



CHINA STAR ENTERTAINMENT LIMITED

中國星集團有限公司

(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 : 326

ANNUAL REPORT

2019

年報



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公司資料 Corporate Information

董事會

執行董事

向華強先生(主席)
陳明英女士(副主席)
李玉嫦女士

獨立非執行董事

洪祖星先生
何偉志先生
鄧澤林先生

審核委員會

何偉志先生(主席)
洪祖星先生
鄧澤林先生

薪酬委員會

洪祖星先生(主席)
陳明英女士
鄧澤林先生

提名委員會

鄧澤林先生(主席)
向華強先生
洪祖星先生

法定代表

李玉嫦女士
黃淑嫻女士

公司秘書

黃淑嫻女士

註冊辦事處

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

BOARD OF DIRECTORS

Executive Directors

Mr. Heung Wah Keung (*Chairman*)
Ms. Chen Ming Yin, Tiffany (*Vice Chairman*)
Ms. Li Yuk Sheung

Independent Non-Executive Directors

Mr. Hung Cho Sing
Mr. Ho Wai Chi, Paul
Mr. Tang Chak Lam, Gilbert

AUDIT COMMITTEE

Mr. Ho Wai Chi, Paul (*Chairman*)
Mr. Hung Cho Sing
Mr. Tang Chak Lam, Gilbert

REMUNERATION COMMITTEE

Mr. Hung Cho Sing (*Chairman*)
Ms. Chen Ming Yin, Tiffany
Mr. Tang Chak Lam, Gilbert

NOMINATION COMMITTEE

Mr. Tang Chak Lam, Gilbert (*Chairman*)
Mr. Heung Wah Keung
Mr. Hung Cho Sing

AUTHORISED REPRESENTATIVES

Ms. Li Yuk Sheung
Ms. Wong Shuk Han, Dorothy

COMPANY SECRETARY

Ms. Wong Shuk Han, Dorothy

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

公司資料 Corporate Information

總辦事處及主要營業地點

香港
干諾道中168-200號
信德中心西翼
34樓09室

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

香港股份過戶登記分處

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

主要往來銀行

中國工商銀行(澳門)股份有限公司
東亞銀行有限公司

核數師

國衛會計師事務所有限公司
執業會計師

法律顧問

羅拔臣律師事務所
Appleby
高偉紳律師行
歐安利大律師暨私人公證員

股份代號

326

網站

www.chinastar.com.hk
www.irasia.com/listco/hk/chinastar

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 3409
Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Macau) Limited
The Bank of East Asia, Limited

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

LEGAL ADVISERS

Robertsons
Appleby
Clifford Chance
Leonel Alberto Alves Advogado e Notario Privado

STOCK CODE

326

WEBSITE

www.chinastar.com.hk
www.irasia.com/listco/hk/chinastar

主席報告 Chairman's Statement

致各位股東：

我們謹代表董事會（「董事會」）向各位股東提呈中國星集團有限公司（「本公司」）及其附屬公司（以下統稱「本集團」）截至二零一九年十二月三十一日止年度的年度業績及年報。

本年度內，本集團繼續專注落實其現有兩項持續經營業務（即(1)電影相關業務經營業務；及(2)物業開發及投資經營業務）的長期政策，惟由於此兩項業務性質都不能提供每段時期的穩定收益，故本集團無法為每年收益提供穩定性；而另一項新業務則為剛於下半年開始之餐飲業務，其亦只能提供有限收益。以上當然亦不免受到中美貿易戰持續以及香港於去年下半年爆發反送中條例風波及隨後衍生的連串社會暴力事件，導致人心惶惶，市道不景的影響。

更不幸的是，於農曆新年前後中國武漢爆發肺炎（根據世界衛生組織被正式命名為二零一九新型冠狀病毒「COVID-19」），並擴散全國乃至全球多地且禍延至今。因應疫情，中國以至亞洲及全球各地政府採取了種種旨在隔離人群聚集，阻止疫情蔓延的封閉管理等措施，其對經濟活動的衝擊迅猛不言而喻，而本集團營運所在的港澳地區的經濟表現亦將不容樂觀，進而將可能會影響本集團於二零二零年的業務進度及表現。

To the shareholders,

On behalf of the board of directors (the "Board"), we are pleased to present the annual results and the annual report for the year ended 31st December 2019 of China Star Entertainment Limited (the "Company") and its subsidiaries (collectively as the "Group") to the shareholders.

During the year, the Group continued to focus on the long term policy of implementing its existing two segments of continuing operations, namely (1) the film related business operations; and (2) the property development and investment operations. However, owing to the fact that these two operations are not able to generate steady periodic revenue, the Group cannot provide stability in its yearly revenue. Besides, the restaurant operations, our newly established operations in the second half of the year, also could only generate limited revenue. All the above operations were inevitably impacted by the enduring China-USA trade war and the social unrest and subsequent violent events associated with the Anti-Extradition Law Amendment Bill Movement taken place in Hong Kong in the second half of the year, which had resulted in anxiety-ridden effects and adverse market conditions.

What was worse, the outbreak of a new type pneumonia in Wuhan, China (later formally named by the World Health Organization (WHO) as Coronavirus Disease 2019 ("COVID-19")) during and after the Chinese New Year had spread nationwide and even became a pandemic across the globe, wreaking havoc to date. In response to the epidemic, a number of social distancing and confining measures have implemented by governments in China, Asia and the whole world, with an aim to keep people from gathering and to deter the spread of the epidemic. It goes without saying that such measures have inflicted heavy damage to business activities, such that the economic performance of Macau and Hong Kong, where our operations are based, admits of no optimism, and consequently the Group's operational progress and performance in 2020 would surely be encumbered.

主席報告 Chairman's Statement

縱然如此，本集團仍沿用去年酬謝股東的做法，建議並獲股東批准自本公司之繳入盈餘賬向於記錄日期名列登記冊之股東及紅利可換股債券持有人派發建議特別中期股息每股股份12.5港仙。另外，本集團欣然宣布於二零一九年十二月，即土地特許權及開發期屆滿日期前取得狄芬尼·豪舍(Tiffany House)項目的佔用許可證，意味著我們在物業開發及投資經營業務方面取得重大進展(儘管有關工作可能因當下疫情有所推延)，可望為本集團及其股東帶來更高投資回報。

回看物業市道(未計及疫情影響)，根據大型地產代理商澳門中原地產於二零二零年一月八日公布的數據，去年住宅市場繼續由首置客主導，該次首置上車熱潮持續了近兩年，隨著首置購買力的消耗，成交總量亦隨之下降，二零一九年成交量近8,000宗，較二零一八年全年成交約1萬宗下跌約兩成。樓價方面，以實用面積計算平均每平方米約11萬澳門幣(若以建築面積七成計算，平均呎價約7,150澳門幣)，價格與二零一八年相約。商舖市場受外圍環境因素影響，導致來澳旅客消費意欲降低，其中內地旅客人均消費跌幅最高約26.7%，加上賭收方面亦按年下跌了3.4%，推算第四季約65宗，全年總成交量約418宗，按年下跌約33%；租賃方面成交量亦錄得同樣跌幅，而租金相對走穩，僅微跌約3%。寫字樓方面，全

Nevertheless, the Group continued to follow the practice used last year to reward the shareholders by proposing and obtaining the shareholders' approval of the proposal to declare the payment of a special interim dividend of HK12.5 cents per share to the shareholders and the bonus convertible bondholders whose names appear on the Company's respective registers on the record dates out of the Company's contributed surplus. In addition, the Group was pleased to announce that the Group has obtained the occupational permit for Project Tiffany House in December 2019 before the expiry date of the land concession and the development period, which implies that we have made significant progress in the aspect of the property development and investment operations (despite that relevant works may be delayed by the epidemic situation for the time being) and hopefully brought about a higher investment return for the Group and the shareholders.

Looking back on the property market (before taking into consideration of the impact of the epidemic situation), according to the data published by Centaline Property Macau, a leading property agency, on 8th January 2020, the residential market continued to be dominated by starter-home buyers last year. This starter-home buying spree lasted for around two years and, along with the consumption of the starter-home purchasing power, the total trading volume dropped accordingly to about 8,000 transactions in 2019, representing a decrease of approximately 20% as compared with about 10,000 transactions annually for 2018. In respect of housing prices, the prices calculated in terms of saleable area averaged approximately MOP110,000 per square meter (if calculated in 70% of gross floor area, averaged approximately MOP7,150 per square foot), which approximated with those of 2018. As to the shop market, affected by external factors, the consuming desire of tourists visiting Macau dampened, of which the per capita consumption of mainland tourists dropped the most to approximately 26.7%. Coupled with the drop in gaming revenue of 3.4% yearly, it was imputed that there were about 65 transactions in the fourth quarter and the total trading volume was about 418 transactions for the year, representing a decrease of approximately 33% yearly. Lease recorded similar drop in trading volume with a relatively stable rent decrease of only approximately 3%. As to the office

主席報告 Chairman's Statement

年總成交量約182宗，同比下跌近三成；價格方面，整體跌幅約5%。另據仲量聯行同日發佈的《2019年度澳門物業市場回顧》，於二零一九年首十個月，共有5,217家新公司在澳門註冊成立，按年上升3.2%，使去年澳門整體寫字樓市場大致平穩，整體寫字樓空置率維持在約7%。然而，新近爆發的新型冠狀病毒幾可肯定對澳門甚至物業市道帶來負面影響，故我們或未能按計劃發展現有兩個位於澳門之發展中項目，即(i)位於澳門外港填海區第6C地段、第6D地段及第6E地段的狄梵尼•豪舍(Tiffany House)項目，其相關的最後內部裝修及銷售預料將會推遲；及(ii)位於澳門何鴻燊博士大馬路南灣湖畔地區，名為「南灣湖計劃C區7地段」之土地，其於澳門物業登記局之登記編號為第23070號（「C7物業」）。該項目原應是要在狄梵尼•豪舍項目完成後開始發展，現亦會因應上述項目推遲而有所延後。有見澳門處理冠狀病毒危機冷靜而有條不紊，令本集團對澳門物業市場抱持樂觀態度及對澳門前景保持信心。

market, the total trading volume was about 182 transactions for the year, a decline of approximately 30% yearly, but the price dropped at approximately 5% in general. Besides, according to the "Macau Property Market Review 2019" released by Jones Lang LaSalle (JLL) on the same date, there were totally 5,217 new companies incorporated in Macau in the first ten months of 2019, an increase of 3.2% yearly, which helped maintain a broadly steady office market in Macau with a vacancy rate of only approximately 7%. However, the recent outbreak of COVID-19 would almost without doubt cause a negative impact on Macau as well as its property market, such that we may not be able to proceed, as scheduled, with the development of the two existing projects in Macau, namely (i) Project Tiffany House at Lot 6C, Lot 6D and Lot 6E at Zona de Aterros do Porto Exterior (ZAPE), Macau, of which the relevant final interior renovation and sale are expected to be postponed; and (ii) Lot 7, da Zone C do Plano de Urbanizacao da Zone da Baia de Praia Grande, located at Nam Van Lakes Zone, Avenida Doutor Stanley Ho, Macau registered with the Macau Land and Real Estate Registry under no. 23070 (the "Property C7"). This project is supposed to commence its development after the completion of Project Tiffany House, but now it will be delayed accordingly. However, with Macau's calm, organised handling of the coronavirus crisis, the Group has an optimistic attitude towards the property market in Macau and persisting confidence in the prospects of Macau.

主席報告 Chairman's Statement

電影相關業務經營業務方面，我們本年度之新電影(名為「我的拳王男友」，又名「吃貨拳王」)已於本年十一月在國內上映，惟票房受多方面影響而未如理想。未來數年，本集團待新電影的可行性研究結果令人滿意後，更多的電影製作將會隨即展開，惟須視乎疫情發展情況而定。電視連續劇方面，本集團已擬備好幾套電視連續劇之故事情節，並正評估其可行性。至於原已通過可行性研究，並預期於本年度內開拍的長約6集的電視連續劇，則將因應本年度市況及疫情而延期，待準備更充份才開拍。

另外，本集團於二零一九年第三季度在旗下自置物業位於香港上環開設一間新餐廳，以「哥哥的家」品牌提供各式高端國際美食。憑藉我們過往數年在澳門蘭桂坊酒店提供餐飲服務的經驗並發揮其優勢，本集團將業務擴展至餐飲服務，並旨在以實惠的價格提供優質食品、豪華氛圍及週到的服務。然而，該項業務的表現難免會受二零一九年下半年的風波及當下疫情所影響。

With regard to the film related business operations, our new film named "Chasing Dream" was released in November of the year in the PRC, but only to recorded undesirable box office for a number of factors. More films productions will commence in coming years so long as the feasibility study for new films is satisfactory, but all will depend on the development of the epidemic situation. For television drama series, the Group has prepared a few story boards of television drama series and is assessing the feasibility of these story boards. As to a television drama series of around 6 episodes that has passed its feasibility study and is expected to start its shooting within this year, the shooting of which will be delayed in light of the market conditions this year and the development of the epidemic situation, and will not resume shooting until it is better prepared.

On the other hand, in the third quarter of year 2019, the Group opened a new cafe at Sheung Wan, Hong Kong in the Group's owned property, serving various high-end international cuisine in the brand name of "Obba Bar". By using our experience in the catering services in Hotel Lan Kwai Fong Macau in the past few years, the Group has extended its business to catering services which aims to deliver high quality food, luxury ambience and thoughtful service at affordable prices. Likewise, the performance of this business will inevitably be affected by the above-mentioned social unrest in the second half of 2019 and the epidemic situation for the time being.

主席報告 Chairman's Statement

董事會深信，中國在以國家主席習近平為首的中央政府領導下，眾志成城，定能打贏這場抗疫戰。我們又相信，目前種種陰霾總會過去，而隨著中美簽訂第一階段貿易協定，貿易戰停火，以及消費與投資信心隨疫情減退而回彈，全球乃至澳門經濟勢將恢復增長。此外，伴隨習主席時隔五年後再赴澳門視察後央行推出連串金融便利措施（如提高澳門居民每天匯款限額），及計劃在澳門設立一個以人民幣計價的股票交易所，加快推進已在進行的人民幣結算中心，我們對大灣區及澳門的前景仍然充滿信心，並樂見新物業項目（狄荳尼•豪舍）推出發售（儘管其推售或因應疫情推遲），以及業務分散至香港的餐飲服務，冀能為本集團及股東帶來更高盈利和回報。

最後，本人謹代表董事會對各位股東的不斷支持致以萬二分的謝意，並感謝各位員工努力不懈的精神，以及合作夥伴的配合與支援。本人亦對疫區人民致以慰問，向前線抗疫和醫護人員表示敬意，並祝願疫情早日受控！

主席
向華強

香港，二零二零年三月三十日

The Board is convinced that China is sure to win this battle against the epidemic under the leadership of the Central Government headed by President Xi with a unity of will. We also believe that all worries at present will eventually be over along with a ceasefire of trade war after the signing of the first stage trade treaty between China and the US, the recovery of consumption and investment confidence as the receding of the epidemic and the restoration of growth of the global economy and that of Macau. What is more, the launch by the Central Bank of serious of finance facilitating measures (such as elevating the daily remittance limit for residents in Macau), the planned establishment of a stock exchange denominated in RMB in Macau and the accelerated implementation of the RMB settlement centre in the pipeline associated with the visit to Macau by President Xi after his prior visit five years ago, we have full confidence in the prospects of the Greater Bay Area and Macau, and are delighted to see the launch for sale of Project Tiffany House (despite that it will be delayed for the epidemic situation), as well as the diversification of our operations to catering services in Hong Kong, in the hope of generating higher profits and return for the Group and the shareholders.

Last but not least, on behalf of the Board, I would like to extend my immense appreciation to the shareholders for their relentless support, our staff force for their unremitting spirit, and our business partners for their cooperation and support. I would also like to convey regards to those people in the epidemic area, pay tribute to frontline workers and medical personnel, and wish that the epidemic will be under control soon.

Heung Wah Keung
Chairman

Hong Kong, 30th March 2020

管理層論述及分析 Management Discussion and Analysis

財務回顧

截至二零一九年十二月三十一日止年度，本集團錄得來自持續經營業務之收益約7,053,000港元，較截至二零一八年十二月三十一日止年度之3,493,000港元增加102%。

本年度虧損為335,731,000港元，而截至二零一八年十二月三十一日止年度則為溢利1,053,519,000港元。有關盈轉虧主要由於以下各項之合併影響所致：(i)並無去年出售本集團酒店及博彩服務經營業務所確認之已終止經營業務溢利1,458,855,000港元；(ii)截至二零一九年十二月三十一日止年度就電影版權確認之減值虧損為125,246,000港元，較截至二零一八年十二月三十一日止年度之571,000港元顯著增加；及(iii)截至二零一九年十二月三十一日止年度確認透過損益以公平價值列賬之金融資產之公平價值變動所產生之虧損為183,582,000港元，較截至二零一八年十二月三十一日止年度之360,209,000港元顯著減少。

本年度來自持續經營業務之虧損為335,731,000港元，較截至二零一八年十二月三十一日止年度之405,336,000港元減少17%。截至二零一八年十二月三十一日止年度來自已終止經營業務之溢利為1,458,855,000港元。

截至二零一九年十二月三十一日止年度，本公司擁有人應佔虧損為335,226,000港元，而去年則為溢利1,053,530,000港元。

股息

董事會不建議派發截至二零一九年十二月三十一日止年度之末期股息(二零一八年：無)。

年內，董事會建議向本公司股東及紅利可換股債券持有人宣派特別中期股息每股12.5港仙，總金額339,008,000港元。經本公司股東於二零一九年九月二十七日舉行之股東特別大會上批准後，該特別中期股息已於二零一九年十月十八日自本公司之繳入盈餘賬派付。

截至二零一八年十二月三十一日止年度內，董事會向本公司股東及紅利可換股債券持有人宣派特別股息每股15港仙，總金額420,326,000港元。該特別股息已於二零一九年一月二十五日派付。

FINANCIAL REVIEW

For the year ended 31st December 2019, the Group recorded revenue from continuing operations of approximately HK\$7,053,000, representing an increase of 102% as compared to HK\$3,493,000 for the year ended 31st December 2018.

Loss for the year amounted to HK\$335,731,000 as compared to a profit of HK\$1,053,519,000 for the year ended 31st December 2018. Such turnaround is mainly attributable to the aggregate effect of: (i) the absence of recognition for profit from discontinued operation of HK\$1,458,855,000 from disposal of the hotel and gaming services operations of the Group in last year; (ii) the substantial increase in impairment loss recognised in respect of film rights for the year ended 31st December 2019 of HK\$125,246,000 from HK\$571,000 for the year ended 31st December 2018; and (iii) the substantial decrease in the recognition of loss arising on change in fair value of financial assets at fair value through profit or loss of HK\$183,582,000 for the year ended 31st December 2019 from HK\$360,209,000 for the year ended 31st December 2018.

Loss for the year from continuing operations amounted to HK\$335,731,000, representing a decrease of 17% from HK\$405,336,000 for the year ended 31st December 2018. Profit for the year ended 31st December 2018 from discontinued operation amounted to HK\$1,458,855,000.

Loss attributable to owners of the Company for the year ended 31st December 2019 amounted to HK\$335,226,000 as compared to a profit of HK\$1,053,530,000 in the previous year.

DIVIDEND

The board of directors does not recommend the payment of a final dividend for the year ended 31st December 2019 (2018: nil).

During the year, the board of directors recommended a special interim dividend of HK12.5 cents per share in aggregate amount of HK\$339,008,000 to the shareholders and bonus convertible bondholders of the Company. The special interim dividend was paid on 18th October 2019 out of the Company's contributed surplus after the approval by the shareholders of the Company in a special general meeting held on 27th September 2019.

During the year ended 31st December 2018, the board of directors declared a special dividend of HK15 cents per share in aggregate amount of HK\$420,326,000 to the shareholders and bonus convertible bondholders of the Company. The special dividend was paid on 25th January 2019.

管理層論述及分析 Management Discussion and Analysis

業務回顧

持續經營業務

本集團有三個持續經營須予報告分類—(1)電影相關業務經營業務；(2)物業開發及投資經營業務；及(3)本年度新增業務—餐廳經營業務。

在本年度總收益中，6,466,000港元或92%來自電影相關業務經營業務，無或0%來自物業開發及投資經營業務，以及587,000港元或8%來自餐廳經營業務。

電影相關業務經營業務

電影相關業務經營業務包括投資、製作、發行及授權電影及電視連續劇以及提供其他電影相關服務，包括藝人管理服務。

於二零一九年，電影相關業務經營業務之收益為6,466,000港元（二零一八年：3,493,000港元）而其分類虧損為169,199,000港元（二零一八年：14,477,000港元）。分類虧損主要為有關電影版權之已確認減值虧損125,246,000港元（二零一八年：571,000港元），乃來自本集團年內發行的新片。本集團推出新作「我的拳王男友」，業內口碑不俗，惟票房及收益卻低於預期。近月香港局勢受多個外在因素衝擊，為中港兩地電影業帶來艱難時期。由於華語片收益大部分來自中國內地市場，故本集團就該片蒙受重大虧損。本集團從事電影業務至今已逾廿載。電影製作一般涉及三個階段：前期製作、製作或拍攝，以及後期製作。華語片在香港由前期製作階段至在戲院上映，一般需時超過一年，亦有歷時數載方告完成。電影的大部份收益將於電影上映後兩年內入賬。因此，電影製作及發行的特點為收益並非按所涉時間平均入賬。本集團亦有投資於與其他製作公司合資製作電影，並將根據相關協議之投資百分比分享所投資電影的收益。本集團於此類聯合製作安排中屬被動角色，但投入人力資源較少。

BUSINESS REVIEW

Continuing Operations

The Group has three continuing reportable segments - (1) film related business operations; (2) property development and investment operations; and (3) restaurant operations, a new business in the year.

Of the total revenue for the year, HK\$6,466,000 or 92% was generated from film related business operations, nil or 0% was generated from property development and investment operations and HK\$587,000 or 8% was generated from restaurant operations.

Film Related Business Operations

Film related business operations included investment, production, distribution and licensing of films and television drama series and provision of other film related services including artist management services.

In year 2019, revenue from film related business operations amounted to HK\$6,466,000 (2018: HK\$3,493,000) and its segment loss amounted to HK\$169,199,000 (2018: HK\$14,477,000). The segment loss were mainly impairment loss recognised in respect of film rights of HK\$125,246,000 (2018: HK\$571,000) which come from the film released by the Group during the year. The Group has released its new production, "Chasing Dream" which received positive feedback from the film industry. However, the box office and revenue were below expectation. Various external factors have impacted the Hong Kong environment in recent months, making for a challenging time for the film industry in Hong Kong and China. As majority revenue of Chinese film contributed by the China market, the Group incurred significant loss from this film. The Group has been engaging in the film business for more than 20 years. Film production normally involves three stages including pre-production, production or shooting and post-production. From the pre-production stage to theatrical release of Chinese film in Hong Kong, it normally takes more than one year and sometimes several years to complete. The majority of revenue in film will record within the following two years after the film is released. As such, it is the characteristic of film production and distribution that revenue is not recognised evenly with time. The Group also has investment in production of film which is co-financing with other production companies and will shared revenue from the invested film according to the investment percentage in the relevant agreement. The Group takes a passive role in this kind of co-production arrangement but needs to contribute less human resource.

管理層論述及分析 Management Discussion and Analysis

電視連續劇方面，本集團已擬備好幾套電視連續劇的故事情節，並正評估其可行性。二零一九年內並無開拍電視連續劇。

二零二零年初爆發2019冠狀病毒疾病(「COVID-19」)後，所有電影製作的籌備工作近期均放緩進行。現時概無電影在攝製階段。本集團將密切注視COVID-19爆發的發展，並評估其對電影經營業務的影響。

物業開發及投資經營業務

物業開發及投資經營業務包括投資及開發位於澳門之物業。目前，本集團有兩個位於澳門之發展中項目，即(i)位於何鴻燊博士大馬路南灣湖畔地區，名為「南灣湖計劃C區7地段」之土地，其於澳門物業登記局之登記編號為第23070號(「C7物業」)；及(ii)位於澳門外港填海區第6C地段、第6D地段及第6E地段之合併地盤(暫名為「狄梵尼·豪舍」)(「狄梵尼·豪舍項目」)。

於二零一九年，概無錄得來自物業開發及投資經營業務之收益，而其分類虧損約為14,071,000港元(二零一八年：9,206,000港元)。分類虧損主要為該分類之行政開支。

根據城市規劃圖，C7物業(一幅地盤面積為4,669平方米的地皮)將發展作住宅及停車場用途，其樓宇最大許可高度為海拔34.5米及最大許可地積比率為5.58倍(不包括停車場)。我們已委聘一名建築師，且仍在按照參數編製C7物業的發展藍圖，以供澳門土地工務運輸局(「土地工務局」)審批。初步發展藍圖為興建一幢屬分層所有權的建築物，其建築樓面面積(按平方米計)為：住宅26,047及停車場5,200。預期C7物業的發展工作將於狄梵尼·豪舍項目開發後開始。

For television drama series, the Group has prepared a few story board of television drama series and assessing the feasibility of these story board. No production of television drama series had started during the year 2019.

After the outbreak of Coronavirus Disease 2019 (“COVID-19”) in early 2020, all preparation for film productions have slow down recently. No film is now in shooting stage. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on our film operations.

Property Development and Investment Operations

Property development and investment operations included investing and development of properties located in Macau. Currently, the Group has two projects under development in Macau, namely (i) Lot C7 do Plano de Urbanizacao da Baia de Praia Grande, located in the Nam Van Lakes Zone, at Avenida Doutor Stanley Ho, registered with the Macau Land and Real Estate Registry under no. 23070 (the “Property C7”); and (ii) the combined site at Lot 6C, Lot 6D and Lot 6E at Zona de Aterros do Porto Exterior, Macau which is tentatively named as “Tiffany House” (the “Project Tiffany House”).

In year 2019, no revenue was recorded from property development and investment operations and its segment loss amounted to approximately HK\$14,071,000 (2018: HK\$9,206,000). The segment loss mainly represented administrative expenses in this segment.

Under the Urbanistic Conditions Plan, the Property C7 which is a lot of land with the site area of 4,669 square meters, will be developed for residential and parking purpose, with the maximum allowed height of the building of 34.5 meters above sea level and maximum utilization rate of 5.58 (parking not included). An architect has been engaged and is still in the process to compile a development plan of the Property C7 in accordance with the parameters for submission to the Land, Public Works and Transport Bureau of Macau (“DSSOPT”) for approval. The very preliminary development plan is to develop a building under strata title with gross floor areas (in square meters) for residential of 26,047 and parking of 5,200. The development of the Property C7 is expected to start after the development of the Project Tiffany House.

管理層論述及分析 Management Discussion and Analysis

狄梵尼•豪舍項目鄰近澳門理工學院，毗鄰金蓮花廣場，澳門漁人碼頭及金沙娛樂場亦近在咫尺。狄梵尼•豪舍項目的建築樓面面積為：(a)住宅—31,192平方米，包括約1,900平方米作會所；(b)商業—3,716平方米；及(c)停車場—11,250平方米，兩幢大樓將提供230個單位，由開放式單位到四房公寓以及特式單位。其著名會所將提供多種的設施，而位於平台的商場將成為鄰近地區的主要購物商場。建築工程已於二零一七年六月開始，並於二零一九年十二月取得其佔用許可證。狄梵尼•豪舍項目現正進行內部裝修，並預期於二零二零年第四季推出發售。所有裝修工程完成後，鄰近地區將大幅提升，為其住戶提供獨特的生活及購物體驗。

本集團向澳門旅遊娛樂股份有限公司購入位於澳門外港填海區之第6B地段、第6C地段、第6D地段及第6E地段（「該等地盤」）的物業租賃權（而法定所有權內部轉讓予本公司附屬公司中國星創新發展有限公司（「CSCDL」））。第6B地段呈梯形，地盤面積為1,420平方米，毗鄰為萬龍酒店（該酒店其時由本集團擁有），而第6C地段、第6D地段及第6E地段均呈矩形，各地盤面積為1,292平方米，毗鄰為第6B地段，各地段分別由三條六米闊之道路分隔。為提升該等地盤的商業價值，本集團已決定於第6C地段、第6D地段及第6E地段（即狄梵尼•豪舍項目）興建兩幢擁有寬敞住宅單位的豪華商住綜合大樓，而第6B地段將會發展為狄梵尼•豪舍項目的休閒區，其售價預期高於現有第6B地段、第6C地段、第6D地段及第6E地段個別發展之計劃。該發展計劃亦符合當地規劃當局有關連接現有市區的要求，因此，該等地盤有相當部份須作公共用途。最終，土地工務局已於二零一六年七月批准狄梵尼•豪舍項目的合併發展。

Project Tiffany House is adjacent to Macao Polytechnic Institute and next to Golden Lotus Square, and is a couple of blocks away from Macau Fisherman's Wharf and Sands Casino. Project Tiffany House has a gross floor area of (a) residential – 31,192 square meters, including approximately 1,900 square meters for clubhouse (b) commercial – 3,716 square meters and (c) parking – 11,250 square meters and will provide 230 units in two towers, with units ranging from studio flats to four-bedroom apartments as well as special units. A prestigious clubhouse will provide a wide range of facilities and retail space at the podium will become a major shopping arcade in the neighbourhood. Construction works started in June 2017 and has obtained its occupational permit in December 2019. Project Tiffany House is now under interior renovation and is expected to launch for sale in the fourth quarter of year 2020. Upon completion of all renovation, the neighbourhood will be greatly upgraded which provides its residents with a unique living and shopping experience.

The Group acquired the property leasehold rights (and the inherent transfer to China Star Creative Development Limited, a subsidiary of the Company (“CSCDL”) of the legal titles) of Lot 6B, Lot 6C, Lot 6D and Lot 6E at Zona de Aterros do Porto Exterior (ZAPE) (the “Sites”) from Sociedade de Turismo e Diversões de Macau, S. A.. Lot 6B is in trapezium shape with a site area of 1,420 square meters next to Million Dragon Hotel (the hotel was owned by the Group at that time) and Lot 6C, Lot 6D and Lot 6E are in rectangular shape with each site area of 1,292 square meters next to Lot 6B and adjacent of each other with three six-meter width roads dividing them separately. In order to enhance the commercial value of the Sites, the Group had decided to build a luxury residential and commercial complex of two towers with spacious apartment units in Lot 6C, Lot 6D and Lot 6E, i.e. the Project Tiffany House and Lot 6B would be developed into recreational area in front of the Project Tiffany House, which was expected to have higher selling prices than the existing development plan of the individual Lot 6B, Lot 6C, Lot 6D and Lot 6E. This development plan also responded strongly to the local planning authorities requirements for connectivity with the existing city and thus considerable portions of the area of the Sites have been dedicated to public use. Finally, the DSSOPT has approved the combination of development of the Project Tiffany House in July 2016.

管理層論述及分析 Management Discussion and Analysis

緊隨獲得該等地盤的土地租賃權後，本集團曾與澳門政府多個部門舉行會議，徵求彼等對該等地盤擬發展為第6B地段、第6C地段、第6D地段及第6E地段合併發展的觀點。於二零一二年五月，本集團將狄梵尼•豪舍項目的建築設計及草圖呈交土地工務局批核。呈交後，又曾與澳門政府多個部門開會跟進擬議發展計劃。鑒於該等地盤之位置鄰近澳門理工學院及幾個旅遊景點如澳門綜藝館、大賽車博物館、葡萄酒博物館及金蓮花廣場，澳門漁人碼頭及澳門金沙酒店亦近在咫尺，故相信澳門政府於授出批准前需要較長時間研究狄梵尼•豪舍項目的發展建議對週邊地區在交通、環境及文化遺產方面的影響。由於澳門政府延誤批准第6B地段、第6C地段、第6D地段及第6E地段的合併發展建議，第6B地段的土地特許權已於二零一四年十二月二十五日屆滿。土地工務局已根據二零一四年三月生效之澳門新土地法，通過在二零一六年十一月二十三日的官方公報第47II期刊登第50/2016號批示開展收回土地之行政工作，理由是第6B地段於二零一四年十二月二十五日土地特許權屆滿時為未發展土地。本集團已於二零一六年十二月三十日向澳門中級法院院長提出上訴。於二零一八年六月十一日，本公司收到澳門政府終審法院日期為二零一八年六月八日的函件，當中終審法院駁回最終上訴的申請（「該決定」）。因此，第6B地段將由澳門政府收回。

Immediately after the acquisition of the property leasehold rights of the Sites, the Group held meetings with various departments of Macau Government to seek their views on the proposed development of the Sites as the combined development of Lot 6B, Lot 6C, Lot 6D and Lot 6E. In May 2012, the Group submitted the architectural design and drawings of the Project Tiffany House to the DSSOPT for approval. Following the submission, meetings have been held with various departments of Macau Government for following up the proposed development plan. Given that the location of the Sites is adjacent to Macao Polytechnic Institute and several tourist spots, Forum de Macao, Grand Prix Museum, Wine Museum and Golden Lotus Square, and is a couple of blocks away from Macau Fisherman's Wharf and Sands Casino, it is believed that the Macau Government required longer time to study the impacts of the proposed development of the Project Tiffany House on traffic, environment and cultural heritage in the surrounding area, before the grant of an approval. Owing to the delay by the Macau Government in granting the proposed development of the combined development of Lot 6B, Lot 6C, Lot 6D and Lot 6E, the land concession of Lot 6B has expired on 25th December 2014. DSSOPT has started the administration work to reclaim it on dispatch 50/2016 published in the Official Gazette no. 47, II, of 23rd November 2016 according to Macau new Land Law effective in March 2014 for the reason that Lot 6B is undeveloped land on the expiry of the land concession on 25th December 2014. The Group has filed an appeal to the President of the Macau Second Instance Court on 30th December 2016. On 11th June 2018, the Company received a letter dated 8th June 2018 from the Tribunal de Ultima Instancia (終審法院) of the Macau Government, in which the Tribunal de Ultima Instancia (終審法院) rejected the application of the final appeal (the "Decision"). Accordingly, Lot 6B will be reclaimed by the Macau Government.

管理層論述及分析 Management Discussion and Analysis

如上文所述，第6B地段已規劃發展為狄梵尼•豪舍項目旁的休閒區，而本集團自收購該等地盤之物業租賃權以來一直將該等地盤（即狄梵尼•豪舍項目連同第6B地段）的發展視為其財務狀況中一項發展項目。此外，為提高合併發展第6C地段、第6D地段及第6E地段的機會，土地工務局批准狄梵尼•豪舍項目合併發展的其中一項條件為保持第6B地段為不發展土地。雖然第6B地段將被澳門政府收回，根據於二零一九年十二月三十一日之物業估值報告，狄梵尼•豪舍項目之市值約為4,537,000,000港元（此項估值中並無包括第6B地段休閒區的增值因素），其合計高於狄梵尼•豪舍項目的成本之賬面值。鑑於該等地盤的估值高於其賬面值，故並無就該決定而對物業存貨確認減值虧損。

根據本公司取得的法律意見，本集團具法律理據就本集團蒙受的損害向澳門政府尋求民事索賠。在此情況，由於第6B地段擬發展為休閒區而澳門政府已批准狄梵尼•豪舍項目的發展計劃，本集團認為難以支撐蒙受損害之說。因此，本集團將密切監察狄梵尼•豪舍項目的發展，並確保從該項目中取得最大投資回報。

餐廳經營業務

於二零一九年第三季度，本集團在旗下位於香港上環之自置物業開設一間新咖啡廳，以「哥哥的家」品牌提供各式高端國際美食。

於二零一九年，來自餐廳經營業務之收益為587,000港元，而其分類虧損為4,083,000港元。

As stated above, Lot 6B is planned to develop into a recreational area besides the Project Tiffany House and the Group treated the development of the Sites (i.e. the Project Tiffany House and Lot 6B collectively) as one development project in its financial position since the acquisition of the property leasehold rights of the Sites. In addition, in order to increase the chance of combined the development of Lot 6C, Lot 6D and Lot 6E, one of the conditions for DSSOPT to approve the combination of development of the Project Tiffany House was to keep Lot 6B as an undeveloped land. Although Lot 6B will be reclaim by the Macau Government, based on the property valuation report as at 31st December 2019, the market value of the Project Tiffany House is approximately HK\$4,537 million (no value added factor of the recreational area of Lot 6B was included in this valuation) which together is higher than the book value of the cost of the Project Tiffany House and Lot 6B. Given that the valuation of the Sites is higher than its book value, no impairment loss is recognised in respect of the stock of properties as a result of the Decision.

According to the legal opinion obtained by the Company, the Group has legal ground to seek civil claims against the Macau Government for compensation of damages sustained by the Group. In this situation, as Lot 6B is intended to develop as recreational area and the Macau Government has approved the development plan of the Project Tiffany House, the Group considers that it is difficult to sustain its damages incurred. As such, the Group will closely monitor the development of the Project Tiffany House and ensure to maximize its investment return from this project.

Restaurant Operations

In the third quarter of year 2019, the Group opened a new café at Sheung Wan, Hong Kong in the Group's owned property, serving various high-end international cuisine in the brand name of "Obba Bar".

In year 2019, revenue from restaurant operations amounted to HK\$587,000 and its segment loss amounted to HK\$4,083,000.

管理層論述及分析 Management Discussion and Analysis

憑藉我們於過往數年在澳門蘭桂坊酒店提供餐飲服務的經驗，本集團已將其業務擴展至餐飲服務，旨在以實惠的價格提供優質食品、豪華氛圍及周到服務。我們所提供的服務和食品，均令顧客留下美好印象。

By using our experience in the catering services in Hotel Lan Kwai Fong Macau in the past few years, the Group has extended its business to catering services which aims to deliver high quality food, luxury ambience and thoughtful service at affordable prices. Our customers are impressed by our services and food provided.

已終止經營業務

Discontinued Operation

酒店及博彩服務經營業務

Hotel and Gaming Service Operations

酒店及博彩服務經營業務已於截至二零一八年十二月三十一日止年度內終止經營。

Hotel and gaming service operations was discontinued during the year ended 31st December 2018.

酒店及博彩服務經營業務包括本公司間接全資附屬公司澳門蘭桂坊酒店有限公司在澳門蘭桂坊酒店(現稱萬龍酒店)錄得之酒店經營業務；本公司間接全資附屬公司經典管理服務有限公司在澳門蘭桂坊酒店錄得提供予娛樂場之服務；以及其他在澳門蘭桂坊酒店提供之附屬服務。

Hotel and gaming service operations included the hotel operation in Hotel Lan Kwai Fong Macau (currently known as Million Dragon Hotel) which was recorded in an indirect wholly owned subsidiary of the Company, Hotel Lan Kwai Fong (Macau) Limited; services provided to the casino situated in Hotel Lan Kwai Fong Macau which was recorded in an indirect wholly owned subsidiary of the Company, Classic Management & Services Company Limited and other ancillary services provided in Hotel Lan Kwai Fong Macau.

由於出售澳門蘭桂坊酒店已於二零一七年十二月十一日舉行的股東特別大會上獲本公司股東批准，並已於二零一八年一月三日完成，酒店及博彩服務經營業務於截至二零一八年十二月三十一日止年度記錄為已終止經營業務。

As the disposal of Hotel Lan Kwai Fong Macau has been approved by the shareholders of the Company in a special general meeting held on 11th December 2017 and completed on 3rd January 2018, the hotel and gaming service operations was recorded as discontinued operation for the year ended 31st December 2018.

本集團分佔酒店及博彩服務經營業務於二零一八年一月一日至二零一八年一月三日(出售完成日期)期間之收益及分類虧損為3,957,000港元及6,376,000港元，並錄得出售酒店及博彩服務經營業務之溢利1,465,231,000港元。

The Group had shared revenue and segment loss for the period from 1st January 2018 to 3rd January 2018 (completion date of disposal) of HK\$3,957,000 and HK\$6,376,000 from the hotel and gaming service operations and recorded a gain on disposal of the hotel and gaming services operations of HK\$1,465,231,000.

地區分類

Geographical Segments

就來自持續經營業務之地區分類方面，收益752,000港元或11%(二零一八年：719,000港元或21%)來自香港，5,861,000港元或83%(二零一八年：1,233,000港元或35%)來自中國，及440,000港元或6%(二零一八年：1,541,000港元或44%)來自其他地區。

For the geographical segments from the continuing operations, revenue of HK\$752,000 or 11% (2018: HK\$719,000 or 21%) was sourced from Hong Kong, HK\$5,861,000 or 83% (2018: HK\$1,233,000 or 35%) was sourced from China and HK\$440,000 or 6% (2018: HK\$1,541,000 or 44%) was sourced from other territories.

管理層論述及分析 Management Discussion and Analysis

行政開支

截至二零一九年十二月三十一日止年度，來自持續經營業務之行政開支為78,546,000港元(二零一八年：84,312,000港元)，即減少7%。

Administrative Expenses

For the year ended 31st December 2019, administrative expenses from continuing operations amounted to HK\$78,546,000 (2018: HK\$84,312,000), representing a decrease of 7%.

流動資金及財務資源及資本架構

於二零一九年十二月三十一日，本集團之總資產為5,398,206,000港元(二零一八年：5,483,222,000港元)，而流動資產淨值則為3,156,891,000港元(二零一八年：3,961,647,000港元)，即流動比率為2.9(二零一八年：4.8)。本集團之現金及銀行結餘及定期存款為498,020,000港元(二零一八年：1,156,735,000港元)。

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31st December 2019, the Group had total assets of HK\$5,398,206,000 (2018: HK\$5,483,222,000) and a net current assets of HK\$3,156,891,000 (2018: HK\$3,961,647,000), representing a current ratio of 2.9 (2018: 4.8). The Group had cash and bank balances and time deposits of HK\$498,020,000 (2018: HK\$1,156,735,000).

於二零一九年十二月三十一日，本集團之借貸總額為1,042,644,000港元(二零一八年：無)，其包括有抵押銀行定期貸款(「定期貸款」)1,030,150,000港元及租賃負債12,494,000港元。定期貸款旨在為狄梵尼·豪舍項目的建築成本及任何其他項目成本提供資金。定期貸款可多次提取，並以租賃土地及將於狄梵尼·豪舍項目的土地上興建的物業(作為物業存貨，賬面值1,651,619,000港元)作抵押，由借款人選擇的三個月或六個月期間於每個利息期按香港銀行同業拆息(「HIBOR」)加3.35厘的息差之年利率計息，並須於(i)定期貸款協議日期起之36個月或(ii)發出狄梵尼·豪舍項目之佔用許可證日期後9個月(以較早者為準，即二零二零年九月十三日)償還。本集團計劃與銀行磋商，將定期貸款的到期日延後至狄梵尼·豪舍項目推售之後。磋商尚未開始，惟就此延後本集團不預見有任何問題。

As at 31st December 2019, the Group had total borrowing of HK\$1,042,644,000 (2018: nil) which comprised a secured bank term loan (the "Term Loan") of HK\$1,030,150,000 and lease liabilities of HK\$12,494,000. The purpose of the Term Loan is to finance the construction costs and any other soft costs in relation to the Project Tiffany House. The Term Loan is in multiple drawdown and secured by the leasehold land and properties to be erected on the land of the Project Tiffany House with carrying amount as stock of properties of HK\$1,651,619,000, interest bearing at Hong Kong Interbank Offered Rate ("HIBOR") for three or six month period selected by the borrower plus margin of 3.35% per annum for each interest period and repayable by the earlier of (i) 36 months from date of the agreement of the Term Loan or (ii) 9 months after date of issuing of the occupation permit of the Project Tiffany House i.e. 13th September 2020. The Group has planned to negotiate with the bank to extend the maturity date of the Term Loan to a date after the sales of the Project Tiffany House. No negotiation has started yet and the Group does not foresee any problem with this extension.

於二零一九年十二月三十一日，本集團之銀行信貸額為1,600,000,000港元，已動用1,030,150,000港元。年內，本集團之資本負債比率在可接受水平，總債務為1,042,644,000港元，而擁有人之權益為3,687,539,000港元。即資本負債比率(以本集團之借貸總額除以擁有人之權益計算)為28%(二零一八年：0%)。

As at 31st December 2019, the Group had banking facilities amounting to HK\$1,600,000,000 which were utilised to the extent of HK\$1,030,150,000. The Group's gearing was acceptable during the year with total debts of HK\$1,042,644,000 against owners' equity of HK\$3,687,539,000. This represents a gearing ratio, calculated in the basis of the Group's total borrowings over owners' equity of 28% (2018: 0%).

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於二零一九年十二月三十一日，按認購價每股0.25港元於二零一八年八月六日配發及發行1,807,406,986股供股股份之所得款項淨額約為448,850,000港元，其中350,000,000港元尚未使用並將用於其擬定用途以撥付物業開發及投資業務營運融資；另98,850,000港元已按擬定用途用作電影及電視連續劇相關業務營運之資金。

截至二零一八年十二月三十一日止年度內，有90,000,000份購股權獲行使而配發及發行90,000,000股股份之所得款項淨額50,400,000港元已按擬定用途用作本集團一般營運資金。

於批准本全年業績日期及於二零一九年十二月三十一日，本集團於二零一九年十二月三十一日所持有之香港上市股本證券（於二零一九年十二月三十一日之暫停買賣證券除外）之公平價值分別約為152,368,000港元及221,432,000港元。

年內，本集團購入75,945,000港元之香港上市股本證券及出售所得款項32,495,000港元之香港上市股本證券。透過損益以公平價值列賬之金融資產之公平價值變動所產生之虧損51,987,000港元源於截至二零一八年十二月三十一日與截至二零一九年十二月三十一日止年度之間香港上市股本證券之公平價值變動。於二零一九年十二月三十一日，概無本集團所持單一股本證券之公平價值佔本集團總資產5%或以上。

於二零一九年十二月三十一日，本集團應收貸款之賬面值為199,127,000港元（其按年利率3厘至8厘計息）並將於未來十二個月內到期。應收貸款所有應收利息均於到期日根據相關協議之條款收取，惟有一名借款人自其貸款利息到期應付以來一直滯留在中國內地及未能回港結付。本集團將密切監察該貸款及於必要時採取適當行動。

截至二零一九年十二月三十一日止年度內，概無本公司購股權獲授出、行使、失效、已屆滿或註銷。

As at 31st December 2019, the net proceeds from the allotment and issue of 1,807,406,986 rights shares at the subscription price of HK\$0.25 per share on 6th August 2018 of approximately HK\$448,850,000, of which HK\$350,000,000 was unused and will be used for its intended purpose to finance the business operations of the property development and investment; and HK\$98,850,000 was used to fund the film and television drama series related business operations as intended.

The net proceeds of HK\$50,400,000 from the allotment and issue of 90,000,000 shares from the exercise of 90,000,000 share options during the year ended 31st December 2018 was used as the general working capital of the Group as intended.

As at the date of approving these final results and as at 31st December 2019, the fair value of the Group's equity securities listed in Hong Kong held at 31st December 2019 (excluding suspend trading securities as at 31st December 2019) was approximately HK\$152,368,000 and HK\$221,432,000 respectively.

During the year, the Group acquired HK\$75,945,000 equity securities listed in Hong Kong and disposed proceeds of HK\$32,495,000 equity securities listed in Hong Kong. The loss arising on change in fair value of financial assets at fair value through profit and loss of HK\$51,987,000 was resulted from change in fair values of equity securities listed in Hong Kong between the year ended 31st December 2018 and 31st December 2019. As at 31st December 2019, no single equity security's fair value held by the Group accounted for 5% or more of the total assets of the Group.

As at 31st December 2019, the Group had loan receivables in carrying amount of HK\$199,127,000 which are interest bearing at 3% to 8% per annum and will matured within the next twelve months. All interest due from loan receivables were received in accordance with the terms in their corresponding agreements on due date except one borrower who has stayed in China since his loan interests due and cannot come back to Hong Kong to settle it. The Group will closely monitor this loan and take appropriate action if necessary.

During the year ended 31st December 2019, no share options of the Company were granted, exercised, lapsed, expired or cancelled.

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資產抵押

於二零一九年十二月三十一日，本集團之物業存貨1,651,619,000港元（二零一八年：1,113,595,000港元）及CSCDL（從事物業開發及投資業務）之定額資本已質押作為本集團獲授予之銀行信貸額1,600,000,000港元之抵押品，而本集團定期存款249,000港元（二零一八年：249,000港元）因在澳門開發物業存貨需繳納按金而已作為保證金質押予澳門政府。

匯兌風險及對沖

本集團大部份交易、資產及負債以港元、澳門幣、美元及人民幣列值。人民幣匯率波動之風險主要來自電影投資、製作及發行所產生收支。本集團會密切監察此波動並於必要時考慮對沖活動。其他貨幣之波動風險甚低，故認為無需任何對沖活動。

承擔

於二零一九年十二月三十一日，本集團有未履行承擔640,480,000港元，其中373,110,000港元為澳門物業存貨之開發經費，263,452,000港元為電影版權、製作中電影及電影按金，及3,918,000港元為租賃物業裝修經費。

或然負債

於二零一九年十二月三十一日，本集團概無重大或然負債。

重大投資、重大收購及出售

年內概無重大投資、重大收購或出售。

PLEDGE OF ASSETS

As at 31st December 2019, stock of properties of the Group in amount of HK\$1,651,619,000 (2018: HK\$1,113,595,000) and quota capital of CSCDL which is engaged in the business of property development and investment had been pledged for banking facilities of HK\$1,600,000,000 granted to the Group, and time deposits of the Group in amount of HK\$249,000 (2018: HK\$249,000) had been pledged as guarantee to Macau government for deposits in the development of stock of properties in Macau.

EXCHANGE RISK AND HEDGING

The majority of the Group's transactions, assets and liabilities are denominated in Hong Kong Dollar, Macau Pataca, United States Dollar and Renminbi. The exposure to fluctuation in exchange rates in Renminbi mainly arises from receipts and expenditure incurred in film investment, production and distribution. The Group has closely monitors its exposure to this fluctuation and consider appropriate hedging activities if necessary. The exposure to fluctuation in other currencies is considered to be minimal and no hedge activity is considered necessary.

COMMITMENTS

As at 31st December 2019, outstanding commitments by the Group amounted to HK\$640,480,000, of which HK\$373,110,000 as development expenditure for stock of properties in Macau, HK\$263,452,000 for film rights, films in progress and film deposits and HK\$3,918,000 as expenditure for leasehold improvement.

CONTINGENT LIABILITIES

As at 31st December 2019, the Group had no material contingent liability.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

There were no significant investments, material acquisitions or disposals during the year.

管理層論述及分析 Management Discussion and Analysis

僱員及薪酬政策

於二零一九年十二月三十一日，本集團之持續經營業務僱用64名員工（二零一八年：52名員工），僱員福利開支為43,886,000港元（二零一八年：58,740,000港元）。董事相信，其優秀員工乃本集團維持聲譽及改善盈利能力之單一最重要因素。員工之酬金乃根據彼等之工作表現、專業經驗及當時之行業慣例而釐定。除基本薪金、公積金、住房補貼、膳食津貼、醫療計劃及酌情花紅外，若干員工更可按個別表現評估獲授購股權。

報告期後事項

報告期末後並無發生重大事項。

二零二零年初COVID-19爆發後，廣泛地區已實施並將繼續實施連串防疫及控制措施。本集團將密切注視COVID-19爆發的發展並評估其對本集團財務狀況及營運業績的衝擊。於批准本全年業績日期，本集團並無察覺財務報表因COVID-19爆發而受到重大不利影響。

EMPLOYEES AND REMUNERATION POLICY

As at 31st December 2019, the Group employed 64 staff (2018: 52 staff) with employee benefit expenses of HK\$43,886,000 (2018: HK\$58,740,000) from the continued operations. The directors believe that the quality of its employees is the single most important factor in sustaining the Group's reputation and improving its profitability. The staff are remunerated based on their work performance, professional experience and prevailing industry practices. Apart from basic salaries, pension fund, housing allowances, meal allowances, medical schemes and discretionary bonuses, share options are awarded to certain staff according to the assessment of individual performance.

EVENT AFTER THE REPORTING DATE

There is no significant event took place subsequent to end of the reporting date.

After the COVID-19 outbreak in early 2020, a series of precautionary and control measures have been and continued to be implemented across region. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operation results of the Group. As at the date of approving these final results, the Group was not aware of any material adverse effects on the financial statements as a result of the COVID-19 outbreak.

管理層論述及分析 Management Discussion and Analysis

前景

香港於二零一九年面臨多重嚴峻挑戰，先後有年內的中美貿易戰及社會動亂，再有二零二零年初的COVID-19爆發。

鑒於電影相關業務經營業務及物業開發及投資經營業務的業務性質都不能提供每段時期的穩定收益，故本集團無法為每年收益提供穩定性。本集團已將其業務擴展至能提供相對穩定收益的餐廳經營業務，惟實行此一新業務仍需時日方見績效。物業開發及投資經營業務方面，隨著狄梵尼·豪舍項目將於第四季度推出發售，預期二零二零年將成為本集團豐收的一年。有見澳門處理冠狀病毒危機冷靜而有條不紊，令本集團對澳門物業市場抱持樂觀態度及對澳門前景保持信心。本集團將繼續促進及發展其本身已具規模的電影及電視連續劇製作及發行業務。倘若電影及電視連續劇的情節具吸引力，本集團亦與知名電影／電視連續劇製作公司進行多項合作，製作新電影／電視連續劇，以提高我們的製作能力。憑著我們在電影及電視連續劇製作的經驗及在該行業的發行網絡，本集團對製作電影及電視連續劇的經營業務充滿信心，相信定能最大程度提升我們的價值和回報。

COVID-19爆發雖不會對本集團財務狀況造成重大衝擊，惟其或會拖慢我們業務營運的進度。本集團將密切注視COVID-19爆發的發展及評估其對旗下經營業務的影響，並於必要時重新構想我們的業務策略。

展望未來，本集團將繼續致力於實現健康及穩定增長，提高盈利能力，實現其投資最大回報並尋求適當商機。

PROSPECT

Hong Kong has faced great challenges in year 2019 with China-USA trade war and social unrest during the year and COVID-19 outbreak in the beginning of year 2020.

Owing to the fact that film related business operations and property development and investment operations are not able to generate steady periodic revenue, the Group cannot provide stability in its yearly revenue. The Group has extended its business to restaurant operations which can provide relatively steady revenue but it still need time to implement this new business. For the property development and investment operations, Year 2020 is expected to be a fruitful year for the Group as the Project Tiffany House will be launched for sale in the fourth quarter. With Macau's calm, organised handling of coronavirus crisis, the Group has an optimistic attitude towards the property market in Macau and persisting confidence in the prospects of Macau. The Group will continue its furtherance and development of production and distribution operations in its own established film and television drama series. The Group has also undergone various co-operations with well-known film/television drama series production companies to produce new films/television drama series if their plots are attractive in order to increase our production capacity. Given our experience in film and television drama series production and distribution network in the film and television drama series industry, the Group is confident in the production of film and television drama series operations and can maximizing our value and return.

Although the COVID-19 outbreak will not have material impact on the Group's financial position, it may slow down the progress of our business operations. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on our operations and if necessary, rethink our business strategies.

Looking forward, the Group will continue to strive to achieve healthy and stable growth by enhancing profitability, maximize its investment return and position to appropriate business opportunity.

董事及高級管理人員履歷 Biographical Details of Directors and Senior Management

董事

向華強先生，現年71歲，為本公司之主席兼執行董事。向先生為本公司副主席及執行董事陳明英女士之丈夫，擁有逾30年影視多媒體業務經驗。向先生所創辦之永盛娛樂製作有限公司(「永盛」)及一百年電影有限公司(「一百年」)之出品皆成為電影觀眾及世界各地片商推薦之電影。向先生亦為香港影業協會有限公司之名譽會長及理事。向先生於一九九六年獲委任為本公司之執行董事。

陳明英女士，現年63歲，為本公司之副主席及執行董事及向華強先生之妻子，擁有逾25年影視多媒體業務經驗及逾10年地產項目發展經驗。陳女士曾為永盛及一百年監製多套賣座影片。陳女士於二零零三年榮獲《The Hollywood Reporter》選為國際娛樂界其中一位最具影響力之女性。陳女士於二零零六年至二零一零年曾參與策劃及監控北京莎瑪房地產開發有限公司改造「建國國際公寓」成為酒店式公寓之改造工程及營運。於二零零七年購入澳門金域酒店並重新裝潢及設計至兩年後於二零零九年八月開幕之澳門蘭桂坊酒店，全由陳女士一手策劃及監工，令澳門蘭桂坊酒店屢獲多個國際獎項，包括二零零九年「第五屆中國酒店星光獎—中國最佳設計精品酒店獎」及二零一二年「TripAdvisor旅行者之選—中國排名前25位時尚酒店」。於推動環保概念方面，澳門蘭桂坊酒店也曾勇奪二零一零年「亞洲酒店論壇亞洲大獎—年度新領軍綠色環保酒店」及二零一零年「澳門環保酒店獎—銅獎」，成績有目共睹。澳門蘭桂坊酒店於2018年出售並為本集團帶來可觀利潤。陳女士現除負責副主席職能外，亦負責本集團地產項目之審批、設計及發展的推進、督導及監控工作。陳女士於一九九六年獲委任為本公司之執行董事。

DIRECTORS

Mr. HEUNG Wah Keung, aged 71, is the Chairman and executive director of the Company. He is the husband of Ms. Chen Ming Yin, Tiffany, Vice Chairman and executive director of the Company. He has over 30 years of experience in the entertainment and multimedia industries. He was the founder of Win's Entertainment Limited ("Win's") and One Hundred Years of Film Company Limited ("One Hundred Years"), which produces films recommended by audiences and distributors around the world. He is also the honorable chairman and director of Hong Kong Kowloon and New Territories Motion Picture Industry Association Limited. Mr. Heung was appointed as an executive director of the Company in 1996.

Ms. CHEN Ming Yin, Tiffany, aged 63, is the Vice Chairman and executive director of the Company and the wife of Mr. Heung Wah Keung. She has over 25 years of experience in the entertainment and multimedia industries and over 10 years of experience in property development. Ms. Chen has produced a number of blockbuster films for Win's and One Hundred Years. In 2003, she was selected as one of 2003 Women in Entertainment – International Power by The Hollywood Reporter. For the years from 2006 to 2010, Ms. Chen was involved in the planning, monitoring and management of the renovation and operation of "Beijing Jianguo Apartment" into serviced apartment by Beijing Shama Real Estate Development Co. Ltd. Ms. Chen was responsible for all planning and monitoring of the purchase of Macau Kingsway Hotel in 2007 and then renovated and designed it into two years later's Hotel Lan Kwai Fong Macau that launched in August 2009. Hotel Lan Kwai Fong Macau has been awarded with several international accolades, which included the "5th China Hotel Starlight Awards 2009 – Best Designed Boutique Hotel of China" and the "2012 TripAdvisor Travelers' Choice 2012 Winner – Trendiest". In respect of promoting the notion of environmental protection, Hotel Lan Kwai Fong Macau has won the "AHF Asia Awards 2010 – Leading Green Hotel of Asia" and the "Macao Green Hotel Award 2010 – Bronze Award". The result has been obvious and encouraging. Hotel Lan Kwai Fong Macau has been disposed in 2018 and brought considerable profit to the Group. Other than the duties and responsibilities of the Vice Chairman, Ms. Chen is also responsible for implementation, monitoring and management of the approval, planning and development of the property development projects of the Group. Ms. Chen was appointed as an executive director of the Company in 1996.

董事及高級管理人員履歷 Biographical Details of Directors and Senior Management

李玉嫦女士，現年52歲，為本公司之執行董事，擁有逾20年娛樂及多媒體業務行政之經驗。李女士負責本集團之整體營運，並對本集團系統具有透徹認知。李女士於二零零一年獲委任為本公司之執行董事。

Ms. LI Yuk Sheung, aged 52, is an executive director of the Company. She has more than 20 years experience of management in the entertainment and multimedia industries. She is responsible for the overall operations, and is familiar with the Group's system. Ms. Li was appointed as an executive director of the Company in 2001.

洪祖星先生，現年79歲，為本公司之獨立非執行董事，擁有逾30年電影發行經驗，於一九七零年創立狄龍國際電影企業公司。自一九九一年起，洪先生一直擔任香港影業協會有限公司理事長，並曾於一九九二年至一九九五年期間擔任香港電影金像獎協會之主席。彼亦獲委任為中國電影家協會顧問。洪先生為香港特別行政區1,200人選舉委員會委員，以及廣東省粵港澳合作促進會文化專業委員會副主任委員，並獲選為廣東省電影家協會第八屆副主席，任期由二零一六年十一月至二零二一年十一月期間。香港特別行政區政府為表揚洪先生對香港電影業的貢獻，於二零零五年向彼頒發銅紫荊勳章(BBS)。

Mr. HUNG Cho Sing, aged 79, is an independent non-executive director of the Company. He has over 30 years of experience in the film distribution industry and founded Delon International Film Corporation in 1970. He has been the chairman of Hong Kong Kowloon and New Territories Motion Picture Industry Association Limited since 1991 and was the chairman of Hong Kong Film Awards Association from 1992 to 1995. He was also appointed as a consultant of the China Film Association. Mr. Hung is also a member of the 1,200-member-HKSAR Election Committee and a vice-chairman of the Cultural Profession Committee of the Guangdong, Hong Kong and Macau Cooperation Promotion Council (廣東省粵港澳合作促進會文化專業委員會副主任委員), and was elected the vice-chairman of Film Association of Guangdong, China for the period from November 2016 to November 2021. Mr. Hung was awarded the Bronze Bauhinia Star (BBS) by the HKSAR Government in 2005 in recognition of his contribution to the Hong Kong film industry.

洪先生於二零一三年一月二十二日至二零一七年一月二十五日曾任民眾金融科技控股有限公司之獨立非執行董事。彼自二零一三年十月十六日至二零一九年二月一日曾任為寰宇娛樂文化集團有限公司之執行董事及自二零一九年二月一日至二零一九年七月三十一日調任為非執行董事。彼亦分別自二零一四年十月十日，二零一六年四月十四日及二零一七年四月六日起獲委任為合一投資控股有限公司，米格國際控股有限公司及威華達控股有限公司之獨立非執行董事，上述所有公司均於香港聯合交易所有限公司(「聯交所」)主板上市。洪先生亦分別自二零一五年五月十五日及二零一六年五月二十三日起獲委任為樹熊金融集團有限公司之獨立非執行董事及壹家壹品(香港)控股有限公司之執行董事。洪先生亦於二零一六年五月二十三日至二零一七年十一月二十日曾任壹家壹品(香港)控股有限公司之董事會主席，兩間公司均於聯交所創業板上市。洪先生於一九九六年獲委任為本公司之非執行董事。

Mr. Hung was an independent non-executive director of Freeman FinTech Corporation Limited during the period from 22nd January 2013 to 25th January 2017. He was an executive director of Universe Entertainment and Culture Group Limited during the period from 16th October 2013 to 1st February 2019 and re-designated as a non-executive director during the period from 1st February 2019 to 31st July 2019. He was also appointed as an independent non-executive director of Unity Investments Holdings Limited, Miko International Holdings Limited and Oshidori International Holdings Limited (formerly known as Enerchina Holdings Limited) since 10th October 2014, 14th April 2016 and 6th April 2017 respectively. All these companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Hung was also appointed as an independent non-executive director of Koala Financial Group Limited, and an executive director of Eje (Hong Kong) Holdings Limited since 15th May 2015 and 23rd May 2016 respectively. Mr. Hung was also the chairman of the board of Eje (Hong Kong) Holdings Limited during the period from 23rd May 2016 to 20th November 2017. Both companies are listed on the GEM Board of the Stock Exchange. Mr. Hung was appointed as a non-executive director of the Company in 1996.

董事及高級管理人員履歷 Biographical Details of Directors and Senior Management

何偉志先生，現年68歲，為本公司之獨立非執行董事。何先生為執業會計師何偉志會計師行之執行合夥人，亦為英國英格蘭及威爾斯特許會計師公會之會員及香港會計師公會之資深會員。何先生於一九九七年二月十五日至二零一八年九月三十日曾任百營環球資源控股有限公司之獨立非執行董事，彼現為毅興行有限公司之獨立非執行董事，兩間公司均於聯交所主板上市。何先生於一九九六年獲委任為本公司之非執行董事。

Mr. HO Wai Chi, Paul, aged 68, is an independent non-executive director of the Company. He is the managing partner of Paul W. C. Ho & Company, Certified Public Accountants (Practising), and is an associate of the Institute of Chartered Accountants in England and Wales, United Kingdom and a fellow of the Hong Kong Institute of Certified Public Accountants. Mr. Ho was an independent non-executive director of Bel Global Resources Holdings Limited during the period from 15th February 1997 to 30th September 2018. He is currently an independent non-executive director of Ngai Hing Hong Company Limited, both companies are listed on the Main Board of the Stock Exchange. Mr. Ho was appointed as a non-executive director of the Company in 1996.

鄧澤林先生，現年69歲，為本公司之獨立非執行董事。鄧先生自一九八七年起為香港執業律師，並為鄧澤林廖國華律師行之高級合夥人。彼曾於一九九三年出任博愛醫院總理，並於一九九一年七月至一九九五年十一月期間出任滙豐銀行慈善基金社區發展計劃九龍西區諮詢委員會委員。鄧先生持有英國白金漢大學之法律學士學位及澳門東亞大學之中國法律文憑。鄧先生於二零一一年獲委任為本公司之獨立非執行董事。

Mr. TANG Chak Lam, Gilbert, aged 69, is an independent non-executive director of the Company. He is a practising solicitor in Hong Kong since 1987 and is a senior partner of Messrs. Gilbert Tang & Co.. He was a director of Pok Oi Hospital in 1993 and a member of the Kowloon West Advisory Committee of Hong Kong Bank Foundation District Community Programme between July 1991 and November 1995. Mr. Tang holds a Bachelor of Law Degree from the University of Buckingham in the United Kingdom, and a Diploma in Chinese Law from the University of East Asia in Macau. Mr. Tang was appointed as an independent non-executive director of the Company in 2011.

高級管理人員

曾善美女士，現年55歲，為本集團法律行政經理，有逾15年電視及電影業務經驗，對影視業的製作、發行、影視內容片庫管理及處理製作、發行及版權之法律事務有廣闊之知識及經驗。曾女士負責管理本集團法律行政部，電影及電視發行部，影視內容片庫管理部。曾女士同時也參與本集團影視製作及發行項目的商務協商，並負責處理影視製作合約、發行合約及版權事宜。曾女士加入本集團前曾任職香港醫院管理局法務部及電視廣播(國際)有限公司。曾女士修畢公司秘書本科後曾修讀倫敦大學法學本科，持有法學文憑及為香港律師會評效認可法律行政人員。曾女士於一九九九年加入本集團。

SENIOR MANAGEMENT

Ms. TSANG Anna, aged 55, is the Legal Administration Manager of the Group. She has over 15 years of experience in the TV & Film Industry. Ms. Tsang has extensive experience across production, distribution and library content management of the Film & TV business and expertise in legal related aspects in Film & TV production, distribution and copyright enforcement. Ms. Tsang oversees the Department of Legal Administration, Film & TV Distribution and Content Library Management of the Group. Ms. Tsang also involves negotiation on Film & TV production and distribution projects and took on responsibility of Film & TV production, distribution and copyright legal-related aspect for the Group. Prior to joining the Group, Ms. Tsang worked at the Legal Department of Hong Kong Hospital Authority and TVBI International Limited. Ms. Tsang has completed Company Secretary studies and had been studied LLB of University of London and a graduate of Diploma for Legal Studies. Ms. Tsang has achieved the qualification to use the benchmark as Legal Executive of The Law Society of Hong Kong. Ms. Tsang joined the Group in 1999.

董事及高級管理人員履歷 Biographical Details of Directors and Senior Management

韋家輝先生，現年57歲，為本集團之影視製作顧問。韋先生是著名電影及電視監製、導演及編劇，擁有逾20年監製、執導及編寫電影與電視劇之經驗，其多部作品屢獲國際電影展邀請展出及提名競賽，並曾在香港及海外奪得多個獎項。韋先生監製之電視劇「義不容情」及「大時代」當年首次播出已大受歡迎，劇集多年後再次重播觀眾仍然熾熱及廣受新生代觀眾喜愛。韋先生導演或監製的電影作品包括「孤男寡女」、「瘦身男女」、「嚟咕嚟咕新年財」、「我左眼見到鬼」、「百年好合」、「大隻佬」、「鬼馬狂想曲」、「最愛女人購物狂」、「神探」、「再生號」等等。韋先生於二零零零年加入本集團。

黃淑嫻女士，現年54歲，為本公司之財務總監及公司秘書。黃女士於一九九零年畢業於城市理工大學並取得會計學士學位。黃女士為香港會計師公會會員及英國特許公認會計師公會資深會員。於加入本集團前，黃女士曾於一間國際會計師行任職超過十年。黃女士主要負責監督本集團之會計及財務申報呈序及內部監控系統。黃女士於二零零一年加入本集團。

Mr. WAI Kai Fai, aged 57, is the Film and TV Consultant of the Group. Mr. Wai is a renowned Film and TV Producer, Director and Scriptwriter, he has produced, directed and script-written films and TV drama for more than 20 years. Mr. Wai's Feature Films Production has been invited by Worldwide Film Festival for screening and nomination for awards, many of Mr. Wai's Feature Film earned awards in Hong Kong and Worldwide. Mr. Wai's TV series "Look Back with Anger" and "The Greed of Man" is hugely popular on the premiere run, after many years, re-run of these TV series is also a hit and has pull in lots of new generation audience. The feature films produced and/or directed by Mr Wai include "Needing You", "Love On A Diet", "Fat Choi Spirit", "My Left Eye Sees Ghosts", "Love For All Seasons", "Running On Karma", "Fantasia", "The Shopaholics", "Mad Detective", "Written By" etc. Mr. Wai joined the Group in 2000.

Ms. WONG Shuk Han, Dorothy, aged 54, is the Financial Controller and Company Secretary of the Company. She graduated from the City Polytechnic University with a bachelor degree in Accountancy in 1990. She is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Prior to her employment with the Group, she worked with an international accounting firm for over 10 years. Ms. Wong is primarily responsible for the supervision of the Group's accounting and financial reporting procedures and internal control system. Ms. Wong joined the Group in 2001.

董事及高級管理人員履歷 Biographical Details of Directors and Senior Management

楊芷昕小姐，現年54歲，為本集團的區域總監，擁有逾15年從事電視及電影業務經驗，於二零零六年開始更積極參與集團旗下的服務式住宅、酒店業務及地產項目發展，負責北京及澳門等的項目發展及管理工作。楊小姐自二零一三年起同時擔任澳門蘭桂坊酒店執行董事。楊小姐取得英國萊斯特大學的工商管理碩士學位，並擁有香港理工大學所頒授的酒店管理高級文憑證書。楊小姐於一九九七年加入本集團。楊小姐現正積極投入本公司於澳門的住宅及商業用地項目。

達振洪先生，現年54歲，為本集團之項目經理。達先生在一九八九年畢業於美國康乃爾大學，曾任職於安達信會計師事務所及太古集團。達先生於一九九五年首次加入本集團，負責中國大陸的電影發行業務超過5年。於二零零九年達先生再次加入本集團，參與澳門蘭桂坊酒店的營運。達先生於二零一三年至二零一八年被任命為澳門蘭桂坊酒店首席營運總裁。

邵麗瓊女士，現年59歲，為本集團網絡和電視製作總監。擁有逾30年的電視及電影創作及製作經驗。電視劇創作作品如《他來自江湖》、《創世紀》、《同事三分親》、《畢打自己人》等，口碑及收視俱佳。電影創作包括《天台的月光》、《東方三俠》、《天若有情III》等多部作品，其中《審死官》獲提名香港電影金像獎最佳編劇獎。邵女士擔任監製的作品有長篇電視劇《八時入席》、電影《愛，斷了線》等等。邵女士於二零一七年加入本集團。

Ms. YEUNG Porlin, age 54, is the Regional Director of the Company. She has over 15 years experience in TV and film industry and as of 2006 she has extend her scope of services to serviced residences, hotel operations and project development in Beijing and Macau. In 2013, Ms. Yeung was appointed as the Executive Director of Hotel Lan Kwai Fong Macau. She graduated from the University of Leicester, UK with a MBA and is an Advanced Certification holder in Hospitality Management at the Hong Kong Polytechnic University. Ms. Yeung joined the Group in 1997. Ms. Yeung is actively participating in the Company's residential and commercial real estate project in Macau.

Mr. TODD Evan, aged 54, is the Project Manager of the Group. He graduated from Cornell University in the U.S. with a bachelor degree in 1989. Over the years, he has worked for Andersen Consulting and Swire Pacific Limited. He first joined our Group in 1995 and worked over five years in the area of film distribution in Mainland China. In 2009, he rejoined our Group and began involved in the operation of Hotel Lan Kwai Fong Macau. Mr. Todd was appointed as the Chief Operating Officer of Hotel Lan Kwai Fong Macau from 2013 until 2018.

Ms. SHAW Lai King, Sandy, aged 59, is the Controller (Network and TV) of the Group. She has over 30 years of experience in television and movie creation and production. Her television drama works such as "The Justice Of Life", "At the Threshold of An Era", "Best Selling Secrets", "Off Pedder" and so on were well received in terms of approbation and viewership. Her movie creations included "A Roof with a view", "The Heroic Trio", "A Moment of Romance III" and etc., and among them, "Justice, My Foot" was once nominated for the Best Screenplay of the Hong Kong Film Awards. Ms. Shaw was also the producer of "Come Home Lover: Dinner At 8", a long television drama series, and "Sky of Love", a movie, and so forth. Ms. Shaw joined the Group in 2017.

企業管治報告 Corporate Governance Report

緒言

本公司董事(「董事」)會(「董事會」)及管理層致力設立良好企業管治常規及程序。本公司及其附屬公司(「本集團」)一向維持高水平之商業操守及企業管治常規，此乃本集團目標之一。本公司相信，良好企業管治所提供之架構，對有效管理、業務成功發展及建立良好企業文化屬至關重要，藉此提高股東之價值。

企業管治常規

本公司之企業管治原則著重董事會質素、穩健之內部監控，並且對全體股東具透明度及問責性。透過採用嚴密之企業管治常規，本集團相信將可改善問責性及透明度，從而增強股東及大眾之信心。截至二零一九年十二月三十一日止整個財政年度，本公司已應用並遵照香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載之《企業管治守則》(「守則」)之所有適用守則條文，惟一項偏離事項除外，有關詳情於本報告相關「偏離守則之事項」一節闡述。董事會自聯交所首次建議就有關企業管治常規修訂上市規則後，一直監察及檢討本集團就企業管治常規之進度以確保符合規定。本公司於年內舉行多次會議，並於適當時向本集團董事及高級管理層發出通函及其他指引說明，以確保彼等知悉有關企業管治常規之事宜。

INTRODUCTION

The board (the “Board”) of directors (“Directors”) of the Company and the management of the Company are committed to establishing good corporate governance practices and procedures. The maintenance of high standard of business ethics and corporate governance practices has always been one of the goals of the Company and its subsidiaries (the “Group”). The Company believes that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture, thereby leading to the enhancement of shareholders’ value.

CORPORATE GOVERNANCE PRACTICES

The corporate governance principles of the Company emphasize a quality Board, sound internal controls, transparency and accountability to all shareholders. By applying rigorous corporate governance practices, the Group believes that its accountability and transparency will be improved thereby instilling confidence to shareholders and the public. Throughout the financial year ended 31st December 2019, the Company has applied the principles and complied with all the applicable code provisions laid down in the Corporate Governance Code (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) save for one deviation, details of which will be explained in the section “Deviation from the Code” in this report. The Board has, since the amendments to the Listing Rules regarding corporate governance practices were first proposed by the Stock Exchange, continued to monitor and review the Group’s progress in respect of corporate governance practices to ensure compliance. Meetings were held throughout the year and where appropriate, circulars and other guidance notes were issued to directors and senior management of the Group to ensure awareness to issues regarding corporate governance practices.

企業管治報告 Corporate Governance Report

董事會

職責

董事會負責本公司之領導及監控工作，並監管本集團之業務、策略決策及表現，以及藉指引及監督本公司事務共同負責引領本公司邁向成功。實際上，董事會負責就本公司所有主要事項作出決策，包括：審批及監控所有政策事宜、制定目標、年度預算及整體策略、重大交易、委任董事及其他重大財務及經營事項。本公司之日常管理、行政及營運均由高級行政人員執行。有關職責包括實行董事會之決策、根據董事會審批之管理策略及計劃協調及指引本公司日常營運及管理。該等高級行政人員在訂立任何重大交易前須先獲得董事會批准，而董事會亦全力支持彼等執行職務。

組成

於二零一九年十二月三十一日，董事會由六名董事組成，包括三名執行董事，分別為向華強先生（主席）、陳明英女士（副主席，擔任上市規則附錄十四所述行政總裁之角色）及李玉嫦女士，以及三名獨立非執行董事，分別為洪祖星先生、何偉志先生及鄧澤林先生。

其中一名獨立非執行董事具備適當專業資格，或會計或相關財務管理專業知識。獨立非執行董事佔董事會人數超過三分之一。董事之履歷詳情載於第21頁至第25頁之「董事及高級管理人員履歷」一節內。

THE BOARD

Responsibilities

The Board is responsible for the leadership and control of the Company and oversees the Group's business, strategic decisions and performances and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. In practice, the Board takes responsibility for decision making in all major matters of the Company including: the approval and monitoring of all policy matters, the setting of objectives, annual budgets and overall strategies, material transaction, appointment of directors and other significant financial and operational matters. The day-to-day management, administration and operation of the Company are delegated to the senior executives. These responsibilities include the implementation of decisions of the Board, the co-ordination and direction of day-to-day operation and management of the Company in accordance with the management strategies and plans approved by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by these senior executives and the Board has the full support of them to discharge its responsibilities.

Composition

As at 31st December 2019, the Board comprises six Directors: including three executive Directors, namely, Mr. Heung Wah Keung (Chairman), Ms. Chen Ming Yin, Tiffany (Vice Chairman, performing the role of chief executive as stated in Appendix 14 of the Listing Rules) and Ms. Li Yuk Sheung and three independent non-executive Directors, namely, Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Tang Chak Lam, Gilbert.

One of the independent non-executive Directors has appropriate professional qualifications, or accounting or related financial management expertise. The number of independent non-executive Directors is more than one-third of the Board. Biographical details of the Directors are set out in the section "Biographical Details of Directors and Senior Management" on pages 21 to 25.

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董事會認為，董事會包括三名獨立非執行董事，此可讓執行與非執行董事間取得合理之制衡。董事會認為，此制衡能為保障股東及本集團利益提供充份之核查及平衡。獨立非執行董事向本集團提供廣泛專業知識及經驗，從而可作出獨立判斷及確保已考慮全體股東之利益。彼等亦負責出席董事會會議、處理潛在利益衝突、出任審核委員會、薪酬委員會及提名委員會成員，以及監察本集團之表現及呈報。彼等之積極參與，為董事會及彼等所任職之委員會提供寶貴技能、專業知識及經驗，從而審慎檢討及監控管理程序。

董事在本身之專業範圍均為傑出人士，並展示高水平之個人及專業操守和誠信。全體董事均就本公司事務付出充足時間及心血。董事會相信，執行董事對非執行董事之比率誠屬合理，並足以發揮互相監察及制衡之作用，以保障股東及本公司之整體利益。

董事會全體須負責委任新董事及提名董事於本公司股東週年大會上接受股東重選。根據本公司之公司細則（「公司細則」），董事會可不時委任董事填補臨時空缺或出任董事會新成員。獲委任以填補臨時空缺之任何新董事須任職至其獲委任後之首次股東大會為止，並合資格於下一屆股東週年大會上膺選連任。獲董事會委任以加入現有董事會之任何新董事須任職至本公司下一屆股東週年大會為止，屆時將合資格膺選連任。

根據公司細則第99(A)條，何偉志先生及鄧澤林先生將於即將舉行之股東週年大會上告退，惟彼等合資格並願意膺選連任。

The presence of three independent non-executive Directors is considered by the Board to be a reasonable balance between executive and non-executive Directors. The Board is of the opinion that such balance can provide adequate checks and balances for safeguarding the interests of shareholders and of the Group. The independent non-executive Directors provide to the Group with a wide range of expertise and experience so that independent judgement can effectively be exercised as well as ensuring that the interests of all shareholders are taken into account. They are also responsible for participating in Board meetings, dealing with potential conflicts of interest, serving on audit committee, remuneration committee and nomination committee, scrutinising the Group's performance and reporting. Through their active participation, they provide their valuable skills, expertise and experience to the Board and the committees on which they serve so that the management process can be critically reviewed and controlled.

The Directors have distinguished themselves in their field of expertise, and have exhibited high standards of personal and professional ethics and integrity. All the Directors give sufficient time and attention to the Company's affairs. The Board believes that the ratio of executive to non-executive Directors is reasonable and adequate to provide checks and balances that safeguard the interest of the shareholders and the Company as a whole.

The Board as a whole is responsible for the appointment of new director and nomination for re-election by shareholders at the annual general meeting of the Company. Under the Company's bye-laws (the "Bye-laws"), the Board may from time to time appoint a director either to fill a vacancy or as an addition to the Board. Any new director appointed to fill a casual vacancy shall hold office until the first general meeting after his appointment and shall then be eligible for re-election at the next following annual general meeting. Any new director appointed by the Board as an addition to the existing Board shall hold office until the next following annual general meeting of the Company and shall then be eligible for re-election.

Pursuant to Bye-law 99(A) of the Bye-laws, Mr. Ho Wai Chi, Paul and Mr. Tang Chak Lam, Gilbert will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

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主席及副主席

主席與副主席（擔任上市規則附錄十四所述行政總裁之角色）之職責分離，並不由同一人同時兼任，以確保董事會有明確責任分擔，達致權力及權限的平衡。

主席負責領導董事會，確保董事會有效運作，及確保向公眾傳達董事會的意見。在履行此項職責時，主席的責任包括主持董事會會議；確保董事會會議收到有關本公司事務之準確、完整、及時且清晰的資料；確保執行董事與非執行董事之間保持有建設性的關係；安排就提呈董事會考慮的問題進行討論及作出決定；確保所有董事均適當聽取董事會會議提出的事項之簡報；作為董事會與管理層之間的聯絡人；與副主席及公司秘書或其代表商議，草擬及批准每次董事會會議的議程，在適當情況下考慮其他董事提議納入議程的任何事項；以及至少每年與獨立非執行董事在執行董事不出席的情況下舉行會議。

副主席主要負責建議政策及策略方向供董事會批准；以及實施董事會採納的策略及政策，及執行本公司之日常營運。

CHAIRMAN AND VICE CHAIRMAN

The roles of Chairman and Vice Chairman (performing the role of chief executive as stated in Appendix 14 of the Listing Rules) are separate and not performed by the same individual to ensure that there is a clear division of responsibilities at the board level to entail a balance of power and authority.

The Chairman is responsible for leadership of the Board, for ensuring that the Board functions effectively, and for ensuring communication of the views of the Board to the public. In performing this role, the Chairman's responsibilities include chairing meetings of the Board; ensuring the board meetings receive accurate, complete, timely and clear information concerning affairs of the Company; ensuring constructive relations between executive and non-executive Directors; formulating for discussion and decision, questions which have been moved for the consideration of the Board; ensuring that all Directors are properly briefed on issues arising at board meetings; acting as liaison between the Board and management; in consultation with the Vice Chairman and the company secretary or his/her designated delegates, drawing up and approving the agenda for each board meeting taking into account, where appropriate, any matters proposed by the other Directors for inclusion in the agenda; and at least annually hold meetings with independent non-executive Directors without the presence of the executive Directors.

The Vice Chairman is primarily responsible for recommending policy and strategic directions for Board approval; implementing the strategies and policies adopted by the Board; and conducting the day-to-day operation of the Company.

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獨立性

遵照上市規則，本公司有三名獨立非執行董事，其中至少一名獨立非執行董事具備適當財務管理專業知識。本集團已接獲各獨立非執行董事之年度獨立性確認書。根據上市規則第3.13條所載指引，本公司認為該等董事均為獨立人士。

所有載有董事姓名之公司通訊中，均已說明全體獨立非執行董事之身份。此外，除本公司主席向華強先生為副主席陳明英女士之丈夫外，董事會成員之間並無重大關係。

偏離守則之事項

截至二零一九年十二月三十一日止年度內，本公司一直遵守上市規則附錄十四之守則，惟以下偏離事項除外：

根據守則之A.4.1守則條文，非執行董事之委任應有指定任期，並須接受重新選舉。然而，全體獨立非執行董事均並無指定任期，惟須根據公司細則條文於本公司之股東週年大會上輪流退任及接受重新選舉。本公司認為已採取足夠措施，確保本公司之企業管治常規不比守則所訂者寬鬆。

截至二零一九年十二月三十一日止年度內，每名獨立非執行董事之酬金為240,000港元。

INDEPENDENCE

The Company has three independent non-executive Directors, at least one of whom has appropriate financial management expertise, in compliance with the Listing Rules. The Group has received from each independent non-executive Director an annual confirmation of his independence. The Company considers these Directors to be independent under the guidelines set out in Rule 3.13 of the Listing Rules.

All independent non-executive Directors are identified as such in all corporate communications containing the names of the Directors. In addition, there is no material relationship among members of the Board except that Mr. Heung Wah Keung, the Chairman, is the husband of Ms. Chen Ming Yin, Tiffany, the Vice Chairman of the Company.

DEVIATION FROM THE CODE

Throughout the year ended 31st December 2019, the Company complied with the Code in Appendix 14 of the Listing Rules, except for the following deviation:

Under the code provision A.4.1 of the Code, non-executive Directors should be appointed for a specific term and subject to re-election. However, all the independent non-executive Directors are not appointed for specific terms but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provision of the Bye-laws. The Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

Each of the independent non-executive Directors has remunerated at HK\$240,000 for the year ended 31st December 2019.

企業管治報告 Corporate Governance Report

董事會會議及股東大會

董事會定期以親身出席或透過其他電子通訊方式舉行會議，有關會議每年至少舉行四次，以釐定整體策略方向及目標及審批中期及年度業績以及其他重大事項。倘召開董事會例會，則會向全體董事發出最少14日之通知，以讓彼等藉此機會出席及提出事項於議程中討論。除例會外，高級管理層亦不時向董事提供有關本集團業務活動及發展之資料。公司秘書協助主席編製會議議程，並確保有關會議之所有適用規則及規例均獲得遵守及遵從。最終落實之議程及隨附之董事會文件其後將在舉行會議前最少三日發送予全體董事。公司秘書亦會就會議作出詳盡會議記錄，並就會上之討論事項及議決決定保留記錄。

於回顧年度內，已舉行11次董事會會議。董事出席股東大會、董事會及其有關委員會之會議之詳情如下：

BOARD MEETINGS AND SHAREHOLDERS' MEETINGS

The Board regularly meets in person or through other electronic means of communication at least four times every year to determine overall strategic direction and objectives and approve interim and annual results, and other significant matters. At least 14 days' notice of regular Board meeting are given to all Directors, who are all given an opportunity to attend and include matters in the agenda for discussion. Apart from regular meetings, senior management from time to time provides Directors with information on activities and development of the businesses of the Group. The company secretary assists the Chairman in preparing the agenda for the meeting and ensures that all applicable rules and regulations in connection with the meetings are observed and complied with. The finalized agenda and accompanying board papers are then sent to all Directors at least three days prior to the meeting. The company secretary also takes detailed minutes of the meetings and keeps records of matters discussed and decision resolved at the meetings.

During the year under review, 11 board meetings were held. Details of the attendance of the Directors at the general meetings, meetings of the Board and its respective committees are as follows:

董事姓名 Name of Director	出席會議次數 Number of meetings attended				
	股東週年大會 Annual General Meeting	董事會會議 Board Meeting	審核委員會會議 Audit Committee Meeting	薪酬委員會會議 Remuneration Committee Meeting	提名委員會會議 Nomination Committee Meeting
執行董事 Executive Directors					
向華強 Heung Wah Keung	1/1	11/11*	不適用 N/A	不適用 N/A	1/1
陳明英 Chen Ming Yin, Tiffany	1/1	10/10	不適用 N/A	2/2	不適用 N/A
李玉嫦 Li Yuk Sheung	1/1	10/10	不適用 N/A	不適用 N/A	不適用 N/A
獨立非執行董事 Independent Non-Executive Directors					
洪祖星 Hung Cho Sing	1/1	11/11*	4/4	2/2	1/1
何偉志 Ho Wai Chi, Paul	0/1	11/11*	4/4	不適用 N/A	不適用 N/A
鄧澤林 Tang Chak Lam, Gilbert	1/1	11/11*	4/4	2/2	1/1

* 其中一次董事會會議是由董事會主席在沒有執行董事出席之情況下與獨立非執行董事舉行。

* Included a Board meeting where the Chairman of the Board met with independent non-executive Directors, without the presence of the executive Directors.

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於董事會之定期會議中，董事商討及制定本集團之整體策略、監察財務表現及商討年度及中期業績、制定年度預算方案，以及商討及決定其他重要事宜。日常營運事務已委派本集團管理層執行。

公司秘書就各董事會會議之議事程序作詳細之會議記錄，包括記錄董事會所作出之所有決定，以及所提出之關注事宜或表達之反對意見(如有)。會議記錄之初稿須於會議結束後，於切實可行之情況下盡快發送予全體董事，以供評論及審批。任何董事均可在任何合理時間要求查閱所有會議記錄。

由於主席會確保管理層向董事會及其委員會適時提供所有相關資料，故全體董事均可在所有情況下取得相關最新資料。董事於其認為有需要或適當時均可要求提供進一步資料。

彼等亦可取得公司秘書之意見及享用其服務，包括負責向董事提供董事會文件及相關材料，確保遵循所有正確董事會程序，以及遵守一切適用法律及法規。如董事認為有需要及適當時，彼等可聘用獨立專業顧問提供服務，費用由本集團支付。

倘一名主要股東或董事存有利益衝突，有關事項將於董事會會議上進行討論，而不會以書面決議案方式處理。概無利益衝突之獨立非執行董事將會出席會議以處理該等衝突事宜。

董事委員會(包括審核委員會、薪酬委員會及提名委員會)均就所有委員會會議採納董事會會議沿用之適用常規及程序。

During regular meetings of the Board, the Directors discuss and formulate the overall strategies of the Group, monitor financial performances and discuss the annual and interim results, set annual budgets, as well as discuss and decide on other significant matters. The execution of daily operational matters is delegated to management of the Group.

The company secretary records the proceedings of each board meeting in detail by keeping minutes, including the record of all decisions by the Board together with concerns raised and dissenting views expressed (if any). Drafts of board minutes are circulated to all directors for comment and approval as soon as practicable after the meeting. All minutes are open for inspection at any reasonable time on request by any Director.

All Directors have access to relevant and timely information at all times as the Chairman ensures that the management will supply the Board and its committees with all relevant information in a timely manner. They may make further enquiries if in their opinion it is necessary or appropriate to request for further information.

They also have unrestricted access to the advice and services of the company secretary, who is held responsible for providing Directors with board papers and related materials and ensuring that all proper Board procedures are followed and that all applicable laws and regulations are complied with. If considered necessary and appropriate by the Directors, they may retain the service of independent professional advisers at the Group's expense.

In case where a conflict of interest may arise involving a substantial shareholder or a director, such matter will be discussed in a physical meeting and will not be dealt with by way of written resolutions. Independent non-executive Directors with no conflict of interest will be present at meetings dealing with such conflict issues.

The board committees, including the audit committee, the remuneration committee and the nomination committee, have all adopted the applicable practices and procedures used in board meetings for all committee meetings.

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本公司之股東週年大會及其他股東大會乃本公司與股東間溝通之主要平台，亦供股東參與。本公司鼓勵全體股東出席股東大會或委派代表代其出席大會並於會上投票（如彼等未能出席大會）。

The annual general meeting and other general meetings of the Company are the primary forum for communication by the Company with the shareholders and for shareholders' participation. All shareholders are encouraged to attend the general meetings or to appoint proxies to attend and vote at meetings on their behalf if they are unable to attend the meetings.

董事之培訓及支援

所有董事（包括獨立非執行董事）必須不時瞭解其作為董事之共同責任，以及本集團之業務。因此，本集團於每名新委任董事獲委任後將向彼等提供全面及正式指導，並向彼等提供及安排簡介會及介紹，以確保彼等熟悉董事會之角色、彼等作為董事之法律及其他責任，以及本集團之業務及管治常規。該等計劃考慮到各個別董事之背景及專業知識而為彼等度身制定。公司秘書將繼續向所有董事提供有關上市規則及其他適用監管規定之最新發展，以確保各董事遵守該等規則及規定。

TRAINING AND SUPPORT FOR DIRECTORS

All Directors, including independent non-executive Directors, must keep abreast of their collective responsibilities as directors and of the business of the Group. As such, the Group provides a comprehensive and formal induction to each newly appointed director upon his/her appointment. Briefings and orientations are provided and organised to ensure that the new Directors are familiar with the role of the Board, their legal and other duties as a director as well as the business and governance practices of the Group. Such programmes are tailored to each individual director taking into account their background and expertise. The company secretary will continuously update all Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance of the same by all Directors.

全體董事亦會參與本集團提供或安排之持續專業發展計劃，例如由合資格專業人士舉辦之外界研討會更新有關法律及規例及上市規則資料，以發展及更新有關彼等對董事會作出貢獻之知識及技能。各董事所接受之培訓記錄由本公司之公司秘書留存及更新。

All Directors also participate in continuous professional development programmes provided or procured by the Group, such as external seminars organised by qualified professionals update materials regarding laws and regulation and the Listing Rules, to develop and refresh their knowledge and skills in relation to their contribution to the Board. A record of the training received by the respective Directors are kept and updated by the company secretary of the Company.

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下表概列各董事於二零一九年就適切著重上市公司董事之角色、職能及職責之持續專業發展計劃之參與記錄。

The participation by individual Director in the continuous professional development programme with appropriate emphasis on the roles, functions and duties of a Director of a listed company in 2019 is recorded in the following table.

董事姓名	Name of Director	閱讀監管規定 更新資料	參與外界機構舉辦 研討會／活動
		Reading regulatory updates	Attending external seminars/ programmes
執行董事	Executive Directors		
向華強	Heung Wah Keung	✓	
陳明英	Chen Ming Yin, Tiffany	✓	
李玉嫦	Li Yuk Sheung	✓	
獨立非執行董事	Independent Non-Executive Directors		
洪祖星	Hung Cho Sing	✓	
何偉志	Ho Wai Chi, Paul	✓	✓
鄧澤林	Tang Chak Lam, Gilbert	✓	✓

各董事將於其首次獲委任及隨後每年向本集團披露其於公眾公司及組織所擔任之職位數目及性質，以及其他重大承擔。

Each Director will, upon his/her first appointment and thereafter on a yearly basis, disclose to the Group the number and nature of offices held by such Director in public companies and organizations and other significant commitments.

薪酬委員會

薪酬委員會已經成立，並以書面訂明其具體職權範圍。於二零一九年十二月三十一日，薪酬委員會由兩名獨立非執行董事（即洪祖星先生及鄧澤林先生）及一名執行董事（即陳明英女士）組成。洪祖星先生為此委員會之主席。

REMUNERATION COMMITTEE

A remuneration committee was formed with specific written terms of reference. As at 31st December 2019, the remuneration committee consists of two independent non-executive Directors, namely Mr. Hung Cho Sing and Mr. Tang Chak Lam, Gilbert, and an executive Director, namely, Ms. Chen Ming Yin, Tiffany. Mr. Hung Cho Sing is the chairman of the committee.

薪酬委員會負責制定及向董事會推薦薪酬政策，並就本集團個別執行董事及高級管理人員的薪酬待遇向董事會提供建議。此委員會將就其建議及推薦建議諮詢主席，如認為有需要，亦可索取專業意見。薪酬委員會亦獲提供其他資源以履行其職責。

The remuneration committee is responsible for formulating and recommending to the Board the remuneration policy and make recommendations to the Board on the remuneration packages of individual executive Directors and members of senior management of the Group. This committee consults with the Chairman on its proposals and recommendations and has access to professional advice if deemed necessary. The remuneration committee is also provided with other resources enabling it to discharge its duties.

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薪酬委員會之具體職權範圍於本公司網站上刊載。薪酬委員會每年最少舉行一次會議。

The specific terms of reference of the remuneration committee are posted on the Company's website. The remuneration committee meets at least once a year.

於回顧年度內，薪酬委員會已舉行兩次會議以釐定本集團每位執行董事，獨立非執行董事及員工之薪酬待遇，並向董事會作出建議以供審批。

During the year under review, the remuneration committee held two meetings to determine the remuneration package of each executive directors, independent non-executive directors and the staff of the Group for making recommendations to the Board for approval.

截至二零一九年十二月三十一日止年度本集團高級管理人員薪酬按薪酬幅度載列如下：

The remuneration of the senior management of the Group for the year ended 31st December 2019 by band is set out below:

薪酬幅度	人數	Remuneration band	Number of individuals
零至500,000港元	2	Nil to HK\$500,000	2
500,001港元至1,000,000港元	1	HK\$500,001 to HK\$1,000,000	1
1,000,001港元至1,500,000港元	2	HK\$1,000,001 to HK\$1,500,000	2
1,500,001港元至2,000,000港元	1	HK\$1,500,001 to HK\$2,000,000	1

截至二零一九年十二月三十一日止年度執行董事酬金進一步詳情載於綜合財務報表附註15。

Further details of the executive Directors' emoluments for the year ended 31st December 2019 are set out in note 15 to the consolidated financial statements.

提名委員會

提名委員會已成立，並以書面訂明其具體職權範圍。於二零一九年十二月三十一日，提名委員會由兩名獨立非執行董事（即鄧澤林先生及洪祖星先生）及一名執行董事（即向華強先生）組成。鄧澤林先生為提名委員會之主席。

NOMINATION COMMITTEE

A nomination committee was formed with specific written terms of reference. As at 31st December 2019, the nomination committee consists of two independent non-executive Directors, namely Mr. Tang Chak Lam, Gilbert and Mr. Hung Cho Sing, and an executive Director, namely Mr. Heung Wah Keung. Mr. Tang Chak Lam, Gilbert is the chairman of the nomination committee.

提名委員會之職責包括每年最少檢討董事會架構、人數及成員一次，並就任何建議變更向董事會提出推薦建議以補足本公司之企業策略、物色合適及合資格人士出任董事會成員，並挑選個別人士提名出任董事、評估獨立非執行董事之獨立性及就委任或重新委任董事及董事繼任計劃（尤其是主席及副主席）向董事會提出推薦建議。

The duties of the nomination committee include reviewing the structure, size and composition of the Board at least annually, making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, identifying individuals suitably qualified to become members of the Board and selecting individuals nominated for directorship, assessing the independence of the independent non-executive Directors and making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for directors, in particular the chairman and the vice chairman.

提名委員會之具體職權範圍於本公司網站上刊載。提名委員會每年最少舉行一次會議。

The specific terms of reference of the nomination committee are posted on the Company's website. The nomination committee meets at least once a year.

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於回顧年度內，提名委員會已舉行一次會議以檢討董事會架構、人數及組成，並檢討董事會成員多元化政策。

During the year under review, the nomination committee held one meeting to review the structure, size and composition of the Board and to review the Board Diversity Policy.

董事會成員多元化政策

董事會於二零一三年採納了董事會多元化政策（「政策」），並根據董事會於二零一九年三月二十六日通過的決議進行了修訂。其主要條款載列如下。

Board Diversity Policy

The Board adopted a Board Diversity Policy (the “Policy”) in 2013 and amended pursuant to the resolution of the Board passed on 26th March 2019. The key terms of the Policy are set out as follows.

1. 目的

本政策旨在列載董事會為達致成員多元化而採取的方針。

1. Purpose

This Policy aims to set out the approach to achieve diversity in the Board.

2. 願景

本公司明白並深信董事會成員多元化對提升其表現素質有利。

2. Vision

The Company recognises and embraces the benefits of having a diversified Board to enhance the quality of its performance.

3. 政策聲明

為實現可持續和均衡的發展，本公司認為董事會層面的日益多元化是實現其戰略目標和可持續發展的關鍵因素。在實現董事會的多元化方面，將考慮每位董事候選人的若干方面，包括但不限於性別、年齡、文化和教育背景、種族、專業經驗、技能、知識和服務任期。所有董事會委任均以用人唯才為原則，候選人將根據本政策中規定的客觀標準進行考慮，同時適當考慮董事會多元化的裨益。

3. Policy Statement

With a view to achieving a sustainable and balanced development, the Company sees an increase in diversity at the Board level to be an essential element in the attainment of its strategic objectives and sustainable development. In achieving diversity of the Board, a number of aspects of each director candidate will be considered, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and the candidates will be considered based on the objective criteria set out in this Policy having due regard for the benefits of diversity on the Board.

4. 可衡量的目標

選擇董事會成員候選人將基於一系列不同角度，包括但不限於：性別、年齡、文化和教育背景、種族、專業技能和知識，以及工作經驗。董事會將根據候選人可能帶給董事會的優點和貢獻作出最終決定。

4. Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to the candidate's gender, age, cultural and educational background, ethnicity, professional skills and knowledge, and working experience. The ultimate decision will be made by the Board based on the merit and contribution which the candidates may be able to bring to the Board.

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5. 監察及匯報

提名委員會將每年在企業管治報告內彙報董事會在多元化層面的組成，並監察本政策的執行。

6. 檢討本政策

提名委員會將在適當時候檢討本政策，以確保其實施的有效性。提名委員會將會討論任何可能需作出的修訂，並向董事會提出修訂建議以供董事會審批。

董事會認為董事會目前的結構，規模和組成適合使其能夠對管理實踐執行平衡且獨立的監督職能，以補充公司的企業戰略，及由於董事會由不同背景的董事組成，因此董事會已實現多元化。

截至二零一九年十二月三十一日董事會組成分析如下：

5. Monitoring and Reporting

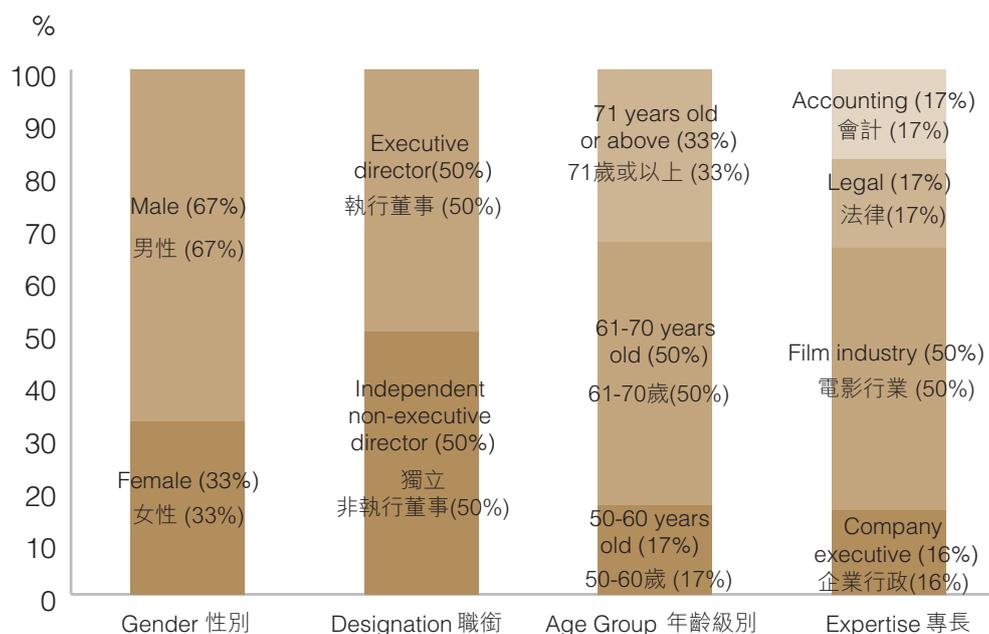
The Nomination Committee will report annually on the Board's composition under the diversified perspectives in the Corporate Governance Report, and monitor the implementation of this Policy.

6. Review of this Policy

The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of its implementation. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

The Board considered that the current structure, size and composition of the Board to be appropriate in enabling it to perform a balanced and independent monitoring function on management practices to complement the Company's corporate strategy and diversity within the Board has been achieved as the Board is composed of director from a diverse range of background.

An analysis of the composition of the Board at 31st December 2019 is set out in the following:



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審核委員會

本公司已遵照上市規則成立審核委員會，並以書面訂明其職權範圍。上市規則第3.21條規定審核委員會必須由至少三名非執行董事組成，而至少一名成員須為獨立非執行董事及必須具備適當專業資格或會計或相關財務管理專業知識。審核委員會之主要職責包括以下各項：

- (a) 於財務報表及報告提交董事會前進行審閱，並考慮外聘核數師提出之任何重大或不尋常項目。
- (b) 根據核數師進行之工作、其費用及聘用條款檢討與外聘核數師之關係，並就委聘、續聘及罷免外聘核數師向董事會提出建議。
- (c) 檢討本公司之財務申報制度、內部監控系統及風險管理系統以及有關程序是否足夠及有效。

審核委員會之其他職責載於本公司網站刊載之具體成文職權範圍內。審核委員會已獲提供充足資源，讓彼等履行其職責。

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with the Listing Rules. Rule 3.21 of the Listing Rules requires that the audit committee must comprise a minimum of three non-executive directors only, at least one of them should be independent non-executive directors with appropriate professional qualifications or accounting or related financial management expertise. The main duties of the audit committee include the followings:

- (a) To review the financial statements and reports and consider any significant or unusual items raised by the external auditor before submission to the Board.
- (b) To review the relationship with the external auditor by reference to the work performed by the auditor, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditor.
- (c) To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

Other duties of the audit committee are set out in its specific terms of reference which are posted on the Company's website. The audit committee is provided with sufficient resources enabling it to discharge its duties.

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於二零一九年十二月三十一日，審核委員會有三名成員，分別為何偉志先生（審核委員會主席）、洪祖星先生及鄧澤林先生，均為獨立非執行董事。概無審核委員會成員在其終止成為合夥人或享有核數公司財務利益之日期起計兩年內，為本公司之現有核數公司之前任合夥人。審核委員會已審閱本集團所採納之會計原則及慣例，並與本公司管理團隊討論內部監控及財務申報事宜。年內，審核委員會已舉行四次會議以審閱本集團之年度報告及中期報告。

審核委員會亦已檢討財務申報及監察程序，以及就本公司之內部監控及風險管理檢討及程序及續聘外聘核數師作出匯報。現時並無任何與可能對本公司能否持續經營產生重大疑問之事件及情況有關之重大不確定因素。董事會及審核委員會就推選、委任、辭任或罷免外聘核數師並無意見分歧。

本集團的外聘核數師為國衛會計師事務所有限公司。國衛會計師事務所有限公司已向審核委員會發出函件，確認該事務所對本公司而言為獨立，並且國衛會計師事務所有限公司與本公司之間不存在任何有可能被合理認為可影響其獨立性的關係。為維持外聘核數師的獨立性，該工作只在不會影響其獨立性並經由審核委員會預先批准的情況下，本公司才會聘用外聘核數師從事非審核工作。年內，外聘核數師向本集團提供了審核和非審核服務。審核服務包括與審核本集團的綜合財務報表有關的審核服務。非審核服務包括刊發特別審核報告或中期審閱或其他監管目的之服務。

As at 31st December 2019, the audit committee has three members, namely Mr. Ho Wai Chi, Paul (chairman of the audit committee), Mr. Hung Cho Sing and Mr. Tang Chak Lam, Gilbert, all being independent non-executive Directors. No member of the audit committee is a former partner of the existing auditing firm of the Company within two years on the date of his ceasing to be a partner or had any financial interest in the auditing firm. The audit committee has reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters with the management team of the Company. During the year, the audit committee held four meetings to review the Group's annual report and interim report.

The audit committee has also reviewed the financial reporting and compliance procedures, report on the company's internal control and risk management review and processes as well as the re-appointment of the external auditor. There is no material uncertainty relating to events and conditions that may cast significant doubt on the Company's ability to continue as a going concern. There is no disagreement between the Board and the audit committee regarding the selection, appointment, resignation or dismissal of external auditor.

The Group's external auditors is HLB Hodgson Impey Cheng Limited. HLB Hodgson Impey Cheng Limited has written to the Audit Committee confirming that they are independent with respect to the Company and that there is no relationship between HLB Hodgson Impey Cheng Limited and the Company which may reasonably be thought to bear on their independence. In order to maintain the external auditors' independence, it would only be employed for non-audit work if the work does not compromise the external auditors' independence and has been pre-approved by the Audit Committee. During the year, the external auditors provided audit services and non-audit services to the Group. Audit services include services provided in connection with the audit of the Group's consolidated financial statements. Non-audit services include services such as issuance of special audit reports or interim review or other regulatory purposes.

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本公司截至二零一九年十二月三十一日止年度之年報已由審核委員會審閱。本年度之財務報表已經由國衛會計師事務所有限公司審核，其任期將於即將舉行之股東週年大會上屆滿。審核委員會已向董事會建議，於本公司應屆股東週年大會上提名委任國衛會計師事務所有限公司為本公司之核數師。

截至二零一九年十二月三十一日止年度，核數師國衛會計師事務所有限公司提供之核數服務及非核數服務之已付及應付費用分別約為1,273,000港元及約為187,000港元。

公司秘書須備存所有審核委員會會議之完整會議記錄。為符合董事會會議及其他委員會會議之常規，審核委員會之會議記錄初稿及最終定稿須於各會議結束後，於切實可行情況下盡快發送予審核委員會之全體成員，以供評論、審批及記錄。

董事進行證券交易之行為守則

本公司已就本公司董事買賣證券，採納載於上市規則附錄十有關上市發行人董事進行證券交易的標準守則（「標準守則」）。在本公司作出特定查詢後，董事會所有成員已確認彼等於截至二零一九年十二月三十一日止年度內，一直遵守標準守則所載之標準要求及其有關董事進行證券交易的行為守則。標準守則亦適用於本集團其他指定高級管理人員。

董事於本公司及其相聯法團的股份之權益載於第47頁至第59頁之「董事報告」一節內。

董事及核數師各自之責任

董事須負責編製真實而公平地反映本集團財務狀況之財務報表。核數師須負責根據審核之結果，對董事編製之財務報表出具獨立意見，並僅向本公司股東報告有關意見。

The Company's annual report for the year ended 31st December 2019 has been reviewed by the audit committee. The financial statements for the year were audited by HLB Hodgson Impey Cheng Limited whose term of office will expire upon the forthcoming annual general meeting. The audit committee has recommended to the Board that HLB Hodgson Impey Cheng Limited be nominated for appointment as the auditor of the Company at the forthcoming annual general meeting.

For the year ended 31st December 2019, the fees paid and payable in respect of audit services and non-audit services provided by the auditors, HLB Hodgson Impey Cheng Limited, amounted to approximately HK\$1,273,000 and approximately HK\$187,000 respectively.

The company secretary keeps full minutes of all audit committee meetings. In line with practices consistent with Board meetings and other committee meetings, draft and final versions of audit committee meeting minutes are circulated to all members of the audit committee for comments, approval and record as soon as practicable after each meeting.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules for securities transactions by directors of the Company. All the members of the Board have confirmed, following specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code and its code of conduct regarding directors securities transactions throughout the year ended 31st December 2019. The Model Code also applies to other specified senior management of the Group.

The directors' interests in shares of the Company and its associated corporations are set out in the section headed "Directors' Report" on pages 47 to 59.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors are responsible for the preparation of the financial statements, which give a true and fair view of the financial position of the Group. The auditors are responsible to form an independent opinion, based on the audit, on the financial statements prepared by the Directors and report the opinion solely to the shareholders of the Company.

企業管治報告 Corporate Governance Report

本公司核數師有關其對綜合財務報表之呈報責任載於第60頁至第68頁之獨立核數師報告內。

The Independent Auditors' Report on pages 60 to 68 set out the reporting responsibilities of the auditors of the Company for the consolidated financial statements.

公司秘書

所有董事均可以取得公司秘書的建議和享用其服務。公司秘書向董事會匯報，並負責確保董事會程序得到遵守、促進董事之間的信息流和相互溝通、以及股東與管理層之溝通。自二零零一年十二月起，黃淑嫻女士獲委任為本公司之公司秘書。於本年度，黃女士符合上市規則的專業培訓要求。

COMPANY SECRETARY

All Directors have access to the advice and services of the company secretary. The company secretary reports to the Board, and is responsible for ensuring that Board procedures are followed and for facilitating information flows and communications among Directors as well as with shareholders and the management. Ms. Wong Shuk Han, Dorothy has been appointed as the company secretary of the Company with effect from December 2001 and Ms. Wong has complied with the professional training requirement of the Listing Rules during the year.

企業管治職能

由於並無成立企業管治委員會，因此董事會須負責執行企業管治職能，包括制定及檢討本公司企業管治之政策及常規、為董事及高級管理層提供持續專業發展，以及確保本公司之政策及常規符合法律及監管規定等。

CORPORATE GOVERNANCE FUNCTION

No corporate governance committee has been established and the Board will therefore be responsible for performing the corporate governance functions such as developing and reviewing the Company's policies, practices on corporate governance, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements etc.

截至二零一九年十二月三十一日止財政年度，董事會已檢討本公司有關企業管治之政策及常規。

During the financial year ended 31st December 2019, the Board has reviewed the Company's policies and practices on corporate governance.

風險管理及內部監控

董事會確認其有責任確保本集團風險管理及內部監控系統行之有效。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for the effectiveness of the Group's risk management and internal control systems.

風險管理程序包括風險識別、風險評估、風險管理以及風險控制及審查。

The risk management process includes risk identification, risk evaluation, risk management and risk control and review.

管理層獲委派於其責任及權力範圍內識別、分析、評估、應對、監控及傳達與任何活動、職務或程序有關風險。

The management is entrusted with duties to identify, analyze, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its scope of responsibility and authority.

企業管治報告 Corporate Governance Report

本集團已於回顧年度內就已實施的系統及程序進行評估，範圍包括財務、營運、合規監控及風險管理職能。實施系統旨在將本集團面臨的風險降至最低，並用作日常業務營運的管理工具。該系統僅提供合理而非絕對保證可避免出現錯誤陳述或損失。

本集團並無內部審核功能。董事會已檢討本公司內部監控系統之效用，目前認為根據本集團業務的規模、性質及複雜性，毋須即時於本集團內設立內部審核功能。該情況將不時進行檢討。

本集團於截至二零一九年十二月三十一日止年度已聘用外聘專業顧問集思廣益有限公司，進行獨立內部監控審閱，有關審閱於本年報日期已完成。

截至二零一九年十二月三十一日止年度，董事會認為本集團的內部監控系統屬足夠及有效，且本公司已遵守守則內有關內部監控的守則條文。

董事會權力之轉授

董事會負責就本集團業務之整體策略性發展作出決定。所有董事均有正式委任書，訂明有關委任之主要條款及條件。由於本集團業務多元化及繁多，有關策略性業務計劃之日常運作及執行之責任已交予本集團管理層。

所有委員會（即審核委員會、薪酬委員會及提名委員會）均有具體職權範圍，明確界定相關委員會之權力及責任。所有委員會須按其職權範圍之規定就其決定、發現或推薦建議向董事會報告，並於若干特定情況下，在採取任何行動前徵求董事會批准。

The Group has conducted a review of the implemented system and procedures, including areas covering financial, operational, compliance controls and risk management functions during the year under review. The systems are implemented to minimise the risk to which the Group is exposed and is used as a management tool for the day-to-day operation of business. The system can only provide reasonable but not absolute assurance against misstatement or losses.

The Group does not have an internal audit function as the Board has reviewed the effectiveness of the internal control system of the Company and is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. The situation will be reviewed from time to time.

The Group had engaged Infinity Concept Ripple Limited, external professional consultant, to conduct independent internal control review for the year ended 31st December 2019 and the review is completed as at the date of this annual report.

For the year ended 31st December 2019, the Board considered the Group's internal control system as adequate and effective and that the Company has complied with the code provisions on internal control of the Code.

DELEGATION BY THE BOARD

The Board is responsible for decisions in relation to the overall strategic development of the Group's business. All Directors have formal letters of appointment setting out key terms and conditions relative to their appointment. Due to the diversity and volume of the Group's business, responsibility in relation to the daily operations and execution of the strategic business plans are delegated to management of the Group.

All committees, namely the audit committee, the remuneration committee and the nomination committee, have specific terms of reference clearly defining the authorities and responsibilities of the respective committees. All committees are required by their terms of reference to report to the Board in relation to their decisions, findings or recommendations, and in certain specific situations, to seek the Board's approval before taking any actions.

企業管治報告 Corporate Governance Report

董事會每年檢討董事會轉授不同委員會之所有權力，確保該等轉授權力乃恰當，並持續對本公司整體有利。

The Board review, on a yearly basis, all delegations by the Board to different committees to ensure that such delegations are appropriate and continue to be beneficial to the Company as a whole.

董事及高級行政人員責任險

本公司已按照董事會之決定為本公司董事會成員及高級管理層投購董事及高級行政人員責任險，以提供足夠承保範圍。

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Insurance cover has been taken out for Directors' and Officers' Liability to provide adequate cover, as determined by the Board, in respect of the Board members and senior management members of the Company.

與股東之關係及溝通

本公司承諾維持高水平之透明度，並向其股東公開及適時披露有關資料。對公平披露及全面透徹報告本公司活動之承諾可在多方面得到反映。

SHAREHOLDERS RELATIONS AND COMMUNICATION

The Company is committed to maintaining a high level of transparency and employs a policy of open and timely disclosure of relevant information to its shareholders. The commitment to fair disclosure and comprehensive and transparent reporting of the Company's activities can be reflected in many aspects.

董事會致力維持與股東持續溝通，股東週年大會則提供一個實用之討論平台，以供董事會與股東交流意見。

In endeavouring to maintain an on-going dialogue with shareholders, the annual general meeting provides a useful forum for shareholders to exchange views with the Board.

主席亦積極參與籌備及親自舉行二零一九年股東週年大會，確保股東意見可傳達董事會。在股東週年大會上，主席就各項個別事宜提呈獨立決議案。

The Chairman was also actively involved in organizing, and personally held the annual general meeting in 2019 in order to ensure that shareholders' views were communicated to the Board. A separate resolution was proposed by the Chairman in respect of each separate issue at the annual general meeting.

股東週年大會之議事程序將不時檢討，以確保本公司遵從最佳企業管治守則。股東週年大會通函於舉行股東週年大會前不少於二十一日發送予各股東，當中載有所提呈每項決議案之詳情、投票表決之程序（包括要求及進行投票表決之程序）及其他有關資料。於本公司之二零一九年股東週年大會上，所有決議案均以投票方式表決，而本公司之香港股份過戶登記分處香港中央證券登記有限公司，乃受聘擔任監票員以確保票數妥為點算。股東之權利及於股東大會上要求就決議案進行投票表決之程序載於公司細則。

The proceedings of the annual general meeting are reviewed from time to time to ensure the Company conforms to the best practices regarding corporate governance. The annual general meeting circular, which is circulated to all shareholders at least twenty-one days prior to the holding of the annual general meeting, sets out the details in relation to each resolution proposed, voting procedures (including procedures for demanding and conducting a poll) and other relevant information. At the Company's 2019 annual general meeting, all the resolutions were put to the vote by poll and Computershare Hong Kong Investor Services Limited, the Company's Hong Kong Branch Share Registrar, was engaged as scrutineer to ensure the votes were properly counted. The rights of shareholders and the procedures for demanding a poll on resolutions at shareholders' meeting are contained in the Bye-laws.

企業管治報告 Corporate Governance Report

本公司亦透過年報及中期報告與股東溝通。董事、公司秘書或其他合適之高級管理層成員亦會就股東及投資者之問題作出迅速回應。

本公司的股東週年大會及其他股東大會是本公司與股東之間的主要溝通方式。鼓勵股東參加股東大會。董事會成員、適當的管理人員和外聘核數師將出席股東週年大會，以在股東大會上回答股東問題。本公司網站向股東提供企業資料，本公司刊發的中期及年度報告，公佈和通函。它還提供有關本集團企業管治以及董事會和董事委員會的組成和職能的信息。

股東權利

股東召開股東特別大會（「股東特別大會」）之程序

持有不少於本公司十分之一繳足股本且已繳付所有到期催繳股款或其他款項之股東之書面要求時，董事會須立即就此召開股東特別大會。

倘董事會並未於有關要求發出日期起計二十一日內召開股東特別大會，則提出該要求人士或彼等當中持有過半數總投票權之任何人士可自行召開股東特別大會，惟任何此等會議不得於原本要求發出日期起計三個月後舉行。

The Company also communicates to its shareholders through its annual and interim reports. The Directors, company secretary or other appropriate members of senior management also respond promptly to inquiries from shareholders and investors.

The annual general meetings and other general meetings of the Company are the primary communication between the Company and the Shareholders. Shareholders are encouraged to participate in general meetings. Board members, appropriate management executives and external auditors will attend annual general meetings to answer Shareholders' questions at the general meetings. The Company's website provides the Shareholders with corporate information, interim and annual reports, announcements and circulars issued by the Company. It also provides information on corporate governance of the Group and the compositions and functions of the Board and the Board committees.

SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene a Special General Meeting (the "SGM")

The Board shall, on the requisition in writing of the shareholders of not less than one-tenth of the paid-up capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene a SGM.

If within twenty-one days of such deposit the Board fails to proceed to convene the SGM, the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a SGM, but any meeting so convened shall not be held after three months from the date of the original deposit.

企業管治報告 Corporate Governance Report

股東向董事會作出查詢之程序

股東可隨時將其查詢及關注以書面形式送交公司秘書，向董事會提出，公司秘書之通訊詳情如下：

香港
干諾道中168-200號
信德中心西翼34樓09室
傳真：(852) 2313 1888
電郵：mail@chinastar.com.hk

股東亦可於本公司股東大會上向董事會作出查詢。

與投資者之關係

本公司致力向股東及投資者公開及適時披露企業資料。本公司透過年報及中期報告以及通告、公佈及通函向股東更新其最新業務發展及財務表現。本公司網站(www.chinastar.com.hk)為大眾及股東提供一個溝通平台。

PROCEDURES FOR DIRECTING SHAREHOLDERS' ENQUIRIES TO THE BOARD

Shareholders may at any time send their enquiries and concerns to the Board in writing through the company secretary whose contact details are as follows:

Unit 3409, Shun Tak Centre, West Tower,
168-200 Connaught Road Central,
Hong Kong
Fax: (852) 2313 1888
Email: mail@chinastar.com.hk

Shareholders may also make enquiries with the Board at the general meetings of the Company.

INVESTOR RELATIONS

The Company is committed to a policy of open and timely disclosure of corporate information to shareholders and investors. The Company updates shareholders on its latest business developments and financial performance through its annual and interim reports and notices, announcements and circulars. The Company's website (www.chinastar.com.hk) provides a communication platform to the public and the shareholders.

企業管治報告 Corporate Governance Report

股息政策

於二零一九年三月二十六日，董事會已批准及採納一項新股息政策。本政策旨在提供本公司股東及潛在投資者本公司之股息政策。

根據新股息政策，本公司並無任何預先釐定之派息比率。宣派、派付及股息之數額均由董事會酌情決定並考慮以下因素：

- a. 本集團之盈利、財務狀況、資本要求及未來計劃；
- b. 本公司股東之權益；
- c. 本公司儲備的可用性；
- d. 本公司向其股東派付股息之合約規限；
- e. 本公司派付股息之法定及監管規限；及
- f. 董事會可能認為有關之任何其他因素。

本公司宣派股息亦受到百慕達一九八一年公司法，上市規則，公司細則以及任何適用法律，規則和法規的任何限制。

憲章文件

截至二零一九年十二月三十一日止年度內，本公司之憲章文件並無任何重大變動。

結論

本公司認為，良好企業管治對維持投資者信心及吸納資金而言誠屬重要。管理層將致力提升及改善本集團之企業管治標準。

DIVIDEND POLICY

The Board has approved and adopted a new dividend policy on 26th March 2019. This policy aims to provide shareholders of the Company and potential investors the dividend policy of the Company.

Under the new dividend policy, the Company does not have any pre-determined dividend payout ratio. The declaration, payment and amount of dividends are subject to the Board's discretion having regard to the following factors:

- a. the earnings, financial condition, capital requirements and future plans of the Group;
- b. the shareholders' interests of the Company;
- c. the Company's availability of reserves;
- d. the contractual restrictions on the payment of dividends by the Company to its shareholders;
- e. the statutory and regulatory restrictions on the payment of dividends by the Company; and
- f. any other factors the Board may consider relevant.

The declaration of dividends by the Company is also subject to any restrictions under the Companies Act 1981 of Bermuda, the Listing Rules, the Bye-laws and any applicable laws, rules and regulations.

CONSTITUTIONAL DOCUMENTS

During the year ended 31st December, 2019, there had been no significant change in the Company's constitutional documents.

CONCLUSION

The Company believes that good corporate governance is significant in maintaining investor confidence and attracting investment. The management will devote considerable effort to strengthen and improve the standards of the corporate governance of the Group.

董事會報告 Directors' Report

董事謹提呈董事報告及截至二零一九年十二月三十一日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股，而本集團主要從事投資、製作、發行以及授權電影及電視連續劇、提供藝人管理服務、物業開發及投資以及提供餐飲服務。

其主要附屬公司及合資企業之業務詳情，分別載於綜合財務報表附註47及22。

業績及分派

本集團截至二零一九年十二月三十一日止年度之業績分別載於第69頁及第70頁及第71頁之綜合收入表及綜合全面收入表內。

本集團於二零一九年十二月三十一日之財務狀況載於第72頁及第73頁之綜合財務狀況表。

年內，本集團向本公司股東及紅利可換股債券持有人宣派特別中期股息每股12.50港仙，合共339,008,000港元。經本公司股東於二零一九年九月二十七日舉行之股東特別大會上批准後，該特別中期股息已於二零一九年十月十八日自本公司之繳入盈餘賬派付。

董事不建議派發截至二零一九年十二月三十一日止年度之末期股息。

The directors present their report and the audited financial statements for the year ended 31st December 2019.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the Group is principally engaged in investment, production, distribution and licensing of films and television drama series, provision of artist management services, properties development and investment and provision of catering services.

The activities of its principal subsidiaries and joint venture are set out in notes 47 and 22 to the consolidated financial statements respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December 2019 are set out in the consolidated income statement and consolidated statement of comprehensive income on pages 69 and 70 and page 71 respectively.

The financial position of the Group as at 31st December 2019 is set out in the consolidated statement of financial position on pages 72 and 73.

During the year, the Group declared a special interim dividend of HK12.50 cents per share in aggregate amount of HK\$339,008,000 to the shareholders and the bonus convertible bondholders of the Company. The special interim dividend has been paid on 18th October 2019 out of the Company's contributed surplus after the approval by the shareholders of the Company in a special general meeting held on 27th September 2019.

The directors do not recommend the payment of a final dividend for the year ended 31st December 2019.

董事會報告 Directors' Report

業務回顧

本集團之業務回顧，有關其發展、經營表現及財務狀況之論述及分析以及於截至二零一九年十二月三十一日止年度後發生而涉及本集團的重要事項詳情，分別載於第4頁至第8頁、第9頁至第20頁及第254頁至第255頁的「主席報告」、「管理層論述及分析」及「五年財務概要」內。上述論述構成本報告之一部分。

與僱員、客戶及供應商之關係

本集團業務之表現及業績受多個重要因素影響，包括與僱員、客戶及供應商的關係。董事會相信，僱員乃本集團之一個最重要資產。本公司將致力確保其僱員之薪酬水平與相關行業慣例及當前市況看齊。僱員薪酬將基於其表現釐訂。僱員福利詳情載錄於本年報「管理層論述及分析」一節。

此外，董事會十分重視與本公司客戶及供應商的長期穩定關係，重視其對本集團業務持續成功和增長的作用。整體而言，本公司會通過向客戶提供優質服務及致力達到相關行業的最快回應時間和最高的客戶滿意度來加強其客戶服務。

供應鏈是我們各個經營業務的重要一環。我們的供應商必須達到保安、安全、成本、質量、交付及可靠性等選拔標準。本集團將與合資格供應商訂立供應商協議，為了確保達到我們標準及符合預算成本的服務和產品。

本集團不斷努力與客戶及供應商建立互信，注重互利，成就了彼此間的長期關係。

BUSINESS REVIEW

The Group's business review, discussion and analysis of the development, operating performance and financial position and particulars of important events affecting the Group that have occurred since the end of the year ended 31st December 2019 are set out in sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Five Year Financial Summary" on pages 4 to 8, pages 9 to 20 and pages 254 to 255 respectively. Such discussions constitute part of this report.

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The performance and results of the Group's businesses are subject to various important factors, including the relationship with its employees, customers and suppliers. The Board believes that the employees are one of the Group's most important assets. The Company will strive to ensure that the remuneration level of its employees is in line with relevant industry practices and prevailing market conditions. Remunerations of employees will be determined based on their performance. Details of employees benefits are included in the section headed "Management Discussion and Analysis" in this annual report.

In addition, the Board places great emphasis on a long-term and stable relationship with the Company's customers and suppliers for the continuous success and growth of the Group's businesses. Generally, the Group strengthen its customer service by providing superior quality service to the users, and strive to achieve the fastest response times and highest customer satisfaction levels in the relevant industry.

Supply chain is a critical part of all our operations. Our suppliers must meet our selection criteria, which include security, safety, cost, quality, delivery and reliability. The Group will enter into suppliers' agreements with qualified suppliers in order to secure our services and products are being supplied to our standard within our budgeted costs.

The Group's continuous effort to build trust and emphasise mutual benefits with its customers and suppliers has contributed to the long-term relationships with them.

董事會報告 Directors' Report

主要風險及不明朗因素

本集團所面對的可能業務風險及不明朗因素、利率風險及外匯風險載於第9頁至第20頁之「管理層論述及分析」一節。本集團之金融風險管理目標及政策載於綜合財務報表附註5。

環境政策及表現

本集團承諾以環保方式經營各個不同業務分類。本集團亦會教育其員工有關促進「綠色」環境的意識。董事會相信以環保方式經營本公司旗下各不同業務，對履行本公司企業社會責任至關重要。

本集團之辦公室已廣泛採納綠色行動和措施。這些行動包括節能措施和實踐節約用水、使用可再生紙、循環再用廢紙及鼓勵建立無紙環境等。

有關本集團環境政策及表現之詳情將於不遲於二零二零年六月三十日刊發之本集團環境、社會及管治報告中披露。

PRINCIPAL RISKS AND UNCERTAINTIES

The possible business risks and uncertainties, interest rate risk and foreign exchange risk facing by the Group are set out in section headed "Management Discussion and Analysis" on pages 9 to 20. The financial risk management objectives and policies of the Group are set out in note 5 to the consolidated financial statements.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to operating its various business segments in an environmentally-friendly manner. The Group also educates its employees on their awareness in promoting a "green" environment. The Board believes that operating the Company's businesses in an environmentally-friendly manner is crucial to fulfilling the Company's corporate social responsibilities.

Green initiatives and measures have been adopted in the offices of the Group. Such initiatives include energy saving measures and water saving practices, use of recycling papers, recycling of used papers and encourage paperless environment.

Details of the environmental policies and performance of the Group will be disclosed in our environmental, social and governance report to be published before 30th June 2020.

董事會報告 Directors' Report

遵守法律及規例

就董事會所知，於截至二零一九年十二月三十一日止年度內，本集團已遵守對本集團業務營運有重大影響的法律及規定。此外，由於本公司股份在香港聯合交易所有限公司（「聯交所」）主板上市，本公司亦須遵守聯交所上市規則（「上市規則」）及證券及期貨條例（「證券及期貨條例」）之規則及規定。

五年財務概要

本集團截至二零一九年十二月三十一日止最近五個財政年度之業績及資產與負債之概要載於第254頁及255頁。

物業、機器及設備、租賃土地權益及投資物業

本集團之物業、機器及設備、租賃土地權益及投資物業於年內之變動詳情，分別載於綜合財務報表附註17、18及19。

物業存貨

本集團之物業存貨於年內之變動詳情載於綜合財務報表附註24。

借貸

本集團有關於銀行借貸及租賃負債之借貸於年內之變動詳情分別載於綜合財務報表附註39及36。

COMPLIANCE WITH LAWS AND REGULATIONS

To the best knowledge of the Board, during the year ended 31st December 2019, the Group has complied with the relevant laws and regulations that have a significant impact on the business and operation of the Group. Furthermore, as the shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company is also subject to the rules and requirements under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and the Securities and Futures Ordinance (the "SFO").

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years ended 31st December 2019 is set out on pages 254 and 255.

PROPERTY, PLANT AND EQUIPMENT, INTERESTS IN LEASEHOLD LAND AND INVESTMENT PROPERTIES

Details of movements during the year in the property, plant and equipment, interests in leasehold land and investment properties of the Group are set out in notes 17, 18 and 19 to the consolidated financial statements respectively.

STOCK OF PROPERTIES

Details of movements during the year in stock of properties of the Group are set out in note 24 to the consolidated financial statements.

BORROWINGS

Details of movements during the year in borrowings regarding bank borrowing and lease liabilities of the Group are set out in notes 39 and 36 to the consolidated financial statements respectively.

董事會報告 Directors' Report

股本

本公司之股本於年內之變動詳情載於綜合財務報表附註34。

於二零一九年十二月三十一日，本公司已發行股本總額由2,711,000,479股每股0.01港元之普通股組成。

儲備

本集團於年內之儲備變動詳情載於第74頁至第76頁綜合權益變動表。本公司於年內之儲備變動載於綜合財務報表附註48。

可分派儲備

於二零一九年十二月三十一日，本公司之可分派儲備約為2,504,465,000港元(二零一八年：2,921,875,000港元)。

主要客戶及供應商

截至二零一九年十二月三十一日止年度，本集團五大客戶應佔收益合共佔本集團收益約28%。本集團最大客戶應佔收益佔本集團收益約11%。

截至二零一九年十二月三十一日止年度，本集團五大供應商應佔採購額合共佔本集團採購額約96%。本集團最大供應商應佔採購額佔本集團採購額約95%。

各董事、彼等之緊密聯繫人士或任何股東(就董事所知擁有本公司已發行股本5%以上者)於本集團五大客戶或五大供應商中概無擁有任何權益。

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 34 to the consolidated financial statements.

As at 31st December 2019, the total issued share capital of the Company consisted of 2,711,000,479 ordinary shares of HK\$0.01 each.

RESERVES

Movements during the year in the reserves of the Group are set out in the consolidated statement of changes in equity on pages 74 to 76. Movements during the year in the reserves of the Company are set out in note 48 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company amounted to approximately HK\$2,504,465,000 as at 31st December 2019 (2018: HK\$2,921,875,000).

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st December 2019, revenue attributable to the five largest customers of the Group accounted for approximately 28% of the Group's revenue and revenue attributable to the Group's largest customer accounted for approximately 11% of the Group's revenue.

For the year ended 31st December 2019, purchases attributable to the five largest suppliers of the Group accounted for approximately 96% of the Group's purchases and purchases attributable to the Group's largest supplier accounted for approximately 95% of the Group's purchases.

None of the directors, their close associates or any shareholders (which to the knowledge of the directors owned more than 5% of the Company's issued share capital) had any interests in the Group's five largest customers or five largest suppliers.

董事會報告 Directors' Report

董事

本年度及截至本年報刊發日期在任之董事如下：

執行董事：

向華強先生
陳明英女士
李玉嫦女士

獨立非執行董事：

洪祖星先生
何偉志先生
鄧澤林先生

根據本公司之公司細則第99(A)條，何偉志先生及鄧澤林先生將於即將舉行之股東週年大會上輪值告退，惟彼等符合資格並願意膺選連任。

根據本公司之公司細則，各獨立非執行董事可留任直至須輪值告退為止。

擬於即將舉行之股東週年大會上膺選連任之董事並無與本公司或其任何附屬公司簽訂任何不可於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

董事及高級管理人員履歷

本集團董事及高級管理人員履歷載於第21頁至第25頁。

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Mr. Heung Wah Keung
Ms. Chen Ming Yin, Tiffany
Ms. Li Yuk Sheung

Independent non-executive directors:

Mr. Hung Cho Sing
Mr. Ho Wai Chi, Paul
Mr. Tang Chak Lam, Gilbert

Under Bye-law 99(A) of the Company's Bye-laws, Mr. Ho Wai Chi, Paul and Mr. Tang Chak Lam, Gilbert shall retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The term of office for each independent non-executive director is the period up to his retirement by rotation in accordance with the Company's Bye-laws.

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation (other than statutory compensation).

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 21 to 25.

董事會報告 Directors' Report

關連人士交易

於年度內，本集團曾與根據適用會計政策被視為「關連人士」之人士進行若干交易。有關交易主要由本集團在日常業務過程中訂立，屬一般商業條款並經公平磋商始行訂立。有關詳情載於綜合財務報表附註46。

該等交易不構成本集團根據上市規則第14A章須予披露之「持續關連交易」或「關連交易」。

董事於重大交易、安排及合約之權益

於年度終結或年內任何時間，並無任何由本公司或其任何附屬公司參與訂立與本公司董事或與本公司董事有關連之個體直接或間接擁有重大權益之重大交易、安排及合約。

董事之服務合約

概無董事與本公司訂立規定本公司須給予超過一年之通知期，或支付相等於超過一年酬金之報酬或其他付款之服務合約。

董事資料變動

自本公司二零一八年年報日期起根據上市規則第13.51B條須予披露的董事資料變動載列如下：

本公司獨立非執行董事洪祖星先生已辭任寰宇娛樂文化集團有限公司(股份代號：1046)之非執行董事，並自二零一九年七月三十一日起生效。

捐款

本集團於本年度內作出慈善捐款及其他捐款約252,000港元。

RELATED PARTY TRANSACTIONS

During the year, the Group entered into certain transactions with parties regarded as "Related Parties" under applicable accounting principles. These mainly relate to transactions entered into by the Group in the ordinary course of business, negotiated on normal commercial terms and on an arm's length basis. Particulars are set out in note 46 to the consolidated financial statements.

These transactions do not constitute "continuing connected transaction" or "connected transaction" of the Group that need to be disclosed pursuant to Chapter 14A of the Listing Rules.

DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT AND CONTRACT OF SIGNIFICANCE

No transaction, arrangement and contract of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company or an entity connected with a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' SERVICE CONTRACTS

None of the directors has a service contract with the Company which requires the Company to give a period of notice of more than one year, or to pay compensation or make other payments equivalent to more than one year's emolument.

CHANGES IN INFORMATION OF DIRECTORS

The changes in information of directors as required to be disclosed pursuant to Rule 13.51B of the Listing Rules since the date of the 2018 Annual Report of the Company are set out below:

Mr. Hung Cho Sing, an independent non-executive director of the Company, resigned as non-executive director of Universe Entertainment and Culture Group Limited (Stock code: 1046) with effect from 31st July 2019.

DONATIONS

The Group made charitable donations and other donation during the year of approximately HK\$252,000.

董事會報告 Directors' Report

董事之股份權益

根據本公司按證券及期貨條例第352條存置之登記冊(「權益登記冊」)所載，或根據《上市發行人董事進行證券交易的標準守則》(「標準守則」)須通知本公司及聯交所之規定，於二零一九年十二月三十一日，各董事及彼等之聯繫人士所擁有本公司及其相聯法團之股份權益如下：

本公司普通股權益

董事姓名 Name of director	身份 Capacity	所持股份數目 Number of shares held	所持權益 百分比約數 Approximate percentage of interests held
向華強先生 Mr. Heung Wah Keung	受控法團之權益 Interest of controlled corporation	1,611,135,595*	59.42
陳明英女士 Ms. Chen Ming Yin, Tiffany	受控法團之權益 Interest of controlled corporation	1,611,135,595*	59.42

上述權益皆為好倉。

* 此等股份當中1,611,133,951股股份由向先生及陳女士分別控制50%及50%權益之公司Heung Wah Keung Family Endowment Limited持有及1,644股股份由陳女士及向先生分別實益擁有60%及40%權益之公司多實有限公司持有。

除上述所披露者外，於二零一九年十二月三十一日，根據權益登記冊所記錄或根據標準守則須通知本公司及聯交所之規定，本公司董事及最高行政人員或彼等之聯繫人士並無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中擁有任何權益或淡倉。

DIRECTORS' INTERESTS IN SHARES

As at 31st December 2019, the interests of the directors and their associates in the shares of the Company and its associated corporations, as recorded in the register ("Register of Interests") maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

Interests in ordinary shares of the Company

所持股份數目 Number of shares held	所持權益 百分比約數 Approximate percentage of interests held
1,611,135,595*	59.42
1,611,135,595*	59.42

All interests stated above represent long positions.

* These shares are held as to 1,611,133,951 shares by Heung Wah Keung Family Endowment Limited (a company owned as to 50% by Mr. Heung and as to 50% by Ms. Chen) and as to 1,644 shares by Dorest Company Limited (a company beneficially owned as to 60% by Ms. Chen and as to 40% by Mr. Heung).

Other than as set out above, as at 31st December 2019, none of the directors or chief executives of the Company or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the Register of Interests or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事會報告 Directors' Report

董事購買股份或債券之權利

本公司或其任何附屬公司於年內任何時間並無參與任何安排，致使本公司之董事或彼等各自之緊密聯繫人士（定義見上市規則）可藉購入本公司或任何其他法人團體任何股份或債券而獲益。

主要股東

於二零一九年十二月三十一日，根據證券及期貨條例第336條本公司須予備存之主要股東登記名冊所記錄，除上文所披露若干董事之權益外，以下股東擁有本公司已發行股本5%或以上之權益：

名稱 Name	身份 Capacity	所持股份或相關股份數目 Number of shares or underlying shares held	所持權益百分比約數 Approximate percentage of interests held
Heung Wah Keung Family Endowment Limited	實益擁有人 Beneficial owner	1,611,133,951	59.42

上述權益皆為好倉。

除上文所披露者外，於二零一九年十二月三十一日，本公司並未獲知會有任何其他人士擁有本公司已發行股本5%或以上之權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company or their respective close associates (as defined under the Listing Rules) to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

As at 31st December 2019, the register of substantial shareholders maintained by the Company under Section 336 of the SFO showed that, other than the interests disclosed above in respect of certain directors, the following shareholders had an interest of 5% or more in the issued share capital of the Company:

All interests stated above represent long positions.

Other than as disclosed above, the Company had not been notified of any other interests or short positions representing 5% or more of the Company's issued share capital as at 31st December 2019.

董事會報告 Directors' Report

退休福利計劃

本集團之退休福利計劃詳情載於綜合財務報表附註16。

RETIREMENT BENEFITS SCHEMES

Particulars of the retirement benefits schemes of the Group are set out in note 16 to the consolidated financial statements.

購買、出售或贖回本公司之上市證券

於截至二零一九年十二月三十一日止年度內，本公司於聯交所購回其普通股，如下：

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

During the year ended 31st December 2019, the Company repurchased its own ordinary shares on the Stock Exchange as follows:

購回月份 Month of repurchase	普通股數目 Number of ordinary shares	每股價格 Price per share		已付總代價 Aggregate consideration paid
		最高 Highest	最低 Lowest	
		港元 HK\$	港元 HK\$	港元 HK\$
二零一九年五月 May 2019	74,280,000	0.80	0.74	57,795,900
二零一九年六月 June 2019	15,830,000	0.76	0.75	11,892,000
	<u>90,110,000</u>			<u>69,687,900</u>

上述90,110,000股普通股已於二零一九年六月十九日註銷。

The above 90,110,000 ordinary shares were cancelled on 19th June 2019.

董事認為本公司股份之成交價較每股股份之資產淨值有折讓，購回將會增加本公司每股股份之資產淨值。

The directors considered that the Company's shares were trading at a discount to the net asset value per share, the repurchase would increase the net asset value per share of the Company.

除上文所披露者外，於截至二零一九年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

Other than as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31st December 2019.

董事會報告 Directors' Report

薪酬政策

本集團僱員之薪酬政策由薪酬委員會根據僱員功績、履歷及資歷決定。

本公司董事之酬金由薪酬委員會因應彼等於本公司之職責及責任而釐定。董事之酬金詳情載於綜合財務報表附註15。

本公司採納購股權計劃作為對董事及合資格僱員之鼓勵，有關本公司之購股權計劃詳情載於綜合財務報表附註45。

股票掛鈎協議

除本公司購股權計劃外，本公司概無訂立於年內或於年結時存續之股票掛鈎協議而將會或可能導致本公司發行股份或規定本公司訂立任何協議而將會或可能導致本公司發行股份。

購股權計劃

根據於二零一二年六月二十八日舉行之本公司股東特別大會上通過之一項決議案，本公司採納了一項新購股權計劃（「購股權計劃」）以取代於二零零二年一月二十一日採納的購股權計劃。本公司購股權計劃詳情載於綜合財務報表附註45。

於二零一九年十二月三十一日，除購股權計劃外，本公司並無設立其他購股權計劃。

於截至二零一九年十二月三十一日止年度內概無購股權尚未行使、獲授出、行使、失效、已屆滿或註銷。

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to their duties and responsibilities in the Company. Details of the emoluments of the directors are set out in note 15 to the consolidated financial statements.

The Company has adopted share option schemes as an incentive to directors and eligible employees, details of the share option schemes of the Company are set out in note 45 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year, except for the share option schemes of the Company.

SHARE OPTION SCHEME

Pursuant to a resolution passed at a special general meeting of the Company held on 28th June 2012, the Company adopted a new share option scheme (the "Option Scheme") to replace the share option scheme adopted on 21st January 2002. Particulars of the Company's share option schemes are set out in note 45 to the consolidated financial statements.

Apart from the Option Scheme, the Company has no other share option scheme in place as at 31st December 2019.

No share option was outstanding, granted, exercised, lapsed, expired or cancelled during the year ended 31st December 2019.

董事會報告 Directors' Report

獲准許的彌償條文

於截至二零一九年十二月三十一日止年度內及直至本年報日期，本公司已承諾並購買集體責任保險，保障（其中包括）本公司及其「聯營公司」（定義見香港法例第622章公司條例）的全體董事。

管理合約

年內概無訂立或已存關乎本公司整體或任何重大部分業務的管理及行政工作之合約。

競爭權益

本公司董事或彼等各自之緊密聯繫人士概無於與本集團之業務競爭或可能競爭之業務中擁有任何權益。

優先購買權

本公司之公司細則或百慕達法例均無有關優先購買權之條文，規定本公司須按持股比例向現有股東發售新股份。

企業管治

本公司致力於維持高質素之企業管治水平。有關本公司採納之企業管治常規的資料載於第26頁至第46頁「企業管治報告」一節內。

公眾持股量

根據本公司得悉的公開資料及本公司董事所知悉，本公司於本年度內及截至本報告日止已按照上市規則規定維持指定數額的公眾持股量。

PERMITTED INDEMNITY PROVISIONS

During the year ended 31st December 2019 and up to the date of this annual report, the Company has undertaken and maintained a collective liability insurance policy covering, among others, all directors of the Company and its "associated companies" (as such term is defined under the Companies Ordinance (Chapter 622 of the laws of Hong Kong)).

MANAGEMENT CONTRACTS

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

COMPETING INTEREST

None of the directors of the Company or their respective close associates had any interest in a business which competes with or may compete with the business of the Company.

PRE-EMPTIVE RIGHTS

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

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the section headed "Corporate Governance Report" on pages 26 to 46.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, the Company has maintained the prescribed amount of public float during the year and up to the date of this report as required under the Listing Rules.

董事會報告 Directors' Report

獨立核數師

本公司財務報表已由國衛會計師事務所有限公司審核，彼於即將舉行之股東週年大會上退任，惟彼合符資格並願意膺選連任為本公司核數師。本公司將於即將舉行之股東週年大會上提呈一項決議案委任國衛會計師事務所有限公司為本公司來年之核數師。

INDEPENDENT AUDITORS

The financial statements of the Company have been audited by HLB Hodgson Impey Cheng Limited who retire and, being eligible, offer themselves for re-appointment as auditors of the Company at the forthcoming annual general meeting. A resolution for the appointment of HLB Hodgson Impey Cheng Limited as the auditors of the Company for the subsequent year is to be proposed at the forthcoming annual general meeting.

承董事會命
主席
向華強

香港，二零二零年三月三十日

On behalf of the Board
Heung Wah Keung
Chairman

Hong Kong, 30th March 2020

獨立核數師報告 Independent Auditors' Report



國衛會計師事務所有限公司
HODGSON IMPEY CHENG LIMITED

香港
中環畢打街11號
置地廣場
告羅士打大廈31樓

31/F Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

獨立核數師報告

致中國星集團有限公司全體股東
(於百慕達註冊成立之有限公司)

意見

吾等已完成審核列載於第69頁至第253頁中國星集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)之綜合財務報表，其包括於二零一九年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合收入表、綜合全面收入表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實兼公正地顯示 貴集團於二零一九年十二月三十一日之綜合財務狀況，及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為編製。

意見的基礎

吾等根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。在該等準則下，吾等的責任在吾等的報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據香港會計師公會的「專業會計師道德守則」(「守則」)，吾等獨立於 貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的審核意見提供基礎。

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of China Star Entertainment Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 69 to 253, which comprise the consolidated statement of financial position at 31st December 2019, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group at 31st December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

獨立核數師報告 Independent Auditors' Report

關鍵審核事項

根據吾等之專業判斷，關鍵審核事項為吾等審核本期間的綜合財務報表中最重要的事項。吾等在審核綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。

關鍵審核事項

Key audit matter

物業存貨之賬面值

Carrying amounts of stock of properties

茲提述綜合財務報表附註24。

Refer to note 24 to the consolidated financial statements.

於二零一九年十二月三十一日，位於澳門之物業存貨之賬面值約為3,047,123,000港元，對 貴集團資產總值屬重大。

At 31st December 2019, the carrying amounts of stock of properties located in Macau was approximately HK\$3,047,123,000, which was significant to the Group's total assets.

KEY AUDIT MATTERS

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

吾等之審計工作如何處理關鍵審核事項

How our audit addressed the key audit matter

吾等有關管理層對物業存貨之賬面值的評估之審核程序包括但不限於：

Our audit procedures in relation to the management's assessment of the carrying amounts of stock of properties including but not limited to:

- 檢查管理層的計算與往年所用方法是否一致；
checking the consistency of management's calculations against the methodology used in the prior years;
- 評核物業面積，方法是將之與經由相關機構核實並確認之面積比較；
evaluating the properties areas by comparing them with the areas which were verified and confirmed by the relevant institution;
- 檢驗估計售價，方法是將之與鄰近物業的近期售價及近期可獲取的公開銷售資料比較；
examining the estimated sales price by comparing it with the recent sales price and recently available public sales information of neighbouring properties;
- 評估所用資料來源的公正性及恰當性；
assessing the fairness and appropriateness of the source of information used;

獨立核數師報告 Independent Auditors' Report

關鍵審核事項 (續)

KEY AUDIT MATTERS (Continued)

關鍵審核事項

吾等之審計工作如何處理關鍵審核事項

Key audit matter

How our audit addressed the key audit matter

物業存貨之賬面值 (續)

Carrying amounts of stock of properties (Continued)

由於澳門特別行政區政府(「澳門政府」)造成的延誤，位於外港填海區第6B地段(「第6B地段」)之物業發展未能開展，而持續存在有關土地租賃條款的訴訟，更導致澳門政府開始收回土地之行政工作。

The development of the property located in Lot 6B at Zona de Aterros do Porto Exterior (ZAPE) ("Lot 6B") could not commence development due to the delays caused by the government of Macau Special Administrative Region (the "Macau Government") and the Macau Government has started the administrative work to reclaim it as a consequence of ongoing litigation in respect of the terms of the land lease.

管理層乃參照類同物業近期的售價減去銷售開支而釐定物業存貨的可變現淨值，其中涉及管理層的判斷及估計。

Management determined the net realisable values of stock of properties by reference to recent sales price of similar properties less selling expenses, which involve managements' judgement and estimation.

吾等有關管理層對物業存貨之賬面值的評估之審核程序包括但不限於：(續)

Our audit procedures in relation to the management's assessment of the carrying amounts of stock of properties including but not limited to: (continued)

- 到物業存貨作實地考察以觀察發展進度，並評核各項目的發展進度是否與發展計劃相符；
conducting site visits to stock of properties projects to observe the development progress and evaluating whether the development progress for each project was consistent with the development plan;
- 檢視就評估有關第6B地段之土地租賃的法庭司法程序的結果管理層所提及的外部法律意見及其他文件；
inspecting the external legal opinion and other documentation referred to by management in its assessment of the outcome of the court proceedings in relation to the litigation in respect of the land lease for the Lot 6B;
- 參考項目預算等資料而評核將招致的建築成本及銷售開支；及
evaluating the construction costs to be incurred and selling expenses by reference to information such as project budgets; and

獨立核數師報告 Independent Auditors' Report

關鍵審核事項 (續)

KEY AUDIT MATTERS (Continued)

關鍵審核事項

吾等之審計工作如何處理關鍵審核事項

Key audit matter

How our audit addressed the key audit matter

物業存貨之賬面值 (續)

Carrying amounts of stock of properties (Continued)

吾等有關管理層對物業存貨之賬面值的評估之審核程序包括但不限於：(續)

Our audit procedures in relation to the management's assessment of the carrying amounts of stock of properties including but not limited to: (continued)

- 評估外聘估值師之客觀性、獨立性及專業才能，並將吾等之測試結果與外聘估值師所作估值比較。
assessing the objectivity, independence and expertise of the external valuers, and compared out test results with the valuations made by the external valuers.

吾等發現物業存貨之賬面值均有可獲取的憑證作為支持。

We found the carrying amounts of stock of properties were supported by the available evidence.

獨立核數師報告 Independent Auditors' Report

關鍵審核事項 (續)

KEY AUDIT MATTERS (Continued)

關鍵審核事項

吾等之審計工作如何處理關鍵審核事項

Key audit matter

How our audit addressed the key audit matter

電影版權及製作中電影之減值評估

Impairment assessment on film rights and films in progress

茲提述綜合財務報表附註25及26。

Refer to notes 25 and 26 to the consolidated financial statements.

於二零一九年十二月三十一日，電影版權及製作中電影之賬面值分別為12,792,000港元及115,156,000港元。At 31st December 2019, the carrying amounts of film rights and films in progress were HK\$12,792,000 and HK\$115,156,000 respectively.

吾等集中審視該等範疇，乃因管理層所作評估涉及應用判斷，並需基於假設及估計作出。

We focused on these areas as the assessment made by management involved application of judgements and was based on assumptions and estimates.

釐定電影版權及製作中電影需否作減值時，管理層會考慮 貴集團所訂立的發行及授權協議以及當前市況而預測預期將從票房進賬及發行及授權收入收到的現金流量。減值虧損乃就可收回金額低於賬面值之期間確認。截至二零一九年十二月三十一日止年度，已分別就電影版權及製作中電影確認減值虧損125,246,000港元及10,275,000港元。

In determining whether impairment on film rights and films in progress is required, management takes into consideration of the distribution and licensing agreements entered into by the Group and the current market environment to project cash flows expected to be received through film box office receipts and distribution and licensing income. Impairment loss is recognised in the period in which the recoverable amount is less than the carrying amount. During the year ended 31st December 2019, impairment loss of HK\$125,246,000 and HK\$10,275,000 was recognised in respect of film rights and films in progress respectively.

吾等有關電影版權及製作中電影之減值評估的審核程序包括但不限於：

Our audit procedures in relation to impairment assessment on film rights and films in progress including but not limited to:

- 了解管理層對電影版權及製作中電影進行減值評估的程序； understanding the process of how management performs impairment assessment on the film rights and films in progress;
- 評核管理層於釐定電影版權及製作中電影之可收回金額時所採用方法的恰當性；及 evaluating the appropriateness of the methodology used by management in determining the recoverable amounts of the film rights and films in progress; and
- 評核未來現金流量預測中所用假設的合理性，並質問管理層有關其對電影版權及製作中電影將產生的預期收益的評估，方法為將電影預算概要與發行及授權協議之合約金額核對，以及將估計電影票房進賬與曾上映的類似電影的歷史趨勢作查對。 evaluating the reasonableness of the assumptions used in the future cash flow projection and challenging the management's assessment on the expected revenue to be generated from film rights and films in progress by checking the film budget summary to the contracted amounts of the distribution and licensing agreements and the estimated film box office receipts to the historical trend of similar film released.

吾等發現電影版權及製作中電影之減值評估均有可獲取的憑證作為支持。

We found the impairment assessment on film rights and films in progress were supported by the available evidence.

獨立核數師報告 Independent Auditors' Report

其他資料

董事須對其他資料承擔責任。其他資料包括載於年報之資料，惟不包括綜合財務報表及吾等之核數師報告（「其他資料」）。

吾等對綜合財務報表所作出意見並不涵蓋其他資料，而吾等不會對其他資料發表任何形式的鑒證結論。

就吾等審核綜合財務報表而言，吾等之責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已進行之工作認為其他資料出現重大錯誤陳述，吾等須報告有關事實。就此而言，吾等無需作出報告。

董事及審核委員會就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則的規定及香港公司條例的披露要求，編製真實而中肯地反映情況的綜合財務報表，並對其認為為使財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項。除非董事擬將 貴集團清盤或停止營運，或除此之外並無其他實際可行的替代方案，否則須採用以持續經營為會計基礎。

審核委員會負責監督 貴集團的財務報告過程。

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon (the "Other Information").

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

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

RESPONSIBILITIES OF THE DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

獨立核數師報告 Independent Auditors' Report

核數師就審核綜合財務報表須承擔的責任

吾等之目標為對綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發出具有吾等意見的核數師報告。吾等按照百慕達一九八一年公司法第90節僅向全體股東報告，除此以外本報告不作其他用途。吾等概不就本報告的內容對任何其他人士負上或承擔任何責任。合理保證屬高層次之保證，惟根據香港審計準則進行之審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據此等綜合財務報表作出的經濟性決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審計的過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

獨立核數師報告 Independent Auditors' Report

核數師就審核綜合財務報表須承擔的責任 (續)

- 評核董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營為會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，應當發表非無保留意見。吾等結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評核綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團之個體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等為審核意見承擔全部責任。

吾等與審核委員會就(其中包括)審計工作的計劃範圍、時間安排及重大審計結果溝通，包括吾等在審計過程中識別的內部監控的任何重大缺失。

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

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

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

獨立核數師報告 Independent Auditors' Report

核數師就審核綜合財務報表須承擔的責任 (續)

吾等亦向審核委員會作出聲明，指出吾等已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性的所有關係及其他事宜，以及相關防範措施(如適用)。

從與審核委員會溝通的事項中，吾等釐定對本期間綜合財務報表的審計至關重要的事項，因而構成關鍵審核事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在吾等報告中溝通某事項造成的負面後果超出產生的公眾利益，則吾等決定不應在報告中描述該事項。

出具本獨立核數師報告的審計項目董事為吳家華。

國衛會計師事務所有限公司

執業會計師

吳家華

執業證書編號：P06417

香港，二零二零年三月三十日

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

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

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

The engagement director on the audit resulting in this independent auditors' report is Ng Ka Wah.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Ng Ka Wah

Practicing Certificate Number: P06417

Hong Kong, 30th March 2020

綜合收入表 Consolidated Income Statement

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

			二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
	附註 Notes			
持續經營業務	Continuing operations			
收益	Revenue	7	7,053	3,493
銷售成本	Cost of sales		(1,998)	–
			5,055	3,493
毛利	Gross profit			
其他收益及其他收入	Other revenue and other income	8	95,252	84,725
行政開支	Administrative expenses		(78,546)	(84,312)
市場推廣及發行開支	Marketing and distribution expenses		(29,167)	(91)
透過損益以公平價值列賬之 金融資產之公平價值變動 所產生之虧損	Loss arising on change in fair value of financial assets at fair value through profit or loss		(183,582)	(360,209)
其他經營開支	Other operating expenses		(144,030)	(45,993)
			(335,018)	(402,387)
經營虧損	Loss from operations			
融資成本	Finance costs	9	(408)	(2,835)
應佔一間合資企業虧損	Share of loss of a joint venture		(270)	(114)
			(335,696)	(405,336)
除稅前虧損	Loss before tax	10		
所得稅開支	Income tax expense	11	(35)	–
			(335,731)	(405,336)
持續經營業務之年度虧損	Loss for the year from continuing operations			
			(335,731)	(405,336)
已終止經營業務	Discontinued operation	13		
已終止經營業務之年度溢利	Profit for the year from discontinued operation		–	1,458,855
			(335,731)	1,053,519
年度(虧損)/溢利	(Loss)/profit for the year			
			(335,731)	1,053,519
以下人士應佔年度 (虧損)/溢利：	(Loss)/profit for the year attributable to:			
本公司擁有人	Owners of the Company		(335,226)	1,053,530
非控股權益	Non-controlling interests		(505)	(11)
			(335,731)	1,053,519

綜合收入表 Consolidated Income Statement

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

			二零一九年 2019 港仙 HK cents	二零一八年 2018 港仙 HK cents
每股(虧損)/盈利	(Loss)/earnings per share	14		
來自持續經營及 已終止經營業務 基本及攤薄	From continuing and discontinued operations Basic and diluted		(12.17)	62.90
來自持續經營業務 基本及攤薄	From continuing operations Basic and diluted		(12.17)	(24.20)
來自已終止經營業務 基本及攤薄	From discontinued operation Basic and diluted		—	87.10

隨附之附註構成此等綜合財務報表之一部分。

The accompanying notes form an integral part of these consolidated financial statements.

綜合全面收入表 Consolidated Statement of Comprehensive Income

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
年度(虧損)/溢利	(Loss)/profit for the year	(335,731)	1,053,519
其他全面(虧損)/收入	Other comprehensive (loss)/income		
其後可能重新分類至損益之 項目：	Item that may be reclassified subsequently to profit or loss:		
換算海外業務產生之 匯兌差額	Exchange differences arising on translation of foreign operations	<u>(205)</u>	<u>90</u>
年度全面(虧損)/收入總額	Total comprehensive (loss)/income for the year	<u>(335,936)</u>	<u>1,053,609</u>
以下人士應佔年度全面 (虧損)/收入總額：	Total comprehensive (loss)/income for the year attributable to:		
本公司擁有人	Owners of the Company	(335,431)	1,053,620
非控股權益	Non-controlling interests	(505)	(11)
		<u>(335,936)</u>	<u>1,053,609</u>

隨附之附註構成此等綜合財務報表之一部分。

The accompanying notes form an integral part of these consolidated financial statements.

綜合財務狀況表 Consolidated Statement of Financial Position

於二零一九年十二月三十一日 At 31st December 2019

			二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
		附註 Notes		
非流動資產	Non-current assets			
物業、機器及設備	Property, plant and equipment	17	151,144	88,608
租賃土地權益	Interests in leasehold land	18	–	53,409
投資物業	Investment properties	19	–	–
商譽	Goodwill	20	–	–
預付款項	Prepayment	29	16,000	–
提供予一名董事之貸款	Loan to a director	21	369,974	327,903
於一間合資企業之權益	Interest in a joint venture	22	–	270
			537,118	470,190
流動資產	Current assets			
存貨	Inventories	23	101	–
物業存貨	Stock of properties	24	3,047,123	2,508,568
電影版權	Film rights	25	12,792	11,478
製作中電影	Films in progress	26	115,156	201,005
電影投資	Investment in film	27	29,939	29,939
貿易應收賬款	Trade receivables	28	1,377	–
按金、預付款項及其他應收款項	Deposits, prepayment and other receivables	29	644,169	451,826
透過損益以公平價值列賬之金融資產	Financial assets at fair value through profit or loss	30	313,284	453,481
應收貸款	Loan receivables	31	199,127	200,000
定期存款	Time deposits	32	272	269
現金及銀行結餘	Cash and bank balances	33	497,748	1,156,466
			4,861,088	5,013,032
總資產	Total assets		5,398,206	5,483,222
資本及儲備	Capital and reserves			
股本	Share capital	34	27,110	28,011
儲備	Reserves		3,660,429	4,403,951
本公司擁有人應佔權益	Equity attributable to owners of the Company		3,687,539	4,431,962
非控股權益	Non-controlling interests		(630)	(125)
總權益	Total equity		3,686,909	4,431,837

綜合財務狀況表 Consolidated Statement of Financial Position

於二零一九年十二月三十一日 At 31st December 2019

			二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
		附註 Notes		
非流動負債	Non-current liabilities			
承付票	Promissory note	35	–	–
租賃負債	Lease liabilities	36	7,100	–
			7,100	–
流動負債	Current liabilities			
貿易應付賬款	Trade payables	37	78,251	38,421
已收取按金、應計項目及 其他應付款項	Deposits received, accruals and other payables	38	87,254	509,848
租賃負債	Lease liabilities	36	5,394	–
銀行借貸	Bank borrowings	39	1,030,150	–
應付非控股權益款項	Amounts due to non-controlling interests	40	503,116	503,116
應付稅項	Tax payable		32	–
			1,704,197	1,051,385
負債總額	Total liabilities		1,711,297	1,051,385
權益及負債總額	Total equity and liabilities		5,398,206	5,483,222
流動資產淨值	Net current assets		3,156,891	3,961,647
總資產減流動負債	Total assets less current liabilities		3,694,009	4,431,837

本綜合財務報表於二零二零年三月三十日由董事會批准及授權刊發並由下列董事代表簽署：

The consolidated financial statements were approved and authorised for issue by the board of directors on 30th March 2020 and are signed on its behalf by:

向華強
Heung Wah Keung
董事
Director

陳明英
Chen Ming Yin, Tiffany
董事
Director

隨附之附註構成此等綜合財務報表之一部分。

The accompanying notes form an integral part of these consolidated financial statements.

綜合權益變動表 Consolidated Statement of Changes in Equity

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

		本公司擁有人應佔權益 Equity attributable to owners of the Company												
		股本	股份溢價	撥入盈餘	匯兌儲備	法定儲備	以股份支付 之款項儲備	紅利可換股 債券儲備	資本削減儲備	物業重估儲備	(累計虧損)/ 保留溢利	總計	非控股權益	總權益
		Share capital	Share premium	Contributed surplus	Exchange reserve	Statutory reserve	Share-based payment reserve	convertible bonds reserve	Capital reduction reserve	Property revaluation reserve	retained earnings	Total	Non- controlling interests	Total equity
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(附註a)	(附註b)	(附註c)	(附註d)	(附註e)	(附註f)	(附註g)	(附註h)				
		(Note a)	(Note b)	(Note c)	(Note d)	(Note e)	(Note f)	(Note g)	(Note h)					
於二零一八年一月一日	At 1st January 2018	9,037	1,498,186	1,925,439	745	291	55,665	1,132	316,008	48,171	(563,100)	3,281,574	(114)	3,281,460
年度溢利/(虧損)	Profit/(loss) for the year	-	-	-	-	-	-	-	-	-	1,053,530	1,053,530	(11)	1,053,519
年度其他全面收入	Other comprehensive income for the year	-	-	-	90	-	-	-	-	-	-	90	-	90
年度全面收入/(虧損)總額	Total comprehensive income/(loss) for the year	-	-	-	90	-	-	-	-	-	1,053,530	1,053,620	(11)	1,053,609
出售附屬公司	Disposal of subsidiaries	-	-	-	-	(291)	-	-	-	-	291	-	-	-
購股權到期	Expiry of share options	-	-	-	-	-	(55,665)	-	-	-	55,665	-	-	-
以供股方式發行新股	Issue of new shares by way of rights issue	18,074	433,777	-	-	-	-	-	-	-	-	451,851	-	451,851
股份發行開支	Share issuing expenses	-	(3,501)	-	-	-	-	-	-	-	-	(3,501)	-	(3,501)
確認按權益結算以股份支付之款項	Recognition of equity settled share-based payments	-	-	-	-	-	18,344	-	-	-	-	18,344	-	18,344
行使購股權	Exercise of share options	900	67,844	-	-	-	(18,344)	-	-	-	-	50,400	-	50,400
轉入保留溢利	Transfer to retained earnings	-	-	(1,382,478)	-	-	-	-	-	-	1,382,478	-	-	-
特別股息(附註12)	Special dividend (note 12)	-	-	-	-	-	-	-	-	-	(420,326)	(420,326)	-	(420,326)
於二零一八年十二月三十一日 及於二零一九年一月一日	At 31st December 2018 and at 1st January 2019	28,011	1,986,306	542,961	835	-	-	1,132	316,008	48,171	1,508,538	4,431,962	(125)	4,431,837
年度虧損	Loss for the year	-	-	-	-	-	-	-	-	-	(335,226)	(335,226)	(505)	(335,731)
年度其他全面虧損	Other comprehensive loss for the year	-	-	-	(205)	-	-	-	-	-	-	(205)	-	(205)
年度全面虧損總額	Total comprehensive loss for the year	-	-	-	(205)	-	-	-	-	-	(335,226)	(335,431)	(505)	(335,936)
購回及註銷股份	Repurchase and cancellation of shares	(901)	(68,787)	-	-	-	-	-	-	-	-	(69,688)	-	(69,688)
購回股份應佔交易成本	Transaction cost attributable to repurchase of shares	-	(296)	-	-	-	-	-	-	-	-	(296)	-	(296)
特別中期股息(附註12)	Special interim dividend (note 12)	-	-	(339,008)	-	-	-	-	-	-	-	(339,008)	-	(339,008)
轉入撥入盈餘	Transfer to contributed surplus	-	-	316,008	-	-	-	-	(316,008)	-	-	-	-	-
於二零一九年十二月三十一日	At 31st December 2019	27,110	1,917,223	519,961	630	-	-	1,132	-	48,171	1,173,312	3,687,539	(630)	3,686,909

綜合權益變動表 Consolidated Statement of Changes in Equity

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

附註：

Notes:

(a) 根據百慕達一九八一年公司法(經修訂)，本公司之股份溢價可用作繳足本公司之未發行股份，作為繳足紅股發行予本公司股東。

(a) Under the Companies Act 1981 of Bermuda (as amended), the share premium of the Company can be used in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares.

(b) 本集團之承前繳入盈餘乃指因於二零零二年九月十日生效之股本削減及其後多次資本削減而轉自股本賬之款項。

(b) The contributed surplus of the Group brought forward represents the amount transferred from the capital account due to the capital reduction effective on 10th September 2002 and various capital reduction subsequently.

根據百慕達一九八一年公司法(經修訂)，繳入盈餘可供分派或按董事會認為適合之方式撥用繳入盈餘賬之進賬額，包括但不限於用作抵銷本公司任何累計虧損。然而，於以下情況，本公司不得自繳入盈餘中宣派或派付股息或作出分派：(i)本公司當時或將於派付後無力償還到期而應償還之債項；或(ii)本公司資產之可變現值將因而低於其負債及其已發行股本及股份溢價賬。

Under the Company Act 1981 of Bermuda (as amended), the contributed surplus is available for distribution or apply the amount standing to the credit of the contributed surplus account in such manner as the board of directors considers appropriate, including but not limited to setting off against any accumulated losses of the Company. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus if: (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of its assets would thereby be less than its liabilities and its issued share capital and share premium accounts.

(c) 匯兌儲備指將本集團海外業務之淨資產由其功能貨幣換算至本集團呈列貨幣(即港元(「港元」))有關之匯兌差額，並直接於其他全面收入確認及於匯兌儲備累計。該等於匯兌儲備累計之匯兌差額於出售海外業務時重新分類至損益。

(c) Exchange reserve represents exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollar ("HK\$")) and are recognised directly in other comprehensive income and accumulated in the exchange reserve. Such exchange differences accumulated in the exchange reserve are reclassified to profit or loss on the disposal of the foreign operations.

(d) 根據澳門商法典第377條文，本公司於澳門註冊成立之附屬公司須將年度淨溢利之最低25%轉撥至法定儲備，直至儲備等於其資本面值之50%為止。在各公司存在期間，法定儲備不可以現金股息或其他形式分派。

(d) In accordance with the article 377 of the Macau Commercial Code, the Company's subsidiaries incorporated in Macau are required to transfer a minimum of 25% of the annual net profits to a statutory reserve until that reserve equals 50% of the nominal value of their capital. The statutory reserve may not be distributed in the form of cash dividends or otherwise, during the life of the companies.

(e) 以股份支付之款項儲備，相當於授出相關購股權後估計可於相關歸屬期間內換得之服務之公平價值，其總數乃以授出當日有關購股權之公平價值為基準。至於每段期間之數額，則是將有關購股權之公平價值在相關歸屬期間(倘有)內攤分計算，並確認為員工成本及相關開支，以及相應增加以股份支付之款項儲備。

(e) Share-based payment reserve represents the fair value of services estimated to be received in exchange for the grant of the relevant share options over the relevant vesting periods, the total of which is based on the fair value of the share options at grant date. The amount for each period is determined by spreading the fair value of the share options over the relevant vesting period (if any) and is recognised as staff costs and related expenses with a corresponding increase in the share-based payment reserve.

綜合權益變動表 Consolidated Statement of Changes in Equity

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

附註：(續)

Notes: (continued)

- (f) 根據本公司於二零一二年十月二十五日舉行之股東特別大會上通過有關發行紅利股份(股東有權選擇收取紅利可換股債券(「紅利可換股債券」)以代替紅利股份)之普通決議案，本公司發行可按初步換股價每股0.01港元轉換為普通股之紅利可換股債券。紅利可換股債券以權益確認並於「紅利可換股債券儲備」呈列。紅利可換股債券並未上市及不可贖回，惟附帶權利可授權債券持有人(「紅利可換股債券持有人」)轉換為股份，數量相等於債券持有人根據紅利發行可另行收取之紅利股份數目，猶如股東並未選擇收取紅利可換股債券。紅利可換股債券並無本公司任何股東大會之投票權。根據構成紅利可換股債券之適用平邊契據之條款及條件，紅利可換股債券持有人可在發行紅利可換股債券後隨時行使換股權。
- (f) Pursuant to an ordinary resolution passed at the special general meeting of the Company held on 25th October 2012 in relation to the bonus issue of shares (with a right for shareholders to elect to receive bonus convertible bonds ("Bonus CBs") in lieu of bonus shares), Bonus CBs can be converted into ordinary shares at initial conversion price of HK\$0.01 per share issued by the Company. The Bonus CBs are recognised as equity and are presented in "bonus convertible bonds reserve". The Bonus CBs are unlisted and irredeemable but have conversion rights entitling the bondholders to convert into an equivalent number of shares as the number of bonus shares which the bondholders (the "Bonus CBs holders") would otherwise be entitled to receive under the bonus issue had the shareholder not elected for the Bonus CBs. The Bonus CBs do not carry voting rights at any general meeting of shareholders of the Company. The Bonus CBs holders can exercise the conversion rights at any time after the issue of Bonus CBs, subject to the terms and conditions of the applicable deed poll constituting the Bonus CBs.
- (g) 資本削減儲備指於一九九八年將本公司332,640,000股已發行股份之面值由每股面值1.00港元削減至每股面值0.05港元所產生之金額。按董事根據本公司之公司細則第129條而通過之一項決議案，資本削減儲備可用作支付本公司遭索償之金額、負債、或然負債，以及可用作償還任何資本性貸款、補足股息或任何其他本公司溢利可適當運用之用途。考慮到資本削減儲備具有與同因資本削減而產生之繳入盈餘賬相同之性質，故該儲備乃根據董事批准之一項董事會決議案轉入繳入盈餘賬，以簡化本公司之儲備。
- (g) The capital reduction reserve represents the amount arising in relation to the reduction of the nominal value of 332,640,000 issued shares of the Company from HK\$1.00 each to HK\$0.05 each in 1998. Pursuant to a resolution passed by the directors pursuant to Bye-law 129 of the Company's Bye-laws, the capital reduction reserve shall be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied. Considering that the capital reduction reserve has same nature as the contributed surplus account of the Company which was also arising from capital reduction, the reserve is transferred to the contributed surplus account pursuant to a board resolution approved by the directors in order to simplify reserves of the Company.
- (h) 物業重估儲備關乎由自用轉撥至投資物業之物業。於轉撥日期物業之公平價值與賬面值間之超額乃計入物業重估儲備，並將於相關物業退用或出售時轉撥入(累計虧損)/保留溢利。
- (h) Property revaluation reserve relates the property transferred from owner-occupied to investment property. The excess amount between the fair value and the carrying amount of the property at the date of transfer is included in the property revaluation reserve, and will be transferred to (accumulated losses)/retained earnings upon the retirement or disposal of the relevant property.

綜合現金流量表 Consolidated Statement of Cash Flows

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

	附註 Notes	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
經營業務之現金流量			
		CASH FLOWS FROM OPERATING ACTIVITIES	
持續經營業務之除稅前虧損		(335,696)	(405,336)
已終止經營業務之除稅前溢利		-	1,458,855
就以下各項所作調整：	Adjustments for:		
融資成本	Finance costs	408	2,835
利息收入	Interest income	(92,173)	(80,863)
股息收入	Dividend income	(1,344)	(1,366)
電影版權攤銷	Amortisation of film rights	1,747	-
租賃土地權益攤銷	Amortisation of interests in leasehold land	-	1,873
物業、機器及設備折舊	Depreciation of property, plant and equipment	14,019	4,293
有關電影版權之已確認 減值虧損	Impairment loss recognised in respect of film rights	125,246	571
有關製作中電影之已確認 減值虧損	Impairment loss recognised in respect of films in progress	10,275	-
有關物業、機器及設備之已確認 減值虧損	Impairment loss recognised in respect of property, plant and equipment	6,814	3,601
有關貿易應收賬款之已確認 減值虧損撥回	Reversal of impairment loss recognised in respect of trade receivables	(230)	(120)
有關應收貸款之已確認減 值虧損	Impairment loss recognised in respect of loan receivables	873	-
有關其他應收款項之已確認 減值虧損	Impairment loss recognised in respect of other receivables	822	-
透過損益以公平價值列賬之 金融資產之公平價值變動 所產生之虧損	Loss arising on change in fair value of financial assets at fair value through profit or loss	183,582	360,209
投資物業公平價值變動之溢利	Gain on fair value change of investment properties	-	(1,300)
出售物業、機器及設備之溢利	Gain on disposal of property, plant and equipment	-	(9)
出售附屬公司之溢利	Gain on disposal of subsidiaries	-	(1,465,870)
提早贖回承付票之虧損	Loss on early redemption of promissory note	-	24,778
應佔一間合資企業虧損	Share of loss of a joint venture	270	114
以股份支付之款項開支	Share-based payment expenses	-	18,344
過時存貨撇減	Write-down of obsolete inventories	-	45
撇銷物業、機器及設備	Written off of property, plant and equipment	14	-

綜合現金流量表 Consolidated Statement of Cash Flows

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

	附註 Notes	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
營運資金變動前之經營現金流量	Operating cash flows before movements in working capital	(85,373)	(79,346)
存貨(增加)/減少	(Increase)/decrease in inventories	(101)	382
物業存貨增加	Increase in stock of properties	(501,832)	(401,192)
製作中電影增加	Increase in films in progress	(52,733)	(32,013)
電影投資增加	Increase in investment in film	-	(29,939)
貿易應收賬款(增加)/減少	(Increase)/decrease in trade receivables	(1,139)	35,794
按金、預付款項及其他應收款項增加	Increase in deposits, prepayment and other receivables	(207,457)	(110,629)
透過損益以公平價值列賬之金融資產增加	Increase in financial assets at fair value through profit or loss	(43,450)	(87,701)
貿易應付賬款增加	Increase in trade payables	39,830	10,503
已收取按金、應計項目及其他應付款項(減少)/增加	(Decrease)/increase in deposits received, accruals and other payables	(2,268)	1,103
營運所用現金	Cash used in operations	(854,523)	(693,038)
已付稅項	Tax paid	(3)	-
經營業務所用現金淨額	Net cash used in operating activities	(854,526)	(693,038)
投資業務之現金流量	CASH FLOWS FROM INVESTING ACTIVITIES		
已收股息	Dividend received	1,344	1,366
已收利息	Interest received	48,018	46,386
墊付貸款	Advance of loan	(100,000)	-
原到期日超過三個月之定期存款增加	Increase in time deposits with original maturities more than three months	(3)	(114)
出售物業、機器及設備所得款項	Proceeds from disposal of property, plant and equipment	-	11
出售透過損益以公平價值列賬之金融資產所得款項	Proceeds from disposal of financial assets at fair value through profit or loss	65	-
出售附屬公司產生之現金流入淨額	Net cash inflow arising on disposal of subsidiaries	-	1,760,594
購入物業、機器及設備所付款項	Payments for purchases of property, plant and equipment	(11,257)	(2,349)
償還應收貸款	Repayment of loan receivables	100,000	-
投資業務所得現金淨額	Net cash generated from investing activities	38,167	1,805,894

綜合現金流量表 Consolidated Statement of Cash Flows

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

	附註 Notes	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
融資活動之現金流量			
CASH FLOWS FROM FINANCING ACTIVITIES			
已付利息	Interest paid	(37,131)	(5,416)
已派付股息	Dividend paid	(759,334)	-
以供股方式發行新股之所得款項	Proceeds from issue of new shares by way of rights issue	-	451,851
行使購股權之所得款項	Proceeds from exercise of share options	-	5,040
銀行借貸之所得款項	Proceeds from bank borrowings	1,030,150	-
償還銀行借貸	Repayment of bank borrowings	-	(670,000)
償還融資租賃債務	Repayment of obligations under finance leases	-	(2)
償還承付票	Repayment of promissory note	-	(200,000)
償還租賃負債	Repayment of lease liabilities	(5,847)	-
購回股份所付款項	Payment for repurchase of shares	(69,984)	-
股份發行開支	Share issuing expenses	-	(3,501)
融資活動所得/(所用)現金淨額	Net cash generated from/(used in) financing activities	157,854	(422,028)
現金及現金等值項目(減少)/增加	(Decrease)/increase in cash and cash equivalents	(658,505)	690,828
報告期初之現金及現金等值項目	Cash and cash equivalents at the beginning of the reporting period	1,156,466	424,200
重新分類至分類為持作出售之資產	Reclassification from assets classified as held for sale	-	41,350
外幣匯率變動之影響	Effect of foreign exchange rate changes	(213)	88
報告期末之現金及現金等值項目	Cash and cash equivalents at the end of the reporting period		
現金及銀行結餘	Cash and bank balances	33	1,156,466

隨附之附註構成此等綜合財務報表之一部分。

The accompanying notes form an integral part of these consolidated financial statements.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

1. 一般事項

本公司乃於百慕達註冊成立之受豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處及主要營業地點之地址分別為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda及香港干諾道中168-200號信德中心西翼34樓09室。

其最終母公司為Heung Wah Keung Family Endowment Limited，由向華強先生（「向先生」）及向先生之配偶陳明英女士（「陳女士」）等份擁有。

本綜合財務報表以港元列值，其亦為本公司之功能貨幣。除另有說明者外，所有價值均計算至最近之千位數（千港元）。

本集團之主要業務為投資、製作、發行以及授權電影及電視連續劇、提供藝人管理服務、物業開發及投資以及提供餐飲服務。

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and Unit 3409, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong respectively.

Its ultimate parent is Heung Wah Keung Family Endowment Limited which is equally owned by Mr. Heung Wah Keung ("Mr. Heung") and Ms. Chen Ming Yin, Tiffany ("Ms. Chen"), spouse of Mr. Heung.

The consolidated financial statements are presented in HK\$, which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The principal activities of the Group are investment, production, distribution and licensing of films and television drama series, provision of artist management services, properties development and investment and provision of catering services.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及其修訂本

(a) 本年度強制生效之新訂香港財務報告準則及其修訂本

本集團於本年度首次應用香港會計師公會 (「香港會計師公會」) 頒佈之下列新訂香港財務報告準則及其修訂本：

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性
香港財務報告準則第9號之修訂本	具有負補償之提前還款特點
香港會計準則第19號之修訂本	計劃修改、縮減或結算
香港會計準則第28號之修訂本	於聯營公司及合資企業之長期權益
香港財務報告準則之修訂本	香港財務報告準則二零一五年至二零一七年週期之年度改進

除下文所述外，本年度應用新訂香港財務報告準則及其修訂本對本集團本年度及過往年度之財務狀況及表現及／或此等綜合財務報表所載披露內容並無重大影響。

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

(a) New and amendments to HKFRSs that are mandatorily effective for the current year

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

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle

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

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及其 修訂本（續）

- (a) 本年度強制生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第16號租賃

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號租賃及相關詮釋。

租賃的定義

本集團選擇可行權宜方法將香港財務報告準則第16號應用至過往應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號釐定一項安排是否包含租賃識別為合約，而並非將該準則應用至過往並非識別為包含租賃的合約。因此，本集團並無重新評估於初次應用日期前已存在的合約。

就於二零一九年一月一日或之後訂立或修改的合約而言，本集團應用香港財務報告準則第16號所載規定中租賃的定義評估合約是否包含租賃。

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

- (a) **New and amendments to HKFRSs that are mandatorily effective for the current year**
(Continued)

HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 *Leases* and the related interpretations.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) - Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1st January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及其 修訂本（續）

(a) 本年度強制生效之新訂香港財務報告準則 及其修訂本（續）

香港財務報告準則第16號租賃（續）

作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於初次應用日期（二零一九年一月一日）確認。

於二零一九年一月一日，過渡期間本集團應用香港財務報告準則第16號C8(b)(ii)按相等於相關租賃負債之金額確認額外租賃負債及使用權資產（計入物業、機器及設備），以任何預付租賃付款作出調整。於初次應用日期之任何差額於期初保留溢利確認，而比較資料不作重列。

於過渡期間應用香港財務準則第16號項下的經修訂追溯方法時，本集團按逐項租賃基準就過往根據香港會計準則第17號分類為經營租賃且與各租賃合約相關的租賃應用以下可行權宜方法：

- (i) 選擇不就租賃期由初次應用日期起計12個月內終止的租賃確認使用權資產及租賃負債；
- (ii) 於初次應用日期計量使用權資產時撇除初始直接成本；

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

(a) New and amendments to HKFRSs that are mandatorily effective for the current year （Continued）

HKFRS 16 Leases（Continued）

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1st January 2019.

At 1st January 2019, the Group recognised additional lease liabilities and right-of-use assets (included in property, plant and equipment) at amounts equal to the related lease liabilities adjusted by any prepaid lease payments by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening retained earnings and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- (ii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application;

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及其 修訂本 (續)

- (a) 本年度強制生效之新訂香港財務報告準則及其修訂本 (續)

香港財務報告準則第16號租賃 (續)

作為承租人 (續)

- (iii) 就類似經濟環境內的類似相關資產類別對餘下期間類似的租賃組合應用單一貼現率。具體而言，若干在香港及澳門之物業租賃的貼現率乃按組合基準釐定；及

- (iv) 根據於初次應用日期的事實及情況事後釐定本集團附有延續及終止權的租賃的租賃期。

於確認過往分類為經營租賃之租賃負債時，本集團已應用於初次應用日期相關集團個體的遞增借貸利率。所應用的加權平均遞增借貸利率為2.7%。

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

- (a) **New and amendments to HKFRSs that are mandatorily effective for the current year**
(Continued)

HKFRS 16 Leases (Continued)

As a lessee (Continued)

- (iii) applied a single discount rate to a portfolio of leases with similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of properties in Hong Kong and Macau was determined on a portfolio basis; and

- (iv) used hindsight based on facts and circumstances at date of initial application in determining the lease term for the Group's leases with extension and termination options.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rate applied is 2.7%.

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及其 修訂本 (續)

- (a) 本年度強制生效之新訂香港財務報告準則
及其修訂本 (續)

香港財務報告準則第16號租賃 (續)

作為承租人 (續)

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

- (a) New and amendments to HKFRSs that are
mandatorily effective for the current year
(Continued)

HKFRS 16 Leases (Continued)

As a lessee (Continued)

		千港元 HK\$'000
於二零一八年十二月三十一日 披露之經營租賃承擔	Operating lease commitments disclosed at 31st December 2018	18,589
減：確認豁免—低價值資產	Less: recognition exemption – low-value assets	<u>(125)</u>
應用香港財務報告準則第16號 於二零一九年一月一日之 未貼現租賃負債總額	Total undiscounted lease liabilities at 1st January 2019 for application of HKFRS 16	18,464
減：未來融資成本	Less: future finance costs	<u>(123)</u>
於二零一九年一月一日之租賃負債	Lease liabilities at 1st January 2019	<u>18,341</u>
分析為：	Analysed as:	
流動	Current	5,847
非流動	Non-current	<u>12,494</u>
		<u>18,341</u>

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及其 修訂本（續）

- (a) 本年度強制生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第16號租賃（續）

作為承租人（續）

於二零一九年一月一日之使用權資產賬面值包括以下各項：

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

- (a) New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

HKFRS 16 Leases (Continued)

As a lessee (Continued)

The carrying amount of right-of-use assets at 1st January 2019 comprises the following:

		使用權資產 Right-of-use assets 千港元 HK\$'000
應用香港財務報告準則第16號時已	Right-of-use assets relating to operating leases	
確認之經營租賃相關使用權資產	recognised upon application of HKFRS 16	18,341
加：自租賃土地權益重新分類	Add: reclassification from interests in	
（附註）	leasehold land (Note)	53,409
預付租賃付款	prepaid lease payments	376
		72,126
按類別：	By class:	
租賃物業	Leased properties	18,717
租賃土地	Leasehold land	53,409
		72,126

本集團將使用權資產於「物業、機器及設備」項下呈列，即相應相關資產如被擁有時應同一項下內呈列。

附註：

香港租賃土地作自用物業之首期付款於二零一八年十二月三十一日乃分類為租賃土地權益。應用香港財務報告準則第16號時，租賃土地權益53,409,000港元乃重新分類至使用權資產。

The Group presents right-of-use assets in “property, plant and equipment”, the same line item within which the corresponding underlying assets would be presented if they were owned.

Note:

Upfront payments for leasehold lands in Hong Kong for own used properties were classified as interests in leasehold land as at 31st December 2018. Upon application of HKFRS 16, the interests in leasehold land amounting to HK\$53,409,000 were reclassified to right-of-use assets.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及其 修訂本（續）

- (a) 本年度強制生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第16號租賃（續）

作為承租人（續）

於二零一九年一月一日之綜合財務狀況表中已確認金額的調整如下。概不包括未受有關變動影響之項目。

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

- (a) New and amendments to HKFRSs that are mandatorily effective for the current year
（Continued）

HKFRS 16 Leases（Continued）

As a lessee（Continued）

The following adjustments were made to amounts recognised in the consolidated statement of financial position at 1st January 2019. Line items that were not affected by the changes have not been included.

	於二零一八年 十二月三十一日 過往呈報的賬面值 Carrying amounts previously reported at 31st December 2018 千港元 HK\$'000	調整 Adjustments 千港元 HK\$'000	於二零一九年 一月一日根據 香港財務報告準則 第16號的賬面值 Carrying amounts under HKFRS 16 at 1st January 2019 千港元 HK\$'000
非流動資產			
物業、機器及設備	88,608	72,126	160,734
租賃土地權益	53,409	(53,409)	-
流動資產			
按金、預付款項及 其他應收款項	451,826	(376)	451,450
流動負債			
租賃負債	-	5,847	5,847
非流動負債			
租賃負債	-	12,494	12,494

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及其修訂本 (續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則及其修訂本

本集團並無提早應用下列已頒佈但尚未生效之新訂香港財務報告準則及其修訂本：

香港財務報告準則第17號	保險合約 ¹
香港財務報告準則第3號之修訂本	對「業務」的定義 ²
香港財務報告準則第10號及香港會計準則第28號之修訂本	投資者及其聯營公司或合資企業間之資產出售及注入 ³
香港會計準則第1號及香港會計準則第8號之修訂本	對「重大」的定義 ⁴
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂本	利率基準改革 ⁴

¹ 於二零二一年一月一日或之後開始之年度期間生效。

² 對收購日期為二零二零年一月一日或之後開始的首個年度期間之初或之後的業務合併及資產收購生效。

³ 於特定日期或之後開始之年度期間生效。

⁴ 於二零二零年一月一日或之後開始之年度期間生效。

除上文之新訂香港財務報告準則及其修訂本外，二零一八年已頒佈經修訂財務報告之概念框架。其隨後的修訂本—香港財務報告準則之概念框架指引之修訂本，將於二零二零年一月一日或之後開始之年度期間生效。

董事預計應用所有新訂香港財務報告準則及其修訂本於可見未來將不會對綜合財務報表產生重大影響。

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

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

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

HKFRS 17	Insurance Contracts ¹
Amendments to HKFRS 3	Definition of a Business ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁴
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ⁴

¹ Effective for annual periods beginning on or after 1st January 2021.

² Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1st January 2020.

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

⁴ Effective for annual periods beginning on or after 1st January 2020.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, *the Amendments to References to the Conceptual Framework in HKFRS Standards*, will be effective for annual periods beginning on or after 1st January 2020.

The directors anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要

編製本綜合財務報表所採用之主要會計政策載列如下。除另有說明者外，該等政策已於所有呈報年度貫徹應用。

(a) 遵例聲明

本綜合財務報表乃根據香港會計師公會所頒佈之香港財務報告準則而編製。此外，本綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例之披露規定要求之適用披露內容。

(b) 編製基準

本綜合財務報表已按歷史成本基準編製，惟按於報告期末之公平價值計量的若干物業及金融工具除外，其於下文載列的會計政策內闡釋。

歷史成本一般以貨品及服務交換之代價之公平價值為基準。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and by the disclosure requirement of the Hong Kong Companies Ordinance.

(b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

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

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(b) 編製基準 (續)

公平價值為於計量日期在市場參與者之間的有秩序交易中就出售資產可收取或轉讓負債須支付之價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債之特點，則本集團於估計資產或負債之公平價值時亦會考慮該等特點。此等綜合財務報表中作計量及／或披露用途之公平價值乃按此基準釐定，惟屬於香港財務報告準則第2號以股份支付之款項範圍內以股份支付之款項交易、按香港財務報告準則第16號（自二零一九年一月一日起）或香港會計準則第17號（應用香港財務報告準則第16號前）入賬之租賃交易，以及與公平價值有部分相若但並非公平價值之計量，譬如香港會計準則第2號存貨內之可變現淨額或香港會計準則第36號資產減值之使用價值除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of preparation (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 (since 1st January 2019) or HKAS 17 (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(b) 編製基準 (續)

就按公平價值交易的金融工具及投資物業且將使用不可觀察輸入數據來計量其後期間公平價值之估值技術而言，估值技術會予以校準以便於初次確認時估值技術的結果與交易價相等。

此外，就財務報告而言，公平價值計量根據公平價值計量之輸入數據可觀察程度及公平價值計量之輸入數據對其整體之重要性分類為第一等級、第二等級及第三等級，詳情如下：

- 第一等級輸入數據為個體於計量日期可取得之相同資產或負債於活躍市場之報價(未經調整)；
- 第二等級輸入數據為就資產或負債直接或間接地可觀察之輸入數據(第一等級內包括之報價除外)；及
- 第三等級輸入數據為資產或負債之不可觀察輸入數據。

(c) 綜合基準

本綜合財務報表包括本公司及本公司及其附屬公司所控制個體之財務報表。當本公司符合以下要素時，則取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報之風險或享有權利；及
- 有能力使用其權力影響其回報。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of preparation (Continued)

For financial instruments and investment properties which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

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

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

(c) Basis of consolidation

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

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

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(c) 綜合基準 (續)

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

倘本集團於投資對象之投票權未能佔大多數，則當投票權足以賦予本公司實際能力以單方面指揮投資對象之相關活動時即可對投資對象行使權力。本集團於評估本集團於投資對象之投票權是否足以賦予其權力時考慮所有相關事實及情況，包括：

- 相對其他投票權持有人所持投票權之數量及分散情況，本集團持有投票權之數量；
- 本集團、其他投票權持有人或其他人士持有之潛在投票權；
- 其他合約安排產生之權利；及
- 需要作出決定時，本集團目前能夠或不能指揮相關活動之任何額外事實及情況（包括於過往股東會議上之投票模式）。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Basis of consolidation (Continued)

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(c) 綜合基準 (續)

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合收入表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收入之每個項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

必要時，會就附屬公司之財務報表作調整以使其會計政策與本集團之會計政策一致。

有關本集團成員之間交易之所有集團內公司間之資產及負債、權益、收入、支出及現金流量於綜合時悉數對銷。

於附屬公司之非控股權益乃與本集團內的權益分開呈列，代表清盤時授權其持有人可按比例分佔相關附屬公司資產淨值之現有所有權權益。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Basis of consolidation (Continued)

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

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

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

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

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3. 主要會計政策概要 (續)

(c) 綜合基準 (續)

本集團於現有附屬公司之權益變動

如本集團於附屬公司的權益變動不會導致本集團失去有關附屬公司的控制權，將會列作權益交易處理。本集團之權益及非控股權益相關成分的賬面值會進行調整，以反映其於附屬公司相關權益的變動，包括根據本集團及非控股權益的比例權益於本集團與非控股權益之間重新歸屬相關儲備。

從調整非控股權益與按公平價值計量的已付或已收代價的差額會直接在權益確認，並歸屬於本公司擁有人。

當本集團失去一家附屬公司的控制權時，終止確認該附屬公司的資產與負債及非控股權益(如有)。溢利或虧損於損益確認，並按(i)已收代價公平價值及任何保留權益的公平價值的總和與(ii)資產賬面值(包括商譽)及本公司擁有人應佔附屬公司負債的差額計算。有關附屬公司先前於其他全面收入確認的所有金額按本集團直接出售附屬公司相關資產或負債入賬(即如適用香港財務報告準則所列明/允許重新分類至損益或撥入另一權益類別)。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Basis of consolidation (Continued)

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs).

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3. 主要會計政策概要 (續)

(d) 業務合併

收購業務乃採用收購法入賬。業務合併中轉讓之代價乃按公平價值計量，而計算方法為本集團轉讓之資產、本集團對被收購方之前擁有人產生之負債及本集團就交換被收購方之控制權而發行之股權於收購日之公平價值總和。與收購有關之成本一般於產生時於損益確認。

於收購日期，所收購之可識別資產及所承擔之負債按彼等之公平價值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量；
- 負債或權益性工具乃按收購日有關於本集團以股份支付之款項或以股份支付之款項替換予被收購方之安排乃根據香港財務報告準則第2號以*股份支付之款項*計量(見下文會計政策)；
- 根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務劃分為持作出售之資產(或出售組合)乃根據該準則計量；及

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Business combinations

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

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

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

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3. 主要會計政策概要 (續)

(d) 業務合併 (續)

- 租賃負債按剩餘租賃付款(定義見香港財務報告準則第16號)之現值確認及計量, 猶如收購的租賃於收購日為新租賃, 惟(a)租賃期限於收購日期12個月內結束; 或(b)相關資產為低價值之租賃除外。使用權資產按與相關租賃負債相同的金額確認及計量, 並進行調整以反映與市場條件相比租賃之有利或不利條款。

商譽乃假設於收購日按所轉讓代價、於被收購者任何非控股權益金額以及購買方先前於被收購者持有股權權益之公平價值(如有)之總和, 超過已收購之可識別資產及承擔負債之淨額計量。如在重新評估後, 已收購之可識別資產及承擔負債之淨額超過其轉讓價、於被收購者的任何非控股權益金額以及購買方先前於被收購者持有權益之公平價值(如有)的總額, 該超出之差額即時於損益確認為議價購買溢利。

非控股權益為現所有者權益及給予其持有人於清盤時, 乃按被收購者可識別淨資產之已確認金額之非控股權益之股權比例, 或按公平價值初步計量其按比例分佔相關附屬公司淨資產。選擇之計量基準按個別交易基準決定。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Business combinations (Continued)

- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

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

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

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3. 主要會計政策概要 (續)

(e) 收購並不構成業務的附屬公司

當本集團收購一組資產及負債並不構成一項業務，本集團先將購買價按其各自之公平價值分配至物業存貨及金融資產，以識別及確認所收購的個別可識別資產及所承擔的負債，而餘下之購買價結餘則按於購買日期其相關的公平價值為基準，分配至其他可識別資產及負債。有關交易並不產生商譽或議價購買溢利。

(f) 商譽

收購業務而產生之商譽乃按於收購業務當日之成本減累計減值虧損(如有)列賬。

就減值測試而言，收購產生之商譽會分配至預期可自收購之協同效益獲益之本集團各現金產生單位(「現金產生單位」)(或現金產生單位組合)，即為內部管理目的監察商譽之最低水平且不大於經營分部。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Acquisition of subsidiaries not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to stock of properties and financial assets at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

(f) Goodwill

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

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

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3. 主要會計政策概要 (續)

(f) 商譽 (續)

獲分配商譽之現金產生單位 (或現金產生單位組合) 會每年或於有跡象顯示該單位可能出現減值時進行更頻繁的減值測試。就報告期內收購所產生之商譽，獲分配商譽之現金產生單位 (或現金產生單位組合) 會於報告期末前進行減值測試。倘可收回金額低於其賬面值，則減值虧損會先用作減低任何分配至商譽之賬面值，其後則按該單位 (或現金產生單位組合) 內各項資產賬面值之比例分配至其他資產。

出售相關現金產生單位 (或現金產生單位組合內任何現金產生單位) 時，商譽之應佔金額於釐定出售之損益金額時加入計算。本集團出售現金產生單位 (或現金產生單位組合內某現金產生單位) 內一項經營業務時，所出售商譽金額乃按所出售經營業務 (或現金產生單位) 之相對價值及所保留現金產生單位 (或現金產生單位組合) 之份額計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Goodwill (Continued)

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

On disposal of the relevant CGU or any of the CGU within the group of CGUs, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

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3. 主要會計政策概要 (續)

(g) 於一間合資企業之權益

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

合資企業之資產與負債及業績以權益法計入該等財務報表。權益會計法所用合資企業之財務報表乃按與本集團處理類似情況中相類交易及事件一致的會計政策編製。根據權益法，於合資企業之投資初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔該合資企業之損益及其他全面收入而作出調整。合資企業之資產淨值變動除損益及其他全面收入外不會入賬，除非該等變動導致本集團所持所有權權益有變。當本集團應佔一間合資企業之虧損超出本集團於該合資企業之權益時（包括實質上成為本集團於該合資企業的淨投資一部份之任何長期權益），本集團停止確認其所佔進一步虧損。僅於本集團已產生法律或推定責任，或已代表該合資企業支付款項之情況下，方會進一步確認虧損。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Interest in a joint venture

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

The results and assets and liabilities of joint venture are incorporated in these financial statements using the equity method of accounting. The financial statements of joint venture used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. Changes in net assets of the joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(g) 於一間合資企業之權益 (續)

本集團會評估是否有客觀證據證明於合資企業之權益有所減損。倘存在客觀證據，該項投資之全部賬面值（包括商譽）會根據香港會計準則第36號以單一資產形式進行減值測試，方法是比較其可收回金額（即使用價值與公平價值減出售成本兩者中之較高者）與其賬面值。任何已確認減值虧損構成該項投資之賬面值其中一部分，有關減值虧損之任何撥回乃根據香港會計準則第36號確認，惟以於該項投資之可收回金額其後增加之情況為限。

當一集團個體與本集團合資企業進行交易時，與合資企業進行交易所產生溢利及虧損只在該合資企業之權益與本集團無關的情況下，方會於本集團之綜合財務報表確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Interest in a joint venture (Continued)

The Group assesses whether there is an objective evidence that the interest in a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

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

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(h) 持作出售之非流動資產

若非流動資產及出售組合之賬面值將主要透過出售之交易(而非透過持續使用)而收回,乃分類為持作出售。只有當有關資產(或出售組合)可按通用及慣用條款以其現況即時出售,且其銷售極有可能達成時方視為符合此項條件。管理層必須致力促成出售,並應預期有關出售符合資格於分類日期起計一年內確認為一項已完成之出售。

當本集團承諾一項涉及失去附屬公司控制權之出售計劃時,倘符合上述標準,則該附屬公司之全部資產及負債均會分類為持作出售,而不論出售後本集團會否保留前附屬公司之非控股權益。

當本集團承諾一項涉及聯營企業或合資企業的投資或部分投資的出售計劃時,倘符合上述標準,將予出售投資或部分的投資被分類為持作出售,而本集團自投資(或部分投資)分類為持作出售時就有關分類為持作出售的部分終止使用權益法。

分類為持作出售之非流動資產(及出售組合)乃按其原賬面值及公平價值減出售成本(取其中較低者)而計量,惟屬香港財務報告準則第9號範圍內之金融資產則繼續按各有關章節所載會計政策計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in the relevant subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment (or a portion of the investment) is classified as held for sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell, except for financial assets within the scope of HKFRS 9 which continue to be measured in accordance with the accounting policies as set out in respective sections.

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3. 主要會計政策概要 (續)

(i) 收益及其他收入

來自與客戶合約之收益

當(或於)滿足履約責任時,本集團確認收益,即於特定履約責任的相關貨品或服務的「控制權」轉讓予客戶時確認。

履約責任指一項明確的貨品或服務(或一組商品或服務)或基本相同的一系列明確的貨品或服務。

控制權隨時間轉移,而倘滿足以下其中一項標準,則收益乃參照完全滿足相關履約責任的進展情況而隨時間確認:

- 隨本集團履約,客戶同時取得並耗用本集團履約所提供的利益;
- 本集團履約創造或提升於本集團履約時由客戶控制的資產;或
- 本集團履約並無產生對本集團有替代用途的資產,且本集團對迄今已完成履約之款項具有可強制執行之權利。

否則,收益於客戶獲得明確的貨品或服務控制權時確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Revenue and other income

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or services.

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3. 主要會計政策概要 (續)

(i) 收益及其他收入 (續)

來自與客戶合約之收益 (續)

合約資產指本集團就向客戶換取已轉讓的貨品或服務收取代價的權利(尚未成為無條件)。其按照香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價付款到期前僅需時間推移。

合約負債指本集團因本集團已自客戶收取代價(或到期代價款項)，而須轉讓貨品或服務予客戶之責任。

有關同一合約的合約資產及合約負債乃按淨值基準入賬並呈列。

對於包含一項以上履約責任的合約，本集團以相對獨立的銷售價格基準將交易價格分配至各項履約責任。

收益按本集團預期有權享有之承諾代價金額將產品或服務控制權轉移至客戶時確認，惟不包括代表第三方收取之金額。收益不包括增值稅或其他銷售稅，且已扣除任何貿易折扣。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Revenue and other income (Continued)

Revenue from contracts with customers (Continued)

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

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3. 主要會計政策概要 (續)

(i) 收益及其他收入 (續)

來自與客戶合約之收益 (續)

倘合約包含融資部分，為客戶提供重大融資利益超過12個月，則收益按以與客戶進行之個別融資交易所反映折現率折現之應收款項現值計量，而利息收入則按實際利率法獨立累計。倘合約包含融資部分，為本集團提供重大融資利益，則根據該合約確認之收益包括按實際利率法計算合約責任產生之利息開支。本集團善用香港財務報告準則第15號第63段之可行權宜方法，當融資期限為12個月或以下時，則不會就重大融資部分之任何影響調整代價。

於本集團一般業務過程中，銷售貨品或提供服務而產生之收入乃由本集團分類為收益。

本集團收益及其他收入確認政策的進一步詳情如下：

藝人管理服務收入

本集團提供藝人管理服務為根據定價合約向對手方安排提供藝人服務。藝人管理服務收入於提供服務時確認。若干合約包括多重履約責任，而該合約之交易價將按獨立的銷售價格納入各履約責任。藝人管理服務收入乃就單一時間點確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Revenue and other income (Continued)

Revenue from contracts with customers (Continued)

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounting using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Income is classified by the Group as revenue when it arises from the sales of goods or the provision of services in the ordinary course of the group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

Artist management service income

The Group provide artist management service by arranging for the provision of artist services to counterparty under fixed-price contracts. Artist management service income is recognised in which the services are rendered. Certain contracts include multiple performance obligations and the transaction price of such contract will be allocated to each performance obligation based on the stand-alone selling prices. Artist management service income is recognised at a point in time.

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3. 主要會計政策概要 (續)

(i) 收益及其他收入 (續)

發行費收入

本集團透過其銷售代理在國際上授出電影及電視連續劇之發行權。發行費收入於確立本集團享有有關款項時確認，惟須受相關協議條款規限，通常於母帶交付或分佔相關收益已獲可靠肯定時確立。發行費收入乃就單一時間點確認。

來自餐廳經營業務之收益

本集團確認來自提供餐飲服務的餐廳經營業務之收益。來自餐廳經營業務之收益乃於提供服務時就單一時間點確認。

顧問費收入及管理費收入

來自顧問及管理服務之收益乃就預定期間以直線法基準確認，因為客戶同時取得並耗用本集團所提供的利益。

股息收入

來自上市投資之股息收入於有關投資的股價除息時確認。

利息收入

利息收入於產生時按實際利率法確認。就按攤銷成本計量之金融資產而言，實際利率應用於該資產之賬面總值。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Revenue and other income (Continued)

Distribution fee income

The Group licenses of the distribution rights of films and television drama series internationally through its sales agent. Distribution fee income is recognised when the Group's entitlement to such payments has been established which, subject to the terms of the relevant agreements, is usually upon the master materials have been delivered or the sharing of the relevant revenue have been reliably ascertained. Distribution fee income is recognised at a point in time.

Revenue from restaurant operations

The Group recognises revenue from restaurant operations which provides catering services. Revenue from restaurant operations is recognised at a point in time when the services are rendered.

Consultancy fee income and management fee income

Revenue from the consultancy and management services are recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

Dividend income

Dividend income from listed investments is recognised when the share price of the investments goes ex-dividend.

Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost, the effective interest rate is applied to the gross carrying amount of the asset.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(i) 收益及其他收入 (續)

電影投資收入

電影投資收入於確立本集團享有有關款項時確認，惟須受相關協議條款規限。

來自酒店住宿、食品及飲品銷售及其他酒店配套服務之收益

本集團向客戶提供酒店住宿、食品及飲品銷售及其他酒店配套服務。來自酒店住宿、食品及飲品銷售及其他酒店配套服務之收益於本集團向客戶提供相關服務時確認。來自酒店住宿、食品及飲品銷售及其他酒店配套服務之收益乃就單一時間點確認。

來自中場賭桌經營業務、貴賓廳賭桌經營業務及角子老虎機經營業務之服務收入

本集團向博彩服務供應商提供佔用及使用空間之權利以進行中場賭桌經營業務、貴賓廳賭桌經營業務及角子老虎機經營業務。本集團根據許可及場地協議確認來自中場賭桌經營業務、貴賓廳賭桌經營業務及角子老虎機經營業務之服務收入，並基於娛樂場內中場、貴賓廳賭桌及角子老虎機所賺取之每月溢利總額的若干百分比計算。來自中場賭桌經營業務、貴賓廳賭桌經營業務及角子老虎機經營業務之服務收入乃就單一時間點確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Revenue and other income (Continued)

Income from investment in film

Income from investment in film is recognised when the Group's entitlement to such payment has been established, which is subject to the terms of the relevant agreements.

Revenue from hotel accommodation, food and beverage sales and other ancillary hotel service

The Group provides hotel accommodation, food and beverage sales and other ancillary hotel service to customers. Revenue from hotel accommodation, food and beverage sales and other ancillary hotel service is recognised when the relevant services provided by the Group to customers. Revenue from hotel accommodation, food and beverage sales and other ancillary hotel service is recognised at a point in time.

Service income from mass marketing, table gaming operations, VIP rooms table gaming operations and slot machines operations

The Group provides right to occupy and use space for gaming service provider for mass marketing, table gaming operations, VIP rooms table gaming operations and slot machines operations. The Group recognises service income from mass marketing, table gaming operations, VIP rooms table gaming operations and slot machines operations in accordance with the license and site agreements and are based on certain percentage of monthly gross gaming wins in the mass market, VIP table gaming and slot machines in the casino. Service income from mass marketing, table gaming operations, VIP rooms table gaming operations and slot machines operations are recognised at a point in time.

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3. 主要會計政策概要 (續)

(i) 物業、機器及設備

物業、機器及設備乃持作生產或供應貨品或服務、或作行政用途之有形資產。物業、機器及設備於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

一項資產之成本包括其購買價及將資產達至其營運狀況及地點作擬定用途所產生之任何直接應計成本。物業、機器及設備投入運作後所產生之支出，如維修及保養，一般於產生支出期間自損益扣除。倘若可清楚顯示有關支出將令日後使用該物業、機器及設備時帶來經濟利益，支出將撥充資本，作為該項資產之額外成本。

於租賃土地及樓宇之所有權權益

本集團就物業之所有權權益(包括租賃土地及樓宇成分)付款時，全部代價於租賃土地及樓宇成分之間按初始確認時的相對公平價值之比例分配。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

Ownership interests in leasehold land and building

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition.

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(i) 物業、機器及設備 (續)

於租賃土地及樓宇之所有權權益 (續)

倘相關付款能可靠地作出分配，於租賃土地之權益乃於綜合財務狀況表呈列為物業、機器及設備項下之使用權資產（應用香港財務報告準則第16號時），或租賃土地權益（應用香港財務報告準則第16號前）。倘代價無法在相關租賃土地之非租賃樓宇成分及未分割權益間可靠地分配時，則全部物業分類為物業、機器及設備。

折舊乃以撤銷資產之成本減彼等之剩餘價值按其估計使用年期以直線法予以確認。估計可使用年期、剩餘價值及折舊方法於各報告期末予以檢討，估計如有任何變動，在日後入賬。

主要年率如下：

樓宇	2%–5%
租賃物業裝修	20%–33%
租賃土地	按租期
租賃物業	按租期
傢俬、裝置及設備	10%–50%
汽車	15%–20%

物業、機器及設備項目於出售時或預期日後將不會自持續使用資產獲得經濟利益時終止確認。因物業、機器及設備項目出售或到期而產生之任何溢利或虧損為銷售所得款項與該資產賬面值之差額，並於損益確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Property, plant and equipment (Continued)

Ownership interests in leasehold land and building (Continued)

To the extent the allocation of the relevant payments can be made reliably, interests in leasehold land is presented as right-of-use assets under line item of property, plant and equipment (upon application of HKFRS 16) or interests in leasehold land (before application of HKFRS 16) in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

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

The principal annual rates are as follows:

Buildings	2%–5%
Leasehold improvements	20%–33%
Leasehold land	Over the lease term
Leased properties	Over the lease term
Furnitures, fixtures and equipment	10%–50%
Motor vehicles	15%–20%

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

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3. 主要會計政策概要 (續)

(k) 租賃土地權益

本集團就一項包括租賃土地和樓宇成份的物業權益支付款項時，本集團會基於因擁有每個成份而附帶的絕大部分風險和回報是否已轉移到本集團的基礎上評估每個成份的分類。除非很明顯地，該兩個成份均是經營租賃，在這種情況下，整個物業乃入賬列作經營租賃。具體來說，整體代價（包括任何一次性預付款）按在初次確認時土地成份及樓宇成份租賃權益之相對公平價值，按比例分配到租賃土地及樓宇成份。

倘相關付款能可靠地分配，租賃土地權益以「租賃土地權益」在綜合財務狀況表內列賬為經營租賃，並在租期內按直線法攤銷。倘相關付款不能可靠地於租賃土地及樓宇成份間分配，整個物業一般乃假設該租賃土地屬融資租賃項下而分類。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Interests in leasehold land

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interests in leasehold land that is accounted for as an operating lease is presented as "interests in leasehold land" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

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3. 主要會計政策概要 (續)

(l) 投資物業

投資物業乃為賺取租金及／或作資本增值而持有之物業。

投資物業初步乃按成本(包括任何直接應佔支出)計量。初始確認後，投資物業以公平價值計量。本集團所有根據經營租賃為賺取租金或作資本增值而持有之物業權益分類為投資物業並按此入賬及使用公平價值模式計量。投資物業公平價值變動所產生之溢利或虧損於產生期間計入損益。

投資物業於出售時或於投資物業永久棄用且預期不會因其出售而帶來未來經濟利益時終止確認。終止確認物業所產生任何溢利或虧損(計算為出售所得款項淨額與資產賬面值之間的差額)乃計入終止確認物業所屬期間之損益。

投資物業開始被業主佔用時按公平價值轉撥至物業、機器及設備。

轉撥投資物業時按公平價值變動所產生的盈虧乃於損益確認並計入「其他經營開支」項內。

(m) 物業、機器及設備及無形資產減值(商譽除外)

於報告期末，本集團會審閱具有有限可使用年期之物業、機器及設備及無形資產之賬面值，以釐定是否有任何跡象顯示有關資產出現減值虧損。倘若任何有關跡象顯示有關資產出現減值，則估計相關資產之可收回金額以釐定減值虧損之程度(如有)。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are classified and accounted for as investment properties and are measured using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in the profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

An investment property is transferred at fair value to property, plant and equipment when the property begins to be occupied by the owner.

Gain or loss arising from change in fair value of the investment property upon the transfer is recognised in profit or loss and is included in the "other operating expenses" line item.

(m) Impairment on property, plant and equipment and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(m) 物業、機器及設備及無形資產減值 (商譽除外) (續)

具有不確定可使用年期之無形資產乃至少每年進行減值測試，如出現有關跡象則予以減值。

物業、機器及設備及無形資產之可收回金額乃個別估計，而倘不能個別估計資產之可收回金額，則本集團會估計其資產所屬現金產生單位之可收回金額。

此外，本集團會評估企業資產有否減值跡象。如有此跡象，在可識別為合理及按一貫分配基準時，企業資產亦會被分配至個別現金產生單位，否則或會被分配至可識別為合理及按一貫分配基準之最小現金產生單位組合內。

可收回金額乃公平價值減出售成本與使用價值之較高者。在評估使用價值時，估計未來現金流量使用稅前折現率折現至其現值，該折現率反映貨幣時間價值之當前市場估計及未來現金流量預期未經調整之資產 (或現金產生單位) 有關風險。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Impairment of property, plant and equipment and intangible assets other than goodwill (Continued)

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property, plant and equipment and intangible assets are estimated individually, when it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the CGU to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual CGU, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

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

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3. 主要會計政策概要 (續)

(m) 物業、機器及設備及無形資產減值 (商譽除外) (續)

倘若資產 (或現金產生單位) 之可收回金額估計乃少於其賬面值，則該資產 (或現金產生單位) 之賬面值削減至其可收回金額。就未能按合理及一貫分配基準分配之企業資產或企業資產之部分，本集團會將現金產生單位組合之賬面值 (包括撥入該現金產生單位組合之企業資產或企業資產之部分的賬面值) 與現金產生單位組合之可收回金額作出比較。分配減值虧損時，減值虧損會先用作減低任何商譽 (如適用) 之賬面值，其後則按該單位或現金產生單位組合內各項資產賬面值之比例分配至其他資產。資產之賬面值不會削減至低於其公平價值減出售成本 (如可計量)、其使用值 (如可釐定) 及零之最高者。原應分配至資產之減值虧損乃按比例分配至該單位或現金產生單位組合內其他資產。減值虧損即時於損益確認。

倘若減值虧損日後得以撥回，則有關資產 (或現金產生單位或現金產生單位組合) 之賬面值增至其可收回金額之經修訂估計值，惟所增加賬面值不得超逾過往年度其未有確認減值虧損所應釐定資產 (或現金產生單位或現金產生單位組合) 之賬面值。減值虧損撥回即時於損益確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Impairment of property, plant and equipment and intangible assets other than goodwill (Continued)

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

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

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(n) 稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

本期稅項

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利因為其他年度應課稅或應扣除之收入及開支項目及從毋須課稅或不可扣稅之項目，故與綜合收入表所報「除稅前虧損」不同。本集團之本期稅項負債乃按報告期末制定或實質上制定之稅率計算。

遞延稅項

遞延稅項就綜合財務報表中資產及負債之賬面值與計算應課稅溢利時所採用之相應稅基之暫時差額確認。遞延稅項負債通常為所有應課稅之暫時差額確認，而遞延稅項資產通常為所有可扣除之暫時差額就未來很可能獲得應課稅溢利而又可使用可扣除暫時差額確認。若於一項交易中，因初次確認其他資產及負債而引致之暫時差額，如不影響應課稅溢利或會計溢利，則該等遞延稅項資產及負債不予確認。此外，倘若商譽初始確認產生暫時差額，則遞延稅項負債不予確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Taxation

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

Current tax

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

Deferred tax

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

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(n) 稅項 (續)

遞延稅項 (續)

遞延稅項負債乃就於附屬公司之投資及於合資企業之權益所產生之應課稅之暫時差額確認，惟倘本集團能控制暫時差額之撥回以及暫時差額有機會不會於可見將來撥回除外。可扣減暫時差額產生之遞延稅項資產(與該等投資及權益有關)僅於可能將有足夠應課稅溢利可動用暫時差額之利益，且彼等預期於可預見將來撥回之情況下予以確認。

遞延稅項資產之賬面值於每個報告期末作檢討，並於沒可能會有足夠應課稅溢利恢復全部或部分資產價值時作調減。

遞延稅項資產及負債乃按照於報告期末已實施或大致實施之稅率及稅法，於清償有關負債或變賣有關資產時，按預計有關期間適用稅率計算。

遞延稅項負債及資產之計量反映出於報告期末將依循本集團所預計以收回或清償其資產及負債賬面值之方式之稅務後果。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Taxation (Continued)

Deferred tax (Continued)

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

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

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

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

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(n) 稅項 (續)

遞延稅項 (續)

就以公平價值模式計量投資物業之遞延稅項計量而言，假定該等物業之賬面值可從出售中全數收回，除非假定被駁回則另作別論。當投資物業可被折舊，並按業務模式持有該等物業，其目的是隨時間耗用投資物業所包含的絕大部分經濟利益（而非透過出售），該假定被駁回。

就本集團確認使用權資產及相關租賃負債的租賃交易計量遞延稅項而言，本集團首先釐定稅項減免是否源自使用權資產或租賃負債。

就租賃交易中歸屬租賃負債的稅項減免而言，本集團應用香港會計準則第12號所得稅的規定將使用權資產及租賃負債分開。由於應用初始確認豁免，有關使用權資產與租賃負債的暫時性差額於初始確認及整段租期不作確認。

倘有合法可強制執行權利時以即期稅項資產抵銷即期稅項負債，且關乎由同一稅務機關向同一應課稅個體所徵收所得稅時，遞延稅項資產與負債乃予抵銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Taxation (Continued)

Deferred tax (Continued)

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment properties are depreciable and are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(n) 稅項 (續)

本年度本期及遞延稅項

本期及遞延稅項於損益確認，惟當與其他全面收入或直接於權益確認之項目有關時，在此情況下，本期及遞延稅項亦會分別於其他全面收入或直接於權益確認。當業務合併初次會計處理時產生本期或遞延稅項，稅項影響計入該業務合併之會計處理內。

評估任何有關所得稅處理之不確定性時，本集團會考慮相關稅務機關是否可能接受個別集團個體在其各自的所得稅申報中已使用或擬使用之不確定稅務處理。如屬可能接納，本期及遞延稅項乃與所得稅申報中之稅務處理一致而釐定。如相關稅務機關不太可能接受不確定稅務處理，則使用最可能金額或預期值兩者擇一來反映各不確定性之影響。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Taxation (Continued)

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be use by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(o) 借貸成本

因籌備收購、建造或生產合資格資產擬作用途或出售之主要期間之借貸成本，該借貸成本直接添加至該資產成本，直至該等資產大部分已籌備作彼等之擬作用途或出售之有關時間為止。

自二零一九年一月一日起，任何於相關資產可作其既定用途或可出售後尚存的特定借貸乃計入一般借貸總額以計算一般借貸之資本化利率。特定借貸用於合資格資產支銷前用作暫時投資所賺取的投資收入，可從資本化之借貸成本中扣除。

所有其他借貸成本於產生期間於損益確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Borrowing costs

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

Effective 1st January 2019, any specific borrowing that remains outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

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3. 主要會計政策概要 (續)

(p) 物業存貨

持作出售之物業存貨乃按成本及可變現淨值兩者較低者列賬。成本及可變現淨值按如下釐定：

持作出售之發展中物業

持作出售之發展中物業之成本包括，尤其已識別成本包括土地之收購成本、開發總成本、借貸成本資本化、材料及供應、工資、其他直接開支及適當部分之一般行政費用。釐定可變現淨值時參考在日常業務過程中出售物業之出售所得款項，減適用之可變銷售開支及直至完成時之預期成本，或由管理層根據現行市況作出估計後釐定。

(q) 存貨

存貨乃按成本及可變現淨值兩者之較低者入賬。存貨成本按先入先出法(視何者合適)計算。可變現淨值指存貨估計售價減完成及進行銷售之必要估計成本。

當存貨售出時，該等存貨之賬面值於確認有關收益期間內作為銷售成本予以確認。將存貨撇減至可變現淨值之金額及存貨之所有虧損於撇減或虧損發生期間內作為銷售成本或行政開支(視何者合適)予以確認。任何存貨撇減之任何撥回於撥回產生期間內於銷售成本內抵銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Stock of properties

Stock of properties, which are held for trading, are stated at the lower of cost and net realisable value. Cost and net realisable value are determined as follows:

Properties under development held for sale

The costs of properties under development held for sale comprises specifically identified costs including the acquisition cost of land, aggregate cost of development, borrowing costs capitalised, material and supplies, wages, other direct expenses and an appropriate proportion of overheads. Net realisable value is determined by reference to the sale proceeds of properties sold in ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

(q) Inventories

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

When inventories are sold, the carrying amount of those inventories is recognised as cost of sales in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as cost of sales or administrative expenses as appropriate in the period the write-down or loss occurs as appropriate. The amount of any reversal of any write-down of inventories is offset against the cost of sales in the period in which the reversal occurs.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(r) 電影版權

電影版權指本集團所製作或本集團所外購之電影及電視連續劇。電影版權按成本減累計攤銷及累計減值虧損列賬。本集團於電影上映時開始攤銷電影版權之資本化成本並開始確認該電影之收益。

本集團會於各報告期末檢討及修訂電影版權預測收益總額及製作成本總額估計。倘估計獲修訂，則本集團會從估計出現變動期間起調整預測收入總額，並重新計算電影版權攤銷比率。估計變動的影響按未來基準確認。

攤銷開支按年內實際賺取之收入與銷售電影版權預計可得總收入之比例於損益扣除。電影版權之攤銷將不多於二十年。倘有任何價值上的減值，其賬面值乃撇減至其可收回金額。

於各報告期末，本集團會審閱內部及外部市場資料，以評估是否有任何跡象顯示電影版權已減值。倘任何有關跡象存在，則會估計資產之可收回金額，並會於需要時將減值虧損確認入賬，將資產減值至其估計可收回金額。該等減值虧損乃於損益確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Film rights

Film rights represent films and television drama series produced by the Group or acquired by the Group. Film rights are stated at cost less accumulated amortisation and accumulated impairment losses. The Group begins amortisation of the capitalised costs of film rights when a film is released and it begins to recognise revenue from that film.

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

Amortisation expense is charged to profit or loss based on the proportion of actual income earned during the year to the total estimated income from the sale of film rights. The amortisation of film rights will not exceed twenty years. In the case where there is any impairment in value, the carrying amount is written down to its estimated recoverable amount.

At the end of each reporting period, both internal and external market information are considered to assess whether there is any indication that film rights are impaired. If any such indication exists, the carrying amounts of such assets is assessed and where relevant, an impairment loss is recognised to reduce the asset to its estimated recoverable amount. Such impairment losses are recognised in profit or loss.

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3. 主要會計政策概要 (續)

(s) 製作中電影

製作中電影指製作中之電影及電視連續劇，按截至入賬日期已動用成本減任何已識別減值虧損入賬。成本包括有關制作電影之所有成本，包括電影導演、演員及製作組薪酬、服裝、保險、化妝及髮型設計以及攝影機及燈光設備租金。製作中電影於電影上映時轉撥至電影版權。

於各報告期末，本集團會審閱內部及外部市場資料，以評估是否有任何跡象顯示製作中電影已減值。倘任何有關跡象存在，則會估計資產之可收回金額，並會於需要時將減值虧損確認入賬，將資產減值至其可收回金額。該等減值虧損乃於損益確認。

(t) 金融工具

金融資產及金融負債乃於集團個體成為工具合約條款之訂約方時確認。所有以常規方式購買或出售之金融資產，均按交易日基準進行確認及終止確認。以常規購買或出售方式購買或出售金融資產要求在相關市場之規則或慣例設定之時間內交付資產。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Films in progress

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

At the end of each reporting period, both internal and external market information are considered to assess whether there is any indication that films in progress are impaired. If any such indication exists, the carrying amount of such assets is assessed and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit or loss.

(t) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

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3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產及金融負債乃初步以公平價值進行計量，惟按照香港財務報告準則第15條初步計量，來自與客戶合約之貿易應收賬款除外。直接歸屬於購置或發行金融資產及金融負債(透過損益以公平價值列賬之金融資產除外)之交易成本於初次確認時計入或扣自各金融資產或金融負債(如適用)之公平價值。直接歸屬於購置透過損益以公平價值列賬之金融資產之交易成本即時於損益確認。

實際利息法為於相關期間計算金融資產或金融負債之攤銷成本及分配利息收入及利息開支之方法。實際利率乃是將實質折現透過金融資產或金融負債之預期年期或較短期間(視何者合適)預計未來現金收款及付款(包括構成實際利率不可或缺部分之一切已付或已收費用及利率差價、交易成本及其他溢價或折現)至初次確認時之賬面淨值之利率。

源自金融資產及股東權利之利息及股息收入乃呈列為其他收益及其他收入。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

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

Interest and dividend income which are derived from the financial assets and shareholders' rights are presented as other revenue and other income.

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3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產

金融資產之分類及其後計量

符合以下條件之金融資產隨後按攤銷成本計量：

- 金融資產按目的為收取合約現金流量的業務模式持有；及
- 金融資產合約條款在指定日期產生現金流量，該現金流量僅為支付本金及尚未償還本金之利息。

符合下列條件的金融資產其後透過其他全面收入以公平價值（「透過其他全面收入以公平價值」）計量：

- 金融資產按目的為同時收取合約現金流量及出售之業務模式持有；及
- 金融資產合約條款在指定日期產生現金流量，該現金流量僅為支付本金及尚未償還本金之利息。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產 (續)

金融資產之分類及其後計量 (續)

所有其他金融資產其後按透過損益以公平價值列賬(「透過損益以公平價值列賬」)計量，惟於初次確認金融資產之日，倘該等權益投資並非持作買賣用途及收購方於香港財務報告準則第3號業務合併所適用的業務合併中確認之或然代價，則本集團可能會不可撤銷地選擇於其他全面收入中呈列權益投資之公平價值變動除外。

金融資產於下列情況下分類為持作買賣：

- 購入主要為於近期銷售；或
- 於初次確認時構成本集團合併管理的確定金融工具組合的一部分及具有最近實際短期獲利模式；或
- 金融資產為未被指定及可有效作為對沖工具之衍生工具。

此外，倘可消除或大幅減少會計錯配，本集團可能會不可撤銷地指定需按攤銷成本計量或按透過其他全面收入以公平價值列賬計量的金融資產按透過損益以公平價值列賬計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

All other financial assets are subsequently measured at fair value through profit or loss ("FVTPL"), except that at the date of initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

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3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產 (續)

金融資產之分類及其後計量 (續)

攤銷成本及利息收入

其後按攤銷成本計量的金融資產的利息收入乃使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外(見下文)。就其後出現信貸減值的金融資產而言，自下一報告期間起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期初起利息收入乃對金融資產賬面總值應用實際利率予以確認。

透過損益以公平價值列賬之金融資產

不符合按攤銷成本或按透過其他全面收入以公平價值列賬或指定為透過其他全面收入以公平價值列賬準則的金融資產按透過損益以公平價值列賬計量。

透過損益以公平價值列賬之金融資產按各報告期末之公平價值計量，任何公平價值盈虧於損益中確認。於損益中確認的盈虧淨額不包括該金融資產所賺取的任何股息或利息，且計入「其他收益及其他收入」項內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other revenue and other income" line item.

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3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產 (續)

金融資產之減值

本集團就根據香港財務報告準則第9號面臨減值的金融資產(包括提供予一名董事之貸款、電影投資、貿易應收賬款、已付按金、其他應收款項、應收貸款、定期存款及現金及銀行結餘)的預期信貸虧損(「預期信貸虧損」)確認虧損撥備。預期信貸虧損金額於各報告期間更新，以反映自初次確認以來的信貸風險變動。

全期預期信貸虧損指於相關工具預期壽命內發生所有可能的違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)則指預期於報告期間後12個月內可能發生的違約事件而導致的部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗，並根據債務人特定因素、一般經濟狀況及於報告日期對當前狀況及未來狀況預測的評估而作出調整。

本集團持續地確認貿易應收賬款之全期預期信貸虧損。該等貿易應收賬款之預期信貸虧損乃就有重大結餘之債務人作個別評估。

就所有其他工具而言，本集團按12個月預期信貸虧損等額計量虧損撥備，除非信貸風險自初次確認以來已大幅增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損，乃基於自初次確認起出現違約的可能性或風險是否大幅增加。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (“ECL”) on financial assets which are subject to impairment under HKFRS 9 (including loan to a director, investment in film, trade receivables, deposit paid, other receivables, loan receivables, time deposits and cash and bank balances). The amount of ECL is updated at each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting period. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting period as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these trade receivables are assessed individually for debtors with significant balances.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

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3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產 (續)

金融資產之減值 (續)

信貸風險大幅增加

於評估信貸風險是否自初始確認以來已大幅增加時，本集團比較金融工具於報告期間出現違約的風險與該金融工具於初始確認日期出現違約的風險。作此評估時，本集團均會考慮合理及有憑證的定量及定性資料，包括過往經驗及毋須付出過多成本或努力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外部 (如有) 或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外界市場指標的重大惡化，例如信貸息差大幅增加、債務人的信貸違約掉期價；
- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期重大惡化；或

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or

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3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產 (續)

金融資產之減值 (續)

信貸風險大幅增加 (續)

- 債務人的監管、經濟或技術環境的實際或預期重大不利變動導致債務人履行其債務責任的能力大幅下降。

無論上述評估的結果如何，本集團假設倘合約付款逾期超過30天，則其信貸風險自初次確認以來顯著增加，除非本集團有合理及有憑證的資料顯示，則作別論。

本集團會定期監察所用準則的效益以識別信貸風險有否大幅增加，並加以適當修正以確保該準則能夠於有關款額變成逾期未付前識別信貸風險大幅增加。

違約之定義

就內部信貸風險管理而言，本集團認為當有內部研究所得資料或自外界資源所取得資料顯示之債務人不大可能全數向其債權人(包括本集團)付款，則視之為發生違約事件。

無論上述如何，本集團認為，倘有金融資產逾期未付超過90天，則屬發生違約事件，除非本集團有合理及有憑證的資料顯示更寬鬆的違約準則更為合適。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產 (續)

金融資產之減值 (續)

有信貸減值之金融資產

當一項或多項對金融資產估計未來現金流造成負面影響的事件發生時，即代表金融資產已出現信貸減值。金融資產出現信貸減值的證據包括涉及以下事件的可觀察數據：

- (a) 發行方或借款人遇到嚴重財政困難；
- (b) 違反合約，如違約或逾期未付事件；
- (c) 向借款人作出貸款之放款人出於與借款人財政困難有關的經濟或合約考慮，給予借款人在其他情況下不會作出的讓步；
- (d) 借款人有可能破產或進行其他財務重組；或
- (e) 因為財政困難導致有關金融資產失去其活躍市場。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

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3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產 (續)

金融資產之減值 (續)

撇銷政策

當有資料顯示對手方陷入嚴重財政困難，且並無實際收回款項的可能時（例如對手方被清盤或進入破產程序），本集團會撇銷該金融資產。經考慮在適當情況下的法律意見後，已撇銷的金融資產可能仍可於本集團追償程序下被強制執行。撇銷構成一項終止確認事件。任何其後追償的款項於損益確認。

預期信貸虧損之計量及確認

預期信貸虧損的計量乃違約概率、違約虧損率（即違約造成虧損的幅度）及違約風險的函數。違約概率及違約虧損率乃根據經前瞻性資料調整的歷史數據進行評估。預期信貸虧損的估計反映無偏頗及概率加權數額，其乃根據加權的相應違約風險而釐定。

一般而言，預期信貸虧損按根據合約應付本集團的所有合約現金流量與本集團將收取的所有現金流量之間的差額，並按初次確認時釐定的實際利率折現。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融資產 (續)

金融資產之減值 (續)

預期信貸虧損之計量及確認 (續)

倘按集體基準計量預期信貸虧損，或為處理在個別工具層面未取得證據的情況，金融工具乃按以下基準分組：

- 金融工具之性質 (即本集團之貿易及其他應收賬款以及應收客戶款項各自作為單獨組別評估。給予關連人士之貸款乃按個別基準就預期信貸虧損進行評估)；
- 逾期未付狀況；
- 債務人之性質、規模及行業；及
- 可掌握之外部信貸評級。

管理層會定期檢討分組方法，以確保各單獨組別之組成項目繼續具有相似之信貸風險特徵。

利息收入按金融資產賬面值總額計算，除非該金融資產有信貸減值，如此則其利息收入按有關金融資產之攤銷成本計算。

本集團通過調整金融工具之賬面值於損益內確認所有金融工具之減值盈虧，惟貿易應收賬款乃透過虧損撥備賬確認相應調整除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Measurement and recognition of ECL (Continued)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for ECL on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融負債及權益性工具

分類為金融負債或權益

集團個體發行之金融負債及權益性工具乃根據所訂立合約安排之實質內容及金融負債與權益性工具之釋義分類為金融負債或權益。

權益性工具

權益性工具乃證明於扣減其所有負債後某個體資產剩餘權益之任何合約。本公司發行之權益性工具乃按所得款項減直接發行成本淨額予以確認。

購回本公司自有權益性工具直接於權益確認及扣除。概無就購買、出售、發行或註銷本公司自有權益性工具於損益確認盈虧。

實際利息法

實際利息法為於有關期間計算金融負債之攤銷成本及分配利息開支之方法。實際利率乃是將實質折現透過金融負債之預期年期或較短期間(如適用)預計未來現金付款(包括構成實際利率不可或缺部分之一切已付或已收費用及利率差價、交易成本及其他溢價或折現)至初次確認時之賬面淨值之利率。

利息開支乃按實際利率基準確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial liabilities and equity instruments

Classification as financial liabilities or equity

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Effective interest method

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

Interest expense is recognised on an effective interest basis.

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(t) 金融工具 (續)

金融負債及權益性工具 (續)

金融負債

所有金融負債隨後採用實際利息法按攤銷成本計量。

金融負債(包括銀行借貸、租賃負債、貿易應付賬款、已收按金、應計項目及其他應付款項(不包括預收款項)及應付非控股權益款項)隨後採用實際利息法按攤銷成本計量。

衍生金融工具

衍生工具按於訂立衍生工具合約之日的公平價值初始確認，其後按其於報告期末之公平價值重新計量。得出的盈虧於損益確認。

終止確認

本集團僅於自資產獲取現金流之合約權利到期時，或本集團將金融資產及資產所有權之絕大部分風險及回報轉讓予另一個體時終止確認金融資產。倘本集團並未轉讓或保留所有權之絕大部分風險及回報，而是繼續控制已轉讓資產，則本集團會繼續確認於資產之保留權益，並確認可能須支付之相關負債。倘本集團保留已轉讓金融資產所有權之絕大部分風險及回報，則本集團繼續確認該金融資產，亦會就已收取之所得款項確認擔保借貸。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities (including bank borrowings, lease liabilities, trade payables, deposits received, accruals and other payables (excluding receipt in advance) and amounts due to non-controlling interests) are subsequently measured at amortised cost, using the effective interest method.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(t) 金融工具 (續)

終止確認 (續)

終止確認按攤銷成本計量之金融資產時，資產賬面值與已收及應收代價總和間之差額，於損益確認。

本集團只有於責任獲免除、取消或已到期時，方會終止確認金融負債。獲終止確認之金融負債之賬面值與已付及應付代價間差額會於損益確認。

(u) 現金及現金等值項目

現金及現金等值項目包括手頭及銀行現金、銀行及其他金融機構之定期存款、能迅速地轉換為一定現金數額之高流動性短期投資，並須承受非重大價值變動風險。

(v) 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按於交易日之現行匯率予以確認。於報告期末，以外幣計值之貨幣項目均按該日之適用匯率重新換算。按公平價值列賬並以外幣計值之非貨幣項目乃按其公平價值釐定當日之適用匯率重新換算。按外幣歷史成本計量之非貨幣項目不予重新換算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial instruments (Continued)

Derecognition (Continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the profit or loss.

(u) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(v) Foreign currencies

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

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(v) 外幣 (續)

因貨幣項目結算及貨幣項目之匯兌差額乃於差額產生期間內於損益確認。

就呈列綜合財務報表而言，本集團業務之資產及負債乃按各個報告期末之適用匯率換算為本集團之呈列貨幣（即港元）。收入及開支項目乃按該期間之平均匯率換算。所產生之匯兌差額（如有）乃於其他全面收入確認及於權益內之「匯兌儲備」項下（歸屬於非控股權益，視何者合適）累計。

出售境外業務（即出售本集團於境外業務的全部權益，或出售涉及失去對含境外業務的附屬公司之控制權）時，有關本公司擁有人應佔該業務於權益累計的匯兌差額乃重新分類至損益。

(w) 租賃

租賃的定義（按附註2之過渡條文應用香港財務報告準則第16號時）

倘合約就換取代價賦予在一段期間內控制可識別資產用途的權利，則該合約為租賃或包含租賃。

就於初次應用日期或之後訂立或修訂或產生自業務合併的合約而言，本集團根據香港財務報告準則第16號的定義於初始、修改日期或收購日期（視何者適合）評估合約是否為租賃或包含租賃。除非合約條款及條件於其後有變，否則有關合約將不予重新評估。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Foreign currencies (Continued)

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

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

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

(w) Leases

Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 2)

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

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3. 主要會計政策概要 (續)

(w) 租賃 (續)

本集團作為承租人 (按附註2之過渡條文應用香港財務報告準則第16號時)

分配代價至合約組成部分

就包含租賃組成部分及一項或多項額外租賃或非租賃組成部分的合約而言，本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總額將合約代價分配至各租賃組成部分，包括收購一個物業所有權權益 (包括租賃土地及非租賃樓宇組成部分) 的合約，除非不能如此可靠地分配。

非租賃組成部分根據其相對單獨價格與租賃組成部分分開。

短期租賃及低價值資產之租賃

本集團就開始日期起計租期為12個月或以下且不含購買選擇權的租賃應用短期租賃確認豁免。

本集團亦就低價值資產之租賃應用確認豁免。短期租賃及低價值資產之租賃的租賃付款就租期以直線法或另一系統性基準確認為開支。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, including contract for acquisition of ownership interests of a property which includes both leasehold land and non-lease building components, unless such allocation cannot be made reliably.

Non-lease components are separated from lease component on the basis of their relative stand-alone prices.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

The Group also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(w) 租賃(續)

本集團作為承租人(按附註2之過渡條文應用香港財務報告準則第16號時)(續)

使用權資產

使用權資產的成本包括：

- 租賃負債的初次計量金額；
- 於開始日期或之前的任何已付租賃付款，減任何已收取租賃優惠；
- 本集團所產生的任何初始直接成本；及
- 本集團於拆除及移除相關資產、復原其所在地或復原相關資產至租賃條款及條件所規定的狀態而產生的成本估計。

使用權資產乃按成本減任何累計折舊及減值虧損計量，並就租賃負債任何重新計量作出調整。

使用權資產以直線法於其估計可使用年期與租賃期兩者中的較短者計提折舊。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(w) 租賃 (續)

本集團作為承租人 (按附註2之過渡條文應用香港財務報告準則第16號時) (續)

使用權資產 (續)

本集團於租賃期結束取得相關租賃資產的所有權時，因行使購買選擇權，相關使用權資產之賬面值乃撥入物業、機器及設備。

本集團將使用權資產於「物業、機器及設備」項下呈列，即相應相關資產如被擁有時應同一項內呈列。

租賃負債

於租賃開始日期，本集團按該日未付的租賃付款現值確認及計量租賃負債。於計量租賃付款現值時，倘租賃中隱含的利率難以釐定，則本集團於租賃開始日期使用遞增借貸利率計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Right-of-use assets (Continued)

When the Group obtains ownership of the underlying leased assets at the end of the lease term, upon exercising purchase options, the carrying amount of the relevant right-of-use asset is transferred to property, plant and equipment.

The Group presents right-of-use assets in "property, plant and equipment", the same line item within which the corresponding underlying assets would be presented if they were owned.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(w) 租賃(續)

本集團作為承租人(按附註2之過渡條文應用香港財務報告準則第16號時)(續)

租賃負債(續)

租賃付款包括：

- 定額付款(包括實質定額付款)扣減任何應收租賃優惠；
- 取決於某指數或利率的可變租賃付款，於開始日期用指數或利率初始計量；
- 根據剩餘價值擔保本集團預期應付的金額；
- 購買選擇權的行使價(倘本集團合理確定行使選擇權)；及
- 終止租賃的罰款(倘租賃期反映本集團行使選擇權終止租賃)。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Lease liabilities (Continued)

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(w) 租賃(續)

本集團作為承租人(按附註2之過渡條文應用香港財務報告準則第16號時)(續)

租賃負債(續)

於開始日期後，租賃負債通過利息增加及租賃付款進行調整。

於以下情況，本集團重新計量租賃負債(並就相關使用權資產作相應調整)：

- 租賃期有所變動或行使購買選擇權的評估發生變化，於該情況下，相關租賃負債於重新評估日期透過使用經修訂貼現率貼現經修訂租賃付款而重新計量；或
- 租賃付款變更乃由於隨市場租金檢討／根據保證剩餘價值之預期付款後市場租金率有變而出現變動，在此情況下，相關租賃負債透過使用初始貼現率貼現經修訂租賃付款而重新計量。

本集團於綜合財務狀況表將租賃負債以單獨項目呈列。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Lease liabilities (Continued)

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment; or
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(w) 租賃 (續)

本集團作為承租人 (按附註2之過渡條文應用香港財務報告準則第16號時) (續)

租賃修訂

倘存在下列情形，則本集團將租賃修訂列作為一項單獨的租賃入賬：

- 該項修訂通過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- 租賃的代價增加，增加的金額相當於範圍擴大對應的單獨價格，加上按照特定合約的實際情況對單獨價格進行的任何適當調整。

對於不列作為一項單獨的租賃的租賃修訂，本集團會使用修訂生效日期的經修訂貼現率貼現經修訂租賃付款，以根據經修訂租賃的租賃期重新計量租賃負債。

本集團透過對相關使用權資產進行相應調整而對租賃負債的重新計量作會計處理。當經修改合約包含租賃組成部分及一項或多項其他租賃或非租賃組成部分時，本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總額將經修訂合約之代價分配至各租賃組成部分。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(w) 租賃 (續)

本集團作為承租人 (於二零一九年一月一
日前)

租賃條款訂明將資產擁有權之絕大部分風險及回報轉至承租人之租賃，均列為融資租賃。所有其他租賃均列為經營租賃。

按融資租賃所持有之資產於租賃開始時按彼等之公平價值或 (如較低) 最低租賃付款之現值確認為本集團之資產。向出租人履行之相關負債於綜合財務狀況表內列入「融資租賃債務」項下。

租賃付款為分攤融資成本及減少租賃債務之間，以至負債餘額按固定利率計息。融資成本於損益即時確認，除非彼等直接由合資格資產應佔，於此情況下，彼等乃根據本集團有關借貸成本之一般政策予以資本化。

經營租賃之付款 (包括根據經營租賃持有的收購土地之成本) 乃按租賃年期以直線法確認為開支。除非另有系統性基準，更能代表其租賃資產的經濟利益被消耗之時間模式。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Leases (Continued)

The Group as a lessee (prior to 1st January 2019)

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

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position under the heading of "obligations under finance leases".

Lease payments are apportioned between finance costs and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance costs are recognised immediately in the profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(x) 僱員福利

年假

僱員之年假權益在假期歸於僱員時確認。就員工年內提供服務而產生之年假估計負債已作出撥備。員工之產假及病假權益在休假前不會予以確認。

花紅

當有合約責任且該金額可作可靠估算時，本集團就花紅確認負債。

退休福利責任

向強制性公積金計劃(「強積金計劃」)、退休金計劃及國家管理退休福利計劃供款乃於僱員已提供服務並可享有供款時確認為開支。

本集團根據香港強制性公積金計劃條例為其受香港僱傭條例所管轄之僱員設立強積金計劃。強積金計劃乃一項定額供款計劃，其資產由獨立信託管理基金持有。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Employee benefits

Annual leave

Employee entitlement to annual leave is recognised when it accrues to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees during the year. Employee entitlements to maternity leave and sick leave are not recognised until the time of leave.

Bonuses

The Group recognises a liability for bonuses when there is a contractual obligation and the amount can be estimated reliably.

Retirement benefit obligations

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

The Group operates a MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(x) 僱員福利 (續)

退休福利責任 (續)

根據強積金計劃，僱主及僱員均須按僱員有關收入之5%向計劃作出供款，惟僱主供款以每月有關收入30,000港元為上限。本集團之計劃供款於產生時支銷，並根據計劃之歸屬程度歸屬。倘僱員於有權享有僱主供款之前退出計劃，沒收之供款將用作扣減本集團之應付供款。

本集團之附屬公司為澳門之合資格僱員設立定額供款計劃。定額供款計劃由獨立管理公司設立及管理。本集團與僱員平均分擔每月向計劃之供款。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Employee benefits (Continued)

Retirement benefit obligations (Continued)

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, with the employers' contributions subject to a cap of monthly relevant income of HK\$30,000. The Group's contributions to the scheme are expensed as incurred are vested in accordance with the scheme's vesting scales. Where employees leave the scheme prior to the full vesting of the employer's contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

The Group's subsidiaries operate a defined contribution scheme for eligible employees in Macau. The defined contribution scheme is established and managed by an independent management company. Both the Group and the employees make equal share of monthly contributions to the scheme.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(x) 僱員福利 (續)

社會保障基金

本集團之全職僱員已參與政府強制性定額供款計劃，據此，澳門政府將釐定及支付定額退休福利。供款一般由僱員及僱主共同作出，僱員及僱主須每月向澳門政府管理之社會保障基金供款支付定額款項。本集團為整個供款提供資金，除每月供款外，並無其他承擔。

以股份支付之款項開支

向僱員或提供類似服務之其他人士按權益結算以股份支付之款項按權益性工具授出日期之公平價值計量。

按權益結算以股份支付款項於授出當日不計所有非市場歸屬條件而釐定之公平價值乃按本集團對最終歸屬之權益性工具之估計按直線法於歸屬期支銷，而權益（以股份支付之款項儲備項下）則會相應增加。於各報告期末，本集團基於對所有相關非市場歸屬條件的評估而修訂其預期歸屬之權益性工具估計數目。修訂原估計之影響（如有）於損益確認，以使累計開支反映經修訂之估計，並於購股權儲備作相應調整。就於授出之日即時歸屬之購股權而言，所授出購股權之公平價值即時於損益列支。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Employee benefits (Continued)

Social security fund

Full-time employees of the Group are covered by a government-mandated defined contribution plan pursuant to which a fixed amount of retirement benefit would be determined and paid by the Macau government. Contributions are generally made by both employees and employers by paying a fixed amount on a monthly basis to the Social Security Fund Contribution managed by the Macau government. The Group funds the entire contribution and has no further commitments beyond its monthly contributions.

Share-based payment expenses

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity under the heading of share-based payment reserve. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in the profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to the profit or loss.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(x) 僱員福利 (續)

以股份支付之款項開支 (續)

行使購股權時，早前已確認之以股份支付之款項儲備數額將轉換為股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期時仍未獲行使，早前已確認之以股份支付之款項儲備額將轉入(累計虧損)/保留溢利。

(y) 授予顧問以股份支付之款項開支

與僱員以外人士進行之按權益結算以股份支付之款項交易乃按所接受服務之公平價值計量，惟如該公平價值無法予以可靠地計量除外，此情況下則按所授出權益性工具之公平價值於個體取得交易對方提供服務之日計量。所接受服務之公平價值乃確認為開支(除非有關貨品或服務合資格確認為一項資產)。

(z) 撥備

倘本集團因過往事件而須承擔現有法定或推定責任，且本集團很可能須履行該責任，並能可靠地估計所須承擔之金額，則須確認撥備。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Employee benefits (Continued)

Share-based payment expenses (Continued)

When share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will be transferred to (accumulated losses)/retained earnings.

(y) Share-based payment expenses granted to consultants

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

(z) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(z) 撥備 (續)

確認為撥備之金額(包括服務特許經營安排為在移交授予人之前維持或恢復基建而指明的合約責任所產生者)乃按對於報告期末履行現時責任所需代價作出之最佳估計計量,並計及有關責任之風險及不確定因素。當撥備按履行現時責任估計所需之現金流量計量時,其賬面值為有關現金流量之現值(如貨幣時間價值之影響重大)。

當結算撥備所需之部分或全部經濟利益預期可自第三方收回時,倘大致確定將可獲償付及應收款項金額可作可靠計量,則將應收款項確認為資產。

(aa) 分類報告

於綜合財務報表內所列之經營分類及各分類項目之金額,乃按照定期提供予本集團最高級行政管理層以對本集團不同業務及地理位置作出資源分配及表現評估之財務資料而識別。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Provisions (Continued)

The amount recognised as a provision, including those arising from the contractual obligation specified in the service concession arrangement to maintain or restore the infrastructure before it is handed over to the grantor, is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(aa) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(aa) 分類報告 (續)

就財務報告而言，個別重大之經營分類不會合併計算，除非該等分類有類似之經濟特徵及類似之產品及服務性質、生產工序性質、客戶類別、分銷產品或提供服務所採用之方法、以及規管環境性質。倘若非個別重大之經營分類分佔該等標準中的大部分，則該等非個別重大之經營分類可合併計算。

(ab) 或然負債及或然資產

或然負債乃因過往事件而可能產生之責任，而其存在與否僅由本集團所不能完全控制之一件或多件未確定未來事件之發生或不發生所確定。或然負債亦可以是因過往事件而產生之現有責任，而由於不大可能導致經濟資源流失，又或者責任金額不能可靠地計量而未予以確認。倘流失可能性發生變動，以致有可能流失時，則確認為撥備。

或然資產乃因過往事件而可能產生之資產，其存在與否僅為本集團所不能完全控制之一件或多件未確定未來事件之發生或不發生所確定。若流入被實質確定時，將確認為資產。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) Segment reporting (Continued)

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

(ab) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. When inflow is virtually certain, an asset is recognised.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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3. 主要會計政策概要 (續)

(ac) 關連人士交易

另一方被視為本集團之關連人士倘：

(a) 倘若某位人士屬以下情況，則該人士或該人士之家族之親密成員乃與本集團有關連：

- (i) 對本集團擁有控制權或共同控制權；
- (ii) 對本集團擁有重大影響力；或
- (iii) 為本集團或本集團之母公司之主要管理人員之成員。

(b) 倘若以下任何條件適用，則某個體乃與本集團有關連：

- (i) 該個體與本集團均為相同集團之成員（其意味著各母公司、附屬公司及同系附屬公司與其他者有關連）；
- (ii) 某一個體為其他個體之聯營公司或合資企業（或其他個體之集團之成員之聯營公司或合資企業為其成員）；
- (iii) 兩個體均為相同第三方之合資企業；
- (iv) 某個體為第三方個體之合資企業，而其他個體為該第三方個體之聯營公司；

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(ac) Related party transactions

A party is considered to be related to the Group if:

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) the entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member);
- (iii) both entities are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(ac) 關連人士交易 (續)

(b) (續)

- (v) 該個體為本集團或與本集團有關連之個體之僱員福利而設立之離職後福利計劃；
- (vi) 該個體為被(a)所識別之某位人士所控制或共同控制；
- (vii) (a)(i)所識別之某位人士對該個體擁有重大影響力或為該個體(或該個體之母公司)之主要管理人員之成員；或
- (viii) 該個體或其所屬集團任何成員公司向本集團或本集團母公司提供主要管理人員服務。

當關連人士之間存在資源、服務或承擔轉移時，交易被視為關連人士交易，而不理會有否按價收酬。

某位人士之親密家族成員為與該個體進行交易時預期可能影響該人士或受該人士影響之該等家族成員。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(ac) Related party transactions (Continued)

(b) (Continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

A related party transaction is a transfer of resources, services or obligations between the Group and a related party, regardless of whether a price is charged.

Close family members of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

3. 主要會計政策概要 (續)

(ad) 已終止經營業務

已終止經營業務乃本集團業務之組成部分，其營運及現金流量可與本集團其他業務清楚區分，且代表一項按業務或地區劃分之獨立主要業務，或作為出售一項按業務或地區劃分之獨立主要業務之單一統籌計劃一部分，或為一間純粹為轉售而收購之附屬公司。

倘經營業務被出售或符合列為持作出售項目之標準（如較早），則分類為已終止經營業務。倘經營業務被撤出時，有關經營業務亦會分類為已終止經營業務。

倘若經營業務分類為終止經營，則會於綜合收入表按單一數額呈列，當中包含：

- 已終止經營業務之除稅後損益；及
- 就構成已終止經營業務之資產或出售組合，計量公平價值減出售成本或於出售時確認之除稅後盈虧。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(ad) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale if earlier. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of consolidated income statement, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operation.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

4. 主要會計判斷及估計不確定性之主要來源

於應用綜合財務報表附註3所載本集團之會計政策時，董事須就從其他來源不顯而易見之資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃以過往經驗及認為屬有關之其他因素而作出。實際結果可能有別於該等估計。

估計及相關假設按持續基準審閱。倘若會計估計修訂僅影響該期間，則有關修訂會在修訂估計期間確認。倘若有關修訂影響當期及未來期間，則有關修訂會在修訂期間及未來期間確認。

應用會計政策之主要判斷

除涉及估計者外，本公司董事於應用本集團會計政策之過程中已作出及已對於綜合財務報表內確認之款項有最重大影響之主要判斷如下：

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3 to the consolidated financial statements, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The followings are the critical judgements, apart from those involving estimations, that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

4. 主要會計判斷及估計不確定性之主要來源 (續)

應用會計政策之主要判斷 (續)

投資物業之遞延稅項

就計量產生自使用公平價值模式計量之投資物業之遞延稅項而言，董事已審閱本集團之投資物業組合，並得出結論為本集團之投資物業並非以隨時間消耗其絕大部分經濟利益為主之業務模式持有。因此，於釐定本集團有關投資物業之遞延稅項時，董事已釐定，使用公平價值模式計量之投資物業之賬面值乃完全透過出售予以收回之假設不予推翻。由於本集團出售投資物業時之公平價值變動毋須繳納任何所得稅，故本集團並無確認投資物業公平價值變動之任何遞延稅項。

采星娛樂有限公司 (「采星」) 分類為合資企業

采星為一間有限責任公司，其法律形式表現為合資安排各方及該公司本身間之分割。此外，並無合約安排或任何其他因素及情況訂明合資安排各方有權享有資產及對合資安排之負債承擔責任。因此，采星分類為本集團之合資企業。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying accounting policies (Continued)

Deferred tax on investment properties

For the purposes of measuring deferred tax arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment properties portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the Group's deferred tax on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. The Group has not recognised any deferred tax on changes in fair value of investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

Classification of Sparkle Star Entertainment Limited ("Sparkle Star") as a joint venture

Sparkle Star is a limited liability company whose legal form confers separation between the parties to the joint arrangements and the company itself. Furthermore, there are no contractual arrangements or any other facts and circumstances that specify that the parties to the joint arrangements have rights to the assets and obligations for the liabilities of the joint arrangements. Accordingly, Sparkle Star is classified as a joint venture of the Group.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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4. 主要會計判斷及估計不確定性之主要來源 (續)

應用會計政策之主要判斷 (續)

對Over Profit International Limited (「Over Profit」) 及其附屬公司 (「Over Profit集團」) 之控制權

董事評估本集團對Over Profit集團有否控制權乃基於本集團有否實質能力單方面指揮Over Profit集團的相關活動。作出判斷時，董事認為本集團於Over Profit集團有絕大多數持股量而其他股東所擁有股權則相對少及分散。經評估後，董事斷定本集團有充分支配性表決權以指揮Over Profit集團的相關活動，故本集團對Over Profit集團有控制權。

估計不確定性之主要來源

以下為於報告期末可能有重大風險會導致下一個財政年度內資產及負債之賬面值須作重大調整之與未來有關之主要假設及估計不確定性之其他主要來源。

根據公平價值層級第三等級之金融工具之公平價值計量

於二零一九年十二月三十一日，本集團若干分類為根據公平價值層級第三等級透過損益以公平價值列賬之金融資產約91,852,000港元(二零一八年：222,921,000港元)按公平價值計量，而有關公平價值計量乃使用估值技術根據不可觀察輸入數據釐定。確立相關估值技術及相關輸入數據需作出判斷及估計。有關該等因素的假設變動可影響該等工具所申報公平價值。進一步披露見綜合財務報表附註5。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying accounting policies (Continued)

Control over Over Profit International Limited (“Over Profit”) and its subsidiaries (“Over Profit Group”)

The directors assessed whether or not the Group has control over on Over Profit Group based on whether the Group has the practical ability to direct the relevant activities of Over Profit Group unilaterally. In making the judgement, the directors considered the Group’s absolute size of holding in Over Profit Group and the relative size of and dispersion of the shareholdings owned by other shareholders. After assessment, the directors concluded that the Group has sufficiently dominant voting interest to direct the relevant activities of Over Profit Group and the Group has control over on Over Profit Group.

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurement of financial instruments under Level 3 fair value hierarchy

Certain of the Group’s financial assets classified as FVTPL under Level 3 fair value hierarchy amounting to approximately HK\$91,852,000 at 31st December 2019 (2018: HK\$222,921,000) are measured at fair values with fair values being determined based on unobserved inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could affect the reported fair values of these instruments. See note 5 to the consolidated financial statements for further disclosures.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

4. 主要會計判斷及估計不確定性之主要來源 (續)

估計不確定性之主要來源 (續)

金融資產之預期信貸虧損撥備

金融資產乃就預期信貸虧損個別評估。撥備率以本集團的過往違約率為基礎，並考慮毋須不必要成本或努力即可取得的合理可靠前瞻性資料。於各報告日期會重新評估過往所觀察的違約率及考慮前瞻性資料的變動。

預期信貸虧損撥備容易受到估計變動之影響。有關預期信貸虧損之資料於綜合財務報表附註5披露。

物業、機器及設備之減值虧損

物業、機器及設備乃按成本減累計折舊及減值(如有)列賬。於釐定資產有否減值時，本集團需行使判斷及作出估計，尤其評估：(1)是否有事件已發生或有任何指標可能影響資產價值；(2)資產賬面值是否能夠以可收回金額支持，如為使用價值，則基於持續使用資產而估計的未來現金流量的淨現值；及(3)將應用於估計可收回金額的適當關鍵假設(包括現金流量預測及適當的折現率)。當無法估計個別資產的可收回金額時，本集團會估計資產所屬現金產生單位的可收回金額。改變假設及估計，包括於現金流量預測內的折現率或增長率，可顯著影響減值測試中所採用的淨現值。

電影版權減值

於各報告期末參考內部及外界市場資料(例如根據各部影片的預期受歡迎程度作出的銷售預期、為完成銷售將予評核的預期制作、銷售及發行成本以及相關市場的一般經濟狀況)對電影版權進行減值評估。於該評估中所採用假設(包括預期收益)之變動，可能導致於綜合財務報表內作出額外撥備。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Provision of ECL for financial assets

Financial assets are assessed for ECL individually. The provision rates are based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL are disclosed in note 5 to the consolidated financial statements.

Impairment loss of property, plant and equipment

Property, plant and equipment are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgment and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the assets belong. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the net present value used in the impairment test.

Impairment of film rights

Impairment assessments on film rights are performed at the end of each reporting period with reference to both internal and external market information, for example, sales forecast based on expected popularity of the respective titles, the expected production, sales and distribution costs to be reviewed to conclude the sales, and the general economic condition of the relevant markets. Changes in assumptions used in this assessment, including the forecasted revenue, may result in additional provision being made in the consolidated financial statements.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

4. 主要會計判斷及估計不確定性之主要來源 (續)

估計不確定性之主要來源 (續)

製作中電影減值

製作中電影之減值評估於各報告期末進行。可收回金額參考銷售額預測及預期製作及發行成本而釐定。此評估中所用假設(包括預測收益)的變動,可導致須於綜合財務報表中作出額外撥備。此外,本集團於各報告期末逐項檢討每部電影,並就不再進行之任何製作中電影作出撥備。

所得稅

本集團須於多個司法權區繳納所得稅。於釐定稅項撥備時須作出重大判斷。於日常業務過程中,多項交易及計算均難以確定最終稅項。本集團按會否繳納額外稅項之估計,確認稅項負債。倘該等事宜之最終稅務結果與最初記錄之金額不同,有關差額將影響釐定年度之所得稅及遞延稅項撥備。

分類為物業存貨之發展中物業之估計可變現淨值

於釐定是否應就本集團發展中物業作出撥備時,本集團考慮當前市場及估計市值(即估計售價減估計銷售開支成本)減直至物業落成之估計成本。倘估計市值低於賬面值,則作出撥備。倘因市況產生變動及/或預算發展成本內重大變量而使發展中物業實際可變現淨值低於預期,則可能會產生減值虧損之重大撥備。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment of films in progress

Impairment assessments on films in progress are performed at the end of each reporting period. The recoverable amounts are determined with reference to sales forecast and expected production and distribution cost. Changes in assumptions used in this assessment, including the forecasted revenue, may result in additional provision being made in the consolidated financial statements. In addition, the Group carries out review on each film at the end of each reporting period and makes allowance for any films in progress which no longer proceeds.

Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgement is required in determining provision for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

Estimated net realisable value on properties under development classified as stock of properties

In determining whether allowances should be made for the Group's properties under development, the Group considers the current market and the estimated market value (i.e. the estimated selling price less estimated costs of selling expenses) less estimated costs to completion of the properties. An allowance is made if the estimated market value is less than the carrying amount. If the actual net realisable value on properties under development is less than expected as a result of change in market condition and/or significant variation in the budgeted development cost, may result in material provision for impairment loss.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具

(a) 金融工具類別：

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
金融資產	Financial assets		
透過損益以公平價值列賬	Financial assets at FVTPL		
之金融資產		313,284	453,481
攤銷成本	Amortised cost	1,733,994	2,160,364
金融負債	Financial liabilities		
攤銷成本	Amortised cost	1,711,265	1,051,385

(b) 金融風險管理目標及政策

本集團來自持續經營業務之主要金融工具包括提供予一名董事之貸款、電影投資、貿易應收賬款、已付按金、其他應收款項、透過損益以公平價值列賬之金融資產、應收貸款、定期存款、現金及銀行結餘、租賃負債、貿易應付賬款、已收按金、應計項目及其他應付款項、銀行借貸及應付非控股權益款項。本集團金融工具之詳情於綜合財務報表相關附註披露。

與該等金融工具有關的風險包括市場風險（外匯風險、股本價格風險及利率風險）、信貸風險及流動資金風險。如何緩和該等風險之政策載列如下。管理層管理及監控該等風險，以確保及時有效地採用適當措施。

5. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments:

(b) Financial risk management objectives and policies

The Group's major financial instruments from continuing operations include loan to a director, investment in film, trade receivables, deposits paid, other receivables, financial assets at FVTPL, loan receivables, time deposits, cash and bank balances, lease liabilities, trade payables, deposits received, accruals and other payables, bank borrowings and amounts due to non-controlling interests. Details of the financial instruments for the Group are disclosed in respective notes to the consolidated financial statements.

The risks associated with these financial instruments include market risk (foreign exchange risk, equity price risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

本集團有關金融工具之風險類別或管理及計量該等風險之方式並無變動。

市場風險

(i) 外匯風險

本集團在香港、澳門、荷蘭及中華人民共和國(「中國」)經營業務，且大部分交易乃以港元、美元(「美元」)、澳門幣(「澳門幣」)、歐元(「歐元」)及人民幣(「人民幣」)計值。外匯風險來自未來商業交易、已確認資產及負債以本集團功能貨幣以外之其他貨幣計值而產生。

只要港元仍然與美元及澳門幣掛鈎，本集團便毋須承擔重大外匯風險。因此美元及澳門幣不在下文分析之列。

以歐元計值之交易及貨幣資產極少，故本集團認為並無有關歐元之重大外匯風險承擔。因此歐元不在下文分析之列。

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

Market risk

(i) Foreign exchange risk

The Group operates in Hong Kong, Macau, Netherlands and The People's Republic of China ("PRC") and majority of transactions are denominated in HK\$, US dollar ("US\$"), Macau Pataca ("MOP"), Euro ("EUR") and Renminbi ("RMB"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, which are denominated in a currency that is not the functional currency of the Group.

The Group is not exposed to material foreign exchange risk exposure in respect of HK\$ against US\$ and MOP as long as these currencies are pegged. Therefore US\$ and MOP are excluded from the analysis below.

The transactions and monetary assets denominated in EUR is minimal, the Group considers there has no material foreign exchange risk exposure in respect of EUR. Therefore, EUR are excluded from the analysis below.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(i) 外匯風險 (續)

於各報告期末，本集團以人民幣（非功能貨幣）計值之貨幣資產及負債之賬面值如下：

		負債 Liabilities		資產 Assets	
		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
人民幣	RMB	87,401	79,663	144,787	225,140

本集團現時並無針對以外幣計值之資產與負債的外幣對沖政策。管理層將密切監察其外幣風險，並於必要時考慮對沖重大外幣風險。

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Foreign exchange risk (Continued)

At the end of each reporting period, the carrying amounts of the monetary assets and liabilities of the Group, which are denominated in RMB, that is not the functional currency are as follows:

The Group currently does not have a foreign currency hedging policy in respect of assets and liabilities denominated in foreign currency. The management will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(i) 外匯風險 (續)

敏感度分析

下表詳列港元兌人民幣增加及減少5%時本集團之敏感度。該5%乃所用敏感度比率，代表管理層對外匯匯率合理可能變動之評估。該敏感度分析僅包括尚未償還以外幣計值之貨幣項目並就外幣匯率之5%變動調整其於報告期末之換算。下表中的正數顯示港元兌人民幣轉弱5%時稅前虧損減少。就港元兌人民幣轉強5%時，對虧損將會相等以及相反之影響，而下文數字將為負數。

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Foreign exchange risk (Continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in HK\$ against RMB. 5% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates a decrease in pre-tax loss where HK\$ weaken 5% against RMB. For a 5% strengthening of HK\$ against RMB, there would be an equal and opposite impact on the loss and the number below would be negative.

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
如港元兌人民幣轉強5%	If HK\$ strengthens against RMB by 5%	(2,869)	(7,274)
如港元兌人民幣轉弱5%	If HK\$ weakens against RMB by 5%	2,869	7,274

管理層認為該敏感度分析不能代表固有外幣風險，因於各報告期末之風險不反映年內之風險。

Management considered the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the exposure at the end of each reporting period does not reflect the exposure during the years.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(ii) 股本價格風險

本集團因按透過損益以公平價值列賬計量之股本證券投資而面臨股本價格風險。就在聯交所掛牌按透過損益以公平價值列賬計量之股本證券，董事藉設立不同風險之投資組合控制有關風險。此外，本集團亦投資於在聯交所上市但非報價市場價格之股本證券。管理層會監察價格風險並於必要時將考慮對沖風險。

敏感度分析

敏感度分析乃根據報告期末所承受之股本價格風險而釐定。就在聯交所上市但非報價市場價格之股本證券，其公平價值計量屬公平價值層級第三等級，有關敏感度分析於下文披露。

倘有市場報價之上市股本證券的價格上升／下降5% (二零一八年：5%)，則截至二零一九年十二月三十一日止年度之稅前虧損將減少／增加約11,072,000港元 (二零一八年：11,524,000港元)，乃因分類為透過損益以公平價值列賬根據公平價值層級第一等級之上市股本證券之公平價值變動所致。

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Equity price risk

The Group is exposed to equity price risk through its investments in equity securities measured at FVTPL. For equity securities measured at FVTPL quoted in the Stock Exchange, the directors manage this exposure by maintaining a portfolio of investments with different risks. In addition, the Group also invested in equity security listed in the Stock Exchange without quoted market price. The management has monitored the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analyses have been determined based on the exposure to equity price risk at the end of the reporting period. Sensitivity analysis for equity security listed in the Stock Exchange without quoted market price with fair value measurement categorised within Level 3 fair value hierarchy were disclosed as below.

If the prices of the listed equity securities with quoted market price had been 5% (2018: 5%) higher/lower, the pre-tax loss for the year ended 31st December 2019 would decrease/increase by approximately HK\$11,072,000 (2018: HK\$11,524,000) as a result of the changes in fair value of listed equity securities under Level 1 fair value hierarchy classified as FVTPL.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(iii) 利率風險

於二零一九年十二月三十一日，本集團面臨有關就澳門建築項目融資所取得浮息銀行借貸的現金流量利率風險。本集團之現金流量利率風險主要集中於本集團以港元列值的銀行借貸所產生的香港銀行同業拆息（「HIBOR」）。本集團旨在保持浮息借貸。本集團藉基於利率水平及展望評估任何利率變動所產生潛在影響而管控其利率風險。管理層將檢討浮息借貸比例並確保其在合理範圍內。

敏感度分析

以下敏感度分析乃根據於各報告期末非衍生工具之所承受之利率風險而釐定。該分析乃假設於各報告期末之未平倉金融工具於整個年度均未平倉而編製。向主要管理人員內部匯報利率風險時使用增加或減少25個基點，並為管理層對利率合理可能變動之評估。如利率為上升／下降25個基點而所有其他變數保持不變，本集團截至二零一九年十二月三十一日止年度物業存貨之資本化利息應增加／減少約2,575,000港元。

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(iii) Interest rate risk

At 31st December 2019, the Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings obtained for financing construction project in Macau. The Group's cash flow interest rate risk is mainly concentrated on the Hong Kong Interbank Offered Rate ("HIBOR") arising from the Group's HK\$ denominated bank borrowings. The Group aims at keeping borrowings at variable rates. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management will review the proportion of borrowings in floating rates and ensure they are within reasonable range.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of each reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 25 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Group's interests capitalised to stock of properties for the year ended 31st December 2019 would increase/decrease by approximately HK\$2,575,000.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(iii) 利率風險 (續)

於二零一八年十二月三十一日，本集團並無計息借貸。因此，本集團毋須承受顯著利率風險。

信貸風險及減值評估

本集團之信貸風險主要歸因於提供予一名董事之貸款、電影投資、貿易應收賬款、按金、其他應收款項、應收貸款、定期存款及銀行結餘。於二零一九年及二零一八年十二月三十一日，因交易對方未能履行責任而可為本集團帶來財務虧損為本集團最大信貸風險，乃來自綜合財務狀況表所列各項已確認金融資產之賬面值。本集團並無持有任何抵押品或其他信貸增強措施以為其金融資產有關之信貸風險提供保障，惟與提供予一名董事之貸款有關的信貸風險已予減輕，因為該筆提供予一名董事之貸款乃以陳女士全資擁有於英屬處女群島（「英屬處女群島」）註冊成立之公司 Reform Base Holdings Limited（「Reform Base」）全部已發行股本的股份押記作為抵押。

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(iii) Interest rate risk (Continued)

At 31st December 2018, the Group has no interest-bearing borrowings. Therefore, the Group is not exposed to significant interest rate risk exposure.

Credit risk and impairment assessment

The Group's credit risk is primarily attributable to loan to a director, investment in film, trade receivables, deposits, other receivables, loan receivables, time deposits and bank balances. At 31st December 2019 and 2018, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with loan to a director is mitigated because loan to a director is secured by way of a share charge over the entire issued share capital of Reform Base Holdings Limited ("Reform Base"), a company incorporated in the British Virgin Islands (the "BVI") and wholly owned by Ms. Chen.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

信貸風險及減值評估 (續)

為將信貸風險降至最低，管理層已委派一個團隊負責釐定信貸限額、信貸批准及其他監管程序，以確保採取行動追收逾期貸款。此外，本集團就金融資產個別或基於撥備矩陣進行預期信貸虧損模式下的減值評估。就此而言，董事認為本集團之信貸風險已大幅降低。

本集團採用簡化方法來計量貿易應收賬款之全期預期信貸虧損。董事基於歷史可觀察得的違約率而評估客戶結付應收款項之能力。由於有關客戶均與本集團有良好往績紀錄，董事論定信貸質素無重大變動，於報告期末亦無確認減值虧損。

本集團對應收貸款及若干其他應收款項之預期信貸虧損進行集體評估。該等結欠參考過往違約經驗並基於共同信貸風險特質於撥備矩陣下分組評估，並經調整以反映影響結付能力之宏觀經濟因素的當前及前瞻資料。截至二零一九年十二月三十一日止年度內，就應收貸款及其他應收款項分別確認減值虧損約873,000港元(二零一八年：無)及約822,000港元(二零一八年：無)。

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

In order to minimise the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model on financial assets individually or based on provision matrix. In this regard, the directors consider that the Group's credit risk is significantly reduced.

The Group applies simplified approach to measure lifetime ECL for trade receivables. The directors assessed customers' ability to settle the receivables based on historical observed default rates. Since those customers have good track record with the Group, the directors conclude that there is no significant change in credit quality and no impairment losses are recognised at the end of the reporting period.

The Group assessed the ECL for loan receivables and certain other receivables collectively. These balances are grouped under provision matrix based on shared credit risk characteristics by reference to past default experience and have been adjusted to reflect current and forward-looking information on macroeconomic factors that affecting the ability of settlement. During the year ended 31st December 2019, impairment loss of approximately HK\$873,000 (2018: nil) and approximately HK\$822,000 (2018: nil) are recognised in respect of loan receivables and other receivables respectively.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

信貸風險及減值評估 (續)

董事認為本集團的電影投資及按金之信貸風險相對較低，因為該等款項具低違約風險且發行人有雄厚實力履行其近期合約現金流責任。

本集團已墊付一筆貸款予一名董事，並視此信貸風險有限，因為借款人具備合適信貸記錄及良好信譽。董事有持續監察該借貸之財務背景及信譽。

本集團會主動監察各債務人之未償還欠款，並運用逾期資料以評估信貸風險自初始確認以來有否大幅增加。

本集團將其定期存款及銀行結餘存放於獲認可及信譽良好之銀行。該等銀行破產或無力償債或會導致本集團就所持定期存款及銀行結餘之權利被延遲或受到限制。本公司董事會持續監察此等銀行之信貸評級，並認為本集團於二零一九年十二月三十一日及二零一八年十二月三十一日所承受之信貸風險甚微。

於二零一九年十二月三十一日，本集團有信貸集中風險，因為電影投資100% (二零一八年：100%) 乃一間製作公司欠款。

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The directors considered the credit risk of the Group's investment in film and deposits is relatively low as they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The Group had advanced a loan to a director and considered the credit risk is limited since the borrower has an appropriate credit history and good reputation. The directors monitored the financial background and creditability of borrow on an ongoing basis.

The Group actively monitors the outstanding amounts owed by each debtor and uses past due information to assess whether credit risk has increased significantly since initial recognition.

The Group deposited time deposits and bank balances with approved and reputable banks. Bankruptcy or insolvency of the banks may cause the Group's right with respect to time deposits and bank balances held to be delayed or limited. The directors of the Company monitor the credit rating of these banks on an ongoing basis, and consider that the Group's exposure to credit risk at 31st December 2019 and 31st December 2018 were minimal.

At 31st December 2019, the Group has concentration of credit risk as 100% (2018: 100%) of investment in film was due from a production house.

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5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險

本集團通過維持充足現金及現金等值項目、監管預測及實際現金流量以及配合金融資產及金融負債之到期時間表，藉此管理流動資金風險。

管理層持續監管流動資金風險。載有銀行借貸到期日及與之有關之流動資金需求之報告已定期向管理層提供以供審閱。必要時，管理層將增加銀行借貸或對其進行融資。

於二零一九年十二月三十一日，本集團可動用而未動用之銀行信貸額為569,850,000港元（二零一八年：1,600,000,000港元）。

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk

The Group manages liquidity risk by maintaining adequate cash and cash equivalents, monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

The liquidity risk is under continuous monitoring by the management. Reports with maturity dates of bank borrowings and thus the liquidity requirement are provided to management for review periodically. Management will raise or refinance bank borrowings whenever necessary.

At 31st December 2019, the Group has available unutilised banking facilities of HK\$569,850,000 (2018: HK\$1,600,000,000).

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

下表列示本集團之非衍生金融負債之剩餘合約期限詳情。該等表格乃基於本集團須作出支付之最早日期根據金融負債之未貼現現金流量編製。

非衍生金融負債之到期日乃以協定還款日期為基準編製。表內所披露金額乃根據合約未貼現付款披露如下：

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The following table shows details of the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The maturity dates for non-derivative financial liabilities are prepared based on the agreed repayment dates. The amounts disclosed in the table are based on the contractual undiscounted payments, are as follows:

		加權平均 實際利率 Weighted average effective rate	按要求或			未貼現	
			於一年內 On demand or within 1 year	二至五年內 Within 2-5 years	五年以上 Over 5 years	現金流量總計 Total undiscounted cash flows	賬面值總計 Total carrying amount
		%	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零一九年十二月三十一日 At 31st December 2019							
非衍生金融負債	Non-derivative financial liabilities						
貿易應付賬款	Trade payables	-	78,251	-	-	78,251	78,251
已收取按金、應計項目及 其他應付款項	Deposits received, accruals and other payables	-	87,254	-	-	87,254	87,254
租賃負債	Lease liabilities	2.7	5,651	7,220	-	12,871	12,494
銀行借貸	Bank borrowings	5.62	1,088,074	-	-	1,088,074	1,030,150
應付非控股權益款項	Amounts due to non-controlling interests	-	503,116	-	-	503,116	503,116
總計	Total		1,762,346	7,220	-	1,769,566	1,711,265

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5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

	加權平均 實際利率 Weighted average effective rate %	按要求或 於一年內 On demand or within 1 year 千港元 HK\$'000	二至五年內 Within 2-5 years 千港元 HK\$'000	五年以上 Over 5 years 千港元 HK\$'000	未貼現 現金流量總計 Total undiscounted cash flows 千港元 HK\$'000	賬面值總計 Total carrying amount 千港元 HK\$'000
於二零一八年十二月三十一日 At 31st December 2018						
非衍生金融負債		Non-derivative financial liabilities				
貿易應付賬款	-	38,421	-	-	38,421	38,421
已收取按金、應計項目 及其他應付款項	-	509,848	-	-	509,848	509,848
應付非控股權益款項	-	503,116	-	-	503,116	503,116
總計		1,051,385	-	-	1,051,385	1,051,385

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5. 金融工具 (續)

(c) 金融工具之公平價值

估計公平價值時，本集團盡量使用市場可觀察數據。未能取得第一等級輸入數據時，本集團會委聘獨立合資格估值師進行估值。管理層與該合資格外聘估值師緊密合作，確立適當估值技術及該模式之輸入數據。管理層於各報告期末向董事匯報調研結果，以解釋資產公平價值波動之原因。

下表呈列本集團之金融工具於報告期末按經常性基準計量之公平價值，有關公平價值歸類為三級公平價值層級(定義見香港財務報告準則第13號公平價值計量)。公平價值計量所歸入之層級乃參考估值技術所使用之輸入數據之可觀察性及重要性而釐定，情況如下：

- 第一等級估值：公平價值僅採用第一等級輸入數據計量，即於計量日相同資產或負債於活躍市場之未經調整報價；
- 第二等級估值：公平價值採用第二等級輸入數據(即未符合第一等級之可觀察輸入數據)計量及不使用顯著不可觀察輸入數據。不可觀察輸入數據為不可獲得市場數據之輸入數據；及
- 第三等級估值：公平價值使用顯著不可觀察輸入數據計量。

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments

In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages independent qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the findings to the directors at the end of each reporting period to explain the cause of fluctuations in fair value of the asset.

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: fair value measured using only level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2 valuations: fair value measured using level 2 inputs i.e. observable inputs which fail to meet level 1, and not using significant unobservable inputs. Unobservable inputs are input for which market data are not available; and
- Level 3 valuations: fair value measured using significant unobservable inputs.

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5. 金融工具 (續)

(c) 金融工具之公平價值 (續)

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

		第一等級 Level 1 千港元 HK\$'000	第二等級 Level 2 千港元 HK\$'000	第三等級 Level 3 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零一九年十二月三十一日 按經常性基準之公平價值	At 31st December 2019 Fair value on a recurring basis				
透過損益以公平價值列賬之 金融資產	Financial assets at FVTPL				
– 在香港上市之股本證券	– Equity securities listed in Hong Kong	221,432	–	4,059	225,491
– 提供予一名董事之 貸款內所含之認購期權	– Call option embedded in loan to a director	–	–	87,793	87,793
		<u>221,432</u>	<u>–</u>	<u>91,852</u>	<u>313,284</u>
於二零一八年十二月三十一日 按經常性基準之公平價值	At 31st December 2018 Fair value on a recurring basis				
透過損益以公平價值列賬之 金融資產	Financial assets at FVTPL				
– 在香港上市之股本證券	– Equity securities listed in Hong Kong	230,480	–	3,549	234,029
– 在香港之非上市會所債券	– Unlisted club debenture in Hong Kong	–	80	–	80
– 提供予一名董事之 貸款內所含之認購期權	– Call option embedded in loan to a director	–	–	219,372	219,372
		<u>230,480</u>	<u>80</u>	<u>222,921</u>	<u>453,481</u>

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(c) 金融工具之公平價值 (續)

本集團之政策為確認於導致轉撥之事件或情況變動出現之日結束時的公平價值層級等級間轉撥。

於二零一七年十一月二十七日，本集團其中一項分類為透過損益以公平價值列賬之金融資產的香港上市股本證券被暫停買賣，故無法提供活躍市場上的未經調整報價。本集團遂參考博浩企業顧問有限公司所進行的估值計量該暫停買賣證券之公平價值，其中公平價值的計量使用顯著不可觀察輸入數據，因此該暫停買賣證券之公平價值由第一等級被重新分類至第三等級估值。

於截至二零一九年及二零一八年十二月三十一日止年度內，並無在第一等級與第二等級之間轉撥、或轉入或轉出第三等級。

下表呈列截至二零一九年及二零一八年十二月三十一日止年度被分類為第三等級類別之透過損益以公平價值列賬之金融資產的變動：

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

The Group's policy is to recognise transfers into and out of fair value hierarchy levels at the end of the date of the events or change in circumstances that caused the transfer.

On 27th November 2017, one of the Group's equity securities listed in Hong Kong classified as financial assets at FVTPL was suspended trading, therefore, no unadjusted quoted price in an active market is available. The Group measured fair value of suspended trading security by reference to the valuation carried out by Graval Consulting Limited in which fair value was measured by using significant unobservable inputs, thus, the fair value of suspended trading security was reclassified from Level 1 to Level 3 valuations.

During the year ended 31st December 2019 and 2018, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

The following table presents the changes in financial assets at FVTPL which are classified as Level 3 category for the year ended 31st December 2019 and 2018:

		千港元 HK\$'000
於二零一八年一月一日	At 1st January 2018	217,579
透過損益以公平價值列賬之金融資產之公平價值變動產生之溢利	Gain arising on change in fair value of financial assets at FVTPL	5,342
於二零一八年十二月三十一日及於二零一九年一月一日	At 31st December 2018 and at 1st January 2019	222,921
透過損益以公平價值列賬之金融資產之公平價值變動產生之虧損	Loss arising on change in fair value of financial assets at FVTPL	(131,069)
於二零一九年十二月三十一日	At 31st December 2019	91,852

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5. 金融工具 (續)

(c) 金融工具之公平價值 (續)

有關第三等級公平價值計量之資料

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

Information about level 3 fair value measurements

	估值技術 Valuation Techniques	顯著不可觀察 輸入數據 Significant unobservable input	顯著不可觀察輸入數據與公平價值之關係 Relation of significant unobservable inputs to fair value
提供予一名董事之貸款 內所含之認購期權 Call option embedded in loan to a director	二項式期權 定價模式 Binomial option pricing model	相關資產價值 Underlying assets value	相關資產價值與認購期權之 公平價值計量存在正值關係 The underlying assets value is positively correlated to the fair value measurement of the call option
		預期波幅 Expected volatility	預期波幅與認購期權之 公平價值計量存在正值關係 The expected volatility is positively correlated to the fair value measurement of the call option
暫停買賣香港 上市證券 Suspended trading security listed in Hong Kong	市場法 Market approach	持股回報基準負 42.44% (二零 一八年 : 53.15%) Holding return basis of negative 42.44% (2018: 53.15%)	持股回報基準與暫停買賣香港上市證券 之公平價值計量存在正值關係 The holding return basis is positively correlated to the fair value measurement of the suspended trading security listed in Hong Kong
		市盈率基準48.12 (二零一八年 : 27.13) Price-to-earning basis of 48.12 (2018: 27.13)	市盈率基準與暫停買賣香港 上市證券之公平價值計量 存在正值關係 The price-to-earning basis is positively correlated to the fair value measurement of the suspended trading security listed in Hong Kong
		折現率負74.29% (二零一八年 : 78.01%) Discount rate of negative 74.29% (2018: 78.01%)	折現率與暫停買賣香港上市證券 之公平價值計量存在負值關係 The discount rate is negatively correlated to the fair value measurement of the suspended trading security listed in Hong Kong

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5. 金融工具 (續)

(c) 金融工具之公平價值 (續)

有關第三等級公平價值計量之資料 (續)

於估計資產之公平價值時，管理層與博浩企業顧問有限公司密切合作，以確立適當估值技術及該模式之輸入數據。管理層於各報告期末向董事匯報調研結果，以解釋資產公平價值波動之原因。

有關釐定上述公平價值所採用之估值技術及輸入數據之資料乃於上文披露。

就認購期權成份之估值採用二項式期權定價模式。於二零一九年及二零一八年十二月三十一日該模式之輸入數據如下：

		二零一九年 2019	二零一八年 2018
相關資產價值 (千港元)	Underlying assets value (HK\$'000)	469,568	507,478
行使價 (千港元)	Exercise price (HK\$'000)	500,000	500,000
預期波幅 (%)	Expected volatility (%)	32.22	43.00
股息收益 (%)	Dividend yield (%)	不適用 N/A	不適用 N/A
期權有效期 (年)	Option life (years)	2.27	3.27
無風險利率 (%)	Risk free rate (%)	1.72	1.72

就公平價值層級之第三等級中有關提供予一名董事之貸款內所含之認購期權之公平價值計量，如相關資產價值及預期波幅增加／減少5%而所有其他變數保持不變，則提供予一名董事之貸款內所含之認購期權之賬面值將增加／減少約4,390,000港元 (二零一八年：10,969,000港元)。

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

Information about level 3 fair value measurements (Continued)

In estimating the fair value of an asset, the management work closely with Graval Consulting Limited to establish the appropriate valuation techniques and inputs to the model. The management reports the findings to the directors at the end of each reporting period to explain the cause of fluctuations in fair value of the asset.

Information about the valuation techniques and inputs used in determining the above fair value are disclosed above.

Binomial option pricing model is used for valuation for the call option component. The inputs into the model at 31st December 2019 and 2018 are as follows:

For fair value measurements of call option embedded in loan to a director in Level 3 of the fair value hierarchy, a 5% increase/decrease in the underlying assets value and expected volatility holding all other variables constant would increase/decrease the carrying amount of the call option embedded in loan to a director by approximately HK\$4,390,000 (2018: HK\$10,969,000).

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5. 金融工具 (續)

(c) 金融工具之公平價值 (續)

有關第三等級公平價值計量之資料 (續)

就公平價值層級之第三等級中有關暫停買賣香港上市證券之公平價值計量，如持股回報基準及市盈率基準增加／減少5%，以及折現率減少／增加5%而所有其他變數保持不變，則暫停買賣香港上市證券之賬面值將增加／減少約203,000港元(二零一八年：177,000港元)。

按公平價值以外計賬之金融資產及負債之公平價值

除下文披露外，於二零一九年及二零一八年十二月三十一日，本集團按成本或攤銷成本計賬之金融資產及金融負債之賬面值與其公平價值並無重大出入：

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

Information about level 3 fair value measurements (Continued)

For fair value measurements of suspended trading security listed in Hong Kong in Level 3 of the fair value hierarchy, a 5% increase/decrease in the holding return basis and price-to-earning basis and 5% decrease/increase in discount rate holding all other variables constant would increase/decrease the carrying amount of the suspended trading security listed in Hong Kong by approximately HK\$203,000 (2018: HK\$177,000).

Fair value of financial assets and liabilities carried at other than fair value

Except as disclosed below, the carrying amounts of the Group's financial assets and financial liabilities carried at cost or amortised cost were not materially different from their fair values as at 31st December 2019 and 2018:

二零一九年 2019		二零一八年 2018			
賬面值 Carrying amount 千港元 HK\$'000	公平價值 Fair value 千港元 HK\$'000	賬面值 Carrying amount 千港元 HK\$'000	公平價值 Fair value 千港元 HK\$'000		
提供予一名董事之貸款	Loan to a director	369,974	413,923	327,903	330,923

於公平價值層級提供予一名董事之貸款的公平價值分類為第三等級，乃基於經貼現現金流量分析按普遍接納之定價模式釐定，其最顯著輸入數據為折現率可反映持有人就投資於類似金融工具所要求的回報。

The fair value of loan to a director is classified as Level 3 category in fair value hierarchy which has been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the return required by the holder for investing in similar financial instrument.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(d) 資本管理

本集團管理其資本，以確保本集團之個體將可持續經營，並透過優化債務及權益結餘為持份者帶來最大回報。於過往年度，本集團之整體策略維持不變。

本集團之資本結構包括債務淨額（其包括銀行借貸及租賃負債）及本公司擁有人應佔權益，其包括股本及儲備。

本集團並無面臨任何外來施加的資本要求。

資產負債比率

董事按年度基準審閱資本結構。作為此審閱之一部分，董事考慮資本成本及與各等級資本相關之風險。本集團將根據本公司董事之推薦建議透過支付股息、發行新股份或購回現有股份以及發行新債務或贖回現有債務而平衡其整體資本結構。

5. FINANCIAL INSTRUMENTS (Continued)

(d) Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of net debts (which includes bank borrowings and lease liabilities) and equity attributable to owners of the Company (comprising share capital and reserves).

The Group is not subject to any external imposed capital requirements.

Gearing ratio

The directors review the capital structure on annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the directors of the Company, the Group will balance its overall capital structure through payment of dividends, issue of new shares or repurchase of existing shares as well as issue of new debts or redemption of existing debts.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

5. 金融工具 (續)

(d) 資本管理 (續)

資產負債比率 (續)

本集團旨在維持資產負債比率不超過50%。於報告期末之資產負債比率如下：

5. FINANCIAL INSTRUMENTS (Continued)

(d) Capital management (Continued)

Gearing ratio (Continued)

The Group aimed at maintaining a gearing ratio of not more than 50%. The gearing ratio at the end of the reporting period was as follows:

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
總債務 (附註)	Total debts (Note)	1,042,644	-
減：定期存款以及現金 及銀行結餘	Less: time deposits and cash and bank balances	(498,020)	(1,156,735)
債務淨額 / (現金)	Net debt / (cash)	544,624	(1,156,735)
本公司擁有人應佔權益	Equity attributable to owners of the Company	3,687,539	4,431,962
債務淨額對權益比率	Net debt to equity ratio	15%	不適用 N/A
總債務對權益比率	Total debt to equity ratio	28%	不適用 N/A

附註：總債務包括租賃負債及銀行借貸，詳情分別見綜合財務報表附註36及39。

Note: Total debts comprises lease liabilities and bank borrowings as detailed in notes 36 and 39 to the consolidated financial statements respectively.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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6. 分類資料

本集團根據本公司董事（即主要營運決策者（「主要營運決策者」））審閱之報告釐定其經營分類，以於分類間作資源分配及監察分類表現並用於策略決定。

本集團有四個須予報告分類—電影相關業務經營業務、物業開發及投資經營業務、餐廳經營業務以及酒店及博彩服務經營業務。該等分類乃根據有關本集團經營業務之資料（管理層用以作出決策）劃分。

本集團須予報告分類乃經營不同業務活動之策略業務單位。由於各項業務有不同市場及需要不同的市場推廣策略，故彼等被獨立管理。

本集團持續經營業務及已終止經營業務各須予報告分類之詳情概括如下：

持續經營業務

- | | |
|-----------------|--|
| 電影相關
業務經營業務 | – 投資、製作、發行及授權電影及電視連續劇以及提供其他電影相關服務，包括藝人管理服務 |
| 物業開發及
投資經營業務 | – 投資及開發位於澳門的物業 |
| 餐廳經營業務 | – 於香港透過一間餐廳提供餐飲服務 |

6. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the directors of the Company, being the chief operating decision maker (the “CODM”), for the purpose of monitoring segment performance and allocating resources between segments and that are used to make strategic decisions.

The Group has four reportable segments – film related business operations, property development and investment operations, restaurant operations and hotel and gaming service operations. The segmentations are based on the information about the operations of the Group that management uses to make decisions.

The Group’s reportable segments are strategic business units that operate different activities. They are managed separately because each business has different markets and requires different marketing strategies.

Particulars of the Group’s reportable segments for continuing and discontinued operations are summarised as follows:

Continuing operations

- | | |
|---|---|
| Film related
business
operations | – Investment, production, distribution and licensing of films and television drama series and provision of other film related services including artist management services |
| Property
development
and investment
operations | – Investment and development of properties located in Macau |
| Restaurant
operations | – Provision of catering services through a restaurant in Hong Kong |

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

6. 分類資料 (續)

已終止經營業務

酒店及博彩 服務經營業務	- 於澳門蘭桂坊酒店提 供酒店服務、食品及 飲品經營業務服務、 提供場地佔用權及 博彩經營業務之市 場推廣服務
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於截至二零一九年十二月三十一日止年度內，本集團於香港開始餐廳經營業務。

於截至二零一八年十二月三十一日止年度內，酒店及博彩服務經營業務已終止經營。

以下報告的分類資料並不包括已終止經營業務之任何金額，其於綜合財務報表附註13作更詳細披露。

6. SEGMENT INFORMATION (Continued)

Discontinued operation

Hotel and gaming service operations	- Provision of hotel services, food and beverage operation services, provision of right to occupy site and marketing services for gaming operation in Hotel Lan Kwai Fong Macau
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During the year ended 31st December 2019, the Group commenced restaurant operations in Hong Kong.

During the year ended 31st December 2018, the hotel and gaming services operations discontinued.

The segment information reported below does not include any amounts for the discontinued operation, which are disclosed more detail in note 13 to the consolidated financial statements.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

6. 分類資料 (續)

持續經營業務

有關該等經營業務之分類資料呈列如下：

(a) 本集團按經營分類劃分之收益及業績分析

		分類收益 Segment revenue		分類業績 Segment results	
		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
電影相關業務經營業務	Film related business operations	6,466	3,493	(169,199)	(14,477)
物業開發及投資經營業務	Property development and investment operations	-	-	(14,071)	(9,206)
餐廳經營業務	Restaurant operations	587	-	(4,083)	-
		7,053	3,493	(187,353)	(23,683)
來自持續經營業務之分類業績與除稅前虧損之對賬	Reconciliation from segment results to loss before tax from continuing operations				
未分配企業收入	Unallocated corporate income			87,517	83,437
透過損益以公平價值列賬之金融資產之公平價值變動所產生之虧損	Loss arising on change in fair value of financial assets at FVTPL			(183,582)	(360,209)
應佔一間合資企業虧損	Share of loss of a joint venture			(270)	(114)
未分配企業開支	Unallocated corporate expenses			(52,008)	(104,767)
除稅前虧損	Loss before tax			(335,696)	(405,336)

上文所呈報之分類收益指來自外界客戶之收益。兩個年度內均無分類間銷售。

分類業績指各分類在未分配至「未分配企業開支」項下之總部行政開支、部分融資成本及部分其他經營開支、「未分配企業收入」項下部分其他收益及其他收入、透過損益以公平價值列賬之金融資產之公平價值變動所產生之虧損以及應佔一間合資企業虧損前所承擔之虧損。此乃為向主要營運決策者呈報作資源分配及評估績效之計量方法。

6. SEGMENT INFORMATION (Continued)

Continuing operations

Segment information about these operations is presented as below:

(a) An analysis of the Group's revenue and results by operating segments

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for both years.

Segment results represent the loss suffered by each segment without allocation of central administrative expenses, partial finance costs, and partial other operating expenses under the heading of "unallocated corporate expenses", partial other revenue and other income under the heading of "unallocated corporate income", loss arising on change in fair value of financial assets at FVTPL and share of loss of a joint venture. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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6. 分類資料 (續)

持續經營業務 (續)

(b) 本集團按經營分類劃分之財務狀況分析

6. SEGMENT INFORMATION (Continued)

Continuing operations (Continued)

(b) An analysis of the Group's financial position by operating segments

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
資產	ASSETS		
分類資產	Segment assets		
– 電影相關業務經營業務	– Film related business operations	660,535	526,100
– 物業開發及 投資經營業務	– Property development and investment operations	3,234,065	2,596,602
– 餐廳經營業務	– Restaurant operations	7,071	–
分類資產總額	Total segment assets	3,901,671	3,122,702
未分配資產	Unallocated assets	1,496,535	2,360,520
		5,398,206	5,483,222
		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
負債	LIABILITIES		
分類負債	Segment liabilities		
– 電影相關業務經營業務	– Film related business operations	88,118	76,074
– 物業開發及 投資經營業務	– Property development and investment operations	1,597,986	538,365
– 餐廳經營業務	– Restaurant operations	2,227	–
分類負債總額	Total segment liabilities	1,688,331	614,439
未分配負債	Unallocated liabilities	22,966	436,946
		1,711,297	1,051,385

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

6. 分類資料 (續)

持續經營業務 (續)

(b) 本集團按經營分類劃分之財務狀況分析 (續)

就於分類間作資源分配及評估績效而言：

- 所有資產乃分配予須予報告分類，惟提供予一名董事之貸款、於一間合資企業權益、部分按金、預付款項及其他應收款項、透過損益以公平價值列賬之金融資產、應收貸款、部分現金及銀行結餘、作總部行政用途之部分物業、機器及設備及租賃土地權益除外；及
- 所有負債乃分配予須予報告分類，惟部分已收按金、應計項目及其他應付款項及部分租賃負債除外。

6. SEGMENT INFORMATION (Continued)

Continuing operations (Continued)

(b) An analysis of the Group's financial position by operating segments (Continued)

For the purposes of resource allocation and performance assessment between segments:

- all assets are allocated to reportable segments, other than loan to a director, interest in a joint venture, partial deposits, prepayment and other receivables, financial assets at FVTPL, loan receivables, partial cash and bank balances, partial property, plant and equipment and interests in leasehold land for central administrative purposes; and
- all liabilities are allocated to reportable segments, other than partial deposits received, accruals and other payables and partial lease liabilities.

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6. 分類資料 (續)

持續經營業務 (續)

(c) 其他分類資料

6. SEGMENT INFORMATION (Continued)

Continuing operations (Continued)

(c) Other segment information

	電影相關業務經營業務		物業開發及投資經營業務		餐廳經營業務		未分配		綜合	
	Film related business operations		Property development and investment operations		Restaurant operations		Unallocated		Consolidated	
	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
計入計量分類業績或 分類資產之款項：	Amounts included in the measure of segment results or segment assets:									
電影版權攤銷	1,747	-	-	-	-	-	-	-	1,747	-
租賃土地權益攤銷	-	-	-	-	-	-	-	1,873	-	1,873
物業、機器及設備折舊	1,085	193	4,161	1,350	612	-	8,161	2,750	14,019	4,293
有關電影版權之已確認減值虧損	125,246	571	-	-	-	-	-	-	125,246	571
有關製作中電影之 已確認減值虧損	10,275	-	-	-	-	-	-	-	10,275	-
有關物業、機器及設備之 已確認減值虧損	-	-	6,814	3,601	-	-	-	-	6,814	3,601
有關貿易應收賬款之 已確認減值虧損撥回	(230)	(120)	-	-	-	-	-	-	(230)	(120)
有關應收貨款之 已確認減值虧損	-	-	-	-	-	-	873	-	873	-
有關其他應收款項之 已確認減值虧損	-	-	-	-	-	-	822	-	822	-
出售物業、機器及設備之 虧損/(溢利)	-	-	-	1	-	-	-	(10)	-	(9)
撇銷物業、機器及設備	-	-	-	-	-	-	14	-	14	-
投資物業公平價值變動之溢利	-	-	-	(1,300)	-	-	-	-	-	(1,300)
添置物業、機器及設備	7	1	3,799	1,015	7,336	-	115	1,333	11,257	2,349
定期向主要營運決策者提供 但不計入計量分類業績或 分類資產之款項：	Amounts regularly provided to the CODM but not included in the measure of segment results or segment assets:									
於一間合資企業之權益	-	-	-	-	-	-	-	270	-	270
銀行利息收入	2,737	291	3,791	15	-	-	8,016	14,938	14,544	15,244
貸款利息收入	-	-	-	-	-	-	77,559	65,532	77,559	65,532
其他利息收入	-	-	-	-	-	-	70	87	70	87
融資成本	56	-	81	-	-	-	271	2,835	408	2,835
應佔一間合資企業之虧損	-	-	-	-	-	-	270	114	270	114

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

6. 分類資料 (續)

持續經營業務 (續)

(d) 有關主要客戶之資料

於相應年度貢獻本集團總銷售額10%以上之客戶之收益如下：

電影相關業務經營業務

客戶甲 (附註(i))	Customer A (Note (i))
客戶乙 (附註(ii))	Customer B (Note (ii))
客戶丙 (附註(ii))	Customer C (Note (ii))
客戶丁 (附註(ii))	Customer D (Note (ii))
客戶戊 (附註(ii))	Customer E (Note (ii))

除上文所披露外，於兩個年度，概無其他客戶貢獻本集團收益10%或以上。

附註：

- (i) 截至二零一八年十二月三十一日止年度內概無來自客戶甲之收益。
- (ii) 截至二零一九年十二月三十一日止年度內概無來自客戶乙、客戶丙、客戶丁及客戶戊之收益。

6. SEGMENT INFORMATION (Continued)

Continuing operations (Continued)

(d) Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group is as follows:

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
電影相關業務經營業務		
客戶甲 (附註(i))	794	—
客戶乙 (附註(ii))	—	1,541
客戶丙 (附註(ii))	—	718
客戶丁 (附註(ii))	—	358
客戶戊 (附註(ii))	—	360

Except disclosed above, no other customers contributed 10% or more to the Group's revenue for both years.

Notes:

- (i) No revenue is derived from Customer A during the year ended 31st December 2018.
- (ii) No revenue is derived from Customer B, Customer C, Customer D and Customer E during the year ended 31st December 2019.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

6. 分類資料 (續)

持續經營業務 (續)

(e) 地區資料

下表載列有關(i)來自外界客戶之收益及(ii)非流動資產(不包括預付款項及金融工具)之所在地區之資料。客戶所在地區乃基於提供服務或交付貨品之所在地區。非流動資產之所在地區乃基於該等資產之具體位置。

6. SEGMENT INFORMATION (Continued)

Continuing operations (Continued)

(e) Geographical information

The following table sets out information about geographical location of (i) revenue from external customers and (ii) non-current assets (excluded prepayment and financial instruments). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of non-current assets is based on the physical location of the assets.

		來自外界客戶之收益		非流動資產 (不包括預付款項及 金融工具)	
		Revenue from external customers		Non-current assets (excluded prepayment and financial instruments)	
		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
香港	Hong Kong	752	719	145,015	141,289
澳門	Macau	—	—	6,128	995
中國	The PRC	5,861	1,233	1	3
其他	Others	440	1,541	—	—
		7,053	3,493	151,144	142,287

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7. 收益

(i) 分拆與客戶合約之收益

以下載列與客戶合約之收益與分類資料中所披露金額之對賬。

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
持續經營業務	Continuing operations		
發行費收入	Distribution fee income	4,174	1,541
藝人管理服務收入	Artist management service income	2,292	1,952
餐廳經營業務	Restaurant operations	587	—
與客戶合約之收益	Revenue from contracts with customers	7,053	3,493
		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
收益確認之時間	Timing of revenue recognition		
某一個時間點	A point in time	7,053	3,493

(ii) 分配至與客戶合約餘下履約責任之交易

本集團就其藝人管理服務收入應用香港財務報告準則第15號第121段之可行權宜方法，因所有合約工作均有原預期的一年或以下期限，致使本集團不用披露有關本集團於履行藝人管理合約餘下履約責任時將享有收益之資料。

7. REVENUE

(i) Disaggregation of revenue from contracts with customers

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

(ii) Transaction allocated to the remaining performance obligation for contracts with customers

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its artist management service income such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the artist management contracts as all contract works have an original expected duration of one year or less.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

8. 其他收益及其他收入

8. OTHER REVENUE AND OTHER INCOME

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
持續經營業務	Continuing operations		
顧問服務收入	Consultancy service income	972	972
股息收入	Dividend income	1,344	1,366
出售物業、機器及 設備之溢利	Gain on disposal of property, plant and equipment	–	9
出售一間附屬公司之溢利	Gain on disposal of a subsidiary	–	639
銀行利息收入	Bank interest income	14,544	15,244
貸款利息收入	Loan interest income	77,559	65,532
其他利息收入	Other interest income	70	87
管理費收入	Management fee income	390	720
有關貿易應收賬款之 已確認減值虧損撥回	Reversal of impairment loss recognised in respect of trade receivables	230	120
雜項收入	Sundry income	143	36
		95,252	84,725

9. 融資成本

9. FINANCE COSTS

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
持續經營業務	Continuing operations		
銀行借貸之利息	Interests on bank borrowings	36,723	964
承付票之利息	Interest on promissory note	–	1,871
租賃負債之利息	Interests on lease liabilities	408	–
		37,131	2,835
物業存貨之資本化利息	Interests capitalised to stock of properties	(36,723)	–
		408	2,835

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

10. 除稅前虧損

除稅前虧損已扣除/(計入)下列各項：

10. LOSS BEFORE TAX

Loss before tax has been arrived at after charging/(crediting):

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
持續經營業務		
租賃土地權益攤銷	-	1,873
電影版權攤銷(計入銷售成本)	1,747	-
核數師酬金及其他服務：		
本公司核數師		
- 審計服務	1,273	1,219
- 非審計服務	187	186
其他核數師	282	-
	1,742	1,405
已售存貨成本(計入銷售成本)	251	-
物業、機器及設備折舊	14,019	4,293
僱員福利開支(附註15)	43,886	58,740
有關短期租賃及其他租期於初次應用香港財務報告準則第16號之日起12個月內結束之租賃之開支	7	-
有關低價值資產之租賃之開支(不包括低價值資產之短期租賃)	95	-
出售物業、機器及設備之溢利	-	(9)
投資物業之公平價值變動之溢利(計入其他經營開支)	-	(1,300)
有關電影版權之已確認減值虧損(計入其他經營開支)	125,246	571
有關製作中電影之已確認減值虧損(計入其他經營開支)	10,275	-
有關物業、機器及設備之已確認減值虧損(計入其他經營開支)	6,814	3,601
有關應收貸款之已確認減值虧損(計入其他經營開支)	873	-
有關其他應收款項之已確認減值虧損(計入其他經營開支)	822	-
提早贖回承付票之虧損(計入其他經營開支)	-	24,778
透過損益以公平價值列賬之金融資產之公平價值變動所產生之虧損	183,582	360,209
匯兌虧損淨額	261	4,253
有關物業之經營租賃租金	-	5,791
有關貿易應收賬款之已確認減值虧損撥回	(230)	(120)
有關顧問費以股份支付之款項開支	-	1,839
撇銷物業、機器及設備	14	-

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

11. 所得稅開支

11. INCOME TAX EXPENSE

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
持續經營業務		
即期稅項：		
– 香港利得稅	32	–
– 中國企業所得稅	3	–
	35	–

於二零一八年三月二十一日，香港立法會通過二零一七年稅務(修訂)(第7號)條例草案(「該條例草案」)，引入利得稅兩級制。該條例草案於二零一八年三月二十八日經簽署為正式法律文件並於翌日刊憲。根據利得稅兩級制，合資格集團個體首兩百萬港元的溢利將按8.25%稅率徵稅，超過兩百萬港元則按16.5%稅率徵稅。不符合利得稅兩級制資格的集團個體所得溢利將仍然按照16.5%的統一稅率徵稅。

董事認為實施利得稅兩級制所涉及金額對綜合財務報表影響不大。香港利得稅於兩個年度按估計應課稅溢利之16.5%計算。

由於本集團概無任何源自香港之應課稅溢利或該等應課稅溢利已全數計入承前估計稅項虧損，故並無就截至二零一八年十二月三十一日止年度之香港利得稅作出撥備。

中國附屬公司於兩個年度均按25%繳納中國企業所得稅。澳門附屬公司於兩個年度均按估計應課稅溢利之最高累進稅率12%繳納澳門所得補充稅。荷蘭附屬公司按上限200,000歐元的應課稅收入之20%繳納企業稅，高於此則按稅率25%繳稅。

On 21st March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28th March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax has been made for the year ended 31st December 2018 as the Group has no assessable profits arising in Hong Kong or taxable profits were wholly absorbed by estimated tax losses brought forward.

The PRC subsidiaries are subject to the PRC Enterprise Income Tax at 25% for both years. Macau subsidiaries are subject to Macau Complementary Tax at the maximum progressive rate of 12% on the estimated assessable profit for both years. Netherland subsidiary is subject to the corporate tax at 20% of the taxable income up to and including EUR200,000, above which the rate is 25%.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

11. 所得稅開支 (續)

由於本集團並無於澳門及荷蘭產生應課稅溢利，故並無就該兩個年度之澳門所得補充稅及荷蘭企業稅作出撥備。

由於本集團於截至二零一八年十二月三十一日止年度並無於中國產生應課稅溢利，因此並無作出中國企業所得稅撥備。

年內可與綜合收入表內除稅前虧損對賬之所得稅開支如下：

11. INCOME TAX EXPENSE (Continued)

No provision for Macau Complementary Tax and Netherland corporate tax has been made for both years as the Group has no assessable profit arising in Macau and Netherland.

No provision for the PRC Enterprise Income Tax has been made for the year ended 31st December 2018 as the Group has no assessable profits arising in the PRC.

The income tax expense for the year can be reconciled to the loss before tax per the consolidated income statement as follows:

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
持續經營業務	Continuing operations		
除稅前虧損	Loss before tax	(335,696)	(405,336)
按當地所得稅稅率計稅之稅項	Tax at domestic income tax rate	(55,070)	(66,650)
稅務影響：	Tax effect of:		
應佔一間合資企業之虧損	Share of loss of a joint venture	45	19
不應課稅收入	Income not taxable for tax purpose	(18,856)	(16,396)
不可扣稅開支	Expenses not deductible for tax purpose	62,482	83,060
未確認之估計稅項虧損	Estimated tax losses not recognised	11,434	181
動用過往未確認之稅項虧損	Utilisation of tax losses previously not recognised	—	(214)
年度所得稅開支	Income tax expense for the year	35	—

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

12. 股息

年內確認為分派予本公司普通股股東之股息：

12. DIVIDEND

Dividends for ordinary shareholders of the Company recognised as distribution during the year:

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
特別股息12.5港仙 (二零一八年：15港仙)	339,008	420,326

於二零一九年八月三十日，董事會向於二零一九年十月八日名列本公司股東名冊之股東，及名列本公司紅利可換股債券持有人(持有人獲賦予與本公司股東所附帶之相同經濟利益)名冊之紅利可換股債券持有人宣派特別中期股息每股普通股12.5港仙。該特別中期股息已於二零一九年十月十八日自本公司繳入盈餘派付。

On 30th August 2019, the board of the directors declared the payment of a special interim dividend of HK12.5 cents per ordinary share of the Company to the shareholders whose names appear on the Company's register of members and the Bonus CBs holders whose names appear on the Company's register of Bonus CBs holder (holders conferred the holders with the same economic interests attached to the shareholders of the Company) on 8th October 2019. The special interim dividend was paid on 18th October 2019 out of the Company's contributed surplus.

於二零一八年十二月十八日，董事會向於二零一九年一月九日名列本公司股東名冊之股東，及名列本公司紅利可換股債券持有人(持有人獲賦予與本公司股東所附帶之相同經濟利益)名冊之紅利可換股債券持有人宣派特別股息每股普通股15港仙。該特別股息已於二零一九年一月二十五日派付。

On 18th December 2018, the board of the directors declared the payment of a special dividend of HK15 cents per ordinary share of the Company to the shareholders whose names appear on the Company's register of members and the Bonus CBs holders whose names appear on the Company's register of Bonus CBs holders (holders conferred the holders with the same economic interests attached to the shareholders of the Company) on 9th January 2019. The special dividend was paid on 25th January 2019.

年內並無派付或建議派付末期股息，於報告期末後，董事會亦無建議派付任何股息(二零一八年：無)。

No final dividend was paid or proposed during the year, nor any dividend has been proposed by the board of directors subsequent to the end of the reporting period (2018: nil).

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

13. 已終止經營業務

於二零一七年十月十日，本集團訂立有條件買賣協議，據此，本集團同意出售而買方同意購入本公司全資附屬公司Charming Era Investment Limited、Exceptional Gain Profits Limited及Most Famous Enterprises Limited以及彼等各自之附屬公司（統稱「出售集團」）之全部股本權益及出售集團所結欠銷售貸款，總代價為2,000,000,000港元（可視乎實際營運資金予以調整）（「蘭桂坊出售事項」）。出售集團在澳門從事酒店及博彩服務經營業務。蘭桂坊出售事項已於二零一八年一月三日完成，而截至二零一八年十二月三十一日止年度酒店及博彩服務經營業務之財務業績已分類為已終止經營業務。所出售資產與負債以及出售出售集團之溢利之計算詳情於綜合財務報表附註41披露。

13. DISCONTINUED OPERATION

On 10th October 2017, the Group entered into a conditional sale and purchase agreement, in which the Group agreed to sell and the purchaser agreed to buy the entire equity interest in Charming Era Investment Limited, Exceptional Gain Profits Limited and Most Famous Enterprises Limited, wholly-owned subsidiaries of the Company, and their respective subsidiaries (collectively referred to as the "Disposal Group"), and sale loans due by the Disposal Group at total consideration of HK\$2,000,000,000 (subject to adjustment of actual working capital) (the "LKF Disposal"). The Disposal Group is engaged in hotel and gaming service operations in Macau. The LKF Disposal has been completed on 3rd January 2018 and the financial results for the hotel and gaming service operations have been classified as discontinued operation for the year ended 31st December 2018. Details of the assets and liabilities disposed of and the calculation of the gain on disposal of the Disposal Group, are disclosed in note 41 to the consolidated financial statements.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

13. 已終止經營業務 (續)

截至二零一八年十二月三十一日止年度來自已終止經營業務之溢利分析如下：

13. DISCONTINUED OPERATION (Continued)

Profit for the year ended 31st December 2018 from discontinued operation are analysed as follows:

		自二零一八年 一月一日至 出售附屬公司 之相關日期 From 1st January 2018 to respective date of disposal of subsidiaries 千港元 HK\$'000
來自酒店及博彩服務經營 業務之虧損	Loss from hotel and gaming service operations	(6,376)
出售酒店及博彩服務經營業務之 溢利 (附註41)	Gain on disposal of hotel and gaming service operations (note 41)	<u>1,465,231</u>
來自已終止經營業務之溢利	Profit from discontinued operation	<u>1,458,855</u>

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

13. 已終止經營業務 (續)

截至二零一八年十二月三十一日止年度已終止經營業務之業績(已計入綜合收入表)如下:

13. DISCONTINUED OPERATION (Continued)

The result of the discontinued operation for the year ended 31st December 2018, which have been included in the consolidated income statement, were as follows:

		自二零一八年 一月一日至 出售附屬公司 之相關日期 From 1st January 2018 to respective date of disposal of subsidiaries 千港元 HK\$'000
收益	Revenue	3,957
銷售成本	Cost of sales	(1,985)
毛利	Gross profit	1,972
其他收益及其他收入	Other revenue and other income	465
行政開支	Administrative expenses	(8,561)
市場推廣、銷售及發行開支	Marketing, selling and distribution expenses	(252)
除稅前虧損	Loss before tax	(6,376)
所得稅開支	Income tax expense	-
		(6,376)
出售已終止經營業務之溢利	Gain on disposal of discontinued operation	1,465,231
來自已終止經營業務之溢利	Profit from discontinued operation	1,458,855
以下人士應佔來自已終止 經營業務之溢利:	Profit from discontinued operation attributable to:	
本公司擁有人	Owners of the Company	1,458,855

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

13. 已終止經營業務 (續)

截至二零一八年十二月三十一日止年度來自已終止經營業務之溢利乃經扣除/(計入)：

13. DISCONTINUED OPERATION (Continued)

Profit for the year ended 31st December 2018 from discontinued operation has been arrived at after charging/(crediting):

自二零一八年
一月一日至
出售附屬公司
之相關日期
From
1st January
2018 to
respective
date of
disposal of
subsidiaries
千港元
HK\$'000

已終止經營業務

核數師酬金及其他服務：

- 審計服務
- 非審計服務

Discontinued operation

Auditors' remuneration and other services:

- audit services
- non-audit services

已售存貨成本(計入銷售成本)

僱員福利開支(包括董事薪酬)

匯兌溢利淨額

有關物業之經營租賃租金

過時存貨撇減

Cost of inventories sold (included in cost of sales)

Employee benefit expenses (included directors' remuneration)

Net foreign exchange gain

Operating lease rental in respect of premises

Write-down of obsolete inventories

–
–
–
110
813
(1)
16
45

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

13. 已終止經營業務 (續)

截至二零一八年十二月三十一日止年度已終止經營業務之現金流量如下：

13. DISCONTINUED OPERATION (Continued)

Cash flows of the discontinued operation for the year ended 31st December 2018 were as follows:

		自二零一八年 一月一日至 出售附屬公司 之相關日期 From 1st January 2018 to respective date of disposal of subsidiaries 千港元 HK\$'000
經營業務產生之現金淨額	Net cash generated from operating activities	34,719
投資業務產生之現金淨額	Net cash generated from investing activities	-
融資活動所用之現金淨額	Net cash used in financing activities	(966)
現金流入淨額	Net cash inflow	33,753

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

14. 每股(虧損)/盈利

來自持續經營及已終止經營業務

本公司擁有人應佔持續經營及已終止經營業務之每股基本及攤薄(虧損)/盈利乃按以下數據計算：

14. (LOSS)/EARNINGS PER SHARE

From continuing and discontinued operations

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

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
(虧損)/盈利		
用於計算每股基本及攤薄 (虧損)/盈利之(虧損)/ 盈利(本公司擁有人應佔 年度(虧損)/溢利)	(335,226)	1,053,530
(Loss)/earnings		
(Loss)/earnings for the purpose of basic and diluted (loss)/earnings per share ((loss)/profit for the year attributable to owners of the Company)	(335,226)	1,053,530
	二零一九年 2019 千股 '000	二零一八年 2018 千股 '000
股份數目		
用於計算每股基本及攤薄 (虧損)/盈利之加權平均 普通股數目	2,754,030	1,674,902
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earnings per share	2,754,030	1,674,902

根據紅利可換股債券之平邊契據，紅利可換股債券賦予其持有人與本公司股東所附帶之相同經濟利益。因此，將可從總額約265,000港元(二零一八年：265,000港元)之尚未行使紅利可換股債券轉換的1,060,317股(二零一八年：1,060,317股)每股面值0.01港元之繳足普通股計入用於計算每股基本(虧損)/盈利之加權平均普通股數目。

本公司於截至二零一九年十二月三十一日止年度整年概無任何潛在攤薄股份。因此，每股攤薄虧損與每股基本虧損相同。

由於本公司尚未行使之購股權對每股基本盈利之計算具有反攤薄影響，故計算截至二零一八年十二月三十一日止年度每股攤薄盈利時並不假設行使上述潛在攤薄股份。

Pursuant to the deed polls of the Bonus CBs, the Bonus CBs conferred the holders with the same economic interests attached to the shareholders of the Company. Accordingly, 1,060,317 (2018: 1,060,317) fully paid ordinary shares of HK\$0.01 each which shall be convertible from an aggregated amount of approximately HK\$265,000 (2018: HK\$265,000) outstanding Bonus CBs are included in the weighted average number of ordinary shares for calculating the basic (loss)/earnings per share.

The Company did not have any potential dilutive shares throughout the year ended 31st December 2019. Accordingly, diluted loss per share is the same as basic loss per share.

As the Company's outstanding share options where applicable had an anti-dilutive effect to the basic earnings per share calculation, the exercise of the above potential dilutive shares is not assumed in the calculation of diluted earnings per share for the year ended 31st December 2018.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

14. 每股(虧損)/盈利(續)

來自持續經營業務

本公司擁有人應佔持續經營業務之每股基本及攤薄虧損乃按以下數據計算：

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

From continuing operations

The calculation of basic and diluted loss per share from continuing operations attributable to owners of the Company is based on the following data:

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
虧損		
用於計算每股基本及攤薄虧損之虧損(本公司擁有人應佔持續經營業務之年度虧損)	(335,226)	(405,325)

此處所採用之加權平均普通股數目與上文所詳述分別用以計算持續經營及已終止經營業務之每股基本及攤薄(虧損)/盈利所採用者相同。

The weighted average number of ordinary shares used herein are same as those detailed above for the purpose of basic and diluted (loss)/earnings per share from continuing and discontinued operations respectively.

來自已終止經營業務

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乃按以下數據計算：

From discontinued operation

The calculation of basic and diluted earnings per share from discontinued operation attributable to owners of the Company is based on the following data:

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
盈利		
用於計算每股基本及攤薄盈利之盈利(本公司擁有人應佔已終止經營業務之年度溢利)	-	1,458,855

此處所採用之加權平均普通股數目與上文所詳述分別用以計算持續經營及已終止經營業務之每股基本及攤薄(虧損)/盈利所採用者相同。

The weighted average number of ordinary shares used herein are same as those detailed above for the purpose of basic and diluted (loss)/earnings per share from continuing and discontinued operations respectively.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

15. 僱員福利開支

15. EMPLOYEE BENEFIT EXPENSES

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
持續經營業務	Continuing operations		
董事薪酬	Directors' remuneration		
– 董事袍金	– directors' fee	720	360
– 薪金及其他津貼	– salaries and other allowances	17,050	15,827
– 退休福利計劃供款	– retirement benefits scheme contributions	36	36
		17,806	16,223
薪金及其他津貼	Salaries and other allowances	25,325	25,202
有關僱員以股份支付之 款項開支	Share-based payment expenses in respect of employees	–	16,505
退休福利計劃供款 (不包括董事之退休 福利計劃供款)	Retirement benefits scheme contributions (excluding directors' retirement benefits scheme contributions)	669	687
僱員福利開支	Staff welfare expenses	86	123
		43,886	58,740

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

15. 僱員福利開支(續)

(a) 董事酬金

本公司董事會目前由三名(二零一八年：三名)獨立非執行董事及三名(二零一八年：三名)執行董事組成。

持續經營業務

董事姓名	Name of director	袍金		薪金及其他津貼		退休福利計劃供款		總額	
		Fees		Salaries and other allowances		Retirement benefits scheme contributions		Total	
		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
執行董事		Executive directors							
向先生	Mr. Heung	-	-	8,060	7,340	-	-	8,060	7,340
陳女士	Ms. Chen	-	-	7,440	7,080	18	18	7,458	7,098
李玉嫦女士	Ms. Li Yuk Sheung	-	-	1,550	1,407	18	18	1,568	1,425
獨立非執行董事		Independent non-executive directors							
洪祖星先生	Mr. Hung Cho Sing	240	120	-	-	-	-	240	120
何偉志先生	Mr. Ho Wai Chi, Paul	240	120	-	-	-	-	240	120
鄧澤林先生	Mr. Tang Chak Lam, Gilbert	240	120	-	-	-	-	240	120
		720	360	17,050	15,827	36	36	17,806	16,223

截至二零一九年及二零一八年十二月三十一日止年度內，本集團概無向董事支付酬金作為加入本集團或加盟時之獎勵或失去職位之補償。於上列兩個年度均無董事放棄或同意放棄任何酬金。

除綜合財務報表附註46之重大關連人士交易所披露者外，於年末或年內任何時間，本公司或本公司任何附屬公司概無參與訂立有關本集團業務而董事直接或間接擁有重大權益之其他交易、安排及合約。

15. EMPLOYEE BENEFIT EXPENSES

(Continued)

(a) Directors' Emoluments

The Company's board of directors is currently composed of three (2018: three) independent non-executive directors and three (2018: three) executive directors.

Continuing operations

During the year ended 31st December 2019 and 2018, no emoluments were paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company waived or agreed to waive any emoluments in both years.

Except for those disclosed in material related party transactions in note 46 to the consolidated financial statements, no other transactions, arrangements and contracts in relation to the Group's business to which the Company or any subsidiaries of the Company was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

15. 僱員福利開支(續)

(b) 五名最高薪酬人士

本集團本年度五名最高薪酬之人士包括三名(二零一八年:兩名)董事,其酬金已於上文(a)列示並為17,086,000港元(二零一八年:14,438,000港元)。年內應付其餘兩名(二零一八年:三名)之人士之酬金如下:

持續經營業務

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
薪金及其他津貼	Salaries and other allowances	3,356	4,341
以股份支付之款項開支	Share-based payment expenses	–	5,509
退休福利計劃供款	Retirement benefits scheme contributions	36	54
		3,392	9,904

該兩名(二零一八年:三名)人士包括一名(二零一八年:兩名)於「董事及高級管理人員履歷」一節披露之高級管理人員。

截至二零一九年十二月三十一日止年度內,概無本集團董事及僱員獲授購股權。截至二零一八年十二月三十一日止年度內,屬非董事及非最高薪酬之行政僱員就其為本集團服務根據本公司購股權計劃獲授若干購股權。購股權計劃詳情載於綜合財務報表附註45。

15. EMPLOYEE BENEFIT EXPENSES

(Continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2018: two) directors whose emoluments are reflected in (a) above and amounted to HK\$17,086,000 (2018: HK\$14,438,000). The emoluments payable to the remaining two (2018: three) individuals during the year were as follows:

Continuing operations

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
薪金及其他津貼	Salaries and other allowances	3,356	4,341
以股份支付之款項開支	Share-based payment expenses	–	5,509
退休福利計劃供款	Retirement benefits scheme contributions	36	54
		3,392	9,904

The two (2018: three) individuals include one (2018: two) senior management as disclosed in the section “Biographical Details of Directors and Senior Management”.

During the year ended 31st December 2019, no share option was granted to directors and employees of the Group. During the year ended 31st December 2018, certain share options were granted to non-director and non-chief executive highest paid employees, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 45 to the consolidated financial statements.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

15. 僱員福利開支(續)

(b) 五名最高薪酬人士(續)

持續經營業務(續)

其餘兩名(二零一八年:三名)最高薪酬人士每位之酬金總額範圍介乎以下組別:

15. EMPLOYEE BENEFIT EXPENSES

(Continued)

(b) Five highest paid individuals (Continued)

Continuing operations (Continued)

The aggregated emoluments of each of the remaining two (2018: three) highest paid individuals fell within the following bands:

		人數 Number of individuals	
		二零一九年 2019	二零一八年 2018
1,500,001港元至2,000,000港元	HK\$1,500,001 to HK\$2,000,000	2	—
3,000,001港元至3,500,000港元	HK\$3,000,001 to HK\$3,500,000	—	3
		<u>2</u>	<u>3</u>

16. 退休福利計劃

(a) 本集團根據強制性公積金計劃條例之規則及規例為其所有在香港聘用之僱員設立強積金計劃。本集團所有香港僱員均須參加強積金計劃。本集團已選擇最低法定供款規定，即合資格僱員每月有關收入之5%供款，但每月收入上限為法定之30,000港元。供款於產生時在綜合收入表扣除。強積金計劃之資產與本集團之資產分開持有，並由獨立管理基金持有。

(b) 本集團之附屬公司為在澳門聘用之合資格僱員設立定額供款計劃。定額供款計劃乃由獨立管理公司設立及管理。本集團及僱員向該計劃作出等額月供款。供款於產生時於綜合收入表內列支。

16. RETIREMENT BENEFITS SCHEMES

(a) The Group operates the MPF Scheme under rules and regulations of the Mandatory Provident Fund Schemes Ordinance for all its employees in Hong Kong. All employees of the Group in Hong Kong are required to join the MPF Scheme. The Group has chosen to follow the minimum statutory contribution requirement of 5% of eligible employees' monthly relevant income but limited to the mandatory cap of HK\$30,000. The contributions are charged to the consolidated income statements as incurred. The assets of the MPF Scheme are held separately from those of the Group in an independently administrative fund.

(b) The Group's subsidiaries operate a defined contribution scheme for eligible employees in Macau. The defined contribution scheme is established and managed by an independent management company. Both the Group and the employees make equal share of monthly contributions to the scheme. The contributions are charged to the consolidated income statement as incurred.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

17. 物業、機器及設備

17. PROPERTY, PLANT AND EQUIPMENT

		租賃土地	樓宇	租賃物業	租賃物業 裝修	傢俬、裝置及 設備	汽車	總額
		Leasehold land	Buildings	Leased properties	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
成本	Cost							
於二零一八年一月一日	At 1st January 2018	-	12,280	-	6,473	8,854	13,065	40,672
添置	Additions	-	-	-	-	429	1,920	2,349
出售	Disposals	-	-	-	-	(694)	(1,444)	(2,138)
出售附屬公司(附註41)	Disposal of subsidiaries (note 41)	-	-	-	-	-	(3,123)	(3,123)
轉自投資物業(附註19)	Transfer from investment properties (note 19)	-	82,400	-	-	-	-	82,400
於二零一八年十二月 三十一日	At 31st December 2018	-	94,680	-	6,473	8,589	10,418	120,160
應用香港財務報告準則 第16號(附註2)	Application of HKFRS 16 (note 2)	53,409	-	18,717	-	-	-	72,126
於二零一九年一月一日	At 1st January 2019	53,409	94,680	18,717	6,473	8,589	10,418	192,286
添置	Additions	-	-	-	10,038	467	752	11,257
撇銷	Written off	-	-	-	-	(1,031)	-	(1,031)
於二零一九年十二月 三十一日	At 31st December 2019	53,409	94,680	18,717	16,511	8,025	11,170	202,512
累計折舊及減值虧損	Accumulated depreciation and impairment loss							
於二零一八年一月一日	At 1st January 2018	-	6,838	-	5,623	7,692	8,329	28,482
年內扣除	Charge for the year	-	1,526	-	252	463	2,052	4,293
已確認減值虧損	Impairment loss recognised	-	3,601	-	-	-	-	3,601
出售時對銷	Eliminated on disposals	-	-	-	-	(692)	(1,444)	(2,136)
出售附屬公司時對銷 (附註41)	Eliminated upon disposal of subsidiaries (note 41)	-	-	-	-	-	(2,688)	(2,688)
於二零一八年十二月 三十一日及 於二零一九年 一月一日	At 31st December 2018 and at 1st January 2019	-	11,965	-	5,875	7,463	6,249	31,552
年內扣除	Charge for the year	1,876	2,013	6,330	1,395	446	1,959	14,019
已確認減值虧損	Impairment loss recognised	-	6,814	-	-	-	-	6,814
撇銷時對銷	Eliminated on written off	-	-	-	-	(1,017)	-	(1,017)
於二零一九年十二月 三十一日	At 31st December 2019	1,876	20,792	6,330	7,270	6,892	8,208	51,368
賬面值	Carrying amounts							
於二零一九年十二月 三十一日	At 31st December 2019	51,533	73,888	12,387	9,241	1,133	2,962	151,144
於二零一八年十二月 三十一日	At 31st December 2018	-	82,715	-	598	1,126	4,169	88,608

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

17. 物業、機器及設備 (續)

於二零一九年十二月三十一日，董事參考由獨立合資格專業估值師行捷評資產顧問有限公司進行之估值對本集團樓宇之可收回金額進行審閱，並得出結論已就樓宇確認減值虧損約6,814,000港元(二零一八年：3,601,000港元)。確認減值虧損主要由於參考近期可比較物業之售價，市值降低所致。

上文所示樓宇之賬面值包括：

17. PROPERTY, PLANT AND EQUIPMENT (Continued)

At 31st December 2019, the directors conducted a review of the recoverable amount of the Group's buildings with reference to valuation performed by JP Assets Consultancy Limited, a firm of independent qualified professional valuers, and concluded that impairment loss of approximately HK\$6,814,000 (2018: HK\$3,601,000) has been recognised in respect of buildings. The impairment loss recognised mainly due to the lower of market value by reference to recent sales price of comparable properties.

The carrying amounts of buildings shown above comprise:

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
位於香港之樓宇：	Buildings located in Hong Kong:		
– 中期租約	– Medium-term lease	4,588	5,015
– 長期租約	– Long-term lease	69,300	77,700
		73,888	82,715

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

17. 物業、機器及設備 (續)

本集團作為承租人

使用權資產 (計入物業、機器及設備)

17. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The Group as lessee

Right-of-use assets (included in the property, plant and equipment)

		租賃土地 Leasehold land 千港元 HK\$'000	租賃物業 Leased properties 千港元 HK\$'000	總計 Total 千港元 HK\$'000
賬面值	Carrying amounts			
於二零一九年一月一日	At 1st January 2019	53,409	18,717	72,126
年度折舊費用	Depreciation charge for the year	(1,876)	(6,330)	(8,206)
賬面值	Carrying amounts			
於二零一九年十二月三十一日	At 31st December 2019	51,533	12,387	63,920
租賃之現金流出總額	Total cash outflow for leases	-	6,357	6,357

上文所示租賃土地位於香港，並以中期租約持有。

The leasehold land shown above is located in Hong Kong and is held under medium-term lease.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

18. 租賃土地權益

18. INTERESTS IN LEASEHOLD LAND

二零一八年
2018
千港元
HK\$'000

成本	Cost	
於一月一日及十二月三十一日	At 1st January and 31st December	69,660
累計攤銷	Accumulated amortisation	
於一月一日	At 1st January	14,378
本年度所計提攤銷	Amortisation provided for the year	1,873
於十二月三十一日	At 31st December	16,251
賬面值	Carrying amounts	
於十二月三十一日	At 31st December	53,409

上文所示租賃土地權益之賬面值包括：

The carrying amounts of interests in leasehold land shown above comprise:

二零一八年
2018
千港元
HK\$'000

根據中期租約持有之 位於香港的租賃土地	Leasehold land located in Hong Kong, held on medium-term lease	53,409
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因應用香港財務報告準則第16號，租賃土地權益53,409,000港元已重新分類至使用權資產（計入物業、機器及設備）。

Upon application of HKFRS 16, the interests in leasehold land amounting to HK\$53,409,000 were reclassified to right-of-use assets (included in property, plant and equipment).

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

19. 投資物業

19. INVESTMENT PROPERTIES

		二零一八年 2018 千港元 HK\$'000
於一月一日	At 1st January	81,100
公平價值變動產生之溢利	Gain arising on change in fair value	1,300
轉至物業、機器及設備(附註17)	Transfer to property, plant and equipment (note 17)	<u>(82,400)</u>
於十二月三十一日	At 31st December	<u>-</u>
		二零一八年 2018 千港元 HK\$'000

計入綜合收入表之投資物業公平價值 變動之未變現溢利(計入其他經營開支)	Unrealised gain on fair value change of investment properties included in the consolidated income statement (included in other operating expenses)	<u>1,300</u>
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於二零一八年四月三十日，一項投資物業已按其公平價值82,400,000港元轉撥至物業、機器及設備，該公平價值乃參考獨立合資格專業估值師行捷評資產顧問有限公司於轉撥日期進行之估值。

On 30th April 2018, an investment property was transferred to property, plant and equipment at its fair value of HK\$82,400,000, which was reference to valuation performed by JP Assets Consultancy Limited, a firm of independent qualified professional valuers, as at the date of transfer.

本集團根據經營租賃持有以賺取租金或資本增值用途之物業權益乃採用公平價值模式計量，並分類及入賬為投資物業。

The Group's properties interests held under operating leases to earn rentals or for capital appreciation purpose is measured using the fair value model and are classified and accounted for as investment properties.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

20. 商譽

20. GOODWILL

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
成本	Cost		
於一月一日及於十二月三十一日	At 1st January and at 31st December	108,703	108,703
累計減值虧損	Accumulated impairment losses		
於一月一日及於十二月三十一日	At 1st January and at 31st December	108,703	108,703
賬面值	Carrying amounts		
於十二月三十一日	At 31st December	-	-

商譽之減值測試

於確認減值虧損前，分配至現金產生單位組合之商譽賬面值如下：

Impairment testing of goodwill

Before recognition of impairment losses, the carrying amounts of goodwill were allocated to groups of CGUs as follows:

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
電影相關業務經營業務	Film related business operations	108,703	108,703

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

21. 提供予一名董事之貸款

21. LOAN TO A DIRECTOR

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
於一月一日	At 1st January	327,903	293,371
推算利息收入	Imputed interest income	67,071	59,532
已收及應收利息	Interest received and receivables	(25,000)	(25,000)
於十二月三十一日	At 31st December	369,974	327,903

於二零一六年十一月二十九日，本公司之全資附屬公司Best Combo Limited（「Best Combo」，作為貸款人）與陳女士（作為借款人）訂立貸款協議（「貸款協議」），據此，Best Combo已同意向陳女士授出一筆本金額為500,000,000港元（視乎貸款金額作出調整）之定期貸款（「貸款」）。貸款按年利率5厘計息，須於貸款之提取日期起計60個月屆滿之日償還，及以陳女士全資擁有之於英屬處女群島註冊成立之公司Reform Base全部已發行股本的股份押記作為抵押。

陳女士可於提取日期後清償貸款（連應計利息）而免罰款，惟須向Best Combo發出不少於十個營業日的事先書面通知。

根據貸款協議，陳女士已同意向Best Combo授出認購期權（「認購期權」），允許Best Combo由貸款提取日起計60個月屆滿之行使期內要求陳女士以500,000,000港元（視乎貸款金額作出調整）出售Reform Base全部已發行股本。

於二零一七年四月六日，即貸款提取日，經參考獨立合資格專業估值師行博浩企業顧問有限公司進行之估值而得出的公平價值，董事確認貸款部份及認購期權部份之金額分別約為271,908,000港元及228,092,000港元。

截至二零一九年及二零一八年十二月三十一日止年度內，尚未償還予本集團之最高金額為500,000,000港元。

On 29th November 2016, Best Combo Limited (“Best Combo”), a wholly-owned subsidiary of the Company, as a lender, and Ms. Chen, as a borrower, entered into a loan agreement (the “Loan Agreement”) pursuant to which Best Combo has agreed to grant a fixed term loan (the “Loan”) to Ms. Chen in the principal amount of HK\$500,000,000 (subject to the loan amount adjustment). The Loan is interest bearing at 5% per annum, repayable on the date falling 60 months from the drawdown date of the Loan and secured by way of a share charge over the entire issued share capital of Reform Base, a company incorporated in BVI and wholly owned by Ms. Chen.

Ms. Chen can repay the Loan (together with accrued interest) in full after the date of drawdown without penalty provided not less than ten business days’ prior written notice has been given to Best Combo.

Pursuant to the Loan Agreement, Ms. Chen has agreed to grant the call option (the “Call Option”) to Best Combo which allows Best Combo to require Ms. Chen to sell the entire issued share capital of Reform Base at HK\$500,000,000 (subject to the loan amount adjustment) during the exercise period falling on the expiry of 60 months from the drawdown date of the Loan.

On 6th April 2017, the drawdown date of the Loan, the directors has recognised the amounts of approximately HK\$271,908,000 and HK\$228,092,000 for the loan portion and the call option portion respectively by reference to the fair value arrived on the basis of valuation performed by Graval Consulting Limited, a firm of independent qualified professional valuers.

During the year ended 31st December 2019 and 2018, the maximum amount outstanding to the Group is HK\$500,000,000.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

22. 於一間合資企業之權益

22. INTEREST IN A JOINT VENTURE

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
於一間合資企業之投資成本 於香港，非上市	Cost of investment in a joint venture, unlisted in Hong Kong	-	-
應佔一間合資企業收購後溢利及 其他全面收入，扣除已收股息	Share of post-acquisition profit and other comprehensive income in a joint venture, net of dividend received	-	270
		-	270

本集團之合資企業為非上市企業個體，故無法獲得其市場報價。

The Group's joint venture is a unlisted corporate entity which quoted market prices are not available.

本集團合資企業於報告期末之詳情載列如下：

Details of the Group's joint venture at the end of the reporting period are set out below:

合資企業名稱 Name of joint venture	營業架構形式 Form of Business structure	註冊成立地點 Place of incorporation	所持股份類別 Class of shares held	本集團所持有所有權及 投票權之比例 Proportion of ownership interest and voting power held by the Group		主要業務 Principal activities
				二零一九年 2019 %	二零一八年 2018 %	
采星 Sparkle Star	註冊成立 Incorporated	香港 Hong Kong	普通股 Ordinary	50	50	提供藝人管理服務及 製作電視連續劇 Provision of artist management services and production of television drama series

該合資企業乃採用權益法於此等財務報表內入賬。

The joint venture is accounted for using the equity method in these financial statements.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

22. 於一間合資企業之權益 (續)

一間非個別重大之合資企業之總合資料

22. INTEREST IN A JOINT VENTURE

(Continued)

Aggregate information of a joint venture that is not individually material

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
本集團應佔年度虧損及 全面虧損總額	The Group's share of loss and total comprehensive loss for the year	(270)	(114)
本集團於一間合資企業權益之 賬面值	Carrying amount of the Group's interest in a joint venture	-	270

未確認應佔一間非個別重大之合資企業之虧損

Unrecognised share of loss of a joint venture that is not individually material

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
年度未確認應佔一間合資企業之 虧損	Unrecognised share of loss of a joint venture for the year	(2)	-
累算未確認應佔一間合資企業之 虧損	Cumulative unrecognised share of loss of a joint venture	(2)	-

23. 存貨

23. INVENTORIES

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
餐廳經營業務之食品及飲品， 以及其他經營項目	Food and beverage, and other operating item for restaurant operations	101	-

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

24. 物業存貨

24. STOCK OF PROPERTIES

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
持作出售之發展中物業	Properties under development held for sales		
於一月一日	At 1st January	2,508,568	2,107,376
添置	Additions	501,832	401,192
資本化利息	Interest capitalised	36,723	–
		3,047,123	2,508,568
於十二月三十一日	At 31st December		

物業存貨位於澳門並根據中期租約持有。

The stock of properties is located in Macau and held under medium-term leases.

持作出售之發展中物業預期於超過一年後收回。

Properties under development held for sales are expected to be recovered after more than one year.

於二零一九年十二月三十一日，本集團之物業存貨賬面值約1,651,619,000港元（二零一八年：1,113,595,000港元）已質押作為本集團所獲授銀行信貸額之抵押。

At 31st December 2019, the Group's stock of properties with carrying amounts of approximately HK\$1,651,619,000 (2018: HK\$1,113,595,000) have been pledged to secure bank facilities granted to the Group.

於二零一三年九月，澳門特別行政區政府（「澳門政府」）頒布新土地法（「新土地法」），並於二零一四年三月生效。新土地法規定，澳門政府將有權收回於規定到期日前任何未完成之物業發展及／或未能達到土地特許權所列條件的土地而無須向物業擁有人作任何賠償。

In September 2013, the government of Macau Special Administrative Region (the "Macau Government") promulgated the Macau New Land Law (the "MNLL") which came into effect in March 2014. The MNLL provides that the Macau Government will have the right to resume the land of any property development that is not completed and/or where the conditions as stated in the land concession for which have not been fulfilled by the stipulated expiry date without any compensation to the property owner.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

24. 物業存貨 (續)

由於澳門政府延誤批出位於外港填海區第6B地段(「第6B地段」)之物業的發展所需批文及許可，導致第6B地段不能開始發展而澳門政府更開始收回土地之行政工作。第6B地段為一個發展中項目中的四個地段之一，而第6B地段擬發展為一個休閒區。本集團已於二零一六年十二月三十日向澳門中級法院院長提出上訴。於二零一八年六月十一日，本集團收到澳門政府終審法院日期為二零一八年六月八日的函件，當中終審法院駁回最終上訴的申請。因此，第6B地段將由澳門政府收回。根據本公司取得的法律意見，本集團具法律理據就本集團因此蒙受之損害尋求賠償，而法院將考慮並計及所有要點，包括澳門政府造成之延誤。因此，本集團已尋求其澳門法律代表之法律意見，並考慮於需要時就此提出申請。

董事參考獨立合資格專業估值師行第一太平戴維斯(澳門)有限公司及捷評資產顧問有限公司所進行估值而評估發展中物業之可變現淨值，並論定其可變現淨值高於其賬面值，故認為沒必要就發展中物業之賬面值作出撇減。

24. STOCK OF PROPERTIES (Continued)

Owing to the delays caused by the Macau Government in granting the requisite approvals and permits for the development of the property located in Lot 6B at Zona de Aterros do Porto Exterior (ZAPE) ("Lot 6B"), Lot 6B could not commence development and the Macau Government has started the administrative work to reclaim it. Lot 6B is one of the four lots of land in a project held under development and Lot 6B is intended to be developed as recreational area. The Group has filed an appeal to the president of the Macau Second Instance Court on 30th December 2016. On 11th June 2018, the Group received a letter dated 8th June 2018 from the Tribunal de Ultima Instancia of the Macau Government, in which the Tribunal de Ultima Instancia rejected the application of the final appeal. Accordingly, Lot 6B will be reclaimed by the Macau Government. According to the legal opinion obtained by the Company, the Group has legal ground to seek compensation for damages sustained by the Group as a result and the Court will consider and rule taking into account all the essential points including delays caused by the Macau Government. As such, the Group has sought legal advice from its Macau legal representative and consider to make an application in this regard if necessary.

The directors had assessed the net realisable value of the properties under development with reference to valuations performed by Savills (Macau) Limited and JP Assets Consultancy Limited, firms of independent qualified professional valuers, and concluded that no write-down of carrying amounts of the properties under development are considered necessary as the net realisable value are greater than the carrying amounts.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

25. 電影版權

25. FILM RIGHTS

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
成本	Cost		
於一月一日及於十二月三十一日	At 1st January and at 31st December	758,178	758,178
轉自製作中電影(附註26)	Transfer from films in progress (note 26)	128,307	–
		886,485	758,178
累計攤銷及減值虧損	Accumulated amortisation and impairment losses		
於一月一日	At 1st January	746,700	746,129
本年度所計提攤銷	Amortisation provided for the year	1,747	–
已確認減值虧損	Impairment loss recognised	125,246	571
		873,693	746,700
於十二月三十一日	At 31st December	873,693	746,700
賬面值	Carrying amount		
於十二月三十一日	At 31st December	12,792	11,478

電影版權之減值測試

就減值測試而言，電影版權已分配至電影相關經營業務之現金產生單位。

於二零一九年十二月三十一日，董事參考管理層編製之電影預算概要而評估電影版權之現金產生單位之可收回金額。因此，截至二零一九年十二月三十一日止年度內確認減值虧損125,246,000港元(二零一八年：571,000港元)。

電影版權之現金產生單位之可收回金額乃基於將出售之電影版權可變現淨值或估計未來票房進賬之現金流量及五年期間內電影版權之授權收入而釐定。於二零一九年十二月三十一日，計算估計未來現金流量(如合適)時乃參考捷評資產顧問有限公司所進行估值而考慮使用折現率17%(二零一八年：17%)。

Impairment testing of film rights

For the purpose of impairment testing, film rights have been allocated to the CGU of film related business operations.

At 31st December 2019, the directors assessed the recoverable amount of the CGU of film rights with reference to the film budget summary prepared by the management. Accordingly, impairment loss of HK\$125,246,000 was recognised during the year ended 31st December 2019 (2018: HK\$571,000).

The recoverable amount of the CGU of film rights was determined based on either net realisable values of film rights to be disposed of or estimated future cashflows from box office receipts and licensing income of film rights over a five-year period. At 31st December 2019, discount rate of 17% (2018: 17%), which was referenced to valuation performed by JP Assets Consultancy Limited, was considered in the calculation of estimated future cashflows as appropriate.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

25. 電影版權 (續)

電影版權之減值測試 (續)

上述有關現金流入／流出估計的計算之主要假設包括預算銷售額及毛利率、增長率及折現率，該估計為依據過往經驗及管理層就市場發展之預期。

年內確認之減值虧損僅與本集團之電影相關業務經營業務有關。由於該現金產生單位已削減至其可收回金額約12,792,000港元(二零一八年：11,478,000港元)，故計算可收回金額所採用之假設之任何不利變動將引致進一步減值虧損。

25. FILM RIGHTS (Continued)

Impairment testing of film rights (Continued)

Key assumptions for the above calculations in relation to the estimation of cash inflows/outflows which include budgeted sales and gross margin, growth rate and discount rate, such estimation is based on past experience and management's expectations of the market development.

The impairment loss recognised during the year solely relates to the Group's film related business operations. As the CGU has been reduced to its recoverable amount of approximately HK\$12,792,000 (2018: HK\$11,478,000), any adverse change in the assumptions used in the calculation of the recoverable amount would result in further impairment losses.

26. 製作中電影

26. FILMS IN PROGRESS

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
於一月一日	At 1st January	201,005	168,992
添置	Additions	52,733	32,013
轉至電影版權(附註25)	Transfer to film rights (note 25)	(128,307)	–
已確認減值虧損	Impairment loss recognised	(10,275)	–
於十二月三十一日	At 31st December	115,156	201,005

製作中電影以成本減累計減值虧損(如有)計量。

截至二零一九年十二月三十一日止年度內，已就製作中電影之製作成本確認減值虧損10,275,000港元(二零一八年：無)，因為管理層認為製作中電影之製作計劃已經停止，並認為有關款項將不可收回。

The films in progress were measured at cost less accumulated impairment losses, if any.

During the year ended 31st December 2019, an impairment loss of HK\$10,275,000 (2018: nil) was recognised on the production costs for films in progress as the management was in a view that the production plan for the films in progress was halted and considered that the amount will not be recovered.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

27. 電影投資

27. INVESTMENT IN FILM

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
電影製作投資	29,939	29,939

於電影製作之投資乃指墊付予特許製作公司之款項，以合資方式製作電影，題材任由製作公司發揮。投資受本集團與製作公司訂立的相關協議規管，據此本集團得享相關電影發行所得利益。墊付金額將由本集團按各有關合資攝製電影的發行收益淨額的預定份額收回，該金額將由相關製作公司提供及確認。

Investment in film production represents fund advanced to licensed production house for co-financing the production of film, which is freely exploited by the production house. The investment is governed by the relevant investment agreement entered into between the Group and the production house whereby the Group is entitled to benefits generated from the distribution of the related film. The amount will be recoverable by the Group from a pre-determined share of the net distribution revenue of the respective co-financed film to be provided and confirmed by the relevant production house.

本集團之電影投資乃以人民幣列值。

The Group's investment in film is denominated in RMB.

28. 貿易應收賬款

28. TRADE RECEIVABLES

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
信用卡應收賬款	16	-
其他貿易應收賬款	2,324	1,201
減：信貸虧損撥備	(963)	(1,201)
	1,377	-

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

28. 貿易應收賬款 (續)

以下為根據發票日期(與各有關收益確認日期相若)呈列之貿易應收賬款減信貸虧損撥備之賬齡分析:

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
0至30日	0 to 30 days	1,097	-
31至60日	31 to 60 days	-	-
61至90日	61 to 90 days	-	-
超過90日	Over 90 days	280	-
		1,377	-

本集團之餐廳經營業務與客戶之交易條款主要以現金及信用卡結算。信用卡公司之結算期通常為服務提供日期後7日。

給予其他企業客戶之平均賒賬期介乎30日至90日不等。

年內有關貿易應收賬款的信貸虧損撥備變動如下:

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
於一月一日	At 1st January	1,201	1,336
減值撥回	Reversal of impairment	(230)	(120)
外幣滙兌溢利	Foreign exchange translation gain	(8)	(15)
於十二月三十一日	At 31st December	963	1,201

28. TRADE RECEIVABLES (Continued)

The following is an aging analysis of trade receivables, presented based on the invoice dates, which approximates the respective revenue recognition dates and net of allowance for credit losses:

The Group's trading terms with its customers from restaurant operations are mainly by cash and credit card settlement. The settlement terms of credit card companies are usually 7 days after the service rendered date.

The average credit period granted to other corporate customers ranges from 30 to 90 days.

The movement in the allowance for credit losses in respect of trade receivables during the year is as follows:

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

29. 按金、預付款項及其他應收款項 29. DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
已付按金	Deposits paid	392,015	181,072
預付款項	Prepayment	24,612	6,039
其他應收款項，扣除減值虧損	Other receivables, net of impairment loss	243,542	264,715
		660,169	451,826
僅為呈報用途作分析：			
即期	Analysed for reporting purposes only: Current	644,169	451,826
非即期	Non-current	16,000	–
		660,169	451,826

上述結餘主要包括就電影製作已付按金、預付藝人費及應收利息。

截至二零一九年十二月三十一日止年度內，已就其他應收款項確認減值虧損約822,000港元（二零一八年：無）。

於二零一八年十二月三十一日，其他應收款項約12,880,000港元乃墊付予若干主要管理人員。

The above balances mainly consist of deposits paid for film production, prepaid artiste fee and interest receivable.

During the year ended 31st December 2019, impairment loss of approximately HK\$822,000 (2018: nil) was recognised in respect of other receivables.

At 31st December 2018, other receivables with amounts of approximately HK\$12,880,000 was advanced to certain key management personnel.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

30. 透過損益以公平價值列賬之金融資產 30. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
分類為持作買賣投資之 上市證券：	Listed securities classified as held for trading investments:		
– 於香港上市之股本證券	– Equity securities listed in Hong Kong	225,491	234,029
非上市投資：	Unlisted investment:		
– 於香港之非上市會所債券	– Unlisted club debenture in Hong Kong	–	80
衍生金融工具：	Derivative financial instruments:		
– 提供予一名董事之貸款內 所含之認購期權	– Call option embedded in loan to a director	87,793	219,372
		313,284	453,481

於報告期末，所有透過損益以公平價值列賬之金融資產均以公平價值列賬。分類為持作買賣投資之上市證券（暫停買賣香港上市證券除外）之公平價值乃參考所報之市場收市價而釐定。

於二零一九年十二月三十一日，暫停買賣香港上市證券之公平價值約4,059,000港元（二零一八年：3,549,000港元）乃經參考獨立合資格專業估值師博浩企業顧問有限公司進行之估值而得出。於二零一九年十二月三十一日，該暫停買賣香港上市證券之公平價值乃採用市場法按折現率74.29%（二零一八年：78.01%）進行估值。使用該折現率旨在反映持有被暫停買賣而復牌機會渺茫的股份之市場參與者所察覺有關企業管治、股份不流通性及財政壓力等風險承擔。

At the end of the reporting period, all financial assets at FVTPL are stated at fair value. Fair values of listed securities classified as held for trading investments (other than suspended trading security listed in Hong Kong) are determined with reference to quoted market closing price.

At 31st December 2019, the fair value of suspended trading security listed in Hong Kong with the amount of approximately HK\$4,059,000 (2018: HK\$3,549,000) was reference to valuation performed by Graval Consulting Limited, a firm of independent qualified professional valuers. At 31st December 2019, the fair value of suspended trading security listed in Hong Kong was valued by using the market approach with a discount rate of 74.29% (2018: 78.01%). The discount rate is used to reflect the risk of exposure to corporate governance, illiquidity and financial distress, etc perceived by market participants who hold the suspended shares with remote likelihood of trade resumption.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

30. 透過損益以公平價值列賬之金融資產 (續)

於二零一八年十二月三十一日，非上市會所債券之公平價值約80,000港元乃參考透過分析可比較資產的近期銷售或供應所反映資產價值，以市場法為基準計得。

截至二零一九年十二月三十一日止年度內，非上市會所債券已予出售並確認出售虧損約15,000港元。

於二零一九年十二月三十一日，認購期權之公平價值約87,793,000港元（二零一八年：219,372,000港元）乃經參考獨立合資格專業估值師行博浩企業顧問有限公司進行之估值而得出。認購期權之公平價值乃採用二項式期權定價模式以折現率15.38%（二零一八年：21.12%）進行估值。折現率為投資者投資於目標投資，而不投資於風險及其他投資特點相若之另類投資所須放棄之預期回報（或收益）率。

於批准此等綜合財務報表日期，本集團之香港上市股本證券（不包括於二零一九年十二月三十一日之暫停買賣證券）之公平價值約為152,368,000港元。

30. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

At 31st December 2018, the fair value of the unlisted club debenture with the amount of approximately HK\$80,000 was arrived on the basis of market approach by reference to value of asset through an analysis of recent sales or offerings of comparable assets.

During the year ended 31st December 2019, the unlisted club debenture was disposed and a loss on disposal of approximately HK\$15,000 was recognised.

At 31st December 2019, the fair value of the Call Option with the amount of approximately HK\$87,793,000 (2018: HK\$219,372,000) was arrived by reference to valuation performed by Graval Consulting Limited, a firm of independent qualified professional valuers. The fair value of the Call Option was valued by using the binomial option pricing model with discount rate of 15.38% (2018: 21.12%). Discount rate is the expected rate of return (or yield) that an investor would have to give up by investing in the subject investment instead of other available alternative investments that are comparable in terms of risk and other investment characteristics.

The fair value of the Group's equity securities listed in Hong Kong (excluding suspended trading security at 31st December 2019) at the date of approval of these consolidated financial statements were approximately HK\$152,368,000.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

31. 應收貸款

31. LOAN RECEIVABLES

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
應收定息貸款，扣除減值虧損	199,127	200,000

Fixed-rate loan receivables, net of impairment loss

應收貸款乃按年利率3厘至8厘(二零一八年：3厘)計息，須於未來十二個月內償還，並包含有須於要求時償還之條款，故被分類為流動資產。

Loan receivables are interest bearing of 3% to 8% (2018: 3%) per annum, repayable within the next twelve months and contain a clause of repayable on demand and thus classified as current assets.

截至二零一九年十二月三十一日止年度內，已確認減值虧損約873,000港元。

During the year ended 31st December 2019, impairment loss of approximately HK\$873,000 was recognised.

32. 定期存款

32. TIME DEPOSITS

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
於銀行持有之定期存款	272	269

Time deposits held at bank

於二零一九年十二月三十一日，定期存款以年利率介乎0.7厘至1.55厘(二零一八年：0.7厘至0.9厘)計息，並於存放日起365日(二零一八年：365日)內到期。

At 31st December 2019, the time deposits are interest bearing ranging from 0.7% to 1.55% (2018: 0.7% to 0.9%) per annum and mature within 365 days (2018: 365 days) from the placements date.

於二零一九年十二月三十一日，定期存款約249,000港元(二零一八年：249,000港元)乃已質押作為就發展位於澳門的物業存貨給予澳門政府之擔保。

At 31st December 2019, time deposits with amounts of approximately HK\$249,000 (2018: HK\$249,000) are pledged for guaranteed to Macau Government for development of stock of properties located in Macau.

於銀行持有之定期存款乃以澳門幣列值。

Time deposits held at bank is denominated in MOP.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

33. 現金及銀行結餘

銀行結餘按浮動利率計息，並存放於近期無不良記錄之有信譽銀行。短期定期存款之年期由一日至三個月不等，視乎本集團即時現金需要而定，並會按各自之短期定期存款年利率介乎0.125厘至2.9厘（二零一八年：0.125厘至2.95厘）賺取利息。

就綜合現金流量表而言，現金及銀行結餘包括手頭現金、銀行現金及短期定期存款。於二零一九年及二零一八年十二月三十一日在綜合現金流量表上列示之現金及銀行結餘可與相關項目對賬如下：

33. CASH AND BANK BALANCES

Bank balances carry interest at floating rates and placed with creditworthy banks with no recent history of default. Short-term time deposits are made for varying periods of between one day to three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates ranging from 0.125% to 2.9% (2018: 0.125% to 2.95%) per annum.

For the purpose of the consolidated statement of cash flows, cash and bank balances include cash on hand and cash at banks and short-term time deposits. Cash and bank balances at 31st December 2019 and 2018 as shown in the consolidated statement of cash flows can be reconciled to the related items as follows:

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
手頭現金及銀行存款	Cash on hand and cash at banks	99,815	86,597
短期定期存款	Short-term time deposits	397,933	1,069,869
		497,748	1,156,466

於二零一九年十二月三十一日，本集團之現金及銀行結餘中，以美元、澳門幣、歐元及人民幣列值者分別約為676,000港元（二零一八年：4,264,000港元）、2,179,000港元（二零一八：1,140,000港元）、71,000港元（二零一八年：81,000港元）及25,586,000港元（二零一八年：32,459,000港元）。

人民幣在中國並非可自由兌換之貨幣，且匯出中國之資金受中國政府實行的外匯管制規範。本集團位於香港及澳門以人民幣列值之現金及銀行結餘，其不受外匯管制。

At 31st December 2019, the Group's cash and bank balances denominated in US\$, MOP, EUR and RMB are approximately HK\$676,000 (2018: HK\$4,264,000), HK\$2,179,000 (2018: HK\$1,140,000), HK\$71,000 (2018: HK\$81,000) and HK\$25,586,000 (2018: HK\$32,459,000) respectively.

RMB is not a freely convertible currency in the PRC and the remittance of funds out of the PRC is subject to the foreign exchange control promulgated imposed by the government of the PRC. The Group's cash and bank balances denominated in RMB which located in Hong Kong and Macau are not subject to the foreign exchange control.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

33. 現金及銀行結餘 (續)

截至二零一九年及二零一八年十二月三十一日止年度，本集團就銀行結餘進行減值評估，並斷定對手方銀行的違約可能性極低，故無計提信貸虧損撥備。

33. CASH AND BANK BALANCES

(Continued)

For the year ended 31st December 2019 and 2018, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant and accordingly, no allowance for credit losses is provided.

34. 股本

34. SHARE CAPITAL

	股份數目		金額	
	Number of shares		Amount	
	二零一九年	二零一八年	二零一九年	二零一八年
	2019	2018	2019	2018
	千股	千股	千港元	千港元
	'000	'000	HK\$'000	HK\$'000
每股面值0.01港元之 普通股	Ordinary shares of HK\$0.01 each			
法定股本：	Authorised:			
於一月一日及十二月 三十一日	At 1st January and 31st December			
	50,000,000	50,000,000	500,000	500,000
已發行及繳足股本：	Issued and fully paid:			
於一月一日	At 1st January			
購回並註銷之股份 (附註a)	Shares repurchased and cancelled (Note a)			
以供股方式發行新股 (附註b)	Issue of new shares by way of rights issue (Note b)			
行使購股權(附註c)	Exercise of share options (Note c)			
於十二月三十一日	At 31st December			
	2,711,001	2,801,111	27,110	28,011

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

34. 股本 (續)

附註：

- (a) 於截至二零一九年十二月三十一日止年度內，本公司購回並註銷其本身股份如下：

購回月份	Month of repurchase	普通股數目 Number of ordinary shares 千股 '000	每股價格 Price per share		已付總代價 Aggregate consideration 千港元 HK\$'000
			最高 Highest 港元 HK\$	最低 Lowest 港元 HK\$	
二零一九年五月	May 2019	74,280	0.80	0.74	57,796
二零一九年六月	June 2019	15,830	0.76	0.75	11,892
		90,110			69,688

- (b) 於二零一八年八月六日，本公司以供股方式向本公司合資格股東配發及發行1,807,406,986股新普通股，認購價為每股0.25港元，基準為於二零一八年七月十一日每持有一股現有普通股獲發兩股供股股份。供股所得款項淨額約448,350,000港元將用於物業發展及投資之業務營運融資；以及用於電影及電視連續劇之相關業務營運。

- (c) 於截至二零一八年十二月三十一日止年度內，若干購股權持有人行使其購股權權利，按行使價每股0.56港元認購90,000,000股普通股。

34. SHARE CAPITAL (Continued)

Notes:

- (a) During the year ended 31st December 2019, the Company repurchased and cancelled its own shares as follows:

- (b) On 6th August 2018, the Company allotted and issued 1,807,406,986 new ordinary shares at a subscription price of HK\$0.25 per share by way of rights issue to the qualifying shareholders of the Company on the basis of two right shares for every one existing ordinary share held on 11th July 2018. The net proceeds from the rights issue of approximately HK\$448,350,000 will be used to finance the business operation of the property development and investment and fund the film and television drama series related business operations.

- (c) During the year ended 31st December 2018, certain shares option holders exercised their option right to subscribe for 90,000,000 ordinary shares at exercise price of HK\$0.56 per share.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

35. 承付票

35. PROMISSORY NOTE

二零一八年
2018
千港元
HK\$'000

於一月一日	At 1st January	173,817
承付票之推算利息	Imputed interest on promissory note	1,871
已付及應付利息	Interest paid and payable	(466)
償還承付票(附註)	Repayment of promissory note (Note)	(200,000)
提早贖回承付票之虧損(附註)	Loss on early redemption on promissory note (Note)	24,778
		-
於十二月三十一日	At 31st December	-

附註：

於二零一八年一月十八日，本公司已向陳女士贖回本金額200,000,000港元之餘下未償還承付票。提早贖回承付票之虧損金額24,778,000港元已於綜合收入表確認。

Note:

On 18th January 2018, the Company has redeemed the remaining outstanding promissory note with principal amount of HK\$200,000,000 to Ms. Chen. Loss on early redemption on promissory note with the amount of HK\$24,778,000 was recognised in the consolidated income statement.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

36. 租賃負債

36. LEASE LIABILITIES

		最低租賃付款		最低租賃付款之現值	
		Minimum lease payments		Present value of minimum lease payments	
		於二零一九年 一月一日 At 1st January 2019 千港元 HK'000	於二零一九年 十二月三十一日 At 31st December 2019 千港元 HK'000	於二零一九年 一月一日 At 1st January 2019 千港元 HK'000	於二零一九年 十二月三十一日 At 31st December 2019 千港元 HK'000
應付租賃負債	Lease liabilities payable				
一年內	Within one year	6,255	5,651	5,847	5,394
第二至第五年 (包括首尾兩年)	In the second to fifth year, inclusive	12,871	7,220	12,494	7,100
		19,126	12,871	18,341	12,494
減：未來融資成本	Less: future finance costs	(785)	(377)	-	-
租賃負債之現值	Present value of lease liabilities	18,341	12,494	18,341	12,494
減：一年內到期結算金額	Less: amount due for settlement within one year			(5,847)	(5,394)
一年後到期結算金額	Amount due for settlement after one year			12,494	7,100

租賃負債乃以港元列值。

The lease liabilities are denominated in HK\$.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

37. 貿易應付賬款

以下為貿易應付賬款按發票日期之賬齡分析：

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
0至30日	0 to 30 days	45,170	34,932
31至60日	31 to 60 days	25,012	225
61至90日	61 to 90 days	2,431	-
超過90日	Over 90 days	5,638	3,264
		78,251	38,421

供應商給予之平均除賬期為30至90日不等。

37. TRADE PAYABLES

The following is an aging analysis of trade payables, based on the invoice dates:

The average credit period granted by suppliers ranges from 30 to 90 days.

38. 已收取按金、應計項目及其他應付款項

已收取按金(附註a)	Deposits received (Note a)	79,360	81,301
應計項目	Accruals	7,381	7,092
其他應付款項(附註b)	Other payables (Note b)	513	421,455
		87,254	509,848

附註：

- (a) 已收取按金主要指電影上畫及交付母帶前收自發行商之按金。
- (b) 於二零一八年十二月三十一日，其他應付款項包括就二零一八年十二月十八日所宣派特別股息而應付之款項約420,326,000港元。

38. DEPOSITS RECEIVED, ACCRUALS AND OTHER PAYABLES

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
已收取按金(附註a)	Deposits received (Note a)	79,360	81,301
應計項目	Accruals	7,381	7,092
其他應付款項(附註b)	Other payables (Note b)	513	421,455
		87,254	509,848

Notes:

- (a) Deposits received mainly represented deposits received from distributors prior to the theatrical release and delivery of master materials of film.
- (b) At 31st December 2018, included in other payables with the amounts of approximately HK\$420,326,000 was payable of special dividend declared on 18th December 2018.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

39. 銀行借貸

39. BANK BORROWINGS

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
有抵押銀行借貸	Secured bank borrowings	1,030,150	–
		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
應償還之賬面值： 一年內	Carrying amounts repayable: Within one year	1,030,150	–

於二零一九年十二月三十一日，本集團之銀行借貸以本集團賬面值約1,651,619,000港元之物業存貨、中國星創新發展有限公司之定額資本、向先生及陳女士提供之個人擔保以及由本公司提供之企業擔保一併質押作為抵押品，由本集團所選擇的三個月或六個月期間以HIBOR加3.35厘息差之年利率計息，並須於(i)自貸款協議日期起計36個月或(ii)發出本集團已質押物業之佔用許可證日期後9個月(以較早者為準)償還。

At 31st December 2019, the Group's bank borrowings are secured by the Group's stock of properties with carrying amounts of approximately HK\$1,651,619,000, quota capital of China Star Creative Development Limited, personal guarantee provided by Mr. Heung and Ms. Chen and corporate guarantee provided by the Company together as securities, interest bearing at HIBOR for three or six month period selected by the Group plus margin of 3.35% per annum and repayable by the earlier of (i) 36 months from date of the agreement of the loan or (ii) 9 months after date of issuing of the occupation permit of the Group's pledged properties.

40. 應付非控股權益款項

應付非控股權益之款項為無抵押、免息及須於要求時償還。

40. AMOUNTS DUE TO NON-CONTROLLING INTERESTS

The amounts due to non-controlling interests are unsecured, interest-free and repayable on demand.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

41. 出售附屬公司

截至二零一八年十二月三十一日止年度

(a) 出售出售集團

於二零一七年十月十日，本集團訂立有條件買賣協議，以出售主要在澳門從事酒店及博彩服務經營業務之出售集團之全部股本權益及出售集團所結欠銷售貸款，總代價為2,000,000,000港元（可予調整）。出售事項已於二零一八年一月三日完成。出售集團於出售日期之負債淨額如下：

所轉讓之代價：

		千港元 HK\$'000
初步現金代價	Initial cash consideration	2,000,000
有關調整營運資金淨額之已收代價	Consideration received related to adjustment for net working capital	34,417
總代價	Total consideration	2,034,417

失去控制權之資產與負債分析：

		千港元 HK\$'000
物業、機器及設備	Property, plant and equipment	299,126
租賃土地權益	Interests in leasehold land	318,366
存貨	Inventories	3,189
貿易應收賬款	Trade receivables	16,912
按金、預付款項及其他應收款項	Deposits, prepayment and other receivables	7,544
現金及現金等值項目	Cash and cash equivalents	75,103
貿易應付賬款	Trade payables	(33,729)
已收按金、應計項目及其他應付款項	Deposits received, accruals and other payables	(36,086)
融資租賃債務	Obligation under finance leases	(351)
應付直接控股公司款項	Amount due to immediate holding company	(779,958)
遞延稅項負債	Deferred tax liabilities	(80,888)
所出售之負債淨額	Net liabilities disposed of	(210,772)

41. DISPOSAL OF SUBSIDIARIES

For the year ended 31st December 2018

(a) Disposal of the Disposal Group

On 10th October 2017, the Group entered into a conditional sale and purchase agreement to dispose the entire equity interest in the Disposal Group, which principally engaged in the hotel and gaming service operations in Macau, and a sale loan due by the Disposal Group at total consideration of HK\$2,000,000,000 (subject to adjustments). The disposal was completed on 3rd January 2018. The net liabilities of the Disposal Group, at the date of disposal were as follow:

Consideration transferred:

		千港元 HK\$'000
Initial cash consideration		2,000,000
Consideration received related to adjustment for net working capital		34,417
Total consideration		2,034,417

Analysis of assets and liabilities over which control was lost:

		千港元 HK\$'000
Property, plant and equipment		299,126
Interests in leasehold land		318,366
Inventories		3,189
Trade receivables		16,912
Deposits, prepayment and other receivables		7,544
Cash and cash equivalents		75,103
Trade payables		(33,729)
Deposits received, accruals and other payables		(36,086)
Obligation under finance leases		(351)
Amount due to immediate holding company		(779,958)
Deferred tax liabilities		(80,888)
Net liabilities disposed of		(210,772)

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

41. 出售附屬公司(續)

截至二零一八年十二月三十一日止年度(續)

- (a) 出售出售集團(續)
出售出售集團之溢利：

41. DISPOSAL OF SUBSIDIARIES

(Continued)

For the year ended 31st December 2018 (Continued)

- (a) Disposal of the Disposal Group (Continued)
Gain on disposal of the Disposal Group:

		千港元 HK\$'000
總代價	Total consideration	2,034,417
所出售之負債淨額	Net liabilities disposed of	210,772
轉撥予買方之應付直接控股公司款項	Amount due to immediate holding company assigned to the purchaser	<u>(779,958)</u>
出售出售集團之溢利	Gain on disposal of the Disposal Group	<u>1,465,231</u>
出售出售集團所產生之現金流入淨額：	<i>Net cash inflow arising on disposal of the Disposal Group:</i>	
		千港元 HK\$'000
已收代價	Consideration received	2,034,417
減：截至二零一七年十二月三十一日止年度內已收按金	Less: deposit received during the year ended 31st December 2017	(200,000)
所出售之現金及現金等值項目	cash and cash equivalents disposed of	<u>(75,103)</u>
現金流入淨額	Net cash inflow	<u>1,759,314</u>

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

41. 出售附屬公司(續)

截至二零一八年十二月三十一日止年度(續)

(b) 出售恒途有限公司(「恒途」)

於二零一八年十月十日，本集團完成出售恒途之全部股本權益及恒途所結欠銷售貸款約990,000港元，總代價為1,280,000港元。恒途於出售日期之負債淨額如下：

所轉讓之代價：

現金代價

失去控制權之資產與負債分析：

物業、機器及設備
按金及預付款項
應計項目及其他應付款項
應付直接控股公司款項

所出售之負債淨額

41. DISPOSAL OF SUBSIDIARIES

(Continued)

For the year ended 31st December 2018 (Continued)

(b) Disposal of Ever Journey Limited (“Ever Journey”)

On 10th October 2018, the Group completed the disposal of the entire equity interest of Ever Journey and a sale loan of approximately HK\$990,000 at a total consideration of HK\$1,280,000. The net liabilities of Ever Journey, at the date of disposal were as follow:

Consideration transferred:

千港元
HK\$'000

Cash consideration

Analysis of assets and liabilities over which control was lost:

Property, plant and equipment 435
Deposit and prepayment 224
Accruals and others payables (18)
Amount due to immediate holding company (990)

Net liabilities disposed of

千港元
HK\$'000

(349)

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

41. 出售附屬公司 (續)

截至二零一八年十二月三十一日止年度 (續)

(b) 出售恒途有限公司 (「恒途」) (續)

出售恒途之溢利：

已收現金代價
所出售之負債淨額
轉撥予買方之應付直接控股公司款項

出售恒途之溢利

出售恒途所產生之現金流入淨額：

已收現金代價
減：所出售之現金及現金等值項目

現金流入淨額

41. DISPOSAL OF SUBSIDIARIES

(Continued)

For the year ended 31st December 2018 (Continued)

(b) Disposal of Ever Journey Limited (“Ever Journey”) (Continued)

Gain on disposal of Ever Journey:

Cash consideration received	1,280
Net liabilities disposed of	349
Amount due to immediate holding company assigned to the purchaser	(990)

Gain on disposal of Ever Journey	639
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Net cash inflow arising on disposal of Ever Journey:

Cash consideration received	1,280
Less: cash and cash equivalents disposed of	–

Net cash inflow	1,280
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千港元
HK\$'000

千港元
HK\$'000

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

42. 租賃承擔

本集團作為承租人

於二零一八年十二月三十一日，本集團根據於下列期限屆滿及不可撤回經營租賃就有關租賃物業之未來最低租賃付款承擔如下：

		二零一八年 2018 千港元 HK\$'000
一年內	Within one year	5,790
第二至第五年(包括首尾兩年)	In the second to fifth year inclusive	12,799
		18,589

經營租賃付款指本集團就其物業應付之租金。租約主要磋商之租期平均為五年。本集團並無於租期屆滿時購買租賃物業之選擇權。

42. LEASE COMMITMENTS

The Group as lessee

At 31st December 2018, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		二零一八年 2018 千港元 HK\$'000
一年內	Within one year	5,790
第二至第五年(包括首尾兩年)	In the second to fifth year inclusive	12,799
		18,589

Operating lease payments represented rentals payable by the Group for its premises. Leases are mainly negotiated for an average term of 5 years. The Group does not have an option to purchase the leased premises at the expiry of the lease period.

43. 資產抵押

(a) 於二零一九年十二月三十一日，本集團約1,651,619,000港元(二零一八年：1,113,595,000港元)之物業存貨、中國星創新發展有限公司之定額資本、向先生與陳女士提供之個人擔保以及本公司提供之公司擔保，已一併質押作為本集團所獲授銀行信貸額之抵押。

(b) 於二零一九年十二月三十一日，本集團約249,000港元(二零一八年：249,000港元)之定期存款乃已質押作為就發展位於澳門的物業存貨給予澳門政府之擔保。

43. PLEDGE OF ASSETS

(a) At 31st December 2019, the Group's stock of properties with the amounts of approximately HK\$1,651,619,000 (2018: HK\$1,113,595,000), quota capital of China Star Creative Development Limited, personal guarantee provided by Mr. Heung and Ms. Chen and corporate guarantee provided by the Company together as securities, have been pledged to secure the banking facilities granted to the Group.

(b) At 31st December 2019, the Group's time deposits with the amount of approximately HK\$249,000 (2018: HK\$249,000) are pledged for guaranteed to Macau Government for development of stock of properties located in Macau.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

44. 承擔

44. COMMITMENTS

	二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
已授權及已訂約，但尚未撥備：	Authorised and contracted, but not provided for:	
– 位於澳門之物業存貨之 開發經費	– Development expenditure for stock of properties in Macau	373,110
– 租賃物業裝修經費	– Expenditure for leasehold improvement	901,776
– 電影版權、製作中電影及 電影按金	– Film rights, films in progress and film deposits	–
	263,452	116,597
	640,480	1,018,373

45. 以股份支付之款項交易

根據於二零一二年六月二十八日舉行之本公司股東特別大會上通過之一項決議案，本公司採納了一項新購股權計劃（「新購股權計劃」）。

由於本公司先前的購股權計劃（「舊購股權計劃」）已於二零一二年五月二十六日屆滿，因此再無購股權可根據舊購股權計劃而授出。惟所有於上述屆滿前按舊購股權計劃已授出而尚未行使之購股權則仍然有效，並可根據舊購股權計劃之條款予以行使。

45. SHARE-BASED PAYMENT TRANSACTIONS

Pursuant to a resolution passed at a special general meeting of the Company held on 28th June 2012, a new share option scheme (the “New Option Scheme”) was adopted by the Company.

The previous share option scheme of the Company (the “Old Option Scheme”) was expired on 26th May 2012, no further options can be granted under the Old Option Scheme thereafter. However, all outstanding share option granted under the Old Option Scheme prior to the said expiry shall remain valid and exercisable in accordance with the provisions of the Old Option Scheme.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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45. 以股份支付之款項交易 (續)

新購股權計劃之主要條款概述如下：

- (i) 計劃旨在令本公司能夠向經挑選合資格參與者授出購股權，以作為彼等向本集團或本集團持有股本權益之任何被投資個體（「被投資個體」）作出之貢獻或可能貢獻之獎勵或報酬。
- (ii) 合資格參與者包括本集團或任何被投資個體之全職或兼職僱員（包括本公司或任何附屬公司或任何被投資個體之任何董事，無論執行或非執行及無論獨立與否）；本集團所發行任何證券之任何持有人；及本集團或任何被投資個體之任何業務或合資企業夥伴、承包商、代理或代表、顧問、諮詢人、供應商、生產商或授權人、客戶、持牌人（包括任何分持牌人）或分銷商、業主或租戶（包括任何分租戶）或董事會全權酌情認為已或可能對本集團或任何被投資個體作出貢獻之任何人士。
- (iii) 根據新購股權計劃可能授出之購股權連同根據本公司當時任何其他購股權計劃可能授出之購股權所涉及之股份數目上限不得超過於批准新購股權計劃當日本公司已發行股本之10%，而該上限可由股東在股東大會上更新。因行使根據新購股權計劃及任何其他購股權計劃（包括舊購股權計劃）已授出而尚未行使之購股權時可能發行之股份數目上限不得超過不時已發行股份之30%。

45. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The major terms of the New Option Scheme are summarised as follows:

- (i) The purpose is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Group or any invested entity in which the Group held an equity interest (the "Invested Entity").
- (ii) The eligible participants include full time or part time employees of the Group or any Invested Entity (including any directors, whether executive or non-executive and whether independent or not, of the Company or any subsidiary or any Invested Entity); any holder of any securities issued by the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any Invested Entity or any person who, in the sole discretion of the board of directors, has contributed or may contribute to the Group or any Invested Entity.
- (iii) The maximum number of shares in respect of which share options may be granted under the New Option Scheme together with options which may be granted under any other share option scheme for the time being of the Company must not exceed 10% of the issued share capital of the Company as at the date of approval of the New Option Scheme and such limit might be refreshed by the shareholders in general meeting. The maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the New Option Scheme and any other share option scheme (including the Old Option Scheme) must not exceed 30% of the shares in issue from time to time.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

45. 以股份支付之款項交易 (續)

新購股權計劃之主要條款概述如下：(續)

- (iv) 除非獲得股東批准，於任何十二個月內授予每名合資格參與者之購股權(包括已行使、已註銷及尚未行使購股權)獲行使時已發行及將發行之股份總數不得超過不時已發行股份之1%。
- (v) 於截至有關授出日期(包括該日)止之十二個月內於本公司每名主要股東(定義見上市規則)或其任何各自聯繫人士或獨立非執行董事或其任何聯繫人士獲授之購股權(包括已行使、已註銷及尚未行使購股權)獲行使時已發行及將予發行之股份總數：(a)合共不得超過本公司已發行股份之0.1%；及(b)根據每次授出日期本公司股份之收市價計算，總價值不得超過5,000,000港元，除非獲得股東批准。
- (vi) 行使期由董事會於授出購股權時決定，但於任何情況下，不得超過自授出日期起十年。

45. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The major terms of the New Option Scheme are summarised as follows: (Continued)

- (iv) The total number of shares issued and to be issued upon exercise of the share options granted to each eligible participant (including exercised, cancelled and outstanding share options) in any 12-month period must not exceed 1% of the shares in issue from time to time unless the same is approved by the shareholders.
- (v) The total number of shares issued and to be issued upon exercise of the share options granted to each substantial shareholder (as defined in the Listing Rules) of the Company or any of its respective associates or an independent non-executive director or any of his associates (including exercised, cancelled and outstanding share options) in the 12-month period up to and including the date of such grant: (a) representing in aggregate over 0.1 per cent. of the shares in issue; and (b) having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5,000,000, unless the same is approved by the shareholders.
- (vi) The exercisable period should be determined by the board of directors upon grant of the share option but in any event should not exceed 10 years from the date of offer for grant.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

45. 以股份支付之款項交易 (續)

新購股權計劃之主要條款概述如下：(續)

- (vii) 除於授出有關購股權之要約中訂明由董事會釐定外，並無一般規定購股權於可獲行使前必須持有任何最短限期。
- (viii) 承授人須於授出日期起30日內接納購股權(如接納)，並須向本公司支付1港元之不可退還款項。
- (ix) 購股權之行使價必須為以下各項之最高者：
 - a. 於要約日期本公司一股股份在聯交所之收市價；
 - b. 緊接要約日期前五個營業日(具上市規則所述之涵義)本公司一股股份之平均收市價；及
 - c. 於要約日期本公司一股股份之面值。
- (x) 新購股權計劃於採納日期起10年內有效。

於二零一九年及二零一八年十二月三十一日，任何購股權計劃下概無尚未行使之購股權。

45. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The major terms of the New Option Scheme are summarised as follows: (Continued)

- (vii) Save as determined by the board of directors provided in the offer of the grant of the relevant share options, there is no general requirement that a share option must be held for any minimum period before it can be exercised.
- (viii) The acceptance of a share option, if accepted, must be made within 30 days from the date of grant with a non-refundable payment of HK\$1 from the grantee to the Company.
- (ix) The exercise price of a share option must be the highest of:
 - a. the closing price of a share of the Company on the Stock Exchange on the date of offer;
 - b. the average closing price of a share of the Company from the 5 business days (has the meaning stated in the Listing Rules) immediately preceding the date of offer; and
 - c. the nominal value of a share of the Company on the date of offer.
- (x) The New Option Scheme is effective for 10 years from the date of adoption.

At 31st December 2019 and 2018, there was no outstanding share options under any share option scheme.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

45. 以股份支付之款項交易 (續)

下表披露本公司主要股東、董事、本集團僱員及其他參與者所持本公司購股權之詳情及其變動：

45. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The following table discloses details of the Company's share options held by the Company's substantial shareholders, the directors, employees of the Group and other participants and movements in such holdings:

參與者類別	計劃名稱	行使期限 [#]	購股權數目 Number of share options	每股行使價	購股權數目					於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十二月三十一日尚未行使 Outstanding at 31.12.2018, 01.01.2019 and 31.12.2019
					於二零一八年一月一日尚未行使	二零一八年內到期	二零一八年內調整	二零一八年內授出	二零一八年內獲行使	
Category of participants	Name of scheme	Exercisable period [#]	Exercise price per share 港元 HK\$	Outstanding at 01.01.2018	Expired during 2018	Adjustment during 2018	Granted during 2018	Exercised during 2018		
本集團僱員 Employees of the Group	舊購股權計劃 Old Option Scheme	21.08.2008 – 20.08.2018	46.136*	174,585	(179,179)	4,594	-	-	-	
	新購股權計劃 New Option Scheme	04.05.2015 – 03.05.2018	3.150	37,000,000	(37,000,000)	-	-	-	-	
		05.10.2018 – 04.10.2021	0.560	-	-	-	52,000,000	(52,000,000)	-	
		08.10.2018 – 07.10.2021	0.560	-	-	-	29,000,000	(29,000,000)	-	
				37,174,585	(37,179,179)	4,594	81,000,000	(81,000,000)	-	
其他參與者 Other participants	舊購股權計劃 Old Option Scheme	21.08.2008 – 20.08.2018	46.136*	22,129	(22,709)	580	-	-	-	
	新購股權計劃 New Option Scheme	04.05.2015 – 03.05.2018	3.150	16,720,000	(16,720,000)	-	-	-	-	
		05.10.2018 – 04.10.2021	0.560	-	-	-	9,000,000	(9,000,000)	-	
		08.10.2018 – 07.10.2021	0.560	-	-	-	9,000,000	(9,000,000)	-	
				16,742,129	(16,742,709)	580	9,000,000	(9,000,000)	-	
				53,916,714	(53,921,888)	5,174	90,000,000	(90,000,000)	-	
加權平均行使價 Weighted average exercise price				3.311	3.311		0.56	0.56	-	

* 購股權之行使價及數目因應同日完成之供股自二零一八年八月六日起予以調整。

* The exercise prices and numbers of share options have been adjusted with effect from 6th August 2018 due to the right issue completed on the same date.

行使期限自相關購股權授出日期開始。

The exercisable period commenced on the date of grant of the relevant share options.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

45. 以股份支付之款項交易 (續)

截至二零一九年十二月三十一日止年度內概無購股權獲授出、行使、失效、到期或註銷。截至二零一八年十二月三十一日止年度內概無購股權失效或註銷。

截至二零一八年十二月三十一日止年度內，有購股權於二零一八年十月五日及二零一八年十月八日獲授出。於該等日期獲授出之購股權之估計公平價值分別約為10,578,000港元及7,766,000港元。

就截至二零一八年十二月三十一日止年度內行使之購股權，於行使日期之加權平均股價為0.56港元。

該等公平價值使用二項模式計算。對該模式之輸入數據如下：

		二零一八年 十月五日 5th October 2018	二零一八年 十月八日 8th October 2018
行使價(港元)	Exercise price (HK\$)	0.56	0.56
預期波幅(%)	Expected volatility (%)	63.25	63.23
預期有效期(年)	Expected life (years)	3	3
無風險利率(%)	Risk-free rate (%)	2.32	2.35
預期股息收益(%)	Expected dividend yield (%)	-	-

預期波幅乃採用本公司股價過往三年之歷史波幅而釐定。模式中所用預期有效期乃基於管理層之最佳估計，就不可轉讓性、行使限制及行為考慮因素的影響予以調整。

本集團確認截至二零一八年十二月三十一日止年度有關本公司所授出購股權之總開支約18,344,000港元。

二項模式乃用以估計購股權之公平價值。計算購股權公平價值時所用變數及假設乃基於董事之最佳估計。購股權之價值可因若干主觀假設之不同變數而變化。

45. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

No share option was granted, exercised, lapsed, expired or cancelled during the year ended 31st December 2019. No share option was lapsed or cancelled during the year ended 31st December 2018.

During the year ended 31st December 2018, share options were granted on 5th October 2018 and 8th October 2018. The estimated fair values of the share options granted on those dates are approximately, HK\$10,578,000 and HK\$7,766,000 respectively.

In respect of the share options exercised during the year ended 31st December 2018, the weighted average share price at the dates of exercise was HK\$0.56.

These fair values were calculated using the binomial model. The inputs into the model were as follows:

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 3 years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised total expense of approximately HK\$18,344,000 for the year ended 31st December 2018 in relation to share options granted by the Company.

The binomial model has been used to estimate the fair value of the share options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an share option varies with different variables of certain subjective assumptions.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

46. 重大關連人士交易

除綜合財務報表另有所披露者外，本集團與關連人士訂立了下列重大交易：

- (a) 截至二零一八年十二月三十一日止年度內，向先生與陳女士就本集團取得1,600,000,000港元之可動用銀行信貸額向銀行提供個人擔保。於二零一九年十二月三十一日，向先生與陳女士所提供個人擔保仍具十足效力及效用。
- (b) 截至二零一八年十二月三十一日止年度內，本公司曾墊付約22,960,000港元予若干主要管理人員。於二零一八年十二月三十一日，仍有約12,880,000港元尚未償還並計入其他應收款項。該款項已於截至二零一九年十二月三十一日止年度內償還。
- (c) 年內，本集團與其關連人士訂立下列交易：

46. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group entered into the following material transactions with related parties:

- (a) During the year ended 31st December 2018, Mr. Heung and Ms. Chen had provided personal guarantee to a bank for the Group to obtain available banking facilities with the amounts of HK\$1,600,000,000. At 31st December 2019, the provision of personal guarantee by Mr. Heung and Ms. Chen remains in full force and effect.
- (b) During the year ended 31st December 2018, the Company had advanced payment of approximately HK\$22,960,000 to certain key management personnel. At 31st December 2018, amounts of approximately HK\$12,880,000 were still outstanding and included in other receivables. These outstanding amounts were repaid during the year ended 31st December 2019.
- (c) During the year, the Group entered into the following transactions with its related parties:

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
交易性質	Nature of transactions		
已收取來自一間合資企業之收入：	Income received from a joint venture:		
管理費收入	Management fee income	270	600
已收／應收來自主要股東及董事之收入：	Income received/receivable from substantial shareholder and director:		
貸款利息收入	Loan interest income	67,071	59,532
已付／應付主要股東及董事之開支：	Expense paid/payable to substantial shareholder and director:		
承付票之利息	Interest on promissory note	-	1,871

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

46. 重大關連人士交易 (續)

- (d) 於報告期末，與關連人士之交易結餘詳情載於綜合財務報表附註21及40。
- (e) 如綜合財務報表附註15所披露，主要管理人員之酬償(包括已付本公司董事及若干最高薪酬僱員之款項)如下：

46. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

- (d) Details of the balances with related parties at the end of the reporting period are set out in notes 21 and 40 to the consolidated financial statements.
- (e) Compensation for key management personnel, including amount paid to the directors of the Company and certain of the highest paid employees, as disclosed in note 15 to the consolidated financial statements, is as follow:

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
薪金及其他薪酬	Salaries and other remuneration	23,116	24,663
以股份支付之款項開支	Share-based payment expenses	–	10,193
退休福利計劃供款	Retirement benefits scheme contributions	115	144
		23,231	35,000

董事及主要管理人員之薪酬乃由薪酬委員會經考慮個人表現及市場趨勢而釐定。

The remuneration of the directors and key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

47. 附屬公司詳情

於二零一九年十二月三十一日本公司附屬公司之詳情載列如下：

47. PARTICULARS OF SUBSIDIARIES

Particulars of the subsidiaries of the Company at 31st December 2019 are listed as follows:

附屬公司名稱 Name of subsidiary	註冊/成立/營業之 國家/地點 Country/place of incorporation/ formation/operation	所持股份 類別 Class of shares held	本公司 所持所有權 權益及投票權比例 Proportion of ownership interest and voting power held by the Company		已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital	主要業務 Principal activities
			二零一九年 2019 %	二零一八年 2018 %		
爵雅有限公司 Art Lord Limited	香港 Hong Kong	普通股 Ordinary	100	100	1港元 HK\$1	藝術品投資及租賃 Art Piece investment and rental
Asiatop Data Limited	香港 Hong Kong	普通股 Ordinary	100	100	10港元 HK\$10	提供代理人服務 Provision of nominee services
Best Combo Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	投資控股 Investment holding
Best Mind International Inc. (附註b) (Note b)	英屬處女群島 BVI	普通股 Ordinary	100	100	100美元 US\$100	投資 Investment
Big Century Limited	香港 Hong Kong	普通股 Ordinary	100	100	1港元 HK\$1	持有物業作出租用途 Holding of property for rental purpose
Business First Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	持有有線播映權 Holding of cable right
中國星藝人管理有限公司 China Star Artist Management Limited	香港 Hong Kong	普通股 Ordinary	100	100	1港元 HK\$1	藝人管理 Artist management
中國星創新發展有限公司(附註b) China Star Creative Development Limited (Note b)	澳門 Macau	定額資本 Quota capital	100	100	100,000澳門幣 MOP100,000	不動產發展及投資 Immovable property development and investment

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

47. 附屬公司詳情 (續)

47. PARTICULARS OF SUBSIDIARIES (Continued)

附屬公司名稱 Name of subsidiary	註冊/成立/營業之 國家/地點 Country/place of incorporation/ formation/operation	所持股份 類別 Class of shares held	本公司 所持所有權 權益及投票權比例 Proportion of ownership interest and voting power held by the Company		已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital	主要業務 Principal activities
			二零一九年 2019	二零一八年 2018		
			%	%		
China Star Entertainment (BVI) Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	200美元 US\$200	投資控股 Investment holding
中國星娛樂控股有限公司 China Star Entertainment Holding Limited	香港 Hong Kong	普通股/ 無投票權遞延股 Ordinary/ Non-voting deferred	100	100	2港元之普通股及 1,000,000港元之 無投票權遞延股 (附註d) HK\$2 for ordinary shares and HK\$1,000,000 for Non-voting deferred shares (Note d)	投資控股 Investment holding
中國星香港發行有限公司 China Star HK Distribution Limited	香港 Hong Kong	普通股 Ordinary	100	100	100,000港元 HK\$100,000	電影及電視連續劇發行 Distribution of films and television drama series
中國星香港娛樂有限公司 China Star HK Entertainment Company Limited	香港 Hong Kong	普通股 Ordinary	100	100	1,000,000港元 HK\$1,000,000	錄像版權發行及投資控股 Distribution of video rights and Investment holding
中國星多媒體有限公司 China Star i-Content Limited	香港 Hong Kong	普通股 Ordinary	100	100	2港元 HK\$2	提供電影製作總監、導演及 製片人服務 Provision of film production controller, director and producer services
China Star International Distribution Limited (附註 a) (Note a)	英屬處女群島 BVI	普通股 Ordinary	100	100	8,001美元 US\$8,001	電影及電視連續劇發行 Distribution of films and television drama series

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47. 附屬公司詳情 (續)

47. PARTICULARS OF SUBSIDIARIES

(Continued)

附屬公司名稱 Name of subsidiary	註冊/成立/營業之 國家/地點 Country/place of incorporation/ formation/operation	所持股份 類別 Class of shares held	本公司 所持所有權 權益及投票權比例 Proportion of ownership interest and voting power held by the Company		已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital	主要業務 Principal activities
			二零一九年 2019 %	二零一八年 2018 %		
China Star International Movie Limited (附註b)(Note b)	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	電影製作 Film production
中國星鐳射影碟有限公司 China Star Laser Disc Company Limited	香港 Hong Kong	普通股 Ordinary	100	100	1,500,000港元 HK\$1,500,000	提供管理服務及投資控股 Provision of management services and Investment holding
中國星管理有限公司(附註b) China Star Management Company Limited (Note b)	澳門 Macau	定額資本 Quota capital	100	100	250,000澳門幣 MOP250,000	物業項目管理及建築項目管理 Property project management and construction project management
中國星管理有限公司 China Star Management Limited	香港 Hong Kong	普通股 Ordinary	100	100	1港元 HK\$1	投資控股 Investment holding
中國星電影有限公司 China Star Movie Limited	香港 Hong Kong	普通股 Ordinary	100	100	2港元 HK\$2	電影製作及發行 Film production and distribution
中國星電影(澳門)有限公司(附註b) China Star Movie (Macau) Limited (Note b)	澳門 Macau	定額資本 Quota capital	100	100	25,000澳門幣 MOP25,000	電影製作及發行 Film production and distribution
中國星影畫有限公司 China Star Pictures Limited	香港 Hong Kong	普通股 Ordinary	100	100	2港元 HK\$2	持有電影版權 Holding of film rights
中國星音樂出版有限公司 China Star Publishing Limited	香港 Hong Kong	普通股 Ordinary	100	100	2港元 HK\$2	持有及授予歌曲版權 Holding and licensing of song rights
China Star Trademark Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	持有商標及版權 Holding of trademark and copyrights

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47. 附屬公司詳情 (續)

47. PARTICULARS OF SUBSIDIARIES (Continued)

附屬公司名稱 Name of subsidiary	註冊/成立/營業之 國家/地點 Country/place of incorporation/ formation/operation	所持股份 類別 Class of shares held	本公司 所持所有權 權益及投票權比例 Proportion of ownership interest and voting power held by the Company		已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital	主要業務 Principal activities
			二零一九年 2019 %	二零一八年 2018 %		
China Star Worldwide Distribution B.V. (附註 a)(Note a)	荷蘭 Netherlands	普通股 Ordinary	100	100	18,151歐元 EUR18,151	電影及電視連續劇發行 Distribution of films and television drama series
春嬌實業有限公司 Chunjiao Industrial Limited	香港 Hong Kong	普通股 Ordinary	100	100	10,000港元 HK\$10,000	投資控股 Investment holding
Classic Champion Holdings Limited (附註 b)(Note b)	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	投資控股 Investment holding
Crown Gem Investments Limited	英屬處女群島 BVI	普通股 Ordinary	50	50	1港元 HK\$1	投資控股 Investment holding
Empowered Century Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	投資控股 Investment holding
First-Up Investments Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	藝人管理及提供代理人服務 Artist management and provision of agency services
高采國際有限公司 Gold Choice International Limited	香港 Hong Kong	普通股 Ordinary	100	100	1港元 HK\$1	電影製作 Film production
超威控股有限公司(附註(b)) Hercules-Holding Company Limited (Note b)	澳門 Macau	定額資本 Quota capital	50	50	25,000澳門幣 MOP25,000	投資控股 Investment holding
熾星娛樂有限公司 Hero Star Entertainment Limited	香港 Hong Kong	普通股 Ordinary	100	100	1港元 HK\$1	電視連續劇製作及發行 Television drama series production and distribution

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47. 附屬公司詳情 (續)

47. PARTICULARS OF SUBSIDIARIES
(Continued)

附屬公司名稱 Name of subsidiary	註冊/成立/營業之 國家/地點 Country/place of incorporation/ formation/operation	所持股份 類別 Class of shares held	本公司 所持所有權 權益及投票權比例 Proportion of ownership interest and voting power held by the Company		已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital	主要業務 Principal activities
			二零一九年 2019 %	二零一八年 2018 %		
High Productive Trading Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	投資控股 Investment holding
Intrinsic Value Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	投資控股 Investment holding
Modern Vision (Asia) Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	投資控股 Investment holding
安樂(香港)有限公司 Newrich (H.K.) Limited	香港 Hong Kong	普通股 Ordinary	100	100	2港元 HK\$2	持有物業 Property holding
哥哥的家有限公司 Obba Bar Limited	香港 Hong Kong	普通股 Ordinary	100	100	1港元 HK\$1	提供餐飲服務 Provision of catering services
一百年電影有限公司 One Hundred Years of Film Company Limited	香港 Hong Kong	普通股 Ordinary	100	100	3,000,000港元 HK\$3,000,000	電影製作 Film production
Over Profit International Limited	英屬處女群島 BVI	普通股 Ordinary	50	50	100美元 US\$100	投資控股 Investment holding
豐采錄影有限公司 Riche Video Limited	香港 Hong Kong	普通股/ 無投票權遞延股 Ordinary/Non- Voting deferred	100	100	1,001,000港元 為普通股 及2,000,000港元 為無投票權遞延 股份(附註d) HK\$1,001,000 for ordinary shares and HK\$2,000,000 for non-voting deferred shares (Note d)	電影發行 Film distribution

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

47. 附屬公司詳情 (續)

47. PARTICULARS OF SUBSIDIARIES

(Continued)

附屬公司名稱 Name of subsidiary	註冊/成立/營業之 國家/地點 Country/place of incorporation/ formation/operation	所持股份 類別 Class of shares held	本公司 所持所有權 權益及投票權比例 Proportion of ownership interest and voting power held by the Company		已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital	主要業務 Principal activities
			二零一九年 2019 %	二零一八年 2018 %		
思維娛樂有限公司 S & W Entertainment Limited	香港 Hong Kong	普通股 Ordinary	100	100	2港元 HK\$2	製作電影及電視連續劇 Production of film and television drama series
Smart Value Developments Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	投資控股 Investment holding
澳豪建築置業投資有限公司 (附註b) Splendid Construction and Investment Company Limited (Note b)	澳門 Macau	定額資本 Quota capital	50	50	100,000澳門幣 MOP100,000	不動產發展及投資 Immovable property development and investment
成彩投資有限公司 Star Choice Investments Limited	香港 Hong Kong	普通股 Ordinary	100	100	1港元 HK\$1	投資控股 Investment holding
樂星國際有限公司 Star Joy International Limited	香港 Hong Kong	普通股 Ordinary	100	100	1港元 HK\$1	投資控股 Investment holding
強勝控股有限公司 (附註b) Stronghold-Holding Company Limited (Note b)	澳門 Macau	定額資本 Quota capital	50	50	25,000澳門幣 MOP25,000	投資控股 Investment holding
Summer Sound Investments Limited	英屬處女群島 BVI	普通股 Ordinary	50	50	100美元 US\$100	投資控股 Investment holding
Superb Glory Investments Limited	英屬處女群島 BVI	普通股 Ordinary	-	100	1美元 US\$1	投資控股 Investment holding

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

47. 附屬公司詳情 (續)

47. PARTICULARS OF SUBSIDIARIES (Continued)

附屬公司名稱 Name of subsidiary	註冊/成立/營業之 國家/地點 Country/place of incorporation/ formation/operation	所持股份 類別 Class of shares held	本公司 所持所有權 權益及投票權比例 Proportion of ownership interest and voting power held by the Company		已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital	主要業務 Principal activities
			二零一九年 2019 %	二零一八年 2018 %		
Triumph Top Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	1美元 US\$1	投資控股 Investment holding
Turbo International Co. Limited	英屬處女群島 BVI	普通股 Ordinary	100	100	50,000美元 US\$50,000	持有電視連續劇版權 Holding TV drama series licensing right
星傳動文化產業(北京)有限公司 (附註c及e) (Notes c and e)	中國 The PRC	註冊資本 Registered capital	100	100	10,000,000港元 HK\$10,000,000	發行中國電影、企業策劃、 租賃影視器材及道具及戲劇 創作 Distribution of PRC film, corporate planning, props and equipment rental and dramatic creation

附註：

(a) 在全球經營業務。

(b) 在澳門經營業務。

(c) 在中國經營業務。

(d) 無投票權遞延股份實際並無權利分享該公司股息、接收該公司股東大會之通告、出席該等大會或在會上投票之權利、在清盤時亦不可享有任何分派。

(e) 全外資企業。

Notes:

(a) Operating internationally.

(b) Operating in Macau.

(c) Operating in the PRC.

(d) The non-voting deferred shares practically carry no rights to dividends nor receive notice of nor to attend or vote at any general meeting of the Company nor to participate in any distribution on winding up.

(e) Wholly foreign owned enterprises.

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47. 附屬公司詳情 (續)

Best Combo Limited、Best Mind International Inc.、China Star Entertainment (BVI) Limited、China Star Worldwide Distribution B.V.、Classic Champion Holdings Limited及Turbo International Co. Limited均由本公司直接持有。所有其他附屬公司均由本公司間接持有。

除另有指明者外，附屬公司之主要營業地點為香港。

所有附屬公司於年結日或年中任何時間概無未贖回之債務證券。

董事認為，本集團之非控股權益對本集團而言不重大，因此，並無於兩個年度之此等綜合財務報表內獨立呈列。此外，並無該等非全資附屬公司之獨立財務資料須予以呈列。

47. PARTICULARS OF SUBSIDIARIES

(Continued)

Best Combo Limited, Best Mind International Inc., China Star Entertainment (BVI) Limited, China Star Worldwide Distribution B.V., Classic Champion Holdings Limited and Turbo International Co. Limited are directly held by the Company. All other subsidiaries are indirectly held by the Company.

Except otherwise stated, the principal place of operation of the subsidiaries is in Hong Kong.

None of the subsidiaries had debt securities outstanding at the end of the year or at any time during the year.

The directors consider that the Group's non-controlling interests were insignificant to the Group and thus are not separately presented in these consolidated financial statements for both years. In addition, no separate financial information of these non-wholly owned subsidiaries is required to be presented.

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

48. 本公司財務狀況表及儲備變動

48. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY

(a) 本公司財務狀況表

(a) Statement of financial position of the Company

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000
非流動資產	Non-current asset		
於附屬公司權益	Interests in subsidiaries	70,499	99,599
流動資產	Current assets		
應收附屬公司款項	Amounts due from subsidiaries	2,104,250	2,572,902
按金、預付款項及 其他應收款項	Deposits, prepayment and other receivables	14,696	18,537
應收貸款	Loan receivable	99,568	—
現金及銀行結餘	Cash and bank balances	284,002	722,191
		2,502,516	3,313,630
總資產	Total assets	2,573,015	3,413,229
資本及儲備	Capital and reserves		
股本	Share capital	27,110	28,011
儲備	Reserves	2,505,597	2,923,007
總權益	Total equity	2,532,707	2,951,018
非流動負債	Non-current liability		
應付附屬公司款項	Amounts due to subsidiaries	27,304	27,356
流動負債	Current liability		
已收取按金、應計項目及 其他應付款項	Deposits received, accruals and other payables	13,004	434,855
負債總額	Total liabilities	40,308	462,211
權益及負債總額	Total equity and liabilities	2,573,015	3,413,229
流動資產淨值	Net current assets	2,489,512	2,878,775
總資產減流動負債	Total assets less current liabilities	2,560,011	2,978,374

由以下董事代表董事會簽署：

Signed on behalf of the board of directors by:

向華強
Heung Wah Keung
董事
Director

陳明英
Chen Ming Yin, Tiffany
董事
Director

綜合財務報表附註 Notes to the Consolidated Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

48. 本公司財務狀況表及儲備變動 (續)

(b) 本公司儲備變動

48. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY (Continued)

(b) Movement of reserves of the Company

		股份溢價	繳入盈餘	以股份支付之 款項儲備	紅利可換股 債券儲備	資本 (累計虧損)/ 削減儲備	保留溢利	總計
		Share premium	Contributed surplus	Share-based payment reserve	Bonus convertible bonds reserve	Capital reduction reserve	(Accumulated losses)/ retained earnings	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(附註a)	(附註b)	(附註c)	(附註d)	(附註e)		
		(Note a)	(Note b)	(Note c)	(Note d)	(Note e)		
於二零一八年一月一日	At 1st January 2018	1,488,186	1,946,363	55,665	1,132	316,008	(1,400,332)	2,407,022
年度溢利及全面收入總額	Profit and total comprehensive income for the year	-	-	-	-	-	438,191	438,191
以供股方式發行新股	Issue of new shares by way of rights issue	433,777	-	-	-	-	-	433,777
股份發行開支	Share issuing expenses	(3,501)	-	-	-	-	-	(3,501)
購股權到期	Expiry of share options	-	-	(55,665)	-	-	55,665	-
確認按權益結算以股份 支付的款項	Recognition of equity settled share-based payments	-	-	18,344	-	-	-	18,344
行使購股權	Exercise of share options	67,844	-	(18,344)	-	-	-	49,500
轉入保留溢利	Transfer to retained earnings	-	(1,382,478)	-	-	-	1,382,478	-
特別股息(附註12)	Special dividend (note 12)	-	-	-	-	-	(420,326)	(420,326)
於二零一八年十二月三十一日 及於二零一九年一月一日	At 31st December 2018 and at 1st January 2019	1,986,306	563,885	-	1,132	316,008	55,676	2,923,007
年度虧損及全面虧損總額	Loss and total comprehensive loss for the year	-	-	-	-	-	(9,319)	(9,319)
購回及註銷股份	Repurchase and cancellation of shares	(68,787)	-	-	-	-	-	(68,787)
購回股份應佔交易成本	Transaction cost attributable to repurchase of shares	(296)	-	-	-	-	-	(296)
特別中期股息 (附註12)	Special interim dividend (note 12)	-	(339,008)	-	-	-	-	(339,008)
轉入繳入盈餘	Transfer to contributed surplus	-	316,008	-	-	(316,008)	-	-
於二零一九年十二月三十一日	At 31st December 2019	1,917,223	540,885	-	1,132	-	46,357	2,505,597

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

48. 本公司財務狀況表及儲備變動(續)

(b) 本公司儲備變動(續)

附註：

- (a) 根據百慕達一九八一年公司法(經修訂)，本公司之股份溢價可用作繳足本公司之未發行股份，作為繳足紅股發行予本公司股東。
- (b) 本公司之承前繳入盈餘乃指因於二零零二年九月十日生效之股本削減及其後多次資本削減而轉自股本賬之結餘款項。

根據百慕達一九八一年公司法(經修訂)，一間公司之繳入盈餘賬可供分派或按董事會認為適合之方式撥用繳入盈餘賬之進賬額，包括但不限於用作抵銷本公司任何累計虧損。然而，於以下情況，本公司不得自繳入盈餘中宣派或支付股息或作出分派：(i)本公司當時或將於派付後無力償還到期而應償還之債項；或(ii)本公司資產之可變現值將因而低於其負債及其已發行股本以及股份溢價賬之總和。

- (c) 以股份支付之款項儲備，相當於授出相關購股權後估計可於相關歸屬期間內換得之服務之公平價值，其總數乃以授出當日有關購股權之公平價值為基準。至於每段期間之數額，則是將有關購股權之公平價值在相關歸屬期間(倘有)內攤分計算，並確認為員工成本及相關開支，以及相應增加以股份支付之款項儲備。

48. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY (Continued)

(b) Movement of reserves of the Company (Continued)

Notes:

- (a) Under the Companies Act 1981 of Bermuda (as amended), the share premium of the Company can be used in paying up unissued shares of the Company to be issued to shareholders of the company as fully paid bonus shares.
- (b) The contributed surplus of the Company brought forward represents the balance transferred from the capital account due to the capital reduction effective on 10th September 2002 and various capital reduction subsequently.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of a company is available for distribution or apply the amount standing to the credit of the contributed surplus account in such manner as the board of directors considers appropriate, including but not limited to setting off against any accumulated losses of the Company. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if: (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

- (c) Share-based payment reserve represents the fair value of services estimated to be received in exchange for the grant of the relevant share options over the relevant vesting periods, the total of which is based on the fair value of the options at grant date. The amount for each period is determined by spreading the fair value of the share options over the relevant vesting periods (if any) and is recognised as staff costs and related expenses with a corresponding increase in the share-based payment reserve.

綜合財務報表附註 Notes to the Consolidated Financial Statements

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48. 本公司財務狀況表及儲備變動(續)

(b) 本公司儲備變動(續)

附註：(續)

(d) 根據本公司於二零一二年十月二十五日舉行之股東特別大會上通過有關發行紅利股份(股東有權選擇收取紅利可換股債券以代替紅利股份)之普通決議案，本公司以初步換股價每股0.01港元發行可轉換為普通股之紅利可換股債券。紅利可換股債券以權益確認並於「紅利可換股債券儲備」呈列。紅利可換股債券並未上市及不可贖回，惟附帶權利可授權紅利可換股債券持有人轉換為股份，數量相等於債券持有人根據紅利發行可另行收取之紅利股份數目，猶如股東並未選擇收取紅利可換股債券。紅利可換股債券並無本公司任何股東大會之投票權。根據構成紅利可換股債券之適用平邊契據之條款及條件，紅利可換股債券持有人可在發行紅利可換股債券後隨時行使換股權。

(e) 本公司之資本削減儲備指於一九九八年將本公司332,640,000股已發行股份之面值由每股面值1.00港元削減至每股面值0.05港元所產生之金額。按董事根據本公司之公司細則第129條而通過之一項決議案，資本削減儲備可用作支付本公司遭索償之金額、負債、或然負債，以及可用作償還任何資本性貸款、補足股息或任何其他本公司溢利可適當運用之用途。考慮到資本削減儲備具有與同因資本削減而產生之本公司繳入盈餘賬相同之性質，故該儲備乃根據董事批准之一項董事會決議案轉入繳入盈餘賬，以簡化本公司之儲備。

48. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY (Continued)

(b) Movement of reserves of the Company (Continued)

Notes: (Continued)

(d) Pursuant to an ordinary resolution passed at the special general meeting of the Company held on 25th October 2012 in relation to the bonus issue of shares (with a right for shareholders to elect to receive Bonus CBs in lieu of bonus shares), Bonus CBs can be converted into ordinary shares at initial conversion price of HK\$0.01 per share were issued by the Company. The Bonus CBs are recognised as equity and are presented in "bonus convertible bonds reserve". The Bonus CBs are unlisted and irredeemable but have conversion rights entitling the bondholders to convert into an equivalent number of shares as the number of bonus shares which the Bonus CBs holders would otherwise be entitled to receive under the bonus issue had the shareholder not elected for the Bonus CBs. The Bonus CBs do not carry voting rights at any general meeting of shareholders of the Company. Bonus CBs holders can exercise the conversion rights at any time after the issue of Bonus CBs, subject to the terms and conditions of the applicable deed poll constituting the Bonus CBs.

(e) The capital reduction reserve of the Company represents the amount arising in relation to the reduction of the nominal value of 332,640,000 issued shares of the Company from HK\$1.00 each to HK\$0.05 each in 1998. Pursuant to a resolution passed by the directors pursuant to Bye-law 129 of the Company's Bye-laws, the capital reduction reserve shall be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied. Considering that the capital reduction reserve has same nature as the contributed surplus account of the Company which was also arising from capital reduction, the reserve is transferred to the contributed surplus account pursuant to a board resolution approved by the directors in order to simplify reserves of the Company.

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49. 融資活動所產生負債之對賬

下表詳列由融資活動所產生之本集團負債(包括分類為持作出售之資產之相關負債)的變動(包括現金及非現金變動)。融資活動所產生負債指所涉及現金流量已經或有關未來現金流量將會於本集團之綜合現金流量表中分類為融資活動之現金流量。

49. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities (including liabilities associated with assets classified as held for sale), including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		銀行借貸	融資 租賃債務 Obligations under finance leases	租賃負債	承付票	應付利息	應付股息	總計
		Bank borrowings	finance leases	Lease liabilities	Promissory note	Interest payables	Dividend payables	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零一八年一月一日	At 1st January 2018	670,000	353	-	173,817	3,216	-	847,386
融資之現金流量	Financing cash flows	(670,000)	(2)	-	(200,000)	(5,416)	-	(875,418)
非現金變動	Non-cash changes							
出售附屬公司(附註41)	Disposal of subsidiaries (note 41)	-	(351)	-	-	-	-	(351)
提早贖回承付票之虧損	Loss on early redemption on promissory note	-	-	-	24,778	-	-	24,778
特別股息(附註12)	Special dividend (note 12)	-	-	-	-	-	420,326	420,326
將分類為持作出售之資產 的相關負債重新分類	Reclassification from liabilities associated with assets classified as held for sale	-	-	-	-	770	-	770
已確認利息開支(附註9)	Interest expenses recognised (note 9)	-	-	-	1,405	1,430	-	2,835
於二零一八年十二月 三十一日	At 31st December 2018	-	-	-	-	-	420,326	420,326
應用香港財務報告準則 第16號(附註2)	Application of HKFRS 16 (note 2)	-	-	18,341	-	-	-	18,341
於二零一九年一月一日	At 1st January 2019	-	-	18,341	-	-	420,326	438,667
融資之現金流量	Financing cash flows	1,030,150	-	(5,847)	-	(37,131)	(759,334)	227,838
非現金變動	Non-cash changes							
特別中期股息 (附註12)	Special interim dividend (note 12)	-	-	-	-	-	339,008	339,008
已確認利息開支(附註9)	Interest expenses recognised (note 9)	-	-	-	-	408	-	408
資本化利息開支(附註9)	Interest expenses capitalised (note 9)	-	-	-	-	36,723	-	36,723
於二零一九年十二月 三十一日	At 31st December 2019	1,030,150	-	12,494	-	-	-	1,042,644

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截至二零一九年十二月三十一日止年度 For the year ended 31st December 2019

50. 主要非現金交易

本集團訂立下列主要非現金投資及融資活動，該等活動並無反映於綜合現金流量表：

- (a) 於二零一八年十月五日及二零一八年十月十日，若干期權持有人分別按行使價每股0.56港元行使彼等之期權權利以認購52,000,000股及29,000,000股股份，總額為45,360,000港元，有關代價於行使日期仍未結付並計入其他應收款項。
- (b) 於二零一八年十二月十八日，董事會向股東及紅利可換股債券持有人宣派及派付特別股息每股普通股15港仙，有關特別股息於報告期末仍未派付並計入其他應付款項。

51. 比較數字

本集團於二零一九年一月一日初次應用香港財務報告準則第16號。根據過渡方法，比較資料不作重列。

52. 批准綜合財務報表

本綜合財務報表於二零二零年三月三十日獲董事會批准及授權刊發。

50. MAJOR NON-CASH TRANSACTION

The Group entered into the followings major non-cash investing and financing activities which are not reflected in the consolidated statement of cash flows:

- (a) On 5th October 2018 and 10th October 2018, certain option holders exercised their option right to subscribe for 52,000,000 shares and 29,000,000 shares respectively at exercise price of HK\$0.56 per share with the aggregate amounts of HK\$45,360,000 for which the consideration remains unsettled at the date of exercise and included in other receivables.
- (b) On 18th December 2018, the board of directors declared to distribute special dividend of HK15 cents per ordinary share to shareholders and Bonus CBs holders for which the special dividend did not pay up to the end of the reporting period and included in other payables.

51. COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 at 1st January 2019. Under the transition methods, comparative information is not restated.

52. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 30th March 2020.

五年財務概要 Five Year Financial Summary

本集團過往五個財政年度之已刊發業績及資產與負債概要(摘錄自已刊發之經審核財務報表)載列於下文。

A summary of the published results and the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

業績

Results

截至十二月三十一日止年度

For the year ended 31st December

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000	二零一六年 2016 千港元 HK\$'000 (經重列) (restated)	二零一五年 2015 千港元 HK\$'000 (經重列) (restated)
收益	Revenue	7,053	3,493	9,272	266,420	1,039,758
除稅前(虧損)/溢利	(Loss)/profit before tax	(335,696)	(405,336)	110,036	(291,928)	104,768
所得稅(開支)/抵免	Income tax (expense)/credit	(35)	-	(5)	-	149
來自持續經營業務之年度 (虧損)/溢利	(Loss)/profit for the year from continuing operations	(335,731)	(405,336)	110,031	(291,928)	104,917
來自已終止經營業務之 年度溢利/(虧損)	Profit/(loss) for the year from discontinued operations	-	1,458,855	(36,695)	(43,683)	2,947
年度(虧損)/溢利	(Loss)/profit for the year	(335,731)	1,053,519	73,336	(335,611)	107,864
以下人士應佔年度 (虧損)/溢利：	(Loss)/profit for the year attributable to:					
本公司擁有人	Owners of the Company	(335,226)	1,053,530	73,312	(335,609)	107,871
非控股權益	Non-controlling interests	(505)	(11)	24	(2)	(7)
		(335,731)	1,053,519	73,336	(335,611)	107,864

五年財務概要 Five Year Financial Summary

資產及負債

Assets and liabilities

於十二月三十一日

At 31st December

		二零一九年 2019 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000	二零一六年 2016 千港元 HK\$'000	二零一五年 2015 千港元 HK\$'000
資產總值	Total assets	5,398,206	5,483,222	5,099,803	4,277,204	4,791,461
負債總額	Total liabilities	(1,711,297)	(1,051,385)	(1,818,343)	(1,069,277)	(1,325,704)
資產淨值	Net assets	3,686,909	4,431,837	3,281,460	3,207,927	3,465,757
本公司擁有人應佔權益	Equity attributable to owners of the Company	3,687,539	4,431,962	3,281,574	3,208,362	3,466,190
非控股權益	Non-controlling interests	(630)	(125)	(114)	(435)	(433)
總權益	Total equity	3,686,909	4,431,837	3,281,460	3,207,927	3,465,757

本集團之發展中物業 The Group's Properties Under Development

本集團於二零一九年十二月三十一日之發展中物業詳情載列於下文：

Particulars of the Group's properties under development at 31st December 2019 are set out below:

地點	地段號	完工階段	估計 完工年份	概約 地盤面積 (平方米)	估計總樓 面面積 (平方米)	用途	本集團 實益持有%
Location	Lot number	Stage of completion	Estimated completion year	Approx. site area (square meter)	Estimated gross floor area (square meter)	Usage	Effective% held by the Group
澳門外港填海區	6街區C、D及E地段	施工階段 已於二零一九年 十二月完工，正進行 裝修工程	二零二零年	3,900	46,157	住宅、商業及 停車場	100%
Zona de Aterros do Porto Exterior, Macau (ZAPE)	Lot C, D and E in Quarteirão 6	Construction stage completed in December 2019, renovation in progress	2020			Residential, commercial and carparking	
澳門何鴻燊博士大馬路 南灣湖畔地區	南灣湖計劃C區7地段	開發階段	二零二四年	4,700	30,000	住宅及停車場	50%
Nam Van Lakes Zone, Avenida Doutor Stanley Ho, Macau	Lot 7, da Zone C do Plano de Urbanização da Zone da Baía da Praia Grande	Development stage	2024			Residential and carparking	



CHINA STAR ENTERTAINMENT LIMITED
中國星集團有限公司