



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

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 : 482

2019
INTERIM REPORT 中期報告



* For identification purpose only
僅供識別

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Hung Tsung Chin
Mr. Chen Wei Chun

NON-EXECUTIVE DIRECTOR

Mr. Kuo Jen Hao

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lau Yau Cheung (*Chairman*)
Mr. Li Chak Hung
Mr. Wu Chia Ming

AUDIT COMMITTEE

Mr. Li Chak Hung (*Committee Chairman*)
Mr. Lau Yau Cheung
Mr. Wu Chia Ming

REMUNERATION COMMITTEE

Mr. Wu Chia Ming (*Committee Chairman*)
Mr. Lau Yau Cheung
Mr. Li Chak Hung

NOMINATION COMMITTEE

Mr. Lau Yau Cheung (*Committee Chairman*)
Mr. Li Chak Hung
Mr. Wu Chia Ming

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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

REGISTERED OFFICE

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

COMPANY SECRETARY

Ms. Lee Suet Lai

AUTHORISED REPRESENTATIVES

Mr. Hung Tsung Chin
Ms. Lee Suet Lai

執行董事

洪聰進先生
陳偉鈞先生

非執行董事

郭人豪先生

獨立非執行董事

劉幼祥先生 (*主席*)
李澤雄先生
吳嘉明先生

審核委員會

李澤雄先生 (*委員會主席*)
劉幼祥先生
吳嘉明先生

薪酬委員會

吳嘉明先生 (*委員會主席*)
劉幼祥先生
李澤雄先生

提名委員會

劉幼祥先生 (*委員會主席*)
李澤雄先生
吳嘉明先生

總辦事處及主要營業地點

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註冊辦事處

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HM 11, Bermuda

公司秘書

李雪麗女士

授權代表

洪聰進先生
李雪麗女士

CORPORATE INFORMATION (Continued)

公司資料(續)

PRINCIPAL BANKERS

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

AUDITOR

BDO Limited
Certified Public Accountants

LEGAL ADVISORS

Woo Kwan Lee & Lo
MinterEllison LLP

SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong
Computershare Hong Kong Investor Services Limited
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Conyers Corporate Services (Bermuda) Limited
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CORPORATE WEBSITE

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主要往來銀行

中國農業銀行股份有限公司
中國信託商業銀行股份有限公司
中國工商銀行股份有限公司
台新國際商業銀行股份有限公司

核數師

香港立信德豪會計師事務所有限公司
執業會計師

法律顧問

胡關李羅律師行
銘德有限法律責任合夥律師事務所

股份登記及過戶處

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CHAIRMAN'S LETTER TO SHAREHOLDERS

主席致股東報告

Dear shareholders of the Company (the “Shareholders”),

On behalf of the board (the “Board”) of the directors (the “Directors”) of Sandmartin International Holdings Limited (the “Company”, together with its subsidiaries collectively referred to as the “Group”), I am pleased to present the interim results of the Group for the six months ended 30 June 2019.

Over the past six months, the financial performance of the Group was improving despite the uncertainties on the global economic development arising from the China-United States trade war. The efficiency of the Group's operations and profitability increased as a result of continuing streamlining of workflows of its manufacturing segments and cost saving measures such as outsourcing of productions to subcontractors. Moreover, the completion of the disposal of My HD Media FZ-LLC (“MyHD”) in June 2019 relieved the Group from the heavy financial burden in maintaining the daily operations of MyHD. In response to the China-United States trade war, the Group mitigates the impact by strengthening its supply chain management to produce components and accessories in Vietnam and India, serving the purpose of avoiding the tariffs imposed by the United States on products from China.

For the Company's 47.12%-owned associate, Dish Media Network Limited (“Dish Media”, the largest pay television operator in Nepal), it secured a customer base exceeding a million subscribers in Nepal and was profitable in consecutive years since 2015.

Going forward, the Company believes that the growth of the Group will depend on business opportunities arising from new 5G peripherals and related products. In anticipation of such business opportunity, the Group's research and development team is developing new 5G related products with reference to the market trend, such as small cell technology and networks. New products under development include next generation radio frequency and antenna products. The Group's research and development team is working on these products in the research center in Hsinchu, Taiwan. Hopefully, the Group's new 5G related products will bring about more business opportunities as well as revenue and profits.

* For identification purpose only

各位本公司股東(「股東」)：

本人謹代表聖馬丁國際控股有限公司* (「本公司」，連同其附屬公司統稱為「本集團」) 董事(「董事」)會(「董事會」)欣然呈報本集團截至二零一九年六月三十日止六個月的中期業績。

在過去六個月，儘管中美貿易戰引發全球經濟發展的不明朗因素，但本集團的財務表現一直改善。受惠於持續精簡製造分部的工作流程及實施節省成本措施(如將生產外判予分包商等)，本集團的營運效率及盈利能力有所提升。此外，本集團於二零一九年六月完成出售 My HD Media FZ-LLC (「MyHD」)，使本集團從維持 MyHD 日常營運的沉重財務負擔中解脫出來。為應對中美貿易戰，本集團通過加強供應鏈管理，在越南及印度生產零配件以避免美國對來自中國的產品徵收關稅，從而紓緩有關影響。

就本公司擁有 47.12% 權益的聯營公司 Dish Media Network Limited (「Dish Media」，尼泊爾最大的收費電視營運商) 而言，其已在尼泊爾獲得超過一百萬名訂戶的客戶群，且自二零一五年起連續多年錄得盈利。

展望未來，本公司深信，本集團日後的增長將端視於最新的 5G 週邊及相關產品帶來的商機。為配合預期中的商機，本集團的研發團隊正因應市場趨勢開發全新的 5G 相關產品，例如微型基站及網絡。開發中的新產品包括新一代無線電頻道及天線產品。本集團的研發團隊目前在位於台灣新竹的研究中心埋首於上述產品的開發工作，期望本集團全新的 5G 相關產品能誘發更多商機，繼而帶來收益及溢利。

* 僅供識別

CHAIRMAN'S LETTER TO SHAREHOLDERS *(Continued)*

主席致股東報告(續)

In anticipation of the escalation of geo-political and geo-economic tensions, disputes on international trade arising from protectionism, the Group will make every endeavour to identify business opportunities with promising potential in the manufacturing segment or even other sectors so as to diversify our income source to weather the possible adverse cycle. With the dedicated management and execution capabilities of our top management team, the Group remains confident in seizing the opportunities amidst the challenging landscape.

All in all, we are thankful for the patience and continuous support from our dedicated employees, the management, invaluable business partners, Shareholders and investors. We look forward to sharing the rewards ahead with you.

Lau Yau Cheung
Chairman

預計地緣政治和經濟局勢將漸趨緊張，加上保護主義抬頭，令國際貿易爭端頻生，為求開拓更多收入來源以渡過可能出現的不利週期，本集團將努力在製造分部或甚至其他行業尋找潛力優厚的商機。本集團的高級管理層盡忠職守，具備卓越的管理及執行能力，故本集團有信心在充滿挑戰的形勢中把握機遇。

總括而言，我們謹對專心致志的全體僱員、專責的管理層、寶貴的業務夥伴、股東和投資者一直以來的耐心表現和鼎力支持衷心致謝，期望日後能與各位分享成果。

主席
劉幼祥

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL HIGHLIGHT AND BUSINESS REVIEW

The Group recorded an increase in gross profit margin from continuing operations from 10.82% for the six months ended 30 June 2018 to 15.58% for the six months ended 30 June 2019 due to the resumption of delivery of the preceding model of low noise blocking down converters (“LNBs”) to one of the major customers of the Group in North America.

MEDIA ENTERTAINMENT PLATFORM RELATED PRODUCTS

In the first half of 2019, the Group’s media entertainment platform related products segment faced fierce market competition from other set-top box manufacturers in the People’s Republic of China (“PRC”). In response to the fierce market competition, the Group continued to explore new business opportunities in other locations, such as customers in South Asia. The revenue of this segment was decreased by 8.56% as compared with the six months ended 30 June 2018.

- Segment revenue of media entertainment platform related products was approximately HK\$119.1 million (30 June 2018: HK\$130.3 million).
- Segment results from operations were approximately HK\$20.9 million (30 June 2018: HK\$19.6 million).
- Segment margin was 17.51%, which was increased by 2.48 percentage-point as compared with the segment margin of 15.03% for the six months ended 30 June 2018.

Outlook

The market competition is fierce due to direct competition from other set-top box manufacturers in the PRC, and the surge in raw material prices which reduced the profit margin of the products. The Group is exploring new markets for its set-top boxes, such as customers in South Asia. The China-United States trade war is not expected to have material adverse impact on this segment as the Group does not have set-top boxes customers in the United States.

財務摘要及業務概覽

本集團持續經營業務的毛利率由截至二零一八年六月三十日止六個月的10.82%增至截至二零一九年六月三十日止六個月的15.58%，乃由於恢復交付先前型號低雜訊降頻器（「LNB」）予本集團一名主要北美客戶所致。

媒體娛樂平臺相關產品

於二零一九年上半年，本集團的媒體娛樂平臺相關產品分部面對中華人民共和國（「中國」）其他機頂盒製造商的激烈市場競爭。為應對激烈市場競爭，本集團繼續於其他地區發掘新商機，如南亞客戶。此分部的收益較截至二零一八年六月三十日止六個月減少8.56%。

- 媒體娛樂平臺相關產品的分部收益約為119,100,000港元（二零一八年六月三十日：130,300,000港元）。
- 分部營運業績約為20,900,000港元（二零一八年六月三十日：19,600,000港元）。
- 分部利潤率為17.51%，較截至二零一八年六月三十日止六個月的分部利潤率15.03%上升2.48個百分點。

前景

由於來自中國其他機頂盒製造商的直接競爭，故市場競爭激烈，加上原材料價格急升導致產品的利潤率下跌。本集團正為其機頂盒開拓新市場，例如南亞的客戶。由於本集團並無機頂盒客戶位於美國，故預期中美貿易戰不會對此分部造成重大不利影響。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

OTHER MULTIMEDIA PRODUCTS

In the first half of 2019, the Group's other multimedia products segment continued to enhance the product portfolio and reduced the product costs by outsourcing and supply chain integration. The Group's other multimedia products segment was able to maintain its profitability. Major products of this segment included high definition multimedia interface ("HDMI") cables, multimedia accessories, external batteries and retractable chargers. Segment results increased by 20.9% due to the increase in profit margin for the electronic products.

- Segment revenue of other multimedia products was approximately HK\$131.9 million (30 June 2018: HK\$123.3 million).
- Segment results from operations were approximately HK\$16.9 million (30 June 2018: HK\$14.0 million).
- Segment margin was 12.79%, which was increased by 1.47 percentage-point as compared with the segment margin of 11.32% for the six months ended 30 June 2018.

Outlook

We are enhancing our product portfolio and developing new businesses. New products, such as retractable chargers and ultraviolet light sterilizers will be launched in the second half of 2019. The China-United States trade war has some impact on this segment as some of the customers are in the United States. We are trying to minimize the impact by sourcing from suppliers outside the PRC.

SATELLITE TV EQUIPMENT AND ANTENNA PRODUCTS

The Group's satellite TV equipment and antenna products segment resumed the delivery of the preceding model of LNBS to one of the major customers in North America. The revenue of the Group's satellite TV equipment and antenna products segment showed a 10.05% decrease compared with the six months ended 30 June 2018.

- Segment revenue of satellite TV equipment and antenna products was approximately HK\$416.5 million (30 June 2018: HK\$463.1 million).

其他多媒體產品

於二零一九年上半年，本集團其他多媒體產品分部繼續豐富產品組合，並透過外包及供應鏈整合降低產品成本。本集團的其他多媒體產品分部能維持盈利能力。此分部的主要產品包括高清多媒體接口（「HDMI」）線、多媒體配件、外置電池及可伸縮充電器。分部業績增加20.9%，乃由於電子產品之利潤率增加所致。

- 其他多媒體產品的分部收益約為131,900,000港元(二零一八年六月三十日：123,300,000港元)。
- 分部營運業績約為16,900,000港元(二零一八年六月三十日：14,000,000港元)。
- 分部利潤率為12.79%，較截至二零一八年六月三十日止六個月的分部利潤率11.32%上升1.47個百分點。

前景

我們正在豐富產品組合和開拓新業務。可伸縮充電器及紫外線消毒器等新產品將於二零一九年下半年推出。由於部分客戶位於美國，故中美貿易戰已對此分部造成若干影響。我們正嘗試向中國以外地區的供應商進行採購，以盡量減輕所受影響。

衛星電視設備及天線產品

本集團的衛星電視設備及天線產品分部恢復向北美一名主要客戶交付先前型號LNB。本集團的衛星電視設備及天線產品分部的收益相較截至二零一八年六月三十日止六個月減少10.05%。

- 衛星電視設備及天線產品的分部收益約為416,500,000港元(二零一八年六月三十日：463,100,000港元)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

- Segment results from operations were approximately HK\$54.0 million (30 June 2018: HK\$28.5 million).
- Segment margin was 12.97%, which increased by 6.82 percentage-point as compared with the segment margin of 6.15% for the six months ended 30 June 2018.

Outlook

LNBs are receiving devices mounted on satellite dishes used for reception, which collect microwaves from the satellite dishes and facilitate the transmission of satellite television signals. Apart from the sales of LNBs to the customers in North America, we are exploring business opportunities in other areas such as cross-selling LNBs to other existing customers of the Group in South Asia. The China-United States trade war has some impact on this segment as some of the customers are in the United States. We are trying to minimize the impact by relocating some productions to India and sourcing from suppliers outside the PRC.

SATELLITE TV BROADCASTING

Following the disposal of MyHD, the business of satellite TV broadcasting of the Group had been discontinued.

GEOGRAPHICAL RESULTS

Africa

- Segment revenue for Africa for the six months ended 30 June 2019 was approximately HK\$1.8 million, as compared with the six months ended 30 June 2018 of approximately HK\$4.5 million.
- 60.0% drop in segment revenue compared with the six months ended 30 June 2018.
- Africa's portion accounted for approximately 0.3% of the Group's total revenue from continuing operations for the six months ended 30 June 2019 (six months ended 30 June 2018: 0.6%).

- 分部營運業績約為 54,000,000 港元(二零一八年六月三十日: 28,500,000 港元)。
- 分部利潤率為 12.97%，較截至二零一八年六月三十日止六個月的分部利潤率 6.15% 上升 6.82 個百分點。

前景

LNB 是安裝在衛星天線用以接收來自於衛星天線無線電波的接收設備，有助傳輸衛星電視信號。除向北美洲的客戶銷售 LNB 外，我們正於其他地區發掘商機，例如透過與本集團於南亞的其他現有客戶進行 LNB 交叉銷售。由於部分客戶位於美國，故中美貿易戰已對此分部造成若干影響。我們正嘗試將部分生產遷往印度及向中國以外地區的供應商進行採購，以盡量減輕所受影響。

衛星電視廣播

於出售 MyHD 後，本集團之衛星電視廣播業務已終止經營。

地域分部業績

非洲

- 於截至二零一九年六月三十日止六個月，非洲分部收益約為 1,800,000 港元，而於截至二零一八年六月三十日止六個月約為 4,500,000 港元。
- 分部收益與截至二零一八年六月三十日止六個月相比減少 60.0%。
- 於截至二零一九年六月三十日止六個月，非洲部分佔本集團來自持續經營業務的總收益約 0.3% (截至二零一八年六月三十日止六個月: 0.6%)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

Asia

- Segment revenue for Asia for the six months ended 30 June 2019 was approximately HK\$188.7 million, as compared with the six months ended 30 June 2018 of approximately HK\$140.3 million.
- 34.5% increase in segment revenue compared with the six months ended 30 June 2018.
- Asia's portion accounted for approximately 28.3% of the Group's total revenue from continuing operations for the six months ended 30 June 2019 (six months ended 30 June 2018: 19.6%).

Europe

- Segment revenue for Europe for the six months ended 30 June 2019 was approximately HK\$63.6 million, as compared with the six months ended 30 June 2018 of approximately HK\$97.0 million.
- 34.4% drop in segment revenue compared with the six months ended 30 June 2018.
- Europe's portion accounted for approximately 9.5% of the Group's total revenue from continuing operations for the six months ended 30 June 2019 (six months ended 30 June 2018: 13.5%).

Middle East

- Segment revenue for Middle East for the six months ended 30 June 2019 was approximately HK\$31.8 million, as compared with the six months ended 30 June 2018 of approximately HK\$10.2 million.
- 211.8% increase in segment revenue compared with the six months ended 30 June 2018.
- Middle East's portion accounted for approximately 4.8% of the Group's total revenue from continuing operations for the six months ended 30 June 2019 (six months ended 30 June 2018: 1.4%).

亞洲

- 於截至二零一九年六月三十日止六個月，亞洲分部收益約為188,700,000港元，而於截至二零一八年六月三十日止六個月約為140,300,000港元。
- 分部收益與截至二零一八年六月三十日止六個月相比增加34.5%。
- 於截至二零一九年六月三十日止六個月，亞洲部分佔本集團來自持續經營業務的總收益約28.3% (截至二零一八年六月三十日止六個月：19.6%)。

歐洲

- 於截至二零一九年六月三十日止六個月，歐洲分部收益約為63,600,000港元，而於截至二零一八年六月三十日止六個月約為97,000,000港元。
- 分部收益與截至二零一八年六月三十日止六個月相比減少34.4%。
- 於截至二零一九年六月三十日止六個月，歐洲部分佔本集團來自持續經營業務的總收益約9.5% (截至二零一八年六月三十日止六個月：13.5%)。

中東

- 於截至二零一九年六月三十日止六個月，中東分部收益約為31,800,000港元，而於截至二零一八年六月三十日止六個月約為10,200,000港元。
- 分部收益與截至二零一八年六月三十日止六個月相比增加211.8%。
- 於截至二零一九年六月三十日止六個月，中東部分佔本集團來自持續經營業務的總收益約4.8% (截至二零一八年六月三十日止六個月：1.4%)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

North America

- Segment revenue for North America for the six months ended 30 June 2019 was approximately HK\$374.6 million, as compared with the six months ended 30 June 2018 of approximately HK\$457.9 million.
- 18.2% drop in segment revenue compared with the six months ended 30 June 2018.
- North America's portion accounted for approximately 56.1% of the Group's total revenue from continuing operations for the six months ended 30 June 2019 (six months ended 30 June 2018: 63.9%).

South America

- Segment revenue for South America for the six months ended 30 June 2019 was approximately HK\$6.4 million, as compared with the six months ended 30 June 2018 of approximately HK\$6.1 million.
- 4.9% increase in segment revenue compared with the six months ended 30 June 2018.
- South America's portion accounted for approximately 1.0% of the Group's total revenue from continuing operations for the six months ended 30 June 2019 (six months ended 30 June 2018: 0.8%).

Outlook

As our business in Asia, Europe and North America accounted for the majority of our Group's revenue, we shall focus in these regions in the future.

北美洲

- 於截至二零一九年六月三十日止六個月，北美洲分部收益約為374,600,000港元，而於截至二零一八年六月三十日止六個月約為457,900,000港元。
- 分部收益與截至二零一八年六月三十日止六個月相比減少18.2%。
- 於截至二零一九年六月三十日止六個月，北美洲部分佔本集團來自持續經營業務的總收益約56.1% (截至二零一八年六月三十日止六個月：63.9%)。

南美洲

- 於截至二零一九年六月三十日止六個月，南美洲分部收益約為6,400,000港元，而於截至二零一八年六月三十日止六個月約為6,100,000港元。
- 分部收益與截至二零一八年六月三十日止六個月相比增加4.9%。
- 於截至二零一九年六月三十日止六個月，南美洲部分佔本集團來自持續經營業務的總收益約1.0% (截至二零一八年六月三十日止六個月：0.8%)。

前景

由於我們在亞洲、歐洲及北美洲的業務分佔本集團大部分的收益，因此，我們日後將專注於此等地區。

FINANCIAL REVIEW

財務回顧

REVENUE

Revenue from continuing operations for the six months ended 30 June 2019 was approximately HK\$667.6 million, representing a decline of 6.8% compared with approximately HK\$716.7 million for the six months ended 30 June 2018. The decrease in revenue was mainly due to the underperformance of the Group's satellite TV equipment and antenna segment.

PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY

Profit attributable to owners of the Company from continuing and discontinued operations was approximately HK\$146.0 million for the six months ended 30 June 2019, compared with loss of approximately HK\$62.9 million for the six months ended 30 June 2018. The profit mainly arose from the gain on disposal of satellite TV broadcasting segment during the period less the loss absorbed from the Group's discontinued operation — satellite TV broadcasting segment as the subscription revenue was not able to cover the programming costs of the satellite TV broadcasting.

EARNINGS/(LOSS) PER SHARE

Calculation of basic earnings per share for the six months ended 30 June 2019 was based on the profit attributable to owners of the Company and the weighted average number of 3,278,825,335 ordinary shares in issue. Basic earnings per share from continuing and discontinued operations was HK4.45 cents for the six months ended 30 June 2019, as compared with loss per share of HK1.92 cents for the six months ended 30 June 2018.

FINANCE COSTS

The Group's finance costs for the six months ended 30 June 2019 was approximately HK\$18.5 million, compared to approximately HK\$14.0 million for the six months ended 30 June 2018. Finance costs were increased due to the increase of bank and other borrowings during the six months ended 30 June 2019.

INCOME TAX EXPENSE

Income tax expense for the six months ended 30 June 2019 was approximately HK\$3.6 million (30 June 2018: HK\$4.7 million).

收益

截至二零一九年六月三十日止六個月來自持續經營業務的收益約為667,600,000港元，較截至二零一八年六月三十日止六個月約716,700,000港元減少6.8%。收益減少主要由於本集團衛星電視設備及天線分部表現不佳所致。

本公司擁有人應佔溢利／（虧損）

截至二零一九年六月三十日止六個月，來自持續及已終止經營業務的本公司擁有人應佔溢利約為146,000,000港元，而截至二零一八年六月三十日止六個月則為虧損約62,900,000港元。溢利主要由於期內出售衛星電視廣播分部之收益扣減承受本集團已終止經營業務——衛星電視廣播分部因訂購收入無法應付衛星電視廣播之節目製作成本而產生的虧損所致。

每股盈利／（虧損）

截至二零一九年六月三十日止六個月的每股基本盈利乃根據本公司擁有人應佔溢利及已發行普通股加權平均數3,278,825,335股計算。截至二零一九年六月三十日止六個月來自持續及已終止經營業務的每股基本盈利為4.45港仙，而截至二零一八年六月三十日止六個月為每股虧損1.92港仙。

財務成本

截至二零一九年六月三十日止六個月，本集團的財務成本約為18,500,000港元，而截至二零一八年六月三十日止六個月約為14,000,000港元。財務成本增加乃由於截至二零一九年六月三十日止六個月銀行及其他借貸增加所致。

所得稅支出

截至二零一九年六月三十日止六個月的所得稅支出約為3,600,000港元（二零一八年六月三十日：4,700,000港元）。

FINANCIAL REVIEW (Continued)

財務回顧(續)

TRADE RECEIVABLES

應收貿易賬款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Balance at 1 January	於一月一日的結餘	287,022	232,096
Balance at 30 June	於六月三十日的結餘	303,059	179,457
Average balance	平均結餘	295,041	205,077
Revenue for the period ended 30 June	截至六月三十日止期間的收益	667,624	716,672
Average turnover days	平均週轉天數	81	52

As at 30 June 2019, the trade receivables of the Group, net of allowance of doubtful debts was approximately HK\$303,059,000 (31 December 2018: HK\$287,022,000). The trade receivables turnover days was within the average credit period of 60 days to 120 days to the customers of the Group.

於二零一九年六月三十日，本集團的應收貿易賬款扣除呆賬撥備後約為303,059,000港元(二零一八年十二月三十一日：287,022,000港元)。應收貿易賬款的週轉天數屬於給予本集團客戶的平均信貸期60天至120天以內。

TRADE PAYABLES

應付貿易賬款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Balance at 1 January	於一月一日的結餘	385,904	326,350
Balance at 30 June	於六月三十日的結餘	476,976	279,527
Average balance	平均結餘	431,440	302,939
Cost of sales for the period ended 30 June	截至六月三十日止期間的銷售成本	563,602	639,144
Average turnover days	平均週轉天數	140	87

As at 30 June 2019, the trade payables of the Group was approximately HK\$476,976,000 (31 December 2018: HK\$385,904,000). The increase in trade payables turnover days was due to the tightening of settlement to the Group's suppliers to preserve more cash for better cash flow management.

於二零一九年六月三十日，本集團的應付貿易賬款約為476,976,000港元(二零一八年十二月三十一日：385,904,000港元)。應付貿易賬款的週轉天數增加，乃由於收緊對本集團供應商的結算以保留更多現金作更佳的現金流量管理。

FINANCIAL REVIEW (Continued)

財務回顧(續)

NET ASSET VALUE PER SHARE

Calculation of net asset value per share was based on the net asset value of the Group of HK\$549.8 million (31 December 2018: HK\$34.1 million) and 3,278,825,335 ordinary shares issued at 30 June 2019 (31 December 2018: 3,278,825,335 ordinary shares). Net asset value per share at 30 June 2019 was HK\$0.17 (31 December 2018: HK\$0.01).

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2019, the overall cash and cash equivalent was HK\$81.8 million (31 December 2018: HK\$72.7 million). The Group's major financial resources were derived from cash generated from financing activities and internal generated cash flow.

The Group's current ratio (ratio of current assets to current liabilities) was 0.83 as at 30 June 2019 (31 December 2018: 0.73).

As at 30 June 2019, the Group's total borrowings were HK\$481.3 million (31 December 2018: HK\$466.5 million). The gearing ratio (total borrowings over total assets of the Group) decreased from 42.55% as at 31 December 2018 to 28.08% as at 30 June 2019.

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2019, the Group's general banking facilities (including bank loans and other borrowings) were secured by the following assets of the Group: (i) bank deposits of HK\$4.0 million, (ii) property, plant and equipment with a carrying value of HK\$28.9 million, (iii) investment properties of HK\$153.3 million, (iv) trade receivables of HK\$58.4 million, (v) inventory of HK\$152.1 million and (vi) pledge of the Company's interest in Pro Brand Technology, Inc.

* For identification purpose only

每股資產淨值

每股資產淨值乃根據本集團於二零一九年六月三十日的資產淨值549,800,000港元(二零一八年十二月三十一日: 34,100,000港元)及3,278,825,335股已發行普通股(二零一八年十二月三十一日: 3,278,825,335股普通股)計算。於二零一九年六月三十日的每股資產淨值為0.17港元(二零一八年十二月三十一日: 0.01港元)。

流動資金及財務資源

於二零一九年六月三十日,本集團的整體現金及現金等價物為81,800,000港元(二零一八年十二月三十一日: 72,700,000港元)。本集團的財務資源主要來自融資活動產生的現金及內部產生的現金流量。

於二零一九年六月三十日,本集團的流動比率(流動資產與流動負債的比率)為0.83(二零一八年十二月三十一日: 0.73)。

於二零一九年六月三十日,本集團的借貸總額為481,300,000港元(二零一八年十二月三十一日: 466,500,000港元)。資本負債比率(本集團借貸總額除以資產總值)由二零一八年十二月三十一日的42.55%下降至二零一九年六月三十日的28.08%。

本集團的資產押記

於二零一九年六月三十日,本集團的一般銀行信貸(包括銀行貸款及其他借貸)以下列本集團資產作抵押: (i) 銀行存款4,000,000港元; (ii) 賬面值為28,900,000港元的物業、廠房及設備; (iii) 投資物業153,300,000港元; (iv) 應收貿易賬款58,400,000港元; (v) 存貨152,100,000港元; 及(vi) 本公司於博百科技有限公司*(Pro Brand Technology, Inc.)權益的抵押。

* 僅供識別

FINANCIAL REVIEW (Continued)

財務回顧(續)

FOREIGN EXCHANGE EXPOSURE

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

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2019 (31 December 2018: Nil).

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend (six months ended 30 June 2018: Nil) for the six months ended 30 June 2019.

DISPOSAL OF ALL INTERESTS IN MYHD AND CONTINUATION OF LOANS AND GUARANTEE

Reference is made to the announcement of the Company dated 31 December 2018 (the "Announcement") and the circular of the Company dated 25 May 2019 (the "Circular"). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement and in the Circular. On 31 December 2018 after trading hours of the Stock Exchange, the Vendor and the Purchaser entered into the Agreement pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the entire issued share capital of the Target Company, at the nominal consideration of US\$1 with effect from the Transaction Date. The Target Company was a wholly-owned subsidiary of the Company and indirectly held 51% interests in MyHD.

The Group has been experiencing heavy financial burden and has been obtaining borrowings from financial institutions for its daily operation. Given the uncertainty of the future profitability of the Target Group and if the Group intends to keep MyHD and to have sufficient funding for its operation, then the Group would need to provide further financial assistance to the Target Group before subscription revenue of the Target Group is expected to breakeven in 2020. As such, the Disposal would relieve the Group from the provision of further financial assistance to the Target Group. The Directors are of the view that the Disposal would relieve the financial burden of the Group.

外匯風險

本集團的銷售額及購貨額主要以美元及人民幣(「人民幣」)列值。本集團面對若干外幣匯兌風險，惟由於近期人民幣貶值的壓力可予管理，且本集團已從不同來源採購原材料，故預期未來貨幣波動不會造成重大經營困難。然而，管理層持續評估外匯風險，旨在將外匯波動對業務營運的影響減至最低。

或然負債

於二零一九年六月三十日，本集團並無任何重大或然負債(二零一八年十二月三十一日：無)。

中期股息

董事會不建議派付截至二零一九年六月三十日止六個月的中期股息(截至二零一八年六月三十日止六個月：無)。

出售於MYHD之全部權益及延續貸款及擔保

茲提述本公司日期為二零一八年十二月三十一日之公告(「該公告」)及本公司日期為二零一九年五月二十五日之通函(「該通函」)。除另有所指者外，本文中所用之詞彙與該公告及該通函中所定義者具相同涵義。於二零一八年十二月三十一日聯交所交易時段後，賣方與買方訂立該協議，據此，賣方有條件同意出售，而買方有條件同意以象徵式代價1美元購買目標公司之全部已發行股本，自交易日期起生效。目標公司為本公司之全資附屬公司，並間接持有MyHD之51%權益。

本集團一直背負沉重財務負擔，並一直向財務機構取得借貸以維持其日常營運。鑑於目標集團未來盈利能力之不確定性，且倘本集團有意保留MyHD並持有足夠資金以供其營運，則本集團將需要於目標集團預期在二零二零年訂購收益達致收支平衡前向目標集團提供進一步財務資助。因此，出售事項將免除本集團對目標集團提供進一步財務資助。董事認為，出售事項將減輕本集團之財務負擔。

FINANCIAL REVIEW (Continued)

財務回顧(續)

The Vendor had agreed with the Purchaser under the Agreement to procure that the Existing Loans shall continue to be advanced by the Company or SMT (as the case may be) to the Target Company and/or MyHD (as the case may be) notwithstanding Completion taking place. Such arrangement confers the right to the Company or SMT (as the case may be) to receive the payments for the Existing Loans from the Target Company and/or MyHD (as the case may be) when the financial positions of the Target Company and/or MyHD (as the case may be) improve and have sufficient cash to settle the Existing Loans. As at 30 June 2019, there were Existing Loans in the aggregate amount of US\$83,026,000 comprising aggregate principal amount of US\$71,298,000 and aggregate accrued interest of US\$11,728,000 owing by the Target Company and/or MyHD to the Company and/or SMT (as the case may be), the particulars of which are as follows.

儘管完成已落實，賣方已根據該協議與買方協定促使本公司或宏揚科技(視乎情況而定)繼續向目標公司及/或MyHD(視乎情況而定)墊付現有貸款。有關安排賦予本公司或宏揚科技(視乎情況而定)權利當目標公司及/或MyHD(視乎情況而定)之財務狀況改善並擁有足夠現金償付現有貸款時自目標公司及/或MyHD(視乎情況而定)收取現有貸款之付款。於二零一九年六月三十日，目標公司及/或MyHD結欠本公司及/或宏揚科技(視乎情況而定)之現有貸款總額為83,026,000美元，包括本金總額71,298,000美元及應計利息總額11,728,000美元，詳情如下：

Lender	Debtor	Prevailing interest rate	Maturity date	Principal amount outstanding as at 30 June 2019 於二零一九年六月三十日尚未償還本金額	Accrued interest as at 30 June 2019 於二零一九年六月三十日應計利息
貸款人	債務人	現行利率	到期日		
SMT	Target Company	3 months LIBOR + 100 basis points ^(Note 1)	31.12.2020	US\$9,554,000 (approximately HK\$74,626,000)	US\$1,082,000 (approximately HK\$8,451,000)
宏揚科技	目標公司	三個月倫敦銀行同業拆息加100個基點 ^(附註1)	二零二零年十二月三十一日	9,554,000美元 (約74,626,000港元)	1,082,000美元 (約8,451,000港元)
SMT	MyHD	3 months LIBOR + 100 basis points ^(Note 1)	31.12.2020	US\$10,500,000 (approximately HK\$82,015,000)	US\$1,101,000 (approximately HK\$8,600,000)
宏揚科技	MyHD	三個月倫敦銀行同業拆息加100個基點 ^(附註1)	二零二零年十二月三十一日	10,500,000美元 (約82,015,000港元)	1,101,000美元 (約8,600,000港元)
SMT	MyHD	10% per annum	31.12.2020	US\$42,653,000 (approximately HK\$333,162,000)	US\$7,918,000 (approximately HK\$61,847,000)
宏揚科技	MyHD	年利率10厘	二零二零年十二月三十一日	42,653,000美元 (約333,162,000港元)	7,918,000美元 (約61,847,000港元)

FINANCIAL REVIEW (Continued)

財務回顧(續)

Lender	Debtor	Prevailing interest rate	Maturity date	Principal amount outstanding as at 30 June 2019 於二零一九年六月三十日 尚未償還本金額	Accrued interest as at 30 June 2019 於二零一九年六月三十日 應計利息
貸款人	債務人	現行利率	到期日		
the Company	MyHD	10% per annum	31.12.2020	US\$8,591,000 (approximately HK\$67,104,000)	US\$1,627,000 (approximately HK\$12,708,000)
本公司	MyHD	年利率10厘	二零二零年 十二月三十一日	8,591,000美元 (約67,104,000港元)	1,627,000美元 (約12,708,000港元)
			Total	US\$71,298,000 (approximately HK\$556,907,000)	US\$11,728,000 (approximately HK\$91,606,000)
			總計	71,298,000美元 (約556,907,000港元)	11,728,000美元 (約91,606,000港元)

Note:

- As a reference, 3 months London inter-bank offered rates ("LIBOR") as applicable to these two loans during the period between 1 May 2012 to 30 June 2019 ranged between 0.22335% and 2.80763%.

The Vendor and the Purchaser had also agreed that the Guarantee given by the Company to MyHD shall continue for the time being after Completion. The maximum amount payable by the Company under the Guarantee should not exceed US\$3,500,000 (equivalent to approximately HK\$27,332,000). Such arrangement would enable MyHD to secure continuing supply of television contents from MBC FZ LLC which is one of the foundations for the normal operation of MyHD and was essential for the Completion of the Disposal.

All the Conditions set out in the Agreement have been satisfied and the Disposal had completed on 25 June 2019.

HUMAN RESOURCES

As at 30 June 2019, the Group employed a total of 636 (31 December 2018: 777) full-time employees. Employees are remunerated according to their performance and responsibilities. Employees of the Group receive training depending on their scope of works, especially those training relating to workplace health and safety.

附註：

- 作為參考，於二零一二年五月一日至二零一九年六月三十日期間適用於此兩筆貸款的三個月倫敦銀行同業拆息（「倫敦銀行同業拆息」）介乎0.22335厘至2.80763厘。

賣方與買方亦已同意，本公司向MyHD作出之擔保須於完成後暫時持續。本公司根據擔保應付之最高金額不得超過3,500,000美元（相當於約27,332,000港元）。有關安排將使MyHD可保證來自MBC FZ LLC之電視內容持續供應，其為MyHD日常營運之基礎之一，對出售事項之完成至關重要。

該協議所載之所有條件已達成，而出售事項已於二零一九年六月二十五日完成。

人力資源

於二零一九年六月三十日，本集團合共聘用636名（二零一八年十二月三十一日：777名）全職僱員。僱員薪酬乃根據僱員表現及職責釐定。本集團僱員會視乎工作範圍接受培訓，尤其是與工作場所健康與安全的培訓。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

DIRECTORS' SERVICE CONTRACTS

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

SHARE OPTION SCHEME

On 17 March 2005, the share option scheme of the Company ("**Share Option Scheme**") was approved and adopted by the then Shareholders. The Share Option Scheme has expired on 16 March 2015. No further option shall be offered pursuant to the Share Option Scheme but all the outstanding share options are exercisable in accordance with the terms of the Share Option Scheme and such other terms and conditions upon which a share option was granted, at any time during the option period after the share option has been granted by the Board but in any event, not longer than ten (10) years from the date upon which the share option is accepted or deemed to be accepted in accordance with the terms of the Share Option Scheme.

董事的服務合約

本公司已與全體董事訂立為期最長三年的服務合約。董事與本集團成員公司之間概無訂有亦不會訂立本集團不可在一年內免付賠償(法定賠償除外)而終止的服務合約。

購股權計劃

於二零零五年三月十七日，當時之股東批准並採納本公司購股權計劃(「**購股權計劃**」)。購股權計劃已於二零一五年三月十六日屆滿。本公司將不會根據購股權計劃進一步授出購股權，惟所有尚未行使購股權可於購股權獲董事會授出後的購股權期限內任何時間，惟無論如何不超過購股權根據購股權計劃的條款獲接納或被視作獲接納之日起十(10)年，根據購股權計劃的條款及授出購股權所依據的其他條款及條件予以行使。

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

The following table discloses movements in the Company's share options during the six months ended 30 June 2019:

下表披露於截至二零一九年六月三十日止六個月的本公司購股權變動：

Type of grantees 承授人類別	Date of grant 授出日期	Exercisable period 行使期 (Note) (附註)	Closing price per share immediately prior to the date of grant 緊接授出 日期前的 每股收市價 (HK\$) (港元)	Exercise price 行使價 (HK\$) (港元)	Lapsed, cancelled, or exercised during the		
					Outstanding at 1 January 2019 於二零一九年 一月一日 尚未行使	Outstanding at 30 June 2019 於二零一九年 六月三十日 尚未行使	
Other eligible participants	22 October 2010	22.10.2012 to 21.10.2020	2.05	1.761	2,910,000	-	2,910,000
其他合資格參與人	2010/10/22	2012/10/22 至 2020/10/21					
Total 總計					2,910,000	-	2,910,000

Note:

附註：

These share options are exercisable in the following manner:

該等購股權可按以下方式行使：

- | | | | | | |
|------|---|---------------|------|----------------------------------|-------|
| (i) | on or after the second anniversary of the date of grant up to 10 years from the date of grant | 50% | (i) | 於自授出日期起計滿兩週年當日或之後直至自授出日期起計滿10年當日 | 50% |
| (ii) | on or after the third anniversary of the date of grant up to 10 years from the date of grant | remaining 50% | (ii) | 於自授出日期起計滿三週年當日或之後直至自授出日期起計滿10年當日 | 剩餘50% |

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

EMOLUMENT POLICY

The emolument policy of the Directors and senior management of the Group is set up by the remuneration committee on the basis of their merit, qualification and competence. The emoluments of the Directors are decided by the Board based on the recommendation of the remuneration committee, having regard to market competitiveness, individual performance and achievement.

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

As at 30 June 2019, the interests and short positions of each of the Directors and chief executive of the Company and their associates had in any shares, underlying shares, equity derivatives or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they were taken or deemed to have under such provisions of the SFO), or which are required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the

酬金政策

董事及本集團高級管理層的酬金政策由薪酬委員會根據彼等的考績、資歷及才幹訂立。董事的酬金由董事會基於薪酬委員會經考慮市場競爭力、個人表現及成就後作出的推薦釐定。

董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中的權益及淡倉

於二零一九年六月三十日，本公司各董事及最高行政人員以及彼等的聯繫人於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)任何股份、相關股份、股票衍生工具或債權證中所擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉(包括彼等根據證券及期貨條例有關條文被當作或視作擁有的權益或淡倉)，或根據證券及期貨條例第352條須記入該條例所述由本公司存置的登記冊內的權益及淡倉，或根據載於聯交所證券上市規則(「上市規則」)附錄十

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

的《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的權益及淡倉如下：

(a) Long positions in the shares, underlying shares and debentures of the Company

(a) 於本公司股份、相關股份及債權證中的好倉

Name of Director 董事姓名	Capacity 身份	Number of shares held 所持股份數目	Number of underlying shares held 所持相關 股份數目	Total 總計	Percentage of the issued share capital as at 30.06.2019 佔於 二零一九年 六月三十日 已發行股本 百分比	Amount of debentures held 所持 債權證數額
Mr. Hung Tsung Chin 洪聰進先生	Interest of controlled corporation 受控制法團的權益	507,188,592 ¹	-			-
	Interest of spouse 配偶權益	-	2,328,000 ²			-
	Total 總計	507,188,592	2,328,000	509,516,592	15.53%	-

Notes:

附註：

- These shares represent shares held by Metroasset Investments Limited in which Mr. Hung Tsung Chin beneficially owns 45.09% of the issued share capital.
- The relevant interests are unlisted physically settled options granted to Ms. Chen Mei Hui, the spouse of Mr. Hung Tsung Chin, pursuant to the Share Option Scheme. Upon exercise of the share options in accordance with the Share Option Scheme, ordinary shares with a par value of HK\$0.10 each in the share capital of the Company are issuable. The share options are personal to the respective grantees. Further details of the share options are set out in the section headed "Share Option Scheme" of the interim report.

- 該等股份代表 Metroasset Investments Limited 持有的股份，洪聰進先生實益擁有該公司的 45.09% 已發行股本。
- 相關權益為根據購股權計劃向洪聰進先生的配偶陳美惠女士授出的非上市實物結算購股權。待購股權根據購股權計劃獲行使後，可發行本公司股本中每股面值為 0.10 港元的普通股。購股權歸各承授人私人擁有。購股權的進一步詳情載於中期報告「購股權計劃」一節。

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

(b) Long positions in the shares, underlying shares and debentures of associated corporations of the Company

Name of associated corporation:

Pro Brand Technology, Inc.

(b) 於本公司相聯法團股份、相關股份及債權證中的好倉

相聯法團名稱：

博百科技有限公司*(Pro Brand Technology, Inc.)

Name of Directors 董事姓名	Capacity 身份	Number of shares held 所持股份數目	Number of underlying shares held 所持相關 股份數目	Total 總計	Percentage of the issued share capital as at 30.06.2019		Amount of debentures held 所持 債權證數額
					佔於 二零一九年 六月三十日 已發行 股本百分比		
Mr. Chen Wei Chun 陳偉鈞先生	Interest of controlled corporation 受控制法團的權益	350,000 ¹	-				
	Beneficial owner 實益擁有人	150,000 ²	-				
	Sub-total 小計	500,000	-	500,000	0.63%	-	
Mr. Hung Tsung Chin 洪聰進先生	Beneficial owner 實益擁有人	250,000 ³	-	250,000	0.31%	-	

Notes:

- These shares represent 350,000 shares of Pro Brand Technology, Inc., a non-wholly owned subsidiary of the Company, held by Jun Zhong Investment Limited* (鈞仲投資有限公司) in which Mr. Chen Wei Chun beneficially owns the entire issued share capital.
- These shares represent 150,000 shares of Pro Brand Technology, Inc., a non-wholly owned subsidiary of the Company, owned by Mr. Chen Wei Chun.
- These shares represent 250,000 shares of Pro Brand Technology, Inc., a non-wholly owned subsidiary of the Company, owned by Mr. Hung Tsung Chin.

附註：

- 該等股份代表鈞仲投資有限公司持有的本公司非全資附屬公司博百科技有限公司*(Pro Brand Technology, Inc.)的350,000股股份，陳偉鈞先生實益擁有鈞仲投資有限公司的全部已發行股本。
- 該等股份代表本公司非全資附屬公司博百科技有限公司*(Pro Brand Technology, Inc.)的150,000股股份，由陳偉鈞先生擁有。
- 該等股份代表本公司非全資附屬公司博百科技有限公司*(Pro Brand Technology, Inc.)的250,000股股份，由洪聰進先生擁有。

* For identification purpose only

* 僅供識別

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料(續)

Save as disclosed above, as at 30 June 2019, none of the Directors or the chief executive of the Company and their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

So far as the Directors or chief executive of the Company and their associates are aware, as at 30 June 2019, the Shareholders (other than Directors or the chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

除上文所披露者外，於二零一九年六月三十日，概無本公司董事或最高行政人員以及彼等的聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉(包括彼等根據證券及期貨條例有關條文被當作或視作擁有的權益或淡倉)，或已記入本公司根據證券及期貨條例第352條須存置的登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

主要股東於本公司股份及相關股份中的權益及淡倉

就本公司董事或最高行政人員以及彼等的聯繫人所知，於二零一九年六月三十日，股東(本公司董事或最高行政人員除外)於本公司股份或相關股份中所擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的權益或淡倉，或已記入本公司根據證券及期貨條例第336條須存置之登記冊內的權益或淡倉如下：

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

LONG POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

於本公司股份及相關股份中的好倉

Name of Shareholders 股東名稱	Capacity 身份	Number of shares and underlying shares held 所持股份及 相關股份數目	Percentage of the issued share capital as at 30.06.2019 佔於二零一九年 六月三十日 已發行股本 百分比
Metroasset Investments Limited	Beneficial owner 實益擁有人	507,188,592 ¹	15.47%
Ms. Chen Mei Huei 陳美惠女士	Interest of controlled corporation 受控制法團的權益	507,188,592 ²	
	Personal interest 個人權益	2,328,000 ³	
	Sub-total 小計	509,516,592	15.53%
First Steamship Company Limited 益航股份有限公司	Interest of controlled corporation 受控制法團的權益	950,859,347 ⁴	29.00%
Mr. Fung Chuen 馮泉先生	Beneficial owner 實益擁有人	65,878,000 ⁵	5.02%

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

Notes:

1. These shares are held by Metroasset Investments Limited, 45.09% of the issued share capital of which is beneficially owned by Mr. Hung Tsung Chin.
2. These shares are the same batch of shares held by Metroasset Investments Limited, 44.38% of the issued share capital of which is beneficially owned by Ms. Chen Mei Huei.
3. The relevant interests are unlisted physically settled options granted pursuant to the Share Option Scheme. Upon exercise of the share options in accordance with the Share Option Scheme, ordinary shares with a par value of HK\$0.10 each in the share capital of the Company are issuable.
4. First Steamship Company Limited is interested in 950,859,347 shares through First Mariner Holding Limited, its wholly-owned subsidiary, which holds 833,000,000 shares and Grand Citi Limited, its non-wholly owned subsidiary, which holds 117,859,347 shares.
5. Disclosure of the percentage of the issued share capital held by Mr. Fung Chuen is made as per the last disclosure of interests notice as at 30 June 2019 which was filed on 2 June 2017.

Save as disclosed above and so far as the Directors and the chief executive of the Company are aware, as at 30 June 2019, no person or entity had any interest or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to section 336 of the SFO, to be entered in the register referred to therein.

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

During the six months ended 30 June 2019, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

附註：

1. 該等股份由Metroasset Investments Limited持有，而Metroasset Investments Limited的45.09%已發行股本由洪聰進先生實益擁有。
2. 該等股份為Metroasset Investments Limited持有的同一批股份，而Metroasset Investments Limited的44.38%已發行股本由陳美惠女士實益擁有。
3. 相關權益為根據購股權計劃授出的非上市實物結算購股權。待購股權根據購股權計劃獲行使後，可發行本公司股本中每股面值為0.10港元的普通股。
4. 益航股份有限公司透過其全資附屬公司First Mariner Holding Limited及非全資附屬公司Grand Citi Limited於950,859,347股股份中擁有權益，其中First Mariner Holding Limited持有833,000,000股股份，而Grand Citi Limited持有117,859,347股股份。
5. 有關馮泉先生所持已發行股本百分比的披露已如於二零一七年六月二日存檔的截至二零一九年六月三十日止最近期披露權益通知作出。

除上文所披露者外，並就本公司董事及最高行政人員所知，於二零一九年六月三十日，概無個人或實體於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的任何權益或淡倉，或根據證券及期貨條例第336條須記入該條例所述登記冊內的任何權益或淡倉。

購買、出售或贖回本公司的上市證券

於截至二零一九年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

CORPORATE GOVERNANCE

The Group continues to improve its corporate governance practices, emphasising the attainment and maintenance of a quality board, sound risk management and internal controls, and high transparency and accountability to the Shareholders. The Board and the management are committed to the principles of good corporate governance which are consistent with prudent management and enhancement of shareholder value. The Board believes that good corporate governance will bring long-term benefits to the Shareholders and the Group.

During the six months ended 30 June 2019, the Company has applied the principles and has complied with code provisions of the Corporate Governance Code (the “**Code Provision(s)**”) as contained in Appendix 14 to the Listing Rules, except for certain deviations as specified and explained below with considered reasons for such deviations.

1. Under Code Provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings.

Messrs. Kuo Jen Hao, a non-executive Director, Li Chak Hung and Wu Chia Ming, both independent non-executive Directors, were unable to attend the annual general meeting of the Company held on 12 June 2019 and special general meeting of the Company held on 19 June 2019 respectively due to other engagements.

2. Under Code Provision C.1.2, the management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the issuer’s performance, position and prospects in sufficient detail to enable the board as a whole and each director to discharge their duties under rule 3.08 and Chapter 13 of the Listing Rules.

During the six months ended 30 June 2019, the management had provided all members of the Board with updates giving a balanced and understandable assessment of the Company’s performance, position and prospect on a quarterly basis.

企業管治

本集團不斷改善其企業管治常規，注重構建及維持一個優良的董事會、穩健的風險管理及內部控制，並對股東高度透明，對彼等負責。董事會及管理層致力恪守符合審慎管理及提高股東價值的良好企業管治原則。董事會相信，良好的企業管治將為股東及本集團帶來長遠利益。

於截至二零一九年六月三十日止六個月，本公司已應用上市規則附錄十四所載《企業管治守則》的原則及遵守《企業管治守則》的守則條文(「守則條文」)，惟因下文所指明及解釋的考慮理由而出現的若干偏離除外。

1. 根據守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會。

非執行董事郭人豪先生以及獨立非執行董事李澤雄先生及吳嘉明先生因處理其他事務而分別未能出席本公司於二零一九年六月十二日舉行的股東週年大會及本公司於二零一九年六月十九日舉行的股東特別大會。

2. 根據守則條文第C.1.2條，管理層應每月向董事會全體成員提供更新資料，載列有關發行人的表現，財務狀況及前景的公正及易於理解的評估，內容足以讓董事會全體以及各董事履行上市規則第3.08條及第十三章所規定的職責。

於截至二零一九年六月三十日止六個月，管理層已每季向董事會全體成員提供載列有關本公司的表現，財務狀況及前景的公正及易於理解的評估的最新資料。

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

3. Under Code Provision C.2.5, the issuer should have an internal audit function.

During the six months ended 30 June 2019, the internal audit manager still put his priority on upgrading the existing internal controls to risk-based system for major operating cycles of the Group's business. Both of the audit committee of the Company (the "Audit Committee") and the Board were not satisfied with his performance and therefore the Board resolved on 5 July 2019 to entrust professional external consultant with responsibility to review the internal control and risk management systems of the Group, which include financial, operational and compliance controls and risk management functions, and to take up the internal audit function. The professional external consultant has commenced the review of internal control and risk management systems of the Group since the end of July 2019.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standards regarding securities transactions by Directors as set out in the Model Code throughout the six months ended 30 June 2019. No incident of non-compliance was noted by the Company for the six months ended 30 June 2019.

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

In accordance with rule 13.51B(1) of the Listing Rules, the changes to information required to be disclosed by the Directors pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) since the date of the annual report of the Company for the year ended 31 December 2018 and up to the date of the interim report are set out below:

1. Mr. Kuo Jen Hao ceased to be a non-executive director and the chairman of the board of Summit Ascent Holdings Limited (stock code: 102) with effect from 26 April 2019.

Save as disclosed above, there is no other information required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

3. 根據守則條文第C.2.5條，發行人應設有內部審計職能。

於截至二零一九年六月三十日止六個月，內部審計經理仍優先將現有內部控制升級至本集團業務主要營運週期基於風險的系統。本公司審核委員會(「審核委員會」)及董事會不滿意其表現，因此，董事會於二零一九年七月五日議決委託外聘專業顧問負責審閱本集團的內部控制及風險管理系統，包括財務、營運及合規控制以及風險管理職能，並且負責內部審計職能。外聘專業顧問自二零一九年七月底起已開始審閱本集團內部控制及風險管理系統。

董事進行證券交易的標準守則

本公司已採納標準守則作為董事買賣本公司證券的行為準則。經特定查詢後，全體董事確認彼等於截至二零一九年六月三十日止六個月一直遵守標準守則所載有關董事進行證券交易的必要準則。本公司並不知悉於截至二零一九年六月三十日止六個月有任何不合規事件。

根據上市規則第13.51B(1)條披露董事資料變動

根據上市規則第13.51B(1)條，自本公司截至二零一八年十二月三十一日止年度之年報日期起以及直至中期報告日期止，根據第13.51(2)條第(a)至(e)段及第(g)段須由董事予以披露的資料變動如下：

1. 郭人豪先生自二零一九年四月二十六日起不再擔任凱升控股有限公司(股份代號：102)之非執行董事兼董事會主席。

除上文披露者外，並無其他資料須根據上市規則第13.51B(1)條予以披露。

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

COMPETING AND CONFLICT OF INTEREST

None of the Directors or the controlling Shareholders or their respective associates had any interest in a business, which competes or may compete, either directly or indirectly, with the business of the Group nor any conflict of interest which any of them had or may have with the Group for the six months ended 30 June 2019.

SUFFICIENCY OF PUBLIC FLOAT

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

AUDIT COMMITTEE

The Company has established the Audit Committee for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three members, Messrs. Li Chak Hung (chairman of the Audit Committee), Lau Yau Cheung and Wu Chia Ming, all of whom are independent non-executive Directors. The Audit Committee has reviewed the Group's unaudited condensed consolidated financial statements and the interim report for the six months ended 30 June 2019 and held discussion with the management.

GENERAL

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

Lau Yau Cheung

Chairman

Hong Kong, 26 August 2019

競爭性權益及利益衝突

截至二零一九年六月三十日止六個月，概無董事或控股股東或彼等各自的聯繫人於直接或間接與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益，或與本集團存在或可能存在任何利益衝突。

公眾持股量之充足程度

根據本公司可公開獲得的資料及就董事於中期報告日期所知，本公司一直維持上市規則規定的公眾持股量。

審核委員會

本公司已成立審核委員會，旨在審閱及監督本集團的財務申報程序及內部監控。審核委員會包括三名成員，分別為李澤雄先生(審核委員會主席)、劉幼祥先生及吳嘉明先生，全部均為獨立非執行董事。審核委員會已審閱本集團截至二零一九年六月三十日止六個月的未經審核簡明綜合財務報表及中期報告，並與管理層進行討論。

一般資料

本人謹藉此機會代表董事會衷心感謝全體股東支持本公司。

主席

劉幼祥

香港，二零一九年八月二十六日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)
	Notes 附註		
Continuing operations	持續經營業務		
Revenue	5	667,624	716,671
Cost of sales		(563,602)	(639,144)
Gross profit		104,022	77,527
Other income, gains and losses		20,939	20,323
Distribution and selling costs		(12,249)	(15,689)
Administrative and other expenses		(67,512)	(83,115)
Research and development costs		(20,343)	(17,631)
Reversal of/(Provision for) expected credit loss on financial assets		18,292	(1,751)
Finance costs		(18,519)	(14,003)
Share of profit of an associate		9,741	3,915
Profit/(Loss) before income tax expense	除所得稅支出前溢利/(虧損)	34,371	(30,424)
Income tax expense	6	(3,561)	(4,691)
Profit/(Loss) for the period from continuing operations	來自持續經營業務之本期間溢利/(虧損)	30,810	(35,115)
Discontinued operation	已終止經營業務		
Profit/(Loss) for the period from discontinued operation	來自已終止經營業務之本期間溢利/(虧損)	79,788	(72,156)
Profit/(Loss) for the period	本期間溢利/(虧損)	110,598	(107,271)

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

簡明綜合損益及其他全面收益表(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)
		Notes 附註	
Other comprehensive income	其他全面收益		
<i>Item that will not be reclassified subsequently to profit or loss:</i>	<i>其後不會重新分類至損益之項目：</i>		
Revaluation surplus on investment properties upon transfer from property, plant and equipment and prepaid lease payment	從物業、廠房及設備以及預付租賃款項轉撥時產生之投資物業重估收益	3,370	30,353
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>		
Exchange difference on translation of foreign operations	換算海外業務時產生之匯兌差額	10,280	7,040
Other comprehensive income for the period	本期間其他全面收益	13,650	37,393
Total comprehensive income for the period	本期間全面收益總額	124,248	(69,878)
Profit/(Loss) for the period attributable to owners of the Company:	本公司擁有人應佔本期間溢利/(虧損)：		
— from continuing operations	— 來自持續經營業務	19,981	(26,032)
— from discontinued operation	— 來自已終止經營業務	125,997	(36,851)
		145,978	(62,883)
Profit/(Loss) for the period attributable to non-controlling interests:	非控股權益應佔本期間溢利/(虧損)：		
— from continuing operations	— 來自持續經營業務	10,829	(9,083)
— from discontinued operation	— 來自已終止經營業務	(46,209)	(35,305)
		(35,380)	(44,388)
		110,598	(107,271)

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

簡明綜合損益及其他全面收益表(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)
		Notes 附註	
Total comprehensive income attributable to: 下列各項應佔全面收益總額：			
— Owners of the Company	— 本公司擁有人		157,042 (25,433)
— Non-controlling interests	— 非控股權益		(32,794) (44,445)
			124,248 (69,878)
			HK cents HK cents 港仙 港仙
Earnings/(Loss) per share from continuing and discontinued operations	來自持續及已終止經營業務之每股盈利/(虧損)	10	
Basic	基本		4.45 (1.92)
Diluted	攤薄		4.45 (1.92)
Earnings/(Loss) per share from continuing operations	來自持續經營業務之每股盈利/(虧損)	10	
Basic	基本		0.61 (0.79)
Diluted	攤薄		0.61 (0.79)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

AT 30 JUNE 2019
於二零一九年六月三十日

		Notes 附註	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	86,049	99,432
Prepaid lease payments	預付租賃款項		1,180	1,261
Investment properties	投資物業	11	153,302	149,738
Goodwill	商譽	11	9,828	10,208
Intangible assets	無形資產		11,053	13,165
Interest in an associate	於一間聯營公司之權益		77,540	67,800
Loan to an associate	給予一間聯營公司的貸款	14	22,116	22,137
Loan receivables	應收貸款	12	429,410	-
Deferred tax assets	遞延稅項資產		3,139	3,147
Total non-current assets	非流動資產總值		793,617	366,888
Current assets	流動資產			
Inventories	存貨		331,697	143,308
Trade, bills and other receivables	應收貿易賬款、應收票據 及其他應收款項	13	418,402	389,259
Prepaid lease payments	預付租賃款項		64	65
Loan receivables	應收貸款	12	13,049	8,794
Amount due from an associate	應收一間聯營公司之款項	14	71,195	113,702
Pledged bank deposits	已抵押銀行存款		3,979	1,643
Bank balances and cash	銀行結存及現金		81,799	72,695
Total current assets	流動資產總值		920,185	729,466

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

簡明綜合財務狀況表(續)

AT 30 JUNE 2019
於二零一九年六月三十日

		Notes 附註	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Current liabilities	流動負債			
Trade, bills and other payables	應付貿易賬款、應付票據 及其他應付款項	15	575,045	505,222
Contract liabilities	合約負債		14,806	23,614
Provision for financial guarantee	財務擔保撥備	16	27,332	–
Tax liabilities	稅項負債		12,798	13,371
Bank and other borrowings	銀行及其他借貸	17	470,158	454,343
Lease liabilities	租賃負債		1,907	–
Obligations under finance leases	融資租賃承擔		–	1,897
Total current liabilities	流動負債總額		1,102,046	998,447
Net current liabilities	流動負債淨額		(181,861)	(268,981)
Total assets less current liabilities	資產總值減流動負債		611,756	97,907
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借貸	17	4,711	4,728
Deferred tax liabilities	遞延稅項負債		52,594	53,448
Defined benefit obligation	界定福利責任		136	136
Lease liabilities	租賃負債		4,511	–
Obligations under finance leases	融資租賃承擔		–	5,481
Total non-current liabilities	非流動負債總額		61,952	63,793
NET ASSETS	資產淨值		549,804	34,114
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備			
Share capital	股本	18	327,882	327,882
Reserves	儲備		157,108	66
Equity attributable to owners of the Company	本公司擁有人應佔權益		484,990	327,948
Non-controlling interests	非控股權益		64,814	(293,834)
TOTAL EQUITY	權益總額		549,804	34,114

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

		(unaudited) (未經審核)									Non-controlling interests 非控股權益	Total 總計	
		Attributable to owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Share option reserve	Statutory reserve	Defined benefit plan reserve	Special reserve	Property revaluation reserve	Currency translation reserve	Accumulated losses	Total		
		股本	股份溢價	購股權儲備	法定儲備	界定福利計劃儲備	特別儲備	物業重估儲備	貨幣換算儲備	累計虧損	總計		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note a) (附註 a)	HK\$'000 千港元	HK\$'000 千港元 (Note b) (附註 b)	HK\$'000 千港元 (Note c) (附註 c)	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 31 December 2017 as originally presented (audited)	於二零一七年十二月三十一日之結餘(如先前呈列)(經審核)	327,882	506,750	7,960	31,945	23	89,175	79,577	7,907	(566,789)	484,430	(167,638)	316,792
Initial application of HKFRS 9	首次應用香港財務報告準則第9號	-	-	-	-	-	-	-	-	(6,120)	(6,120)	-	(6,120)
Restated balance as at 1 January 2018 (audited)	於二零一八年一月一日之經重列結餘(經審核)	327,882	506,750	7,960	31,945	23	89,175	79,577	7,907	(572,909)	478,310	(167,638)	310,672
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	(62,883)	(62,883)	(44,388)	(107,271)
Other comprehensive income	其他全面收益												
— Exchange difference on translation of foreign operations	— 換算海外業務時產生之匯兌差額	-	-	-	-	-	-	-	7,097	-	7,097	(57)	7,040
— Revaluation of properties	— 重估物業	-	-	-	-	-	-	30,353	-	-	30,353	-	30,353
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	30,353	7,097	(62,883)	(25,433)	(44,445)	(69,878)
Acquisition of non-controlling interest by a subsidiary of the Company	本公司一間附屬公司收購非控股權益	-	-	-	-	-	-	-	-	-	-	(3,145)	(3,145)
Transfer	轉撥	-	-	-	137	-	-	-	-	(137)	-	-	-
Balance at 30 June 2018	於二零一八年六月三十日之結餘	327,882	506,750	7,960	32,082	23	89,175	109,930	15,004	(635,929)	452,877	(215,228)	237,649
Balance at 1 January 2019 (audited)	於二零一九年一月一日之結餘(經審核)	327,882	506,750	7,960	32,486	41	89,175	74,634	754	(711,734)	327,948	(293,834)	34,114
Profit/(Loss) for the period	本期間溢利/(虧損)	-	-	-	-	-	-	-	-	145,978	145,978	(35,380)	110,598
Other comprehensive income	其他全面收益												
— Exchange difference on translation of foreign operations	— 換算海外業務時產生之匯兌差額	-	-	-	-	-	-	-	7,694	-	7,694	2,586	10,280
— Revaluation of properties	— 重估物業	-	-	-	-	-	-	3,370	-	-	3,370	-	3,370
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	3,370	7,694	145,978	157,042	(32,794)	124,248
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	-	391,442	391,442
Transfer	轉撥	-	-	-	(5)	-	-	-	-	5	-	-	-
Balance at 30 June 2019	於二零一九年六月三十日之結餘	327,882	506,750	7,960	32,481	41	89,175	78,004	8,448	(565,751)	484,990	64,814	549,804

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

簡明綜合權益變動表(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

Notes:

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

附註：

- (a) 法定儲備乃按適用於位於中國之附屬公司之中國相關法律設立。法定儲備可透過資本化發行轉換為中國附屬公司的資本。
- (b) 特別儲備指：
- (i) 所收購附屬公司股份之面值與於本公司股份上市前進行集團重組之時為收購而發行之本公司股份面值及根據將股東墊款撥作資本(作為集團重組之一部分)所產生盈餘兩者之差額；
 - (ii) 以一間附屬公司之部分權益(並無整體獲得或失去該部分出售附屬公司之控制權)方式償付之收購一間附屬公司代價與所收購淨資產公平值兩者之差額；及
 - (iii) 收購一間附屬公司額外權益(並無整體獲得或失去該附屬公司之控制權)。
- (c) 物業重估儲備於自物業、廠房及設備轉撥物業至投資物業時被凍結，將於相關物業出售時轉撥至累計虧損。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
	Notes 附註		
Net cash used in operating activities	經營活動所用現金淨額	(55,602)	(38,973)
Investing activities	投資活動		
Increase in pledged bank deposits	已抵押銀行存款增加	(2,336)	(1,567)
Advances to an associate	向一間聯營公司墊款	(1,424)	(148,074)
Repayment from an associate	一間聯營公司還款	49,668	124,006
Purchases of property, plant and equipment	購買物業、廠房及設備	(6,380)	(7,939)
Net cash outflow arising from disposal of subsidiary	出售附屬公司產生的現金流出淨額	(1,558)	-
Proceeds from disposals of investment properties	出售投資物業所得款項	-	96,511
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	9,149	4,775
Net cash from investing activities	投資活動所得現金淨額	47,119	67,712
Financing activities	融資活動		
Acquisition of non-controlling interest by a subsidiary of the Company	本公司一間附屬公司收購非控股權益	-	(3,145)
Repayment of bank and other loans	償還銀行及其他貸款	(289,627)	(254,145)
Repayment of lease liabilities	償還租賃負債	(960)	-
Repayment of obligations under finance leases	償還融資租賃承擔	-	(981)
New bank and other loans raised	新造銀行及其他貸款	308,620	233,618
Net cash from/(used in) financing activities	融資活動所得/(所用)現金淨額	18,033	(24,653)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	9,550	4,086
Cash and cash equivalents at beginning of period	期初現金及現金等價物	72,695	132,418
Effect of foreign exchange rate changes	外幣匯率變動影響	(446)	(804)
Cash and cash equivalents at end of period, represented by bank balances and cash	期末現金及現金等價物，即銀行結存及現金	81,799	135,700

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

1. GENERAL INFORMATION

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

2. BASIS OF PREPARATION

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

During the period, the Group has disposal of the subsidiaries operating the business of satellite TV broadcasting. This business segment is presented as discontinued operation in accordance with Hong Kong Financial Reporting Standard 5, *Non-current Assets Held for Sale and Discontinued Operations* (“HKFRS 5”), issued by the HKICPA. Certain comparatives on the condensed consolidated financial statements and the related notes have been re-presented as a result of the retrospective application of HKFRS 5. Details of the discontinued operation are set out in note 7.

These condensed consolidated financial statements should be read in conjunction with the 2018 annual financial statements. Except as described below, the accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 December 2018.

1. 一般資料

本公司為於百慕達註冊成立之有限公司，其股份於聯交所上市。本公司之註冊辦事處位於 Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda，而本公司之主要營業地點位於香港上環永樂街148號南和行大廈16樓04-05室。本集團主要從事製造及買賣衛星電視設備產品及其他電子產品以及衛星電視廣播。

2. 編製基準

簡明綜合財務報表乃按照上市規則附錄十六之適用披露規定及遵照香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「*中期財務報告*」編製。

於期內，本集團已出售經營衛星電視廣播業務的附屬公司。此業務分部根據香港會計師公會頒佈之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（「香港財務報告準則第5號」）呈列為已終止經營業務。由於追溯應用香港財務報告準則第5號，已重新呈列於簡明綜合財務報表上的若干比較數字及有關附註。已終止經營業務之詳情載於附註7。

本簡明綜合財務報表應與二零一八年之年度財務報表一併閱讀。除下述者外，編製本截至二零一九年六月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方法與編製本集團截至二零一八年十二月三十一日止年度之綜合財務報表時所依循者相同。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

2. BASIS OF PREPARATION (Continued)

Basis of measurement and going concern assumption

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

At the end of reporting period, the Group had net current liabilities of approximately HK\$181,861,000. The Group is dependent upon the financial support from the banks and financial institutions to meet its financial obligations. There is no certainty that bank loans and other loans of the Group will be renewed in the future. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

In view of these circumstances, the Directors have considered the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. In particular, the Directors have considered the following: (1) the Group maintains good relationship with major banks and financial institutions providing finance or facilities to the Group and the Group had successfully renewed its banking facilities based on past experience; and (2) as of 30 June 2019, the Group has unutilised bank loan facilities totalling HK\$266,326,000 available to finance its future operations and financial obligations.

In the opinion of the Directors, after considering the financial performance, operation, capital expenditure and the above financing arrangements of the Group, the Group is expected to have sufficient liquidity to finance its operations for the next twelve months subsequent to the end of the reporting period.

Therefore, the condensed consolidated financial statements of the Group have been prepared on a going concern basis.

2. 編製基準(續)

計量基準及持續經營假設

除投資物業按公平值計量外，簡明綜合財務報表乃按歷史成本基準編製。歷史成本一般是建基於就換取貨品及服務支付之代價之公平值。

於報告期末，本公司之流動負債淨額約為181,861,000港元。本集團倚賴銀行及金融機構提供財務支援，以履行其財務責任。概不保證本集團日後將可重續其銀行貸款及其他貸款。該等狀況顯示存在重大不明朗因素，可能對本集團之持續經營能力構成重大疑問，因此，本集團或許不能在正常業務過程中變現其資產及履行其責任。

鑑於此等情況，董事已考慮本集團的未來流動性、業績以及其可用的資金來源，評估本集團是否有足夠的財務資源持續經營。特別是董事已考慮以下各項：(1)本集團與向其提供融資或信貸之主要銀行及金融機構維持良好關係，且據過往經驗均成功重續其銀行融資；及(2)於二零一九年六月三十日，本集團有未動用銀行貸款額度合共266,326,000港元，可供用作為其未來營運及財務責任提供資金。

經考慮本集團的財務表現、營運、資本支出及上述融資安排，董事認為，預期本集團於報告期結束後未來十二個月將有足夠流動性，可供用作為其營運提供資金。

因此，本集團之簡明綜合財務報表已按持續經營基準編製。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

3. CHANGES IN HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The HKICPA has issued a number of new or amended HKFRSs that are first effective for the current accounting period of the Group.

The impact of the adoption of HKFRS 16 *Leases* has been summarised in below. The other new or amended HKFRSs that are effective from 1 January 2019 did not have any material impact on the Group’s accounting policies. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

HKFRS 16 *Leases* (“HKFRS 16”)

HKFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies.

The Group has applied HKFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated — i.e. it is presented, as previously reported, under HKAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

A. *Definition of a lease*

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under HK(IFRIC) — Int 4 *Determining Whether an Arrangement contains a Lease*. The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

3. 香港財務報告準則(「香港財務報告準則」)之變動

香港會計師公會已頒佈若干於本集團當前會計期間首次生效之新訂或經修訂香港財務報告準則。

採納香港財務報告準則第16號租賃之影響已於下文概述。其他自二零一九年一月一日起生效之新訂或經修訂香港財務報告準則對本集團之會計政策並無任何重大影響。本集團尚未採納於本會計期間尚未生效的任何新訂準則或詮釋。

香港財務報告準則第16號租賃(「香港財務報告準則第16號」)

香港財務報告準則第16號引入了單一的資產負債表內租賃會計模型。因此，本集團作為承租人確認代表其使用相關資產權利之使用權資產及代表其作出租賃付款義務之租賃負債。出租人會計處理與先前之會計政策相似。

本集團已採用經修訂追溯法應用香港財務報告準則第16號，其中首次應用之累積影響會在二零一九年一月一日之保留盈利確認。因此，二零一八年呈列之比較資料尚未重列 — 即按先前報告於香港會計準則第17號及有關詮釋下呈列。會計政策之變動詳情於下文披露。

A. *租賃之定義*

先前，本集團於合約開始時釐定該項安排是否屬或包含香港(國際財務報告詮釋委員會) — 詮釋第4號確定一項安排是否包含租賃項下之租賃。本集團現根據租賃之新定義評估合約是否屬於或包含租賃。根據香港財務報告準則第16號，倘合約為換取代價而給予在一段時間內控制可識別資產使用之權利，則合約屬於或包含租賃。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

3. CHANGES IN HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (“HKFRS 16”) (Continued)

A. Definition of a lease (Continued)

On transition to HKFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied HKFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC) — Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

B. As a lessee

i. Transition

Previously, the Group classified property leases as operating leases under HKAS 17. The leases typically run for a period of 1 to 5 years.

At transition, for leases classified as operating leases under HKAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments — the Group applied this approach to all other leases.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

香港財務報告準則第16號租賃(「香港財務報告準則第16號」)(續)

A. 租賃之定義(續)

本集團於過渡至香港財務報告準則第16號時選擇運用實際權宜方法豁免租賃交易所屬之評估。其僅會將香港財務報告準則第16號用於先前已確定為租賃之合約。根據香港會計準則第17號及香港(國際財務報告詮釋委員會) — 詮釋第4號未確定為租賃之合約尚未進行重新評估。因此，香港財務報告準則第16號項下之租賃定義僅適用於在二零一九年一月一日或之後訂立或變更之合約。

B. 作為承租人

i. 過渡

過去，本集團根據香港會計準則第17號將物業租賃分類為經營租賃。該等租賃一般為期1至5年。

於過渡時，就根據香港會計準則第17號分類為經營租賃之租賃而言，租賃負債按餘下租賃付款之現值計量，並根據本集團於二零一九年一月一日之增量借貸利率貼現。使用權資產根據相等於租賃負債之金額計量，並就任何預付或應計租賃付款作出調整 — 本集團將此方法應用於所有其他租賃。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

3. CHANGES IN HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (“HKFRS 16”) (Continued)

B. As a lessee (Continued)

i. Transition (Continued)

The Group used the following practical expedients when applying HKFRS 16 to leases previously classified as operating leases under HKAS 17.

- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.

The Group leases a number of items of equipment. These leases were classified as finance leases under HKAS 17. For these finance leases, the carrying amount of the right-of-use asset and the lease liability at 1 January 2019 were determined at the carrying amount of the lease asset and lease liability under HKAS 17 immediately before that date.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

香港財務報告準則第16號租賃(「香港財務報告準則第16號」)(續)

B. 作為承租人(續)

i. 過渡(續)

本集團於對先前根據香港會計準則第17號分類為經營租賃之租賃應用香港財務報告準則第16號時採用下列可行權宜之計：

- 採用豁免，對租期少於12個月的租賃不確認使用權資產及負債。
- 撇除計量初始應用日期使用權資產的初始直接成本。

本集團租賃多項設備。根據香港會計準則第17號，該等租賃已分類為融資租賃。就該等融資租賃而言，於二零一九年一月一日之使用權資產及租賃負債賬面值乃根據香港會計準則第17號按租賃資產及租賃負債於緊接該日期前之賬面值釐定。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

3. CHANGES IN HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (“HKFRS 16”) (Continued)

B. As a lessee (Continued)

ii. Impacts on transition

On transition to HKFRS 16, the Group recognised additional right-of-use assets and additional lease liabilities. The impact on transition is summarised below.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

香港財務報告準則第16號租賃(「香港財務報告準則第16號」)(續)

B. 作為承租人(續)

ii. 過渡影響

於過渡至香港財務報告準則第16號時，本集團確認額外使用權資產及額外租賃負債。過渡影響概述如下。

		1 January 2019 二零一九年 一月一日 HK\$'000 千港元
Right-of-use assets presented in “property, plant and equipment”	於「物業、廠房及設備」呈列的使用權資產	7,361
Lease liabilities	租賃負債	7,378

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 January 2019. The weighted-average rate applied is 4%.

於計量分類為經營租賃的租賃的租賃負債時，本集團使用其於二零一九年一月一日的增量借貸利率貼現租賃付款。所使用的加權平均利率為4%。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

3. CHANGES IN HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (“HKFRS 16”) (Continued)

B. As a lessee (Continued)

ii. Impacts on transition (Continued)

The Group presents right-of-use assets in “property, plant and equipment”, the same line item as it presents underlying assets of the same nature that it owns.

The Group elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

香港財務報告準則第16號租賃(「香港財務報告準則第16號」)(續)

B. 作為承租人(續)

ii. 過渡影響(續)

本集團將「物業、廠房及設備」中之使用權資產與其呈列其所擁有之同一性質相關資產之類目相同。

本集團已選擇不就部分低價值資產租賃及短期租賃確認使用權資產及租賃負債。本集團在租期內以直線法將與該等租賃相關之租賃付款確認為開支。

		1 January 2019 二零一九年 一月一日 HK\$'000 千港元
Operating lease commitment at 31 December 2018 as disclosed in the Group's consolidated financial statements	本集團綜合財務報表所披露於二零一八年十二月三十一日的經營租賃承擔	3,202
Discounted using the incremental borrowing rate at 1 January 2019	於二零一九年一月一日利用增量借貸利率貼現	3,103
Finance lease liabilities recognised as at 31 December 2018	於二零一八年十二月三十一日確認的融資租賃負債	7,378
— Recognition exemption for lease of low-value assets	— 低價值資產租賃的確認豁免	(89)
— Recognition exemption for leases with less than 12 months of lease term at transition	— 於過渡時租期為12個月以下之租賃的確認豁免	(3,014)
Lease liabilities recognised at 1 January 2019	於二零一九年一月一日確認的租賃負債	7,378

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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3. CHANGES IN HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (“HKFRS 16”) (Continued)

B. As a lessee (Continued)

iii. Impacts for the period

As a result of initially applying HKFRS 16, in relation to the leases that were previously classified as operating and finance leases, the Group recognised HK\$6,420,000 of right-of-use assets and HK\$6,418,000 of lease liabilities as at 30 June 2019.

Also in relation to those leases under HKFRS 16, the Group has recognised depreciation and interest costs, instead of operating lease expenses. During the six months ended 30 June 2019, the Group recognised HK\$941,000 of depreciation charges and HK\$29,000 of interest costs from these leases.

So far as the impact of the adoption of HKFRS 16 on leases previously classified as finance leases is concerned, the group is not required to make any adjustments at the date of initial application of HKFRS 16, other than changing the captions for the balances. Accordingly, instead of “obligations under finance leases”, these amounts are included within “lease liabilities”, and the depreciated carrying amount of the corresponding leased asset is identified as a right-of-use asset. There is no impact on the opening balance of equity.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

香港財務報告準則第16號租賃(「香港財務報告準則第16號」)(續)

B. 作為承租人(續)

iii. 期間影響

由於首次應用香港財務報告準則第16號，就先前分類為經營及融資租賃的租賃而言，本集團於二零一九年六月三十日確認使用權資產6,420,000港元及租賃負債6,418,000港元。

同時根據香港財務報告準則第16號就該等租賃而言，本集團已確認折舊及利息開支，而非經營租賃開支。截至二零一九年六月三十日止六個月，本集團自該等租賃確認折舊開支941,000港元及利息開支29,000港元。

就採用香港財務報告準則第16號對先前劃分為融資租賃的影響而言，除更改結餘項目外，本集團毋須在香港財務報告準則第16號的首次應用日作出任何調整。因此，該等金額並非計入「融資租賃承擔」，而是計入「租賃負債」中，相應租賃資產的折舊賬面金額被確認為使用權資產。權益的期初結餘並沒有受到任何影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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3. CHANGES IN HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (“HKFRS 16”) (Continued)

C. As a lessor

The Group leases out its investment property, including right-of-use assets. The Group has classified these leases as operating leases.

The accounting policies applicable to the Group as a lessor are not different from those under HKAS 17. However, when the Group is an intermediate lessor the sub-leases are classified with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

The Group is not required to make any adjustments on transition to HKFRS 16 for leases in which it acts as a lessor. However, the Group has applied HKFRS 15 *Revenue from Contracts with Customers* to allocate consideration in the contract to each lease and non-lease component.

The Group sub-leases some of its properties. Under HKAS 17, the head lease and sub-lease contracts were classified as operating leases. On transition to HKFRS 16, the right-of-use assets recognised from the head leases are presented in investment property, and measured at fair value on transition to HKFRS 16. The sub-lease contracts are classified as operating leases under HKFRS 16.

4. USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2018 annual financial statements, except for new significant judgements and key sources of estimation uncertainty related to the application of HKFRS 16 as described in note 3.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

香港財務報告準則第16號租賃(「香港財務報告準則第16號」)(續)

C. 作為出租人

本集團出租其投資物業，包括使用權資產。本集團已將該等租賃分類為經營租賃。

本集團作為出租人適用之會計政策與香港會計準則第17號並無出入。然而，當本集團為中間出租人時，分租之分類則參考主租契產生之使用權資產，而不是參考相關資產。

本集團毋須就其作為出租人之租賃作出有關過渡至香港財務報告準則第16號之任何調整。然而，本集團已應用香港財務報告準則第15號來自客戶合約之收益將合約代價分配至各租賃及非租賃部分。

本集團分租其部分物業。根據香港會計準則第17號，主租契及分租合約乃分類為經營租賃。於過渡至香港財務報告準則第16號時，自主租契確認之使用權資產乃於投資物業中呈列，並於過渡至香港財務報告準則第16號時按公平值計量。分租合約根據香港財務報告準則第16號分類為經營租賃。

4. 採用判斷及估計

於編製本簡明綜合中期財務報表之過程中，管理層於應用本集團會計政策時作出之重大判斷及估計不明朗因素之主要來源與二零一八年度財務報表所應用者相同，惟附註3所述與應用香港財務報告準則第16號有關之新重大判斷及估計不明朗因素之主要來源除外。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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5. SEGMENT INFORMATION

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

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

Continuing operations

- (i) *Media entertainment platform related products*
Trading and manufacturing of media entertainment platform related products, which are mainly used for satellite products equipment.
- (ii) *Other multimedia products*
Trading and manufacturing of components of audio and video electronic products such as cable lines.
- (iii) *Integration of signal system and traffic communication network*
Installation and integration of signal system and traffic communication network.
- (iv) *Satellite TV equipment and antenna products*
Trading and manufacturing of satellite TV equipment and antenna products.

Discontinued operation

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

5. 分部資料

對外呈報之分部資料按本集團營運部門交付貨品或提供服務之基準分析，其與由本公司執行董事(主要營運決策者)就資源分配及表現評估定期審閱之內部資料一致。此亦為本集團之組織基準，據此，管理層選擇按不同產品及服務組織本集團。

具體而言，本集團根據香港財務報告準則第8號之經營分部如下：

持續經營業務

- (i) *媒體娛樂平臺相關產品*
買賣及製造媒體娛樂平臺相關產品，主要用於衛星產品設備。
- (ii) *其他多媒體產品*
買賣及製造影音電子產品零件，例如線纜。
- (iii) *整合訊號系統及交通通訊網絡*
安裝及整合訊號系統及交通通訊網絡。
- (iv) *衛星電視設備及天線產品*
買賣及製造衛星電視設備及天線產品。

已終止經營業務

- (v) *衛星電視廣播*
於中東、地中海及非洲地區提供直接入屋衛星電視廣播服務。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

5. SEGMENT INFORMATION (Continued)

During the period, an operating segment regarding the satellite TV broadcasting was discontinued (note 7).

Segment revenue and results

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

Six months ended 30 June 2019

5. 分部資料(續)

於期內，有關衛星電視廣播的經營分部已經終止經營(附註7)。

分部收益及業績

按可呈報及經營分部分析本集團於回顧期間之收益及業績如下：

截至二零一九年六月三十日止六個月

		Continuing operations 持續經營業務				Discontinued operation 已終止經營業務		
		Media entertainment platform related products 媒體娛樂平臺相關產品	Other multimedia products 其他多媒體產品	Integration of signal system and traffic communication network 整合訊號系統及交通通訊網絡	Satellite TV equipment and antenna products 衛星電視設備及天線產品	Sub-total 小計	Satellite TV broadcasting 衛星電視廣播	Total 總計
		HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (unaudited) (未經審核)
REVENUE	收益							
External sales	對外銷售	119,145	131,935	-	416,544	667,624	18,990	686,614
Timing of revenue recognition	收益確認時間							
At a point in time	按時間點	119,145	131,935	-	416,544	667,624	-	667,624
Over time	隨時間	-	-	-	-	-	18,990	18,990
		119,145	131,935	-	416,544	667,624	18,990	686,614
RESULTS	業績							
Segment results	分部業績	20,868	16,872	-	54,033	91,773	(54,391)	37,382
Other income, gains and losses	其他收入、收益及虧損					20,939	-	20,939
Administrative and other expenses	行政及其他開支					(67,512)	(16,909)	(84,421)
Research and development costs	研發成本					(20,343)	-	(20,343)
Reversal of expected credit loss on financial assets	金融資產預期信貸虧損撥回					18,292	1,140	19,432
Finance costs	財務成本					(18,519)	-	(18,519)
Share of profit of an associate	應佔一間聯營公司之溢利					9,741	-	9,741
Gain on disposal of discontinued operation	出售已終止經營業務之收益					-	149,948	149,948
Profit before income tax expense	除所得稅支出前溢利					34,371	79,788	114,159

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

5. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

Six months ended 30 June 2018

5. 分部資料(續)

分部收益及業績(續)

截至二零一八年六月三十日止六個月

		Continuing operations 持續經營業務				Discontinued operation 已終止經營業務		
		Media entertainment platform related products 媒體娛樂平臺相關產品	Other multimedia products 其他多媒體產品	Integration of signal system and traffic communication network 整合訊號系統及交通通訊網絡	Satellite TV equipment and antenna products 衛星電視設備及天線產品	Total	Satellite TV broadcasting 衛星電視廣播	Total
		HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)	HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)	HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)	HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)	HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)	HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)	HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)
REVENUE	收益							
External sales	對外銷售	130,298	123,285	-	463,088	716,671	23,291	739,962
Timing of revenue recognition	收益確認時間							
At a point in time	按時間點	130,298	123,285	-	463,088	716,671	-	716,671
Over time	隨時間	-	-	-	-	-	23,291	23,291
		130,298	123,285	-	463,088	716,671	23,291	739,962
RESULTS	業績							
Segment results	分部業績	19,585	13,951	(175)	28,477	61,838	(52,011)	9,827
Other income, gains and losses	其他收入、收益及虧損					20,323	24	20,347
Administrative and other expenses	行政及其他開支					(83,115)	(20,169)	(103,284)
Research and development costs	研發成本					(17,631)	-	(17,631)
Finance costs	財務成本					(14,003)	-	(14,003)
Share of profit of an associate	應佔一間聯營公司之溢利					3,915	-	3,915
Provision for expected credit loss on financial assets	金融資產預期信貸虧損撥備					(1,751)	-	(1,751)
Loss before income tax expense	除所得稅支出前虧損					(30,424)	(72,156)	(102,580)

Segment results represent profit earned/loss suffered by each segment without allocation of other income, gains and losses, reversal of/ (provision for) expected credit loss on financial assets, administrative and other expenses, research and development costs, finance costs and share of profit of an associate. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Certain prior period information has been re-presented to conform with current period presentation.

分部業績指各分部所賺取之溢利/蒙受之損失，當中並未分配其他收入、收益及虧損、金融資產預期信貸虧損撥回/(撥備)、行政及其他開支、研發成本、財務成本及應佔一間聯營公司之溢利。此乃就資源分配及表現評估向主要營運決策者報告之計量方式。

若干上一期間資料已經重列，以符合本期間的呈列方式。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

6. INCOME TAX EXPENSE

6. 所得稅支出

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Continuing operations	持續經營業務		
The tax charge comprises:	稅項開支包括：		
Current tax:	本期稅項：		
PRC	中國	223	608
Jurisdictions other than the PRC and Hong Kong	中國及香港以外之司法權區	4,161	3,266
		4,384	3,874
Under/(Over)-provision in prior years:	過往年度撥備不足/(超額撥備)：		
PRC	中國	23	(185)
Hong Kong	香港	-	-
		23	(185)
Deferred taxation:	遞延稅項：		
Current period	本期間	(846)	822
Provision for withholding tax	預扣稅撥備	-	180
		(846)	1,002
		3,561	4,691

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
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6. INCOME TAX EXPENSE (Continued)

(i) PRC

The applicable PRC enterprise income tax rate of the PRC subsidiaries is 25% in accordance with the relevant income tax law and regulations in the PRC.

(ii) Hong Kong

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

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

(iii) United States of America

The Group's subsidiaries in United States of America are subject to United States Federal Income Tax at 21% and States Income Tax at 6%.

(iv) Europe

The Group's European subsidiaries are subject to profit tax rates at a range of 23% to 30%.

(v) Macau

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

(vi) Others

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

6. 所得稅支出(續)

(i) 中國

根據中國有關所得稅法律及法規，中國附屬公司之適用中國企業所得稅稅率為25%。

(ii) 香港

香港利得稅按估計應課稅溢利之16.5%計算。

由於在香港經營之實體於兩個期間均產生稅項虧損，因此毋須就於香港產生之溢利繳納稅項。

(iii) 美利堅合眾國

本集團之美利堅合眾國附屬公司須分別按21%及6%之稅率繳納美國聯邦所得稅及州所得稅。

(iv) 歐洲

本集團之歐洲附屬公司須按介乎23%至30%之稅率繳納利得稅。

(v) 澳門

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

(vi) 其他

於其他司法權區經營之其他附屬公司須按有關司法權區之適用稅率繳稅。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

7. DISCONTINUED OPERATION

During the period under review, the business of satellite TV broadcasting operated by the subsidiaries of the Company had been disposed of. This business segment is presented as discontinued operation in accordance with HKFRS 5 accordingly.

The results of the discontinued operation for both periods were as follows:

7. 已終止經營業務

於回顧期間，本公司附屬公司經營的衛星電視廣播業務經已出售。此業務分部根據香港財務報告準則第5號呈列為已終止經營業務。

已終止經營業務於兩個期間之業績如下：

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Revenue	收益	18,990	23,291
Cost of sales	銷售成本	(71,965)	(75,208)
		(52,975)	(51,917)
Other income, gains and losses	其他收入、收益及虧損	-	24
Distribution and selling costs	經銷及銷售成本	(1,416)	(94)
Administrative and other expenses	行政及其他開支	(16,909)	(20,169)
Reversal of expected credit loss on trade receivables	應收貿易賬款預期信貸虧損撥回	1,140	-
Gain on disposal of discontinued operation (note 19(b))	出售已終止經營業務之收益 (附註19(b))	149,948	-
Profit/(Loss) before taxation	除稅前溢利/(虧損)	79,788	(72,156)
Taxation	稅項	-	-
Profit/(Loss) for the period from discontinued operation	本期間來自已終止經營業務之 溢利/(虧損)	79,788	(72,156)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

7. DISCONTINUED OPERATION (Continued)

The cash flows of the discontinued operation for both periods were as follows:

7. 已終止經營業務(續)

兩個期間已終止經營業務之現金流量如下：

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Operating cash flows	經營現金流量	(26,902)	(74,767)
Financing cash flows	融資現金流量	20,065	77,162
Total cash flows	現金流量總額	(6,837)	2,395

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簡明綜合財務報表附註(續)

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8. PROFIT/(LOSS) FOR THE PERIOD

8. 本期間溢利/(虧損)

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核) (Re-presented) (重列)
Continuing operations	持續經營業務		
Profit/(Loss) for the period has been arrived at after charging/(crediting):	達致本期間溢利/(虧損)時已扣除/(計入):		
Directors' emoluments	董事酬金	1,718	2,581
Other staff costs	其他員工成本	59,731	72,514
Retirement benefits scheme contribution, excluding Directors	退休福利計劃供款(董事除外)	1,019	1,539
Total employee benefit expenses	僱員福利開支總額	62,468	76,634
Depreciation of property, plant and equipment	物業、廠房及設備折舊	13,502	15,845
Depreciation of right-of-use assets presented in property, plant and equipment	以物業、廠房及設備呈列之使用權資產折舊	941	-
Amortisation of intangible assets (Note i)	無形資產攤銷(附註i)	2,205	2,268
Release of prepaid lease payments	撥回預付租賃款項	78	84
(Reversal of)/Provision for expected credit loss on trade receivables	應收貿易賬款預期信貸虧損(撥回)/撥備	(8,825)	1,751
Reversal of expected credit loss on loan receivables	應收貸款預期信貸虧損撥回	(4,255)	-
Expected credit loss on loan to an associate	給予一間聯營公司之貸款預期信貸虧損	21	-
Reversal of expected credit loss on amount due from an associate	應收一間聯營公司款項預期信貸虧損撥回	(5,233)	-
Interest income (Note ii)	利息收入(附註ii)	(2,006)	(1,604)
Interest income from an associate (Note ii)	來自一間聯營公司之利息收入(附註ii)	(503)	(797)
Loss on disposal of subsidiaries (Note ii)	出售附屬公司之虧損(附註ii)	940	2,922
Loss on disposal of investment properties (Note ii)	出售投資物業之虧損(附註ii)	-	885
Loss on disposal of property, plant and equipment (Note ii)	出售物業、廠房及設備之虧損(附註ii)	381	815
Net foreign exchange loss/(gain) (Note ii)	外幣匯兌虧損/(收益)淨額(附註ii)	2,515	(1,550)
Discontinued operation	已終止經營業務		
Other staff costs	其他員工成本	8,341	8,824
Gain on disposal of discontinued operation	出售已終止經營業務之收益	(149,948)	-
(Reversal of)/Provision for expected credit loss on financial assets	金融資產預期信貸虧損(撥回)/撥備	(1,140)	24

Notes:

- (i) Included in cost of sales
- (ii) Included in other income, gains and losses

附註:

- (i) 包括於銷售成本內
- (ii) 包括於其他收入、收益及虧損內

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9. DIVIDENDS

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

10. EARNINGS/(LOSS) PER SHARE

From continuing and discontinued operations

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

9. 股息

於本中期期間並無派付、宣派或擬派股息。董事已決定不就本中期期間派付股息。

10. 每股盈利／(虧損)

來自持續及已終止經營業務

本公司擁有人應佔每股基本及攤薄盈利／(虧損)乃按下列數據計算：

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Profit/(Loss) for the period attributable to owners of the Company for the purposes of calculating basic and diluted earnings/(loss) per share	用於計算每股基本及攤薄盈利／(虧損)之本公司擁有人應佔本期間溢利／(虧損)	145,978	(62,883)
Number of shares	股份數目		
Weighted average number of ordinary shares at 30 June	於六月三十日之普通股加權平均數	3,278,825,335	3,278,825,335

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

由於本公司尚未行使購股權之行使價高於股份之平均市價，故計算每股攤薄盈利／(虧損)時並無假設行使該等尚未行使購股權。

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簡明綜合財務報表附註(續)

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

From continuing operations

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

10. 每股盈利／(虧損)(續)

來自持續經營業務

本公司擁有人應佔每股基本及攤薄盈利／(虧損)乃按下列數據計算：

		For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Profit/(Loss) for the period attributable to owners of the Company for the purposes of calculating basic and diluted earnings/(loss) per share	用作計算每股基本及攤薄盈利／(虧損)之本公司擁有人應佔本期間溢利／(虧損)	19,981	(26,032)

The denominators used are the same as those for continuing and discontinued operations.

持續及已終止經營業務採用之分母相同。

From discontinued operation

Both basic and diluted earnings per share for the discontinued operation attributable to the owners of the Company is HK3.84 cents per share (loss per share for the six months ended 30 June 2018: HK1.13 cents per share), based on the profit for the period attributable to owners of the Company from the discontinued operation of HK\$125,997,000 (six months ended 30 June 2018: loss of HK\$36,851,000) and the denominators detailed above for both basic and diluted earnings per share.

來自已終止經營業務

根據來自已終止經營業務之本公司擁有人應佔本期間溢利125,997,000港元(截至二零一八年六月三十日止六個月：虧損36,851,000港元)以及上文詳述用作計算每股基本及攤薄盈利之分母計算所得，本公司擁有人應佔已終止經營業務之每股基本及攤薄盈利為每股3.84港仙(截至二零一八年六月三十日止六個月之每股虧損：每股1.13港仙)。

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簡明綜合財務報表附註(續)

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

(a) Investment properties

During the current period, certain properties were transferred from property, plant and equipment to investment properties and were revalued to fair value and a revaluation surplus amounted to approximately HK\$3,370,000 (six months ended 30 June 2018: approximately HK\$30,353,000) was credited to property revaluation reserve.

(b) Property, plant and equipment

During the current period, the Group acquired property, plant and equipment of approximately HK\$6,380,000 (six months ended 30 June 2018: approximately HK\$7,939,000). During the period, the Group disposed of certain property, plant and equipment with a carrying amount of approximately HK\$9,530,000 (six months ended 30 June 2018: approximately HK\$5,590,000) resulting in a loss of approximately HK\$381,000 (six months ended 30 June 2018: approximately HK\$815,000) recognised in profit or loss.

(c) Goodwill

For the purpose of impairment testing, goodwill has been allocated into one (30 June 2018: two) individual cash-generating unit ("CGU(s)"), engaged in satellite TV equipment and antenna ("PBT CGU").

At the end of reporting period, the management performed impairment testing on the carrying amount of goodwill with reference to the cash flow projections of PBT CGU. No impairment loss was recognised during the period as the recoverable amount of PBT CGU based on value in use calculation was higher than its carrying amount.

11. 投資物業、物業、廠房及設備以及商譽之變動

(a) 投資物業

於本期間，若干物業從物業、廠房及設備轉撥至投資物業，並重估至公平值，重估盈餘約3,370,000港元(截至二零一八年六月三十日止六個月：約30,353,000港元)已記入物業重估儲備。

(b) 物業、廠房及設備

於本期間，本集團購置物業、廠房及設備約6,380,000港元(截至二零一八年六月三十日止六個月：約7,939,000港元)。於期內，本集團出售賬面值約9,530,000港元(截至二零一八年六月三十日止六個月：約5,590,000港元)之若干物業、廠房及設備，因而於損益確認虧損約381,000港元(截至二零一八年六月三十日止六個月：約815,000港元)。

(c) 商譽

就減值測試而言，商譽獲分配至一個(二零一八年六月三十日：兩個)獨立現金產生單位(「現金產生單位」)，從事衛星電視設備及天線(「博百科技現金產生單位」)。

於報告期末，管理層已參考博百科技現金產生單位之現金流量預測，對商譽之賬面值進行減值測試。由於博百科技現金產生單位根據使用價值計算法之可收回金額高於其賬面值，故於期內並無確認減值虧損。

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12. LOAN RECEIVABLES

12. 應收貸款

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Loan receivables (Notes i, ii and iii)	應收貸款(附註 i、ii 及 iii)	708,020	59,507
Less: allowance for doubtful debts (Note iv)	減：呆賬撥備(附註 iv)	(265,561)	(50,713)
		442,459	8,794
Represented by:	以下列項目代表：		
Loan receivables included in non-current assets	計入非流動資產的應收貸款	429,410	-
Loan receivables included in current assets	計入流動資產的應收貸款	13,049	8,794
		442,459	8,794

Notes:

- (i) As at 30 June 2019 and 31 December 2018, the Group had loan receivable amounting to HK\$12,989,000 granted to a third party. The amount was unsecured and bore interest at 1.2% (31 December 2018: 1.2%) per annum. This loan receivable was fully impaired as at 30 June 2019 and 31 December 2018.
- (ii) As at 30 June 2019 and 31 December 2018, the Group had loan and trade receivables due from two customers (the "Debtors") with gross amount of HK\$46,518,000 and HK\$39,273,000 respectively (the "Receivables"). The Debtors engaged in the operation of cable television in Nepal.

The loan receivables bore interest at 5% (31 December 2018: 5%) per annum. Pursuant to an agreement dated 25 March 2016, the 80% equity interest in one of the Debtors was pledged for part of the loan receivables of HK\$43,803,000 ("Share Pledge"). In the event that the Debtors fails or defaults to settle such loan, the Group shall have the right but not the obligation to possess the pledged share.

On 29 December 2017, the Group entered into an agreement (the "Agreement") with an independent third party (the "Purchaser"), pursuant to which the Group has conditionally agreed to sell and assign, and the Purchaser has conditionally agreed to purchase and be assigned, the rights, titles and benefits of the Receivables and Share Pledge at a consideration of US\$4,000,000 (equivalent to approximately HK\$31,275,000) (the "Consideration").

附註：

- (i) 於二零一九年六月三十日及二零一八年十二月三十一日，本集團擁有授予一名第三方的應收貸款 12,989,000 港元。該款項為無抵押，按年利率 1.2 厘（二零一八年十二月三十一日：1.2 厘）計息。該應收貸款已於二零一九年六月三十日及二零一八年十二月三十一日完全減值。
- (ii) 於二零一九年六月三十日及二零一八年十二月三十一日，本集團應收兩名客戶（「債務人」）之貸款及應收貿易賬款總額分別為 46,518,000 港元及 39,273,000 港元（「應收賬款」）。債務人從事尼泊爾有線電視的營運。

該等應收貸款按年利率 5 厘（二零一八年十二月三十一日：5 厘）計息。根據一份日期為二零一六年三月二十五日之協議，其中一名債務人之 80% 股本權益已就 43,803,000 港元之部分應收貸款質押（「股份質押」）。倘若債務人無法結清或拖欠該等貸款，則本集團將有權利而非義務擁有質押股份。

於二零一七年十二月二十九日，本集團與一名獨立第三方（「買方」）訂立協議（「協議」），據此，本集團有條件同意出售及轉讓，而買方有條件同意購買及承讓應收賬款及股份質押之權利、所有權及利益，代價為 4,000,000 美元（相當於約 31,275,000 港元）（「代價」）。

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12. LOAN RECEIVABLES (Continued)

Notes: (Continued)

(ii) (Continued)

According to the Agreement, the Consideration shall be paid by the Purchaser by cash in the following manner:

- (a) US\$200,000 shall be paid on or before 31 March 2018;
- (b) US\$300,000 shall be paid on or before 30 June 2018;
- (c) US\$750,000 shall be paid on or before 30 September 2018;
- (d) US\$750,000 shall be paid on or before 31 December 2018;
- (e) US\$500,000 shall be paid on or before 31 March 2019;
- (f) US\$500,000 shall be paid on or before 30 June 2019;
- (g) US\$500,000 shall be paid on or before 30 September 2019; and
- (h) US\$500,000 shall be paid on or before 31 December 2019.

Notwithstanding the above, the Purchaser has agreed to use his best endeavours to pay the Consideration in full to the Group within one year from the date of the Agreement.

Subject to the payments of the Consideration by the Purchaser in full and upon the Group having obtained all necessary internal and external authorisations, consents and approvals from all relevant governmental or regulatory authorities, agencies or bodies, the date of completion of the Agreement is 31 December 2019 or the fifth days after the payment of the Consideration in full.

At completion, the Group and the Purchaser shall execute an assignment of the Receivables, relevant loan agreements and Share Pledge.

Up to 30 June 2019, the Group has received six instalments with total amount of US\$3,000,000 (equivalent to approximately HK\$23,522,000) (31 December 2018: US\$2,000,000 (equivalent to approximately HK\$15,560,000)) from the Purchaser.

Management has performed an impairment assessment on the loan receivable as at 30 June 2019. Taking into consideration of the probability of the completion of the Agreement, a reversal of expected credit loss amounted to HK\$4,255,000 was recognised during the period.

12. 應收貸款(續)

附註：(續)

(ii) (續)

根據協議，代價將由買方按下列方式以現金支付：

- (a) 200,000 美元將於二零一八年三月三十一日或之前支付；
- (b) 300,000 美元將於二零一八年六月三十日或之前支付；
- (c) 750,000 美元將於二零一八年九月三十日或之前支付；
- (d) 750,000 美元將於二零一八年十二月三十一日或之前支付；
- (e) 500,000 美元將於二零一九年三月三十一日或之前支付；
- (f) 500,000 美元將於二零一九年六月三十日或之前支付；
- (g) 500,000 美元將於二零一九年九月三十日或之前支付；及
- (h) 500,000 美元將於二零一九年十二月三十一日或之前支付。

儘管上文所述，買方已同意盡其最大努力於由協議日期起計一年內向本集團支付全數代價。

待買方支付全數代價及本集團已向所有相關政府或監管機關、部門或組織取得一切必要之內部及外部授權、同意及批准後，協議之完成日期為二零一九年十二月三十一日或買方全數支付代價後第五天。

於完成時，本集團及買方將進行應收賬款、相關貸款協議及股份質押之轉讓。

直至二零一九年六月三十日，本集團自買方收到六期款項合共 3,000,000 美元（相當於約 23,522,000 港元）（二零一八年十二月三十一日：2,000,000 美元（相當於約 15,560,000 港元））。

管理層已對於二零一九年六月三十日之應收貸款進行減值評估。經考慮協議完成之可能性後，期內已確認預期信貸虧損撥回 4,255,000 港元。

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12. LOAN RECEIVABLES (Continued)

Notes: (Continued)

- (iii) During the period, as set out in note 19(b), the Group disposed of the entire equity interest in Speed Connection Group Limited (the "Disposal"), and since then, the loan receivables from Speed Connection Group Limited and its subsidiary MyHD were classified as loan receivables.

As at 30 June 2019, the Group had loan receivables amounting to HK\$429,410,000 (net of provision for expected credit loss) granted to third parties which were classified as non-current assets. The loan receivables were arising from the disposal of all interests in MyHD and the extension of the existing loans to MyHD. For details, please refer to the Announcement and the Circular. The amounts were unsecured, interest-bearing at rates ranged from 3 months LIBOR plus 200 basis point per annum to 10% per annum and will be matured on 31 December 2020.

The principal amounts of these loan receivables were US\$71,298,000 (equivalent to approximately HK\$556,907,000), in which amount of US\$9,554,000 (equivalent to approximately HK\$74,626,000) due from Speed Connection Group Limited, bore interest rate at 3 months LIBOR plus 100 basis points per annum; and amount of US\$51,244,000 (equivalent to approximately HK\$400,266,000) and amount of US\$10,500,000 (equivalent to approximately HK\$82,015,000) due from MyHD (the non-wholly owned subsidiary of Speed Connection Group Limited), bore interest rate at 10% per annum and at 3 months LIBOR plus 100 basis points per annum respectively, and the corresponding interest receivables were US\$11,728,000 (equivalent to approximately HK\$91,606,000). These loan receivables and the interest receivables, net of the provision of expected credit loss of HK\$219,103,000, amounted to HK\$429,410,000 were recognised as loan receivables upon the Disposal.

The provision of expected credit loss was determined by the management of the Group based on the creditworthiness and the past collection history of the borrowers.

- (iv) Allowances for doubtful debts

12. 應收貸款(續)

附註：(續)

- (iii) 於期內，誠如附註 19(b) 所載，本集團出售於捷聯集團有限公司之全部股本權益(「出售事項」)，自此以後，來自捷聯集團有限公司及其附屬公司 MyHD 之應收貸款已分類為應收貸款。

於二零一九年六月三十日，本集團有授予第三方的應收貸款 429,410,000 港元(扣除預期信貸虧損撥備)，並將其分類為非流動資產。應收貸款乃產生自出售於 MyHD 之全部權益，以及將授予 MyHD 的現有貸款延長。詳情請參閱該公告及該通函。該等金額為無抵押、按三個月倫敦銀行同業拆息加 200 個基點至 10 厘的年利率計息，並將於二零二零年十二月三十一日到期。

該等應收貸款之本金額為 71,298,000 美元(相當於約 556,907,000 港元)，其中應收捷聯集團有限公司之 9,554,000 美元(相當於約 74,626,000 港元)按三個月倫敦銀行同業拆息加 100 個基點的年利率計息，而應收 MyHD(捷聯集團有限公司之非全資附屬公司)之 51,244,000 美元(相當於約 400,266,000 港元)及 10,500,000 美元(相當於約 82,015,000 港元)則分別按年利率 10 厘及三個月倫敦銀行同業拆息加 100 個基點計息，相應的應收利息為 11,728,000 美元(相當於約 91,606,000 港元)。於扣除預期信貸虧損撥備 219,103,000 港元後，該等應收貸款及應收利息為 429,410,000 港元，已於出售事項後確認為應收貸款。

預期信貸虧損撥備由本集團管理層基於借款人之信譽及過往收賬紀錄而釐定。

- (iv) 呆賬撥備

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
At the beginning of period/year	於期/年初	50,713	50,713
Reversal of expected credit loss	預期信貸虧損撥回	(4,255)	-
Recognised upon the Disposal	於出售事項後確認	219,103	-
At the end of period/year	於期/年末	265,561	50,713

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
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13. TRADE, BILLS AND OTHER RECEIVABLES

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

13. 應收貿易賬款、應收票據及其他應收款項

本集團給予其貿易客戶之信貸期平均為60至120天。應收貿易賬款及應收票據(扣除呆賬撥備後)於報告期末按發票日期(與有關收益確認日期相若)呈列之賬齡分析如下:

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0–30 days	0 至 30 天	144,465	143,838
31–90 days	31 至 90 天	110,894	108,396
91–180 days	91 至 180 天	20,263	13,990
More than 180 days	超過 180 天	27,437	20,798
Trade and bills receivables	應收貿易賬款及應收票據	303,059	287,022
Prepayments and other receivables	預付款項及其他應收款項	115,343	102,237
Total trade, bills and other receivables	應收貿易賬款、應收票據及 其他應收款項總額	418,402	389,259

The Directors reviewed the carrying amounts of certain long outstanding trade, bills and other receivables and measures the expected credit loss under HKFRS 9, *Financial Instruments*. During the period, reversal of expected credit loss of HK\$8,825,000 was recognised (six months ended 30 June 2018: provision for expected credit loss of HK\$1,775,000).

董事已檢討若干長期尚未償還應收貿易賬款、應收票據及其他應收款項之賬面金額，並根據香港財務報告準則第9號金融工具計量預期信貸虧損。於期內，已確認預期信貸虧損撥回8,825,000港元(截至二零一八年六月三十日止六個月：預期信貸虧損撥備1,775,000港元)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
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14. AMOUNT DUE FROM/LOAN TO AN ASSOCIATE

14. 應收一間聯營公司之款項／給予一間聯營公司之貸款

		Notes	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產			
Loan receivables	應收貸款	(i)	22,116	22,137
Current assets	流動資產			
Trade receivables	應收貿易賬款	(ii)	66,888	109,674
Interest receivables	應收利息	(iii)	4,307	4,028
Amount due from an associate	應收一間聯營公司的款項		71,195	113,702

Notes:

- (i) amount of HK\$22,116,000 (31 December 2018: HK\$22,137,000) being unsecured and bearing fixed interest rate at 4.75% per annum, the loan receivables is classified as non-current assets as repayment date was extended to 31 December 2022;
- (ii) amount of HK\$66,888,000 (31 December 2018: HK\$109,674,000) being unsecured, interest-free and the Group allows a credit period of 360 days to its associate which is trade in nature; and
- (iii) amount of HK\$4,307,000 (31 December 2018: HK\$4,028,000) being interest receivables from the loan to an associate.

附註：

- (i) 22,116,000港元(二零一八年十二月三十一日：22,137,000港元)為無抵押及按固定年利率4.75厘計息，由於還款日期延遲至二零二二年十二月三十一日，故應收貸款分類為非流動資產；
- (ii) 66,888,000港元(二零一八年十二月三十一日：109,674,000港元)為無抵押及不計息，且本集團給予其聯營公司之信貸期為360天，屬貿易性質；及
- (iii) 4,307,000港元(二零一八年十二月三十一日：4,028,000港元)為給予一間聯營公司之貸款之應收利息。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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14. AMOUNT DUE FROM/LOAN TO AN ASSOCIATE (Continued)

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

14. 應收一間聯營公司之款項／給予一間聯營公司之貸款(續)

應收一間聯營公司之貿易賬款(屬貿易性質)於報告期末按發票日期呈列之賬齡分析如下：

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0-30 days	0 至 30 天	1,172	24,884
31-90 days	31 至 90 天	6,961	26,800
91-360 days	91 至 360 天	37,713	17,409
More than 360 days	超過 360 天	21,042	40,581
		66,888	109,674

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

15. TRADE, BILLS AND OTHER PAYABLES

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

15. 應付貿易賬款、應付票據及其他應付款項

應付貿易賬款及應付票據於報告期末按發票日期呈列之賬齡分析如下：

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0–30 days	0 至 30 天	176,815	277,967
31–90 days	31 至 90 天	218,147	48,595
91–360 days	91 至 360 天	70,532	33,499
More than 360 days	超過 360 天	11,482	25,843
Trade and bills payables	應付貿易賬款及應付票據	476,976	385,904
Other payables	其他應付款項	98,069	119,318
Total trade, bills and other payables	應付貿易賬款、應付票據及 其他應付款項總額	575,045	505,222

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

16. PROVISION FOR FINANCIAL GUARANTEE

The Company had pursuant to the guarantee (the “**Guarantee**”) given in favour of MyHD irrevocably guaranteed to pay all financial obligations of MyHD in relation to the third amendment agreement to the content supply agreement (the “**Content Supply Agreement**”) dated 3 October 2016 which was entered into between MyHD and MBC FZ LLC. The Guarantee does not expire and the maximum amount payable by the Company under the Guarantee should not exceed US\$3,500,000 (equivalent to approximately HK\$27,332,000).

The Guarantee does not contain any conditions which need to be fulfilled or any circumstances which must arise before MyHD can enforce the same and demand payment from the Company. Notwithstanding that MyHD failed to observe all its payment obligations under the third amendment agreement to the Content Supply Agreement, since the date of the Guarantee up to the reporting date, the Company has not received any demand for payment from MyHD under the Guarantee.

At 30 June 2019, the Group had recognised the provision for financial guarantee amounting to US\$3,500,000 (equivalent to approximately HK\$27,332,000) in relation to the Guarantee.

16. 財務擔保撥備

本公司已根據就MyHD之利益作出之擔保(「**擔保**」)，不可撤回地保證支付MyHD有關MyHD與MBC FZ LLC所訂立日期為二零一六年十月三日之內容供應協議(「**內容供應協議**」)第三份修訂協議之所有財務責任。該擔保並無到期日，而本公司根據擔保應付之最高金額不得超過3,500,000美元(相當於約27,332,000港元)。

擔保並不包含任何須予達成之條件或必須發生之任何情況，以規限MyHD執行擔保及要求本公司付款。儘管MyHD未能遵從於內容供應協議第三份修訂協議下之所有付款責任，惟自擔保日期起直至報告日期止，本公司並無接獲任何由MyHD根據擔保提出之付款要求。

於二零一九年六月三十日，本集團已就擔保確認為數3,500,000美元(相當於約27,332,000港元)之財務擔保撥備。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
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17. BANK AND OTHER BORROWINGS

17. 銀行及其他借貸

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Bank loans	銀行貸款	218,352	201,643
Other loans	其他貸款	256,517	257,428
		474,869	459,071
Analysed as:	分析為：		
Secured	有抵押	129,169	137,659
Unsecured	無抵押	345,700	321,412
		474,869	459,071

During the period, the Group raised bank loans in the amount of approximately HK\$308,620,000 (six months ended 30 June 2018: bank and other loans of approximately HK\$233,618,000) and repaid bank and other loans of approximately HK\$289,627,000 (six months ended 30 June 2018: approximately HK\$254,145,000).

The variable rates of bank borrowings carry interests at LIBOR plus a spread. The effective interest rates on borrowings are at range of 3.0% to 10.00% per annum as at 30 June 2019 (31 December 2018: 2.3% to 10.00% per annum).

於期內，本集團新造銀行貸款約308,620,000港元(截至二零一八年六月三十日止六個月：銀行及其他貸款約233,618,000港元)，並償還銀行及其他貸款約289,627,000港元(截至二零一八年六月三十日止六個月：約254,145,000港元)。

銀行借貸之浮動利率根據倫敦銀行同業拆息加若干息差而定。於二零一九年六月三十日，借貸之實際年利率介乎3.0厘至10.00厘(二零一八年十二月三十一日：年利率介乎2.3厘至10.00厘)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

18. SHARE CAPITAL

18. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值 0.10 港元的普通股		
Issued and fully paid	已發行及繳足		
As at 1 January 2018, 31 December 2018, 1 January 2019 and 30 June 2019	於二零一八年一月一日、二零一八年 十二月三十一日、二零一九年 一月一日及二零一九年六月三十日	3,278,825,335	327,882

19. DISPOSAL OF SUBSIDIARIES

19. 出售附屬公司

(a) During the six months ended 30 June 2019, the Group disposed of the entire equity interest in FLT Hong Kong Technology Limited. The net assets of FLT Hong Kong Technology Limited at the date of disposal were as follows:

(a) 截至二零一九年六月三十日止六個月，本集團出售其於FLT Hong Kong Technology Limited的全部股本權益。FLT Hong Kong Technology Limited於出售日期的資產淨值如下：

		HK\$'000 千港元
Trade receivables	應收貿易賬款	975
Other receivables	其他應收款項	319
Trade payables	應付貿易賬款	(4)
Other payables and accruals	其他應付款項及應計項目	(350)
Net assets disposed of	所出售的資產淨值	940
Loss on disposal of subsidiaries included in profit or loss	計入損益的出售附屬公司虧損	(940)
Total consideration	總代價	-
Net cash outflow arising on disposal	出售產生的現金流出淨額	-
Cash consideration	現金代價	-
Bank balance and cash disposed of	所出售銀行結存及現金	-
		-

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

19. DISPOSAL OF SUBSIDIARIES (Continued)

- (b) During the six months ended 30 June 2019, the Group disposed of the entire equity interest in Speed Connection Group Limited, Ocean Oasis International Limited (incorporated in the British Virgin Islands), Ocean Oasis International Limited (incorporated in the United Arab Emirates) and MyHD (collectively referred to “**SCG group**”). The net liabilities of SCG group at the date of disposal were as follows:

19. 出售附屬公司(續)

- (b) 截至二零一九年六月三十日止六個月，本集團出售其於捷聯集團有限公司、Ocean Oasis International Limited（於英屬處女群島註冊成立）、Ocean Oasis International Limited（於阿拉伯聯合酋長國註冊成立）及MyHD（統稱為「**SCG集團**」）的全部股本權益。SCG集團於出售日期的負債淨額如下：

		HK\$'000 千港元
Goodwill*	商譽*	–
Inventories	存貨	3,145
Trade receivables	應收貿易賬款	17,368
Other receivables	其他應收款項	4,627
Cash and bank balance	現金及銀行結存	1,558
Trade payables	應付貿易賬款	(133,414)
Other payables and accruals	其他應付款項及應計項目	(33,607)
Net liabilities disposed of	所出售的負債淨額	(140,323)
Less: Non-controlling interest	減：非控股權益	391,442
Loan receivables due from SCG group (note 12(iii))	應收SCG集團之貸款(附註12(iii))	(429,410)
Provision for financial guarantee (note 16)	財務擔保撥備(附註16)	27,332
Cost of disposal	出售成本	1,011
Gain on disposal of subsidiaries included in profit or loss (note 7)	計入損益的出售附屬公司收益(附註7)	149,948
Total consideration	總代價	–
Net cash outflow arising on disposal	出售產生的現金流出淨額	–
Cash consideration (US\$1)	現金代價(1美元)	–
Bank balance and cash disposed of	所出售銀行結存及現金	(1,558)
		(1,558)

* Goodwill allocated to the cash generating unit of satellite TV broadcasting was fully impaired as at 31 December 2018.

* 分配至衛星電視廣播之現金產生單位之商譽已於二零一八年十二月三十一日悉數減值。

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簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
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20. RELATED PARTY TRANSACTIONS

(i) Transactions

The Group had the following related party transactions:

Relationship 關係	Nature of transaction 交易性質	For six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Associate 聯營公司	Sales of goods 銷售貨品	1,430	148,074
	Interest income 利息收入	503	797

(ii) Balances

Details of the Group's balances with related party are set out in the condensed consolidated statement of financial position and in note 14.

20. 關聯人士交易

(i) 交易

本集團曾進行以下關聯人士交易：

(ii) 結餘

本集團與關聯人士之結餘詳情載於簡明綜合財務狀況表及附註14。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
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20. RELATED PARTY TRANSACTIONS (Continued)

(iii) Compensation of the key management personnel

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

Short-term benefits	短期福利	4,712	6,847
Post-employment benefits	離職後福利	80	132
		4,792	6,979

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

21. ARBITRATION

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

20. 關聯人士交易(續)

(iii) 主要管理人員之補償

期內董事及主要管理層其他成員之薪酬如下：

For six months ended 30 June
截至六月三十日止六個月

2019 二零一九年 HK\$’000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$’000 千港元 (unaudited) (未經審核)
4,712	6,847
80	132
4,792	6,979

董事認為，董事及主要管理層的薪酬乃經考慮個人表現及市場趨勢後釐定。

21. 仲裁

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

21. ARBITRATION (Continued)

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

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

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

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

The Group's legal counsel had repeatedly requested the Original Shareholder and Technosat to commence the next step of the mediation process, but there has been no satisfactory response from the legal counsel of the Original Shareholder and Technosat up to the deadline set by August 2014. At the date of approval of this report, the Group's legal counsel confirmed that there was no update on the arbitration.

21. 仲裁(續)

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

儘管本集團一再要求原股東或 Technosat 提供關於徵求杜拜政府部門批准之現況及促使取得有關批准之資料，但仍未有令人滿意之回應。本集團已委聘法律顧問代本集團行事，並針對原股東及 Technosat 展開糾紛調解程序。

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

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

本集團之法律顧問已多次覆述向原股東及 Technosat 提出開展下一步調解程序之要求，惟截至二零一四年八月之限期，仍未獲得原股東及 Technosat 之法律顧問令人滿意之回覆。於本報告獲批准當日，本集團之法律顧問已確認仲裁並無更新。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

22. LITIGATIONS

(a) HCMP 1044/2017

The Company was served an originating summons under section 740 of the Companies Ordinance (Cap.622) (the “**Summons**”) on 5 May 2017 filed by Fung Chuen as the plaintiff (the “**Summons Plaintiff**”) against the Company as the defendant under action number HCMP No.1044/2017 in the Court. Details of the Summons are set out in the announcement of the Company dated 5 May 2017.

In the Summons, the Summons Plaintiff applied to the Court for, among others, the following orders (the “**Application**”):

- (i) The Summons Plaintiff and/or his authorised agent be authorised to inspect and make copies of the documents in relation to the investment in Dish Media and the Debtors;
- (ii) The Summons Plaintiff and/or his authorised agent be authorised to inspect and make copies of the documents in relation to the investment in MyHD; and
- (iii) The Summons Plaintiff and his authorised agent be authorised to inspect and make copies of the documents in relation to the open offer announced by the Company on 24 October 2016 and 30 March 2017 respectively.

Pursuant to the order of the Court dated 17 October 2017 (the “**Order dated 17 October 2017**”), it was ordered that the Company shall produce to the Summons Plaintiff those documents listed in the schedule of the Order dated 17 October 2017. On 27 October 2017, the Company filed a notice of appeal (the “**Notice of Appeal**”) to the Court for a stay of execution of the Order dated 17 October 2017 pending the final determination of the appeal.

22. 訴訟

(a) HCMP 1044/2017

於二零一七年五月五日，本公司收到由馮泉作為原告人(「**傳票原告人**」)針對本公司(作為被告人)送達公司條例(第622章)第740條項下法院訴訟編號為HCMP 1044/2017之原訴傳票(「**傳票**」)。傳票之詳情載於本公司日期為二零一七年五月五日之公告。

在傳票中，傳票原告人向法院申請(其中包括)以下命令(「**申請**」)：

- (i) 傳票原告人及／或其獲授權代理人獲授權查閱及複印有關投資於Dish Media及債務人之文件；
- (ii) 傳票原告人及／或其獲授權代理人獲授權查閱及複印有關投資於MyHD之文件；及
- (iii) 傳票原告人及其獲授權代理人獲授權查閱及複印有關本公司於二零一六年十月二十四日及二零一七年三月三十日公佈之公開發售之文件。

根據法院日期為二零一七年十月十七日之命令(「**二零一七年十月十七日法院命令**」)，法院頒令本公司須向傳票原告人提交二零一七年十月十七日法院命令附表中載列之文件。於二零一七年十月二十七日，本公司向法院提交上訴通知書(「**上訴通知書**」)，申請擱置執行二零一七年十月十七日法院命令，以待上訴的最終定案。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

22. LITIGATIONS (Continued)

(a) HCMP 1044/2017 (Continued)

On 15 December 2017, the Court held that the appeal had no reasonable prospect of success and ordered that the Company's application for stay be refused but that the time for the Company to comply with the Order dated 17 October 2017 be extended to 5 January 2018.

On 22 December 2017, the Company amended its Notice of Appeal and applied to the Court of Appeal of Hong Kong (the "**Court of Appeal**") for a stay of execution of the Order dated 17 October 2017 pending final determination of the appeal (the "**Stay Application**"). Pursuant to the order dated 22 December 2017, an interim stay of the Order dated 17 October 2017 pending determination of the Stay Application was granted.

At the hearing held on 17 April 2018, the appeal of the Stay Application under action number CACV 240 of 2017 by the Company was dismissed by the Court of Appeal and the costs of the Stay Application was awarded to the Summons Plaintiff. On 11 May 2018, the Company had complied with the Order and produced the documents as listed in the schedule of the Order dated 17 October 2017 to the Summons Plaintiff.

(b) HCCW 207/2017

On 6 July 2017, the Company was served a petition for winding-up dated 5 July 2017 (the "**Winding-Up Petition**") filed by Fung Chuen ("**Petitioner**") against the Company, Mr. Hung Tsung Chin (the "**2nd Respondent**") and Ms. Chen Mei Huei (the "**3rd Respondent**") in the proceedings HCCW No. 207/2017.

22. 訴訟(續)

(a) HCMP 1044/2017 (續)

於二零一七年十二月十五日，法院裁定上訴無合理勝訴機會，並頒令本公司之擱置申請被駁回，但本公司遵守二零一七年十月十七日法院命令之時間可延遲至二零一八年一月五日。

於二零一七年十二月二十二日，本公司修訂上訴通知書，並向香港高等法院上訴法庭(「**上訴法庭**」)申請擱置執行二零一七年十月十七日法院命令，以待上訴的最終定案(「**擱置申請**」)。根據日期為二零一七年十二月二十二日之命令，批准暫時擱置二零一七年十月十七日法院命令，以待就擱置申請作出裁定。

於二零一八年四月十七日舉行之聆訊中，本公司有關擱置申請之上訴(訴訟編號為二零一七年CACV 240)被上訴法庭駁回；且傳票原告人獲得擱置申請之訟費。於二零一八年五月十一日，本公司已遵守法院命令，並向傳票原告人提交二零一七年十月十七日法院命令附中載列之文件。

(b) HCCW 207/2017

於二零一七年七月六日，本公司收到由馮泉(「**呈請人**」)於二零一七年七月五日針對本公司、洪聰進先生(「**第二答辯人**」)及陳美惠女士(「**第三答辯人**」)之訴訟編號為HCCW 207/2017之清盤呈請(「**清盤呈請**」)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

22. LITIGATIONS (Continued)

(b) HCCW 207/2017 (Continued)

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

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

22. 訴訟(續)

(b) HCCW 207/2017 (續)

根據清盤呈請，呈請人要求以下命令：(i) 由法院命令本公司依照香港法例第32章公司(清盤及雜項條文)條例(「公司(清盤及雜項條文)條例」)第327(3)(c)條清盤；(ii) 由法院委任清盤人於本公司清盤後調查本公司事務；(iii) 第二及／或第三答辯人就為其自身利益及／或為其實質上擁有或控制之實體之利益及／或為本公司之適當目的及經營業務之外之其他事項而作出之付款或處置交易向本公司負責；(iv) 呈請人及本公司之費用由第二及第三答辯人支付；及(v) 法院認為合適及適當之其他命令。

於二零一七年七月十日，本公司、第二及第三答辯人發出申請認可令之傳票。於二零一七年八月十七日舉行之聆訊中，法院已授出認可令，條款如下：不得憑藉公司(清盤及雜項條文)條例第182條之規定而令本公司以下財產處理和股份轉讓無效：(a) 於提交清盤呈請日期至清盤呈請判決日期期間在本公司日常業務過程中於本公司之銀行賬戶轉入及轉出之支付(或將支付)款項；(b) 本公司於提交清盤呈請日期至清盤呈請判決日期期間在本公司日常業務過程中作出(或將作出)之任何合理價值之本公司財產處置；及(c) 本公司根據公開發售配發及發行本公司1,967,295,201股股份及使用公開發售所得款項。法院亦判令清盤呈請人向本公司、第二及第三答辯人(統稱「答辯人」)支付認可令之費用。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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22. LITIGATIONS (Continued)

(b) HCCW 207/2017 (Continued)

On 30 August 2017, the Company applied for another validation order under section 182 of the CWUMPO, which provides that any transfer of the shares of the Company shall not be void by virtue of the said section. The validation order was also granted by the Court on 25 October 2017.

On 4 December 2017, the Company filed and served its points of defence (the **"Points of Defence"**).

At the case management hearing held on 25 April 2018, the Court made an order that:

1. The Petitioner and the Respondents (collectively the **"Winding-Up Petition Parties"**) do file and serve their respective list of documents within 42 days after the date hereof, with inspection to be conducted within 7 days thereafter;
2. the Winding-Up Petition Parties do file and exchange signed witness statements as to fact within 70 days thereafter, i.e. by 22 August 2018;
3. the Winding-Up Petition Parties do file and exchange such witness statements in reply (if any) within 28 days thereafter, i.e. by 19 September 2018;
4. the witness statements filed with the Court do stand as evidence-in-chief unless the trial judge directs otherwise;
5. the Winding-Up Petition Parties shall obtain counsel's advice (if necessary) by 28 November 2018; and all interlocutory applications if so advised, shall be taken out within 42 days thereafter;

22. 訴訟(續)

(b) HCCW 207/2017 (續)

於二零一七年八月三十日，本公司根據公司(清盤及雜項條文)條例第182條申請另一項認可令，其規定不得憑藉上述條文而令本公司之任何股份轉讓無效。法院已於二零一七年十月二十五日授出認可令。

於二零一七年十二月四日，本公司提交及送達其答辯人抗辯要點(「**抗辯要點**」)。

於二零一八年四月二十五日舉行之案件管理聆訊中，法院作出如下命令：

1. 呈請人及答辯人(統稱「**清盤呈請各方**」)須於此命令之日期後42天內提交及送達彼等各自之文件清單，並於其後7天內進行查閱；
2. 清盤呈請各方須於其後70天內(即於二零一八年八月二十二日或之前)提交及交換已簽署之證人陳述書；
3. 清盤呈請各方須於其後28天內(即於二零一八年九月十九日或之前)提交及交換證人陳述書之回覆(如有)；
4. 除非主審法官另有指示，否則向法院提交之證人陳述書乃用作主審證據；
5. 清盤呈請各方須於二零一八年十一月二十八日或之前獲取律師意見(如有需要)；而所有非正審申請(如獲告知)須於其後42天內進行；

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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22. LITIGATIONS (Continued)

(b) HCCW 207/2017 (Continued)

6. the Winding-Up Petition Parties shall attend a case management hearing on a date to be fixed in consultation with counsel's diaries not earlier than September 2018 with 30 minutes reserved;
7. there be liberty to apply; and
8. costs be in the cause.

On 27 September 2018, the Winding-Up Petition Parties filed and exchanged the witness statements.

At the case management hearing held on 25 October 2018, the Court made an order that:

1. the time for the exchange of the witness statement in reply by the Petitioner be extended to 5:00 p.m. on 30 November 2018;
2. leave be given to the Winding-Up Petition Parties to set down the matter for trial, with an estimate of 2 days before a bilingual judge;
3. subject to the direction of the trial judge, witness statements of the Winding-Up Petition Parties are to stand as evidence-in-chief;
4. there be a pre-trial review 2 months before the trial is due to commence;
5. the Winding-Up Petition Parties are to agree on English translation, or obtain certified English translation of such documents in Chinese as may be necessary;
6. the Respondents are to lodge the trial bundles with the Court 2 weeks before the trial;

22. 訴訟(續)

(b) HCCW 207/2017 (續)

6. 清盤呈請各方須出席為時30分鐘之案件管理聆訊(日期將於諮詢律師日誌後訂定,惟不會訂於二零一八年九月前);
7. 可自由提出申請;及
8. 訟費歸於訴訟中。

於二零一八年九月二十七日,清盤呈請各方提交並交換證人陳述書。

於二零一八年十月二十五日舉行之案件管理聆訊中,法院頒令:

1. 呈請人交換證人陳述書之回覆之時限將延遲至二零一八年十一月三十日下午五時正;
2. 清盤呈請各方獲發排期審訊有關事項之許可,預計由一名雙語法官審訊兩天;
3. 視乎原審法官之指令,清盤呈請各方之證人陳述書乃用作主審證據;
4. 正式開始審訊前兩個月進行審訊前覆核;
5. 在必要情況下,清盤呈請各方同意接納中文文件之英文譯本或取得中文文件之經核證英文譯本;
6. 答辯人於審訊前兩星期向法院提交審訊文件冊;

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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22. LITIGATIONS (Continued)

(b) HCCW 207/2017 (Continued)

7. written opening submissions and list of authorities of the Petitioner be lodged and served on all the other Winding-Up Petition Parties 7 working days before the trial;
8. written opening submissions and lists of authorities of the Respondents be lodged and served on all the other Winding-Up Petition Parties 3 working days before the trial;
9. any application for time be made before 5:00 p.m. on 26 November 2018; and
10. costs be in the cause.

After an amicable negotiation with the Petitioner, on 21 December 2018, the Winding-Up Petition Parties, without admission of any liability, entered into a settlement agreement (the “**Settlement Agreement**”). Pursuant to the Settlement Agreement, the Winding-Up Petition Parties have agreed to a full and final settlement of all the disputes of and in the relation to the proceedings in HCCW 207/2017, HCMP 1044/2017 and CACV 240/2017 (the “**Proceedings and Disputes**”).

The principal terms of the Settlement Agreement are as follows:

1. The Company shall, within 7 days from 21 December 2018, pay the sum of HK\$1,800,000 (the “**Sum**”) to the Winding-Up Petitioner in full and final settlement of all disputes, claims, or potential claims, in or arising out of or in connection with the Proceedings and Disputes;
2. The Petitioner shall execute a consent summons with the Company for the dismissal of the Winding-Up Petition with no order as to costs (the “**Consent Summons**”), and an undertaking not to take any action against the Company and/or the Company’s existing or former directors in relation to the Proceedings and Disputes (the “**Undertaking**”);

22. 訴訟(續)

(b) HCCW 207/2017 (續)

7. 呈請人於審訊前七個工作天提交書面開審陳詞及典據列表，並送達所有其他清盤呈請各方；
8. 答辯人於審訊前三個工作天提交書面開審陳詞及典據列表，並送達所有其他清盤呈請各方；
9. 任何時限申請需於二零一八年十一月二十六日下午五時正前提出；及
10. 訟費歸於訴訟中。

經與呈請人進行友好磋商後，於二零一八年十二月二十一日，清盤呈請各方在並無接納任何責任之情況下訂立一份和解協議(「**和解協議**」)。根據和解協議，清盤呈請各方已同意完全並最終解決HCCW 207/2017、HCMP 1044/2017及CACV 240/2017法律程序之所有相關爭議(「**法律程序及爭議**」)。

和解協議之主要條款如下：

1. 本公司須於由二零一八年十二月二十一日起計七天內向清盤呈請人支付一筆1,800,000港元款項(「**該款項**」)，以完全並最終解決於法律程序及爭議中或因而產生或與之相關之一切爭議、申索或潛在申索；
2. 呈請人須與本公司簽立一份同意傳票，在並無訟費令之情況下駁回清盤呈請(「**同意傳票**」)，並承諾不會就法律程序及爭議提出針對本公司及／或本公司現任或前任董事之任何法律行動(「**承諾**」)；

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2019
截至二零一九年六月三十日止六個月

22. LITIGATIONS (Continued)

(b) HCCW 207/2017 (Continued)

3. The Winding-Up Petition Parties agree and acknowledge that the payment of the Sum by the Company shall be in full and final settlement of all disputes, claims, actions, interests or costs among the Winding-Up Petition Parties, including those in the Proceedings and Disputes, accrued before and/or after 21 December 2018. Each Winding-Up Petition Party shall bear his own legal costs of and incidental to the negotiation, preparation, execution and carrying into effect of the Settlement Agreement; and
4. Upon the performance of the Settlement Agreement, the Winding-Up Petition Parties irrevocably and unconditionally fully and forever release and discharge each other from and waive any and all claims, demands, actions, causes of actions, contracts, obligations, debts, costs or liability of any kind, whether direct or indirect, known or unknown, foreseen or unforeseen, prospective or contingent or actual, present or future, arising or capable of arising out of, or in any way connected with the Proceedings and Disputes, including those accrued before and/or after 21 December 2018.

As at 21 December 2018, the Petitioner had executed the Consent Summons and the Undertaking.

Upon the joint application of the Petitioner, the Winding-Up Petition Parties by way of consent summons dated 21 December 2018, the Court had granted an order on 7 January 2019 that:

1. the Winding-Up Petition presented on 5 July 2017 be dismissed;
2. the costs of the official receiver be deducted from the deposit and the balance be returned to the Petitioner; and
3. there be no order as to costs in the action, including the Consent Summons application.

A sealed copy of the said order was received by the Company on 17 January 2019. As at the date of the approval of the condensed consolidated financial statements, there is no outstanding winding-up petition against the Company.

22. 訴訟(續)

(b) HCCW 207/2017 (續)

3. 清盤呈請各方同意並承認本公司支付之該款項須完全並最終解決清盤呈請各方之間之一切爭議、申索、法律行動、利息或費用，包括於二零一八年十二月二十一日之前及／或之後就法律程序及爭議而產生的。清盤呈請各方須承擔其本身就磋商、擬備、簽立及履行和解協議所產生及附帶之法律費用；及
4. 於履行和解協議時，清盤呈請各方不可撤回及無條件地完全永久免除及解除其餘各方並放棄任何及一切因或可能因法律程序及爭議而產生或與之相關之任何及一切申索、要求、法律行動、訴訟因由、合約、義務、債務、費用或任何類型之責任(不論屬直接或間接、已知或未知、預見或不可預見、預期、或然或實際、現在或未來)，包括於二零一八年十二月二十一日之前及／或之後而產生的。

於二零一八年十二月二十一日，呈請人已簽立同意傳票及承諾。

經呈請人、清盤呈請各方共同提出日期為二零一八年十二月二十一日的同意傳票，法院於二零一九年一月七日作出命令如下：

1. 於二零一七年七月五日提出之清盤呈請被駁回；
2. 破產管理署署長的費用於按金扣除，餘額退回給呈請人；及
3. 本訴訟並無訟費令，包括同意傳票之申請。

本公司於二零一九年一月十七日收到該命令的蓋印本。於批准簡明綜合財務報表日期，概無針對本公司尚未完結之清盤呈請。



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