

universe

寰宇

UNIVERSE INTERNATIONAL FINANCIAL
HOLDINGS LIMITED

寰宇國際金融控股有限公司

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)
(Stock Code 股份代號 : 1046)

2017 | Annual Report
年報

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CORPORATE INFORMATION

公司資料

Executive Directors

Mr. Lam Shiu Ming, Daneil (*Chairman*)

Mr. Lam Kit Sun

Mr. Hung Cho Sing

(resigned on 2nd June 2017)

Ms. Cheng Hei Yu

(resigned on 7th October 2016)

Non-Executive Director

Mr. Chan Shiu Kwong, Stephen

(retired on 30th November 2016)

Independent Non-Executive Directors

Mr. Lam Chi Keung

Mr. Choi Wing Koon

Ms. Cheng Lo Yee

(appointed on 30th November 2016)

Mr. Lam Wing Tai

(retired on 30th November 2016)

Company Secretary

Mr. Lam Kit Sun

Authorised Representatives

Mr. Lam Shiu Ming, Daneil

Mr. Lam Kit Sun

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited

OCBC Wing Hang Bank Limited

Bank of Communications Co., Ltd.

Auditor

Crowe Horwath (HK) CPA Limited

Certified Public Accountants

Legal Advisers

So Keung Yip & Sin

1009-1012, 10th Floor

Nan Fung Tower

173 Des Voeux Road

Central

Hong Kong

Leung & Lau, Solicitors

Units 7208-10, 72nd Floor, The Center

99 Queen's Road Central, Central

Hong Kong

執行董事

林小明先生(主席)

林傑新先生

洪祖星先生

(於二零一七年六月二日辭任)

鄭熹榆女士

(於二零一六年十月七日辭任)

非執行董事

陳紹光先生

(於二零一六年十一月三十日退任)

獨立非執行董事

林芝強先生

蔡永冠先生

鄭露儀女士

(於二零一六年十一月三十日獲委任)

林永泰先生

(於二零一六年十一月三十日退任)

公司秘書

林傑新先生

授權代表

林小明先生

林傑新先生

主要往來銀行

香港上海滙豐銀行有限公司

華僑永亨銀行有限公司

交通銀行股份有限公司

核數師

國富浩華(香港)會計師事務所有限公司

執業會計師

法律顧問

蘇姜葉洗律師行

香港

中環

德輔道173號

南豐大廈

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香港

中環皇后大道中99號

中環中心72樓7208-10室

CORPORATE INFORMATION

公司資料

Share Registrar

Tricor Abacus Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

Audit Committee

Mr. Choi Wing Koon (*Chairman*)
Mr. Lam Chi Keung
Ms. Cheng Lo Yee
(appointed on 30th November 2016)
Mr. Lam Wing Tai
(retired on 30th November 2016)

Remuneration Committee

Mr. Choi Wing Koon (*Chairman*)
Mr. Lam Shiu Ming, Daneil
Mr. Lam Chi Keung
Ms. Cheng Lo Yee
(appointed on 30th November 2016)
Mr. Lam Wing Tai
(retired on 30th November 2016)

Nomination Committee

Mr. Lam Chi Keung (*Chairman*)
Mr. Lam Shiu Ming, Daneil
Mr. Choi Wing Koon
Ms. Cheng Lo Yee
(appointed on 30th November 2016)
Mr. Lam Wing Tai
(retired on 30th November 2016)

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and Principal Place of Business

18th Floor
Wyler Centre Phase II
192-200 Tai Lin Pai Road
Kwai Chung
New Territories
Hong Kong

Website

www.uih.com.hk

Stock Code

1046

股份登記處

卓佳雅柏勤有限公司
香港
皇后大道東183號
合和中心22樓

審計委員會

蔡永冠先生 (*主席*)
林芝強先生
鄭露儀女士
(於二零一六年十一月三十日獲委任)
林永泰先生
(於二零一六年十一月三十日退任)

薪酬委員會

蔡永冠先生 (*主席*)
林小明先生
林芝強先生
鄭露儀女士
(於二零一六年十一月三十日獲委任)
林永泰先生
(於二零一六年十一月三十日退任)

提名委員會

林芝強先生 (*主席*)
林小明先生
蔡永冠先生
鄭露儀女士
(於二零一六年十一月三十日獲委任)
林永泰先生
(於二零一六年十一月三十日退任)

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
新界
葵涌
大連排道192至200號
偉倫中心第二期
18樓

網址

www.uih.com.hk

股份代號

1046

CHAIRMAN'S STATEMENT

主席報告

On behalf of the board of directors (the “Director(s)”) (the “Board”) of Universe International Financial Holdings Limited (the “Company”), I hereby present the 2016/2017 annual results of the Company and its subsidiaries (collectively the “Group”) for the year ended 30th June 2017 (the “Year”).

The Group is principally engaged in securities brokerage and margin financing, money lending, leasing of investment properties and securities investment, video distribution, film distribution and exhibition, licensing and sub-licensing of film rights, trading, wholesaling and retailing of optical products, watches and jewellery products.

The Group recorded a net loss of approximately HK\$114.5 million for the Year, representing a decrease of approximately 19.3% as compared to the net loss of approximately HK\$141.9 million for the same period last year, which was mainly due to the net effect of (i) a fair value gain arising from financial assets at fair value through profit or loss of approximately HK\$12.7 million for the Year compared to a fair value loss arising from financial assets at fair value through profit or loss of approximately HK\$143.6 million for the same period last year; (ii) total impairment losses on the available-for-sale-financial assets of approximately HK\$89.6 million (2016: Nil); (iii) impairment losses on the goodwill attributable to the trading, wholesaling and retailing of optical products, watches and jewellery products business of approximately HK\$23.0 million (2016: approximately HK\$24.4 million); and (iv) the increase of the segmental profit from video distribution, film distribution and exhibition, licensing and sub-licensing of film rights from approximately HK\$8.6 million for the year ended 30th June 2016 to approximately HK\$31.3 million for the Year.

本人謹代表寰宇國際金融控股有限公司(「本公司」)董事(「董事」)會(「董事會」)，提呈本公司及其附屬公司(統稱「本集團」)截至二零一七年六月三十日止年度(「本年度」)之二零一六／二零一七年度全年業績。

本集團主要從事證券經紀及孖展融資、放貸、投資物業出租及證券投資、錄像發行、電影發行及放映、授出及轉授電影版權以及光學產品、鐘錶及珠寶產品貿易、批發及零售業務。

本集團於本年度錄得淨虧損約114.5百萬港元，較去年同期淨虧損約141.9百萬港元減少約19.3%，主要由於以下各項的淨影響：(i)本年度透過損益按公平值入賬之金融資產產生公平值收益約12.7百萬港元，而上年同期透過損益按公平值入賬之金融資產產生公平值虧損約143.6百萬港元；及(ii)可供出售金融資產減值虧損總額約89.6百萬港元(二零一六年：無)；(iii)光學產品、鐘錶及珠寶產品貿易、批發及零售業務應估商譽減值虧損約23.0百萬港元(二零一六年：約24.4百萬港元)；及(iv)錄像發行、電影發行及放映、授出及轉授電影版權分部溢利由截至二零一六年六月三十日止年度約8.6百萬港元增加至本年度的約31.3百萬港元。

CHAIRMAN'S STATEMENT

主席報告

The Group's results were affected by the volatile investment market and persistent slowdown in economic growth in Hong Kong and China during the Year. Looking forward, despite the volatile global financial markets, the recent unstable political environment in the Asian region, uncertain monetary and interest rates policy of United States and the expected continuing slowdown of the China economy, the Group is prudently optimistic about its principal operating environment in Hong Kong and China as China's economy is still on track to grow by approximately 6.7% in 2016 based on the official gross domestic product measure.

Nevertheless, the Group will continue to identify and capture different investment opportunities in other business sectors with enormous potential to further diversify its businesses and broaden the income sources of the Group.

APPRECIATION

Last but not least, I would also like to take this opportunity to express my sincere thanks and gratitude to my fellow directors and our staff for their dedicated efforts and contributions to the Group in the past year. I would also like to thank all our customers and shareholders for their trust and support.

By Order of the Board
Lam Shiu Ming, Daneil
Chairman

Hong Kong, 29th September 2017

本集團於本年度的業績受到香港及中國投資市場動蕩及經濟增長持續放緩所影響。展望未來，儘管全球金融市場預期仍然起伏不定，亞洲地區近期政局不穩，美國的貨幣及利率政策仍未明朗，中國經濟預期繼續放緩，但鑒於中國經濟仍步入正軌，按官方國內生產總值衡量於二零一六年增長約6.7%，本集團對於其於香港及中國的主要經營環境持審慎樂觀態度。

然而，本集團將繼續於其他有巨大潛力的業務領域物色及把握各種投資機會，以進一步多元化其業務及拓展收入來源。

致意

最後，本人謹藉此機會向董事會全人及全體員工在過去一年為本集團作出之不懈努力及貢獻致以由衷感謝。本人亦謹此感激我們所有客戶及股東之信任及支持。

承董事會命
主席
林小明

香港，二零一七年九月二十九日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS AND OPERATIONAL REVIEW 業務及營運回顧

Overall Group results

The Group recorded a net loss of approximately HK\$114.5 million for the year ended 30th June 2017 ("Year"), representing a decrease of approximately 19.3% as compared to the net loss of approximately HK\$141.9 million for the same period last year, which was mainly due to the net effect of (i) a fair value gain arising from financial assets at fair value through profit or loss of approximately HK\$12.7 million for the Year compared to a fair value loss arising from financial assets at fair value through profit or loss of approximately HK\$143.6 million for the same period last year; (ii) total impairment losses on the available-for-sale-financial assets of approximately HK\$89.6 million (2016: Nil); (iii) impairment losses on the goodwill attributable to the trading, wholesaling and retailing of optical products, watches and jewellery products business of approximately HK\$23.0 million (2016: approximately HK\$24.4 million); and (iv) the increase of the segmental profit from video distribution, film distribution and exhibition, licensing and sub-licensing of film rights from approximately HK\$8.6 million for the year ended 30th June 2016 to approximately HK\$31.3 million for the Year.

The Group's audited consolidated revenue for the Year was approximately HK\$231.6 million, representing an increase of approximately 53.4% as compared to the revenue of approximately HK\$151.0 million for the same period last year. The increase in revenue was mainly due to the net effect of (i) the increase in revenue of approximately HK\$19.8 million from the securities brokerage and margin financing business; (ii) the decrease in revenue of approximately HK\$15.1 million from trading, wholesale and retail of optical products, watches and jewellery products; (iii) the increase in income of approximately HK\$82.6 million from films distribution and exhibition, licensing and sub-licensing of film rights; (iv) the decrease in revenue (excluded inter-segment sales) of approximately HK\$2.6 million from money lending business; and (v) the decrease in revenue of approximately HK\$4.2 million from entertainment business.

整體集團業績

本集團於截至二零一七年六月三十日止年度（「本年度」）錄得淨虧損約114.5百萬港元，較上年同期錄得之淨虧損約141.9百萬港元減少約19.3%，此乃主要由於以下因素之淨影響：(i)本年度透過損益按公平值入賬之金融資產產生公平值收益約12.7百萬港元，而上年同期透過損益按公平值入賬之金融資產產生公平值虧損約143.6百萬港元；(ii)可供出售金融資產減值虧損總額約89.6百萬港元（二零一六年：無）；(iii)光學產品、鐘錶及珠寶產品貿易、批發及零售業務應佔商譽減值虧損約23.0百萬港元（二零一六年：約24.4百萬港元）；及(iv)錄像發行、電影發行及放映、授出及轉授電影版權分部溢利由截至二零一六年六月三十日止年度約8.6百萬港元增加至本年度的約31.3百萬港元。

本集團於本年度之經審核綜合收益約為231.6百萬港元，較上年同期之收益約151.0百萬港元增長約53.4%。收益增加乃主要由於下列各項的淨影響：(i)來自證券經紀及孖展融資業務之收益增加約19.8百萬港元；(ii)來自光學產品、鐘錶及珠寶產品貿易、批發及零售業務之收益減少約15.1百萬港元；(iii)來自電影發行及放映、授出及轉授電影版權之收入增加約82.6百萬港元；(iv)來自放貸業務之收益（分部間銷售除外）減少約2.6百萬港元；及(v)來自娛樂業務之收益減少約4.2百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Films distribution and exhibition, licensing and sub-licensing of film rights

Revenue from this business segment during the Year was approximately HK\$138.8 million, representing an increase of approximately 147.0% as compared to approximately HK\$56.2 million in the same period last year. It accounted for approximately 59.9% (2016: approximately 37.2%) of the Group's revenue during the Year. The increase in revenue was mainly due to satisfactory box office figures for the new films released during the Year, in particular the film titled "Shock Wave" (拆彈專家).

Segmental profit from this business segment during the Year was approximately HK\$31.3 million, representing an increase of approximately 264.0% as compared to approximately HK\$8.6 million in the same period last year. The increase in segmental profit was mainly due to the encouraging results of Shock Wave (拆彈專家). Despite the satisfactory results of Shock Wave (拆彈專家), films are produced on a project basis and the revenue generated thereunder are not stable, thus causing the fluctuation of the revenue and also the profitability of this business segment in the coming years. As reported by the State Administration of Press, Publication, Radio, Film and Television of the People's Republic of China ("PRC"), the total box office revenue of PRC in 2016 was approximately RMB45.71 billion, representing an increase of approximately 3.73% as compared to the corresponding period in 2015. The film exhibition industry in China continues to grow but in a slow pace and the competition is very keen. In such challenging environment, the Group will continue to adopt a cautious approach towards in producing and investment in new films in the future.

As disclosed in the Company's announcement dated 9th January 2017 and the Company's circular dated 24th February 2017, Universe Films Distribution Company Limited ("UFD"), an indirect wholly-owned subsidiary of the Company, and an independent third party purchaser entered into a sale and purchase agreement ("Film Library Disposal Agreement") to dispose of 202 feature films ("Film Library") conditionally at a consideration of approximately RMB178,895,000, subject to possible adjustment as set out in the Film Library Disposal Agreement (the "Disposal"). The cost of the Film Library had almost been fully amortised in previous years and the carrying value of the Film Library was approximately HK\$3.7 million as at 30th June 2017. The Company considered that the Disposal, if materialised, and after deducting other related expenses, would allow the Group to realise a one-off gain of approximately HK\$173.77 million from the Disposal and provide the Group with the opportunity to capture the residual value of the old films.

電影發行及放映、授出及轉授電影版權

於本年度，該業務分部產生之收益為約138.8百萬港元，較上年同期的約56.2百萬港元增加約147.0%，佔本集團於本年度收益的約59.9%（二零一六年：約37.2%）。收益增加乃主要由於本年度內發行的新電影的票房數據令人滿意，尤其是電影《拆彈專家》。

該業務分部於本年度之分部溢利約為31.3百萬港元，較上年同期的約8.6百萬港元增長約264.0%。分部溢利增加的主要原因是《拆彈專家》票房喜人。儘管《拆彈專家》取得令人滿意的成績，但電影製作乃逐個項目進行且所得收益不穩定，因此，造成往後年度收益以及該業務分部盈利波動。如中華人民共和國（「中國」）國家新聞出版廣電總局報告，二零一六年中國總票房收益約為人民幣457.1億元，較二零一五年同期增加約3.73%。中國電影放映行業繼續增長但進展緩慢，且競爭異常激烈。面對充滿挑戰的環境，本集團未來將繼續採納審慎方式製作及投資新電影。

如本公司日期為二零一七年一月九日之公佈及本公司日期為二零一七年二月二十四日之通函所披露，本公司之間接全資附屬公司寰宇影片發行有限公司（「寰宇影片發行」）與一名獨立第三方買方訂立買賣協議（「電影庫出售協議」），有條件以代價約人民幣178,895,000元出售202部電影（「電影庫」），有關代價可能會按電影庫出售協議所載方式作出調整（「出售事項」）。電影庫之成本已於過往年度近乎完全攤銷，且電影庫於二零一七年六月三十日之賬面值為約3.7百萬港元。本公司認為出售事項（倘落實及扣除其他相關費用後）將使本集團得以藉出售事項實現一次性收益約173.77百萬港元，並為本集團提供把握舊電影殘值的機會。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Film Library Disposal Agreement was completed on 21st September 2017 ("Completion date"). The remaining portion of the consideration of approximately RMB17,890,000 will be settled no later than 60th day after the Completion date. The Company estimates the gain on disposal of the Film Library will be approximately HK\$180.47 million after taking into account of all relevant expenses and the exchange differences of approximately HK\$5.25 million.

Trade, wholesale and retail of optical products, watches and jewellery products

Revenue from this business segment during the Year was approximately HK\$46.6 million, representing a decrease of approximately 24.5% as compared to approximately HK\$61.7 million in the same period in last year. Revenue from this business segment included the revenue of approximately HK\$6.9 million (2016: approximately HK\$7.4 million) from trading, wholesaling and retailing of optical products from 2 (2016: 2) optical retail shops under the name of "茂昌眼鏡 Hong Kong Optical" in Hong Kong ("Optical Business") and the revenue of approximately HK\$39.7 million (2016: approximately HK\$54.3 million) from Winston Asia Limited ("Winston"), which are principally engaged in trading, wholesaling and retailing of watches and jewellery products and are operating 13 (2016: 17) retail shops in Hong Kong and the PRC. It accounted for approximately 20.1% (2016: approximately 40.9%) of the Group's revenue during the Year.

During the Year, performance of this business segment was affected by the following key factors:

- (i) persistent slowdown in economic growth in Hong Kong and PRC

The gross domestic product of the PRC has been growing at a slower pace, from a year-on-year growth of approximately 7.7% in 2013 to that of approximately 6.7% in 2016. This reflects the decreased growth in income of consumers in the PRC and implies that the retail market in the PRC is following a slowing growth trend in 2017.

電影庫出售協議於二零一七年九月二十一日（「完成日期」）完成。代價的餘下部分約人民幣17,890,000元將在不遲於完成日期後第60天結算。本公司估計電影庫出售收益將約為180.47百萬港元（經計及所有相關開支及匯兌差額約5.25百萬港元後）。

光學產品、鐘錶及珠寶產品貿易、批發及零售

本年度內，該業務分部產生之收益約為46.6百萬港元，較上年同期的約61.7百萬港元下降約24.5%。該業務分部收益包括於香港以「茂昌眼鏡 Hong Kong Optical」之名稱經營的兩間（二零一六年：兩間）眼鏡零售商店之光學產品貿易、批發及零售業務（「光學業務」）產生之收益約6.9百萬港元（二零一六年：約7.4百萬港元），及來自Winston Asia Limited（「Winston」，主要於香港及中國從事鐘錶及珠寶產品貿易、批發及零售業務及經營13間（二零一六年：17間）零售店）之收益約39.7百萬港元（二零一六年：約54.3百萬港元）。該分部收益佔本集團本年度收益的約20.1%（二零一六年：約40.9%）。

於本年度，本業務分部的表現受到以下主要因素影響：

- (i) 香港及中國經濟增長持續放緩

中國國內生產總值增長放緩，自二零一三年的約7.7%降至二零一六年的約6.7%。此反映中國消費者收入增長放緩並顯示二零一七年中國零售市場呈緩慢增長趨勢。

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In addition, with reference to the Reports on Monthly Survey of Retail Sales released by the Census and Statistics Department of Hong Kong, the average value index of retail sales of jewellery, watches and clocks, and valuable gifts was approximately 78.6 for the year ended 31st December 2016, representing a decrease of approximately 17.2% as compared with the same index for the year ended 31st December 2015. This reflected a decreasing trend in the retail sales of those of jewellery products, watches and optical products in Hong Kong in 2016. However, the market showed a sign of stabilisation in the first half of 2017 in Hong Kong. The average value index of retail sales of jewellery products, watches and clocks, and valuable gifts in the first half of 2017 was approximately 77.4 and increased by approximately 0.8% as compared to the same index in the first half of 2016.

- (ii) keen competition from online sales
Technological changes that impact the operating environment, consumer behavior of the retail industry in Hong Kong and China. The online sales amounts are increasing and more and more shoppers are now preferring to research and purchase online. The keen competition from online sales is affecting the growth of the sales amount and the profitability of the offline shops operated by the Group in Hong Kong and China.
- (iii) continued slowdown in growth of spending by Mainland Chinese tourists in Hong Kong
The retail sales of optical products, watches and jewellery products in Hong Kong have been a major beneficiary of the Individual Traveller Scheme first launched in 2003. The one-trip-per-week restriction imposed in 2015 on Shenzhen residents for Hong Kong travel and Hong Kong's strong currency has also made it difficult to attract tourists for shopping during the Year. These factors impacted the performance of this business segment as the demand of our key products – optical products, watches and jewellery products is elastic.

此外，根據香港政府統計處刊發的《零售業銷貨額按月統計調查報告》，截至二零一六年十二月三十一日止年度，「珠寶首飾、鐘錶及名貴禮物」之平均零售價值指數約為78.6，較截至二零一五年十二月三十一日止年度相同指數減少約17.2%。此反映二零一六年香港珠寶產品、鐘錶及光學產品的零售額呈下降趨勢。然而，香港市場於二零一七年上半年呈現穩定跡象。「珠寶產品、鐘錶及名貴禮物」於二零一七年上半年之平均零售業銷貨價值指數為約77.4，與二零一六年上半年的相同指數相比增長約0.8%。

- (ii) 網絡銷售競爭激烈
技術變革影響經營環境、香港及中國零售業的消費行為。網絡銷售額日益增長，現今越來越多的消費者熱衷於網上搜索及購買。網絡銷售競爭激烈，影響本集團於香港及中國運營的線下店鋪銷售額的增長及盈利能力。
- (iii) 中國大陸遊客於香港的支出繼續下滑
香港光學產品、鐘錶及珠寶產品的零售額因二零零三年首次推出的個人遊計劃受到莫大裨益。二零一五年推出的「一周一行」政策限制了深圳居民來香港的次數及本年度香港貨幣強勁亦難以吸引遊客前來購物。由於我們的主要產品光學產品、鐘錶及珠寶產品的需求具有彈性，該等因素影響本業務分部的表現。

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Consequently, segmental loss from this business segment during the Year was approximately HK\$27.8 million, representing an increase of approximately 11.6% as compared to segmental loss of approximately HK\$24.9 million in the same period last year. The increase in segmental loss was mainly due to (i) the decrease in revenue by approximately 24.5% as compared to the same period in last year; (ii) the decrease in gross profit margin from approximately 47.7% for the year ended 30th June 2016 to approximately 39.5% for the year ended 30th June 2017; and (iii) impairment losses on the goodwill attributable to Winston and the Optical Business of approximately HK\$21.7 million (2016: approximately HK\$24.4 million) and HK\$1.3 million (2016: Nil) respectively was recorded during the Year.

The impairment loss of Winston was made with reference to the valuation report of Winston as at 30th June 2017 prepared by an independent professional qualified valuer not connected with the Group, for the purpose of assessing the value in use of Winston. The methodology used in the valuation report was income approach using discounted cash flow method, which was consistently applied to the valuations as at 30th June 2016 and 30th June 2017. The calculation used cash flow projections based on latest financial budgets approved by the management of the Group covering a period of 5 years and at a post-tax discount rate. The cash flow projections during the budget period were based on the expected profits margins during the budget period, and were extrapolated using a 3% (2016: 3%) growth rate beyond the 5-year period, which were the same for both valuations as at 30th June 2016 and 30th June 2017. The pre-tax discount rate had changed from approximately 17.7% as at 30th June 2016 to approximately 19.9% as at 30th June 2017, which was mainly attributable to changes in market conditions, such as long-term risk free rates in Hong Kong and market equity risk premium.

Due to the aforesaid unfavored factors and the actual business performance of Winston during the Year, the management of the Company is prudent on Winston's future performance and lowers its expectation on the gross profit margin of this business segment, from approximately 42% as at the 30th June 2016 to around approximately 39% as at 30th June 2017.

因此，本年度該業務分部的分部虧損約為27.8百萬港元，較上年同期的分部虧損約24.9百萬港元增長約11.6%。分部虧損增加乃主要由於(i)收益較上年同期下降約24.5%；及(ii)毛利率由截至二零一六年六月三十日止年度的約47.7%下降至截至二零一七年六月三十日止年度的約39.5%；及(iii)本年度內錄得Winston及光學業務應佔商譽減值虧損分別約21.7百萬港元(二零一六年：約24.4百萬港元)及1.3百萬港元(二零一六年：無)。

Winston的減值虧損乃經參考與本集團並無關連的獨立專業合資格估值師就評估Winston的使用價值編製的Winston於二零一七年六月三十日的估值報告作出。估值報告所使用的方法為基於折現現金流量法的收入法，與於二零一六年六月三十日及二零一七年六月三十日估值所用估值方法一致。計算方法使用基於本集團管理層批准的最近財政預算案並按稅後貼現率作出的5年期現金流量預測。於預算期間的現金流量預測乃根據預算期間的預期利潤率作出，5年以後則使用3%(二零一六年：3%)的增長率推算，該方法被一致應用於二零一六年六月三十日及二零一七年六月三十日的估值。稅前貼現率已由二零一六年六月三十日的約17.7%變為二零一七年六月三十日的約19.9%，主要由於香港長期無風險利率及市場股權風險溢價等市況變動。

由於上述不利因素及Winston於本年度的實際業務表現，本公司管理層對Winston的未來表現持審慎態度，並將對該業務分部毛利率的預期自二零一六年六月三十日之約42%降低至於二零一七年六月三十日的約39%。

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Based on the above, the valuation of Winston as at 30th June 2017 was lowered, resulting in the impairment loss on the goodwill of approximately HK\$21.7 million attributable to Winston during the Year.

The impairment loss of Optical Business was made with reference to the valuation report of Optical Business as at 30th June 2017 prepared by an independent professional qualified valuer not connected with the Group, for the purpose of assessing the value in use of Optical Business. The methodology used in the valuation report was income approach using discounted cash flow method, which was consistently applied to the valuations as at 30th June 2016 and 30th June 2017. The calculation used cash flow projections based on latest financial budgets approved by the management of the Group covering a period of 5 years and at a post-tax discount rate. The cash flow projections during the budget period were based on the expected profits margins during the budget period, and were extrapolated using a 3% (2016: 3%) growth rate beyond the 5-year period, which was the same for both valuations as at 30th June 2016 and 30th June 2017. The pre-tax discount rate had changed from approximately 17.4% as at 30th June 2016 to approximately 19.8% as at 30th June 2017, which was mainly attributable to changes in market conditions, such as long-term risk free rates in Hong Kong and market equity risk premium.

Due to the aforesaid unfavored factors and the actual business performance of Optical Business during the Year, the management of the Company is prudent on the Optical Business' future performance and lowers its expectation on the gross profit margin of this business segment, from approximately 55% as at the 30th June 2016 to approximately 52% as at 30th June 2017.

Based on the above, the valuation of Optical Business as at 30th June 2017 was lowered, resulting in the impairment loss on the goodwill of approximately HK\$1.3 million (2016: Nil) attributable to Optical Business during the Year.

Apart from the Optical Business, the Group also owned a 28% (2016: 28%) equity interest of Hong Kong Optical Company Limited ("HK Optical") which is principally engaged in trading, wholesaling and retailing of optical products and operated 11 (2016: 9) retail shops in Hong Kong as at 30th June 2017. Impairment loss on the interests in associate of approximately HK\$3.2 million (2016: Nil) attributable to HK Optical was recognised during the Year.

根據上文所述，Winston於二零一七年六月三十日的估值降低，導致於本年度Winston應佔商譽減值虧損約21.7百萬港元。

光學業務之減值虧損乃參考與本集團並無關連之獨立專業合資格估值師為評估光學業務之使用價值而編製之光學業務於二零一七年六月三十日之估值報告作出。估值報告所使用的方法為基於折現現金流量法的收入法，與於二零一六年六月三十日及二零一七年六月三十日估值所用估值方法一致。計算方法使用基於本集團管理層批准的最近財政預算案並按稅後貼現率作出的5年期現金流量預測。於預算期間的現金流量預測乃根據預算期間的預期利潤率作出，5年以後則使用3%（二零一六年：3%）的增長率推算，該方法被一致應用於二零一六年六月三十日及二零一七年六月三十日的估值。稅前貼現率已由二零一六年六月三十日的約17.4%變為二零一七年六月三十日的約19.8%，主要由於香港長期無風險利率及市場股權風險溢價等市況變動。

由於上述不利因素及本年度光學業務之實際業務表現，本公司管理層對光學業務的未來表現持審慎態度並將對此業務分部毛利率之預期自於二零一六年六月三十日之約55%降低為於二零一七年六月三十日之約52%。

根據上文所述，光學業務於二零一七年六月三十日之估值降低，導致本年度光學業務應佔之商譽減值虧損約1.3百萬港元（二零一六年：無）。

除光學業務外，於二零一七年六月三十日，本集團亦擁有香港茂昌眼鏡有限公司（「茂昌眼鏡」）之28%（二零一六年：28%）股權，其主要從事貿易、批發及零售光學產品並於香港經營11間（二零一六年：9間）零售店。本年度確認茂昌眼鏡應佔之於聯營公司之權益減值虧損約3.2百萬港元（二零一六年：無）。

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The impairment loss of HK Optical was made with reference to the valuation of HK Optical as at 30th June 2017 prepared by an independent professional qualified valuer not connected with the Group, for the purpose of assessing the value in use of HK Optical. The methodology used in the valuation report of HK Optical was income approach using discounted cash flow method, which was consistently applied to the valuations as at 30th June 2016 and 30th June 2017. The calculation used cash flow projections based on latest financial budgets approved by the management of the Group covering a period of 5 years and at a post-tax discount rate. The cash flow projections during the budget period were based on the expected profits margins during the budget period, and were extrapolated using a 3% (2016: 3%) growth rate beyond the 5-year period, which was the same for both valuations as at 30th June 2016 and 30th June 2017. The pre-tax discount rate had changed from approximately 15% as at 30th June 2016 to approximately 16.4% as at 30th June 2017, which was mainly attributable to changes in market conditions, such as long-term risk free rates in Hong Kong and market equity risk premium. Due to the aforesaid unfavorable factors and the actual business performance of the HK Optical during the Year, the management of the Company is prudent on the HK Optical future performance and lowers its expectation on the gross profit margin of HK Optical, from approximately 55% as at the 30th June 2016 to approximately 54% as at 30th June 2017.

The business outlook of this segment as a whole is very challenging and the Group will adopt tight cost controls, continue to close non-performing retail shops, negotiate better leasing terms, rearrange the product mix and introduce a new line of products to improve the profitability of this business segment.

Securities brokerage and margin financing

The Company engages in securities brokerage and margin financing through its wholly owned subsidiary China Jianxin Financial Services Limited ("China Jianxin"). China Jianxin is a company licensed under the Securities and Future Ordinance to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities, the principal activities of which are provision of brokerage services and securities margin financing to clients.

茂昌眼鏡的減值虧損乃經參考與本集團並無關連的獨立專業合資格估值師就評估茂昌眼鏡的使用價值編製的茂昌眼鏡於二零一七年六月三十日的估值作出。茂昌眼鏡估值報告所使用的方法為基於折現現金流量法的收入法，與於二零一六年六月三十日及二零一七年六月三十日估值所用估值方法一致。計算方法使用基於本集團管理層批准的最近財政預算案並按稅後貼現率作出的5年期現金流量預測。於預算期間的現金流量預測乃根據預算期間的預期利潤率作出，5年以後則使用3%（二零一六年：3%）的增長率推算，該方法被一致應用於二零一六年六月三十日及二零一七年六月三十日的估值。稅前貼現率已由二零一六年六月三十日的約15%變為二零一七年六月三十日的約16.4%，主要由於香港長期無風險利率及市場股權風險溢價等市況變動。由於上述不利因素及本年度茂昌眼鏡的實際業務表現，本公司管理層對茂昌眼鏡的未來表現持審慎態度並將對茂昌眼鏡毛利率之預期自於二零一六年六月三十日之約55%降低為於二零一七年六月三十日之約54%。

該業務分部的整體業務前景頗具挑戰性及本集團將嚴格控制成本，繼續關閉表現不佳的零售店，磋商更有利的租賃條款，重排產品組合及引入新產品線以改善該業務分部的盈利能力。

證券經紀及孖展融資

本公司透過其全資附屬公司中國建信金融服務有限公司（「中國建信」）從事證券經紀及孖展融資業務。中國建信為一間根據證券及期貨條例從事第1類（證券交易）及第4類（就證券提供意見）受規管活動的持牌公司，其主要業務為向客戶提供經紀服務及證券孖展融資。

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Revenue from this business segment recorded a remarkable growth during the Year. The revenue increased by approximately 123.0% from approximately HK\$16.1 million for the year ended 30th June 2016 to HK\$35.9 million for the Year. It accounted for approximately 15.5% (2016: approximately 10.6%) of the Group's revenue during the Year. The segment profit of this business segment was approximately HK\$11.6 million (2016: approximately HK\$4.0 million) during the Year. The increase in revenue and profit were mainly due to (i) only around 7 months of the operational results of China Jianxin was included in the Group's consolidated result for the year ended 30th June 2016 as China Jianxin was acquired by the Group in November 2015 while full year operation results of China Jianxin was included in the Group's consolidated result for the Year; (ii) the increase of the revenue derived from placing and underwriting services from approximately HK\$2.5 million for the year ended 30th June 2016 to approximately HK\$10.2 million for the Year, representing an increase of approximately 4.08 times. Such increase was mainly due to the increase in the number of placing and underwriting engagements that China Jianxin has participated during the Year; (iii) the increase of the interest income from the margin financing business from approximately HK\$5.2 million for the year ended 30th June 2016 to approximately HK\$18.3 million for the Year, representing an increase of approximately 3.52 times. Such increase was attributable to the keen demand for margin financing from customers and the expansion of funds available for margin financing business from the fund raising activities of the Group conducted during the Year; and (iv) the increase of the commission from securities dealing and brokerage services from approximately HK\$3.0 million for the year ended 30th June 2016 to approximately HK\$7.4 million for the Year, representing an increase of approximately 2.47 times. Such increase was due to the increase in the transaction amount of customers' securities trading.

於本年度，該業務分部之收益取得顯著增長。收益由截至二零一六年六月三十日止年度的約16.1百萬港元增長約123.0%至本年度的35.9百萬港元。其佔本集團於本年度內收益之約15.5%（二零一六年：約10.6%）。於本年度，該業務分部之分部溢利約為11.6百萬港元（二零一六年：約4.0百萬港元）。收益及溢利增加乃主要由於(i)鑒於中國建信於二零一五年十一月被本集團收購，中國建信僅約7個月的經營業績列入本集團截至二零一六年六月三十日止年度的綜合業績；而中國建信的全年經營業績列入本集團本年度綜合業績；(ii)配售及包銷服務收益由截至二零一六年六月三十日止年度的約2.5百萬港元增加至本年度的約10.2百萬港元，增長約4.08倍。是項增長主要由於中國建信於本年度參與的配售及包銷委聘宗數增加；(iii)孖展融資業務的利息收入由截至二零一六年六月三十日止年度的約5.2百萬港元增加至本年度的約18.3百萬港元，增長約3.52倍。是項增長乃由於客戶對孖展融資的殷切需求及從本集團本年度進行的集資活動中取得的孖展融資業務可用資金擴增；及(iv)證券交易及經紀服務的佣金由截至二零一六年六月三十日止年度的約3.0百萬港元增加至本年度的約7.4百萬港元，增長約2.47倍。是項增長乃由於客戶證券交易的交易數額增加所致。

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However, in late June 2017, there was a sharp decline in the share price of certain stocks held by China Jianxin as collateral security for its margin clients, with the percentage declines in share price of such stocks ranging from 35% to approximately 89% ("June Incident"). As a result of the June Incident, a number of China Jianxin's accounts receivable arising from securities brokerage and margin financing business became under-collateralised and its excess liquid capital has also decreased. China Jianxin thus made margin calls with its margin loan clients. As a result of June Incident, an impairment loss of approximately HK\$9.0 million (2016: Nil) was provided for the accounts receivable from cash clients and margin clients arising from securities brokerage and margin financing business of approximately HK\$266.8 million (2016: approximately HK\$204.4 million) as at 30th June 2017.

Following the June Incident and the deterioration of China Jianxin's margin loans during and after the June Incident and the related significant drop in its liquid capital, China Jianxin received a letter from the Securities and Futures Commission ("SFC"), wherein the SFC, among other things, had identified certain deficiencies of China Jianxin's margin loan operations and its failure to comply with certain requirements under the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission ("Code of Conduct").

In such connection, the SFC had instructed China Jianxin to refrain from providing further margin lending or other form of financial accommodation to clients until it has fully complied with the applicable Code of Conduct requirements. The SFC had also instructed China Jianxin to prevent further deterioration of its financial position, including maintaining sufficient cash reserves to maintain its business operations for a reasonable amount of time, cease to apply imprudent margin lending practices, and tighten and formalise its margin lending policy. China Jianxin had undertaken to the SFC to implement the measures required by the SFC to address the identified deficiencies and risk concerns satisfactorily within a reasonable period of time, failure of which would result in the SFC taking further action which may include the imposition of conditions on China Jianxin's licence.

然而，於二零一七年六月底，中國建信為其孖展客戶持作抵押品證券之若干股票之股價大幅下跌，有關股票股價之下跌百分比介乎35%至約89%（「六月事件」）。由於六月事件，中國建信因證券經紀及孖展融資業務產生之多項應收賬款變得抵押不足及其額外流動資金亦減少。因此，中國建信要求其孖展貸款客戶追加保證金。由於六月事件，於二零一七年六月三十日就證券經紀及孖展融資業務產生之應收現金客戶及孖展客戶賬款約266.8百萬港元（二零一六年：約204.4百萬港元）計提約9.0百萬港元（二零一六年：無）減值虧損。

於六月事件後及中國建信之孖展貸款於六月事件期間及之後惡化及其流動資金相應大幅下跌，中國建信接獲證券及期貨事務監察委員會（「證監會」）之函件，當中證監會（其中包括）已發現中國建信之孖展貸款業務存在若干缺陷及其未能遵守證券及期貨事務監察委員會持牌人或註冊人操守準則（「操守準則」）之若干規定。

有鑒於此，證監會已指示中國建信禁止向客戶提供進一步孖展貸款或其他形式之財務融通，直至其全面遵守適用操守準則規定為止。證監會亦已指示中國建信需阻止其財務狀況進一步惡化，包括於合理時間內維持充足現金儲備以維持業務營運，不再進行不審慎孖展貸款行為以及收緊和正式確定其孖展貸款政策。中國建信已向證監會承諾實施證監會要求之措施及於合理時間內滿意解決所發現缺陷及風險問題，否則將導致證監會採取進一步措施，可能包括對中國建信之牌照設置條件。

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The management of China Jianxin is currently working towards addressing such deficiencies and concerns.

中國建信之管理層現正致力解決有關缺陷及問題。

Following the launch of the Shanghai and Shenzhen-Hong Kong Stock Connect Program in 2014 and 2016, respectively, it was believed that the financial services industry of Hong Kong would continue to grow. The Group will strengthen its internal control policy and take a prudent approach to develop the securities brokerage and margin financing business to reduce the credit risk from the margin clients.

二零一四年及二零一六年分別推出滬港通及深港通計劃後，相信香港的金融服務業將不斷增長。本集團將強化其內部控制政策及審慎發展證券經紀及孖展融資業務，以降低來自孖展客戶的信貸風險。

Securities investments

Below is the list of the financial assets at fair value through profit or loss which the Directors consider as material held by the Group as at 30th June 2017:

證券投資

以下是本集團於二零一七年六月三十日所持董事認為屬重大之透過損益按公平值入賬之金融資產列表：

Name of investee company	Notes	Place of incorporation	Number of shares held by the Group	Percentage of total issued share capital of the investee company as at 30th June 2017 (Note 1)	Market value as at 30th June 2017	Percentage to the Group's total assets as at 30th June 2017	Percentage to the Group's net assets as at 30th June 2017	Percentage to the Group's total financial assets at fair value through profit or loss as at 30th June 2017	Unrealised gain/(loss) on change in fair value for the Year	Dividend income for the Year
被投資公司名稱	附註	註冊成立地點	本集團所持股份數目	佔被投資公司於二零一七年六月三十日之已發行股本總數之百分比 (附註1) (approximate %) (概約%)	於二零一七年六月三十日之市值 (approximate HK\$'000) (概約千港元)	佔本集團於二零一七年六月三十日總資產之百分比 (approximate %) (概約%)	佔本集團於二零一七年六月三十日淨資產之百分比 (approximate HK\$'000) (概約千港元)	佔本集團於二零一七年六月三十日透過損益按公平值列賬之金融資產總額之百分比 (approximate %) (概約%)	本年度公平值變動之未變現收益/(虧損) (approximate HK\$'000) (概約千港元)	本年度股息收入 (approximate HK\$'000) (概約千港元)
First Credit Finance Group Limited 第一信用金融集團有限公司	2	Bermuda 百慕達	150,000,000	4.13	88,500.0	6.1%	8.7%	38.0%	52,200.0	-
Leap Holdings Group Ltd. 前進控股集團有限公司	3	Cayman Islands 開曼群島	173,600,000	3.30	36,976.8	2.5%	3.7%	15.9%	(26,387.2)	-
Xinhua News Media Holdings Ltd. 新華通訊傳媒控股有限公司	4	Cayman Islands 開曼群島	67,502,000	4.68	32,738.5	2.2%	3.2%	14.1%	18,833.1	-
Jiu Rong Holdings Ltd. 久融控股有限公司	5	Cayman Islands 開曼群島	163,000,000	2.98	31,459.0	2.2%	3.1%	13.5%	6,194.0	-
					189,674.3	13.0%	18.7%	81.5%	50,839.9	-

MANAGEMENT DISCUSSION AND ANALYSIS

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Notes:

1. The percentage is calculated with reference to the then latest monthly return as at 30th June 2017 of the investee company publicly available on the website of the Stock Exchange (where applicable).
2. First Credit Finance Group Limited (“First Credit”) and its subsidiaries are principally engaged in money lending business and securities trading business. The shares of First Credit (stock code: 8215) are listed on the Growth Enterprise Market of the Stock Exchange (the “GEM”). As disclosed in the latest annual report of First Credit, First Credit recorded an audited consolidated profit attributable to the owners of First Credit of approximately HK\$33.6 million for the year ended 31st December 2016.

As disclosed in the latest interim report of First Credit for the six months period ended 30th June 2017, in view of the competitive money lending market in Hong Kong, First Credit actively pursued other opportunities in other industries in order to broaden the source of revenue and diversify business risk with the aim to enhance its shareholder value. First Credit has acquired an indirect equity interest in Asia Wealth Securities Limited, which holds the licence to carry on Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”). It is expected that the development of the securities related business would enhance the potential return of business of First Credit. First Credit is proactively exploring further potential investment opportunities, including but not limited to investments in bonds, debt instruments, listed equity securities or project-based investments, subject to the prevailing market condition and taking into account the interest of First Credit and its shareholders as a whole.

In connection with the re-focusing of the Group’s business operations as announced on 25th May 2016, the Company decided to change the purpose of holding First Credit from short-term trading to long-term investments. For the purpose of complying with the applicable accounting standards, the securities investments of First Credit are included in financial assets at fair value through profit or loss as current assets in the consolidated balance sheet for the accounting purpose despite the purpose of holding is long-term investment.

附註：

1. 該百分比乃經參考被投資公司於聯交所網站上公開的二零一七年六月三十日的當時最新月度申報表而計算(如適用)。
2. 第一信用金融集團有限公司(「第一信用」)及其附屬公司主要從事放貸業務及證券交易業務。第一信用(股份代號：8215)的股份於聯交所創業板(「創業板」)上市。如第一信用的最新年報所披露，第一信用於截至二零一六年十二月三十一日止年度錄得第一信用擁有人應佔經審核綜合溢利約33.6百萬港元。

如第一信用截至二零一七年六月三十日止六個月期間的最新中報所披露，鑒於香港放貸市場有競爭，第一信用積極追求其他行業的其他機會，以拓闊收益來源及分散業務風險，旨在提升其股東價值。第一信用已收購亞洲創富證券有限公司的間接股權，該公司持有從事香港法例第571章證券及期貨條例(「證券及期貨條例」)項下第1類(證券交易)受規管活動的牌照。預期證券相關業務的發展將提升第一信用的業務的潛在回報。第一信用現正積極開拓進一步潛在投資機會，包括但不限於債券投資、債務工具、上市股本證券或基於項目的投資，視乎現行市況而定並計及第一信用及其股東的整體利益。

為按二零一六年五月二十五日所公佈重新集中發展本集團的業務營運，本公司決定將持有第一信用之目的由短期買賣變更為長期投資。為符合適用會計準則，儘管持有目的為長期投資，但就會計處理而言第一信用之證券投資乃於綜合資產負債表內作為流動資產計入透過損益按公平值入賬之金融資產內。

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3. Leap Holdings Group Ltd. (“Leap”) and its subsidiaries are principally engaged in provision of foundation works and ancillary services; and construction wastes handling services in Hong Kong. The shares of Leap (stock code: 1499) are listed on the Main Board of the Stock Exchange (the “Main Board”). As disclosed in the latest annual report of Leap, Leap recorded an audited consolidated profit attributable to the owners of Leap of approximately HK\$8.4 million for the year ended 31st March 2017.

As disclosed in the latest annual report of Leap for the year ended 31st March 2017, the construction industry in Hong Kong is facing keen market competition with the increase in the number of competitors leading to the dilution in the profit margin of awarded contracts. Furthermore, the number of capital works projects dropped due to the filibustering in the Legislative Council causing delay in funding approval for public works. Despite the fact that the construction industry in Hong Kong is facing such uncertainties, Leap expects that the construction industry is under temporary adjustment and looks forward to the rebound from the downturn of the market. Leap’s outlook still remains positive towards the construction industry and will proactively look for opportunities to create maximum returns to the shareholders of Leap. Leap will also seek investment opportunities in listed securities and other financial products in Hong Kong and other recognised financial markets in the overseas with a view to generate additional income and enhance the capital use of Leap.

4. Xinhua News Media Holdings Ltd. (“Xinhua”) and its subsidiaries are principally engaged in the provision of cleaning and related services, medical waste treatment service, waste treatment service and television screen broadcast business. The shares of Xinhua (stock code: 309) are listed on the Main Board. As disclosed in the latest annual report of Xinhua, Xinhua recorded an audited consolidated loss attributable to the owners of Xinhua of approximately HK\$18.0 million for the year ended 31st March 2017.

3. 前進控股集團有限公司(「前進」)及其附屬公司主要於香港從事地基工程及配套服務；及建築廢物處理服務。前進的股份(股份代號：1499)於聯交所主板(「主板」)上市。如前進的最新年報所披露，前進於截至二零一七年三月三十一日止年度錄得前進擁有人應佔經審計綜合溢利約8.4百萬港元。

如前進截至二零一七年三月三十一日止年度的最新年報所披露，香港建築行業正面臨激烈市場競爭，競爭對手數目增加而導致中標合約的利潤攤薄。再者，基本建設工程項目數目因立法會有阻撓議事致使公共工程資金審批延遲而減少。儘管香港建築行業正面臨該等不確定因素，但前進預期建築行業在進行臨時調整並期待市場從頹勢中反彈。前進的展望對建築行業仍是肯定的及將積極物色機會實現對前進股東的最大回報。前進亦將物色香港與海外其他認可金融市場的上市證券及其他金融產品的投資機會，旨在賺取額外收入及提高前進的資金利用。

4. 新華通訊頻媒控股有限公司(「新華」)及其附屬公司主要提供清潔及相關服務、醫療廢物處理服務、廢物處理服務及電視屏幕播放業務。新華的股份(股份代號：309)於主板上市。如新華最新年報所披露，新華於截至二零一七年三月三十一日止年度錄得新華擁有人應佔經審計綜合虧損約18.0百萬港元。

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As disclosed in the latest annual report of Xinhua for the year ended 31st March 2017, for the television screen broadcast business, Xinhua will hold the exclusive broadcasting news rights by Xinhua News Agency Asia Pacific Bureau for another four years. Xinhua is also still under contract with Hong Kong MTR for the rights of Hung Hom Train Station and the KTT train. This is still a solid foundation to which the Xinhua can build upon. In the coming year, Xinhua plans to grow through mergers and acquisition channel rather than organically. The mergers and acquisitions route will not only enable Xinhua to grow at a faster rate, but also acquire sought after LED locations as well as talent expertise. As always, Xinhua will take a prudent but opportunistic approach when considering potential investments. For the cleaning and related services, most of the cleaning service contracts are for periods of two to three years, which is a general practice in Hong Kong. Some of Xinhua's contracts will experience renewal cycles within the second half of the year and will be offered for open tender again by the customers. With cautious confidence Xinhua shall strive to bid for and win the contracts. However, there can be no assurance that the contracts can be regained. Should Xinhua be unsuccessful in any one of them, Xinhua's service revenue may inevitably be adversely affected.

5. Jiu Rong Holdings Ltd. ("Jiu Rong") and its subsidiaries are principally engaged in manufacturing and sales of digital television, high definition liquid crystal display digital television and set-top box as well as provision of application of solutions regarding integration of telecommunication digital television and internet in the digital video industry ("Digital Video Business"); and the construction, application and management of new energy vehicles and related products, charging facilities and intelligent management systems ("New Energy Vehicles Business"). The shares of Jiu Rong (stock code: 2358) are listed on the Main Board. As disclosed in the latest annual report of Jiu Rong, Jiu Rong recorded an audited consolidated loss attributable to the owners of Jiu Rong of approximately HK\$35.3 million for the year ended 31st December 2016.

As disclosed in the latest interim report of Jiu Rong for the six months period ended 30th June 2017, the Digital Video Business is still facing a lot of challenges. For the New Energy Vehicles Business, Jiu Rong has already established 10 electric vehicles charging facilities stations in Hangzhou with a total of approximately 1,300 electric vehicles charging piles in operation, and intelligent parking of approximately 10,000 m² with new energy vehicles charging facilities and intelligent management system in Shangcheng District, Hangzhou. Jiu Rong will continue to invest in the new energy vehicles business with the aim to be one of the largest new energy vehicles charging facilities operator in the PRC.

如新華截至二零一七年三月三十一日止年度的最新年報所披露，就電視屏幕播放業務而言，新華將透過新華通訊社亞太總分社有限公司再持有4年獨家新聞播映權。新華與港鐵的紅磡火車站及「九廣通」列車上的播放權的合約仍然生效。這仍是新華立足的堅實基礎。來年，新華計劃透過併購方式而非有機方式增長。併購方式將不僅令新華實現更快速增長，而且亦獲得受歡迎的LED屏幕駐點及業界專才。當考慮潛在投資時，新華將一如既往地奉行謹慎但力求時機拿捏精確的策略。關於清潔及相關服務，大部分清潔服務合約為期兩至三年，這是香港的普遍慣例。新華的部分合約將在該年下半年進入續期週期及將由客戶再次進行公開招標。有了審慎及信心，新華力求競投並中标。然而，無法保證可再獲得合約。倘新華在任何其中一份合約競投中不中标，則新華的服務收益可能不可避免地受到不利影響。

5. 久融控股有限公司（「久融」）及其附屬公司主要製造及銷售數碼電視機、高清液晶顯示數碼電視機及機頂盒以及提供數碼視頻業有關電訊、數碼電視機及互聯網整合應用解決方案（「數碼視頻業務」）；新能源汽車及相關產品、充電設施及智能管理系統的構建、應用及管理（「新能源汽車業務」）。久融的股份（股份代號：2358）於主板上市。如久融的最新年報所披露，久融於截至二零一六年十二月三十一日止年度錄得久融擁有人應佔經審計綜合虧損約35.3百萬港元。

如久融截至二零一七年六月三十日止六個月的最新中期報告所披露，數碼視頻業務仍面臨眾多挑戰。關於新能源汽車業務，久融已建設十個位於杭州的電動車充電站，共有約1,300個投運充電樁，及位於杭州上城區約一萬平方米並配備新能源充電設備和智能管理系統的智能停車場。久融將繼續投資於新能源汽車業務，旨在成為中國最大新能源汽車充電設施運營商之一。

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Jiu Rong also has commenced the cloud data business, the management of Jiu Rong believes that the co-operation with the local authorities of West Lake District and Yunqi Cloud Town as well as famous cloud computing enterprises such as Aliyun (阿里雲) and West Lake Electric (西湖電子) to establish big data industrial park is with substantial growth potential. Jiu Rong will continue to (1) closely evaluate the performance of the above mentioned businesses; (2) actively explore new businesses or investments; and (3) consider fund raising opportunities which can strengthen the financial position of Jiu Rong in order to enhance the value of Jiu Rong which will be in the interests of Jiu Rong and its shareholders as a whole.

The Group had recorded a fair value gain arising from the change in fair value of financial assets at fair value through profit or loss of approximately HK\$12.7 million for the Year while the Group recorded a fair value loss arising from the change in fair value of financial assets at fair value through profit or loss of approximately HK\$143.6 million for the same period in last year. Such improvement was mainly attributable to the good performance of certain investments during the Year. In particular, the investments in the shares of First Credit, Xinhua and Jiu Rong recorded fair value gain of approximately HK\$52.2 million, HK\$18.8 million and HK\$6.2 million, respectively, and is partially offset by the fair value loss arising from investments in the share of Leap and Convoy Global Holdings Ltd., (the shares of which are listed on the Main Board with stock code 1019) of approximately HK\$34.5 million (the sum of unrealised loss of approximately HK\$26.4 million and realised loss of approximately HK\$8.1 million) and HK\$31.8 million respectively during the Year.

As a result, the overall segment profit of the securities investment segment was approximately HK\$12.0 million (2016: segment loss of approximately HK\$143.6 million) during the Year. The Group will continue reviewing its investment portfolios, so as to achieve a better return to the Group.

久融已開展雲數據業務，久融管理層相信與西湖區及云栖小鎮地方政府部門以及阿里雲及西湖電子等知名云計算企業攜手共同打造大數據產業園，有龐大增長潛力。久融將繼續(1)密切評估上述業務的表現；(2)積極開拓新業務或投資；及(3)考慮可加強久融財務狀況的集資機會，以提升久融價值，而此舉符合久融及股東的整體利益。

本集團本年度錄得透過損益按公平值入賬之金融資產公平值變動產生之公平值收益約12.7百萬港元，而上年同期本集團則錄得透過損益按公平值入賬之金融資產公平值變動產生之公平值虧損約143.6百萬港元。業績改善主要原因為若干投資於本年度表現良好。尤其是，於第一信用、新華及久融之股份投資於本年度分別錄得公平值收益約52.2百萬港元、18.8百萬港元及6.2百萬港元，惟被本年度對前進及康宏環球控股有限公司(其股份於主板上市，股份代號1019)的股份投資的公平值虧損分別約34.5百萬港元(未變現虧損金額約為26.4百萬港元及已變現虧損約為8.1百萬港元)及31.8百萬港元所部分抵銷。

因此，證券投資分部於本年度之分部溢利總額約為12.0百萬港元(二零一六年：分部虧損約143.6百萬港元)。本集團將持續檢討其投資組合，藉此為本集團帶來更高回報。

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Available-for-sale financial assets

Below is the list of the available-for-sale financial assets which the Directors consider as material held by the Group as at 30th June 2017:

可供出售金融資產

以下是本集團於二零一七年六月三十日所持董事認為屬重大之可供出售金融資產列表：

Name of investee company	Notes	Place of incorporation	Number of shares held by the Group	Percentage of total issued share capital of the investee company as at 30th June 2017 (Note 1) 佔被投資公司於二零一七年六月三十日之已發行股本總數之百分比 (附註1) (approximate %) (概約%)	Market/Fair value as at 30th June 2017 於二零一七年六月三十日之市值/公平值 (approximate HK\$'000) (概約千港元)	Percentage to the Group's total assets as at 30th June 2017 佔本集團於二零一七年六月三十日總資產之百分比 (approximate %) (概約%)	Percentage to the Group's net assets as at 30th June 2017 佔本集團於二零一七年六月三十日淨資產之百分比 (approximate %) (概約%)	Percentage to the Group's total available-for-sale financial assets as at 30th June 2017 佔本集團於二零一七年六月三十日可供出售金融資產總額之百分比 (approximate %) (概約%)	Change in fair value recognised in other comprehensive income/(loss) for the Year 本年度於其他全面收益/ (虧損) 確認之公平值變動 (approximate HK\$'000) (概約千港元)	Dividend income for the Year 本年度股息收入 (approximate HK\$'000) (概約千港元)
Cassia Investment Limited Partnership II	2	Cayman Islands	N/A	N/A	57,333.8	3.9%	5.7%	36.8%	(2,574.5)	-
Cassia Investment Limited Partnership II		開曼群島	不適用	不適用						
GET Holdings Limited 智易控股有限公司	3	Bermuda 百慕達	74,074,500	16.67	42,963.2	3.0%	4.2%	27.6%	4,490.4	-
China New Economy Fund Limited 中國新經濟投資有限公司	4	Cayman Islands 開曼群島	132,400,000	17.00	23,832.0	1.6%	2.4%	15.3%	(14,481.9)	-
					124,129.0	8.5%	12.3%	79.7%	(12,566.0)	-

Notes:

- The percentage is calculated with reference to the then latest monthly return as at 30th June 2017 of the investee company publicly available on the website of the Stock Exchange (where applicable).

附註：

- 該百分比乃經參考被投資公司於聯交所網站上公開的二零一七年六月三十日的當時最新月度申報表而計算(如適用)。

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- Cassia Investment Limited Partnership II (“Cassia II”) is an exempted limited partnership established in accordance with the Exempted Limited Partnership Law of Cayman Islands offering limited partnership interests for the purpose of obtaining capital appreciation through making private equity investments mainly in the consumer sector across Greater China and South East Asia, as well as in non-Asian enterprises that have a strong exposure to Asian consumers market. Cassia II intends to target companies that it believes will benefit from the growing disposable income of the Asian middle class and can capture the behavioural consumer trends that follow such growing household wealth and structured equity transactions primarily in Greater China, Thailand, Indonesia, Vietnam and the Philippines. Cassia II will have a target size of US\$60,000,000 (approximately HK\$465.0 million) and the Group has committed to subscribe the limited partnership interest of Cassia II of US\$9,000,000 (approximately HK\$69.7 million). Up to 30th June 2017, the Group has subscribed for the limited partnership interest of Cassia II of approximately US\$7.9 million (approximately HK\$61.2 million).
 - GET Holdings Limited (“GET”) and its subsidiaries are principally engaged in research, development, distribution of personal computer performance software, anti-virus software, mobile phone applications & toolbar advertisement (“Software Business”); investment in securities; money lending; provision of corporate management solutions and I.T. contract services. The shares of GET (stock code: 8100) are listed on GEM. As disclosed in the latest annual report of GET, GET recorded an audited consolidated profit attributable to owners of GET of approximately HK\$17.1 million for the year ended 31st December 2016.
- Cassia Investment Limited Partnership II (“Cassia II”) 為根據開曼群島豁免有限責任合夥事業法成立之獲豁免有限合夥事業，發售旨在透過主要對大中華及東南亞地區消費行業以及於亞洲消費市場擁有大量業務的非亞洲地區企業進行私募股權投資獲得資本增值的有限合夥權益。Cassia II 擬投資於其認為將從亞洲中產階層可支配收入日益增長中受益及可把握上述家庭財富增長帶來的消費者行為趨勢之公司，以及主要位於大中華、泰國、印尼、越南及菲律賓地區的結構性股權交易。Cassia II 之目標規模將為 60,000,000 美元（約 465.0 百萬港元），而本集團亦承諾認購 Cassia II 之 9,000,000 美元（約 69.7 百萬港元）有限合夥權益。截至二零一七年六月三十日，本集團已認購 Cassia II 之有限合夥權益約 7.9 百萬美元（約 61.2 百萬港元）。
 - 智易控股有限公司（「智易」）及其附屬公司主要從事研發及分銷個人電腦性能軟件、防病毒軟件、手機應用軟件及工具欄廣告（「軟件業務」）；證券投資；放貸；提供企業管理解決方案及資訊科技合約服務。智易的股份（股份代號：8100）於創業板上市。如智易的最新年報所披露，智易於截至二零一六年十二月三十一日止年度錄得智易擁有人應佔經審計綜合溢利約 17.1 百萬港元。

As disclosed in the latest interim report of GET for the six months period ended 30th June 2017, GET considers that the Software Business will continue to become one of the principal sources of income of GET in the future. In the face of the ever-changing I.T. environment, GET will closely monitor the I.T. trend and continuously upgrade its existing products and enhance its product mix to suit the market needs and customers' expectation. Besides, market diversification is the GET's key marketing strategy in the second half of 2017. Under the strategy, GET will continue to maintain its market presence in the U.S. and Europe markets and try to expand its sales channels and strengthen its presence in Asian countries by introducing products to potential customers. Looking forward, the market is expected to remain volatile and competitive. In response to the challenging environment, GET will continue to strive on its diverse business territories and further advance the development of all business segments to further diversify its business portfolio by adhering to prudent business development strategies. GET will also continue to maintain a healthy and conservative level of liquidity and closely monitor the market situation and keep an eye on opportunities in the increasingly competitive operating environment to enhance GET's profitability and its shareholders' value in the long run.

如智易截至二零一七年六月三十日止六個月期間的最新中期報告所披露，智易認為未來軟件業務將繼續成為智易其中一個主要收入來源。面對不斷轉變的資訊科技業環境，智易將密切監察資訊科技趨勢並持續進行現有產品的升級，以及豐富產品組合，順應市場需求及客戶的期望。此外，市場邁向多元化為智易二零一七年下半年的關鍵營銷戰略。根據此戰略，智易將繼續維持其在歐美市場的市場份額，並會透過向潛在客戶推薦產品，嘗試在亞洲國家拓展銷售渠道及鞏固其版圖。展望未來，預期市場仍會相當波動及競爭激烈。因應充滿挑戰的環境，智易將繼續致力各個業務領域的經營，按照審慎的業務發展戰略，進一步推動所有業務向前發展，使業務組合更多元化。智易亦將繼續確保流動資金維持在健康穩妥的水平，並會密切注視市場狀況，留意在競爭日益劇烈的經營環境下的任何機遇，以期長遠促進智易的盈利能力和股東價值。

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4. China New Economy Fund Limited (“CNEF”) is principally engaged in investing globally in both private and publicly listed enterprises that have demonstrated the ability to manufacture a product or deliver a service that is supported by the economies of mainland China, Hong Kong, Macau and Taiwan. The shares of CNEF (stock code: 80) are listed on the Main Board. As disclosed in the latest annual report of CNEF, CNEF recorded an audited consolidated profit attributable to the owners of CNEF of approximately HK\$47.9 million for the year ended 31st December 2016. As disclosed in the latest interim report of CNEF for the six months period ended 30th June 2017, CNEF invested two new private equities and one bond fund, making a total of seven unlisted investments in its diversified portfolio during six months period ended 30th June 2017. CNEF believed they would bring a potential return alongside with listed investments in the long-run. CNEF would explore more investment opportunities toward private equities and other unlisted investments. As global economy and politics are facing more risk, CNEF expected that the US Federal Reserve would be more cautious to raise interest rate and possibly one more hike by the end of 2017. In addition, the PRC Government has lowered its GDP growth target, focusing on quality over quantity as it overhauls its growth model. Therefore, CNEF remained cautiously optimistic on the prospects of securities market in China and Hong Kong. CNEF would continue to deploy an investment strategy focusing on Greater China and closely monitor changes in the global markets. With its professional investment and risk management team, CNEF was confident to capture valuable investment opportunities to maximize profit for its shareholders. As disclosed in the announcement of CNEF dated 13th September 2017, the unaudited net asset value per share of CNEF was approximately HK\$0.41.

The Group recorded a decrease of the carrying value of the available-for-sale financial assets of approximately HK\$88.6 million (2016: decrease of the carrying value of approximately HK\$12.3 million) in the other comprehensive loss during the Year. The decrease was mainly attributed by the decrease in the fair value of the investment in “Hydra Capital SPC – Class A #1 Share” (“Hydra Capital”), Interactive Entertainment China Cultural Technology Inv Ltd. (“IE China”) and CNEF by approximately HK\$53.7 million, HK\$25.6 million and HK\$14.5 million respectively during the Year.

4. 中國新經濟投資有限公司(「中國新經濟投資」)主要在全球範圍投資該等有能生產產品或提供服務且得到中國大陸、香港、澳門及台灣經濟支撐的私人及公眾上市公司。中國新經濟投資(股份代號：80)的股份於主板上市。如中國新經濟投資的最新年報所披露，中國新經濟投資於截至二零一六年十二月三十一日止年度錄得中國新經濟投資擁有人應佔經審計綜合溢利約47.9百萬港元。如中國新經濟投資截至二零一七年六月三十日止六個月期間的最新中期報告所披露，截至二零一七年六月三十日止六個月期間，中國新經濟投資投資兩項新私募股權及一項債券基金，於其多元化組合中作出合共七項非上市投資。中國新經濟投資相信，長遠而言，彼等將配合上市投資帶來潛在回報。中國新經濟投資將探索私募股權及其他非上市投資方面的更多投資機遇。由於全球經濟及政治正面臨更多風險，中國新經濟投資預期，美聯儲將更審慎加息及可能於二零一七年底前再加息一次。此外，由於增長模式顯著改變，中國政府已下調其國內生產總值增長目標，注重質量而非數量。因此，中國新經濟投資仍對中國及香港證券市場前景持審慎樂觀態度。中國新經濟投資將繼續部署專注於大中華之投資策略並密切監控全球市場變動。憑藉其專業投資及風險管理團隊，中國新經濟投資有信心把握寶貴投資機遇以為其股東帶來最大回報。如中國新經濟投資日期為二零一七年九月十三日之公告所披露，中國新經濟投資之未經審核每股資產淨值為約0.41港元。

於本年度，本集團於其他全面虧損錄得可供出售金融資產賬面值減少約88.6百萬港元(二零一六年：賬面值減少約12.3百萬港元)。該減少乃主要由於對「Hydra Capital SPC – A #1類股份」(「Hydra Capital」)、互娛中國文化科技投資有限公司(「互娛中國」)及中國新經濟投資的投資項目的公平值於本年度分別減少了約53.7百萬港元、25.6百萬港元及14.5百萬港元。

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Hydra Capital is an exempted company incorporated with limited liability and registered as a segregated portfolio company under the laws of the Cayman Islands established for the purpose of making investments on behalf of its portfolios where its principal investments are internet related and mobile application in Asia. As at 30th June 2017, the Group held 5,500 shares (30th June 2016: same) in Hydra Capital, representing approximately 24.6% of the total issued shares of Hydra Capital of 22,400 shares.

One of the significant investments of Hydra Capital is the holding of approximately 20.2% equity interest in a company, which is carrying on the business to publish self-developed mobile games, mobile games licensed from third-party game distributors and/or developers in PRC as well as overseas locations including Hong Kong, Taiwan, Malaysia, Singapore, Japan and Republic of Korea (the “Mobile Game Company”). In view of the negative trend of the business outlook of Mobile Game Company, including factors such as lower customers loyalty, high turnover rate of customers, decrease in revenue and increase in research and development expenses, the fair value of the investment in Hydra Capital decreased by approximately HK\$53.7 million.

Hydra Capital為根據開曼群島法律註冊成立之獲豁免有限公司，並登記為獨立投資組合公司，成立目的為代表其投資組合進行投資，其主要投資為於亞洲的互聯網相關及移動應用。於二零一七年六月三十日，本集團於Hydra Capital持有5,500股股份（二零一六年六月三十日：相同），相當於Hydra Capital已發行股份總數22,400股股份之約24.6%。

Hydra Capital的其中一項重大投資為持有一間公司約20.2%的股權，該公司（「手遊公司」）從事業務為發行自主開發的手機遊戲、中國以及海外（包括香港、台灣、馬來西亞、新加坡、日本及韓國）第三方遊戲發行商及／或開發商授權代理的手機遊戲。鑑於該手遊公司業務展望的不利趨勢，包括諸如客戶忠誠度下降、客戶流失率高、收益減少及研發開支增加等因素，對Hydra Capital投資的公平值減少約53.7百萬港元。

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IE China and its subsidiaries are principally engaged in mobile internet cultural business and provision of IT services; provision of hospitality and related services in Australia; provision of medical diagnostic and health check services; money lending business; and assets investments business. The shares IE China (stock code: 8081) are listed on GEM. As at 30th June 2017, the Group held 303,000,000 shares of IE China, representing approximately 5.7% of the total issued shares of IE China of 5,336,235,108 shares as disclosed in its monthly return for the month ended 30th June 2017. As disclosed in the latest annual report of IE China, IE China recorded an audited consolidated loss attributable to the owners of IE China of approximately HK\$344.6 million for the year ended 31st December 2016. As disclosed in the latest interim report of IE China for the six months ended 30th June 2017, IE China has been dedicating its focus on the development of its hospitality business. Riding on the growing popularity in spending holidays and joining cultural immersion activities in Australia, IE China will continue to boost its overall operational capacity and enhance its competitiveness to further improve the attractiveness of the hospitality and related services it provides in Australia through the Resort and the Grange Group. Meanwhile, given that IE China has established proprietary software development and operation infrastructures and is much experienced in providing professional tailor-made information technology services to sizeable corporate clients, it is expected that the IE China's provision of IT services will continue to perform well.

Total impairment loss of approximately HK\$89.6 million were recognised during the Year (2016:Nil), which was mainly due to the significant decrease in the fair value of the investment in Hydra Capital, IE China and CNEF. Impairment losses attributable to IE China, CNEF and Hydra Capital are approximately HK\$25.6 million, HK\$14.5 million and HK\$48.0 million respectively.

互娛中國及其附屬公司主要從事移動互聯網文化業務及提供資訊科技服務；於澳洲提供酒店及相關服務；提供醫學診斷及體檢服務；借貸業務；及資產投資業務。互娛中國的股份（股份代號：8081）於創業板上市。如截至二零一七年六月三十日止月度申報表所披露，於二零一七年六月三十日，本集團持有303,000,000股互娛中國股份，約佔互娛中國5,336,235,108股已發行股份總數的5.7%。如互娛中國的最新年報所披露，互娛中國於截至二零一六年十二月三十一日止年度錄得互娛中國擁有人應佔經審計綜合虧損約344.6百萬港元。如互娛中國截至二零一七年六月三十日止六個月的最新中期報告所披露，互娛中國一直重點發展其酒店業務。由於在澳洲度假及參加文化薰陶活動愈加受青睞，互娛中國將繼續提高其整體營運能力及提升其競爭力以便進一步通過度假村及農莊集團提升其在澳洲提供的酒店及相關服務的吸引力。與此同時，鑒於互娛中國已建立自主軟件開發及經營基礎設施及擁有向大型企業客戶提供專業定制資訊科技服務之豐富經驗，互娛中國預期提供資訊科技服務業務將繼續表現良好。

本年度確認減值虧損總額約89.6百萬港元（二零一六年：無），主要是由於對Hydra Capital、互娛中國及中國新經濟投資的投資項目的公平值大幅減少，互娛中國、中國新經濟投資及Hydra Capital應佔減值虧損分別約為25.6百萬港元、14.5百萬港元及48.0百萬港元。

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The value of the financial assets at fair value through profit or loss and the available-for-sale investments of the Group were affected by the volatile investment market during the Year. Looking forward, the global financial markets is expected to be volatile and overshadowed by the recent unstable political environment in the Asian region, uncertain monetary and interest rates policy of United States, and the expected continuing slowdown of the China economy. The Directors expect that the stock market in Hong Kong will continue to be volatile in the coming year and such investment environment may affect the value of both financial assets at fair value through profit or loss and available-for-sale investments of the Group. The Group will closely monitor the market/fair value and trading volume of these financial assets at fair value through profit or loss and the available-for-sale investments held by the Group as well as its fundamentals and will adjust our position to respond to market changes in order to optimise our return.

Money lending business

The Group engaged in money lending business in Hong Kong during the Year. As at 30th June 2017, the Group had (i) loans receivable of approximately HK\$75.9 million, and (ii) loan to an associate of HK\$5.0 million; approximately HK\$80.9 million in loans receivable under the money lending business (as at 30th June 2016: approximately HK\$48.2 million) and recognised interest income (excluded inter-segment sales) of approximately HK\$5.9 million (2016: approximately HK\$8.5 million). The decrease in interest income was mainly due to the decrease in the average loan portfolio amount during the Year. It accounted for approximately 2.5% (2016: approximately 5.6%) of the Group's revenue during the Year. Loans receivable are interest-bearing at rates ranging from 7% to 20% per annum (2016: 7% to 12% per annum). The segment profit of this business segment was approximately HK\$322,000 (2016: approximately HK\$745,000) during the Year. The decrease in segmental profit was mainly due to the increase in operating expenses to expand potential customers base during the Year. No default event happened in respect of the Group's loans receivable during the Year (2016: Nil).

於本年度，本集團透過損益按公平值入賬之金融資產價值及可供出售投資受投資市場動蕩影響。展望未來，全球金融市場預計將會起伏不定且被近期亞洲地區的不穩定政治環境、美國不明朗的貨幣及利率政策及中國經濟預期持續放緩蒙上陰影。董事預期香港的股票市場於未來一年將持續動蕩，而有關投資環境將影響本集團透過損益按公平值入賬之金融資產價值及可供出售投資。本集團將密切監察該等透過損益按公平值入賬之金融資產及本集團所持該等可供出售投資的市值／公平值及交易量以及其基本要素，並將作出調整以應對市場變化，提高我們的回報。

放貸業務

於本年度內，本集團於香港從事放貸業務。於二零一七年六月三十日，本集團(i)應收貸款約為75.9百萬港元，及(ii)授予一間聯營公司之貸款為5.0百萬港元；放貸業務項下之應收貸款約為80.9百萬港元(於二零一六年六月三十日：約48.2百萬港元)及確認利息收入(分部間銷售除外)約5.9百萬港元(二零一六年：約8.5百萬港元)。利息收入減少乃主要由於本年度平均貸款組合金額減少所致。其於本年度佔本集團收益的約2.5%(二零一六年：約5.6%)。應收貸款年利率介乎7%至20%(二零一六年：每年7%至12%)。於本年度，該業務分部之分部溢利約為322,000港元(二零一六年：約745,000港元)。分部溢利減少乃主要由於本年度增加經營開支擴大潛在客戶群所致。本年度概無發生關於本集團應收貸款的違約事件(二零一六年：無)。

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It is expected the money lending market in Hong Kong will be stable and continue to grow in the near future. The Group will continue to expand the money lending business to effectively utilise the Group's cash resources and to diversify the sources of the Group's income.

Leasing of investment properties

The rental income from leasing of investment properties remained stable during the Year. The Group recorded rental income of approximately HK\$1.0 million (2016: approximately HK\$1.0 million) during the Year from its properties at Woodland House 1-5, Woodlands Villa, 121 Tong Fuk Village, Tong Fuk, Lantau Island, New Territories, Hong Kong. It accounted for approximately 0.5% (2016: approximately 0.7%) of the Group's revenue during the Year.

The segment profit of this business segment was approximately HK\$877,000 (2016: approximately HK\$812,000) during the Year.

There were no additions of disposals of the investment properties during the Year.

Entertainment business

This segment primarily relates to the artiste and model management and organisation of concerts. Revenue from this business segment during the Year was approximately HK\$3.4 million (2016: approximately HK\$7.6 million). It accounted for approximately 1.5% (2016: approximately 5.0%) of the Group's revenue during the Year. The decrease in revenue was mainly due to the keen competition and the decrease in investment amount in the organisation of concert during the Year. Segmental loss of approximately of HK\$2.0 million was recorded during the Year (2016: segmental profit of approximately HK\$834,000). The increase in loss from this segment was due to the decrease in turnover and decrease in gross profit during the Year.

預期香港放貸市場將於不久的將來保持平穩並將繼續增長。本集團將繼續擴展放貸業務以有效利用本集團現金資源及豐富本集團收入來源。

投資物業租賃

投資物業出租於本年度之租金收入保持穩定。本集團於本年度以香港新界大嶼山塘福塘福村121號林地別墅林地屋1至5號的物業錄得租金收入約1.0百萬港元(二零一六年：約1.0百萬港元)。其佔本集團本年度收益的約0.5%(二零一六年：約0.7%)。

該業務分部之分部溢利於本年度約為877,000港元(二零一六年：約812,000港元)。

本年度概無附加投資物業出售。

娛樂業務

該分部主要與藝人及模特兒管理以及組織音樂會有關。於本年度，該業務分部產生之收益為約3.4百萬港元(二零一六年：約7.6百萬港元)，其佔本集團本年度收益的約1.5%(二零一六年：約5.0%)。收益減少乃主要由於本年度的激烈競爭及組織音樂會投資金額減少。於本年度，錄得分部虧損約2.0百萬港元(二零一六年：分部溢利約834,000港元)。該分部虧損增加乃由於本年度內營業額及毛利減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Geographical contribution

In terms of geographical contribution, overseas markets accounted for approximately 63.1% (2016: approximately 44.5%) of the Group's revenue during the Year.

Selling expenses

Selling expenses for the Year decreased by approximately 24.6% to approximately HK\$13.8 million as compared to approximately HK\$18.3 million in the same period last year. The decrease in selling expenses was mainly due to the decrease of the selling activities and expenses of trade, wholesale and retails of watches and jewellery products by approximately HK\$3.8 million during the Year.

Administrative expenses

Administrative expenses for the Year increased by approximately 54.2% to approximately HK\$111.3 million as compared to approximately HK\$72.2 million in the same period last year. The increase in administrative expenses was mainly due to (i) the provision of director and staff bonus of HK\$22.0 million (2016: Nil) to the management of the films distribution and exhibition, licensing and sub-licensing of film rights business segment for the encouraging performance during the Year; (ii) the increase of the administrative expense of China Jianxin by approximately HK\$7.6 million for the expansion of the securities brokerage and margin financing business during the Year.

地區貢獻

就地區貢獻而言，海外市場佔本年度本集團收益的約63.1%（二零一六年：約44.5%）。

銷售費用

本年度銷售費用由上年同期約18.3百萬港元減少約24.6%至約13.8百萬港元。銷售費用減少主要是由於本年度鐘錶及珠寶產品貿易、批發及零售的銷售活動及開支減少約3.8百萬港元。

行政費用

本年度內之行政費用由上年同期的約72.2百萬港元增加約54.2%至約111.3百萬港元。行政費用增加主要由於(i)本年度提供董事及員工花紅22.0百萬港元(二零一六年：無)予電影發行及放映、電影版權授出及轉授業務分部的管理人員，以資鼓勵其表現；(ii)本年度中國建信的行政開支增加約7.6百萬港元以擴大證券經紀及孖展融資業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Update on the adjustment to the consideration of Glory International Entertainment Limited

On 27th August 2015, the Group entered into a sale and purchase agreement (as varied and supplemented by the supplemental agreement dated 5th May 2016 and entered into by the same parties) with an independent third party vendor (the “Vendor”), pursuant to which the Group acquired 49% equity interest in Glory International Entertainment Limited (“Glory International”), a company incorporated in the British Virgin Islands (“BVI”) with limited liability and, together with its subsidiaries, was principally engaged in advertising, promotion, provision of public relations services, holding and sponsoring stage performance, concerts, film production and other cultural events, at an initial cash consideration of HK\$36,750,000 (the “Initial Consideration”) (the “Glory Acquisition”).

The final amount of the consideration (the “Final Consideration”) for the Glory Acquisition was determined in accordance with the following revised formula:

$$FC = NP \times (12/15) \times 7.5 \times 49\%$$

Where:

“FC” meant the amount of the Final Consideration subject to a cap of HK\$36,750,000;

“NP” meant the net profit of Glory International for the Relevant Period (as defined below) (the “Relevant Period Net Profit”), being the audited consolidated profit after tax of Glory International attributable to owners of Glory International for the period from 1st July 2015 to 30th September 2016 (“Relevant Period”) as shown in the audited consolidated financial statements of Glory International (“Relevant Period Audited Accounts”) for the Relevant Period (which would only include income or gain generated by activities in the ordinary and usual course of business of Glory International).

Where the Relevant Period Net Profit was a negative figure, “NP” should be deemed to be zero.

關於彩耀國際娛樂有限公司代價調整的最新情況

於二零一五年八月二十七日，本集團與一名獨立第三方賣方（「賣方」）訂立買賣協議（經相同訂約方於二零一六年五月五日訂立的補充協議修訂及補充），據此，本集團收購彩耀國際娛樂有限公司（「彩耀國際」）（一間於英屬處女群島（「英屬處女群島」）註冊成立之有限公司，連同其附屬公司主要從事廣告製作、推廣、提供公關服務、組織及主辦舞台演出、音樂會、電影製作及其他文化活動）49%股權，初步現金代價為36,750,000港元（「初步代價」）（「彩耀收購事項」）。

彩耀收購事項的最終代價數額（「最終代價」）已根據以下修訂後之公式釐定：

$$FC = NP \times (12/15) \times 7.5 \times 49\%$$

其中：

「FC」指最終代價金額，上限為36,750,000港元；

「NP」指彩耀國際於有關期間（定義見下文）之淨溢利（「有關期間淨溢利」），即二零一五年七月一日至二零一六年九月三十日期間（「有關期間」）彩耀國際經審核綜合財務報表（「有關期間經審核賬目」）所列有關期間彩耀國際擁有人應佔彩耀國際經審核綜合除稅後溢利（其中將僅包括彩耀國際於日常及一般業務過程中之活動產生之收入或收益）。

倘有關期間淨溢利為負數，則「NP」應視作為零。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group and the Vendor shall, in good faith, determine the Final Consideration in accordance with the above formula within 75 days after the Relevant Period Audited Accounts were available. Within 10 Business Days after the Final Consideration is determined, where the Final Consideration was less than the amount of the Initial Consideration, the Vendor should pay in cash (or by way of cheque) to the Group a sum equal to such difference.

For the avoidance of doubt, where the Final Consideration was equal to or more than the Initial Consideration, neither the Group was required to pay any additional sum to the Vendor nor was the Vendor required to refund any part of the initial consideration to the Group.

Please refer to the Company's announcement dated 27th August 2015 and 5th May 2016 for the details of the Glory Acquisition.

According to the Relevant Period Audited Accounts delivered to the Group on 22nd February 2017, net profit of the Glory Group (NP) was approximately HK\$12.9 million. In accordance with the above formula, the Final Consideration (FC) was approximately HK\$37.9 million. As the Final Consideration was capped at HK\$36,750,000 (which is equal to the amount of the Initial Consideration which had already been paid), the Group was not required to pay any additional sum to the Vendor and the Vendor was not required to refund any part of the Initial Consideration to the Group.

The Group recorded the share of profit of the associates from Glory International of approximately HK\$1,294,000 for the Year (2016: approximately HK\$4.5 million).

本集團與賣方應秉誠於可獲得有關期間經審核賬目後75日內根據上述公式釐定最終代價。於最終代價釐定後10個營業日內，倘最終代價少於初步代價金額，則賣方應以現金(或以支票方式)向本集團支付相等於有關差額之金額。

為免生疑問，倘最終代價等於或高於初步代價，則本集團毋須向賣方支付任何額外金額，且賣方亦毋須向本集團退還初步代價之任何部分。

彩耀收購事項之詳情請參閱本公司日期為二零一五年八月二十七日及二零一六年五月五日之公佈。

根據於二零一七年二月二十二日寄發予本集團之有關期間經審核賬目，彩耀集團淨溢利(NP)約為12.9百萬港元。根據上述公式，最終代價(FC)約為37.9百萬港元。由於最終代價的上限為36,750,000港元(等於已支付的初步代價金額)，本集團毋須向賣方支付任何額外金額，且賣方毋須向本集團退還初步代價的任何部分。

於本年度，本集團自彩耀國際錄得應佔聯營公司溢利約1,294,000港元(二零一六年：約4.5百萬港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Discontinued operation – disposal of AP Group Investment Holdings Limited

On 12th October 2015, the Group entered into a sale and purchase agreement with two independent third party vendors and their respective ultimate beneficial owners to acquire 51% equity interest of AP Group Investment Holdings Limited (“AP Group”) at a consideration of HK\$20,400,000 (subject to downward adjustment in respect of the guaranteed profit as described in the sale and purchase agreement) (the “AP Acquisition”). AP Group and its subsidiaries were principally engaged in provision of education and training programs in relation to self-improvement and self-enhancement in Hong Kong and the PRC. The AP Acquisition was completed on 14th December 2015.

On 13th June 2016, the Group and Lucky Famous Limited (the “Purchaser”), an independent third party entered into a disposal agreement (the “AP Disposal Agreement”) pursuant to which the Group had sold to the Purchaser the 51% of the equity interest of AP Group at the consideration of HK\$20,400,000 (the “Consideration”) subject to downward adjustments as described below (the “AP Disposal”). Completion of the AP Disposal took place on 1st July 2016.

In the event that the audited consolidated profit after tax of the AP Group attributable to owners of the AP Group for the period from 1st January 2016 to 31st December 2017 (“FY 2016 & 2017”) (which would only include income or gain generated by activities in the ordinary and usual course of business of AP Group and its subsidiaries) (the “FY 2016 & 2017 Net Profit”) is less than HK\$16,000,000, the Group shall pay to the Purchaser (or to its order) the Adjustment Amount (as defined below) in cash within fourteen (14) Business Days after the audited consolidated financial statements of AP Group for the period of FY 2016 & 2017 (“FY 2016 & 2017 Audited Accounts”) are available.

已終止經營業務－出售愛拼集團控股有限公司

於二零一五年十月十二日，本集團與兩名獨立第三方賣方及彼等各自的最終實益擁有人訂立買賣協議，以收購愛拼集團控股有限公司（「愛拼集團」）51%股權，代價為20,400,000港元（可就買賣協議所述之保證溢利向下調整）（「愛拼收購事項」）。愛拼集團及其附屬公司主要於香港及中國從事提供有關自我完善及自我提升的教育及培訓項目。愛拼收購事項已於二零一五年十二月十四日完成。

於二零一六年六月十三日，本集團與獨立第三方 Lucky Famous Limited（「買方」）訂立出售協議（「愛拼出售協議」），據此，本集團向買方出售愛拼集團51%之股權，代價為20,400,000港元（「代價」）（可按下文所述向下調整）（「愛拼出售事項」）。愛拼出售事項已於二零一六年七月一日完成。

倘自二零一六年一月一日起至二零一七年十二月三十一日止期間（「二零一六及二零一七財年」），愛拼集團擁有人應佔愛拼集團經審核綜合除稅後溢利（該溢利將僅包括愛拼集團及其附屬公司於一般及日常業務過程中之活動產生的收入或收益）（「二零一六及二零一七財年淨溢利」）少於16,000,000港元，本集團應在愛拼集團刊發二零一六及二零一七財年期間的經審核綜合財務報表（「二零一六及二零一七財年經審核賬目」）後十四（14）個營業日內向買方（或根據其指令）以現金方式支付調整金額（定義見下文）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The adjustment amount (the “Adjustment Amount” or the “Contingent Consideration Payable”) will be determined in accordance with the formula set out below:

$$A = \text{HK\$}20,400,000.00 - (\text{NP}/2) \times 5 \times 51\%$$

Where:

“A” means the amount of Adjustment Amount in HK\$; and “NP” means the FY 2016 & 2017 Net Profit. Where the FY 2016 & 2017 Net Profit is a negative figure, “NP” shall be deemed to be zero.

The FY 2016 & 2017 Audited Accounts will be prepared in accordance with the Hong Kong Financial Reporting Standards and audited, at the cost of AP Group, by an accounting firm as approved by the Purchaser, adjusted for any non-recurring items. Further announcement will be made by the Company in relation to the FY 2016 & 2017 Net Profit and the Adjustment Amount when the Adjustment Amount is ascertained.

Such adjustment mechanism is the same with the adjustment mechanism in respect of the AP Acquisition from the original owners. Details of such acquisition are set out in the Company’s announcement dated 12th October 2015.

It is the intention of the Group to re-focus the Group’s business operations, leverage on the expertise of the management in the China Jianxin to further develop the securities brokerage and margin financing and money lending business of the Group, and to dispose of other non-core business for better resources management.

調整金額(「調整金額」或「應付或然代價」)將根據以下公式釐定：

$$A = 20,400,000.00 \text{ 港元} - (\text{NP}/2) \times 5 \times 51\%$$

其中：

「A」指調整金額(港元)；及「NP」指二零一六及二零一七財年淨溢利。倘二零一六及二零一七財年淨溢利為負數，則「NP」將視作為零。

二零一六及二零一七財年經審核賬目將根據香港財務報告準則編製，並由買方認可的會計師事務所審核(費用由愛拼集團承擔)，並就任何非經常項目作出調整。本公司將於調整金額確定時就二零一六及二零一七財年淨溢利及調整金額另行刊發公佈。

該調整機制與原擁有人進行之愛拼收購事項的調整機制相同。有關該收購事項之詳情載於本公司日期為二零一五年十月十二日之公佈。

本集團旨在重新專注於本集團的業務營運，發揮中國建信的管理專長以進一步發展本集團的證券經紀、孖展融資及放貸業務，並出售其他非核心業務以更好管理資源。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Notwithstanding the downward adjustment mechanism of the Consideration depending on the actual performance of the AP Group for FY 2016 & 2017, with reference to the announcement of the Company dated 12th October 2015 in relation to the AP Acquisition, the consideration for the AP Acquisition and the adjustment mechanism for such consideration are the same as those under the Disposal Agreement. In the event there is a shortfall between the FY 2016 & 2017 Net Profit and the target profit of the AP Group for FY 2016 & 2017 of HK\$16,000,000, the adjustment amount ("Contingent Consideration Receivable") is required to be paid by Very Easy Limited and City Link Consultancy Limited, being the vendors under the AP Acquisition, to the Group within seven (7) Business Days after the FY 2016 & 2017 Audited Accounts are available, and by the Group to the Purchaser within 14 Business Days after the FY 2016 & 2017 Audited Accounts are available. The original vendors' obligations to pay such adjustment amount to the Group are guaranteed by their respective beneficial owners. Accordingly, theoretically, the financial consequence from such adjustment to consideration would not have any material adverse influence on the financial position of the Group and return of the AP Disposal is protected in this regard.

As at 30th June 2017, the fair value of the Contingent Consideration Receivable and Contingent Consideration Payable, are of approximately HK\$15.7 million and approximately HK\$19.6 million respectively, which is based on the best estimation of the directors of the Company taking into account the operation result of AP Group in 2016 and first half of 2017.

Further announcement in this regard will be made by the Company as and when appropriate.

OUTLOOK

Due to the keen competition in PRC and Hong Kong market, it is expected the business prospect of the films distribution and exhibition, licensing and sub-licensing of film rights and the trade, wholesale and retail of optical products, watches and jewellery products will be very challenging and the Group will continue to adopt a cautious and prudent approach in operating these two business segments in the coming years.

儘管設有代價下調機制(取決於愛拼集團於二零一六及二零一七財年的實際表現)(可參考本公司日期為二零一五年十月十二日內容有關愛拼收購事項的公佈),愛拼收購事項的代價及其調整機制均與出售協議項下的代價及其調整機制相同。倘二零一六及二零一七財年淨溢利較愛拼集團二零一六及二零一七財年的目標溢利(16,000,000港元)出現短缺額,則愛拼收購事項項下之賣方Very Easy Limited及City Link Consultancy Limited須於刊發二零一六及二零一七財年經審核賬目後七(7)個營業日內向本集團支付調整金額(「應收或然代價」),而本集團須於刊發二零一六及二零一七財年經審核賬目後14個營業日內向買方支付調整金額。原賣方向本集團支付有關調整金額的責任由其各自實益擁有人擔保。因此,理論上,代價調整所產生的財務後果理論上並不會對本集團的財務狀況造成任何重大不利影響,愛拼出售事項的回報已就此得到保障。

於二零一七年六月三十日,基於本公司董事之最佳估計並參考二零一六年及二零一七年上半年愛拼集團之經營業績,應收或然代價及應付或然代價的公平值分別為約15.7百萬港元及約19.6百萬港元。

本公司將於適當時候就此刊發進一步公告。

展望

由於中國及香港市場競爭激烈,預期電影發行及放映、授出及轉授電影版權與光學產品、鐘錶及珠寶產品貿易、批發及零售的業務前景頗具挑戰,本集團於未來數年經營此兩大業務分部時將繼續保持審慎。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Despite the recent unstable political environment in the Asian region, uncertain monetary and interest rates policy of the United States, and the expected continuing slowdown of the China economy, the Group remains cautiously optimistic on the prospects of the securities brokerage and margin financing, money lending and other financial services business following the launch of the Shanghai and Shenzhen-Hong Kong Stock Connect Program.

Nevertheless, the Group will continue to identify and capture different investment opportunities in other business sectors with enormous potentials to further diversify its businesses and broaden the income sources of the Group.

FINANCIAL RESOURCES, LIQUIDITY AND CAPITAL STRUCTURE

The Group's financial position remained healthy. As at 30th June 2017, the Group had cash balances of approximately HK\$228.2 million (2016: approximately HK\$101.2 million).

As at 30th June 2017, the Group had total assets of approximately HK\$1,456.9 million (2016: approximately HK\$1,150.7 million).

The Group's gearing ratio as at 30th June 2017 is approximately 5.2% (2016: approximately 1.8%), which was calculated on the basis of the total debt (including borrowings, obligations under finance lease and bank overdraft) divided by total equity of the Group.

Finance cost for the Year is approximately HK\$6.1 million (2016: approximately HK\$2.3 million). The significant increase of finance cost was mainly due to the increase of the Group's borrowing outstanding during the Year for the acquisition and development of new and current business of the Group.

儘管亞洲地區近期政局不穩，美國的貨幣及利率政策仍未明朗，中國經濟預期將會繼續放緩，但本集團對滬港通及深港通計劃推出後證券經紀及孖展融資、放貸及其他金融服務業務的前景仍持審慎樂觀態度。

然而，本集團將繼續於其他有巨大潛力的業務領域物色及把握各種投資機會，進一步多元化其業務及拓展本集團收入來源。

財務資源、流動資金及資本架構

本集團之財務狀況保持穩健。本集團於二零一七年六月三十日之現金結餘為約228.2百萬港元(二零一六年：約101.2百萬港元)。

於二零一七年六月三十日，本集團之資產總值為約1,456.9百萬港元(二零一六年：約1,150.7百萬港元)。

本集團於二零一七年六月三十日之資產負債比率約為5.2%(二零一六年：約1.8%)，乃根據本集團之債務總額(包括借貸、融資租賃承擔及銀行透支)除以總權益計算。

於本年度，財務成本約為6.1百萬港元(二零一六年：約2.3百萬港元)。財務成本之大幅增加主要由於本集團於本年度用作收購及發展本集團新增及當前業務的未償還借貸增加所致。

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In light of the fact that most of the Group's transactions are denominated in Hong Kong dollars, Renminbi and United States dollars, the Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi. The Group will continue to take proactive measures and monitor its exposure to the movements of these currencies closely.

As at 30th June 2017, the Group had shareholders' capital of approximately HK\$8.5 million (30th June 2016: approximately HK\$1.8 million). The shareholders' capital of the Company is constituted of 853,302,276 shares (30th June 2016: 177,774,092 shares).

The Group conducted a rights issue, a placing of new shares under general mandate and a placing of new shares under specific mandate to increase the shareholders' base and capital during the Year, the details of which are as follows:

Rights issue

As disclosed in the Company's announcement dated 12th July 2016, the Company's circular dated 12th August 2016 and Company's prospectus dated 9th September 2016, the Company proposed to raise not less than approximately HK\$213.3 million and not more than approximately HK\$221.8 million before expenses by issuing not less than 355,548,184 and not more than 369,594,576 new shares ("Rights Shares") at the subscription price of HK\$0.60 per Rights Shares on the basis of two (2) Rights Shares for every one (1) share in issue held on the 8th September 2016 ("Rights Issue").

The subscription price of HK\$0.60 per Rights Share represented: (i) a discount of 25.00% to the closing price of HK\$0.8 per Share as quoted on the Stock Exchange on 12th July 2016, being the last trading day before the publication of the announcement of Rights Issue ("Last Trading Day"); and (ii) a discount of approximately 24.24% to the average closing price of approximately HK\$0.792 per Share for the last five consecutive trading days immediately prior to the Last Trading Day.

鑒於本集團大部分交易均以港元、人民幣及美元計值，本集團面臨各種貨幣風險所產生的外匯風險，主要是有關人民幣的風險。本集團將繼續採取積極措施，並密切監控其面臨的該等貨幣之變動所帶來的風險。

於二零一七年六月三十日，本集團之股東資本為約8.5百萬港元(二零一六年六月三十日：約1.8百萬港元)。本公司之股東資本由853,302,276股(二零一六年六月三十日：177,774,092股)股份組成。

本集團於本年度進行供股、根據一般授權的新股配售及根據特別授權的新股配售以提高股東基礎及資本。詳情如下：

供股

如本公司日期為二零一六年七月十二日之公佈及本公司日期為二零一六年八月十二日之通函以及本公司日期為二零一六年九月九日之供股章程所披露，本公司擬透過按認購價每股供股股份0.60港元發行不少於355,548,184股及不多於369,594,576股新股份(「供股股份」)，以籌集不少於約213.3百萬港元及不多於約221.8百萬港元(扣除開支前)之資金，基準為於二零一六年九月八日每持有一(1)股已發行股份獲發兩(2)股供股股份(「供股」)。

認購價每股供股股份0.60港元較：(i)股份於二零一六年七月十二日(即供股公佈刊發前之最後交易日(「最後交易日」))在聯交所所報收市價每股0.8港元折讓25.00%；及(ii)股份於緊接最後交易日前最後五個連續交易日的平均收市價約每股0.792港元折讓約24.24%。

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The Group intended to strengthen its existing businesses and continued to identify different investment opportunities in various business sectors with enormous potentials to further diversify its business and broaden the income sources to maximise the return to the shareholders. It was the intention of the Group to expand its revenue and income stream through further development of securities brokerage and margin financing and money lending business of the Group. In view of the above, the Board considered that the Rights Issue would enable the Group to strengthen its capital base for future expansion of its existing business and enhanced its financial position. Furthermore, the Rights Issue would offer the qualifying shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and participate in the growth and development of the Company. As such, the Directors considered that the terms of the Rights Issue were fair and reasonable and in the interests of the Company and the shareholders as a whole.

The Rights Issue was completed on 5th October 2016 and an aggregate of 355,548,184 Rights Shares were issued at the subscription price of HK\$0.60 per Rights Shares. The net proceeds from the Rights Issue were approximately HK\$204.9 million. Up to the date of this annual report, the Group has applied:

- (i) approximately HK\$9.2 million for the repayment of the unsecured loan notes with principal amount of HK\$9.2 million issued on 8th April 2015;
- (ii) approximately HK\$150.0 million for the expansion of margin financing business; and
- (iii) approximately HK\$45.7 million for the expansion of money lending business.

The above use of proceeds was in line with the proposed use as set out in the public documents of the Company issued in connection with the Rights Issue.

本集團擬加強其現有業務及繼續物色具有巨大潛力之多個業務部門之不同投資機會，以進一步多元化其業務及拓闊收入來源，從而為股東帶來最大回報。本集團之意向為透過進一步發展本集團之證券經紀及孖展融資以及放貸業務擴大其收益及收入來源。鑒於上文所述，董事會認為，供股將令本集團可加強其資本基礎，以供日後擴大其現有業務及提升其財務狀況。此外，供股將為合資格股東提供機會維持彼等各自於本公司之股權比例及參與本公司之增長及發展。因此，董事認為，供股條款屬公平合理並符合本公司及股東之整體利益。

供股已於二零一六年十月五日完成，已按每股供股股份0.60港元之認購價發行合共355,548,184股供股股份。供股所得款項淨額為約204.9百萬港元。截至本年報日期，本集團已將：

- (i) 約9.2百萬港元用於償還於二零一五年四月八日發行之本金額9.2百萬港元之無抵押貸款票據；
- (ii) 約150.0百萬港元用於擴展孖展融資業務；及
- (iii) 約45.7百萬港元用於擴展放貸業務。

上述所得款項用途符合本公司就供股發佈的公開文件所載計劃用途。

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Placing of new shares under general mandate

As announced on 18th January 2017, the Company entered into a placing agreement (the “GM Placing Agreement”) pursuant to which the Company appointed a placing agent to procure, on a best effort basis, not less than six placees to subscribe for up to 106,660,000 new Shares of the Company (“GM Placing Shares”) at a price of HK\$0.519 per GM Placing Share (“GM Placing”) under the general mandate of the Company.

GM Placing price of HK\$0.519 per GM Placing Share represented:

- (i) a discount of approximately 13.5% to the closing price of HK\$0.6 per Share as quoted on the Stock Exchange on 18th January 2017, being the date of the GM Placing Agreement; and
- (ii) a discount of approximately 17.9% to the average closing price of HK\$0.632 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to 18th January 2017.

The GM Placing Price was determined after arm’s length negotiation between the Company and the placing agent with reference to, among other matters, the then prevailing market prices of the Shares.

The Directors were of the view that the GM Placing could strengthen the financial position of the Group and provide working capital to the Group to meet any future development and obligations. The GM Placing also represented a good opportunity to broaden the shareholders’ base and the capital base of the Company. The Directors considered that the GM Placing was in the interest of the Company and the shareholders as a whole.

The GM Placing Agreement was completed on 7th February 2017 and an aggregate of 106,660,000 GM Placing Shares have been successfully placed to not less than six placees. The net proceeds from the issuance of the GM Placing Shares were approximately HK\$53.2 million.

根據一般授權配售新股

如二零一七年一月十八日所公佈，本公司訂立配售協議（「一般授權配售協議」），據此，本公司委任配售代理按盡力基準根據本公司的一般授權促使不少於六名承配人認購最多106,660,000股本公司新股份（「一般授權配售股份」），每股一般授權配售股份價格0.519港元（「一般授權配售事項」）。

每股一般授權配售股份的一般授權配售價0.519港元較：

- (i) 股份於二零一七年一月十八日（一般授權配售協議日期）在聯交所所報之收市價每股0.6港元折讓約13.5%；及
- (ii) 股份於緊接二零一七年一月十八日前連續五個交易日在聯交所所報之平均收市價每股0.632港元折讓約17.9%。

一般授權配售價乃由本公司與配售代理經公平磋商並經參考（其中包括）股份的當時現行市價後釐定。

董事認為，一般授權配售事項可強化本集團的財務狀況並為本集團提供營運資金以滿足任何未來發展及履行責任的需要。一般授權配售事項亦是擴大大公司股東基礎及資本基礎的良機。董事認為，一般授權配售事項符合本公司及股東之整體利益。

一般授權配售協議於二零一七年二月七日完成及合共106,660,000股一般授權配售股份已成功配售予不少於六名承配人。一般授權配售股份發行所得款項淨額約為53.2百萬港元。

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The net issue price of each GM Placing Share was HK\$0.499.

每股一般授權配售股份之淨發行價為0.499港元。

The net proceeds from the issuance of the GM Placing Shares were approximately HK\$53.2 million. The Group intended to utilize the net proceeds from issuance of the GM Placing Shares (“Proceeds Allocated for the Margin Financing Business”) for developing the margin financing business of the Group.

發行一般授權配售股份之所得款項淨額約為53.2百萬港元。本集團擬將發行一般授權配售股份之所得款項用於發展本集團之孖展融資業務（「分配用於孖展融資業務之所得款項」）。

The Group has applied and lent out all the Proceeds Allocated for the Margin Financing Business during the period from May 2017 to June 2017 to its margin clients. However, due to the aforesaid June Incident, the Proceeds Allocated for the Margin Financing Business which were previously advanced to margin clients were repaid by such margin clients to the Group from July 2017 to September 2017 and the demand for the Group’s margin financing facilities subsequently decreased. The sum repaid to the Group was deposited in the Group’s bank accounts as at the date of this annual report.

於二零一七年五月至二零一七年六月期間，本集團已應用及將所有分配用於孖展融資業務之所得款項借給其孖展客戶。然而，由於上述六月事件，有關孖展客戶已於二零一七年七月至二零一七年九月向本集團償還先前墊付予有關孖展客戶之分配用於孖展融資業務之所得款項，其後對本集團孖展融資之需求已減少。於本年報日期，已償還本集團的金額存於本集團之銀行賬戶。

Having considered the expected decrease in demand for the funding requirement in connection with the Group’s margin financing business for the year ending 30th June 2018, the Board has resolved to re-allocate the Proceeds Allocated for the Margin Financing Business which have been repaid to the Group as (i) general working capital and/or (ii) funds for financing future potential investment opportunities of the Group, as a measure in response to the recent sudden change in market conditions. The Board believes that such re-allocation enables the Group to increase the efficiency in the use of the Group’s cash resources so as to maximise its return. On such basis, the Board considers that such re-allocation is in the best interest of the Company and its shareholders as a whole.

經考慮截至二零一八年六月三十日止年度有關本集團孖展融資業務之資金需求預期會減少，董事會已議決將已向本集團償還之分配用於孖展融資業務之所得款項重新分配(i)用作一般營運資金及／或(ii)為本集團之日後潛在投資機會提供資金，作為回應近期市況突變之措施。董事會相信，重新分配可令本集團增加本集團現金資源使用之效率，從而令其回報最大化。按有關基準，董事會認為，有關重新分配符合本公司及其股東之整體最佳利益。

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Placing of new shares under specific mandate

As announced on 18th January 2017, the Company entered into a placing agreement (the “SM Placing Agreement”) pursuant to which the Company appointed a placing agent to procure, on a best effort basis, not less than six placees to subscribe for up to 213,320,000 new Shares of the Company (“SM Placing Shares”) at a price of HK\$0.519 per SM Placing Share (“SM Placing”) under the special mandate of the Company.

SM Placing price of HK\$0.519 per SM Placing Share represented:

- (i) a discount of approximately 13.5% to the closing price of HK\$0.6 per Share as quoted on the Stock Exchange on 18th January 2017, being the date of the SM Placing Agreement; and
- (ii) a discount of approximately 17.9% to the average closing price of HK\$0.632 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to 18th January 2017.

The SM Placing Price was determined after arm’s length negotiation between the Company and the placing agent with reference to, among other matters, the then prevailing market prices of the Shares.

The Directors were of the view that the SM Placing could strengthen the financial position of the Group and provide working capital to the Group to meet any future development and obligations. The SM Placing also represented a good opportunity to broaden the shareholders’ base and the capital base of the Company. The Directors considered that the SM Placing was in the interest of the Company and the shareholders as a whole.

根據特別授權配售新股

如二零一七年一月十八日所公佈，本公司訂立配售協議（「特別授權配售協議」），據此，本公司委任配售代理按盡力基準根據本公司的特別授權促使不少於六名承配人認購最多213,320,000股本公司新股份（「特別授權配售股份」），每股特別授權配售股份價格0.519港元（「特別授權配售事項」）。

每股特別授權配售股份的特別授權配售價0.519港元較：

- (i) 股份於二零一七年一月十八日（特別授權配售協議日期）在聯交所所報之收市價每股0.6港元折讓約13.5%；及
- (ii) 股份於緊接二零一七年一月十八日前連續五個交易日在聯交所所報之平均收市價每股0.632港元折讓約17.9%。

特別授權配售價乃由本公司與配售代理經公平磋商並經參考（其中包括）股份當時的現行市價後釐定。

董事認為，特別授權配售事項可強化本集團的財務狀況並為本集團提供營運資金以滿足任何未來發展及履行責任的需要。特別授權配售事項亦是擴大大公司股東基礎及資本基礎的良機。董事認為，特別授權配售事項符合本公司及股東之整體利益。

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The SM Placing Agreement was completed on 29th March 2017 and an aggregate of 213,320,000 SM Placing Shares have been successfully placed to not less than six placees. The net proceeds from the issuance of the SM Placing Shares were approximately HK\$106.1 million.

The net issue price of each SM Placing Share was HK\$0.497.

The net proceeds from the issuance of the SM Placing Shares were approximately HK\$106.1 million and the Group has applied (i) approximately HK\$9.5 million for the acquisition of membership of The Chinese Gold & Silver Exchange Society; and (ii) approximately HK\$86.1 million for developing the margin financing business of the Group as intended. The remaining unutilised proceeds of approximately HK\$10.5 million will be utilised as intended for developing the related business following the acquisition of the membership of The Chinese Gold & Silver Exchange Society.

THE PLEDGE OF GROUP'S ASSETS

At 30th June 2017, bank balances – (general accounts) with an aggregate value of approximately HK\$Nil (2016: HK\$3,000) were pledged as collaterals for bank overdrafts and bank borrowings of a subsidiary.

As at 30th June 2017 the margin loans payable are secured by the Group's listed equity investments recognised in available-for-sale investment and financial assets at fair value through profit or loss in the fair value of HK\$73,461,000 and HK\$59,566,000 respectively.

MATERIAL ACQUISITION OR DISPOSAL

Save as disclosed in the section headed "Business and Operation Review" in this annual report, the Group did not have any material acquisition or disposal of assets during the Year.

特別授權配售協議於二零一七年三月二十九日完成及合共213,320,000股特別授權配售股份已成功配售予不少於六名承配人。特別授權配售股份發行所得款項淨額約為106.1百萬港元。

每股特別授權配售股份之淨發行價為0.497港元。

特別授權配售股份發行所得款項淨額約為106.1百萬港元，本集團已動用(i)約9.5百萬港元用於收購金銀業貿易場會員資格；及(ii)約86.1百萬港元按計劃發展本集團的孖展融資業務。餘下未動用所得款項約10.5百萬港元將按計劃於收購金銀業貿易場會員資格後用於發展相關業務。

集團資產抵押

於二零一七年六月三十日，總值約為零港元（二零一六年：3,000港元）的銀行結餘（一般賬戶）已質押作為一間附屬公司銀行透支及銀行借貸之抵押品。

於二零一七年六月三十日，應付孖展貸款由本集團持有之上市股權投資作抵押，分別於公平值為73,461,000港元及公平值為59,566,000港元的可供出售投資及透過損益按公平值入賬之金融資產確認。

重大收購事項或出售事項

除本年報「業務及營運回顧」一節所披露者外，本集團於年內並無任何重大收購或出售資產事項。

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APPOINTMENT OF DIRECTORS AFTER THE REPORTING PERIOD

The Board passed the resolutions on 29th September 2017 (i) to appoint Mr. Hung Cho Sing as executive Director and (ii) to appoint Mr. Tang Yiu Wing as independent non-executive Director. Both appointments will take effect on 1st October 2017. Mr. Hung's and Mr. Tang's appointments will be subject to the retirement and rotation requirements in accordance with the bye-laws of the Company.

EMPLOYEES AND REMUNERATION POLICIES

As at 30th June 2017, the Group employed 117 staff (2016: 167). Remuneration is reviewed annually and certain staffs are entitled to commission. In addition to basic salaries, staff benefits included discretionary bonus, medical insurance scheme and mandatory provident fund.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed in the annual general meeting held on 2nd December 2013, the Company conditionally approved and adopted a share option scheme (the "Share Option Scheme") in compliance with the Listing Rules. Details of the Share Option Scheme are as follows:

Particulars of the share options under the Share Option Scheme outstanding during the Year and as at 30th June 2017 were as follows:

報告期後委任董事

董事會於二零一七年九月二十九日通過決議案 (i)委任洪祖星先生為執行董事及(ii)委任鄧耀榮先生為獨立非執行董事。兩項委任將於二零一七年十月一日生效。根據本公司的細則，洪先生及鄧先生的委任須遵守退任及輪值規定。

僱員及薪酬政策

於二零一七年六月三十日，本集團僱用117名（二零一六年：167名）僱員。薪酬會每年檢討，若干僱員可享有佣金。除基本薪金外，僱員福利亦包括酌情花紅、醫療保險計劃及強制性公積金。

購股權計劃

根據於二零一三年十二月二日舉行之股東週年大會上通過之一項普通決議案，本公司根據上市規則有條件批准及採納一項購股權計劃（「購股權計劃」）。購股權計劃之詳情如下：

於本年度及於二零一七年六月三十日，購股權計劃項下尚未行使之購股權之詳情如下：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Participants	Date of grant	Period during which share options are exercisable	Price per share on exercise of options	Number of share options outstanding at the beginning of the Year	Number of share options lapsed during the Year	Adjustment on the number of share options after right issue completed on 5th October 2016	Number of share options outstanding at the end of the Year	Market value per share on grant of share options
參與人	授出日期	購股權行使期	行使購股權時須付之每股價格 HK\$ 港元	於年初尚未行使之購股權數量	本年度已失效之購股權數量	供股完成後購股權數量之調整	於年終尚未行使之購股權數量	授出購股權時之每股市價 HK\$ 港元
Executive directors								
執行董事								
Mr. Lam Shiu Ming, Daneil 林小明先生	21st July 2014 二零一四年七月二十一日	21st July 2014 to 20th July 2016 二零一四年七月二十一日至二零一六年七月二十日	10.77	334,367	(334,367)	-	-	9.40
Mr. Lam Kit Sun 林傑新先生	21st July 2014 二零一四年七月二十一日	21st July 2014 to 20th July 2016 二零一四年七月二十一日至二零一六年七月二十日	10.77	334,367	(334,367)	-	-	9.40
	4th March 2016 二零一六年三月四日	4th March 2016 to 3rd March 2018 二零一六年三月四日至二零一八年三月三日	0.811*	1,481,400	-	199,103	1,680,503	0.68*
Other eligible participants 其他合資格參與人	21st July 2014 二零一四年七月二十一日	21st July 2014 to 20th July 2016 二零一四年七月二十一日至二零一六年七月二十日	10.77	1,431,775	(1,431,775)	-	-	9.40
	30th September 2015 二零一五年九月三十日	30th September 2015 to 29th September 2017 二零一五年九月三十日至二零一七年九月二十九日	1.489*	2,072,088	-	279,711	2,351,799	1.42*
	4th March 2016 二零一六年三月四日	4th March 2016 to 3rd March 2018 二零一六年三月四日至二零一八年三月三日	0.811*	8,297,900	-	1,115,254	9,413,154	0.68*
				13,951,897	(2,100,509)	1,594,068	13,445,456	

* The price per share on exercise of options and market value per share on grant of options have been adjusted after taking into account of the effect of the rights issue completed on 5th October 2016.

* 行使購股權時之每股價格與授出購股權時之每股市價均經考慮二零一六年十月五日完成之供股之影響後作出調整。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員簡介

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. LAM Shiu Ming, Daneil, aged 55, is the founder and chairman of the Group. He is involved in marketing, corporate strategy, business planning and development and overall management of the Group. Mr. Lam has 35 years of experience in the film industry in Hong Kong. He was awarded the “Young Industrialist Awards of Hong Kong” by the Federation of Hong Kong Industries in 2002.

Mr. LAM Kit Sun, aged 40, is the chief financial officer and company secretary of the Group. He is responsible for the financial and investments functions of the Group. Prior to joining the Group in 2013, he has over 10 years' experience in the field of financial reporting, financial management and audit experience in the PRC and Hong Kong. He graduated from The Hong Kong University of Science and Technology with a bachelor's degree in Business Administration in Accounting. Mr. Lam is a fellow and practicing member of the Hong Kong Institute of Certified Public Accountants (“HKICPA”), a fellow member of the Association of Chartered Certified Accountants (“ACCA”), an associate of The Hong Kong Institute of Chartered Secretaries and a non-practicing member of the Chinese Institute of Certified Public Accountants. Mr. Lam was an executive director and a non-executive director of Kiu Hung International Holdings Limited (formerly known as Kiu Hung Energy Holdings Limited) (stock code: 381) for the period from October 2009 to July 2013 and for the period from August 2013 to April 2016 respectively, the shares of which are listed on the Main Board of the Stock Exchange. Mr. Lam was an independent non-executive director of DX.com Holdings Limited (“DX”) (stock code: 8086) from August 2013 to January 2015, an independent non-executive director of GET Holdings Limited (“GET”) (stock code: 8100) from October 2013 to April 2015 and was also the chief financial officer and company secretary of Finsoft Financial Investment Holdings Limited (“Finsoft”) (formerly known as Finsoft Corporation) (stock code: 8018) from September 2013 to February 2015. The shares of each of DX, GET and Finsoft are listed on the Growth Enterprise Market of the Stock Exchange (the “GEM”). He joined the Group in August 2013.

董事及高級管理人員履歷詳情

執行董事

林小明先生，55歲，為本集團創辦人及主席。彼參與本集團之市場推廣、企業策略、業務計劃與發展及整體管理。林先生在香港電影行業方面擁有35年經驗。彼於二零零二年榮獲香港工業總會頒發「香港青年工業家獎」。

林傑新先生，40歲，為本集團之首席財務官兼公司秘書。彼負責本集團之財務及投資事宜。於二零一三年加入本集團前，彼於中國及香港擁有逾10年之財務報告、財務管理及財務審計經驗。彼畢業於香港科技大學，持有工商管理(財務會計)學士學位。林先生為香港會計師公會(「香港會計師公會」)之資深及執業會員、英國特許公認會計師公會(「英國特許公認會計師公會」)之資深會員、香港特許秘書公會之會員及中國註冊會計師協會之非執業會員。林先生於二零零九年十月至二零一三年七月期間及二零一三年八月至二零一六年四月期間分別擔任僑雄國際控股有限公司(前稱僑雄能源控股有限公司，其股份於聯交所主板上市，股份代號：381)之執行董事及非執行董事。林先生於二零一三年八月至二零一五年一月為DX.com控股有限公司(「DX」，股份代號：8086)之獨立非執行董事及於二零一三年十月至二零一五年四月為智易控股有限公司(「智易」，股份代號：8100)之獨立非執行董事，亦於二零一三年九月至二零一五年二月為匯財金融投資控股有限公司(「匯財」，前稱匯財軟件公司，股份代號：8018)之首席財務官兼公司秘書。DX、智易及匯財各自之股份均於聯交所創業板(「創業板」)上市。彼於二零一三年八月加入本集團。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員簡介

Independent non-executive Directors

Mr. CHOI Wing Koon, aged 40, is currently the financial controller and company secretary of Global Energy Resources International Group Limited (stock code: 8192), the shares of which are listed on GEM. Mr. Choi holds a bachelor's degree of business administration in accounting awarded by the Hong Kong University of Science and Technology in 1999. Mr. Choi also obtained a master degree of business administration awarded by the University of Hong Kong in 2014. Mr. Choi is a fellow of the ACCA and a member of the HKICPA. Mr. Choi has over 15 years of experience in accounting and company secretarial field. Mr. Choi was an independent non-executive director of Zhidao International (Holdings) Limited (stock code: 1220) from January 2012 to September 2014 and the financial controller and company secretary of Taung Gold International Limited (stock code: 621) from September 2010 to April 2013, shares of both of which are listed on the Main Board of the Stock Exchange. He was also the independent non-executive director of G Neptune Berhad, a company listed on the ACE Market of Bursa Malaysia Securities Berhad from May 2014 to May 2017. He joined the Group in December 2013.

Mr. LAM Chi Keung ("Mr. CK Lam"), aged 47, was the chief executive officer and an executive director of Co-Prosperty Holdings Limited (stock code: 707) from May 2016 to March 2017 and acted as its chief financial officer from September 2015 to May 2016; and an executive director of Sino Haijing Holdings Limited (stock code: 1106) from August 2015 to November 2016, the shares of which are listed on the Main Board of the Stock Exchange. He was an independent non-executive director of Convoy Global Holdings Limited (stock code: 1019) whose shares are listed on the Main Board of the Stock Exchange from March 2014 to June 2016. He was also the group financial controller and company secretary of Ngai Shun Holdings Limited (stock code: 1246) from January 2014 to October 2014, whose shares are listed on the Main Board of the Stock Exchange. Mr. CK Lam holds a bachelor's degree of science in accounting awarded by Brigham Young University-Hawaii in 1996. Mr. CK Lam also obtained a master's degree of science in e-Commerce from The Chinese University of Hong Kong in 2002. Mr. CK Lam is a fellow of the HKICPA and a member of the American Institute of Certified Public Accountants. Mr. CK Lam has around 20 years of experience in accounting and corporate finance. He joined the Group in December 2013.

獨立非執行董事

蔡永冠先生，40歲，現為環球能源資源國際集團有限公司（其股份於創業板上市，股份代號：8192）之財務總監兼公司秘書。蔡先生持有香港科技大學於一九九九年頒發的工商管理（會計）學士學位。蔡先生亦於二零一四年取得香港大學頒發之工商管理碩士學位。蔡先生為英國特許公認會計師公會資深會員及香港會計師公會會員。蔡先生於會計及公司秘書工作方面擁有超過15年的經驗。蔡先生於二零一二年一月至二零一四年九月期間為志道國際（控股）有限公司（股份代號：1220）之獨立非執行董事及於二零一零年九月至二零一三年四月期間為壇金礦業有限公司（股份代號：621）之財務總監兼公司秘書，各公司股份均於聯交所主板上市。彼亦曾於二零一四年五月至二零一七年五月擔任G Neptune Berhad（一間於馬來西亞證券交易所創業板上市之公司）之獨立非執行董事。彼於二零一三年十二月加入本集團。

林芝強先生（「林芝強先生」），47歲，自二零一六年五月至二零一七年三月為協盛協豐控股有限公司（股份代號：707）之行政總裁兼執行董事並於二零一五年九月至二零一六年五月擔任其財務總監及自二零一五年八月至二零一六年十一月為中國海景控股有限公司（股份代號：1106）之執行董事，各公司股份均於聯交所主板上市。彼於二零一四年三月至二零一六年六月期間擔任康宏環球控股有限公司（股份代號：1019，其股份於聯交所主板上市）之獨立非執行董事。彼於二零一四年一月至二零一四年十月期間擔任毅信控股有限公司（股份代號：1246，其股份於聯交所主板上市）之集團財務總監兼公司秘書。林芝強先生持有百翰楊大學（夏威夷）於一九九六年頒發之會計科理學士學位。林芝強先生亦於二零零二年獲得香港中文大學電子商貿理學碩士學位。林芝強先生為香港會計師公會資深會員，並為美國會計師公會會員。林芝強先生於會計及企業融資方面擁有約20年經驗。彼於二零一三年十二月加入本集團。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員簡介

Ms. Cheng Lo Yee (“Ms. Cheng”), aged 62, was employed by the Hong Kong Government as an Executive Officer from 1978 to 1992 and worked in various government departments including the Home Affairs Department, Social Welfare Department, Government Secretariat, and Office of Members of the Executive and Legislative Council (now called Legislative Council of the HKSAR). Her last rank was Senior Executive Officer. Ms. Cheng obtained a Bachelor of Arts in Business and Finance with Honours from the University of Portsmouth in England in 2003. Ms. Cheng is currently an independent non-executive director of China Demeter Investments Limited (stock code: 8120), the shares of which are listed on the Growth Enterprise Market (“GEM”) of the Stock Exchange. She joined the Group in November 2016.

鄭露儀女士(「鄭女士」)，62歲，於一九七八年至一九九二年受僱於香港政府為行政主任，並曾於多個政府部門工作，包括民政事務總署、社會福利署、政府總部及行政立法兩局議員辦事處(現稱香港特別行政區立法會)，而彼之最後職級為高級行政主任。鄭女士於二零零三年獲得英國樸茨茅夫大學商業和金融榮譽文學士學位。鄭女士現為中國神農投資有限公司(股份代號：8120，其股份於聯交所創業板(「創業板」)上市)之獨立非執行董事。彼於二零一六年十一月加入本集團。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to attain and maintain high standards of corporate governance best suited to the needs and interests of the Group as it believes that effective corporate governance practices are fundamental to safeguarding interests of shareholders and other stakeholders and enhancing shareholder value. Accordingly, the Company has adopted and applied corporate governance principles that emphasise a quality board of Directors (the “Board”), effective risk management and internal control systems, stringent disclosure practices, transparency and accountability save as specifically disclosed below.

The Board has adopted the code provision as set out in the Corporate Governance Code and Corporate Governance Report (the “Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”). Continuous efforts are made to review and enhance the Group’s internal controls and procedures in light of changes in regulations and developments in best practices.

CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE REPORT

The Company has, throughout the Year, complied with the code provisions contained in the CG Code except for (i) the code provision A.2.1 of the Code for the separation of the roles of Chairman and Chief Executive Officer (“CEO”) and (ii) code provision A2.7 of the Code requiring the Chairman to meet with the non-executive Directors as described below.

企業管治常規

本公司致力實現及維持最符合本集團的需求及利益的企業管治準則，因為其堅信有效的企業管治常規乃保障股權及其他利益持有人的權益，並提升股東價值的基礎。因此，除下文特別披露者外，本公司已採納及應用一套可實現如下目標的企業管治守則，即專注維持高質素的董事會（「董事會」），實施高效風險管理及內部控制系統，嚴格執行披露常規、透明機制及問責制。

董事會已採納香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治守則及企業管治報告（「守則」）所載之守則條文。本集團一直致力就條例之變更及最佳常規之發展檢討及提升其內部監控及程序。

企業管治守則及企業管治報告

本公司於本年度已遵守企業管治守則所載之守則條文，惟下文所述之(i)守則內第A.2.1條守則條文有關主席與行政總裁（「行政總裁」）角色區分及(ii)守則內第A2.7條守則條文規定主席與非執行董事舉行會議除外。

CORPORATE GOVERNANCE REPORT

企業管治報告

Code provision A.2.1 of the Code sets out that the roles of the Chairman and CEO should be separated and should not be performed by the same individual. The Company does not at present have any officer holding the position of CEO. Mr. Lam Shiu Ming, Daneil is the founder and Chairman of the Company and has also carried out the responsibilities of CEO. Mr. Lam possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The Board considers the present structure to be more suitable to the Group because it can promote the efficient formulation and implementation of the Group's strategies.

Code provision of A.2.7 of the CG Code requires the Chairman to hold meetings at least annually with the non-executive Directors (including independent non-executive Directors) without the executive Directors present. As Mr. Lam Shiu Ming, Daniel, the Chairman, is also an executive Director, the Company has therefore deviated from this code provision.

THE BOARD

Duties and Composition of the Board

The Board is collectively responsible for the oversight of the management of business, strategic decisions and financial performance of the Group for the best interests of the Shareholders. The Board has delegated the day-to-day management power, administration and operation of the Group to the executive Directors and the senior management of the Company. The Board regularly reviews its arrangement on delegation of responsibilities and authority to ensure that such delegations are appropriate in view of the Group's prevailing circumstances.

守則內第A.2.1條守則條文規定，主席及行政總裁之角色應予區分，有關職位不應由同一人擔任。本公司目前並無任何高級職員擔任行政總裁一職。林小明先生為本公司創辦人及主席，亦已履行行政總裁之職責。林先生具備管理董事會所須之領導才能及對本集團之業務擁有深厚認識。董事會認為目前架構更為適合本集團，因該架構可令本集團之策略更有效地制定及落實。

企業管治守則之第A.2.7條守則條文規定，主席須至少每年在無執行董事出席之情況下與非執行董事(包括獨立非執行董事)舉行會議。由於主席林小明先生亦為執行董事，因此本公司偏離本守則條文。

董事會

董事會之職責及組成

董事會為股東之最佳利益而共同負責監察本集團之業務管理，策略性決定及財務表現。董事會已將本集團的日常管理權力、行政及營運權利授予本公司之執行董事及高級管理人員。董事會會定期就此權責授權安排作出檢討，以確保該授權適合本集團當時之情況。

CORPORATE GOVERNANCE REPORT

企業管治報告

The following matters (including changes to any such matters) are reserved for the approval of the Board:

- (a) any matter determined by the Board to be material involving any conflict of interest for a substantial Shareholder or a Director;
- (b) any matter relating to the formulation of the Company's strategies and directions including:
 - (i) policies relating to the overall strategic direction and strategic plans of the Company;
 - (ii) policies relating to key business and financial objectives of the Company;
 - (iii) policies relating to the declaration of dividend; and
 - (iv) the entering into of contracts involving acquisitions, investments, disposal of assets or any significant capital expenditure which are deemed to be material by the Board.
- (c) financial controls, compliance and risk management:
 - (i) the approval of annual operating and capital expenditure budgets for the Company;
 - (ii) the approval of the Company's consolidated financial statements and published reports;
 - (iii) the establishment and review of the effectiveness of the Company's systems of internal control and risk management process; and
 - (iv) the adoption of, or approval for any significant changes in, accounting policies or procedures of the Company and its subsidiaries.

下列事項(包括任何有關事項之變動)保留予董事會以作批准：

- (a) 任何董事會決定為重大並涉及與主要股東或董事之任何利益衝突之事項；
- (b) 任何與本公司制定策略及方向有關之事項，包括：
 - (i) 與本公司整體策略性方向及策略性計劃有關之政策；
 - (ii) 與本公司主要業務及財務目標有關之政策；
 - (iii) 與宣派股息有關之政策；及
 - (iv) 訂立董事會認為屬重大並涉及收購、投資、出售資產或任何重大資本支出的合約。
- (c) 財務控制、合規及風險管理：
 - (i) 批准本公司年度之營運及資本支出預算；
 - (ii) 批准本公司之綜合財務報表及公佈之報告；
 - (iii) 建立及檢討本公司之內部監控系統及風險管理程序之有效性；及
 - (iv) 採納或批准本公司及其附屬公司之會計政策或程序之任何重大變動。

CORPORATE GOVERNANCE REPORT

企業管治報告

- (d) changes to the Company's capital structure, including reductions of share capital, share buy-backs or issue of new securities, other than in accordance with the terms of the share option scheme(s) or other incentive schemes adopted by the Company from time to time;
- (e) major appointments and removals:
- (i) appointments to the Board, taking into account any recommendations of the nomination committee of the Company (the "Nomination Committee");
 - (ii) the appointment of the Chairman;
 - (iii) recommendation to the Shareholders on the appointment or removal of the external auditor after taking into consideration the recommendations of the audit committee of the Company (the "Audit Committee"); and
 - (iv) the appointment or removal of the company secretary of the Company (the "Company Secretary").
- (f) delegation of authority:
- (i) changes to the terms of reference or membership of any committee of the Board;
 - (ii) changes to the authority delegated to the Chairman and the senior management; and
 - (iii) matters which exceed the authority delegated to the Chairman and the senior management.
- (g) the adoption, review and approval of changes to the Corporate Governance Practice Manual of the Company, the Code of Ethics and Securities Transactions applicable to the Directors and senior management of the Group.
- (d) 本公司資本架構之變動，包括股本減少、股份購回或新證券發行，惟除根據購股權計劃或其他經本公司不時採納之鼓勵性計劃之條款而發行之新證券外；
- (e) 主要委任及罷免：
- (i) 參考本公司之提名委員會（「提名委員會」）之任何建議，委任董事會成員；
 - (ii) 主席之委任；
 - (iii) 參考本公司之審計委員會（「審計委員會」）之建議，就外聘核數師之委任或罷免向股東作出建議；及
 - (iv) 本公司之公司秘書（「公司秘書」）之委任或罷免。
- (f) 授予權限：
- (i) 董事會下任何委員會之職權範圍或成員之變動；
 - (ii) 授予主席及高級管理人員權限之變動；及
 - (iii) 超出已授予主席及高級管理人員權限之事項。
- (g) 採納、審閱及批准本公司之企業管治常規手冊、適用於董事及本集團之高級管理人員之道德與證券交易守則之變動。

The Board currently comprises a total of five Directors, with two executive Directors, and three independent non-executive Directors. The names and biographies of the Directors are set out on pages 42 to 44 of this annual report.

董事會現時由合共五名董事組成，包括兩名執行董事及三名獨立非執行董事。董事之名稱及履歷載於本年報第42頁至第44頁內。

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The independent non-executive Directors are all experienced individuals, all of them have accounting professional qualifications. Their mix of professional skills and experience is beneficial to the Board to formulate the long-term business strategies and monitor the operational and financial matters of the Group.

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

The list of the Directors has been published on the websites of the Company and the Stock Exchange respectively, and is disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

The Company has arranged for appropriate liability insurance to cover the liabilities of the Directors that may arise out of the corporate activities. The insurance coverage is reviewed on an annual basis.

DIRECTORS' TRAINING/ PROFESSIONAL DEVELOPMENT

According to the code provision A.6.5 of the Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contributions to the Board remains informed and relevant.

To assist Directors' continuing professional development, the Company encourages Directors to attend relevant seminars to develop and refresh their knowledge and skills. The Company will also update the Directors of any material changes in the Listing Rules and corporate governance practices from time to time.

所有獨立非執行董事皆為擁有豐富經驗之人士，並均擁有會計專業資格。集合彼等之專業技能及經驗對董事會制定長遠業務策略及監察本集團之營運及財務事項有莫大幫助。

本公司已收到各獨立非執行董事根據上市規則第3.13條就其獨立性發出之年度確認書。本公司認為各獨立非執行董事確屬獨立人士。

董事名單已分別刊登在本公司及聯交所之網站上，亦會於本公司不時按照上市規則刊發之所有公司通訊中披露。

本公司已就董事因企業事務可能產生之責任作出適當責任保險安排。保險責任範圍會每年予以檢討。

董事培訓／專業發展

根據守則內第A.6.5條守則條文規定，所有董事應參加持續專業發展，增進及更新彼等之知識及技能，以確保彼等向董事會作出知情及恰當之貢獻。

為協助董事之持續專業發展，本公司鼓勵董事出席相關座談會，以增進及更新彼等之知識及技能。本公司亦會不時向董事提供有關上市規則及企業管治常規之任何重大變動之最新資料。

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All Directors, namely, Mr. Lam Shiu Ming, Daneil, Mr. Lam Kit Sun, Mr. Lam Chi Keung, Mr. Choi Wing Koon and Ms. Cheng Lo Yee, had participated in continuous professional development with respect to directors' duties, relevant programmes and seminars or had perused reading materials and updated information in relation to business and industrial development.

The Company is committed to arranging and funding suitable training to all Directors for their continuous professional development. Each Director is briefed and updated from time to time to ensure that he/she is fully aware of his/her roles, functions, duties and responsibilities under the Listing Rules and applicable legal and regulatory requirements and the governance policies of the Group.

A record of the training received by the respective Directors are kept and updated by the Company Secretary.

APPOINTMENTS AND RE-ELECTION OF DIRECTORS

The appointment of a new Director is made on the recommendation of the Nomination Committee or by the Shareholders in general meeting. Any Director who is appointed by the Board to fill a casual vacancy on the Board shall retire at the next annual general meeting.

Currently, all independent non-executive Directors are appointed for a specific term of three years pursuant to code provision A4.1 of the Code. All Directors are subject to retirement by rotation at least once every three years and shall be eligible for re-election in accordance with the provision of the Listing Rules and the bye-law(s) of the Company (the "Bye-laws"). At least one-third of Directors shall retire from office every year at the Company's annual general meeting.

全體董事(即林小明先生、林傑新先生、林芝強先生、蔡永冠先生及鄭露儀女士)均曾參與有關董事職責的持續專業發展、相關講座及研討會，或閱覽有關商業及行業發展的閱讀材料及最新資料。

本公司致力於為全體董事的持續專業發展安排及資助資金適當的培訓。各董事均不時獲取簡報及最新資料，以確保彼充分明白彼根據《上市規則》及適用法律及監管要求及本集團管治政策項下的角色、職能、職責及責任。

各董事之培訓記錄由公司秘書保管及更新。

董事之委任及重選

新董事乃根據提名委員會之建議或通過股東於股東大會而獲委任。凡由董事會委任以填補董事會之臨時空缺之任何董事均須於下一屆股東週年大會上退任。

現時，所有獨立非執行董事皆根據守則內第A4.1條守則條文以指定三年任期委任。根據上市規則及本公司細則(「公司細則」)之條文，全體董事皆須最少每三年輪值退任一次及可符合資格重選連任。於本公司每屆股東週年大會上，最少三分之一董事須退任。

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Mr. Choi Wing Koon and Mr. Lam Chi Keung will retire by rotation at the forthcoming annual general meeting of the Company in accordance with 87(1) and 87(2) of the Bye-laws and Mr. Choi Wing Koon and Mr. Lam Chi Keung being eligible, will offer themselves for re-election at such meeting.

For the biographical details of the Director who will stand for re election and the candidates who will be proposed to be elected as Directors, please refer to the circular containing the notice of the forthcoming annual general meeting of the Company to be despatched.

BOARD MEETINGS

Each year, the Board normally holds two regular board meetings at approximately half year interval. Ten board meetings were convened during the Year and the attendances of each Director at these meetings are set out as follows:

	Board meeting		董事會會議
Executive Directors		執行董事	
Mr. Lam Shiu Ming, Daneil (<i>Chairman</i>)	9/10	林小明先生(主席)	9/10
Mr. Hung Cho Sing (resigned on 2nd June 2017)	8/10	洪祖星先生 (於二零一七年六月二日辭任)	8/10
Ms. Cheng Hei Yu (resigned on 7th October 2016)	1/5	鄭熹榆女士 (於二零一六年十月七日辭任)	1/5
Mr. Lam Kit Sun	10/10	林傑新先生	10/10
Non-executive Directors		非執行董事	
Mr. Chan Shiu Kwong, Stephen (retired on 30th November 2016)	3/5	陳紹光先生 (於二零一六年十一月三十日 退任)	3/5
Independent non-executive Directors		獨立非執行董事	
Mr. Lam Wing Tai (retired on 30th November 2016)	3/5	林永泰先生 (於二零一六年十一月三十日 退任)	3/5
Mr. Lam Chi Keung	7/10	林芝強先生	7/10
Mr. Choi Wing Koon	8/10	蔡永冠先生	8/10
Ms. Cheng Lo Yee (appointed on 30th November 2016)	3/5	鄭露儀女士 (於二零一六年十一月三十日 獲委任)	3/5

蔡永冠先生及林芝強先生根據公司細則第87(1)及87(2)條須於即將舉行之本公司股東週年大會上輪值退任，及蔡永冠先生及林芝強先生符合資格並願意於該大會上膺選連任。

有關將重選連任之董事以及提名參選董事之候選人之履歷詳情，請參閱將予寄發且當中載有本公司應屆股東週年大會通告的通函。

董事會會議

董事會每年一般會舉行兩次定期董事會會議，大約每半年一次。於本年度內，本公司共舉行了十次董事會會議及各董事於此等會議之出席記錄載列如下：

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GENERAL AND SPECIAL GENERAL MEETINGS

The Board is responsible for maintaining an on-going dialogue with the Shareholders and in particular, communicates with them in annual general meetings or other special general meetings and encourages their participation.

One annual general meeting and three special general meeting were convened during the Year and the attendances of each Director at these general meetings are set out as follows:

	Annual General Meeting	Special General Meeting		股東 週年 大會	股東 特別 大會
Executive Directors			執行董事		
Mr. Lam Shiu Ming, Daneil (<i>Chairman</i>)	1/1	3/3	林小明先生(主席)	1/1	3/3
Mr. Hung Cho Sing (resigned on 2nd June 2017)	0/1	3/3	洪祖星先生 (於二零一七年六月二日辭任)	0/1	3/3
Ms. Cheng Hei Yu (resigned on 7th October 2016)	0/0	0/1	鄭熹榆女士 (於二零一六年十月七日辭任)	0/0	0/1
Mr. Lam Kit Sun	1/1	3/3	林傑新先生	1/1	3/3
Non-executive Directors			非執行董事		
Mr. Chan Shiu Kwong Stephen (retired on 30th November 2016)	0/1	0/1	陳紹光先生 (於二零一六年 十一月三十日退任)	0/1	0/1
Independent non-executive Directors			獨立非執行董事		
Mr. Lam Wing Tai (retired on 30th November 2016)	1/1	0/1	林永泰先生 (於二零一六年 十一月三十日退任)	1/1	0/1
Mr. Lam Chi Keung	1/1	3/3	林芝強先生	1/1	3/3
Mr. Choi Wing Koon	1/1	2/3	蔡永冠先生	1/1	2/3
Ms. Cheng Lo Yee (appointed on 30th November 2016)	0/0	2/2	鄭露儀女士 (於二零一六年 十一月三十日獲委任)	0/0	2/2

股東週年及特別大會

董事會負責與股東保持持續對話，特別是藉股東週年大會或其他股東特別大會與股東溝通，並鼓勵股東參加。

於本年度內，本公司已召開一次股東週年大會及三次股東特別大會，各董事於此等股東大會之出席記錄載列如下：

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BOARD COMMITTEES

The Board has established the remuneration committee of the Company (the “Remuneration Committee”), the Nomination Committee and the Audit Committee.

REMUNERATION COMMITTEE

The Remuneration Committee with specific written terms of reference (amended on 29th February 2012) was established by the Company on 15th July 2005. The Remuneration Committee currently comprises three independent non-executive Directors, namely Mr. Choi Wing Koon (as chairman), Mr. Lam Chi Keung and Ms. Cheng Lo Yee and an executive Director, namely, Mr. Lam Shiu Ming, Daneil. The terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Remuneration Committee include making recommendations to the Board on the remuneration policy and structure of the Directors and senior management, and on the establishment of a formal and transparent procedure for developing remuneration policy.

The model of the Remuneration Committee adopted by the Company is to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

The main principles of the Group’s remuneration policies are:

- (a) no Director should be involved in deciding his or her own remuneration;
- (b) remuneration should be determined by taking into consideration factors such as salaries paid by comparable companies, time commitment, levels of responsibilities, employment conditions elsewhere in the Group and desirability of performance-based remuneration;

董事會委員會

董事會已成立本公司的薪酬委員會（「薪酬委員會」）、提名委員會及審計委員會。

薪酬委員會

本公司於二零零五年七月十五日成立具有特定成文職權範圍（於二零一二年二月二十九日已經修訂）的薪酬委員會。薪酬委員會現由三名獨立非執行董事，分別為蔡永冠先生（主席）、林芝強先生及鄭露儀女士及一名執行董事林小明先生所組成。薪酬委員會之職權範圍可分別於聯交所及本公司之網址查閱。

薪酬委員會之主要職責包括就董事及高級管理人員之薪酬政策及架構向董事會作出建議及建立一套正式及透明之程序以作發展薪酬政策之用。

本公司已採納之薪酬委員會模式為就個別執行董事及高級管理人員之薪酬待遇向董事會提供建議。

本集團薪酬政策之主要原則包括下列各項：

- (a) 董事不應參與釐定其自身之薪酬；
- (b) 薪酬應考慮如同類公司支付的薪酬及為本集團所付出時間、職責水平、其他職位的僱用條件及應否按表現釐定薪酬等因素而釐定；

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- (c) the management's remuneration proposals should be reviewed and approved by reference to corporate goal and objectives resolved by the Board from time to time; and
- (d) recommendations should be made by the Remuneration Committee to the Board on the remuneration packages of individual executive Directors and senior management.

- (c) 管理層之薪酬建議應參照董事會不時議決的公司願景及目標進行檢討及批准；及
- (d) 個別執行董事及高級管理人員的薪酬待遇應由薪酬委員會向董事會作出建議。

1 committee meeting was convened during the Year and the attendances of each committee member at the meeting is set out as follows:

於本年度內，本公司共舉行了1次委員會會議及各委員會成員於該會議之出席記錄載列如下：

	Attendance	出席記錄
Independent non-executive Directors		
Mr. Choi Wing Koon (<i>Chairman</i>)	1/1	蔡永冠先生(主席)
Mr. Lam Wing Tai (retired on 30th November 2016)	0/0	林永泰先生 (於二零一六年十一月三十日退任)
Mr. Lam Chi Keung	1/1	林芝強先生
Ms. Cheng Lo Yee (appointed on 30th November 2016)	0/1	鄭露儀女士 (於二零一六年十一月三十日獲委任)
Executive Director		
Mr. Lam Shiu Ming, Daneil	1/1	林小明先生

The Remuneration Committee assists the Group in the administration of a fair and transparent procedure for setting remuneration policies for all Directors and senior executives of the Group. The responsibility for reviewing and determining the remuneration package of individual Executive Directors and senior management of the Group is delegated to the Remuneration Committee.

薪酬委員會協助本集團維持一套公平及透明程序，以釐定本集團整體董事及高級行政人員的薪酬政策。薪酬委員會亦獲指示負責檢討及釐定個別執行董事及本集團的高級管理層的薪酬待遇。

The Remuneration Committee has reviewed and discussed the remuneration of the Directors and senior management. The Remuneration Committee has also approved the remuneration and the discretionary bonuses of the executive Directors and the senior management of the Group by reference to their respective levels of responsibilities and performance, industry benchmarks, prevailing market conditions and the Group's financial performance. No Director was involved in deciding his own remuneration.

薪酬委員會已就董事及高級管理人員之薪酬作出檢討及討論。薪酬委員會亦參照本集團各執行董事及高級管理人員之責任及表現水平、行業指標及當時之市場情況以及本集團之財務表現而批准彼等之薪酬及酌情花紅。概無董事參與釐定其自身之薪酬。

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NOMINATION COMMITTEE

The Nomination Committee with specific written terms of reference (amended on 30th August 2013) was established by the Company on 15th July 2005. The Nomination Committee currently comprises three independent non-executive Directors, namely Lam Chi Keung (as chairman), Mr. Choi Wing Koon and Ms. Cheng Lo Yee and an executive Director, namely, Mr. Lam Shiu Ming, Daneil. The terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Nomination Committee include reviewing the structure, size, composition and diversity (including but not limited to gender, age, culture and educational background, ethnicity, skills knowledge and length of service) of the Board at least annually and making recommendations to the Board regarding any proposed changes to complement the Company's corporate strategy as well as assessing the independence of independent non-executive Directors.

Board Diversity Policy

The Board sees increasing diversity at the Board level as an essential element in attaining its strategic objectives and achieving sustainable and balanced development of the Group. In view of the new amendments of the Code in respect of diversity of board members that has come into effect on 1st September 2013, the Board has formulated and adopted its diversity policy on 30th August 2013.

The nominations were made in accordance with the objective criteria (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity. During the year, the Nomination Committee conducted a review of the Board's composition. The Nomination Committee reviewed the Board structure, size and diversity annually and recommends any proposed changes to the Board to complement Company's corporate strategies.

提名委員會

本公司於二零零五年七月十五日成立具有特定成文職權範圍(於二零一三年八月三十日經修訂)的提名委員會。提名委員會現由三名獨立非執行董事，分別為林芝強先生(主席)、蔡永冠先生及鄭露儀女士以及一名執行董事林小明先生組成。提名委員會之職權範圍可分別於聯交所及本公司之網址查閱。

提名委員會之主要職責包括最少每年檢討董事會之架構、人數、組成及多元性(包括但不限於性別、年齡、文化及教育背景、種族、技能、知識及服務年限)，並就任何為配合本公司之公司策略而擬作出的變動向董事會提出建議；及評核獨立非執行董事之獨立性。

董事會多元化政策

董事會視董事會層面不斷多元化為達到策略目標及實現本集團可持續平衡發展的要素。鑒於有關董事會成員多元化之新修訂守則於二零一三年九月一日起生效，董事會已於二零一三年八月三十日制定並採納了其多元化政策。

提名乃按客觀標準(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期)，並顧及多元化裨益。於年內，提名委員會對董事會人員組成進行了審查。提名委員會每年審閱董事會架構、規模及多元化，並推薦建議董事會的變動以配合本公司的企業策略。

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1 committee meeting was convened during the Year and the attendances of each committee member at the meeting is set out as follows:

於本年度內，本公司共舉行了1次委員會會議及各委員會成員於該會議之出席記錄載列如下：

	Attendance		出席記錄
Independent non-executive Directors		獨立非執行董事	
Mr. Lam Chi Keung (<i>Chairman</i>)	1/1	林芝強先生(主席)	1/1
Mr. Choi Wing Koon	1/1	蔡永冠先生	1/1
Ms. Cheng Lo Yee (appointed on 30th November 2016)	0/0	鄭露儀女士 (於二零一六年十一月三十日 獲委任)	0/0
Mr. Lam Wing Tai (retired on 30th November 2016)	1/1	林永泰先生 (於二零一六年十一月三十日退任)	1/1
Executive Director		執行董事	
Mr. Lam Shiu Ming, Daneil	1/1	林小明先生	1/1

AUDIT COMMITTEE

The Company established an Audit Committee on 11th October 1999. The written terms of reference (amended on 29th February 2012), which describe the authority and duties of the Audit Committee, were prepared and adopted with reference to "A Guide for Effective Audit Committee" published by the Hong Kong Institute of Certified Public Accountants and in accordance with the Code. The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Choi Wing Koon (as chairman), Mr. Lam Chi Keung and Ms. Cheng Lo Yee. The terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company respectively.

審計委員會

本公司已於一九九九年十月十一日成立審計委員會。詳述審計委員會之權力及職責之書面職責範圍(於二零一二年二月二十九日修訂)乃參考香港會計師公會頒佈之「審計委員會有效運作指引」及根據守則而編製並作出採納。審計委員會現由三名獨立非執行董事，分別為蔡永冠先生(主席)、林芝強先生及鄭露儀女士所組成。審計委員會之職責範圍可分別於聯交所及本公司之網站查閱。

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The Audit Committee meets, at least twice a year, with the external auditor to discuss any area of concern during the audit or review. The Audit Committee is mainly responsible for the appointment, reappointment and removal of the external auditor, review of the Group's financial information and oversight of the Group's financial and accounting practices, internal control and risk management. It is also responsible for reviewing the interim and final results of the Group.

The audited consolidated financial statements for the Year have been reviewed by the Audit Committee.

2 committee meetings were convened during the Year and the attendances of the each committee member at these meetings are set out as follows:

	Attendance	出席記錄
Independent non-executive Directors		
Mr. Choi Wing Koon (<i>Chairman</i>)	2/2	獨立非執行董事
Mr. Lam Chi Keung	2/2	蔡永冠先生(主席) 2/2
Ms. Cheng Lo Yee (appointed on 30th November 2016)	1/1	林芝強先生 2/2
Mr. Lam Wing Tai (retired on 30th November 2016)	1/1	鄭露儀女士 (於二零一六年十一月三十日 獲委任) 1/1
		林永泰先生 (於二零一六年十一月三十日退任) 1/1

The Audit Committee has reviewed the terms of engagement of the external auditor, the revised accounting standards, the interim consolidated financial statements for the six months ended 31st December 2016 and annual consolidated financial statements for the Year. Based on its review and discussions with management and the external auditor, the Audit Committee was satisfied that the annual consolidated financial statements for the Year were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the Year.

The Audit Committee also reviewed the internal control systems and met with the external auditor to discuss the nature and scope of the audit and reporting obligation prior to the commencement of and after the completion of the audit. For details about the internal control review, please refer to the section headed "Risk Management and Internal Control" in this report below.

審計委員會每年最少與外聘核數師會面兩次，以討論審計或審閱過程中任何需關注事宜。審計委員會主要負責委任、重新委任及罷免外聘核數師、審閱本集團之財務資料及監管本集團之財務及會計慣例、內部監控及風險管理。審計委員會亦會負責審閱本集團之中期及全年業績。

本年度之經審核綜合財務報表已由審計委員會審閱。

於本年度內，本公司共舉行了2次委員會會議及各委員會成員於此等會議之出席記錄載列如下：

審計委員會已審閱外聘核數師之聘用條款、經修訂之會計準則、截至二零一六年十二月三十一日止六個月之中期綜合財務報表及本年度之全年綜合財務報表。根據與管理層及外聘核數師進行的審閱及討論，審核委員會信納年內的年度綜合財務報表乃根據適用會計標準編製，公允呈報本集團年內的財務狀況及業績。

審計委員會亦已審閱內部監控系統及於審計開始前及完成後與外聘核數師會面討論審計性質及範圍及申報責任。有關內部監控審閱之詳情，請參閱本報告下文「風險管理及內部監控」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE FUNCTION

No corporate governance committee has been established and the Board is responsible for, amongst other things, the development and review of the policies and practices on corporate governance of the Group and monitoring the compliance with legal and regulatory requirements, reviewing and monitoring the training and continuous professional development of Directors and senior management, and reviewing the corporate governance compliance with the Codes and disclosure in the annual report.

The corporate governance report has been reviewed by the Board in discharge of its corporate governance function.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the establishment, maintenance and review of the Group's risk management and internal control systems. The Board must ensure that the Company establishes and maintains effective risk management and internal control systems to meet the objectives and safeguard the interests of the Shareholders and assets of the Company. The internal control systems are designed to manage rather than eliminate the risk of failures to achieve business objectives, and can only provide reasonable but not absolute assurance.

The Board oversees the Group's overall risk management and internal control systems on an ongoing basis through identifying and grading risk components, perceiving control impact and facilitating remediation plan. The development of our risk management and internal control systems are largely based on the framework as set down by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The risk management framework, coupled with our internal controls, ensures the risks associated with our different business units are effectively monitored, and are in line with the Group's risk appetite.

企業管治職能

由於並無成立企業管治委員會，因此由董事會負責(其中包括)制定及檢討本集團之企業管治政策及常規、監察遵守法律法規和監管要求的情況、檢討及監察董事及高級管理人員的培訓和持續專業發展，以及檢討企業管治遵守守則之情況及於年度報告中之披露。

董事會已履行其企業管治職能審閱企業管治報告。

風險管理及內部監控

董事會負責建立、維護及審查本集團的風險管理及內部控制系統。董事會須確保本公司建立及維護有效的風險管理及內部控制系統，符合宗旨及保障股東利益及本公司資產。內部控制系統旨在管控而非消除無法實現業務目標的風險，且僅提供合理而非絕對的保證。

董事會透過識別及評定風險成份級別、觀察控制效果及推進整改計劃而持續監管本集團的整體風險管理及內部控制系統。我們的風險管理及內部控制系統的製成大體上基於美國反虛假財務報告委員會下屬的發起人委員會(發起人委員會)設定的框架。風險管理框架連同我們的內部控制，可確保與我們的各項業務單元有關的風險得到有效監控，且符合本集團的風險承受偏好。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group adopts both the top-down and bottom-up approach to monitor the principal risks affecting the business as follows:

1. Each division is responsible for identifying and assessing principal risks within its division on a quarterly basis and establishing mitigation plans to manage the risks identified.
2. The management is responsible for overseeing the Group's risk management and internal control activities, attending quarterly meetings with each division to ensure principal risks are properly managed, and new or changing risks are identified and documented.
3. The Board reviews and approves the effectiveness and adequacy of the Group's risk management and internal control systems on a regular basis.

In respect to the absence of a separate internal audit department in the Group, the Group review annually on whether there is a need for such functional department. Given the possibility to engage external professional assistance, the board opposed to divert resources to establish a separate internal audit department.

During the Year, an external consultant was engaged to conduct a review on the internal control systems, which covers certain procedures on the provision of securities trading and margin financing services, and makes recommendations for improving and strengthening the internal control systems. In addition, reviews on the human resources function (including staff qualifications, experience and training programs) and accounting and financial reporting mechanism were conducted. The Board will continue to work with the external consultant to discuss and follow-up on the status of remediation of the internal control weaknesses and to monitor the risks of the Group in the coming years.

With respect to the monitoring and disclosure of inside information, the Group has adopted a policy on disclosure of inside information with the aim to ensure the insiders are abiding by the confidentiality requirement and are fulfilling the disclosure obligation of the inside information.

本集團採納自上而下及自下而上的方法監控如下影響業務的主要風險：

1. 各科室負責每個季度識別及評估科室範圍內的主要風險並製定緩解計劃以管控所識別的風險。
2. 管理層負責監管本集團的風險管理及內部控制活動，與各科室舉行季度會議以確保主要風險得到適當管控，且新的或不斷變化的風險得到識別及記錄。
3. 董事會定期審查及批准本集團風險管理及內部控制系統的有效性及適當性。

關於本集團無單獨的內部審計部門，本集團每年檢討是否有需要設立該職能部門。鑒於委聘外部專業人士協助的可能性，董事會反對轉移資源設立單獨的內部審計部門。

於本年度，本公司委聘一名外聘顧問對內部監控系統進行審查(包含提供證券交易及孖展融資服務的若干程序)，並作出改善及加強內部監控系統的建議。此外，對人力資源職能(包括員工資格、經驗及培訓課程)與會計及財務申報機制的審查已進行。董事會將持續與外聘顧問合作以討論及跟進內部控制不足的補救進度並監控本集團於未來數年的風險。

關於監控及內幕消息披露，本集團已採納關於內幕消息披露政策，旨在確保內幕知情人遵守保密規定及履行內幕消息披露義務。

CORPORATE GOVERNANCE REPORT

企業管治報告

Taking the above into consideration, the Audit Committee reviews the effectiveness of the Group's internal controls and reports to the Board on such reviews. For the Year, the Board considered that a review of the effectiveness of the risk management and internal control systems has been conducted and save for the events as disclosed on pages 14 and 15 in the sub-section headed "BUSINESS AND OPERATIONAL REVIEW-securities brokerage and margin financing" in the "Management Discussion and Analysis" contained in the annual report for the Year, considered that the risk management and internal control systems are effective and adequate.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements of the Group and ensure that the consolidated financial statements of the Group for the Year have been prepared in accordance with Hong Kong Financial Reporting Standards and Hong Kong Accounting Standard and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and disclosure requirements of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

The statement of the external auditor of the Company, Crowe Horwath (HK) CPA Limited, about their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report from pages 99 to 111 of this annual report.

經計及上述情況，審計委員會審查本集團內部監控的有效性並將審查結果報送董事會。年內，董事會認為風險管理及內部控制系統的有效性已獲檢討，而除本年度之年報所載「管理層討論及分析」之「業務及營運回顧－證券經紀及孖展融資」分節第14及15頁所披露之事件外，認為風險管理及內部控制系統有效及充足。

董事對財務報告之責任

董事明白彼等編製本集團綜合財務報表之責任，並確保本年度本集團之綜合財務報表乃按照由香港會計師公會頒佈之香港財務報告準則、香港會計準則及詮釋、香港公認會計原則及香港法例第622章《公司條例》的披露規定而編製。

本公司外聘核數師國富浩華(香港)會計師事務所，就有關本集團之綜合財務報表之其申報責任聲明載於本年報第99頁至第111頁的獨立核數師報告書內。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITOR'S REMUNERATION

The consolidated financial statements have been audited by Crowe Horwath (HK) CPA Limited who will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-appointment. For the Year, the remuneration payable to auditors is set out as follows:

核數師酬金

綜合財務報表已經由國富浩華(香港)會計師事務所有限公司審核，該核數師將於即將舉行之股東週年大會上退任，及符合資格並願意膺選連任。於本年度，應付核數師之酬金載列如下：

Services rendered	所提供服務	Fees payable 應付費用 HK\$'000 千港元
Audit services	審計服務	4,081
Non-audit services	非審計服務	
• Circular of rights issue	• 供股通函	100
• Interim results	• 中期業績	200
• Annual results announcement	• 年度業績公佈	50
		4,431

COMPANY SECRETARY

Mr. Lam Kit Sun is the company secretary of the Company. His biographical details are set out under the section headed "BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT" of Directors and Senior Management Profile on page 42 of this annual report.

公司秘書

林傑新先生為本公司之公司秘書。彼之履歷詳情載於本年報第42頁的董事及高級管理人員簡介的「董事及高級管理人員履歷詳情」一節內。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the Year, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as the code for dealing in securities of the Company by the Directors. Having made specific enquiries, all the Directors confirmed that they have complied with the Model Code throughout the Year.

董事進行證券交易的標準守則

於本年度內，本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）為董事進行本公司證券交易的守則。在作出具體查詢後，所有董事確認於本年度內已遵守標準守則。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS

The general meetings of the Company provide a communication channel between the Shareholders and the Board. An annual general meeting of the Company shall be held each year and at a place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called a special general meeting. The Board may whenever it thinks fit convene special general meetings.

The procedures for Shareholders to convene a special general meeting

Shareholders holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary at the Company's principal place of business in Hong Kong, to require a special general meeting to be convened by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within 2 months after the deposit of such requisition.

The procedures for sending enquiries to the Board

The enquiries must be in writing with the detail contact information of the requisitionists and deposited with the Board or the Company Secretary at the Company's principal place of business in Hong Kong.

The procedures for Shareholders to put forward proposals at Shareholders' meetings

To put forward proposals at an annual general meeting, or a special general meeting, the Shareholders should submit a written notice of those proposals with the detail contact information to the Company Secretary at the Company's principal place of business in Hong Kong. The request will be verified with the Company's share registrar in Hong Kong (the "Share Registrar") and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the resolution in the agenda for the general meeting.

股東權利

本公司之股東大會為股東與董事會之間提供溝通途徑。本公司之股東週年大會須每年舉行一次，地點由董事會決定。股東週年大會以外之各股東大會均稱為股東特別大會。董事會可於其認為適當的任何時間召開股東特別大會。

股東召開股東特別大會之程序

股東於任何時間均有權向董事會或公司秘書以書面形式遞交請求書至本公司於香港之主要營業地點，要求董事會就處理請求書所述之任何事務召開股東特別大會，惟股東於遞交請求書當日必須持有不少於十分之一之本公司實繳股本（於本公司股東大會上具投票權者），而該大會須於請求書遞交日期後2個月內舉行。

向董事會作出查詢之程序

有關查詢須以書面方式連同查詢人之詳細聯絡資料送達本公司於香港之主要營業地點交董事會或公司秘書。

股東於股東大會作出提案之程序

為於股東週年大會或股東特別大會上提出提案，股東須以書面通知形式提交該等提案，連同詳細聯絡資料，送交本公司於香港之主要營業地點交公司秘書。本公司會向本公司於香港之股份登記處（「股份登記處」）核實該要求，於獲得股份登記處確認該要求為恰當及適當後，公司秘書將要求董事會在股東大會之議程內加入有關決議案。

CORPORATE GOVERNANCE REPORT

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The notice period to be given to all the Shareholders for consideration of the proposal raised by the Shareholders concerned at an annual general meeting or a special general meeting varies according to the nature of the proposal, and the relevant notice periods are set out as follows:

- At least 14 clear days' notice (the notice period must include 10 clear Business Days (Note)) in writing if the proposal constitutes an ordinary resolution of the Company in a special general meeting.
- At least 21 clear days' notice (the notice period must include 10 clear Business Days (Note)) in writing if the proposal constitutes a special resolution of the Company in a special general meeting.
- At least 21 clear days' notice (the notice period must include 20 clear Business Days (Note)) in writing if the proposal constitutes an ordinary resolution or a special resolution of the Company in an annual general meeting.

Note: Business Day means any day on which the Stock Exchange is open for the business of dealing in securities.

The procedures for Shareholders to propose a person for election as a Director

According to the Bye-laws, no person other than a retiring Director shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless a notice in writing signed by a shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election as a director and also a notice in writing by that person of his willingness to be elected (including that person's biographical details as required by Rule 13.51(2) of the Listing Rules) shall be lodged with the Company Secretary at the Company's principal place of business in Hong Kong or the Share Registrar's place of business in Hong Kong provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven days and that (if the notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.

就上述股東提出於股東週年大會或股東特別大會考慮之提案而向全體股東發出通告之通知期因應提案之性質而有所不同，有關通知期載列如下：

- 倘有關提案構成於股東特別大會上本公司之普通決議案，則須至少足14日之書面通知(該通知期須包括足10個營業日(註))。
- 倘有關提案構成於股東特別大會上本公司之特別決議案，則須至少足21日之書面通知(該通知期須包括足10個營業日(註))。
- 倘有關提案構成於股東週年大會上本公司之普通決議案或特別決議案，則須至少足21日之書面通知(該通知期須包括足20個營業日(註))。

註：營業日指聯交所開市進行證券買賣業務之任何日子。

股東提名候選董事之程序

根據公司細則，除退任董事外，任何未獲董事推薦參選之人士皆不具資格於任何股東大會上參選董事，除非獲正式合資格出席大會及可於會上投票之股東(並非擬參選人士)簽署書面通知，其內表明建議提名該人士參選董事之意向，及亦由獲提名人士簽署書面通知，表明願意參選(包括列載按照上市規則第13.51(2)條要求之該人士之履歷詳情)，該等書面通知必須呈交至本公司之香港主要營業地點交公司秘書或其股份登記處之香港營業地點，惟該等書面通知之最短通知期限為至少七日，而(倘該等書面通知於寄發有關選舉所召開股東大會之通告後才呈交)該等書面通知須於寄發有關選舉之股東大會通告後翌日起至舉行該股東大會日期前七日止期間內呈交。

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If such notice(s) are received less than ten business days prior to the date of such general meeting, the Company will need to consider the adjournment of such general meeting in order to allow the Shareholders fourteen clear days' notice (the notice period must include ten Business Days (Note)) of the proposal.

Note: Business Day means any day on which The Stock Exchange of Hong Kong Limited is open for the business of dealing in securities.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands.

SHAREHOLDERS COMMUNICATION POLICY

The Company has adopted a Shareholders Communication Policy to set out the Company's procedures in providing the Shareholders and the investment community with ready, equal and timely access to balanced and understandable information about the Company, in order to enable the Shareholders to exercise their rights in an informed manner, and to allow the Shareholders and the investment community to engage actively with the Company.

Pursuant to code provision E.1.2 of the Code, the chairman of the Board, the Audit Committee, Remuneration Committee and Nomination Committee, or in their absence, another member of the Board, committees or an appointed representative, will attend the forthcoming annual general meeting to answer questions of the Shareholders. The Company will also invite representatives of the Auditors to attend the forthcoming annual general meeting to answer the Shareholders' questions about the conduct of the audit, the preparation and content of the auditors' report, the accounting policies and auditor independence.

倘於該股東大會舉行日期前少於十個營業日收到該等書面通知，為了讓股東就有關提案獲足十四日通知(該通知期須包括十個營業日(註))，本公司將需考慮舉行該股東大會之續會。

註：營業日指香港聯合交易所有限公司開市進行證券買賣業務之任何日子。

以投票方式表決

根據上市規則第13.39(4)條的規定，股東於股東大會上的任何表決均須以投票方式進行，惟主席基於誠信原則作出決定，允許純粹有關程序或行政事宜的決議案以舉手方式表決者除外。

股東通訊政策

本公司已採納股東通訊政策以列載本公司為股東及投資人士提供容易、平等和及時獲得全面及易於理解的本公司資料之渠道，以確保股東可在知情情況下行使彼等之權力，及讓股東及投資人士與本公司加強溝通。

根據守則內第E.1.2條守則條文，董事會、審計委員會、薪酬委員會及提名委員會主席，或若彼等缺席，董事會、委員會其他成員或指定代表將出席即將舉行之股東週年大會，回答股東提問。本公司亦將邀請核數師代表出席即將舉行之股東週年大會，回答股東有關審計工作、核數師報告之編製及內容、會計政策以及核數師獨立性等提問。

CORPORATE GOVERNANCE REPORT

企業管治報告

CONSTITUTIONAL DOCUMENTS

The memorandum of association of the Company and the Bye-laws are available on the websites of the Stock Exchange and the Company respectively.

章程文件

本公司之組織章程大綱及公司細則可分別於聯交所及本公司之網站上查閱。

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

環境、社會及管治報告

SCOPE AND REPORTING PERIOD

As a company that aims to provide the best entertainment, services and products in Hong Kong, UNIVERSE INTERNATIONAL FINANCIAL HOLDINGS LIMITED and its subsidiaries (thereafter “Group” or “We”) are committed to sustain a stable corporate development growth, while protecting our environment, being socially responsible and adhering to the highest standards of corporate governance. Pursuant to the newly released requirement of the Environmental, Social and Governance Reporting guide (“Environmental, Social and Governance Guide”) in Appendix 27 of the Rules Governing the Listing of Securities from the Stock Exchange of Hong Kong Limited, we have prepared the 2017 Environmental Social and Governance Report (thereafter “ESG Report”), covering the whole range of our business, including securities brokerage and margin financing, money lending, leasing of investment properties and securities investment, video distribution, film distribution and exhibition, licensing and sub-licensing of film rights, trading, wholesaling and retailing of optical products, watches and jewellery products. The scope of this report will cover the Group’s initiatives on introducing the concept of ESG to our employees and clients, putting them into practices in our daily operations and disclosing results as a year-end summary over this covered period.

It is also the intention of our management to provide an overview of our Group’s direction in managing ESG related matters, driving for ESG initiatives throughout the group, and communicating our ESG performance result with our stakeholders.

The reporting period of this report shall cover the period from 1st July 2016 to 30th June 2017.

範圍及報告期間

作為一家旨在於香港提供最佳娛樂、服務及產品之公司，寰宇國際金融控股有限公司及其附屬公司(下稱「本集團」或「我們」)致力維持公司發展的穩定增長，同時保護環境，肩負社會責任，秉持最高標準之企業管治。按照香港聯合交易所有限公司證券上市規則附錄二十七之環境、社會及管治報告指引(「環境、社會及管治指引」)之新頒佈規定，我們編製二零一七年環境、社會及管治報告(下稱「環境、社會及管治報告」)，範圍涉及我們業務的各方面，包括證券經紀及孖展融資、放貸、投資物業出租及證券投資、錄像發行、電影發行及放映、授出及轉授電影版權以及光學產品、鐘錶及珠寶產品貿易、批發及零售。本報告的範圍將涵蓋本集團向僱員及客戶推行環境、社會及管治概念，於日常營運中實踐有關概念，並以年末概要方式披露有關期間之結果。

管理層亦旨在概述本集團在管理環境、社會及管治相關事宜、於整個集團推動相對措施以及與持份者溝通環境、社會及管治表現結果之方針。

本報告之報告期間涵蓋二零一六年七月一日至二零一七年六月三十日止期間。

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL PERFORMANCE

Delivering the best entertainment, services and products while generating revenue for our shareholders, and recognising the importance and contributing to both the environment and local community have always been one of our guiding principles. ESG, is thus considered a high priority within the group, and is especially championed by our senior management. The culture of environmental protection is widely adopted throughout the Group, and our management is fully committed to minimizing impacts to the environment arising from our operations.

Due to the nature and the wide scope of our business, it is important for us to identify and manage impacts to the environment attributable to our operational activities in order to minimise these impacts if possible. It is also our intention to promote environment protection internally throughout our operation, and we advocate environmental protection to our clients as well.

AIR AND GREENHOUSE GAS EMISSIONS

The Group is primary engaged in film production, retail and securities trading services, and as such do not involve any direct activity in the emission of air and greenhouse gases. We took the initiative to examine the issue of such emissions across our operations, and the results indicated no significant impact could be reported. Our overall operation does not involve any combustion process, industrial, or heavy transportation activities, and thus can be concluded that no major impact can be found in this aspect. As such we do not have any policies in relation to air or greenhouse gas emissions nor are we aware of any need for complying with any laws and regulations regarding such matters. We will continue monitoring our operation and ensuring our emission in relation to air and greenhouse gases will be maintained at this level, and will disclosure further information as changes occur.

環境表現

提供最佳娛樂、服務及產品，同時為股東帶來收入，認可我們對環境與當地社區之重要性並對此作出貢獻一直是我們堅守的一項指導原則。因此，環境、社會與管治乃本集團之首要關注事項，並得到我們高級管理層之特別支持。環境保護文化在整個集團內廣受接納，管理層亦全面承諾盡量減低營運上對環境產生之影響。

由於我們業務之性質及業務範圍廣泛，識別及管理並盡可能降低營運活動對環境產生之影響對我們而言十分重要。我們亦有意從內部於整個營運過程中推動環保，並向客戶宣揚環保。

氣體及溫室氣體排放

本集團主要從事電影製作、零售及證券買賣服務，因而不涉及任何直接排放氣體及溫室氣體活動。我們主動審視營運中有關排放之問題，結果顯示無重大影響可作報告。我們的整體營運並不涉及任何燃燒工序、工業或重型運輸活動，因而並無發現在此方面造成重大影響。因此，我們並未制定任何有關氣體或溫室氣體排放的政策，亦不知悉有必要就有關事項遵守任何法律及法規。我們將繼續監控營運，確保氣體及溫室氣體的排放將維持於現時水平，並在情況有變時披露進一步資料。

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

環境、社會及管治報告

CARBON EMISSION

During this reporting period, our Group started has examined the overall carbon emission generated due to our operation activities. We found our operational activities had a minimal carbon footprint. It is however the intention of our senior management to take further action, and assessing our annual indirect carbon emission over this reporting period is our first step.

We estimated that our carbon footprint, as a Group, based on our electricity consumption and the emission factor provided by our electricity providers (data on electricity consumption and the carbon intensity factor are available on the electricity bill and the sustainability report from our electricity provider respectively). With this information available to us, We look to further investigate and work with our employees, along with external stakeholders, on enhancing our overall performance and minimising our carbon footprint. Further information and progress will be disclosed in the subsequent ESG report.

As a summary, and based on our electricity consumption alone, the Carbon Footprint for our Group in this reporting year (1st July 2016 to 30th June 2017) was 227,210kgCO₂e.

WASTE MANAGEMENT

Our business does not involve generating, managing or handling any hazardous waste, and after careful investigation, we concluded that our operations did not result in any hazardous waste being produced. As such, we do not have any policies in relation to hazardous waste management nor are we aware of any need for complying with any laws or regulations regarding such matters.

碳排放

在本報告期間內，本集團審視營運活動所產生之整體碳排放。我們發現營運活動低碳，然而，高級管理層現計劃採取進一步措施，而評估本報告期間內我們的年度間接碳排放為我們的第一步舉措。

我們根據電力供應商所提供的耗電量及碳排放強度系數(數據從電力供應商提供的電費單及可持續發展報告得出)，估算出集團整體之碳足跡。以此可得資料，我們同時作出進一步調查，並與員工及外界持份者合作，以提升整體表現及減低碳足跡。我們將會於隨後的環境、社會及管治報告披露進一步資料及進展。

總括而言，並僅基於我們的耗電量，本集團於本報告年度(二零一六年七月一日至二零一七年六月三十日)的碳足跡為227,210千克二氧化碳當量。

廢棄物管理

我們的業務並不涉及產生、管理或處理任何有害廢棄物，且經審慎調查後，我們得出結論，即我們的營運不會產生任何有害廢棄物。因此，我們並未就有有害廢棄物管理設立任何政策，亦不知悉有必要就有關事宜遵守任何法律及法規。

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

環境、社會及管治報告

For non-hazardous waste, our Group is cautious about waste generation from our daily activities, and work closely with our employees as well as partnering with our suppliers on reducing our solid waste. We promote the culture of recycling, and had placed recycling bins in easy-to-access locations to increase our employees' awareness on recycling. We also took the initiative further by driving for a paper-less working environment. Our staff are encouraged to work "paperlessly" wherever practically possible, by communicating through emails and e-format documents instead of hard copies. The effort was well received and widely supported by our employees.

Our Group also owns a retail business, which includes a team responsible for packaging and delivering our finished products to various sales points. It is determined the total reported waste amount is insignificant, and thus is not reported. However, our Group has started a dedicated programme, specifically on reporting our accumulated non-hazardous waste amount generated from all of our business. Further data will be disclosed in the subsequent ESG reports.

USE OF RESOURCES

Our operation uses minimal amounts of resources and we mainly consume electricity and paper to operate and to sustain our business. In an effort to promote environmental protection, our Group actively encourages our employees to consume resources smartly, which include paper and electricity, and are particularly our primary focus on reduction in consuming resources in this reporting period.

We request our employees to stay cautious on their consumption behaviours, especially on paper and electricity. Along with our consumption policy, our Group introduces best consumption practices in our premises to further emphasise the importance of being "smart" on resource consumption. Our Group also takes an active role in upgrading equipment on lighting and controlling air-conditioning systems to further reduce our overall energy consumption. Energy consumption patterns and intensity are also recorded to identify other energy efficiency opportunities. Details will be discussed in the subsequent section.

對於無害廢棄物，本集團審慎處理日常活動中產生之廢棄物，並與僱員及供應商密切合作以減少製造固體廢棄物。我們推崇回收利用文化，將回收箱放於便於投放的位置以提高僱員對回收利用的意識。我們亦推行無紙化工作環境，鼓勵員工於實際可行情況下「無紙化」作業，以電郵或電子格式文件取代實體印刷本進行溝通。這一舉措得到我們僱員好評及廣泛支持。

本集團亦擁有零售業務。該項業務設有一個團隊，專門負責包裝製成品並運往不同銷售點。經確定後，所報告之廢棄物總量不大，因此不作報告。然而，本集團啟動一項專門計劃，專為報告我們所有業務產生之累計無害廢棄物數量。進一步數據將披露於我們其後的環境、社會及管治報告中。

資源利用

我們業務營運所用資源量甚微，日常營運上主要消耗電力及紙張。作為我們推動環境保護的一項措施，本集團於本報告期間積極鼓勵僱員智慧消耗包括紙張與電力在內之資源，紙張與電力尤其是我們減少資源消耗的重中之重。

我們要求僱員對其消耗行為保持謹慎，尤其是對紙張與電力之消耗上。在實行消耗政策之同時，本集團在工作場所推出最佳消耗慣例，進一步強調「智慧」資源消耗之重要性。本集團亦積極升級照明設備及管控空調系統，以進一步降低整體能源消耗。本集團亦記錄能源消耗模式及強度，以尋找其他節能機會。詳情將在後續章節討論。

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

環境、社會及管治報告

RESOURCE CONSERVATION

Our Group understands energy generation is generally a heavy fossil fuel burning process, and with polluting substances being emitted directly to the atmosphere, it leads to significant impact to our environment. With this in mind, We are naturally cautious about our electricity consumption and are trying our best to minimise our impacts.

The majority of our consumption on resources is spent on electricity consumption, and as discussed above, We are proactively implementing measures to conserve and stay “smart” on usage. Our retailing business serves our customers throughout the day, and the long working hours require significant amounts of electricity to operate. To ensure our operation is “smart” and efficient, our shops are designed and furnished to utilize energy efficient equipment. LED lights, which are more efficient as compared to other lighting devices, are installed in most of our shops, providing the necessary sources of lighting for operations. Our signboards, which are another long-hours electricity operating equipment, are equipped with timer and is programmed with an automatic switch off function daily after 11pm. Our air-conditioning systems are set with a temperature range from 20–25°C (depending on the actual needs) in both retail shops and administrative offices, providing a comfortable yet energy efficient environment for our customers and employees. In addition, we request our employees to turn off unnecessary electronics devices, such as lights, photocopiers or air conditioning after use.

Our employees are encouraged to work with a paper-less working place. Practices such as double-sided printing, paper recycling, the appropriate use of used-papers are recommended throughout our premises to foster a good practice in resource consumption. To take the paper-less initiative one step further, our Group took the initiative to work with our partners and clients, convincing them to communicate through e-format documents. Both of these measures are intended to reduce our overall paper waste.

As a summary, and after a careful data consolidation and analysis, our Group reported a consumption of a total of 420,759kWh of electricity in this reporting period (1st July 2016 to 30th June 2017).

資源保護

本集團了解發電過程一般會消耗大量化石燃料，污染物直接排放到大氣中，導致對環境產生重大影響。有鑒於此，我們對電力消耗十分謹慎，並盡量減低我們用電造成之影響。

我們的資源消耗大部份為電力消耗，且如上文所討論，我們積極採取措施以保護及「智慧」使用資源。我們的零售業務全天服務客戶，而長時間營運需要消耗大量電力。為確保我們的營運「智慧」及高效利用資源，我們設計及翻新商舖以利用節能設備。我們大部份店舖安裝了較其他照明設備更加高效之LED燈，為業務營運提供所需照明來源。我們標誌牌為另一項長時間用電設備，其計時器會設於每日下午十一時正後自動關閉。我們零售店舖及行政辦公室空調系統的溫度設於20至25°C（視乎實際需求而定），為客戶及僱員營造舒適而節能之環境。此外，我們要求僱員在使用完畢後關閉不必要之電子設備，如燈、複印機或空調。

我們鼓勵僱員在無紙化作業。推薦在工作中進行雙面打印、紙張回收再用及適當使用回收紙，以培養良好的資源消耗習慣。為進一步推動無紙化措施，本集團主動與合作夥伴及客戶協調，說服彼等透過電子格式文件進行溝通。我們計劃透過實施該等措施，全面減少紙張浪費。

總括而言，經審慎整合及分析數據，本集團於本報告期間（二零一六年七月一日至二零一七年六月三十日）之總耗電量為420,759千瓦時。

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL

The business of our Group spreads across several industry sectors. In particular, our film production business involves working with a large group of individuals across various industries. Employees include actors, productions workers, retail shop sales and even packaging workers. We understand the best way to attract or retain talents is by offering competitive compensations, and treating our staff fairly and equally in regardless of their culture, gender and interests, while complying to laws and regulations. As one of our guiding principles, We will grow our business sustainably and in a socially responsible manner, and continue to monitor and improve in areas as needed.

EMPLOYMENT AND LABOUR STANDARD

Our business involves working with a large group of professionals from various industries, producing various types of products that ranges from film production to retail goods. We understand that the success of our Group depends on the seamless teamwork among our employees. We thus recognise our people are our greatest asset in contributing toward our achievements. We believe their works of excellence must be well compensated, and offer a competitive remuneration and benefits scheme to retain our talents. Our employment policy stresses on providing Equal Opportunity to seek and employ the right talent to join our team and ensuring the continuous success of our operations. Our employment policy is enforced according to the Employment Ordinance, Minimum Wage Ordinance and the Mandatory Provident Fund Schemes Ordinance, aiming to provide a fair compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity and anti-discrimination scheme for all of our employees. During the employment process, we are cautious on not posing any discrimination on grounds of gender, disability, pregnancy, family status, race, color, religion, age, sexual orientation, national origin, trade union membership or other conditions recognised in law, and the same policy extends to our internal training and promotion practices. Our human resource department is also responsible in ensuring compliance with all regulations during the employee recruitment process, where CVs and identification cards are carefully reviewed on not employing child or forced labour, or employing any staff under the age of 16 years old as our full-time staff. In addition, we protect the interests of our part-time employees, by restricting their working hours to under 4 hours per day. Any breach of such action will be reported to the company's senior management revision and subjected to further company disciplinary action.

社會

本集團之業務跨越多個行業領域，尤其是我們的電影製作業務涉及與各行各業之人群合作。僱員包括演員、製作工人、零售店鋪銷售人員，甚至包裝工人。我們認為，提供具有競爭力之薪酬、不論員工文化層次、性別及興趣而對員工一視同仁，同時遵守法律法規，是吸引或留住人才之最佳方式。作為我們的指導原則之一，我們將以可持續及對社會負責之形式發展業務，並不斷監察及作出必要方面之改進。

僱傭及勞工準則

我們的業務涉及與各個行業的許多專業人員合作，生產多種產品，從電影製作到零售貨品。我們明白，本集團之成功取決於員工之間的密切團隊合作。因此，我們認為人才是我們最大的資產，對我們的成就作出貢獻。我們認為，應給予工作出色的員工優渥報酬，並提供具有競爭力之薪酬及福利計劃以留住人才。我們的僱傭政策強調提供平等機會以物色及僱傭適當的人才加入我們的團隊，確保我們的業務營運取得持續成功。我們的僱傭政策乃根據《僱傭條例》、《最低工資條例》及《強制性公積金計劃條例》執行，旨在為全體僱員提供公平報酬與解僱、招聘及晉升、工作時長、休息期、平等機會、多元化及反歧視計劃。於僱傭過程中，我們審慎行事，不因性別、殘疾、懷孕、家庭狀況、種族、膚色、宗教、年齡、性取向、國籍、工會會籍或法律承認之其他條件而作任何歧視對待，該政策亦應用於我們的內部培訓與晉升慣例。我們的人力資源部亦負責確保在僱員招聘流程中遵守所有法規，仔細審閱簡歷及身份證，避免僱傭童工或強迫勞工，或僱傭未滿16週歲之任何員工作為全職員工。此外，我們將兼職僱員之工作時長限定在每天四小時以內，以保護彼等之權益。對上述措施如有任何違反，均將上報公司高級管理層進行糾正，並須接受公司進一步之紀律處分。

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

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In the reporting period between 1st July 2016 to 30th June 2017, our Group has found no material breach of relevant laws and regulations during our operations.

於二零一六年七月一日至二零一七年六月三十日止報告期間，本集團在營運過程中並無發現嚴重違反相關法律及法規的行為。

REMUNERATION COMMITTEE

To ensure our remuneration scheme stays competitive, our Group had established a Remuneration Committee since 15th July 2005, and with the principle duties of making recommendations to the Board on the remuneration policy, structure of the Directors and senior management, and on the establishment of a formal and transparent procedure for developing remuneration policy. In addition, the Remuneration Committee will also make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. In details, the main principles of the Group's remuneration policies are:

- (a) ensuring no Director should be involved in deciding his or her own remuneration;
- (b) ensuring remuneration should be determined by taking into consideration factors such as salaries paid by comparable companies, time commitment, levels of responsibilities, employment conditions elsewhere in the Group and desirability of performance-based remuneration;
- (c) reviewing and approving the management's remuneration proposals with reference to corporate goal and objectives resolved by the Board from time to time; and
- (d) recommending the remuneration packages of individual executive Directors and senior management to the Board.

The Remuneration Committee will also meet regularly to determine the policy for the remuneration of Directors and assess the performance of Executive Directors and certain senior management of the Group.

薪酬委員會

為確保我們的薪酬計劃保持競爭力，本集團自二零零五年七月十五日起設立薪酬委員會，列明主要職責為就薪酬政策、董事及高級管理層的架構以及制定薪酬政策之正式且透明程序之設立向董事會提供建議。此外，薪酬委員會亦會就個別執行董事與高級管理層之薪酬待遇向董事會提供建議。具體而言，本集團薪酬政策之主要原則如下：

- (a) 確保董事概不得參與決定自身之薪酬；
- (b) 確保薪酬之釐定經考慮可資比較公司支付的薪金、付出的時間、承擔的責任、本集團其他各處的聘用條件及與表現掛鈎薪酬之願望等多項因素；
- (c) 參考董事會不時決議之公司目標與宗旨後審查及批准管理層之薪酬提案；及
- (d) 向董事會建議個別執行董事及高級管理層之薪酬待遇。

薪酬委員會亦會定期會面以釐定董事的薪酬政策及評估本集團執行董事及若干高級管理層的表現。

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EMOLUMENT POLICY

The emolument of the employees of our Group is determined by the remuneration Committee, and will be assessed based on merit, qualifications and competence. Remuneration is reviewed annually and certain staff are entitled to commission. In addition to basic salaries, staff benefits included discretionary bonus, medical insurance scheme and mandatory provident fund.

RETIREMENT BENEFIT SCHEME

Our Group participates in a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees employed.

During the year ended 30th June 2017, the total contributions paid or payable to the MPF scheme by the Group amounted to approximately HK\$0.80 million (approximately HK\$0.85 million in the previous year), which had been recognized as expenses and included in staff costs in the consolidated statement of comprehensive income.

EQUAL OPPORTUNITIES AND ANTI-DISCRIMINATION

Our Corporate Policy includes provisions on handling discrimination, harassment and victimisation in the workplace.

薪酬政策

本集團僱員的薪酬由薪酬委員會釐定，並將按表現優劣、資歷及才幹進行評估。薪酬乃按年審核，若干員工享有佣金。除基本薪金外，員工福利包括酌情花紅、醫療保險及強積金。

退休福利計劃

本集團為所有合資格僱員參與根據香港強制性公積金計劃條例設立的強制性公積金計劃（「強積金計劃」）。

本集團於截至二零一七年六月三十日止年度向強積金計劃已付或應付的供款總額約為0.80百萬港元（去年約為0.85百萬港元），該等金額已確認為開支並於綜合全面收益表中列為員工成本。

平等機會及反歧視

我們的公司政策包括關於處理工作場所歧視、騷擾及傷害行為的規定。

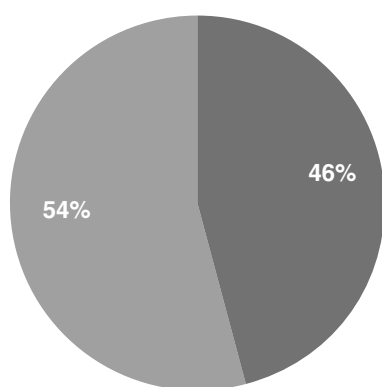
ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

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We employ the most appropriate professionals to fill our Group's needs, ensuring to employ based on merit without discriminating based on gender or any specific or non-specific demographic profile or political persuasion. As mentioned, our employment process, along with our appraisal, remuneration and incentive scheme are conducted openly and transparently, and our Group is proud to work with a diversified workforce. The following charts provided an overview of our staff's gender and age distribution with total 117 employees during in the reporting period:

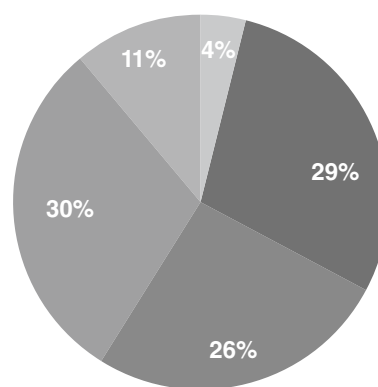
我們聘請最合適的專業人員以應付本集團需求，確保唯才是用而不以性別或任何特定或非特定人口分佈或政治派別而區分對待。如上所述，我們的招聘程序以及評核、薪酬及獎勵計劃公開、透明，本集團亦為工作隊伍的多元化而自豪。下圖概述報告期間我們共117名僱員的性別及年齡分佈情況：

Employee Gender Distribution
僱員性別分佈



■ Male ■ Female
男性 女性

Employee Age Distribution
僱員年齡分佈



■ <30 ■ 30-40 ■ 41-50 ■ 51-60 ■ >60

Our Group had issued a comprehensive staff handbook, providing the basis for human resources management about our employment policy, welfare and benefits, leave and rest days, conduct and discipline, occupational health and safety policy, personal data (privacy) policy and equal opportunity policy. Each of our staff are provided with a copy of such employee handbook upon joining our Group, and updates will be informed upon any revision.

本集團已頒佈一份全面的員工手冊，規管關於僱傭政策、福利及待遇、年假及休息日、操守及紀律、職業健康與安全政策、個人資料（私隱）政策及平等機會政策的人力資源管理基準。員工於加入本集團時均會獲提供員工手冊，有關內容如若有任何修改，我們會告知相關更新。

During the period from 1st July 2016 to 30th June 2017, there was no reported material breach of related regulations and laws.

於二零一六年七月一日至二零一七年六月三十日止期間，並無報告嚴重違反有關法規及法律的事件。

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

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HEALTH AND SAFETY

We strive to maintain a safe and comfortable working environment, and it has always been one of the priorities in our Group. We generally set out our Health and Safety practices according to the guideline from HKSAR Labour Department (section “Occupational Safety & Health”), where safety equipment, measures, practices are enforced accordingly. In addition, our senior management makes regular visits to our offices to monitor and review potential health and safety risks, or any accidents that may occur.

Our Group provides a safe working environment for our staff to operate day to day business. Sufficient lighting and air conditioning and spacious working areas are provided in all premises, and safety practices are also recommended to avoid work related injury. For example, our employees are recommended to have at least two persons in moving large and heavy equipment to avoid unnecessary accident. Our offices are equipped with safety equipment such as fire extinguishers, and they are placed in prominent and easy to access locations within offices. Signs and instructions for emergency incidents (such as the access to fire safety route or rally points) are clearly stated, where both of our new recruited and current employees are periodically informed or reminded. We also employ third-party contractors to perform regular check-ups, ensuring our safety equipment are in perfect and working condition. Internally, regular trainings are also conducted to raise the awareness on health and safety, and the practical operation of our safety equipment. Our senior management also perform regular walk-throughs and interviews to collect suggestions from all levels of our staff and to understand their concerns, if any, for further improvement.

Our film production team involves degrees of potential risk of injury during production. We are cautious about occupational safety during the shooting process and maintain the highest health and safety standards to ensure harm and damage is avoided. Extra safety procedures and measures, such as safety equipment (ie: fire extinguishers and dedicated personnel on safety) and special insurance are purchased to ensure film production team work under as safe as an environment as possible, and being taken care under different circumstances.

健康與安全

我們致力於維持一個安全、舒適的工作環境，這一直是本集團的首要事項之一。我們根據香港特區政府勞工處的指引(「職業安全及健康」一節)載列我們的健康及安全常規，有關的安全設備、措施及常規同時會相應執行。此外，我們的高級管理人員定期考查我們的辦公室，以監察及審查可能存在的健康及安全風險或可能發生的任何事故。

本集團為員工提供一個安全的工作環境經營日常業務。所有場所均設有充足的照明及空調以及寬敞的工作區，並建議採用安全常規以避免發生工傷事故。例如，建議僱員在移動大型及重型設備時會至少由兩名人員進行，以避免不必要的事故。我們的辦公室配備有滅火器等安全設備，該等設備放於辦公室內顯眼且易於取用的位置。我們清楚聲明緊急事故的標誌及指示(例如消防安全逃生路線或集結點)，而我們的新招聘僱員及現有僱員會定期獲得通知或提醒。我們亦聘請第三方承包商進行定期檢查，確保安全設備處於完好的運作狀態。我們亦會定期進行內部培訓，以提高健康及安全意識，並提供安全設備的實際操作培訓。我們的高級管理人員亦定期進行巡視及走訪，以從我們各級別員工收集建議，並了解彼等對進一步改進的關注(如有)。

我們的電影製作團隊在製作過程中涉及一定程度的可能傷害風險。在拍攝過程中，我們審慎對待職業安全，並維持最高的健康及安全標準，以確保避免傷害及損害。我們同時實施額外的安全程序及措施(例如滅火器等安全設備及專職安全人員)，並投購專項保險，確保電影製作團隊在盡可能安全的環境下工作，並在各種情況下得到妥善照料。

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During the reporting period from 1st July 2016 to 30th June 2017, our Group had no material non-compliance breach with relevant standards, rules and regulations, and reported with no major injury or accident during operation.

DEVELOPMENT AND TRAINING

Our business involves producing products in the entertainment, financial and retail industry. In order to stay competitive, periodic updates and training for our employees are required for our Group to stay abreast of the latest market development. We put great emphasis on training and equipping our employees with the latest market trend for them not only to excel in their positions, but also in their careers. The financial market is a dynamic and fluid industry, and with trends and information evolve regularly, our business needs operate with the latest market knowledge to stay competitive. We thus request our SFC license holders, and especially our Account Executives, to update their financial market knowledge by attending at least 5–10 hours of CPD training per year. It is also part of our fulfillment according to the rules of the SFC.

Our Group believes in nurturing talents internally to enhance the overall capability of our workforce, and our experience has proven it pays great dividend in upgrading our employees' capability and bring great return to the success of our business.

EMPLOYEES, CUSTOMERS, SUPPLIERS AND OTHER STAKEHOLDERS

The nature of our business involves working with a variety of stakeholders, and our Group maintains an open engagement channel with our suppliers. We conduct regular interviews and meetings, and as well as periodic factory visits to conduct quality inspection, ensuring our products comply with the latest requirements. Qualifications of suppliers, such as business licenses, trademark registration certificates, trademark use authorizations, product testing reports, and customs duty certificates are examined and quality product knowledge training, perfect after-sales service, mature marketing are also conducted regularly.

於二零一六年七月一日至二零一七年六月三十日止報告期間，本集團並無發生嚴重違反有關標準、條例及規章的違規事項，亦無報告營運過程中發生的重大傷害或事故。

發展及培訓

我們的業務涉及製作娛樂、金融及零售行業的產品。為了保持競爭力，本集團須進行定期更新及僱員培訓，以了解最新的市場發展。我們非常重視培訓，以讓僱員了解最新市場趨勢，使其不僅勝任職務，在職業生涯上亦不斷進步。金融市場是一個充滿活力及流動性的行業，隨著趨勢及資訊的不斷演變，我們的業務運作需要最新的市場知識以保持競爭力。因此，我們要求我們的證監會持牌人(尤其是我們的客戶代表)每年至少參加5至10小時的專業進修培訓，以了解最新的金融市場知識。這亦是我們遵守證監會規則的一部分。

本集團信奉內部培育人才以提高工作隊伍的整體能力，而我們的經驗證明，這對提升僱員能力及使我們的業務取得成功方面發揮巨大作用。

僱員、客戶、供應商及其他持份者

我們的業務性質涉及與各種持份者合作，本集團維持與供應商之公開溝通渠道。我們定期進行面談及會議，並定期考察工廠進行品質檢驗，確保我們的產品符合最新的要求。供應商的資格，例如營業執照、商標註冊證、商標使用授權書、產品檢驗報告及海關完稅證明，均應進行檢驗，亦會定期進行優質產品知識、完善售後服務、成熟市場營銷培訓。

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SUPPLY CHAIN OPERATING PRACTICES AND MANAGEMENT

To ensure our offered products are to the satisfaction of our customers, our teams of professionals are working diligently to ensure our products comply to regulations, manage and handle any comments or suggestions from our customers in detail, provide the best arrangement on protecting the intellectual property of our products, work with our supplier on assuring the quality of our products, and implement a comprehensive process on protecting the consumer data and privacy as best as we can.

PRODUCT RESPONSIBILITY

Our offered products spread across a few industries. As such, the laws and regulations, practices, and customers related issues applicable to such products are rather heterogeneous. Our details on managing these differences can be found as below:

Financial Products

Our Group strictly follow the regulation from SFC investors, safeguarding the information or related data of our customers and investors according to the guidance from the SFC. Regular training is also provided to our account executives, ensuring all of our offered financial products will not mislead our clients, and our clients are fully informed about the associated risk and the content of their offered products prior to transactions. During this reporting period (1st July 2016 to 30th June 2017), we have not received any complaints or comments from our investors and customers in relating to our financial products.

供應鏈運作常規與管理

為確保我們提供的產品滿足客戶的需求，我們的專業團隊正切實地工作，以確保我們的產品符合法規，詳細管理及處理客戶的任何意見或建議，提供最佳的安排保護產品的知識產權，與我們的供應商協作確保產品的品質，並實施全面流程以盡力保護消費者的資料及隱私。

產品責任

我們提供的產品應用於若干行業。因此，該等產品適用的法律法規、慣例及客戶相關問題將相當不同。有關管理該等差異的詳情載列如下：

金融產品

本集團根據證監會的指引嚴格遵守證監會投資者的監管，保障客戶及投資者的資料或相關數據。我們亦會定期向客戶代表提供培訓，確保我們提供的所有金融產品不會誤導客戶，並會在交易前充分告知客戶相關的風險及所提供產品的內容。於本報告期間（二零一六年七月一日至二零一七年六月三十日），我們並無收到投資者及客戶對我們金融產品的投訴或意見。

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Retails Products – Eyewear

Our qualified optometrists conduct eye-tests in our shop and these tests are performed under section 12(1)(a) of the Supplementary Medical Professions Ordinance. Contact lens are also recommended to our customers by optometrists when a valid prescription is provided (under section 7.4 of the Code of Practice of the Optometrists Board). Our Group only offers genuine products (under the Trade Description Ordinance (Cap. 362)), where false trade descriptions, misleading or incomplete information and mis-statements in respect of goods provided in all sales activities are strictly prohibited in all of our shops (under the Trade Description Ordinance (Cap. 362)). Our products are directly purchased from the manufacturers and authorized wholesalers, where invoices and authorizing documents are provided on re-selling goods. A “Triple” quality check-up process will also be performed before sending them to our shops (by buyer, procurement officer and front-line sales staff). To further ensure the quality of our offered products, our front-line employees will also perform a so called “Table of Tolerance” quality check on the lenses. The check is prepared by the professional association in the Hong Kong Optical Industry as a quality check up on the contact lenses, ensuring the status of our packing the expiration of these lenses are valid before re-selling to our customers. In addition, our customers are protected under the data protection and the privacy policy, where personal information (i.e.: name, ID and contacts information) will be protected with limited access only, and are not to be released under any circumstances.

Under the current reporting year, which is from 1st July 2016 to 30th June 2017, our Group received a total of two comments from our customers, which were related to the eyewear prescription and quality of the lenses, and toward the service quality of our sales. Both cases were seriously handled with immediate responses. As a method of redress, the relevant customer was provided with a brand new and alternative product, and the matters were resolved satisfactorily. Our senior management had also interviewed that particular frontline employee, attempting to understand the situation, and a follow up phone call with this specific customer was provided in the end. The incident was well managed and successfully closed, where a successful resolution was reached with the customer in the end.

零售產品－眼鏡

我們的合資格視光師在我們的店舖根據《輔助醫療業條例》第12(1)(a)條進行眼科測試。當客人提供有效處方時(根據視光師管理委員會的專業守則第7.4條),視光師亦會向客戶提供專業建議以使用合適的隱形眼鏡。本集團僅提供正品(根據《商品說明條例》(第362章)),而我們的所有店舖嚴禁涉及所有銷售活動中提供的貨品的虛假商品說明、存在誤導或不完整的資料及錯誤陳述(根據《商品說明條例》(第362章))。我們的產品直接從製造商及授權批發商採購,會就轉售貨品提供發票及授權文件。在將貨品發送至我們的店舖之前,亦會進行「三重」品質檢查程序(由買方、採購專員及前線銷售人員進行)。為進一步確保我們提供產品的品質,我們的前線員工亦會對鏡片進行所謂的「公差表」品質檢查。該項檢查由香港光學行業的專業協會制訂,作為對隱形眼鏡的品質檢查,確保包裝情況及該等鏡片在轉售予客戶之前屬有效期限。此外,我們的客戶受到資料保護及私隱政策的保護,其中個人資料(即姓名、身份證明及聯絡資料)將受到有限訪問的保護,且在任何情況下不會被發佈。

在本報告年度,即二零一六年七月一日至二零一七年六月三十日,本集團共收到兩項來自客戶的意見,涉及眼鏡的處方及鏡片的品質以及銷售服務質素。該兩種情況均得到了認真處理,予以立即回應。作為一個解決方案,相關客戶獲提供一個全新的替代產品,圓滿解決有關事宜。我們的高級管理人員亦採訪了某前線員工,試圖了解情況,並在最後電話聯繫該特定客戶進行跟進。該事件處理妥善,順利完結,最終與客戶達成了解決方案。

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Retails Products – Watches

Our Group pays closely monitors our offered watch products, especially in relation to their safety issues. We consistently keep up-to-date with laws and regulations related to our watch products, ensuring the accuracy of the advertised information and labels, and avoiding any misrepresentation leading to a breach of law. On the other hand, regular communication is conducted with suppliers, updating the latest trend on regulation and measures accordingly.

During our procurement process, our Group relies on a comprehensive procurement policy set by the senior management. Only genuine goods with relevant trademark registration certificates or trademark authorisation documents, or directly from brand owners or brand authorised distributors, will be procured for resell purposes. Testing reports are requested from suppliers, while warehouse keepers will also perform quality control checks to ensure the quality of our watches are up to standard before shipping to our shops for sales.

Our Group applies the same data protection and privacy policy throughout our business. Our customer data are stored in our point of sales (POS) system, where senior grade employees, with appropriate authorisation, are able to access such database, and no data shall be released to any third party under any circumstances.

Although there were no comments received in relation to our watches sold during this reporting period (1st July 2016 to 30th June 2017), our Group is proactively engaging with our customers by forming a dedicated, and providing after sales service.

零售產品—手錶

本集團密切監督我們提供的手錶產品，尤其是相關安全問題。我們始終掌握有關手錶產品的最新法律法規，確保廣告資料及標籤的準確，並避免任何虛假陳述導致違反法律。另一方面，我們定期與供應商進行溝通，了解最新的監管趨勢及相應措施。

在我們的採購過程中，本集團倚賴高級管理層制定的完善採購政策。就轉售目的僅直接從品牌擁有人或品牌授權分銷商採購具有相關商標註冊證書或商標授權文件的正品。我們要求供應商提供測試報告，而倉庫管理員亦會進行品質控制檢查，確保我們手錶的品質在運往店舖進行銷售前達到標準。

本集團在我們的整個業務採納相同的資料保護及私隱政策。我們客戶的資料存儲於我們的銷售終端(POS)系統內，高級職員經適當的授權可訪問相關資料庫，而任何情況下均不得向任何第三方發佈任何資料。

雖然在本報告期間(二零一六年七月一日至二零一七年六月三十日)並無收到關於我們所售手錶的意見，但本集團透過組建專門的售後服務正主動地與客戶溝通。

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環境、社會及管治報告

ANTI-CORRUPTION AND ANTI-MONEY LAUNDERING

The Group is committed the highest standard of corporate governance, and aim to maintain the same vision with our policies in transparency, uprightness and accountability.

We are also committed to conduct our business in an ethical, personal and professional manner. We do not tolerate any activity relating to corruption, commercial bribery, extortion, money-laundering and other fraudulent activities associated with our business operations. Conflict of interests will be reported, and to avoid inside-dealing or any criminal regime in client transactions. Regular anti-corruption, and money laundering training and circulars are provided to further convey our messages to our staff and to improve awareness and recognition of suspicious transactions.

One of the businesses of the Group is its securities business and measures are enforced to prevent money laundering activities in our operations. Adoption of strict control over opening of client account, which would be subject to approval by responsible officers is in place to ensure no fraud and money laundering activities arise. Name search in the anti-money laundering database system, maintained and provided by third-party vendor, will be performed on new clients against current terrorist and sanction designations. Customer filing system is also set to perform customer identification, identity data and preserve transaction records. Large and suspicious transactions and other aspects of work will be reported to respective authorities once identified.

The Company regularly reviews transactions by high-risk clients, in order to identify suspicious transactions. In the event any suspicious transactions are noted, the responsible officer would then notify the SFC.

The compliance manual of the Company has set out the policies and procedures for anti-corruption and anti-money laundering. All staff are required to be read and acknowledge such compliance manual. There are procedures in place for reporting suspicious fraudulent actions to the Company's management, for the corporate management, we request to have two signers to monitor each other.

During the current reporting period, the Group had no litigation in relation to corruption and money laundering activities identified, involving the Group and its employees.

反貪污及反洗錢

本集團踐行最高標準的企業管治，旨在與我們透明、公正及問責的政策保持相同願景。

我們亦致力於以道德、個性化及專業的方式開展業務。我們不容忍任何與我們的業務營運有關的貪污、商業賄賂、勒索、洗錢活動及其他欺詐活動。我們將報告利益衝突，並避免客戶交易中存在內幕交易或任何犯法機制。我們定期提供反貪污及反洗錢的培訓及通知，並進一步向員工傳達通知，提高對可疑交易的意識及認識。

本集團的業務之一是證券業務，我們在營運中採取適當措施以防止洗錢活動。對客戶賬戶的開立實行嚴格控制，賬戶開立須經負責人員批准，以確保不產生欺詐及洗錢活動。我們會對新客戶在第三方供應商維持及提供的反洗錢資料庫系統針對當前恐怖分子及制裁指定進行名稱搜索。我們亦設有客戶備案系統，以進行客戶識別、保存身份資料及交易記錄。大額及可疑的交易以及其他方面的操作一經識別，將向相關部門報告。

本公司定期審查高風險客戶的交易，以識別可疑交易。倘注意到任何可疑交易，負責人員繼而通知證監會。

本公司的合規手冊載列反貪污及反洗錢的政策及程序。所有員工均須閱讀及確認該合規手冊。我們就向本公司管理層報告可疑的欺詐行為設有程序，就公司管理而言，我們要求有兩名簽署人以互相監管。

在本報告期間，本集團及其僱員並無牽涉有關已識別貪污及洗錢活動的訴訟。

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

環境、社會及管治報告

COMMUNITY

The Group is committed to serve and give back to the local community and contribute to social services. Our management team plays an important role in mobilising staff to join all of these activities, which reflects our management team's commitment to sustainable development. We believe by encouraging staff to participate in a wide range of charitable events, community awareness will be raised, and more people will be inspired to take part in serving our community.

During this reporting period, we provided actual support toward Egive For You Charity Foundation Ltd. and Yan Oi Tong Limited, by participating in their charity run programme, and donated a total of \$702,000 in support of their respective programmes. Our Group will continue in supporting these meaningful social events and ensure more activities will be done in the future.

社區

本集團致力於服務並回報當地社區，推動社會服務。我們的管理團隊在推動員工參加所有該等活動方面發揮重要作用，反映管理團隊對可持續發展的踐行。我們相信，鼓勵員工參與廣泛的慈善活動將會提高社區意識，讓更多人受到鼓舞，從而參與服務社區。

在本報告期間，我們透過參與彼等組織的慈善活動計劃，向意贈慈善基金有限公司及仁愛堂有限公司提供實際支援，共捐款702,000元支持彼等各自的計劃。本集團將繼續支持相關有意義的社會活動，並確保今後將開展更多此類活動。

REPORT OF THE DIRECTORS

董事會報告書

The board of directors (the “Director(s)”) (the “Board”) submit their report together with the audited consolidated financial statements of Universe International Financial Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) for the year ended 30th June 2017 (the “Year”).

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 11 to the consolidated financial statements.

An analysis of the Group’s performance for the year by operating segment is set out in Note 5 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated statement of comprehensive income on pages 114 to 115.

The Directors do not recommend the payment of a final dividend (2016: same).

BUSINESS REVIEW

A review of the Group’s business during the Year are set out in “Management Discussion and Analysis” on pages 6 to 41 of this annual report.

TAX RELIEF

The Company is not aware of any relief from taxation available to the shareholders of the Company (“Shareholders”) by reason of their holding of the shares of the Company.

寰宇國際金融控股有限公司(「本公司」)董事(「董事」)會(「董事會」)茲提呈本公司及其附屬公司(統稱「本集團」)截至二零一七年六月三十日止年度(「本年度」)之報告及經審核綜合財務報表。

主要業務及按地域劃分之營運分析

本公司之主要業務為投資控股。其附屬公司之業務載於綜合財務報表附註11。

本集團本年度按營運分部劃分之表現分析載於綜合財務報表附註5。

業績及盈利分配

本集團本年度之業績載於第114頁至第115頁之綜合全面收益表內。

董事不建議派發末期股息(二零一六年：相同)。

業務回顧

本集團本年度之業務回顧載於本年報第6頁至第41頁之「管理層討論及分析」中。

稅務寬免

本公司並不知悉本公司股東(「股東」)因其持有本公司股份而可獲得任何稅務寬免。

REPORT OF THE DIRECTORS

董事會報告書

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in Note 27 to the consolidated financial statements.

DONATIONS

Charitable donations made by the Group during the Year amounted to approximately HK\$702,000 (2016: HK\$165,000).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in Note 6 to the consolidated financial statements.

PRINCIPAL PROPERTIES

Details of the principal properties held for investment purposes are set out on page 339 of the annual report.

SHARE CAPITAL

Details of the movement in share capital of the Company are set out in Note 25 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 30th June 2017 amounted to HK\$79,365,000 (2016: HK\$95,492,000) including contributed surplus, of HK\$112,429,000 (2016: HK\$112,429,000), which is only distributable subject to conditions as set out in Note 27(c) to the consolidated financial statements.

儲備

本集團及本公司儲備於年內之變動載於綜合財務報表附註27。

捐款

於本年度內，本集團作出慈善捐款約702,000港元(二零一六年：165,000港元)。

物業、機器及設備

本集團之物業、機器及設備之變動詳情載於綜合財務報表附註6。

主要物業

持作投資用途之主要物業詳情載於本年報之第339頁。

股本

本公司之股本變動詳情載於綜合財務報表附註25。

可分派儲備

本公司於二零一七年六月三十日之可分派儲備為79,365,000港元(二零一六年：95,492,000港元)，包括實繳盈餘112,429,000港元(二零一六年：112,429,000港元)，而實繳盈餘只在符合綜合財務報表附註27(c)所載各項條件時方可予以分派。

REPORT OF THE DIRECTORS

董事會報告書

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 340 of the annual report.

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

The Company has not redeemed any of its shares during the Year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the Year.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed in the annual general meeting held on 2nd December 2013, the Company conditionally approved and adopted a share option scheme (the "Share Option Scheme") in compliance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"). Details of the Share Option Scheme are as follows:

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Company to grant share options to selected Participants (as defined below) as incentive and/or rewards for their contributions and support to the Group and any invested entity.

五年財務摘要

本集團過去五個財政年度之業績、資產及負債之摘要載於本年報之第340頁。

購買、出售或贖回本公司之上市證券

本公司於本年度並無贖回其任何股份。本公司及其任何附屬公司於本年度概無購買或出售本公司任何上市證券。

購股權計劃

根據於二零一三年十二月二日舉行之股東週年大會上通過之一項普通決議案，本公司根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）有條件批准及採納一項購股權計劃（「購股權計劃」）。購股權計劃之詳情如下：

(a) 購股權計劃之目的

購股權計劃之目的是使本公司可向經過選定之參與人（定義見下文）授出購股權，作為其對本集團及任何投資實體之貢獻及支持之獎勵及／或獎賞。

REPORT OF THE DIRECTORS

董事會報告書

(b) Participants of the Share Option Scheme

The Board may, at its discretion, invite any person belonging to any of the following classes of participants for their contributions and support to the Group and any invested entity (the “Participants” and individually, a “Participant”) to take up share options to subscribe for shares.

- (i) any full-time employee of the Company, any of its subsidiary or any invested entity, including (without limitation) any executive director of the Company, any of its subsidiary or invested entity (individually, an “Employee”);
- (ii) any non-executive director (including independent non-executive directors) of the Company, any of its subsidiary or any invested entity;
- (iii) any supplier of goods or services to any member of the Group or any invested entity;
- (iv) any customer of the Group or any invested entity;
- (v) any person or entity that provides research, development or other technical support to the Group or any invested entity;
- (vi) any shareholder of any member of the Group or any invested entity or any holder of any securities issued by any member of the Group or any invested entity;
- (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any invested entity; and
- (viii) any joint venture partner or counter-party to business operation or business arrangements of the Group.

(b) 購股權計劃的參與人

董事會可酌情邀請屬於以下任何類別，對本集團及任何投資實體有貢獻及作出支持之參與人（「參與人」），藉接納購股權以認購股份。

- (i) 本公司、其任何附屬公司或任何投資實體之任何全職僱員，包括（但不限於）本公司、其任何附屬公司或投資實體之任何執行董事（個別稱為「僱員」）；
- (ii) 本公司、其任何附屬公司或任何投資實體之任何非執行董事（包括獨立非執行董事）；
- (iii) 本集團任何成員公司或任何投資實體之任何貨品或服務供應商；
- (iv) 本集團或任何投資實體之任何客戶；
- (v) 向本集團或任何投資實體提供研究、開發或其他技術支援之任何人士或實體；
- (vi) 本集團任何成員公司或任何投資實體之任何股東或本集團任何成員公司或任何投資實體所發行之任何證券之任何持有人；
- (vii) 本集團任何成員公司或任何投資實體任何業務範圍或業務發展之任何顧問（專業或非專業）或諮詢人；及
- (viii) 本集團業務運作或業務安排之任何合夥人或合作人。

REPORT OF THE DIRECTORS

董事會報告書

(c) Maximum number of share options available for issue under the Share Option Scheme

- (i) The maximum number of shares which may be issued upon exercise of all outstanding share option granted and yet to be exercised under the Share Option Scheme and any other schemes for the time being of the Company shall not exceed 30% of the shares in issue from time to time. Share options of the Company which are lapsed or cancelled for the time being shall not be counted for the purpose of calculating the said 30% limit; and
- (ii) The maximum number of shares which may be issued upon exercise of all options granted and to be granted under the Share Option Schemes is an amount equivalent to 10% of the shares of the Company in issue as at the dates of approval of the Share Option Schemes unless approval for refreshing the 10% limit from the Company's shareholders has been obtained.

(d) Maximum entitlement of each participant

The total number of shares issued upon exercise of the share options granted and to be granted to each grantee under the Share Option Scheme and any other schemes for the time being of the Company (including both exercised and outstanding share options) in any 12-month period up to the date of grant to each grantee must not exceed 1% of the aggregate number of shares for the time being in issue.

(c) 根據購股權計劃可供發行購股權之數目上限

- (i) 根據購股權計劃及本公司當時任何其他計劃授出之所有未行使購股權獲行使時可發行之股份數目，最多不得超過不時已發行股份之30%。本公司當時作廢或註銷之購股權，於計算以上之30%上限時，不得計算在內；及
- (ii) 除獲本公司股東批准更新10%之上限外，根據購股權計劃已授出及將予授出之所有購股權獲行使時可予發行之股份最高數目相當於批准購股權計劃當日本公司已發行股份數目之10%。

(d) 各參與人之權利上限

於截至向每位獲授人授出日期為止之任何12個月期間內，根據購股權計劃及本公司當時任何其他計劃向每位獲授人授出及將予授出之購股權(包括已行使及未行使之購股權)獲行使而已發行之股份總數，不得超過當時已發行股份總數之1%。

REPORT OF THE DIRECTORS

董事會報告書

(e) Remaining life and exercisable period of the share options

There is no general requirement that a share option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular share option. A share option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period of 10 years commencing on the Date of Grant and expiring on the last day of the said 10-year period.

(f) Payment on acceptance of the share options offer

A sum of HK\$1 is payable by the Participant on acceptance of the share option offer.

(g) Basis of determining the subscription price

The subscription price for shares under the Share Option Scheme should be a price notified by the Board to a Participant to whom any offer of the grant of a share option is made and shall be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant which must be a business day; and (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant, provided that the subscription price should not be lower than the nominal value of a share.

(e) 購股權之剩餘壽命及行使時限

現時並無一般規定限制購股權必須於持有任何最短期限後方可行使，惟董事會獲授權於授出任何特定購股權時，可酌情施加任何該等最短期限限制。由授出日期起計10年至該段10年期間最後一日內任何時間，購股權可根據購股權計劃之條款行使。

(f) 接納購股權要約時之應付代價

參與人於接納購股權要約時應付1港元之代價。

(g) 釐定認購價之基準

根據購股權計劃釐定之股份認購價須為董事會向已獲任何授出購股權要約之參與人所知會之價格，惟不得低於以下各項之較高數值：(i)於授出日期（必須為營業日）股份在聯交所每日報價表所報之收市價；及(ii)於緊接授出日期前五個營業日股份於聯交所每日報價表所報之平均收市價，惟認購價不得低於一股股份之面值。

REPORT OF THE DIRECTORS

董事會報告書

Particulars of the share options under the Share Option Scheme outstanding during the Year and as at 30th June 2017 were as follows:

於年內及於二零一七年六月三十日，購股權計劃項下尚未行使之購股權之詳情如下：

Participants	Date of grant	Period during which share options are exercisable	Price per share on exercise of options	Number of share options outstanding at the beginning of the Year	Number of share options lapsed during the Year	Adjustment on the number of share options after right issue completed on 5th October 2016 於二零一六年十月五日供股完成後購股權數量之調整	Number of share options outstanding at the end of the Year	Market value per share on grant of share options
參與人	授出日期	購股權行使期	行使購股權時須付之每股價格 HK\$ 港元	於年初尚未行使之購股權數量	本年度已失效之購股權數量	於二零一六年十月五日供股完成後購股權數量之調整	於年終尚未行使之購股權數量	授出購股權時之每股市價 HK\$ 港元
Executive directors 執行董事								
Mr. Lam Shiu Ming, Daneil 林小明先生	21st July 2014 二零一四年七月二十一日	21st July 2014 to 20th July 2016 二零一四年七月二十一日至二零一六年七月二十日	10.77	334,367	(334,367)	-	-	9.40
Mr. Lam Kit Sun 林傑新先生	21st July 2014 二零一四年七月二十一日	21st July 2014 to 20th July 2016 二零一四年七月二十一日至二零一六年七月二十日	10.77	334,367	(334,367)	-	-	9.40
	4th March 2016 二零一六年三月四日	4th March 2016 to 3rd March 2018 二零一六年三月四日至二零一八年三月三日	0.811*	1,481,400	-	199,103	1,680,503	0.68*
Other eligible participants 其他合資格參與人	21st July 2014 二零一四年七月二十一日	21st July 2014 to 20th July 2016 二零一四年七月二十一日至二零一六年七月二十日	10.77	1,431,775	(1,431,775)	-	-	9.40
	30th September 2015 二零一五年九月三十日	30th September 2015 to 29th September 2017 二零一五年九月三十日至二零一七年九月二十九日	1.489*	2,072,088	-	279,711	2,351,799	1.42*
	4th March 2016 二零一六年三月四日	4th March 2016 to 3rd March 2018 二零一六年三月四日至二零一八年三月三日	0.811*	8,297,900	-	1,115,254	9,413,154	0.68*
				13,951,897	(2,100,509)	1,594,068	13,445,456	

* The price per share on exercise of options and market value per share on grant of options have been adjusted after taking into account of the effect of the rights issue completed on 5th October 2016.

* 行使購股權時之每股價格與授出購股權時之每股市價均經考慮二零一六年十月五日完成之供股之影響後作出調整。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS

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

Executive Directors

Mr. LAM Shiu Ming, Daneil (*Chairman*)

Mr. LAM Kit Sun

Mr. HUNG Cho Sing

(resigned on 2nd June 2017)

Ms. CHENG Hei Yu

(resigned on 7th October 2016)

Non-executive Directors

Mr. CHAN Shiu Kwong, Stephen

(retired on 30th November 2016)

Independent non-executive Directors

Mr. LAM Chi Keung

Mr. CHOI Wing Koon

Ms. Cheng Lo Yee

(appointed on 30th November 2016)

Mr. LAM Wing Tai

(retired on 30th November 2016)

Mr. Lam Chi Keung and Mr. Choi Wing Koon will retire by rotation at the forthcoming annual general meeting of the Company in accordance with 87(1) and 87(2) of the Bye-laws and Mr. Lam Chi Keung and Mr. Choi Wing Koon, being eligible, will offer themselves for re-election at such meeting.

For the biographical details of the Director who will stand for re election and the candidates who will be proposed to be elected as Directors, please refer to the circular containing the notice of the forthcoming annual general meeting of the Company to be despatched.

董事

於本年度內及截至本報告日期的董事如下：

執行董事

林小明先生(主席)

林傑新先生

洪祖星先生

(於二零一七年六月二日辭任)

鄭熹榆女士

(於二零一六年十月七日辭任)

非執行董事

陳紹光先生

(於二零一六年十一月三十日退任)

獨立非執行董事

林芝強先生

蔡永冠先生

鄭露儀女士

(於二零一六年十一月三十日獲委任)

林永泰先生

(於二零一六年十一月三十日退任)

林芝強先生及蔡永冠先生根據公司細則第87(1)及87(2)條須於即將舉行之本公司股東週年大會上輪值退任，及林芝強先生及蔡永冠先生符合資格並願意於該大會上膺選連任。

有關將重選連任之董事以及提名參選董事之候選人之履歷詳情，請參閱將予寄發且當中載有本公司應屆股東週年大會通告的通函。

REPORT OF THE DIRECTORS

董事會報告書

All independent non-executive Directors have been appointed for a specific term and subject to retirement by rotation as specified by the Bye-laws and the Listing Rules.

The Company has received from each of the above independent non-executive Directors a confirmation of his independence pursuant to Rules 3.13 of the Listing Rules and the Company is satisfied that they are independent as such.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in Note 52 to the consolidated financial statements, no other contracts of significance in relation to the Group's business to which the Company, its holding company, its subsidiaries or its fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the Year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors has an interest in a business which competes or may compete with the business of the Group.

所有獨立非執行董事之委任均有指定任期並須按照公司細則及上市規則之規定輪值退任。

根據上市規則第3.13條，本公司已向上述各獨立非執行董事收取其獨立性之確認書及本公司亦信納彼等為獨立人士。

董事服務合約

擬於即將舉行之股東週年大會上膺選連任之董事並無與本公司訂立本公司在一年內不可在不予賠償(法定賠償除外)的情況下終止之服務合約。

董事之重大合約權益

除綜合財務報表附註52所披露者外，本公司、其控股公司、其附屬公司或同系附屬公司概無參與訂立於年終或本年度任何時間仍然生效、與本集團業務有關且董事直接或間接擁有重大權益之其他重大合約。

董事於競爭性業務的權益

董事概無於對本集團業務構成競爭或可能構成競爭之業務中擁有權益。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

董事及主要行政人員於股份、相關股份及債券之權益

As at 30th June 2017, the interests of each of the Directors and chief executives of the Company in the shares (within the meaning of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of SFO (including interest which any such Director was taken or deemed to have under such provisions of the SFO) or; (b) entered in the register required to be kept by the Company pursuant to Section 352 of Part XV of the SFO or; (c) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

於二零一七年六月三十日，各董事及本公司主要行政人員於股份(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」))中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益(包括任何該等董事根據證券及期貨條例有關條文被當作或視為擁有之權益)或；(b)須記錄於本公司按證券及期貨條例第XV部第352條規定須置存之登記冊內之權益或；(c)根據上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益如下：

Name	Nature of interest	Number of the Company's shares held 所持本公司 股份數目	Percentage of shareholding 持股百分比
姓名	權益性質		
Mr. Lam Shiu Ming, Daneil (Director) 林小明先生(董事)	Founder of a discretionary trust (Note 1) 一項全權信託之創立人(附註1)	17,021,853	1.99%
Mr. Lam Kit Sun (Director) 林傑新先生(董事)	Beneficial owner 實益擁有人	1,680,503	0.2%

Note:

- The trustee of the discretionary trust is Central Core Resources Limited which owns the entire issued share capital of the Globalcrest Enterprises Limited which in turn is interested in 17,021,853 shares of the Company. Central Core Resources Limited is, the trustee of a discretionary trust under which certain immediate family members of Mr. Lam Shiu Ming, Daneil are discretionary objects.

附註：

- 該全權信託之受託人為Central Core Resources Limited。該公司擁有Globalcrest Enterprises Limited全部已發行股本，而Globalcrest Enterprises Limited於本公司17,021,853股股份中擁有權益。Central Core Resources Limited乃林小明先生之若干直系親屬為全權受益人之全權信託之受託人。

REPORT OF THE DIRECTORS

董事會報告書

All the interests in the shares and underlying shares of the Company were long positions.

Save as disclosed above, as at 30th June 2017, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they were deemed or taken to have under such provisions of the SFO) or; (b) entered in the register kept by the Company pursuant to Section 352 of Part XV of the SFO or; (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

In addition, at no time during the Year was the Company, its holding company, its subsidiaries, or its fellow subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their spouse and children under 18 years of age) to hold any interests or short position in the shares or underlying shares in or debentures of, the Company or its associated corporation.

所有於本公司股份及相關股份之權益均為好倉。

除上文所披露者外，於二零一七年六月三十日，概無董事或本公司主要行政人員於本公司及其相聯法團之股份、相關股份及債券中擁有須(a)根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所(包括彼等根據證券及期貨條例之該等條文被視為或被當作擁有之權益)或；(b)記載於本公司按證券及期貨條例第XV部第352條置存之登記冊內或；(c)根據標準守則知會本公司及聯交所的任何權益或淡倉。

此外，本公司、其控股公司、其附屬公司，或其同系附屬公司於本年度任何時間內並無訂立任何安排，使董事及本公司主要行政人員(包括彼等之配偶及18歲以下之子女)於本公司或其相聯法團之股份或相關股份或債券中持有任何權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告書

SUBSTANTIAL SHAREHOLDERS

So far as is known to any Director or chief executive of the Company, as at 30th June 2017, shareholders (other than Directors or chief executive of the Company disclosed above) who had interests or short positions in shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company under Section 336 of Part XV of the SFO were as follows:

Name	Nature of interest	Number of Shares and underlying shares of the Company held	Approximate percentage of the total issued share capital of the Company
姓名／名稱	權益性質	所持本公司股份及相關股份數目	佔本公司已發行股本總額之概約百分比
Leung Yuet Kwan Belinda (Note 1) 梁月群(附註1)	Interest of a controlled corporation 受控法團權益	143,573,276 (L)	16.83%
Ng Yau Sing (Note 1) 吳有昇(附註1)	Interest of a controlled corporation 受控法團權益	143,573,276 (L)	16.83%
Unique Prosperity Limited	Beneficial owner 實益擁有人	143,573,276 (L)	16.83%

Note:

- These 143,573,276 Shares are beneficially held by Unique Prosperity Limited, a company incorporated in Hong Kong which is owned as to 95% by Ms. Leung Yuet Kwan Belinda and 5% by Mr. Ng Yau Sing.

All the interests disclosed above represent long positions in shares.

Save as disclosed above, as at 30th June 2017, no other person has any interests or short positions in the shares, underlying shares and debentures of the Company in the register required to be kept by Company under section 336 of Part XV of the SFO.

主要股東

就任何董事或本公司主要行政人員所知悉，於二零一七年六月三十日，除上述所披露董事及本公司主要行政人員外，股東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及第3分部向本公司披露，或記載於本公司按證券及期貨條例第XV部第336條須存置之登記冊內的權益或淡倉如下：

Number of Shares and underlying shares of the Company held	Approximate percentage of the total issued share capital of the Company
所持本公司股份及相關股份數目	佔本公司已發行股本總額之概約百分比

附註：

- 該等143,573,276股股份由Unique Prosperity Limited(一間於香港註冊成立之公司)實益持有，而Unique Prosperity Limited分別由梁月群女士及吳有昇先生擁有95%及5%。

上文所披露之所有權益均為股份之好倉。

除上文所披露者外，於二零一七年六月三十日，概無其他人士於本公司之股份、相關股份及債券中擁有記錄於本公司根據證券及期貨條例第XV部第336條須予置存之登記冊內之任何權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告書

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws and there are no restrictions against such rights under the laws in Bermuda.

MAJOR SUPPLIERS AND CUSTOMERS

The percentage of purchases and sales for the Year attributable to the Group's major suppliers and customers are as follows:

Purchases

– the largest supplier	25%
– five largest suppliers in aggregate	86%

Sales

– the largest customer	7%
– five largest customers in aggregate	20%

None of the Directors, their associates or any Shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

管理合約

本年度內，本公司並無就本公司整體業務或任何重要業務部分之管理及行政工作簽訂或存在任何合約。

優先購買權

根據公司細則並無優先購買權之規定及百慕達法律並無限制有關權利。

主要供應商及客戶

本年度內本集團主要供應商及客戶所佔之購貨額及銷售額百分比如下：

購貨額

– 最大供應商	25%
– 五大供應商合計	86%

銷售額

– 最大客戶	7%
– 五大客戶合計	20%

各董事、彼等之聯繫人或任何股東(就董事所知擁有本公司逾5%之股本)概無擁有上述主要供應商或客戶之權益。

REPORT OF THE DIRECTORS

董事會報告書

CONTINUING CONNECTED TRANSACTION

Universe Digital Entertainment Limited (“UDE”), an indirect wholly-owned subsidiary of the Company, entered into a tenancy agreement with Universe Property Investment Limited (“UPI”), a company owned by Mr. Lam Shiu Ming, Daneil, the executive Director of the Company, for renting (1) an industrial unit on the 18th Floor of a 28-storey industrial building over a 2-storey lorry/car parking podium plus a 2-level basement (with a saleable area of approximately 13,983 square foot) and (2) 5 carparking spaces on the 2nd Floor of a 28-storey industrial building over a 2-storey lorry/car parking podium plus a 2-level basement (“Rented Properties”) for warehouse, ancillary office and carparking uses from 25th February 2014 to 24th February 2017, with a monthly rental of HK\$244,000 (the “Tenancy Agreement”) which were arrived at following arm’s length negotiation between the Group and UPI with reference to the rental valuation performed by Roma Appraisals Limited, an independent property valuer, as at 30th November 2013 which reflected the then market rent. Such tenancy expired on 24th February 2017. Renewed tenancy agreement for the Rented Properties from 25th February 2017 to 24th February 2018 was entered into by UDE and UPI, with a monthly rental of HK\$244,000 (“Renewed Tenancy Agreement”) and the terms of the Renewed Tenancy Agreement were arrived at following arm’s length negotiation between the Group and UPI with reference to the rental valuation performed by Ravia Global Appraisal Advisory Limited, an independent property valuer, as at 29th September 2016 which reflected the then market rent.

During the Year, UDE has paid a total of HK\$1,917,143 and HK\$1,010,857 in rent to UPI in respect of the Rented Properties in accordance with the terms of the Tenancy Agreement and Renewed Tenancy Agreement respectively.

持續關連交易

本公司間接全資附屬公司寰宇數碼娛樂有限公司(「寰宇數碼娛樂」)與本公司執行董事林小明先生擁有之公司寰宇物業投資有限公司(「寰宇物業投資」)就自二零一四年二月二十五日起至二零一七年二月二十四日止以月租金244,000港元租用(1)坐落於一棟2層高貨車／私家車停車場平台加2層地下室上28層高工業大廈之18樓的一個工業單位(可銷售面積約為13,983平方呎)及(2)坐落於一棟2層高貨車／私家車停車場平台加2層地下室上28層高工業大廈之2樓的5個停車位(「租賃物業」)用作倉庫、配套辦公室及停車場訂立租賃協議(「租賃協議」)，該協議由本集團與寰宇物業投資經參考獨立物業估值師羅馬國際評估有限公司於二零一三年十一月三十日作出的租金估值(反映當時市場租金)後公平磋商達致。有關租賃於二零一七年二月二十四日屆滿。寰宇數碼娛樂與寰宇物業投資就租賃物業訂立重續租賃協議，年期為二零一七年二月二十五日至二零一八年二月二十四日，月租金為244,000港元(「重續租賃協議」)，重續租賃協議的條款由本集團與寰宇物業投資經公平磋商後，參照獨立物業估值師瑞豐環球評估諮詢有限公司於二零一六年九月二十九日作出的租金估值(反映當時市場租金)釐定。

於本年度，根據租賃協議及重續租賃協議的條款，寰宇數碼娛樂已就租賃物業向寰宇物業投資分別支付租金合共1,917,143港元及1,010,857港元。

REPORT OF THE DIRECTORS

董事會報告書

Mr. Lam Shiu Ming, Daneil is a connected person of the Company (as defined under the Listing Rules). As such, the Tenancy Agreement and the Renewed Tenancy Agreement constituted continuing connected transactions for the Company under the Listing Rules.

As the applicable percentage ratios for the continuing connected transactions in respect of the Tenancy Agreement were less than 5%, the Tenancy Agreement satisfied the exemption under Rule 14A.34(1) of the then Listing Rules and was only subject to the reporting and the announcement requirements set out in Rules 14A.45 to 14A.47 of the then Listing Rules, the annual review requirements set out in Rules 14A.37 to 14A.40 of the then Listing Rules, and was exempt from the independent shareholders' approval requirements under Chapter 14A of the then Listing Rules.

Since the applicable percentage ratios for the continuing connected transactions in respect of the Renewed Tenancy Agreement were less than 5% and the total consideration was less than HK\$3,000,000, the Renewed Tenancy Agreement satisfied the exemption under Rule 14A.76(1) of the Listing Rules and was fully exempt from all reporting and announcement requirements, annual review requirements and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

To the extent applicable, the aforesaid continuing connected transactions have been reviewed by the independent non-executive Directors. The independent non-executive Directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms; and (c) in accordance with the Tenancy Agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

林小明先生為本公司關連人士(定義見上市規則)。因此，租賃協議及重續租賃協議構成上市規則項下本公司持續關連交易。

由於有關租賃協議的持續關連交易適用百分比率低於5%，租賃協議根據當時上市規則第14A.34(1)條可獲豁免，惟須遵守當時上市規則第14A.45至14A.47條所載申報及公告規定、當時上市規則第14A.37至14A.40條所載年度審閱規定，及獲豁免遵守當時上市規則第14A章項下獨立股東批准規定。

由於有關重續租賃協議的持續關連交易適用百分比率低於5%及總代價低於3,000,000港元，重續租賃協議根據上市規則第14A.76(1)條可獲豁免，全面豁免遵守上市規則第14A章項下申報及公告規定、年度審閱規定及獨立股東批准規定。

倘適用，上述持續關連交易已經由獨立非執行董事審閱。獨立非執行董事確認上述持續關連交易乃：(a)於本集團一般日常業務中；(b)按一般商業條款；及(c)按規管該等交易之租賃協議訂立，而協議條款屬公平及合理，且符合股東之整體利益。

REPORT OF THE DIRECTORS

董事會報告書

To the extent applicable, the Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" in respect of the Tenancy Agreement issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its letter containing its conclusion in respect of the continuing connected transactions disclosed by the Group on page 95 and 96 of this annual report in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange in accordance with Rule 14A.57 of the Listing Rules.

Apart from the above, there are other related party transactions (including the "Renewed Tenancy Agreement") entered into by the Group during the Year, all of which constituted exempted connected transactions for the Company under the Listing Rules, details of these transactions are disclosed in Note 52 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the Year. The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities.

倘適用，本公司已聘用核數師，遵照《香港核證委聘準則第3000號》的「審核或審閱過去財務資料以外的核證委聘」及就租賃協議參照香港會計師公會頒佈的《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」，就本集團的持續關連交易作出匯報。核數師已根據上市規則第14A.56條之規定，就本集團於本年報第95及96頁披露之持續關連交易發出其函件，當中載列其結論。本公司已根據上市規則第14A.57條向聯交所提供核數師函件之文本。

除上文所述外，本集團於本年度進行其他關連人士交易(包括「重續租賃協議」)，根據上市規則，所有該等交易均構成本公司之獲豁免關連交易，該等交易之詳情於綜合財務報表附註52中披露。

已獲准彌償保證條文

一項以董事利益之已獲准彌償保證條文現時正生效並於年內一直生效。本公司已就企業活動過程中其董事及高級管理層面對的法律訴訟為董事及高級職員投購責任保險。

REPORT OF THE DIRECTORS

董事會報告書

EQUITY-LINKED AGREEMENTS

Save for the share option scheme as set out in this report, no equity-linked agreement that would or might result in the Company issuing shares, or that requiring the Company to enter into an agreement that would or might result in the Company issuing shares, was entered into by the Company during the year or subsisted at the end of the Year.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company's issued shares as at 30th June 2017.

AUDITOR

The consolidated financial statements have been audited by Crowe Horwath (HK) CPA Limited who will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-appointment.

On behalf of the Board

Lam Shiu Ming, Daneil
Chairman

Hong Kong, 29th September 2017

股權掛鈎協議

除本報告所載的購股權計劃外，於年內本公司並無訂立或於年末存續會導致或可能導致本公司發行股份或規定本公司訂立將會或可能導致本公司發行股份的股權掛鈎協議。

充裕的公眾持股量

根據本公司公開所得的資料以及就董事所知，於二零一七年六月三十日，確認有佔本公司已發行股份至少25%的充裕公眾持股量。

核數師

綜合財務報表已由國富浩華(香港)會計師事務所有限公司審核，該核數師將於即將舉行之股東週年大會上退任，及其符合資格並願意膺選連任。

代表董事會

主席
林小明

香港，二零一七年九月二十九日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



國富浩華(香港)會計師事務所有限公司
Crowe Horwath (HK) CPA Limited
Member Crowe Horwath International
香港銅鑼灣禮頓道77號禮頓中心9樓
9/F Leighton Centre,
77 Leighton Road,
Causeway Bay, Hong Kong

To the shareholders of Universe International Financial Holdings Limited

(Incorporated in Bermuda with limited liability)

致寰宇國際金融控股有限公司股東

(於百慕達註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Universe International Financial Holdings Limited (“the Company”) and its subsidiaries (“the Group”) set out on pages 112 to 338, which comprise the consolidated balance sheet as at 30th June 2017, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the 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 30th 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.

意見

我們已審核列載於第112至338頁寰宇國際金融控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一七年六月三十日的綜合資產負債表與截至該日止年度的綜合全面收益表、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，包括重要會計政策概要。

我們認為，綜合財務報表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」)足以真實公平地反映貴集團於二零一七年六月三十日的綜合財務狀況以及其截至該日止年度的綜合財務表現及其綜合現金流，並已按照香港公司條例的披露規定妥為編製。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA’s”) 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 judgement, 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.

意見基準

我們按照香港會計師公會頒佈的香港核數準則（「香港核數準則」）進行審核。本報告核數師就審核綜合財務報表章節承擔的責任進一步闡述我們於該等準則下承擔的責任。根據香港會計師公會發佈的專業會計師道德守則（「守則」），我們獨立於 貴集團，並已按照守則履行我們的其他道德責任。我們相信我們獲取的審核憑證乃充分、適當，為發表意見提供基礎。

關鍵審核事項

關鍵審核事項為根據我們的專業判斷，認為對當期綜合財務報表的審核最為重要的事項。該等事項在對綜合財務報表整體進行審核並形成審核意見的背景下進行處理，我們並不單獨對該等事項提供意見。

KEY AUDIT MATTERS (Continued)

Recoverability of accounts receivable from the securities brokerage and margin financing business

Refer to Notes 3.1(b), 4(a)(ii) and 20 to the consolidated financial statements.

關鍵審核事項(續)

證券經紀及孖展融資業務產生應收賬款的可收回性

參閱綜合財務報表附註3.1(b)、4(a)(ii)及20。

<p>Key audit matter 關鍵審核事項</p>	<p>How our audit addressed the key audit matter 我們的審核如何對關鍵審核事項進行處理</p>
<p>We identified the recoverability of accounts receivable from the securities brokerage and margin financing business as a key audit matter due to the significance of accounts receivable from clients arising from the securities brokerage and margin financing business amounting to HK\$257,884,000 as at 30th June 2017, the significant judgement in determining whether objective evidence of impairment exists and the related estimation uncertainty in the measurement of individual impairment losses.</p> <p>由於證券經紀及孖展融資業務產生大量應收客戶賬款(於二零一七年六月三十日為257,884,000港元)，加上釐定是否存在減值客觀證據時的重大判斷，以及在計量個別減值虧損時的相關估計不確定性，吾等將證券經紀及孖展融資業務產生應收賬款的可收回性識別為一項關鍵審核事項。</p>	<p>Our procedures in relation to recoverability of accounts receivable from clients arising from the securities brokerage and margin financing business included:</p> <p>我們對關於證券經紀及孖展融資業務產生的應收客戶款項的可收回性所執行的程序包括：</p> <ul style="list-style-type: none"> - we understood through enquiry with the management the established policies and procedures on credit risk management of the Group and assessed and evaluated the process with respect to identification of accounts receivable from clients with objective evidence of impairment and the measurement of the impairment allowance; - 透過向管理層作出查詢，我們了解 貴集團有關信貸風險管理的既定政策及程序，並對應收客戶賬款客觀減值證據的認定流程及對減值撥備計量進行評估及評價； - we examined whether the master client agreements contain the right to dispose of the securities collaterals for settlement for clients' obligations; - 我們檢查客戶總協議是否包含權利可出售證券抵押品用以清償客戶債務；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (Continued)

Recoverability on accounts receivable from the securities brokerage and margin financing business (Continued)

關鍵審核事項(續)

證券經紀及孖展融資業務產生應收賬款的可收回性(續)

Key audit matter 關鍵審核事項	How our audit addressed the key audit matter 我們的審核如何對關鍵審核事項進行處理
<p>The accounts receivable from clients arising from the securities brokerage and margin financing business which give rise to the greatest estimation uncertainty are typically those with exposures that are not fully secured or are subject to potential cash flows or collateral shortfalls. 證券經紀及孖展融資業務產生的應收客戶賬款中產生最重大的估計不確定性的賬款通常為未全部獲得擔保或受到現金流或抵押品可能出現不足影響的款項。</p>	<ul style="list-style-type: none">- we checked the existence and accuracy of the recoverable amount of the securities collaterals to supporting documents and with reference to closing market prices;- 我們根據支持憑證並參照收市價，核查證券抵押品可收回金額是否存在及是否準確；- we checked the calculation of the shortfall accounts receivable from clients after deduction of the recoverable amount of the securities collaterals; and- 我們核查關於應收客戶賬款在扣除證券抵押品的可收回金額後的差額計算方式；及- we assessed the sufficiency of the impairment loss recognised with respect to the above shortfall, after taking into account other factors like credit worthiness and past collection history.- 經考慮信貸質素及過往收賬記錄等其他因素後，我們評估就上述差額確認的減值虧損是否充足。

KEY AUDIT MATTERS (Continued)

Fair values of the unlisted investment funds and unlisted limited partnership

Refer to Notes 3.3(i), 4(a)(iv) and 16 to the consolidated financial statements.

關鍵審核事項(續)

非上市投資基金及非上市有限合夥公司的公平值

參閱綜合財務報表附註3.3(i)、4(a)(iv)及16。

<p>Key audit matter 關鍵審核事項</p>	<p>How our audit addressed the key audit matter 我們的審核如何對關鍵審核事項進行處理</p>
<p>We identified the fair values of the unlisted investment funds and unlisted limited partnership as a key audit matter as the carrying amounts of these financial instruments are significant to the consolidated financial statements and selection of valuation methodologies and determination of key valuation assumptions requires the use of significant judgement and estimates. As at 30th June 2017, the Group held interest in unlisted investment funds of HK\$24,898,000 and unlisted limited partnership of HK\$57,334,000, which have been classified as available-for-sale financial assets.</p> <p>我們將非上市投資基金及非上市有限合夥公司公平值識別為一項關鍵審核事項，原因是該等金融工具的賬面值對綜合財務報表而言屬重大，而估值方法的選擇及主要估值假設的釐定均須運用重大判斷及估計。於二零一七年六月三十日，貴集團持有非上市投資基金的權益24,898,000港元及非上市有限合夥公司的權益57,334,000港元，均歸類為可供出售金融資產。</p> <p>These unlisted investment funds and unlisted limited partnership are stated at their fair values, classified under level three in the fair value hierarchy.</p> <p>該等非上市投資基金及非上市有限合夥公司按其公平值列賬，已分類為公平值等級項下的第三級。</p> <p>The fair values of unlisted investment funds and unlisted limited partnership were determined based on the net asset values of those unlisted investment funds and unlisted limited partnership as at 30th June 2017, which had already taken into account the fair values of the underlying investments of the unlisted investment funds and unlisted limited partnership. 非上市投資基金及有限合夥公司的公平值乃根據該等非上市投資基金及非上市有限合夥公司於二零一七年六月三十日的資產淨值釐定，且已計及非上市投資基金及非上市有限合夥公司的相關投資之公平值。</p>	<p>Our procedures in relation to management's determination of the fair value of these financial instruments included:</p> <p>我們對管理層釐定該等金融工具的公平值所執行的程序包括：</p> <ul style="list-style-type: none"> - we obtained and reviewed the subscription agreements of the unlisted investment funds and unlisted limited partnership; - 我們取得並審閱非上市投資基金及非上市有限合夥公司的認購協議； - we tested the accuracy of the net asset values of the unlisted investment funds and unlisted limited partnership by checking to their financial statements; - 我們藉檢查其財務報表，測試非上市投資基金及非上市有限合夥公司資產淨值的準確性； - we evaluated the competence, capabilities and objectivity of the independent external valuers engaged by the unlisted investment funds and unlisted limited partnership for determining the fair values of the underlying investments and the valuation methodology employed; - 我們評估非上市投資基金及非上市有限合夥公司所聘用的獨立外部估值師的勝任能力及客觀性以釐定相關投資公平值以及所採用估值方法；

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告書

KEY AUDIT MATTERS (Continued)

Fair values of the unlisted investment funds and unlisted limited partnership (Continued)

關鍵審核事項(續)

非上市投資基金及非上市有限合夥公司的公平值(續)

<p>Key audit matter 關鍵審核事項</p>	<p>How our audit addressed the key audit matter 我們的審核如何對關鍵審核事項進行處理</p>
<p>The unlisted investment funds and unlisted limited partnership engaged independent external valuers in determining the fair value of their underlying investments at fair value through profit or loss by using discounted cash flow method or market approach. 非上市投資基金及非上市有限合夥公司委聘獨立外部估值師，利用折讓現金流量法或市場法釐定彼等按公平值計入損益的有關投資的公平值。</p>	<ul style="list-style-type: none"> - we engaged our valuation experts to assist us in critically assessing the key inputs used in the valuations of the underlying investments of the unlisted investment funds and unlisted limited partnership which require significant estimation and judgement. We also evaluated the adequacy of the independent external valuers' work; and - 我們委聘估值專家協助我們批判性地評估非上市投資基金及非上市有限合夥公司的相關投資的估值過程中所用須作出重大估計及判斷的主要輸入數據。我們亦評估獨立外部估值師的工作是否充分；及 - we considered the adequacy of the Group's disclosures in relation to the unlisted investment funds and unlisted limited partnership. - 我們考慮 貴集團有關非上市投資基金及非上市有限合夥公司披露資料是否充分。

KEY AUDIT MATTERS (Continued)

Impairment assessment of goodwill and intangible assets

Refer to Notes 4(a)(vii), 4(a)(x), 8 and 9 to the consolidated financial statements.

關鍵審核事項(續)

商譽及無形資產減值評估

參閱綜合財務報表附註4(a)(vii)、4(a)(x)、8及9。

<p>Key audit matter 關鍵審核事項</p>	<p>How our audit addressed the key audit matter 我們的審核如何對關鍵審核事項進行處理</p>
<p>We identified the impairment assessment of goodwill, the trading rights held in The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and brand name, as a key audit matter due to that significant judgement exercised by the Group's management on the estimation of the recoverable amount of the cash-generating units to which goodwill, the trading rights held in the Stock Exchange and brand name have been allocated.</p> <p>由於 貴集團管理層於評估獲分配商譽、所持香港聯合交易所有限公司(「聯交所」)交易權及品牌名稱之現金產生單位可收回金額時行使重大判斷，故我們視商譽、所持聯交所交易權及品牌名稱之減值評估為關鍵審核事項。</p> <p>The Group's goodwill, the trading rights held in the Stock Exchange and brand name as at 30th June 2017 amounted to HK\$28,064,000, HK\$11,400,000 and HK\$825,000 respectively.</p> <p>於二零一七年六月三十日 貴集團之商譽、所持有聯交所交易權及品牌名稱分別為28,064,000港元、11,400,000港元及825,000港元。</p>	<p>Our procedures in relation to the impairment assessment of goodwill, the trading rights held in the Stock Exchange and brand name included:</p> <p>我們有關進行商譽、所持聯交所交易權及品牌名稱減值評估之程序包括：</p> <ul style="list-style-type: none"> - we understood the key control in relation to the impairment assessment of goodwill, the trading rights held in the Stock Exchange and brand name, including the process of allocating goodwill, the trading rights held in the Stock Exchange and brand name to appropriate cash generating units, and, determined the recoverable amounts of the cash generating units; - 我們了解有關商譽、所持聯交所交易權及品牌名稱減值評估之關鍵控制，包括分配商譽、所持聯交所交易權及品牌名稱至適當現金產生單位以及釐定現金產生單位可收回金額之程序； - we evaluated the competence, capabilities and objectivity of independent external valuer engaged by the Group; - 我們評估 貴集團所委聘獨立外部估值師的勝任能力及客觀性；

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

KEY AUDIT MATTERS (Continued)

Impairment assessment of goodwill and intangible assets (Continued)

關鍵審核事項(續)

商譽及無形資產減值評估(續)

Key audit matter 關鍵審核事項	How our audit addressed the key audit matter 我們的審核如何對關鍵審核事項進行處理
<p>Goodwill, the trading rights held in the Stock Exchange and brand name have been allocated to the respective cash generating units. Impairment of goodwill, the trading rights held in the Stock Exchange and brand name are assessed by the management through comparing the recoverable amounts of the cash generating units to which the goodwill, the trading rights held in the Stock Exchange and brand name are allocated with their carrying amounts. The recoverable amount is the greater of value in use or fair value less costs of disposal. In determining the value in use, the management estimates based on discounted cash flows taking into account key assumptions including discount rate, future growth rate and expected gross margin.</p> <p>商譽、所持聯交所交易權及品牌名稱已被分配至各個現金產生單位。商譽、所持聯交所交易權及品牌名稱之減值乃由管理層透過對比商譽、所持聯交所交易權及品牌名稱獲分配的現金產生單位之可收回金額與其賬面金額進行評估。可收回金額乃使用價值或公平值減出售成本兩者之較高者。於釐定使用價值時，管理層乃基於貼現現金流量估計，當中考慮之主要假設包括貼現率、未來增長率及預計毛利率。</p> <p>During the year ended 30th June 2017, the management concluded that impairment of approximately HK\$1,314,000 and HK\$21,666,000 are provided on the goodwill allocated to the trading, wholesaling and retailing of optical products and trading, wholesaling and retailing of watches and jewellery products respectively.</p> <p>截至二零一七年六月三十日止年度，管理層總結就光學產品貿易、批發及零售以及鐘錶及珠寶產品貿易、批發及零售業務獲分配之商譽分別作出約1,314,000港元及21,666,000港元減值撥備。</p>	<ul style="list-style-type: none"> - we evaluated the reasonableness of key assumptions used in the value in use calculation against historical performance and future business plan of the Group in respect of each cash generating unit and checked its arithmetical accuracy; - 我們評價對 貴集團各現金產生單位之過往表現及未來業務計劃作使用價值計算法時，所採用之主要假設是否合理，並覆核其算術準確度； - we tested the key inputs used in the discounted cash flows against the relevant supporting evidences and approved budgets; and - 我們測試相關支持證據及已批准預算之貼現現金流量所採用之主要輸入值；及 - we evaluated the sufficiency of the relevant disclosure of impairment assessment in the consolidated financial statements. - 我們評價綜合財務報表所載之相關減值評估披露是否足夠。

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than 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.

綜合財務報表及核數師報告以 外的資料

董事需對其他資料負責。其他資料包括年報所載的全部資料，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審核，我們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我們在審核過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在此方面，我們無任何報告。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors 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.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，並對其認為使綜合財務報表的編製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。

於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，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助董事履行監督貴集團財務報告程序的責任。

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. This report is made solely to you, as a body, 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 HKSAs 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 HKSAs, we exercise professional judgement and maintain professional scepticism 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.

核數師就審核綜合財務報表承擔的責任

我們的目標是對綜合財務報表整體是否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，並出具包括我們意見的核數師報告。我們僅向整體成員報告。除此之外我們的報告別無其他目的。我們概不就本報告的內容，對任何其他人士負責或承擔責任。

合理保證屬高層次保證，惟不能保證按照香港審核準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

於根據香港審核準則進行審核過程中，我們運用專業判斷並保持專業懷疑態度。我們亦：

- 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該等風險，以及獲取充足和適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 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。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

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

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

We communicate with the Audit Committee 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.

核數師就審核綜合財務報表承 擔的責任(續)

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據所獲取的審核憑證，總結是否存在對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘我們總結認為存在重大不確定因素，我們需於核數師報告中提請注意綜合財務報表內的相關披露。倘相關披露不足，則修訂我們的意見。我們的結論乃以截至核數師報告日期所獲得的審核憑證為基礎。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評估綜合財務報表(包括資料披露)的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足、適當的審核憑證，以便對綜合財務報表發表意見。我們須負責指導、監督及執行集團的審核工作。我們為我們的審核意見承擔全部責任。

我們與審核委員會就(其中包括)審核工作的計劃範圍及時間安排以及重大審核發現(包括我們於審核期間識別出的內部控制的任何重大缺陷)進行溝通。

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

We also provide the Audit Committee 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 the Audit Committee, 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 director on the audit resulting in this independent auditor's report is Chan Wai Dune, Charles.

Crowe Horwath (HK) CPA Limited
Certified Public Accountants
Hong Kong, 29th September 2017

Chan Wai Dune, Charles
Practising Certificate Number P00712

核數師就審核綜合財務報表承擔的責任(續)

我們亦向審核委員會提交聲明，說明我們已遵守有關獨立性的道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜及相關防範措施(如適用)與負責管治的人員溝通。

自與審核委員會溝通的事項中，我們釐定對當期綜合財務報表的審核工作最為重要的事項，因而構成關鍵審核事項。我們於核數師報告中描述該等事項，除非法律或法規不容許公開披露此等事項，或於極為罕見的情況下，如合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不於報告中溝通該事項。

出具本獨立核數師報告審核項目的審核總監為陳維端。

國富浩華(香港)會計師事務所有限公司
執業會計師
香港，二零一七年九月二十九日

陳維端
執業證書編號P00712

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 30th June 2017 於二零一七年六月三十日

	Note 附註	As at 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元	As at 30th June 2016 於二零一六年 六月三十日 HK\$'000 千港元
ASSETS			
Non-current assets			
Property, plant and equipment	6	3,702	6,224
Investment properties	7	25,560	25,560
Goodwill	9	28,064	59,447
Other intangible assets	8	23,583	14,231
Film rights and films in progress	10	41,073	54,278
Interests in associates	12(a)	19,393	25,730
Interests in joint ventures	13(a)	251	482
Loans receivable	21(a)	45,500	20,000
Loan to an associate	21(b)	2,940	–
Loan receivable from a joint venture	13(b)	8,595	8,364
Film related deposits		45,284	31,592
Deposits paid	14	191	363
Deferred tax assets	30	6,447	365
Contingent consideration receivable	22	–	10,930
Available-for-sale financial assets	16	155,693	85,802
		406,276	343,368
Current assets			
Inventories	19	10,066	14,304
Accounts receivable	20	333,859	224,739
Loans receivable	21(a)	30,400	23,163
Loan to an associate	21(b)	5,000	5,000
Amount due from an associate	12(b)	964	–
Deposits paid, prepayments and other receivables	14	100,674	68,492
Financial assets at fair value through profit or loss	15	232,629	247,444
Contingent consideration receivable	22	15,737	–
Tax recoverable		93	–
Bank balances and cash – trust accounts	23	93,014	116,667
Cash and cash equivalents	24	228,222	101,173
		1,050,658	800,982
Assets associated with disposal group classified as held for sale	42	–	6,381
Total current assets		1,050,658	807,363
Total assets		1,456,934	1,150,731
EQUITY			
Equity attributable to the owners of the Company			
Share capital	25	8,533	1,778
Share premium	27(a)	893,345	532,910
Other reserves	27(a)	67,867	67,301
Retained earnings	27(a)	43,614	151,162
		1,013,359	753,151
Non-controlling interests		168	(1,230)
Total equity		1,013,527	751,921

CONSOLIDATED BALANCE SHEET 綜合資產負債表

As at 30th June 2017 於二零一七年六月三十日

			As at 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元	As at 30th June 2016 於二零一六年 六月三十日 HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借貸	28	10,000	-
Obligations under a finance lease	融資租賃承擔	29	28	63
Deferred tax liabilities	遞延稅項負債	30	13,413	2,229
			23,441	2,292
Current liabilities	流動負債			
Accounts payable	應付賬款	31	92,447	254,722
Amount due to an associate	應付一間聯營公司之款項	12(b)	-	1,941
Other payables and accrued charges	其他應付款項及應計支出	32	234,560	64,121
Contingent consideration payable	應付或然代價	33	19,568	-
Borrowings	借貸	28	43,063	9,200
Deposits received	已收訂金		22,645	43,813
Obligations under a finance lease	融資租賃承擔	29	35	35
Taxation payable	應繳稅項		7,648	9,068
Bank overdrafts	銀行透支	28	-	4,020
			419,966	386,920
Liabilities associated with disposal group classified as held for sale	分類為持作出售之出售組別之相關負債	42	-	9,598
Total current liabilities	流動負債總額		419,966	396,518
Total liabilities	總負債		443,407	398,810
Total equity and liabilities	總權益及負債		1,456,934	1,150,731
Net current assets	流動資產淨值		630,692	410,845
Total assets less current liabilities	總資產減流動負債		1,036,968	754,213

The notes on pages 120 to 338 are an integral part of these consolidated financial statements.

載於第120頁至第338頁之附註為此等綜合財務報表之一部分。

The consolidated financial statements on pages 112 to 338 were approved by the Board on 29th September 2017 and were signed on its behalf.

載於第112頁至第338頁之綜合財務報表於二零一七年九月二十九日經董事會批准及由其以下代表簽署。

On behalf of the Board

代表董事會

Lam Shiu Ming, Daneil
Director

Lam Kit Sun
Director

林小明
董事

林傑新
董事

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 30th June 2017 截至二零一七年六月三十日止年度

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
CONTINUING OPERATIONS:			
Revenue	持續經營業務：		
	收益		
Sales of goods – video distribution, optical, watches and jewellery products	銷售貨品—錄像發行、光學、鐘錶及珠寶產品	52,161	72,320
Income on film distribution and exhibition, licensing and sub-licensing of film rights	電影發行及放映、授出及轉授電影版權收入	133,725	45,563
Income from other businesses	其他業務收入	45,758	33,150
Total revenue	總收益	231,644	151,033
Cost of revenue	收益成本		
Cost of inventories sold	已售存貨成本	(32,500)	(38,000)
Related cost on film distribution and exhibition, licensing and sub-licensing of film rights	電影發行及放映、授出及轉授電影版權相關成本	(55,052)	(13,129)
Cost from other businesses	其他業務成本	(3,735)	(3,775)
Total cost of revenue	收益總成本	(91,287)	(54,904)
Selling expenses	銷售費用	(13,834)	(18,275)
Administrative expenses	行政費用	(111,317)	(72,240)
Other operating income/(expenses)	其他經營收入/(費用)	60	(4,429)
Gain on step acquisition of a subsidiary	分階段收購一間附屬公司之收益	–	1,571
Impairment loss of film rights and films in progress	電影版權及製作中之電影之減值虧損	–	(4,226)
Impairment loss of goodwill	商譽減值虧損	(22,980)	(29,923)
Impairment loss of interest in an associate	於一間聯營公司之權益減值虧損	(3,227)	(18,421)
Impairment loss of available-for-sale financial assets	可供出售金融資產減值虧損	(89,643)	–
Impairment loss of other receivables	其他應收款項減值虧損	(1,532)	–
Impairment loss of accounts receivable	應收賬款減值虧損	(10,470)	–
Amortisation of other intangible assets	其他無形資產攤銷	(148)	(135)
Other (losses)/gains – net	其他(虧損)/收益—淨額	(6,048)	151
Other income	其他收入	4,525	22,872
Gains/(losses):	收益/(虧損):		
Fair value change of financial assets at fair value through profit or loss	透過損益按公平值入賬之金融資產公平值變動	12,679	(143,564)
Fair value change and loss on redemption of convertible bonds	贖回可換股債券之公平值變動及虧損	–	(1,813)
Fair value change of contingent consideration receivable	應收或然代價之公平值變動	4,807	4,080
Fair value change of contingent consideration payable	應付或然代價之公平值變動	(8,638)	60
Finance income	財務收入	294	298
Finance costs	財務成本	(6,091)	(2,263)
Share of (losses)/profits of associates	應佔聯營公司(虧損)/溢利	(216)	3,899
Share of losses of a joint venture	應佔一間合營公司虧損	(231)	(224)
Loss on deregistration of a joint venture	註銷一間合營公司的虧損	(24)	–
Loss before tax	除稅前虧損	(111,677)	(166,453)
Income tax (expense)/credit	所得稅(開支)/回撥	(6,919)	26,179
Loss for the year from continuing operations	年內來自持續經營業務的虧損	(118,596)	(140,274)
DISCONTINUED OPERATION:	已終止經營業務：		
Profit/(loss) for the year from discontinued operation	年內來自已終止經營業務的溢利/(虧損)	4,075	(1,602)
Loss for the year	年內虧損	(114,521)	(141,876)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 30th June 2017 截至二零一七年六月三十日止年度

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Other comprehensive income/(loss):	其他全面收益/(虧損):		
Items that may be reclassified to profit or loss:	可能會重新分類至損益之項目:		
Net movement in available-for-sale investment reserve in respect of available-for-sale financial assets:	與可供出售金融資產有關之可供出售投資儲備之變動淨額:		
Net changes in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動淨額	(88,565)	(12,340)
Reclassification adjustments for amounts transferred to profit or loss:	重新分類調整轉撥至損益的金額:		
Impairment loss	減值虧損	89,643	-
Realised loss upon redemption of available-for-sale financial assets	贖回可供出售金融資產時的已變現虧損	6,571	-
		96,214	-
Release of translation reserve upon disposal of subsidiary	於出售附屬公司時撥回換算儲備	(29)	-
Currency translation differences	貨幣換算差額	41	(708)
Other comprehensive income/(loss) for the year, net of tax	年內其他全面收益/(虧損), 扣除稅項	7,661	(13,048)
Total comprehensive loss for the year	年內全面虧損總額	(106,860)	(154,924)
Loss attributable to owners of the Company:	本公司擁有人應佔虧損:		
- from continuing operations	- 來自持續經營業務	(118,403)	(139,973)
- from discontinued operation	- 來自已終止經營業務	4,075	(817)
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(114,328)	(140,790)
Loss attributable to non-controlling interests:	非控股權益應佔虧損:		
- from continuing operations	- 來自持續經營業務	(193)	(301)
- from discontinued operation	- 來自已終止經營業務	-	(785)
Loss for the year attributable to non-controlling interests	非控股權益應佔年內虧損	(193)	(1,086)
Total comprehensive loss for the year attributable to:	以下應佔年內全面虧損總額:		
Owners of the Company	本公司擁有人	(106,667)	(153,852)
Non-controlling interests	非控股權益	(193)	(1,072)
		(106,860)	(154,924)
Total comprehensive loss attributable to owners of the Company arises from:	本公司擁有人應佔之全面虧損總額來自:		
Continuing operations	持續經營業務	(110,713)	(153,050)
Discontinued operation	已終止經營業務	4,046	(802)
		(106,667)	(153,852)
Loss per share attributable to owners of the Company for the year (expressed in HK\$):	年內本公司擁有人應佔每股虧損 (以港元列示):		(Restated) (經重列)
From continuing and discontinued operation	來自持續及已終止經營業務		
- basic	- 基本	43(a) (0.211)	(0.863)
- diluted	- 攤薄	43(b) (0.211)	(0.863)
From continuing operations	來自持續經營業務		
- basic	- 基本	43(a) (0.218)	(0.858)
- diluted	- 攤薄	43(b) (0.218)	(0.858)

The notes on pages 120 to 338 are an integral part of these consolidated financial statements.

載於第120頁至第338頁之附註為此等綜合財務報表之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 30th June 2017 截至二零一七年六月三十日止年度

		Attributable to the owners of the Company 本公司擁有人應佔					Non- controlling interests	Total equity	
		Share capital	Share premium	Other reserves (Note 27(a)) 其他儲備 (附註27(a))	Retained earnings	Total			
		股本	股份溢價	其他儲備	保留盈利	總計	非控股權益	總權益	
		Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Balance at 1st July 2015	於二零一五年七月一日之結餘		2,984	213,630	148,463	206,943	572,020	247	572,267
Comprehensive loss	全面虧損								
Loss for the year	年內虧損		-	-	-	(140,790)	(140,790)	(1,086)	(141,876)
Other comprehensive loss	其他全面虧損								
Net change in value of available-for-sale financial assets	可供出售金融資產之價值變動淨值	16	-	-	(12,340)	-	(12,340)	-	(12,340)
Currency translation differences	貨幣換算差額		-	-	(722)	-	(722)	14	(708)
Total other comprehensive loss	其他全面虧損總額		-	-	(13,062)	-	(13,062)	14	(13,048)
Total comprehensive loss for the year	年內全面虧損總額		-	-	(13,062)	(140,790)	(153,852)	(1,072)	(154,924)
Transactions with owners	與擁有人之交易額								
Issue of new ordinary shares from placing	因配售發行新普通股	25	6,159	216,923	-	-	223,082	-	223,082
Transaction costs attributable to issue of new ordinary shares from placing	因配售發行新普通股應佔之交易成本	25	-	(8,026)	-	-	(8,026)	-	(8,026)
Rights issue of shares	供股發行股份	25	5,968	114,578	-	-	120,546	-	120,546
Transaction costs attributable to issue of new ordinary shares from rights issue	因供股發行新普通股應佔之交易成本	25	-	(4,195)	-	-	(4,195)	-	(4,195)
Capital reorganisation	資本重組	25	(13,333)	-	13,333	-	-	-	-
Lapse of unlisted warrants	非上市認股權證失效	27(c)(v)	-	-	(81,961)	81,961	-	-	-
Employee share option scheme	僱員購股權計劃								
- Issue of share options	- 購股權發行		-	-	3,576	-	3,576	-	3,576
- Lapse of share options	- 購股權失效		-	-	(3,048)	3,048	-	-	-
Non-controlling interest arising on business combination	業務合併產生之非控股權益	46(c)	-	-	-	-	-	(405)	(405)
Total contributions by and distribution to owners of the Company, recognised directly in equity	本公司擁有人注資及向本公司擁有人分派之總額，直接於權益中確認		(1,206)	319,280	(68,100)	85,009	334,983	(405)	334,578
Balance at 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日之結餘		1,778	532,910	67,301	151,162	753,151	(1,230)	751,921
Comprehensive loss	全面虧損								
Loss for the year	年內虧損		-	-	-	(114,328)	(114,328)	(193)	(114,521)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 30th June 2017 截至二零一七年六月三十日止年度

		Attributable to the owners of the Company 本公司擁有人應佔					Non- controlling interests	Total equity
		Share capital	Share premium	Other reserves (Note 27(a)) 其他儲備 (附註27(a))	Retained earnings	Total		
		股本	股份溢價	其他儲備	保留盈利	總計	非控股權益	總權益
Note 附註		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	Other comprehensive loss							
	其他全面虧損							
	Net changes in fair value of available-for-sale financial assets							
	可供出售金融資產之公平值變動淨值							
16		-	-	(88,565)	-	(88,565)	-	(88,565)
	Reclassification adjustments for amounts transferred to profit or loss:							
	重新分類調整轉撥至損益的金額：							
	Impairment loss							
	減值虧損	-	-	89,643	-	89,643	-	89,643
	Realised loss upon redemption of available-for-sale financial assets							
	贖回可供出售金融資產時的已變現虧損	-	-	6,571	-	6,571	-	6,571
	Currency translation differences							
	貨幣換算差額	-	-	41	-	41	-	41
	Release of translation reserve upon disposal of subsidiary							
	於出售附屬公司時撥回換算儲備	47	-	(29)	-	(29)	-	(29)
	Total other comprehensive loss							
	其他全面虧損總額	-	-	7,661	-	7,661	-	7,661
	Total comprehensive loss for the year							
	年內全面虧損總額	-	-	7,661	(114,328)	(106,667)	(193)	(106,860)
	Transactions with owners							
	與擁有人之交易額							
	Issue of new ordinary shares from placing							
	因配售發行新普通股	25	3,200	162,870	-	166,070	-	166,070
	Transaction costs attributable to issue of new ordinary shares from placing							
	因配售發行新普通股應佔之交易成本	25	-	(5,808)	-	(5,808)	-	(5,808)
	Rights issue of shares							
	供股發行股份	25	3,555	209,773	-	213,328	-	213,328
	Transaction costs attributable to issue of new ordinary shares from rights issue							
	因供股發行新普通股應佔之交易成本	25	-	(6,400)	-	(6,400)	-	(6,400)
	Employee share option scheme - Lapse of share options							
	僱員購股權計劃 - 購股權失效	-	-	(7,095)	7,095	-	-	-
	Acquisition of additional interest in a subsidiary							
	收購一間附屬公司額外權益	-	-	-	(315)	(315)	315	-
	Capital injection from a non-controlling interest shareholder							
	非控股權益股東注資	-	-	-	-	-	100	100
	Disposal of a subsidiary							
	出售一間附屬公司	47	-	-	-	-	1,176	1,176
	Total contributions by and distribution to owners of the Company, recognised directly in equity							
	本公司擁有人注資及向本公司擁有人分派之總額，直接於權益中確認	6,755	360,435	(7,095)	6,780	366,875	1,591	368,466
	Balance at 30th June 2017							
	於二零一七年六月三十日之結餘	8,533	893,345	67,867	43,614	1,013,359	168	1,013,527

The notes on pages 120 to 338 are an integral part of these consolidated financial statements.

載於第120頁至第338頁之附註為此等綜合財務報表之一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 30th June 2017 截至二零一七年六月三十日止年度

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash flows from operating activities	營運活動之現金流量			
Net cash used in operating activities	營運活動所用之淨現金	45	(105,458)	(100,904)
Cash flows from investing activities	投資活動之現金流量			
Acquisition of a subsidiary, net of cash acquired	收購一間附屬公司，扣除所購入之現金	46	–	(81,497)
Investment in associates	於聯營公司之投資		(1,859)	(38,792)
Purchase of property, plant and equipment	購入物業、機器及設備	6	(1,358)	(1,632)
Purchase of other intangible assets	購入其他無形資產	8	(9,500)	–
Decrease in film related deposits	電影相關訂金之減少		1,640	13,230
Increase in film related deposits	電影相關訂金之增加		(15,332)	(7,044)
Payments for film rights and films in progress	電影版權及製作中之電影付款	10	(10,138)	(49,489)
Investment in available-for-sale financial assets	可供出售金融資產投資		(149,246)	(11,330)
Proceeds from redemption of available-for-sale financial asset	贖回可供出售金融資產之所得款項		5,929	–
Proceeds from capital return from available-for-sale financial assets	可供出售金融資產之資本回報所得款項		6,199	–
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項	45(a)	278	–
Net cash outflow on disposal of subsidiaries	出售附屬公司之現金流出淨額	47	(1,359)	–
Interest received	已收利息	40	63	74
Dividends received from available-for-sale financial assets	已收可供出售金融資產之股息	38	–	20,473
Dividends received from an associate	已收一間聯營公司股息	12(a)	4,753	–
Net cash used in investing activities	投資活動所用之淨現金		(169,930)	(156,007)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 30th June 2017 截至二零一七年六月三十日止年度

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash flows from financing activities	融資活動之現金流量			
Proceeds from placing of new ordinary shares	配售新普通股之所得款項		166,070	223,082
Payments for transaction costs attributable to issue of new ordinary shares from placing	支付因配售發行新普通股應佔之交易成本		(5,808)	(8,026)
Proceeds from rights issue of shares	供股發行股份之所得款項		213,328	120,546
Payment for transaction costs attributable to issue of new ordinary shares from rights issue	支付因供股發行新普通股應佔之交易成本		(6,400)	(4,195)
Proceeds from borrowings	借貸之所得款項		53,063	50,000
Repayment of borrowings	償還借貸		(9,200)	(62,000)
Payment for redemption of convertible note	贖回可換股票據之付款		-	(64,000)
Capital element of finance leases payments	融資租賃付款之資本部分	45(b)	(35)	(34)
Interest paid	已付利息	34(c)	(6,091)	(2,263)
Capital injection from non-controlling interest arising from a subsidiary	一間附屬公司產生之非控股權益注資		100	-
Net cash generated from financing activities	融資活動產生之淨現金		405,027	253,110
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之淨增加/(減少)		129,639	(3,801)
Currency translation differences	貨幣換算差額		71	(521)
Cash and cash equivalents at beginning of the year	於年初現金及現金等價物		98,512	102,834
Cash and cash equivalents at end of the year	於年終現金及現金等價物		228,222	98,512
Analysis of cash and cash equivalents:	現金及現金等價物分析：			
Cash and cash equivalents	現金及現金等價物	24	228,222	97,153
Cash and cash equivalents included in disposal group classified as held for sale	計入分類為持作出售之出售組別的現金及現金等價物	42	-	1,359
			228,222	98,512

The notes on pages 120 to 338 are an integral part of these consolidated financial statements.

載於第120頁至第338頁之附註為此等綜合財務報表之一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

Universe International Financial Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) are principally engaged in securities brokerage and margin financing, money lending, leasing of investment properties, securities investment, video distribution, film distribution and exhibition, licensing and sub-licensing of film rights, and trading, wholesaling and retailing of optical, watches and jewellery products in Hong Kong and the People’s Republic of China (“PRC”).

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of the principal place of business of the Company is 18th Floor, Wyler Centre Phase II, 192–200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (“HK\$’000”), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board on 29th September 2017.

1. 一般資料

寰宇國際金融控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要於香港及中華人民共和國(「中國」)從事證券經紀及孖展融資、放貸、出租投資物業、證券投資、錄像發行、電影發行及放映、授出及轉授電影版權以及光學、鐘錶及珠寶產品貿易、批發及零售業務。

本公司乃於百慕達註冊成立之有限公司，其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。本公司主要營業地點的地址為香港新界葵涌大連排道192至200號偉倫中心第二期18樓。

本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。

除另有說明外，此等綜合財務報表以千港元(「千港元」)呈列。此等綜合財務報表已經董事會於二零一七年九月二十九日批准刊發。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (“Ints”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, contingent consideration receivable, financial assets at fair value through profit or loss, contingent consideration payable, convertible bonds and investment properties, which are carried at fair value.

Disposal group held for sale are stated at the lower of carrying amount and fair value less costs to sell (Note 2.28).

2 重要會計政策摘要

編製此等綜合財務報表採用的主要會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內已貫徹應用。

2.1 編製基準

本集團的綜合財務報表乃根據所有適用香港財務報告準則（「香港財務報告準則」，為統稱詞彙，當中包括香港會計師公會（「香港會計師公會」）頒佈的所有適用的個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋（「詮釋」）、香港公認會計原則及香港公司條例之披露規定而編製。此等財務報表亦符合聯交所證券上市規則（「上市規則」）的適用披露規定。

此等綜合財務報表已按照歷史成本法編製，並就可供出售金融資產、應收或然代價、透過損益按公平值入賬的金融資產、應付或然代價、可換股債券及投資物業的重估（均按公平值列賬）而作出修訂。

持作出售之出售組別按賬面值與公平值減出售成本間之較低者呈列（附註2.28）。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

Changes in accounting policy and disclosures

(i) Application of new or revised HKFRSs

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2 重要會計政策摘要(續)

2.1 編製基準(續)

編製符合香港財務報告準則的綜合財務報表需要使用若干關鍵會計估計。這亦需要管理層在應用本集團之會計政策過程中運用其判斷。實際結果或會有別於此等估計。涉及較多判斷或較高複雜程度的範疇，或假設及估計對此等綜合財務報表屬重要的範疇，乃於附註4披露。

會計政策變動及披露

(i) 應用新訂或經修訂香港財務報告準則

香港會計師公會已頒佈多項香港財務報告準則之修訂，於本集團當前會計期間首次生效。該等變化情況均未對如何編製或呈列本集團當前或過往期間業績及財務狀況構成重大影響。

本集團並無採用任何在當前會計期間尚未生效的新訂準則或詮釋。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Changes in accounting policy and disclosures (Continued)

(ii) *New Standards and amendments to standards not yet adopted*

The following new standards, amendments to standards and interpretations to existing standards have been issued but are not yet effective for the financial year beginning 1st July 2016 and have not been early adopted:

		Effective for annual periods beginning on or after 於以下日期或之後開始的年度期間生效
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	a date to be determined
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者及其聯營公司或合營公司之間之資產出售或注資	日期待定
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions	1st January 2018
香港財務報告準則第2號(修訂本)	以股份為基礎之付款交易之分類及計量	二零一八年一月一日
Amendments to HKAS 7	Disclosure Initiative	1st January 2017
香港會計準則第7號(修訂本)	披露計劃	二零一七年一月一日
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses	1st January 2017
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	二零一七年一月一日
Amendments to HKAS 40	Transfers of Investment Property	1st January 2018
香港會計準則第40號(修訂本)	轉讓投資物業	二零一八年一月一日

2 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策變動及披露(續)

(ii) *尚未採納之新訂準則及準則之修訂本*

下列新訂準則、準則之修訂本及現時準則之詮釋於二零一六年七月一日開始的財政年度已頒佈但尚未生效，且並無獲提早採納：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Changes in accounting policy and disclosures (Continued)

(ii) *New Standards and amendments to standards not yet adopted (Continued)*

		Effective for annual periods beginning on or after 於以下日期或之後開始的年度期間生效
Annual Improvements Project	Annual Improvements 2014–2016 Cycle	1st January 2017 or 1st January 2018, as appropriate
年度改進項目	二零一四年至二零一六年週期年度改進	二零一七年一月一日或二零一八年一月一日(倘適用)
HKFRS 9	Financial Instruments	1st January 2018
香港財務報告準則第9號	金融工具	二零一八年一月一日
HKFRS 15	Revenue from Contracts with Customers and the related Amendments	1st January 2018
香港財務報告準則第15號	與客戶的合約收益及相關修訂	二零一八年一月一日
HKFRS 16	Leases	1st January 2019
香港財務報告準則第16號	租賃	二零一九年一月一日
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration	1st January 2018
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	二零一八年一月一日
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments	1st January 2019
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅待遇之不確定性	二零一九年一月一日

The Group is in the process of making an assessment of what the impact of these amendments and new standards are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正在評估預期該等修訂本及新訂準則於首次應用期間的影響。到目前為止，其得出如下結論：採用有關修訂本不大可能會對綜合財務報表造成重大影響。

2 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策變動及披露(續)

(ii) *尚未採納之新訂準則及準則之修訂本(續)*

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability.

2 重要會計政策摘要(續)

2.2 附屬公司及非控股權益

附屬公司指本集團控制的實體。當本集團自參與實體營運而取得可變回報的風險或權利，並能藉著對實體的權力而影響該等回報時，則本集團控制該實體。於評估本集團是否具有該權力時，只考慮(由本集團及其他方持有的)實質性權力。

於附屬公司的投資於控制權開始日期至控制權終止日期期間於綜合財務報表中綜合計算。集團間的結餘、交易及現金流以及集團間交易所產生的任何未變現溢利，均於編製綜合財務報表時悉數對銷。集團間交易產生的未變現虧損均按與未變現收益相同的方式對銷，惟僅限於無減值憑證時方予對銷。

非控股權益指並非本公司直接或間接應佔的附屬公司權益，且本集團並無就此與該等權益持有人增訂條款而導致本集團整體須就該等權益負有符合金融負債定義的合約責任。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries and non-controlling interests (Continued)

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the owners of the Company. 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. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated balance sheet.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

2 重要會計政策摘要(續)

2.2 附屬公司及非控股權益(續)

非控股權益於綜合資產負債表的權益內與本公司擁有人應佔權益分開呈列。本集團業績的非控股權益在綜合全面收益表賬面呈列為年內損益總額及全面收益總額在非控股權益與本公司擁有人之間的分配。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。非控股權益持有人之貸款及對該等持有人所負之其他合約責任於綜合資產負債表中呈列為金融負債。

本集團於現有附屬公司的擁有權益變動

倘本集團於附屬公司的權益變動不會導致喪失控制權，則作為股權交易入賬，即只調整在綜合權益內之控股及非控股權益的金額以反映其相關權益的變動，但不調整商譽及確認盈虧。

當本集團失去附屬公司之控制權時，將被視為出售其於該附屬公司之全部權益進行會計處理，產生之盈虧則於損益確認。前度附屬公司於喪失控制權當日之任何留存權益按其公平值確認，而該款額將被列作金融資產初步確認之公平值，或(如適用)初步確認於聯營公司或合營公司之投資成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries and non-controlling interests (Continued)

Changes in the Group's ownership interests in existing subsidiaries (Continued)

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see Note 2.12), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

2.3 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 *Incomes Taxes* and HKAS 19 *Employee Benefits* respectively;

2 重要會計政策摘要(續)

2.2 附屬公司及非控股權益(續)

本集團於現有附屬公司的擁有權權益變動(續)

於本公司的資產負債表中，除非於附屬公司的投資分類為持作出售，否則有關投資按成本減任何減值虧損入賬(見附註2.12)(或包括在分類為持作出售之出售組別內)。

2.3 業務合併

業務收購乃採用收購法進行列賬。業務合併轉讓代價乃按公平值計算，計算方式為本集團所轉讓的資產、本集團對被收購方原所有人產生的負債及本集團於交換被收購方的控制權所發行的股權於收購日期的公平值的總和。與收購有關的成本一般於產生時在損益中確認。

於收購日期，所收購可辨認資產及所承擔負債按公平值確認，惟下列項目除外：

- 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；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations (Continued)

- 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; 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.

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 of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts 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.

2 重要會計政策摘要(續)

2.3 業務合併(續)

- 涉及被收購方以股份為基礎之付款安排或為取代被收購方以股份為基礎之付款安排而訂立之本集團以股份為基礎之付款安排之負債或權益工具按香港財務報告準則第2號「以股份為基礎之付款」於收購日期予以計量；及
- 按香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組別)按該準則予以計量。

商譽乃以所轉讓的代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方股權公平值(如有)的總和超出所收購可辨認資產及所承擔負債於收購日期的淨值的部分計量。倘經過重新評估後，所收購可辨認資產及所承擔負債於收購日期的淨值超出所轉讓代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方股權公平值(如有)的總和，則超出部分即時於損益內確認為議價收購收益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations (Continued)

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

Where 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 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.

2 重要會計政策摘要(續)

2.3 業務合併(續)

屬現時擁有權權益且於清盤時讓持有人有權按比例分佔相關附屬公司資產淨值的非控股權益，可初步按公平值或非控股權益應佔被收購方可辨認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。其他類別的非控股權益乃按其公平值計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，則或然代價按其於收購日期之公平值計量，並計入於業務合併所轉讓之代價之一部分。具備計量期間調整資格的或然代價的公平值變動乃作追溯調整，並對商譽作出相應調整。計量期間調整乃於「計量期間」(自收購日期起不可超過一年)因取得有關於收購日期已存在事實及情況的額外資料所作出的調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations (Continued)

The subsequent accounting for 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.

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.

2 重要會計政策摘要(續)

2.3 業務合併(續)

不合資格作為計量期間調整之或然代價之後續會計處理取決於如何將或然代價分類。分類為權益之或然代價不會於後續報告日期重新計量，其後續結算亦於權益內入賬。分類為資產或負債之或然代價於報告日期後重新計量為公平值，相應之盈虧於損益內確認。

倘業務合併分階段達成，本集團以往所持的被收購方股權於收購日期（即本集團取得控制權的日期）按公平值重新計量，所產生的盈虧（如有）在損益內確認。倘為出售於被收購方權益，則以往在其他全面收益中確認之於收購日期前從該等權益產生之款項會重新分類至損益（若此處理方法合適）。

倘業務合併的最初入賬於合併發生的報告期末尚未完成，則本集團將報告未完成列賬項目的臨時金額。該等臨時金額乃於計量期間（見上文）內作出調整，而新增資產或負債則獲確認以反映關於在收購日期已存在的事實及情況（倘已知）將對於該日期確認的金額造成的影響的新資料。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise 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 type of joint arrangement whereby the parties that have a joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures are included in the consolidated statement of comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

2 重要會計政策摘要(續)

2.4 於聯營公司及合營公司之投資

聯營公司指本集團於其擁有一般不少於20%股本投票權之長期權益，並可對其實施重大影響力的實體。重大影響力指對投資對象的財務及經營政策有參與決策的權力，但並非對該等政策形成控制或共同控制。

合營公司乃一種合營安排，實施共同控制的合營各方可分佔該合營公司資產淨值的權益。共同控制指通過訂約協定共享安排的控制權，僅於相關活動決策須經共享控制權的各方一致同意的情況下存在。

本集團於聯營公司及合營公司之投資乃於綜合資產負債表之本集團應佔資產淨值(根據權益會計法計算，扣除任何減值虧損)列賬。

本集團應佔聯營公司及合營公司之收購後業績及其他全面收益乃計入綜合全面收益表。此外，倘直接於聯營公司或合營公司之權益確認變動，本集團應於綜合權益變動表確認其任何應佔變動(如適用)。本集團與其聯營公司或合營公司之間交易產生之未變現收益及虧損以本集團於聯營公司或合營公司之投資為限對銷，惟尚未變現虧損提供已轉讓資產減值的證據則除外。收購聯營公司或合營公司所產生之商譽計入本集團於聯營公司或合營公司之投資部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Investments in associates and joint ventures (Continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Asset Held for Sale and Discontinued Operations*.

2.5 Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Group recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;

2 重要會計政策摘要(續)

2.4 於聯營公司及合營公司之投資(續)

倘於聯營公司之投資成為於合營公司之投資，反之亦然，保留權益不會重新進行計量，而是繼續按權益法將投資列賬。於所有其他情況下，本集團一經失去對聯營公司的重大影響力或對合營公司的共同控制權，則會按公平值計量及確認任何保留投資。失去對聯營公司的重大影響力或對合營公司的共同控制權時，聯營公司或合營公司的賬面值與保留投資之公平值及出售所得款項之間的任何差額確認為損益。

倘於聯營公司或合營公司之投資分類為持作出售，則其根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」入賬。

2.5 合營業務權益

合營業務指擁有共同控制權的各方享有與該安排相關的資產權利及負債責任的一種合營安排。

本集團於合營業務權益確認以下各項：

- 其資產，包括其應佔任何共同持有之資產；
- 其負債，包括其應佔任何共同承擔之負債；

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Interests in joint operations (Continued)

- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation are accounted for in accordance with the HKFRSs applicable to the particular assets, liabilities, revenue and expenses.

2.6 Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Chairman of the Company (the chief operating decision maker) for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 重要會計政策摘要(續)

2.5 合營業務權益(續)

- 其銷售應佔合營業務產量之收益；
- 其來自銷售合營業務產量之應佔收益；及
- 其開支，包括其應佔任何共同承擔之開支。

本集團於合營業務中之權益所涉的資產、負債、收益及開支乃根據適用於該特定資產、負債、收益及開支的香港財務報告準則入賬。

2.6 分部報告

經營分部及財務報表所呈報的各分部項目金額，乃就分配資源予本集團各業務及地區分部及評估其表現，定期向本公司主席(主要營運決策者)提供之財務資料確定。

就財務呈報而言，除非分部具備類似經濟特徵及於產品及服務性質、生產流程性質、客戶類型或類別、用作分配產品或提供服務的方法及監管環境的性質方面類似，否則各重大經營分部不會進行合併計算。個別非重大的經營分部，如符合上述大部分標準，則可進行合併計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income within 'other gains/(losses) – net'.

Changes in the fair value of debt securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

2 重要會計政策摘要(續)

2.7 外幣匯兌

(a) 功能和列賬貨幣

本集團每個實體的財務報表所列項目均以該實體營運所在的主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以港元(「港元」)呈報，港元為本公司的功能及本集團的列賬貨幣。

(b) 交易及結餘

外幣交易採用交易日或估值日(倘項目重新計量)的匯率換算為功能貨幣。結算此等交易產生的匯兌收益和虧損以及將以外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌收益和虧損在綜合全面收益表內的「其他收益／(虧損)－淨額」中確認。

以外幣計值被分類為可供出售的債務證券的公平值變動乃按照證券的攤銷成本變動與該證券賬面值的其他變動所產生的換算差額進行分析。與攤銷成本變動有關的換算差額於損益中確認，賬面值的其他變動則於其他全面收益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (c) all resulting currency translation differences are recognised in other comprehensive income.

2 重要會計政策摘要(續)

2.7 外幣匯兌(續)

(b) 交易及結餘(續)

非貨幣性金融資產及負債(如透過損益按公平值持有的權益)的換算差額於損益中確認為公平值盈虧的一部分。非貨幣性金融資產(如分類為可供出售的權益)的換算差額計入其他全面收益。

(c) 集團公司

功能貨幣有別於列賬貨幣的所有集團實體(並無來自嚴重通貨膨脹經濟體的貨幣)的業績及財務狀況均按以下方式換算為列賬貨幣：

- (a) 各資產負債表所呈列之資產與負債按該資產負債表日期的收市匯率換算；
- (b) 各全面收益表之收支按平均匯率換算，除非該平均匯率並非各交易日期當日通行匯率累計影響的合理約數，於此情況下，收支按各交易日期當日之匯率換算；及
- (c) 所有因此而產生的匯兌差額於其他全面收益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation (Continued)

(c) Group companies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

2 重要會計政策摘要(續)

2.7 外幣匯兌(續)

(c) 集團公司(續)

因收購海外實體而產生的商譽及公平值調整，均作為有關海外實體的資產及負債，並按收市匯率換算。所產生的貨幣換算差額於其他全面收益內確認。

(d) 出售海外業務及部分出售

出售海外業務(即出售本集團於海外業務的全部權益，或出售涉及失去對包括海外業務的附屬公司的控制權、出售涉及失去對包括海外業務的合營公司的聯合控制權或出售涉及失去對包括海外業務的聯營公司的重大影響力)後，就本公司擁有人應佔該業務的於權益內累計的所有貨幣換算差額重新分類至損益。

如屬並不引致本集團失去對包括海外業務的附屬公司的控制權的部分出售，累計貨幣換算差額的應佔比例重新歸屬於非控股權益且不會於損益內確認。就所有其他部分出售(即本集團於聯營公司或合營公司的所有權權益減少，並不引致本集團失去重大影響力或聯合控制權)而言，累計匯兌差額的應佔比例重新分類至損益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are expensed to the consolidated statement of comprehensive income during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold improvements	Shorter of useful life or lease term
Machinery and equipment	3–5 years
Others	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.12).

2 重要會計政策摘要(續)

2.8 物業、機器及設備

所有物業、機器及設備按歷史成本減折舊及任何累計減值虧損列賬。歷史成本包括購買該等項目直接應佔的開支。成本亦可能包括自權益轉撥以外幣購置物業、機器及設備時的合資格現金流量對沖項目所產生的任何收益／虧損。

後續成本只有在該項目很可能為本集團帶來與之有關的未來經濟利益，且其成本能可靠計量時，才計入資產的賬面值或確認為一項單獨資產(倘適用)。已更換零件的賬面值已被終止確認。所有其他維修及保養費用在其產生的財政期間內於綜合全面收益表內列為開支。

物業、機器及設備的折舊採用以下的估計可使用年期將其成本按直線法分攤至其剩餘價值計算：

租賃物業裝修	可使用年期或租賃年期的較短者
機器及設備	3至5年
其他	5年

資產的剩餘價值及可使用年期在各報告期末進行檢討，及在適當時調整。

若資產的賬面值高於其估計可收回金額，其賬面值即時撇減至可收回金額(附註2.12)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Property, plant and equipment (Continued)

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains/(losses) – net' in the consolidated statement of comprehensive income.

2.9 Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see Note 2.10) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in Note 2.27(d). When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see Note 2.10), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in Note 2.10.

2 重要會計政策摘要(續)

2.8 物業、機器及設備(續)

出售收益及虧損按所得款項與賬面值的差額釐定，並在綜合全面收益表內的「其他收益／(虧損)－淨額」中確認。

2.9 投資物業

投資物業指為賺取租金收入及／或資本增值而以租賃權益擁有或持有之土地及／或樓宇(見附註2.10)，當中包括就當前尚未確定未來用途持有之土地及正在興建或發展作未來投資物業用途之物業。

除非投資物業於報告期末尚在興建或發展中而其公平值於當時無法可靠計量，則投資物業按公平值列賬。投資物業公平值的變動，或報廢或出售投資物業所產生的任何收益或虧損均於損益中確認。投資物業的租金收入乃按照附註2.27(d)所述方式入賬。倘本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關權益按每項物業基準分類及入賬為投資物業。已分類為投資物業之任何物業權益的入賬方式與根據融資租賃(見附註2.10)持有的權益一樣，而該權益採用與根據融資租賃租用之其他投資物業相同之會計政策。租賃付款如附註2.10所述入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(a) Classification of assets leased to the Group

Assets held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see Note 2.9); and

2 重要會計政策摘要(續)

2.10 租賃資產

如本集團確定一項安排具有於協定期限內通過支付一筆或一系列款項而獲得使用某一特定資產(或多項資產)之權利，則視該安排(由一宗或一系列交易組成)為租賃或具租賃性質。該決定乃根據該安排之實質內容評估而作出，而無論該安排是否具備租賃之法律形式。

(a) 出租予本集團資產之分類

就本集團以租賃持有的資產而言，倘租賃使所有權的絕大部分風險和回報轉移至本集團，則有關資產分類為以融資租賃持有；倘租賃並不會使所有權的絕大部分風險和回報轉移至本集團，則分類為經營租賃，惟下列情況除外：

- 以經營租賃持有但於其他方面均符合投資物業定義的物業，按照每項物業基準分類為投資物業。倘分類為投資物業，其入賬方式會如同以融資租賃持有(見附註2.9)；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Leased assets (Continued)

(a) Classification of assets leased to the Group (Continued)

- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

(b) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in Note 2.8. Impairment losses are accounted for in accordance with the accounting policy as set out in Note 2.12. Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

2 重要會計政策摘要(續)

2.10租賃資產(續)

(a) 出租予本集團資產之分類(續)

- 以經營租賃持作自用，而無法於租賃開始時將其公平值與建於其上之樓宇的公平值分開計量的土地按以融資租賃持有入賬，除亦明確以經營租賃持有的樓宇外。就此而言，租賃的開始時間指本集團首次訂立租賃，或自前承租人接收樓宇的時間。

(b) 以融資租賃獲得的資產

倘本集團以融資租賃獲得資產的使用權，則租賃資產公平值或有關資產最低租賃付款的現值(以較低者為準)金額確認為物業、機器及設備，而相應的負債則於扣除融資費用後入賬列為融資租賃承擔。誠如附註2.8所載，折舊乃於相關租賃期或(倘本集團很可能將取得該資產的擁有權)資產的可使用年期內按撇銷資產成本的比率計提。減值虧損乃根據附註2.12所載的會計政策入賬。租賃付款內含的融資費用乃於租賃期內計入損益，以致各會計期間的融資費用佔承擔餘額的比率大致相同。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Leased assets (Continued)

(c) Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged as expenses in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property (see Note 2.9).

2.11 Other investments in equity securities

The Group's and the Company's policies for investments in equity securities, other than investments in subsidiaries, associates and joint ventures, are as follows:

Investments in equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

2 重要會計政策摘要(續)

2.10租賃資產(續)

(c) 經營租賃費用

倘本集團以經營租賃獲得資產的使用權，則根據租賃所作出的付款將於租期涵蓋的會計期間分期等額在損益扣除，惟另有基準更能反映來自租賃資產的獲利模式則除外。所獲的租賃優惠於損益確認為所作出的租賃付款總淨額其中一部分。或然租金乃於產生的會計期間內支銷。

根據經營租賃持有的收購土地成本於租期內以直線法基準攤銷，惟物業分類為投資物業(附註2.9)除外。

2.11其他股本證券投資

本集團及本公司股本證券投資(於附屬公司、聯營公司及合營公司的投資除外)的政策如下：

股本證券投資最初以公平值(亦即其交易價格)列賬，除非確定初步確認的公平值有別於交易價格，且該公平值可從相同資產或負債於活躍市場上的報價得出，或根據僅使用從可觀察市場得出的數據的估值方法計算得出，則另當別論。成本包括應佔交易成本，惟並不包括以下所述情況。該等投資其後將根據其分類按下列方式列賬：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Other investments in equity securities

(Continued)

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in Note 2.27(f) and 2.27(e).

Investments in securities which do not fall into the above category are classified as available for sale financial assets. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the available-for-sale investment reserve. As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the balance sheet at cost less impairment losses (see Note 2.12). Dividend income from equity securities is recognised in profit or loss in accordance with the policy set out in Note 2.27(f).

When the investments are derecognised or impaired, the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

2 重要會計政策摘要(續)

2.11其他股本證券投資(續)

持作買賣證券投資分類為流動資產。任何應佔交易成本均於產生時於損益中確認。公平值會於各報告期末重新計量，因而產生之任何盈虧則於損益中確認。於損益確認之收益或虧損淨額不包括該等投資所賺取之任何股息或利息，其按附註2.27(f)及2.27(e)所載政策確認。

不屬上述類別的證券投資會被歸類為可供出售金融資產。公平值會於各報告期末重新計量，任何產生的收益或虧損會於其他全面收益確認並各自在可供出售投資儲備的權益中累計。惟此有例外情況，倘與之相同的工具在活躍市場並無報價及其公平值無法可靠地計量的股本證券投資，則按成本減去減值虧損後於資產負債表內確認(見附註2.12)。該等股本證券投資的股息收入按附註2.27(f)所載的政策在損益內確認。

當終止確認該等投資或有關投資出現減值時，於權益中確認的累計盈虧會重新分類至損益。於本集團承諾購入／出售投資或投資到期當日，會確認／終止確認有關投資。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of assets

(a) Impairment of investments in equity securities and other receivables

Investments in equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2 重要會計政策摘要(續)

2.12 資產減值

(a) 股本證券投資及其他應收款項減值

以成本或攤銷成本列賬或分類為可供出售證券的股本證券投資及其他流動及非流動應收款項會於各報告期末審閱，以釐定是否有客觀的減值憑證。客觀的減值憑證包括本集團注意到以下一項或多項虧損事件的可觀察數據：

- 債務人有重大財政困難；
- 違反合約，例如拖欠或未能償還利息或本金款項；
- 債務人可能面臨破產或其他財務重組；
- 科技、市場、經濟或法律環境有重大變動而對債務人造成不利影響；及
- 於權益工具的投資公平值大幅或長期跌至低於成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of assets (Continued)

(a) Impairment of investments in equity securities and other receivables

(Continued)

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in associates and joint ventures accounted for under the equity method in the consolidated financial statements (see Note 2.4), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with Note 2.12(b). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with Note 2.12(b).
- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

2 重要會計政策摘要(續)

2.12 資產減值(續)

(a) 股本證券投資及其他應收款項減值(續)

倘存在任何該等憑證，則任何減值虧損按下列方式釐定及確認：

- 就以權益法於綜合財務報表入賬的於聯營公司及合營公司之投資而言(見附註2.4)，減值虧損乃透過按照附註2.12(b)所述將投資可收回金額比較其賬面值之方式計量。倘按照附註2.12(b)用以釐定可收回金額之估計出現利好的變動，有關減值虧損便會撥回。
- 就以成本列賬的未報價股本證券而言，減值虧損乃按金融資產賬面值與估計未來現金流量(倘貼現影響重大，則以類似金融資產回報之現有市場利率貼現)之間的差額計量。以成本列賬的股本證券之減值虧損不會撥回。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of assets (Continued)

(a) Impairment of investments in equity securities and other receivables

(Continued)

- For accounts receivable, loans receivable and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2 重要會計政策摘要(續)

2.12 資產減值(續)

(a) 股本證券投資及其他應收款項減值(續)

- 就應收賬款、應收貸款及其他流動應收款項以及以攤銷成本列賬的其他金融資產而言，減值虧損乃按資產賬面值與估計未來現金流量現值(倘貼現影響重大，則以金融資產原實際利率(即在初始確認該等資產時計算的實際利率)貼現)之間的差額計量。倘該等金融資產具備類似的風險特徵，例如類似的逾期情況及並未單獨被評估為減值，則有關的評估會合併進行。金融資產的未來現金流量會根據與該組被評估資產具有類似信貸風險特徵資產的過往虧損情況一同評估減值。

倘減值虧損在其後的期間減少，而該減少可客觀地與減值虧損確認後發生的事件有關，則透過損益撥回減值虧損。撥回減值虧損不應導致資產的賬面值超過其在以往年度並未確認任何減值虧損而應已釐定的數額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of assets (Continued)

(a) Impairment of investments in equity securities and other receivables

(Continued)

- For available-for-sale securities which are stated at fair value, when a decline in the fair value has been recognised in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

2 重要會計政策摘要(續)

2.12 資產減值(續)

(a) 股本證券投資及其他應收款項減值(續)

- 就以公平值列賬的可供出售證券而言，當公平值減少已於其他全面收益確認，並有客觀證據顯示資產已減值，則即使金融資產仍未終止確認，已於其他全面收益確認的累計虧損應從權益重新分類至損益，列作一項重新分類調整。於損益確認的累計虧損數額乃收購成本(扣除任何本金還款及攤銷)與現有公平值減該資產先前於損益確認的任何減值虧損之間的差額。

就可供出售股本證券於損益確認的減值虧損不會透過損益撥回。有關資產公平值的任何其後增加於其他全面收益確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of assets (Continued)

(a) Impairment of investments in equity securities and other receivables (Continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of customers included within accounts receivable, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against customers directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(b) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- goodwill;
- other intangible assets;
- film related deposits;

2 重要會計政策摘要(續)

2.12 資產減值(續)

(a) 股本證券投資及其他應收款項減值(續)

減值虧損從相應之資產中直接撇銷，惟應收賬款中就若干名客戶所確認且其可收回性存疑但並非微乎其微的減值虧損則例外。在此情況下，呆壞賬的減值虧損採用撥備賬入賬。倘本集團信納收回之可能性極低，則被視為無法收回之金額就相關客戶直接作出撇銷，而於撥備賬中持有有關該債務的任何金額會被撥回。先前於撥備賬中扣除並於其後收回之款項自撥備賬撥回。撥備賬之其他變動及其後收回先前直接撇銷之款項於損益確認。

(b) 其他資產減值

於各報告期末審閱內部及外間資料來源，以識別是否有跡象顯示以下資產可能出現減值，或先前確認的減值虧損不再存在或可能已減少(商譽除外)：

- 物業、機器及設備；
- 商譽；
- 其他無形資產；
- 電影相關訂金；

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of assets (Continued)

(b) Impairment of other assets (Continued)

- film rights and films in progress; and
- investments in subsidiaries, associates and joint ventures in the Company's balance sheet.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash-inflows independently (i.e. a cash generating unit).

2 重要會計政策摘要(續)

2.12 資產減值(續)

(b) 其他資產減值(續)

- 電影版權及製作中之電影；及
- 本公司資產負債表內於附屬公司、聯營公司及合營公司之投資。

倘存在任何上述跡象，則估計資產可收回金額。此外，就商譽、尚未可供使用之無形資產及有確定可使用年期之無形資產而言，無論是否存在任何減值跡象，每年均會估計其可收回金額。

- 計算可收回金額

資產的可收回金額是其公平值減出售成本與使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量會按可以反映當時市場對貨幣時間價值及資產特定風險的評估的稅前貼現率，貼現至其現值。倘資產並不產生基本上獨立於其他資產的現金流入，則就能獨立產生現金流入的最小資產組別(即現金產生單位)釐定可收回金額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of assets (Continued)

(b) Impairment of other assets (Continued)

- Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying amount of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2 重要會計政策摘要(續)

2.12 資產減值(續)

(b) 其他資產減值(續)

- 確認減值虧損

當資產或其所屬現金產生單位的賬面值超過其可收回金額，則於損益中確認減值虧損。就現金產生單位確認的減值虧損會首先分配至減少該現金產生單位(或該組單位)所獲分配任何商譽的賬面值，其後按比例減少該單位(或該組單位)內其他資產的賬面值，惟資產的賬面值不可減至低於其個別公平值扣減出售成本(如能計量)或使用價值(如能釐定)。

- 撥回減值虧損

就商譽以外之資產而言，倘用作釐定可收回金額的估計出現利好的變動，有關減值虧損便會撥回。有關商譽的減值虧損不會撥回。

倘過往年度並未確認減值虧損，則減值虧損撥回以釐定的資產賬面值為限。所撥回的減值虧損在確認撥回的年度計入損益內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of assets (Continued)

(c) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim Financial Reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see Notes 2.12(a) and (b)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

2 重要會計政策摘要(續)

2.12 資產減值(續)

(c) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須根據香港會計準則第34號「中期財務報告」就財政年度首六個月編製中期財務報告。於中期結束時，本集團採用於財政年度結束時應採用的相同減值測試、確認及撥回條件(見附註2.12(a)及(b))。

就商譽、可供出售股本證券及按成本列賬非掛牌股本證券於中期期間確認的減值虧損不會於其後期間撥回。即使在中期期間有關的財政年度結束評估減值時便已確認並無虧損或所確認虧損較少，亦不會撥回減值虧損。因此，倘可供出售股本證券的公平值於年度其餘期間或在其後任何其他時期增加，該增加將於其他全面收益中確認而不在損益內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Intangible assets

(a) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business 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 within the entity 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 whenever there is an indication that the unit may be impaired. If some or all of the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit or group of cash generating units.

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

2 重要會計政策摘要(續)

2.13 無形資產

(a) 商譽

收購業務產生之商譽按收購業務日期的成本減任何累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期會從合併獲得協同效益的本集團各個現金產生單位(或現金產生單位組別)，即實體就內部管理用途監管商譽的最低級別，小於經營分部。

獲分配商譽的現金產生單位或現金產生單位組別會每年進行減值測試，或於單位出現減值跡象時增加測試次數。倘若分配至現金產生單位之部分或全部商譽乃於本年度期間透過業務合併而收購，則該單位須於本年度期間結束前作減值測試。當現金產生單位之可收回金額低於該單位之賬面值，減值虧損首先分配以減低分配至該單位之任何商譽之賬面值，繼而根據單位或現金產生單位組別內各資產之賬面值，按比例分配至單位之其他資產。

於出售相關現金產生單位時，商譽應佔之金額會於釐定出售損益時入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Intangible assets (Continued)

(b) Club membership

Club membership with indefinite useful life is stated at cost less any impairment losses. Impairment is reviewed annually and when there is any indication that the club membership has suffered an impairment loss.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(c) Brand name

Brand name acquired in a business combination are recognised at fair value at the acquisition date. Brand name has a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method of 7.5 years over the expected life of the brand name.

(d) Trading rights held in the Stock Exchange

Trading rights held in the Stock Exchange are classified as intangible assets. Trading rights acquired in a business combination are recognised at fair value at the acquisition date. Trading rights have an indefinite useful life and are carried at cost less accumulated impairment losses. The trading rights have no foreseeable limit to the period over which the Group can use to generate net cash flows. As a result, the trading rights are considered by the management of the Group as having an indefinite useful life because they are expected to contribute to net cash inflows indefinitely. The trading rights will not be amortised until their useful lives are determined to be finite. Instead they will be tested for impairment annually and whenever there is an indication that they may be impaired.

2 重要會計政策摘要(續)

2.13無形資產(續)

(b) 會籍

具無限可使用年期的會籍乃按成本減任何減值虧損列賬。會籍於每年及當有任何跡象顯示出現減值虧損時進行減值檢討。

倘資產的賬面值較其估計可收回金額為高，則該資產之賬面值會隨即撇減至其可收回金額。

(c) 品牌名稱

業務合併所獲得的品牌名稱按收購日期的公平值確認。品牌名稱具有確定可使用年期，按成本減去累計攤銷列賬。攤銷以直線法分配至品牌名稱的預期可使用年期7.5年計算。

(d) 持有聯交所交易權

於聯交所持有的交易權分類為無形資產。業務合併所獲得的交易權按收購日期的公平值確認。交易權並無確定可使用年期，按成本減去累計減值虧損列賬。本集團可利用交易權產生淨現金流量之期間並無可預見的限制。因此，由於交易權預期將無限期帶來淨現金流入，本集團管理層認為交易權並無確定可使用年期。交易權將不予攤銷，直至其被釐定為有確定可使用年期為止。交易權將每年及當有跡象顯示其可能減值時進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Intangible assets (Continued)

(d) Trading rights held in the Stock Exchange (Continued)

The useful life of the trading rights is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

(e) Trading rights held in The Chinese Gold & Silver Exchange Society

The trading rights held in The Chinese Gold & Silver Exchange Society have an indefinite useful lives and are recognised as intangible assets in the consolidated balance sheet. The trading rights are carried at cost less impairment losses and are tested for impairment annually and whenever there is an indication that the trading rights may be impaired by comparing their recoverable amounts with their carrying amounts. The trading rights have no foreseeable limit to the period over which the Group can use to generate net cash flows. As a result, the trading rights are considered by the management of the Group as having an indefinite useful life because they are expected to contribute to net cash inflows indefinitely. The trading rights will not be amortised until their useful lives are determined to be finite.

2 重要會計政策摘要(續)

2.13 無形資產(續)

(d) 持有聯交所交易權(續)

交易權的可使用年期每年進行檢討以釐定無確定年期評估是否仍然適當。如不適當，則按預期基準將可使用年期評估由無確定年期變更為確定年期入賬。

(e) 持有的金銀業貿易場交易權

持有的金銀業貿易場交易權具有無限可使用年期並於綜合資產負債表確認為無形資產。交易權按成本減減值虧損列值，透過比較交易權的可回收金額與其賬面值，當有跡象顯示交易權可能出現減值時進行年度減值測試。本集團用以產生現金流量淨額之交易權並無可預測限期。因此，本集團管理層認為，由於預期交易權會永久貢獻現金流入淨額，故交易權具無限可使用年期。交易權將不會被攤銷，直至其可使用年期被釐定為有限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.15 Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2 重要會計政策摘要(續)

2.14 金融工具抵銷

如具法定可執行權利抵銷確認金額及計劃以淨額結算，或同時變現資產及清償負債，則金融資產和金融負債互相抵銷，並在綜合資產負債表內以淨額列示。法定可執行權利不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產，亦必須可強制執行。

2.15 存貨

存貨按成本及可變現淨值兩者的較低者列賬。

成本以加權平均成本公式計算及包括所有購買成本、轉換成本及將存貨運至其現存地點及達致現狀所產生之其他成本。

可變現淨值為在日常業務過程中的估計銷售價減估計完成成本及估計銷售所需成本。

當存貨出售時，有關存貨的賬面值在相關收入獲確認期間內確認為開支。任何存貨撇減至可變現淨值的金額及所有存貨虧損於撇減或虧損產生期間內確認為開支。任何存貨撇減的任何撥回金額於撥回發生期間內確認為已確認為開支的存貨金額的扣減。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Film rights and films in progress

(a) Film rights

Film rights comprise fees paid and payable under agreements and direct expenses incurred during the production of films, for the reproduction and/or distribution of films in various videogram formats, film exhibition, licensing and sub-licensing of film titles.

Film rights are stated at cost less accumulated amortisation and accumulated impairment losses.

The cost of film rights is amortised over the shorter of the underlying license period and their useful lives, with reference to projected revenues.

(b) Films in progress

Films in progress are stated at cost less any provision for impairment losses. Cost includes all direct costs associated with the production of films. The balance of film production costs not yet due at the end of each reporting period are disclosed as commitments. Cost of films is transferred to film rights upon completion.

(c) Impairment

At each balance sheet date, both internal and external market information are considered to assess whether there is any indication that assets included in film rights and films in progress are impaired. If any such indication exists, the carrying amount of such assets is assessed and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the consolidated statement of comprehensive income.

2 重要會計政策摘要(續)

2.16 電影版權及製作中之電影

(a) 電影版權

電影版權指就複製及／或發行不同錄像制式電影、電影放映、授出及轉授電影版權而根據協議已付及應付之費用及電影製作產生之直接開支。

電影版權乃按成本減累計攤銷及累計減值虧損列賬。

電影版權成本乃參考預計收入，按相關版權期限及其使用年期(以較短者為準)攤銷。

(b) 製作中之電影

製作中之電影乃按成本減任何減值虧損撥備列賬。成本包括所有涉及電影製作之直接成本。於各報告期末尚未到期之電影製作成本結餘披露為承擔。電影成本於完成後轉撥至電影版權。

(c) 減值

於每個結算日，透過考慮內部及外部市場資訊，評估電影版權及製作中之電影中的資產是否存在任何減值跡象。如存在任何有關減值跡象，則評估有關資產的賬面值，及在有關情況下確認減值虧損以將資產減至其可收回金額。此等減值虧損會在綜合全面收益表內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Film deposits

Film deposits comprise deposits paid for the acquisition of film rights and deposits paid to production houses, artistes and others prior to the production of films. The balance payable under agreements for acquisition and production of film rights is disclosed as a commitment. Provision for film deposits is made based on future revenue generated for the Group and the carrying value of film deposits.

2.18 Accounts and other receivables

Accounts receivable and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less allowance for impairment of doubtful debts (see Note 2.12), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts (see Note 2.12).

2.19 Loans receivable

Loans receivable are loans granted to customers in the ordinary course of business. If collection of loans receivable is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Loans receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see Note 2.12).

2 重要會計政策摘要(續)

2.17 電影訂金

電影訂金包括就購買電影版權支付之訂金及於電影開拍前支付給製作公司、藝人及其他之訂金。根據協議用作購入電影版權及電影製作之應付餘款則以承擔形式披露。電影訂金撥備乃根據本集團產生之未來收入及電影訂金之賬面值而作出。

2.18 應收賬款及其他應收款項

應收賬款及其他應收款項初步以公平值確認，其後利用實際利率法按攤銷成本減呆賬減值撥備列賬(見附註2.12)，惟倘應收款項為向關連人士作出之無任何固定還款期之免息貸款或貼現之影響屬輕微則除外。於該等情況下，應收賬款按成本減呆賬減值撥備列賬(見附註2.12)。

2.19 應收貸款

應收貸款為於日常業務過程中授予客戶之貸款。倘應收貸款預計於一年或以內收回，則分類為流動資產，反之則呈列為非流動資產。

應收貸款初步以公平值確認，其後利用實際利率法按攤銷成本扣除呆賬減值撥備計量(見附註2.12)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and cash held at custodian, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

2.21 Accounts and other payables

Accounts and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

2.22 Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

2 重要會計政策摘要(續)

2.20 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行活期存款及託管商所持有現金、以及短期高流動性投資，該投資按購入計三個月內到期且可隨時兌換成已知數額之現金而並無涉及重大變值風險。就綜合現金流量表而言，須按要求償還及組成本集團現金管理之一部分的銀行透支亦作為現金及現金等價物之部分入賬。

2.21 應付賬款及其他應付款項

應付賬款及其他應付款項初步以公平值確認，其後按攤銷成本列賬，除非貼現之影響屬輕微，則於該情況下其按成本列賬。

2.22 計息借貸

計息借貸初步按公平值減應佔交易成本確認。初步確認後，計息借貸按攤銷成本列賬，而初步確認金額與贖回價值間的任何差額(連同任何應付利息及費用)於借貸期內以實際利率法在損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

2.24 Income Tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

2 重要會計政策摘要(續)

2.23 借貸成本

直接歸屬於收購、建設或生產資產(為必須經一段長時間方可達致其預定用途或出售之資產)之借貸成本，乃資本化為該資產之成本之一部分。其他借貸成本均於其產生期間支銷。

當產生資產開支、產生借貸成本及準備資產作其預定用途或正在出售所必需活動進行時，合資格資產成本一部分之借貸成本開始資本化。當準備合資格資產作其預定用途或出售所必需的絕大部分活動中止或完成時，借貸成本將暫停或停止資本化。

2.24 所得稅

年度所得稅包括當期稅項和遞延稅項資產及負債的變動。當期稅項和遞延稅項資產及負債的變動均於損益確認，惟其他全面收益或直接在權益中確認的項目的相關變動則分別在其他全面收益或直接在權益中確認有關稅項金額。

當期稅項是按年度應課稅收入根據於報告期末已生效或實質上已生效的稅率計算的預期應納稅項，以及對於過往年度應納稅項的任何調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Income Tax (Continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided that those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2 重要會計政策摘要(續)

2.24 所得稅(續)

遞延稅項資產及負債分別由可扣稅和應課稅暫時性差額產生。暫時性差額是指資產及負債在財務申報上的賬面值與該等資產及負債的稅基間的差額。遞延稅項資產亦會由未使用稅項虧損和未使用稅款抵免產生。

除若干有限之例外情況外，所有遞延稅項負債及所有遞延稅項資產均予確認(只限於很可能獲得能利用資產來作出抵扣的未來應課稅溢利)。能夠用以確認可扣減暫時性差額所引致遞延稅項資產的未來應課稅溢利，包括因撥回現有應課稅暫時性差額而引起的應課稅溢利，惟該等差額必須與同一稅務當局及同一應課稅實體有關，並且預期在預計撥回可扣減暫時性差額的同一期間撥回，或在遞延稅項資產引起的稅項虧損可以承前或結轉的期間撥回。在決定現有應課稅暫時性差額是否足以確認因尚未使用稅項虧損及稅款抵免造成的遞延稅項資產時，亦採用相同的準則，即若有關差額與同一稅務當局及同一應課稅實體有關，並預計在可以使用稅項虧損或稅款抵免的期間內撥回，則計入該等差額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Income Tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 2.9, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the end of the reporting period unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2 重要會計政策摘要(續)

2.24 所得稅(續)

不確認為遞延稅項資產和負債之暫時性差額是產生自以下有限之例外情況：不可在稅務方面獲得扣減之商譽；不影響會計或應稅溢利之資產或負債之初步確認(前提是其並非業務合併之一部分)；以及投資附屬公司(如屬應課稅差額，只限於本集團可以控制撥回之時間，而且在可預見之將來不大可能撥回之暫時性差額；或如屬可抵扣差額，則只限於很可能在將來撥回之差額)。

當投資物業根據附註2.9所載會計政策按公平值列賬，除非該物業需折舊及以一商業模式持有，而其目的是要透過時間使用而並非出售該物業以獲取隱含於該物業之絕大部分經濟利益，否則確認遞延稅項的金額按該等資產於報告期末以其賬面值出售時所適用的稅率計算。在其它情況下，確認遞延稅項的金額是根據該等資產及負債的賬面值之預期變現或結算的方式，按於報告期末已生效或實質上已生效的稅率計算。遞延稅項資產及負債均不貼現計算。

於各報告期末，本集團檢討遞延稅項資產的賬面值，並於不再可能有足夠應課稅溢利以實現動用相關稅務利益時予以扣減。任何有關扣減於可能出現足夠應課稅溢利時，則予以撥回。

分派股息產生的額外所得稅於確認支付相關股息的責任時確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Income Tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2 重要會計政策摘要(續)

2.24 所得稅(續)

當期稅項結餘與遞延稅項結餘及其變動會分別列示而不會相抵銷。本公司或本集團只有在有合法權利對當期稅項資產與當期稅項負債予以抵銷及符合以下附帶條件的情況下，方對當期稅項資產及當期稅項負債，以及遞延稅項資產及遞延稅項負債作出抵銷：

- 就當期稅項資產及負債而言，本公司或本集團計劃按淨額基準結算，或同時將資產變現及償還負債；或
- 就遞延稅項資產及負債而言，它們為同一稅務當局對以下機構徵收所得稅所產生：
 - 同一應課稅實體；或
 - 不同應課稅實體，而該等實體計劃在未來每個預計有重大遞延稅項負債須要償還或有重大遞延稅項資產可以收回的期間，以淨額基準變現當期稅項資產及償還當期稅項負債或兩者同時變現及償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in share-based compensation reserve within equity. The fair value is measured at grant date using the Binominal Option Pricing Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

2 重要會計政策摘要(續)

2.25 僱員福利

(i) 短期僱員福利及定額供款退休計劃供款

薪金、年度花紅、帶薪年假、定額供款退休計劃供款及非貨幣性質福利成本於僱員提供相關服務之年度累計。倘延期支付或清償且影響重大，則該等款項將以其現值列賬。

(ii) 以股份為基礎之付款

向僱員授出之購股權之公平值確認為僱員成本，而相應增加於權益內之股份報酬儲備入賬。公平值乃於授出日期採用二項式購股權定價模型並經計及授出購股權之條款及條件後計量。倘僱員須符合歸屬條件後方可無條件享有購股權，則購股權之估計公平值總額經計及購股權將歸屬之可能性後按歸屬期攤分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Employee benefits (Continued)

(ii) Share based payments (Continued)

During the vesting period, the number of share options expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share-based compensation reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the share-based compensation reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. When share options are exercised, the amount previously recognised in share-based compensation reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based compensation reserve will be transferred to retained earnings.

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

2 重要會計政策摘要(續)

2.25 僱員福利(續)

(ii) 以股份為基礎之付款(續)

於歸屬期內，本公司已審閱預期將歸屬之購股權數目。過往年度確認之累計公平值之任何相關調整將自進行該審閱之年度之損益扣除／計入，除非原僱員開支合資格確認為一項資產，並對股份報酬儲備作相應調整，則作別論。於歸屬日期，對確認為開支之金額進行調整以反映歸屬購股權之實際數目（對股份報酬儲備作相應調整），惟僅由於未達成與本公司股份市價相關之歸屬條件而沒收者除外。倘購股權獲行使，先前於股份報酬儲備確認之金額將轉撥至股份溢價。倘購股權於歸屬日期後遭沒收或於到期日仍未獲行使，則先前於股份報酬儲備確認之金額將轉撥至保留盈利。

(iii) 離職福利

離職福利乃於本集團不再能撤銷提供該等福利時及其確認涉及支付離職福利之重組成本時（以較早者為準）確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Provisions and contingent liabilities

(i) Contingent liabilities assumed in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with Note 2.26(ii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with Note 2.26(ii).

(ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

2 重要會計政策摘要(續)

2.26撥備及或然負債

(i) 於業務合併中所承擔之或然負債

於業務合併中所承擔之或然負債(為收購日期之現有責任)，倘其公平值能夠可靠計量，則按公平值初步確認。按公平值初步確認後，有關或然負債乃按初步確認金額減累計攤銷(如適用)與根據附註2.26(ii)釐定之金額中較高者確認。於業務合併中所承擔之或然負債倘不能可靠計量或於收購日期並非現有責任則根據附註2.26(ii)披露。

(ii) 其他撥備及或然負債

當本集團或本公司具有因過往事項而產生之法律或推定責任，而履行有關責任可能導致經濟利益外流，並可作出可靠之估計時，則會就時間或金額不確定之其他負債確認撥備。倘貨幣時間價值屬重大，則按預期清償責任所需開支之現值計提撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Provisions and contingent liabilities (Continued)

(ii) Other provisions and contingent liabilities (Continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2.27 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

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

(a) Revenue from sale of goods

Revenue from the sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed and collectability of the related receivables is reasonably assured.

2 重要會計政策摘要(續)

2.26撥備及或然負債(續)

(ii) 其他撥備及或然負債(續)

倘經濟利益外流之可能性不大，或無法就有關金額作出可靠之估計，則相關責任披露為或然負債，惟經濟利益外流之可能性極小則除外。倘可能責任僅將視乎某宗或多宗未來事件是否發生始能確定是否存在，亦會披露為或然負債，惟經濟利益外流之可能性極小則除外。

2.27收益確認

收益按已收或應收代價的公平值計量。

當收益的金額能夠可靠計量，未來經濟利益很可能流入有關實體，而本集團各項業務符合下述特定條件時，本集團會確認收益。

(a) 銷售貨品所得之收益

銷售貨品所得收益於擁有權之風險及回報轉移時，即貨品交付予客戶及所有權轉移，以及合理確保有關應收款項可收回時予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Revenue recognition (Continued)

(b) Income from licensing and sub-licensing of film rights

Income from the licensing and sub-licensing of film rights is recognised upon the delivery of the pre-recorded audio visual products and the materials for video features including the master tapes to the customers, in accordance with the terms of the underlying contracts.

(c) Film exhibition income

Film exhibition income is recognised when the film is shown and the right to receive payment is established.

(d) Rental income from operating lease

Operating lease and other rental income is recognised on a straight-line basis over the lease terms.

(e) Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

2 重要會計政策摘要(續)

2.27 收益確認(續)

(b) 授出及轉授電影版權之收入

授出及轉授電影版權之收入於根據有關合約之條款向客戶交付預錄影音產品及母帶等錄像正片使用之素材後確認。

(c) 電影放映之收入

電影放映之收入於電影放映及收取款項之權利獲確定時確認。

(d) 經營租賃之租金收入

經營租賃及其他租金收入乃按租賃期以直線法確認。

(e) 利息收入

利息收入乃按實際利率法進行確認。倘一項貸款及應收款項出現減值，本集團將其賬面值減至其可收回金額(即按工具原實際利率貼現的估計未來現金流量)，並繼續沖抵貼現作為利息收入。已減值貸款及應收款項的利息收入使用原實際利率確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Revenue recognition (Continued)

(f) Dividend income

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established. Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(g) Income from provision of training and coaching services

Income from provision of training and coaching services is recognised when training and coaching services are rendered.

(h) Brokerage commission income

Brokerage commission income is recognised on a trade date basis when the relevant transactions are executed.

(i) Underwriting commission income, sub-underwriting income and placing commission

Underwriting commission income, sub-underwriting income and placing commission are recognised as income in accordance with the terms of the underlying agreement or deal mandate when relevant significant act has been completed.

2 重要會計政策摘要(續)

2.27 收益確認(續)

(f) 股息收入

非上市投資之股息收入乃於股東收取相關款項之權利確立時確認。上市投資之股息收入乃於投資之股價除息時確認。

(g) 提供培訓及輔導服務之收入

提供培訓及輔導服務之收入於提供培訓及輔導服務時確認。

(h) 經紀佣金收入

經紀佣金收入乃於進行相關交易時按交易日期基準確認。

(i) 包銷佣金收入、分包銷收入及配售佣金

包銷佣金收入、分包銷收入及配售佣金乃根據相關協議或交易委託書之條款於相關重大行動完成時確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.28 Non-current assets held for sale and discontinued operations

(i) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in Note 2.

2 重要會計政策摘要(續)

2.28 持作出售之非流動資產及已終止經營業務

(i) 持作出售之非流動資產

倘非流動資產(或出售組別)之賬面值極可能是通過銷售交易而非通過持續使用收回且該資產(或出售組別)可以現狀立即出售時,則會分類為持作出售。出售組別為於單項交易中共同出售的一組資產,以及與該等資產直接相關並於交易中轉讓的負債。

當本集團致力於涉及失去一間附屬公司控制權之出售計劃時,不論本集團是否將於出售後保留該附屬公司之非控股權益,該附屬公司的所有資產及負債於符合上述有關分類為持作出售之條件時分類為持作出售。

緊接分類為持作出售之前,非流動資產(及出售組別中所有的個別資產及負債)之計量均已根據被分類前所採用之會計政策更新。此後,初步分類為持作出售後及直至出售前,非流動資產(以下列示的若干資產除外)或出售組別按其賬面值及公平值減銷售成本中的較低者確認。就本集團和本公司的財務資料而言,該計量政策的主要例外情況為遞延稅項資產、因僱員福利產生之資產、金融資產(不包括於附屬公司、聯營公司及合營公司的投資)和投資物業。該等資產即使持作出售,亦會繼續依照附註2中所述之政策計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.28 Non-current assets held for sale and discontinued operations (Continued)

(i) Non-current assets held for sale (Continued)

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

(ii) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale (see (i) above), if earlier. It also occurs if the operation is abandoned.

2 重要會計政策摘要(續)

2.28 持作出售之非流動資產及已終止經營業務(續)

(i) 持作出售之非流動資產(續)

初次分類為持作出售及其後持作出售之重新計量而產生之減值虧損均於損益確認。一旦一項非流動資產被分類為持作出售或包含在分類為持作出售之出售組別中，該項非流動資產將不再計提折舊或攤銷。

(ii) 已終止經營業務

已終止經營業務為本集團業務之組成部分，其經營業務及現金流量可與本集團餘下者清楚區分，其為獨立的主要業務部或經營地區，或出售獨立的主要業務部或經營地區之單一整體計劃之一部分，或專為準備轉售而收購之附屬公司。

當出售或經營業務符合有關分類為持作出售之標準(如較早)時會分類為已終止經營業務(見上文(i))。其亦於經營業務棄置時發生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.28 Non-current assets held for sale and discontinued operations (Continued)

(ii) Discontinued operations (Continued)

Where an operation is classified as discontinued, a single amount is presented on the face of the statement of comprehensive income, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

2.29 Convertible bonds

The convertible bonds consist of liability component, conversion option and other embedded derivatives which are not closely related to the host liability contract. Conversion options that will not be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the issuer's own equity instruments are not equity instruments and are considered as embedded derivatives not closely related to the host contract.

The Group has elected to designate its convertible bonds with embedded derivatives as financial liabilities at fair value through profit or loss on initial recognition as the convertible bonds contain one or more embedded derivatives. Subsequent to initial recognition, the convertible bonds are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The change in fair value recognised in profit or loss includes any interest paid for the convertible bonds.

2 重要會計政策摘要(續)

2.28 持作出售之非流動資產及已終止經營業務(續)

(ii) 已終止經營業務(續)

當經營業務分類為已終止，則會於全面收益表內按單一數額呈列，其包括：

- 已終止經營業務之除稅後溢利或虧損；及
- 計量構成已終止經營業務之資產或出售組別之公平值減銷售成本時或出售時所確認之除稅後收益或虧損。

2.29 可換股債券

可換股債券包含負債部分、轉換權及其他並非與主負債合約緊密相關之嵌入式衍生工具。不會透過將固定數額之現金或其他金融資產交換發行人固定數目之本身權益工具而結算之轉換權並非權益工具，並被視為並非與主合約緊密相關之嵌入式衍生工具。

本集團已選擇於初步確認時將其嵌入式衍生工具之可換股債券指定為透過損益按公平值入賬之金融負債，原因是可換股債券含有一項或以上嵌入式衍生工具。於初步確認後，可換股債券按公平值計量，而公平值變動於出現之期間直接在損益中確認。在損益中確認之公平值變動，包括就可換股債券支付之任何利息。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.29 Convertible bonds (Continued)

Transaction costs that are directly attributable to the issue of the convertible bonds designated as financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of comprehensive income.

2.30 Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

2 重要會計政策摘要(續)

2.29可換股債券(續)

發行指定為透過損益按公平值入賬之金融負債之可換股債券直接應佔之交易成本，即時在綜合全面收益表內確認。

2.30關連人士

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員。
- (b) 倘符合下列任何條件，則該實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
 - (ii) 一間實體為另一實體的聯營公司或合營公司(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營公司)。
 - (iii) 兩間實體均為同一第三方的合營公司。
 - (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.30 Related parties (Continued)

(b) (Continued)

- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2 重要會計政策摘要(續)

2.30 關連人士(續)

(b) (續)

- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。
- (vi) 實體受(a)所識別人士控制或受共同控制。
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 實體或集團任何成員公司(其為一部分)向本集團或本集團之母公司提供主要管理人員服務。

某人士之近親是指與該實體交易時預期可影響該人士或受該人士影響之家庭成員。

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The policies for managing these risks are summarised below.

(a) Market risk

(i) Currency risk

- (i) Exposure to currency risk
The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currency giving rise to this risk is primarily Renminbi ("RMB") (2016: RMB).

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rate at the year end date.

3 財務風險管理

3.1 財務風險因素

本集團因其業務面臨多種財務風險：市場風險（包括貨幣風險、利率風險及股價風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃著重於金融市場的不可預測性，致力最大程度減低對本集團財務表現的潛在不利影響。管理此等風險之政策概述如下。

(a) 市場風險

(i) 貨幣風險

- (i) 所承受之貨幣風險
本集團所承受之貨幣風險主要來源於買賣而產生以外幣（即與交易有關的經營的功能貨幣以外之貨幣）計值的應收款項、應付款項及現金結餘。導致該風險的幣種主要為人民幣（二零一六年：人民幣）。

下表詳列本集團於報告期末因確認以相關實體功能貨幣以外之貨幣計值之資產或負債而產生之貨幣風險。基於呈報目的，風險額以年結日的即期匯率換算為港元列示。

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綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Currency risk (Continued)

(i) Exposure to currency risk (Continued)

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 貨幣風險(續)

(i) 所承受之貨幣風險(續)

Exposure to foreign currencies
(expressed in Hong Kong dollars)

所承受之外匯風險(以港元列示)

		2017 二零一七年 Renminbi 人民幣 '000 千元	2016 二零一六年 Renminbi 人民幣 '000 千元
Bank balances and cash – trust accounts	銀行結餘及現金 — 信託賬戶	10	–
Cash and cash equivalents	現金及現金等價物	22	17
Accounts receivable	應收賬款	19,900	3,148
Financial assets included in “deposits paid, prepayments and other receivables”	計入「已付訂金、 預付款項及 其他應收款項」 之金融資產	54,522	28,288
Accounts payable	應付賬款	(10)	(5)
Other payables and accrued charges	其他應付款項及 應計支出	(45)	(4)
		74,399	31,444

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綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) *Currency risk* (Continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss after tax (and retained earnings) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

		2017 二零一七年		2016 二零一六年	
		Increase/ (decrease) in loss after tax and (increase)/ decrease in retained earnings 除稅後虧損 增加/(減少) 及保留盈利 (增加)/減少 HK\$'000 千港元	Increase/ (decrease) in loss after tax and (increase)/ decrease in retained earnings 除稅後虧損 增加/(減少) 及保留盈利 (增加)/減少 HK\$'000 千港元	Increase/ (decrease) in loss after tax and (increase)/ decrease in retained earnings 除稅後虧損 增加/(減少) 及保留盈利 (增加)/減少 HK\$'000 千港元	Increase/ (decrease) in loss after tax and (increase)/ decrease in retained earnings 除稅後虧損 增加/(減少) 及保留盈利 (增加)/減少 HK\$'000 千港元
RMB	人民幣	5% (5%)	(3,720) 3,720	5% (5%)	(1,313) 1,313

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) *貨幣風險*(續)

(ii) 敏感度分析

下表載列於報告期末本集團面臨重大風險的外匯匯率於該日出現變動(假設所有其他風險參數保持不變)對本集團除稅後虧損(及保留盈利)產生的即時變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) *Currency risk* (Continued)

(ii) Sensitivity analysis (Continued)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' loss/profit after tax and equity measured in the respective functional currencies, translated into Hong Kong Dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis for 2016.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) *貨幣風險*(續)

(ii) 敏感度分析(續)

上表所列示的分析結果代表對各集團實體按相應功能貨幣計算並按報告期末的匯率換算為港元以供呈列之用的除稅後虧損／溢利及股權之即時影響總額。

敏感度分析已假設外匯匯率變動已用於重新計量本集團於報告期末所持有使本集團面臨外匯風險的金融工具。該分析乃採用與二零一六年相同之基準進行。

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed rate loans receivable (see Note 21) from money lending business and fixed rate borrowings (Note 28). The management considered that the risk is insignificant as the amounts are carried at amortised cost. The Group is also exposed to cash flow interest rate risk in relation to variable-rate accounts receivable from securities brokerage and margin financing business such as cash clients, margin clients and variable rate borrowings (see Note 20 and 28 respectively). Bank balances are excluded from the interest rate sensitivity analysis as they are insignificantly sensitive to the change in market interest rates.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the financial instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year and all other variables were held constant throughout the respective year. A 100 basis points (2016: 100 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 100 basis points (2016: 100 basis points) higher/lower and all other variables were held constant, the Group's loss for the year ended 30th June 2017 would decrease/increase by HK\$1,537,000 (2016: increase/decrease by HK\$1,144,000).

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 利率風險

本集團面對的公平值利率風險與放貸業務及定息借款(附註28)產生的應收定息貸款(見附註21)相關。管理層認為風險不大，原因是有關款項以攤銷成本列賬。本集團亦面對現金流利率風險，與證券經紀及孖展融資業務現金客戶、孖展客戶及浮息借貸的浮息應收賬款有關(分別見附註20及28)。銀行結餘對市場利率變動並不敏感，因此並無進行利率敏感度分析。

敏感度分析

下文之敏感度分析已根據報告期末之金融工具的利率而釐定。有關分析乃假設於報告期末之未償還金融工具於全年未償還及所有其他變量於各整個年度保持不變。增加或減少100基點(二零一六年：100基點)用於內部向主要管理層人員匯報利率風險，並指管理層對利率可能出現合理變動之評估。倘利率上升/下降100基點(二零一六年：100基點)而所有其他變量維持不變，則本集團截至二零一七年六月三十日止年度之虧損將減少/增加1,537,000港元(二零一六年：增加/減少1,144,000港元)。

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3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(iii) Equity price risk

The Group is exposed to equity price changes arising from listed securities, unlisted investment funds and unlisted limited partnership. The sensitivity analysis has been determined based on the exposure to equity price risk.

The Group's financial assets at fair value through profit or loss and certain available-for-sale financial assets are listed on the Stock Exchange of Hong Kong Limited. Decisions to buy or sell trading securities are based on daily monitoring of the performance of individual securities compared to that of the Hang Seng Index and Index of the Growth Enterprise Market on the Stock Exchange of Hong Kong Limited and other industry indicators, as well as the Group's liquidity needs. Listed investments held in the available-for-sale portfolio have been chosen based on their long term growth potential and are monitored regularly for performance against expectation.

For the unlisted investment funds and unlisted limited partnership classified as available-for-sale financial assets, the board of directors manages the exposure to equity price risk by maintaining a portfolio of investments funds with different risk and return profiles.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 股價風險

本集團面臨因上市證券、非上市投資基金及非上市有限合夥企業而產生的股價變動。有關敏感度分析已根據所面臨的股價風險釐定。

本集團之透過損益按公平值入賬之金融資產及若干可供出售金融資產乃於香港聯合交易所有限公司上市。買入或賣出交易證券之決定乃基於對個別證券較恒生指數及香港聯合交易所有限公司創業板指數及其他行業指標之表現的每日監測，以及本集團之流動資金需要而作出。於可供出售投資組合持有的上市投資基於長期增長潛力甄選，定期監察表現是否符合預期。

就分類作可供出售金融資產之非上市投資基金及非上市有限合夥企業而言，董事會透過持有具不同風險及回報的投資基金組合管理股價風險。

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(iii) Equity price risk (Continued)

At 30th June 2017, it is estimated that an increase/decrease of 3% (2016: 3%) in the fair value of the Group's financial assets at fair value through profit or loss with all other variables held constant would have decreased/increased the Group's loss after tax (and increased/decreased retained earnings) by HK\$5,827,000 (2016: decreased/increased the Group's loss after tax (and increased/decreased retained earnings) by HK\$6,198,000).

At 30th June 2017, it is estimated that an increase/decrease of 3% (2016: 3%) in the fair value of available-for-sale financial assets with all other variables held constant would have increased/decreased in the Group's available-for-sale investment reserve by HK\$3,009,000 (2016: increased/decreased in the Group's available-for-sale investment reserve by HK\$2,574,000) and decreased/increased the Group's loss after tax (and increased/decreased retained earnings) by HK\$1,662,000 (2016: Nil).

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 股價風險(續)

於二零一七年六月三十日，在所有其他變量保持不變之情況下，預計本集團透過損益按公平值入賬之金融資產之公平值增加／減少3%（二零一六年：3%），本集團之除稅後虧損將減少／增加（及保留盈利增加／減少）5,827,000港元（二零一六年：本集團之除稅後虧損減少／增加（及保留盈利增加／減少）6,198,000港元）。

於二零一七年六月三十日，估計倘可供出售金融資產公平值增加／減少3%（二零一六年：3%），而所有其他變量保持不變，則本集團之可供出售投資儲備將增加／減少3,009,000港元（二零一六年：本集團之可供出售投資儲備增加／減少2,574,000港元）及本集團之除稅後虧損將減少／增加（及保留盈利增加／減少）1,662,000港元（二零一六年：無）。

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綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligation resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from default.

In respect of accounts receivable arising from trading, wholesaling and retailing of optical, watches and jewellery products, in order to minimize the credit risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an on-going basis. Credit evaluations of its customers' financial position and condition are performed on each and every major customer periodically. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Receivables due from customers are due within the settlement period commonly adopted by the relevant market convention, which is usually within 0-90 days from the trade date. Normally, the Group does not obtain collateral from its customers.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

信貸風險指對手方不履行其合約責任給本集團帶來財務虧損之風險。本集團已採納僅與信貸記錄良好之對手方交易之政策，以減低違約產生財務虧損的風險。

就光學、鐘錶及珠寶產品貿易、批發及零售業務產生之應收賬款而言，為將信貸風險減至最低，管理層已制定信貸政策，並會持續監察該等信貸風險。本集團會定期就每名主要客戶之財務水平及狀況進行信貸評估。該等評估著眼於客戶過往之到期付款記錄及目前之付款能力，並計及客戶之個別資料及與客戶經營所在經濟環境有關之資料。應收客戶賬款乃於相關市場慣例普遍採用之結算期內到期，一般為交易日後0至90天內。本集團通常不會向客戶收取抵押品。

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

In respect of accounts receivable arising from video distribution, film distribution and exhibition, licensing and sub-licensing of film rights business, in order to minimise the credit risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an on-going basis. Credit evaluations of its customers' financial position and condition are performed on each and every major customer periodically. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Receivables due from customers are due within the settlement period commonly adopted by the relevant market convention, which is usually within 7-60 days from the trade date. Sales from film exhibition, licensing and sub-licensing of film rights are on open account terms. Sales to retail customers are made in cash or via major credit cards. Normally, the Group does not obtain collateral from its customers.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

就錄像發行、電影發行及放映、授出及轉授電影版權業務產生之應收賬款而言，為將信貸風險減至最低，管理層已制定信貸政策，並會持續監察該等信貸風險。本集團會定期就每名主要客戶之財務水平及狀況進行信貸評估。該等評估著眼於客戶過往之到期付款記錄及目前之付款能力，並計及客戶之個別資料及與客戶經營所在經濟環境有關之資料。應收客戶賬款乃於相關市場慣例普遍採用之結算期內到期，一般為交易日後7至60天內。電影放映、授出及轉授電影版權之銷售均以記賬形式進行。向零售客戶銷售均以現金形式或透過主要信用卡進行。本集團通常不會向客戶收取抵押品。

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綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

In respect of loan receivables (including loan to an associate) from customers, the objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problem. The Group manages and analyses the credit risk for each of their new and existing clients before standard payment terms and conditions are offered by assessing the credit quality of the customer, taking into account its financial position, past experience and other factors. Loan receivables balances are monitored on an ongoing basis, management reviews the recoverable amount of loan receivables at each reporting date 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. Interest income are usually billed on quarterly basis.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

就應收客戶之貸款(包括授予一間聯營公司之貸款)而言,本集團管理信貸風險的措施之目標為控制可能面對的可收回性問題。於提呈一般付款條款及條件前,本集團透過評估客戶之信貸質素(考慮其財務狀況、過往經驗及其他因素)管理及分析其各新客戶及現有客戶之信貸風險。應收貸款結餘按持續經營基準監控,管理層於各報告日期對應收貸款之可收回金額進行審閱,確保對不可收回金額作出充足減值虧損。就此而言,管理層認為本集團之信貸風險已顯著降低。利息收入一般按季度結算。

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

In order to manage the credit risk in the accounts receivable due from clients arising from securities brokerage and margin financing business, individual credit evaluation are performed on all clients including cash and margin clients. Accounts receivable from cash clients relate to a wide range of customers who generally settle the accounts receivable in two days after trade date and are secured by the portfolio of securities of the cash clients, credit risk arising from the accounts receivable due from cash clients is therefore considered minimal. For margin clients, the Group normally obtains liquid securities as collateral based on the margin requirements. The margin requirement is closely monitored on a daily basis by the designated team. In addition, the Group reviews the recoverable amount of each individual receivable at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the credit risk is significantly reduced. Market conditions and adequacy of securities collateral and margin deposits of each margin account are monitored by management on a daily basis. Margin calls and forced liquidation are made where necessary.

In respect of accounts receivable from brokers and clearing houses, credit risks are considered to be low as the Group normally enters into transactions with brokers and clearing houses which are registered with regulatory bodies and enjoy sound reputation in the industry.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

為管理應收證券經紀及孖展融資業務客戶賬款之信貸風險，所有客戶(包括現金及孖展客戶)均須接受個別信貸評估。應收現金客戶之賬款與多名一般於交易日後兩天內支付應收賬款的客戶有關，並由現金客戶證券組合抵押，故應收現金客戶賬款產生之信貸風險甚微。就孖展客戶而言，本集團一般會根據保證金要求獲取流動證券作為抵押品。專責團隊每日對保證金要求進行密切監控。此外，本集團會於各報告期末檢討各項個別應收款項之可收回金額，以確保就不可收回金額作出充足的減值虧損。就此而言，本公司董事認為信貸風險已大幅下降。管理層會每日監察市況以及各孖展賬戶之證券抵押品及孖展保證金是否足夠，如有需要，會追繳保證金及強行斬倉。

由於本集團一般與已向監管機構註冊並於業內享有良好聲譽之經紀及結算所進行交易，故應收經紀及結算所賬款之信貸風險甚低。

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

The Group has no significant concentration of credit risk in respect of the securities brokerage and margin financing business as credits are granted to a large population of clients.

In respect of businesses other than the securities brokerage and margin financing business, the Group's exposure to credit risk is influenced mainly by the individual characteristics of each debtor and customer. The default risk of the industry in which debtors or customers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, the Group had concentration of credit risk as for 100% (2016: 100%) of the loan receivables are due from the Group's eight (2016: four) debtors in money lending segment. The Group had no concentration of credit risk in respect of accounts receivable from trading, wholesaling and retailing of optical, watches and jewellery products and video distribution, film distribution and exhibition, licensing and sub-licensing of film rights business, with exposure spread over a number of counterparties.

For other receivables, credit checks are part of the normal operating process and stringent monitoring procedures are in place to deal with overdue debts. In addition, the Group reviews the recoverable amounts of other receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

At the end of the reporting period, the Group has certain concentrations of credit risk of 66% (2016: 59%) of the total other receivables was due from the Group's largest debtor and 94% (2016: 91%) of the total other receivables due from the Group's four largest debtors of the total other receivables respectively.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

由於本集團向眾多客戶提供信貸，故並無就證券經紀及孖展融資業務擁有重大集中信貸風險。

就除證券經紀及孖展融資外之業務而言，本集團之信貸風險主要受各債務人及客戶之個別特點影響。債務人或客戶經營之行業之違約風險亦對信貸風險帶來影響(惟程度較低)。於報告期末，因本集團的全部(二零一六年：全部)應收貸款均來自本集團放貸分部的八名債務人(二零一六年：四名)，本集團面臨信貸風險集中。本集團並無就來自光學、鐘錶及珠寶產品之貿易、批發及零售及錄像發行、電影發行及放映、授出及轉授電影版權業務之應收賬款面臨信貸風險集中，原因為風險分散於多名對手方。

就其他應收款項而言，信貸檢查為正常經營程序之一部分，亦有嚴格監察程序處理過期應收款。此外，本集團於各報告期末檢查其他應收款項之可收回款額，以確保就無法收回款額作出足夠減值虧損。

於報告期間末，本集團擁有若干信貸集中風險，其中其他應收款項總額的66%(二零一六年：59%)為應收本集團最大債務人的款項，而其他應收款項總額的94%(二零一六年：91%)為分別應收本集團四大債務人的款項。

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

(c) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to the parent company's board approval. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient amount of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables set out the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

流動資金的信貸風險有限，原因為對手方為獲國際評級機構授予高信貸評級的銀行。

(c) 流動資金風險

本集團旗下之個別營運實體負責自行管理其現金，包括進行短期現金盈餘投資及籌措貸款以應付預期現金需求，惟須待母公司董事會批准方可作實。本集團的政策為定期監控其現時及預期流動資金需求及其借貸契約的合規情況，確保其維持充裕現金儲備及從主要金融機構取得充裕的承諾融資額，以應付其長短期流動資金需求。

下列表格載列本集團之非衍生金融負債於報告期末之剩餘合約到期情況，基準為合約未貼現現金流量(包括按合約利率，或如屬浮息，則按報告期末當時利率計算之利息付款)及本集團須予支付之最早日期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

As at 30th June 2017

		Within 1 year or on demand 一年內 或按要求 HK\$'000 千港元	More than 1 year but less than 2 years 一年以上 兩年以內 HK\$'000 千港元	More than 2 years but less than 5 years 兩年以上 五年以內 HK\$'000 千港元	Total contractual undiscounted cash flows 合約未貼現 現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Accounts payable	應付賬款	92,447	-	-	92,447	92,447
Financial liabilities included in "other payables and accrued charges" and "deposits received"	計入「其他應付款項及 應計支出」之金融負債 及「已收訂金」	124,593	-	-	124,593	124,593
Borrowings	借貸	44,574	10,016	-	54,590	53,063
Obligations under finance lease	融資租賃承擔	35	28	-	63	63
		261,649	10,044	-	271,693	270,166

As at 30th June 2016

		Within 1 year or on demand 一年內 或按要求 HK\$'000 千港元	More than 1 year but less than 2 years 一年以上 兩年以內 HK\$'000 千港元	More than 2 years but less than 5 years 兩年以上 五年以內 HK\$'000 千港元	Total contractual undiscounted cash flows 合約未貼現 現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Accounts payable	應付賬款	254,722	-	-	254,722	254,722
Amount due to an associate	應付一間聯營公司 之款項	1,941	-	-	1,941	1,941
Financial liabilities included in "other payables and accrued charges" and "deposits received"	計入「其他應付款項及 應計支出」之金融負債 及「已收訂金」	64,121	-	-	64,121	64,121
Borrowings	借貸	9,366	-	-	9,366	9,200
Bank overdrafts	銀行透支	4,020	-	-	4,020	4,020
Obligations under finance lease	融資租賃承擔	35	35	28	98	98
		334,205	35	28	334,268	334,102

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

於二零一七年六月三十日

於二零一六年六月三十日

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In addition, a subsidiary of the Group licensed by the Securities and Futures Commission ("SFC") is obliged to meet the regulatory liquid capital requirements under the Securities and Futures (Financial Resources) Rules ("FRR") at all times. For the subsidiary of the Group licensed by The Chinese Gold & Silver Exchange Society, the subsidiary is obliged to meet the regulatory liquid capital requirements imposed by The Chinese Gold & Silver Exchange Society at all times. The Group obtained waiver on the liquid capital requirements from The Chinese Gold & Silver Exchange Society since the Group acquired the trading rights on 19th June 2017 and had not commenced the business on trading of gold and silver during the year ended 30th June 2017.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets. For the subsidiary licensed by the SFC, the Group ensures this licensed subsidiary maintains a liquid capital level adequate to support the level of activities with sufficient buffer to accommodate for increases in liquidity requirements arising from potential increases in the level of business activities. During the financial year, this licensed subsidiary complied with the liquid capital requirements under the FRR at all times.

3 財務風險管理(續)

3.2 資本管理

本集團的資本管理旨在保障本集團持續營運的能力以為股東提供回報和為其他權益持有人提供利益，並維持最佳的資本結構以減低資本成本。此外，證券及期貨事務監察委員會(「證監會」)特許的本集團附屬公司須一直遵守證券及期貨(財政資源)規則(「財政資源規則」)項下的監管流動性資本要求。對於由金銀業貿易場發予牌照的本集團附屬公司，其有義務始終符合金銀業貿易場施加的監管流動資金規定。本集團獲得金銀業貿易場對流動資金規定的豁免，乃因本集團於二零一七年六月十九日收購交易權及截至二零一七年六月三十日止年度尚未開始金銀交易業務。

為維持或調整資本結構，本集團或會調整支付予股東的股息金額、向股東發還資本、發行新股份或出售資產。就證監會特許的附屬公司而言，本集團確保該持牌附屬公司保持資金靈活周轉，足以支持業務經營，以及在業務可能轉趨頻繁而引致對流動資金之需求上升時亦能應付自如。於財政年度內，該持牌附屬公司須持續遵守財政資源規則項下之流動資金規定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.2 Capital management (Continued)

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (include borrowings, obligation under finance lease and bank overdrafts) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet, plus net debt, where applicable.

For the year ended 30th June 2017, the Group's strategy, which was unchanged from 2016, was to maintain a low gearing ratio. The gearing ratio as at 30th June 2017 and 30th June 2016 is as follows:

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Borrowings	借貸	28	53,063	9,200
Obligations under a finance lease	融資租賃承擔	29	63	98
Bank overdrafts	銀行透支	28	-	4,020
Less: Cash and cash equivalents	減：現金及現金等價物	24	(228,222)	(101,173)
Net cash	現金淨額		(175,096)	(87,855)
Total equity	總權益		1,013,527	751,921
Total capital	總資本		838,431	664,066
Gearing ratio	資本負債比率		N/A不適用	N/A不適用

3 財務風險管理(續)

3.2 資本管理(續)

和其他同業一樣，本集團以資產負債比率作為監控資本的基準。該比率按淨負債除以總資本計算。淨負債按總借貸(包括借貸、融資租賃承擔及銀行透支)減去現金及現金等價物計算。總資本按綜合資產負債表所載之「權益」加上淨負債(倘合適)計算。

截至二零一七年六月三十日止年度，本集團的策略與二零一六年比較維持不變，以將資本負債比率維持在較低水平。於二零一七年六月三十日及二零一六年六月三十日，資本負債比率如下：

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.3 Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

The Group has a team headed by the finance manager performing valuations for the financial instruments. The team reports directly to the directors of the Company and the audit committee. Valuation reports with analysis of changes in fair value measurement are prepared by the team at each annual reporting date, and is reviewed and approved by the directors of the Company. Discussion of the valuation process and results with the directors and the audit committee is held once a year, to coincide with the reporting date.

3 財務風險管理(續)

3.3 公平值計量

(i) 按公平值計量之金融資產及負債

公平值等級

下表呈列本集團金融工具之公平值，該等金融工具於報告期末按經常性基準計量，並分類為香港財務報告準則第13號「公平值計量」所界定之三級公平值層級。將公平值計量分類之等級乃經參考如下估值方法所用輸入數據之可觀察性及重要性後釐定：

- 第一級估值：僅使用第一級輸入數據(即於計量日同類資產或負債於活躍市場之未經調整報價)計量之公平值
- 第二級估值：使用第二級輸入數據(即未能達到第一級之可觀察輸入數據)且並未使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據為無市場數據之輸入數據
- 第三級估值：使用重大不可觀察輸入數據計量之公平值

本集團擁有一支由財務經理領導之團隊，負責對金融工具進行估值。該團隊直接向本公司董事及審計委員會報告。載有公平值計量變動分析之估值報告乃由團隊於各年度報告日期編製，並由本公司董事審閱及批准。團隊就估值程序及結果每年與董事及審計委員會進行一次討論，以與報告日期保持一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.3 Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

		Fair value measurements as at 30th June 2017 categorised into 於二零一七年六月三十日之公平值計量分類為				Fair value measurements as at 30th June 2016 categorised into 於二零一六年六月三十日之公平值計量分類為			
		Level 1	Level 2	Level 3	Fair value at 30th June 2017 於二零一七年 六月三十日 之公平值	Level 1	Level 2	Level 3	Fair value at 30th June 2016 於二零一六年 六月三十日 之公平值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Recurring fair value measurements	經常性公平值計量								
Assets:	資產：								
Available for sale financial assets	可供出售金融資產								
- Listed equity securities	- 上市股本證券	73,461	-	-	73,461	-	-	-	-
- Unlisted investment funds (Note a)	- 非上市投資基金(附註a)	-	-	24,898	24,898	-	-	79,467	79,467
- Unlisted limited partnership (Note a)	- 非上市有限合夥企業(附註a)	-	-	57,334	57,334	-	-	6,335	6,335
Financial assets at fair value through profit or loss	透過損益按公平值入賬之金融資產	232,629	-	-	232,629	247,444	-	-	247,444
Contingent consideration receivable (Note b)	應收或然代價(附註b)	-	-	15,737	15,737	-	-	10,930	10,930
		306,090	-	97,969	404,059	247,444	-	96,732	344,176
Liabilities:	負債：								
Contingent consideration payable (Note c)	應付或然代價(附註c)	-	-	(19,568)	(19,568)	-	-	-	-
		-	-	(19,568)	(19,568)	-	-	-	-

3 財務風險管理(續)

3.3 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

公平值等級(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.3 Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

During the years ended 30th June 2017 and 2016, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Notes:

- a) For unlisted investment funds and limited partnership classified under Level 3 of the fair value measurement hierarchy, the fair values are determined based on the net asset values of those investment funds and limited partnership determined with reference to third party valuation of underlying investment portfolio and adjustments of related expenses. When the net asset values of the unlisted investment funds and limited partnership increases/decreases by 3% (2016: 3%), the fair value will increase/decrease by HK\$2,467,000 (2016: HK\$2,574,000). The higher the net assets values, the higher the fair value.

The movement during the year in the balance of these Level 3 fair value measurements are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted investment funds included in available-for-sale financial assets:	計入可供出售金融資產之非上市投資基金：		
At the beginning of the year	於年初	79,467	86,812
Additions	添置	7,992	3,300
Total loss included in other comprehensive income	計入其他全面收益之虧損總額	(56,632)	(10,645)
Redemption	贖回	(5,929)	-
At the end of the year	於年末	24,898	79,467

3 財務風險管理(續)

3.3 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

公平值等級 (續)

於截至二零一七年及二零一六年六月三十日止年度，第一級與第二級之間並無轉撥，亦無轉撥入第三級或自第三級轉撥出。本集團之政策為於發生之報告期末確認各公平值層級水平之間之轉撥。

附註：

- a) 就分類於公平值計量層級第三級項下之非上市投資基金及有限合夥企業而言，公平值乃根據該等投資基金及有限合夥企業之資產淨值，參考相關投資組合之第三方估值釐定，並就相關開支作出調整。當非上市投資基金及有限合夥企業的資產淨值增加／減少3%（二零一六年：3%），公平值將增加／減少2,467,000港元（二零一六年：2,574,000港元）。資產淨值越高，則公平值越高。

該等第三級公平值計量之結餘於年內變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.3 Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

Notes: (Continued)

a) (Continued)

3 財務風險管理(續)

3.3 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

公平值等級(續)

附註：(續)

a) (續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted limited partnership included in available-for-sale financial assets:	計入可供出售金融資產之非上市有限合夥企業：		
At the beginning of the year	於年初	6,335	-
Additions	增加	53,573	8,030
Total loss included in other comprehensive income	計入其他全面收益之虧損總額	(2,574)	(1,695)
At the end of the year	於年末	57,334	6,335

The net unrealised losses arising from the remeasurement of the unlisted available-for-sale financial assets are recognised in available-for-sale investment reserve in other comprehensive income.

因重新計量非上市可供出售金融資產產生之未變現虧損淨額乃於其他全面收益確認為可供出售投資儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.3 Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

Notes: (Continued)

- b) The valuation techniques and key inputs used for contingent consideration receivable in Level 3 fair value measurement at the end of the reporting period are as follows:

	Valuation techniques 估值方法	Significant unobservable input 重大不可觀察輸入數據	Range 範圍 HK\$ 港元
Contingent consideration receivable	Discounted cash flow approach	Probability-weighted profit	Loss of HK\$401,000 – Profit of HK\$482,000 (2016: Profit of HK\$3,286,000 – Profit of HK\$10,035,000)
應收或然代價	貼現現金流量法	可能性加權溢利	虧損401,000港元 – 溢利482,000港元 (二零一六年：溢利3,286,000港元 – 溢利10,035,000港元)
		Discount factor 貼現系數	22.5% (2016: 8.2%) 22.5% (二零一六年：8.2%)

The increase in probability-weighted profit used would result in decrease in fair value measurement of contingent consideration receivable while the increase in discount rate used would also result in decrease in fair value measurement of contingent consideration receivable, and vice versa.

A 5% increase or decrease in the probability-weighted profit while holding all other variables constant would decrease or increase the carrying amount of contingent consideration receivable by HK\$31,000 or HK\$31,000 (2016: HK\$390,000 or HK\$390,000) respectively.

所使用之可能性加權溢利上升將導致應收或然代價之公平值計量減少，而所使用之貼現率增加亦將導致應收或然代價之公平值計量減少，反之亦然。

可能性加權溢利增加或減少5%，而所有其他變數維持不變，則應收或然代價之賬面值將分別減少或增加31,000港元或31,000港元(二零一六年：390,000港元或390,000港元)。

3 財務風險管理(續)

3.3 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

公平值等級 (續)

附註：(續)

- b) 於報告期末，應收或然代價第三級公平值計量所使用之估值方法及主要輸入數據如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.3 Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

Notes: (Continued)

b) (Continued)

A 5% increase or decrease in the discount rate used while holding all other variables constant would decrease or increase the carrying amount of contingent consideration receivable by HK\$175,000 or HK\$179,000 (2016: HK\$40,000 or HK\$50,000) respectively.

The movement during the year in the balance of these Level 3 fair value measurements are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contingent consideration receivable:	應收或然代價：		
At the beginning of the year	於年初	10,930	-
Additions	增加	-	6,850
Total gain included in profit or loss	計入損益之收益總額	4,807	4,080
At the end of the year	於年末	15,737	10,930
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
# Total gain included in profit or loss for assets held at the end of the reporting period	#就於報告期末持有之資產計入損益之收益總額	4,807	4,080

3 財務風險管理(續)

3.3 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

公平值等級(續)

附註：(續)

b) (續)

所使用之貼現率增加或減少5%，而所有其他變數維持不變，則應收或然代價之賬面值將分別減少或增加175,000港元或179,000港元（二零一六年：40,000港元或50,000港元）。

該等第三級公平值計量之結餘於年內變動如下：

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.3 Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

Notes: (Continued)

- c) The valuation techniques and key inputs used for contingent consideration payable in Level 3 fair value measurement at the end of the reporting period are as follows:

		Valuation techniques	Significant unobservable input	Range
		估值方法	重大不可觀察輸入數據	範圍 HK\$ 港元
Contingent consideration payable	應付或然代價	Discounted cash flow approach 貼現現金流量法	Probability-weighted profit 可能性加權溢利	Loss of HK\$401,000 – Profit of HK\$482,000 (2016: Nil) 虧損401,000港元 – 溢利482,000港元 (二零一六年：無)
			Discount factor 貼現系數	3.6% (2016: Nil) 3.6% (二零一六年：無)

The increase in probability-weighted profit used would result in decrease in fair value measurement of contingent consideration payable while the increase in discount rate used would also result in decrease in fair value measurement of contingent consideration payable, and vice versa.

A 5% increase or decrease in the probability-weighted profit while holding all other variables constant would decrease or increase the carrying amount of contingent consideration payable by HK\$38,000 or HK\$38,000 (2016: Nil) respectively.

A 5% increase or decrease in the discount rate used while holding all other variables constant would decrease or increase the carrying amount of contingent consideration payable by HK\$35,000 or HK\$35,000 (2016: Nil) respectively.

3 財務風險管理(續)

3.3 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

公平值等級 (續)

附註：(續)

- c) 於報告期末，應付或然代價第三級公平值計量所使用之估值方法及主要輸入數據如下：

所使用之可能性加權溢利上升將導致應付或然代價之公平值計量減少，而所使用之貼現率增加亦將導致應付或然代價之公平值計量減少，反之亦然。

可能性加權溢利增加或減少5%，而所有其他變數維持不變，則應付或然代價之賬面值將分別減少或增加38,000港元或38,000港元(二零一六年：無)。

所使用之貼現率增加或減少5%，而所有其他變數維持不變，則應付或然代價之賬面值將分別減少或增加35,000港元或35,000港元(二零一六年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.3 Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

Notes: (Continued)

c) (Continued)

The movement during the year in the balance of these Level 3 fair value measurements are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contingent consideration payable: 應付或然代價：			
At the beginning of the year	於年初	-	-
Additions	增加	(10,930)	-
Total loss included in profit or loss	計入損益之虧損總額	(8,638)	-
At the end of the year	於年末	(19,568)	-
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
# Total loss included in profit or loss for liabilities held at the end of the reporting period	#就報告期末持有之負債計入損益之虧損總額	(8,638)	-

(ii) Financial assets and liabilities at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30th June 2017 and 2016.

3 財務風險管理(續)

3.3 公平值計量(續)

(i) 按公平值計量之金融資產及負債(續)

公平值等級 (續)

附註：(續)

c) (續)

該等第三級公平值計量之結餘於年內變動如下：

(ii) 並非以公平值列值之金融資產及負債

本集團按成本或攤銷成本入賬之金融工具之賬面值與其於二零一七年及二零一六年六月三十日之公平值差別不大。

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.4 Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments that are either:

- offset in the Group's consolidated balance sheet; or
- not offset in the consolidated balance sheet as the offsetting criteria are not met.

Under the agreement of continuous net settlement made between the Group and the clearing house, the Group has a legally enforceable right to set off the money obligations receivable and payable with clearing house on the same settlement date and the Group intends to settle on a net basis.

In addition, the Group has a legally enforceable right to set off the accounts receivable from and payables to cash clients and margin clients that are due to be settled on the same date and the Group intends to settle these balances on a net basis.

Except for balances which are due to be settled on the same date which are being offset, amounts due from/to the clearing house and accounts receivable from and payables to cash clients and margin clients that are not to be settled on the same date, financial collateral including cash and securities received by the Group and deposit placed with clearing house do not meet the criteria for offsetting in the consolidated balance sheet since the right of set-off of the recognised amounts is only enforceable following an event of default.

3 財務風險管理(續)

3.4 抵銷金融資產及金融負債

下表所載之披露包括受可強制執行總淨額結算安排或涵蓋類似金融工具的類似協議所規限之金融資產及金融負債，其：

- 於本集團綜合資產負債表內抵銷；或
- 因不符合抵銷標準而並無於綜合資產負債表內抵銷。

根據本集團與結算所作出之持續淨額結算協議，本集團擁有合法可強制執行權利以於相同結算日與結算所抵銷應收及應付款項責任，且本集團有意按淨額基準結算。

此外，本集團擁有合法可強制執行權利抵銷於同一到期日應予結算的應收及應付現金客戶及保證金客戶款項，且本集團有意按淨額基準結算。

除於同一到期日應予結算且被抵銷之結餘外，並未於相同日期予以結算之應收／應付結算所款項及應收及應付現金客戶及保證金客戶款項、金融抵押品(包括本集團已收現金及證券)及存放於結算所之按金並不符合於綜合資產負債表內抵銷之標準，原因為已確認金額之抵銷權利僅於發生違約事件後可強制執行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.4 Offsetting financial assets and financial liabilities (Continued)

(a) Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements

As at 30th June 2017

3 財務風險管理(續)

3.4 抵銷金融資產及金融負債(續)

(a) 涉及抵銷、可強制執行總淨額結算安排或類似協議的金融資產

於二零一七年六月三十日

		Related amounts not offset in consolidated balance sheet 並未於綜合資產負債表內抵銷的相關金額				
		Gross amounts of recognised financial liabilities set off in the consolidated balance sheet 於綜合資產負債表內已確認抵銷的金融負債總額	Net amount of financial assets presented in the consolidated balance sheet 於綜合資產負債表內呈列的金融資產淨額	Financial instruments 金融工具	Collateral received 已收抵押品	Net amount 淨額
		Gross amount of recognised financial assets 已確認金融資產之總額				
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets	金融資產					
Accounts receivable arising from securities brokerage and margin financing business	產生自證券經紀及孖展融資業務之應收賬款	411,503	(144,659)	266,844	-	(165,264)
						101,580

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.4 Offsetting financial assets and financial liabilities (Continued)

(a) Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements (Continued)

As at 30th June 2016

3 財務風險管理(續)

3.4 抵銷金融資產及金融負債(續)

(a) 涉及抵銷、可強制執行總淨額結算安排或類似協議的金融資產(續)

於二零一六年六月三十日

		Gross amounts of recognised financial assets		Gross amounts of recognised financial liabilities set off in the consolidated balance sheet		Net amount of financial assets presented in the consolidated balance sheet		Related amounts not offset in consolidated balance sheet 並未於綜合資產負債表內抵銷的相關金額			
		Gross amount of recognised financial assets	Gross amount of recognised financial liabilities set off in the consolidated balance sheet	Gross amount of recognised financial assets	Gross amount of recognised financial liabilities set off in the consolidated balance sheet	Financial instruments	Collateral received	Net amount			
		於綜合資產負債表內已確認金融資產之總額	於綜合資產負債表內已確認金融負債總額	於綜合資產負債表內已確認金融資產之總額	於綜合資產負債表內已確認金融負債總額	金融工具	已收抵押品	淨額			
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			千港元
		千港元	千港元	千港元	千港元	千港元	千港元	千港元			千港元
Financial assets	金融資產										
Accounts receivable arising from securities brokerage and margin financing business	產生自證券經紀及孖展融資業務之應收賬款	1,599,165	(1,394,758)	204,407	-	(15,580)	188,827				

* The item "collateral received" represents the securities pledged in the client's account which are not recognised in the consolidated balance sheet. The amounts are capped at the lower of the market value of securities and the net receivable amounts on a client by client basis.

* 「已收抵押品」指客戶賬戶中抵押的證券，該等證券並無於綜合資產負債表確認。該等金額之上限為證券市值與按逐個客戶基準計的應收款項淨額的較低者。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.4 Offsetting financial assets and financial liabilities (Continued)

(b) Financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements

As at 30th June 2017

3 財務風險管理(續)

3.4 抵銷金融資產及金融負債(續)

(b) 涉及抵銷、可強制執行總淨額結算安排或類似協議的金融負債

於二零一七年六月三十日

		Related amounts not offset in consolidated balance sheet 並未於綜合資產負債表內抵銷的相關金額				
		Gross amounts of recognised financial assets set off in the consolidated balance sheet 於綜合資產負債表內已確認金融資產總額	Net amount of financial liabilities presented in the consolidated balance sheet 於綜合資產負債表內呈列的金融負債淨額	Financial instruments 金融工具	Collateral pledged 已質押之抵押品	Net amount 淨額
		Gross amount of recognised financial liabilities 已確認金融負債之總額	Net amount of financial liabilities 金融負債淨額			
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial liabilities	金融負債					
Accounts payable arising from securities brokerage and margin financing business	產生自證券經紀及孖展融資業務之應付賬款	226,279	(144,659)	81,620	-	81,620

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.4 Offsetting financial assets and financial liabilities (Continued)

(b) Financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements (Continued)

As at 30th June 2016

3 財務風險管理(續)

3.4 抵銷金融資產及金融負債(續)

(b) 涉及抵銷、可強制執行總淨額結算安排或類似協議的金融負債(續)

於二零一六年六月三十日

		Related amounts not offset in consolidated balance sheet 並未於綜合資產負債表內 抵銷的相關金額					
		Gross amounts of recognised financial assets set off in the consolidated balance sheet 於綜合資產 負債表內 已確認 金融負債 之總額 HK\$'000 千港元	Gross amount of recognised financial liabilities set off in the consolidated balance sheet 於綜合資產 負債表內 已確認金融 資產總額 HK\$'000 千港元	Net amount of financial liabilities presented in the consolidated balance sheet 於綜合資產 負債表內 呈列的金融 負債淨額 HK\$'000 千港元	Financial instruments 金融工具 HK\$'000 千港元	Collateral pledged 已質押之 抵押品 HK\$'000 千港元	Net amount 淨額 HK\$'000 千港元
Financial liabilities	金融負債						
Accounts payable arising from securities brokerage and margin financing business	產生自證券經紀及 孖展融資業務之 應付賬款	1,645,078	(1,394,758)	250,320	-	-	250,320

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

(Continued)

3.4 Offsetting financial assets and financial liabilities (Continued)

(c) The tables below reconcile the “net amount of financial assets and financial liabilities presented in the consolidated balance sheet”, as set out above, to the accounts receivable and accounts payable presented in the consolidated balance sheet:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net amount of financial assets after offsetting as stated above	上述於抵銷後的金融資產淨額	266,844	204,407
Financial assets not in scope of offsetting disclosure	不在抵銷披露範疇內的金融資產	77,627	20,474
Impairment losses	減值虧損	(10,612)	(142)
		333,859	224,739
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net amount of financial liabilities after offsetting as stated above	上述於抵銷後的金融負債淨額	81,620	250,320
Financial liabilities not in scope of offsetting disclosure	不在抵銷披露範疇內的金融負債	10,827	4,402
		92,447	254,722

3 財務風險管理(續)

3.4 抵銷金融資產及金融負債(續)

(c) 下表為上述「於綜合資產負債表呈列的金融資產及金融負債淨額」與綜合資產負債表呈列的應收賬款及應付賬款的對賬：

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Impairment of film rights, films in progress and film deposits

The Group assesses annually whether there is any indication for impairment on the film rights, films in progress and film deposits and further assess if they have suffered any impairment, in accordance with the accounting policy stated in Note 2. Such annual assessment is performed specifically for each film and film deposit at each balance date with reference to the cast or scale of each film, current market conditions and each film deposit recipient's reputation, trade history and current financial position. According to the management's cash inflow forecast in respect of each film title and realisation of each film deposit, no impairment loss of film rights (2016: HK\$4,226,000), no write-off of film deposits (2016: HK\$417,000) and no impairment loss of films in progress (2016: nil) were recognised respectively in the consolidated statement of comprehensive income to reduce the carrying amounts of certain film rights, films in progress and film deposits to their recoverable amounts. If projected cash inflow from these films were to deteriorate, additional provision for impairment may be required.

As at 30th June 2017, the carrying amount of film rights, films in progress and film deposits amounted to approximately HK\$90,957,000 (2016: HK\$85,870,000).

4 關鍵會計估算及判斷

估算、假設及判斷會被持續評估，並根據過往經驗和其他因素進行評價，包括在有關情況下被認為屬合理的未來事件預測。

(a) 關鍵會計估算及假設

本集團對未來作出估算和假設。所得的會計估算如其定義，很少會與其實際結果相同。具有重大風險導致下個財政年度的資產和負債的賬面值作出重大調整的估算和假設討論如下。

(i) 電影版權、製作中之電影及電影訂金之減值

根據附註2所載之會計政策，本集團按年評估電影版權、製作中之電影及電影訂金是否出現任何減值跡象，倘出現任何減值則進行進一步評估。有關年度評估乃按每部電影及每筆電影訂金於各結算日參考每部電影之演員陣容或規模、現時之市場狀況及每名收取電影訂金者之聲譽、交易歷史及現時財政狀況而針對性地進行。根據管理層就各電影片目而作出之現金流入預測及每筆電影訂金的可變現性，綜合全面收益表內並無確認電影版權減值虧損(二零一六年：4,226,000港元)、並無電影訂金之撇銷(二零一六年：417,000港元)及製作中之電影並無減值虧損(二零一六年：無)，從而將若干電影版權、製作中之電影及電影訂金之賬面值撇減至其可收回金額。倘來自該等電影之預測現金流入減少，則可能需作出額外減值撥備。

於二零一七年六月三十日，電影版權、製作中之電影及電影訂金之賬面值約為90,957,000港元(二零一六年：85,870,000港元)。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS
(Continued)

(a) Critical accounting estimates and assumptions (Continued)

(ii) Provision for impairment of accounts receivable

The provision policy for accounts receivable of the Group is based on the evaluation of recoverability of those receivables and management's judgement. A considerable judgement is required in assessing the ultimate realisation of these receivables, including the collaterals amount, the current creditworthiness and the past collection history and repayment pattern of each customer. During the year, impairment loss of HK\$10,470,000 was recognised in the consolidated statement of comprehensive income (2016: nil). If the financial conditions of these customers were to deteriorate, additional provision for impairment may be required. As at 30th June 2017, the carrying amount of accounts receivable amounted to approximately HK\$333,859,000 (2016: HK\$224,739,000).

(iii) Estimated valuation of investment properties

In determining the fair value, the valuer has based on property valuation techniques which involve, inter alia, certain estimates including comparable sales in the relevant market, appropriate discount rates and expected future market rents. In relying on the valuation report, management has exercised their judgement and is satisfied that the method of valuation is reflective of the current market condition. As at 30th June 2017, the carrying amount of investment properties amounted to approximately HK\$25,560,000 (2016: HK\$25,560,000).

4 關鍵會計估算及判斷(續)

(a) 關鍵會計估算及假設(續)

(ii) 應收賬款之減值撥備

本集團應收賬款之撥備政策乃以對該等應收款項可收回性作出之評估及管理層之判斷為基礎。評估該等應收款項之最終可變現性時需要作出大量判斷，包括每名客戶之抵押品金額、目前信譽及過往收款歷史以及還款模式。於本年度，10,470,000港元於綜合全面收益表內確認減值虧損(二零一六年：無)。倘該等客戶之財務狀況變差，則可能需作出額外減值撥備。於二零一七年六月三十日，應收賬款之賬面值約為333,859,000港元(二零一六年：224,739,000港元)。

(iii) 投資物業之估計估值

於釐定公平值時，估值師乃基於物業估值方法，當中涉及(其中包括)若干估計，包括於相關市場之可資比較銷售、合適的貼現率及預期未來市場租金。在依賴估值報告時，管理層已運用其判斷並信納有關估值方法能反映現時市況。於二零一七年六月三十日，投資物業之賬面值約為25,560,000港元(二零一六年：25,560,000港元)。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(a) Critical accounting estimates and assumptions (Continued)

(iv) Estimation of fair value and impairment assessment of equity investments classified as available-for-sale financial assets

The fair value of available-for-sale financial assets that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Changes in these estimates and assumptions could have a material effect on the fair value of the available-for-sale financial assets.

The Group follows the guidance of HKAS 39 to determine when an available-for-sale equity investment is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost.

A significant or prolonged decline in the fair value of equity investments classified as available-for-sale financial assets below its cost is an objective evidence of impairment. In assessing whether it is significant, the decline in the fair value is evaluated against the original cost of the asset at initial recognition. In assessing whether it is prolonged, the decline is evaluated against the continuous period in which the fair value of the asset has been below its original cost at initial recognition.

4 關鍵會計估算及判斷(續)

(a) 關鍵會計估算及假設(續)

(iv) 分類為可供出售金融資產的股權投資的公平值估計及減值評估

沒有在活躍市場買賣的可供出售金融資產的公平值利用估值方法釐定。本集團運用其判斷選取多種方法，並主要根據各報告期末當時的市況作出假設。該等估計及假設的變動可能會對可供出售金融資產的公平值產生重大影響。

本集團根據香港會計準則第39號之指引釐定可供出售股本投資是否出現減值。有關釐定須作出重大判斷。於作出判斷時，本集團會評估多項因素，其中包括該投資之公平值低於其成本之時期及程度。

分類為可供出售金融資產股權投資的公平值大幅或長期跌至低於成本為客觀減值證據。評估公平值下跌是否重大時，以初始確認時資產的原有成本進行比較，而評估公平值是否長期下跌時，減幅按資產公平值低於初始確認時原有成本的持續期間進行衡量。

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4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

(a) Critical accounting estimates and assumptions (Continued)

(iv) Estimation of fair value and impairment assessment of equity investments classified as available-for-sale financial assets (Continued)

During the year ended 30th June 2017, the management determined the investment in available-for-sale financial assets is impaired and an impairment loss of HK\$89,643,000 (2016: Nil) was reclassified from equity to consolidated profit or loss. During the year, a decrease in fair value of HK\$88,565,000 (2016: HK\$12,340,000) was recognised in the consolidated other comprehensive income. As at 30th June 2017, the carrying amount of available-for-sale financial assets amounted to approximately HK\$155,693,000 (2016: HK\$85,802,000).

(v) Recognition of deferred tax assets

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised, and it is measured at the tax rates that are expected to apply when the related deferred income tax assets are realised. In determining the deferred tax assets to be recognised, management is required to estimate the future applicable tax rate for each subsidiary of the Company at each tax jurisdiction and the profitability of each subsidiary, so as to estimate the future utilisation of tax losses. Any difference between these estimates and the actual outcome will impact the Group's result in the period in which the actual outcome is determined. As at 30th June 2017, the carrying amount of deferred tax assets and deferred tax liabilities amounted to approximately HK\$6,447,000 (2016: HK\$365,000) and HK\$13,413,000 (2016: HK\$2,229,000) respectively.

4 關鍵會計估算及判斷(續)

(a) 關鍵會計估算及假設(續)

(iv) 分類為可供出售金融資產的股權投資的公平值估計及減值評估(續)

截至二零一七年六月三十日止年度，管理層釐定可供出售金融資產投資出現減值，減值虧損89,643,000港元(二零一六年：無)已由權益重新分類至綜合損益。於本年度在綜合其他全面收益確認公平值減少88,565,000港元(二零一六年：12,340,000港元)。於二零一七年六月三十日，可供出售金融資產之賬面值約為155,693,000港元(二零一六年：85,802,000港元)。

(v) 確認遞延稅項資產

遞延稅項資產於有可能出現未來應課稅溢利用作抵銷可扣減暫時性差額及稅項虧損時方予以確認，且按變現相關遞延所得稅資產時預計應用之稅率計量。釐定將予確認之遞延稅項資產時，管理層須為本公司位於各稅務權區之各附屬公司估計日後適用之稅率及各附屬公司之盈利能力，以估計稅項虧損之日後使用。該等估計與實際結果之間的任何差額將影響本集團於釐定實際結果期間內之業績。於二零一七年六月三十日，遞延稅項資產及遞延稅項負債之賬面值分別約為6,447,000港元(二零一六年：365,000港元)及13,413,000港元(二零一六年：2,229,000港元)。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(a) Critical accounting estimates and assumptions (Continued)

(vi) Impairment of loans receivables and other receivables

The Group assesses provision for impairment of loans and other receivables based on the estimate of the recoverability of these receivables. Provisions are applied to loans and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of impairment of loans and other receivables requires the use of estimates. Where the expectation is different from the original estimate, such difference will impact carrying value of receivables and provision for impairment losses in the period in which such estimate has been changed. As at 30th June 2017, the carrying amount of loans receivable, loan to an associate and financial assets included in deposits paid, prepayments and other receivables amounted to approximately HK\$75,900,000 (2016: HK\$43,163,000), HK\$7,940,000 (2016: HK\$5,000,000) and HK\$97,138,000 (2016: HK\$52,179,000).

(vii) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. At 30th June 2017, the carrying amount of goodwill at 30th June 2017 amounted to approximately HK\$28,064,000 (2016: HK\$59,447,000).

4 關鍵會計估算及判斷(續)

(a) 關鍵會計估算及假設(續)

(vi) 應收貸款及其他應收款項之減值

本集團根據貸款及其他應收款項的估計可回收性評估該等應收款項的減值撥備。當有事件或情況變化顯示有關結餘可能無法收回，則須就貸款及其他應收款項計提撥備。確定貸款及其他應收款項的減值需要運用估計。倘預期金額與最初估計存在差額，則有關差額將會影響有關估計出現變動期間內的應收款項賬面值及減值虧損撥備。於二零一七年六月三十日，應收貸款、授予一間聯營公司之貸款以及計入已付訂金、預付款項及其他應收款項之金融資產之賬面值約為75,900,000港元(二零一六年：43,163,000港元)、7,940,000港元(二零一六年：5,000,000港元)及97,138,000港元(二零一六年：52,179,000港元)。

(vii) 商譽減值

本集團最少每年一次釐定商譽有否減值。此須對獲分配商譽之現金產生單位之使用價值進行估計。本集團估計使用價值須對現金產生單位之預期未來現金流量進行估計，以及亦須選出合適之貼現率，以計算該等現金流量之現值。於二零一七年六月三十日，商譽於二零一七年六月三十日之賬面值約為28,064,000港元(二零一六年：59,447,000港元)。

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綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

(a) Critical accounting estimates and assumptions (Continued)

(viii) Useful lives of other intangible assets

The Group amortises its other intangible assets with a finite useful life on a straight-line basis over their estimated useful lives. The estimated useful lives reflect management's estimate of the period that the Group intends to derive future economic benefits from the use of the other intangible assets. At 30th June 2017, the carrying amount of other intangible assets at 30th June 2017 amounted to approximately HK\$23,583,000 (2016: HK\$14,231,000).

(ix) Net realisable value of inventories

The Group's management reviews the inventory ageing analysis periodically, and makes allowance on an annual basis for obsolete and slow-moving inventory items identified that are no longer suitable for sale. The Group carries out an inventory review on a product-by-product basis at the end of each reporting period and makes allowance for obsolete and slow-moving items through management's estimation of the net realisable value for such obsolete and slow-moving items based primarily on the latest invoice prices and current market conditions. At 30th June 2017, the carrying amount of inventories amounted to approximately HK\$10,066,000 (2016: HK\$14,304,000).

4 關鍵會計估算及判斷(續)

(a) 關鍵會計估算及假設(續)

(viii) 其他無形資產之可使用年期

本集團根據具有有限可使用年期之其他無形資產之估計可使用年期以直線法攤銷該等無形資產。估計可使用年期反映管理層對本集團計劃透過使用其他無形資產產生未來經濟利益期間之估計。於二零一七年六月三十日，其他無形資產於二零一七年六月三十日之賬面值約為23,583,000港元(二零一六年：14,231,000港元)。

(ix) 存貨可變現淨值

本集團之管理層定期審閱存貨之賬齡分析，並會每年為確認為不再適合出售的陳舊及滯銷存貨項目作出撥備。於各報告期末，本集團會檢閱各項產品之存貨，並會透過管理層主要根據最新發票價及現行市場情況對該等陳舊及滯銷項目所作之可變現淨值估計，為陳舊及滯銷項目作出撥備。於二零一七年六月三十日，存貨之賬面值約為10,066,000港元(二零一六年：14,304,000港元)。

4 CRITICAL ACCOUNTING
ESTIMATES AND JUDGEMENTS
(Continued)

(a) Critical accounting estimates and
assumptions (Continued)

(x) Estimation of impairment of trading
rights held in the Stock Exchange

Determining whether the trading rights held in the Stock Exchange, which are intangible assets with indefinite useful lives are impaired requires an estimation of the recoverable amount of the cash-generating unit (“CGU”) to which intangible assets with indefinite useful lives have been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or changes in facts and circumstances result in a downward revision of future cash, a material impairment loss may arise. As at 30th June 2017, the carrying amount of the trading rights held in the Stock Exchange is HK\$11,400,000. Details of the recoverable amount calculation are disclosed in Note 9.

4 關鍵會計估算及判斷(續)

(a) 關鍵會計估算及假設(續)

(x) 所持聯交所交易權的估
計減值

釐定所持聯交所交易權(為具無限使用年期的無形資產)是否減值需要估計獲分配具無限使用年期的無形資產的現金產生單位(「現金產生單位」)的可收回金額,以使用價值或公平值減出售成本兩者中較高者為準。使用價值計算要求本集團估計預期自現金產生單位產生的未來現金流及計算現值的合適貼現率。倘實際未來現金流較預期低或事實及情況變化導致未來現金下調,則可能產生重大減值虧損。於二零一七年六月三十日,所持聯交所交易權賬面值為11,400,000港元。可收回金額計算的詳情於附註9披露。

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綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

(a) Critical accounting estimates and assumptions (Continued)

(xi) Fair value of contingent consideration receivable and payable

The fair value of contingent consideration receivable and payable was determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions, including the discount rates and estimation of future performance. Changes in assumption used could materially affect the fair value of the balances and as a result affect the Group's financial condition and results of operation. At 30th June 2017, the carrying amount of contingent consideration receivable and contingent consideration payable amounted to approximately HK\$15,737,000 (2016: HK\$10,930,000) and HK\$19,568,000 (2016: Nil) respectively.

(xii) Impairment of interests in associates

Determining whether interests in associates are impaired requires an estimation of the recoverable amount of the associates and joint ventures. Recoverable amount is the greater of fair value less costs of disposal and value in use. Management has evaluated the recovery of the investments based on such estimates and is confident that the allowance for impairment, where necessary, is adequate. During the year ended 30th June 2017, impairment losses of HK\$3,227,000 (2016: HK\$18,421,000) were recognised in respect of interests in associates. As at 30th June 2017, the carrying amount of the interests in associates amounted to approximately HK\$19,393,000 (2016: HK\$25,730,000).

4 關鍵會計估算及判斷(續)

(a) 關鍵會計估算及假設(續)

(xi) 應收及應付或然代價之公平值

應收及應付或然代價之公平值乃使用估值方法釐定。本集團利用其判斷選擇多種方法及作出假設，其中包括貼現率及未來表現估計。所採用假設之變動可能會對該等結餘之公平值造成重大影響，因而影響本集團之財務狀況及經營業績。於二零一七年六月三十日，應收或然代價及應付或然代價之賬面值分別約為15,737,000港元（二零一六年：10,930,000港元）及19,568,000港元（二零一六年：無）。

(xii) 於聯營公司權益之減值

釐定於聯營公司之權益是否出現減值需對聯營公司及合營公司之可收回金額作出估計。可收回金額為公平值減出售成本與使用價值之間的較高者。管理層已根據有關估計評估投資之可收回程度，並相信減值撥備（倘需要）屬充足。於截至二零一七年六月三十日止年度，已就於聯營公司之權益確認減值虧損3,227,000港元（二零一六年：18,421,000港元）。於二零一七年六月三十日，於聯營公司權益的賬面值約為19,393,000港元（二零一六年：25,730,000港元）。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Critical accounting judgement in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

Classification of joint arrangements

The Group has entered into joint arrangements to produce and distribute television series and films. The Group has participating interests ranging from 5% to 90% (2016: from 5% to 90%) in these joint arrangements. The Group has joint control over these arrangements as under the contractual agreements, unanimous consent is required from all parties to the agreements for all relevant activities. The Group's joint arrangements involve the joint control by the venturers of the assets contributed to the joint arrangement and dedicated to the purposes of the joint arrangement. The assets are used to obtain benefits for the venturers. Each venturer may take a share of the output from the assets and each bears an agreed share of the expenses incurred. These joint arrangements do not involve the establishment of a corporation, partnership or other entity, or a financial structure that is separate from the venturers themselves. Therefore, these arrangements are classified as joint operations of the Group. The determination of the relevant activities under joint operations requires management's significant judgement.

4 關鍵會計估算及判斷(續)

(b) 應用本集團會計政策之關鍵會計判斷

於應用本集團之會計政策過程中，管理層已作出下列會計判斷：

合營安排的分類

本集團已訂立合營安排以製作及發行電視連續劇及電影。本集團於該等合營安排擁有介乎5%至90%（二零一六年：5%至90%）之參與權益。由於根據合同協議，所有相關活動必須取得協議各方一致同意，故此本集團對該等安排有共同控制權。本集團之合營安排涉及合營方對為該合營安排貢獻及專用於該合營安排之資產的共同控制。該等資產將用於為合營方獲取利益。各合營方可分佔該等資產所產生之成果，並須按協定份額承擔所產生之開支。該等合營安排並不涉及成立公司、合夥企業或其他實體，或從合營方自身分割出來之財務組織。因此，該等安排分類為本集團之合營業務。釐定合營業務下之相關活動需要管理層作出重大判斷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Chairman of the Company, being the Group's chief operating decision maker ("CODM") for the purposes of resources allocation and performance assessment, the Group has presented the following reportable segments.

- Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights
- Trading, wholesaling and retailing of optical, watches and jewellery products
- Leasing of investment properties
- Securities investments
- Money lending
- Securities brokerage and margin financing
- Entertainment business

5 分部資料

本集團按部門劃分管理其業務，而部門按業務(產品及服務)設立。以與就資源分配及表現評估向本公司主席(為本集團主要營運決策者(「主要營運決策者」))內部呈報資料方式一致之方式，本集團確定以下呈報分部。

- 錄像發行、電影發行及放映、授出及轉授電影版權
- 光學、鐘錶及珠寶產品貿易、批發及零售
- 出租投資物業
- 證券投資
- 放貸
- 證券經紀及孖展融資
- 娛樂業務

5 SEGMENT INFORMATION (Continued)

(a) Segment revenue, results, assets and liabilities

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of profit/(loss) before tax from continuing operations. The profit/(loss) before tax from continuing operations is measured consistently with the Group's profit/(loss) before tax from continuing operations except that gain on step acquisition of a subsidiary, fair value change and loss on redemption of convertible bonds, fair value change of contingent consideration receivable, fair value change of contingent consideration payable, impairment loss of interest in an associate, impairment loss of available-for-sale financial assets, impairment loss of other receivable, finance income, finance costs, share of profit/loss of associates, share of loss of and loss on deregistration of a joint venture, realised loss upon redemption of available-for-sale financial assets, dividend income from available-for-sale financial assets and unallocated corporate expenses.

Segment assets exclude unallocated other intangible assets, interests in associates, interests in joint ventures, available-for-sale financial assets, unallocated cash and cash equivalents, deferred tax assets, loan receivable from a joint venture, loan to an associate, amount due from an associate, contingent consideration receivable, tax recoverable and other unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, unallocated borrowings, deferred tax liabilities, contingent consideration payable and other unallocated corporate liabilities as these liabilities are managed on a group basis.

5 分部資料(續)

(a) 分部收益、業績、資產及負債

管理層在作出資源分配及表現評估之決策時會獨立監察本集團經營分部之業績。分部表現會按照呈報分部溢利／(虧損)評估，而呈報分部溢利／(虧損)乃持續經營業務除稅前溢利／(虧損)的計量方式。持續經營業務除稅前溢利／(虧損)之計量方式與本集團持續經營業務除稅前溢利／(虧損)一致，惟有關計量不包括分階段收購一間附屬公司之收益、贖回可換股債券之公平值變動及虧損、應收或然代價之公平值變動、應付或然代價之公平值變動、於一間聯營公司之權益減值虧損、可供出售金融資產之減值虧損、其他應收款項減值虧損、財務收入、財務成本、分佔聯營公司溢利／虧損、分佔一間合營公司虧損及註銷一間合營公司的虧損、贖回可供出售金融資產時的已變現虧損、可供出售金融資產之股息收入及未分配企業開支。

分部資產不包括未分配其他無形資產、於聯營公司之權益、於合營公司之權益、可供出售金融資產、未分配現金及現金等價物、遞延稅項資產、應收一間合營公司之貸款、向一間聯營公司貸款、應收一間聯營公司款項、應收或然代價、可回收稅項及其他未分配企業資產，乃因該等資產由集團統一管理。

分部負債不包括應繳稅項、未分配借貸、遞延稅項負債、應付或然代價及其他未分配企業負債，乃因該等負債由集團統一管理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

(a) Segment revenue, results, assets and liabilities (Continued)

Information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resources allocation and assessment of segment performance for the years ended 30th June 2017 and 2016 is set out below:

5 分部資料(續)

(a) 分部收益、業績、資產及負債(續)

截至二零一七年及二零一六年六月三十日止年度，提供予本集團主要營運決策者用作資源分配和分部表現評估之本集團可呈報分部資料如下：

		2017 二零一七年								
		Continuing operations 持續經營業務							Total for continuing operations	
		Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights 錄像發行、 電影發行及 放映、授出及 轉授電影版權 HK\$'000 千港元	Trading, wholesaling, and retailing of optical, watches and jewellery products 光學、鐘錶及 珠寶產品 之貿易、 批發及零售 HK\$'000 千港元	Leasing of investment properties 出租投資物業 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Money lending 放貸 HK\$'000 千港元	Securities brokerage and margin financing 證券經紀及 孖展融資 HK\$'000 千港元	Entertainment business 娛樂業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total for continuing operations 持續經營 業務總額 HK\$'000 千港元
Segment revenue	分部收益									
External revenue	外部收益	138,805	46,607	1,058	-	5,859	35,927	3,388	-	231,644
Inter-segment sales	分部間銷售	-	-	-	-	1,890	7	-	(1,897)	-
		138,805	46,607	1,058	-	7,749	35,934	3,388	(1,897)	231,644
Segment results	分部業績	31,315	(27,768)	877	11,985	322	11,570	(1,984)	-	26,317
Fair value change of contingent consideration receivable	應收或然代價之公平值變動									4,807
Fair value change of contingent consideration payable	應付或然代價之公平值變動									(8,638)
Impairment loss of interest in an associate	於一間聯營公司之權益減值虧損									(3,227)
Impairment loss of available-for-sale financial assets	可供出售金融資產減值虧損									(89,643)
Impairment loss of other receivables	其他應收款項減值虧損									(1,532)
Finance income	財務收入									294
Finance costs	財務成本									(6,091)
Realised loss upon redemption of available-for-sale financial assets	贖回可供出售金融資產時的已變現虧損									(6,571)
Share of losses of associates	分佔聯營公司虧損									(216)
Share of losses of a joint venture	分佔一間合營公司虧損									(231)
Loss on deregistration of a joint venture	註銷一間合營公司之虧損									(24)
Unallocated corporate expenses	未分配企業開支									(26,922)
Loss before tax from continuing operations	持續經營業務之除稅前虧損									(111,677)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

(a) Segment revenue, results, assets and liabilities (Continued)

(a) 分部收益、業績、資產及負債(續)

		2017 二零一七年								
		Continuing operations 持續經營業務								Total for continuing operations
		Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights 錄像發行、電影發行及放映、授出及轉授電影版權 HK\$'000 千港元	Trading, wholesaling, and retailing of optical, watches and jewellery products 光學、鐘錶及珠寶產品之貿易、批發及零售 HK\$'000 千港元	Leasing of investment properties 出租投資物業 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Money lending 放貸 HK\$'000 千港元	Securities brokerage and margin financing 證券經紀及孖展融資 HK\$'000 千港元	Entertainment business 娛樂業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total for continuing operations 持續經營業務總額 HK\$'000 千港元
Assets	資產									
Segment assets	分部資產	235,633	24,276	25,595	233,064	81,832	482,685	14,263	-	1,097,348
Interests in associates	於聯營公司之權益									19,393
Interests in joint ventures	於合營公司之權益									251
Available-for-sale financial assets	可供出售金融資產									155,693
Contingent consideration receivable	應收或然代價									15,737
Deferred tax assets	遞延稅項資產									6,447
Tax recoverable	可收回稅項									93
Loan receivable from a joint venture	應收一間合營公司貸款									8,595
Loan to an associate	授予一間聯營公司之貸款									2,940
Amount due from an associate	應收一間聯營公司款項									964
Unallocated other intangible assets	未分配其他無形資產									11,358
Unallocated cash and cash equivalents	未分配現金及現金等價物									129,574
Unallocated corporate assets	未分配企業資產									8,541
Total consolidated assets	綜合資產總值									1,456,934
Liabilities	負債									
Segment liabilities	分部負債	239,996	7,145	249	15,163	-	83,825	8,295	-	354,673
Taxation payable	應繳稅項									7,648
Unallocated borrowings	未分配借貸									37,900
Deferred tax liabilities	遞延稅項負債									13,413
Contingent consideration payable	應付或然代價									19,568
Unallocated corporate liabilities	未分配企業負債									10,205
Total consolidated liabilities	綜合負債總額									443,407

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

(a) Segment revenue, results, assets and liabilities (Continued)

(a) 分部收益、業績、資產及負債(續)

		2017 二零一七年								
		Continuing operations 持續經營業務							Total for continuing operations	
		Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights 錄像發行、 電影發行及 放映、授出及 轉授電影版權 HK\$'000 千港元	Trading, wholesaling, and retailing of optical, watches and jewellery products 光學、鐘錶及 珠寶產品 之貿易、 批發及零售 HK\$'000 千港元	Leasing of investment properties 出租投資物業 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Money lending 放貸 HK\$'000 千港元	Securities brokerage and margin financing 證券經紀及 孖展融資 HK\$'000 千港元	Entertainment business 娛樂業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total for continuing operations 持續經營 業務總額 HK\$'000 千港元
Other information	其他資料									
Additions of property, plant and equipment	添置物業、機器及設備	-	37	30	-	-	106	-	-	173
Additions of unallocated property, plant and equipment	添置未分配物業、機器及設備									1,185
Total additions of property, plant and equipment	添置物業、機器及設備總額									1,358
Additions of film rights and films in progress	增購電影版權及製作中之電影	10,138	-	-	-	-	-	-	-	10,138
Additions of film related deposits	電影相關訂金增加	15,332	-	-	-	-	-	-	-	15,332
Depreciation	折舊	786	583	5	-	400	466	25	-	2,265
Amortisation of film rights	電影版權之攤銷	23,343	-	-	-	-	-	-	-	23,343
Amortisation of brand name	品牌名稱之攤銷	-	148	-	-	-	-	-	-	148
Unallocated depreciation	未分配折舊									686
Total depreciation and amortisation from continuing operations	來自持續經營業務之折舊及攤銷總額									26,442
Impairment loss of goodwill	商譽減值虧損	-	22,980	-	-	-	-	-	-	22,980
Impairment loss of accounts receivable	應收賬款減值虧損	116	1,394	-	-	-	8,960	-	-	10,470
Fair value change of financial assets at fair value through profit or loss	透過損益按公平值入賬之金融資產公平值變動	-	-	-	12,679	-	-	-	-	12,679

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

(a) Segment revenue, results, assets and liabilities (Continued)

(a) 分部收益、業績、資產及負債(續)

		2016 二零一六年								
		Continuing operations 持續經營業務								
		Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights 錄像發行、 電影發行及 放映、授出及 轉授電影版權 HK\$'000 千港元	Trading, wholesaling, and retailing of optical, watches and jewellery products 光學、鐘錶及 珠寶產品 之貿易、 批發及零售 HK\$'000 千港元	Leasing of investment properties 出租投資物業 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Money lending 放貸 HK\$'000 千港元	Securities brokerage and margin financing 證券經紀及 孖展融資 HK\$'000 千港元	Entertainment business 娛樂業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total for continuing operations 持續經營 業務總額 HK\$'000 千港元
Segment revenue	分部收益									
External revenue	外部收益	56,171	61,712	1,026	-	8,450	16,072	7,602	-	151,033
Inter-segment sales	分部間銷售	-	-	-	-	-	27	-	(27)	-
		56,171	61,712	1,026	-	8,450	16,099	7,602	(27)	151,033
Segment results	分部業績	8,563	(24,929)	812	(143,586)	745	3,994	834	-	(153,567)
Gain on step acquisition of a subsidiary	分階段收購一間附屬公司之收益									1,571
Fair value change and loss on redemption of convertible bonds	贖回可換股債券之公平值變動及虧損									(1,813)
Fair value change of contingent consideration receivable	應收或然代價之公平值變動									4,080
Fair value change of contingent consideration payable	應付或然代價之公平值變動									60
Impairment loss of interest in an associate	於一間聯營公司之權益減值虧損									(18,421)
Finance income	財務收入									298
Finance costs	財務成本									(2,263)
Dividend income from available-for-sale financial assets	可供出售金融資產之股息收入									20,473
Share of profits of associates	分佔聯營公司溢利									3,899
Share of losses of a joint venture	分佔一間合營公司虧損									(224)
Unallocated corporate expenses	未分配企業開支									(20,546)
Loss before tax from continuing operations	持續經營業務之除稅前虧損									(166,453)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

(a) Segment revenue, results, assets and liabilities (Continued)

(a) 分部收益、業績、資產及負債(續)

		2016 二零一六年								
		Continuing operations 持續經營業務								Total for continuing operations
	Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights 錄像發行、 電影發行及 放映、授出及 轉授電影版權 HK\$'000 千港元	Trading, wholesaling, and retailing of optical, watches and jewellery products 光學、鐘錶及 珠寶產品 之貿易、 批發及零售 HK\$'000 千港元	Leasing of investment properties 出租投資物業 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Money lending 放貸 HK\$'000 千港元	Securities brokerage and margin financing 證券經紀及 孖展融資 HK\$'000 千港元	Entertainment business 娛樂業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元		Total for continuing operations 持續經營 業務總額 HK\$'000 千港元
Assets	資產									
Segment assets	分部資產	151,345	54,118	25,570	262,898	49,317	368,073	9,014	-	910,335
Interests in associates	於聯營公司之權益									25,730
Interests in joint ventures	於合營公司之權益									482
Available-for-sale financial assets	可供出售金融資產									85,802
Contingent consideration receivable	應收或然代價									10,930
Deferred tax assets	遞延稅項資產									365
Loan receivable from a joint venture	應收一間合營公司貸款									8,364
Assets associated with disposal group classified as held for sale	分類為持作出售之出售組別之相關資產									6,381
Unallocated other intangible assets	未分配其他無形資產									1,858
Unallocated cash and cash equivalents	未分配現金及現金等價物									80,108
Unallocated corporate assets	未分配企業資產									20,376
Total consolidated assets	綜合資產總值									1,150,731
Liabilities	負債									
Segment liabilities	分部負債	94,259	3,778	198	-	-	258,306	6,815	-	361,356
Taxation payable	應繳稅項									9,068
Unallocated borrowings	未分配借貸									9,200
Deferred tax liabilities	遞延稅項負債									2,229
Liabilities associated with disposal group classified as held for sale	分類為持作出售之出售組別之相關負債									9,598
Unallocated corporate liabilities	未分配企業負債									7,359
Total consolidated liabilities	綜合負債總額									398,810

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

(a) Segment revenue, results, assets and liabilities (Continued)

(a) 分部收益、業績、資產及負債(續)

		2016 二零一六年								
		Continuing operations 持續經營業務								Total for continuing operations
	Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights 錄像發行、 電影發行及 放映、授出及 轉授電影版權 HK\$'000 千港元	Trading, wholesaling, and retailing of optical, watches and jewellery products 光學、鐘錶及 珠寶產品 之貿易、 批發及零售 HK\$'000 千港元	Leasing of investment properties 出租投資物業 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Money lending 放貸 HK\$'000 千港元	Securities brokerage and margin financing 證券經紀及 孖展融資 HK\$'000 千港元	Entertainment business 娛樂業務 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total for continuing operations 持續經營 業務總額 HK\$'000 千港元	
Other information	其他資料									
Additions of property, plant and equipment	添置物業、機器及設備	136	816	3	-	-	92	15	1,062	
Additions of unallocated property, plant and equipment	添置未分配物業、機器及設備								570	
Total additions of property, plant and equipment	添置物業、機器及設備總額								1,632	
Additions of film rights and films in progress	增購電影版權及製作中之電影	49,489	-	-	-	-	-	-	49,489	
Additions of film related deposits	電影相關訂金增加	7,044	-	-	-	-	-	-	7,044	
Additions of goodwill through acquisitions of subsidiaries	透過收購附屬公司增加商譽	-	46,021	-	-	-	28,064	-	74,085	
Additions of property, plant and equipment through acquisitions of subsidiaries	透過收購附屬公司添置物業、機器及設備	-	1,169	-	-	-	1,554	-	2,723	
Additions of other intangible assets through acquisitions of subsidiaries	透過收購附屬公司增加其他無形資產	-	1,108	-	-	-	11,400	-	12,508	
Depreciation	折舊	854	880	2	-	400	434	34	2,604	
Amortisation of film rights	電影版權之攤銷	8,891	-	-	-	-	-	-	8,891	
Amortisation of brand name	品牌名稱之攤銷	-	135	-	-	-	-	-	135	
Unallocated depreciation	未分配折舊	-	-	-	-	-	-	-	500	
Total depreciation and amortisation from continuing operations	來自持續經營業務之折舊及攤銷總額								12,130	
Impairment loss of goodwill	商譽減值虧損	-	24,355	-	-	-	-	-	24,355	
Impairment loss of film rights and films in progress	電影版權及製作中之電影之減值虧損	4,226	-	-	-	-	-	-	4,226	
Fair value change of financial assets at fair value through profit or loss	透過損益按公平值入賬之金融資產公平值變動	-	-	-	(143,564)	-	-	-	(143,564)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

(b) Geographical information

The Company is domiciled in Hong Kong. The Group's operations are mainly located in Hong Kong, PRC and Macau.

The revenue information below is based on the location of the operations.

5 分部資料(續)

(b) 地域資料

本公司位於香港。本集團之業務主要位於香港、中國及澳門。

以下收益資料乃以經營所在地為基準。

		2017 二零一七年	
		Revenue	Non-current assets (other than financial instruments and deferred tax assets) 非流動資產 (不包括金融工具及遞延稅項資產)
		收益	非流動資產 (不包括金融工具及遞延稅項資產)
		HK\$'000	HK\$'000
		千港元	千港元
CONTINUING OPERATIONS	持續經營業務		
Hong Kong (place of domicile)	香港(所在地)	85,507	184,106
Macau	澳門	21	251
PRC and other Asian countries (other than Hong Kong and Macau)	中國及其他亞洲國家 (香港及澳門除外)	144,191	2,744
North America	北美洲	779	–
Europe	歐洲	982	–
Others	其他	164	–
		231,644	187,101

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

(b) Geographical information (Continued)

(b) 地域資料(續)

		2016 二零一六年	
		Revenue	Non-current assets (other than financial instruments and deferred tax assets)
		收益	非流動資產 (不包括金融 工具及遞延 稅項資產)
		HK\$'000	HK\$'000
		千港元	千港元
CONTINUING OPERATIONS	持續經營業務		
Hong Kong (place of domicile)	香港(所在地)	83,778	214,397
Macau	澳門	209	482
PRC and other Asian countries (other than Hong Kong and Macau)	中國及其他亞洲國家 (香港及澳門除外)	66,855	2,555
North America	北美洲	28	-
Europe	歐洲	67	-
Others	其他	96	-
		151,033	217,434

(c) Information about major customers

For the years ended 30th June 2017 and 2016, there is no single customer contributed 10% or more of the Group's revenue.

(c) 有關主要客戶之資料

於截至二零一七年及二零一六年六月三十日止年度，概無單一客戶貢獻本集團之收益達10%或以上。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 PROPERTY, PLANT AND EQUIPMENT

6 物業、機器及設備

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Machinery and equipment 機器及設備 HK\$'000 千港元	Furniture and fixtures 傢私及裝置 HK\$'000 千港元	Motor Vehicles 汽車 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Costs	成本						
At 1st July 2015	於二零一五年七月一日	9,592	25,994	2,282	1,039	9,815	48,722
Additions	添置	43	50	81	1,058	400	1,632
Acquisition of subsidiaries (Note 46)	收購附屬公司(附註46)	4,636	-	578	97	444	5,755
Reclassification as held for sale (Note 42)	重新分類為持作出售(附註42)	(3,750)	-	(176)	-	(344)	(4,270)
Disposals	出售	(197)	(263)	(15)	-	(1,005)	(1,480)
Exchange difference	匯兌差額	(721)	-	(114)	(10)	(56)	(901)
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	9,603	25,781	2,636	2,184	9,254	49,458
Additions	添置	839	-	214	-	305	1,358
Disposals	出售	(1,249)	(7)	(87)	(413)	-	(1,756)
Exchange difference	匯兌差額	(182)	-	(32)	(3)	(10)	(227)
At 30th June 2017	於二零一七年六月三十日	9,011	25,774	2,731	1,768	9,549	48,833
Accumulated depreciation	累計折舊						
At 1st July 2015	於二零一五年七月一日	7,354	25,970	1,936	784	7,449	43,493
Depreciation charge	折舊費用	2,401	18	344	211	1,002	3,976
Reclassification as held for sale (Note 42)	重新分類為持作出售(附註42)	(1,992)	-	(42)	-	(102)	(2,136)
Disposals	出售	(197)	(263)	(3)	-	(913)	(1,376)
Exchange difference	匯兌差額	(585)	-	(111)	(11)	(16)	(723)
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	6,981	25,725	2,124	984	7,420	43,234
Depreciation charge	折舊費用	1,296	16	298	401	940	2,951
Disposals	出售	(650)	(7)	(82)	(118)	-	(857)
Exchange difference	匯兌差額	(161)	-	(30)	(3)	(3)	(197)
At 30th June 2017	於二零一七年六月三十日	7,466	25,734	2,310	1,264	8,357	45,131
Net carrying amount	賬面淨值						
At 30th June 2017	於二零一七年六月三十日	1,545	40	421	504	1,192	3,702
At 30th June 2016	於二零一六年六月三十日	2,622	56	512	1,200	1,834	6,224

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 PROPERTY, PLANT AND EQUIPMENT (Continued)

As at 30th June 2017, carrying amount of machinery and equipment held by the Group under finance leases is approximately HK\$62,000 (2016: HK\$97,000).

Depreciation of approximately HK\$10,000 (2016: HK\$489,000) has been charged to “cost of revenue” and approximately HK\$2,941,000 (2016: HK\$2,615,000) has been charged to “administrative expenses” of the consolidated statement of comprehensive income. During the year ended 30th June 2016, depreciation of approximately HK\$872,000 had been included in the loss for the year from discontinued operation in the consolidated statement of comprehensive income.

6 物業、機器及設備(續)

於二零一七年六月三十日，本集團根據融資租賃持有之機器及設備之賬面值約為62,000港元(二零一六年：97,000港元)。

折舊約10,000港元(二零一六年：489,000港元)已於綜合全面收益表之「收益成本」中扣除，而約2,941,000港元(二零一六年：2,615,000港元)已於綜合全面收益表之「行政費用」中扣除。於截至二零一六年六月三十日止年度，折舊約872,000港元已於綜合全面收益表內之年內來自已終止經營業務的虧損入賬。

7 INVESTMENT PROPERTIES

7 投資物業

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At fair value	按公平值		
At the beginning and at the end of the year	年初及年末	25,560	25,560

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 INVESTMENT PROPERTIES (Continued) 7 投資物業(續)

Fair Value Measurement of Investment Properties

(a) Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

Level 3 valuations: Fair value measured using significant unobservable inputs

投資物業之公平值計量

(a) 公平值等級

下表呈列於報告期末按經常性基準計量，並按香港財務報告準則第13號「公平值計量」中所定義的三層級公平值等級分類的本集團投資物業公平值。每項公平值計量的層級參考估值方法中所使用輸入數據的可觀察性和重要性釐定如下：

第1層估值：僅使用第1層輸入數據計量的公平值，即於計量日期活躍市場中相同資產或負債的未經調整報價

第2層估值：使用第2層輸入數據計量的公平值，即不符合第1層的可觀察輸入數據，及不使用重大不可觀察的輸入數據。不可觀察輸入數據指無法從市場數據獲得的輸入數據

第3層估值：以重大不可觀察的輸入數據計量的公平值

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

7 INVESTMENT PROPERTIES (Continued) 7 投資物業(續)

Fair Value Measurement of Investment Properties (Continued)

投資物業之公平值計量(續)

(a) Fair value hierarchy (Continued)

(a) 公平值等級(續)

		Fair value measurements at 30th June 2017 categorised into 於二零一七年六月三十日公平值計量歸類為			
		Fair value at 30th June 2017 於二零一七年 六月三十日 之公平值 HK\$'000 千港元	Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元
Recurring fair value measurement	經常性公平值計量				
Investment properties:	投資物業：				
- Residential - Hong Kong	- 住宅 - 香港	25,560	-	-	25,560

		Fair value measurements at 30th June 2016 categorised into 於二零一六年六月三十日公平值計量歸類為			
		Fair value at 30th June 2016 於二零一六年 六月三十日之 公平值 HK\$'000 千港元	Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元
Recurring fair value measurement	經常性公平值計量				
Investment properties:	投資物業：				
- Residential - Hong Kong	- 住宅 - 香港	25,560	-	-	25,560

During the year ended 30th June 2017, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3 (2016: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

截至二零一七年六月三十日止年度，在第1層與第2層之間概無轉移，第3層亦無轉入或轉出(二零一六年：無)。本集團的政策旨在確認於報告期末發生的公平值等級中各層級之間的轉移。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 INVESTMENT PROPERTIES (Continued)

Fair Value Measurement of Investment Properties (Continued)

(a) Fair value hierarchy (Continued)

All investment properties of the Group were revalued as at 30th June 2017. The valuations were carried out by an independent firm of surveyors, Ravia Global Appraisal Advisory Limited, who have among their staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of properties being valued. The management of the Group has discussions with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each annual reporting date.

(b) Information about Level 3 fair value measurements

	Valuation techniques 估值方法	Unobservable inputs 不可觀察之輸入數據	Range of unobservable inputs 不可觀察輸入數據之範圍
Investment properties in Hong Kong	於香港之投資物業		
– Residential properties – 住宅物業	Direct comparison approach 直接比較法	Discount on quality of properties 就物業質素作折讓	1%–15% (2016: 12%–27%) 1%–15% (二零一六年: 12%–27%)

The fair value of investment properties located in Hong Kong is determined using direct comparison approach by reference to recent sales price of comparable properties on a price per square foot basis, adjusted for a premium or discount specific to the quality of the Group's properties compared to recent sales on the comparable transaction. Higher discount for lower quality properties will result in a lower fair value measurement.

7 投資物業(續)

投資物業之公平值計量(續)

(a) 公平值等級(續)

本集團所有投資物業均於二零一七年六月三十日進行重估。估值乃由獨立測量師行—瑞豐環球評估諮詢有限公司進行，該公司部分員工為香港測量師學會會員，對所估值物業的所在地和所屬類別具有近期估值經驗。於每次年度報告當日進行估值時，本集團管理層已與測量師討論估值假設及估值結果。

(b) 有關第3層公平值計量之資料

位於香港之投資物業之公平值乃使用直接比較法釐定，其經參考可供比較物業按每平方呎價格基準計算之近期售價，且已就本集團物業質量之特定溢價或折讓(與近期銷售交易比較所得)作出調整。較低質素物業可享有較高折讓，並會導致較低之公平值計量數值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

7 INVESTMENT PROPERTIES (Continued) **7 投資物業(續)**

Fair Value Measurement of Investment Properties (Continued)

投資物業之公平值計量(續)

(b) Information about Level 3 fair value measurements (Continued)

(b) 有關第3層公平值計量之資料(續)

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

年內第3層公平值計量結餘的變動如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Investment properties	投資物業		
– Residential – Hong Kong	– 住宅 – 香港		
At the beginning and at the end of the year	年初及年末	25,560	25,560

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 OTHER INTANGIBLE ASSETS

8 其他無形資產

		Trading rights held in the Stock Exchange	Trading rights held in the Chinese Gold & Silver Exchange Society	Brand name	Club membership	Total
		持有聯交所交易權 HK\$'000 千港元	金銀業貿易場交易權 HK\$'000 千港元	品牌名稱 HK\$'000 千港元	會籍 HK\$'000 千港元	總額 HK\$'000 千港元
Cost	成本					
At 1st July 2015	於二零一五年七月一日	-	-	-	1,858	1,858
Acquisition of Winston Asia Limited and its subsidiaries ("Winston Group") (Note 46(a))	收購Winston Asia Limited及其附屬公司(「Winston集團」)(附註46(a))	-	-	1,108	-	1,108
Acquisition of China Jianxin Financial Services Limited ("CJFS") (formerly known as "Win Fung Securities Limited") (Note 46(b))	收購中國建信金融服務有限公司(「中國建信」)(前稱「永鋒證券有限公司」)(附註46(b))	11,400	-	-	-	11,400
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	11,400	-	1,108	1,858	14,366
Additions during the year (Note a)	年內添置(附註a)	-	9,500	-	-	9,500
At 30th June 2017	於二零一七年六月三十日	11,400	9,500	1,108	1,858	23,866
Accumulated amortisation	累計攤銷					
At 1st July 2015	於二零一五年七月一日	-	-	-	-	-
Amortisation for the year	年內攤銷	-	-	135	-	135
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	-	-	135	-	135
Amortisation for the year	年內攤銷	-	-	148	-	148
At 30th June 2017	於二零一七年六月三十日	-	-	283	-	283
Carrying amount	賬面值					
At 30th June 2017	於二零一七年六月三十日	11,400	9,500	825	1,858	23,583
At 30th June 2016	於二零一六年六月三十日	11,400	-	973	1,858	14,231

Note:

- (a) During the year ended 30th June 2017, the Group acquired the trading rights that confer eligibility of the Group to trade on The Chinese Gold & Silver Exchange Society from an independent third party at a consideration of HK\$9,500,000.

The recoverable amount of the trading rights held in the Chinese Gold & Silver Exchange Society was based on its fair value less costs of disposal and was determined with the assistance of Royson Valuation Advisory Limited, an independent professional qualified valuer not connected with the Group, using market comparison approach by reference to relevant market transactions. The fair value on which the recoverable amount is based on is categorised as a Level 3 measurement.

Particulars of the impairment testing of trading rights held in the the Stock Exchange and the brand name are set out in Note 9.

附註：

- (a) 截至二零一七年六月三十日止年度，本集團以代價9,500,000港元自獨立第三方收購賦予本集團資格於金銀業貿易場買賣之交易權利。

於金銀業貿易場持有的交易權的可收回金額基於其公平值減出售成本，在匯辰評估諮詢有限公司(與本集團並無關連之獨立專業合資格估值師)的協助下經參考相關市場交易並使用市場比較法釐定。據此計算可收回金額之公平值乃分類為第三級計量。

持有聯交所交易權及品牌名稱減值測試詳情載於附註9。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

9 GOODWILL

9 商譽

		HK\$'000 千港元
Cost	成本	
At 1st July 2015	於二零一五年七月一日	1,314
Acquisition of Winston Group (Note 46(a))	收購Winston集團(附註46(a))	46,021
Acquisition of CJFS (Note 46(b))	收購中國建信(附註46(b))	28,064
Acquisition of AP Group Investment Holdings Limited and its subsidiaries ("AP Group") (Note 46(c))	收購愛拼集團控股有限公司及其附屬公司(「愛拼集團」)(附註46(c))	13,971
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	89,370
Disposal of AP Group (Note 47)	出售愛拼集團(附註47)	(13,971)
At 30th June 2017	於二零一七年六月三十日	75,399
Accumulated impairment losses	累計減值虧損	
At 1st July 2015	於二零一五年七月一日	-
Impairment losses recognised	已確認減值虧損	29,923
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	29,923
Disposal of AP Group (Note 47)	出售愛拼集團(附註47)	(5,568)
Impairment losses recognised	已確認減值虧損	22,980
At 30th June 2017	於二零一七年六月三十日	47,335
Carrying amount	賬面值	
At 30th June 2017	於二零一七年六月三十日	28,064
At 30th June 2016	於二零一六年六月三十日	59,447

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 GOODWILL (Continued)

Goodwill has been allocated for impairment testing purposes to the following CGUs.

- Trading, wholesaling and retailing of optical products (“Division A”)
- Trading, wholesaling and retailing of watches and jewellery products (“Division B”)
- Securities brokerage and margin financing business (“Division C”)
- Training and coaching business (“Division D”)

The carrying amounts of goodwill (net of accumulated impairment losses) as at 30th June 2017 and 30th June 2016 allocated to these units are as follows:

9 商譽(續)

商譽已就減值測試目的而分配至以下現金產生單位。

- 光學產品貿易、批發及零售(「分部A」)
- 鐘錶及珠寶產品貿易、批發及零售業務(「分部B」)
- 證券經紀及孖展融資業務(「分部C」)
- 培訓及輔導業務(「分部D」)

於二零一七年六月三十日及二零一六年六月三十日，分配至該等單位之商譽之賬面值(扣除累計減值虧損)如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Division A	分部A	-	1,314
Division B	分部B	-	21,666
Division C	分部C	28,064	28,064
Division D	分部D	-	8,403
		28,064	59,447

9 GOODWILL (Continued)

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below.

Division A

The recoverable amount of CGU of trading, wholesaling and retailing of optical products, which is included in the segment of trading, wholesaling, and retailing of optical, watches and jewellery products, of HK\$Nil was determined based on value in use calculations. Those calculations used cash flow projections based on financial budgets approved by management covering a period of 5 years, and cash flows beyond 5 years were extrapolated by assuming growth rate of 3% (2016: 3%) and discount rates of approximately 19.8% (2016: approximately 17.7%). The discount rates used are pre-tax and reflect specific risks relating to the relevant CGU. Another key assumption for the value in use calculations was the budgeted gross margin, which was determined based on the CGU's past performance and management's expectations for the market development. As at 30th June 2017, the Group recognised an impairment loss of HK\$1,314,000 (2016: Nil) on the goodwill due to deterioration of operating results.

9 商譽(續)

上述現金產生單位之可收回金額之基準及其主要相關假設概述如下。

分部A

光學產品貿易、批發及零售之現金產生單位之可收回金額零港元(列入光學產品、鐘錶及珠寶產品貿易、批發及零售分部)按使用價值計算釐定。此等計算方式採用基於經管理層批准之五年期財政預算之現金流量預測計算，而五年期後之現金流量乃按3%(二零一六年：3%)假設增長率及約19.8%(二零一六年：約17.7%)貼現率推算。所用貼現率為稅前貼現率，並反映與相關現金產生單位有關之特定風險。計算使用價值之另一項重要假設為預算毛利率，而預算毛利率乃根據現金產生單位之過往表現及管理層對市場發展之預期釐定。於二零一七年六月三十日，本集團因經營業績轉差而確認商譽減值虧損1,314,000港元(二零一六年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 GOODWILL (Continued)

Division B

For the impairment testing, goodwill arising from acquisition of Winston and brand name classified as “other intangible assets” are allocated to the Group’s CGU B.

The recoverable amount of the CGU of trading, wholesaling and retailing of watches and jewellery products business, which is included in the segment of trading, wholesaling, and retailing of optical, watches and jewellery products, of HK\$1,615,000 (2016: HK\$23,855,000) was based on its value in use and was determined with the assistance of Royson Valuation Advisory Limited, an independent professional qualified valuer not connected with the Group. The calculation used cash flow projection based on financial budgets approved by management covering a five-year period, and at a discount rate of approximately 19.9% (2016: approximately 17.7%). The discount rate used is pre-tax and reflect specific risks relating to the relevant CGU. Cash flows after the five-year period were extrapolated using 3% (2016: 3%) growth rate in considering the economic condition of the market. Another key assumption for the value in use calculations was the budgeted gross margin, which was determined based on CGU’s past performance and management’s expectations for the market development. As at 30th June 2017, the Group recognised an impairment loss of HK\$21,666,000 (2016: HK\$24,355,000) on the goodwill due to the further deterioration of operating results and financial performance, and the unfavourable changes in the market circumstance.

Goodwill arose in the acquisition of Winston Group because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development of Winston Group. As at 30th June 2016, the Group recognised an impairment loss of HK\$24,355,000 on the goodwill due to the continuing weakening of the retail market in Hong Kong and the PRC since January 2016, which led to a change to the expected growth and market development of the trading, wholesaling and retailing of watches and jewellery products business could not be met.

9 商譽(續)

分部B

就減值測試而言，分類為「其他無形資產」之收購Winston所得商譽及品牌名稱被分配至本集團之現金產生單位B。

列入光學產品、鐘錶及珠寶產品貿易、批發及零售分部的鐘錶及珠寶產品貿易、批發及零售業務之現金產生單位之可收回金額1,615,000港元(二零一六年：23,855,000港元)乃根據使用價值，並在匯辰評估諮詢有限公司(與本集團並無關連之獨立專業合資格估值師)之協助下計算釐定。此計算方式採用基於經管理層批准之五年期財政預算之現金流量預測及按貼現率約19.9%(二零一六年：約17.7%)計算。所用貼現率為稅前貼現率，並反映與相關現金產生單位有關之特定風險。五年期後之現金流量乃經考慮市場經濟情況，按3%(二零一六年：3%)增長率推算。計算使用價值之另一項重要假設為預算毛利率，其根據現金產生單位之過往表現及管理層對市場發展之預期釐定。於二零一七年六月三十日，本集團因經營業績及財務表現進一步轉差加上不利市況變動而確認商譽減值虧損21,666,000港元(二零一六年：24,355,000港元)。

由於合併成本包括控制權溢價，故收購Winston集團產生商譽。此外，就合併所支付的代價實際包括與Winston集團的預期協同效應裨益、收入增長及未來市場發展有關的金額。因自二零一六年一月起，香港及中國零售市場持續疲弱，使得鐘錶及珠寶產品貿易、批發及零售業務的預期增長發生變動及市場發展預期無法實現，本集團於二零一六年六月三十日就商譽確認減值虧損24,355,000港元。

9 GOODWILL (Continued)

Division C

For the impairment testing, goodwill arising from acquisition of CJFS and trading rights held in the Stock Exchange classified as “other intangible assets” are allocated to the Group’s CGU C.

The recoverable amount of the CGU of securities brokerage and margin financing business was based on its value in use and was determined with the assistance of Royson Valuation Advisory Limited, an independent professional qualified valuer not connected with the Group. The calculation used cash flow projection based on financial budgets approved by management covering a five-year period, and at a discount rate of 16.3% (2016: 17.1%). The discount rate used is pre-tax and reflect specific risks relating to the relevant CGU. Cash flows after the five-year period were extrapolated using 3% (2016: 3%) growth rate in considering the economic condition of the market. The cash flow projection and the growth rate of the margin financing business has already taken into consideration of the instruction from the SFC to CJFS to refrain from providing further margin lending or other form of financial accommodation to clients until it has fully complied with the applicable Code of Conduct requirements, and CJFS board of director’s assessment of timing of implementing measures required by the SFC to satisfactorily addressing the identified deficiencies and risk concerns and thus not resulting in the SFC taking further action which may include the imposition of conditions on the CJFS’s licence.

Division D

On 1st July 2016, the Group disposed of its 51% equity interest in a subsidiary, AP Group Investment Holdings Limited. Please refer to Note 47 for details.

9 商譽(續)

分部C

就減值測試而言，分類為「其他無形資產」之收購中國建信所得商譽及持有聯交所交易權被分配至本集團之現金產生單位C。

證券經紀及孖展融資業務之現金產生單位之可收回金額乃根據使用價值，並在匯辰評估諮詢有限公司(與本集團並無關連之獨立專業合資格估值師)之協助下計算釐定。此計算方式採用基於經管理層批准之五年期財政預算之現金流量預測及按貼現率16.3%(二零一六年：17.1%)計算。所用貼現率為稅前貼現率，並反映與相關現金產生單位有關之特定風險。五年期後之現金流量乃經考慮市場經濟情況，按3%(二零一六年：3%)增長率推算。孖展融資業務的現金流預測及增長率已計及證監會向中國建信發出的指示，當中禁止中國建信向客戶提供進一步孖展貸款或其他形式之財務融通，直至其全面遵守適用操守準則規定為止，中國建信董事會評估實施證監會所要求措施的時間以圓滿解決所發現缺陷及風險問題，從而不會導致證監會採取進一步措施，這可能包括對中國建信之牌照施加條件。

分部D

於二零一六年七月一日，本集團出售其於一間附屬公司愛拼集團控股有限公司51%之股權。詳情請參閱附註47。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 FILM RIGHTS AND FILMS IN PROGRESS

10 電影版權及製作中之電影

		Film rights 電影版權 HK\$'000 千港元	Films in progress 製作中 之電影 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Cost	成本			
At 1st July 2015	於二零一五年七月一日	897,146	12,187	909,333
Additions	添置	6,710	42,779	49,489
Transfers	轉撥	2,637	(2,637)	-
Write-off of DVD preproduction cost	數碼影音光碟製作前期成本之撇銷	(381)	-	(381)
Write-off of expired film rights	到期電影版權之撇銷	(3,718)	(849)	(4,567)
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	902,394	51,480	953,874
Additions	添置	4,951	5,187	10,138
Transfers	轉撥	21,797	(21,797)	-
Write-off of DVD preproduction cost	數碼影音光碟製作前期成本之撇銷	(429)	-	(429)
Write-off of expired film rights	到期電影版權之撇銷	(4,049)	-	(4,049)
At 30th June 2017	於二零一七年六月三十日	924,664	34,870	959,534
Accumulated amortisation and impairment	累計攤銷及減值			
At 1st July 2015	於二零一五年七月一日	890,578	849	891,427
Amortisation for the year (Note 34)	年內攤銷(附註34)	8,891	-	8,891
Impairment losses	減值虧損	4,226	-	4,226
Write-off of DVD preproduction cost	數碼影音光碟製作前期成本之撇銷	(381)	-	(381)
Write-off of expired film rights	到期電影版權之撇銷	(3,718)	(849)	(4,567)
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	899,596	-	899,596
Amortisation for the year (Note 34)	年內攤銷(附註34)	23,343	-	23,343
Write-off of DVD preproduction cost	數碼影音光碟製作前期成本之撇銷	(429)	-	(429)
Write-off of expired film rights	到期電影版權之撇銷	(4,049)	-	(4,049)
At 30th June 2017	於二零一七年六月三十日	918,461	-	918,461
Carrying amount	賬面值			
At 30th June 2017	於二零一七年六月三十日	6,203	34,870	41,073
At 30th June 2016	於二零一六年六月三十日	2,798	51,480	54,278

10 FILM RIGHTS AND FILMS IN PROGRESS (Continued)

Amortisation of approximately HK\$23,343,000 (2016: HK\$8,891,000) is included in the cost of revenue in the consolidated statement of comprehensive income.

Impairment test for film rights and films in progress

The Group observes whether the film rights and films in progress for video distribution, film distribution and exhibition, licensing and sub-licensing of film rights segment are subject to any impairment indication, in accordance with the accounting policies set out in Note 2 of these consolidated financial statements.

During the year ended 30th June 2017, management assessed whether there was an impairment indicator in relation to the film rights and films in progress for video distribution, film distribution and exhibition, licensing and sub-licensing of film rights segment by reviewing the cast or scale of each films, current market condition, the trade history, current financial position and popularity of film outline stories. Management has further performed an assessment on the recoverable amount of the film rights and film in progress based on each film sales forecast. No impairment has been made for the year ended 30th June 2017 (2016: HK\$4,226,000) on the film rights and no impairment (2016: nil) has been made on films in progress for video distribution, film distribution and exhibition, licensing and sub-licensing of film rights segment in the consolidated statement of comprehensive income.

10 電影版權及製作中之電影 (續)

攤銷金額約23,343,000港元(二零一六年：8,891,000港元)計入綜合全面收益表之收益成本內。

電影版權及製作中之電影減值測試

本集團根據此等綜合財務報表附註2所載會計政策檢討錄像發行、電影發行及放映、授出及轉授電影版權分部之電影版權及製作中之電影是否出現任何減值跡象。

於截至二零一七年六月三十日止年度，管理層透過審查每部電影的演員陣容或規模、當前市況、交易歷史、當前財務狀況及電影故事梗概的受歡迎程度，評估錄像發行、電影發行及放映、授出及轉授電影版權分部之電影版權及製作中之電影是否出現減值跡象。管理層根據每部電影的銷售預測進一步對電影版權及製作中之電影的可收回金額進行評估。本集團並無就電影版權於截至二零一七年六月三十日止年度計提減值撥備(二零一六年：4,226,000港元)及並無就錄像發行、電影發行及放映、授出及轉授電影版權分部之製作中電影於綜合全面收益表計提減值撥備(二零一六年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 FILM RIGHTS AND FILMS IN PROGRESS (Continued)

Disposal of Film Library

On 9th January 2017, Universe Films Distribution Company Limited (“UFD”) and an independent third party purchaser entered into a sale and purchase agreement (“Film Library Disposal Agreement”) to dispose of 202 feature films (“Film Library”) conditionally at a consideration of approximately RMB178,895,000. The cost of the Film Library has been almost fully amortised in previous years and the carrying value of the Film Library is approximately HK\$3,708,000 as at 30th June 2017. The management estimates that the disposal, after taking into account of all relevant expenses and exchange differences, allowed the Group to realise an one-off gain of approximately HK\$180,472,000 from the disposal and provide the Group with the opportunity to capture the residual value of the old films. This transaction was not completed during the current year and UFD has received part of the consideration of approximately HK\$108,806,000, after deducting withholding tax, as at 30th June 2017 which was included in other payables and accrued charges (Note 32). The Film Library Disposal Agreement was completed on 21st September 2017 (“Completion date”). Subsequent to the end of the reporting period, UFD has received approximately RMB53,669,000 in September 2017. The remaining portion of the consideration of approximately RMB17,890,000 will be settled no later than 60th day after the Completion date.

10 電影版權及製作中之電影 (續)

出售電影庫

於二零一七年一月九日，寰宇影片發行有限公司(「寰宇影片發行」)與一名獨立第三方買方有條件訂立買賣協議(「電影庫出售協議」)以出售202部電影(「電影庫」)，代價為約人民幣178,895,000元。電影庫之成本已於過往年度近乎完全攤銷，且電影庫於二零一七年六月三十日之賬面值為約3,708,000港元。管理層估計，出售事項(經計及所有相關開支及匯兌差額後)可令本集團得以藉出售事項實現一次性收益約180,472,000港元，並為本集團提供把握舊電影殘值的機會。是項交易於本年度尚未完成，寰宇影片發行於二零一七年六月三十日已收到部分代價約108,806,000港元(已扣除預扣稅)，計入其他應付款項及應計支出(附註32)。電影庫出售協議於二零一七年九月二十一日(「完成日期」)完成。於報告期末後，寰宇影片發行於二零一七年九月收到約人民幣53,669,000元。代價的餘下部分約人民幣17,890,000元將於完成日期後60日內結算。

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綜合財務報表附註

11 PRINCIPAL SUBSIDIARIES

11 主要附屬公司

The following is a list of the principal subsidiaries as at 30th June 2017.

以下為於二零一七年六月三十日之主要附屬公司名單。

Name	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital	Principal activities and place of operation	Proportion of ordinary shares directly held by parent (%)	Proportion of ordinary shares held by the group (%)	Proportion of ordinary shares held by non- controlling interests (%)
名稱	註冊成立/成立地點及 法律實體類別	已發行股本詳情	主要業務及營業地點	直接由母公司 持有的普通股 比例(%)	由集團 持有的普通股 比例(%)	由非控股權益 持有的普通股 比例(%)
Universe Films (Holdings) Limited*	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	100%	-	-
Universe Laser & Video Co. Limited	Hong Kong, limited liability company 寰宇鐳射錄影有限公司	Ordinary HK\$1,000,000 普通股股本1,000,000港元	Distribution of films in various videogram formats in Hong Kong 以不同錄像制式發行電影, 香港	-	100%	-
Universe Films Distribution Company Limited	Hong Kong, limited liability company 寰宇影片發行有限公司	Ordinary HK\$2 普通股股本2港元	Sub-licensing of film rights and television series, film exhibition and leasing of investment properties in Hong Kong 轉授電影版權及電視劇、電影放映以及出租投資物業, 香港	-	100%	-
Unique Model Limited*	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$100 普通股股本100港元	Model agency in Hong Kong 模特兒代理, 香港	-	100%	-
Universe Digital Entertainment Limited	Hong Kong, limited liability company 寰宇數碼娛樂有限公司	Ordinary HK\$10,000 5% deferred HK\$10,000 普通股股本10,000港元 5%遞延股本10,000港元	Distribution of films in various videogram formats in Hong Kong 以不同錄像制式發行電影, 香港	-	100%	-
Universe Management Services Limited	Hong Kong, limited liability company 寰宇企業管理有限公司	Ordinary HK\$10,000 5% deferred HK\$10,000 普通股股本10,000港元 5%遞延股本10,000港元	Provision of management services for the Group in Hong Kong 向本集團提供管理服務, 香港	-	100%	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 PRINCIPAL SUBSIDIARIES (Continued) 11 主要附屬公司(續)

Name	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital	Principal activities and place of operation	Proportion of ordinary shares directly held by parent (%) 直接由母公司 持有的普通股 比例(%)	Proportion of ordinary shares held by the group (%) 由集團 持有的普通股 比例(%)	Proportion of ordinary shares held by non- controlling interests (%) 由非控股權益 持有的普通股 比例(%)
名稱	註冊成立/成立地點及 法律實體類別	已發行股本詳情	主要業務及營業地點			
Universe Entertainment Limited	The British Virgin Islands, limited liability company	Ordinary US\$2	Investment in films production and licensing of film rights in Hong Kong	-	100%	-
寰宇娛樂有限公司	英屬處女群島, 有限責任公司	普通股股本2美元	投資電影製作及授出電影版權, 香港			
Universe Pictures International Limited*	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$2 普通股股本2美元	Film acquisition agent for the Group in Hong Kong 本集團之影片收購代理, 香港	-	100%	-
Universe (China) Development Limited	Hong Kong, limited liability company	Ordinary HK\$2	Investment holding in Hong Kong and investment in television series production in the People's Republic of China ("PRC")	-	100%	-
寰宇(中國)拓展有限公司	香港, 有限責任公司	普通股股本2港元	投資控股, 香港, 及投資製作電視連續劇, 中華人民共和國(「中國」)			
Globalink Advertising Limited*	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本2港元	Advertising agent for the Group in Hong Kong 本集團之廣告代理, 香港	-	100%	-
Century Creator Company Limited 世紀創作室有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本2港元	Investment in films production in Hong Kong 投資電影製作, 香港	-	100%	-
Matrix Productions Company Limited 縱橫製作有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本2港元	Investment in films production in Hong Kong 投資電影製作, 香港	-	100%	-
Digital Programme Production Limited 數碼節目製作有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本2港元	Production of infotainment programme in Hong Kong 製作娛樂資訊節目, 香港	-	100%	-
Universe International Technology Limited 寰宇國際科技有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本2港元	Purchasing agent for the Group in Hong Kong 本集團之採購代理, 香港	-	100%	-

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綜合財務報表附註

11 PRINCIPAL SUBSIDIARIES (Continued) 11 主要附屬公司(續)

Name	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital	Principal activities and place of operation	Proportion of ordinary shares directly held by parent (%)	Proportion of ordinary shares held by the group (%)	Proportion of ordinary shares held by non- controlling interests (%)
名稱	註冊成立/成立地點及 法律實體類別	已發行股本詳情	主要業務及營業地點	直接由母公司 持有的普通股 比例(%)	由集團 持有的普通股 比例(%)	由非控股權益 持有的普通股 比例(%)
Universe Artiste Management Limited 寰宇藝人管理有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$10 普通股股本10港元	Management of contracted artistes in Hong Kong 管理合約藝人, 香港	-	100%	-
Films Station Production Limited*	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本2港元	Films production in Hong Kong 電影製作, 香港	-	100%	-
Universe Music Limited 寰宇音樂有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本2港元	Licensing and sub-licensing of music programme and investment in concert in Hong Kong 授出及轉授音樂節目版權以及投資音樂會, 香港	-	100%	-
Universe Films Acquisition Limited*	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$2 普通股股本2港元	Sub-licensing of film rights in Hong Kong 轉授電影版權, 香港	-	100%	-
Grant Talent Limited 大傑有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$1 普通股股本1港元	Films production in Hong Kong 電影製作, 香港	-	100%	-
Wide Avenue Holdings Limited*	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$1 普通股股本1美元	Investment holdings in the British Virgin Islands 投資控股, 英屬處女群島	100%	-	-
Universe Martix Films Investment Limited 寰宇縱橫電影投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$1 普通股股本1港元	Investment in films production 投資電影製作	-	100%	-
寰宇縱橫世紀電影發行(北京)有限公司*	PRC, limited liability company 中國, 有限責任公司	RMB1,000,000 人民幣1,000,000元	Distribution of films in the PRC 發行電影, 中國	-	100%	-

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11 PRINCIPAL SUBSIDIARIES (Continued) 11 主要附屬公司(續)

Name	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital	Principal activities and place of operation	Proportion of ordinary shares directly held by parent (%) 直接由母公司 持有的普通股 比例(%)	Proportion of ordinary shares held by the group (%) 由集團 持有的普通股 比例(%)	Proportion of ordinary shares held by non- controlling interests (%) 由非控股權益 持有的普通股 比例(%)
名稱	註冊成立/成立地點及 法律實體類別	已發行股本詳情	主要業務及營業地點			
Fragrant River Entertainment Culture (Holdings) Limited 香江娛樂文化(控股)有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in the British Virgin Islands 投資控股, 英屬處女群島	100%	-	-
Weluck Development Limited 永能發展有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$1 普通股股本1美元	Securities investments 證券投資	-	100%	-
Fragrant River Finance Group Limited 香江財務集團有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-
Fragrant River Asia Investment Limited 香江亞洲投資有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-
Urban King Holdings Limited 城御控股有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-
Precise Reach Group Limited 精達集團有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-
Valiant Power Holdings Limited 勇威控股有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-
Great Harbour Enterprises Limited 宏港企業有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-
Gold Summit International Limited 冠峰國際有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-

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11 PRINCIPAL SUBSIDIARIES (Continued) 11 主要附屬公司(續)

Name	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital	Principal activities and place of operation	Proportion of ordinary shares directly held by parent (%)	Proportion of ordinary shares held by the group (%)	Proportion of ordinary shares held by non- controlling interests (%)
名稱	註冊成立/成立地點及 法律實體類別	已發行股本詳情	主要業務及營業地點	直接由母公司 持有的普通股 比例(%)	由集團 持有的普通股 比例(%)	由非控股權益 持有的普通股 比例(%)
Rising Fame International Limited 昇名國際有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-
Galaxy View Group Limited 景宇集團有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$1 普通股股本1美元	Investment holding in Hong Kong, British Virgin Islands and the PRC 投資控股, 香港、英屬處女群島及中國	-	100%	-
Honest Novel Holdings Limited 穎誠控股有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$100 普通股股本100美元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-
Universe International Holdings Limited (formerly "Universe International Financial Holdings Limited") 寰宇國際控股有限公司(前稱為「寰宇國際金融控股有限公司」)	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$100 普通股股本100港元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-
China Jianxin Credit Services Limited (formerly "Universe Asia Finance Limited") 中國建信信貸有限公司(前稱為「寰宇亞洲財務有限公司」)	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$100 普通股股本100港元	Money lending in Hong Kong 放貸, 香港	-	100%	-
Fragrant River Culture Investment Limited 香江文化投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$100 普通股股本100港元	Investment holding in the PRC 投資控股, 中國	-	100%	-
Fragrant River Entertainment Investment Limited 香江娛樂投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$100 普通股股本100港元	Investment holding in Hong Kong 投資控股, 香港	-	100%	-

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綜合財務報表附註

11 PRINCIPAL SUBSIDIARIES (Continued) 11 主要附屬公司(續)

Name	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital	Principal activities and place of operation	Proportion of ordinary shares directly held by parent (%) 直接由母公司 持有的普通股 比例(%)	Proportion of ordinary shares held by the group (%) 由集團 持有的普通股 比例(%)	Proportion of ordinary shares held by non- controlling interests (%) 由非控股權益 持有的普通股 比例(%)
名稱	註冊成立/成立地點及 法律實體類別	已發行股本詳情	主要業務及營業地點			
Rising Fame Investment Limited 昇名投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$3,000,000 普通股股本3,000,000港元	Securities investments 證券投資	-	100%	-
Fine Ocean Limited 海越有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$5,000,001 普通股股本5,000,001 港元	Optical shops 眼鏡店	-	90%	10%
Winston Asia Limited*	The British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary US\$3,319 普通股股本3,319美元	Investment holding in Hong Kong and the PRC 投資控股, 香港及中國	-	100%	-
Universe Watch and Jewellery Group Co Ltd 寰宇鐘錶珠寶集團有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$73,944,225 普通股股本73,944,225 港元	Investment holding in Hong Kong and the PRC 投資控股, 香港及中國	-	100%	-
深圳市利昌鐘錶有限公司#	PRC, limited liability company 中國, 有限責任公司	Ordinary RMB27,500,000 普通股股本人民幣 27,500,000元	Wholesale and retail of watches in the PRC 批發和零售鐘錶, 中國	-	100%	-
當盛貿易(深圳)有限公司#	PRC, limited liability company 中國, 有限責任公司	Ordinary HK\$9,000,000 普通股股本9,000,000 港元	Wholesale and retail of watches in the PRC 批發和零售鐘錶, 中國	-	100%	-
Garona (HK) Limited*	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$300,000 普通股股本300,000港元	Wholesale and retail of watches in Hong Kong 批發和零售鐘錶, 香港	-	100%	-
Garona Worldwide Limited*	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary HK\$10,000 普通股股本10,000港元	Trademark holding 商標持有	-	100%	-

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綜合財務報表附註

11 PRINCIPAL SUBSIDIARIES (Continued) 11 主要附屬公司(續)

Name	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital	Principal activities and place of operation	Proportion of ordinary shares directly held by parent (%) 直接由母公司 持有的普通股 比例(%)	Proportion of ordinary shares held by the group (%) 由集團 持有的普通股 比例(%)	Proportion of ordinary shares held by non- controlling interests (%) 由非控股權益 持有的普通股 比例(%)
名稱	註冊成立/成立地點及 法律實體類別	已發行股本詳情	主要業務及營業地點			
World Time (Asia) Limited 時間世界有限公司	Hong Kong, limited liability company 香港·有限責任公司	Ordinary HK\$100,000 普通股股本100,000港元	Trademark holding 商標持有	-	100%	-
China Jianxin Financial Services Limited (formerly "Win Fung Securities Limited") 中國建信金融服務有限公司(前 稱為「永鋒證券有限公司」)	Hong Kong, limited liability company 香港·有限責任公司	Ordinary HK\$335,300,000 普通股股本335,300,000 港元	Securities brokerage and margin financing 證券經紀及孖展融資	-	100%	-
China Jianxin Precious Metal Company Limited 中國建信貴金屬有限公司	Hong Kong, limited liability company 香港·有限責任公司	Ordinary HK\$5,500,000 普通股股本5,500,000 港元	Holding the trading rights held in The Chinese Gold & Silver Exchange Society 持有金銀業貿易場交易權	-	100%	-

* No registered Chinese name for the companies

* 該等公司並無登記中文名稱

No registered English name for the companies

該等公司並無登記英文名稱

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 INTERESTS IN ASSOCIATES/ AMOUNT DUE FROM/(TO) AN ASSOCIATE

(a) Interests in associates

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of investments in associates, unlisted	投資聯營公司之成本， 非上市	42,314	40,455
Share of post-acquisition profits	應佔收購後溢利	3,480	3,696
Less: Accumulated impairment loss	減：累計減值虧損	(21,648)	(18,421)
Less: Dividend received	減：已收股息	(4,753)	-
		19,393	25,730

Details of each of the Group's associate at the end of the reporting period are as follows:

於報告期末本集團各聯營公司之詳情如下：

Name of entity 實體名稱	Place of incorporation 註冊成立地點	Principal place of business 主要營業地點	Proportion of registered capital held by the Group 本集團持有之註冊資本比例		Principal activity 主要業務	Note 附註
			2017 二零一七年	2016 二零一六年		
Glory International Entertainment Limited ("Glory International")	British Virgin Islands("BVI")	Hong Kong	49%	49%	Advertising, promotion, provision of public relations services, holding and sponsoring stage performance, concerts, film production and other cultural events	(i)
彩耀國際娛樂有限公司 ("彩耀國際")	英屬處女群島	香港			廣告製作、推廣、提供公關 服務、組織及主辦舞台演 出、音樂會、電影製作及 其他文化活動	
Hong Kong Optical Company Limited ("HK Optical")	Hong Kong	Hong Kong	28%	28%	Trading, wholesaling and retailing of optical products	(ii), (iii)
香港茂昌眼鏡有限公司 ("茂昌眼鏡")	香港	香港			貿易、批發及零售光學產品	

12 INTERESTS IN ASSOCIATES/ AMOUNT DUE FROM/(TO) AN ASSOCIATE (Continued)

(a) Interests in associates (Continued)

Notes:

- i) On 28th August 2015, Fragrant River Entertainment Investment Limited ("FREI"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with an independent third party vendor, pursuant to which the Group acquired 49% equity interest in Glory International, a company incorporated in BVI with limited liability, at an initial consideration of HK\$36,750,000. The final cash consideration is subject to adjustment and a cap of HK\$55,125,000 in accordance with the formula stipulated in the sale and purchase agreement dated 28th August 2015 which detailed as follows:

$$FC = NP \times 7.5 \times 49\%$$

Where:

"FC" means the amount of the Final Consideration subject to a cap of HK\$55,125,000;

"NP" means the audited consolidated profit after tax of Glory International and its subsidiaries for the period from 1st July 2015 to 30th June 2016

On 5th May 2016, FREI and the independent third party vendor entered into a supplemental agreement pursuant to which the terms of the consideration as stated in the sale and purchase agreement dated 28th August 2015 has been amended. In accordance with the supplemental agreement, the amended terms include (i) the final consideration will be capped at the amount which is equal to the initial consideration (i.e. HK\$36,750,000); (ii) the consideration will only be subject to downward adjustment in accordance with the following revised formula:

$$FC = NP \times (12/15) \times 7.5 \times 49\%$$

12 於聯營公司之權益／應收／ (應付)一間聯營公司之款項 (續)

(a) 於聯營公司之權益(續)

附註：

- i) 於二零一五年八月二十八日，本公司之全資附屬公司香江娛樂投資有限公司(「香江娛樂投資」)與一名獨立第三方賣方訂立買賣協議，據此本集團收購彩耀國際(一間於英屬處女群島註冊成立之有限公司)49%之股權，初步代價為36,750,000港元。最終現金代價可根據日期為二零一五年八月二十八日之買賣協議所載公式進行調整，惟不得超過55,125,000港元之上限，有關公式詳情如下：

$$FC = NP \times 7.5 \times 49\%$$

其中：

「FC」指最終代價金額，上限為55,125,000港元；

「NP」指二零一五年七月一日至二零一六年六月三十日期間彩耀國際及其附屬公司之經審核綜合除稅後溢利

於二零一六年五月五日，香江娛樂投資與獨立第三方賣方訂立補充協議，據此，日期為二零一五年八月二十八日之買賣協議所列代價之條款已獲修訂。根據補充協議，經修訂之條款包括(i)最終代價之上限相等於初步代價(即36,750,000港元)；(ii)代價將僅可根據以下經修訂公式作出下調：

$$FC = NP \times (12/15) \times 7.5 \times 49\%$$

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 INTERESTS IN ASSOCIATES/ AMOUNT DUE FROM/(TO) AN ASSOCIATE (Continued)

(a) Interests in associates (Continued)

Notes: (Continued)

i) (Continued)

Where:

“FC” means the amount of the Final Consideration subject to a cap of HK\$36,750,000;

“NP” means the audited consolidated profit after tax of Glory International and its subsidiaries for the period from 1st July 2015 to 30th September 2016

No downward adjustment is needed in accordance with the audited consolidated financial statements of Glory International and its subsidiary for the period from 1st July 2015 to 30th September 2016, and accordingly, the final consideration is fixed at HK\$36,750,000.

Glory International operates in Hong Kong and is a strategic partner for the Group in developing the business of advertising, promotion, provision of public relations services, holding and sponsoring stage performance, concerts, film production and other cultural events.

During the year ended 30th June 2016, in view of the financial performance of Glory International, the Group has performed impairment assessment on investments in Glory International whereby the recoverable amount of HK\$22,852,000 of Glory International was determined based on value in use calculation, with reference to the estimated cash flows in the coming five years and cash flows beyond five years were extrapolated by assuming 3% growth rate using pre-tax discount rate of 18.9%. Following the impairment assessment, amount of HK\$18,421,000 was recognised as impairment loss in consolidated statement of comprehensive income during the year ended 30th June 2016.

No impairment is made for the year ended 30th June 2017.

12 於聯營公司之權益／應收／ (應付)一間聯營公司之款項 (續)

(a) 於聯營公司之權益(續)

附註：(續)

i) (續)

其中：

「FC」指最終代價金額，上限為36,750,000港元；

「NP」指二零一五年七月一日至二零一六年九月三十日期間彩耀國際及其附屬公司之經審核綜合除稅後溢利

根據彩耀國際及其附屬公司於二零一五年七月一日至二零一六年九月三十日期間的經審核綜合財務報表，無需下調，故最終代價固定為36,750,000港元。

彩耀國際於香港經營業務，為本集團於發展廣告製作、推廣、提供公眾服務、組織及主辦舞台演出、音樂會、電影製作及其他文化活動業務上之戰略合作夥伴。

於截至二零一六年六月三十日止年度，鑒於彩耀國際之財務表現，本集團對於彩耀國際之投資進行減值評估，彩耀國際之可收回金額22,852,000港元乃根據使用價值經參考按稅前貼現率18.9%計算之未來五年估計現金流量及假設增長率為3%而推算之五年後現金流量而釐定。於減值評估後，於截至二零一六年六月三十日止年度之綜合全面收益表內確認減值虧損18,421,000港元。

截至二零一七年六月三十日止年度概無計提減值。

12 INTERESTS IN ASSOCIATES/ AMOUNT DUE FROM/(TO) AN ASSOCIATE (Continued)

(a) Interests in associates (Continued)

Notes: (Continued)

- ii) On 21st May 2015, Precise Reach Group Limited (“Precise Reach”), a wholly-owned subsidiary of the Company, acquired 11% equity interest in HK Optical at a consideration of HK\$1,603,000. On 1st February 2016, Precise Reach further acquired 17% equity interest in HK Optical at a consideration of HK\$2,042,000 after which the Group is able to exercise significant influence over HK Optical. The 11% equity interest previously held by the Group in HK Optical in the amount of HK\$1,603,000 was reclassified from available-for-sale financial assets to investment in associate on 1st February 2016 when the Group is able to exercise significant influence over HK Optical.

During the year ended 30th June 2017, Precise Reach further injected HK\$1,859,000 as capital injection to HK Optical.

- iii) During the year ended 30th June 2017, in view of the financial performance of HK Optical, the Group has performed impairment assessment on the investment in HK Optical whereby the recoverable amount of Nil of HK Optical was determined based on value in use calculation, with reference to the estimated cash flows in the coming five years and cash flows beyond five years were extrapolated by assuming 3% growth rate using pre-tax discount rate of 16.4%. Following the impairment assessment, amount of HK\$3,227,000 was recognised as impairment loss in consolidated statement of comprehensive income during the year ended 30th June 2017 due to the continuous operating loss.

12 於聯營公司之權益／應收／ (應付)一間聯營公司之款項 (續)

(a) 於聯營公司之權益(續)

附註：(續)

- ii) 於二零一五年五月二十一日，本公司之全資附屬公司精達集團有限公司(「精達」)收購茂昌眼鏡11%股權，代價為1,603,000港元。於二零一六年二月一日，精達以代價2,042,000港元進一步收購茂昌眼鏡17%的股權，於該收購後，本集團可對茂昌眼鏡行使重大影響力。本集團先前於茂昌眼鏡持有金額為1,603,000港元的11%股權已於二零一六年二月一日本集團可對茂昌眼鏡行使重大影響力時由可供出售金融資產重新分類至於聯營公司投資。

截至二零一七年六月三十日止年度，精達進一步向茂昌眼鏡注入1,859,000港元。

- iii) 於截至二零一七年六月三十日止年度，鑒於茂昌眼鏡之財務表現，本集團對於茂昌眼鏡之投資進行減值評估，茂昌眼鏡之可收回金額零港元乃根據使用價值經參考按稅前貼現率16.4%計算之未來五年估計現金流量及假設增長率為3%而推算之五年後現金流量而釐定。於減值評估後，由於持續經營虧損而於截至二零一七年六月三十日止年度之綜合全面收益表內確認減值虧損3,227,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 INTERESTS IN ASSOCIATES/ AMOUNT DUE FROM/(TO) AN ASSOCIATE (Continued)

(a) Interests in associates (Continued)

Summarised financial information of material associates

Summarised financial information of the material associate, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, are disclosed below:

Glory International

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Gross amounts of the associate's	聯營公司總額		
Non-current assets	非流動資產	2,443	1,628
Current assets	流動資產	13,223	16,981
Non-current liabilities	非流動負債	-	(10)
Current liabilities	流動負債	(11,006)	(6,880)
Dividend received from the associate during the year	年內已收聯營公司 的股息	4,753	-
Revenue	收益	20,448	25,856
Profit for the year/period from acquisition date to 30th June 2016	年內/收購日期至 二零一六年六月三十日 期間之溢利	2,641	9,108
Other comprehensive income for the year/period from acquisition date to 30th June 2016	年內/收購日期至二零 一六年六月三十日期間 其他全面收益	-	-
Total comprehensive income for the year/period from acquisition date to 30th June 2016	年內/收購日期至 二零一六年六月三十日 期間全面收益總額	2,641	9,108

12 於聯營公司之權益/應收/ (應付)一間聯營公司之款項 (續)

(a) 於聯營公司之權益(續)

主要聯營公司之財務資料概 要

就會計政策上的任何差異作出調整，並已就綜合財務報表中的賬面值進行調節的主要聯營公司財務資料概要披露如下：

彩耀國際

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

**12 INTERESTS IN ASSOCIATES/
AMOUNT DUE FROM/(TO) AN
ASSOCIATE (Continued)**

(a) Interests in associates (Continued)

**Summarised financial information of
material associates (Continued)**

Glory International (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 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net assets of Glory International	彩耀國際之資產淨值	4,660	11,719
Proportion of the Group's ownership interest in Glory International	本集團於彩耀國際之擁有權權益比例	49%	49%
Goodwill	商譽	2,283 35,531	5,742 35,531
Impairment Loss	減值虧損	37,814 (18,421)	41,273 (18,421)
Carrying amount of the Group's interest in Glory International	本集團於彩耀國際之權益之賬面值	19,393	22,852

**12 於聯營公司之權益／應收／
(應付)一間聯營公司之款項
(續)**

(a) 於聯營公司之權益(續)

**主要聯營公司之財務資料概
要(續)**

彩耀國際(續)

上文概述之財務資料與於綜合財務報表確認的於聯營公司權益之賬面值的對賬：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 INTERESTS IN ASSOCIATES/ AMOUNT DUE FROM/(TO) AN ASSOCIATE (Continued)

(a) Interests in associates (Continued)

Aggregate information of associates that are not individually material

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The Group's share of loss and total comprehensive income	本集團之應佔虧損及全面收益總額	(1,510)	(564)
Aggregate carrying amount of the Group's interests in these associates	本集團於該等聯營公司之權益之賬面值總額	-	2,878

All of the associates are accounted for using the equity method in these consolidated financial statements.

(b) Amount due from/(to) an associate

The amount due from/(to) an associate is unsecured, interest-free and repayable on demand. The balance is denominated in Hong Kong dollars and approximate to their fair value.

12 於聯營公司之權益／應收／ (應付)一間聯營公司之款項 (續)

(a) 於聯營公司之權益(續)

個別非重大聯營公司之匯總 資料

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The Group's share of loss and total comprehensive income	(1,510)	(564)
Aggregate carrying amount of the Group's interests in these associates	-	2,878

於綜合財務報表內，所有聯營公司均以權益法列賬。

(b) 應收／(應付)一間聯營公司之款項

應收／(應付)一間聯營公司之款項屬無抵押、不計息及須按要求償還。該結餘乃以港元計值及與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

**13 INTERESTS IN JOINT VENTURES/
LOAN RECEIVABLE FROM A JOINT
VENTURE**

**13 於合營公司之權益／應收一
間合營公司之貸款**

(a) Interests in joint ventures

(a) 於合營公司之權益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of investments in joint ventures, unlisted	投資合營公司之成本， 非上市	1,147	1,147
Share of post-acquisition losses	應佔收購後虧損	(896)	(665)
		251	482

Details of each of the Group's joint ventures at the end of the reporting period are as follows:

於報告期末本集團各合營公司之詳情如下：

Name of entity 實體名稱	Place of incorporation 註冊成立地點	Principal place of business 主要營業地點	Proportion of registered capital held by the Group 本集團持有之註冊資本比例		Principal activity 主要業務
			2017 二零一七年	2016 二零一六年	
Sun Billion Property Limited 陽澳置業有限公司	Macau 澳門	Macau 澳門	40%	40%	Investment of land and property in Macau 投資位於澳門之土地及物業
Topworld Victory Limited (Note i) 上凱有限公司(附註)	Hong Kong 香港	Hong Kong 香港	-	50%	Deregistered 註銷

Note:

附註：

- (i) On 7th April 2017, Topworld Victory Limited, a former joint venture of the Group, was successfully deregistered. Upon deregistration, the Group recorded a loss on deregistration of joint venture of approximately HK\$24,000.

- (i) 於二零一七年四月七日，本集團一間前合營公司上凱有限公司成功註銷。於註銷後，本集團錄得註銷合營公司虧損約24,000港元。

All of these joint ventures are accounted for using the equity method in these consolidated financial statements.

所有該等合營公司均以權益法於綜合財務報表入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 INTERESTS IN JOINT VENTURES/ LOAN RECEIVABLE FROM A JOINT VENTURE (Continued)

(a) Interests in joint ventures (Continued)

Aggregate information of joint ventures that are not individually material:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The Group's share of loss and total comprehensive income	本集團之應佔虧損及全面收益總額	(231)	(224)
Aggregate carrying amount of the Group's interests in these joint ventures	本集團於該等合營公司之權益之賬面值總額	251	482

(b) Loan receivable from a joint venture

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loan receivable from a joint venture	應收一間合營公司之貸款		
At the beginning of the year	年初	8,364	8,140
Accretion income for the period	期內之累積收入	231	224
At the end of the year	年末	8,595	8,364

The loan receivable from a joint venture is unsecured, interest free and repayable in 5 years from the date of agreement.

The loan receivable from a joint venture was neither past due nor impaired as at 30th June 2016 and 2017. The management of the Group believes that no impairment allowance is necessary in respect of this balance as there has not been a significant change in credit quality on the joint venture.

13 於合營公司之權益／應收一 間合營公司之貸款(續)

(a) 於合營公司之權益(續)

個別非重大合營公司之匯總資料：

(b) 應收一間合營公司之貸款

應收一間合營公司之貸款為無抵押、免息及須於協議日期起5年內償還。

於二零一六年及二零一七年六月三十日，應收一間合營公司之貸款並未逾期亦未減值。本集團管理層認為，由於該合營公司之信貸質素並無重大變動，故毋須就該結餘作出減值撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

**14 DEPOSITS PAID, PREPAYMENTS
AND OTHER RECEIVABLES**

**14 已付訂金、預付款項及其他
應收款項**

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current portion	非即期部分		
Rental deposit	租金訂金	191	363
At 30th June	於六月三十日	191	363
Current portion	即期部分		
Prepayments	預付款項	4,214	8,059
Interest receivable	應收利息	566	387
Advance payment to joint operation partners	支付合營方之墊款	4,218	12,149
Rental deposits and other deposits	租金訂金及其他訂金	9,469	8,254
Other receivables	其他應收款項	82,207	39,643
At 30th June	於六月三十日	100,674	68,492

The amount of the Group's deposits paid expected to be recovered or recognised as expense after more than one year is HK\$191,000 (2016: HK\$363,000). All of the other deposits paid, prepayments and other receivables are expected to be recovered or recognised as expense within one year.

The other receivables mainly relate to a number of independent debtors that have good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

本集團預期將於一年後收回或確認為開支的已付訂金的金額為191,000港元(二零一六年：363,000港元)。所有其他已付訂金、預付款項及其他應收款項均預期於一年內收回或確認為開支。

其他應收款項主要與若干名於本集團擁有良好往績紀錄之獨立債務人有關。根據過往經驗，鑒於信貸質素並無重大變動，而結餘亦仍被視為可全數收回，故管理層相信概無需要就該等結餘作出減值撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

15 透過損益按公平值入賬之金融資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Listed equity securities – held for trading	上市股本證券–持作買賣	232,629	247,444
Market value of listed securities	上市證券之市值	232,629	247,444

The listed equity securities in the amount of HK\$59,566,000 (2016: Nil) are pledged to a securities brokerage firm to secure margin loans payable obtained during the year (Note 28).

Financial assets at fair value through profit or loss are presented within 'operating activities' as part of changes in working capital in the consolidated statement of cash flows (Note 45).

The fair value of the equity securities is based on their closing prices as at 30th June 2017 in an active market.

年內，上市股本證券金額為59,566,000港元(二零一六年：無)已抵押予證券經紀公司以擔保所取得的應付孖展貸款(附註28)。

作為營運資金變動的一部分，透過損益按公平值入賬之金融資產列入綜合現金流量表內之「經營活動」(附註45)。

股本證券之公平值乃根據其於二零一七年六月三十日於活躍市場的收市價計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

16 AVAILABLE-FOR-SALE FINANCIAL ASSETS

16 可供出售金融資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Listed equity securities, at fair value	上市股本證券，按公平值	73,461	-
Unlisted investment funds, at fair value	非上市投資基金， 按公平值	24,898	79,467
Unlisted limited partnership, at fair value	非上市有限合夥企業， 按公平值	57,334	6,335
		155,693	85,802

During the year ended 30th June 2017, the net loss in fair value of the available-for-sale financial assets recognised in the consolidated other comprehensive income amounted to HK\$88,565,000 (2016: HK\$12,340,000). During the year, there was a significant decline in fair value of certain unlisted investment funds and listed equity securities and the directors consider that such decline indicates that these unlisted investment funds and listed equity securities have been impaired and an impairment loss of HK\$89,643,000 (2016: Nil) was reclassified from equity to the profit or loss during the year.

The listed equity investment in the amounts of HK\$73,461,000 (2016: Nil) are pledged to a securities brokerage firm to secure margin loans payable obtained during the year (Note 28).

截至二零一七年六月三十日止年度，綜合其他全面收益內確認的可供出售金融資產公平值的淨虧損為88,565,000港元（二零一六年：12,340,000港元）。年內，若干非上市投資基金及上市股本證券的公平值大幅縮水，董事認為相關縮水表明該等非上市投資基金及上市權益證券已減值，並於年內將減值虧損89,643,000港元（二零一六年：無）從權益重新分類至損益。

年內，上市股權投資為數73,461,000港元（二零一六年：無）已抵押予證券經紀公司以擔保所取得的應付孖展貸款（附註28）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

As at 30th June 2017

Financial assets

17 按類別劃分之金融工具

於報告期末，各類金融工具的賬面值如下：

於二零一七年六月三十日

金融資產

		Financial assets at fair value through profit or loss 透過損益按公平值入賬之金融資產				
Available-for-sale financial assets		Contingent consideration	Held for trading	Loans and receivables	Total	
可供出售金融資產		或然代價	持作買賣	貸款及應收款項	總額	
HK\$'000		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元		千港元	千港元	千港元	千港元	
Available-for-sale financial assets	可供出售金融資產	155,693	-	-	-	155,693
Financial assets at fair value through profit or loss	透過損益按公平值入賬之金融資產	-	-	232,629	-	232,629
Accounts receivable	應收賬款	-	-	-	333,859	333,859
Amount due from an associate	應收一間聯營公司的款項	-	-	-	964	964
Financial assets included in "deposits paid, prepayments and other receivables"	計入「已付訂金、預付款項及其他應收款項」之金融資產	-	-	-	97,138	97,138
Loans receivable	應收貸款	-	-	-	75,900	75,900
Loan to an associate	授予一間聯營公司之貸款	-	-	-	7,940	7,940
Loan receivable from a joint venture	應收一間合營公司貸款	-	-	-	8,595	8,595
Contingent consideration receivable	應收或然代價	-	15,737	-	-	15,737
Bank balances and cash – trust account	銀行結餘及現金—信託賬戶	-	-	-	93,014	93,014
Cash and cash equivalents	現金及現金等價物	-	-	-	228,222	228,222
		155,693	15,737	232,629	845,632	1,249,691

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

17 FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

As at 30th June 2017 (Continued)

Financial Liabilities

17 按類別劃分之金融工具(續)

於二零一七年六月三十日(續)

金融負債

		Financial liabilities at fair value through profit or loss 透過損益按公平值入賬的金融負債	Contingent consideration 或然代價 HK\$'000 千港元	Financial liabilities at amortised cost 以攤銷成本列賬之金融負債 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Accounts payable	應付賬款	-	-	92,447	92,447
Financial liabilities included in "other payables and accrued charges" and "deposits received"	計入「其他應付款項及應計支出」及「已收訂金」之金融負債				
Borrowings	借貸	-	-	124,593	124,593
Obligations under finance lease	融資租賃承擔	-	-	53,063	53,063
Contingent consideration payable	應付或然代價	-	-	63	63
		19,568	-	-	19,568
		19,568	-	270,166	289,734

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

As at 30th June 2016

Financial assets

17 按類別劃分之金融工具(續)

於二零一六年六月三十日

金融資產

		Financial assets at fair value through profit or loss 透過損益按公平值入賬之金融資產				
		Available-for- sale financial assets 可供出售 金融資產 HK\$'000 千港元	Contingent consideration 或然代價 HK\$'000 千港元	Held for trading 持作買賣 HK\$'000 千港元	Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Available-for-sale financial assets	可供出售金融資產	85,802	-	-	-	85,802
Financial assets at fair value through profit or loss	透過損益按公平值入賬之 金融資產	-	-	247,444	-	247,444
Accounts receivable	應收賬款	-	-	-	224,739	224,739
Financial assets included in "deposits paid, prepayments and other receivables"	計入「已付訂金、預付款項及其 他應收款項」之金融資產	-	-	-	52,179	52,179
Film related deposits	電影相關訂金	-	-	-	5,542	5,542
Loans receivable	應收貸款	-	-	-	43,163	43,163
Loan to an associate	授予一間聯營公司之貸款	-	-	-	5,000	5,000
Loan receivable from a joint venture	應收一間合營公司之貸款	-	-	-	8,364	8,364
Contingent consideration receivable	應收或然代價	-	10,930	-	-	10,930
Bank balances and cash – trust account	銀行結餘及現金—信託賬戶	-	-	-	116,667	116,667
Cash and cash equivalents	現金及現金等價物	-	-	-	101,173	101,173
		85,802	10,930	247,444	556,827	901,003

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

17 FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

As at 30th June 2016 (Continued)

Financial Liabilities

17 按類別劃分之金融工具(續)

於二零一六年六月三十日(續)

金融負債

		Financial liabilities at amortised cost 以攤銷成本列賬之金融負債 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Accounts payable	應付賬款	254,722	254,722
Amount due to an associate	應付一間聯營公司之款項	1,941	1,941
Financial liabilities included in "other payables and accrued charges" and "deposits received"	計入「其他應付款項及應計支出」及「已收訂金」之金融負債	64,121	64,121
Borrowings	借貸	9,200	9,200
Bank overdrafts	銀行透支	4,020	4,020
Obligations under finance lease	融資租賃承擔	98	98
		334,102	334,102

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 INTERESTS IN JOINT OPERATIONS

The Group has entered into certain joint operation arrangements to produce and distribute four television series (2016: four) and sixteen films (2016: thirteen) respectively. The Group has participating interests ranging from 5% to 90% (2016: from 5% to 90%) in these joint operations. As at 30th June 2017, the aggregate amounts of assets and liabilities recognised in the consolidated financial statements relating to the Group's interests in these joint operation arrangements are as follows:

18 合營業務權益

本集團已訂立若干合營業務安排，以分別製作及發行四部電視連續劇(二零一六年：四部)及十六部電影(二零一六年：十三部)。本集團於該等合營業務中擁有介乎5%至90%(二零一六年：5%至90%)之參與權益。於二零一七年六月三十日，有關本集團於此等合營業務安排之權益中，已於綜合財務報表中確認之資產及負債總額如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Assets	資產		
Film rights and films in progress	電影版權及製作中之電影	26,094	52,780
Film related deposits	電影相關訂金	10,012	758
Accounts receivable and other receivables	應收賬款及其他應收款項	70,181	9,774
		106,287	63,312
Liabilities	負債		
Accounts payable and other payables	應付賬款及其他應付款項	566	640
Deposits received	已收訂金	4,486	20,380
		5,052	21,020
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	116,418	36,115
Expenses	費用	(60,364)	(9,658)
Profit after income tax	除所得稅後溢利	56,054	26,457

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

19 INVENTORIES

19 存貨

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials	原料	202	1,062
Finished goods	製成品	9,864	13,242
		10,066	14,304

The analysis of the amount of inventories recognised as an expense and included in consolidated statement of comprehensive income is as follows:

確認為開支及計入綜合全面收益表內之存貨款項之分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount of inventories sold	已售存貨之賬面值	31,507	36,608
Write down of inventories	存貨撇減	1,501	1,709
Reversal of write-down of inventories (Note i)	存貨撇減撥回(附註i)	(508)	(317)
		32,500	38,000

Note i: The amount resulted from the utilisation of obsolete inventories that were written down in prior years.

附註i：有關金額來自動用已於過往年度撇減的陳舊存貨。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

20 ACCOUNTS RECEIVABLE

20 應收賬款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accounts receivable arising from securities brokerage and margin financing business:	證券經紀及孖展融資業務產生之應收賬款：		
– Clearing house and cash clients	– 結算所及現金客戶	69,560	188,157
Less: Impairment loss (Note c)	減：減值虧損(附註c)	(827)	–
Net (Note a)	淨額(附註a)	68,733	188,157
– Margin clients	– 孖展客戶	197,284	16,250
Less: Impairment loss (Note c)	減：減值虧損(附註c)	(8,133)	–
Net (Note b)	淨額(附註b)	189,151	16,250
		257,884	204,407
Accounts receivable arising from other businesses:	其他業務產生之應收賬款：		
Accounts receivable – others	應收賬款–其他	77,627	20,474
Less: Impairment loss (Note e)	減：減值虧損(附註e)	(1,652)	(142)
Net (Note d)	淨額(附註d)	75,975	20,332
Accounts receivable – net	應收賬款–淨額	333,859	224,739

The carrying amounts of accounts receivable approximate their fair values.

應收賬款之賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 ACCOUNTS RECEIVABLE (Continued)

20 應收賬款(續)

Notes:

附註：

- (a) Accounts receivable arising from clearing house and cash clients

- (a) 結算所及現金客戶產生之應收賬款

The ageing analysis of the accounts receivable from clearing house and cash clients which are past due but not impaired as of the end of the reporting period is as follows:

截至報告期末，已逾期但未減值之應收結算所及現金客戶賬款之賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Neither past due nor impaired	並未逾期亦未減值	59,500	132,375
Less than 1 month past due	逾期少於1個月	411	23,713
More than 1 month past due	逾期超過1個月	8,822	32,069
		68,733	188,157

The normal settlement terms of accounts receivable from clearing house and cash clients, which arise from the securities brokerage and margin financing business, are two days after trade date. Accounts receivable from cash clients are repayable on demand subsequent to the settlement date.

證券經紀及孖展融資業務產生之應收結算所及現金客戶賬款正常結算期為交易日後兩日。應收現金客戶賬款須於結算日後按的要求償還。

The Group offsets certain accounts receivable and accounts payable when the Group currently has a legally enforceable right to set off the balances and intends either to settle on a net basis, or to realise the balances simultaneously. Details are set out in Note 3.4.

當本集團現時擁有法定可執行權利抵銷餘額及計劃以淨額結算，或同時變現餘額，則本集團抵銷若干應收款項及應付賬款。詳情載於附註3.4。

Accounts receivable from cash clients relate to a wide range of customers for whom there was no recent history of default. These receivables are secured by their portfolio of securities. As at 30th June 2017, the total market value of their portfolios of securities was HK\$22,036,000 (2016: HK\$163,511,000). Included in the Group's accounts receivable are cash clients with carrying amount of HK\$9,233,000 (2016: HK\$55,782,000) which are past due at the end of the reporting period but for which the Group has not provided for impairment as there has not been a significant change in credit quality. The Group believes that the amounts are still considered recoverable given the amount is fully secured by the listed securities of the cash clients or the substantial settlement after the end of the reporting period. Accounts receivable due from past due cash clients of approximately HK\$827,000 (2016: Nil) which are not fully secured by the listed securities of the respective cash clients, are considered impaired as at 30th June 2017. Accounts receivable due from cash clients bear interest at commercial rates when it becomes past due.

應收現金客戶賬款與多名近期並無違約記錄之客戶有關。該等應收賬款以彼等證券組合抵押。於二零一七年六月三十日，彼等證券組合總市值為22,036,000港元(二零一六年：163,511,000港元)。現金客戶計入本集團應收賬款，其賬面值為9,233,000港元(二零一六年：55,782,000港元)，於報告期末已逾期，惟就此本集團並無作出減值撥備，原因為信貸質素並無出現重大變動。由於該等金額由現金客戶上市證券全額擔保或大部份金額於報告期末後償還，本集團相信該等金額仍被視為可收回。應收已逾期現金客戶賬款約827,000港元(二零一六年：無)並未由有關現金客戶上市證券全額擔保，於二零一七年六月三十日被視為減值。應收現金客戶賬款於逾期時按商業利率計息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 ACCOUNTS RECEIVABLE (Continued)

Notes: (Continued)

(b) Accounts receivable arising from margin clients

Accounts receivable from margin clients, which arise from the securities brokerage and margin financing business, are repayable on demand subsequent to the settlement date.

Margin clients are required to pledge securities collateral to the Group in order to obtain credit facilities for securities trading. The amount of credit facilities granted to them is determined by the discounted value of securities accepted by the Group. Additional funds or collateral are required if the outstanding amount exceeds the eligible margin value of securities deposited. The listed securities of the margin clients can be sold at the Group's discretion to settle any margin call requirements imposed by their respective securities transactions. The pledged securities are substantially listed securities in Hong Kong as at 30th June 2017 and 2016. At 30th June 2017, margin loans were current and repayable on demand (2016: current and repayable on demand except for HK\$2,695,000 where the margin loans were past due for less than 1 month). Margin loans that were past due but not impaired relate to a number of independent clients that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. As at 30th June 2017, the total market value of their portfolios of securities was HK\$456,052,000 (2016: HK\$92,620,000). Accounts receivable from margin clients are repayable on demand and bear interest at commercial rates.

Included in the Group's accounts receivable are margin clients, with carrying amount of HK\$189,151,000 (2016: HK\$16,250,000) at the end of the reporting period for which the Group has not provided for impairment as there has not been a significant change in credit quality. The Group believes that the amounts are still considered recoverable given the amount is fully secured by the listed securities of the margin clients or the substantial settlement after the end of the reporting period. Accounts receivable due from margin clients of approximately HK\$8,133,000 (2016: Nil) which are not fully secured by the listed securities of the respective margin clients are considered impaired as at 30th June 2017.

No ageing analysis of the accounts receivable from margin clients is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

20 應收賬款(續)

附註：(續)

(b) 孖展客戶產生之應收賬款

來自證券經紀及孖展融資業務的應收孖展客戶賬款於結算日後按要求償還。

孖展客戶須向本集團質押證券抵押品，方可獲得證券交易之信貸融資。彼等獲授之信貸融資額度乃按本集團接受之證券貼現價值釐定。倘尚未償還金額超逾存放之證券之合資格保證金價值，則需要額外資金或抵押品。孖展客戶的上市證券可由本集團酌情出售，以清償彼等各自證券交易施加的任何追加保證金要求。於二零一七年及二零一六年六月三十日，已抵押證券大部分為香港上市證券。於二零一七年六月三十日，孖展貸款為流動及按要求償還(二零一六年：流動及按要求償還，惟2,695,000港元孖展貸款已逾期少於1個月除外)。已逾期但未減值之孖展貸款涉及與本集團擁有良好往績記錄之多個獨立客戶。根據過往經驗，管理層認為毋須就該等結餘作出減值撥備，原因為信貸質素並無重大變動及有關結餘仍被視為可悉數收回。於二零一七年六月三十日，彼等證券組合的總市值為456,052,000港元(二零一六年：92,620,000港元)。應收孖展客戶賬款須按要求償還，並按商業利率計息。

孖展客戶計入本集團應收賬款，於報告期末其賬面值為189,151,000港元(二零一六年：16,250,000港元)，就此本集團並無作出減值撥備，原因為信貸質素並無出現重大變動。由於該等金額由孖展客戶上市證券全額擔保或大部份金額於報告期末後償還，本集團相信該等金額仍被視為可收回。應收孖展客戶賬款約8,133,000港元(二零一六年：無)並未由有關孖展客戶上市證券全額擔保，於二零一七年六月三十日被視為減值。

由於本公司董事認為，鑒於該業務之業務性質，賬齡分析並無帶來額外價值，故並無就應收孖展客戶賬款披露任何賬齡分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

20 ACCOUNTS RECEIVABLE (Continued)

Notes: (Continued)

- (c) Impairment of accounts receivable arising from securities brokerage and margin financing business

Movements in the allowance for impairment are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At the beginning of the year	年初結餘	-	-
Provision of impairment of accounts receivable	應收賬款減值撥備		
- Clearing house and cash clients	- 結算所及現金客戶	827	-
- Margin clients	- 孖展客戶	8,133	-
At the end of the year	於年末	8,960	-

The Group has a policy for determining the allowance for impairment based on the evaluation of collectability and ageing analysis of accounts receivable if applicable and on management's judgement, including the current creditworthiness, collateral and the past collection history of each client.

20 應收賬款(續)

附註：(續)

- (c) 證券經紀及孖展融資業務產生之應收賬款減值

減值撥備變動如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At the beginning of the year	年初結餘	-	-
Provision of impairment of accounts receivable	應收賬款減值撥備		
- Clearing house and cash clients	- 結算所及現金客戶	827	-
- Margin clients	- 孖展客戶	8,133	-
At the end of the year	於年末	8,960	-

本集團設立釐定減值撥備的政策，以應收賬款的可回收性及賬齡分析評估(如適用)以及管理層的判斷為基礎，包括每名客戶之目前信譽、抵押品及過往收款歷史。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 ACCOUNTS RECEIVABLE (Continued)

Notes: (Continued)

(d) Accounts receivable arising from other businesses

The following is an ageing analysis of accounts receivable arising from other businesses, presented based on the invoice dates:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1 to 90 days	1至90日	65,682	10,963
91 days to 180 days	91日至180日	1,926	7,026
Over 180 days	180日以上	8,367	2,343
		75,975	20,332

The ageing analysis of the accounts receivable from other businesses, which are past due but not impaired, are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Neither past due nor impaired	並未逾期亦未減值	57,541	10,297
Past due but not impaired	已逾期但未減值		
Less than 1 month past due	逾期少於1個月	7,073	942
1 to 3 months past due	逾期1至3個月	419	943
3 months to 1 year past due	逾期3個月至1年	9,637	7,972
Over 1 year past due	逾期超過1年	1,305	178
		18,434	10,035
		75,975	20,332

20 應收賬款(續)

附註：(續)

(d) 其他業務產生之應收賬款

以下為按發票日期呈列之其他業務產生之應收賬款之賬齡分析：

已逾期但未減值之其他業務產生之應收賬款之賬齡分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 ACCOUNTS RECEIVABLE (Continued)

Notes: (Continued)

- (d) Accounts receivable arising from other businesses (Continued)

In respect of accounts receivable from other businesses, receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default. Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

Sales of videogram products are with credit terms of 7 days to 60 days. Sales from film exhibition, licensing and sub-licensing of film rights are on open account terms. Sales to retail customers are made in cash or via major credit cards. The Group has policies in place to ensure that sales of products on credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers.

Further details on the Group's credit policy are set out in Note 3.1(b).

- (e) Impairment of accounts receivable arising from other businesses

Impairment losses in respect of accounts receivable arising from other businesses are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against accounts receivable directly (see Note 2.12).

Movements in the allowance for doubtful debts

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At the beginning of the year	於年初	142	142
Impairment of accounts receivable	應收賬款減值	1,510	-
At the end of the year	於年末	1,652	142

Impairment of accounts receivable arising from other businesses of approximately HK\$1,510,000 (2016: Nil) was recognised by the Group due to long outstanding receivable from debtors, and no impairment (2016: Nil) was written off from the allowance account during the year ended 30th June 2017.

20 應收賬款(續)

附註：(續)

- (d) 其他業務產生之應收賬款(續)

就來自其他業務之應收賬款而言，並未逾期亦未減值之應收款項與多名近期並無違約記錄的客戶有關。已逾期但未減值之應收款項與若干名於本集團擁有良好往績紀錄之獨立客戶有關。根據過往經驗，鑒於信貸質素並無重大變動，而結餘亦仍被視為可全數收回，故管理層相信毋須就該等結餘作出減值撥備。

銷售錄像產品之信貸期為7日至60日不等。電影放映、授出及轉授電影版權之銷售均以記賬形式進行。向零售客戶銷售均以現金形式或透過主要信用卡進行。本集團已制定政策確保基於信貸期之產品銷售乃向具有良好信用記錄的客戶作出，本集團對其客戶進行定期信貸評估。

有關本集團信貸政策的進一步詳情載於附註3.1(b)。

- (e) 其他業務產生之應收賬款之減值

有關其他業務產生之應收賬款之減值虧損乃使用撥備賬記錄，除非本集團相信收回該款項的可能性極低，於該情況下，有關減值虧損將直接於應收賬款中撇銷(見附註2.12)。

呆賬撥備之變動

截至二零一七年六月三十日止年度，本集團因應收債務人款項長期未償還而確認其他業務產生之應收賬款之減值約1,510,000港元(二零一六年：無)，並無減值(二零一六年：無)於撥備賬內撇銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 LOANS RECEIVABLE

(a) Loans receivable from third party customers

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loans to third party customers	授予第三方客戶之貸款	75,900	43,163
As at 30th June 2017 and 2016, the maturity profile of the loans receivable, based on the maturity date is as follows:	於二零一七年及二零一六年六月三十日，根據到期日呈列之應收貸款到期情況如下：		
– Non-current	– 非即期	45,500	20,000
– Current	– 即期	30,400	23,163
		75,900	43,163

The credit quality analysis of the loans receivable is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Neither past due nor impaired	並未逾期或減值		
– Unsecured loans	– 無抵押貸款	59,400	43,163
– Secured loans	– 有抵押貸款	16,500	–
		75,900	43,163

The Group's loans receivable from third party customers, which arise from the money lending business in Hong Kong, are denominated in Hong Kong dollars.

Except for loans receivable of HK\$16,500,000 (2016: Nil), which are secured by unconditional personal guarantees, bear interest and are repayable with fixed terms agreed with the customers, all loans receivable are unsecured, bear interest and are repayable with fixed terms agreed with customers.

21 應收貸款

(a) 應收第三方客戶貸款

應收貸款的信貸質素分析如下：

本集團之應收第三方客戶貸款(香港的放貸業務所產生)乃以港元計值。

除應收貸款16,500,000港元(二零一六年：無)以無條件個人擔保抵押、計息及按與客戶協定的固定年期償還外，所有應收貸款無抵押、計息及按與客戶協定的固定年期償還。

21 LOANS RECEIVABLE (Continued)

(b) Loans to an associate

The loan to an associate, HK Optical, in the amount of HK\$5,000,000 (2016: HK\$5,000,000) is unsecured, bearing an interest at 7% per annum and repayable on 23rd March 2017. The loan was granted to the associate through the normal procedures of the money lending business of the Group during the year ended 30th June 2016. On 13th March 2017, the Group signed a supplemental loan agreement with HK Optical to extend the repayment date of the loan to 23rd March 2018.

Another loan to an associate, HK Optical, in the amount of HK\$2,940,000 (2016: Nil) is unsecured, interest free and have no fixed term of repayment.

The loans receivable are neither impaired nor overdue as at 30th June 2017 (2016: same).

The maximum exposure to credit risk at each balance sheet date is the carrying amount of the loans receivable.

All the loans receivable are entered with contractual maturity within 1 to 2 years. The Group seeks to maintain tight control over its loans receivable in order to minimise credit risk by reviewing the borrowers' or guarantors' financial positions.

Loans receivable are interest-bearing at rates ranging from 7% to 20% per annum (2016: 7% to 12% per annum).

Interest income of approximately HK\$5,859,000 (2016: HK\$8,450,000) has been recognised in 'revenue' in the consolidated statement of comprehensive income.

21 應收貸款(續)

(b) 授予一間聯營公司之貸款

授予一間聯營公司茂昌眼鏡之貸款為數5,000,000港元(二零一六年: 5,000,000港元)為無抵押、按年利率7%計息且須於二零一七年三月二十三日償還。該筆貸款乃於截至二零一六年六月三十日止年度透過本集團放貸業務的正常程序授予該聯營公司。於二零一七年三月十三日,本集團與茂昌眼鏡簽署補充貸款協議,延長貸款的還款期至二零一八年三月二十三日。

向一間聯營公司茂昌眼鏡授予之另一筆貸款為數2,940,000港元(二零一六年: 無)為無抵押、不計息及無固定還款期。

於二零一七年六月三十日,應收貸款並未減值或逾期(二零一六年: 相同)。

於各資產負債表日期最大的信貸風險為應收貸款之賬面值。

所有應收貸款所訂合約到期日介乎1至2年內。本集團致力透過審閱借款人或擔保人的財務狀況,維持對應收貸款的嚴格控制,務求將信貸風險減至最低。

應收貸款按介乎7%至20%之年利率計息(二零一六年: 每年7%至12%)。

利息收入約5,859,000港元(二零一六年: 8,450,000港元)已於綜合全面收益表之「收益」內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 CONTINGENT CONSIDERATION RECEIVABLE

The fair value of the contingent consideration receivable represented the profit guarantee in relation to the adjustments to the consideration from the acquisition of AP Group during the year ended 30th June 2016 as detailed in Note (i) below. Contingent consideration receivable is measured at fair value at the end of the reporting period. The movement of the fair value of contingent consideration receivable is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At fair value:	按公平值計量：		
At beginning of the year	於年初	10,930	-
Arising from acquisition of subsidiaries (Note 46(c))	收購附屬公司所產生 (附註46(c))	-	6,850
Fair value change	公平值變動	4,807	4,080
At end of the year	於年末	15,737	10,930

Note:

(i) Adjustment to the consideration

Pursuant to the sale and purchase agreement entered in relation to the acquisition of AP Group, in the event that the audited consolidated profit after tax of AP Group for the period from 1st January 2016 to 31st December 2017 is less than HK\$16,000,000, the vendors shall, and the guarantors shall procure the vendors to, pay to the Group the adjustment amount (the "Adjustment Amount") in accordance with the formula set out below:

$$A = \text{HK}\$20,400,000 - (\text{NP}/2) \times 5 \times 51\%$$

Where:

"A" means the amount of Adjustment Amount in HK\$; and

"NP" means the net profit for the period from 1st January 2016 to 31st December 2017. Where the NP is a negative figure, NP shall be deemed to be zero.

The fair value of the contingent consideration receivable as at 30th June 2017 are based on the valuation performed by Royson Valuation Advisory Limited, an independent professional valuer not connected with the Group. Details of fair value measurement are set out in Note 3.3.

22 應收或然代價

應收或然代價之公平值指與於截至二零一六年六月三十日止年度收購愛拼集團之代價之調整有關之溢利擔保(詳載於下文附註(i))。應收或然代價於報告期末按公平值計量。應收或然代價公平值之變動如下：

附註：

(i) 代價之調整

根據就收購愛拼集團訂立之買賣協議，倘愛拼集團自二零一六年一月一日起至二零一七年十二月三十一日止期間之經審核綜合除稅後溢利少於16,000,000港元，則賣方應及擔保人應促使賣方根據下述公式向本集團支付調整金額(「調整金額」)：

$$A = 20,400,000 \text{ 港元} - (\text{NP}/2) \times 5 \times 51\%$$

其中：

「A」指以港元計值之調整金額之數值；及

「NP」指自二零一六年一月一日起至二零一七年十二月三十一日止期間之溢利淨額。倘溢利淨額為負值，則溢利淨額應被視作零。

應收或然代價於二零一七年六月三十日之公平值以與本集團並無關連之獨立專業估值師匯辰評估諮詢有限公司進行的估值為準。公平值計量詳情載於附註3.3。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

23 BANK BALANCES AND CASH – TRUST ACCOUNTS

The Group receives and holds monies deposited by clients and other institutions in the course of the conduct of the regulated activities of its securities brokerage and margin financing business. These clients' monies are maintained in one or more trust bank accounts. The Group has recognised the corresponding accounts payable to respective clients and other institutions (Note 31). However, the Group currently does not have an enforceable right to offset those payables with the deposits placed.

23 銀行結餘及現金－信託賬戶

本集團在進行其證券經紀及孖展融資業務之受規管業務過程中，收取及持有客戶及其他機構存放之款項。該等客戶款項存置於一個或多個信託銀行賬戶內。本集團已確認應付予各客戶及其他機構（附註31）之相關賬目。然而，本集團現時並無可強制執行之權利以存款抵消該等應付款項。

24 CASH AND CASH EQUIVALENTS

24 現金及現金等價物

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash at bank	銀行存款	227,536	95,599
Cash held with custodians	託管商持有現金	435	5,454
Cash in hand	手頭現金	251	120
Cash and cash equivalents in the consolidated balance sheet	綜合資產負債表內之現金及現金等價物	228,222	101,173
Less: Bank overdrafts (Note 28)	減：銀行透支(附註28)	-	(4,020)
Cash and cash equivalents in the consolidated statement of cash flows	綜合現金流量表內之現金及現金等價物	228,222	97,153

Included in the cash and bank balances at 30th June 2017 were a total sum being the equivalent of HK\$29,315,000 (2016: HK\$24,876,000) which was maintained in mainland China and is subject to foreign exchange control regulations.

二零一七年六月三十日之現金及銀行結餘指總額相當於29,315,000港元(二零一六年：24,876,000港元)的款項，存置於中國大陸，受外匯管制條例所限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

25 SHARE CAPITAL

25 股本

		2017 二零一七年		2016 二零一六年	
		Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股0.01港元之 普通股	10,000,000	100,000	10,000,000	100,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.01 each	每股0.01港元之 普通股	853,302	8,533	177,774	1,778

Movements in the issued share capital of the Company during the years ended 30th June 2017 and 2016 are as follows:

本公司於截至二零一七年及二零一六年六月三十日止年度的已發行股本變動如下：

			Number of ordinary shares 普通股數目	Nominal value 面值 HK\$'000 千港元
		Note 附註		
At 1st July 2015	於二零一五年七月一日		298,380,307	2,984
Issue of new shares in July 2015	於二零一五年七月發行新股份	(a)	586,350,000	5,863
Issue of new shares in August 2015	於二零一五年八月發行新股份	(b)	596,760,614	5,968
Capital reorganisation in March 2016	於二零一六年三月進行股本重組	(c)	(1,333,341,829)	(13,333)
Issue of new shares in April 2016	於二零一六年四月發行新股份	(d)	29,625,000	296
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及 二零一六年七月一日		177,774,092	1,778
Issue of new shares in October 2016	於二零一六年十月發行新股份	(e)	355,548,184	3,555
Issue of new shares in February 2017	於二零一七年二月發行新股份	(f)	106,660,000	1,067
Issue of new shares in March 2017	於二零一七年三月發行新股份	(g)	213,320,000	2,133
At 30th June 2017	於二零一七年六月三十日		853,302,276	8,533

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

25 SHARE CAPITAL (Continued)

Notes:

- (a) Pursuant to the placing agreement entered into between the Company, China Everbright Securities (HK) Limited and Jun Yang Securities Company Limited, independent third parties, on 26th May 2015, the Company issued, on 28th July 2015, an aggregate of 586,350,000 new shares at a price of HK\$0.3411 per placing share to not less than six placees who were independent of, and not connected to the Group. The gross proceeds from the said placement amounted to approximately HK\$200,004,000 and the related issue expense was approximately HK\$7,216,000.
- (b) Pursuant to the Company's announcement dated 26th May 2015, the circular of the Company dated 24th June 2015 and the prospectus of the Company dated 24th July 2015, the Company proposed rights issue on the basis of two rights shares for every one existing share at HK\$0.202 per rights share (the "2015 Rights Issue"). A total of 596,760,614 shares were issued under the 2015 Rights Issue on 13th August 2015. The gross proceeds from the 2015 Rights Issue are approximately HK\$120,546,000. The net proceeds after deducting the underwriting commission and other related expenses of approximately HK\$4,195,000 were approximately HK\$116,351,000.
- (c) Pursuant to a special resolution passed at a special general meeting held on 17th March 2016, the capital reorganisation (the "2016 Capital Reorganisation") became effective on 18th March 2016. The 2016 Capital Reorganisation involved:
- (i) the consolidation of every 10 issued and unissued shares of HK\$0.01 each in the share capital of the Company into 1 consolidated share (the "Consolidated Share(s)") of a par value of HK\$0.1 each (the "2016 Share Consolidation");
 - (ii) the reduction of issued share capital of the Company of HK\$13,333,000 whereby the par value of each Consolidated Share was reduced from HK\$0.10 to HK\$0.01 by cancelling HK\$0.09 of the paid up capital on each Consolidated Share and any fraction of a Consolidated Share in the issued share capital of the Company arising from the 2016 Share Consolidation was eliminated in order to round down the total number of Consolidated Shares to a whole number;
 - (iii) the capital reduction of HK\$13,333,000 was credited to the reorganisation reserve of the Company;
 - (iv) the sub-division of each of the authorised but unissued Consolidated Shares of HK\$0.10 each into 10 shares of HK\$0.01 each.

25 股本(續)

附註：

- (a) 根據本公司、中國光大證券(香港)有限公司及君陽證券有限公司(均為獨立第三方)於二零一五年五月二十六日訂立的配售協議，本公司於二零一五年七月二十八日按每股配售股份0.3411港元的價格向不少於六名獨立於本集團且與本集團概無關連的承配人發行合共586,350,000股新股份。上述配售所得款項總額約200,004,000港元，相關發行開支約7,216,000港元。
- (b) 根據本公司日期為二零一五年五月二十六日之公佈、本公司日期為二零一五年六月二十四日之通函及本公司日期為二零一五年七月二十四日之招股章程，本公司建議按每持有一股現有股份獲發兩股供股股份之基準以每股供股股份0.202港元進行供股(「二零一五年供股」)。根據二零一五年供股於二零一五年八月十三日合共發行596,760,614股股份。二零一五年供股所得款項總額約為120,546,000港元。經扣除包銷佣金及其他相關開支約4,195,000港元後，所得款項淨額約為116,351,000港元。
- (c) 根據於二零一六年三月十七日舉行的股東特別大會上通過的特別決議案，股本重組(「二零一六年股本重組」)於二零一六年三月十八日生效。二零一六年股本重組涉及：
- (i) 本公司股本中每10股每股面值0.01港元的已發行及未發行股份將合併(「二零一六年股份合併」)為1股每股面值0.1港元的合併股份(「合併股份」)；
 - (ii) 透過註銷每股合併股份的實繳股本0.09港元，將每股合併股份的面值由0.10港元削減至0.01港元，致使本公司已發行股本削減13,333,000港元，並註銷本公司已發行股本中因二零一六年股份合併而可能產生的任何合併股份碎股使合併股份的總數下調至整數；
 - (iii) 股本削減13,333,000港元計入本公司的重組儲備；
 - (iv) 將每一股每股面值0.10港元的法定但未發行的合併股份拆細為10股每股面值0.01港元的股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 SHARE CAPITAL (Continued)

Notes: (Continued)

(c) (Continued)

Upon the 2016 Capital Reorganisation became effective on 18th March 2016, the issued share capital of the Company became HK\$1,481,491 divided into 148,149,092 ordinary shares of HK\$0.01 each. Further details of the 2016 Capital Reorganisation are set out in the Company's circular dated 23rd February 2016.

(d) Pursuant to the placing agreement entered into between the Company, SBI China Capital Financial Services Limited, independent third parties, on 23th March 2016, the Company issued, on 13th April 2016, an aggregate of 29,625,000 new shares at a price of HK\$0.779 per placing share to not less than six placees who were independent of, and not connected to the Group. The gross proceeds from the said placement amounted to approximately HK\$23,078,000 and the related issue expense was approximately HK\$810,000.

(e) Pursuant to the Company's announcement dated 12th July 2016, the circular of the Company dated 12th August 2016 and the prospectus of the Company dated 9th September 2016, the Company proposed rights issue on the basis of two rights shares for every one existing share at HK\$0.60 per rights share (the "2016 Rights Issue"). A total of 355,548,184 shares were issued under the 2016 Rights Issue on 5th October 2016. The gross proceeds from the 2016 Rights Issue are approximately HK\$213,329,000. The net proceeds after deducting the underwriting commission and other related expenses of approximately HK\$6,400,000 were approximately HK\$206,929,000.

(f) Pursuant to the placing agreement entered into between the Company and Gransing Securities Co., Limited, an independent third party, on 18th January 2017, the Company issued, on 7th February 2017, an aggregate of 106,660,000 new shares at a price of HK\$0.519 per placing share to not less than six placees who were independent of, and not connected to the Group. The gross proceeds from the said placement amounted to approximately HK\$55,356,000 and the related issue expense was approximately HK\$1,933,000.

(g) Pursuant to the placing agreement entered into between the Company and Gransing Securities Co., Limited, an independent third party, on 18th January 2017, the Company issued, on 29th March 2017, an aggregate of 213,320,000 new shares at a price of HK\$0.519 per placing share to not less than six placees who were independent of, and not connected to the Group. The gross proceeds from the said placement amounted to approximately HK\$110,713,000 and the related issue expense was approximately HK\$3,875,000.

25 股本(續)

附註：(續)

(c) (續)

於二零一六年股本重組於二零一六年三月十八日生效後，本公司已發行股本為1,481,491港元，分為148,149,092股每股面值0.01港元的普通股。有關二零一六年股本重組的進一步詳情載於本公司日期為二零一六年二月二十三日之通函。

(d) 根據本公司與軟庫中華金融服務有限公司(獨立第三方)於二零一六年三月二十三日訂立的配售協議，本公司於二零一六年四月十三日按每股配售股份0.779港元的價格向不少於六名獨立於本集團且與本集團概無關連的承配人發行合共29,625,000股新股份。上述配售所得款項總額為約23,078,000港元，相關發行開支為約810,000港元。

(e) 根據本公司日期為二零一六年七月十二日的公告、本公司日期為二零一六年八月十二日的通函及本公司日期為二零一六年九月九日的招股章程，本公司擬按每持有一股現有股份獲發兩股供股股份的基準按每股供股股份0.60港元進行供股(「二零一六年供股」)。二零一六年十月五日的二零一六年供股項下合共發行355,548,184股股份。二零一六年供股所得款項總額約為213,329,000港元。扣除包銷佣金及其他相關開支約6,400,000港元後所得款項淨額約為206,929,000港元。

(f) 根據本公司與一名獨立第三方鼎成證券有限公司於二零一七年一月十八日訂立的配售協議，本公司於二零一七年二月七日將合共106,660,000股新股份按每股配售股份0.519港元的價格配售予不少於六名承配人，彼等均獨立於本集團且與本集團並無關連。上述配售事項所得款項總額約為55,356,000港元，相關發行開支約為1,933,000港元。

(g) 根據本公司與一名獨立第三方鼎成證券有限公司於二零一七年一月十八日訂立的配售協議，本公司於二零一七年三月二十九日將合共213,320,000股新股份按每股配售股份0.519港元的價格配售予不少於六名承配人，彼等均獨立於本集團且與本集團並無關連。上述配售事項所得款項總額約為110,713,000港元，相關發行開支約為3,875,000港元。

26 SHARE OPTIONS

The Company operates a share option scheme adopted on 2nd December 2013 (the “Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the share option schemes include the Company’s directors, including non-executive directors, other employees of the Group or any invested entity, suppliers of goods or services to the Group or any invested entity, customers of the Group or any invested entity, shareholders of the Group or any invested entity, holders of securities of the Group or any invested entity and persons or entities provide research, development or other technological support to the Group or any invested entity. According to the provision of the Share Option Scheme, share options granted during the term of the Share Option Scheme and remain unexercised immediately prior to the end thereof shall continue to be exercisable in accordance with their terms of grant notwithstanding the expiry of the Share Option Scheme. Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for 10 years from the date of the Share Option Scheme adopted. Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled in gross shares.

The maximum number of shares which may be issued upon exercise of all options granted and to be granted under the Share Option Scheme is an amount equivalent to 10% of the shares of the Company in issue as at the dates of approval of the Share Option Scheme unless approval for refreshing the 10% limit from the Company’s shareholders has been obtained. The maximum number of shares issued and to be issued upon exercise of the share options granted to each eligible participant in the Share Option Scheme (including exercised, cancelled and outstanding options) within any 12 month period is limited to 1% of the shares of the Company in issue. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

26 購股權

本公司營運於二零一三年十二月二日採納的購股權計劃(「購股權計劃」)，以向對本集團業務佳績作出貢獻的合資格參與者提供獎勵及報酬。購股權計劃之合資格參與者包括本公司董事(包括非執行董事)、本集團或任何被投資實體之其他僱員、本集團或任何被投資實體之商品或服務供應商、本集團或任何被投資實體之客戶、本集團或任何被投資實體之股東、本集團或任何被投資實體之證券持有人及向本集團或任何被投資實體提供研究、開發或其他技術支援之任何人士或實體。根據購股權計劃之條文，即使購股權計劃屆滿，於購股權計劃期間授出且於緊接有關期間結束前尚未獲行使的購股權根據其授出條款仍可繼續獲行使。除非另行註銷或修改，購股權計劃將自購股權計劃採納日期起10年有效。每份購股權賦予持有人權利認購本公司之一股普通股並以總股份結算。

除獲本公司股東批准更新10%之上限外，根據購股權計劃已授出及將予授出之所有購股權獲行使時可予發行之股份最高數目相當於批准購股權計劃當日本公司已發行股份數目之10%。於任何12個月期間內，授予各購股權計劃合資格參與者之購股權(包括已行使、已註銷及尚未行使之購股權)獲行使而已發行及將予發行之股份最高數目，不得超過本公司已發行股份之1%。凡進一步授出超出此限額之購股權須經由各股東於股東大會上批准。

26 SHARE OPTIONS (Continued)

Under the Share Option Scheme, a share option granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates are subject to approval in advance by the independent non-executive directors. In addition, any grant of share options to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, which would result in the shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12 month period up to and including the date of such grant in excess of 0.1% of the shares of the Company in issue and with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5,000,000 is subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options under the Share Option Scheme may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determined by the directors, save that such period shall not be more than 10 years from the dates of adoption of the Share Option Scheme subject to the provisions for early termination set out in the Share Option Scheme. Unless otherwise determined by the directors at their sole discretion, there is no requirement of a minimum period for which an option must be held before it can be exercised.

The exercise price of share options granted under the Share Option Scheme is determined by the directors, but shall not be less than the highest of (i) The Stock Exchange of Hong Kong Limited (the "Stock Exchange") closing price of the Company's shares on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of a share of the Company on the date of offer.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

26 購股權(續)

根據購股權計劃，向本公司董事、主要行政人員或主要股東或彼等之任何聯繫人授予購股權須事先取得獨立非執行董事批准。此外，倘向本公司主要股東或獨立非執行董事或彼等之任何聯繫人授出購股權致使任何人士於截至授出日期(包括該日)止12個月期間因悉數行使已獲授及將獲授之購股權(包括已行使、已註銷及尚未行使之購股權)而已發行及將發行之股份超過本公司已發行股份之0.1%，且總價值(根據各授出日期本公司股份之收市價計算)超過5,000,000港元，則須取得股東於股東大會上事先批准。

根據購股權計劃提呈授出之購股權須於提呈授出日期後28日內接納，承授人合共須支付1港元之象徵式代價。已授出購股權之行使期限乃由董事釐定，惟有關期限不得超逾採納購股權計劃日期起計10年，且須受購股權計劃所載之提前終止條文所限制。除非董事以其他方式按其絕對酌情權決定，否則並無有關於購股權可予行使前須持有該購股權最短期限之規定。

根據購股權計劃授出之購股權之行使價由董事釐定，惟不得低於以下三者之最高者：(i)本公司股份於提呈授出購股權日期在香港聯合交易所有限公司(「聯交所」)所報之收市價；(ii)本公司股份於緊接提呈授出日期前五個交易日在聯交所所報之平均收市價；及(iii)本公司股份於提呈授出日期之面值。

購股權並不賦予持有人權利收取股息或於股東大會上投票。

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26 SHARE OPTIONS (Continued)

Movements in the number of share options outstanding and their weighted average exercise prices for the years ended 30th June 2017 and 2016 are as follows:

		Weighted average exercise price 加權平均行使價 HK\$ (港元)	No. of shares issuable under options granted 根據已授出 購股權可發行 股份數目
At 1st July 2015	於二零一五年七月一日	1.738	15,088,400
Adjustment arising from:	就以下作出調整：		
– 2015 Rights Issue	– 二零一五年供股		9,260,382
Granted during the year	於年內授出	0.106	118,513,880
Lapsed during the year	於年內失效	1.077	(3,343,673)
Adjustment arising from:	就以下作出調整：		
– 2016 Share Consolidation	– 二零一六年股份合併		(125,567,090)
Outstanding and exercisable at 30th June 2016 and 1st July 2016	於二零一六年六月三十日及 二零一六年七月一日尚未行使 及可予行使	2.518	13,951,899
Lapsed during the year	於年內失效	10.773	(2,100,511)
Adjustment arising from:	就以下作出調整：		
– 2016 Rights Issue	– 二零一六年供股		1,594,068
Outstanding and exercisable at 30th June 2017	於二零一七年六月三十日 尚未行使及可予行使	0.930	13,445,456

No share option was exercised during the years ended 30th June 2016 and 2017.

The weighted average remaining contractual life of the outstanding share options is 0.6 years (2016: 1.37 years).

All share options are immediately vested from the date of grant.

26 購股權(續)

於截至二零一七年及二零一六年六月三十日止年度，尚未行使購股權數目及其加權平均行使價之變動如下：

於截至二零一六年及二零一七年六月三十日止年度，概無購股權獲行使。

尚未行使購股權之加權平均剩餘合約年期為0.6年(二零一六年：1.37年)。

所有購股權乃於授出日期即時歸屬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 SHARE OPTIONS (Continued)

Share options outstanding as at 30th June 2017 and 2016 have the following expiry dates and exercise prices:

As at 30th June 2017

		Adjusted exercise price per share	Outstanding options as at 30th June 2017
		經調整每股行使價	於二零一七年六月三十日的尚未行使購股權
		HK\$	
		港元	
Exercisable period	行使時限		
30th September 2015 to 29th September 2017 (Note iii)	二零一五年九月三十日至二零一七年九月二十九日(附註iii)	1.489	2,351,799
4th March 2016 to 3rd March 2018 (Note iii)	二零一六年三月四日至二零一八年三月三日(附註iii)	0.811	11,093,657
			13,445,456

As at 30th June 2016

26 購股權(續)

於二零一七年及二零一六年六月三十日尚未行使購股權的屆滿日期及行使價如下：

於二零一七年六月三十日

		Adjusted exercise price per share	Outstanding options as at 30th June 2016
		經調整每股行使價	於二零一六年六月三十日的尚未行使購股權
		HK\$	
		港元	
Exercisable period	行使時限		
21st July 2014 to 20th July 2016 (Note i)	二零一四年七月二十一日至二零一六年七月二十日(附註i)	10.773	2,100,511
30th September 2015 to 29th September 2017 (Note ii)	二零一五年九月三十日至二零一七年九月二十九日(附註ii)	1.690	2,072,088
4th March 2016 to 3rd March 2018 (Note ii)	二零一六年三月四日至二零一八年三月三日(附註ii)	0.920	9,779,300
			13,951,899

於二零一六年六月三十日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 SHARE OPTIONS (Continued)

Notes:

- (i) The exercise price per share as at 30th June 2016 has been adjusted with the effects of 2015 Share Consolidation on 17th March 2015 and 2016 Share Consolidation on 18th March 2016 and 2015 Rights Issue on 13th August 2015. Further details are set out in Note 25 to the consolidated financial statements.
- (ii) The exercise price per share as at 30th June 2016 has been adjusted with the effects of 2016 Share Consolidation on 18th March 2016. Further details are set out in Note 25 to the consolidated financial statements.
- (iii) The exercise price per share as at 30th June 2017 has been adjusted with effect of 2016 Rights Issue on 5th October 2016 and 2016 Share Consolidation on 18th March 2016. Further details are set out in Note 25 to the consolidated financial statements.

26 購股權(續)

附註：

- (i) 於二零一六年六月三十日的每股行使價已就於二零一五年三月十七日進行之二零一五年股份合併及於二零一六年三月十八日進行之二零一六年股份合併以及於二零一五年八月十三日進行之二零一五年供股作出調整。有關進一步詳情載於綜合財務報表附註25。
- (ii) 於二零一六年六月三十日的每股行使價已就於二零一六年三月十八日進行之二零一六年股份合併之影響以作出調整。有關進一步詳情載於綜合財務報表附註25。
- (iii) 於二零一七年六月三十日每股行使價已就於二零一六年十月五日進行之二零一六年供股及於二零一六年三月十八日進行之二零一六年股份合併的影響進行調整。進一步詳情載於綜合財務報表附註25。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 SHARE OPTIONS (Continued)

Fair value of share options and assumptions

(i) Share options granted on 30th September 2015

The fair values of the equity-settled share options granted under the Share Option Scheme granted on 30th September 2015 were estimated by Grant Sherman Appraisal Limited, an independent firm of professionally qualified valuers, using the binomial option pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of the equity-settled share options granted on 30th September 2015 in the amount of HK\$1,327,000 was recognised as share option expense during the year ended 30th June 2016. The following table lists the inputs to the model used:

Share price on the date of grant*	HK\$0.1610
Exercise price*	HK\$0.1690
Risk-free interest rate	0.953%
Expected life of the share options	2 years
Expected volatility	78.99%
Dividend yield	N/A
Fair value per share option – granted to employees	HK\$0.0640

* Before adjustment of 2016 Share Consolidation and 2016 Rights Issue

The expected volatility is based on the historical volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Changes in the subjective input assumptions could materially affect the fair value estimate.

26 購股權(續)

購股權之公平值以及假設

(i) 於二零一五年九月三十日授出之購股權

於二零一五年九月三十日根據購股權計劃授出之股本結算購股權之公平值乃由獨立專業合資格估值師行中證評估有限公司經考慮授出購股權之條款及條件後，使用二項式期權定價模型進行估計。於二零一五年九月三十日授出之股本結算購股權之公平值1,327,000港元已於截至二零一六年六月三十日止年度確認為購股權開支。下表列示該模型使用之輸入值：

於授出日期之股價*	0.1610港元
行使價*	0.1690港元
無風險利率	0.953%
預期購股權期限	2年
預期波幅	78.99%
股息率	不適用
每份購股權之公平值 – 授予僱員	0.0640港元

* 未就二零一六年股份合併及二零一六年供股作出調整

預期波幅以歷史波幅為基準(根據購股權之加權平均剩餘年期計算)，並根據基於可公開獲得之資料而預期之任何未來波幅變動作出調整。主觀數據假設之變動可顯著影響公平值估算。

26 SHARE OPTIONS (Continued)

Fair value of share options and assumptions
(Continued)

(ii) Share options granted on 4th March 2016

The fair values of the equity-settled share options granted under the Share Option Scheme granted on 4th March 2016 were estimated by Grant Sherman Appraisal Limited, an independent firm of professionally qualified valuers, using the binomial option pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of the equity-settled share options granted on 4th March 2016 in the amount of HK\$2,249,000 was recognised as share option expense during the year ended 30th June 2016. The following table lists the inputs to the model used:

Share price on the date of grant*	HK\$0.0770
Exercise price*	HK\$0.0920
Risk-free interest rate	1.104%
Expected life of the share options	2 years
Expected volatility	68.07%
Dividend yield	N/A
Fair value per share option	
– granted to directors	HK\$0.0230
– granted to employees	HK\$0.0230

* Before adjustment of 2016 Share Consolidation and 2016 Rights Issue

Expected volatility was determined by using the annualised standard deviation of historical share price daily movements of selected comparable companies in same industry. Changes in the subjective input assumptions could materially affect the fair value estimate.

26 購股權(續)

購股權之公平值以及假設(續)

(ii) 於二零一六年三月四日授出之購股權

於二零一六年三月四日根據購股權計劃授出之股本結算購股權之公平值乃由獨立專業合資格估值師行中證評估有限公司經考慮授出購股權之條款及條件後，使用二項式期權定價模型進行估計。於二零一六年三月四日授出之股本結算購股權之公平值2,249,000港元已於截至二零一六年六月三十日止年度確認為購股權開支。下表列示該模型使用之輸入值：

於授出日期之股價*	0.0770港元
行使價*	0.0920港元
無風險利率	1.104%
預期購股權期限	2年
預期波幅	68.07%
股息率	不適用
每份購股權之公平值	
– 授予董事	0.0230港元
– 授予僱員	0.0230港元

* 未就二零一六年股份合併及二零一六年供股作出調整

預期波幅乃使用所甄選同業可資比較公司的過往股價日變動的年化標準差釐定。主觀數據假設之變動可顯著影響公平值估算。

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27 SHARE PREMIUM, OTHER RESERVES AND RETAINED EARNINGS/(ACCUMULATED LOSSES)

(a) Group

27 股份溢價、其他儲備及保留盈利／(累計虧損)

(a) 本集團

		Other reserves 其他儲備							Sub-total 小計	Retained earnings 保留盈利	Total 總額
		Share Premium 股份溢價	Reserves arising on consolidation 綜合賬目所得儲備	Reorganisation reserve 重組儲備	Available-for-sale investment reserve 可供出售投資儲備	Translation reserve 匯兌儲備	Share-based compensation reserve 股份報酬儲備	Unlisted warrants reserve 非上市認股權證儲備			
		(Note i) (附註i)	(附註ii)	(Note ii) (附註ii)	(Note vii) (附註vii)	(Note iii) (附註iii)	(Note iv) (附註iv)	(Note v) (附註v)			
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元			
At 1st July 2015	於二零一五年七月一日	213,630	821	47,244	8,312	(18)	10,143	81,961	148,463	206,943	569,036
Issue of new ordinary shares from placing	因配售發行新普通股	216,923	-	-	-	-	-	-	-	-	216,923
Transaction costs attributable to issue of new ordinary shares from placing	因配售發行新普通股應佔之交易成本	(8,026)	-	-	-	-	-	-	-	-	(8,026)
Rights issue of shares	供股發行股份	114,578	-	-	-	-	-	-	-	-	114,578
Transaction costs attributable to issue of ordinary shares from rights issue	因供股發行普通股應佔之交易成本	(4,195)	-	-	-	-	-	-	-	-	(4,195)
Capital reorganisation	股本重組	-	-	13,333	-	-	-	-	13,333	-	13,333
Issue of share options	發行購股權	-	-	-	-	-	-	3,576	3,576	-	3,576
Lapse of share options	購股權失效	-	-	-	-	-	-	(3,048)	(3,048)	3,048	-
Net change in fair value of available-for-sale financial assets (Note 16)	可供出售金融資產之公平值變動淨額(附註16)	-	-	-	(12,340)	-	-	-	(12,340)	-	(12,340)
Lapse of unlisted warrants	非上市認股權證失效	-	-	-	-	-	-	(81,961)	(81,961)	81,961	-
Currency translation difference	貨幣換算差額	-	-	-	-	(722)	-	-	(722)	-	(722)
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(140,790)	(140,790)
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	532,910	821	60,577	(4,028)	(740)	10,671	-	67,301	151,162	751,373
Issue of new ordinary shares from placing	因配售發行新普通股	162,870	-	-	-	-	-	-	-	-	162,870
Transaction costs attributable to issue of new ordinary shares from placing	因配售發行新普通股應佔之交易成本	(5,808)	-	-	-	-	-	-	-	-	(5,808)
Rights issue of shares	供股發行股份	209,773	-	-	-	-	-	-	-	-	209,773
Transaction costs attributable to issue of ordinary shares from rights issue	因供股發行普通股應佔之交易成本	(6,400)	-	-	-	-	-	-	-	-	(6,400)
Lapse of share options	購股權失效	-	-	-	-	-	(7,095)	-	(7,095)	7,095	-
Net changes in fair value of available-for-sale financial assets (Note 16)	可供出售金融資產之公平值變動淨額(附註16)	-	-	-	(88,565)	-	-	-	(88,565)	-	(88,565)
Reclassification adjustments for amounts transferred to: Impairment loss	重新分類調整轉撥至以下各項的金額：減值虧損	-	-	-	89,643	-	-	-	89,643	-	89,643
Realised loss upon redemption of available-for-sale financial assets	贖回可供出售金融資產時的已變現虧損	-	-	-	6,571	-	-	-	6,571	-	6,571
Currency translation differences	貨幣換算差額	-	-	-	-	41	-	-	41	-	41
Acquisition of additional interest in a subsidiary	收購一間附屬公司的額外權益	-	-	-	-	-	-	-	-	(315)	(315)
Release of translation reserve upon disposal of subsidiary	於出售附屬公司時撥回換算儲備	-	-	-	-	(29)	-	-	(29)	-	(29)
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(114,328)	(114,328)
At 30th June 2017	於二零一七年六月三十日	893,345	821	60,577	3,621	(728)	3,576	-	67,867	43,614	1,004,826

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27 SHARE PREMIUM, OTHER RESERVES AND RETAINED EARNINGS/(ACCUMULATED LOSSES) (Continued)

27 股份溢價、其他儲備及保留盈利／(累計虧損)(續)

(b) Company

(b) 本公司

		Other reserves 其他儲備							
		Share Premium	Contributed Surplus	Reorganisation reserve	Share-based compensation reserve	Unlisted warrants reserve	Sub-total	Accumulated losses	Total
		股份溢價 (Note i) (附註i)	實繳盈餘 (Note vi) (附註vi)	重組儲備 (Note ii) (附註ii)	報酬儲備 (Note iv) (附註iv)	非上市認股 權證儲備 (Note v) (附註v)	小計	累計虧損	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st July 2015	於二零一五年七月一日	213,630	51,852	47,244	10,143	81,961	191,200	(96,057)	308,773
Issue of new ordinary shares from placing	因配售發行新普通股	216,923	-	-	-	-	-	-	216,923
Transaction costs attributable to issue of new ordinary shares from placing	因配售發行新普通股應佔之交易成本	(8,026)	-	-	-	-	-	-	(8,026)
Rights issue of shares	供股發行股份	114,578	-	-	-	-	-	-	114,578
Transaction costs attributable to issue of ordinary shares from rights issue	因供股發行普通股應佔之交易成本	(4,195)	-	-	-	-	-	-	(4,195)
Capital reorganisation	股本重組	-	-	13,333	-	-	13,333	-	13,333
Issue of share options	發行購股權	-	-	-	3,576	-	3,576	-	3,576
Lapse of share options	購股權失效	-	-	-	(3,048)	-	(3,048)	3,048	-
Lapse of unlisted warrants	非上市認股權證失效	-	-	-	-	(81,961)	(81,961)	81,961	-
Loss for the year	年內虧損	-	-	-	-	-	-	(16,560)	(16,560)
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及二零一六年七月一日	532,910	51,852	60,577	10,671	-	123,100	(27,608)	628,402
Issue of new ordinary shares from placing	因配售發行新普通股	162,870	-	-	-	-	-	-	162,870
Transaction costs attributable to issue of new ordinary shares from placing	因配售發行新普通股應佔之交易成本	(5,808)	-	-	-	-	-	-	(5,808)
Rights issue of shares	供股發行股份	209,773	-	-	-	-	-	-	209,773
Transaction costs attributable to issue of ordinary shares from rights issue	因供股發行普通股應佔之交易成本	(6,400)	-	-	-	-	-	-	(6,400)
Lapse of share options	購股權失效	-	-	-	(7,095)	-	(7,095)	7,095	-
Loss for the year	年內虧損	-	-	-	-	-	-	(16,127)	(16,127)
At 30th June 2017	於二零一七年六月三十日	893,345	51,852	60,577	3,576	-	116,005	(36,640)	972,710

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27 SHARE PREMIUM, OTHER RESERVES AND RETAINED EARNINGS/(ACCUMULATED LOSSES) (Continued)

(c) Nature and purposes of the reserves

(i) Share premium

The application of the share premium account is governed by section 40 of the Bermuda Companies Act 1981. The share premium account of the Company is distributable to the owners of the Company in the form of fully paid bonus shares.

(ii) Reorganisation reserve

The reorganisation reserve of the Group represents the reduction in share capital of the Company pursuant to 2015 Capital Reorganisation and 2016 Capital Reorganisation.

(iii) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in Note 2.7.

(iv) Share-based compensation reserve

The share-based compensation reserve represents the fair value of the actual or estimated number of unexercised share options granted to directors of the Company, employees of the Group and all other eligible participants recognised in accordance with the accounting policy adopted for equity-settled share-based payments set out in Note 2.25(ii).

27 股份溢價、其他儲備及保留盈利／(累計虧損)(續)

(c) 儲備之性質及用途

(i) 股份溢價

股份溢價賬之運用乃受百慕達一九八一年公司法第40條所規管。本公司之股份溢價賬可以繳足紅股方式派付予本公司擁有人。

(ii) 重組儲備

本集團之重估儲備指根據二零一五年股本重組及二零一六年股本重組削減本公司之股本。

(iii) 匯兌儲備

匯兌儲備包括所有換算海外業務財務報表產生之匯兌差額。該儲備根據附註2.7所載會計政策處理。

(iv) 股份報酬儲備

股份報酬儲備指根據附註2.25(ii)內就以股權結算股份為基礎之付款所採納之會計政策確認之授予本公司董事、本集團僱員及所有其他合資格人士之未行使購股權實際或估計數目之公平值。

27 SHARE PREMIUM, OTHER RESERVES AND RETAINED EARNINGS/(ACCUMULATED LOSSES) (Continued)

(c) Nature and purposes of the reserves
(Continued)

(v) Unlisted warrant reserve

Warrant reserve represents the net proceeds received from the issue of warrants of the Company. The reserve will be transferred to share capital and share premium account upon exercise of the warrants.

On 16th September 2013, the Company issued 342,000,000 non-listed warrants at an issue price of HK\$0.0025 per warrant by private placement. Each warrant entitles the holder to subscribe for one ordinary share at a subscription price of HK\$0.25 per warrant share. The warrants were expired on 15th September 2015 and the unlisted warrant reserve was credited to retained earnings during the year ended 30th June 2016.

27 股份溢價、其他儲備及保留盈利／(累計虧損)(續)

(c) 儲備之性質及用途(續)

(v) 非上市認股權證儲備

認股權證儲備指發行本公司認股權證所收取之所得款項淨額。於行使認股權證後該儲備會轉撥至股本及股份溢價賬。

於二零一三年九月十六日，本公司透過私人配售按發行價每份認股權證0.0025港元發行342,000,000份非上市認股權證。每份認股權證賦予持有人權力以每股認股權證股份0.25港元之認購價認購一股普通股。認股權證已於二零一五年九月十五日屆滿，非上市認股權證儲備於截至二零一六年六月三十日止年度已計入保留盈利。

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27 SHARE PREMIUM, OTHER RESERVES AND RETAINED EARNINGS/(ACCUMULATED LOSSES) (Continued)

(c) Nature and purposes of the reserves
(Continued)

(vi) Contributed surplus

The contributed surplus of the Company represents the difference between the nominal value of the Company's shares issued in exchange for the issued shares of Universe Films (Holdings) Limited and the value of net assets of the underlying subsidiaries acquired on 28th June 1999. Under the Companies Act of 1981 of Bermuda (as amended), the contributed surplus shall not be distributed to the shareholders if there are reasonable grounds for believing that:

- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

At Group level, the contributed surplus is reclassified into its components of reserves of the underlying subsidiaries.

(vii) Available-for-sale investment reserve

The available-for-sale investment reserve comprises the cumulative net change in fair value of available-for-sale financial assets held at the end of the reporting period.

27 股份溢價、其他儲備及保留盈利／(累計虧損)(續)

(c) 儲備之性質及用途(續)

(vi) 實繳盈餘

本公司實繳盈餘乃本公司為換取 Universe Films (Holdings) Limited之已發行股份而發行本公司股份之面值與於一九九九年六月二十八日所收購有關附屬公司之資產淨值之差額。根據百慕達一九八一年公司法(經修訂)，假若有合理理由相信會出現下列情況，則實繳盈餘不得分派予股東：

- (i) 本公司當時或於派付後無力償還到期之負債；或
- (ii) 本公司之資產可變現價值會因此而低於負債與其已發行股本及股份溢價賬之總值。

於本集團而言，實繳盈餘重新列入有關附屬公司之儲備部分。

(vii) 可供出售投資儲備

可供出售投資儲備包括於報告期末持有之可供出售金融資產公平值的累計淨變動。

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綜合財務報表附註

28 BORROWINGS

28 借貸

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank borrowings:	銀行借貸：		
Bank overdrafts, secured (Note a)	銀行透支，有抵押(附註a)	-	4,020
		-	4,020
Other borrowings:	其他借款：		
Coupon notes, unsecured (Note b)	計息票據，無抵押(附註b)	25,900	9,200
Other borrowing, secured (Note c)	其他借款，有抵押(附註c)	12,000	-
Margin loan payable, secured (Note d)	應付孖展貸款，有抵押(附註d)	15,163	-
		53,063	9,200
		53,063	13,220

The bank borrowings and other borrowings are repayable as follows:

銀行借貸及其他借款須按如下時間償還：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank borrowings:	銀行借貸：		
Within 1 year or on demand	一年內或按要求	-	4,020
		-	4,020
Other borrowings:	其他借款：		
Within 1 year or on demand	一年內或按要求	43,063	9,200
After 1 year but within 2 years	一年後但兩年內	10,000	-
		53,063	9,200
		53,063	13,220
Less: Amounts shown under current liabilities	減：流動負債項下所示金額	(43,063)	(13,220)
Amounts shown under non-current liabilities	非流動負債項下所示金額	10,000	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 BORROWINGS (Continued)

Notes:

- (a) All of the banking facilities are subject to the fulfillment of covenants. If the Group were in breach of the covenants, the drawn down facilities would become repayable on demand. In addition, all of the Group's banking facility letters contain clauses which give the lender the rights at its sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

The Group regularly monitors its compliance with these covenants and does not consider it probable that the bank will exercise its discretion to demand repayment so long as the Group continues to meet these requirements. Further details of the Group's management of liquidity risk are set out in Note 3.1(c). As at 30th June 2017, none of the covenants relating to drawn down facilities had been breached (2016: Nil).

All of the bank overdrafts, including amounts repayable on demand, are carried at amortised cost.

As at 30th June 2016, the bank overdrafts of the Group are secured by the trading securities held by the former shareholder of a subsidiary of the Company and corporate guarantee of the Company.

- (b) The coupon notes bear fixed interest rate at 6.25% per annum (2016: 6.5% per annum) and are not secured.
- (c) On 9th March 2017, the Group entered into an agreement as the borrower for a revolving credit facility up to HK\$12,000,000 with a financial institution as the lender. The revolving credit facility is secured by the corporate guarantee executed by the Company and bear a fixed interest rate at 10% per annum.
- (d) The margin loans payable is repayable on demand if it is subjected to margin call from the financial institution and carried a variable interest rate. As at 30th June 2017, the margin loans payable are secured by the Group's listed equity investments recognised in available-for-sale investment and financial assets at fair value through profit or loss in the fair value of HK\$73,461,000 as disclosed in Note 16 and HK\$59,566,000 as disclosed in Note 15 respectively.

28 借貸(續)

附註：

- (a) 所有銀行融資均須待完成契諾後方可作實。倘本集團違反契諾，已提取的融資將成為須按要求償還。此外，本集團的所有銀行融資函均含有賦予貸方按其絕對酌情權隨時要求立即償還的條款，不論本集團是否遵守契諾及履行按時還款責任。

本集團定期監控其遵守有關契諾的情況，且認為只要本集團繼續遵守有關規定，銀行不大可能行使酌情權要求還款。有關本集團管理流動資金風險的進一步詳情載於附註3.1(c)。於二零一七年六月三十日，概無違反有關提取融資的契諾(二零一六年：無)。

所有銀行透支(包括須按要求償還的金額)均以攤銷成本列賬。

於二零一六年六月三十日，本集團的銀行透支由本公司一間附屬公司的前股東所持之交易證券及本公司的公司擔保作抵押。

- (b) 計息票據按6.25%(二零一六年：6.5%)的固定年利率計息且無抵押。
- (c) 於二零一七年三月九日，本集團(作為借方)就最高達12,000,000港元循環信貸融資與一間金融機構(作為貸方)訂立協議。循環信貸融資以本公司簽立的公司擔保作抵押，按每年10%的固定利率計息。
- (d) 應付孖展貸款須於要求時償還(前提是其被金融機構追加保證金)及附帶浮動利率。於二零一七年六月三十日，應付孖展貸款由本集團上市股權投資作抵押，分別於附註16所披露公平值為73,461,000港元及於附註15所披露公平值為59,566,000港元的可供出售投資及透過損益按公平值入賬之金融資產確認。

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28 BORROWINGS (Continued)

The Group has un-utilised borrowing facilities of HK\$63,000,000 as at 30th June 2017 (2016: HK\$53,980,000).

The carrying amounts of the Group's borrowings are denominated in Hong Kong dollars. The fair values of the borrowings approximate their carrying amounts as at 30th June 2017 (2016: same).

28 借貸(續)

本集團於二零一七年六月三十日未動用借貸融資為63,000,000港元(二零一六年：53,980,000港元)。

本集團借貸之賬面值以港元列值。借貸之公平值與其於二零一七年六月三十日之賬面值相若(二零一六年：相同)。

29 OBLIGATIONS UNDER FINANCE LEASE

29 融資租賃承擔

		Total minimum lease payments 最低租金總額		Present value of minimum lease payment 最低租金的現值	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Amounts payable:	應付金額：				
Within one year	一年內	35	35	35	35
After 1 year but within 2 years	一年後但兩年內	19	35	19	35
After 2 years but within 5 years	兩年後但五年內	9	28	9	28
				63	98
Less: Finance charge	減：財務費用	-	-		
Present value of finance lease payable	應付融資租賃的現值	63	98		
Less: Portion classified as current liabilities	減：列作流動負債部分	(35)	(35)		
Non-current portion	非流動部分	28	63		

The finance lease obligations are interest free and secured by photocopiers of the Group with a carrying amount of HK\$62,000 as at 30th June 2017 (2016: HK\$97,000). No arrangement has been entered into for contingent rental payment for the year ended 30th June 2017 (2016: same).

融資租賃承擔為免息，且由本集團於二零一七年六月三十日賬面值為62,000港元(二零一六年：97,000港元)的影印機作抵押。於截至二零一七年六月三十日止年度，概無就或然租賃付款訂立任何安排(二零一六年：相同)。

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綜合財務報表附註

30 DEFERRED TAX ASSETS AND LIABILITIES

(a) The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax assets

		Tax losses 稅項虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st July 2015	於二零一五年七月一日	380	380
Charged to profit or loss	於損益中扣除	(15)	(15)
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日及 二零一六年七月一日	365	365
Credited to profit or loss	於損益中計入	9,482	9,482
Gross deferred tax assets at 30th June 2017	於二零一七年六月三十日的 遞延稅項資產總額	9,847	9,847

30 遞延稅項資產及負債

(a) 於本年度內，遞延稅項負債及資產之變動如下：

遞延稅項資產

Deferred tax liabilities

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Temporary difference relating to unrealised fair value gains of financial assets at fair value through profit or loss 與透過損益 按公平值入賬之 金融資產之 未變現公平值 收益相關之 暫時性差額 HK\$'000 千港元	Amortisation of other intangible assets 其他無形資產 之攤銷 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st July 2015	於二零一五年七月一日	(357)	(29,456)	-	(29,813)
Credited/(charged) to profit or loss	於損益中計入/(扣除)	9	29,456	(1,881)	27,584
At 30th June 2016 and 1st July 2016	於二零一六年六月三十日 及二零一六年七月一日	(348)	-	(1,881)	(2,229)
Credited/(charged) to profit or loss	於損益中計入/(扣除)	156	(14,740)	-	(14,584)
Gross deferred tax liabilities at 30th June 2017	於二零一七年六月三十日 的遞延稅項負債總額	(192)	(14,740)	(1,881)	(16,813)

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30 DEFERRED TAX ASSETS AND LIABILITIES (Continued)

- (a) The movements in deferred tax liabilities and assets during the year are as follows: (Continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated balance sheet. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net deferred tax assets recognised in the consolidated balance sheet	於綜合資產負債表內確認的遞延稅項資產淨額	6,447	365
Net deferred tax liabilities recognised in the consolidated balance sheet	於綜合資產負債表內確認的遞延稅項負債淨額	(13,413)	(2,229)
		(6,966)	(1,864)

- (b) Deferred tax assets in respect of the unused tax losses carried forward are to be recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

The Group has not recognised deferred tax assets in respect of tax losses of HK\$113,392,000 (2016: HK\$179,704,000) as at 30th June 2017 due to the unpredictability of future profit streams. Included in the above tax losses of approximately HK\$16,979,000 (2016: HK\$12,775,000) which can only be carried forward for a maximum period of five years. Other losses can be carried forward indefinitely.

30 遞延稅項資產及負債(續)

- (a) 於本年度內，遞延稅項負債及資產之變動如下：(續)

就呈報目的而言，若干遞延稅項資產及負債已於綜合資產負債表內抵銷。下表為就財務報告目的而言的本集團遞延稅項結餘分析：

- (b) 有關結轉未動用稅項虧損之遞延稅項資產僅會於未來有應課稅溢利將用於抵銷未動用稅項虧損之情況下，方被確認。

由於未來溢利流不可預測，本集團並未就二零一七年六月三十日之稅項虧損113,392,000港元(二零一六年：179,704,000港元)確認遞延稅項資產。上述稅務虧損中約16,979,000港元(二零一六年：12,775,000港元)僅能夠結轉最多五年之期間。其他虧損能夠無限期結轉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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31 ACCOUNTS PAYABLE

31 應付賬款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accounts payable arising from securities brokerage and margin financing business:	證券經紀及孖展融資業務產生之應付賬款：		
– cash clients	– 現金客戶	61,928	231,264
– margin clients	– 孖展客戶	19,692	19,056
		81,620	250,320
Accounts payable arising from other businesses	其他業務產生之應付賬款	10,827	4,402
		92,447	254,722

The settlement terms of accounts payable to cash clients, except for margin loans, arising from the securities brokerage and margin financing business are two days after trade date. Accounts payable to cash clients are repayable on demand subsequent to settlement date. Accounts payable to margin clients are repayable on demand. No ageing analysis is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

Accounts payable amounting to HK\$93,014,000 as at 30th June 2017 (2016: HK\$100,147,000) were payable to clients in respect of the trust and segregated bank balances received and held for clients in the course of conducting the regulated activities. However, the Group does not have a currently enforceable right to offset these payables with the deposits placed.

證券經紀及孖展融資業務產生之應付現金客戶賬款(孖展貸款除外)結算期為交易日後兩日。應付現金客戶賬款於結算日後按要求償還。應付孖展客戶賬款按要求償還。由於本公司董事認為，鑒於本業務之性質，其賬齡分析並無帶來額外價值，因此並無披露賬齡分析。

就在進行受規管業務過程中為客戶收取及持有之信託及獨立銀行結餘而言，於二零一七年六月三十日之應付賬款93,014,000港元(二零一六年：100,147,000港元)應付予客戶。然而，本集團並無以所存放之訂金抵銷該等應付款項之現時可強制執行權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 ACCOUNTS PAYABLE (Continued)

As at 30th June 2017 and 2016, the ageing analysis of the accounts payable arising from other businesses based on invoice date is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1 to 90 days	1至90日	513	1,416
91 days to 180 days	91日至180日	34	130
Over 180 days	180日以上	10,280	2,856
		10,827	4,402

All of the accounts payable arising from other business are expected to be settled or recognised as income within one year or are repayable on demand.

31 應付賬款(續)

於二零一七年及二零一六年六月三十日，按發票日期呈列其他業務產生之應付賬款之賬齡分析如下：

所有因其他業務產生的應付賬款均會於一年內償付或確認為收入或須按要求償還。

32 OTHER PAYABLES AND ACCRUED CHARGES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Amounts due to joint operators	應付合營公司夥伴款項	72,133	43,942
Accruals for employee benefits	僱員利益的應計費用	25,787	1,466
Other accruals and other payables	其他應計費用及其他應付款項	27,764	18,713
Temporary receipts (Note (i))	暫時收取款項(附註(i))	108,876	-
		234,560	64,121

Note (i): The amount of approximately HK\$108,806,000 represented the partial consideration received from the independent third party purchaser in relation to the Film Library Disposal Agreement as disclosed in Note 10.

32 其他應付款項及應計支出

附註(i): 金額為約108,806,000港元的款項指已收獨立第三方買方有關電影庫出售協議的部分代價(如附註10所披露)。

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33 CONTINGENT CONSIDERATION PAYABLE

The fair value of the contingent consideration payable represented the profit guarantee in relation to the adjustments to the consideration from the disposal of AP Group during the year ended 30th June 2017 as detailed in Note (i) below. Contingent consideration payable is measured at fair value at the end of the reporting period. The movement of the fair value of contingent consideration payable is as follows:

33 應付或然代價

應付或然代價之公平值指與於截至二零一七年六月三十日止年度出售愛拼集團之代價之調整有關之溢利擔保(於下文附註(i)詳述)。應付或然代價於報告期末按公平值計量。應付或然代價公平值之變動如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At fair value:	按公平值計量：		
At beginning of the year	於年初	—	—
Arising from disposal of AP Group (Note 47)	出售愛拼集團所產生 (附註47)	10,930	—
Fair value change	公平值變動	8,638	—
At end of the year	於年末	19,568	—

33 CONTINGENT CONSIDERATION PAYABLE (Continued)

Note:

(i) Adjustment to the consideration

Pursuant to the sale and purchase agreement entered in relation to the disposal of AP Group, in the event that the audited consolidated profit after tax of AP Group for the period from 1st January 2016 to 31st December 2017 is less than HK\$16,000,000, Fragrant River Entertainment Culture (Holdings) Limited ("FRECH"), a subsidiary of the Group shall, and the Company as the guarantor shall procure FRECH to, pay to the purchaser the adjustment amount (the "Adjustment Amount") in accordance with the formula set out below:

$$A = \text{HK\$}20,400,000 - (\text{NP}/2) \times 5 \times 51\%$$

Where:

"A" means the amount of Adjustment Amount in HK\$; and

"NP" means the net profit for the period from 1st January 2016 to 31st December 2017. Where the NP is a negative figure, NP shall be deemed to be zero.

The fair value of contingent consideration payable as at 30th June 2017 are based on the valuation performed by Royson Valuation Advisory Limited, an independent professional valuer not connected with the Group. Details of fair value measurement are set out in Note 3.3.

33 應付或然代價(續)

附註：

(i) 代價之調整

根據就出售愛拼集團訂立之買賣協議，倘愛拼集團自二零一六年一月一日起至二零一七年十二月三十一日止期間之經審核除稅後綜合溢利少於16,000,000港元，則本集團附屬公司香江娛樂文化(控股)有限公司(「香江娛樂文化」)應及本公司作為擔保人應促使香江娛樂文化向買方支付根據下述公式計算之調整金額(「調整金額」)：

$$A = 20,400,000 \text{ 港元} - (\text{NP}/2) \times 5 \times 51\%$$

其中：

「A」指以港元計值之調整金額之數值；及

「NP」指自二零一六年一月一日起至二零一七年十二月三十一日止期間之溢利淨額。倘溢利淨額為負值，則溢利淨額應被視作零。

應付或然代價於二零一七年六月三十日之公平值以與本集團並無關連之獨立專業估值師匯辰評估諮詢有限公司進行的估值為準。公平值計量詳情載於附註3.3。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 LOSS BEFORE TAX

Loss before taxation is arrived at after charging/(crediting) the following:

Continuing operations:

34 除稅前虧損

除稅前虧損乃經扣除／(計入)下列各項後得出：

持續經營業務：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(a) Staff costs:		
Salaries, allowances, and other benefits (including directors' emoluments (Note 36))	67,468	36,266
Contributions to defined contribution retirement plans	1,500	1,249
Equity-settled share-based payment expenses	-	3,576
	68,968	41,091
(b) Other items:		
Auditors' remuneration		
- audit services	4,081	1,601
- other services	350	650
	4,431	2,251
Amortisation		
- film rights (Note 10)	23,343	8,891
- other intangible assets (Note 8)	148	135
	23,491	9,026
Depreciation for property, plant and equipment (Note 6)	2,951	3,104
Net foreign exchange (gain)/losses	(756)	644
Operating lease charges:		
- minimum lease payments	6,197	10,070
- contingent rent [#]	3,277	4,049
	9,474	14,119
Cost of inventories (Note 19)	32,500	38,000
Available-for-sale financial assets:		
reclassified from equity		
- on impairment	89,643	-
- on redemption	6,571	-
	96,214	-
Write-off of film related deposit	-	417
Gross rental income from investment properties less direct outgoings of HK\$186,000 (2016: HK\$181,000)	872	845

[#] The contingent rent of HK\$3,277,000 (2016: HK\$4,049,000) refers to the operating lease rentals based on pre-determined percentages to realised sales less minimum lease payment of the respective leases.

[#] 或然租金3,277,000港元(二零一六年：4,049,000港元)指基於就實現銷售而預先釐定百分比的經營租賃租金減各項租賃的最低租賃付款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

34 LOSS BEFORE TAX (Continued)

34 除稅前虧損 (續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(c) Finance costs	(c) 財務成本		
Bank overdrafts interest	銀行透支利息	27	269
Interest on borrowings	借貸利息	6,061	1,593
Other interest expenses	其他利息開支	3	401
Total interest expense on financial liabilities not at fair value through profit or loss	並非透過損益按公平值入賬之金融負債之利息開支總額	6,091	2,263

35 EMPLOYEE RETIREMENT BENEFITS

35 僱員退休福利

Defined contribution retirement plan

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

The employees of the Group’s subsidiaries in the PRC are members of a state-managed retirement benefit scheme operated by the government of the PRC. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

定額供款退休計劃

本集團根據香港強制性公積金計劃條例為在香港僱傭條例保障下受聘的僱員設立一項強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃供款，最高每月相關收入為30,000港元。計劃供款即時歸屬。

本集團於中國的附屬公司僱員均參與由中國政府設立的國家管理退休福利計劃。該等附屬公司須按薪金的規定百分比向該退休福利計劃供款以支付福利。本集團對該退休福利計劃的唯一責任為作出規定的供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation is as follows:

For the year ended 30th June 2017

36 董事酬金

根據香港《公司條例》第383(1)條及《公司(披露董事利益資料)規例》第二部分披露的董事酬金如下：

截至二零一七年六月三十日止年度

Name of Directors 董事姓名	Salary, allowances, and benefits 薪金、津貼及實物利益		Retirement scheme 退休計劃供款	Sub-Total 小計	Share-based payments 以股份為基礎之付款	Total 總額	
	Fees 袍金 HK\$'000 千港元	in kind 及實物利益 HK\$'000 千港元	contributions 退休計劃供款 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<i>Chairman and executive director</i> Mr. Lam Shiu Ming, Daneil	主席兼 執行董事 林小明先生	-	14,335	18	14,353	-	14,353
<i>Executive directors</i> Mr. Hung Cho Sing (Note v)	執行董事 洪祖星先生 (附註v)	-	130	-	130	-	130
Mr. Lam Kit Sun	林傑新先生	-	1,747	18	1,765	-	1,765
Ms. Cheng Hei Yu (Note (i))	鄭熹榆女士 (附註(i))	-	1,663	8	1,671	-	1,671
<i>Non-executive director</i> Mr. Chan Shiu Kwong Stephen (Note (ii))	非執行董事 陳紹光先生 (附註(ii))	110	-	-	110	-	110
<i>Independent non-executive directors</i> Mr. Lam Chi Keung	獨立非執行 董事 林芝強先生	130	-	-	130	-	130
Mr. Choi Wing Koon	蔡永冠先生	130	-	-	130	-	130
Ms. Cheng Lo Yee (Note (iii))	鄭露儀女士 (附註(iii))	65	-	-	65	-	65
Mr. Lam Wing Tai (Note (iv))	林永泰先生 (附註(iv))	65	-	-	65	-	65
		500	17,875	44	18,419	-	18,419

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36 DIRECTORS' EMOLUMENTS

(Continued)

For the year ended 30th June 2016

36 董事酬金 (續)

截至二零一六年六月三十日止年度

Name of Directors	Fees	Salary, allowances, and benefits in kind	Retirement scheme contributions	Sub-Total	Share-based payments	Total
董事姓名	袍金	薪金、津貼及實物利益	退休計劃供款	小計	以股份為基礎之付款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
<i>Chairman and executive director</i>	<i>主席兼執行董事</i>					
Mr. Lam Shiu Ming, Daneil	–	3,185	18	3,203	–	3,203
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Hung Cho Sing	–	130	–	130	341	471
Ms. Cheng Hei Yu (Note (i))	–	2,675	11	2,686	341	3,027
Mr. Lam Kit Sun	–	1,212	18	1,230	341	1,571
Mr. Yeung Kim Piu (Note (vi))	–	363	8	371	–	371
<i>Non-executive director</i>	<i>非執行董事</i>					
Mr. Chan Shiu Kwong Stephen	210	–	–	210	341	551
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. Lam Wing Tai	130	–	–	130	–	130
Mr. Lam Chi Keung	130	–	–	130	–	130
Mr. Choi Wing Koon	130	–	–	130	–	130
	600	7,565	55	8,220	1,364	9,584

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36 DIRECTORS' EMOLUMENTS

(Continued)

Notes:

- (i) Ms. Cheng Hei Yu was appointed as an executive director of the Company on 8th December 2015 and resigned on 7th October 2016. Ms. Cheng Hei Yu is an employee of the Group after her resignation as an executive director of the Company on 7th October 2016. Total remuneration paid to Ms. Cheng Hei Yu for the year ended 30th June 2017 was approximately HK\$3,492,000 of which HK\$1,671,000 shown in the above table represented the remunerations paid to her before the resignation as an executive director of the Company.
- (ii) Mr. Chan Shiu Kwong Stephen retired as a non-executive director of the Company on 30th November 2016.
- (iii) Ms. Cheng Lo Yee is appointed as an independent non-executive director of the Company on 30th November 2016.
- (iv) Mr. Lam Wing Tai retired as an independent non-executive director of the Company on 30th November 2016.
- (v) Mr. Hung Cho Sing resigned as an executive director of the Company on 2nd June 2017.
- (vi) Mr. Yeung Kim Piu retired as an executive director of the Company on 30th November 2015.

During the year, no director of the Company has waived any emoluments and no emoluments were paid or payable by the Group to any of the directors as an inducement to join or upon joining the Group, or as compensation for loss of office.

36 董事酬金(續)

附註：

- (i) 鄭熹榆女士於二零一五年十二月八日獲委任為本公司的執行董事但於二零一六年十月七日辭任。鄭熹榆女士於二零一六年十月七日辭任本公司的執行董事後為本集團的僱員。截至二零一七年六月三十日止年度已付鄭熹榆女士的薪酬總額約為3,492,000港元，其中上表所示的1,671,000港元為彼辭任本公司的執行董事前已付薪酬。
- (ii) 陳紹光先生於二零一六年十一月三十日退任本公司非執行董事。
- (iii) 鄭露儀女士於二零一六年十一月三十日獲委任為本公司獨立非執行董事。
- (iv) 林永泰先生於二零一六年十一月三十日退任本公司獨立非執行董事。
- (v) 洪祖星先生於二零一七年六月二日辭任本公司的執行董事。
- (vi) 楊劍標先生於二零一五年十一月三十日退任本公司的執行董事。

本公司董事年內概無放棄任何酬金，而本集團亦無向任何董事支付或應付任何酬金，作為彼等加入本集團或加入本集團時的獎勵或離職補償。

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綜合財務報表附註

37 INDIVIDUALS WITH HIGHEST EMOLUMENTS

The five individuals whose emoluments were the highest in the Group for the year included three Directors (2016: three) whose emoluments are reflected in the analysis presented in Note 36 above. The emoluments payable to the remaining two (2016: two) individuals during the year are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	17,068	3,585
Contributions to retirement scheme	退休計劃供款	27	36
		17,095	3,621

The emoluments fell within the following bands:

The emoluments of the two (2016: two) individuals with the highest emoluments are within the following bands:

		2017 二零一七年 Number of Individuals 人數	2016 二零一六年 Number of Individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	-	-
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	-	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至 3,000,000港元	-	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至 3,500,000港元	1	-
HK\$13,500,001 to HK\$14,000,000	13,500,001港元至 14,000,000港元	1	-
		2	2

37 最高薪人士

於年內本集團五名最高薪人士包括三名(二零一六年:三名)董事,彼等之酬金詳情已於上文附註36呈列之分析內披露。其餘兩名(二零一六年:兩名)人士於年內之應付酬金如下:

此等薪酬在下列範圍內:

兩名(二零一六年:兩名)最高薪人士之薪酬在下列範圍內:

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綜合財務報表附註

38 OTHER INCOME

Continuing operations:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Sponsorship income	贊助收入	2,093	1,884
Rental income	租金收入	125	-
Screening income	試映會收入	153	172
Dividend income from available-for-sale financial assets	可供出售金融資產之股息收入	-	20,473
Dividend income from financial assets at fair value through profit or loss	透過損益按公平值入賬之金融資產之股息收入	211	297
Others	其他	1,943	46
		4,525	22,872

38 其他收入

持續經營業務：

39 OTHER (LOSSES)/GAINS – NET

Continuing operations:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Realised loss upon redemption of available-for-sale financial assets	贖回可供出售金融資產時的已變現虧損	(6,571)	-
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	(621)	(95)
Waiver of accounts payable	應付賬款豁免	244	622
Waiver of other payable	豁免其他應付款項	80	-
Reversal of bad debt	壞賬撥回	24	-
Net foreign exchange gain/(loss)	匯兌收益/(虧損)淨額	762	(644)
Others	其他	34	268
		(6,048)	151

39 其他(虧損)/收益 – 淨額

持續經營業務：

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40 INTEREST INCOME

40 利息收入

Continuing operations:

持續經營業務：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank interest income	銀行利息收入	63	74
Interest income from a joint venture	貸款予合營公司之 利息收入	231	224
Finance income in consolidated statement of comprehensive income	於綜合全面收益表內之 財務收入	294	298
Loan interest income (included in total revenue in consolidated statement of comprehensive income)	貸款利息收入(計入綜合 全面收益表內之總收 益)	5,859	8,450
Total interest income	利息收入總額	6,153	8,748

41 TAXATION

41 稅項

(a) Income tax in the consolidated
statement of comprehensive income

(a) 綜合全面收益表內之所得
稅

Continuing operations:

持續經營業務：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax	即期稅項		
Hong Kong Profits Tax	香港利得稅		
Charge for the year	本年度支出	1,381	1,390
Under provision in prior year	上年度撥備不足	336	-
PRC Enterprise Income Tax	中國企業所得稅	100	-
Deferred tax (Note 30)	遞延稅項(附註30)		
Origination and reversal of temporary differences	暫時性差額的產生及 撥回	5,102	(27,569)
Total	總計	6,919	(26,179)

The provision of Hong Kong Profits Tax is calculated at 16.5% (2016: 16.5%) of the estimated assessable profits for the year.

香港利得稅撥備乃按年內估計應課稅溢利的16.5%(二零一六年：16.5%)計算。

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41 TAXATION (Continued)

(a) Income tax in the consolidated statement of comprehensive income

(Continued)

Continuing operations: (Continued)

The provision for PRC Enterprise Income Tax (the "EIT") is calculated at 10% of the capital gains regarding transfer in an indirect equity of a PRC subsidiary following the disposal of AP Group as disclosed in Note 47 in accordance with the relevant tax rules and regulations of the PRC. Except for the EIT arising from the capital gains regarding the disposal of AP Group, no other provision for EIT has been made in the consolidated financial statements as the Group has no assessable profits under EIT for the year ended 30th June 2017 (2016: Nil).

No provision for profits tax in Bermuda and the British Virgin Islands has been made as the Group has no income or profit assessable for tax in these jurisdictions for the years ended 30th June 2017 and 2016.

41 稅項(續)

(a) 綜合全面收益表內之所得稅(續)

持續經營業務：(續)

根據中國相關稅務規則及法規，於附註47所披露出售愛拼集團後，中國企業所得稅(「企業所得稅」)撥備按轉讓中國附屬公司間接股權資本收益的10%計算。除出售愛拼集團資本收益產生的企業所得稅外，於綜合財務報表並無作出其他企業所得稅撥備，因為本集團於截至二零一七年六月三十日止年度並無企業所得稅項下應課稅溢利(二零一六年：無)。

並無就百慕達及英屬處女群島利得稅作出撥備，原因為本集團於截至二零一七年及二零一六年六月三十日止年度並無於該等司法權區產生應課稅收入或溢利。

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綜合財務報表附註

41 TAXATION (Continued)

41 稅項 (續)

(b) Reconciliation between tax expenses and accounting profit at the applicable tax rates:

(b) 稅項開支與按適用稅率計算之會計溢利之對賬：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss before income tax (from continuing operation)	除所得稅前虧損(來自持續經營業務)	(111,677)	(166,453)
Tax calculated at domestic tax rates applicable to profits or losses in the respective countries	在各有關國家的溢利或虧損按適用的當地稅率計算的稅項	(18,904)	(29,248)
Under provision in respect of prior years	過往年度撥備不足	336	-
Income not subject to tax	無須課稅之收入	(1,400)	(4,964)
Expenses not deductible for tax purpose	不可扣稅之費用	38,921	8,348
Utilisation of previously unrecognised tax losses	使用之前未確認之稅項虧損	(6,226)	(4,843)
Tax losses not recognised	未確認之稅項虧損	3,718	13,429
Tax effect of previously unrecognised tax losses now recognised	與現時確認先前未確認的稅項虧損有關的稅務影響	(9,616)	-
Others	其他	90	(8,901)
Income tax expense/(credit)	所得稅開支/(抵免)	6,919	(26,179)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

42 DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 13th June 2016, the Company's wholly-owned subsidiary, FRECH, and Lucky Famous Limited, an independent purchaser, entered into a sale and purchase agreement pursuant to which FRECH agreed to dispose to Lucky Famous Limited of its 51% equity interest in AP Group Investment Holdings Limited. Pursuant to the sale and purchase agreement, the initial consideration of HK\$20,400,000 is subject to downward adjustment. In the event that the audited consolidated profit after tax of AP Group for the period from 1st January 2016 to 31st December 2017 is less than HK\$16,000,000, FRECH shall, and the Company as the guarantor shall procure FRECH to, pay to Lucky Famous Limited the adjustment amount in accordance with the formula set out in Note 33.

The disposal of AP Group was completed on 1st July 2016.

The assets and liabilities attributable to the operations in AP Group as at 30th June 2016 have been classified as a disposal group held for sale and are presented separately in the consolidated balance sheet.

42 已終止經營業務及分類為持作出售之出售組別

於二零一六年六月十三日，本公司之全資附屬公司香江娛樂文化與一名獨立買方 Lucky Famous Limited 訂立一項買賣協議，據此，香江娛樂文化同意向 Lucky Famous Limited 出售其於愛拼集團控股有限公司之 51% 股權。根據該買賣協議，初始代價 20,400,000 港元可進行下調。倘愛拼集團於二零一六年一月一日至二零一七年十二月三十一日期間之經審核綜合除稅後溢利少於 16,000,000 港元，香江娛樂文化應及本公司（作為擔保人）應促使香江娛樂文化向 Lucky Famous Limited 支付根據附註 33 所載公式計算之調整金額。

出售愛拼集團已於二零一六年七月一日完成。

二零一六年六月三十日歸屬於愛拼集團業務之資產及負債已分類為持作出售之出售組別，並於綜合資產負債表內單獨呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

42 DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

42 已終止經營業務及分類為持作出售之出售組別(續)

The loss for the period from 14th December 2015 (date of acquisition) to 30th June 2016 and the year ended 30th June 2017 from the discontinued operation is analysed as follows:

自二零一五年十二月十四日(收購日期)至二零一六年六月三十日止期間及截至二零一七年六月三十日止年度，來自已終止經營業務之虧損分析如下：

		AP Group 愛拼集團	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	-	10,429
Cost of revenue	收益成本	-	(3,136)
Administrative expenses	行政費用	-	7,293
Other income	其他收入	-	(8,477)
Other losses	其他虧損	-	11
Finance income	財務收入	-	(9)
Loss before tax for the period	期內除稅前虧損	-	2
Income tax expenses	所得稅開支	-	(1,180)
Loss after tax for the period	期內除稅後虧損	-	(422)
Gain on disposal of operation (including HK\$29,000 reclassification of translation reserve from equity to profit or loss on disposal of the operation (Note 47))	業務出售收益(包括換算儲備因業務出售而從股本到損益的重新分類29,000港元)(附註47)	4,075	-
Profit/(loss) for the year from discontinued operation	來自已終止經營業務的溢利/(虧損)	4,075	(1,602)
Attributable to:	以下各方應佔：		
Owners of the Company	本公司擁有人	4,075	(817)
Non-controlling interests	非控股權益	-	(785)
		4,075	(1,602)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

42 DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

The major classes of assets and liabilities of the disposal group held for sale classified as held for sales as at 30th June 2016 and 2017 are as follows:

42 已終止經營業務及分類為持作出售之出售組別(續)

於二零一六年及二零一七年六月三十日，分類為持作出售之出售組別的主要資產及負債類別如下：

		AP Group 愛拼集團	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Assets	資產		
Property, plant and equipment	物業、機器及設備	-	2,134
Accounts receivables	應收賬款	-	103
Amounts due from directors	應收董事款項	-	27
Deposits paid, prepayments and other receivables	已付訂金、預付款項及其他應收款項	-	2,758
Cash and cash equivalents	現金及現金等價物	-	1,359
Assets associated with disposal group classified as held for sale	分類為持作出售之出售組別之相關資產	-	6,381
Liabilities	負債		
Other payables and accrued charges	其他應付款項及應計支出	-	1,345
Deposits received	已收訂金	-	7,566
Taxation payable	應繳稅項	-	687
Liabilities associated with disposal group classified as held for sale	分類為持作出售之出售組別之相關負債	-	9,598
Net liabilities associated with disposal group classified as held for sale	分類為持作出售之出售組別之相關負債淨額	-	(3,217)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

42 DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

The net cash flows incurred by AP Group for the period from 15th December 2015 (date of acquisition) to 30th June 2016 and the year ended 30th June 2017 are as follows:

		AP Group 愛拼集團	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net cash outflow from operating activities	經營活動之現金流出淨額	-	(264)
Net cash outflow	現金流出淨額	-	(264)

The calculations of basic and diluted earnings/(loss) per share from the discontinued operation are based on:

		2017 二零一七年	2016 二零一六年 (As previously stated) (如先前呈列)
Profit/(loss) attributable to owners of the Company from the discontinued operation for the year ended 30th June 2017/the period from the acquisition date to 30th June 2016 (HK\$'000)	截至二零一七年六月三十日止年度/收購日期至二零一六年六月三十日止期間本公司擁有人應佔來自已終止經營業務之溢利/(虧損) (千港元)	4,075	(817)
Weighted average number of ordinary shares in issue used in the basic earnings/loss per share calculation (Note 43 (a))	計算每股基本盈利/虧損所採用之已發行普通股加權平均數(附註43(a))	543,123,874	143,724,624
Earning/(loss) per share:	每股盈利/虧損:		
- Basic, from the discontinued operation (HK\$)	- 基本, 來自已終止經營業務(港元)	0.007	(0.006)
- Diluted, from the discontinued operation (HK\$)	- 攤薄, 來自已終止經營業務(港元)	0.007	(0.006)

42 已終止經營業務及分類為持作出售之出售組別(續)

自二零一五年十二月十五日(收購日期)起至二零一六年六月三十日止期間及截至二零一七年六月三十日止年度愛拼集團產生之現金流量淨額如下:

來自已終止經營業務之每股基本及攤薄盈利/(虧損)乃基於下列各項計算:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

42 DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

42 已終止經營業務及分類為持作出售之出售組別(續)

		2016 二零一六年 (Restated) (經重列)
Loss attributable to owners of the Company from the discontinued operation for the period from the acquisition date to 30th June 2016 (HK\$'000)	收購日期至二零一六年六月三十日期間本公司擁有人應佔來自已終止經營業務之虧損(千港元)	(817)
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	163,086,490
Basic loss per ordinary share from the discontinued operation (HK\$)	已終止經營業務每股普通股基本虧損(港元)	(0.005)

For the years ended 30th June 2016 and 2017, the weighted average number of ordinary shares for the purpose of basic earnings/loss per ordinary share from the discontinued operation has been adjusted with the effect of bonus element of the rights issue in October 2016 on the basis of two rights share for every one existing ordinary share.

The computation of diluted earnings per ordinary share from the discontinued operation for the year ended 30th June 2017 does not assume the exercise of the Company's outstanding share options during the year ended 30th June 2017 since their exercise prices are higher than the average market prices of the shares during the year. Accordingly, diluted earnings per ordinary share from the discontinued operation is the same as basic earnings per ordinary share from discontinued operation for the year.

Diluted loss per ordinary share from discontinued operation for the year ended 30th June 2016 was the same as the basic loss per ordinary share from the discontinued operation because the exercises of the Company's share options, warrants and convertible bonds outstanding during the year would have an anti-dilutive effect.

截至二零一六年及二零一七年六月三十日止年度，用以計算來自已終止經營業務之每股普通股基本盈利／虧損的普通股加權平均數已就二零一六年十月按每持有1股現有普通股獲發2股供股股份基準進行的供股之紅股因素影響作出調整。

截至二零一七年六月三十日止年度來自已終止經營業務之每股普通股攤薄盈利計算並無假設本公司截至二零一七年六月三十日止年度之尚未行使購股權獲行使，原因是彼等之行使價高於年內股份平均市價。因此，年內來自已終止經營業務之每股普通股攤薄盈利與來自已終止經營業務之每股普通股基本盈利相同。

截至二零一六年六月三十日止年度，來自已終止經營業務之每股普通股攤薄虧損與來自已終止經營業務之每股普通股基本虧損相同，原因為年內行使本公司之尚未行使購股權、認股權證及可換股債券將有反攤薄作用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

43 LOSS PER SHARE

(a) Basic

Basic loss per ordinary share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

43 每股虧損

(a) 基本

每股普通股基本虧損乃按本公司擁有人應佔虧損除以年內已發行普通股之加權平均數計算。

		2017	2016
		二零一七年	(As previously stated) 二零一六年 (如先前呈列)
Loss attributable to owners of the Company (HK\$'000)	本公司擁有人應佔虧損 (千港元)		
– from continuing operations	– 來自持續經營業務	(118,403)	(139,973)
– from discontinued operation	– 來自已終止經營業務	4,075	(817)
– from continuing and discontinued operation	– 來自持續及已終止經營業務	(114,328)	(140,790)
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	543,123,874	143,724,624
Basic loss per ordinary share (HK\$)	每股普通股基本虧損 (港元)		
– from continuing and discontinued operations	– 來自持續及已終止經營業務	(0.211)	(0.980)
– from continuing operations	– 來自持續經營業務	(0.218)	(0.974)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

43 LOSS PER SHARE (Continued)

43 每股虧損(續)

(a) Basic (Continued)

(a) 基本(續)

		2016 二零一六年 (Restated) (經重列)
Loss attributable to owners of the Company (HK\$'000)	本公司擁有人應佔虧損(千港元)	
– from continuing and discontinued operations	– 來自持續及已終止經營業務	(140,790)
– from continuing operations	– 來自持續經營業務	(139,973)
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	163,086,490
Basic loss per ordinary share (HK\$)	每股普通股基本虧損(港元)	
– from continuing and discontinued operations	– 來自持續及已終止經營業務	(0.863)
– from continuing operations	– 來自持續經營業務	(0.858)

For the years ended 30th June 2017 and 2016, the weighted average number of ordinary shares for the purpose of basic loss per ordinary share has been adjusted with the effect of bonus element of the rights issue in October 2016 on the basis of two rights share for every one existing ordinary share.

截至二零一七年及二零一六年六月三十日止年度，用以計算每股普通股基本虧損之普通股加權平均數，已就二零一六年十月按每持有1股現有普通股獲發2股供股股份基準進行的供股之紅股因素影響作出調整。

43 LOSS PER SHARE (Continued)

(b) Diluted

The computation of diluted loss per ordinary share for the year ended 30th June 2017 does not assume the exercises of the Company's outstanding share options during the year ended 30th June 2017 since their exercise prices are higher than the average market prices of the shares during the year. Accordingly, diluted loss per ordinary share is the same as basic loss per ordinary share for the year.

Diluted loss per ordinary share for the year ended 30th June 2016 was the same as the basic loss per ordinary share because the exercises of the Company's share options, warrants and convertible bonds outstanding during the year would have an anti-dilutive effect.

44 DIVIDENDS

The Board did not recommend the payment of a final dividend for the year ended 30th June 2017 (2016: Nil).

43 每股虧損(續)

(b) 攤薄

截至二零一七年六月三十日止年度，計算每股普通股攤薄虧損並未假設本公司截至二零一七年六月三十日止年度之尚未行使購股權獲行使，原因是彼等之行使價高於年內股份平均市價。因此，年內每股普通股攤薄虧損與每股普通股基本虧損相同。

截至二零一六年六月三十日止年度每股普通股攤薄虧損與每股普通股基本虧損相同，是因為年內行使本公司尚未行使購股權、認股權證及可換股債券將會產生反攤薄影響。

44 股息

董事會不建議派發截至二零一七年六月三十日止年度之末期股息(二零一六年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

45 NET CASH USED IN OPERATING ACTIVITIES

45 營運活動所用之淨現金

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(Loss)/profit before tax for the year	年內之除稅前 (虧損)/溢利		
From continuing operations	來自持續經營業務	(111,677)	(166,453)
From discontinued operation (Note 42)	來自已終止經營業務 (附註42)	4,075	(1,180)
Adjustments for:	就下列各項作出調整：		
– Dividend income from available-for-sale financial assets (Note 38)	– 可供出售金融資產之 股息收入(附註38)	–	(20,473)
– Depreciation of property, plant and equipment (Note 6)	– 物業、機器及設備 之折舊(附註6)	2,951	3,976
– Amortisation of film rights (Note 10)	– 電影版權之攤銷 (附註10)	23,343	8,891
– Amortisation of other intangible assets (Note 8)	– 其他無形資產之攤銷 (附註8)	148	135
– Fair value change on contingent consideration receivable (Note 22)	– 應收或然代價之公平 值變動(附註22)	(4,807)	(4,080)
– Fair value change on contingent consideration payable (Note 33)	– 應付或然代價之公平 值變動(附註33)	8,638	(60)
– Impairment losses of interests in an associate (Note 12)	– 於一間聯營公司之 權益減值虧損 (附註12)	3,227	18,421
– Impairment losses of film rights and films in progress (Note 10)	– 電影版權及製作中之 電影之減值虧損 (附註10)	–	4,226
– Impairment losses of goodwill (Note 9)	– 商譽減值虧損(附註9)	22,980	29,923
– Impairment loss of deposits paid, prepayments and other receivable	– 已付訂金、預付款項 及其他應收款項 減值虧損	1,532	–
– Impairment loss of available-for-sale financial assets (Note 16)	– 可供出售金融資產減 值虧損(附註16)	89,643	–
– Impairment loss on accounts receivable (Note 20)	– 應收賬款減值虧損 (附註20)	10,470	–
– Reversal of bad debts	– 壞賬撥回	(24)	–
– Write-down of inventories (Note 19)	– 存貨之撇減(附註19)	1,501	1,709
– Write-off of film related deposit	– 電影相關訂金之撇銷	–	417
– Reversal of write-down of inventories (Note 19)	– 撥回撇減存貨 (附註19)	(508)	(317)
– Share based payment (Note 26)	– 以股份為基礎付款 (附註26)	–	3,576
– Net loss on disposal of property, plant and equipment (Note 39)	– 出售物業、機器及設 備之虧損淨額 (附註39)	621	95

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

**45 NET CASH USED IN OPERATING
ACTIVITIES (Continued)**

45 營運活動所用之淨現金(續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
- Gain on step acquisition of a subsidiary (Note 46(a))	- 分階段收購一間附屬公司之收益 (附註46(a))	-	(1,571)
- Gain on disposal of subsidiaries (Note 47)	- 出售附屬公司之收益 (附註47)	(4,075)	-
- Finance income (Note 40)	- 財務收入(附註40)	(294)	(298)
- Finance costs (Note 34(c))	- 財務成本(附註34(c))	6,091	2,263
- Realised loss upon redemption of available-for-sale financial assets (Note 39)	- 贖回可供出售金融資產時的已變現虧損 (附註39)	6,571	-
- Waiver of accounts payables (Note 39)	- 豁免應付賬款(附註39)	(244)	(622)
- Waiver of other payable and accrued charges (Note 39)	- 豁免其他應付款項及應計費用(附註39)	(80)	-
- Share of losses/(profits) of associates	- 應佔聯營公司虧損/(溢利)	216	(3,899)
- Share of losses of a joint venture (Note 13(a))	- 應佔一間合營公司虧損 (附註13(a))	231	224
- Loss on deregistration of a joint venture (Note 13(a))	- 取消登記一間合營公司之虧損(附註13(a))	24	-
- Fair value change and loss on redemption of convertible bonds	- 贖回可換股債券之公平值變動及虧損	-	1,813
Changes in working capital:	營運資金變動：		
- Inventories	- 存貨	3,245	11,240
- Accounts receivable	- 應收賬款	(119,566)	26,684
- Amount due from a joint venture	- 應收一間合營公司款項	-	10
- Amount due from an associate	- 應收一間聯營公司款項	(964)	-
- Loans receivable	- 應收貸款	(32,737)	(6,163)
- Loan to an associate	- 授予一間聯營公司之貸款	(2,940)	(5,000)
- Deposits paid, prepayments and other receivables	- 已付訂金、預付款項及其他應收款項	(33,768)	6,991
- Accounts payable	- 應付賬款	(162,031)	(107,118)
- Amount due to an associate	- 應付一間聯營公司之款項	(1,941)	1,941
- Other payables and accrued charges	- 其他應付款項及應計支出	170,395	(8,363)
- Deposits received	- 已收訂金	(21,168)	(5,347)
- Financial assets at fair value through profit or loss	- 透過損益按公平值入賬之金融資產	14,815	67,665
- Bank balances and cash - trust accounts	- 銀行結餘及現金 - 信託賬戶	23,653	51,724
Cash used in operations	營運所用之現金	(102,454)	(89,020)
Tax paid	已繳稅項	(3,004)	(11,884)
Net cash used in operating activities	營運活動所用之淨現金	(105,458)	(100,904)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

45 NET CASH USED IN OPERATING ACTIVITIES (Continued)

45 營運活動所用之淨現金(續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
a. Disposal of property, plant and equipment	a. 出售物業、機器及設備		
Carrying amount (Note 6)	賬面值(附註6)	899	95
Net loss on disposal of property, plant and equipment (Note 39)	出售物業、機器及設備之虧損淨額(附註39)	(621)	(95)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項	278	-
b. Obligations under finance leases	b. 融資租賃承擔		
At the end of the year	年末	63	98
Less: At the beginning of the year	減：年初	(98)	(132)
Capital element of finance lease payments	融資租賃付款之資本部分	(35)	(34)

46 ACQUISITION OF SUBSIDIARIES

46 收購附屬公司

For the year ended 30th June 2016

截至二零一六年六月三十日止年度

(a) Step acquisition from associate to subsidiary of Winston Asia Limited

Pursuant to the sale and purchase agreement entered into between Fragrant River Entertainment Culture (Holdings) Limited ("FRECH"), a wholly-owned subsidiary of the Company, and the other shareholder of Winston (the "Other Shareholder") on 7th May 2015, the remaining 79.99% equity interest of Winston, a then associate of the Group, was acquired by the Group from the Other Shareholder (the "Step Acquisition"). Winston and its subsidiaries are principally engaged in trading, wholesaling and retailing of watches and jewellery products. The total consideration would be settled by issuing convertible bonds with an aggregate principal amount of HK\$64,000,000. The Step Acquisition was completed on 31st July 2015. The Group considers that the step acquisition provides a good opportunity to diversify the Group's business and broaden the income source of the Group.

(a) 從聯營公司到附屬公司的分階段收購 – Winston Asia Limited

根據本公司之全資附屬公司香江娛樂文化(控股)有限公司(「香江娛樂文化」)與Winston之其他股東(「其他股東」)於二零一五年五月七日訂立之買賣協議，本集團向其他股東收購Winston(本集團當時之聯營公司)的剩餘79.99%股權(「分階段收購」)。Winston及其附屬公司主要從事鐘錶及珠寶產品的貿易、批發及零售業務。總代價將透過發行本金總額64,000,000港元之可換股債券結付。分階段收購已於二零一五年七月三十一日完成。本集團認為，分階段收購為本集團提供一個多元化本集團業務及擴大本集團收入來源之良機。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(a) Step acquisition from associate to subsidiary of Winston Asia Limited

(Continued)

The following summarises the acquisition date fair value of the total consideration transferred:

	HK\$'000 千港元
Fair value of convertible bonds issued	62,994
已發行可換股債券之公平值	

The Group has engaged Grant Sherman Appraisal Limited, an independent firm of professional valuers, to assess the fair value of the convertible bonds at initial recognition. The fair value of convertible bonds is determined by using the Binomial Option Pricing Model. The convertible bonds were fully redeemed on 28th June 2016.

The following summarises the total consideration and the amounts of the assets acquired and liabilities assumed, as well as the amount of intangible assets and goodwill arising from the acquisition recognised at 31st July 2015 (the date of acquisition):

	HK\$'000 千港元
ASSETS	
Non-current assets	
Property, plant and equipment	1,169
Other intangible assets – brand name (Note 8)	1,108
	2,277
Current assets	
Inventories	21,095
Accounts receivable	5,243
Deposits paid, prepayments and other receivables	3,085
Cash and cash equivalents	1,471
	30,894

46 收購附屬公司(續)

截至二零一六年六月三十日止年度(續)

(a) 從聯營公司到附屬公司的分階段收購 – Winston Asia Limited(續)

下表概述於收購日期已轉讓總代價的公平值：

	HK\$'000 千港元
Fair value of convertible bonds issued	62,994
已發行可換股債券之公平值	

本集團已委聘獨立專業估值師行中證評估有限公司評估可換股債券於初步確認時之公平值。可換股債券之公平值乃運用二項式期權定價模型進行釐定。可換股債券已於二零一六年六月二十八日悉數贖回。

下表概述於二零一五年七月三十一日(收購日期)確認的總代價、所收購資產及所承擔負債的金額、以及因收購產生的無形資產及商譽金額：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(a) Step acquisition from associate to subsidiary of Winston Asia Limited

(Continued)

46 收購附屬公司(續)

截至二零一六年六月三十日止
年度(續)

(a) 從聯營公司到附屬公司的分 階段收購 – Winston Asia Limited(續)

		HK\$'000 千港元
LIABILITIES	負債	
Current liabilities	流動負債	
Other payables and accrued charges	其他應付款項及應計支出	(4,427)
Taxation payables	應付稅項	(2,975)
Bank borrowings	銀行借貸	(2,000)
		(9,402)
Total identifiable net assets at fair value	按公平值計算之可辨認淨資產總值	23,769
Fair value of the equity interest held immediately before the Step Acquisition	緊接分階段收購前所持有股權之公平值	(6,796)
Goodwill arising on Step Acquisition (Note 9)	分階段收購產生之商譽(附註9)	46,021
Total consideration	總代價	62,994

The fair values and gross contractual amount of accounts receivable and other receivables as at the date of acquisition amounted to HK\$5,243,000 and HK\$1,061,000 respectively. No accounts receivable and other receivables were expected to be uncollectible.

應收賬款及其他應收款項於收購日期的公平值及總合約金額分別為5,243,000港元及1,061,000港元。預計並無不可回收之應收賬款及其他應收款項。

		HK\$'000 千港元
Net cash inflow on Step Acquisition:	分階段收購產生之現金流入淨額：	
Net cash acquired from Step Acquisition	分階段收購獲得之現金淨額	1,471

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(a) Step acquisition from associate to subsidiary of Winston Asia Limited (Continued)

The transaction costs of approximately HK\$1,313,000 have been excluded from the consideration transferred and included in 'administrative expenses' in the consolidated statement of comprehensive income for the year ended 30th June 2016.

The Group recognised a gain on step acquisition of HK\$1,571,000 as a result of remeasurement at fair value of its 20.01% equity interest in Winston held before the Step Acquisition. The gain on step acquisition of a subsidiary is included in the consolidated statement of comprehensive income for the year ended 30th June 2016.

None of the goodwill recognised is expected to be deductible for income tax purposes.

Winston contributed approximately HK\$54,333,000 to the Group's total revenue and approximately HK\$614,000 profit to the Group's loss before tax, for the period between the date of completion of the step acquisition and 30th June 2016.

46 收購附屬公司(續)

截至二零一六年六月三十日止
年度(續)

(a) 從聯營公司到附屬公司的分 階段收購 – Winston Asia Limited(續)

約1,313,000港元之交易成本已從所轉讓代價中扣除，其在截至二零一六年六月三十日止年度之綜合全面收益表中列作「行政費用」。

本集團就分階段收購前所持有Winston的20.01%股權作公平值重新計量，確認一項分階段收購之收益為1,571,000港元。該項分階段收購一間附屬公司之收益計入截至二零一六年六月三十日止年度的綜合全面收益表。

所確認之商譽預計不能用於扣減所得稅。

於分階段收購完成日起至二零一六年六月三十日止期間，Winston對本集團總收益之貢獻約為54,333,000港元，及對本集團除稅前虧損貢獻溢利約614,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(a) Step acquisition from associate to subsidiary of Winston Asia Limited

(Continued)

If the acquisition of Winston had been completed on 1st July 2015, the Group's total revenue and loss after tax for the year would have been approximately HK\$156,687,000 and approximately HK\$136,653,000 respectively. The proforma information is for illustrative purposes only and is not necessarily an indication of the total revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1st July 2015, nor is intended to be a projection of future results.

(b) Acquisition of CJFS

On 21st August 2015, Rising Fame International Limited, a wholly owned subsidiary of the Company, entered into an agreement with two independent third party vendors to acquire the entire interest of CJFS at a cash consideration of HK\$73,000,000. CJFS is a licensed corporation under the Securities and Futures Ordinance and authorised to engage in the following regulated activities: (i) Type 1: Dealing in securities; and (ii) Type 4: Advising on securities. The principal activities of CJFS are provision of securities brokerage services and margin financing to clients. The management considers that such acquisition will enable the Group to diversify its business into the financial services industry and broaden revenue sources of the Group. The acquisition was completed on 17th November 2015.

46 收購附屬公司(續)

截至二零一六年六月三十日止
年度(續)

(a) 從聯營公司到附屬公司的分 階段收購 – Winston Asia Limited(續)

倘收購Winston於二零一五年七月一日已完成，本集團於本年度的總收益以及除稅後虧損將分別為約156,687,000港元及約136,653,000港元。本備考資料僅作說明用途，並不一定意味著倘收購於二零一五年七月一日完成，本集團實際能實現的總收益及經營業績，亦不應視作對未來業績的預測。

(b) 收購中國建信

於二零一五年八月二十一日，本公司一間全資附屬公司，昇名國際有限公司與兩名獨立第三方賣方訂立協議，以收購中國建信全部股權，現金代價為73,000,000港元。中國建信為一間根據證券及期貨條例獲授權從事下列受規管活動之持牌法團：(i)第1類：證券交易；及(ii)第4類：就證券提供意見。中國建信之主要業務為客戶提供證券經紀服務及孖展融資。管理層認為，收購事項將有助本集團多元化其業務，向金融服務行業發展，並拓寬本集團的收入來源。收購已於二零一五年十一月十七日完成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(b) Acquisition of CJFS (Continued)

The following summarises the total consideration and the amounts of the assets acquired and liabilities assumed, as well as the amount of intangible assets and goodwill arising from the acquisition recognised at 17th November 2015 (the date of acquisition):

46 收購附屬公司(續)

截至二零一六年六月三十日止
年度(續)

(b) 收購中國建信(續)

下表概述於二零一五年十一月十七日(收購日期)確認的總代價、所收購資產及所承擔負債的金額、以及無形資產金額及因收購產生的商譽金額：

		HK\$'000 千港元
ASSETS	資產	
Non-current assets	非流動資產	
Property, plant and equipment	物業、機器及設備	1,554
Other intangible assets – trading rights (Note 8)	其他無形資產 – 交易權(附註8)	11,400
		12,954
Current assets	流動資產	
Accounts receivable	應收賬款	231,776
Deposits paid, prepayments and other receivables	已付訂金、預付款項及其他應收款項	982
Cash and cash equivalents	現金及現金等價物	8,809
Bank balances – trust accounts	銀行結餘 – 信託賬戶	168,391
		409,958
LIABILITIES	負債	
Current liabilities	流動負債	
Accounts payable	應付賬款	(357,631)
Other payables and accrued charges	其他應付款項及應計支出	(8,536)
Taxation payables	應付稅項	(1,809)
Borrowings	借貸	(10,000)
		(377,976)
Total identifiable net assets at fair value	按公平值計算之可辨認淨資產總值	44,936
Goodwill arising on acquisition (Note 9)	收購產生之商譽(附註9)	28,064
Total consideration	總代價	73,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(b) Acquisition of CJFS (Continued)

The fair values and gross contractual amount of accounts receivable and other receivables as at the date of acquisition amounted to HK\$231,776,000 and Nil respectively. No accounts receivable and other receivables were expected to be uncollectible.

Net cash outflow on acquisition of CJFS:	收購中國建信產生之現金流出淨額：	HK\$'000 千港元
Cash consideration paid	已付現金代價	(73,000)
Net cash acquired from the subsidiary	從附屬公司收購的現金淨額	8,809
		(64,191)

The transaction costs of HK\$570,000 have been excluded from the consideration transferred and included in 'administrative expenses' in the consolidated statement of comprehensive income.

The goodwill arising from the acquisition of CJFS is attributable to the future growth and profitability in relation to the provision of securities brokerage services and margin financing to clients. None of the goodwill recognised is expected to be deductible for income tax purposes.

CJFS contributed HK\$16,072,000 to the Group's total revenue and approximately HK\$2,509,000 profit to the Group's loss after tax, for the period between the date of acquisition and the end of the reporting period.

46 收購附屬公司(續)

截至二零一六年六月三十日止
年度(續)

(b) 收購中國建信(續)

應收賬款及其他應收款項於收購日期的公平值及總合約金額分別為231,776,000港元及零。預計並無不可回收之應收賬款及其他應收款項。

570,000港元之交易成本已從所轉讓代價中扣除，其在綜合全面收益表中列作「行政費用」。

收購中國建信產生之商譽乃源自向客戶提供證券經紀服務及孖展融資方面的日後增長及盈利能力。概無已確認商譽預期可作扣除所得稅用途。

於收購日期起至報告期末止期間，中國建信對本集團總收益貢獻16,072,000港元，及對本集團除稅後虧損貢獻溢利約2,509,000港元。

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(b) Acquisition of CJFS (Continued)

If the acquisition of CJFS had been completed on 1st July 2015, the Group's total revenue and loss after tax for the year would have been HK\$161,157,000 and HK\$139,614,000 respectively. The proforma information is for illustrative purposes only and is not necessarily an indication of the total revenue and loss after tax of the Group that actually would have been achieved had the acquisition been completed on 1st July 2015, nor is intended to be a projection of future results.

(c) Acquisition of AP Group Investment Holdings Limited

On 12th October 2015, FRECH, a direct wholly owned subsidiary of the Company, entered into an agreement with four independent third party vendors to acquire 51% equity interest of AP Group for consideration of HK\$20,400,000 (subject to downward adjustment in respect of the guaranteed profit as described in the sale and purchase agreement). AP Group is principally engaged in provision of education and training programs in relation to self-improvement and self-enhancement in Hong Kong and the PRC. The management considers that such acquisition will enable the Group to tap into the business of education and training program and broaden revenue sources of the Group. The acquisition was completed on 14th December 2015.

46 收購附屬公司(續)

截至二零一六年六月三十日止
年度(續)

(b) 收購中國建信(續)

倘收購中國建信於二零一五年七月一日已完成，本集團於本年度的總收益以及除稅後虧損將分別為161,157,000港元及139,614,000港元。本備考資料僅作說明用途，並不一定意味著倘收購於二零一五年七月一日完成，本集團實際能實現的總收益以及除稅後虧損，亦不應視作對未來業績的預測。

(c) 收購愛拼集團控股有限公司

於二零一五年十月十二日，本公司直接全資附屬公司，香江娛樂文化與四名獨立第三方賣方訂立協議，以收購愛拼集團51%股權，代價為20,400,000港元(可視乎買賣協議訂明的擔保溢利下調)。愛拼集團主要於香港及中國從事提供有關自我改善及自我提升的教育及培訓項目。管理層認為，該收購有助於本集團進軍教育及培訓項目業務並擴闊本集團的收入來源。收購已於二零一五年十二月十四日完成。

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綜合財務報表附註

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(c) Acquisition of AP Group Investment Holdings Limited (Continued)

The fair value of the contingent consideration receivable of HK\$6,850,000 was estimated by applying the discounted cash flow approach. The fair value estimates are based on a discount factor of 10.6% and probability-weighted profit of AP Group of HK\$2,882,000 to HK\$17,367,000. This is a level 3 fair value measurement.

The potential undiscounted amount of all future payments that the Group could receive under this arrangement is between HK\$0 and HK\$20,400,000.

As at 30th June 2016, there was fair value increase of HK\$4,080,000 (Note 22) recognised in the consolidated statement of comprehensive income for the contingent consideration receivable, as the assumed probability-weighted profit in AP Group was recalculated to be approximately HK\$3,286,000 to HK\$10,035,000.

The following summarises the acquisition date fair value of the total consideration transferred:

		HK\$'000 千港元
Cash consideration	現金代價	20,400
Contingent consideration arrangement (Note 22)	或然代價安排(附註22)	(6,850)
Total consideration	總代價	13,550

46 收購附屬公司(續)

截至二零一六年六月三十日止
年度(續)

(c) 收購愛拼集團控股有限公司 (續)

應收或然代價之公平值6,850,000港元乃使用折現現金流量法估計。公平值估計乃基於貼現系數10.6%及愛拼集團之可能性加權溢利2,882,000港元至17,367,000港元計算。此屬於第三級公平值計量。

本安排項下本集團可能收取所有未來付款的潛在未貼現金額介乎零港元至20,400,000港元。

於二零一六年六月三十日，已於綜合全面收益表內就或然應收代價確認公平值增加4,080,000港元(附註22)，原因為愛拼集團的可能性加權溢利由約3,286,000港元重新計算為10,035,000港元。

下表概述於收購日期已轉讓總代價的公平值：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(c) Acquisition of AP Group Investment Holdings Limited (Continued)

The following summarises the total consideration and the amounts of the assets acquired and liabilities assumed, as well as the amount of goodwill arising from the acquisition recognised at the date of acquisition:

46 收購附屬公司(續)

截至二零一六年六月三十日止
年度(續)

**(c) 收購愛拼集團控股有限公司
(續)**

下表概述於收購日期確認的總代價、所收購資產及所承擔負債的金額、以及收購產生的商譽金額：

		HK\$'000 千港元
ASSETS	資產	
Non-current asset	非流動資產	
Property, plant and equipment	物業、機器及設備	3,032
Current assets	流動資產	
Accounts receivable	應收賬款	324
Deposits paid, prepayments and other receivables	已付訂金、預付款項及其他應收款項	2,638
Cash and cash equivalents	現金及現金等價物	1,623
		4,585
LIABILITIES	負債	
Current liabilities	流動負債	
Accounts payable	應付賬款	(642)
Other payables and accrued charges	其他應付款項及應計支出	(7,190)
Tax payable	應繳稅項	(611)
		(8,443)
Total identifiable net assets at fair value	按公平值計算之可辨認淨資產總值	(826)
Non-controlling interests	非控股權益	405
Goodwill arising on acquisition (Note 9)	收購產生之商譽(附註9)	13,971
Total consideration	總代價	13,550

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(c) Acquisition of AP Group Investment Holdings Limited (Continued)

The fair values and gross contractual amount of accounts receivable and other receivables as at the date of acquisition amounted to HK\$324,000 and HK\$589,000 respectively. No accounts receivable and other receivables were expected to be uncollectible.

Net cash outflow on acquisition of AP Group:	收購愛拼集團產生之現金流出淨額：	HK\$'000 千港元
Cash consideration paid	已付現金代價	(20,400)
Net cash acquired from the subsidiary	從附屬公司收購的現金淨額	1,623
		(18,777)

The non-controlling interests recognised at the acquisition date were measured by reference to the non-controlling interests proportionate share of the recognised amounts of acquiree's identifiable net assets.

The transaction costs of approximately HK\$417,000 have been excluded from the consideration transferred and included in 'administrative expenses' in the consolidated statement of comprehensive income for the year ended 30th June 2016.

The goodwill arising on the acquisition of AP Group is attributable to the future growth and profitability expected to arise from the business combination. None of the goodwill is expected to be deductible for income tax purposes.

46 收購附屬公司(續)

截至二零一六年六月三十日止年度(續)

(c) 收購愛拼集團控股有限公司(續)

應收賬款及其他應收款項於收購日期的公平值及總合約金額分別為324,000港元及589,000港元。預計並無不可回收之應收賬款及其他應收款項。

於收購日期確認之非控股權益乃參考非控股權益應佔被收購方可辨認資產淨值已確認金額之比例計量。

約417,000港元之交易成本已從所轉讓代價中扣除，其在截至二零一六年六月三十日止年度的綜合全面收益表中列作「行政費用」。

收購愛拼集團產生之商譽源自業務合併預期帶來日後的增長及盈利能力。概無商譽預計可用於扣減所得稅。

46 ACQUISITION OF SUBSIDIARIES

(Continued)

For the year ended 30th June 2016

(Continued)

(c) Acquisition of AP Group Investment Holdings Limited (Continued)

AP Group contributed approximately HK\$10,429,000 to the Group's total revenue and approximately HK\$1,602,000 loss to the Group's loss after tax, for the period between the date of acquisition and 30th June 2016.

If the acquisition of AP Group had been completed on 1st July 2015, the Group's revenue and loss after tax for the year would have been approximately HK\$171,580,000 and approximately HK\$141,205,000 respectively. The proforma information is for illustrative purposes only and is not necessarily an indication of the total revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1st July 2015, nor is intended to be a projection of future results.

46 收購附屬公司(續)

截至二零一六年六月三十日止
年度(續)

(c) 收購愛拼集團控股有限公司 (續)

於收購日期起至二零一六年六月三十日止期間，愛拼集團對本集團總收益貢獻約為10,429,000港元，及對本集團除稅後虧損帶來虧損約為1,602,000港元。

倘收購愛拼集團於二零一五年七月一日已完成，本集團於本年度的收益以及除稅後虧損將分別為約171,580,000港元及約141,205,000港元。本備考資料僅作說明用途，並不一定意味著倘收購於二零一五年七月一日已完成，本集團實際能實現的總收益及經營業績，亦不擬視作對未來業績的預測。

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綜合財務報表附註

47 DISPOSAL OF A SUBSIDIARY

For the year ended 30th June 2017

On 1st July 2016, the Group disposed of its 51% equity interest in a subsidiary, AP Group Investment Holdings Limited by allotment and issue of 40,800,000 Consideration Shares by GET Holdings Limited at a fair value of approximately HK\$21,338,000, subject to a downward adjustment in respect of the guarantee profit. The net assets of AP Group at the date of disposal were as follows:

Consideration received:

		HK\$'000 千港元
Fair value of Consideration Shares received	已收代價股份公平值	21,338
Contingent consideration payable (Note 33)	應付或然代價(附註33)	(10,930)
Total consideration	總代價	10,408
Analysis of assets and liabilities over which control was lost:	失去控制權的資產及負債分析：	
Goodwill	商譽	8,403
Property, plant and equipment	物業、機器及設備	2,134
Accounts receivables	應收賬款	103
Amounts due from directors	應收董事款項	27
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	2,758
Cash and cash equivalents	現金及現金等價物	1,359
Other payables and accrued charges	其他應付款項及應計支出	(1,345)
Deposits received	已收按金	(7,566)
Taxation payable	應付稅項	(687)
Net assets disposed of	已出售資產淨值	5,186
Gain on disposal of a subsidiary:	出售一間附屬公司收益：	
Fair value of Consideration Shares	代價股份公平值	21,338
Contingent consideration payable (Note 33)	應付或然代價(附註33)	(10,930)
Net assets disposed of	已出售資產淨值	(5,186)
Non-controlling interest	非控股權益	(1,176)
Cumulative exchange differences in respect of the net assets of the subsidiary reclassified from equity to profit or loss on loss on control of the subsidiary	於失去附屬公司之控制權時由權益重新分類至損益之附屬公司資產淨值之累計匯兌差額	29
Gain on disposal	出售收益	4,075
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration received	已收現金代價	-
Cash and cash equivalents disposed of	出售的現金及現金等價物	(1,359)
		(1,359)

47 出售一間附屬公司

截至二零一七年六月三十日止年度

於二零一六年七月一日，本集團出售其於附屬公司愛拼集團控股有限公司51%之股權，透過智易控股有限公司配發及發行40,800,000股代價股份，公平值約為21,338,000港元，可就擔保溢利向下調整。愛拼集團於出售日期的資產淨值如下：

已收代價：

48 BANKING FACILITIES

At 30th June 2016, the banking facilities of the Group are secured by trading securities held by the former shareholder of a subsidiary. Such banking facilities amounted to HK\$8,000,000 were utilised to the extent of HK\$4,020,000 at 30th June 2016.

49 PENDING LITIGATIONS

- (a) A court action was commenced in the Court of First Instance of the Hong Kong Special Administrative Region on 17th April 2002 by The Star Overseas Limited (“Star”), an independent third party, against Universe Entertainment Limited (“UEL”), an indirect wholly-owned subsidiary of the Company.

By the above action, Star alleges that a sum of US\$935,872 (equivalent to HK\$7,299,799) was payable by UEL to Star as its share of the revenue of the movie entitled “Shaolin Soccer” (the “Movie”).

Pursuant to an Order (the “Order”) made by the High Court on 21st February 2003, UEL was ordered and had paid to Star a sum of HK\$5,495,700, being part of the licence fee of the Movie received by UEL from Miramax Films (being the licensee of the Movie) and which was also part of the sum claimed by Star. Pursuant to the Order, UEL is also liable to pay Star interest in the sum of HK\$350,905 and some of the costs of the application leading to the making of the Order, all of which have been settled. As the Order has not disposed of all the claims of US\$935,872 (equivalent to HK\$7,299,799) by Star, UEL is entitled to continue to defend the claim by Star for recovering the remaining balance in the sum of approximately HK\$1,804,099 (HK\$7,299,799 less HK\$5,495,700).

48 銀行融資

於二零一六年六月三十日，本集團之銀行融資乃由一間附屬公司之前股東持有之交易證券作為抵押。該等銀行融資之金額為8,000,000港元，於二零一六年六月三十日已動用4,020,000港元。

49 未決訴訟

- (a) 於二零零二年四月十七日，獨立第三方星輝海外有限公司(「星輝」)對本公司一間間接全資附屬公司寰宇娛樂有限公司(「寰宇娛樂」)於香港特別行政區原訟法庭提起一項訴訟。

根據上述訴訟，星輝指稱寰宇娛樂應向其支付935,872美元(相當於7,299,799港元)，作為分享一部名為「少林足球」之電影(「該電影」)之收益。

根據高等法院於二零零三年二月二十一日頒發之指令(「該指令」)，寰宇娛樂遭頒令及已向星輝支付5,495,700港元，即寰宇娛樂就該電影而從Miramax Films(即該電影之版權持有人)收取之部分版權費及星輝索償之部分金額。根據該指令，寰宇娛樂亦須向星輝支付金額350,905港元之利息及申請作出該指令的部分費用，有關費用均已支付。由於該指令並無完全處理星輝為數935,872美元(相當於7,299,799港元)之所有索償，故寰宇娛樂有權繼續對星輝的申索進行抗辯，以收回餘額約1,804,099港元(即7,299,799港元減5,495,700港元)。

49 PENDING LITIGATIONS (Continued)

(a) (Continued)

On 30th April 2002, UEL issued a Writ of Summons against Star for the latter's wrongful exploitation of certain rights in the Movie co-owned by both parties. UEL claimed to recover all losses and damages suffered by UEL as a result of the wrongful exploitation.

On 9th September 2002, Universe Laser & Video Co. Limited ("ULV"), an indirect wholly-owned subsidiary of the Company, issued a Writ of Summons against Star for the latter's infringement of the licensed rights in the Movie held by ULV. ULV claimed to recover all losses and damages suffered by ULV as a result of the said infringement.

In the opinion of legal counsel, it is premature to predict the outcome of the claim against UEL. The Board is of the opinion that the outcome of the said claim made against UEL will have no material financial impact to the Group for the year ended 30th June 2017.

(b) On 1st September 2008, Koninklijke Philips Electronics N.V. ("KPE") issued a Writ of Summons against among other persons, the Company, ULV and Mr. Lam Shiu Ming, Daneil (one of the Directors), in respect of damages arising from the alleged infringement of the patent rights regarding Video Compact Disc owned by KPE.

In the opinion of legal counsel, it is premature to predict the outcome of the said claim made against the Company, ULV and Mr. Lam Shiu Ming, Daneil. The Board is of the opinion that the outflow of economic benefits cannot be reliably estimated and accordingly no provision for any liability that may result has been made in the consolidated financial statements.

49 未決訴訟(續)

(a) (續)

於二零零二年四月三十日，寰宇娛樂向星輝發出傳訊令狀，指後者不當地使用屬於雙方共同擁有之該電影中之若干權利。寰宇娛樂追討因該不當使用權利而令其蒙受之一切損失及損害。

於二零零二年九月九日，本公司之一間間接全資附屬公司寰宇鐳射錄影有限公司(「寰宇鐳射」)因指星輝侵犯寰宇鐳射就該電影所持的特許權利而向其發出傳訊令狀。寰宇鐳射追討因上述侵權行為而令其蒙受之一切損失及損害。

根據法律顧問之意見，現階段預測對寰宇娛樂的上述索償結果尚屬為時過早。董事會認為對寰宇娛樂的上述索償之結果不會於截至二零一七年六月三十日止年度對本集團構成重大財務影響。

(b) 於二零零八年九月一日，Koninklijke Philips Electronics N.V. (「KPE」)向(其中包括)本公司、寰宇鐳射及林小明先生(其中一名董事)發出有關因聲稱侵犯KPE所持有關影音光碟的專利權而產生之損失之傳訊令狀。

根據法律顧問之意見，現階段預測對本公司、寰宇鐳射及林小明先生的上述索償結果尚屬為時過早。董事會認為有關的經濟利益流出未能可靠地估計，故並無在綜合財務報表內就可能產生的任何負債作出撥備。

49 PENDING LITIGATIONS (Continued)

- (c) On 8th January 2010, KPE issued a Writ of Summons against among other persons, the Company, ULV and Mr. Lam Shiu Ming, Daneil (one of the Directors), in respect of damages arising from the alleged infringement of the patent rights regarding Digital Video Disc owned by KPE.

In June 2012, the action was discontinued against the Company and Mr. Lam Shiu Ming, Daneil. The claim made against ULV has been agreed with KPE and settled by ULV and appropriate legal costs provision was recognised accordingly in the consolidated financial statements for the year ended 30th June 2012.

No additional provision has been made in the consolidated financial statements for the year ended 30th June 2017. Based on the consultation with legal counsel, no further material outflow of economic benefits will be incurred for ULV.

- (d) Universe Artiste Management Limited (“UAM”) commenced Court of First Instance Action against Kwong Ling and Oriental Prosperous Int’l Entertainments Limited (collectively the “Defendants”) on 30th June 2014 claiming inter alia for a declaration that UAM is entitled to extend/renew the term of the Artist Management Contract of the Defendants with UAM (the “Artist Management Contract”) for 5 years as from 3rd May 2014 to 2nd May 2019.

The Defendants filed their defence and counterclaim on 29th September 2014. By such counterclaim, the Defendants claiming against UAM inter alia for a declaration that the Artist Management Contract was void and unenforceable, the Artist Management Contract to be rescinded, damages for breach of the Artist Management Contract and for breach of fiduciary duties, a declaration that UAM is liable to account to the Defendants and an order for payment of all sums found to be due by UAM to the Defendants.

49 未決訴訟(續)

- (c) 於二零一零年一月八日，KPE向(其中包括)本公司、寰宇鐳射及林小明先生(其中一名董事)發出有關因聲稱侵犯KPE所持有關數碼影音光碟的專利權而產生之損失之傳訊令狀。

於二零一二年六月，對本公司及林小明先生之訴訟已作終止。對寰宇鐳射之索償已與KPE達成協議及已由寰宇鐳射結清，並已於截至二零一二年六月三十日止年度之綜合財務報表內相應地確認適當的法律費用撥備。

概無於截至二零一七年六月三十日止年度之綜合財務報表內作出其他撥備。根據法律顧問的諮詢意見，寰宇鐳射並無面臨進一步的重大經濟利益流出。

- (d) 於二零一四年六月三十日，寰宇藝人管理有限公司(「寰宇藝人管理」)於原訟法庭就江玲及東旺國際娛樂有限公司(統稱「被告」)展開一項訴訟，提出(其中包括)寰宇藝人管理有權延長／重續被告人與寰宇藝人管理訂立的藝人管理合約(「藝人管理合約」)的合約期限，年期自二零一四年五月三日起至二零一九年五月二日止，共五年。

被告於二零一四年九月二十九日作出抗辯及提起反申索。根據有關反申索，被告就寰宇藝人管理提出(其中包括)藝人管理合約屬無效及不可強制執行，應廢除藝人管理合約，就違反藝人管理合約及受信責任的損失提出索賠，主張寰宇藝人管理應對被告負責，並應判令寰宇藝人管理支付應付被告的所有款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

49 PENDING LITIGATIONS (Continued)

(d) (Continued)

In the opinion of legal counsel, it is premature to predict the outcome of the said claim against UAM. The Board considers that the amounts of counterclaim by the Defendants against UAM is insignificant to the Group as a whole.

Save as disclosed above, as at 30th June 2017, no litigation or claim of material importance is known to the directors to be pending against either the Company or any of its subsidiaries.

50 COMMITMENTS

(a) Operating leases commitments

As at 30th June 2017, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Land and buildings	土地及樓宇		
Not later than one year	不超過一年	6,274	8,609
Later than one year and not later than five years	超過一年及不超過五年	2,046	6,506
		8,320	15,115

Certain department store counters and retail stores include payment obligations with rental varied with gross revenue. The additional rental payable (contingent rents) is determined generally by applying pre-determined percentages to future revenue less minimum lease payment of the respective leases.

49 未決訴訟(續)

(d) (續)

根據法律顧問的意見，現階段預測對寰宇藝人管理的上述索償結果尚屬為時過早。董事會認為，被告就寰宇藝人管理提出反申索的數額對本集團整體而言屬微不足道。

除上文所披露者外，於二零一七年六月三十日，就董事所知，本公司或其任何附屬公司並無面臨任何重大未決訴訟或索償。

50 承擔

(a) 經營租賃承擔

於二零一七年六月三十日，本集團根據不可撤銷之經營租賃而將於未來支付之最低租賃付款總額如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Land and buildings	土地及樓宇		
Not later than one year	不超過一年	6,274	8,609
Later than one year and not later than five years	超過一年及不超過五年	2,046	6,506
		8,320	15,115

若干百貨公司專櫃及零售店訂有因應不同的總收入而繳交不同租金的付款責任。應付額外租金(或然租金)一般以未來收入的預定百分比減各租賃的最低租金付款釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

50 COMMITMENTS (Continued)

(b) Other commitments

As at 30th June 2017, the Group had commitments contracted but not provided for in these consolidated financial statements as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Purchase of film rights and production of films (Note i)	購買電影版權及電影製作 (附註i)	73,310	59,002
Licence agreement	版權協議	2,586	786

Note i: Included in the commitment of purchase of film rights and production of films, an amount of HK\$690,000 is related to the joint operation arrangements of film production as at 30th June 2017 (2016: HK\$13,633,000).

50 承擔(續)

(b) 其他承擔

於二零一七年六月三十日，本集團已訂約但未於此等綜合財務報表撥備之承擔如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Purchase of film rights and production of films (Note i)	購買電影版權及電影製作 (附註i)	73,310	59,002
Licence agreement	版權協議	2,586	786

附註i：於二零一七年六月三十日計入購買電影版權及電影製作承擔的金額690,000港元(二零一六年：13,633,000港元)與製作電影之合營安排有關。

51 FUTURE OPERATING LEASE ARRANGEMENTS

As at 30th June 2017, the Group had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Not later than one year	不超過一年	1,202	743
Later than one year and not later than five years	超過一年及不超過五年	774	126
		1,976	869

51 未來經營租賃安排

於二零一七年六月三十日，本集團根據不可撤銷之經營租賃而將於未來收取之最低租賃款項總額如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

52 RELATED PARTY TRANSACTIONS

52 關連人士之交易

(a) Tenancy Agreements

(a) 租賃協議

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
i) Rental expenses paid to Universe Property Investment Limited which is wholly owned by a director of the Company (Note a)	i) 向寰宇物業投資有限公司(由本公司一名董事全資擁有)支付之租金開支(附註a)	2,928	2,928
ii) Rental expenses paid to Sam Fung Global Limited which is wholly owned by the spouse of a director of the Company (Note b)	ii) 向三鋒環球有限公司(由本公司一名董事之配偶全資擁有)支付之租金開支(附註b)	323	740

Note a:

Universe Digital Entertainment Limited (“UDE”), an indirect wholly-owned subsidiary of the Company, entered into a tenancy agreement with Universe Property Investment Limited (“UPI”), a company owned by Mr. Lam Shiu Ming, Daneil, the executive Director of the Company, for renting (1) an industrial unit and (2) 5 carparking spaces of an industrial building for warehouse, ancillary office and carparking uses in Kwai Chung from 25th February 2014 to 24th February 2017, with a monthly rental of HK\$244,000 (the “Tenancy Agreement”) which were arrived at following arm’s length negotiation between the Group and UPI with reference to the rental valuation performed by Roma Appraisals Limited, an independent property valuer, as at 30th November 2013 which reflected the then market rent.

The Tenancy Agreement was renewed for the period from 25th February 2017 to 24th February 2018, with a monthly rental of HK\$244,000 being arrived at following arm’s length negotiation between the Group and UPI with reference to the rental valuation performed by Ravia Global Appraisal Advisory Limited, an independent property valuer, as at 29th September 2016 which reflected the then market rent.

附註a:

本公司間接全資附屬公司寰宇數碼娛樂有限公司(「寰宇數碼娛樂」)與本公司執行董事林小明先生擁有之公司寰宇物業投資有限公司(「寰宇物業投資」)就自二零一四年二月二十五日起至二零一七年二月二十四日止以月租金244,000港元租用(1)一個工業單位及(2)坐落於葵涌一棟用作倉庫、配套辦公室及停車場的工業大廈之5個停車位訂立租賃協議(「租賃協議」)，該協議由本集團與寰宇物業投資經參考獨立物業估值師羅馬國際評估有限公司於二零一三年十一月三十日作出的租金估值(反映當時市場租金)後公平磋商釐定。

租賃協議續新為二零一七年二月二十五日至二零一八年二月二十四日期間，月租金為244,000港元，乃由本集團與寰宇物業投資經公平磋商後，參照獨立物業估值師瑞豐環球評估諮詢有限公司於二零一六年九月二十九日作出的租金估值(反映當時市場租金)釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

52 RELATED PARTY TRANSACTIONS

(Continued)

(a) Tenancy Agreements (Continued)

Note a: (Continued)

As at 30th June 2017 and 30th June 2016, the Group had total future minimum lease payments to UPI under non-cancellable operating lease falling due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Not later than one year	不超過一年	1,952	1,952
		1,952	1,952

Note b:

CJFS, an indirect wholly-owned subsidiary of the Company, entered into a tenancy agreement with Sam Fung Global Limited, a company owned by the spouse of Ms. Cheng Hei Yu, the former executive director of the Company and an employee of the Group after her resignation for renting an office unit in Sheung Wan, Hong Kong from 1st November 2015 to 31st October 2017, with a monthly rental of HK\$100,000 (the "CJFS Tenancy Agreement") which were arrived at the arm's length negotiation by the relevant parties with reference to the market rent. Ms. Cheng Hei Yu ceased to be a related party of Group following her resignation as an executive director of the Company on 7th October 2017.

As at 30th June 2017 and 30th June 2016, the Group had total future minimum lease payments to Sam Fung Global Limited transactions under non-cancellable operating lease falling due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Not later than one year	不超過一年	-	1,200
Later than one year and not later than five years	超過一年及不超過五年	-	400
		-	1,600

52 關連人士之交易 (續)

(a) 租賃協議 (續)

附註a: (續)

於二零一七年六月三十日及二零一六年六月三十日，本集團根據不可撤銷經營租賃應付寰宇物業投資之未來最低租賃付款總額之到期情況如下：

附註b:

本公司間接全資附屬公司中國建信與本公司前執行董事及辭任後仍為本集團僱員的鄭熹榆女士之配偶擁有之公司三鋒環球有限公司就自二零一五年十一月一日起至二零一七年十月三十一日止以月租金100,000港元租用位於香港上環的一間辦公室單位訂立租賃協議(「中國建信租賃協議」)，該協議由相關訂約方經參考市場租金後公平磋商釐定。鄭熹榆女士於二零一七年十月七日辭任本公司執行董事後不再為本集團關連人士。

於二零一七年六月三十日及二零一六年六月三十日，本集團根據不可撤銷經營租賃應付三鋒環球有限公司之未來最低租賃付款總額之到期情況如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

52 RELATED PARTY TRANSACTIONS

(Continued)

(b) Details of key management compensation

Key management personnel are those management with responsibility for planning, directing and controlling the activities of the Group.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	18,375	10,195
Post-employment benefits	僱員退休福利	44	72
Share-based compensation	股份報酬	-	2,993
		18,419	13,260

Save as disclosed above and elsewhere in these consolidated financial statements, no other material related party transactions have been entered into by the Group. The transactions were carried out after negotiations between the Group and the related parties in the ordinary course of business.

(c) Transactions with an associate

During the year ended 30th June 2017, the Group purchased optical products from HK Optical at approximately HK\$5,103,000, and sold optical products to HK Optical at approximately HK\$1,413,000.

52 關連人士之交易 (續)

(b) 主要管理層報酬之詳情

主要管理人員為負責計劃、指示及控制本集團活動之管理層。

除上文及於此等綜合財務報表其他部分所披露者外，本集團並無訂立其他重大關連人士交易。該等交易乃於日常業務過程中經本集團及關連人士商議後進行。

(c) 與一間聯營公司之交易

截至二零一七年六月三十日止年度，本集團從茂昌眼鏡採購約5,103,000港元光學產品，及向茂昌眼鏡出售約1,413,000港元光學產品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

53 COMPANY – LEVEL BALANCE SHEET

53 公司層面資產負債表

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	附屬公司投資		72,096	72,096
Property, plant and equipment	物業、機器及設備		843	–
			72,939	72,096
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項		936,292	573,043
Deposits paid	已付訂金		383	567
Prepayments and other receivables	預付款項及其他應收款項		1,371	198
Cash and cash equivalents	現金及現金等價物		3,044	656
			941,090	574,464
Total assets	總資產		1,014,029	646,560
EQUITY	權益			
Equity attributable to the owners of the Company	本公司擁有人應佔權益			
Share capital	股本	25	8,533	1,778
Share premium	股份溢價	27(b)	893,345	532,910
Other reserves	其他儲備	27(b)	116,005	123,100
Accumulated losses	累計虧損	27(b)	(36,640)	(27,608)
Total equity	總權益		981,243	630,180
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借貸		10,000	–
Deferred tax liabilities	遞延稅項負債		82	–
			10,082	–
Current liabilities	流動負債			
Amounts due to subsidiaries	應付附屬公司款項		3,136	5,062
Accrued charges	應計支出		3,668	2,118
Borrowings	借貸		15,900	9,200
			22,704	16,380
Total liabilities	總負債		32,786	16,380
Total equity and liabilities	總權益及負債		1,014,029	646,560
Net current assets	流動資產淨值		918,386	558,084
Total assets less current liabilities	總資產減流動負債		991,325	630,180

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

53 COMPANY – LEVEL BALANCE SHEET (Continued)

Approved and authorised for issue by the board of directors on 29th September 2017.

Lam Shiu Ming, Daneil
Director

Lam Kit Sun
Director

53 公司層面資產負債表(續)

已於二零一七年九月二十九日獲董事會批准及授權刊發。

林小明
董事

林傑新
董事

PRINCIPAL PROPERTIES HELD FOR INVESTMENT PURPOSES

持作投資用途之主要物業

HONG KONG

香港

Location 地點	Lot number 地段	Type 種類	Lease term 租賃年期
Woodland House 1-5, Woodlands Villa, 121 Tong Fuk Village, Tong Fuk, Lantau Island, New Territories, Hong Kong 香港新界大嶼山 塘福塘福村121號 林地別墅林地屋1至5號	Lot numbers 1510 remaining part, 1511, 1516, 1518, 1519, 1522 and 1523 in Demarcation District 328 丈量約第328約地段 第1510號部分，1511號， 1516號，1518號，1519號， 1522號及1523號	Residential 住宅	2047 二零四七年

FIVE YEAR FINANCIAL SUMMARY

五年財務摘要

RESULTS

業績

		Year ended 30th June 截至六月三十日止年度				
		2017 二零一七年	2016 二零一六年	2015 二零一五年	2014 二零一四年	2013 二零一三年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	231,644	151,033	70,265	197,299	79,106
(Loss)/profit before income tax	除所得稅前(虧損)/ 溢利	(111,677)	(166,453)	198,296	(18,472)	(4,890)
Income tax (expense)/credit	所得稅(費用)/回撥	(6,919)	26,179	(37,366)	(5,855)	213
(Loss)/profit attributable to the equity holders of the Company	本公司權益持有人應 佔(虧損)/溢利	(114,328)	(140,790)	161,956	(24,327)	(4,677)
Special cash dividend	特別現金股息	-	-	-	-	-
Proposed final dividend	擬派末期股息	-	-	-	-	-

ASSETS AND LIABILITIES

資產及負債

		As at 30th June 於六月三十日				
		2017 二零一七年	2016 二零一六年	2015 二零一五年	2014 二零一四年	2013 二零一三年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Total assets	總資產	1,456,934	1,150,731	739,628	394,764	396,457
Total liabilities	總負債	(443,407)	(398,810)	(167,361)	(94,865)	(155,304)

universe
寰宇