團已於2016年8月停止出版該雜誌，以節省成本及重新分配本集團的資源進一步投資其他業務分部。因此，該業務分部的虧損由去年同期的港幣79.9百萬元大幅收窄至今年的約港幣1.9百萬元。

本集團不斷檢討其印刷及數碼媒體出版業務的整體架構及策略，包括利用本集團的出版平台進行促銷活動及聯合電影推廣活動，從而使本集團出版業務與電影製作、發行、廣告及市場推廣業務形成協同效應。在專注於其他業務分部的同時，印刷及數碼媒體出版業務的重新定位有助於鞏固本集團核心業務發展，形成本集團電影製作價值鏈的重要部分。本集團擬維持此業務分部的小規模營運，並在制定確實發展計劃前繼續對本集團的核心業務提供支援。

Management Discussion and Analysis

管理層討論及分析

Outlook

After the explosive growth in terms of total national box office receipts over the past few years, the pace of growth for the entire film industry in the PRC has slowed since 2016. However, as compared to the growth rate of the national box office receipts in 2016 of 3.7%, the growth rate in the first half of 2017 has regained the upward momentum, the Group believes that this is just a healthy adjustment and the industry by and large still has great potential growth over the long run.

In addition, on-going favourable policies were issued by the PRC government to support and governance the development of the film business operations. In November 2016, the Film Industry Promotion Law of the PRC (中國電影產業促進法) was adopted at the Standing Committee of the Twelfth National People's Congress of the PRC (中國第十二屆全國人民代表大會常務委員會) for the purposes of promoting investment in film production and encouraging the long-term development of the film industry. The above mentioned law came into force on 1 March 2017. The Group believes such favourable policies would continue to make better guidance for the industry participants and healthy environment of the film market.

In Hong Kong, the government has also clearly demonstrated its support for continuing to promote the development of the film industry. To this end, the Hong Kong Government in March 2017 announced two commercial sites which are slated for sale in Kai Tak and in Sha Tin, and the announcement included that in the land lease was a required minimum number of cinema seats. The new measures aim to facilitate local cinema development with a view to attracting audiences and promoting the long-term growth of Hong Kong's film industry. With the support of the Hong Kong Government, the Group remains optimistic about the future prospects for the industry.

Looking forward, the development of the film market will continue to be driven by high quality films and increasing number of the cinema screens. Based on these industry drivers, the Group will continue to strategically focus on its established core businesses in film production and exhibition to strengthen the integration of its film production value chain and effectively utilise its available resources to capture business opportunities within the film industry in the PRC and Hong Kong in order to maximise the Group's value and returns to shareholders of the Company (the "Shareholders").

展望

過去幾年內，全國票房總收入經歷爆發性增長後，中國整個電影行業的發展步伐自2016年起放緩。然而，與2016年全國票房收入3.7%的增長率相比，2017年上半年的增長率重新實現上揚趨勢，本集團認為，增長率上揚屬穩健調整，從長遠看，本行業大體上仍有強大的增長潛力。

此外，中國政府不斷頒佈優惠政策支持及管治電影業務營運的發展。於2016年11月，在中國第十二屆全國人民代表大會常務委員會上採納《中國電影產業促進法》，以促進投資電影製作及鼓勵電影產業長期發展。上述法律已於2017年3月1日生效。本集團認為，該等優惠政策將不斷為行業參與企業及電影市場的穩健環境提供更好的指引。

同時，香港政府明確表明支持繼續推動電影產業發展。就此，香港政府於2017年3月公佈位於啟德及沙田的兩個預定出售商業地盤，都載明土地租約中規定電影院最低座位數目。該等新措施旨在促進地方電影院發展，以吸引觀眾，從而促進香港電影產業的長遠發展。在香港政府的支持之下，本集團對行業的前景保持樂觀。

展望將來，高品質的電影及不斷增加的影院數量將繼續推動電影市場的發展。基於該等行業推動因素，本集團會繼續策略性地集中發展電影製作及放映方面的成熟核心業務，以加強其電影產業價值鏈的一體化及有效使用其可得的資源，務求抓緊中國及香港電影業內的商機，以擴大本集團的價值及本公司股東（「股東」）的回報。

Financial Review

Revenue and Gross profit

Revenue of the Group for the year under review amounted to approximately HK\$225.6 million, representing a decrease of approximately HK\$220.8 million or 49.5% compared to the corresponding period last year, mainly contributed by revenue from the business segments of film and TV series production and distribution and film exhibition of approximately HK\$83.9 million and HK\$137.3 million, respectively. Despite the Group released two films during both the year under review and the corresponding period last year, the significant decrease in revenue of film and TV series production and distribution was mainly due to the revenue derived from the large-scale blockbuster “Ip Man 3” (葉問3) released in last year whilst the overall scale of the films released during the year under review were comparatively smaller than the films released in last year. Moreover, “Bounty Hunters” (賞金獵人), one of the two films released during the year under review, was a film jointly produced by the Group and production companies from Korea and the PRC, its results were reflected in the share of results of a joint venture. For film exhibition segment, the revenue for the year under review was maintained the level to the corresponding period last year.

Gross profit of the Group was approximately HK\$116.3 million representing a decrease of approximately HK\$70.6 million or approximately 37.8% compared to the corresponding period last year. Gross profit margin for the year under review was approximately 51.5%, which showed a significant increase from that of approximately 41.9% for the corresponding period last year. This was mainly attributable to the increase of the gross profit margin of the film and TV series production and distribution segment from 36.8% last year to 42.4% this year, the production of general-scale film during the year under review as opposed to a large-scale film, due to the relatively large costs involved, large-scale production inherently has a lower gross profit margin. Moreover, the gross profit margin for film exhibition segment was slightly increased approximately 3.2 percentage points from 54.3% last year to 57.5% this year following the Group’s strictly control in direct cost.

Other gains and income

Other gains and income was approximately HK\$11.9 million for the year under review, representing an increase of approximately HK\$7.2 million or approximately 152.1% compared to the corresponding period last year. This was mainly due to (i) a compensation of approximately HK\$5.3 million according to the delay in handover of a leased cinema premises from the landlord in the PRC during the year under review; and (ii) the investment income from investments in film/drama production of approximately HK\$1.4 million during the year under review, whilst no such income were recorded in the corresponding period last year.

財務回顧

收益及毛利

本集團於回顧年度的收益約為港幣225.6百萬元，較去年同期減少約港幣220.8百萬元或49.5%，主要分別來自電影及電視劇製作及發行以及電影放映業務分部的收益約港幣83.9百萬元及港幣137.3百萬元。儘管本集團於回顧年度及去年同期上映了兩部電影，電影及電視劇製作及發行的收益大幅減少主要由於來自大型電影《葉問3》於去年上映，而於回顧年度上映的電影整體規模較去年上映的電影規模小。此外，於回顧年度上映的兩部電影之一《賞金獵人》是一部由本集團與來自韓國及中國的公司聯合製作的電影，其票房於分佔一間合營企業業績中反映。就電影放映分部而言，回顧年度的收益維持去年同期的水平。

本集團的毛利約港幣116.3百萬元，較去年同期下降約港幣70.6百萬元或約37.8%。回顧年度的毛利率約51.5%，較去年同期毛利率約41.9%大幅增加，主要由於電影及電視劇製作及發行分部的毛利率由去年的36.8%增至本年度的42.4%，原因為於回顧年度內製作一般規模電影，而大規模電影製作涉及的成本相對較高，而本質上的毛利率較低。此外，電影放映分部的毛利率於本集團嚴格控制直接成本後略微上升約3.2個百分點，由去年的54.3%增至本年度的57.5%。

其他收益及收入

於回顧年度，其他收益及收入約港幣11.9百萬元，較去年同期增加約港幣7.2百萬元或約152.1%，主要由於(i)於回顧年度內因中國業主延遲移交租賃電影院物業而產生的補償約港幣5.3百萬元；及(ii)於回顧年度內電影／戲劇製作投資的投資收入約港幣1.4百萬元，而於去年同期並無錄得相關收入。

Management Discussion and Analysis

管理層討論及分析

Selling and distribution expenses

Selling and distribution expenses increased by approximately HK\$7.7 million or 7.5% from approximately HK\$102.8 million for the corresponding period last year to approximately HK\$110.5 million for the year under review. This was mainly due to the increase of rental related expenses of cinema operations of approximately HK\$21.2 million in aggregate during the year under review attributable to the accounting treatment relating to the lease recognition and the amortisation of the rent-free period offered by the landlords of all the new cinemas were not in operation as mentioned in the film exhibition section of the Business Review; and such increase was set off by the decrease of film advertising, promotion and distribution costs of approximately HK\$13.5 million regarding the number and scale of films released during the year under review as aforementioned.

Administrative expenses

Administrative expenses decreased by approximately HK\$43.7 million or approximately 49.9% from approximately HK\$87.7 million for the corresponding period last year to approximately HK\$43.9 million for the year under review. This was mainly due to (i) the grant of share options by the Company on 13 July 2015 which resulted in a charge of approximately HK\$25.3 million to the administrative expenses during the corresponding period last year; (ii) the amortisation of intangible assets for the advertising, marketing and publication segment of approximately HK\$11.2 million during the corresponding period last year; and (iii) the discretionary bonus paid to the Directors of HK\$6.0 million during the corresponding period last year, whilst no such expenses were recognised during the year under review.

Net foreign exchange loss

Net foreign exchange loss decreased by approximately HK\$1.8 million from approximately HK\$6.8 million for the corresponding last year to approximately HK\$5.0 million for the year under review. This was mainly due to the extent of the depreciation of RMB against HK\$ was narrowed down during the year under review.

Impairment losses recognised for the year

Total impairment losses recognised for the year decreased by approximately HK\$45.3 million or approximately 69.0% from approximately HK\$65.6 million for the corresponding period last year to approximately HK\$20.4 million for the year under review. During the year under review, impairment loss was recognised on interest in Jade Dynasty Holdings Limited, an associate of the Group, and its subsidiaries (collectively, "JDH Group") due to the recoverable amount of JDH Group, which is its value in use, according to the Group's assessment of its budget and expected future cashflows is less than its carrying amount.

銷售及發行開支

銷售及發行開支由去年同期的約港幣102.8百萬元增加約港幣7.7百萬元或7.5%至回顧年度的約港幣110.5百萬元，主要由於回顧年度內影院運作的租金相關開支共計增加約港幣21.2百萬元，乃歸因於與租約確認及所有並未按業務回顧電影放映一節所述運作的新影院業主所提供的免租期攤銷有關的會計處理；及有關增加被上述回顧年度內所發行電影的數量及規模所產生的電影廣告、推廣及發行成本減少約港幣13.5百萬元所抵銷。

行政開支

行政開支由去年同期的約港幣87.7百萬元減少約港幣43.7百萬元或約49.9%至回顧年度的約港幣43.9百萬元，主要由於(i)本公司於2015年7月13日授出購股權導致於去年同期約港幣25.3百萬元計入行政開支；(ii)於去年同期廣告、市場推廣及出版分部的無形資產攤銷約港幣11.2百萬元；及(iii)於去年同期支付予董事的酌情花紅港幣6.0百萬元，而於回顧年度並無確認有關開支。

匯兌虧損淨額

匯兌虧損淨額由去年同期的約港幣6.8百萬元減少約港幣1.8百萬元至回顧年度約港幣5.0百萬元，主要由於回顧年度內人民幣兌港幣貶值收窄。

年內確認的減值虧損

年內確認的減值虧損總額由去年同期的約港幣65.6百萬元減少約港幣45.3百萬元或約69.0%至回顧年度內的約港幣20.4百萬元。於回顧年度內，根據本集團的預算評估，於本集團聯營公司玉皇朝控股有限公司及其附屬公司(統稱「玉皇朝集團」)的權益因玉皇朝集團的可收回金額(其使用價值)而確認減值虧損，並預期未來現金流低於其賬面值。

Impairment loss on goodwill and intangible assets amounted to approximately HK\$43.1 million and HK\$20.5 million respectively in respect of the uncertainty of the publication business were recognised for the corresponding period last year, whilst no such impairment losses were recognised during the year under review.

Share of results of associates

During the year under review, the Group had two associates, JDH Group and Supreme Art Entertainment Limited (“Supreme Art”), an associate the Group acquired in July 2016.

The operation of JDH Group had recorded a loss attributable to the Group of approximately HK\$3.8 million. JDH Group generated revenue from the businesses of comics publication and licensing of its database of comic stories and comics heroes for films, TV series and theme park development as well as related product merchandising. As compared to a loss from the corresponding period last year of approximately HK\$0.2 million, the increase in loss for the year under review was mainly due to the decrease in the licensing income derived from its database of comic stories and comic heroes for film, TV series and theme park development.

The operation of Supreme Art had recorded a profit attributable to the Group of approximately HK\$2.1 million. Supreme Art is engaged in the provision of artiste management and agency services which is benefit to the Group’s film production business.

Share of results of a joint venture

Bounty Productions Limited (“BPL”) was set up by the Group with two independent third parties for the production and distribution of the film, “Bounty Hunters” (賞金獵人), of which the Group owns as to 40% interest. “Bounty Hunters” (賞金獵人) was released in July 2016 and generated revenue of approximately HK\$152.6 million to the joint venture this year, in return attributed net profit to the Group of approximately HK\$13.5 million during the year under review.

Income tax expense

The income tax expense of the Group for the year under review amounted to approximately HK\$1.0 million (2016: HK\$10.3 million) at the effective tax rate, excluding certain tax losses not recognised and non-taxable items which include impairment losses recognised and share of results of associates and a joint venture that were net of tax, was approximately 19.2% (2016: 18.7%).

商譽及無形資產就出版業務的不明朗因素於去年同期分別確認減值虧損約港幣43.1百萬元及港幣20.5百萬元，而於回顧年度內並無確認該等減值虧損。

應佔聯營公司業績

於回顧年度內，本集團的兩間聯營公司為玉皇朝集團及本集團於2016年7月收購的一間聯營公司凱藝娛樂發展有限公司(「凱藝」)。

玉皇朝集團的營運錄得本集團應佔虧損約港幣3.8百萬元。玉皇朝集團自漫畫發行及其漫畫故事及漫畫英雄人物數據庫的使用許可業務獲得收益，以供製作電影、電視劇及發展主體樂園以及相關銷售商品。與去年同期的虧損約港幣0.2百萬元相比，回顧年度虧損增加主要由於其漫畫故事及漫畫英雄人物數據庫獲得用於電影、電視劇及發展主題樂園的使用許可業務的收入減少。

凱藝營運錄得本集團應佔溢利約港幣2.1百萬元。凱藝從事提供受益於本集團電影製作業務的演員管理及代理服務。

應佔一間合營企業業績

本集團與兩名獨立第三方成立賞金製作有限公司(「賞金」)以製作及發行電影「賞金獵人」(本集團於其中擁有40%權益)。「賞金獵人」於2016年7月上映，於本年度為本合營企業帶來約港幣152.6百萬元的收益，從而於回顧年度內為本集團貢獻純利約港幣13.5百萬元。

所得稅開支

本集團於回顧年度的所得稅開支約港幣1.0百萬元(2016年：港幣10.3百萬元)，實際稅率(不包括若干未確認的稅項虧損及不計稅項目(包括已確認的減值虧損及已扣除稅項的應佔聯營公司及一間合營企業業績))約為19.2%(2016年：18.7%)。

Management Discussion and Analysis

管理層討論及分析

Loss for the year under review

The Group's loss and total comprehensive expense attributable to owners of the Company for the year under review amounted to approximately HK\$40.0 million (2016: HK\$72.6 million) and HK\$41.2 million (2016: HK\$73.5 million) respectively. The improvement of the results for the year under review was primarily resulted from the significant increase in other income and decreases in administrative expenses and of impairment losses recognised, being set off against the decrease in revenue and gross profit contributed by film and TV series production and distribution as well as film exhibition businesses during the year under review as aforementioned.

Liquidity, Financial Resources and Capital Structure

As at 30 June 2017, the Group's bank balances and cash amounted to approximately HK\$63.2 million (30 June 2016: HK\$103.3 million), which are denominated mainly in HK\$, United States Dollar ("US\$") and RMB.

As at 30 June 2017, the Group did not have any interest-bearing loans and shareholders' loans (30 June 2016: Nil). Gearing ratio was not applicable as at 30 June 2016 and 2017.

The Group had un-utilised credit facilities totaling HK\$55.0 million as at 30 June 2017 (30 June 2016: HK\$35.0 million). The Group has maintained these general banking facilities for flexibility.

As at 30 June 2017, the Group had total non-current assets of approximately HK\$184.5 million (30 June 2016: HK\$170.2 million), net current assets of approximately HK\$123.3 million (30 June 2016: HK\$162.1 million) and net assets of approximately HK\$307.7 million (30 June 2016: HK\$332.3 million). The current ratio of the Group, representing the ratio of current assets over current liabilities, was approximately 1.8 as at 30 June 2017 (30 June 2016: 2.3).

During the year ended 30 June 2017, the Group mainly funded its liquidity by the net proceeds from the listing of the Company's shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 31 October 2012 (the "Listing") and issue of new shares pursuant to the subscription rights attaching to the warrants of the Company and resources generated internally. The Group's financial resources are sufficient to support its business and operations. The Group would also consider other financing activities when appropriate business opportunities arise under favourable market conditions.

回顧年度內虧損

於回顧年度內，本公司擁有人應佔本集團虧損及全面開支總額分別約港幣40.0百萬元(2016年：港幣72.6百萬元)及港幣41.2百萬元(2016年：港幣73.5百萬元)。於回顧年度業績改善主要由於其他收入大幅增加及行政開支及已確認的減值虧損減少，被上述回顧年度電影、電視劇製作及發行以及電影放映業務貢獻的收益及毛利減少所抵銷。

流動資金、財務資源及資本結構

於2017年6月30日，本集團的銀行結餘及現金約為港幣63.2百萬元(2016年6月30日：港幣103.3百萬元)，主要以港幣、美元(「美元」)及人民幣計值。

於2017年6月30日，本集團並無任何計息貸款及股東貸款(2016年6月30日：無)。於2016年及2017年6月30日，資產負債比率並不適用。

於2017年6月30日，本集團的未動用信貸融資合共為港幣55.0百萬元(2016年6月30日：港幣35.0百萬元)。本集團已保留此等一般銀行融資，以保持靈活性。

於2017年6月30日，本集團擁有非流動資產總值約港幣184.5百萬元(2016年6月30日：港幣170.2百萬元)、流動資產淨值約港幣123.3百萬元(2016年6月30日：港幣162.1百萬元)及資產淨值約港幣307.7百萬元(2016年6月30日：港幣332.3百萬元)。於2017年6月30日，本集團的流動比率(即流動資產與流動負債的比率)約為1.8(2016年6月30日：2.3)。

截至2017年6月30日止年度，本集團主要透過本公司股份於2012年10月31日在香港聯合交易所有限公司(「聯交所」)創業板上市(「上市」)及根據本公司認股權證附帶的認購權發行新股份所得款項淨額及內部資源撥付流動資金。本集團的財務資源足以支持業務及營運。本集團亦會在出現適當業務機會且市場條件有利時考慮其他融資活動。

Fund Raising Activity

The following fund arising activity of the Group had occurred during the year under review.

Issue of new shares pursuant to the subscription rights attaching to the warrants of the Company

On 12 December 2013, the placing of 96,000,000 non-listed warrants to twelve placees was completed. The warrants conferring the rights to subscribe for an aggregate of 96,000,000 subscription shares at a subscription price of HK\$0.93 per subscription share. The warrants were issued under the general mandate granted to the Directors at the annual general meeting of the Company held on 31 October 2013. Assuming the full exercise of the subscription rights attaching to the warrants, it is expected that approximately HK\$89.3 million will be raised and such net proceeds will be used for general working capital of the Group.

As a result of each of the shares of par value at HK\$0.01 being subdivided into four subdivided shares of par value at HK\$0.0025 each as effective from 22 July 2015, based on the relevant terms of the warrants, the exercise price of the warrants was adjusted from HK\$0.93 per share to HK\$0.233 per subdivided share, where such adjustment was effective from the close of business of the business day immediately preceding the date on which the share subdivision became effective. In accordance with the adjustment of the exercise price of the warrants as aforesaid, the number of shares falling to be issued upon exercise of the warrants changed from 67,000,000 shares to 267,424,892 subdivided shares as at 22 July 2015. As at 30 June 2016, 159,656,653 warrants were outstanding.

During the year ended 30 June 2017, a total of 71,845,494 warrants were exercised which resulted in the Company's issue and allotment of 71,845,494 new shares of HK\$0.233 each. During the year ended 30 June 2017, the net proceeds from the exercise of warrants amounted to approximately HK\$16.7 million being utilised as general working capital as intended, which had been used for the Group's film production costs. As at 30 June 2017, the Company had no outstanding warrants as all warrants without exercise were expired on 11 December 2016.

Employee Information

As at 30 June 2017, the Group had 122 full-time employees (30 June 2016: 94). Staff costs, including Directors' remuneration and part-time staff, amounted to approximately HK\$28.7 million for the year ended 30 June 2017 (2016: HK\$34.7 million).

集資活動

於回顧年度內，本集團進行以下集資活動。

根據本公司認股權證附帶的認購權發行新股份

於2013年12月12日，向十二名承配人配售96,000,000份非上市認股權證已告完成。認股權證附帶按認購價每股認購股份港幣0.93元認購合共96,000,000股認購股份的權利。認股權證乃根據本公司於2013年10月31日舉行的股東週年大會授予董事的一般授權而發行。假設隨附於認股權證的認購權獲悉數行使，預期將籌得約港幣89.3百萬元。有關所得款項淨額將用作本集團的一般營運資金。

由於每股面值港幣0.01元的股份拆細為四股每股面值港幣0.0025元的拆細股份，自2015年7月22日起生效，根據認股權證的相關條款，認股權證行使價由每股港幣0.93元調整至每股拆細股份港幣0.233元，有關調整自緊接股份拆細生效當日的營業日營業時間結束起生效。根據上述認股權證行使價所作的調整，於2015年7月22日，行使認股權證時將予發行的股份數目由67,000,000股股份改為267,424,892股拆細股份。於2016年6月30日，159,656,653份認股權證未獲行使。

截至2017年6月30日止年度，合共71,845,494份認股權證已獲行使，導致本公司發行及配發71,845,494股每股港幣0.233元的新股份。截至2017年6月30日止年度，行使認股權證所得款項淨額約港幣16.7百萬元按擬定用途用作一般營運資金，當中用於本集團的電影製作成本。由於未獲行使的全部認股權證於2016年12月11日到期，故本公司於2017年6月30日並無未獲行使的認股權證。

僱員資料

於2017年6月30日，本集團擁有122名全職僱員(2016年6月30日：94名)。截至2017年6月30日止年度，員工成本(包括董事薪酬及兼職員工)約為港幣28.7百萬元(2016年：港幣34.7百萬元)。

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The Group offers a comprehensive and competitive remuneration and benefits package to all its employees. The Group has adopted a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible persons who contribute to the success of the Group's operations. The Group has also adopted other employee benefits including a provident fund scheme for its employees in Hong Kong, as required under the Mandatory Provident Fund Schemes Ordinance, and has participated in employee pension schemes organised and governed by the relevant local governments for its employees in the PRC.

Charge on Assets

The Group's bank deposits of approximately HK\$30.5 million and HK\$30.6 million as at 30 June 2016 and 2017, respectively were pledged to secure a general banking facility of HK\$30.0 million available to the Group. As at 30 June 2017, the Group's bank deposits of approximately HK\$0.7 million (30 June 2016: HK\$0.7 million) were pledged to secure the bank guarantee provided by a subsidiary of the Company regarding its due payment under a cinema equipment rental agreement.

Foreign Exchange Exposure

The Group's business operations were conducted mainly in Hong Kong with transactions principally denominated in HK\$, US\$ and RMB. The monetary assets and liabilities are denominated mainly in HK\$, US\$ and RMB. Apart from HK\$, which is pegged to US\$, any significant exchange rate fluctuations of HK\$ against RMB may have a financial impact to the Group. During the year under review, there was no significant fluctuation in the exchange rates of these currencies.

The Group did not engage in any derivatives activities and did not commit to any financial instruments to hedge its statement of financial position exposure during the year ended 30 June 2017.

Capital Commitment

Save as disclosed in note 41 to the consolidated financial statements, there were no other capital commitment for the Group as at 30 June 2016 and 2017.

The commitments are to be financed by internal resources of the Group.

Contingent Liabilities

As at 30 June 2016 and 2017, the Group did not have any significant contingent liabilities.

本集團向全體僱員提供全面及具競爭力的薪酬及福利。本集團採納購股權計劃(「該計劃」)，旨在作為對本集團業務成功有所貢獻的合資格人士的獎勵及回報。本集團亦已採納其他僱員福利，包括根據強制性公積金計劃條例為其香港僱員設立一項公積金計劃，並為其中國僱員參與有關地方政府組織及管理的退休金計劃。

資產押記

於2016年及2017年6月30日，本集團分別質押銀行存款約港幣30.5百萬元及港幣30.6百萬元，以獲得本集團港幣30.0百萬元的一般銀行融資。於2017年6月30日，本集團質押銀行存款約港幣0.7百萬元(2016年6月30日：港幣0.7百萬元)，以擔保本公司一間附屬公司就電影院設備租賃協議項下的到期付款所提供的銀行擔保。

外匯風險

本集團的業務營運主要在香港開展，交易主要以港幣、美元及人民幣計值。貨幣資產及負債主要以港幣、美元及人民幣計值。除港幣與美元掛鈎外，港幣兌人民幣的任何重大匯率波動均可能對本集團造成財務影響。於回顧年度內，此等貨幣並無重大匯率波動。

截至2017年6月30日止年度，本集團並未從事任何衍生工具活動，而且並未採用任何金融工具對沖其財務狀況表風險。

資本承擔

除綜合財務報表附註41所披露者外，於2016年及2017年6月30日，本集團並無其他資本承擔。

有關承擔將由本集團內部資源撥付。

或然負債

於2016年及2017年6月30日，本集團並無任何重大或然負債。

Use of Proceeds from the Listing

The planned use of proceeds from the Listing as disclosed in the Prospectus were based on the best estimation of future market conditions made by the Group at the time of preparing the Prospectus, while the proceeds were applied in accordance with the actual development of the market.

From 31 October 2012, the date of the Listing, to 30 June 2017, the net proceeds from the Listing had been applied as follows:

上市所得款項用途

招股章程所披露的上市所得款項的擬定用途，乃根據本集團於編製招股章程時對未來市況所作的最佳估計而制定，而所得款項已根據市場的實際發展而動用。

由2012年10月31日(上市日期)起至2017年6月30日，上市所得款項淨額已作如下動用：

		Total use of proceeds as described in the Prospectus	Actual use of proceeds from the date of the Listing to 30 June 2017
		招股章程 所述所得款項 使用總額	由上市日期起至 2017年6月30日 所得款項 實際使用金額
		HK\$' million	HK\$' million
		港幣百萬元	港幣百萬元
Expansion of film production business	拓展電影製作業務	58.4	58.4
Invest in equipment for post-production	投資後期製作設備	9.8	7.4
Staff recruitment	招聘員工	2.8	2.8
General working capital	一般營運資金	2.5	2.5
Total	合計	73.5	71.1

The un-utilised proceeds were deposited in the Group's bank accounts located in Hong Kong.

未動用所得款項存放於本集團的香港銀行賬戶內。

The Group intended to expand its film production business by releasing eleven films during the two financial years ended 30 June 2013 and 2014. These eleven films had been released up to the financial year ended 30 June 2017.

本集團擬於截至2013年及2014年6月30日止兩個財政年度上映十一部電影，拓展其電影製作業務。該十一部電影於截至2017年6月30日止財政年度已上映。

The Group has intended to undertake certain post-production works of its own films by investing up to HK\$11.0 million from the net proceeds in post-production equipment and recruiting staff for its operation. The Group established its in-house post-production arm in Hong Kong to engage in digital media post-production operations. The Directors expected that the remaining net proceeds will continue to be used for procuring the post-production equipment to strengthen the business operation.

本集團擬為其自家電影進行若干後期製作，故投資所得款項淨額達港幣11.0百萬元於後期製作設備及為業務招聘員工。本集團於香港成立內部後期製作部門，以參與數碼媒體後期製作業務。董事預期所得款項淨額餘額將繼續用於採購後期製作設備以鞏固業務營運。

The Directors considered that no modification of the planned use of proceeds described in the Prospectus was required.

董事認為招股章程所述所得款項計劃用途無須進行修改。

Profiles of Directors and Senior Management

董事及高級管理層簡歷

Executive Directors

Mr. Wong Pak Ming (“Mr. Wong”), M.H., aged 71, was appointed as a Director on 8 March 2012 and was redesignated as an executive Director and appointed as the chairman of the Board on 5 October 2012. Mr. Wong is responsible for the strategic planning of the Group. He is an artist and filmmaker in Hong Kong, who formed Cinema City Company Limited and Cinema City (Film Production) Company Limited, both of which are film production companies, in 1980s. In 1990, Mr. Wong founded Mandarin Films Limited. Mr. Wong was an executive director of Nine Express Limited, formerly known as China Mandarin Holdings Limited (“Nine Express”) (Stock Code: 0009), shares of which is listed on the Main Board of the Stock Exchange from 21 August 2001 to 18 August 2009. Mr. Wong has over 30 years of experience in the film industry for each of the roles as executive producer, script writer and artist and over 25 years of experience as film director. He has participated in more than 100 films throughout his career. Mr. Wong was awarded the Medal of Honour by the HKSAR Government in 2015. He has been the chairman of the Movie Producers and Distribution Association since 1997. He was a member of the Hong Kong-Taiwan Cultural Co-operation Committee under Hong Kong-Taiwan Economic and Cultural Cooperation and Promotion Council from 1 August 2013 to 31 October 2015. He was a member of the Hong Kong Film Development Council from April 2011 to March 2013. Mr. Wong is the father of Ms. Wong Yee Kwan Alvina and Mr. Wong Chi Woon Edmond, both executive Directors.

Ms. Wong Yee Kwan Alvina (“Ms. Alvina Wong”), aged 41, was appointed as a Director on 15 March 2012 and was redesignated as an executive Director on 5 October 2012. Ms. Alvina Wong is responsible for the sales and distribution functions as well as the cinema operation of the Group and has around 15 years of experience in the film industry, including assessing market reception of proposed films, providing promotional services for films and liaising with film distributors and licencees. Ms. Alvina Wong was an executive director of Nine Express from 1 September 2003 to 1 April 2009. Ms. Alvina Wong graduated from the University of Toronto with a bachelor’s degree in Arts in June 1998. Since January 2017, Ms. Alvina Wong has been a committee member of the Chinese People’s Political Consultative Conference (中國人民政治協商會議). Ms. Alvina Wong is the daughter of Mr. Wong and the sister of Mr. Wong Chi Woon Edmond, both executive Directors.

Mr. Wong Chi Woon Edmond (“Mr. Edmond Wong”), aged 38, was appointed as a Director on 15 March 2012 and was redesignated as an executive Director on 5 October 2012. Mr. Edmond Wong is responsible for overseeing film production of the Group. He has around 13 years of experience in the film industry as script writer and was an executive director of Nine Express from 3 June 2008 to 13 February 2009. Mr. Edmond Wong graduated from McMaster University in Canada with a bachelor’s degree in Arts in June 2002. Mr. Edmond Wong is the son of Mr. Wong and the brother of Ms. Alvina Wong, both executive Directors.

執行董事

黃栢鳴先生(「黃先生」), M.H., 71歲, 於2012年3月8日獲委任為董事, 並於2012年10月5日調任執行董事及獲委任為董事會主席。黃先生負責本集團的策略規劃。彼為一名香港演員及電影製作人, 並於二十世紀八十年代成立兩家電影製作公司, 即新藝城影業有限公司及新藝城電影製作有限公司。於1990年, 黃先生創辦東方電影出品有限公司。於2001年8月21日至2009年8月18日期間, 黃先生擔任九號運通有限公司(前稱「中國東方實業集團有限公司」)(「九號運通」)(股份代號: 0009, 其股份於聯交所主板上市)的執行董事。黃先生於電影業擁有逾30年經驗, 當中曾擔任監製、編劇及演員, 並有逾25年擔任電影導演的經驗。彼於其職業生涯中參與逾100部電影。黃先生於2015年獲香港特區政府頒發榮譽勳章。彼自1997年以來一直擔任香港電影製作發行協會主席一職。彼為港台經濟文化合作協進會下的港台文化合作委員會委員, 任期由2013年8月1日至2015年10月31日。於2011年4月至2013年3月期間, 彼為香港電影發展局委員。黃先生為黃漪鈞女士及黃子桓先生(兩人均為執行董事)的父親。

黃漪鈞女士(「黃女士」), 41歲, 於2012年3月15日獲委任為董事, 並於2012年10月5日調任執行董事。黃女士負責本集團的銷售及發行以及電影院業務工作, 於電影業擁有約15年經驗, 包括評估擬製作電影獲市場的接納程度、為電影提供宣傳服務及與電影發行商及獲發行權使用許可方保持聯絡。黃女士於2003年9月1日至2009年4月1日期間擔任九號運通執行董事。黃女士於1998年6月畢業於多倫多大學並取得文學學士學位。黃女士自2017年1月起一直為中國人民政治協商會議的委員。黃女士為黃先生的女兒及黃子桓先生的胞姐(兩人均為執行董事)。

黃子桓先生(「黃子桓先生」), 38歲, 於2012年3月15日獲委任為董事, 並於2012年10月5日調任執行董事。黃子桓先生負責監督本集團的電影製作。彼於電影業擁有約13年編劇經驗, 並於2008年6月3日至2009年2月13日期間擔任九號運通執行董事。黃子桓先生於2002年6月畢業於加拿大麥克馬斯特大學, 並取得文學學士學位。黃子桓先生為黃先生的兒子及黃女士的胞弟(兩人均為執行董事)。

Independent Non-Executive Directors

Mr. Lam Kam Tong (“Mr. Lam”), aged 48, was appointed as an independent non-executive Director on 5 October 2012. Mr. Lam graduated from the Chinese University of Hong Kong with a bachelor’s degree in Business Management in 1991. Mr. Lam is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Lam has over 17 years of experience in professional audit and extensive experience in the areas of investor relations management, auditing, mergers and acquisitions and offshore financing. Since May 2012, he has been an executive director, the chief financial officer, the company secretary and an authorised representative of Fantasia Holdings Group Co., Limited (Stock code: 1777), a company listed on the Main Board of the Stock Exchange. Since June 2014, he has been a non-executive director of Colour Life Services Group Co., Limited (Stock code: 1778), a company listed on the Main Board of the Stock Exchange. Mr. Lam was the chief financial officer, the company secretary and a qualified accountant of Greentown China Holdings Limited (Stock code: 3900), a company listed on the Main Board of the Stock Exchange, from May 2006 to October 2008. Mr. Lam was an executive director and the chief financial officer of China Aoyuan Property Group Limited (Stock code: 3883), a company listed on the Main Board of the Stock Exchange, from September 2009 to May 2012, and was the company secretary of such company from December 2008 to May 2012. Mr. Lam was an independent non-executive director of Sheng Yuan Holdings Limited (Stock code: 851), a company listed on the Main Board of the Stock Exchange, from November 2010 to March 2014.

Mr. Lo Eric Tien-cheuk (“Mr. Lo”), aged 43, was appointed as an independent non-executive Director on 5 October 2012. Mr. Lo has over 18 years of experience in business management in a private company which trades in the PRC and Hong Kong. Since November 2016, Mr. Lo has been a committee member of the Chinese People’s Political Consultative Conference (中國人民政治協商會議).

Mr. Tang Kai Kui Terence (“Mr. Tang”), aged 58, was appointed as an independent non-executive Director on 5 October 2012. Mr. Tang is a member of the Royal Institute of British Architects and a committee member of the Chinese People’s Political Consultative Conference (中國人民政治協商會議). Mr. Tang is a director of several private companies engaged in the business including property investment and investment holding. Mr. Tang was an independent non-executive director and a member of the audit committee of Nine Express from 1 September 2001 to 31 August 2003 and from 1 December 2005 to 29 May 2008 respectively.

獨立非執行董事

林錦堂先生(「林先生」)，48歲，於2012年10月5日獲委任為獨立非執行董事。林先生於1991年畢業於香港中文大學，並取得工商管理學士學位。林先生為香港會計師公會會員及英國特許公認會計師公會資深會員。林先生於專業審核領域擁有逾17年經驗，並在投資者關係管理、審核、合併及收購以及離岸融資領域擁有廣泛經驗。自2012年5月以來，彼一直擔任於聯交所主板上市的花樣年控股集團有限公司(股份代號：1777)執行董事、首席財務官、公司秘書及授權代表。自2014年6月以來，彼一直擔任於聯交所主板上市的彩生活服務集團有限公司(股份代號：1778)非執行董事。2006年5月至2008年10月，林先生擔任於聯交所主板上市的綠城中國控股有限公司(股份代號：3900)首席財務官、公司秘書及合資格會計師。林先生於2009年9月至2012年5月期間擔任於聯交所主板上市之中國奧園地產集團股份有限公司(股份代號：3883)執行董事兼首席財務官，於2008年12月至2012年5月期間擔任該公司的公司秘書。林先生於2010年11月至2014年3月擔任於聯交所主板上市之盛源控股有限公司(股份代號：851)獨立非執行董事。

羅天爵先生(「羅先生」)，43歲，於2012年10月5日獲委任為獨立非執行董事。羅先生在一家於中國及香港從事貿易的私營公司擁有逾18年的業務管理經驗。羅先生自2016年11月起一直為中國人民政治協商會議的委員。

鄧啟駒先生(「鄧先生」)，58歲，於2012年10月5日獲委任為獨立非執行董事。鄧先生為英國皇家建築學會會員及中國人民政治協商會議委員會委員。鄧先生現為若干從事物業投資及投資控股等業務的私營公司的董事。於2001年9月1日至2003年8月31日及2005年12月1日至2008年5月29日期間，鄧先生分別擔任九號運通獨立非執行董事及審核委員會成員。

Profiles of Directors and Senior Management

董事及高級管理層簡歷

Senior Management

Mr. Chan Chi Ming (“Mr. Chan”), aged 42, is the chief financial officer and the company secretary of the Company as well as director of certain subsidiaries of the Group responsible for assisting the Directors in overseeing finance and accounting, internal control, investor relations, mergers and acquisitions, corporate governance and regulatory compliance. Mr. Chan joined the Group in December 2011. Mr. Chan graduated from the Hong Kong Baptist University with a bachelor’s degree in Business Administration (Accounting) in December 2000. Mr. Chan is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Prior to joining the Group, Mr. Chan had over 11 years of accounting and auditing experience accumulated from working for various international accounting firms and a main board listed company in Hong Kong.

Ms. Chan Yuen Yee (“Ms. Chan”), aged 56, is the administration manager responsible for the overall administrative function and assisting in production contracts management of the Group. Ms. Chan joined the Group in October 2009. She obtained a diploma in Management Studies awarded jointly by Hong Kong Polytechnic University and Hong Kong Management Association in September 1997. Prior to joining the Group in 2009, she had over 15 years of working experience in administration management in a film production and distribution company, where she was mainly responsible for human resources management and office administration.

Ms. Qian Gao Gao (“Ms. Qian”), aged 56, is the deputy general manager of 北京天馬聯合影視文化有限公司 (“Beijing Pegasus”), an indirect wholly-owned subsidiary of the Company, responsible for overseeing the operation of Beijing Pegasus and assisting in all the Group’s business activities in the PRC. Ms. Qian joined the Group in January 2012. Ms. Qian graduated from Beijing Institute of Economy (北京經濟學院) and obtained a degree of Industrial Statistics under the Department of Industry and Economy Administration (工業經濟管理系工業統計專業) in September 1984. Prior to joining the Group, Ms. Qian had over 29 years of experience in the film industry including 8 years in the SAPPRFT where she was mainly responsible for reviewing the application for film production and participating in film subsidisation works; and over 20 years in various film production and distribution companies in the PRC, where she was mainly responsible for assisting the parent company in Hong Kong on its investment in the PRC domestic films and submitting application for film productions including films under the co-production arrangement in the PRC, redevelopment works for cinemas in the PRC and identifying film investors.

高級管理層

陳志明先生(「陳先生」)，42歲，為本公司的財務總監兼公司秘書以及本集團若干附屬公司的董事，負責協助董事監督財務及會計、內部控制、投資者關係、合併及收購、企業管治及監管合規。陳先生於2011年12月加入本集團。陳先生於2000年12月畢業於香港浸會大學，並取得工商管理(會計)學士學位。陳先生為香港會計師公會會員及英國特許公認會計師公會資深會員。於加入本集團前，陳先生曾任職於多家國際會計師事務所及一家香港主板上市公司，於會計及審核領域已累積逾11年經驗。

陳婉儀女士(「陳女士」)，56歲，為本公司的行政經理，負責本集團總體行政工作及協助管理影視製作合約。陳女士於2009年10月加入本集團。彼於1997年9月獲香港理工大學與香港管理專業協會聯合頒發管理學文憑。於2009年加入本集團前，彼曾任職於一家電影製作及發行公司，於任職期間，彼主要負責人力資源管理及辦公室行政，於行政管理領域擁有逾15年工作經驗。

錢高女士(「錢女士」)，56歲，為本公司間接全資附屬公司北京天馬聯合影視文化有限公司(「北京天馬」)的副總經理，負責監督北京天馬的營運及協助本集團於中國進行所有業務活動。錢女士於2012年1月加入本集團。錢女士於1984年9月畢業於北京經濟學院，並取得工業經濟管理系工業統計專業學位。於加入本集團之前，錢女士於電影業擁有逾29年經驗，包括任職於廣電總局8年，於廣電總局任職期間，彼主要負責審閱電影製作申請及參與電影補助工作；以及任職於多家中國電影製作及發行公司逾20年，於任職期間，彼主要負責協助香港母公司投資中國國產電影及提交電影製作申請，包括中國聯合製作安排項下的電影、中國的影院重建工作及物色電影投資者。

Report of the Directors 董事會報告

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for the year ended 30 June 2017.

Principal Activities

The principal activity of the Company is investment holding. The principal activities and other particulars of the Company's subsidiaries are set out in note 40 to the consolidated financial statements.

Business Review

A fair review of the Group's business for the year ended 30 June 2017, a discussion on the Group's future development in business and the description of the principal risks and uncertainties that the Group may be facing are set out in the Chairman's Statement on pages 4 to 6 and the Management Discussion and Analysis on pages 7 to 19 of this annual report. The capital risk management and financial risk management objectives and policies of the Group are set out in notes 35 and 36(b) to the consolidated financial statements respectively. An analysis of the Group's performance during the year using financial key performance indicators is set out in the Financial Summary on pages 171 to 172 of this annual report. This discussion forms part of this report.

Environmental policies and performance

The Group respects the environment and is committed to the sustainable development of the environment and the society. For details of the Group's environmental policies and performance during the year under review, please refer to the Environmental, Social and Governance Report on pages 49 to 62 of this annual report.

Compliance with laws and regulations

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group's business and operation levels, such as the Amusement Rides (Safety) Ordinance, the Buildings Energy Efficiency Ordinance, the Places of Public Entertainment Ordinance, the Food Business Regulation, the Personal Data (Privacy) Ordinance and the Competition Ordinance.

In addition to safeguard the interests of the Group's employees, the Group is committed to complying with the requirements of the Minimum Wage Ordinance and the Employment Ordinance.

董事欣然呈報截至2017年6月30日止年度董事會報告以及本集團經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司附屬公司的主要業務及其他詳情載於綜合財務報表附註40。

業務回顧

本集團業務截至2017年6月30日止年度的公平回顧、有關本集團業務未來發展的討論及本集團可能面臨的主要風險及不確定性的描述載列於本年報第4至6頁的主席報告及第7至19頁的管理層討論及分析。本集團的資本風險管理及財務風險管理目標及政策分別載列於綜合財務報表附註35及36(b)。本集團採用財務方面的關鍵績效指標進行的年內業績分析載列於本年報第171至172頁的財務摘要。該討論構成本報告的一部分。

環境政策及表現

本集團尊重環境並致力於環境及社會的可持續發展。關於回顧年度內本集團的環境政策及表現的詳情，請參閱本年報第49至62頁的環境、社會及管治報告。

遵守法律法規

本公司實施合規程序以確保遵守適用的法律、規則及法規(尤其是對本集團的業務及營運水平有重大影響的該等法律、規則及法規)，比如機動遊戲機(安全)條例、建築物能源效益條例、公眾娛樂場所條例、食品行業法規、個人資料(私隱)條例及競爭條例。

除保障本集團僱員的權益以外，本集團致力於遵守最低工資條例及僱傭條例的規定。

Report of the Directors

董事會報告

On the corporate level, the Group complies with the requirements under the Companies Ordinance, the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), the Securities and Futures Ordinance (“SFO”) as well as the applicable financial reporting standards.

During the year under review, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

Key relationships with employees, customers and suppliers

The Group believes that its success depends on the support from key stakeholders which comprise employees, customers and suppliers.

The Group recognised that employees are the valuable assets of the Group. The Group has complied with the applicable employment laws and regulations as well as regularly reviewing the remuneration package of the Group’s employees with reference to market conditions and conform to the performance, qualifications and experience of employees.

The key customers of the Group include the co-producers, distributors and cinemagoers. The Group is committed to provide good quality service to its customers and enhance the loyalty of customers by increasing the interaction with customers through social media platforms particularly in film exhibition business, which provide good development to the Group’s overall performance in long run.

The Group has maintained solid and good relationships with its suppliers which ensures quality supply so as to provide high quality films and services to customers.

Results and Dividends

The Group’s loss for the year ended 30 June 2017 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 70 to 71 of this annual report.

The Directors did not recommend the payment of any dividend for the year ended 30 June 2017 (2016: Nil).

Segment Information

Details of the segment information of the Group are set out in note 6 to the consolidated financial statements.

在企業層面方面，本集團遵守公司條例、聯交所證券上市規則（「上市規則」）、證券及期貨條例（「證券及期貨條例」）項下的規定以及適用的財務報告準則。

於回顧年度內，本集團已在重大方面遵守對本集團業務及營運有重大影響的相關法律法規。

與僱員、客戶及供應商的主要關係

本集團認為其成功取決於主要利益相關者（包括僱員、客戶及供應商）的支持。

本集團確認，僱員為本集團的寶貴資產。本集團已遵守適用的僱傭法律法規，並參照市況及遵照僱員的績效、資格及經驗對本集團僱員的薪酬方案進行定期檢討。

本集團的主要客戶包括聯合製片人、發行商及電影觀眾。本集團致力於通過社交媒體平台增加與客戶的互動（尤其是電影放映業務），以便向其客戶提供優質服務及提升客戶的忠誠度，從而為本集團長期的整體表現提供良好的發展。

本集團已與該等確保優質供應的供應商維持穩固及良好的關係，以便向客戶提供優質的電影及服務。

業績及股息

本集團截至2017年6月30日止年度的虧損載於本年報第70至71頁的綜合損益及其他全面收益表。

董事不建議派付截至2017年6月30日止年度的任何股息（2016年：無）。

分部資料

本集團分部資料的詳情載於綜合財務報表附註6。

Financial Summary

A summary of the published results and assets and liabilities of the Group for the past five financial years as extracted from the consolidated financial statements in the annual reports 2013/14, 2014/15 and 2015/16 and this annual report, respectively are set out on pages 171 to 172 of this annual report.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group are set out in note 13 to the consolidated financial statements.

Bank Borrowing

The Group did not have bank borrowings as at 30 June 2017 (30 June 2016: Nil).

Interest Capitalised

The Group has not capitalised any interest during the year ended 30 June 2017 (2016: Nil).

Share Capital and Warrants

Details of movements in the Company's share capital and warrants during the year ended 30 June 2017 are set out in note 31 to the consolidated financial statements.

Details of other equity-linked agreements are included in the section headed "Share Option Scheme" in this report.

Reserves

Details of movements in the reserves of the Company and the Group during the year ended 30 June 2017 are set out in note 39 to the consolidated financial statements and in the consolidated statement of changes in equity on page 74 of this annual report, respectively.

Distributable Reserves

As at 30 June 2017, the Company's reserves available for distribution, calculated in accordance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$291,630,000 (30 June 2016: HK\$293,974,000).

財務摘要

分別節錄自2013/14年度、2014/15年度及2015/16年度年報及本年報內綜合財務報表的本集團過去五個財政年度的已公佈業績以及資產及負債摘要，載於本年報第171至172頁。

物業、廠房及設備

本集團物業、廠房及設備的變動詳情載於綜合財務報表附註13。

銀行借款

於2017年6月30日，本集團並無銀行借款(2016年6月30日：無)。

資本化利息

截至2017年6月30日止年度，本集團並無資本化任何利息(2016年：無)。

股本及認股權證

本公司股本及認股權證於截至2017年6月30日止年度的變動詳情載於綜合財務報表附註31。

其他與股權關聯的協議的詳情載於本報告「購股權計劃」一節。

儲備

本公司及本集團儲備於截至2017年6月30日止年度的變動詳情分別載於綜合財務報表附註39及本年報第74頁綜合權益變動表。

可供分派儲備

於2017年6月30日，按開曼群島法例第22章公司法(1961年第3號法例，經綜合及修訂)計算，本公司的可供分派儲備約為港幣291,630,000元(2016年6月30日：港幣293,974,000元)。

Purchase, Sale or Redemption of the Listed Securities of the Company

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year ended 30 June 2017.

Major Customers and Suppliers

During the year ended 30 June 2017, income received/receivable from the top five customers in aggregate accounted for approximately 24.3% (2016: 49.0%) of the Group's revenue. During the same period, income received/receivable from the single largest customer accounted for approximately 11.7% (2016: 19.7%) of the Group's revenue.

During the year ended 30 June 2017, the fees paid/payable to the top five suppliers in aggregate constituted approximately 30.6% (2016: 34.2%) of the Group's total fees paid/payable to the suppliers. During the same period, fees paid/payable to the largest supplier constituted approximately 8.2% (2016: 19.6%) of the Group's total fees paid/payable to the suppliers.

None of the Directors, their associates or any shareholder of the Company (who to the knowledge of the Directors owns more than 5% of the share capital of the Company) has any interest in any of the top five customers and suppliers.

Emoluments Policy

The emoluments of the Directors is recommended by the remuneration committee of the Company (the "Remuneration Committee") after considering the factors such as the Company's operating results, individual performance, salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

The remuneration of the employees of the Group is determined with reference to market terms and the performance, qualifications and experience of the individual employee.

The Company has adopted the Scheme as an incentive to Directors and eligible employees who contribute to the success of the Group's operations. Details of the Scheme is set out in the following section headed "Share Option Scheme" in this report. The Group has also adopted other employee benefit including a provident fund scheme for its employees in Hong Kong, as required under the Mandatory Provident Fund Schemes Ordinance, and has participated in employee pension schemes organised and governed by the relevant local governments for its employees in the PRC.

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於截至2017年6月30日止年度內概無購買、出售或贖回本公司任何上市證券。

主要客戶及供應商

截至2017年6月30日止年度，來自／應收五大客戶的收入合共佔本集團收益約24.3%（2016年：49.0%）。同期來自／應收單一最大客戶的收入佔本集團收益約11.7%（2016年：19.7%）。

截至2017年6月30日止年度，已付／應付五大供應商費用合共佔本集團已付／應付供應商費用總額約30.6%（2016年：34.2%）。同期已付／應付最大供應商費用佔本集團已付／應付供應商費用總額約8.2%（2016年：19.6%）。

概無董事、彼等的聯繫人或本公司任何股東（就董事所知持有本公司5%以上股本）於任何五大客戶及供應商中擁有任何權益。

酬金政策

董事酬金乃由本公司薪酬委員會（「薪酬委員會」）經考慮各項因素（如本公司的營運業績、個人表現、可資比較公司所付薪金、董事所投入時間及其職責以及本集團內其他職位的僱用情況）後作出建議。

本集團僱員之薪酬乃經參考市場條件及僱員個人表現、資歷及經驗後釐定。

本公司已採納該計劃以獎勵對本集團營運成功作出貢獻的董事及合資格僱員。該計劃的詳情載於本報告下文「購股權計劃」一節內。本集團亦已採納其他僱員福利，包括根據強制性公積金計劃條例為香港僱員設立公積金計劃，並為中國僱員參與由有關地方政府組織及規管的僱員退休計劃。

Details of the emolument of the Directors and five highest paid individuals of the Group are set out in note 10 to the consolidated financial statements.

Share Option Scheme

The Company operates the Scheme for the purpose of providing incentives and rewards to eligible persons who contribute to the success of the Group's operations. The Scheme has been approved by the then sole shareholder on 5 October 2012. There was no outstanding share options under the Scheme as at 30 June 2016 and 2017. No share options were granted, exercised or cancelled/lapsed under the Scheme during the year ended 30 June 2017. Details of the Scheme as well as the share options granted/lapsed during the year ended 30 June 2016 are set out in note 33 to the consolidated financial statements.

Directors

The Directors during the year ended 30 June 2017 and up to the date of this report were:

Executive Directors

Mr. Wong Pak Ming (*Chairman*)
Ms. Wong Yee Kwan Alvina
Mr. Wong Chi Woon Edmond

Independent Non-Executive Directors

Mr. Lam Kam Tong
Mr. Lo Eric Tien-cheuk
Mr. Tang Kai Kui Terence

Pursuant to Article 84(1) of the Company's Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation and shall be eligible for re-election. Every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

By virtue of Article 84(1) of the Company's Articles of Association, Mr. Lo Eric Tien-cheuk and Mr. Tang Kai Kui Terence will retire at the forthcoming annual general meeting, and being eligible, will offer himself for re-election at the annual general meeting.

董事酬金及本集團五名最高薪人士之詳情載於綜合財務報表附註10。

購股權計劃

本公司設有該計劃，旨在作為對本集團營運成功有所貢獻的合資格人士的獎勵及回報。該計劃於2012年10月5日獲得當時唯一的股東批准。於2016年及2017年6月30日，該計劃項下概無尚未行使購股權。於截至2017年6月30日止年度，該計劃項下概無購股權授出、行使或註銷/失效。該計劃的詳情以及於截至2016年6月30日止年度內授出/失效的購股權載於綜合財務報表附註33。

董事

截至2017年6月30日止年度內及截至本報告日期的董事包括：

執行董事

黃栢鳴先生(主席)
黃漪鈞女士
黃子桓先生

獨立非執行董事

林錦堂先生
羅天爵先生
鄧啟駒先生

根據本公司組織章程細則第84(1)條，佔當時三分之一的董事(或倘人數並非三或三的倍數，則按最接近但不少於三分之一的人數計)將於每屆股東週年大會輪席告退，並合資格膺選連任。每名董事(包括按指定任期委任的董事)須至少每三年輪席告退一次。

根據本公司組織章程細則第84(1)條，羅天爵先生及鄧啟駒先生將於應屆股東週年大會退任，且合資格並願意於股東週年大會上膺選連任。

Biographies of Directors and Senior Management

The biographical details of Directors and senior management of the Group are disclosed in the section headed “Profiles of Directors and Senior Management” on pages 20 to 22 of this annual report.

Directors’ Service Agreements

Each of Mr. Wong, Ms. Alvina Wong and Mr. Edmond Wong, being all the executive Directors, had entered into a service contract with the Company for an initial fixed term of three years commencing from 31 October 2012 renewable automatically until terminated by not less than three months’ notice in writing served by either party on the other expiring at the end of the initial term or any time thereafter.

Each of Mr. Lam Kam Tong, Mr. Lo Eric Tien-cheuk and Mr. Tang Kai Kui Terence, being all the independent non-executive Directors, had entered into a letter of appointment with the Company on 1 July 2015. Each letter of appointment is for a term of one year from the date of the letter of appointment and renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of appointment unless terminated by either party giving at least one month’s notice in writing.

Save as disclosed above, none of the Directors has or is proposed to enter into a service contract/letter of appointment with the Company or any of its subsidiaries (other than contracts expiring or determinable by the Group within one year without the payment of compensation (other than statutory compensation)).

Confirmation of Independence

The Company has received annual confirmations of independence from all three independent non-executive Directors pursuant to the Rule 3.13 of the Listing Rules and the Company considers the independent non-executive Directors to be independent.

Directors’ Interests in Transactions, Arrangements or Contracts of Significance

Details of Directors’ interest in transactions, arrangements or contracts of significance in relation to the Group’s business are set out in the section headed “Related Party Transactions/Connected Transactions/Continuing Connected Transactions” in this report and note 38 to the consolidated financial statements.

董事及高級管理層簡歷

董事及本集團高級管理層履歷詳情於本年報第20頁至22頁「董事及高級管理層簡歷」一節披露。

董事服務協議

黃先生、黃女士及黃子桓先生(均為執行董事)各自已與本公司訂立服務合約，由2012年10月31日起計初步固定為期三年，並自動續期，直至由其中一方向對方發出不少於三個月書面通知終止為止，而該通知將於初步期限結束時或其後任何時間屆滿。

林錦堂先生、羅天爵先生及鄧啟駒先生(均為獨立非執行董事)已各自於2015年7月1日與本公司訂立委任書。每份委任書自委任書日期起計為期一年，其後自動續期一年連任，新任期由當時委任期屆滿後翌日起計，直至任何一方向對方發出至少一個月書面通知予以終止為止。

除上文所披露者外，概無董事與本公司或其任何附屬公司訂立或擬訂立任何服務合約/委任書(不包括於一年內屆滿或本集團可於一年內不付賠償(法定賠償除外)而終止的合約)。

獨立性確認

本公司已接獲全部三名獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書，而本公司認為獨立非執行董事為獨立人士。

董事於重大交易、安排或合約的權益

董事於與本集團業務相關的重大交易、安排或合約權益詳情載於本報告「關聯方交易/關連交易/持續關連交易」一節及綜合財務報表附註38。

Other than as disclosed above, there was no transaction, arrangement or contract of significance to which the Company or its subsidiaries, or its holding companies or any of its fellow subsidiaries was a party, and in which a Director was materially interested, whether directly or indirectly, subsisting during or at the end of the year ended 30 June 2017.

Directors' Interests in Competing Business

Save as disclosed in the Prospectus, the section headed "Related Party Transactions/Connected Transactions/Continuing Connected Transactions" in this report and note 38 to the consolidated financial statements of which certain Directors engaged in film-related businesses, none of the Directors or the controlling shareholders of the Company or their respective associates as defined in the Listing Rules has any interest in any business which competes or may compete with the business of the Group during the year ended 30 June 2017.

Compliance of Non-Competition Undertaking

On 5 October 2012, Mr. Wong, Ms. Alvina Wong, Mr. Edmond Wong and Honour Grace Limited ("Honour Grace") (collectively, the "Controlling Shareholders"), have given an irrevocable non-compete undertaking (the "Non-competition Undertaking") in favour of the Company pursuant to which each of them irrevocably, unconditionally, jointly and severally undertaken, among other matters, not to, directly or indirectly, carry on, invest in or be engaged in any business which would or might compete with the business of the Group. Details of the Non-competition Undertaking have been set out in the section headed "Relationship with Controlling Shareholders" of the Prospectus.

The Non-competition Undertaking has become effective from 31 October 2012, the date of the Listing.

The Company has received the confirmation from the Controlling Shareholders in respect of their compliance with the terms of the Non-competition Undertaking for the year ended 30 June 2017.

The independent non-executive Directors had reviewed and confirmed that the Controlling Shareholders had complied with the Non-competition Undertaking and the Non-competition Undertaking had been enforced by the Company in accordance with its terms for the year ended 30 June 2017.

Contracts of Significance

Saved as disclosed above, there is no contract of significance between the Company or any of its subsidiaries, and a controlling shareholder or any of its subsidiaries.

除上文所披露者外，截至2017年6月30日止年度期間或期末，本公司或其附屬公司或其控股公司或其任何同系附屬公司概無訂立董事直接或間接擁有重大權益的重大交易、安排或合約。

董事於競爭業務的權益

除招股章程、本報告「關聯方交易／關連交易／持續關連交易」一節及綜合財務報表附註38披露若干董事從事電影相關業務外，截至2017年6月30日止年度，概無董事或本公司控股股東或彼等各自的聯繫人（定義見上市規則）於任何對本集團業務構成競爭或可能構成競爭的業務擁有任何權益。

遵守不競爭承諾

於2012年10月5日，黃先生、黃女士、黃子桓先生及榮恩有限公司（「榮恩」）（統稱「控股股東」）已作出以本公司為受益人的不可撤回不競爭承諾（「不競爭承諾」），據此，彼等各自不可撤回、無條件、共同及個別地承諾（其中包括）不會直接或間接進行、投資或從事任何將會對本集團業務構成競爭或可能構成競爭的業務。不競爭承諾的詳情已載於招股章程「與控股股東的關係」一節。

不競爭承諾已自2012年10月31日（上市日期）起生效。

本公司已接獲控股股東就彼等於截至2017年6月30日止年度遵守不競爭承諾條款發出的確認書。

截至2017年6月30日止年度，獨立非執行董事已審閱並確認控股股東已遵守不競爭承諾，而本公司已根據其條款執行不競爭承諾。

重大合約

除上文所披露者外，本公司或其任何附屬公司與控股股東或其任何附屬公司並無訂立重大合約。

Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 30 June 2017, the interests of Directors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were required, pursuant to Appendix 10 of the Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於2017年6月30日，董事及本公司行政總裁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)的股份及相關股份中擁有須根據證券及期貨條例第XV部第7及8分部規定知會本公司及聯交所的權益(包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益)，及須記錄於本公司根據證券及期貨條例第352條所存置登記冊的權益，或須根據上市規則附錄十有關董事進行證券交易的規定知會本公司及聯交所的權益如下：

Position in shares and underlying shares of the Company

於本公司股份及相關股份的倉位

Name of Director	Company/name of associated company	Nature of interest	Number of shares	Position	Percentage of the Company's/ associated company's issued share capital 佔本公司/ 相聯公司已發行股本百分比
董事姓名	相聯公司名稱	權益性質	股份數目	倉位	
Mr. Wong	Company	Interest in a controlled corporation	1,200,000,000 (Note)	Long	46.23%
黃先生	本公司	於受控法團權益	(附註)	好倉	
	Company	Beneficial owner	123,760,000	Long	4.77%
	本公司	實益擁有人	<hr/>	好倉	<hr/>
			1,323,760,000		51.00%
	Honour Grace	Beneficial owner	9 shares of US\$1.00 each	Long	60.00%
	榮恩	實益擁有人	9股股份(每股 面值1.00美元)	好倉	

Note: These shares are registered in the name of Honour Grace, the entire issued share capital of which is legally and beneficially owned as to 60% by Mr. Wong, 20% by Mr. Edmond Wong and 20% by Ms. Alvina Wong. Under the SFO, Mr. Wong is deemed to be interested in all the shares registered in the name of Honour Grace.

附註：該等股份以榮恩的名義登記，其全部已發行股本由黃先生、黃子桓先生及黃女士分別合法及實益擁有60%、20%及20%。根據證券及期貨條例，黃先生被視為擁有所有以榮恩名義登記股份的權益。

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at 30 June 2017, the interests of the persons, other than the interests disclosed above in respect of Directors or chief executive of the Company, in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO, or otherwise notified to the Company were as follows:

主要股東於本公司股份及相關股份的權益及淡倉

於2017年6月30日，以下人士(上文所披露的董事或本公司行政總裁的權益除外)於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部規定知會本公司及聯交所的權益，及記錄於本公司根據證券及期貨條例第336條所存置登記冊的權益，或以其他方式知會本公司的權益：

Name of shareholder	Nature of interest	Number of shares	Position	Percentage of the Company's issued share capital 佔本公司已發行股本百分比
股東名稱／姓名	權益性質	股份數目	倉位	
Honour Grace 榮恩	Beneficial owner 實益擁有人	1,200,000,000	Long 好倉	46.23%
Mr. Wong 黃先生	Interest in a controlled corporation 於受控法團權益	1,200,000,000 (Note 1)	Long 好倉	46.23%
	Beneficial owner 實益擁有人	123,760,000	Long 好倉	4.77%
		<u>1,323,760,000</u>		<u>51.00%</u>
Ms. Zee Ven Chu Lydia (Note 2) 徐文娟女士(附註2)		1,323,760,000	Long 好倉	51.00%
Ms. Wong Kit Fong 黃潔芳女士	Beneficial owner 實益擁有人	197,992,000	Long 好倉	7.63%

Note 1: These shares are registered in the name of Honour Grace, the entire issued share capital of which is legally and beneficially owned as to 60% by Mr. Wong, 20% by Mr. Edmond Wong and 20% by Ms. Alvina Wong. Under the SFO, Mr. Wong is deemed to be interested in all the shares registered in the name of Honour Grace.

附註1：該等股份以榮恩的名義登記，其全部已發行股本由黃先生、黃子桓先生及黃女士分別合法及實益擁有60%、20%及20%。根據證券及期貨條例，黃先生被視為擁有所有以榮恩名義登記股份的權益。

Note 2: Ms. Zee Ven Chu Lydia, spouse of Mr. Wong, is deemed under the SFO to be interested in all the shares in which Mr. Wong is deemed to be interested.

附註2：根據證券及期貨條例，黃先生的配偶徐文娟女士被視為於黃先生被視為擁有權益的所有股份中擁有權益。

Save as disclosed above, as at 30 June 2017, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外，於2017年6月30日，本公司並不知悉任何人士(董事或本公司行政總裁除外)於本公司股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部規定向本公司披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第336條所存置登記冊的權益或淡倉。

Rights to Acquire Shares or Debentures

Other than as disclosed under the sections headed “Share Option Scheme” and “Directors’ and chief executives’ interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations” in this report, at no time during the year ended 30 June 2017 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Permitted Indemnity Provisions

The Company’s Articles of Association provides that the Directors and officers shall be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses with they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty.

The Company has arranged appropriate insurance coverage on directors’ and officers’ liabilities in respect of legal actions against the Directors and senior management of the Group in respect of potential legal actions that may be incurred in the course of performing their duties.

Corporate Governance

The Company is committed to maintaining the highest standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 34 to 48 of this annual report.

Related Party Transactions/Connected Transactions/Continuing Connected Transactions

Details of related party transactions of the Group during the year ended 30 June 2017 are set out in note 38 to the consolidated financial statements. Except for the transactions with BPL are not constituted connected transactions, all of these related party transactions are connected transactions/continuing connected transactions fully exempted under Rule 14A.76(1) of Chapter 14A of the Listing Rules. The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

購入股份或債券的權利

除本報告「購股權計劃」及「董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉」兩節所披露者外，截至2017年6月30日止年度內，本公司或其任何附屬公司或其任何同系附屬公司概無訂立任何安排，致使董事或本公司行政總裁或彼等各自的聯繫人（定義見上市規則）有權認購本公司或其任何相聯法團（定義見證券及期貨條例）的證券，或可藉購入本公司或任何其他法人團體的股份或債券而獲利。

允許彌償保證條文

本公司的組織章程細則規定，董事及高級職員須就彼等將或可能由於執行其職責時或與執行其職責有關所進行、同意或疏忽的任何行為而產生或維持的所有行動、成本、費用、損失、損害賠償及支出而自本公司的資產及溢利中獲彌償。

本公司已就董事及本集團高級管理層於履行其職責時可能引發的潛在法律訴訟對董事及高級職員與對董事及本集團的高級管理層提起的法律訴訟有關的責任安排適當的保險範圍。

企業管治

本公司致力維持高水平企業管治常規。有關本公司採納的企業管治常規資料載於本年報第34至48頁企業管治報告。

關聯方交易／關連交易／持續關連交易

有關本集團於截至2017年6月30日止年度的關聯方交易詳情載於綜合財務報表附註38。除與賞金之交易並不構成關連交易外，所有該等關聯方交易為獲完全豁免遵守上市規則第14A章第14A.76(1)條規定的關連交易／持續關連交易。本公司確認，其已根據上市規則第14A章遵守披露規定。

Sufficiency of Public Float

As at the date of this report, based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirm that the Company maintained the amount of public float as required under the Listing Rules.

Event after the Reporting Period

There is no significant event undertaken by the Group subsequent to 30 June 2017 and up to the date of this report.

Auditor

Deloitte Touche Tohmatsu will retire, and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting. A resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board
Wong Pak Ming
Chairman

Hong Kong, 28 September 2017

充足公眾持股量

於本報告日期，根據本公司可獲取的公開資料及就董事所知，董事確認本公司已維持上市規則規定的公眾持股量。

報告期後事項

本集團於2017年6月30日後及直至本報告日期概無著手重大事項。

核數師

德勤•關黃陳方會計師行將於應屆股東週年大會退任，惟合資格並願意連任。本公司將於應屆股東週年大會提呈續聘彼等為本公司核數師的決議案。

代表董事會
主席
黃栢鳴

香港，2017年9月28日

Corporate Governance Report

企業管治報告

Code on Corporate Governance Practices

The Company is committed to maintaining a high standard of corporate governance practices. During the year ended 30 June 2017, it met all the code provisions of the Corporate Governance Code (the “Code”) set out in Appendix 14 of the Listing Rules, save as the deviations as mentioned in the following sections headed “Chairman and Chief Executive Officer” and “Board Meeting, General Meeting and Procedures” in this report.

The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements and to meet the rising expectations of the Shareholders and investors.

Compliance with the Required Standard of Dealings in Securities Transactions by Directors of Listed Issuers

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Appendix 10 of the Listing Rules. Having made all reasonable enquires, all the Directors have confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the year ended 30 June 2017.

Board of Directors

The Company is governed by the Board which has the responsibility for leadership and control of the Company. The Directors are collectively responsible for promoting the success of the Group by directing and supervising the Group’s affairs. The Board set strategies and directions for the Group’s activities with a view to developing its business and enhancing shareholder value.

企業管治常規守則

本公司致力維持高水平企業管治常規。截至2017年6月30日止年度，本公司符合上市規則附錄十四企業管治守則（「守則」）所有守則條文，惟於本報告以下「主席及行政總裁」及「董事會會議、股東大會及程序」兩節所述的偏離者除外。

本公司將繼續檢討其企業管治常規，以提高其企業管治標準，遵守不斷收緊的監管規定及符合股東與投資者更高的期望。

遵守上市發行人董事進行證券交易規定的買賣準則

本公司已採納一套條款不遜於根據上市規則附錄十所載之交易標準所規定有關董事進行證券交易之守則。經作出一切合理查詢後，全體董事均已確認彼等於截至2017年6月30日止年度一直遵守本公司採納的董事進行證券交易規定的買賣準則及行為準則。

董事會

本公司由董事會規管，而董事會負責領導並控制本公司。董事透過指示及監察本集團事務共同負責推動本集團取得成功。董事會就本集團業務制定策略及發出指示，旨在發展業務並提高股東價值。

Board Composition

The Board comprises the following Directors:

Executive Directors

Mr. Wong Pak Ming (*Chairman*)
Ms. Wong Yee Kwan Alvina
Mr. Wong Chi Woon Edmond

Independent Non-Executive Directors

Mr. Lam Kam Tong
Mr. Lo Eric Tien-cheuk
Mr. Tang Kai Kui Terence

The Board currently comprises six Directors, including the Chairman (being an executive Director), the other two executive Directors, and three independent non-executive Directors. An updated list of Directors identifying their roles and functions and whether they are independent non-executive Directors has been published on the websites of the Company and the Stock Exchange respectively. Biographical details of the Directors are set out in “Profiles of Directors and Senior Management” on pages 20 to 22 of this annual report. The composition of the Board is well balanced. Each of the Directors has relevant expertise and extensive corporate and strategic planning experiences that can contribute to the business of the Group. During the year ended 30 June 2017, the Company had complied with Rules 3.10(1) and (2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive directors representing more than one-third of the Board and at least one of them has appropriate professional qualifications or accounting or related financial management expertise. All independent non-executive Directors also meet the guidelines for assessment of their independence pursuant to Rule 3.13 of the Listing Rules. The Board has received an annual confirmation of independence from each of the independent non-executive Directors. The Company considers all the independent non-executive Directors to be independent.

董事會組成

董事會由下列董事組成：

執行董事

黃栢鳴先生(主席)
黃漪鈞女士
黃子桓先生

獨立非執行董事

林錦堂先生
羅天爵先生
鄧啟駒先生

董事會目前由六名董事組成，包括主席(為執行董事)、另外兩名執行董事及三名獨立非執行董事。用作識別董事角色與職能及董事是否為獨立非執行董事的最新董事名單已分別於本公司及聯交所網站刊載。董事履歷詳情載於本年報第20至22頁「董事及高級管理層簡歷」。董事會組成已經相當平衡。各董事具備能為本集團業務作出貢獻的相關專業知識與豐富企業及策略規劃經驗。截至2017年6月30日止年度，本公司已遵守上市規則第3.10(1)及(2)以及第3.10A條，內容有關最少委任佔董事會成員三分之一以上的三名獨立非執行董事，以及最少一名獨立非執行董事具備適當專業資格或會計或相關財務管理專業知識。全體獨立非執行董事亦符合上市規則第3.13條評估彼等獨立性的指引。董事會已接獲各獨立非執行董事發出的年度獨立性確認書。本公司認為全體獨立非執行董事均為獨立人士。

The Board

The Board is responsible for the leadership and control of, and promoting the success of the Company. This is achieved by setting up corporate and strategic objectives and policies, and the monitoring and evaluations of operating activities and financial performance of the Company.

All the Directors carry out their duties in good faith and in compliance with applicable laws and regulations, taking decisions objectively and acting in the interests of the Company and the Shareholders at all times.

Mr. Wong (the Chairman of the Board and executive Director) is the father of Ms. Alvina Wong and Mr. Edmond Wong (both executive Directors). Save as disclosed above, there is no family or other material relationship among members of the Board and the senior management of the Group.

Formal service contracts and letters of appointment have been issued to the executive Directors and the independent non-executive Directors respectively setting out the key terms and conditions of their respective appointments.

The insurance cover in respect of legal action against the Directors and senior officers is covered by the existing Directors and Officers Liability Insurance Policy of the Company.

Chairman and Chief Executive Officer

The Company has not yet adopted A.2.1 of the Code. Under the code provision A.2.1 of the Code, the roles of Chairman and Chief Executive Officer (“CEO”) should be separated and would not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing.

Mr. Wong is the Chairman of the Board and is responsible for the overall strategy planning and policy making of the Group. The Chairman also takes the lead to ensure that the Board works effectively and acts in the best interest of the Company by encouraging the Directors to actively participate in the Board’s affairs and promoting a culture of openness and debate.

The Company has no such position as CEO and therefore the daily operation and management of the Company is monitored by the executive Directors as well as the senior management of the Group.

The Board is of the view that although there is no CEO, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Company.

董事會

董事會負責領導並控制本公司，以及推動本公司邁向成功。為達至這些目標，董事會設定企業及策略目標與政策，並監察與評估本公司的業務活動及財務表現。

全體董事根據適用法例及規則真誠履行職責，客觀地作出決策，以及時時刻刻以符合本公司及股東利益的方式行事。

黃先生(董事會主席兼執行董事)為黃女士及黃子桓先生(兩人均為執行董事)的父親。除上文所披露者外，董事會成員及本集團的高級管理層之間並無家族或其他重要關係。

本公司已分別向執行董事及獨立非執行董事發出正式服務合約及委任書，當中載有彼等各自委任的主要條款及條件。

本公司現有董事及高級職員責任保單已包含對董事及高級職員提出法律行動的保險。

主席及行政總裁

本公司尚未採納守則第A.2.1條。根據守則之守則條文第A.2.1條，主席及行政總裁(「行政總裁」)之角色應有區分，且不應由一人同時兼任。主席與行政總裁之職責分工應清楚界定並以書面列載。

黃先生乃董事會主席，負責本集團整體策略規劃及政策制定。主席亦帶頭通過鼓勵董事積極參與董事會事務以及推廣公開及坦誠交流之文化，確保董事會有效運作及以本公司最佳利益為依歸。

本公司並無設立行政總裁一職，故本公司日常運作及管理由執行董事及本集團的高級管理層監督。

董事會認為儘管未設立行政總裁，控制權及管理權之平衡乃由董事會運作確保，董事會由富有經驗之人士組成，彼等不時會面討論影響本公司運作之事宜。

Responsibilities and Delegation of Functions

The Company has formalised and adopted written terms on the division of functions reserved to the Board and those delegated to the management of the Group. The Board reserves for its decision on all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies and budgets, risk management and internal control systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary of the Company (the “Company Secretary”) and senior management of the Group, with a view to ensuring compliance with the Board procedures and all applicable laws and regulations. Any Director may request independent professional advice in appropriate circumstances at the Company’s expense, upon reasonable request being made to the Board. The day-to-day management, administration and operations of the Company are delegated to the executive Directors and senior management of the Group. The Board has delegated a schedule of responsibilities to these officers for the implementation of the Board decisions. The Board periodically reviews the delegated functions and work tasks. Prior to entering into any significant transactions, the aforesaid officers have to obtain the Board’s approval.

No corporate governance committee has been established by the Company and the Board is responsible for performing the corporate governance duties, which included:

- (1) developing and reviewing the policies and practices on corporate governance of the Group;
- (2) to review and monitor the training and continuous professional development of Directors and senior management of the Group;
- (3) to review and monitor the Group’s policies and practices on compliance with legal and regulatory requirements;
- (4) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to Directors and employees; and
- (5) to review the Company’s compliance with the Code and disclosure in the corporate governance report of the Company.

職責及職能授權

本公司已制定並採納董事會職能分配書面職權範圍，以及授權予本集團管理層的職能。董事會保留就本公司一切重大事宜作出決策的權利，包括批准及監察所有政策事宜、整體策略及預算、風險管理及內部監控制度、重大交易(特別是可能涉及利益衝突的重大交易)、財務資料、董事委任以及其他重大財務與營運事宜。

為確保符合董事會程序以及所有適用法例及規例，全體董事均可全面及時獲取所有相關資料，並得到本公司的公司秘書(「公司秘書」)及本集團的高級管理層的意見與服務。在向董事會提出合理要求後，任何董事均可於適當情況下要求獨立專業意見，費用由本公司支付。本公司日常管理、行政工作及營運由本集團的執行董事及高級管理層負責。董事會已就實行董事會決策將職責範疇授權予該等職員。董事會定期審閱已授權職能及工作。於訂立任何重大交易前，上述職員須取得董事會批准。

本公司並未成立任何企業管治委員會，由董事會負責履行企業管治職責，包括：

- (1) 制訂及檢討本集團之企業管治政策及常規；
- (2) 檢討及監察董事及本集團的高級管理層之培訓及持續專業發展；
- (3) 檢討及監察本集團就遵守法律及監管規定方面之政策及常規；
- (4) 制訂、檢討及監察適用於董事及僱員之操守守則及合規手冊(如有)；及
- (5) 檢討本公司遵守守則之情況及於本公司企業管治報告內之披露。

Appointment, Re-Election and Removal of Directors

Each of Mr. Wong, Ms. Alvina Wong and Mr. Edmond Wong, being all the executive Directors, had entered into a service contract with the Company for an initial fixed term of three years commencing from 31 October 2012 renewable automatically until terminated by not less than three months' notice in writing served by either party on the other expiring at the end of the initial term or any time thereafter.

Each of Mr. Lam Kam Tong, Mr. Lo Eric Tien-cheuk and Mr. Tang Kai Kui Terence, being all the independent non-executive Directors, has entered into a letter of appointment with the Company on 1 July 2015. Each letter of appointment is for a term of one year from the date of the letter of appointment and renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of appointment unless terminated by either party giving at least one month's notice in writing.

The Directors are subject to retirement by rotation in accordance with the Company's Articles of Association. According to the Company's Articles of Association, one-third of the Directors are required to retire from office at each annual general meeting, provided that every Director shall be subject to retirement by rotation at least once in every three years. The Directors to retire every year shall be those who have been longest in office since their last re-election or appointment.

Board Meeting, General Meeting and Procedures

During the year ended 30 June 2017, the Board convened a total of five board meetings and one general meeting have been held. The following is the Directors' attendance record of meetings held by the Board:

		Number of attendance/ number of board meetings 出席次數/ 董事會會議數目	Number of attendance/ number of general meeting 出席次數/ 股東大會數目
Mr. Wong Pak Ming	黃栢鳴先生	5/5	1/1
Ms. Wong Yee Kwan Alvina	黃漪鈞女士	5/5	1/1
Mr. Wong Chi Woon Edmond	黃子桓先生	5/5	1/1
Mr. Lam Kam Tong	林錦堂先生	4/5	0/1
Mr. Lo Eric Tien-cheuk	羅天爵先生	5/5	0/1
Mr. Tang Kai Kui Terence	鄧啟駒先生	5/5	1/1

董事委任、重選及罷免

黃先生、黃女士及黃子桓先生(均為執行董事)各自已與本公司訂立服務合約,由2012年10月31日起計初步固定為期三年,並自動續期,直至由其中一方向對方發出不少於三個月書面通知終止為止,而該通知將於初步期限結束時或其後任何時間屆滿。

林錦堂先生、羅天爵先生及鄧啟駒先生(均為獨立非執行董事)已各自於2015年7月1日與本公司訂立委任書。每份委任書自委任書日期起計為期一年,其後持續自動續期一年,新任期由當時委任期屆滿後翌日起計,直至任何一方向對方發出至少一個月書面通知予以終止為止。

董事須根據本公司的組織章程細則輪席告退。根據本公司的組織章程細則,三分之一的董事須於每屆股東週年大會輪席告退,惟每名董事須至少每三年輪席告退一次。每年將會退任董事應為自其上一次重選或委任服務年期最長的董事。

董事會會議、股東大會及程序

截至2017年6月30日止年度,董事會合共召開五次董事會會議及一次股東大會。以下為董事出席董事會所舉行會議的出席記錄:

Code provision A.6.7 of the Code stipulates that the independent non-executive Directors should attend general meetings and develop a balanced understanding of the views of the Shareholders. Mr. Lam Kam Tong and Mr. Lo Eric Tien-cheuk were unable to attend the annual general meeting of the Company held on 17 November 2016 as they had other business engagement.

Board members were provided with complete, adequate and timely information to allow them to fulfill their duties properly.

Draft agenda of each Board meeting is sent to all Directors in advance. Notice of at least seven days is given for a regular Board meeting. For other Board and committees meetings, reasonable notice is generally given. Board papers together with all appropriate, complete and reliable information are dispatched to all Directors at least three days before each regular Board meeting to ensure that the Directors have sufficient time to review the related documents and be adequately prepared for the meeting.

The Company Secretary is responsible to keep minutes of all Board meetings and committees meetings. Draft minutes are normally circulated to all Directors for comments within a reasonable time after each meeting and the final versions are open for Directors' inspection. The Company's Articles of Association contains provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

Continuous Professional Development

All Directors with names as listed out in the section headed "Board Composition" in this report have been given relevant guideline materials regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interest and business of the Group and such induction materials will also be provided to newly appointed Directors shortly upon their appointment as Directors. All Directors have been updated on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. Continuing briefings and professional development to Directors will be arranged whenever necessary.

守則之守則條文第A.6.7條規定，獨立非執行董事應出席股東大會並對股東的意見有公正的了解。林錦堂先生及羅天爵先生因其他事務而未能出席本公司於2016年11月17日舉行的股東週年大會。

董事會成員已獲提供完整、充足與及時資料，致使彼等妥善履行其職責。

每次董事會會議的議程草擬本會預先送交全體董事。董事會例會須發出最少七日通知。至於其他董事會及委員會會議，一般須發出合理通知。董事會文件連同所有適當、完整及可靠資料最少於每次董事會例會舉行前三日發送至全體董事，以確保董事有充分時間審閱相關文件及為會議作出充分準備。

公司秘書負責保存所有董事會會議及委員會會議的會議記錄。會議記錄草擬本一般於每次會議舉行後合理時間內供全體董事傳閱以讓彼等提出意見，會議記錄最終定稿乃公開讓董事查閱。本公司的組織章程細則載有條文，規定董事在批准有關董事或彼等任何聯繫人擁有重大權益的交易時於會議上放棄投票，且並不計入法定人數。

持續專業發展

名列本報告「董事會組成」一節的全體董事已獲發相關指引文件，內容有關作為董事的職務及職責、適用於董事的相關法例及規例、權益披露責任及本集團業務，該等入職文件亦將於新委任董事獲委任為董事後短期內給予有關董事。為確保遵從良好企業管治常規及加強董事對良好企業管治常規的關注，全體董事均獲悉有關上市規則以及其他適用監管規例最新發展的最新消息。本公司將於有需要時為董事安排持續簡介及專業發展。

Corporate Governance Report

企業管治報告

During the year ended 30 June 2017, the Company had organised a seminar on the updates and the latest development of the Listing Rules, SFO and Hong Kong Companies Ordinance for the Directors. The seminar was facilitated by the Company's legal advisor with presentation and relevant materials and all Directors have attended such seminar. In addition, all Directors were provided with monthly updates on the Group's business, operations and financial matters to facilitate the discharge of their responsibilities. During the year ended 30 June 2017, the Directors also participated in other training activities such as attending seminars and reading materials relevant to the Company's businesses or to their duties and responsibilities as directors of a listed company.

All Directors had provided the Company Secretary with their training records for the year ended 30 June 2017.

Board Committees

During the year ended 30 June 2017, the Board has established three board committees, namely the audit committee (the "Audit Committee"), the Remuneration Committee and nomination committee (the "Nomination Committee") of the Company, with written terms of reference which are available for viewing on the websites of the Company and the Stock Exchange to assist them in the efficient implementation of their functions. Specific responsibilities have been delegated to the above committees.

Audit Committee

The Board established the Audit Committee on 5 October 2012 with written terms of reference in compliance with Rules 3.21 to 3.23 of the Listing Rules and the Code. The primary duties of the Audit Committee are mainly to communicate with external auditor; to review the remuneration, terms of engagement, independency and objectivity of the external auditor; to review the accounting policy, financial position and financial reporting procedures of the Company; and to review and assess the financial reporting, risk management and internal control systems of the Company and making recommendations thereof.

截至2017年6月30日止年度，本公司已為董事舉辦有關上市規則、證券及期貨條例及香港公司條例最新消息及最新發展的研討會。研討會由本公司法律顧問主持，期間作出簡報及提供相關文件，且所有董事已出席有關研討會。此外，全體董事均獲發有關本集團業務、營運及財政事宜的月報，致使彼等履行其職責。截至2017年6月30日止年度，董事亦參與其他培訓活動，如出席研討會及閱讀有關本公司業務或彼等作為上市公司董事的職務及職責的文件。

全體董事已向公司秘書提供彼等於截至2017年6月30日止年度的培訓記錄。

董事委員會

截至2017年6月30日止年度，董事會已成立三個董事委員會，即本公司審核委員會（「審核委員會」）、薪酬委員會及提名委員會（「提名委員會」），其書面職權範圍可於本公司及聯交所網站瀏覽，以協助彼等有效執行其職能。董事會已將特定職責授予上述委員會。

審核委員會

董事會於2012年10月5日成立審核委員會，並根據上市規則第3.21至第3.23條及守則制定書面職權範圍。審核委員會的主要職責為與外聘核數師溝通、審閱外聘核數師的酬金、委聘條款、獨立性及客觀性；審閱本公司會計政策、財務狀況及財務申報程序；以及審閱及評估本公司的財務申報、風險管理及內部監控系統並作出相關建議。

The Audit Committee has three members comprising three independent non-executive Directors, Mr. Lam Kam Tong (Chairman), Mr. Lo Eric Tien-cheuk and Mr. Tang Kai Kui Terence. During the year ended 30 June 2017, the Audit Committee had reviewed the interim results and report of the Company for the six months ended 31 December 2016. The Audit Committee had been provided with the Group's consolidated financial statements, risk management report, internal control report and other necessary information to consider, review and access significant issues and matters arising from these works conducted. Subsequent to 30 June 2017 and up to the date of this report, all members of the Audit Committee attended a meeting to review the effectiveness of the Group's risk management and internal control systems for the year ended 30 June 2017. The Audit Committee had considered and reviewed, with management and the external auditor of the Company, in detail of the identification and approach with respect to the key audit matters that were most significant in the audit procedures included in the "Independent Auditor's Report" on pages 63 to 69 of this annual report. The Group's final results and the annual report for the year ended 30 June 2017 had been reviewed by the Audit Committee before submission to the Board for approval. Members of the Audit Committee were of the opinion that the preparation of such results complied with the applicable accounting standards, the Listing Rules and that adequate disclosure have been made. The Audit Committee also recommended the appointment of external auditor of the Company.

During the year ended 30 June 2017, two meetings of the Audit Committee were held and the attendance of each member of the Audit Committee is contained in the following table:

審核委員會由三名成員組成，包括三名獨立非執行董事林錦堂先生(主席)、羅天爵先生及鄧啟駒先生。截至2017年6月30日止年度，審核委員會已審閱本公司截至2016年12月31日止六個月的中期業績及報告。審核委員會已獲提供本集團的綜合財務報表、風險管理報告、內部監控報告及其他必要資料以考慮、審閱及評估該等所進行之工作中引起的重要問題及事宜。於2017年6月30日後及截至本報告日期，所有審核委員會成員出席會議，以審閱截至2017年6月30日止年度本集團的風險管理及內部監控制度的有效性。審核委員會已與管理層及本公司外部核數師詳細考慮及審閱載入本年報第63至69頁「獨立核數師報告」的有關審核過程中最為重要的關鍵審核事項的識別及方式。本集團截至2017年6月30日止年度末期業績及年報於呈交董事會批准前已獲審核委員會審閱。審核委員會成員認為編製該等業績已遵守適用會計準則及上市規則，並已作出充分披露。審核委員會亦推薦委聘本公司的外聘核數師。

截至2017年6月30日止年度，審核委員會舉行兩次會議，而審核委員會各成員出席會議記錄載於下表：

		Number of attendance/ number of meetings
		出席次數／會議數目
Mr. Lam Kam Tong	林錦堂先生	2/2
Mr. Lo Eric Tien-cheuk	羅天爵先生	2/2
Mr. Tang Kai Kui Terence	鄧啟駒先生	2/2

Nomination Committee

The Company established the Nomination Committee on 5 October 2012 with written terms of reference in compliance with the Code. The primary duties of the Nomination Committee are mainly to review of the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to identify individuals suitably qualified to become the Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships of the Company and to assess the independence of independent non-executive Directors. In reviewing and recommending the appointment of new directors, the Nomination Committee would seek to identify the competencies required to enable the Board to fulfill its responsibilities. The resume or document of the nominee or candidate will be given to the Nomination Committee for consideration. The Nomination Committee has adopted a process for selection and appointment of new directors which provides the procedure for identification of potential candidates, evaluation of the suitability of the candidate based on his qualifications, skills, knowledge, business and related experience, commitment, ability to contribute to the Board process and such qualities and attributes that may be required by the Board. The Nomination Committee shall review the Board Diversity Policy established for implementing diversity on the Board periodically.

The Nomination Committee has three members comprising three independent non-executive Directors, Mr. Lo Eric Tien-cheuk (Chairman), Mr. Lam Kam Tong and Mr. Tang Kai Kui Terence. During the year ended 30 June 2017, two meetings of the Nomination Committee were held to review the structure and composition of the Board, the attendance of each member of the Nomination Committee is contained in the following table:

提名委員會

本公司於2012年10月5日成立提名委員會，並制定符合守則的書面職權範圍。提名委員會的主要職責為至少每年檢討董事會的架構、規模及組成(包括技能、知識及經驗以及觀點的多樣性)，並就任何為配合本公司的公司策略而計劃對董事會作出的變動提出建議；物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任本公司董事或就此向董事會提供意見，以及評估獨立非執行董事的獨立性。於審閱委任新增董事及就此提供建議時，提名委員會將尋求物色所需的合適人選，致使董事會履行其職責。被提名人或候選人的履歷表或文件將送交提名委員會參考。提名委員會已採納選擇及委任新增董事程序，當中提供物色潛在候選人、根據候選人的資歷、技能、知識、業務及相關經驗、承擔、對董事會程序作出貢獻的能力以及具董事會可能需要的特質及特性評估候選人是否合適的程序。提名委員會須檢討董事會成員多元化政策，以定期實施董事會成員多元化。

提名委員會由三名成員組成，包括三名獨立非執行董事羅天爵先生(主席)、林錦堂先生及鄧啟駒先生。截至2017年6月30日止年度，提名委員會舉行兩次會議，以審閱董事會架構及組成，提名委員會各成員出席會議記錄載於下表：

		Number of attendance/ number of meetings 出席次數／會議數目
Mr. Lo Eric Tien-cheuk	羅天爵先生	2/2
Mr. Lam Kam Tong	林錦堂先生	2/2
Mr. Tang Kai Kui Terence	鄧啟駒先生	2/2

Remuneration Committee

The Company established the Remuneration Committee on 5 October 2012 with written terms of reference in compliance with the Code. The primary duties of the Remuneration Committee are mainly to review the terms of the remuneration package of each Director and member of senior management of the Group and making recommendations to the Board regarding any adjustment thereof; and to review and evaluate the performance of individual Directors. No Director shall participate in any discussion about his or her own remuneration.

The Remuneration Committee has three members comprising three independent non-executive Directors, Mr. Tang Kai Kui Terence (Chairman), Mr. Lam Kam Tong and Mr. Lo Eric Tien-cheuk. The remuneration of the Directors was determined with reference to their respective experience, responsibilities with the Group and general market conditions. During the year ended 30 June 2017, two meetings of the Remuneration Committee were held to review the remuneration package of the Directors and senior management of the Group, the attendance of each member of the Remuneration Committee is contained in the following table:

		Number of attendance/ number of meetings 出席次數／會議數目
Mr. Tang Kai Kui Terence	鄧啟駒先生	2/2
Mr. Lam Kam Tong	林錦堂先生	2/2
Mr. Lo Eric Tien-cheuk	羅天爵先生	2/2

Remuneration of Senior Management

The biographical details of senior management of the Group are disclosed in the section headed "Profiles of Directors and Senior Management" on pages 20 to 22 of this annual report.

The remuneration paid/payable to senior management of the Group for the year ended 30 June 2017 fell within the following bands:

		Number of individuals 人數
Less than HK\$1,000,000	低於港幣 1,000,000 元	2
HK\$1,500,001 to HK\$2,000,000	港幣 1,500,001 元至港幣 2,000,000 元之間	1
Total	總計	3

薪酬委員會

本公司於2012年10月5日成立薪酬委員會，並制定符合守則的書面職權範圍。薪酬委員會的主要職責為審閱各董事及本集團的高級管理層成員的薪酬組合條款，並就相關的任何調整向董事會提供建議，以及審閱及評估個別董事表現。董事不得參與有關其本身薪酬的任何討論。

薪酬委員會由三名成員組成，包括三名獨立非執行董事鄧啟駒先生(主席)、林錦堂先生及羅天爵先生。董事薪酬乃根據彼等各自的經驗、於本集團的職責以及整體市況釐定。截至2017年6月30日止年度，薪酬委員會舉行兩次會議，以審閱董事及本集團的高級管理層薪酬組合，薪酬委員會各成員出席會議記錄載於下表：

高級管理層薪酬

本集團之高級管理層履歷詳情載於本年報第20至22頁「董事及高級管理層簡歷」一節。

截至2017年6月30日止年度已付／應付本集團高級管理層之薪酬介乎以下範圍：

Directors' Responsibility for the Consolidated Financial Statements

The Board acknowledges its responsibility to prepare the Group's consolidated financial statements for each financial year and to ensure that the consolidated financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The statement by the auditor of the Company about their responsibilities for the consolidated financial statements is set out in the "Independent Auditor's Report" on pages 63 to 69 of this annual report. The Board also ensures the timely publication of the financial statements. The Directors, having made appropriate enquiries, confirm that they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Auditors' Remuneration

The remuneration paid/payable to the auditors of the Group for the year ended 30 June 2017 is set out as follows:

		Paid/payable 已付／應付金額 HK\$'000 港幣千元
Statutory audit services	法定核數服務	1,669
Non-statutory audit services	非法定核數服務	
Tax compliance and consulting services	稅務合規及諮詢服務	108
Total	總計	1,777

Risk Management and Internal Control

The Board has developed the Group's internal control, risk assessment and management systems and has overall responsibility for reviewing and maintaining an adequate and effective risk management and internal control systems to safeguard the interests of the Shareholders and the assets of the Group. It evaluates the effectiveness of the systems at least annually to ensure the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions. The review covers all material controls, including financial, operational and compliance controls and risk management.

董事對綜合財務報表的責任

董事會知悉其有責任編製本集團各財政年度的綜合財務報表，並確保綜合財務報表乃根據法定規例及適用會計準則編製。本公司核數師就綜合財務報表發出的責任聲明載於本年報第63至69頁「獨立核數師報告」。董事會亦確保及時刊發財務報表。董事經作出適當查詢後確認，彼等並無知悉任何有關可能令本公司持續經營的能力存在重大疑問的事件或情況的重大不明朗因素。

核數師酬金

截至2017年6月30日止年度，已付／應付本集團核數師酬金載列如下：

		Paid/payable 已付／應付金額 HK\$'000 港幣千元
Statutory audit services	法定核數服務	1,669
Non-statutory audit services	非法定核數服務	
Tax compliance and consulting services	稅務合規及諮詢服務	108
Total	總計	1,777

風險管理及內部監控

董事會已制定本集團之內部監控及風險評估及管理制，並對檢討及維持足夠及有效之風險管理及內部監控制度負有全面責任，以保障股東利益及本集團資產。其最少每年評估制度的有效性確保本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是足夠的。審閱涵蓋包括財務、經營及合規控制以及風險管理等所有重大監控。

Risk management and internal control systems

The Group's risk management and internal control systems are designed to manage and mitigate risks, rather than eliminate risks, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Group has employed a bottom-up approach for identification, assessment and mitigation of risk at all business unit levels and across functional areas.

Main features of risk management and internal control systems

The key elements of the Group's risk management and internal control systems include the establishment of a risk register to keep track of and document identified risks, the assessment and evaluation of risks, the development and continuous updating of responsive procedures, and the ongoing testing of internal control procedures to ensure their effectiveness.

Annually, the Group identifies and assesses the key inherent risks that affect the achievements of its objectives. A risk matrix is adopted to determine risk rating into three categories: low, medium and high, after evaluation of the risk by the likelihood and the impact of the risk event. The risk ratings reflect the level of management attention and risk treatment effort required.

Process used to identify, evaluate and manage significant risks

During the process of risk assessment, each of the risk owner of departments are required to capture and identify the key inherent risks that affect the achievement of its objectives. Each inherent risk is evaluated according to the risk matrix. After taking into consideration the risk response, such as control measures in place to mitigate the risk, the residual risk of each inherent risk is evaluated again. The risk register with the risk responses and residual risks is reported to the Audit Committee. The Audit Committee, evaluates the effectiveness of the systems and report to the Board. The highest category of residual risks is subject to the Board's oversight.

風險管理及內部監控系統

本集團的風險管理及內部監控系統旨在管理及減低風險而非完全排除風險，且僅可提供合理保證及非絕對保證不會出現重大錯誤陳述或損失。本集團已採用由下而上的方法以辨識、評估及減低所有業務單位層面及在各功能範疇的風險。

風險管理及內部監控系統的主要特點

本集團的風險管理及內部監控系統主要元素包括設立風險記錄冊以追蹤及記錄所辨識的風險、評估及評測風險、發展及繼續更新應對程序，以及持續測試內部監控程序以確保其有效性。

本集團每年辨識及評估影響其達到目標的主要固有風險。本集團已於評估風險出現的可能性及風險事項的影響後採納一個風險模型釐定風險評級為低風險、中度風險及高風險三類。風險評級反映管理層所需注意及處理風險力度水平。

用以辨認、評估及管理重大風險的程序

於風險評估的程序中，各面對風險的部門須捕捉及辨識影響其達到目標的主要固有風險。各固有風險乃根據風險模型進行評估。經考慮風險的應對方法後（如採取監控措施以減低風險）將再次評估各固有風險的剩餘風險。風險記錄冊連同風險應對方法及剩餘風險將會向審核委員會予以匯報。審核委員會評估系統的有效程度及向董事會匯報。剩餘風險的最高級別須受董事會監管。

Process used to review the effectiveness of the risk management and internal control systems and to resolve material internal control defects

The management is responsible for the design, implementation and monitoring of the risk management and internal control systems. In view of the Group's business and scale of operations, and in order to adopt the most cost-effective method of conducting periodic reviews of the Group's internal controls, an independent consulting firm (the "Internal Control Auditor") has been engaged to work with the Board, through the Audit Committee, to execute the internal audit function. The Internal Control Auditor has conducted a review of the effectiveness of the Group's risk management and internal control systems for the year ended 30 June 2017 according to the scope of review determined, agreed and approved by the Audit Committee and in accordance with the requirements under code provision C.2 of the Code.

The Internal Control Auditor reported to the Audit Committee and the Audit Committee was satisfied that there had been no material deficiency identified in the areas of the Group's risk management and internal control systems being reviewed, where some minor areas need to be improved have been identified and reported to the Audit Committee and the Group would take further steps to improve by taken implement of the recommendations suggested by the Internal Control Auditor. Accordingly, the Board considered the risk management and internal control systems to be effective and have been implemented with adequate resources during the year ended 30 June 2017.

Procedures and internal controls for the handling and dissemination of inside information

The Company is aware of its obligations in disclosure of inside information under the Listing Rules and Part XIVA of the SFO. The Board has already established and implemented a policy on the procedures, guidelines and internal controls for the handling and dissemination of inside information. The policy stipulated the duty and responsibility of inside information announcement, restriction on sharing non-public information, handling of rumours, unintentional selective disclosure, exemption and waiver to the disclosure of inside information, and also compliance and reporting procedures. Every senior management of the Company must take all reasonable measures to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group from time to time. They must promptly bring any possible leakage or divulgence of inside information to the attention of the Company Secretary, who will notify the Board accordingly for taking the appropriate action promptly. For any material violation of this policy, the Board will decide, or designate appropriate persons to decide the course of actions for rectifying the problem and avoiding recurrence.

用以檢討風險管理及內部監控系統有效性及解決重大的內部監控缺失的程序

管理層負責設計、執行及監督風險管理及內部監控系統。鑒於本集團的業務及經營規模，及為就本集團內部監控進行定期審閱而採用最具成本效益的方法，本集團已委聘一間獨立顧問公司（「內控核數師」）透過審核委員會與董事會合作，以執行內部審核職能。內控核數師已根據審核委員會釐定、協定及批准的審閱範圍及按守則條文第C.2條的規定對本集團截至2017年6月30日止年度的風險管理及內部監控系統的有效性進行審閱。

內控核數師已向審核委員會匯報及審核委員會信納獲審閱的本集團的風險管理及內部監控系統範疇內並無辨識到重大缺陷，其中需予改進的部分細枝末節已獲辨識並呈報予審核委員會且本集團會通過實施內控核數師建議的推薦意見採取進一步改進措施。因此，董事會認為截至2017年6月30日止年度風險管理及內部監控系統屬有效且已以足夠資源實施。

處理及發佈內幕消息的程序及內部監控措施

本公司清楚其有責任根據上市規則及證券及期貨條例第XIVA部披露內幕消息。董事會已就處理及發佈內幕消息的程序、指引及內部監控措施制定及落實政策。該政策規定了內幕消息公佈的職責與責任、在共享非公開信息、處理謠言、無意選擇性披露、豁免披露內幕消息方面的限制，以及合規及報告程序。本公司各高級管理層必須採取一切合理措施，確保設有恰當的防範措施，以防違反不時有關本集團的披露規定。彼等必須迅速提請公司秘書注意內幕消息的任何潛在洩漏，公司秘書將通知董事會迅速採取適當的行動。如嚴重違反本政策，董事會將決定或指派適當人士以決定糾正問題的行動方針，並避免再次發生。

Company Secretary

Mr. Chan Chi Ming joined the Group in December 2011 and has been the Company Secretary since October 2012. The biographical details of the Company Secretary are set out under the section headed “Profiles of Directors and Senior Management” on pages 20 to 22 of this annual report. The Company Secretary has taken no less than 15 hours of relevant professional training during the year ended 30 June 2017.

Shareholders' Rights

Communications with Shareholders

The Company has established a range of communication channels between itself and the Shareholders, and investors. These include answering questions through the general meeting, the publication of annual and interim reports, notices, announcements and circulars and the Company's website at www.pegasusmovie.com.

During the year ended 30 June 2017, there had no change in the Company's constitutional documents.

Procedures for Shareholders to convene an extraordinary general meeting

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Any general meeting other than an annual general meeting shall be referred as an extraordinary general meeting (“EGM”).

Subject to applicable laws and regulations, including the Listing Rules and the Company's Articles of Association as amended from time to time, Shareholders may convene an EGM to consider proposals in accordance with the following provisions:

1. One or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid-up capital of the Company having the right of voting at general meetings can deposit a written request to convene an EGM at the principal place of business of the Company in Hong Kong (the “Hong Kong Office”), for the attention of the Board or the Company Secretary.

公司秘書

陳志明先生於2011年12月加入本集團，並自2012年10月起擔任公司秘書。公司秘書的履歷詳情載於本年報第20至22頁「董事及高級管理層簡歷」一節。截至2017年6月30日止年度，公司秘書已接受不少於15小時的相關專業培訓。

股東權利

與股東溝通

本公司已設立多種通訊渠道，以連繫本公司、股東及投資者，包括於股東大會上回應提問、刊發年報及中期報告、通告、公佈及通函，以及本公司網站(www.pegasusmovie.com)。

截至2017年6月30日止年度，本公司的憲章文件並無任何變動。

股東召開股東特別大會的程序

本公司股東大會為股東及董事會提供互相溝通機會。本公司每年須於可能由董事會釐定的地點舉行股東週年大會。股東週年大會以外的任何股東大會稱為股東特別大會（「股東特別大會」）。

受適用法例及規例（包括上市規則以及本公司經不時修訂的組織章程細則）所規限，股東可根據下列條文召開股東特別大會以考慮建議：

1. 一名或多名於遞呈要求當日持有不少於本公司附帶股東大會表決權的繳足股本十分之一的股東，可將召開股東特別大會的書面要求送交本公司香港主要營業地點（「香港辦事處」），收件人請註明為董事會或公司秘書。

Corporate Governance Report

企業管治報告

2. The written request must state the name of the Shareholders concerned, their respective shareholdings, the objects of the meeting, including details of the business(es) and resolutions proposed to be considered and approved at the meeting, signed by the Shareholders concerned.
2. 書面要求必須註明相關股東姓名、相關持股量及會議目的(包括業務及將於大會上提呈以供考慮及批准的決議案詳情)，並由相關股東簽署。
3. The request will be verified with the Company's Hong Kong branch share registrar and transfer office and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to convene an EGM by serving sufficient notice in accordance with the statutory requirements to all the Shareholders. On the contrary, if the request has been verified as not in order, the Shareholders concerned will be advised of this outcome and accordingly, an EGM will not be convened as requested.
3. 本公司香港股份過戶登記分處將核實要求，於其確認要求屬恰當及妥當後，公司秘書將要求董事會根據法定要求向全體股東發出充分通知以召開股東特別大會。相反，倘要求已確認為不恰當，則有關結果將知會相關股東，而將不會應要求召開股東特別大會。
4. If within 21 days of such deposit of the requisition, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.
4. 倘董事會未能於有關要求遞呈後21日內召開股東大會，要求方可以同一形式召開股東大會，本公司須就要求方因董事會未能召開股東大會而產生的一切合理開支彌償要求方。
5. The notice period to be given to the Shareholders in respect of the EGM varies according to the nature of the proposal. Notice of the EGM at which the passing of a special resolution is to be considered, notice of the EGM shall be arranged to be sent to the Shareholders at least 21 clear days or 10 clear business days (whichever is longer) before such EGM. Notice of all other EGM shall be arranged to be sent to the shareholders at least 14 clear days or 10 clear business days (whichever is longer) before such EGM.
5. 就股東特別大會向股東作出的通知期因應建議性質而定。就考慮通過特別決議案的股東特別大會通知而言，股東特別大會通知須於有關股東特別大會舉行前最少21個完整日或10個完整營業日(以較長者為準)寄發予股東。所有其他股東特別大會通知須於有關股東特別大會舉行前最少14個完整日或10個完整營業日(以較長者為準)寄發予股東。
6. There are no provisions allowing Shareholders to move new resolutions at the general meetings under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or the Company's Articles of Association. Shareholders who wish to move a resolution may request the Company to convene an EGM following the procedures set out above in this section.
6. 根據開曼群島法例第22章公司法(1961年第3號法例，經綜合及修訂)或本公司組織章程細則，概無條文允許股東於股東大會上動議新決議案。有意動議決議案的股東可遵從本節上文所述程序要求本公司召開股東特別大會。

Shareholders' enquiries

Shareholders and other stakeholders can make any enquiry in respect of the Company in writing either by email at ir@pegasusmovie.com or deposited at the Hong Kong Office for the attention of the Board or the Company Secretary. The appropriate management member of the Company will respond to the legitimate enquiry of the Shareholders, the Company's potential investors or analysts.

股東查詢

股東及其他利益相關者可電郵至 ir@pegasusmovie.com 或發信至香港辦事處(收件人請註明為董事會或公司秘書)提出有關本公司的任何查詢。本公司相關管理層成員將回應股東、本公司有意投資者或分析員的合法查詢。

Environmental, Social and Governance Report

環境、社會及管治報告

Scope and Reporting Period

This is the first Environmental, Social and Governance (“ESG”) Report issued by the Company, highlighting its policies, measures and performance in relation to ESG issues. This report is prepared in accordance with the requirements of the ESG Reporting Guide as set out in Appendix 27 of the Listing Rules.

This ESG report focuses on environmental and social aspects of the operations of the Group’s head office, film production and distribution, exhibition and post-production in Hong Kong, from 1 July 2016 to 30 June 2017 (the “reporting period”), unless otherwise stated. This ESG report does not cover the Group’s business in the PRC as the operation of the Group’s exhibition business in the PRC was not commenced during the reporting period.

Stakeholder Engagement and Materiality

In order to identify the most significant aspects for the Group to report on for this ESG report, key stakeholders, including but not limited to the Group’s customers, cinemagoers, employees, investors, suppliers and regulators, have been involved in discussion sessions to review areas of attention which will help the business meets its potential growth and be prepared for future challenges.

Stakeholders’ Feedback

The Group welcomes stakeholders’ feedback on the Group’s environmental, social and governance approach and performance. Please give your suggestions or share your views with the Group via the Group’s social media platforms or email at ir@pegasusmovie.com.

The Company’s Commitment on ESG

From film production on sites to film exhibition at the cinemas, the Group commits to make efforts towards sustainable business and reducing carbon footprint while showing good stewardship in the community the Group serves. For instance, on film production operation, a production manager is assigned at each film set to carefully manage, supervise and execute sustainability practice and performance in every aspect of the production, from reducing use of plastic water bottles to renting vehicles with higher fuel efficiency and the use of rechargeable batteries. On film exhibition operation, vegetarian options are available for cinemagoers, as well as ensuring the cinema venue is accessible to meet the needs of the particular individual. The Group will endeavour to integrate ESG into the business models.

範圍及報告期間

此乃本公司發佈的首份環境、社會及管治(「環境、社會及管治」)報告，概述其有關環境、社會及管治事項的政策、措施及表現。本報告乃根據上市規則附錄27所載的環境、社會及管治報告指引規定而編製。

除另有說明外，本環境、社會及管治報告重點關注自2016年7月1日至2017年6月30日(「報告期間」)於香港經營本集團的總部、電影製作及發行、放映及後期製作的環境及社會方面。本環境、社會及管治報告並未涵蓋本集團於中國的業務，原因是本集團於中國的放映業務於報告期間尚未開始運營。

持份者參與及重要性

為確定本集團於本環境、社會及管治報告中所匯報之最重要方向，主要持份者(包括但不限於)本集團客戶、電影觀眾、僱員、投資者、供應商及監管機構已參與討論，以便審閱有助本集團實現業務潛在增長及應對未來挑戰的注意事項。

持份者的意見

本集團歡迎持份者就本集團的環境、社會及管治方針及表現提供意見。如有任何建議或意見，敬請 閣下透過本集團的社交媒體平台或電郵至 ir@pegasusmovie.com 聯絡。

本公司有關環境、社會及管治的承諾

從電影的現場製作到電影院的電影放映，本集團承諾在努力實現業務的可持續發展及減少碳排放的同時，在本集團服務的社區展示良好的管理。例如，在電影製作業務方面，每部電影委任的製片經理在製作的各個方面，從減少使用瓶裝水到租用較高燃油效率的車輛及使用可充電電池，審慎管理、監督及執行可持續發展常規及績效。在電影放映業務方面，電影觀眾可選擇素食，以及確保電影院能夠滿足特殊人士的需求。本集團將努力把環境、社會及管治融入到業務模式當中。

A. Environment and Resources

1. Emissions

Greenhouse gas emissions

Scope of greenhouse gas emissions	Emission sources	Emission (in tonnes of CO ₂ e) 排放量 (以噸二氧化碳當量計)	Total emission (in percentage) 總排放量 (百分比)
溫室氣體排放範圍	排放物來源		
Scope 1			
範圍 1			
Direct emission 直接排放	Consumption of petrol by the Group's owned fleet 本集團自有車隊汽油消耗	19.24	3%
Scope 2			
範圍 2			
Indirect emission 間接排放	Purchased electricity 購買電力	440.51	73%
Scope 3			
範圍 3			
Other indirect emission 其他間接排放	Paper waste disposed at landfills 棄置堆填區的廢紙	119.81	24%
	Business air travel by employees 僱員乘坐飛機外出公幹	27.98	
		147.79	
Total 總計		607.54	

Note: Emission factors were made reference to Appendix 27 of the Listing Rules and their referred documentation as set out by the Stock Exchange, unless stated otherwise.

There were 607.54 tonnes of carbon dioxide equivalent greenhouse gases (mainly carbon dioxide, methane and nitrous oxide) emitted from the Group's operation in the reporting period. The Group has complied with all applicable environmental laws and regulations, and was not subject to any fine, penalty, investigation or prosecution for non-compliance with the relevant laws and regulations relating to emissions.

A. 環境及資源

1. 排放物

溫室氣體排放

Scope of greenhouse gas emissions	Emission sources	Emission (in tonnes of CO ₂ e) 排放量 (以噸二氧化碳當量計)	Total emission (in percentage) 總排放量 (百分比)
溫室氣體排放範圍	排放物來源		
Scope 1			
範圍 1			
Direct emission 直接排放	Consumption of petrol by the Group's owned fleet 本集團自有車隊汽油消耗	19.24	3%
Scope 2			
範圍 2			
Indirect emission 間接排放	Purchased electricity 購買電力	440.51	73%
Scope 3			
範圍 3			
Other indirect emission 其他間接排放	Paper waste disposed at landfills 棄置堆填區的廢紙	119.81	24%
	Business air travel by employees 僱員乘坐飛機外出公幹	27.98	
		147.79	
Total 總計		607.54	

附註：除另有說明外，排放係數乃參考載於聯交所上市規則附錄27及其所述文件。

於報告期間，本集團的運營排放607.54噸二氧化碳當量的溫室氣體（主要為二氧化碳、甲烷及氧化亞氮）。本集團已遵守所有適用環保法律及法規，並未因違反有關排放的相關法律及法規而遭受任何處罰、罰款、調查或訴訟。

Vehicle operation

The Group has company vehicles for business purposes and film production, contributing to an estimate of 19.24 tonnes of carbon dioxide equivalent emission. The Group will look into giving priority to vehicles with higher fuel efficiency during future purchase and rental. Public transit and carpooling are highly encouraged for employees at film production operation.

Hazardous and non-hazardous waste

During the reporting period, the Group mainly generated non-hazardous waste, which includes domestic waste, commercial waste, construction and demolition waste. A total amount of 24.96 tonnes of paper waste were generated, contributing to an emission of 119.81 tonnes of carbon dioxide equivalent. Employees at the head office are encouraged to print on both sides of paper if possible, and old cartridges are returned to the supplier. The Group's public reports make use of eco-friendly papers and materials whenever possible. For film production on site, electronic devices and forms instead of paper are used, as much as possible, for schedules, call sheets, crew and contract lists, production reports, viewing production documents and dailies. To further reduce waste generation on sets, the Group provides water jugs and stations instead of plastic water bottles, and staff and extras are encouraged to bring their own reusable water bottles, cutlery and food container. The Group will look into the development of waste management system and recycling practice in film exhibition operations in the coming future.

Business air travel

During the reporting period, the Group's business air travel for potential business opportunities contributed to a total 27.98 tonnes of carbon dioxide equivalent emissions. The Group encourages employees to make use of telecommunication to reduce travel frequency in order to minimise the related carbon emissions.

車輛運營

本集團用於業務用途及電影製作的公司車輛產生估計19.24噸的二氧化碳當量排放。本集團於日後採購及租賃時將考慮優先使用較高燃油效率的車輛。大力支持電影製作業務的僱員使用公共交通及拼車。

有害及無害廢棄物

於報告期間，本集團主要產生無害廢棄物，包括生活廢棄物、商業廢棄物、建築及拆除廢棄物。產生總量為24.96噸的廢紙，排放119.81噸的二氧化碳當量。鼓勵總部僱員在可行的情況下雙面印刷紙張及將舊墨盒退還供應商。本集團的公開報告在可行時使用環保紙及材料印製。在電影製作現場，就計劃表、資料卡、員工及聯絡名單、製作報告、查看的製作文件及日報而言，盡量多使用電子設備及形式替代紙張。為進一步減少現場產生廢棄物，本集團提供水壺及水站替代瓶裝水，鼓勵員工及臨時演員攜帶彼等自身可重複使用的水瓶、餐具及餐盒。本集團未來將研究開發有關電影放映業務的廢棄物管理系統及循環利用常規。

乘坐飛機外出公幹

於報告期間，本集團就潛在業務機會乘坐飛機外出公幹產生合共27.98噸的二氧化碳當量排放。本集團鼓勵僱員使用電子通訊媒介，減少出差次數，以盡量減少有關碳排放。

2. Use of Resources

Energy

The Group has consumed 791,228 kWh during the reporting period, contributing to an emission of 440.51 tonnes of carbon dioxide equivalent. For film exhibition operations, all facilities comply with the Buildings Energy Efficiency Ordinance implemented by Electrical and Mechanical Services Department to ensure key building services meet the minimum energy efficiency standards of the Building Energy Code. The Group also regularly reminds employees to maintain optimal temperature inside the facilities, to turn off computers and monitors when not in use and before leaving work, further reducing electricity consumption.

Water

The Group's major water supply and discharge were managed by buildings' management office where businesses operate and the consumption have been included in the management fees (except for film production operation). It is noteworthy that the Group did not consume significant amount of water through business activities, and the water consumption was considered minimal during the reporting period.

3. The Environment and Natural Resources

With electricity consumption being the largest contributor of greenhouse gas emission from the Group during the reporting period, management will review and consider implementing further energy saving initiatives and venue remodification to integrated automation system, as well as reducing environmental impacts from other resources such as cutting down vehicle fuel consumption and going forward with digitalised production and paperless office.

2. 資源使用

能源

本集團於報告期間的耗電量為791,228千瓦時，產生440.51噸的二氧化碳當量排放。就電影放映業務而言，所有設施均符合機電工程署實施的建築物能源效益條例，以確保主要建築物設施符合建築物能源效益守則的最低能源效益標準。本集團亦定期提醒僱員保持建築物內部的適當溫度，於不使用時及下班前關閉電腦及顯示器，進一步減少電力消耗。

水

本集團的主要水供應及排放由業務經營所在建築物的管理處管理及消耗已計入管理費(電影製作業務除外)。值得注意的是，本集團的業務活動過程中不會消耗大量的水，及於報告期間的耗水量甚微。

3. 環境及天然資源

於報告期間，由於電力消耗為本集團溫室氣體排放的最大來源，管理層將檢討並考慮實施進一步的節能活動及場地整改為綜合自動化系統，以及從其他資源方面減少對環境的影響，例如降低車輛燃料消耗及未來使用數碼化製作及無紙化辦公室。

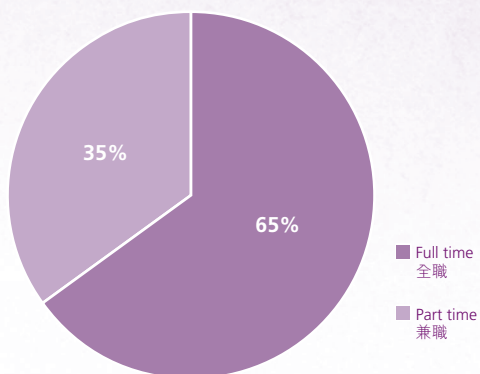
B. Social Aspects

1. Employment and Labour Practices

(i) Employment

The Group had 139 employees as of 30 June 2017 in Hong Kong.

Workforce by employment type
按僱傭類型劃分的員工總數



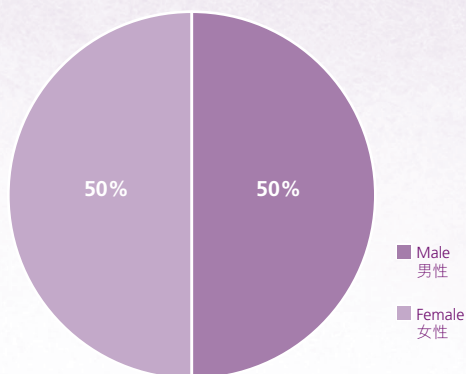
B. 社會方面

1. 僱傭及勞工常規

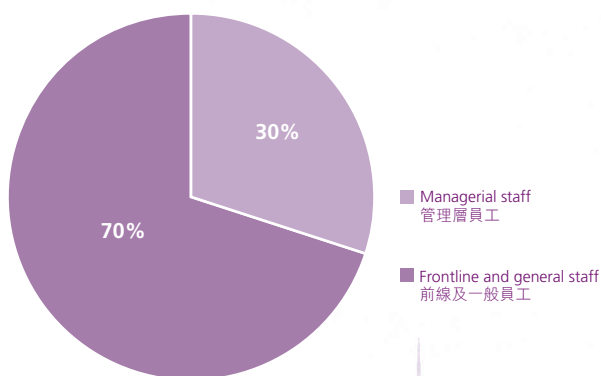
(i) 僱傭

截至2017年6月30日，本集團於香港擁有139名僱員。

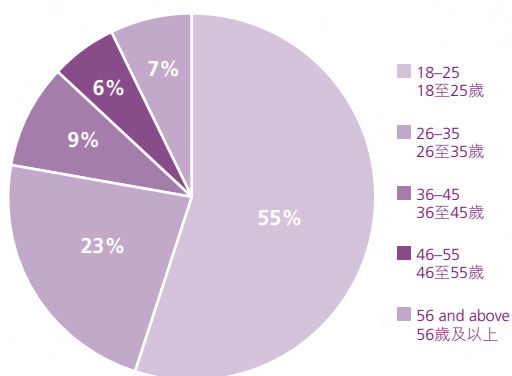
Workforce by gender
按性別劃分的員工總數



Workforce by employment category
按僱傭類別劃分的員工總數



Workforce by age group
按年齡組別劃分的員工總數



Environmental, Social and Governance Report

環境、社會及管治報告

Employees are the most valuable asset of the Group and the primary force in driving the Group's business growth and operations on a sustainable basis. Policies and regulations in the Group's staff handbook have been established for the guidance and observation by the employees of the Group and will be subject to the laws of Hong Kong as stipulated by the Hong Kong Government as far as they may be applicable in conjunction with the policies. Staff handbook provides information and guidelines regarding employee's standard working hours, rest days, statutory holidays, termination of employment, summary dismissal, exit interview, salary payment, overtime work (require approval in advance), various types of leaves, medical coverage, mandatory provident fund, night shift travel allowance (for film exhibition employees) and overtime work allowance (for specific employees). The Group has been in compliance with the applicable laws and regulations relating to employment.

Equal opportunity

The Group places a high priority on achieving equality of opportunity for all employees in relation to all personnel matters including recruitment, training, promotion, transfer, benefits and dismissal. The dignity and individuality of each employee will be respected and the privacy and confidentiality of employee records will be safeguarded. Employees' performance will be assessed solely according to their ability to meet job requirements.

Promotion and appraisal

It is also the Group's policy to offer internal promotions to employees, whenever possible, within the Group. Promotion to higher grade will normally depend on the availability of vacancy, individual performance and potential to take up the new position.

The Group will provide an open, challenging and participative environment for all employees. The Group aims to provide opportunities for the development of the skills of employees to the fullest extent possible, consistent with the needs of the Group. Job performance is reviewed annually, and this serves as an opportunity for supervisor to evaluate employee's performance in an objective and open manner, to discuss concerns, strength and suggestions on further improvement. Employees' remuneration and pay scale adjustment are made reference to individual's performance and appraisal results, industrial standard and market trend.

僱員為本集團最寶貴的資產及推動本集團業務增長及持續經營的首要力量。本集團員工手冊內的政策及規例乃就指引本集團的僱員及供彼等遵守而設立，並將受香港政府訂明的香港法例所限，其可能同時適用於有關政策。員工手冊載有關於僱員標準工時、休息日、法定節假日、終止僱傭、即時解僱、離職面談、工資支付、加班(須提前審批)、各類休假、醫療保障、強制性公積金、夜班差旅津貼(就電影放映僱員而言)及加班津貼(就特定僱員而言)的資料及指引。本集團一直遵循有關僱傭的適用法律法規。

平等機會

就包括聘用、培訓、晉升、轉崗、福利及離職在內的所有個人事宜方面，本集團高度重視實現全體僱員機會均等。每名僱員的尊嚴及個性將獲得尊重及僱員的個人資料及隱私將得到保障。僱員的個人表現將僅依據彼等滿足工作要求的能力進行評估。

晉升及評估

另外，本集團亦訂有政策，可於適當時候為僱員提供本集團的內部晉升。晉升至更高職位級別通常取決於職位空缺、個人表現及擔任新職務的潛在能力。

本集團將為全體僱員提供一個可參與公開競爭的環境。本集團旨在提供機會，盡可能以最大限度發展僱員符合本集團需求的技能。工作表現將進行年度檢討，而此為主管提供機會以客觀及公開方式評估僱員的表現，並討論有待改善的問題、能力及建議。僱員的薪酬及支付級別調整時，乃參照個人表現及評估結果、行業標準及市場趨勢。

Employee welfare

Employees can enjoy free enrolment to Cinema City's membership along with complimentary movie tickets and coupons. Movie premiere invitations are also given to employees for the Group's own productions. The Group offered special arrangement to employees to leave work early on important traditional days which are not a public holiday such as Mid-Autumn Festival, Winter solstice, Christmas Eve and Chinese New Year's Eve. The Group regularly organises internal events to strength the sense of belonging within the Group and boost the communication transparency among all levels of employees, through Christmas party and annual dinner etc.

Employee turnover

During the reporting period, 76 employees were newly hired and 56 employees left the Group. The annual turnover rates (categorised by employment type, gender and age group) in the reporting period are as follows:

Annual turnover rate by employment type

年度流失率，按僱傭類型劃分

	Full time 全職	Part time 兼職
2016/17 2016/17年	34%	51%

Annual turnover rate by gender

年度流失率，按性別劃分

	Male 男性	Female 女性
2016/17 2016/17年	35%	46%

Annual turnover rate by age group

年度流失率，按年齡組別劃分

	18–25 18歲至25歲	26–35 26歲至35歲	36–45 36歲至45歲	46–55 46歲至55歲	56 and above 56歲及以上
2016/17 2016/17年	49%	41%	15%	33%	11%

僱員福利

僱員可享有Cinema City免費會籍，並享有免費電影票及優惠券。僱員亦獲邀請觀看本集團自家出品的電影首映。本集團為僱員作出特別安排，便於僱員於並非屬公眾假期的重要傳統節日(如中秋節、冬至、平安夜及除夕)提早放工。本集團定期舉辦如聖誕節派對及週年晚宴等公司內部活動，以提升全體僱員於本集團的歸屬感，加強溝通透明度。

僱員流失比率

於報告期間，本集團新增聘76名僱員，同時56名僱員離職。於報告期間的年度流失比率(按僱用類別、性別及年齡組別劃分)如下：

(ii) Health and Safety

As stated in the staff handbook, health and safety at work are the interest and responsibility of both employees and the Group. Employees' compensation insurance is provided to cover any work-related injuries, illnesses and occupational diseases. The Group is committed to complying with all local occupational health and safety legislations that are relevant to the Group. Employees must take reasonable care for the health and safety of themselves and of others. If any employee notices any unsafe conditions or get injured at work, he/she should immediately report it to the supervisor.

The Group's film exhibition operation has obtained Places of Public Entertainment Licence issued by Food and Environmental Hygiene Department ("FEHD") to ensure its business comply with relevant laws and regulations.

Occupational health and safety data

職業健康與安全數據

Work related fatality

因工死亡

Work injury cases \geq 3 days

工傷事件 \geq 3日

Work injury cases <3 days

工傷事件<3日

Lost days due to work injury

因工傷損失工作日數

2016/17

2016/17年

0

1

0

3

During the reporting period, no employee experienced serious accident and the Group has been in compliance with the applicable laws and regulations relating to the employees' health and safety.

(ii) 健康與安全

如僱員手冊載述，職場健康及安全屬僱員及本集團的權益及責任。僱員的補償保險旨在為任何工傷、疾病以及職業病提供保障。本集團致力遵守與本集團有關的一切地方職業健康及安全法例。僱員須合理為自身及他人健康及安全著想。若任何僱員通知任何不安全情況或出現工傷，其應當即刻就此向其主管匯報。

本集團的電影放映業務已取得食物環境衛生署(「食環署」)頒發的公眾娛樂場所牌照，以確保其業務遵守有關法律及法規。

於報告期間，概無僱員發生嚴重意外事故，且本集團已遵守與僱員健康及安全有關的適用法律及法規。

(iii) Development and Training

It is the Group's policy that all training activities, executed through the Human Resources & Administration Department of the Group ("HRA"), should comply with the local laws and regulations and protect the Group's interest. The Group provides on-the-job trainings to all frontline employees and ensures they are well equipped with skills, knowledge and competences that are needed to perform their job duties. Standard trainings are arranged for Directors and the Company Secretary on an annual basis and on a regular basis, respectively to strengthening their continuous professional development as well as to complying with requirements of the Listing Rules.

(iv) Labour Standards

In compliance with the Employment Ordinance, there was no child nor forced labour in the Group's operation during the reporting period. The HRA conducts checking on candidates and newly joined employee's identity cards, working visa, relevant certificates and references to ensure compliance with all the applicable laws and regulations relating to labour standards.

There was no case of violation of laws and regulations relating to child or forced labour against the Group during the reporting period.

(iii) 發展及培訓

本集團的一切培訓活動政策由本集團的人力資源及行政管理部(「人力資源部」)執行，且應遵守地方法律及法規以及保障本集團的利益。本集團為全體前線僱員提供在職培訓，並確保彼等具備履行其職責所需的良好技能、知識及能力。董事及公司秘書分別進行年度及定期培訓，以鞏固其持續專業發展以及符合上市規則規定。

(iv) 勞工準則

為遵守僱傭條例，本集團於報告期間的經營活動並無發生童工或強制勞工事件。人力資源部對應聘人士及新聘僱員的身份證、工作簽證、相關證書及推薦函進行核實，以確保遵守一切與勞工準則有關的適用法律法規。

於報告期間，本集團並無違反任何與童工或強制勞工有關的法律及法規。

2. Operating Practices

(i) Supply Chain Management

The Group has established good relationship with the suppliers which ensure sustainable and stable quality products and services to the Group's customers. A procurement policy has been established for assigning purchasing responsibilities and ensuring a consistent approach for selecting vendors who will provide the best terms, conditions and products to meet the Group's standards and requirements. The Group requires that all material aspects of procurement of goods, raw materials, works and services be conducted to the highest ethical standards and consistent with the following principles:

- competitive tendering wherever possible and the impartial selection of appropriately qualified tenderers;
- objective evaluation of tenders and selection of contractors and suppliers;
- adoption of appropriate forms of contract according to needs; and
- adoption of effective monitoring systems and management controls to ensure the proper fulfillment of contractual obligation, and to detect and prevent bribery, fraud or other malpractices throughout all stages of the procurement process.

The Group will take environmental and social performance into considerations in upcoming engagement and assessment with suppliers and contractors for the Group's business operation.

2. 營運慣例

(i) 供應鏈管理

本集團與供應商建立了良好關係，因此確保本集團的客戶持續享有穩定優質的產品及服務。本集團亦設立採購政策，以分配採購責任，並確保應用一致方式甄選會提供符合本集團標準及規定的最佳條款、條件及產品的供應商。本集團要求，採購貨物、原材料、工程及服務的所有重大方面須達致最高道德標準及符合以下準則：

- 於適用時採用競爭方式招標及公平甄選適當合資格投標商；
- 對承包商及供應商的投標進行客觀評估及甄選；
- 根據需求採用適當合約形式；及
- 採用有效監察制度及管理控制，以確保妥為履行合約責任，於採購程序的所有階段發現及預防行賄、欺詐或其他不當作法。

本集團於未來為其業務營運委聘及評估供應商及承包商時將計入環境及社會表現。

(ii) Product and Service Responsibility

Customer relations

The Group recognises that customer (including cinemagoer) satisfaction is of primary importance to its success. Mindful of its responsibility to the customers it serves, the Group strives to understand their requirements and concerns and to merit their business by responding effectively to their needs. Specifically, the Group's policy is to:

- always put the customers first by providing them with good quality cinema facilities, high quality viewing environment and the services that meet or exceed the customers' needs under all reasonable circumstances;
- furnish services that reliably and safely meet responsible standards of performance, efficiency and courtesy;
- furnish timely, accurate and sufficient information about its operations, capabilities and services, without misrepresentation, exaggeration and overstatement.

Food health and safety at cinemas

The Group obtained the Food Factory Licence issued by FEHD and strictly complies with the policies and relevant regulations set by FEHD. Officers from FEHD regularly conducts inspection on the Group's film exhibition premises to ensure food quality and hygienic environment are maintained. Training and food preparation guidelines are also provided for employees working at concession stands.

(ii) 產品及服務責任

客戶關係

本集團認識到客戶(包括電影觀眾)滿意度乃制勝的重要因素。心繫客戶服務責任,本集團竭力了解其要求及關切問題,並透過有效回應其訴求承接其業務。尤其是,本集團所設立的政策旨在:

- 始終以客戶為先,在所有一切合理情況下為客戶提供符合或超越客戶需求的良好優質影院設施、高品質觀映環境及服務;
- 提供在服務能力、效率及禮儀方面能夠可靠、安全達致盡職標準的服務;
- 準時、準確及充分提供與其營運業務、能力及服務有關的資料,不存在錯誤聲明,夸大事實,或過度陳述。

影院的食品衛生及安全

本集團已取得食環署頒發的食物製造廠牌照,並嚴格遵守食環署設立的政策及相關規例。食環署人員定期檢查本集團的電影放映業務所在處,以確保食品質量及衛生環境得到妥當處理。食品培訓及備製指引亦派予在販賣部工作的僱員。

Copyrights management

The Group has established a copyrights management policy for its distribution and production of films, in the aspects of copyright's filing procedure, define ownership of the copyrights and contract terms. Digital Cinema Package (DCP) are used for movies for protection against illegal copying and piracy as specific decryption is required. In case of any suspected copyrights infringement item is come to the Group's attention, the policy also provides guidance of reporting structures and responsible parties and departments. Moreover, the Group enforces security encryption, subject to customers' instruction, and the Group sets securities codes for internal data and privacy protection. For film exhibition operation, the Group ensures the warning message and policy trailers are displayed to protect intellectual property rights of the films exhibited in the cinemas. The Group also prevents the use of pirate software to avoid infringement of copyrights of other parties.

The Group has been in compliance with the applicable laws and regulations relating to its product and service responsibility, food health and safety, and intellectual property during the reporting period.

Privacy policy

The Group commits to comply with data protection principles and the requirements of the Personal Data (Privacy) Ordinance. No collected personal data of employees, customers, suppliers and cinemagoers shall be shared with any third party outside the Group without their prior consent unless permitted or requested by law. Only those employees who need the personal data to perform specific task with such information (such as job application and customer services) are granted access rights to personally identifiable information. Personal information will only be retained for such period as may be necessary for the carrying out of the purposes referred to the detail of the policy or as otherwise specified at the time of collection.

版權管理

本集團已為其發行及製作影片制定版權管理政策，所涉方面包括版權備案程序、釐定版權所有權及合約條款等。為保障免受非法複製及盜版，電影採用電影院數碼拷貝(DCP)，且須進行特別加密。若本集團僱員注意到任何疑似侵犯版權項目，該政策亦載有與報告架構以及負責人士及部門有關的指引以供遵行。另外，本集團按照客戶指示實施安全加密，同時本集團亦為內部數據及私隱保護設立安全密碼。就電影放映業務而言，本集團確保在電影院內播放警告訊息及政策文段，以保護影院所放映相關影片的知識產權。本集團亦防止使用盜版軟件，以避開侵犯其他方的版權。

於報告期間，本集團一直遵守與其產品及服務責任、食品衛生及安全以及知識產權有關的適用法律及法規。

私隱政策

本集團致力遵守個人資料(私隱)條例的保障資料原則及規定。未經僱員、客戶、供應商及影院觀眾的事先批准前，所蒐集彼等的個人資料概無與本集團以外的任何第三方共享，惟法律准許或要求者除外。僅有需要個人資料以透過相關資料執行特別工作(如職位申請及客戶服務)的僱員方才有權取得個人可識別資料。個人資料僅保留至進行政策詳情所述目的所需或蒐集時所指定的期限。

(iii) Anti-corruption

The Group complies with the Prevention of Bribery Ordinance and it is in the Group's anti-fraud policy and code of conduct manual that employees should maintain the highest standards of integrity and honesty in conducting the Group's affairs. Any employee contravening the Group's rules and ethical standards is liable to disciplinary action.

The Group will not tolerate illegal or unethical acts. Anyone violating the code of conduct will be disciplined, and may be dismissed. The Group expects all employees to honestly uphold the Group's policy, the accounting procedures and other controls. Employees should report to the management at once any suspected violations of the code of conduct and anti-fraud policy (including conflicts of interest, deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of materials facts and collusion, fighting or gambling whilst on duty, serious neglect of duty, money laundering) which will constitute wrongdoing and damage the Group's reputation. In cases of suspected corruption or other forms of criminality, once prima facie evidence has been established, reports will be made to Hong Kong Independent Commission Against Corruption or appropriate authorities.

The Group deeply believes that conducting the business within an honest, moral and ethical arena is the best business policy to achieve healthy and sustainable growth of the Group. The Group manages and directs its business with honesty including honest financial procedures, budget proposals and honest economic evaluation of its business. According to the code of conduct, those involved in the selection of and purchase from suppliers and contractors should avoid misuse of authority or engagement in situations which could interfere, or appear to interfere, with their ability to make free and independent decisions regarding purchase or procurement.

The Group is in compliance with laws and regulations relating to corruption or bribery. There was no case of violation of laws and regulations relating to anti-corruption against the Group or the Group's employees during the reporting period.

(iii) 反貪污

本集團遵守防止賄賂條例。本集團的反欺詐政策及行為操守手冊亦規定，僱員於執行本集團事務時應保持誠信的最高標準。任何違反本集團規則及道德標準的僱員會面臨紀律處分。

本集團絕不容忍非法或不道德行為。違反行為操守的任何人士將接受處罰，甚至或會遭解僱。本集團預期全體僱員誠實恪守本集團的政策、會計程序及其他控制程序。僱員應立即向管理層匯報任何疑似違反行為操守及反欺詐政策而構成的違法行為或損害本集團聲譽的行為(包括利益衝突、欺詐、行賄、偽造、勒索、貪污、盜竊、串謀、盜用公款、不當挪用、虛假聲明、隱瞞重大事實及串通、工作期間打架或賭博、嚴重失職、洗黑錢)。疑似貪污或其他形式犯罪的表面證據一經確立，本集團將會向香港廉政公署或適當機構舉報。

本集團深信，營商時堅持誠實，恪守社會道德及職業道德乃本集團實現健康及持續增長的最佳商業政策。本集團管理及專注其業務時將秉誠行事，包括誠實遵循財務程序、預算計劃以及對其業務作出如實商業評估。根據行為操守，甄選供應商及承包商以及向其進行採購時，應避免濫用權利，或避開可能干擾或貌似干擾自主及獨立決定購買或採購的情況。

本集團遵守與反貪腐或行賄有關的法律及法規。於報告期間，本集團或本集團僱員並無發生違反與反貪腐有關的法律及法規。

3. Community

(i) Community Investment

The Group strives to discharge its corporate social responsibility and has been offering special movie ticket price for the elderlies and students, and will consider supporting non-governmental organisation through charity gala premiere of the Group's productions or the films exhibited in the Group's cinemas.

3. 社區

(i) 社區投資

本集團竭力履行其企業社會責任，並一直向長者及學生提供特惠電影票價，同時將考慮透過本集團製作的電影舉行首映禮或在本集團的電影院放映影片等以慈善方式支持非政府組織。

Independent Auditor's Report 獨立核數師報告

TO THE SHAREHOLDERS OF PEGASUS ENTERTAINMENT HOLDINGS LIMITED

(incorporated in Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Pegasus Entertainment Holdings Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 70 to 170, which comprise the consolidated statement of financial position as at 30 June 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

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

Key Audit Matters

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

致天馬影視文化控股有限公司各股東

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「本行」)已審核第70至第170頁所載天馬影視文化控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，當中包括於2017年6月30日之綜合財務狀況表，及截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

本行認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映 貴集團於2017年6月30日的綜合財務狀況及 貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例妥為擬備。

意見的基礎

本行已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。本行於該等準則項下的責任乃於本行之報告「核數師就審核綜合財務報表須承擔的責任」一節中進一步詳述。本行根據香港會計師公會頒佈之專業會計師職業道德守則(「守則」)獨立於 貴集團，本行亦已根據守則履行其他道德責任。本行相信，本行所獲得的審核憑證充足及適當地為本行的意見提供基準。

關鍵審核事項

就本行的專業判斷而言，關鍵審核事項乃指對本行審核本期綜合財務報表最為重要的事項。該等事項是在本行審核整體綜合財務報表及就此達成本行的意見時進行處理，而本行不會對此等事項發表其他意見。

Independent Auditor's Report

獨立核數師報告

Key audit matters

關鍵審核事項

Impairment loss on interests in associates

於聯營公司權益的減值虧損

We identified the impairment loss on interests in associates as a key audit matter due to its significance to the consolidated financial statements, combined with the judgement involved in management's impairment assessment of the interests in associates.

本行認為，由於於聯營公司權益的減值虧損對綜合財務報表的重要性，加上管理層對於聯營公司權益進行減值評估時所涉及的判斷，故於聯營公司權益的減值虧損屬關鍵審核事項。

As at 30 June 2017, the carrying amount of the Group's interests in associates include (i) interest in Jade Dynasty Holdings Limited ("JDH") and (ii) interest in Supreme Art Entertainment Limited ("Supreme Art") amounted to HK\$31,395,000 and HK\$22,059,000, respectively. As disclosed in notes 4 and 16 to the consolidated financial statements, the Group determines the recoverable amount which is the higher of value in use and fair value less costs of disposal. The management has made a number of key assumptions in the value in use calculation. The key assumptions include discount rates and the future expected cash flows based on management's view of future business prospects. In addition, independent valuer is engaged to perform valuation on both JDH and Supreme Art which has carrying amount of HK\$31,395,000, net of impairment of HK\$20,351,000, and HK\$22,059,000, respectively as at 30 June 2017.

於2017年6月30日，貴集團於聯營公司的權益的賬面值包括(i) 於玉皇朝控股有限公司(「玉皇朝」)的權益及(ii) 凱藝娛樂發展有限公司(「凱藝」)的權益分別為港幣31,395,000元及港幣22,059,000元。誠如綜合財務報表附註4及16所披露，貴集團釐定可收回金額為使用價值與公平值減出售成本之間較高者。管理層在使用價值計算中作出若干主要假設。主要假設包括貼現率及根據管理層對未來業務前景的意見計算的未來預期現金流。此外，委聘獨立估值師對玉皇朝及凱藝進行估值，玉皇朝及凱藝於2017年6月30日的賬面值分別為港幣31,395,000元(扣除減值港幣20,351,000元)及港幣22,059,000元。

How our audit addressed the key audit matter

本行的審核如何處理關鍵審核事項

Our procedures in relation to the impairment loss on interests in associates included:

本行估值於聯營公司權益減值虧損時所採用程序包括：

- Understanding management's process for identifying the existence of impairment indicators and performing impairment assessment in respect of the interests in associates;
- 了解管理層識別是否存在減值跡象及就於聯營公司權益進行減值評估時所應用的程序；
- Evaluating the independent valuer's competence, capabilities and objectivity;
- 評估獨立估值師的資質、能力及客觀性；
- Engaging our internal valuation expert to evaluate whether the valuation methodology adopted by management is complied with the International Valuation Standards and the appropriateness of the discount rate applied by reference to comparable companies in the industry;
- 委聘我們的內部估值專家評估管理層採納的估值方法是否符合國際估值準則及參照該行業可資比較公司採用的貼現率是否適當；
- Checking a selection of data inputs underpinning the future expected cash flows against appropriate supporting evidence, such as approved budgets, licensing copyright agreements and artiste services agreements to assess the accuracy and reliability;
- 以恰當支持憑證(例如獲批預算、版權許可協議及演員服務協議)檢查未來現金流量預測所應用之輸入數據，以評估準確性及可靠性；
- Evaluating the historical accuracy of the projections of cash flows prepared by management by comparing the historical budget to actual results; and
- 透過對比過往預算與實際業績，評估管理層編製的現金流量預測的過往精確性；及
- Performing sensitivity analysis on the key inputs to evaluate the magnitude of their impact on the calculation of the recoverable amount of those associates.
- 對關鍵輸入數據進行敏感性分析，以評估其對於有關聯營公司可收回金額的影響程度。

Key audit matters

關鍵審核事項

Impairment loss on film rights and film production in progress 電影版權及製作中電影的減值虧損

We identified the impairment loss on film rights and film production in progress as a key audit matter due to the significance of the Group's film rights and film production in progress to the consolidated financial statements and the judgement and estimation uncertainty involved in the management's impairment assessment of the film rights and film production in progress.

本行識別電影版權及製作中電影的減值虧損為關鍵審核事項，是由於 貴集團電影版權及製作中電影對綜合財務報表的重要性以及管理層對電影版權及製作中電影進行減值評估時所涉判斷與估計不明朗因素。

As at 30 June 2017, the carrying amount of film rights and film production in progress amounted to HK\$9,264,000 and HK\$122,521,000, respectively, which represented approximately 2% and 27% of the Group's total assets, respectively. In determining whether impairment on film rights and film production in progress is required, the Group takes into consideration the distribution and license agreements entered into by the Group and the current market environment to project cash flows expected to be received through box office receipts and distribution and licensing income. Impairment loss is recognised in the period in which the recoverable amount is less than the carrying amount. As disclosed in notes 4 and 20 to the consolidated financial statements, an impairment loss of film production in progress of HK\$2,400,000 was recognised and charged to profit or loss for the year ended 30 June 2017.

於2017年6月30日，電影版權及製作中電影的賬面值分別為港幣9,264,000元及港幣122,521,000元，分別相當於 貴集團資產總值約2%及27%。於釐定電影版權及製作中電影是否需要作出減值時， 貴集團考慮 貴集團訂立的發行及發行權使用許可協議及目前的市場環境，以通過票房收入及發行以及發行權使用許可收入預測將收取的預期現金流量。減值虧損於可收回金額少於賬面值的期間確認。如綜合財務報表附註4及20所披露，截至2017年6月30日止年度確認製作中電影減值虧損港幣2,400,000元並於損益內扣除。

How our audit addressed the key audit matter

本行的審核如何處理關鍵審核事項

Our procedures in relation to the impairment loss on film rights and film production in progress included:

本行關於電影版權及製作中電影減值虧損的程序包括：

- Understanding the process of how management perform impairment assessment on the film rights and film production in progress;
- 了解管理層對電影版權及製作中電影進行減值評估的程序；
- Evaluating the appropriateness of the methodology used by management in determining the recoverable amounts of the film rights and film production in progress; and
- 評估管理層釐定電影版權及製作中電影可回收金額時所採用方法的合適性；及
- Evaluating the reasonableness of the assumptions used in the future cash flow projection and challenging the management's assessment on the expected revenue to be generated by the film rights and film production in progress by checking the film budget summary to the contract amounts of the distribution and licensing agreements and the estimated film box office receipts to the historical trend of similar film released.
- 透過檢查發行及發行權使用許可協議的電影預算總匯表以及按已上映類似電影的過往趨勢估計的電影票房收入，評估未來現金流預測所用假設的合理性及質疑管理層對電影版權及製作中電影產生的預期收益的評估。

Independent Auditor's Report

獨立核數師報告

Other Information

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

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

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

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

其他資料

貴公司董事須對其他資料負責。其他資料包括載入年報內的資料，但不包括綜合財務報表及本行的核數師報告。

本行對綜合財務報表的意見並不涵蓋其他資料，本行亦不對該等其他資料發表任何形式的鑒證結論。

結合本行對綜合財務報表的審核，本行的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或本行在審核過程中所了解的情況存在重大不符或者似乎存在重大錯誤陳述。基於本行已執行的工作，倘若本行認為該其他資料存在重大錯誤陳述，本行需要報告該事實。在這方面，本行並無任何報告。

董事及管治人員就綜合財務報表須承擔的責任

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

在編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，惟董事有意將 貴集團清盤或停止經營或別無其他實際的替代方案則另作別論。

管治人員須負責監督 貴集團的財務報告過程。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

核數師就審核綜合財務報表承擔的責任

本行的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括本行意見(根據本行的協定委聘條款僅向閣下整體報告)的核數師報告，而不作其他目的。本行不會就本報告的內容向任何其他人士負上或承擔責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期其單獨或滙總可能影響使用者依賴該等綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審核的過程中，本行運用專業判斷，保持專業懷疑態度。本行亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對有關風險，以及獲取充足適當的審核憑證，作為本行意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及所作出會計估計和相關披露的合理性。

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果本行認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關披露不足，則本行應當修改意見。本行的結論是基於核數師報告日期止所取得的審核憑證。然而，未來事項或情況可能導致貴集團停止持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯列報方式反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。本行負責貴集團審核的方向、監督和執行。本行為審核意見承擔全部責任。

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

本行與有關管治人員溝通(其中包括)審核的計劃範圍、時間安排、重大審核發現等，包括本行在審核中識別出內部控制的任何重大缺陷。

Independent Auditor's Report 獨立核數師報告

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

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

The engagement partner on the audit resulting in the independent auditor's report is Lee Po Chi.

本行亦向管治人員提交聲明，說明本行已符合有關獨立性的相關專業道德要求，並與彼等溝通有可能合理地被認為會影響本行獨立性的所有關係和其他事項以及相關的防範措施(如適用)。

從與管治人員溝通的事項中，本行確定哪些事項對本期綜合財務報表的審核最為重要，因而構成關鍵審核事項。本行在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在本行報告中溝通某事項造成的負面後果超過產生的公眾利益，本行決定不應在報告中溝通該事項。

出具本獨立核數師報告的審核項目合夥人是李寶芝。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

28 September 2017

德勤•關黃陳方會計師行
執業會計師
香港

2017年9月28日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 30 June 2017 截至2017年6月30日止年度

		NOTES 附註	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Revenue	收益	5	225,631	446,381
Cost of sales	銷售成本		(109,370)	(259,552)
Gross profit	毛利		116,261	186,829
Other gains	其他收益	7	5,353	–
Other income	其他收入	7	6,593	4,738
Selling and distribution expenses	銷售及發行開支		(110,539)	(102,820)
Administrative expenses	行政開支		(43,943)	(87,674)
Net foreign exchange loss	匯兌虧損淨額		(5,016)	(6,779)
Impairment loss on goodwill	商譽減值虧損	14	–	(43,084)
Impairment loss on intangible asset	無形資產減值虧損	15	–	(20,514)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	16	(20,351)	–
Impairment loss on other receivable	其他應收款項減值虧損	23	–	(2,011)
Financial costs	融資成本		(9)	(170)
Share of results of associates	應佔聯營公司業績		(1,757)	(234)
Share of results of a joint venture	應佔一間合營企業業績		13,494	(2,090)
Loss before tax	除稅前虧損		(39,914)	(73,809)
Income tax expense	所得稅開支	8	(966)	(10,343)
Loss for the year	年內虧損	9	(40,880)	(84,152)
Other comprehensive expense	其他全面開支			
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>隨後或會重新分類至損益的項目</i>			
Share of exchange difference of an associate arising on translating foreign operation	應佔一間聯營公司換算海外業務產生的匯兌差額		48	29
Share of exchange difference of a joint venture arising on translating foreign operation	應佔一間合營企業換算海外業務產生的匯兌差額		(2,413)	(2,485)
Exchange difference arising on translating foreign operation	換算海外業務產生的匯兌差額		1,116	1,503
			(1,249)	(953)
Total comprehensive expense for the year	年內全面開支總額		(42,129)	(85,105)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 30 June 2017 截至2017年6月30日止年度

		NOTE 附註	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Loss for the year attributable to:	下列人士應佔年內虧損：			
Owners of the Company	本公司擁有人		(39,984)	(72,591)
Non-controlling interests	非控股權益		(896)	(11,561)
			(40,880)	(84,152)
Total comprehensive expense for the year attributable to:	下列人士應佔年內全面開支總額：			
Owners of the Company	本公司擁有人		(41,233)	(73,544)
Non-controlling interests	非控股權益		(896)	(11,561)
			(42,129)	(85,105)
Loss per share	每股虧損			
Basic and diluted (HK cents)	基本及攤薄(港仙)	12	(1.56)	(2.90)

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 June 2017 於2017年6月30日

		NOTES 附註	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	62,058	39,259
Goodwill	商譽	14	–	–
Intangible assets	無形資產	15	5,600	5,600
Interests in associates	於聯營公司的權益	16	53,454	53,887
Interest in a joint venture	於一間合營企業的權益	17	459	47,504
Prepayment to an artiste	預付演員款項	18	12,000	12,000
Rental deposits	租賃按金	24	24,833	–
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備按金		15,229	–
Available-for-sale investment	可供出售投資	19	–	4,056
Deferred tax assets	遞延稅項資產	32	10,832	7,878
			184,465	170,184
Current assets	流動資產			
Film rights	電影版權	20	9,264	3,175
Film production in progress	製作中電影	20	122,521	80,050
Available-for-sale investment	可供出售投資	19	4,056	–
Investments in film/drama production	投資電影／戲劇製作	21	27,417	33,401
Inventories	存貨	22	579	801
Trade and other receivables	貿易及其他應收款項	23	9,143	35,716
Prepayment to an artiste	預付演員款項	18	12,000	12,000
Rental deposits	租賃按金	24	19,944	19,989
Amount due from non-controlling interest	應收非控股權益款項	28	–	146
Tax recoverable	可收回稅項		245	–
Pledged bank deposits	已抵押銀行存款	25	31,250	31,165
Bank balances and cash	銀行結餘及現金	26	31,998	72,177
			268,417	288,620
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	27	59,676	45,582
Receipts in advance	預收款項	27	71,849	69,037
Tax payable	應付稅項		11,479	7,555
Amounts due to related companies	應付關聯公司款項	29	26	402
Amount due to a joint venture	應付一間合營企業款項	30	2,116	3,918
			145,146	126,494
Net current assets	流動資產淨值		123,271	162,126

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 June 2017 於2017年6月30日

		NOTE 附註	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Total assets less current liabilities	總資產減流動負債		307,736	332,310
Capital and reserves	資本及儲備			
Share capital	股本	31	6,489	6,309
Reserves	儲備		304,725	327,718
Equity attributable to owners of the Company	本公司擁有人應佔權益		311,214	334,027
Non-controlling interests	非控股權益		(3,478)	(1,717)
Total equity	權益總額		307,736	332,310

The consolidated financial statements on pages 70 to 170 were approved and authorised for issue by the board of directors of the Company on 28 September 2017 and are signed on its behalf by:

載於第70至第170頁之綜合財務報表已獲本公司董事會於2017年9月28日批准及授權刊發，並由以下人士代為簽署：

WONG PAK MING

黃栢鳴

DIRECTOR

董事

WONG YEE KWAN, ALVINA

黃漪鈞

DIRECTOR

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 30 June 2017 截止2017年6月30日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests	Total	
		Share capital	Share premium	Share option reserve	Other reserve	Exchange reserve	Warrants reserve	Accumulated losses	Sub-total		
		股本	股份溢價	購股權儲備	其他儲備	匯兌儲備	認股權證儲備	累計虧損	小計	非控股權益	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
					(Note) (附註)						
At 1 July 2015	於2015年7月1日	6,040	479,313	-	10	(21)	495	(128,647)	357,190	10,652	367,842
Loss for the year	年內虧損	-	-	-	-	-	-	(72,591)	(72,591)	(11,561)	(84,152)
Share of exchange difference of an associate arising on translating foreign operation	應佔一間聯營公司換算海外業務產生的匯兌差額	-	-	-	-	29	-	-	29	-	29
Share of exchange difference of a joint venture arising on translating foreign operation	應佔一間合營企業換算海外業務產生的匯兌差額	-	-	-	-	(2,485)	-	-	(2,485)	-	(2,485)
Exchange difference arising on translating foreign operation	換算海外業務產生的匯兌差額	-	-	-	-	1,503	-	-	1,503	-	1,503
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	(953)	-	(72,591)	(73,544)	(11,561)	(85,105)
Acquisition of additional interest in a subsidiary	收購附屬公司的額外權益	-	-	-	-	-	-	-	-	(1,008)	(1,008)
Issue of shares upon exercise of warrants (note 31)	於行使認股權證後發行股份(附註31)	269	25,040	-	-	-	(200)	-	25,109	-	25,109
Recognition of equity-settled share based payments (note 33)	確認以權益結算以股份為基礎的付款(附註33)	-	-	25,272	-	-	-	-	25,272	-	25,272
Transfer upon share options lapsed (note 33)	購股權失效時轉撥(附註33)	-	-	(25,272)	-	-	-	25,272	-	-	-
Capital contribution from non-controlling interests	非控股權益進行注資	-	-	-	-	-	-	-	-	200	200
At 30 June 2016	於2016年6月30日	6,309	504,353	-	10	(974)	295	(175,966)	334,027	(1,717)	332,310
Loss for the year	年內虧損	-	-	-	-	-	-	(39,984)	(39,984)	(896)	(40,880)
Share of exchange difference of an associate arising on translating foreign operation	應佔一間聯營公司換算海外業務產生的匯兌差額	-	-	-	-	48	-	-	48	-	48
Share of exchange difference of a joint venture arising on translating foreign operation	應佔一間合營企業換算海外業務產生的匯兌差額	-	-	-	-	(2,413)	-	-	(2,413)	-	(2,413)
Exchange difference arising on translating foreign operation	換算海外業務產生的匯兌差額	-	-	-	-	1,116	-	-	1,116	-	1,116
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	(1,249)	-	(39,984)	(41,233)	(896)	(42,129)
Acquisition of non-controlling interests of a subsidiary (note 40)	收購一間附屬公司的非控股權益(附註40)	-	-	-	-	-	-	53	53	(865)	(812)
Share of reserve movement of an associate	應佔一間聯營公司的儲備變動	-	-	-	-	-	-	1,627	1,627	-	1,627
Issue of shares upon exercise of warrants (note 31)	於行使認股權證後發行股份(附註31)	180	16,693	-	-	-	(133)	-	16,740	-	16,740
Transfer upon warrants expired (note 31)	於認股權證失效時轉撥(附註31)	-	-	-	-	-	(162)	162	-	-	-
At 30 June 2017	於2017年6月30日	6,489	521,046	-	10	(2,223)	-	(214,108)	311,214	(3,478)	307,736

Note: Other reserve represents the difference between the aggregate nominal value of the respective share capital of the companies now comprising the subsidiaries of the Company over the nominal value of the shares of the Company issued pursuant to the group reorganisation completed on 5 October 2012 (the "Reorganisation") to rationalise the structure of the Group in preparation for the listing of the Company's shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing").

附註：其他儲備指根據本集團為籌備本公司股份於香港聯合交易所有限公司(「聯交所」)創業板上市(「上市」)以精簡架構而於2012年10月5日完成之集團重組(「重組」)，現組成本公司各附屬公司的公司各自股本總面值與本公司已發行股份面值的差額。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2017 截止2017年6月30日止年度

	NOTES 附註	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
OPERATING ACTIVITIES	經營活動		
Loss before tax	除稅前虧損	(39,914)	(73,809)
Adjustments for:	就下列各項的調整：		
Finance costs	融資成本	9	170
Interest income	利息收入	7 (352)	(1,430)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	13 7,744	7,675
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	7 (14)	–
Share-based payment expense	以股份為基礎之付款開支	33 –	25,272
Amortisation of intangible asset	無形資產攤銷	15 –	11,154
Impairment loss on goodwill	商譽減值虧損	14 –	43,084
Impairment loss on other receivable	其他應收款項減值虧損	23 –	2,011
Impairment loss on intangible asset	無形資產減值虧損	15 –	20,514
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	16 20,351	–
Impairment loss on film production in progress	製作中電影減值虧損	20 2,400	17,934
Share of results of associates	應佔聯營公司業績	16 1,757	234
Share of results of a joint venture	應佔一間合營企業業績	17 (13,494)	2,090
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	(21,513)	54,899
Decrease (increase) in trade and other receivables	貿易及其他應收款項減少(增加)	26,469	(24,898)
Increase in trade and other payables	貿易及其他應付款項增加	14,159	107
Decrease (increase) in investments in film/drama production	投資電影／戲劇製作減少(增加)	5,609	(8,350)
Increase (decrease) in receipts in advance	預收款項增加(減少)	3,058	(100,892)
Decrease in inventories	存貨減少	222	130
Decrease (increase) in amount due from non-controlling interest	應收非控股權益款項減少(增加)	146	(146)
(Increase) decrease in film rights and film production in progress	電影版權及製作中電影(增加)減少	(50,960)	92,793
(Increase) decrease in rental deposits	租賃按金(增加)減少	(24,831)	51
(Decrease) increase in amount due to a joint venture	應付一間合營企業款項(減少)增加	(1,802)	3,918
Decrease in amounts due to related companies	應付關聯公司款項減少	(376)	(292)
Decrease in amount due to non-controlling interest	應付非控股權益款項減少	–	(7)
Cash (used in) generated from operations	經營(所用)所得現金	(49,819)	17,313
Income tax paid	已付所得稅	(590)	(925)
Income tax refunded	已退回所得稅	349	63
NET CASH (USED IN) FROM OPERATING ACTIVITIES	經營活動(所用)所得現金淨額	(50,060)	16,451

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2017 截止2017年6月30日止年度

		NOTES 附註	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
INVESTING ACTIVITIES	投資活動			
Purchase of property, plant and equipment	購買物業、廠房及設備		(31,438)	(1,498)
Placement of pledged bank deposits	存放已抵押銀行存款		(31,250)	(31,165)
Investment in an associate	於一間聯營公司的投資	16	(20,000)	–
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備的已付按金		(15,229)	–
Acquisition of additional interest in a subsidiary	收購一間附屬公司的額外權益		–	(1,008)
Withdrawal of pledged bank deposits	提取已抵押銀行存款		31,165	31,066
Dividend received from a joint venture	已收一間合營企業股息	17	58,126	–
Interest received	已收利息	7	352	1,430
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		89	–
Formation of a joint venture	成立一間合營企業	17	–	(52,079)
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額		(8,185)	(53,254)
FINANCING ACTIVITIES	融資活動			
Proceeds from issue of shares upon exercise of warrants	行使認股權證後發行股份之所得款項		16,740	25,109
Interest paid	已付利息		(9)	(170)
Capital contribution from non-controlling interests	來自非控股權益的注資		–	200
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額		16,731	25,139
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額		(41,514)	(11,664)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物		72,177	81,750
Effect of foreign exchange rate changes	外匯匯率變動的影響		1,335	2,091
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	年末現金及現金等價物，指銀行結餘及現金		31,998	72,177

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

1. General

The Company is a public limited company incorporated in the Cayman Islands and its shares are listed on the Stock Exchange. The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-111, Cayman Islands and its principal place of business is located at Rooms 1801-2, Westlands Centre, 20 Westlands Road, Quarry Bay, Hong Kong. Its immediate and ultimate holding company is Honour Grace Limited ("Honour Grace"), a company incorporated in the British Virgin Islands ("BVI").

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 40.

The consolidated financial statements are presented in Hong Kong dollar ("HK\$"), which is the Company's functional and presentation currency.

2. Application of New and Amendments to Hong Kong Financial Reporting Standards ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

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

Amendments to HKFRS 11	Accounting for Acquisitions of Interest in Joint Operations
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception

1. 一般資料

本公司為一間於開曼群島註冊成立的公眾有限公司，其股份於聯交所上市。本公司的註冊辦事處位於 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-111, Cayman Islands，其主要營業地點位於香港鰂魚涌華蘭路20號華蘭中心1801-2室。其直接及最終控股公司為榮恩有限公司（「榮恩」），為一間於英屬處女群島（「英屬處女群島」）註冊成立的公司。

本公司為一間投資控股公司。其附屬公司的主要業務載於附註40。

綜合財務報表以本公司的功能及呈列貨幣港幣（「港幣」）呈列。

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度強制生效的香港財務報告準則修訂本

本集團已於本年度首次應用以下由香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則修訂本：

香港財務報告準則第11號（修訂本）	收購合資經營業務權益之會計處理
香港會計準則第1號（修訂本）	披露計劃
香港會計準則第16號及香港會計準則第38號（修訂本）	澄清折舊及攤銷之可接受方法
香港財務報告準則（修訂本）	香港財務報告準則2012至2014週期的年度改進
香港會計準則第16號及香港會計準則第41號（修訂本）	農業：生產性植物
香港會計準則第27號（修訂本）	獨立財務報表的權益法
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號（修訂本）	投資實體：應用綜合例外情況

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

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

Amendments to HKAS 1 Disclosure Initiative

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

As regards the structure of the financial statements, the amendments provide examples of systematic ordering or grouping of the notes. The Group has applied these amendments retrospectively. The grouping and ordering of certain notes have been revised to give prominence to the areas of the Group’s activities that management considers to be the most relevant to an understanding of the Group’s financial performance and financial position. Specifically, information to capital risk management and financial instruments was reordered to notes 35 and 36, respectively, to the consolidated financial statements. Other than the above presentation and disclosure changes, the application of the amendments to HKAS 1 has not resulted in any impact on the financial performance or financial position of the Group in these consolidated financial statements.

2. 應用香港財務報告準則（「香港財務報告準則」）新訂及修訂本（續）

於本年度強制生效的香港財務報告準則修訂本（續）

除下文所述者外，於本年度應用香港財務報告準則修訂本不會對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載的披露產生重大影響。

香港會計準則第1號（修訂本）披露計劃

本集團於本年度首次應用香港會計準則第1號之修訂本。香港會計準則第1號之修訂本釐清，倘披露產生之資料並不重大，則實體毋須按香港財務報告準則規定作出具體披露，亦就有關合併及分列資料之披露基準提供指引。然而，該等修訂本重申，倘在符合香港財務報告準則之具體要求下仍不足以令財務報表使用者理解特定交易、事件及狀況對實體財務狀況及財務表現之影響，則實體應考慮作出額外披露。

就財務報表架構而言，有關修訂本提供系統排序或附註分組之樣例。本集團已追溯應用此等修訂本。若干附註的分組及排序已經修改，以突顯管理層認為與理解本集團財務表現及財務狀況最相關的本集團業務。具體而言，資本風險管理及金融工具的資料分別已於綜合財務報表附註35及36重新排序。除上述呈報及披露變動外，應用香港會計準則第1號之修訂本對該等綜合財務報表所載本集團財務表現或財務狀況並無產生任何影響。

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and the related Amendments ¹
HKFRS 16	Leases ²
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatment ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 7	Disclosure Initiative ⁴
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ⁴
Amendments to HKAS 40	Transfers of Investment Property ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014–2016 Cycle except for amendments to HKFRS 12 ¹

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

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

³ Effective for annual periods beginning on or after a date to be determined

⁴ Effective for annual periods beginning on or after 1 January 2017

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早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	客戶合約收益及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
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(國際財務報告詮釋委員會)－詮釋第23號	所得稅處理的不確定性 ²
香港財務報告準則第2號(修訂本)	以股份為基礎的付款交易的分類及計量 ¹
香港財務報告準則第4號(修訂本)	應用香港財務報告準則第9號金融工具及香港財務報告準則第4號保險合約 ¹
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或注資 ³
香港會計準則第7號(修訂本)	披露計劃 ⁴
香港會計準則第12號(修訂本)	就未變現虧損確認遞延稅項資產 ⁴
香港會計準則第40號(修訂本)	轉撥投資物業 ¹
香港財務報告準則(修訂本)	除香港財務報告準則第12號(修訂本)外，香港財務報告準則2014至2016週期的年度改進 ¹

¹ 於2018年1月1日或以後開始的年度期間生效

² 於2019年1月1日或以後開始的年度期間生效

³ 於將釐定日期或以後開始的年度期間生效

⁴ 於2017年1月1日或以後開始的年度期間生效

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綜合財務報表附註

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2. Application of New and Amendments to Hong Kong Financial Reporting Standards ("HKFRSs") (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments

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

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

- all recognised financial assets that are within the scope of HKFRS 9 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income ("FVTOCI"). All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

已頒佈惟尚未生效的香港財務報告準則新訂及修訂本(續)

香港財務報告準則第9號金融工具

香港財務報告準則第9號引入金融資產分類及計量、金融負債、一般對沖會計法及金融資產減值規定之新規定。

與本集團有關的香港財務報告準則第9號主要規定：

- 符合香港財務報告準則第9號金融工具：確認及計量範圍內之所有已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，業務模式內所持有以收取合約現金流量且合約現金流量僅為償還本金及尚未償還本金所產生利息之債務投資，一般於其後會計期間末按攤銷成本計量。業務模式內所持有以同時收回合約現金流量及出售金融資產且合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息的債務工具，一般透過其他全面收入按公平值(「透過其他全面收入按公平值」)計量。所有其他債務投資及股本投資均按其後會計期間末的公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇以於其他全面收入呈列股本投資(並非持作買賣)之其後公平值變動，而僅於損益內全面確認股息收入。
- 與香港會計準則第39號項下已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算金融資產之減值。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待信貸事件發生後方確認信貸虧損。

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

Based on the Group’s financial instruments and risk management policies as at 30 June 2017, application of HKFRS 9 in the future may have a material impact on the classification and measurement of the Group’s financial assets. The Group’s available-for-sale investment stated at cost less impairment of HK\$4,056,000 as at 30 June 2017 (2016: HK\$4,056,000), will either be measured as fair value through profit or loss or be designated as FVTOCI (subject to fulfilment of the designation criteria). In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised cost.

Except for the above, the directors of the Company (the “Directors”) do not anticipate that the application of HKFRS 9 in the future may have other material impact on amounts reported in respect of the Group’s financial assets.

HKFRS 15 Revenue from Contracts with Customers

In May 2015, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

已頒佈惟尚未生效的香港財務報告準則新訂及修訂本(續)

香港財務報告準則第9號金融工具(續)

根據本集團於2017年6月30日的金融工具及風險管理政策，日後應用香港財務報告準則第9號可能對本集團金融資產分類及計量產生重大影響。本集團於2017年6月30日按成本減減值列賬的可供出售投資為港幣4,056,000元(2016年：港幣4,056,000元)，將透過損益按公平值計量或指定為透過其他全面收入按公平值計量(須滿足指定標準)。此外，預期信貸虧損模式可能導致就本集團按攤銷成本計量的金融資產尚未產生的信貸虧損提早撥備。

除上述者外，本公司董事(「董事」)預期，日後應用香港財務報告準則第9號不會對本集團金融資產之報告金額構成其他重大影響。

香港財務報告準則第15號客戶合約收益

於2015年5月，香港財務報告準則第15號已頒佈，其制定單一全面模式，供實體用以將自客戶合約產生的收益入賬。當香港財務報告準則第15號生效後，其將取代現時載於香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋的收益確認指引。

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2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

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

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

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

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

The Directors anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the Directors do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

Based on the Group existing business model as at 30 June 2017, the Directors do not anticipate that the application of these amendments will have a material effect on the Group’s consolidated financial statements.

2. 應用香港財務報告準則（「香港財務報告準則」）新訂及修訂本（續）

已頒佈惟尚未生效的香港財務報告準則新訂及修訂本（續）

香港財務報告準則第15號客戶合約收益（續）

香港財務報告準則第15號的核心原則為實體應將向客戶轉讓承諾貨品或服務的收益確認為可反映該實體預期就交換該等貨品或服務有權獲得的代價。特別是，該準則引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於實體完成履約責任時（或就此）確認收益

根據香港財務報告準則第15號，實體於完成履約責任時（或就此）確認收益，即於特定履約責任相關的貨品或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號要求較廣泛的披露資料。

於2016年，香港會計師公會發佈對香港財務報告準則第15號的澄清，內容關於確認履約責任、委託人與代理方考慮事項以及許可申請指引。

董事預期，日後應用香港財務報告準則第15號可能會導致作出更多披露。然而，董事預期應用香港財務報告準則第15號將不會對相關報告期間確認收益的時間及金額產生重大影響。

根據本集團於2017年6月30日的現有業務模式，董事預期應用該等修訂本不會對本集團的綜合財務報表產生重大影響。

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

HKFRS 16 Leases

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

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

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

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

2. 應用香港財務報告準則（「香港財務報告準則」）新訂及修訂本（續）

已頒佈惟尚未生效的香港財務報告準則新訂及修訂本（續）

香港財務報告準則第16號租賃

香港財務報告準則第16號為租賃安排的識別以及出租人及承租人的會計處理引入一套全面模式。香港財務報告準則第16號於生效日期起將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產的租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式所取代。

使用權資產初步按成本計量，其後按成本（若干例外情況除外）減累計折舊及減值虧損計量，並就任何重新計量的租賃負債作出調整。租賃負債初步按租賃付款（非當日支付）的現值計量。隨後，租賃負債就（其中包括）利息及租賃付款以及租賃修訂的影響作出調整。就現金流量之分類而言，本集團目前呈列前期預付租賃付款為有關持作自用租賃土地及分類為投資物業者的投資現金流量，而其他經營租賃付款呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債之租賃付款將分配至將呈列為融資現金流量之本金及利息部分。

與承租人會計處理方法相反，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計要求，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求較廣泛的披露資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

HKFRS 16 Leases (Continued)

As disclosed in note 34, the Group has non-cancellable operating lease commitments of approximately HK\$1,203,603,000 among which lease contracts amounting to HK\$1,203,568,000 are within original lease term more than one year. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the Directors complete a detailed review.

Except as described above, the Directors anticipate that the application of the other new and amendments to HKFRSs will have no material impact on the Group’s consolidated financial statements.

3. Significant Accounting Policies

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

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods.

2. 應用香港財務報告準則(「香港財務報告準則」)新訂及修訂本(續)

已頒佈惟尚未生效的香港財務報告準則新訂及修訂本(續)

香港財務報告準則第16號租賃(續)

誠如附註34所披露，本集團擁有不可撤銷的經營租賃承擔約港幣1,203,603,000元，其中原租期超過一年的租賃合約為港幣1,203,568,000元。初步評估顯示該等安排將符合香港財務報告準則第16號項下租賃的定義，因此本集團將就所有租賃確認使用權資產及對應負債，惟應用香港財務報告準則第16號時其符合低值或短期租賃則另作別論。此外，應用新規定可能導致上文所述的計量、呈列及披露有所變動。然而，在董事完成詳細審閱前，對財務影響提供合理估計並不可行。

除上文所述者外，董事預期應用其他新訂及經修訂香港財務報告準則將不會對本集團的綜合財務報表造成重大影響。

3. 重大會計政策

綜合財務報表已按香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則(「上市規則」)及香港公司條例(「公司條例」)所規定的適用披露。

綜合財務報表於各報告期末已按歷史成本基準編製，誠如下文載列之會計政策內闡述。

歷史成本通常按交換貨品時所付代價的公平值計算。

3. Significant Accounting Policies (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 重大會計政策(續)

公平值為市場參與者於計量日期在有序交易中出售一項資產可能收取或轉讓一項負債可能支付之價格，不論該價格是否直接可觀察或使用其他估值方法作出估計。估計資產或負債之公平值時，本集團考慮了市場參與者於計量日期為該資產或負債進行定價時將會考慮的資產或負債特徵。在該等綜合財務報表中計量及／或披露之公平值均在此基礎上予以確定，惟香港財務報告準則第2號「以股份為基礎付款」範圍內之以股份為基礎付款的交易、香港會計準則第17號「租賃」範圍內之租賃交易及以及與公平值相似但並非公平值之計量(例如，香港會計準則第2號「存貨中的可變現淨值」或香港會計準則第36號「資產減值」中的使用價值)除外。

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級及第三級，載述如下：

- 第一級輸入數據為實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據為就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

3. Significant Accounting Policies (Continued)

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. 重大會計政策(續)

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司控制之實體及其附屬公司之財務報表。倘屬以下情況，則本公司取得控制權：

- 對投資對象行使權力；
- 因參與投資對象的業務而獲得或有權獲得可變回報；及
- 有能力行使其權力影響其回報。

倘事實及情況表明以上所列控制權三個要素的一個或多個有所變動時，本集團重估其是否控制投資對象。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止入賬。具體而言，於本年度內購入或出售之附屬公司之收入及開支，按自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益及其他全面收益表內。

本公司擁有人及非控股權益應佔損益及其他全面收入各項目。本公司擁有人及非控股權益應佔附屬公司之其他全面收入，即使由此引致非控股權益結餘為負數。

附屬公司的財務報表於必要時會作出調整，以使其所採用的會計政策與本集團採用者一致。

所有集團內與本集團成員公司之間的交易有關的資產及負債、權益、收入、開支及現金流量均於綜合入賬時悉數對銷。

3. Significant Accounting Policies (Continued)

Basis of consolidation (Continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

3. 重大會計政策(續)

綜合基準(續)

本集團於現有附屬公司的所有權權益變動

本集團於現有附屬公司的所有權權益出現變動，並無導致本集團失去對該等附屬公司的控制權，因而以權益交易入賬。本集團權益之有關部份(包括儲備與非控股權益)的賬面值乃作調整，以反映彼等於附屬公司相關權益的變動。非控股權益的調整款額(於重新歸屬有關權益部份後)與已付或已收代價的公平值兩者之間的任何差額，均直接於權益確認並歸屬於本公司擁有人。

業務合併

收購業務採用收購法入賬。業務合併所轉撥的代價按公平值計量，而計算方法為本集團所轉讓的資產、本集團向被收購方原擁有人欠付的負債及本集團為交換對被收購方的控制權而發行的權益於收購日期的公平值總額。收購相關成本通常於產生時於損益內確認。

於收購日期，所收購可識別資產及所承擔負債按公平值確認，惟下列者除外：

- 遞延稅項資產或負債及與僱員福利安排有關的資產或負債，分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購方的以股份付款安排或本集團為取代被收購方的以股份付款安排所訂立的以股份付款安排有關的負債或股本工具，於收購日期根據香港財務報告準則第2號「以股份為基礎付款」計量(見下文會計政策)；及
- 根據香港財務報告準則第5號「持作出售的非流動資產及已終止經營業務」分類為持作出售的資產(或出售組合)根據該項準則計量。

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

3. Significant Accounting Policies (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

3. 重大會計政策(續)

綜合基準(續)

商譽是以所轉撥的代價、於被收購方的非控股權益金額及收購方以往持有被收購方權益的公平值(如有)的總和,減所收購可識別資產及所承擔負債於收購日期的淨額後,所超出的差額計量。若重估後所收購可識別資產與所承擔負債淨額高於轉撥的代價、於被收購方的非控股權益金額及收購方以往持有被收購方權益的公平值(如有)的總和,則差額即時於損益內確認為議價收購收益。

屬現時擁有的權益且於清盤時讓持有人有權按比例分佔有關附屬公司淨資產的非控股權益,可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。

倘本集團於業務合併中轉讓的代價包括或然代價安排產生的資產或負債,或然代價按其收購日期公平值計量並被納入於業務合併中所轉撥代價的一部分。或然代價的公平值變動(如符合計量期間調整資格)可追溯調整,連同對商譽作出的相應調整。計量期間調整為「計量期間」(自收購日期起不超過一年)就於收購日期存在的事實及情況獲得額外資訊而引致的調整。

不合資格作為計量期間調整的或然代價其後會計處理將取決於或然代價是如何分類。分類為權益的或然代價不會在其後報告日期重新計量以及其後的結算將計入權益內。分類為資產或負債的或然代價須在其後報告日期重新計量至公平值,並在損益中確認相應的收益或虧損。

3. Significant Accounting Policies (Continued)

Business combinations (Continued)

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

3. 重大會計政策(續)

綜合基準(續)

當業務合併乃分階段實現，本集團於過往持有的被收購方股權須按於收購日期(即本集團取得控制權當日)的公平值重新計量，以及由此產生的收益或虧損(如有)須於損益中確認。於收購日期前由被收購方權益產生，並已於過往在其他全面收入確認的金額，須如以往出售權益的處理方法重新分類至損益。

如於已發生業務合併的報告期末尚未就業務合併完成初步會計處理，則本集團須按暫定金額呈報未完成會計處理的項目。此暫定金額可於計量期間內調整(見上文)及確認額外的資產或負債，來反映所獲得於收購日期已存在的事實及情況的新增資料。倘獲知悉該等資料，將對當日已確認金額帶來影響。

商譽

因收購業務所產生之商譽按於收購業務日期(參閱上述會計政策)所確定之成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期可從合併之協同效益得益之本集團現金產生單位或現金產生單位組別，即就內部管理而言按最低級別監控商譽及不大於營運分部。

獲分配商譽之現金產生單位(或現金產生單位組別)會每年進行減值測試，或於有跡象顯示該單位可能出現減值時則以更高頻率進行減值測試。就於報告期因收購產生之商譽而言，獲分配商譽之現金產生單位(或現金產生單位組別)會於該報告期末前進行減值測試。倘可收回金額少於其賬面值，則減值虧損會先用作減低任何商譽之賬面值，其後則根據該單位(或現金產生單位組別)內各項資產賬面值按比例分配至其他資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

3. Significant Accounting Policies (Continued)

Goodwill (Continued)

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of associates and a joint venture is described below.

Investments in associates and a joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and a joint venture are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and a joint venture used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

3. 重大會計政策(續)

商譽(續)

於出售相關現金產生單位時，商譽之相關金額會於釐定出售之損益金額時計入。

本集團對於因收購聯營公司及合營企業產生的商譽的政策載於下文。

於聯營公司及一間合營企業的投資

聯營公司乃指本集團對其具有重大影響力的一個實體。重大影響力指有能力參與被投資者財務及營運的政策決定，但不能控制或共同控制該等政策。

合營企業指一項共同安排，對安排擁有共同控制權之訂約方據此對合營安排資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有之控制，共同控制僅在相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

聯營公司及一間合營企業的業績及資產及負債，均以權益會計法合併入該等綜合財務報表內。用於權益會計法之聯營公司及一間合營企業財務報表乃採用與本集團在類似交易及相若情況下事項所採用的統一會計政策編製。根據權益法，於一間聯營公司或合營企業的投資均按成本值於綜合財務狀況表內首次確認及隨後予以調整，以確認本集團應佔聯營公司或合營企業損益及其他全面收益。當本集團應佔聯營公司或一間合營企業的虧損超逾其於該聯營公司或合營企業的權益(包括(實際上)組成一部分本集團應佔聯營公司或合營企業投資淨額的任何長期權益)時，則本集團不再確認其應佔的進一步虧損。當本集團已產生法律或推定責任或代表該聯營公司或合營企業支付款項，則額外虧損僅以此為限予以確認。

3. Significant Accounting Policies (Continued)

Investments in associates and a joint venture (Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

3. 重大會計政策(續)

於聯營公司及一間合營企業的投資(續)

於一間聯營公司或合營企業的投資自被投資者成為一間聯營公司或合營企業之日起計採用權益法入賬。於收購聯營公司或合營企業的投資時，投資成本超過本集團分佔該被投資者可識別資產及負債的公平值淨值的任何部分確認為商譽，並計入投資的賬面值。於投資被收購期間，本集團分佔可識別資產及負債的公平值淨值超過投資成本的任何部分在重新估值後即時於損益內確認。

本集團應用香港會計準則第39號之規定釐定是否有必要就本集團於一間聯營公司或合營企業的投資確認任何減值虧損。於有需要時，投資的全部賬面值(包括商譽)將會根據香港會計準則第36號資產減值作為單一資產進行減值測試，方法為將其可收回金額(以使用價值與公平值減去出售成本的較高者為準)與其賬面值作比較，而已確認的任何減值虧損屬於該投資賬面值的一部分。減值虧損的任何撥回根據香港會計準則第36號確認，惟以該投資其後所增加的可收回金額為限。

倘集團實體與本集團之聯營公司或合營企業進行交易，則僅於交易所產生的溢利及虧損與本集團於聯營公司或合營企業的權益無關時，方於本集團的綜合財務報表確認。

收益確認

收益按已收或應收代價的公平值計量。收益已就估計客戶退貨、回扣及其他類似撥備作出減扣。

當收益金額能可靠計量、未來經濟利益可能流入本集團及已達成下文所述本集團各項活動的特定標準時，則確認收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

3. Significant Accounting Policies (Continued)

Revenue recognition (Continued)

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

Income from the distribution of own produced films is recognised when the production is completed, the film has been released and distributed to the cinema circuit and the amount can be measured reliably, which is generally when the cinema circuit confirms to the Group its share of box office receipts.

Income from the licensing of the distribution rights over films is recognised when the Group's entitlement to such payments has been established which, subject to the terms of the relevant agreements, is usually upon delivery of the film negatives to the customers.

Amounts received for the distribution rights over films before completion and delivery of production are accounted for as receipts in advance.

Income from advertising service is recognised upon the provision of the services. Service income is recognised when services are provided.

Income from box office takings for film exhibition is recognised upon the sale of tickets and when the film is released.

Income from the screen advertising is recognised when relevant advertisements and programme are exhibited pursuant to the terms of the relevant agreements.

Membership income is recognised on a straight-line basis over the membership period.

Income from investments in film/drama production is recognised when the Group's entitlement to such payments has been established which, subject to the terms of the relevant agreements.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3. 重大會計政策(續)

收益確認(續)

銷售貨物的收益於交付貨物及移交所有權時確認。

自製電影發行收入於製作完成，電影已向電影院線放映及發行及金額可可靠計量(一般於電影院線向本集團確認其應佔的票房收入時能可靠計量)時確認。

電影發行權使用許可收入於本集團收取有關付款的權利已確立(通常於電影菲林底片交付予客戶後確立，惟受有關協議條款所限)時確認。

製作完成及交付前，就電影發行權已收的款項入賬為預收款項。

廣告服務收入於提供服務後確認。服務收入於提供服務時確認。

電影放映票房收入於門票銷售後及電影上映時確認。

銀幕廣告收入於相關廣告及計劃按照相關協議的條款展示時確認。

會員收入乃按直線基準於會籍期內確認。

投資電影／戲劇製作的收入於確立本集團收取該等費用之權利時(受相關協議條款規限)確認。

利息收入參考未償還本金及適用實際利率(即於初步確認時將財務資產於預期年期之估計未來現金收入準確貼現至該資產賬面淨值之利率)以時間比例基準計算。

3. Significant Accounting Policies (Continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 重大會計政策(續)

租賃

凡租賃條款將所有權的絕大部分風險及回報轉移至承租人的租賃，均列作融資租賃。所有其他租賃則列作經營租賃。

本集團作為承租人

經營租賃付款包括收購根據經營租賃所持有土地的成本，按直線法於租期內確認為一項開支。經營租賃項下產生的或然租金乃於產生期間確認為開支。

倘為訂立經營租賃而取得租賃獎勵，則該等獎勵確認為負債。獎勵利益總額按直線法確認為租金開支減少，除非另有一系統合理的方法更能代表使用者從租賃資產中獲取的經濟利益消耗的時間形態。

外幣

於編製各集團實體的財務報表時，以非該實體功能貨幣(外幣)進行的交易須按交易當日的適用匯率確認。於報告期末，以外幣計值的貨幣項目均按當日的適用匯率重新換算。以外幣計值按歷史成本計量的非貨幣項目則毋須重新換算。

因結算及重新換算貨幣項目而產生的匯兌差額均於產生期間於損益確認。

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

3. Significant Accounting Policies (Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs and termination benefits

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

3. 重大會計政策(續)

外幣(續)

為呈列綜合財務報表，本集團業務的資產及負債按報告期末的適用匯率換算成本集團的呈列貨幣(即港幣)，而收支項目則按期內平均匯率換算。所產生匯兌差額(如有)於其他全面收益確認並於換算儲備項下的權益(歸於非控股權益，倘適用)累計。

借款成本

收購、建造或生產合資格資產(即需要一段長時間才可作擬定用途或出售)直接應佔之借款成本，加入該等資產的成本，直至資產大致上可作擬定用途或出售之時為止。

所有其他借款成本於產生期間於損益確認。

政府補貼

政府補貼僅於有合理保證本集團將符合該補貼的附帶條件且將收取該補貼時，方予確認。

作為已產生開支或虧損的應收補償或就給予本集團即時財務資助而未來無相關成本的政府補貼，於成為應收款項的期間於損益內確認。

退休福利成本及離職福利

向國家管理退休福利計劃及強制性公積金計劃作出的付款於僱員提供服務而有權享有供款時確認。

3. Significant Accounting Policies (Continued)**Share-based payment arrangements****Equity-settled share-based payment transactions***Share options granted to consultants*

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

3. 重大會計政策(續)**以股份為基礎的付款安排****以權益結算以股份為基礎付款的交易***授予顧問的購股權*

與僱員以外人士進行之權益結算以股份為基礎付款的交易乃按所收商品或所接受服務的公平值計量，惟倘公平值無法可靠計量，則彼等按所授出權益工具於實體取得商品或對手方提供服務當日計量的公平值計量。所收取貨品或服務的公平值確認為開支。

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項乃根據年內的應課稅溢利計算。應課稅溢利因其他年度的應課稅或可扣稅收支及毋須課稅及不獲扣稅或扣減項而有別於綜合損益及其他全面收益表所報「除稅前溢利」。本集團的即期稅項負債乃採用於報告期末已頒佈或實質上已頒佈的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利時採用的相應稅基之間的暫時差額確認。所有應課稅暫時差額一般均確認為遞延稅項負債，而倘可能出現應課稅溢利可用作抵銷可扣減暫時差額，則所有可扣減暫時差額一般確認為遞延稅項資產。若因初始確認一項交易的其他資產與負債而產生並無影響應課稅溢利或會計溢利的暫時差額(不包括業務合併)，則不會確認該等遞延稅項資產與負債。此外，倘暫時差額因初步確認商譽而產生，則不確認遞延稅項負債。

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For the year ended 30 June 2017 截至2017年6月30日止年度

3. Significant Accounting Policies (Continued)

Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3. 重大會計政策(續)

稅項(續)

遞延稅項負債按與於附屬公司及聯營公司投資以及於合營企業權益相關的應課稅暫時差額確認，惟本集團能夠控制暫時差額撥回且在可預見將來可能不會撥回有關暫時差額除外。與該等投資及利息相關的可扣減暫時差額所產生的遞延稅項資產，僅於有足夠應課稅溢利可動用暫時差額的利益且預期暫時差額會於可預見將來撥回時確認。

於各報告期末均會檢討遞延稅項資產的賬面值，並扣減至不可能再有足夠應課稅溢利以收回全部或部分資產為止。

遞延稅項資產及負債基於報告期末已頒佈或實質上已頒佈的稅率(及稅法)按償還負債或變現資產期間的預期適用稅率計量。

遞延稅項負債及資產的計量反映本集團預期於報告期末收回或結算資產及負債賬面值的方式產生的稅務結果。

即期及遞延稅項於損益確認，惟若與於其他全面收益或直接於權益確認的項目相關者，則亦分別於其他全面收益或直接於權益確認。

3. Significant Accounting Policies (Continued)

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Construction in progress are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such construction in progress are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Film rights and film production in progress

Film rights are stated at cost less accumulated amortisation and accumulated impairment losses (if any). The Group amortises costs of film rights in the same ratio that current period actual revenue (numerator) bears to estimated total projected revenue (denominator). The Group begins amortisation of the capitalised costs of film rights when a film is released and it begins to recognise revenue from that film.

3. 重大會計政策(續)

物業、廠房及設備

物業、廠房及設備(在建工程除外)以成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

在建工程按成本減任何已確認減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化的借款成本。有關在建工程於完工及作擬定用途時分類至物業、廠房及設備的適當類別。該等資產按與其他物業資產的相同基準於資產可作擬定用途時開始折舊。

折舊乃以直線法按估計可使用年期撇銷其資產(在建工程除外)成本減其剩餘價值確認。估計可使用年期、剩餘價值及折舊方法於各報告期末檢討,而任何估計變動的影響按提前應用基準入賬。

物業、廠房及設備項目於出售時或預期持續使用該資產於日後將不會產生經濟利益時終止確認。因出售或報廢物業、廠房及設備項目所產生的任何收益或虧損,按有關資產的銷售所得款項與賬面值間的差額釐定,並於損益確認。

電影版權及製作中電影

電影版權按成本減累計攤銷及累計減值虧損(如有)列賬。本集團按當期實際收益(分子)較估計預測收益總額(分母)的相同比率攤銷電影版權成本。電影放映時,本集團開始電影版權資本化成本的攤銷,並且本集團開始確認電影的收益。

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

3. Significant Accounting Policies (Continued)

Film rights and film production in progress (Continued)

The Group reviews and revises estimates of total projected revenue and total production costs of film rights at the end of each reporting period. If estimates are revised, the Group adjusts the amount of total projected revenue (denominator) from the period when such changes in estimates take place and re-calculated the ratio for amortisation of film rights. The effect from changes in estimates is recognised on a prospective basis.

Film production in progress is stated at cost less any provision for impairment losses. Cost includes all costs associated with the production of films including remuneration for the film director, casts and production crew, costumes, insurance, makeup and hairdressing as well as rental of camera and lighting equipment. Film production in progress is transferred to film rights when the film is released.

Joint arrangements

Joint operations

When a group entity undertakes film production activities under joint venture arrangements (which do not involve the establishment of a corporate entity) and shares the ownership of the film rights upon completion of the production with other ventures, such film rights are classified as joint operation. The Group recognises its share of the joint operation and its share of liabilities incurred jointly with other ventures in the consolidated statement of financial position, classified according to their nature.

The Group recognises the income derived from the joint operation (in accordance with its revenue recognition policy set out above), together with its share of any expenses incurred in respect of its interest in the joint operation in its consolidated statement of profit or loss and other comprehensive income.

3. 重大會計政策(續)

電影版權及製作中電影(續)

本集團於各報告期末審閱及修訂預測收益總額及電影版權製作成本總額的估計。倘修訂估計，本集團調整估計的該等變動產生期間的預測收益總額(分母)的金額以及重新計算電影版權的攤銷比率。估計變動的影響提前確認。

製作中電影按成本減任何減值虧損撥備列賬。成本包括所有與電影製作相關的成本，包括電影導演、演員及製作組薪酬、服裝、保險、化妝品及髮型設計以及攝影機及燈光設備租金。製作中電影於電影上映後轉撥至電影版權。

合營安排

聯合經營

當集團實體根據合營企業安排(並不涉及成立公司實體)進行電影製作活動以及與其他合營方完成電影製作後分佔電影版權所有權時，該等電影版權分類為聯合經營。本集團確認其應佔聯合經營以及綜合財務狀況表中與其他合營方共同產生的負債(根據彼等的性質分類)。

本集團確認聯合經營產生的收入(根據上文載列的收益確認政策)以及其應佔綜合損益及其他全面收益表中聯合經營的權益所產生的任何開支。

3. Significant Accounting Policies (Continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs, being their fair value at the date of the revaluation less subsequent accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

3. 重大會計政策(續)

無形資產

單獨收購之無形資產

單獨收購並具有有限使用期之無形資產按成本(即彼等於重估日期的公平值)減隨後累計攤銷及任何累計減值列賬。具有有限使用期之無形資產攤銷採用直線法於其估計可使用年期內確認。估計可使用年期及攤銷方法於報告期末檢討,任何估計變動之影響按預期基準入賬處理。單獨收購並具無特定期限之無形資產按成本減任何隨後累計減值虧損(見下文有形及無形資產之減值虧損之會計政策)列賬。

無形資產於出售時或預期無法通過其使用或出售獲得未來經濟收益時終止確認。終止確認無形資產所產生之收益及虧損按該資產之出售所得款項淨額與賬面值間之差額計量,並於終止確認該資產時在損益中確認。

有形及無形資產減值(不包括商譽,參閱上述與商譽有關的會計政策)

於報告期末,本集團檢討其可使用年期有限的有形及無形資產的賬面值,以釐定是否存在任何跡象顯示該等資產承受減值虧損。倘存在任何該等跡象,則估計該資產的可收回金額,以釐定減值虧損的水平(如有)。倘無法估計個別資產之可收回金額,本集團將估計該資產所屬之現金產生單位之可收回金額。倘可確定合理及連貫之分配基準時,企業資產亦可分配至個別現金產生單位,否則,則將企業資產分配至能確定合理及連貫分配基準之現金產生單位之最小組別。

並無可使用限期之無形資產及尚不可動用之無形資產最少每年進行減值檢測,而不論是否有跡象顯示可能出現減值。

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

3. Significant Accounting Policies (Continued)

Intangible assets (Continued)

Intangible assets acquired separately (Continued)

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3. 重大會計政策(續)

無形資產(續)

單獨收購之無形資產(續)

有形及無形資產減值(不包括商譽, 參閱上述與商譽有關的會計政策)(續)

可收回金額為公平值減出售成本與使用價值的較高者。於評估使用價值時, 估計未來現金流量乃以稅前貼現率貼現至現值, 該貼現率反映當前市場所評估的貨幣時間值及資產特定風險(就此而言, 未來現金流量估計尚未作出調整)。

倘資產(或現金產生單位)的可收回金額估計低於其賬面值, 則資產(或現金產生單位)賬面值會減至其可收回金額。於分配減值虧損時, 減值虧損應首先分配至抵減任何商譽的賬面值(如適用), 然後按比例基於該單位各資產賬面值抵減其他資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零之中的最高值。將以其他方式分配至資產的減值虧損額乃按比例分配至該單位的其他資產。減值虧損即時於損益確認。

倘減值虧損其後撥回, 則資產(或現金產生單位)賬面值增至其經修訂估計可收回金額, 惟增加後的賬面值不能超過倘於過往年度並無就該資產(或現金產生單位)確認減值虧損而釐定的賬面值。減值虧損撥回即時於損益確認。

存貨

存貨按成本與可變現淨值兩者中的較低者列賬。存貨成本以先入先出法釐定。可變現淨值指存貨的估計售價減完成的全部估計成本及進行銷售的必要成本。

3. Significant Accounting Policies (Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into available-for-sale (“AFS”) financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

3. 重大會計政策(續)

金融工具

當一個集團實體成為工具合約條文的訂約方時，則確認金融資產及金融負債。

金融資產及金融負債初始按公平值計量。收購或發行金融資產及金融負債直接應佔的交易成本於初始確認時加入金融資產或金融負債的公平值，或從金融資產或金融負債的公平值扣除(如適用)。收購透過損益以公平值列賬之金融資產或金融負債直接應佔交易成本即時於損益中確認。

金融資產

金融資產乃分類為可供出售(「可供出售」)金融資產及貸款與應收款項。分類視乎金融資產的性質及目的而定，於初始確認時予以釐定。所有透過正規途徑購買或銷售金融資產乃按買賣日期基準確認及取消確認。正規途徑購買或銷售乃要求於市場法規或慣例所設立的時間框架內交付資產的購買或銷售金融資產事宜。

實際利率法

實際利率法為計算債務工具的攤銷成本以及於有關期間分配利息收入的方法。實際利率為在債務工具的預期年期或(如適用)較短期間內精確地將估計未來現金收入(包括構成實際利率組成部分的所有已付或已收費用及點子、交易成本以及其他溢價或折讓)貼現至初始確認時的賬面淨值的利率。

債務工具的利息收入按實際利率基準確認。

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3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment loss on financial assets below).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including investments in film/drama production, trade and other receivables, amount due from non-controlling interest, pledged bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

可供出售金融資產

可供出售金融資產乃指定為可供出售或非分類為(a)貸款及應收款項，(b)持有至到期投資或(c)按公平值於損益入賬之金融資產。

於活躍市場中並無市場報價且無法可靠計量其公平值的可供出售股本投資，及與該等無報價股本投資掛鈎且必須透過交付該等股本投資進行結算的衍生工具，於各報告期末按成本減任何已識別的減值虧損計量(請參閱下文有關金融資產減值虧損的會計政策)。

貸款及應收款項

貸款及應收款項為具有固定或可釐定付款的非衍生金融資產，該等資產於活躍市場上並無報價。於初始確認後，貸款及應收款項(包括電影/戲劇製作投資、貿易及其他應收款項、應收非控股權益款項、已抵押銀行存款以及銀行結餘及現金)乃使用實際利率法按攤銷成本減任何減值計量(有關金融資產減值虧損的會計政策載列於下文)。

利息收入採用實際利率確認，惟短期應收款項(確認利息微乎其微)除外。

金融資產減值

金融資產乃於各報告期末評估減值跡象。於有客觀證據證明，金融資產的估計未來現金流量因金融資產初步確認後發生之一宗或多宗事件而受到影響時，金融資產被視為減值。

就可供出售股本投資而言，若證券公平值大幅或長期下跌並低於其成本，即被認為是減值的客觀證據。

3. Significant Accounting Policies (Continued)**Financial instruments (Continued)****Financial assets (Continued)***Impairment of financial assets (Continued)*

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods (see the accounting policy below).

3. 重大會計政策(續)**金融工具(續)****金融資產(續)***金融資產減值(續)*

就所有其他金融資產而言，客觀減值證據可包括：

- 發行商或對手方遇到重大財務困難；或
- 違反合約，如逾期或拖欠支付利息或本金；或
- 借款人有可能破產或進行財務重組。

應收款項組合的客觀減值證據可包括本集團的過往收款經驗、組合內超逾平均信貸期的延遲付款次數增加，以及與應收款項逾期有關的全國或地方經濟狀況的明顯改變。

就按攤銷成本列賬的金融資產而言，已確認減值虧損金額按該資產的賬面值與按原先實際利率貼現的估計未來現金流量的現值之間的差額計量。

就按成本列賬的金融資產而言，減值虧損金額乃按資產賬面值與類似金融資產按現行市場回報率折現的估計未來現金流量現值間的差額計量。該項減值虧損不會於續後期間撥回(參閱下文之會計政策)。

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3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就所有金融資產而言，金融資產的賬面值直接按減值虧損調減，惟貿易應收款項除外，其賬面值乃透過使用撥備賬目而減少。撥備賬目的賬面值變動於損益內確認。倘貿易應收款項被視為無法收回，則與撥備賬目撇銷。其後收回過往撇銷的款項計入損益內。

當可供出售金融資產被視為減值時，之前於其他全面收益中確認之累計盈虧，將於期內重新分類至損益。

就按攤銷成本計量的金融資產而言，倘於往後期間減值虧損金額減少，且該減少可客觀地與減值確認後發生的事件有關，則先前確認的減值虧損透過損益撥回，惟該投資於撥回減值日期的賬面值不超過在並無確認減值的情況下應有的攤銷成本。

金融負債及權益工具

集團實體發行的債務及權益工具乃根據合約安排的實質與金融負債及權益工具的定義分類為金融負債或權益。

權益工具

權益工具為證明實體資產具有剩餘權益(經扣除其所有負債)的任何合約。本集團發行的權益工具按已收所得款項(扣除直接發行成本)確認。

3. Significant Accounting Policies (Continued)**Financial instruments (Continued)****Financial liabilities and equity instruments (Continued)***Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables, amounts due to related companies and amount due to a joint venture) are subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 重大會計政策(續)**金融工具(續)****金融負債及權益工具(續)***實際利率法*

實際利率法為計算金融負債的攤銷成本以及於有關期間分配利息開支的方法。實際利率為在金融負債的預期年期或(如適用)較短期間內精確地將估計未來現金付款(包括構成實際利率完整部分的所有已付或已收費用及點子、交易成本以及其他溢價或折讓)貼現至初始確認時的賬面淨值的利率。利息開支按實際利率基準確認。

按攤銷成本計量的金融負債

金融負債(包括貿易及其他應付款項、應付關聯公司款項及應付一間合營企業款項)其後使用實際利息法按攤銷成本計量。

終止確認

僅當從資產中收取現金流量的合約權利到期，或倘其轉移金融資產且資產所有權的絕大部分風險及回報轉移至其他實體，本集團終止確認金融資產。

終止確認金融資產時，該資產賬面值與已收及應收代價總和的差額於損益確認。

本集團金融負債於且僅於本集團的責任獲解除、取消或屆滿時終止確認。終止確認的金融負債賬面值與已付及應付代價的差額於損益確認。

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4. Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimates (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Estimated impairment loss on film rights and film production in progress

Management of the Company ("Management") regularly reviews the recoverability of the Group's film rights and film production in progress with reference to its intended use and current market environment. Appropriate impairment for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

In determining whether impairment on film rights and film production in progress is required, the Group takes into consideration the distribution and license agreements entered into by the Group and the current market environment to project cash flows expected to be received through box office receipts and distribution and licensing income. Impairment is recognised in the period in which the recoverable amount is less than the carrying amount. The carrying amount of film rights and film production in progress as at 30 June 2017 are HK\$9,264,000 (2016: HK\$3,175,000) and HK\$122,521,000 (2016: HK\$80,050,000), respectively. An impairment loss of HK\$2,400,000 (2016: HK\$17,934,000) has been recognised in respect of film production in progress for the year ended 30 June 2017. Details are set out in note 20.

4. 估計不確定因素的主要來源

於應用附註3所述的本集團會計政策時，董事須就無法直接通過其他來源獲得的資產及負債賬面值作出估計及假設。估計及相關假設乃基於歷史經驗及視為相關的其他因素作出。實際結果可能與該等估計存在差異。

估計及相關假設乃按持續基準進行檢討。倘會計估計的修訂僅對修訂期間產生影響，則其修訂僅在估計修訂期間確認；如會計估計的修訂對當期及未來期間均產生影響，則相關修訂在估計修訂期間及未來期間進行確認。

下文為董事於應用本集團會計政策的過程中已作出並對在綜合財務報表中確認的金額具有最重大影響的關鍵性判斷，不包括涉及估計的關鍵性判斷(參閱下文)。

電影版權及製作中電影的估計減值虧損

本公司管理層(「管理層」)參考其擬定用途及現時市場環境，定期檢討本集團的電影版權及製作中電影的可收回性。估計不可收回金額的適當減值於有客觀證據證明資產出現減值時於損益確認。

於釐定電影版權及製作中電影是否需要作出減值時，本集團考慮本集團訂立的發行及發行權使用許可協議及目前的市場環境，以通過票房收入及發行以及發行權使用許可收入預測將收取的預期現金流量。減值乃於可收回金額低於賬面值期間確認。於2017年6月30日，電影版權及製作中電影的賬面值分別為港幣9,264,000元(2016年：港幣3,175,000元)及港幣122,521,000元(2016年：港幣80,050,000元)。截至2017年6月30日止年度，製作中電影已確認減值虧損港幣2,400,000元(2016年：港幣17,934,000元)。詳情載於附註20。

4. Key Sources of Estimation Uncertainty (Continued)

Estimated impairment loss in interests in associates

The Group determines the recoverable amount which is the higher of value in use and fair value less costs of disposal. The value in use is based on the estimations of future expected cash flows from the associates and a suitable discount rate which is performed by independent professional valuer. The discount rate represents rate that reflects current market assessments of time value of money. Where the actual future cash flows are less than expected or there is a downward revision of future estimated cash flows due to unfavourable changes in facts and circumstances, a material impairment loss may arise. The carrying amount of interests in associates as at 30 June 2017 is HK\$53,454,000 (2016: HK\$53,887,000). An impairment loss of HK\$20,351,000 (2016: nil) has been recognised in respect of interests in associates for the year ended 30 June 2017. Details of the recoverable amount calculation for interests in associates are set out in note 16.

Estimated impairment loss on investments in film/drama production

In assessing the recoverability of investments in film/drama production, Management assessed the credibility of the counterparties, the progress of the related film/drama production and the market condition. Management determines the provision for impairment of investments in film/drama production taking into account the estimation of future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. The carrying amount of investments in film/drama production as at 30 June 2017 is HK\$27,417,000 (2016: HK\$33,401,000). Details are set out in note 21.

Amortisation of film rights

The Group is required to estimate the projected revenue of the film rights based on their economic lives in order to ascertain the amount of amortisation charges for each reporting period. The appropriateness of the amortisation estimate requires the use of judgement and assumptions with reference to the prevailing and future market conditions to estimate total projected revenue over their economic lives. Changes in these estimates and assumptions could have a material effect on the amortisation expenses. The carrying amount of the film rights as at 30 June 2017 is HK\$9,264,000 (2016: HK\$3,175,000). Details are set out in note 20.

4. 估計不確定因素的主要來源(續)

於聯營公司權益的估計減值虧損

本集團釐定可收回金額為使用價值及公平值減出售成本之間的較高者。使用價值乃基於獨立專業估值師對來自聯營公司的未來預期現金流量作出的估計及合適的貼現率。貼現率指反映貨幣時間價值的當前市場評估。如實際未來現金流量少於預期，或未來估計現金流量因事實或情況之不利變動而被下調，則或會產生重大減值虧損。於2017年6月30日，於聯營公司權益的賬面值為港幣53,454,000元(2016年：港幣53,887,000元)。截至2017年6月30日止年度，已就於聯營公司權益確認減值虧損港幣20,351,000元(2016年：無)。有關於聯營公司權益可收回金額計算的詳情載於附註16。

投資電影／戲劇製作的估計減值虧損

評估投資電影／戲劇製作的可收回性時，管理層評估了對手方的信用、相關電影／戲劇製作進度及市況。管理層釐定投資電影／戲劇製作的減值撥備時，已考慮到按金融資產的原始實際利率(即按初次確認時計算的實際利率)折現的未來現金流量(不包括尚未產生的未來信貸虧損)的估計。倘實際未來現金流量低於預期，則可能產生重大減值虧損。於2017年6月30日，投資電影／戲劇製作的賬面值為港幣27,417,000元(2016年：港幣33,401,000元)。詳情載於附註21。

電影版權攤銷

本集團須估計電影版權於其經濟年期的預測收益，以確定各報告期的攤銷金額。適當的攤銷估計需要使用判斷及假設，並經參考當時及未來市場狀況以估計其經濟年期內的預測收益總額。此等估計及假設的變動或會對攤銷開支造成重大影響。於2017年6月30日，電影版權的賬面值為港幣9,264,000元(2016年：港幣3,175,000元)。詳情載於附註20。

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5. Revenue

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Film production, distribution and licensing income	電影製作、發行及發行權使用許可收入	83,867	300,237
Film exhibition income	電影放映收入	137,291	137,489
Post-production income	後期製作收入	1,957	1,992
Advertising, marketing and publication income	廣告、市場推廣及出版收入	2,516	6,663
		225,631	446,381

5. 收益

6. Segment Information

Information reported to the Directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance is based on the following four reportable and operating segments identified under HKFRS 8 Operating Segments.

- (i) Film and TV series production and distribution;
- (ii) Film exhibition;
- (iii) Post-production; and
- (iv) Advertising, marketing and publication

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represent the profit earned or loss incurred by each segment without allocation of certain other income, certain selling and distribution expenses, certain administrative expenses, finance costs, impairment loss on interest in an associate and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

6. 分部資料

呈報予董事(即主要營運決策者(「主要營運決策者」))以便進行資源分配及評估分部表現的資料乃以下列根據香港財務報告準則第8號經營分部識別的四個可呈報及經營分部為依據。

- (i) 電影及電視劇製作及發行；
- (ii) 電影放映；
- (iii) 後期製作；及
- (iv) 廣告、市場推廣及出版

經營分部的會計政策與附註3所述的本集團會計政策相同。分部溢利(虧損)指各分部所賺取的溢利或產生的虧損，並無分配若干其他收入、若干銷售及發行開支、若干行政開支、融資成本、於一間聯營公司權益的減值虧損及應佔聯營公司業績。此乃就資源分配及表現評估向主要營運決策者作出報告的方式。

6. Segment Information (Continued)

Segment revenue and results

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

For the year ended 30 June 2017

		Film and TV series production and distribution 電影及電視劇製作及發行 HK\$'000 港幣千元	Film exhibition 電影放映 HK\$'000 港幣千元	Post-production 後期製作 HK\$'000 港幣千元	Advertising, marketing and publication 廣告、市場推廣及出版 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Segment revenue	分部收益					
— External customers	— 外部客戶	83,867	137,291	1,957	2,516	225,631
Segment profit (loss)	分部溢利(虧損)	22,122	(25,575)	(3,155)	(1,892)	(8,500)
Unallocated other income	未分配的其他收入					370
Unallocated head office and corporate expenses	未分配的總部及企業開支					(9,667)
Finance costs	融資成本					(9)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損					(20,351)
Share of results of associates	應佔聯營公司業績					(1,757)
Loss before tax	除稅前虧損					(39,914)

6. 分部資料(續)

分部收益及業績

以下為按可呈報及經營分部劃分的本集團收益及業績分析。

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6. Segment Information (Continued)

For the year ended 30 June 2016

		Film and TV series production and distribution 電影及電視劇 製作及發行 HK\$'000 港幣千元	Film exhibition 電影放映 HK\$'000 港幣千元	Post- production 後期製作 HK\$'000 港幣千元	Advertising, marketing and publication 廣告、市場 推廣及出版 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Segment revenue	分部收益					
— External customers	— 外部客戶	300,237	137,489	1,992	6,663	446,381
Segment profit (loss)	分部溢利(虧損)	56,766	(12,876)	(3,769)	(79,870)	(39,749)
Unallocated other income	未分配的其他收入					1,754
Unallocated head office and corporate expenses	未分配的總部及企業開支					(35,410)
Finance costs	融資成本					(170)
Share of results of an associate	應佔一間聯營公司業績					(234)
Loss before tax	除稅前虧損					(73,809)

As the Group's segment assets and liabilities are not regularly provided to the Group's CODM, the relevant analysis for both years is not presented.

6. 分部資料(續)

截至2016年6月30日止年度

由於本集團的分部資產及負債並非定期提供予本集團的主要營運決策者，故均無呈列兩個年度的有關分析。

6. Segment Information (Continued)

Other segment information

For the year ended 30 June 2017

6. 分部資料(續)

其他分部資料

截至2017年6月30日止年度

		Film and TV series production and distribution 電影及電視劇製作及發行	Film exhibition 電影放映	Post-production 後期製作	Advertising, marketing and publication 廣告、市場推廣及出版	Unallocated 未分配	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Amounts included in the measured of segment profit or loss:	計算分部損益時所包括的金額：						
Depreciation of property, plant and equipment	物業、廠房及設備折舊	470	5,062	1,691	405	116	7,744
Share of results of a joint venture	應佔一間合營企業業績	13,494	–	–	–	–	13,494
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:	定期提供予主要營運決策者但計算分部損益時並無包括的金額：						
Interest income	利息收入	–	–	–	–	352	352
Finance costs	融資成本	–	–	–	–	(9)	(9)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	–	–	–	–	(20,351)	(20,351)
Share of results of associates	應佔聯營公司業績	–	–	–	–	(1,757)	(1,757)

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

6. Segment Information (Continued)

Other segment information (Continued)

For the year ended 30 June 2016

	Film and TV series production and distribution 電影及電視劇製作及發行 HK\$'000 港幣千元	Film exhibition 電影放映 HK\$'000 港幣千元	Post-production 後期製作 HK\$'000 港幣千元	Advertising, marketing and publication 廣告、市場推廣及出版 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Amounts included in the measured of segment profit or loss:	計算分部損益時所包括的金額：					
Depreciation of property, plant and equipment	392	5,015	1,687	407	174	7,675
Impairment loss on goodwill	-	-	-	43,084	-	43,084
Impairment loss on intangible asset	-	-	-	20,514	-	20,514
Amortisation of intangible asset	-	-	-	11,154	-	11,154
Share of results of a joint venture	(2,090)	-	-	-	-	(2,090)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:	定期提供予主要營運決策者但計算分部損益時並無包括的金額：					
Interest income	-	-	-	-	1,430	1,430
Finance costs	-	-	-	-	(170)	(170)
Share of results of an associate	-	-	-	-	(234)	(234)

6. 分部資料(續)

其他分部資料(續)

截至2016年6月30日止年度

6. Segment Information (Continued)**Geographical information**

An analysis of the Group's revenue from external customers by geographical market based on where the film distribution and licensing income is derived from are as below:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Hong Kong and Macau	香港及澳門	169,873	196,597
The People's Republic of China (the "PRC")	中華人民共和國(「中國」)	43,325	192,968
North America	北美	—	23,337
South East Asia Region	東南亞地區	7,890	17,292
Others	其他	4,543	16,187
		225,631	446,381

The Group's non-current assets by geographical location of the assets are details below:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
The PRC	中國	15,482	273
Hong Kong	香港	168,983	169,911
		184,465	170,184

6. 分部資料(續)**地區資料**

本集團來自外部客戶的收益按取得電影發行及授出發行權使用許可收入所在地區市場劃分的分析如下：

按資產所在地區劃分的本集團非流動資產詳列如下：

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

6. Segment Information (Continued)

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Customer A ¹	客戶甲 ¹	26,460	N/A ²
Customer B ¹	客戶乙 ¹	N/A ²	87,753
Customer C ¹	客戶丙 ¹	N/A ²	78,159

¹ Revenue from film and TV series production and distribution.

² The corresponding revenue did not contribute over 10% of the total revenue of the Group.

6. 分部資料(續)

有關主要客戶的資料

相應年度來自為本集團總銷售額貢獻逾10%的客戶收益如下：

¹ 來自電影及電視劇製作及發行產生的收益。

² 相應收益並未貢獻本集團總收益的10%以上。

7. Other Gains and Other Income

Other gains

	其他收益	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Compensation income (note i)	補償收入(附註i)	5,339	–
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	14	–
		5,353	–

Other income

	其他收入	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Handling service income	處理服務收入	2,526	2,335
Investment income from investments in film/drama production	投資電影／戲劇製作的投資收入	1,353	–
Government subsidies (note ii)	政府補貼(附註ii)	571	–
Membership income	會員收入	485	505
Interest income	利息收入	352	1,430
Franchise income	特許權收入	228	–
Others	其他	1,078	468
		6,593	4,738

7. 其他收益及其他收入

7. Other Gains and Other Income (Continued)

Notes:

- (i) During the year ended 30 June 2017, the Group received a compensation of approximately RMB4,684,000 (equivalent to HK\$5,339,000) from the landlord of a cinema leased in the PRC due to the delay in handover of the leased cinema to the Group. The compensation income was unconditional and paid to the Group in according to the lease agreement entered into with the landlord.
- (ii) During the year ended 30 June 2017, one of the Group's subsidiaries in the PRC received approximately RMB501,000 (equivalent to HK\$571,000) subsidies from the local authority for the purpose of encouraging the development of group entity in science and technology park. The subsidies received are giving immediate financial support to the Group's entity with no future related cost or without any conditions and accordingly recognised in profit or loss during the year ended 30 June 2017.

7. 其他收益及其他收入(續)

附註：

- (i) 截至2017年6月30日止年度，本集團因一家中國租賃影院的業主延遲向本集團移交租賃影院而收到補償約人民幣4,684,000元(相當於港幣5,339,000元)。根據與業主訂立的租賃協議，補償收入乃無條件支付予本集團。
- (ii) 截至2017年6月30日止年度，本集團的一間中國附屬公司收到地方當局為鼓勵科技園的集團實體發展而發放的補貼約人民幣501,000元(相當於港幣571,000元)。收到的補貼為集團實體提供了即時的財務支持，且並無未來相關費用，亦無任何條件，因此在截至2017年6月30日止年度的損益中確認。

8. Income Tax Expense

8. 所得稅開支

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
The income tax expense comprises:	所得稅開支包括：		
Hong Kong Profits Tax	香港利得稅		
— current	— 即期	706	7,746
— underprovision in prior years	— 過往年度撥備不足	265	78
		971	7,824
PRC Enterprise Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)		
— current	— 即期	2,315	808
— underprovision in prior years	— 過往年度撥備不足	634	9
		2,949	817
Deferred taxation (note 32)	遞延稅項(附註32)	3,920 (2,954)	8,641 1,702
		966	10,343

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

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries are 25% from 1 January 2008 onwards.

香港利得稅按兩個年度的估計應課稅溢利的16.5%計算。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於2008年1月1日起往後的稅率為25%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

8. Income Tax Expense (Continued)

The tax charge for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

8. 所得稅開支(續)

年內稅項支出與綜合損益及其他全面收益表所示的除稅前虧損可對賬如下：

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Loss before tax	除稅前虧損	(39,914)	(73,809)
Tax at the domestic income tax rate of 16.5% (2016: 16.5%)	以本地所得稅稅率 16.5% 計算的稅項 (2016年：16.5%)	(6,586)	(12,178)
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(247)	(521)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	1,295	7,827
Tax effect of tax losses not recognised	未確認的稅項虧損的稅務影響	4,714	2,055
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認的稅項虧損的稅務影響	(1,884)	(804)
Tax effect of impairment loss on goodwill	商譽減值虧損的稅務影響	—	7,109
Tax effect of impairment loss on intangible asset	無形資產減值虧損的稅務影響	—	3,385
Tax effect of impairment loss on interest in an associate	於一間聯營公司權益的減值虧損的稅務影響	3,358	—
Tax effect of impairment loss on film production in progress	製作中電影減值虧損的稅務影響	396	2,464
Tax effect of impairment loss on other receivable	其他應收款項減值虧損的稅務影響	—	332
Tax effect of share of results of associates	應佔聯營公司業績的稅務影響	290	39
Tax effect of share of results of a joint venture	應佔一間合營企業業績的稅務影響	(2,227)	345
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區營運的附屬公司的不同稅率的影響	958	313
Underprovision in prior years	過往年度撥備不足	899	87
Others	其他	—	(110)
Tax charge for the year	年內稅項支出	966	10,343

Details of deferred taxation are set out in note 32.

遞延稅項詳情載於附註32。

9. Loss for the Year

9. 年內虧損

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Loss for the year has been arrived at after charging: 年內虧損乃經扣除以下各項後計算：			
Directors' emoluments	董事薪酬	6,708	11,393
Other staff costs	其他員工成本	20,797	22,116
Retirement benefit scheme contributions, excluding those of Directors	退休福利計劃供款，不包括董事供款	1,243	1,171
Total staff costs		28,748	34,680
Auditors' remuneration	核數師酬金	1,669	1,377
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7,744	7,675
Amortisation of intangible asset	無形資產攤銷	—	11,154
Cost of film rights recognised as an expense	確認為開支的電影版權成本	37,181	171,315
Impairment loss on film production in progress (included in cost of sales)	製作中電影的減值虧損(列入銷售成本)	2,400	17,934
Minimum lease payments under operating leases in respect of:	下列經營租賃項下的最低租賃付款：		
Premises	物業	3,710	4,314
Cinemas	電影院	74,868	57,158
Contingent rents incurred for cinema	電影院產生的或然租金	1,332	1,509
Cost of services provided	提供服務成本	58,742	61,052
Cost of inventories sold	出售存貨成本	2,295	2,657
Share-based payment expense	以股份為基礎的付款開支	—	25,272

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For the year ended 30 June 2017 截至2017年6月30日止年度

10. Directors', Chief Executive's and Employees' Emoluments

Directors and the chief executive's emoluments

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows:

10. 董事、行政總裁及僱員酬金

董事及行政總裁酬金

根據適用上市規則及公司條例所披露年內董事及行政總裁的酬金如下：

		Directors' fees	Bonus	Salaries and other allowances	Retirement benefit scheme contributions	Total
		董事袍金	花紅	薪金及其他津貼	退休福利計劃供款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
			(Note c)			
			(附註c)			
For the year ended 30 June 2017 截至2017年6月30日止年度						
Executive Directors (Note a)	執行董事(附註a)					
Mr. Wong Pak Ming	黃栢鳴先生	–	–	3,600	–	3,600
Ms. Wong Yee Kwan, Alvina	黃漪鈞女士	–	–	1,440	18	1,458
Mr. Wong Chi Woon, Edmond	黃子桓先生	–	–	1,200	18	1,218
Independent non-executive Directors (Note b)	獨立非執行董事(附註b)					
Mr. Lam Kam Tong	林錦堂先生	144	–	–	–	144
Mr. Lo Eric Tien-cheuk	羅天爵先生	144	–	–	–	144
Mr. Tang Kai Kui, Terence	鄧啟駒先生	144	–	–	–	144
		432	–	6,240	36	6,708

10. Directors', Chief Executive's and Employees' Emoluments (Continued)

10. 董事、行政總裁及僱員酬金(續)

Directors and the chief executive's emoluments (Continued)

董事及行政總裁酬金(續)

	Directors' fees	Bonus	Salaries and other allowances	Retirement benefit scheme contributions	Total
	董事袍金	花紅	薪金及其他津貼	退休福利計劃供款	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Note c)			
		(附註c)			

For the year ended 30 June 2016 截至2016年6月30日止年度

Executive Directors (Note a)	執行董事(附註a)					
Mr. Wong Pak Ming	黃栢鳴先生	–	5,000	2,850	–	7,850
Ms. Wong Yee Kwan, Alvina	黃漪鈞女士	–	500	1,175	18	1,693
Mr. Wong Chi Woon, Edmond	黃子桓先生	–	500	900	18	1,418
Independent non-executive Directors (Note b)	獨立非執行董事(附註b)					
Mr. Lam Kam Tong	林錦堂先生	144	–	–	–	144
Mr. Lo Eric Tien-cheuk	羅天爵先生	144	–	–	–	144
Mr. Tang Kai Kui, Terence	鄧啟駒先生	144	–	–	–	144
		432	6,000	4,925	36	11,393

Notes:

- (a) The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.
- (b) The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.
- (c) The amounts represented discretionary bonuses paid to the Directors for their contributions to the Group's business expansion in prior year.

附註：

- (a) 上文所示執行董事酬金主要用作支付彼等就本公司及本集團的事務管理所提供的服務。
- (b) 上文所示獨立非執行董事酬金主要用作支付彼等擔任本公司董事所提供的服務。
- (c) 該等金額指為獎勵董事在上一年對本集團的業務擴張作出的貢獻而向彼等支付的酌情花紅。

No emoluments of chief executive disclosed as the Group has no appointment of chief executive during the year ended 30 June 2017 and 2016.

由於本集團於截至2017年及2016年6月30日止年度並無委任行政總裁，故並無披露行政總裁的酬金。

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For the year ended 30 June 2017 截至2017年6月30日止年度

10. Directors', Chief Executive's and Employees' Emoluments (Continued)

Employees

Of the five highest paid individuals of the Group, the number of directors and employees were as follows:

		2017 2017年	2016 2016年
Directors	董事	3	3
Employees	僱員	2	2
		5	5

The remuneration of the Directors are set out above. The emoluments of the remaining individuals were as follows:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Salaries and other allowances	薪金及其他津貼	2,407	3,310
Retirement benefit scheme contributions	退休福利計劃供款	36	36
		2,443	3,346

Their emoluments were within the following bands:

		Number of employee 僱員人數	
		2017 2017年	2016 2016年
HK\$1,500,001 to HK\$2,000,000	港幣 1,500,001 元至港幣 2,000,000 元	1	1
HK\$1,000,001 to HK\$1,500,000	港幣 1,000,001 元至港幣 1,500,000 元	—	1
Less than HK\$1,000,000	低於港幣 1,000,000 元	1	—

During the year, no emoluments were paid by the Group to any of the Directors or the five highest paid individuals (including Directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. No Directors waived any emoluments for the years ended 30 June 2017 and 2016.

10. 董事、行政總裁及僱員酬金(續)

僱員

本集團五名最高薪人士當中，董事及僱員的人數如下：

		2017 2017年	2016 2016年
Directors	董事	3	3
Employees	僱員	2	2
		5	5

董事酬金於上文載列。餘下人士的酬金如下：

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Salaries and other allowances	薪金及其他津貼	2,407	3,310
Retirement benefit scheme contributions	退休福利計劃供款	36	36
		2,443	3,346

彼等的酬金介乎下列範圍：

		Number of employee 僱員人數	
		2017 2017年	2016 2016年
HK\$1,500,001 to HK\$2,000,000	港幣 1,500,001 元至港幣 2,000,000 元	1	1
HK\$1,000,001 to HK\$1,500,000	港幣 1,000,001 元至港幣 1,500,000 元	—	1
Less than HK\$1,000,000	低於港幣 1,000,000 元	1	—

年內，本集團概無向任何董事或五名最高薪人士（包括董事及僱員）支付酬金，作為吸引彼等加入本集團或於加入本集團時的獎勵或作為離職補償。截至2017年及2016年6月30日止年度，董事概無放棄收取任何酬金。

11. Dividends

No dividend was paid or proposed for the year ended 30 June 2017, nor has any dividend been proposed since the end of the reporting period (2016: nil).

12. Loss Per Share

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

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Loss	虧損		
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	計算每股基本及攤薄虧損的本公司擁有人應佔年內虧損	39,984	72,591
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	計算每股基本及攤薄虧損的普通股加權平均股數	2,568,078,428	2,493,134,663

The computation of the diluted loss per share for both years did not assume the exercise of the Company's outstanding warrants since their exercise would result in a decrease in loss per share.

11. 股息

本公司於截至2017年6月30日止年度並未派付或建議派付任何股息，且自報告期間末以來並未建議派付任何股息（2016年：無）。

12. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

計算兩個年度每股攤薄虧損乃假設本公司尚未使用的認股權證並未獲行使，此乃由於行使該等認股權證將導致每股虧損減少。

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13. Property, Plant and Equipment

13. 物業、廠房及設備

		Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Computer equipment	Construction in progress	Total
		租賃裝修	傢俬、裝置及設備	汽車	電腦設備	在建工程	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
COST	成本						
At 1 July 2015	於2015年7月1日	29,413	7,567	1,717	12,915	-	51,612
Exchange adjustments	匯兌調整	-	-	(27)	-	-	(27)
Additions	添置	-	14	619	865	-	1,498
At 30 June 2016	於2016年6月30日	29,413	7,581	2,309	13,780	-	53,083
Exchange adjustments	匯兌調整	-	-	(13)	(1)	-	(14)
Additions	添置	20	22	-	681	30,715	31,438
Disposals	出售	-	(30)	-	(1,849)	-	(1,879)
At 30 June 2017	於2017年6月30日	29,433	7,573	2,296	12,611	30,715	82,628
DEPRECIATION	折舊						
At 1 July 2015	於2015年7月1日	2,946	697	720	1,791	-	6,154
Exchange adjustments	匯兌調整	-	-	(5)	-	-	(5)
Provided for the year	年內撥備	3,045	1,499	391	2,740	-	7,675
At 30 June 2016	於2016年6月30日	5,991	2,196	1,106	4,531	-	13,824
Exchange adjustments	匯兌調整	-	-	(5)	(1)	-	(6)
Provided for the year	年內撥備	3,041	1,501	459	2,743	-	7,744
Eliminated on disposals	於出售時撇銷	-	(15)	-	(977)	-	(992)
At 30 June 2017	於2017年6月30日	9,032	3,682	1,560	6,296	-	20,570
CARRYING AMOUNTS	賬面值						
At 30 June 2017	於2017年6月30日	20,401	3,891	736	6,315	30,715	62,058
At 30 June 2016	於2016年6月30日	23,422	5,385	1,203	9,249	-	39,259

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis at the following rates per annum:

上述物業、廠房及設備項目(在建工程除外)乃以直線法按以下年率折舊：

Leasehold improvements	10% to 20%	租賃裝修	10% 至 20%
Furniture, fixtures and equipment	20%	傢俬、裝置及設備	20%
Motor vehicles	20%	汽車	20%
Computer equipment	20%	電腦設備	20%

14. Goodwill

14. 商譽

		Goodwill 商譽 HK\$'000 港幣千元
COST	成本	
At 1 July 2015, 30 June 2016 and 2017	於2015年7月1日、2016年及2017年6月30日	181,084
IMPAIRMENT	減值	
At 1 July 2015	於2015年7月1日	(138,000)
Impairment loss recognised for the year	年內確認的減值虧損	(43,084)
At 30 June 2016 and 2017	於2016年及2017年6月30日	(181,084)
CARRYING AMOUNTS	賬面值	
At 30 June 2017	於2017年6月30日	—
At 30 June 2016	於2016年6月30日	—

For the purpose of impairment testing, goodwill (before impairment loss) of HK\$181,084,000 (2016: HK\$181,084,000) has been allocated to the groups of cash-generating unit(s) ("CGU(s)") of Chili Advertising & Promotions Limited ("Chili") and its subsidiaries (collectively referred to as "Chili Group") which included Chili and Chili Platinum Advertising and Magazine Publishing Limited ("Chili Platinum") acquired by the Group in 2015.

Pursuant to the sales and purchase agreement dated 6 March 2015 (as amended by a supplemental agreement dated 30 April 2015) (the "Agreement") entered into between Green Riches Holdings Limited ("Green Riches"), a wholly-owned subsidiary of the Company and Ms. Wong Kit Fong, the sister of Mr. Wong Pak Ming ("Mr. Wong"), the Chairman and substantial shareholders of the Company, as the vendor for the acquisition of Chili Group at a total consideration of stated amount of HK\$68,000,000, which was satisfied partly by HK\$10,040,000 paid in cash and HK\$57,960,000 was satisfied by issuance of 46,000,000 consideration shares by the Company at the agreed issuance price of HK\$1.26 per consideration share ("Consideration Share") (the "Acquisition").

就減值測試而言，商譽(扣除減值虧損前)港幣181,084,000元(2016年：港幣181,084,000元)已分配至本集團於2015年收購的Chili Advertising & Promotions Limited(「Chili」)及其附屬公司(統稱為「Chili集團」，包括Chili及智理白金雜誌廣告出版有限公司(「智理白金」))的現金產生單位(「現金產生單位」)組別。

根據翠裕控股有限公司(「翠裕」，本公司的全資附屬公司)與黃潔芳女士(本公司主席兼主要股東黃栢鳴先生(「黃先生」)的胞妹，作為賣方)就收購Chili集團訂立日期為2015年3月6日的買賣協議(經日期為2015年4月30日的補充協議所補充)(「該協議」)，訂明總代價港幣68,000,000元中，港幣10,040,000元以現金支付，而港幣57,960,000元則由本公司按協定發行價每股代價股份港幣1.26元發行46,000,000股代價股份(「代價股份」)支付(「收購事項」)。

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14. Goodwill (Continued)

At 12 June 2015, the date of completion of the Acquisition, the fair value of aggregate consideration paid for the Acquisition was increased from HK\$68,000,000 as stated in the Agreement to HK\$206,000,000 at the date of completion due to the unforeseen increase in the quoted market price of the Company's shares. The market price of the fixed number of Consideration Shares paid as part of the consideration of the Acquisition increased from HK\$1.26 (at the date of the Agreement) to HK\$4.26 (at the date of completion of the Acquisition) per Consideration Share. As a result, the amount of goodwill recognised as of the date of completion of the Acquisition was HK\$181,084,000 instead of the original estimated amount of HK\$43,084,000, which was estimated as of the date of the Agreement based on the stated consideration amount of HK\$68,000,000.

During the year ended 30 June 2016, Management intended to terminate its publishing cooperation agreement with an independent third party and planned to cease the publication of a magazine operated by Chili Platinum under Chili Group due to its unsatisfactory operating results which was mainly due to decrease in demand for advertising market for luxury products and services in the PRC arising from the slowdown of the growth of the PRC economy and conspicuous spending. In August 2016, the Group eventually entered into a termination agreement with the independent third party regarding the publishing cooperation agreement and ceased the publication of the magazine operated by Chili Platinum. As a result, Management had taken the termination of the publishing cooperation agreement into consideration for the purpose of impairment assessment of Chili Group for the year ended 30 June 2016.

As at 30 June 2016, the recoverable amount of Chili Platinum had been determined based on fair value less costs of disposal calculations. The recoverable amount of Chili had been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period and a discount rate of 12.40%. Cash flows beyond the five-year period are extrapolated using a steady 3% growth rate. The estimation of the budgeted sales and gross margins is based on past performance of Chili and Management's expectations for the market development. The estimated recoverable amount of Chili Group was below its carrying amount, accordingly the Group recognised an impairment loss of HK\$43,084,000, representing the difference between recoverable amount and the carrying amount of Chili Group, in relation to goodwill and charged to profit or loss during the year ended 30 June 2016.

14. 商譽(續)

於2015年6月12日收購事項完成當日，由於本公司股份所報市價錄得預料之外的升幅，故就收購事項支付的總代價公平值由該協議所述的港幣68,000,000元增加至完成日期的港幣206,000,000元。支付作為收購事項代價一部分的定額代價股份的市價由每股代價股份港幣1.26元(於該協議日期)升至每股代價股份港幣4.26元(於收購事項完成當日)。因此，於收購事項完成當日確認的商譽金額為港幣181,084,000元而非原有估計金額港幣43,084,000元，此乃於該協議日期根據訂明代價金額港幣68,000,000元而估計得出。

截至2016年6月30日止年度，管理層擬終止與一名獨立第三方簽訂的出版合作協議並計劃停止出版Chili集團旗下智理白金經營的一本雜誌，這主要是由於中國奢侈品及服務廣告市場需求因中國經濟增長及奢侈消費放緩而出現下降，導致經營業績未如理想。於2016年8月，本集團最終就出版合作協議與獨立第三方訂立終止協議並停止出版智理白金經營的一本雜誌。因此，截至2016年6月30日止年度就Chili集團進行減值評估時，管理層已考慮終止出版合作協議。

於2016年6月30日，智理白金的可收回金額根據公平值減出售成本計算法釐定。Chili的可收回金額乃根據使用價值計算法釐定。該計算法使用根據管理層批准的財政預算涵蓋五年期的現金流量預測以及貼現率12.40%。超過五年期的現金流量乃使用穩定增長率3%推算。預計銷售額及毛利率的估算乃根據Chili的過往表現及管理層對市場發展的預期而作出。Chili集團的估計可收回金額低於其賬面值，因此，截至2016年6月30日止年度，本集團就商譽確認減值虧損港幣43,084,000元(即Chili集團可收回金額與賬面值的差額)並計入損益內。

15. Intangible Assets

15. 無形資產

		Brand 商標 HK\$'000 港幣千元	Publishing cooperation agreement 出版合作協議 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
COST	成本			
At 1 July 2015, 30 June 2016 and 2017	於2015年7月1日、2016年及2017年6月30日	5,600	31,900	37,500
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值			
At 1 July 2015	於2015年7月1日	–	232	232
Provided for the year	年內撥備	–	11,154	11,154
Impairment loss recognised for the year	年內已確認減值虧損	–	20,514	20,514
At 30 June 2016 and 2017	於2016年及2017年6月30日	–	31,900	31,900
CARRYING AMOUNTS	賬面值			
At 30 June 2017	於2017年6月30日	5,600	–	5,600
At 30 June 2016	於2016年6月30日	5,600	–	5,600

The intangible assets are allocated to the CGU of Chili Group acquired by the Group which is presented under “Advertising, marketing and publication” reporting segment.

無形資產乃分配至本集團所收購的Chili集團的現金產生單位，而該現金產生單位乃於「廣告、市場推廣及出版」報告分部項下呈列。

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15. Intangible Assets (Continued)

Brand

The brand name is associated to the advertising and promotion services operated by Chili and it is treated as having indefinite useful life because it is expected to contribute to net cash inflows to the Group indefinitely. Therefore, it is not amortised until its useful life is determined to be finite.

As at 30 June 2017, the recoverable amount of Chili has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by Management covering a five-year period and a discount rate of 12.61% (2016: 12.40%). Cash flows beyond the five-year period are extrapolated using a steady 3% (2016: 3%) growth rate. The estimation of the budgeted sales and gross margins is based on past performance of Chili and Management's expectations for the market development.

Publishing cooperation agreement

During the year ended 30 June 2015, Chili Platinum entered into a publishing cooperation agreement that used to publish the magazine, namely "Platinum of UnionPay" for a term of four years which can be renewed if not objected by the parties entered into the publishing cooperation agreement. Amortisation is provided to write off the cost of the publishing cooperation agreement using the straight-line method over the estimated useful life of 2.86 years' representing the remaining contractual life at the completion date of acquisition of Chili Platinum.

The Group had ceased publication of the magazine operated by Chili Platinum in August 2016 due to its unsatisfactory operating results. For the year ended 30 June 2016, Management had taken the termination of the publishing cooperation agreement into consideration for the purpose of impairment assessment of Chili Platinum. The recoverable amount of Chili Platinum had been determined based on fair value less costs of disposal calculations. Accordingly, the Group recognised an impairment loss of HK\$20,514,000 in relation to intangible asset and charged to profit or loss during the year ended 30 June 2016.

15. 無形資產(續)

商標

商標名稱與Chili營運的廣告及推廣服務有關，並因預計其可無限期為本集團貢獻現金流入淨額而被視作具有無限可使用年期。因此，其不會予以攤銷，直至其可使用年期釐定為有限為止。

於2017年6月30日，Chili的可收回金額根據使用價值計算法釐定。該計算法使用根據管理層批准的財政預算涵蓋五年期的現金流量預測以及貼現率12.61%（2016年：12.40%）。超過五年期的現金流量乃使用穩定增長率3%（2016年：3%）推算。預計銷售額及毛利率的估算乃根據Chili的過往表現及管理層對市場發展的預期而定。

出版合作協議

截至2015年6月30日止年度，智理白金訂立一份出版合作協議，以出版名為「銀聯白金」的雜誌，為期四年，並可在訂約各方並無反對訂立出版合作協議的情況下重續。本集團已就出版合作協議的估計可使用年期2.86年（即智理白金收購完成日期起的剩餘合約年期）以直線法撇銷出版合作協議成本計提攤銷。

由於經營業績不如預期，本集團已於2016年8月停止出版智理白金經營的一本雜誌。截至2016年6月30日止年度就智理白金進行減值評估時，管理層已考慮終止出版合作協議。智理白金的可收回金額根據公平值減出售成本的計算法釐定。因此，本集團就無形資產確認減值虧損港幣20,514,000元，並於截至2016年6月30日止年度的損益內扣除。

16. Interests in Associates

16. 於聯營公司的權益

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Cost of unlisted investments in associates	於聯營公司的未上市投資成本	74,000	54,000
Impairment loss recognised (Note)	已確認減值虧損(附註)	(20,351)	–
		53,649	54,000
Share of post-acquisition losses and other comprehensive expenses	應佔收購後虧損及其他全面開支	(195)	(113)
		53,454	53,887

On 22 November 2013, the Group had completed the acquisition of JDH at a consideration of HK\$54,000,000. The Group is able to exercise significant influence over JDH because it has power to appoint 2 out of 5 directors of the associate under the Articles of Association of JDH. Therefore, JDH is accounted for as an associate of the Group.

JDH is an investment holding company incorporated in the BVI with limited liability and its subsidiaries (collectively known as “JDH Group”), are principally engaged in comic publication and owns the intellectual property rights of a database of comic stories and comic heroes. Management anticipates that the Group would make use of the intellectual property rights of the associate (including but not limited to the comic stories and comic characters) that the Group considers they are suitable for reproduction as films.

Note: The recoverable amount of the CGU arising from JDH Group was determined based on value in use calculations which was performed by an independent valuer as at 30 June 2017. For impairment purpose, the calculation uses cash flow projections of the associate based on the financial budgets attributable to the equity interest of the Group approved by Management covering five-year period and a post-tax discount rate of 21.94% (2016: 22.58%). Cash flows beyond the 5-year period are extrapolated using a steady 2% (2016: 2%) growth rate for the CGU. The key assumption is budgeted revenue determined based on the associate’s past performance and the Management’s view of future business prospects.

During the year ended 30 June 2017, the Group recognised an impairment loss of HK\$20,351,000 of JDH Group due to the intense competition in the market of comic publication and licencing the copyrights of comic which resulted in a decrease in sales revenue for the year ended 30 June 2017 as compared to the budget and the expected future cashflows is decreased accordingly. As a result, the difference of recoverable amount, which is the value in use, and the carrying amount (containing goodwill) is recognised as an impairment loss and charged to profit or loss.

本集團已於2013年11月22日以代價港幣54,000,000元完成收購玉皇朝。本集團對玉皇朝有重大影響力，因為其根據玉皇朝的組織章程細則有權委任聯營公司5位董事中的2位。因此，玉皇朝入賬列作本集團的聯營公司。

玉皇朝為一間在英屬處女群島註冊成立的投資控股有限公司，該公司及其附屬公司(統稱「玉皇朝集團」)主要從事漫畫發行，並擁有漫畫故事及漫畫英雄人物數據庫的知識產權。管理層預期，本集團將使用本集團認為適合重製為電影的聯營公司知識產權(包括但不限於漫畫故事及漫畫英雄人物)。

附註：玉皇朝集團產生的現金產生單位的可收回金額乃由獨立估值師於2017年6月30日按使用價值計算釐定。就減值而言，乃採用管理層所批准涵蓋五年期之本集團股權應佔按財務預算計算的聯營公司現金流預測並採用稅後貼現率21.94% (2016年：22.58%) 進行計算。超出五年期的現金流乃採用現金產生單位的2% (2016年：2%) 穩定增長率推算。主要假設為根據聯營公司過往表現及管理層對未來業務前景的意見釐定的預算收益。

截至2017年6月30日止年度，本集團確認玉皇朝集團減值虧損港幣20,351,000元，原因是漫畫發行市場競爭激烈及漫畫版權許可導致截至2017年6月30日止年度的銷售收益較預算有所減少及預期未來現金流量亦相應減少。因此，可收回金額的差額為確認為減值虧損的使用價值及賬面值(包括商譽)並於損益內扣除。

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16. Interests in Associates (Continued)

For the year ended 30 June 2017

On 11 July 2016, the Group acquired 40% equity interest of Supreme Art Entertainment Limited (“Supreme Art”) at a consideration of HK\$20,000,000 which is referenced to a valuation report prepared by an independent valuer to the Group at the completion date of acquisition. The Group is able to exercise significant influence over Supreme Art because it has power to appoint 1 out of 3 directors of the associate under the Articles of Association of Supreme Art. Therefore, Supreme Art is accounted for as an associate of the Group.

Supreme Art is a private entity incorporated in Hong Kong with limited liability which is engaged in provision of artiste management and agency services. Management anticipates that the artiste of Supreme Art could be participated in the film production of the Group.

The carrying amount of the Group’s interest in Supreme Art is also tested for impairment by comparing the respective recoverable amount. The recoverable amount of the Group’s investment in Supreme Art has been determined based on value in use calculations which was performed by an independent valuer as at 30 June 2017. For impairment purpose, the calculation uses cash flow projections of the associate based on the financial budgets attributable to the equity interest of the Group approved by Management covering five-year period and a post-tax discount rate of 20.85%. Cash flows beyond the 5-year period are extrapolated using a steady 3% growth rate for the CGU. Other key assumptions for the value in use calculations relate to the cash flow projections which include the artiste management fee received, such estimation is based on the Management’s view of future business prospects.

As at 30 June 2017, the recoverable amount of Supreme Art is higher than the respective carrying amount and thus no impairment loss is recognised regarding to the Group’s interest in Supreme Art.

16. 於聯營公司的權益(續)

截至2017年6月30日止年度

於2016年7月11日，本集團以代價港幣20,000,000元(參考於收購完成日獨立估值師所編製的估值報告)收購凱藝娛樂發展有限公司(「凱藝」)的40%股權。本集團能夠對凱藝行使重大影響力，乃由於其有權根據凱藝的組織章程細則委任聯營公司三名董事中的其中一名。因此，凱藝入賬列作本集團的聯營公司。

凱藝於香港註冊成立為私人有限公司，從事提供演員管理及代理服務。管理層預期凱藝的演員可能會參與本集團的電影製作。

本集團於凱藝權益的賬面值亦透過比較各自可收回金額進行減值測試。本集團於凱藝投資的可收回金額乃由獨立估值師於2017年6月30日根據使用價值計算釐定。就減值而言，乃採用管理層所批准涵蓋五年期之本集團股權應佔按財務預算計算的聯營公司現金流預測並採用稅後貼現率20.85%進行計算。超出五年期的現金流乃採用現金產生單位的3%穩定增長率推算。使用價值計算的其他主要假設涉及現金流預測(包括所收取的演員管理費)，而有關估計乃以管理層對未來業務前景的意見為依據。

於2017年6月30日，凱藝的可收回金額高於各自賬面值，因此並無就本集團於凱藝的權益確認減值虧損。

16. Interests in Associates (Continued)

The details of the Group's associates at 30 June 2017 and 2016 are as follows:

Name of associate 聯營公司名稱	Place of incorporation/ registration/ 註冊成立/ 登記地點	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團所持所有權益的比例		Proportion of voting rights held by the Group 本集團所持投票權的比例		Principal activities 主要業務
			2017 2017年	2016 2016年	2017 2017年	2016 2016年	
Jade Dynasty Holdings Limited	BVI	Hong Kong	40%	40%	40%	40%	Comic publication and owns the intellectual property rights of a data base of comic stories and comic heroes
玉皇朝控股有限公司	英屬處女群島	香港	40%	40%	40%	40%	漫畫發行，並擁有漫畫故事及漫畫英雄人物數據庫的知識產權
Supreme Art 凱藝	Hong Kong 香港	Hong Kong 香港	40%	N/A 不適用	33.33% 33.33%	N/A 不適用	Artiste management and agency services 演員管理及代理服務

These associates are accounted for using the equity method in these consolidated financial statements.

16. 於聯營公司的權益(續)

有關本集團聯營公司於2017年及2016年6月30日的詳情如下：

該等聯營公司乃使用權益法於該等綜合財務報表中列賬。

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

16. Interests in Associates (Continued)

The summarised financial information in respect of the Group's associates is set out below and was prepared in accordance with HKFRSs.

JDH Group

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Non-current assets	非流動資產	79,052	77,766
Current assets	流動資產	16,335	24,566
Current liabilities	流動負債	(16,869)	(18,491)
Net assets	資產淨值	78,518	83,841

16. 於聯營公司的權益(續)

下文載列本集團聯營公司根據香港財務報告準則編製的財務資料概要。

玉皇朝集團

		Year ended 30 June 2017 截至2017年 6月30日 止年度 HK\$'000 港幣千元	Year ended 30 June 2016 截至2016年 6月30日 止年度 HK\$'000 港幣千元
Revenue	收益	17,156	23,979
Loss for the year attributable to owners of the associate	聯營公司擁有人應佔年度虧損	(9,541)	(584)
Group's share of loss	本集團應佔虧損	(3,816)	(234)
Other comprehensive income for the year	年內其他全面收益	119	72
Group's share of other comprehensive income	本集團應佔其他全面收益	48	29

16. Interests in Associates (Continued)

JDH Group (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Net assets of JDH Group	玉皇朝集團的資產淨值	78,518	83,841
Non-controlling interests of JDH Group	玉皇朝集團的非控股權益	(31)	-
		78,487	83,841
Proportion of the Group's ownership interest in JDH Group	本集團於玉皇朝集團所有權權益的比例	40%	40%
Goodwill	商譽	31,395	33,536
		-	20,351
Carrying amount of the Group's interest in JDH Group	本集團於玉皇朝集團權益的賬面值	31,395	53,887

16. 於聯營公司的權益(續)

玉皇朝集團(續)

上述財務資料概要與於綜合財務報表確認的於聯營公司權益的賬面值的對賬：

Supreme Art

凱藝

		2017 2017年 HK\$'000 港幣千元
Non-current assets	非流動資產	20,371
Current assets	流動資產	13,464
Current liabilities	流動負債	(3,688)
Net assets	資產淨值	30,147

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For the year ended 30 June 2017 截至2017年6月30日止年度

16. Interests in Associates (Continued)

Supreme Art (Continued)

		Period from 12 July 2016 to 30 June 2017 由2016年 7月12日至 2017年 6月30日期間 HK\$'000 港幣千元
Revenue	收益	13,080
Profit for the period attributable to owners of the associate	聯營公司擁有人應佔期內溢利	5,148
Group's share of profit	本集團應佔溢利	2,059

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

上述財務資料概要與於綜合財務報表確認的於聯營公司權益的賬面值的對賬：

		2017 2017年 HK\$'000 港幣千元
Net assets of Supreme Art	凱藝的資產淨值	30,147
Proportion of the Group's ownership interest in Supreme Art	本集團於凱藝所有權權益的比例	40%
Goodwill	商譽	12,059 10,000
Carrying amount of the Group's interest in Supreme Art	本集團於凱藝權益的賬面值	22,059

17. Interest in a Joint Venture

17. 於一間合營企業的權益

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Cost of unlisted investment in a joint venture	於一間合營企業的未上市投資成本	52,079	52,079
Share of post-acquisition profit (loss) and other comprehensive income (expense)	應佔收購後溢利(虧損)及 其他全面收益(開支)	6,506	(4,575)
Dividend received during the year	年內收取的股息	(58,126)	-
		459	47,504

On 8 June 2015, Pegasus Motion Pictures (Hong Kong) Limited, an indirect wholly-owned subsidiary of the Company, Harmonious Entertainment (Shanghai) Co., Ltd ("HES") and Bounty Yoohanhwesa ("BY") entered into a Co-Production and Co-Financing Agreement to co-produce and co-finance a film production namely "Bounty Hunters". The production budget of the film was KRW18,375,000,000 (equivalent to approximately HK\$130 million). The production cost of the film was approximately HK\$103 million. "Bounty Hunters" was released during the year ended 30 June 2017.

Bounty Productions Limited ("BPL") (a limited company incorporated in Hong Kong) has been set up solely for the film production of "Bounty Hunters". The Group, HES and BY held 40.00%, 25.51% and 34.49% equity interest in BPL respectively. The board of directors of BPL, the governing body which directs the relevant activities that significantly affects the returns of BPL, consists of three directors of which the Group, HES and BY can appoint one director each to the board of directors of BPL. The relevant activities required to be approved unanimously by all these three directors. Therefore, BPL is jointly controlled by the Group, HES and BY. As the joint arrangement does not result in either parties having rights to assets and obligations to liabilities of BPL, it is accounted for as a joint venture of the Group.

於2015年6月8日，本公司間接全資附屬公司天馬電影出品(香港)有限公司與Harmonious Entertainment (Shanghai) Co., Ltd (「HES」) 及 Bounty Yoohanhwesa (「BY」) 訂立聯合製作及共同融資協議，以聯合製作及共同融資一部名為「賞金獵人」的電影。該部電影的製作經費為18,375,000,000韓圓(相當於約港幣130百萬元)。該部電影的製作成本約港幣103百萬元。「賞金獵人」截至2017年6月30日止年度已上映。

賞金製作有限公司(「賞金」)於香港註冊並已成立的有限公司，目的僅為電影「賞金獵人」製作。本集團、HES及BY分別擁有賞金40.00%、25.51%及34.49%股權。賞金董事會(指示可重大影響賞金回報的相關活動的規管團體)由三名董事組成，其中本集團、HES及BY可各自委任一名董事加入賞金董事會。相關活動須經該等三名董事一致批准。因此，賞金由本集團、HES及BY共同控制。由於共同安排不會導致任何一方擁有賞金的資產權利及負責任，故賞金入賬為本集團的合營企業。

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For the year ended 30 June 2017 截至2017年6月30日止年度

17. Interest in a Joint Venture (Continued)

The details of the Group's joint venture at 30 June 2017 and 2016 are as follows:

Name of joint venture 合營企業的名稱	Place of incorporation/ registration/ 註冊成立/ 登記地點	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團持有的所有權權益比例		Proportion of voting rights held by the Group 本集團持有的投票權比例		Principal activities 主要業務
			2017	2016	2017	2016	
			2017年	2016年	2017年	2016年	
Bounty Productions Limited 賞金製作有限公司	Hong Kong 香港	PRC 中國	40%	40%	33.33%	33.33%	Production and distribution of the film 電影製作及發行出品

The joint venture is accounted for using the equity method in these consolidated financial statements.

The summarised financial information in respect of the Group's joint venture is set out below and were prepared in accordance with HKFRSs.

BPL

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Current assets 流動資產		9,179	223,451
Current liabilities 流動負債		(8,032)	(104,690)
Net assets 資產淨值		1,147	118,761
The above amounts of assets include the following: 上述資產金額包括以下各項:			
Cash and cash equivalents 現金及現金等價物		7,279	91,880

17. 於一間合營企業的權益(續)

本集團的合營企業於2017年及2016年6月30日的詳情如下:

該等綜合財務報表內合營企業乃使用權益法入賬。

有關本集團合營企業的財務資料概要(根據香港財務報告準則編製)載列如下。

賞金

17. Interest in a Joint Venture (Continued)

BPL (Continued)

		Year ended 30 June 2017 截至2017年 6月30日 止年度 HK\$'000 港幣千元	Year ended 30 June 2016 截至2016年 6月30日 止年度 HK\$'000 港幣千元
Revenue	收益	152,570	—
Profit (loss) for the year attributable to owners of the joint venture	合營企業擁有人應佔年度溢利(虧損)	33,734	(5,226)
Group's share of profit (loss)	本集團應佔溢利(虧損)	13,494	(2,090)
Other comprehensive expense for the year	年內其他全面開支	(6,033)	(6,213)
Group's share of other comprehensive expense	本集團應佔其他全面開支	(2,413)	(2,485)
Dividends received from BPL during the year	年內自賞金收取的股息	58,126	—

The above profit (loss) for the year includes the following:

上述年內溢利(虧損)包括以下各項：

		Year ended 30 June 2017 截至2017年 6月30日 止年度 HK\$'000 港幣千元	Year ended 30 June 2016 截至2016年 6月30日 止年度 HK\$'000 港幣千元
Interest income	利息收入	(269)	(117)
Income tax expense	所得稅開支	7,933	—

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

17. Interest in a Joint Venture (Continued)

BPL (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in a joint venture recognised in the consolidated financial statements:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Net assets of BPL	賞金資產淨值	1,147	118,761
Proportion of the Group's ownership interest in BPL	本集團於賞金所有權權益比例	40%	40%
Carrying amount of the Group's interest in BPL	本集團於賞金權益之賬面值	459	47,504

17. 於一間合營企業的權益(續)

賞金(續)

上述財務資料概要與綜合財務報表內確認之於一間合營企業權益之賬面值之對賬：

18. Prepayment to an Artiste

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Non-current portion	非即期部分	12,000	12,000
Current portion	即期部分	12,000	12,000
		24,000	24,000

18. 預付演員款項

During the year ended 30 June 2010, the Group entered into a contract with an artiste for his participation in nine of the Group's film productions at a total contract fee of HK\$48,000,000 with a contract term of six years from 2010 to 2016. In 2014, the contract term was mutually agreed to be extended to eight years from 2010 to 2018. During the year ended 30 June 2017, the Group has entered a supplementary agreement with the artiste and the contract term was mutually agreed to be further extended from 2018 to 2020.

截至2010年6月30日止年度，本集團與一名演員就其參與本集團的九部電影製作訂立合約，總合約費用為港幣48,000,000元，合約期由2010年至2016年為期六年。2014年，雙方協定延長合約期，由2010年至2018年為期八年。截至2017年6月30日止年度，本集團與演員訂立補充協議及共同協定將合約期限由2018年進一步延長至2020年。

18. Prepayment to an Artiste (Continued)

Management anticipates that the artiste would participate in one to two film productions of the Group each year and therefore, based on the service fee schedule of the artiste for each film stated in the contract, an amount of HK\$12,000,000 (2016: HK\$12,000,000) was classified as current assets and the remaining carrying amount of HK\$12,000,000 (2016: HK\$12,000,000) was classified as non-current assets as at 30 June 2017.

During the year ended 30 June 2017, the artiste had not participated any film production for the Group (2016: one film).

19. Available-For-Sale Investment

On 16 April 2014, the Group entered into an agreement with an independent third party, for the investment in an animation production project held by an entity incorporated in Hong Kong, with an amount of HK\$4,056,000 as capital injection which entitled to 30% profit sharing in the project upon completion. Based on the terms of the agreement, the Group is entitled to have the profit sharing from the distribution of animation rights based on the percentage of capital invested into the animation production project. The animation production was originally expected to be completed in April 2017. On 15 April 2016, the Group and the independent third party agreed in writing to extend the completion date of the animation production project to April 2018. Therefore, it is classified as current assets as at 30 June 2017 (2016: non-current assets).

It is measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is not ascertain that the directors of the Company are of the opinion that its fair value cannot be measured reliably. In the opinion of Management, no impairment was identified on this investment in animation production project at the end of the reporting period.

18. 預付演員款項(續)

管理層預期，該演員將每年參與本集團的一至兩部電影製作，因此，根據合約中訂明該演員參與每部電影的服務費用表，於2017年6月30日，金額為港幣12,000,000元(2016年：港幣12,000,000元)的款項分類為流動資產，餘下賬面值港幣12,000,000元(2016年：港幣12,000,000元)則分類為非流動資產。

截至2017年6月30日止年度，該演員並未參與本集團的任何電影製作(2016年：一部電影)。

19. 可供出售投資

於2014年4月16日，本集團與獨立第三方訂立協議，投資一間於香港註冊成立之實體所持有的動畫製作項目，注資金額為港幣4,056,000元，佔項目完成時30%的溢利分享。根據協議條款，本集團有權按動畫製作項目的注資比例分佔動畫發行權所產生的溢利。動畫製作原預期將於2017年4月完成。於2016年4月15日，本集團與獨立第三方書面協定延長動畫製作項目的完成日期至2018年4月。因此，於2017年6月30日分類為流動資產(2016年：非流動資產)。

由於合理的公平值估計範圍不確定，因此本公司董事認為公平值不能可靠計量，所以按報告期末成本減減值計量。管理層認為報告期末未對該筆動畫製作項目投資確認減值。

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20. Film Rights and Film Production in Progress

20. 電影版權及製作中電影

		Film rights 電影版權 HK\$'000 港幣千元	Film production in progress 製作中電影 HK\$'000 港幣千元
COST	成本		
At 1 July 2015	於2015年7月1日	419,793	181,753
Exchange adjustments	匯兌調整	–	(981)
Additions (note i)	添置(附註i)	281	84,241
Transfer	轉撥	167,278	(167,278)
At 30 June 2016	於2016年6月30日	587,352	97,735
Additions (note i)	添置(附註i)	1,160	86,981
Transfer	轉撥	42,110	(42,110)
At 30 June 2017	於2017年6月30日	630,622	142,606
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值		
At 1 July 2015	於2015年7月1日	412,862	–
Exchange adjustments	匯兌調整	–	(249)
Charged for the year	年內支銷	171,315	–
Impairment loss recognised for the year (note ii)	年內確認的減值虧損(附註ii)	–	17,934
At 30 June 2016	於2016年6月30日	584,177	17,685
Charged for the year	年內支銷	37,181	–
Impairment loss recognised for the year (note ii)	年內確認的減值虧損(附註ii)	–	2,400
At 30 June 2017	於2017年6月30日	621,358	20,085
CARRYING AMOUNTS	賬面值		
At 30 June 2017	於2017年6月30日	9,264	122,521
At 30 June 2016	於2016年6月30日	3,175	80,050

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

20. Film Rights and Film Production in Progress (Continued)

Notes:

- (i) The additions in film production in progress for the current year of approximately HK\$1,206,000 (2016: HK\$10,890,000) and the carrying amounts of approximately HK\$13,290,000 (2016: HK\$12,084,000) as at 30 June 2017 represented the Group's share of film production in progress relating to film rights which are jointly controlled by the Group and independent third parties in Hong Kong.
- (ii) Included in an impairment loss recognised for the year ended 30 June 2016 was an impairment loss on a TV production in progress amounting to HK\$14,934,000. On 11 April 2014, the Group entered into a contract with an independent third party in the PRC for the TV series production. The TV series were jointly controlled by the Group and the independent third party upon completion of the production. As of 30 June 2016, the Group in total paid RMB12,445,000 (equivalent to approximately HK\$14,934,000) for the production, in which the production was still in progress. Management was in a view that the quality of the production in progress produced by the independent third party was not satisfactory. Management intended to terminate the contract with the independent third party and obtained the ownership of the TV series production in progress. Subsequent to the year ended 30 June 2016, the Group had entered into a termination agreement with the independent third party. In January 2017, the Group had paid RMB380,000 to the independent third party to terminate the contract and eventually obtained the ownership of the TV series production in progress. Given that the unsatisfactory quality of the production in progress and the uncertain future returns of the TV series, the Directors were in an opinion that the carrying amount of the production in progress of HK\$14,934,000 was fully impaired.

The remaining portion of an impairment loss of HK\$3,000,000 represented an impairment loss on the pre-production costs for a film production in progress. During the year ended 30 June 2016, Management was in a view that the expected return for the film production in progress should be loss making and the Group ceased the production on those film production in progress. The Directors were of the opinion that the carrying amount of the film production in progress of HK\$3,000,000 was fully impaired.

During the year ended 30 June 2017, an impairment loss of HK\$2,400,000 was recognised on the pre-production costs for a film production in progress. Management is in a view that the production plan on the pre-production costs incurred for a film production in progress was postponed and considered that the amount may not be fully recovered. The Directors are of opinion that the carrying amount of HK\$2,400,000 is fully impaired.

20. 電影版權及製作中電影(續)

附註：

- (i) 本年度製作中電影的添置為約港幣1,206,000元(2016年：港幣10,890,000元)及於2017年6月30日的賬面值為約港幣13,290,000元(2016年：港幣12,084,000元)，指本集團應佔由本集團與香港獨立第三方共同控制的製作中電影的電影版權。
- (ii) 截至2016年6月30日止年度確認的減值虧損包括製作中電視減值虧損港幣14,934,000元。於2014年4月11日，本集團與中國的一名獨立第三方訂立電視劇製作合約。電視劇由本集團與獨立第三方於製作完成後共同控制。截至2016年6月30日，本集團合共支付人民幣12,445,000元(相當於約港幣14,934,000元)製作費用，相關製作仍在進行中。管理層認為，獨立第三方製作中之製作內容之質量不令人滿意。管理層擬終止與獨立第三方之合約並取得製作中電視劇製作內容之所有權。於截至2016年6月30日止年度後，本集團與獨立第三方訂立終止協議。於2017年1月，本集團向獨立第三方支付人民幣380,000元以終止合約並最終取得製作中電視劇之所有權。鑒於製作中內容之質量不令人滿意及電視劇之不確定未來回報，董事認為製作中內容之賬面值港幣14,934,000元應悉數減值。

餘下部份之減值虧損港幣3,000,000元指製作中電影之前期製作費用減值虧損。截至2016年6月30日止年度，管理層認為製作中電影之預期回報應是虧損的及本集團停止製作該等製作中電影。董事認為，製作中電影賬面值港幣3,000,000元應悉數減值。

截至2017年6月30日止年度，就製作中電影的前期製作費用確認減值虧損港幣2,400,000元。管理層認為產生前期製作費用的製作中電影的製作計劃已延期並認為有關款項可能不會全數收回。董事認為港幣2,400,000元的賬面值應悉數減值。

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21. Investments in Film/Drama Production

21. 投資電影／戲劇製作

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Investments at amortised cost	按攤銷成本列賬之投資		
— film (note i)	— 電影(附註i)	19,513	19,398
— animations (note ii)	— 動畫(附註ii)	7,904	11,053
— TV programme (note iii)	— 電視節目(附註iii)	—	2,950
		27,417	33,401

The amount represents investments in an international and PRC production houses for co-financing of the production of film, TV programme and animations.

該款項指向一間國際製作公司及中國製作公司投資，以為電影、電視節目及動畫的製作共同出資。

During the year ended 30 June 2017, the Group has three (2016: four) agreements with production houses, which are independent third parties, at a total contract amounts of HK\$27,417,000 (2016: HK\$33,401,000). The investments are governed by the relevant agreements entered into between the Group and the production houses whereby the Group is entitled to benefits generated from the distribution of the related film/television programme/animations productions.

截至2017年6月30日止年度，本集團與製作公司(均為獨立第三方)訂立三份(2016年：四份)協議，合約總金額為港幣27,417,000元(2016年：港幣33,401,000元)。有關投資受本集團與製作公司所訂立的相關協議的規管，其中，本集團有權享有相關電影／電視節目／動畫製作發行所產生之利益。

Notes:

附註：

- (i) Based on the terms of the agreement signed by Pegasus Motion Pictures Investment Limited ("PMPIL"), an indirect wholly-owned subsidiary of the Company, with Inversion Productions Limited ("Inversion") (previously known as TNC Productions Limited), an amount of US\$2,500,000 (equivalent to HK\$19,513,000) (2016: US\$2,500,000 (equivalent to HK\$19,398,000)) was invested and would be fully repaid to PMPIL upon the commencement of principal photography of the film tentatively scheduled to take place in August 2013 or upon the close of bank financing tentatively scheduled to take place before November 2013, whichever occurs earlier. In addition, PMPIL is entitled to a return of 20% of the investment amount upon the theatrical release of the relevant film in the United States of America tentatively scheduled to take place in 2014 and a certain percentage of the profit to be derived from the release of the film worldwide in any media and in any format. As a security, Inversion created a pledge in favor of PMPIL for another international film to be launched by Inversion, which should be exercisable in the event that the principal photography of the film did not commence by 30 November 2013 or if the production of the film was abandoned, PMPIL was entitled to exercise its right prior to 31 December 2013.

- (ii) 根據本公司間接全資附屬公司天馬電影投資有限公司(「天馬電影投資」)與Inversion Productions Limited(「Inversion」)(前稱TNC Productions Limited)所簽訂的協議條款，於電影主攝製開始(暫定2013年8月開拍)後或銀行融資截止(暫定2013年11月前)後(以較早者為準)，一筆2,500,000美元(相當於港幣19,513,000元)(2016年：2,500,000美元(相當於港幣19,398,000元))的已投資金額將悉數償還予天馬電影投資。此外，於該電影在美利堅合眾國電影院線上映(暫定2014年)後，天馬電影投資將享有投資金額20%的回報，以及影片在全球以任何媒體以任何形式發行所產生的若干百分比溢利。Inversion對Inversion將推出的另一部國際電影設置以天馬電影投資為受益人的質押作為抵押品，有關權利可於該電影的主攝製並無於2013年11月30日前展開時行使，或倘該電影的製作被擱置，則天馬電影投資有權於2013年12月31日前行使其權利。

21. Investments in Film/Drama Production (Continued)

Notes: (Continued)

(i) (Continued)

Pursuant to an announcement of the Company dated 13 September 2013, PMPIL and Inversion agreed in writing to extend the date for Inversion to start principal photography of the film to 30 April 2014. As a result, the date before which PMPIL could exercise its right to seek full repayment under the agreement has been extended to 31 May 2014. In addition, in the event that the principal photography of the film did not commence by 30 April 2014 or if the production of the film was abandoned, PMPIL was entitled to exercise its rights prior to 31 May 2014 to seek full recoupment from another international film as additional security.

Pursuant to the announcements of the Company dated 28 January 2014 and 29 August 2014, PMPIL and Inversion agreed in writing to further extend the date for Inversion to start principal photography and worldwide theatrical distribution of the film to on or before 30 April 2015 and in the second half of 2016, respectively. Due to the extension of time, the amount of the agreed fully repayment and the agreed amount of return to which PMPIL were entitled have also been increased from 20% to 23%. Save for the amendments have been made and disclosed above, all the other terms and conditions of the agreements, including but not limited to a pledge of security that created by Inversion in favour of PMPIL over the rights of the film, have remained unchanged and continue in full force and effect.

Pursuant to the announcement of the Company dated 30 April 2015, PMPIL and Inversion agreed in writing to further extend the date for Inversion to start principal photography of the film from on or before 30 April 2015 to 31 October 2015 without a further delay in world theatrical distribution. In addition, due to the extension of time, the agreed amount of priority return to which PMPIL was entitled upon the theatrical release of the film in the United States of America has also been increased. Besides, the Company has been notified by Inversion that the director, producers, production designers and visual effect supervisor of the film have been confirmed and the first location for shooting was expected to be in New Zealand. The film was in the pre-production stage which involves, among others, casting, formulation of the filming schedule, refinement of the script and location scouting and the principal photography and worldwide theatrical distribution of the film were tentatively scheduled to take place on or before September 2015 and in the second half of 2016, respectively.

Pursuant to the announcements of the Company dated 7 December 2015, PMPIL and Inversion agreed in writing to further extend the date for Inversion to start principal photography of the film from on or before 31 October 2015 to 30 June 2016. In addition, due to the extension of time, the agreed amount of recoupment to which PMPIL was entitled upon the commencement of principal photography of the film or upon the close of bank financing, whichever is earlier, has also been increased. The principal photography and worldwide theatrical distribution of the film were rescheduled to take place tentatively on or before 30 June 2016 and in the first half of 2017 respectively.

21. 投資電影／戲劇製作(續)

附註：(續)

(i) (續)

根據本公司日期為2013年9月13日的公佈，天馬電影投資與Inversion書面同意Inversion電影主攝製開始日期延至2014年4月30日。因此，天馬電影投資可行使其權利試圖根據協議取回悉數還款的日期已延期，為2014年5月31日前一日。此外，倘該電影的主攝製並無於2014年4月30日之前開始或該電影的製作被擱置，則天馬電影投資有權於2014年5月31日之前行使其權利，試圖自作為額外抵押品的另一部國際電影悉數追回投資。

根據本公司日期為2014年1月28日及2014年8月29日的公佈，天馬電影投資與Inversion書面同意將Inversion電影主攝製開始日期及全球電影院線發行的日期分別延期至2015年4月30日或之前及2016年下半年。由於延期，天馬電影投資享有的協定還款總額及協定回報亦已由20%增加至23%。除上文所作之修訂及披露者外，協議的所有其他條款及條件(包括但不限於Inversion以天馬電影投資為受益人就電影版權所作出的擔保)不變且依然具有十足效力及作用。

根據本公司日期為2015年4月30日的公佈，天馬電影投資與Inversion書面同意將Inversion電影主攝製開始日期由2015年4月30日或之前進一步延期至2015年10月31日，而不將全球電影院線發行的日期進一步延期。此外，由於延期，天馬電影投資於美利堅合眾國電影院線放映該電影後享有的協定優先回報金額亦已增加。另外，本公司已獲Inversion通知，該電影的監製、製片商、製作設計員及視覺效果監督已確認，首個拍攝地點預期將為新西蘭。該電影處於前期製作階段，涉及(其中包括)選角、制定拍攝時間表、微調劇本及選景，而該電影的主攝製及全球電影院線發行則分別暫定為2015年9月或之前及2016年下半年。

根據本公司日期為2015年12月7日的公佈，天馬電影投資與Inversion書面協定進一步將Inversion電影主攝製開始日期從2015年10月31日或之前延後至2016年6月30日。此外，由於時間延期，於該電影的主攝製開始後或銀行融資截止後(以較早發生者為準)，天馬電影投資有權獲得的協定返還款項亦有所增加。該電影之主攝製及全球電影院線發行分別臨時改期至2016年6月30日或之前及2017年上半年。

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For the year ended 30 June 2017 截至2017年6月30日止年度

21. Investments in Film/Drama Production (Continued)

Notes: (Continued)

(i) (Continued)

Pursuant to the announcements of the Company dated 20 May 2016, PMPIL and Inversion agreed in writing to further extend the date for Inversion to start principal photography of the film from on or before 30 June 2016 to 30 September 2016. In addition, due to the extension of time, the agreed amount of recoupment to which PMPIL was entitled upon the commencement of principal photography of the film or upon the close of bank financing, whichever is earlier, has also been increased. Besides, the Company has been notified that Travis Fimmel, who starred in the television series "Vikings" and the movie to be released named "Warcraft", has joined the main cast of the film. The principal photography and worldwide theatrical distribution of the film are rescheduled to take place tentatively on or before 30 September 2016 and in the second half of 2017, respectively.

On 14 February 2017, PMPIL and Inversion agreed in writing to further extend the date for Inversion to start principal photography of the film from on or before 30 June 2017. Due to the extension of time, the amount of the agreed fully repayment and the agreed amount of return to which PMPIL were entitled have also been increased to 33%. Besides, the Company has been notified that Crystal Liu, a famous Chinese actress is part of the main cast. The production of Inversion is underway with filming and worldwide theatrical distribution tentatively scheduled to take place in early 2018 and 2019, respectively.

As at 30 June 2017 and 2016, the film has not yet started its principal photography.

(ii) During the year ended 30 June 2015, based on the terms of the agreement signed by 北京天馬聯合影視文化有限公司 ("北京天馬"), an amount of RMB4,867,000 (equivalent to HK\$5,743,000) was invested and would be fully repaid to 北京天馬 on 8 April 2016. In addition, 北京天馬 was entitled to a minimum rate of return at 10% per annum on the principal amount and share of profit generated from the distribution of the related animation production based on the percentage of capital invested into the production of animation production.

During the year ended 30 June 2017, the investment cost of RMB4,867,000 (equivalent to HK\$5,743,000) and an investment income of RMB487,000 (equivalent to HK\$555,000) was received by the Group.

During the year ended 30 June 2016, based on the terms of the agreement signed by 北京天馬, an amount of RMB4,500,000 (equivalent to HK\$5,130,000) was invested and would be fully repaid to 北京天馬 on 15 July 2016. In addition, 北京天馬 is entitled to a minimum rate of return at 10% per annum on the principal amount and share of profit generated from the distribution of the related animation production based on the percentage of capital invested into the production of animation production.

During the year ended 30 June 2017, an investment income of RMB450,000 (equivalent to HK\$513,000) was received by the Group. In addition, 北京天馬 and the independent third party agreed in writing to extend the date of principal repayment from 15 July 2016 to 15 July 2017 and the minimum rate of return to which 北京天馬 is entitled has also been increased from 10% to 20% per annum. On 11 September 2017, 北京天馬 and independent third party agreed in writing of which the principal repayments of RMB1,500,000 each will be settled on 12 September 2017, 15 November 2017 and 15 January 2018, respectively.

21. 投資電影／戲劇製作(續)

附註：(續)

(i) (續)

根據本公司日期為2016年5月20日的公佈，天馬電影投資與Inversion書面協定進一步將Inversion電影主攝製開始日期從2016年6月30日或之前延後至2016年9月30日。此外，由於時間延期，於該電影的主攝製開始後或銀行融資截止後(以較早發生者為準)，天馬電影投資有權獲得的協定返還款項亦有所增加。此外，本公司被通知Travis Fimmel(主演電視劇「維京傳奇」及將予發行之電影「魔獸爭霸：戰雄崛起」)加盟並作為該電影之主演。該電影之主攝製及全球電影院線發行分別臨時改期至2016年9月30日或之前及2017年下半年。

於2017年2月14日，天馬電影投資與Inversion書面協定進一步將Inversion電影主攝製開始日期從2017年6月30日或之前延後。由於時間延期，天馬電影投資享有的協定還款總額及協定回報亦已增至33%。此外，本公司已獲悉，中國著名女影星劉亦菲亦會參加演出。《Inversion》的製作正在進行，並分別暫定於2018年初拍攝及2019年於全球影院發行。

於2017年及2016年6月30日，電影尚未開始主攝製。

(ii) 截至2015年6月30日止年度，根據北京天馬聯合影視文化有限公司(「北京天馬」)所簽訂的協議條款，一筆人民幣4,867,000元(相當於港幣5,743,000元)的已投資金額將於2016年4月8日悉數償還予北京天馬。此外，北京天馬享有本金額每年最低10%的回報率，並按製作動畫的投資比例分佔發行相關動畫製作產生的溢利。

截至2017年6月30日止年度，本集團已收取投資成本人民幣4,867,000元(相當於港幣5,743,000元)及投資收入人民幣487,000元(相當於港幣555,000元)。

截至2016年6月30日止年度，根據北京天馬所簽訂的協議條款，一筆人民幣4,500,000元(相當於港幣5,130,000元)的已投資金額會於2016年7月15日悉數償還予北京天馬。此外，北京天馬享有本金額每年最低10%的回報率，並按製作動畫的投資比例分佔發行相關動畫製作產生的溢利。

截至2017年6月30日止年度，本集團收取投資收入人民幣450,000元(相當於港幣513,000元)。此外，北京天馬與獨立第三方書面協定將本金還款日期由2016年7月15日延長至2017年7月15日及北京天馬有權享有的最低收益率亦由每年10%增至20%。於2017年9月11日，北京天馬與獨立第三方書面協定分別於2017年9月12日、2017年11月15日及2018年1月15日各償還本金人民幣1,500,000元。

21. Investments in Film/Drama Production (Continued)

Notes: (Continued)

(ii) (Continued)

During the year ended 30 June 2017, based on the terms of the agreement signed by 北京天馬, an amount of RMB2,434,000 (equivalent to HK\$2,774,000) was invested and will be fully repaid to 北京天馬 upon the theatrical release of the animation or on 30 April 2018, whichever is earlier. In addition, 北京天馬 is entitled to a minimum rate of return at 15% per annum on the principal amount and share of profit generated from the distribution of the related animation production based on the percentage of capital invested into the production of animation production.

(iii) During the year ended 30 June 2016, based on the terms of the agreement signed by Star Pictures Entertainment (Hong Kong) Limited ("Star Pictures HK"), an indirect wholly-owned subsidiary of the Company, an amount of RMB2,500,000 (equivalent to HK\$2,950,000) was invested and would be fully repaid to Star Pictures HK on 9 December 2016. In addition, Star Pictures HK is entitled to a minimum rate of return at 10% per annum on the principal amount and share of profit generated from the distribution of the related TV programme production based on the percentage of capital invested into the production of TV programme production. During the year ended 30 June 2017, the investment cost of RMB2,500,000 (equivalent to HK\$2,950,000) was fully repaid to the Group and an investment income of RMB250,000 (equivalent to HK\$285,000) was received by the Group.

Since the initial investments are expected to be recovered by the Group within one year, the amount of HK\$27,417,000 (2016: HK\$33,401,000) is classified as current assets at 30 June 2017.

The investments in film/drama production contain embedded derivatives which are not closely related to the host contract. The debt components of the investments in film/drama production are measured at amortised cost subsequent to initial recognition. At initial recognition and 30 June 2017, the fair value of embedded derivatives is considered insignificant.

The Group's investments in film/drama production that are not denominated in the functional currencies of the relevant group entities are as follows:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
RMB	人民幣	—	2,950
USD	美元	19,513	19,398

21. 投資電影／戲劇製作(續)

附註：(續)

(ii) (續)

截至2017年6月30日止年度，根據北京天馬所簽訂的協議條款，已投資一筆人民幣2,434,000元(相當於港幣2,774,000元)的款項及該款項將於動畫上映後或2018年4月30日(以較早者為準)悉數償還予北京天馬。此外，北京天馬享有本金額每年最低15%的回報率，並按製作動畫的投資比例分佔相關動畫製作產生的溢利。

(iii) 截至2016年6月30日止年度，根據本公司間接全資附屬公司星映娛樂(香港)有限公司(「星映娛樂(香港)」)所簽訂的協議條款，一筆人民幣2,500,000元(相當於港幣2,950,000元)的已投資金額將於2016年12月9日悉數償還予星映娛樂(香港)。此外，星映娛樂(香港)享有本金額每年最低10%的回報率，並按製作電視節目的投資比例分佔發行相關電視節目製作產生的溢利。截至2017年6月30日止年度，投資成本人民幣2,500,000元(相當於港幣2,950,000元)已悉數償還予本集團及本集團收取投資收入人民幣250,000元(相當於港幣285,000元)。

由於預期本集團將於一年內收回初始投資，故港幣27,417,000元的金額(2016年：港幣33,401,000元)於2017年6月30日分類為流動資產。

投資電影／戲劇製作包括與主合約並無密切關係的嵌入式衍生工具。投資電影／戲劇製作的債務部分乃按初步確認後的攤銷成本計量。於初步確認時及2017年6月30日，嵌入式衍生工具的公平值被認為微不足道。

本集團並非以相關集團實體的功能貨幣計值的投資電影／戲劇製作如下：

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22. Inventories

22. 存貨

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Raw materials and consumable	原材料及消耗品	111	160
Finished goods	製成品	468	641
Total	總計	579	801

23. Trade and Other Receivables

23. 貿易及其他應收款項

The aged analysis of the Group's trade receivables, net of allowance for doubtful debts, based on the invoice date, which approximates the respective revenue recognition dates at the end of the reporting period is as follows:

於報告期末，本集團貿易應收款項(經扣除呆賬撥備)按發票日期(大致為各自之收益確認日期)的賬齡分析如下：

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Trade receivables:	貿易應收款項：		
0-30 days	0至30日	2,307	23,551
31-60 days	31至60日	2	5,757
61-90 days	61至90日	3	7
91-180 days	91至180日	39	5
181-365 days	181至365日	6	9
Over 365 days	超過365日	9	14
		2,366	29,343
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	3,740	7,718
Less: Allowance for doubtful debts	減：呆賬撥備	-	(2,011)
		3,740	5,707
Other deposits and prepayments for cinema operation	電影院業務的其他按金及預付款項	3,037	666
		9,143	35,716

23. Trade and Other Receivables (Continued)

Generally, with the exception of post-production customers who are generally granted credit period ranging from 30 to 60 days, no credit period is granted to the Group's customers. Distribution and licensing fee from distributors in Hong Kong, the PRC and overseas countries are normally settled upon delivery of film negatives to them. On a case-by-case basis, one to two months of credit period may be granted to its customers with good repayment history.

These trade receivables relate to a number of independent customers that have a good repayment history. Included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$59,000 (2016: HK\$38,000) as at 30 June 2017 which are past due as at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral or credit enhancements over these balances.

Aging of trade receivables which are past due but not impaired:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
31-60 days	31至60日	2	3
61-90 days	61至90日	3	7
91-180 days	91至180日	39	5
181-365 days	181至365日	6	9
Over 365 days	超過365日	9	14
		59	38

Management believes that no impairment allowance is necessary in respect of these balances as there have not been a significant change in credit risk and the balances are still considered fully recoverable.

The Group's trade and other receivables that are not denominated in the functional currencies of the relevant group entities are as follows:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
USD	美元	-	2,575

23. 貿易及其他應收款項(續)

除後期製作客戶一般獲授介乎30至60日的信貸期外，本集團一般並無向其客戶授出任何信貸期。應收香港、中國及海外國家發行商的發行及發行權使用許可費用通常於向彼等交付電影菲林底片時結算。本集團可按個案基準向具備良好還款記錄的客戶授出一至兩個月的信貸期。

該等貿易應收款項與多名具備良好還款記錄的獨立客戶有關。本集團貿易應收款項結餘包括於2017年6月30日賬面總值為港幣59,000元(2016年：港幣38,000元)的應收賬款，於報告日期已逾期但本集團並無就此計提減值虧損撥備。本集團並無就該等結餘持有任何抵押品或採取信用加強措施。

已逾期但並未減值的貿易應收款項的賬齡分析：

管理層認為，由於信貸風險並無重大變動且結餘仍視作可悉數收回，故毋須就該等結餘計提減值撥備。

本集團以相關集團實體功能貨幣以外貨幣計值的貿易及其他應收款項如下：

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24. Rental Deposits

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Current assets (note 1)	流動資產(附註1)	19,944	19,989
Non-current assets (note 2)	非流動資產(附註2)	24,833	-
		44,777	19,989

Notes:

- (1) Cinema City (Langham Place) Limited, an indirect wholly-owned subsidiary of the Company, had entered into a lease agreement on 27 December 2013 to rent a cinema situated in Langham Place ("the Lease Premises"), a prime location in Hong Kong and to take the cinema operation for a term of ten years commencing on 23 July 2014 and expiring on 22 July 2024 (the "Lease"). Based on the terms of the Lease, the Company is obliged to pay a deposit in a sum equivalent to the aggregate of three months' base rent for the tenth year, three months' management charges for the first year, three months' promotional levy for the first year and one quarter's government rates in respect of the Lease Premises. The operation of cinema and related operations in the cinema could provide a platform for the development of the film distribution business of the Group. As the landlord of the Lease Premises has the right to terminate lease unilaterally, the rental deposit was classified as current assets at 30 June 2017 and 2016.
- (2) During the year ended 30 June 2017, the indirect wholly-owned subsidiaries of the Company have entered into several lease agreements to rent the cinema premises situated in Chai Wan, Causeway Bay and Tsuen Wan for terms ranging from five to fifteen years. As the deposits are refundable at the expiry of the leases, the amounts were classified as non-current assets as at 30 June 2017.

25. Pledged Bank Deposits

At 30 June 2017, the amounts represent bank deposits of HK\$31,250,000 (2016: HK\$31,165,000) in which an amount of HK\$30,591,000 (2016: HK\$30,507,000) pledged to a bank to secure short-term banking facilities granted to the Group and the remaining amount of HK\$659,000 (2016: HK\$658,000) pledged to a bank to secure for the 4Dx's equipment rental fees payable to a supplier of 4Dx equipment for the Group's operation in the Lease Premises in accordance with the 4Dx Equipment Rental Agreement dated on 20 August 2015. The bank deposits are carried interests at a fixed rate of 0.10%–0.30% (2016: 0.10%–0.30%) per annum and they will be matured on 5 July 2017 and 13 July 2017 (2016: 5 July 2016 and 5 July 2016), respectively.

24. 租賃按金

	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Current assets (note 1)	19,944	19,989
Non-current assets (note 2)	24,833	-
	44,777	19,989

附註：

- (1) 於2013年12月27日，本公司間接全資附屬公司電影城(朗豪坊)有限公司訂立租賃協議，租賃位於香港黃金地段朗豪坊的影院(「租賃物業」)及接手影院運作，自2014年7月23日起至2024年7月22日止為期十年(「租賃」)。根據租賃條款，本公司須就租賃物業支付按金，金額相當於租期第十年的三個月基本租金、第一年的三個月管理費、第一年的三個月推廣費以及一個季度的政府差餉之和。影院的運作及影院的相關業務可以為本集團電影發行業務的發展提供平台。由於租賃物業的業主有權單方面終止租賃，於2017年及2016年6月30日，租賃按金分類為流動資產。
- (2) 截至2017年6月30日止年度，本公司的間接全資附屬公司已訂立數份租賃協議，以租賃位於銅鑼灣柴灣及荃灣的電影院物業，租期介乎五至十五年。由於按金於租賃屆滿時可退還，該筆款項於2017年6月30日分類為非流動資產。

25. 已抵押銀行存款

於2017年6月30日，該款項指向銀行抵押的銀行存款港幣31,250,000元(2016年：港幣31,165,000元)，其中港幣30,591,000元(2016年：港幣30,507,000元)為授予本集團的短期銀行融資的抵押，而餘額港幣659,000元(2016年：港幣658,000元)則為向銀行抵押以就供應商根據日期為2015年8月20日的4Dx設備租賃協議向本集團提供於租賃物業營運的4Dx設備而應付供應商4Dx設備租賃費的抵押。該等銀行存款按固定年利率0.10%至0.30%(2016年：0.10%至0.30%)計息，並將分別於2017年7月5日及2017年7月13日(2016年：2016年7月5日及2016年7月5日)到期。

25. Pledged Bank Deposits (Continued)

The Group's pledged bank deposits that are not denominated in the functional currencies of the relevant group entities are as follows:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
USD	美元	659	658

25. 已抵押銀行存款(續)

本集團以相關集團實體的功能貨幣以外貨幣計值的已抵押銀行存款如下：

26. Bank Balances and Cash

Bank balances and cash of the Group carry interest at market rates which are as follows:

		2017 2017年	2016 2016年
Interest rate per annum	年利率	0.01% to 0.29% 0.01% 至 0.29%	0.01% to 0.30% 0.01% 至 0.30%

26. 銀行結餘及現金

本集團銀行結餘及現金按下列市場利率計息：

The Group's bank balances and cash that are not denominated in the functional currencies of the relevant group entities are as follows:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Australian Dollar ("AUD")	澳元(「澳元」)	212	15
Renminbi ("RMB")	人民幣(「人民幣」)	13,582	1,308
United States Dollar ("USD")	美元(「美元」)	553	9,457
Euro ("EUR")	歐元(「歐元」)	5	5
HK\$	港幣	1,319	1,352
Singapore Dollar ("SGD")	新加坡元(「新加坡元」)	21	21

本集團以相關集團實體功能貨幣以外貨幣計值的銀行結餘及現金如下：

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27. Trade and Other Payables/Receipts in Advance

27. 貿易及其他應付款項／預收款項

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Trade payables	貿易應付款項	18,765	19,496
Other payables and accruals	其他應付款項及應計費用	39,667	24,424
Deposit received (Note a)	已收按金(附註a)	1,244	1,662
		59,676	45,582
Receipts in advance (Note b)	預收款項(附註b)	71,849	69,037

The average credit period on purchases of goods is 60 to 90 days. The aging analysis of trade payables presented is based on the invoice date at the end of the reporting period. The following is analysis of the Group's trade payables at the end of the reporting period:

採購貨品的平均信貸期為60至90日。於報告期末，貿易應付款項的賬齡分析乃基於發票日期呈列。本集團於報告期末的貿易應付款項分析如下：

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Within 60 days	60日內	18,233	19,496
Within 91 to 365 days	91至365日	532	-
		18,765	19,496

Notes:

- (a) Deposits received represent deposits received from a cinema circuit operator in Hong Kong for a film to be theatrical release in Hong Kong.
- (b) Receipts in advance represents the instalments of contribution from the PRC co-producers for film production in progress and advances of distribution and licensing income received from distributors prior to theatrical release and delivery of film negatives of HK\$71,849,000 (2016: HK\$69,037,000) as at 30 June 2017.

附註：

- (a) 已收按金指就將在香港影院放映的一部電影已收香港電影院線運營商按金。
- (b) 預收款項指於2017年6月30日，中國聯合製片商就製作中電影作出的分期出資及於影院放映及交付電影菲林底片前已收發行商的發行及發行權使用許可收入預收款項港幣71,849,000元(2016年：港幣69,037,000元)。

The Group's trade and other payables that are not denominated in the functional currencies of the relevant group entities are as follows:

本集團以相關集團實體功能貨幣以外貨幣計值的貿易及其他應付款項如下：

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
USD	美元	408	1,026

28. Amount Due From Non-Controlling Interest

The amount was unsecured, interest free and fully repaid during the year ended 30 June 2017.

29. Amounts Due to Related Companies

Members of the key management of the Group have controlling interest over the related companies.

The amounts are unsecured, interest-free and repayable on demand.

30. Amount Due to a Joint Venture

The amount is unsecured, interest free and repayable on demand.

31. Share Capital**28. 應收非控股權益款項**

該款項為無抵押、免息及於截至2017年6月30日止年度期間悉數償還。

29. 應付關聯公司款項

本集團主要管理層成員擁有該等關聯公司的控股權益。

該等款項為無抵押、免息及須按要求償還。

30. 應付一間合營企業款項

有關款項為無抵押、免息及須按要求償還。

31. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 港幣千元
Ordinary shares of HK\$0.0025 each:	每股面值港幣0.0025元的普通股：		
Authorised:	法定：		
At 1 July 2015	於2015年7月1日	8,000,000,000	80,000
Effect of share subdivision (Note)	股份拆細之影響(附註)	24,000,000,000	-
At 30 June 2016 and 2017	於2016年及2017年6月30日	32,000,000,000	80,000
Issued and fully paid:	已發行及繳足：		
At 1 July 2015	於2015年7月1日	604,000,000	6,040
Effect of share subdivision (Note)	股份拆細之影響(附註)	1,812,000,000	-
Issue of shares upon exercise of warrants	於行使認股權證後發行股份	107,768,239	269
At 30 June 2016	於2016年6月30日	2,523,768,239	6,309
Issue of shares upon exercise of warrants	於行使認股權證後發行股份	71,845,494	180
At 30 June 2017	於2017年6月30日	2,595,613,733	6,489

Note:

Pursuant to the ordinary resolution passed by the shareholders of the Company at the extraordinary general meeting of the Company held on 21 July 2015, a share subdivision was approved and effective from 22 July 2015, each of the existing issued and unissued ordinary shares of the Company of par value of HK\$0.01 subdivided into four subdivided ordinary shares of the Company of par value of HK\$0.0025 each (the "Share Subdivision"). The Share Subdivision was duly passed by the shareholders of the Company by way on poll at the extraordinary general meeting of the Company held on 21 July 2015. The Share Subdivision was effective on 22 July 2015.

附註：

根據本公司股東於2015年7月21日舉行的本公司股東特別大會上通過的普通決議案，股份拆細獲批准並於2015年7月22日起生效；每股面值港幣0.01元的本公司現有已發行及未發行普通股每一股拆細為四股每股面值港幣0.0025元的本公司拆細普通股（「股份拆細」）。股份拆細於2015年7月21日舉行的本公司股東特別大會上獲本公司股東按股數投票方式正式通過。股份拆細於2015年7月22日生效。

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31. Share Capital (Continued)

Warrants

On 13 November 2013, the Company entered into a warrant placing agreement with a placing agent pursuant to which the placing agent agreed to place up to 96,000,000 warrants conferring rights to subscribe for 96,000,000 warrant shares at the warrant exercise price of HK\$0.93 per warrant shares (subject to adjustment) to not less than six warrant places.

During the year ended 30 June 2015, register holders of 29,000,000 warrants exercised their rights to subscribe for 29,000,000 ordinary shares of the Company at HK\$0.93 per share.

As at 30 June 2015 and 1 July 2015, 67,000,000 warrants were outstanding. As a result of the Share Subdivision, based on the relevant terms of the warrants, the exercise price of the warrants was adjusted from HK\$0.93 per share to HK\$0.233 per subdivided share, where such adjustment was effective from the close of business of the business day immediately preceding the date on which the Share Subdivision became effective. In accordance with the adjustment of the exercise price of the warrants as aforesaid, the number of shares falling to be issued upon exercise of the warrants changed from 67,000,000 shares to 267,424,892 subdivided shares.

During the year ended 30 June 2016, register holders of 107,768,239 warrants exercised their rights to subscribe for 107,768,239 ordinary shares in the Company at HK\$0.233 per share.

During the year ended 30 June 2017, register holders of 71,845,494 warrants exercised their rights to subscribe for 71,845,494 ordinary shares in the Company at HK\$0.233 per share.

As at 30 June 2017, the Company had no outstanding warrants as the remaining 87,811,159 warrants were expired.

31. 股本(續)

認股權證

於2013年11月13日，本公司與一名配售代理訂立一份認股權證配售協議，據此，配售代理同意向不少於六名認股權證承配人配售最多96,000,000份認股權證，其賦予權利可按認股權證行使價每股認股權證股份港幣0.93元(可予調整)認購96,000,000股認股權證股份。

截至2015年6月30日止年度，29,000,000份認股權證的登記持有人行使彼等的權利，以按每股港幣0.93元認購29,000,000股本公司普通股。

於2015年6月30日及2015年7月1日，67,000,000份認股權證未行使。由於股份拆細，根據認股權證的相關條款，認股權證的行使價從每股股份港幣0.93元調整至每股拆細股份港幣0.233元，相關調整自緊接股份拆細生效日期前之營業日營業時間結束起生效。根據上述認股權證行使價調整，認股權證行使時發行的股份數目從67,000,000股股份變更為267,424,892股拆細股份。

截至2016年6月30日止年度，107,768,239份認股權證之登記持有人行使其權利按每股港幣0.233元認購107,768,239股本公司普通股。

截至2017年6月30日止年度，71,845,494份認股權證之登記持有人行使其權利按每股港幣0.233元認購71,845,494股本公司普通股。

於2017年6月30日，本公司並無尚未行使的認股權證，乃由於剩餘的87,811,159份認股權證已到期。

32. Deferred Tax Assets

The followings are the deferred tax asset (liability) recognised by the Group and movements thereon during the current and prior years:

		Tax losses	Accelerated tax depreciation	Total
		稅項虧損	加速稅項折舊	總計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
At 1 July 2015	於2015年7月1日	11,866	(2,286)	9,580
(Charge) credit to profit or loss	(支銷)計入損益	(2,455)	753	(1,702)
At 30 June 2016	於2016年6月30日	9,411	(1,533)	7,878
Credit to profit or loss	計入損益	2,192	762	2,954
At 30 June 2017	於2017年6月30日	11,603	(771)	10,832

Under the EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to undistributed earnings of the Group's PRC subsidiaries as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At the end of the reporting period, the Group has unused tax losses of HK\$115,529,000 (2016: HK\$83,938,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$70,326,000 (2016: HK\$57,040,000) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$45,203,000 (2016: HK\$26,898,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$4,759,000 (2016: HK\$2,758,000) that will expire in 2021. Other losses may be carried forward indefinitely.

32. 遞延稅項資產

本集團於本年度及過往年度確認的遞延稅項資產(負債)及其變動如下:

		Tax losses	Accelerated tax depreciation	Total
		稅項虧損	加速稅項折舊	總計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
At 1 July 2015	於2015年7月1日	11,866	(2,286)	9,580
(Charge) credit to profit or loss	(支銷)計入損益	(2,455)	753	(1,702)
At 30 June 2016	於2016年6月30日	9,411	(1,533)	7,878
Credit to profit or loss	計入損益	2,192	762	2,954
At 30 June 2017	於2017年6月30日	11,603	(771)	10,832

根據企業所得稅法，中國附屬公司自2008年1月1日起就賺取的溢利所宣派的股息須繳納預提稅。本集團並未就本集團中國附屬公司的未分派盈利應佔的暫時差額於綜合財務報表計提遞延稅項，原因是本集團能控制臨時差額回撥的時間以及該臨時差額可能不會於可預見未來撥回。

於報告期末，本集團有未動用稅項虧損港幣115,529,000元(2016年：港幣83,938,000元)可作抵銷未來溢利。本集團已就相關虧損港幣70,326,000元(2016年：港幣57,040,000元)確認遞延稅項資產。由於未來溢利流之不可預測性，本集團並未就餘下港幣45,203,000元(2016年：港幣26,898,000元)確認遞延稅項資產。未確認稅項虧損包括將於2021年屆滿之虧損港幣4,759,000元(2016年：港幣2,758,000元於2020年屆滿)。其他虧損可能無限期結轉。

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33. Share-Based Payment Transactions

Share option scheme

The Company's share option scheme (the "Scheme"), was approved and adopted by the sole shareholder on 5 October 2012 for the primary purpose to grant options to eligible persons as incentives or rewards for their contribution to the Group.

Under the Scheme, the Board of the Directors may, at its discretion, grant options pursuant to the Scheme to the Directors (including executive directors, non-executive directors and independent non-executive directors), employees, advisors and consultants of the Company and its subsidiaries who the Board of the Directors considers, in its absolute discretion, have contributed or will contribute to the Group (the "Participants").

The total numbers of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

The Scheme shall be valid and effective for a period of 10 years commencing on 5 October 2012. Options granted during the life of the Scheme shall continue to be exercisable in accordance with their terms of grant. The exercise price is determined by the Directors, and will not be less than the highest of (i) the closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant, which must be a trading day; (ii) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares. Upon acceptance of the option, the Participants shall pay HK\$1.00 to the Company by way of consideration for the grant. The option will be offered for acceptance for a period of 28 days from the date of grant.

For the year ended 30 June 2017, there was no share options granted under the Scheme by the Company. There was no share options outstanding as at 30 June 2017.

33. 以股份為基礎付款的交易

購股權計劃

本公司的購股權計劃(「該計劃」)於2012年10月5日獲唯一股東批准及採納，主要目的為向合資格人士授出購股權，作為彼等對本集團作出貢獻的獎勵或回報。

根據該計劃，董事會可酌情根據該計劃向其全權認為對本集團作出或將作出貢獻的本公司及其附屬公司的董事(包括執行董事、非執行董事及獨立非執行董事)、僱員、顧問及諮詢人士(「參與者」)授出購股權。

在毋須本公司股東事先批准的情況下，根據該計劃可能授出的購股權涉及的股份總數不得超過本公司任何時候已發行股份的10%。在毋須本公司股東事先批准的情況下，於任何一年內向任何人士授出及可能授出的購股權所涉及的已發行及將發行的股份數目不得超過本公司任何時候已發行股本的1%。

該計劃自2012年10月5日起計十年內有效。該計劃有效期內授出的購股權根據授出條款可繼續予以行使。行使價由董事釐定，且不會低於以下三者的最高者：(i)於授出日期(必須為交易日)聯交所發佈的每日報價表所示股份收市價；(ii)緊接授出日期前五個交易日聯交所發佈的每日報價表所示股份平均收市價；及(iii)本公司股份面值。於接納購股權後，參與者須向本公司支付港幣1.00元，作為獲授購股權的代價。購股權的接納期為授出日期起計28日。

截至2017年6月30日止年度，本公司概無根據該計劃授出購股權。於2017年6月30日並無尚未行使的購股權。

33. Share-Based Payment Transactions (Continued)

Share option scheme (Continued)

Details of the share options granted under the Scheme for the year ended 30 June 2016 are as follows:

Category of participant	Date of grant	Exercisable period	Exercise price*	Outstanding at 1 July 2015 於2015年7月1日未行使	Number of share options*				Outstanding at 30 June 2016 於2016年6月30日未行使
					Granted during the year	Adjustment during the year*	Exercised during the year	Lapsed during the year**	
參與者類別	授出日期	行使期	行使價*		年內授出	年內調整*	年內行使	年內失效**	
Consultants 顧問	13 July 2015 2015年7月13日	13 January 2016–12 July 2017 2016年1月13日至2017年7月12日	2.18	–	12,000,000	36,000,000	–	(48,000,000)	–
	13 July 2015 2015年7月13日	13 July 2015–12 July 2017 2015年7月13日至2017年7月12日	2.18	–	28,000,000	84,000,000	–	(112,000,000)	–
				–	40,000,000	120,000,000	–	(160,000,000)	–

* As a result of the Share Subdivision, based on the relevant terms of the Scheme, the exercise price and number of shares falling to be issued upon exercise of the share options were adjusted from HK\$2.18 per share to HK\$0.545 per subdivided share and 40,000,000 shares to 160,000,000 subdivided shares, where such adjustments were effective from the date on which the Share Subdivision became effective.

** The share options were lapsed during the period between 13 November 2015 and 18 November 2015.

For share options granted during the year ended 30 June 2016, the Binomial Model had been used to estimate the fair value of the share options. The variables and assumptions used in computing the fair value of the share options are based on the Company's best estimate. The value of an option varies with different variables of certain subjective assumptions. The significant inputs into the model are as follows:

Date of grant	13 July 2015
Closing price of share at grant date	HK\$2.18
Exercise price	HK\$2.18
Expected volatility	64.65%
Risk-free rate	0.36%
Expected dividend yield	0%

Included in administrative expenses, the Group recognised the total expense of HK\$25,272,000 for the year ended 30 June 2016 in relation to share options granted by the Company.

33. 以股份為基礎付款的交易(續)

購股權計劃(續)

截至2016年6月30日止年度該計劃項下授出的購股權詳情如下：

Category of participant	Date of grant	Exercisable period	Exercise price*	Outstanding at 1 July 2015 於2015年7月1日未行使	Number of share options*				Outstanding at 30 June 2016 於2016年6月30日未行使
					Granted during the year	Adjustment during the year*	Exercised during the year	Lapsed during the year**	
參與者類別	授出日期	行使期	行使價*		年內授出	年內調整*	年內行使	年內失效**	
Consultants 顧問	13 July 2015 2015年7月13日	13 January 2016–12 July 2017 2016年1月13日至2017年7月12日	2.18	–	12,000,000	36,000,000	–	(48,000,000)	–
	13 July 2015 2015年7月13日	13 July 2015–12 July 2017 2015年7月13日至2017年7月12日	2.18	–	28,000,000	84,000,000	–	(112,000,000)	–
				–	40,000,000	120,000,000	–	(160,000,000)	–

* 由於進行股份拆細，根據該計劃的相關條款，行使價由每股港幣2.18元調整至每股拆細股份港幣0.545元，而行使購股權時將予發行之股份數目則由40,000,000股調整至160,000,000股拆細股份，有關調整自股份拆細生效當日起生效。

** 購股權已於2015年11月13日至2015年11月18日期間失效。

截至2016年6月30日止年度授出的購股權，已採用二項式模型估計購股權的公平值。計算購股權公平值時所用的變數及假設乃根據本公司的最佳估計得出。購股權的價值因若干主觀假設的不同變數而有所不同。該模型的主要輸入數據如下：

授出日期	2015年7月13日
於授出日期的股份收市價	港幣2.18元
行使價	港幣2.18元
預期波幅	64.65%
無風險利率	0.36%
預期股息收益率	0%

截至2016年6月30日止年度，本集團於行政開支中確認與本公司所授出購股權有關的開支總額港幣25,272,000元。

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34. Operating Lease Commitments

The Group as lessee

As at 30 June 2017, the Group leased certain of its office premises and cinemas under operating lease arrangements.

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

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Within one year	1年內	116,238	66,104
In the second to fifth year inclusive	第2年至第5年(包括首尾兩年)	511,082	283,890
Over five years	5年以上	576,283	290,282
		1,203,603	640,276

Operating lease payments represent rentals payable for the Group's office premises and cinemas. Leases are negotiated for terms ranging from one to fifteen years (2016: one to fifteen years).

Certain non-cancellable operating leases included in the above are subject to contingent rent payments, which are charged at progressive rates from 10% to 39% (2016: 12% to 38%) of the excess of the annual gross box-office takings of the related cinema premise over certain level of box-office income as determine is the respective lease agreement.

34. 經營租賃承擔

本集團作為承租人

於2017年6月30日，本集團根據經營租賃安排租賃其若干辦公室物業及電影院。

於報告期末，本集團於不可撤銷經營租賃承擔項下的日後最低租賃付款的到期情況如下：

經營租賃付款指就本集團辦公室物業及電影院應付的租金。租賃經磋商為期介乎一至十五年（2016年：一至十五年）。

上文所述的若干不可撤銷經營租賃須支付或然租金，有關租金乃按各租賃協議釐定的相關電影院場所每年總票房收入減若干票房收入水平的超額部分的10%至39%（2016年：12%至38%）的累進比率收取。

35. Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to the shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising share capital and accumulated losses.

Management reviews the capital structure on a regular basis. As part of this review, Management considers the cost of capital and the risks associates with each class of capital. Based on recommendations of Management, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

36. Financial Instruments

36a. Categories of financial instruments

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	93,917	166,687
Available-for-sale investment	可供出售投資	4,056	4,056
Financial liabilities	金融負債		
Amortised cost	攤銷成本	29,828	27,048

35. 資本風險管理

本集團管理資本旨在確保本集團實體可持續經營，並透過維持債務與股權的最佳平衡而為股東提供最大回報。本集團的整體策略與上年度相比維持不變。

本集團的資本結構包括現金及現金等價物及本公司擁有人應佔的權益(包括股本及累計虧損)。

管理層定期檢討資本結構。作為檢討的一部分，管理層考慮資本成本及與各資本類別相關的風險。根據管理層的建議，本集團將透過支付股息、發行新股以及發行新債務或贖回現有債務平衡其整體資本結構。

36. 金融工具

36a. 金融工具的種類

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36. Financial Instruments (Continued)

36b. Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investment, investments in film/drama production, trade and other receivables, amount due from non-controlling interest, pledged bank deposits, bank balances and cash, trade and other payables, amounts due to related companies and amount due to a joint venture. Details of these financial instruments are disclosed in the respective notes. The risks associated with the Group's financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates.

The functional currency of all group companies is HK\$ except for 北京天馬, 上海翠裕電影院管理有限公司 ("上海翠裕"), 上海家喜文化傳播有限公司 ("上海家喜") and 勝馬文化傳播(上海)有限公司 ("勝馬文化") of which their functional currency is RMB. At the end of each reporting period, the carrying amount of the monetary assets and liabilities of the group companies, which are denominated in foreign currencies, are as follows:

		2017		2016	
		Assets	Liabilities	Assets	Liabilities
		資產	負債	資產	負債
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
AUD	澳元	212	—	15	—
RMB	人民幣	13,582	—	4,258	—
USD	美元	20,725	408	32,088	1,026
EUR	歐元	5	—	5	—
HK\$	港幣	1,319	—	1,352	—
SGD	新加坡元	21	—	21	—

36. 金融工具(續)

36b. 金融風險管理目標及政策

本集團的主要金融工具包括可供出售投資、投資電影／戲劇製作、貿易及其他應收款項、應收非控股權益款項、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項、應付關聯公司款項及應付一間合營企業款項。該等金融工具的詳情於相關附註披露。有關本集團金融工具的風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。如何減輕該等風險的政策載於下文。管理層管理及監察該等風險，確保及時且有效地採取適當措施。

市場風險

貨幣風險

貨幣風險為金融工具的公平值或未來現金流量因外匯匯率變動而波動所產生的風險。

集團所有成員公司的功能貨幣均為港幣，惟北京天馬、上海翠裕電影院管理有限公司(「上海翠裕」)、上海家喜文化傳播有限公司(「上海家喜」)及勝馬文化傳播(上海)有限公司(「勝馬文化」)除外，其功能貨幣為人民幣。於各報告期末，集團成員公司以外幣計值的貨幣資產及負債賬面值如下：

36. Financial Instruments (Continued)**36b. Financial risk management objectives and policies (Continued)****Market risk (Continued)****Currency risk (Continued)**

The Group is mainly exposed to the foreign currency risk of RMB and USD against HK\$. Since HK\$ is pegged to USD, the Group does not expect any significant movement in USD/HK\$ exchange rate and this is excluded from the sensitivity analysis below. No sensitivity analysis for AUD, EUR and SGD are presented as Management considered the exposure is insignificant. Management will monitor foreign exchange exposure to mitigate the foreign currency risk.

At the end of each reporting period, certain group companies, of which their functional currency is HK\$, had amounts due from the PRC subsidiaries which are denominated in RMB. These intra-group balances are approximately HK\$46,011,000 (2016: HK\$66,548,000) as at 30 June 2017.

The following table details the Group's sensitivity to a 5% increase and decrease in HK\$ against RMB. 5% is the sensitivity rate used which represents Management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items including the above intra-group balances and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A negative number below indicates a decrease in post-tax loss where HK\$ weaken 5% against RMB. For a 5% strengthening of HK\$ against the relevant currency, there would be an equal and opposite impact on the loss and the balances below would be positive.

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Profit or loss (note)	溢利或虧損(附註)	(2,488)	(2,956)

Note: This is mainly attributable to the exposure outstanding on bank balances, investments in film/drama production and intra-group balances at the end of the respective reporting period.

36. 金融工具(續)**36b. 金融風險管理目標及政策(續)****市場風險(續)****貨幣風險(續)**

本集團主要承受人民幣及美元兌港幣的外幣風險。由於港幣與美元掛鈎，本集團預期美元／港幣匯率不會出現大幅波動，故未納入下文敏感度分析。由於管理層認為風險很小，故並無呈列澳元、歐元及新加坡元的敏感度分析。管理層將監控外匯風險以減輕外幣風險。

於各報告期末，功能貨幣為港幣的若干集團成員公司的應收中國附屬公司款項以人民幣計值。於2017年6月30日，該等集團內部結餘約為港幣46,011,000元(2016年：港幣66,548,000元)。

下表詳列本集團對港幣兌人民幣升值及貶值5%的敏感度。管理層對以外匯匯率合理可能變動進行評估時採用的敏感度比率為5%。敏感度分析僅包括以外幣計值的尚未支付的貨幣項目(包括上述集團內部結餘)及於報告期末以外匯匯率5%的變動進行換算調整。下文所示負數即表示港幣兌人民幣貶值5%時稅後虧損減少。至於港幣兌有關貨幣升值5%，其對虧損產生相等及相反影響，而以下結餘將為正數。

附註：此主要與於各報告期末的銀行結餘、投資電影／戲劇製作及集團內部結餘所面對風險有關。

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36. Financial Instruments (Continued)

36b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

Management considered the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the exposure at the end of each reporting period does not reflect the exposure during the year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to fair value interest rate risk in relation to investments in film/drama production and fixed rate pledged bank deposits (see notes 21 and 25 for details of these balances respectively).

In addition, the Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances.

If interest rate had been 50 basis points higher for bank balances, and all other variables were held constant, the impact to the Group's loss for the year is as follows:

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Decrease in loss for the year	年內虧損減少	133	296

No sensitivity analysis for the decrease in interest rate of bank balances is presented as Management considered that it is not meaningful to assume a decrease of 50 basis points lower for the interest rate because the bank balances carried interest ranged from 0.01% to 0.29% (2016: 0.01% to 0.3%) per annum during the current year.

36. 金融工具(續)

36b. 金融風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

由於各報告期末的風險並不反映年內的風險，故管理層認為敏感度分析並不代表固有的外匯風險。

利率風險

利率風險為金融工具的公平值或未來現金流量將因市場利率變動而出現波動風險。

本集團面對有關電影／戲劇製作投資及固定利率已抵押銀行存款的公平值利率風險(該等結餘的詳情分別參閱附註21及25)。

此外，本集團亦面臨有關浮動利率銀行結餘的現金流利率風險。

倘銀行結餘的利率上升50個基點，而所有其他變量維持不變，對本集團年內的虧損影響如下：

由於銀行結餘於本年度內按0.01%至0.29% (2016年：0.01%至0.3%)的年利率計息，管理層認為假設利率降低50個基點並無意義，故並無呈列銀行結餘利率下降的敏感度分析。

36. Financial Instruments (Continued)

36b. Financial risk management objectives and policies (Continued)

Credit risk

At the end of each reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, Management reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, Management considers that the Group's credit risk is significantly reduced.

The credit risk on liquid funds including pledged bank deposits and bank balances is limited because the counterparties are banks with good reputation.

The Group was exposed to concentration of credit risk on one of its trade customers which accounted for 34% (2016: 75%) of its trade receivables as at 30 June 2017. The top customer has a good repayment history and long-term working relationship with the Group.

The Group was exposed to concentration of credit risk on a production house which accounted for 71% (2016: 58%) of its investments in film/drama production as at 30 June 2017. The production house is an independent third party, which is well-known film/drama production house in United States.

Except for the above, the Group does not have any other significant concentration of credit risk.

36. 金融工具(續)

36b. 金融風險管理目標及政策(續)

信貸風險

於各報告期末，倘對手方未能履行責任，本集團面對財務虧損的最大信貸風險來自於綜合財務狀況表所列各項已確認金融資產的賬面值。

為盡可能降低信貸風險，管理層會於各報告期末審閱各個別債務的可收回金額，確保已就不可收回金額作出足夠的減值虧損。就此而言，管理層認為，本集團的信貸風險已大幅降低。

由於對手方均為具有良好聲譽的銀行，故流動資金(包括已抵押銀行存款及銀行結餘)的信貸風險有限。

本集團就其一名貿易客戶面臨信貸集中風險。該貿易客戶於2017年6月30日佔本集團的貿易應收款項達34%(2016年：75%)。該名大客戶還款記錄良好，與本集團建立了長期合作關係。

本集團就一間製作公司面臨信貸集中風險。該製作公司於2017年6月30日佔本集團投資電影／戲劇製作達71%(2016年：58%)。製作公司為獨立第三方，為美國知名的電影／戲劇製作公司。

除上文所述者外，本集團並無任何其他重大信貸集中風險。

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36. Financial Instruments (Continued)

36b. Financial risk management objectives and policies (Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by Management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings and other sources of funding and considers the risk is minimal.

The following tables provide details of the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The tables include principal cash flows only.

		On demand or 0-90 days 按要求或 0至90日 HK\$'000 港幣千元	91-365 days 91至365日 HK\$'000 港幣千元	Over 1 year 一年以上 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
At 30 June 2017	於2017年6月30日					
Trade and other payables	貿易及其他應付款項	27,197	489	–	27,686	27,686
Amounts due to related companies	應付關聯公司款項	26	–	–	26	26
Amount due to a joint venture	應付一間合營企業款項	2,116	–	–	2,116	2,116
		29,339	489	–	29,828	29,828

		On demand or 0-90 days 按要求或 0至90日 HK\$'000 港幣千元	91-365 days 91至365日 HK\$'000 港幣千元	Over 1 year 一年以上 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
At 30 June 2016	於2016年6月30日					
Trade and other payables	貿易及其他應付款項	22,728	–	–	22,728	22,728
Amounts due to related companies	應付關聯公司款項	402	–	–	402	402
Amount due to a joint venture	應付一間合營企業款項	3,918	–	–	3,918	3,918
		27,048	–	–	27,048	27,048

36. 金融工具(續)

36b. 金融風險管理目標及政策(續)

流動資金風險

於管理流動資金風險時，本集團監控及保持管理層認為足夠的現金及現金等價物水平，以為本集團的運營提供資金並減輕現金流量波動的影響。管理層監控銀行借款的使用狀況及資金的其他來源，並認為風險極小。

下表詳列本集團非衍生金融負債按協定償還期限的餘下合約到期情況。該等表格根據本集團可被要求支付金融負債的最早日期的未貼現現金流量編製。該等表格僅載有主要現金流量。

36. Financial Instruments (Continued)**36c. Fair value**

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Management considers that the carrying amounts of financial assets and liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values.

37. Retirement Benefit Plans**(i) Plans for Hong Kong employees**

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all its qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of trustees. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect of MPF Scheme is to make the required contributions under the MPF Scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

The contribution to the MPF Scheme is calculated based on the rules set out in the MPF Ordinance which is 5% on the monthly basic salary of the relevant employee subject to a specific ceiling of HK\$1,500.

(ii) Plans for PRC employees

The employees employed in the PRC are members of the state-managed retirement benefits scheme operated by the PRC government. The PRC subsidiary is required to contribute a certain percentage of its payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The total cost of HK\$1,279,000 (2016: HK\$1,207,000) charged to profit or loss represents contributions paid or payable to the above schemes by the Group for the year ended 30 June 2017.

36. 金融工具(續)**36c. 公平值**

金融資產及金融負債的公平值乃按照公認定價模式根據貼現現金流量分析而釐定。

管理層認為，按攤銷成本於綜合財務狀況表列賬的金融資產及負債的賬面值與其公平值相若。

37. 退休福利計劃**(i) 有關香港僱員的計劃**

本集團根據強制性公積金計劃條例為其所有位於香港的合資格僱員設立一項強制性公積金計劃(「強積金計劃」)。強積金計劃的資產與本集團資產分開持有，資金由受託人控制。根據強積金計劃的條例，僱主及其僱員均須按條例指定的比例向計劃供款。本集團對強積金計劃的唯一責任乃根據強積金計劃作出所需供款。並無失效的供款可供扣減未來年度應付供款。

對強積金計劃的供款乃根據強積金條例載列的規則計算，其為相關僱員每月基本薪金的5%，惟須受港幣1,500元特定上限的限制。

(ii) 有關中國僱員的計劃

在中國聘用的僱員乃由中國政府運作的國家管理退休福利計劃的成員。中國附屬公司須按僱員工資的若干百分比向退休福利計劃作出供款，以提供福利資金。本集團就退休福利計劃的唯一責任乃根據計劃作出所需供款。

計入損益的總成本港幣1,279,000元(2016年：港幣1,207,000元)指本集團於截至2017年6月30日止年度向上述計劃支付或應付的供款。

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38. Related Party Disclosures

(I) Transactions

During the year, the Group entered into the following significant transactions with related parties:

Name of related parties 關聯方名稱	Notes 附註	Nature of transaction 交易性質	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
PM Motion Pictures Limited 天馬電影出品有限公司	(a)	Service income 服務收入	271	485
Pegasus Laboratory (International) Limited ("Pegasus Laboratory") 天馬沖印(國際)有限公司 (「天馬沖印」)	(b)	Film processing services fee 電影菲林沖印服務費	22	8
Pure Project Limited Pure Project Limited	(c)	Rental expense 租金開支	1,320	1,320
BPL 賞金	(d)	Production income 製作收入	5,880	2,991
Ta Creative House Ta Creative House	(e)	Production services fee 製作服務費	500	2,510

Notes:

- (a) The service income was received from PM Motion Pictures Limited for the Group's provision of film distribution services. Mr. Wong, Mr. Wong Chi Woon Edmond and Ms. Wong Yee Kwan Alvina (collectively referred to as the "Controlling shareholders") all being the Directors, collectively have controlling interests over this company.
- (b) The film processing services fee was paid to Pegasus Laboratory in which it is beneficiary owned by a company collectively controlled by the Controlling Shareholders at 30 June 2017 and 2016.
- (c) The rental expense was paid to Pure Project Limited for the office premise leased by the Group. Mr. Wong has controlling interests in Pure Project Limited.
- (d) The production income was received from the joint venture, BPL.
- (e) The production services fee was paid to Ta Creative House in which Ms. Wong Kit Fong, the sister of Mr. Wong, has controlling interest.

38. 關聯方披露

(I) 交易

年內，本集團與關聯方曾訂立以下重大交易：

Name of related parties 關聯方名稱	Notes 附註	Nature of transaction 交易性質	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
PM Motion Pictures Limited 天馬電影出品有限公司	(a)	Service income 服務收入	271	485
Pegasus Laboratory (International) Limited ("Pegasus Laboratory") 天馬沖印(國際)有限公司 (「天馬沖印」)	(b)	Film processing services fee 電影菲林沖印服務費	22	8
Pure Project Limited Pure Project Limited	(c)	Rental expense 租金開支	1,320	1,320
BPL 賞金	(d)	Production income 製作收入	5,880	2,991
Ta Creative House Ta Creative House	(e)	Production services fee 製作服務費	500	2,510

附註：

- (a) 該服務收入乃就本集團提供電影發行服務而向天馬電影出品有限公司收取。黃先生、黃子桓先生及黃漪鈞女士(統稱為「控股股東」)均為董事，共同於該公司擁有控股權益。
- (b) 該電影菲林沖印服務費乃支付予天馬沖印，該公司於2017年及2016年6月30日由控股股東共同控制的一間公司實益擁有。
- (c) 該租金開支乃就本集團租賃的辦公室物業而支付予Pure Project Limited。黃先生於Pure Project Limited擁有控股權益。
- (d) 該製作收入自合營企業賞金收取。
- (e) 該製作服務費乃支付予Ta Creative House，而黃先生的胞妹黃潔芳女士擁有該公司的控股權益。

38. Related Party Disclosures (Continued)**(II) Balances**

Details of the amount due from non-controlling interest, amounts due to related companies and amount due to a joint venture are set out in the consolidated statement of financial position and in notes 28, 29 and 30, respectively.

(III) Compensation of key management personnel

The remuneration of Directors and other key management personnel of the Group during the year was as follows:

38. 關聯方披露(續)**(II) 結餘**

應收非控股權益款項、應付關聯公司款項及應付一間合營企業款項的詳情分別載於綜合財務狀況表及附註28、29及30。

(III) 主要管理人員薪酬

年內，董事及本集團其他主要管理人員的薪酬載列如下：

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Salaries and other allowances	薪金及其他津貼	9,413	13,817
Retirement benefit scheme contributions	退休福利計劃供款	104	103
		9,517	13,920

The remuneration of Directors and key executives is determined by the remuneration committee of the Company having regard to the performance of individuals and market trends.

董事及主要行政人員的薪酬由本公司薪酬委員會考慮個人表現及市場趨勢後釐定。

39. Statement of Financial Position of the Company**39. 本公司財務狀況表**

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Assets	資產		
Investment in a subsidiary	於一間附屬公司的投資	97,196	97,196
Other receivables	其他應收款項	145	145
Amounts due from subsidiaries	應收附屬公司款項	311,313	203,060
Bank balances	銀行結餘	20	177
Total assets	資產總值	408,674	300,578
Liability	負債		
Amounts due to subsidiaries	應付附屬公司款項	110,555	—
Total assets less liability	資產總值減負債	298,119	300,578
Capital and reserves	資本及儲備		
Share capital (note 31)	股本(附註31)	6,489	6,309
Share premium and reserves (Note)	股份溢價及儲備(附註)	291,630	294,269
		298,119	300,578

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39. Statement of Financial Position of the Company (Continued)

The amounts due from (to) subsidiaries are unsecured, interest-free and repayable on demand.

Note:

39. 本公司財務狀況表(續)

應收及應付附屬公司款項乃無抵押、免息及按要求償還。

附註：

		Share premium 股份溢價 HK\$'000 港幣千元	Share option reserve 購股權儲備 HK\$'000 港幣千元	Special reserve 特別儲備 HK\$'000 港幣千元	Warrants reserve 認股權證儲備 HK\$'000 港幣千元	Accumulated losses 累計虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 July 2015	於2015年7月1日	479,313	-	47,196	495	(178,561)	348,443
Loss for the year and total comprehensive expenses for the year	年內虧損及年內全面開支總額	-	-	-	-	(104,286)	(104,286)
Recognition of equity-settled share based payment	確認以權益結算以股份為基礎的付款	-	25,272	-	-	-	25,272
Transfer upon share options lapsed	於購股權失效時轉撥	-	(25,272)	-	-	25,272	-
Issue of shares upon exercise of warrants (note 31)	於行使認股權證後發行股份(附註31)	25,040	-	-	(200)	-	24,840
At 30 June 2016	於2016年6月30日	504,353	-	47,196	295	(257,575)	294,269
Loss for the year and total comprehensive expenses for the year	年內虧損及年內全面開支總額	-	-	-	-	(19,199)	(19,199)
Issue of shares upon exercise of warrants (note 31)	於行使認股權證後發行股份(附註31)	16,693	-	-	(133)	-	16,560
Transfer upon warrants expired (note 31)	於認股權證失效時轉撥(附註31)	-	-	-	(162)	162	-
At 30 June 2017	於2017年6月30日	521,046	-	47,196	-	(276,612)	291,630

Special reserve represented the capital contribution from Honour Grace which is based on the total equity of Green Riches at the date of the Reorganisation.

特別儲備指榮恩根據翠裕於重組日期的權益總額進行注資。

40. Particulars of Subsidiaries of the Company

40. 本公司附屬公司詳情

a. The Company had the following subsidiaries as at 30 June 2017 and 2016:

a. 於2017年及2016年6月30日，本公司擁有下列附屬公司：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立/經營地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股股本/ 註冊資本	Attributable equity interest held by the Company 本公司持有 的應佔股權		Proportion of voting power held by the Company 本公司持有 投票權的比例		Principal activities 主要業務
			2017 2017年	2016 2016年	2017 2017年	2016 2016年	
Green Riches (Note i) 翠裕(附註i)	BVI 英屬處女群島	US\$1 1美元	100%	100%	100%	100%	Investment holding 投資控股
Pegasus Motion Pictures Production Limited 天馬電影製作有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Film production 電影製作
Pegasus Motion Pictures (Hong Kong) Limited 天馬電影出品(香港)有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Film distribution 電影發行出品
Pegasus Motion Pictures Distribution Limited 天馬電影發行有限公司	BVI 英屬處女群島	US\$1 1美元	100%	100%	100%	100%	Film distribution and production 電影發行出品及製作
北京天馬 (Note ii)	The PRC 中國	HK\$1,500,000 港幣1,500,000元	100%	100%	100%	100%	Service provider of the Group for facilitating the establishment and expansion of the Group's business in the PRC 方便成立及擴展本集團於中國業務的 本集團服務供應商
北京天馬(附註ii)	中國	港幣1,500,000元					
Star Pictures Entertainment Limited	BVI 英屬處女群島	US\$1 1美元	100%	100%	100%	100%	Representing the Group in entering into actors' and film directors' contracts and film distribution 代表本集團訂立演員及電影導演合約及 電影發行出品
星映娛樂有限公司	英屬處女群島	1美元					
Star Pictures HK	Hong Kong 香港	HK\$10,000 港幣10,000元	100%	100%	100%	100%	Representing the Group in entering into actors' and production crew's contracts and film distribution 代表本集團訂立演員及製作組合約及 電影發行出品
星映娛樂(香港)	香港	港幣10,000元					
PMFIL 天馬電影投資	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Film investment 電影投資
Cinema City Group Limited 電影城集團有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Cinema operations and management 影院運作及管理
Cinema City (Langham Place) Limited 電影城(朗豪坊)有限公司	Hong Kong 香港	HK\$3,000,000 港幣3,000,000元	100%	100%	100%	100%	Cinema operations 影院運作
Cinema City (Chai Wan) Limited (Note iii) 電影城(柴灣)有限公司(附註iii)	Hong Kong 香港	HK\$1 港幣1元	100%	N/A 不適用	100%	N/A 不適用	Cinema operations 影院運作

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40. Particulars of Subsidiaries of the Company (Continued)

a. The Company had the following subsidiaries as at 30 June 2017 and 2016: (Continued)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立/經營地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股股本/ 註冊資本	Attributable equity interest held by the Company 本公司持有 的應佔股權		Proportion of voting power held by the Company 本公司持有 投票權的比例		Principal activities 主要業務
			2017	2016	2017	2016	
			2017年	2016年	2017年	2016年	
Cinema City (Hong Kong) Limited (Note iii) 電影城(香港)有限公司(附註iii)	Hong Kong 香港	HK\$1 港幣1元	100%	N/A	100%	N/A	Cinema operations 影院運作
Cinema City (TW) Limited (Note iii) 電影城(臺灣)有限公司(附註iii)	Hong Kong 香港	HK\$1 港幣1元	100%	N/A	100%	N/A	Cinema operations 影院運作
Screen Media & Promotion Limited 影娛媒體宣傳有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Film distribution, advertising and promotion 電影發行出品、廣告及推廣
Skywork Media Limited ("Skywork") (Note iv) 天耀媒體有限公司(「天耀」)(附註iv)	Hong Kong 香港	HK\$100 港幣100元	100%	80%	100%	80%	Post-production 後期製作
Chili Chili	Hong Kong 香港	HK\$10,000 港幣10,000元	100%	100%	100%	100%	Provision of advertising and marketing services 提供廣告及市場推廣服務
Powerful Target Investment Group Limited 中威投資集團有限公司	BVI 英屬處女群島	US\$1 1美元	100%	100%	100%	100%	Investment holding 投資控股
Favourable On Global Investment Limited ("Favourable On") 嘉安環球投資有限公司(「嘉安」)	BVI 英屬處女群島	US100 100美元	70%	70%	70%	70%	Investment holding 投資控股
Chili Platinum 智理白金	Hong Kong 香港	HK\$1 港幣1元	70%	70%	70%	70%	Provision of printed and digital media publication business 提供印刷及數碼媒體出版業務
上海翠裕 上海翠裕	The PRC 中國	RMB10,000,000 人民幣10,000,000元	100%	100%	100%	100%	Cinema management and operation in the PRC 於中國經營及管理影院
上海家喜 上海家喜	The PRC 中國	RMB5,000,000 人民幣5,000,000元	100%	100%	100%	100%	Film distribution in the PRC 於中國發行電影
勝馬文化 勝馬文化	The PRC 中國	RMB4,000,000 人民幣4,000,000元	100%	100%	100%	100%	Cinema operation in the PRC 於中國經營影院
上海新馬電影院發展有限公司 (Notes ii & iii) 上海新馬電影院發展有限公司 (附註ii及iii)	The PRC 中國	RMB7,500,000 人民幣7,500,000元	100%	N/A	100%	N/A	Cinema operation in the PRC 於中國經營影院

40. 本公司附屬公司詳情(續)

a. 於2017年及2016年6月30日，本公司擁有下列附屬公司：(續)

40. Particulars of Subsidiaries of the Company (Continued)

a. The Company had the following subsidiaries as at 30 June 2017 and 2016: (Continued)

Notes:

- (i) Except Green Riches, all other subsidiaries are indirectly owned by the Company.
- (ii) It is a wholly-foreign owned enterprise established in the PRC.
- (iii) These subsidiaries were newly incorporated during the year ended 30 June 2017.
- (iv) On 30 June 2017, Green Riches, a wholly-owned subsidiary of the Company has acquired the remaining 20% equity interest in Skywork from the non-controlling shareholder at a consideration of approximately HK\$935,000, in which the consideration was agreed to be settled by transferring certain of the Group's property, plant and equipment at a net gain of HK\$123,000 (being the difference of the carrying amount of property, plant and equipment being transferred of HK\$872,000 and the agreed fair value of HK\$995,000). As a result, the net consideration paid for the acquisition of 20% equity interest in Skywork is HK\$812,000 and a credit balance to other reserve of HK\$53,000 is resulted. Upon the completion of acquisition, Skywork became an indirect wholly-owned subsidiary of the Company.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

40. 本公司附屬公司詳情(續)

a. 於2017年及2016年6月30日，本公司擁有下列附屬公司：(續)

附註：

- (i) 除翠裕外，所有其他附屬公司均由本公司間接擁有。
- (ii) 該公司為於中國成立的外商獨資企業。
- (iii) 該等附屬公司於截至2017年6月30日止年度內新註冊成立。
- (iv) 於2017年6月30日，本公司全資附屬公司翠裕已自非控股股東收購天耀餘下20%股權，代價約港幣935,000元，以轉讓部分本集團的物業、廠房及設備結算，其中轉讓設備所獲取的淨收益為港幣123,000元(即轉讓的物業、廠房及設備賬面值港幣872,000元與經協定公平值港幣995,000元之間的差額)。因此，收購天耀20%股權支付的淨代價為港幣812,000元及導致計入其他儲備結餘53,000元。於收購事項完成後，天耀成為本公司的間接全資附屬公司。

於年末或年內任何時間，各附屬公司概無任何未償還債務證券。

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綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

40. Particulars of Subsidiaries of the Company (Continued)

b. Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of the non-wholly owned subsidiaries of the Company that has material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要經營地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益持有的所有權權益及投票權比例		Loss allocated to non-controlling interests 分配至非控股權益的虧損		Accumulated non-controlling interests 累計非控股權益	
		2017 2017年	2016 2016年	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
		Favourable On 嘉安	BVI 英屬處女群島	30%	30%	485	11,070
Individual immaterial subsidiary with non-controlling interests 擁有非控股權益的個別非重大附屬公司				411	491	-	1,276
				896	11,561	(3,478)	(1,717)

Summarised financial information in respect of the Group's subsidiary that has a material non-controlling interest is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Favourable On

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Current assets	流動資產	205	511
Current liabilities	流動負債	(12,679)	(11,760)
Non-current assets	非流動資產	881	1,273
Deficit attributable to owners of the Company	本公司擁有人應佔虧絀	(8,115)	(6,983)
Non-controlling interests	非控股權益	(3,478)	(2,993)

40. 本公司附屬公司詳情(續)

b. 擁有重大非控股權益的非全資附屬公司的詳情

下表載列擁有重大非控股權益的本公司非全資附屬公司的詳情：

有關擁有重大非控股權益的本集團附屬公司的財務資料概要載列如下。以下財務資料概要所列金額乃未經集團內部對銷。

嘉安

40. Particulars of Subsidiaries of the Company
(Continued)b. Details of non-wholly owned subsidiaries that
have material non-controlling interests
(Continued)

Favourable On (Continued)

		Year ended 30 June 2017 截至2017年 6月30日 止年度 HK\$'000 港幣千元	Year ended 30 June 2016 截至2016年 6月30日 止年度 HK\$'000 港幣千元
Revenue	收益	40	1,544
Expenses	開支	(1,655)	(38,443)
Loss for the year	年內虧損	(1,615)	(36,899)
Loss and total comprehensive expense attributable to owners of the Company	本公司擁有人應佔虧損及 全面開支總額	(1,130)	(25,829)
Loss and total comprehensive expense attributable to non-controlling interests	非控股權益應佔虧損及 全面開支總額	(485)	(11,070)
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	(1,615)	(36,899)
Net cash (outflow) inflow from operating activities	經營活動現金(流出)流入淨額	(257)	770
Net cash outflow from investing activities	投資活動現金流出淨額	–	(784)
Net cash inflow from financing activities	融資活動現金流入淨額	–	–
Net cash outflow	現金流出淨額	(257)	(14)

40. 本公司附屬公司詳情(續)

b. 擁有重大非控股權益的非全資附屬
公司的詳情(續)

嘉安(續)

		Year ended 30 June 2017 截至2017年 6月30日 止年度 HK\$'000 港幣千元	Year ended 30 June 2016 截至2016年 6月30日 止年度 HK\$'000 港幣千元
Revenue	收益	40	1,544
Expenses	開支	(1,655)	(38,443)
Loss for the year	年內虧損	(1,615)	(36,899)
Loss and total comprehensive expense attributable to owners of the Company	本公司擁有人應佔虧損及 全面開支總額	(1,130)	(25,829)
Loss and total comprehensive expense attributable to non-controlling interests	非控股權益應佔虧損及 全面開支總額	(485)	(11,070)
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	(1,615)	(36,899)
Net cash (outflow) inflow from operating activities	經營活動現金(流出)流入淨額	(257)	770
Net cash outflow from investing activities	投資活動現金流出淨額	–	(784)
Net cash inflow from financing activities	融資活動現金流入淨額	–	–
Net cash outflow	現金流出淨額	(257)	(14)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2017 截至2017年6月30日止年度

41. Commitments

At the end of reporting period, the Group had outstanding commitments as follows:

41. 承擔

於報告期末，本集團尚未履行承擔如下：

		2017 2017年 HK\$'000 港幣千元	2016 2016年 HK\$'000 港幣千元
Capital commitments:	資本承擔：		
Capital expenditure in respect of renovations of the lease contracted for but not provided in the consolidated financial statements	已訂約但未於綜合財務報表作出撥備的租賃裝修資本開支	46,582	15,340

Financial Summary

財務摘要

Financial Results

財務業績

For the year ended 30 June

截至6月30日止年度

		2013	2014	2015	2016	2017
		2013年	2014年	2015年	2016年	2017年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue	收益	192,645	134,788	155,240	446,381	225,631
Cost of sales	銷售成本	(127,362)	(75,064)	(108,419)	(259,552)	(109,370)
Gross profit	毛利	65,283	59,724	46,821	186,829	116,261
Other gains	其他收益	–	–	–	–	5,353
Other income	其他收入	974	3,532	2,869	4,738	6,593
Selling and distribution expenses	銷售及發行開支	(21,794)	(15,033)	(84,456)	(102,820)	(110,539)
Administrative expenses	行政開支	(16,976)	(22,112)	(33,369)	(87,674)	(43,943)
Net foreign exchange loss	匯兌虧損淨額	–	–	(110)	(6,779)	(5,016)
Impairment loss on goodwill	商譽減值虧損	–	–	(138,000)	(43,084)	–
Impairment loss on intangible asset	無形資產減值虧損	–	–	–	(20,514)	–
Impairment loss on other receivable	其他應收賬款減值虧損	–	–	–	(2,011)	–
Impairment loss on prepayment for investment in TV series production	投資電視劇製作預付款項的減值虧損	–	–	(15,750)	–	–
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	–	–	–	–	(20,351)
Finance costs	融資成本	(53)	(103)	(78)	(170)	(9)
Other expenses	其他開支	(3,806)	–	–	–	–
Share of results of associates	應佔聯營公司業績	–	4,661	(4,548)	(234)	(1,757)
Share of results of a joint venture	應佔一間合營公司業績	–	–	–	(2,090)	13,494
Profit (loss) before tax	除稅前溢利(虧損)	23,628	30,669	(226,621)	(73,809)	(39,914)
Income tax (expense) credit	所得稅(開支)抵免	(4,484)	(4,283)	9,637	(10,343)	(966)
Profit (loss) for the year	年內溢利(虧損)	19,144	26,386	(216,984)	(84,152)	(40,880)
Other comprehensive (expense) income for the year	年內其他全面(開支)收入					
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>隨後或會重新分類至損益的項目</i>					
Share of exchange difference of an associate arising on translating foreign operation	應佔一間聯營公司因換算海外業務產生的匯兌差額	–	(23)	2	29	48
Share of exchange difference of a joint venture arising on translating foreign operation	應佔一間合營企業因換算海外業務產生的匯兌差額	–	–	–	(2,485)	(2,413)
Exchange difference on translating foreign operation	海外業務換算之匯兌差額	–	–	–	1,503	1,116
Total comprehensive income (expense) for the year	年內全面收入(開支)總額	19,144	26,363	(216,982)	(85,105)	(42,129)

Financial Summary

財務摘要

		For the year ended 30 June 截至6月30日止年度				
		2013	2014	2015	2016	2017
		2013年	2014年	2015年	2016年	2017年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Profit (loss) for the year attributable to:	下列人士應佔年內溢利(虧損):					
Owners of the Company	本公司擁有人	19,144	26,386	(215,258)	(72,591)	(39,984)
Non-controlling interests	非控股權益	-	-	(1,726)	(11,561)	(896)
		19,144	26,386	(216,984)	(84,152)	(40,880)
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	221,761	311,864	584,734	458,804	452,882
Total liabilities	負債總額	(27,841)	(20,588)	(216,892)	(126,494)	(145,146)
		193,920	291,276	367,842	332,310	307,736
Equity attributable to owners of the Company	本公司擁有人應佔權益	193,920	291,276	357,190	334,027	311,214
Non-controlling interests	非控股權益	-	-	10,652	(1,717)	(3,478)
		193,920	291,276	367,842	332,310	307,736



此年報以環保紙張印製
This annual report is printed on environmental friendly paper