

# CNC HOLDINGS LIMITED 中國新華電視控股有限公司

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

Stock code 股份代號: 8356



Third Quarterly Report  
第三季度報告

**2016/2017**

## CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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### 香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）之特色

創業板乃為較於聯交所上市之其他公司帶有更高投資風險之公司提供上市之市場。有意投資者應瞭解投資於該等公司之潛在風險，並應經過審慎周詳考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他經驗豐富之投資者。

基於創業板上市公司之新興性質，在創業板買賣之證券可能會承受較於聯交所主板買賣之證券為高之市場波動風險，亦無法保證在創業板買賣之證券會有高流通量之市場。

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## HIGHLIGHTS

- The Group's revenue for the nine months ended 31 December 2016 increased by approximately 28.6% to approximately HK\$344.9 million (2015: approximately HK\$268.3 million).
- Loss attributable to owners of the Company for the nine months ended 31 December 2016 increased by approximately 27.3% to approximately HK\$63.3 million (2015: approximately HK\$49.7 million).
- Basic loss per share for the nine months ended 31 December 2016 was approximately HK1.56 cents (2015: approximately HK1.28 cents).
- The Board does not recommend the payment of any dividend for the nine months ended 31 December 2016.

## 摘要

- 本集團截至二零一六年十二月三十一日止九個月的收益增加約28.6%至約344,900,000港元(二零一五年:約268,300,000港元)。
- 截至二零一六年十二月三十一日止九個月本公司擁有人應佔虧損增加約27.3%至約63,300,000港元(二零一五年:約49,700,000港元)。
- 截至二零一六年十二月三十一日止九個月的每股基本虧損約為1.56港仙(二零一五年:約1.28港仙)。
- 董事會不建議就截至二零一六年十二月三十一日止九個月派發任何股息。

The board of Directors (the "Board") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the three months and nine months ended 31 December 2016, together with the unaudited comparative figures for the corresponding periods in 2015, as follows:

董事會(「董事會」)欣然宣佈本公司及其附屬公司(統稱「本集團」)截至二零一六年十二月三十一日止三個月及九個月之未經審核簡明綜合業績連同二零一五年同期之未經審核比較數字如下:

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

**簡明綜合損益及其他全面收益表(未經審核)**

For the three months and nine months ended 31 December 2016

截至二零一六年十二月三十一日止三個月及九個月

|  |                       | Nine months ended<br>31 December<br>截至十二月三十一日<br>止九個月 |                                  | Three months ended<br>31 December<br>截至十二月三十一日<br>止三個月 |                                  |
|--|-----------------------|---|----------------------------------|--|----------------------------------|
|  |                       | 2016<br>二零一六年<br>HK\$'000<br>千港元                      | 2015<br>二零一五年<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>HK\$'000<br>千港元                       | 2015<br>二零一五年<br>HK\$'000<br>千港元 |
| Revenue  | 收益                    | 344,913   | 268,256                          | 119,520  | 102,366                          |
| Cost of services   | 服務成本                  | (346,468)   | (260,261)                        | (123,836)  | (98,736)                         |
| Gross (loss)/profit  | 毛(損)/利                | (1,555)   | 7,995                            | (4,316)  | 3,630                            |
| Other income   | 其他收入                  | 986   | 823                              | 26   | 75                               |
| Other gains and losses   | 其他收益及虧損               | 2,969   | 2,621                            | 1,007  | 759                              |
| Amortisation expenses  | 攤銷開支                  | (15,201)  | (17,604)                         | (5,071)  | (5,722)                          |
| Selling and distribution expenses  | 銷售及分銷開支               | (426)   | (101)                            | (80)   | (49)                             |
| Administrative expenses  | 行政開支                  | (21,231)  | (24,369)                         | (8,426)  | (8,294)                          |
| Changes in fair value of financial assets at fair value through profit or loss         | 透過損益按公平值入賬之金融資產之公平值變動 | (5,257)   | (200)                            | (3,753)  | (300)                            |
| Loss from operations   | 營運虧損                  | (39,715)  | (30,835)                         | (20,613)   | (9,901)                          |
| Finance costs  | 融資成本                  | (27,408)  | (25,405)                         | (9,389)  | (8,910)                          |
| Loss before income tax   | 除所得稅前虧損               | (67,123)  | (56,240)                         | (30,002)   | (18,811)                         |
| Income tax   | 所得稅                   | 3,860   | 6,525                            | 2,015  | 2,567                            |
| Loss for the period attributable to the owners of the Company                          | 本公司擁有人應佔期內虧損          | (63,263)  | (49,715)                         | (27,987)   | (16,244)                         |
| Other comprehensive loss: Items that may be classified subsequently to profit or loss: | 其他全面虧損: 其後可分類至損益之項目:  |   |                                  |  |                                  |
| Exchange differences on translating foreign operations                                 | 換算境外業務之匯兌差額           | (1,787)   | (1,500)                          | (987)  | (527)                            |
| Other comprehensive loss for the period  | 期內其他全面虧損              | (1,787)   | (1,500)                          | (987)  | (527)                            |
| Total comprehensive loss for the period  | 期內全面虧損總額              | (65,050)  | (51,215)                         | (28,974)   | (16,771)                         |
| Loss for the period attributable to owners of the Company                              | 本公司擁有人應佔期內虧損          | (63,263)  | (49,715)                         | (27,987)   | (16,244)                         |
| Total comprehensive loss for the period attributable to owners of the Company          | 本公司擁有人應佔期內全面虧損總額      | (65,050)  | (51,215)                         | (28,974)   | (16,771)                         |
| Loss per share attributable to owners of the Company                                   | 本公司擁有人應佔每股虧損          |   |                                  |  |                                  |
| - Basic (HK cent(s))   | - 基本(港仙)              | (1.56)  | (1.28)                           | (0.69)   | (0.40)                           |
| - Diluted (HK cent(s))   | - 攤薄(港仙)              | (1.56)  | (1.28)                           | (0.69)   | (0.40)                           |

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

## 簡明綜合權益變動表 (未經審核)

For the nine months ended 31 December 2016 截至二零一六年十二月三十一日止九個月

|   |                      | Share capital | Share premium | Convertible notes equity reserves | Foreign currency translation reserves | Capital reserves | Other reserves | Accumulated losses | Total equity |
|---|----------------------|---------------|---------------|-----------------------------------|---------------------------------------|------------------|----------------|--------------------|--------------|
|   |                      | 股本            | 股份溢價          | 可換股票據權益儲備                         | 外幣換算儲備                                | 資本儲備             | 其他儲備           | 累計虧損               | 總權益          |
|   |                      | HK\$'000      | HK\$'000      | HK\$'000                          | HK\$'000                              | HK\$'000         | HK\$'000       | HK\$'000           | HK\$'000     |
|   |                      | 千港元           | 千港元           | 千港元                               | 千港元                                   | 千港元              | 千港元            | 千港元                | 千港元          |
| As at 1 April 2016  | 於二零一六年四月一日           | 4,055         | 1,238,195     | 62,631                            | (1,235)                               | 2,758            | 9,868          | (1,311,641)        | 4,631        |
| Loss for the period   | 期內虧損                 | -             | -             | -                                 | -                                     | -                | -              | (63,263)           | (63,263)     |
| Other comprehensive loss for the period:  | 期內其他全面虧損:            |               |               |                                   |                                       |                  |                |                    |              |
| Items that may be classified subsequently to profit or loss:                    | 其後可分類至損益之項目:         |               |               |                                   |                                       |                  |                |                    |              |
| Exchange differences on translating foreign operations                          | 換算境外業務之匯兌差額          | -             | -             | -                                 | (1,787)                               | -                | -              | -                  | (1,787)      |
| Total comprehensive loss for the period   | 期內全面虧損總額             | -             | -             | -                                 | (1,787)                               | -                | -              | (63,263)           | (65,050)     |
| As at 31 December 2016 (unaudited)  | 於二零一六年十二月三十一日 (未經審核) | 4,055         | 1,238,195     | 62,631                            | (3,022)                               | 2,758            | 9,868          | (1,374,904)        | (60,419)     |
| As at 1 April 2015  | 於二零一五年四月一日           | 3,693         | 1,155,013     | 67,505                            | 153                                   | -                | 9,868          | (1,265,198)        | (28,966)     |
| Loss for the period   | 期內虧損                 | -             | -             | -                                 | -                                     | -                | -              | (49,715)           | (49,715)     |
| Other comprehensive loss for the period:  | 期內其他全面虧損:            |               |               |                                   |                                       |                  |                |                    |              |
| Items that may be classified subsequently to profit or loss:                    | 其後可分類至損益之項目:         |               |               |                                   |                                       |                  |                |                    |              |
| Exchange differences on translating foreign operations                          | 換算境外業務之匯兌差額          | -             | -             | -                                 | (1,500)                               | -                | -              | -                  | (1,500)      |
| Total comprehensive loss for the period   | 期內全面虧損總額             | -             | -             | -                                 | (1,500)                               | -                | -              | (49,715)           | (51,215)     |
| Issue of shares pursuant to placing   | 根據配售發行股份             | 260           | 64,740        | -                                 | -                                     | -                | -              | -                  | 65,000       |
| Transactions costs attributable to issue of ordinary shares pursuant to placing | 根據配售發行普通股應佔交易成本      | -             | (1,655)       | -                                 | -                                     | -                | -              | -                  | (1,655)      |
| Issue of shares pursuant to conversion of convertible notes                     | 根據兌換可換股票據發行股份        | 102           | 20,097        | (4,874)                           | -                                     | -                | -              | -                  | 15,325       |
| Capital contribution from a shareholder   | 一名股東注資               | -             | -             | -                                 | -                                     | 2,758            | -              | -                  | 2,758        |
| As at 31 December 2015 (unaudited)  | 於二零一五年十二月三十一日 (未經審核) | 4,055         | 1,238,195     | 62,631                            | (1,347)                               | 2,758            | 9,868          | (1,314,913)        | 1,247        |

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 未經審核簡明綜合財務報表附註

For the nine months ended 31 December 2016 截至二零一六年十二月三十一日止九個月

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 15 March 2010 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The registered office and principal place of business of the Company are located at the offices of Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and suites 2708-10, 27/F., Dah Sing Financial Centre, 108 Gloucester Road, Wanchai, Hong Kong respectively.

The Company's ordinary shares (the "Share(s)") were listed on GEM of the Stock Exchange on 30 August 2010 by way of placing.

The principal activity of the Company is investment holding. The subsidiaries are engaged in the provision of waterworks engineering services for the public sector in Hong Kong, television broadcasting business in the Asia-Pacific region (excluding the People's Republic of China (the "PRC")) in return for advertising and related revenue and large outdoor display screen advertisement business in the PRC.

### 2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated third quarterly financial statements for the nine months ended 31 December 2016 (the "Quarterly Financial Statements") have been prepared to comply with the disclosure requirements of the GEM Listing Rules.

### 1. 一般資料

本公司於二零一零年三月十五日根據開曼群島公司法第22章(一九六一年第3號法例·經綜合及修訂)於開曼群島註冊成立為獲豁免有限責任公司。本公司之註冊辦事處及主要營業地點分別為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands及香港灣仔告士打道108號大新金融中心27樓2708-10室。

本公司普通股(「股份」)於二零一零年八月三十日以配售方式在聯交所創業板上市。

本公司之主要業務為投資控股·而附屬公司在香港為公營部門提供水務工程服務·並於亞太區(不包括中華人民共和國(「中國」))從事電視播放業務以取得廣告及相關收益及於中國從事大型戶外顯示屏廣告業務。

### 2. 呈列基準及主要會計政策

吾等已編製截至二零一六年十二月三十一日止九個月之未經審核簡明綜合第三季度財務報表(「季度財務報表」)以遵守創業板上市規則之披露規定。

## 2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

The accounting policies and method of the computation used in the preparation of the Quarterly Financial Statements are consistent with those used in the annual report for the year ended 31 March 2016. The Group has adopted new or revised standards, amendments to standards and interpretation of Hong Kong Financial Reporting Standards (“HKFRSs”) which are effective for accounting periods commencing on or after 1 April 2016. The adoption of such new or revised standards, amendments to standard and interpretation does not have material impact on the Quarterly Financial Statements and does not result in substantial changes to the Group’s accounting policies.

The Quarterly Financial Statements have been prepared under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period and are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

## 3. REVENUE

Revenue recognised during the three months and nine months ended 31 December 2016 and 2015 were as follows:

|                    |      |
|--------------------|------|
| Construction works | 建築工程 |
| Advertising income | 廣告收入 |

## 2. 呈列基準及主要會計政策 (續)

編製季度財務報表所用之會計政策及計算方式與截至二零一六年三月三十一日止年度之年度報告所採納者一致。本集團已採納於二零一六年四月一日或之後開始之會計期間生效之香港財務報告準則（「香港財務報告準則」）之新訂或經修訂準則、準則修訂及詮釋。採納該等新訂或經修訂準則、準則修訂及詮釋不會對季度財務報表造成重大影響，且不會令本集團之會計政策出現重大變動。

季度財務報表乃根據歷史成本慣例編製，惟若干金融工具按各報告期末之公平值計量，並以亦為本公司功能貨幣之港元（「港元」）呈列。

## 3. 收益

截至二零一六年及二零一五年十二月三十一日止三個月及九個月確認之收益如下：

|                    |      | Nine months ended<br>31 December<br>截至十二月三十一日<br>止九個月     |   | Three months ended<br>31 December<br>截至十二月三十一日<br>止三個月    |   |
|--------------------|------|---|---|---|---|
|                    |      | 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 |
| Construction works | 建築工程 | 334,668   | 262,121   | 115,750   | 100,317   |
| Advertising income | 廣告收入 | 10,245  | 6,135   | 3,770   | 2,049   |
|                    |      | <u>344,913</u>  | <u>268,256</u>  | <u>119,520</u>  | <u>102,366</u>  |

#### 4. OTHER INCOME

Other income recognised during the three months and nine months ended 31 December 2016 and 2015 were as follows:

Interest income 利息收入  
Sundry income 雜項收入

#### 4. 其他收入

截至二零一六年及二零一五年十二月三十一日止三個月及九個月確認之其他收入如下：

|  |  | Nine months ended<br>31 December<br>截至十二月三十一日<br>止九個月     |   | Three months ended<br>31 December<br>截至十二月三十一日<br>止三個月    |   |
|--|--|---|---|---|---|
|  |  | 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 |
|  |  | 310   | 278   | 26  | 18  |
|  |  | 676   | 545   | -   | 57  |
|  |  | <b>986</b>  | <b>823</b>  | <b>26</b>   | <b>75</b>   |

#### 5. OTHER GAINS AND LOSSES

Other gains and losses recognised during the three months and nine months ended 31 December 2016 and 2015 were as follows:

Exchange gain, net 匯兌收益淨額  
Net gains on disposal of property, plant and equipment 出售物業、廠房及設備之收益淨額

#### 5. 其他收益及虧損

截至二零一六年及二零一五年十二月三十一日止三個月及九個月確認之其他收益及虧損如下：

|  |  | Nine months ended<br>31 December<br>截至十二月三十一日<br>止九個月     |   | Three months ended<br>31 December<br>截至十二月三十一日<br>止三個月    |   |
|--|--|---|---|---|---|
|  |  | 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 |
|  |  | 1,835   | 1,437   | 1,007   | 558   |
|  |  | 1,134   | 1,184   | -   | 201   |
|  |  | <b>2,969</b>  | <b>2,621</b>  | <b>1,007</b>  | <b>759</b>  |



## 6. SEGMENT INFORMATION

Information reported to the executive Directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided are:

- (i) Provision of waterworks engineering services – Provision of waterworks engineering services, road works, drainage services and site formation works for public sector in Hong Kong;
- (ii) Television broadcasting business – the business of broadcasting television programmes on television channels operated by television broadcasting companies in the Asia-Pacific region (excluding the PRC) in return for advertising and related revenue; and
- (iii) Large outdoor display screen advertisement business – the business of broadcasting advertisements on the large outdoor display screens in the PRC.

Each of these operating segments is managed separately as each of the products and service lines requires different resources as well as marketing approaches.

## 6. 分部資料

向執行董事（即主要營運決策者）所呈報以供其分配資源及評估分部表現之資料集中於所交付或提供之貨品或服務種類為：

- (i) 提供水務工程服務－為香港公營部門提供水務工程服務、道路工程及渠務服務，亦從事地盤平整工程；
- (ii) 電視播放業務－在位於亞太區（不包括中國）之電視播放公司所經營之電視頻道進行電視節目播放以取得廣告及相關收益之業務；及
- (iii) 大型戶外顯示屏廣告業務－在位於中國之大型戶外顯示屏播放廣告業務。

由於各個產品和服務類別需要不同之資源以及涉及不同之營銷手法，上述各營運分部被分開管理。

## 6. SEGMENT INFORMATION (Continued)

### Segment revenue and results

The following is an analysis of the Group's revenue and result by reportable segment.

For the nine months ended 31 December 2016

## 6. 分部資料 (續)

### 分部收益及業績

本集團按可呈報分部劃分之收益及業績分析如下。

截至二零一六年十二月三十一日止九個月

|                                   |                | Provision of<br>waterworks<br>engineering<br>services<br>提供水務<br>工程服務<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | Television<br>broadcasting<br>business<br>電視播放<br>業務<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | Large outdoor<br>display screen<br>advertisement<br>business<br>大型戶外<br>顯示屏<br>廣告業務<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | Total<br>總計<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 |
|-----------------------------------|----------------|---|--|---|---|
| Revenue from external customers   | 來自外部客戶之收益      | 334,668   | 10,212   | 33  | 344,913   |
| Other income and gains            | 其他收入及收益        | 676   | -  | 2,368   | 3,044   |
| <b>Reportable segment revenue</b> | <b>可呈報分部收益</b> | <b>335,344</b>  | <b>10,212</b>  | <b>2,401</b>  | <b>347,957</b>  |
| <b>Reportable segment results</b> | <b>可呈報分部業績</b> | <b>(9,476)</b>  | <b>(14,017)</b>  | <b>(2,053)</b>  | <b>(25,546)</b>   |
| Unallocated corporate income      | 未分配企業收入        |   |  |   | 310   |
| Unallocated corporate expenses    | 未分配企業開支        |   |  |   | (14,479)  |
| Finance costs                     | 融資成本           |   |  |   | (27,408)  |
| <b>Loss before income tax</b>     | <b>除所得稅前虧損</b> |   |  |   | <b>(67,123)</b>   |

## 6. SEGMENT INFORMATION (Continued)

### Segment revenue and results (Continued)

For the nine months ended 31 December 2015

|                                   |                | Provision of<br>waterworks<br>engineering<br>services    | Television<br>broadcasting<br>business                 | Large outdoor<br>display screen<br>advertisement<br>business    | Elimination                                    | Total  |
|-----------------------------------|----------------|--|--|---|--|--|
|                                   |                | 提供水務<br>工程服務<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 電視播放<br>業務<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 大型戶外<br>顯示屏<br>廣告業務<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 抵銷<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 總計<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 |
| Revenue from external customers   | 來自外部客戶之收益      | 262,121  | 5,003  | 1,132   | -  | 268,256  |
| Inter-segment sales               | 分部間銷售          | -  | 1,664  | -   | (1,664)  | -  |
| Other income and gains            | 其他收入及收益        | 1,327  | 3  | 1,562   | -  | 2,892  |
| <b>Reportable segment revenue</b> | <b>可呈報分部收益</b> | <b>263,448</b>   | <b>6,670</b>   | <b>2,694</b>  | <b>(1,664)</b>                                 | <b>271,148</b>                                 |
| <b>Reportable segment results</b> | <b>可呈報分部業績</b> | <b>2,589</b>   | <b>(18,762)</b>  | <b>(1,661)</b>  |  | <b>(17,834)</b>                                |
| Unallocated corporate income      | 未分配企業收入        |  |  |   |  | 476  |
| Unallocated corporate expenses    | 未分配企業開支        |  |  |   |  | (13,477)                                       |
| Finance costs                     | 融資成本           |  |  |   |  | (25,405)                                       |
| <b>Loss before income tax</b>     | <b>除所得稅前虧損</b> |  |  |   |  | <b>(56,240)</b>                                |

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the nine months ended 31 December 2016.

Segment profit/(loss) represents the profit earned/loss incurred by each segment without allocation of central administration costs, interest income, finance costs, changes in fair value of financial assets at fair value through profit or loss and income tax. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

## 6. 分部資料 (續)

### 分部收益及業績 (續)

截至二零一五年十二月三十一日止九個月

上文所呈報的分部收益指來自外部客戶之收益。截至二零一六年十二月三十一日止九個月概無分部間銷售。

分部溢利／(虧損)為各分部在未分配中央行政成本、利息收入、融資成本、透過損益按公平值入賬之金融資產公平值變動及所得稅前所賺取的溢利／產生的虧損。此乃向主要營運決策者呈報以供其分配資源及評估分部表現之基準。

## 7. LOSS FROM OPERATIONS

Loss from operations is arrived at after charging the following:

|  |                      |
|--|----------------------|
| Amortisation of intangible assets<br>(included in amortisation expenses) | 無形資產攤銷<br>(包括於攤銷開支中) |
| Amortisation of film rights<br>(included in amortisation expenses)       | 電影版權攤銷<br>(包括於攤銷開支中) |
| Depreciation of property,<br>plant and equipment                         | 物業、廠房及設備之折舊          |

## 7. 營運虧損

營運虧損乃經扣除以下各項後計算得出：

| Nine months ended<br>31 December<br>截至十二月三十一日<br>止九個月     |   | Three months ended<br>31 December<br>截至十二月三十一日<br>止三個月    |   |
|---|---|---|---|
| 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 |
| 13,800  | 16,545  | 4,617   | 5,535   |
| 1,401   | 1,059   | 454   | 187   |
| <b>13,780</b>   | <b>13,468</b>   | <b>4,843</b>  | <b>4,599</b>  |

## 8. INCOME TAX

The amount of income tax in the unaudited condensed consolidated statement of profit or loss and other comprehensive income represents:

|   |                                  |
|---|----------------------------------|
| Current tax – Hong Kong profits tax<br>– current period                     | 當期稅項 – 香港利得稅<br>– 本期間            |
| Current tax – PRC Enterprise<br>Income tax<br>– current period              | 當期稅項 – 中國企業<br>所得稅<br>– 本期間      |
| Current tax – Macau<br>Complementary Tax<br>– over-provision in prior years | 當期稅項 – 澳門所得<br>補充稅<br>– 過往年度超額撥備 |
| Deferred tax<br>– current period  | 遞延稅項<br>– 本期間                    |
| Income tax  | 所得稅                              |

## 8. 所得稅

未經審核簡明綜合損益及其他全面收益表之所得稅金額如下：

| Nine months ended<br>31 December<br>截至十二月三十一日<br>止九個月     |   | Three months ended<br>31 December<br>截至十二月三十一日<br>止三個月    |   |
|---|---|---|---|
| 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2016<br>二零一六年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 | 2015<br>二零一五年<br>(Unaudited)<br>(未經審核)<br>HK\$'000<br>千港元 |
| 193   | 417   | (443)   | –   |
| 954   | –   | 269   | –   |
| –   | (34)  | –   | –   |
| (5,007)   | (6,908)   | (1,841)   | (2,567)   |
| <b>(3,860)</b>  | <b>(6,525)</b>  | <b>(2,015)</b>  | <b>(2,567)</b>  |

## 8. INCOME TAX (Continued)

Hong Kong profits tax is calculated at 16.5% (2015: 16.5%) on the estimated assessable profits arising in Hong Kong during each of three months and nine months ended 31 December 2016 and 2015.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Company and its subsidiaries incorporated in the BVI are not subject to any income tax in the Cayman Islands and the BVI respectively.

No provision for Macau Complementary Tax has been made as the subsidiary incorporated in Macau has no assessable profit arising in Macau during each of three months and nine months ended 31 December 2016 and 2015.

The provision for PRC Enterprise Income tax is calculated on the estimated assessable profits of the subsidiary incorporated in the PRC at 15% for each of three months and nine months ended 31 December 2016. No provision for PRC Enterprise Income tax has been made as the subsidiary incorporated in the PRC has no assessable profits arising in the PRC during each of three months and nine months ended 31 December 2015.

## 9. DIVIDENDS

The Board does not recommend the payment of any dividend for each of the three months and nine months ended 31 December 2016 respectively (2015: Nil).

## 8. 所得稅 (續)

香港利得稅按截至二零一六年及二零一五年十二月三十一日止三個月及九個月各期間於香港產生之估計應課稅溢利之16.5% (二零一五年: 16.5%) 計算。

根據開曼群島及英屬處女群島 (「英屬處女群島」) 規則及法規，本公司及其於英屬處女群島註冊成立之附屬公司毋須繳納開曼群島及英屬處女群島各自之任何所得稅。

截至二零一六年及二零一五年十二月三十一日止三個月及九個月各期間，於澳門註冊成立之附屬公司並無於澳門產生應課稅溢利，故並無就澳門所得補充稅計提撥備。

截至二零一六年十二月三十一日止三個月及九個月各期間，中國企業所得稅按於中國註冊成立之附屬公司之估計應課稅溢利以15%計提撥備。截至二零一五年十二月三十一日止三個月及九個月各期間，於中國註冊成立之附屬公司並無於中國產生應課稅溢利，故並無就中國企業所得稅計提撥備。

## 9. 股息

董事會不建議派付分別截至二零一六年十二月三十一日止三個月及九個月各期間之任何股息 (二零一五年: 無)。

## 10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculations of basic loss per Share for the three months and nine months ended 31 December 2016 are based on the unaudited consolidated loss of approximately HK\$27,987,000 and approximately HK\$63,263,000 attributable to owners of the Company for each of the three months and nine months ended 31 December 2016 respectively (unaudited consolidated loss for the three months and nine months ended 31 December 2015: approximately HK\$16,244,000 and approximately HK\$49,715,000 respectively) and the weighted average number of 4,055,349,947 Shares and 4,055,349,947 Shares in issue for the three months and nine months ended 31 December 2016 (weighted average number of Shares in issue for the three months and nine months ended 31 December 2015: 4,055,349,947 and 3,884,477,962 respectively) as if they had been in issue throughout the periods.

The diluted loss per Share for the three months and nine months ended 31 December 2016 and 2015 are not presented as the potential ordinary Shares had an anti-dilutive effect on the basic loss per Share for the periods.

## 10. 本公司擁有人應佔每股虧損

截至二零一六年十二月三十一日止三個月及九個月的每股基本虧損，按截至二零一六年十二月三十一日止三個月及九個月各期間本公司擁有人應佔未經審核綜合虧損約27,987,000港元及約63,263,000港元（截至二零一五年十二月三十一日止三個月及九個月未經審核綜合虧損分別為：約16,244,000港元及約49,715,000港元）與截至二零一六年十二月三十一日止三個月及九個月已發行股份加權平均數分別為4,055,349,947股及4,055,349,947股（截至二零一五年十二月三十一日止三個月及九個月已發行股份加權平均數：分別為4,055,349,947股及3,884,477,962股）計算，猶如該等股份於整個有關期間均已發行。

由於潛在普通股對相關期間每股基本虧損造成反攤薄影響，故並無呈列截至二零一六年及二零一五年十二月三十一日止三個月及九個月之每股攤薄虧損。

## 11. SHARE CAPITAL

## 11. 股本

|  |  | Number of<br>Shares<br>股份數目 | Nominal<br>value<br>面值<br>HK\$'000<br>千港元 |
|--|--|-----------------------------|---|
| <b>Authorised:</b>   | <b>法定：</b>                                 |                             |   |
| As at 1 April 2016 (Audited) and<br>31 December 2016 (Unaudited) | 於二零一六年四月一日（經審核）<br>及二零一六年十二月三十一日<br>（未經審核） | <u>500,000,000,000</u>      | <u>500,000</u>                            |
| <b>Issued and fully paid:</b>                                    | <b>已發行及繳足：</b>                             |                             |   |
| As at 1 April 2016 (Audited) and<br>31 December 2016 (Unaudited) | 於二零一六年四月一日（經審核）<br>及二零一六年十二月三十一日<br>（未經審核） | <u>4,055,349,947</u>        | <u>4,055</u>                              |

## 12. COMPARATIVE FINANCIAL INFORMATION

## 12. 比較財務資料

Certain comparative figures have been restated to conform with current period's presentation.

若干比較數字已重列，以符合本期間賬目之編列。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

The Group is principally engaged in the provision of waterworks engineering services for the public sector in Hong Kong, television broadcasting business in the Asia-Pacific region (excluding the PRC) in return for advertising and related revenue and large outdoor display screen advertisement business in the PRC. During the nine months ended 31 December 2016 (the “Period”), the Group continued to focus on rendering waterworks engineering services to the public sector in Hong Kong and develop its television broadcasting business and large outdoor display screen advertisement business.

#### Provision of waterworks engineering services

During the Period, the Group has been undertaking three main contracts and eight subcontracts. Among the eleven contracts, four are related to provision of waterworks engineering services and the remaining is related to provision of drainage services and site formation services. Details of the contracts undertaken are set out below:

|                       | <b>Contract number</b><br>合約編號 | <b>Particulars of contract</b><br>合約詳情  |
|-----------------------|--------------------------------|---|
| Main contracts<br>主合約 | 8/WSD/11                       | Construction of Pak Shek Kok Fresh Water Service Reservoir Extension  |
|                       | 8/WSD/11                       | 白石角食水配水庫之擴建工程   |
|                       | 3/WSD/13                       | Mainlying near She Shan Tsuen, Tai Po   |
|                       | 3/WSD/13                       | 大埔區山村附近管敷設工程  |
|                       | DC/2013/09                     | Advance Works for Shek Wu Hui Sewage Treatment Works – Further Expansion Phase 1A and Sewerage Works at Ping Che Road |
|                       | DC/2013/09                     | 石湖墟污水處理廠前期工程—進一步擴建第1A期及坪嶺路的污水渠工程  |

### 業務回顧

本集團主要為香港公營部門提供水務工程服務、於亞太區（不包括中國）進行電視播放業務以取得廣告及相關收益以及於中國進行大型戶外顯示屏廣告業務。截至二零一六年十二月三十一日止九個月（「本期間」），本集團繼續專注於在香港向公營部門提供水務工程服務，並開展其電視播放業務及大型戶外顯示屏廣告業務。

#### 提供水務工程服務

於本期間內，本集團一直進行三項主合約及八項分包合約。該十一項合約中，其中四項與提供水務工程服務有關，其餘合約則與提供渠務服務及地盤平整服務有關。所承接合約之詳情載列如下：



|                      | <b>Contract number</b><br>合約編號  | <b>Particulars of contract</b><br>合約詳情   |
|----------------------|---|--|
| Subcontracts<br>分包合約 | 8/WSD/10  | Replacement and rehabilitation of water mains, stage 4 phase 1 – mains in Tuen Mun, Yuen Long, North District and Tai Po           |
|                      | 8/WSD/10  | 更換及修復水管工程第4階段第1期 – 屯門、元朗、北區及大埔水管工程   |
|                      | DC/2012/04  | Sewerage in Kau Lung Hang San Wai, Kau Lung Hang Lo Wai and Tai Hang   |
|                      | DC/2012/04  | 九龍坑新圍、九龍坑老圍及泰亨污水收集系統   |
|                      | DC/2012/07  | Lam Tsuen Valley Sewerage – village sewage, stage 2, phase 1   |
|                      | DC/2012/07  | 林村谷污水收集系統 – 第2階段第1期  |
|                      | DC/2012/08  | Lam Tsuen Valley Sewerage – village sewage, stage 2, phase 2   |
|                      | DC/2012/08  | 林村谷污水收集系統 – 第2階段第2期  |
|                      | 5/WSD/13  | Replacement and rehabilitation of water mains, stage 4 phase 1 and stage 4 phase 2 – mains in Northern and Eastern New Territories |
|                      | 5/WSD/13  | 更換及修復水管工程第4階段第1期及第4階段第2期 – 新界北部及東部水管工程   |
|                      | CV/2015/03  | Site formation and infrastructural works near Tong Hang Road and Tse Tin Road in Area 54, Tuen Mun                                 |
| CV/2015/03           | 鄰近屯門54區塘亨路及紫田路的地盤平整及基礎設施工程  |  |
| 810B                 | West Kowloon Terminus Station South, Contract 810B                    |  |
| 810B                 | 西九龍總站(南) · 合約810B   |  |
| Q044763              | Elevated Road along Lohas Park Road and the pedestrian footbridge FB1 |  |
| Q044763              | 沿康城路邊之高架路及行人天橋FB1   |  |

Among the above eleven contracts, a subcontract (contract numbered Q047763) was newly awarded during the Period. 於上述十一項合約中，有一項分包合約(合約編號Q047763)乃於本期間新授予。

## Television broadcasting business

Except for the broadcasting of television programmes in China Xinhua News Network Channel and China Xinhua News Network World Channel (collectively the “CNC Channels”) in different locations in the Asia-Pacific region (excluding the PRC), the Group aims to expand the Group’s market presence into the PRC. During the Period, the Group entered into a strategic cooperation agreement with Guangxi Television\* (廣西電視台) so as to jointly boost up a comprehensive business development of television broadcasting business, including broadening broadcasting coverage of the Group’s television features in the PRC market through channel of Guangxi Television and enrichment of contents of the CNC Channels. Also, the Group entered into a strategic cooperation agreement with Tian Mai Ju Yuan (Beijing) Technology Company Limited\* (天脈聚源(北京)科技有限公司) so as to jointly develop television e-commerce business. The Group believed that the recent strategic move will further facilitate collaboration with potential business partners and increase the revenue of the Group. In order to enhance the brand recognition and influence of the Group in the local television media industry, the Group held the 2016 “Bauhinia Award” Hospitable Hong Kong • Remarkable Business Contribution presentation ceremony in August 2016, which attracted great attention from various media and the society and thus enhanced the brand recognition and influence of the Group in the television media industry. In addition, the Group published a book titled “The Recent Years of the HKSAR Government”\* (《香港特區政府這幾年》) which is produced by the Company as a series of reports about the government (the “HKSAR Government”) of the Hong Kong Special Administrative Region of the PRC and was available for sales at the major bookstores during the Period. The Group believes that the recent development can respond to the changing business environment and meet the evolving interests of mass audience by these new platforms.

## 電視播放業務

除於亞太區(不包括中國)之不同地區播放中國新華電視中文台及中國新華電視英語台(統稱「CNC頻道」)的電視節目外,本集團旨在擴大其於中國市場之份額。於本期間內,本集團與廣西電視台訂立策略合作協議,以共同推進電視廣播業務之全面業務發展,包括透過廣西電視台頻道擴大本集團之電視專題報道於中國市場之覆蓋面及豐富CNC頻道內容。此外,本集團與天脈聚源(北京)科技有限公司訂立策略合作協議,以共同發展電視電商業務。本集團相信近期策略性活動將進一步推動與潛在業務夥伴之合作及增加本集團之收入。為增強本集團於本地電視媒體行業之品牌知名度及影響力,本集團於二零一六年八月舉辦2016「紫荊獎」好客之都•行業傑出貢獻頒獎盛典,其引起多家媒體及社會之極大關注,繼而進一步增強本集團於電視媒體行業之知名度及影響力。此外,本集團出版發行之由本公司攝製出品之有關中國香港特別行政區政府(「香港特區政府」)之大型系列報道書籍《香港特區政府這幾年》已於本期間內於各大書店上架出售。本集團相信近期發展可應對不斷變化之營商環境及透過這些新平台可滿足不斷變化之大眾偏好。

## Large outdoor display screen advertisement business

During the Period, the development pace of large outdoor display screen advertisement business is stagnant. In face of the current difficult operating environment in the PRC, the Group will continue to make efforts to broaden its customer base, strengthen cost and quality control and enhance marketing and promotion activities to further uplift the image and competitiveness of this business segment. Going forward, the Group will continue to be watchful of market developments and capture any opportunities to further develop this business segment.

Going forward, the Group will continue to enhance its existing operations while exploring the possibility of other business opportunities with the aim to create long term value for the shareholders of the Company.

## FINANCIAL REVIEW

### Revenue

For the Period, the Group reported revenue of approximately HK\$344.9 million (2015: approximately HK\$268.3 million), representing an increase of approximately 28.6% as compared with that for the same period of the previous year. The revenue derived from provision of waterworks engineering services and television broadcasting business as well as large outdoor display screen advertisement business constituted approximately 97.0% and 3.0% of the Group's total revenue respectively. The increase in revenue was mainly due to increase in work from civil engineering projects with contract number CV/2015/03 and 5/WSD/13. The Group derived aggregate advertising revenue of approximately HK\$10.2 million (2015: approximately HK\$6.1 million) from television broadcasting business and large outdoor display screen advertisement business.

## 大型戶外顯示屏廣告業務

於本期間內，大型戶外顯示屏廣告業務之發展步伐停滯不前。面對中國當前艱難之經營環境，本集團將繼續努力擴闊客戶基礎、加強成本與品質監控以及加大市場推廣活動，進一步提升此業務分部之形象及競爭力。展望未來，本集團將繼續觀望市場之發展並把握進一步發展該業務分部之任何機遇。

展望未來，本集團將繼續加強其現有營運，同時尋求其他業務的發展機會，旨在為本公司股東締造長期價值。

## 財務回顧

### 收益

於本期間內，本集團錄得收益約344,900,000港元（二零一五年：約268,300,000港元），較去年同期增加約28.6%。提供水務工程服務及電視播放業務連同大型戶外顯示屏廣告業務產生之收益分別佔本集團總收益約97.0%及3.0%。收益增加主要由於土木工程項目（合約編號：CV/2015/03及5/WSD/13）之工程增加所致。本集團自電視播放業務及大型戶外顯示屏廣告業務產生廣告收益總額約10,200,000港元（二零一五年：約6,100,000港元）。

During the Period, the revenue of the Group was primarily generated from the undertaking of waterworks contracts in the capacity of a subcontractor. The subcontracting revenue amounted to approximately HK\$184.6 million (2015: approximately HK\$178.8 million), representing approximately 53.5% (2015: approximately 66.6%) of the total revenue for the Period. On the other hand, the aggregate revenue generated from the undertaking of waterworks contracts in the capacity of a main contractor and jointly controlled operator amounted to approximately HK\$150.1 million (2015: approximately HK\$83.4 million), representing approximately 43.5% (2015: approximately 31.1%) of the total revenue for the Period.

### Cost of services

The Group's cost of services for the Period increased by approximately 33.1% to approximately HK\$346.5 million for the Period (2015: approximately HK\$260.2 million) as compared with that for the same period of the previous year. The Group's cost of services mainly includes costs of construction services, costs of television broadcasting business and direct costs attributable to large outdoor display screen advertisement business. Costs of construction services mainly comprise raw materials, direct labour and subcontracting fee for services provided by the subcontractors. Costs of television broadcasting business mainly comprise transmission costs and broadcasting fee. Transmission costs comprise satellite transmission fee and carriage fee payable to satellite operators while broadcasting fee comprises annual fee payable to media broadcasting providers and China Xinhua News Network Co., Limited ("China Xinhua NNC"). Direct costs attributable to large outdoor display screen advertisement business mainly comprise depreciation charges of LED display screens.

於本期間內，本集團收益主要來自以分包商身份承接之水務工程合約。分包收益為約184,600,000港元（二零一五年：約178,800,000港元），佔本期間總收益約53.5%（二零一五年：約66.6%）。另一方面，以主承建商及共同控制營運商身份承接水務工程合約獲得約150,100,000港元（二零一五年：約83,400,000港元）之總收益，佔本期間總收益約43.5%（二零一五年：約31.1%）。

### 服務成本

本集團於本期間之服務成本較去年同期增加約33.1%至約346,500,000港元（二零一五年：約260,200,000港元）。本集團之服務成本主要包括建築服務成本、電視播放業務成本以及大型戶外顯示屏廣告業務應佔之直接成本。建築服務成本主要包括原材料、直接勞工及分包商提供服務之分包費用。電視播放業務成本主要包括傳送成本及播放費用。傳送成本包括衛星傳送費用及應付衛星營運商之傳輸費用，而播放費用則包括應付予媒體播放供應商及中國新華新聞電視網有限公司（「中國新華新聞電視網」）之年費。大型戶外顯示屏廣告業務應佔之直接成本主要包括LED顯示屏之折舊費用。

## Gross loss

The gross loss of the Group for the Period amounted to approximately HK\$1.6 million (2015: gross profit of approximately HK\$8.0 million). The gross loss margin of the Group was approximately 0.5% (2015: gross profit margin of approximately 3.0%) for the Period. The change from gross profit to gross loss was largely due to large portion of revenue and gross profit derived from certain projects recognised at the early stage in the prior years.

## Other income

The Group's other income for the Period increased by approximately 19.8% to approximately HK\$1.0 million (2015: approximately HK\$0.8 million) as compared with that for the same period of the previous year. The increase in other income was mainly due to the written-back of certain retention payables of provision of waterworks engineering business for the Period.

## Other gains and losses

The Group's other gains and losses for the Period increased by approximately 13.3% to approximately HK\$3.0 million (2015: approximately HK\$2.6 million) as compared with that for the same period of the previous year. Other gains and losses mainly consisted of net exchange gains and net gains on disposal of property, plant and equipment for the Period.

## Amortisation expenses

The Group's amortisation expenses for the Period decreased by approximately 13.7% to approximately HK\$15.2 million (2015: approximately HK\$17.6 million) as compared with that for the same period of the previous year. The amortisation expenses mainly consisted of amortisation of television broadcasting right and film rights for the television broadcasting business.

## 毛損

本集團於本期間之毛損為約1,600,000港元(二零一五年:毛利約8,000,000港元)。本集團於本期間之毛損率為約0.5%(二零一五年:毛利率約3.0%)。毛利轉為毛損乃主要由於若干項目產生之大部分收益及毛利已於過往年度之初期階段確認所致。

## 其他收入

本集團於本期間之其他收入較去年同期增加約19.8%至約1,000,000港元(二零一五年:約800,000港元)。本期間其他收入增加主要由於提供水務工程業務之若干應付保留金撥回所致。

## 其他收益及虧損

本集團於本期間之其他收益及虧損較去年同期增加約13.3%至約3,000,000港元(二零一五年:約2,600,000港元)。本期間其他收益及虧損主要包括匯兌收益淨額以及出售物業、廠房及設備之收益淨額。

## 攤銷開支

本集團於本期間之攤銷開支較去年同期減少約13.7%至約15,200,000港元(二零一五年:約17,600,000港元)。攤銷開支主要包括電視播放業務之電視播放權及電影版權之攤銷。

## Selling and distribution expenses

The Group's selling and distribution expenses for the Period amounted to approximately HK\$0.4 million (2015: approximately HK\$0.1 million). The selling and distribution expenses mainly consisted of advertising expenses for the television broadcasting business.

## Administrative expenses

The Group's administrative expenses for the Period decreased by approximately 12.9% to approximately HK\$21.2 million (2015: approximately HK\$24.4 million) as compared with that for the same period of the previous year. The administrative expenses mainly consisted of legal and professional fees, staff costs (including Directors' remuneration), depreciation expenses and rental expenses. The decrease in administrative expenses was mainly due to reduction of rental expenses of headquarter office.

## Finance costs

The Group's finance costs for the Period increased by approximately 7.9% to approximately HK\$27.4 million (2015: approximately HK\$25.4 million) as compared with that for the same period of the previous year. The finance costs mainly consist of interest expenses for the promissory note and convertible notes.

## Net Loss

The net loss attributable to owners of the Company for the Period increased by approximately 27.3% to approximately HK\$63.3 million (2015: approximately HK\$49.7 million) as compared with that for the same period of the previous year. The increase in net loss was mainly resulted from decrease in gross profit margin and increase in fair value loss in financial assets at fair values through profit or loss for the Period.

## Loss per Share

The basic loss per Share for the Period was approximately HK1.56 cents (2015: approximately HK1.28 cents).

## 銷售及分銷開支

本集團於本期間之銷售及分銷開支為約400,000港元(二零一五年:約100,000港元)。銷售及分銷開支主要包括電視播放業務之廣告費。

## 行政開支

本集團於本期間之行政開支較去年同期減少約12.9%至約21,200,000港元(二零一五年:約24,400,000港元)。行政開支主要包括法律和專業費用、員工成本(包括董事薪酬)、折舊開支以及租金開支。行政開支減少乃主要由於總部辦公室租賃開支減少所致。

## 融資成本

本集團於本期間之融資成本較去年同期增加約7.9%至約27,400,000港元(二零一五年:約25,400,000港元)。融資成本主要包括承兌票據及可換股票據之利息開支。

## 淨虧損

本期間本公司擁有人應佔淨虧損較去年同期增加約27.3%至約63,300,000港元(二零一五年:約49,700,000港元)。淨虧損增加乃主要由於本期間毛利率減少及透過損益按公平值入賬之金融資產之公平值虧損增加所致。

## 每股虧損

本期間之每股基本虧損為約1.56港仙(二零一五年:約1.28港仙)。

## PROSPECTS

During the Period, the Group's provision of waterworks engineering services remains the major revenue contributor to Group. The Group will seek to maintain steady development for provision of waterworks engineering services business, and at the same time, drive growth in both revenue and profit in other core businesses. The Group will strive to maximise the synergistic effect between different business segments through integration of sale channels of various business segments in different markets. The Group will continue to strive to expand our scale of business and to strengthen our market position in different business segments.

### Provision of waterworks engineering services

While the outlook for the construction industry in Hong Kong looks promising in the long run, the Group still anticipates several challenges that are unlikely to dissipate for this business segment in the near future. They include continuous rising labour wages and cost of construction materials, shortage of skilled labour as well as other external factors. Rising costs and intense competitions among contractors may cause depletion of profits in some cases.

The Group believed that leveraging on business strengths and competitive advantages, including further expanding the Group's service scope by application for additional licences, permits or qualifications and experienced and dedicated management team, continued to enable the Group to grow continuously. During the Period, the Group has successfully obtained a new subcontract of Elevated Road along Lohas Park Road and the pedestrian footbridge FB1 (contract numbered Q044763) with contract sum of approximately HK\$116 million. The Group is still optimistic to maintain steady growth and scale of operation due to its long established reputation and proven ability.

## 前景

於本期間內，本集團之提供水務工程服務仍為本集團之主要收益來源。本集團將努力維持提供水務工程服務業務之穩定發展，同時推動其他核心業務之收益及溢利增長。本集團將竭力透過整合不同市場若干業務分部之銷售渠道將不同業務分部間之協同效應最大化。本集團將繼續努力擴展業務規模及提升本集團於各業務分部的市場地位。

### 提供水務工程服務

雖然長遠而言香港建築業前景光明，惟本集團此業務分部預期短期內仍面臨重重難關，包括勞工工資及建築材料成本持續上漲、技術勞工短缺以及其他外部因素。成本持續上升及承建商之間激烈競爭或會導致若干項目溢利減少。

本集團相信憑藉業務優勢及競爭優勢，包括透過申請額外牌照、許可證或資格許可以進一步拓展本集團之服務範圍以及經驗豐富及專責的管理層團隊，令本集團可持續增長。於本期間內，本集團成功獲得一項有關沿康城路邊之高架路及行人天橋FB1之新分包合約（合約編號Q044763），合約金額約為116,000,000港元。本集團仍對其憑藉悠久聲譽及實力以維持穩定增長及營運規模持樂觀態度。

## Television broadcasting business

The increasingly vigorous competition with peers triggered the Group to streamline and adjust the business and operational models in order to maintain our presence in the recent deteriorating media market. With recent development of internet and mobile web, as well as new channels and platforms emerging rapidly, the digital marketing is full of possibilities and opportunities and the Group will continue to review our business and adjust its operational models to adapt to the emerging and ever-changing demand. During the Period, the Group has speeded up the development of television broadcasting business by investing in the television e-commerce business which is a new and emerging mode of this segment development. The Group established certain cooperation partnerships with different partners in the PRC so as to jointly develop the television e-commerce business and sales of products on the new platforms. The Group is confident that the new initiatives will steer the Group in the right direction, strengthen the future business development and improve its long-term prospects.

## Large outdoor display screen advertisement business

As the current market environment in PRC is still associated with uncertainties, the Group believed that the operating environment will continue to be challenging in this business segment. The Group will continue to exercise a cautious approach in seeking business development. Currently, the Group will seek co-operation from different parties, including but not limited to commercial real estate developers, PRC government authorities and other potential partners in order to speed up the development of this business segment. The Group will closely monitor the progress of the business operation and be determined to take necessary actions.

Looking forward, the Group's core businesses are facing challenges with opportunities ahead. The Group will review the existing business portfolio from time to time and explore new potential business opportunities in order to provide new and sustainable drivers for the overall performance. In addition, the Group will keep exploring opportunities in other new business areas and expand through strategic acquisition or alliance with the aim of delivering sustainable long-term value for the shareholders of the Company.

## 電視播放業務

愈趨激烈的同行競爭，驅致本集團不得不精簡並調整業務及營運模式，在近期每況愈下的媒體市場中維持影響力。隨著近期互聯網及移動網絡發展以及新渠道及新平台快速湧現，數碼市場營銷世界充滿可能性及商機，本集團將繼續檢視業務，並持續調整營運模式以配合新興且萬變的需求。於本期間內，本集團已透過投資電視電商業務（其乃此分部發展之新興模式）加快發展電視廣播業務。本集團與不同中國合作夥伴建立多種合夥關係，以共同發展電視電商業務及於新平台上銷售產品。本集團深信新措施會帶領本集團向前邁進，加強未來業務發展及改善長遠前景。

## 大型戶外顯示屏廣告業務

由於中國當前之市場環境仍存在多種不明朗因素，本集團相信此業務分部之經營環境將持續充滿挑戰。本集團將在尋求業務發展方面繼續審慎行事。現時，本集團將尋求與不同方面之合作，包括但不限於與商業地產開發商、中國政府機關及其他潛在夥伴之合作，以加速本業務分部之發展。本集團將密切監察業務營運進度並決定作出必要之行動。

展望未來，本集團之核心業務機遇與挑戰並存。本集團將不時檢討現有業務組合及物色新的潛在商機以為整體業績表現提供新的並可持續的驅動力。此外，本集團將持續於其他新業務領域探索機遇，並通過戰略性收購或聯盟進行擴展，旨在為本公司股東提供可持續的長遠價值。



Apart from reinforcing its existing businesses, the Group will continue to place its efforts searching for suitable investment opportunities which strategically fit into its diversification moves and generate a steady source of income. On 2 February 2016, the Group entered into a sale and purchase agreement with independent third parties pursuant to which the Group will acquire the entire issued share capital of Shenzhen City Century Culture Creative Limited\* (深圳市世紀文化創意有限公司) at a consideration of HK\$600 million. The primary business of Shenzhen City Century Culture Creative Limited and its subsidiary (collectively the "Target Group") is the operation and management of Shenzhen City Culture Creative Park\* (深圳市文化創意園) in return for rental income including management fee. Further details of the proposed acquisition were set out in the announcements dated 3 June 2016, 27 June 2016, 20 July 2016, 15 September 2016, 20 October 2016, 14 November 2016, 28 December 2016 and 5 February 2017 and the circular dated 28 October 2016 respectively. The Directors consider that the acquisition represents a valuable business opportunity for the Group to invest in the cultural-related industry and will broaden the Group's income and asset base. In particular, the Board believes that the existing television broadcasting business of the Group and the cultural related business of the Target Group will complement with each other and there will be synergies between them.

## DIVIDENDS

The Board does not recommend the payment of any dividend for the Period.

## SHARE OPTION SCHEME

The share option scheme of the Company was adopted and approved by the shareholders of the Company on 11 August 2010. No share options have been granted pursuant to the share option scheme during the Period.

除增強其現有業務外，本集團將繼續加大力度物色於策略上配合其多元化發展舉措之合適投資機會，務求帶來穩定收入來源。於二零一六年二月二日，本集團與獨立第三方訂立買賣協議，據此，本集團將收購深圳市世紀文化創意有限公司全部已發行股本，代價為600,000,000港元。深圳市世紀文化創意有限公司及其附屬公司（統稱「目標集團」）之主要業務為經營及管理深圳市文化創意園以獲取包括管理費在內之租金收入。建議收購事項之進一步詳情分別載於日期為二零一六年六月三日、二零一六年六月二十七日、二零一六年七月二十日、二零一六年九月十五日、二零一六年十月二十日、二零一六年十一月十四日、二零一六年十二月二十八日及二零一七年二月五日之公佈及日期為二零一六年十月二十八日之通函內。董事認為，收購事項為本集團投資於文化相關產業的一次寶貴商機，並將拓闊本集團之收入及資產基礎。特別是，董事會認為本集團現有之電視播放業務與目標集團之文化相關業務將能互為補充，並產生協同效益。

## 股息

董事會不建議就本期間派付任何股息。

## 購股權計劃

本公司股東已於二零一零年八月十一日採納及批准本公司之購股權計劃。於本期間內，並無根據購股權計劃授出購股權。

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

As at 31 December 2016, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules, were as follows:

### Long position in the Shares:

| Name   | Capacity/Nature of interest                    | Number of Shares held | Percentage of aggregate interests to total issued share capital<br>總權益佔全部已發行股本的百分比 |
|--|--|-----------------------|--|
| 姓名   | 身份／權益性質  | 所持股份數目                |  |
| Mr. Kan Kwok Cheung ("Mr. Kan") (Note)<br>簡國祥先生(「簡先生」)(附註) | Interest in controlled corporation<br>於受控制法團權益 | 69,000,000            | 1.70%  |
| Mr. Chia Kar Hin, Eric John ("Mr. Chia")<br>謝嘉軒先生(「謝先生」)   | Beneficial owner<br>實益擁有人                      | 14,600,000            | 0.36%  |

Note: Mr. Kan is the sole beneficial owner of Shunleetat (BVI) Limited ("Shunleetat"), which was interested in 69,000,000 Shares. Under the SFO, Mr. Kan is deemed to be interested in all the Shares held by Shunleetat.

## 董事及主要行政人員於本公司及其相聯法團的股份、相關股份或債權證的權益及淡倉

於二零一六年十二月三十一日，董事及本公司主要行政人員於本公司或其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例的有關條文彼等被當作或視作擁有的權益及淡倉）；或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益及淡倉；或根據創業板上市規則第5.46條所述董事進行交易的規定標準須知會本公司及聯交所的權益及淡倉如下：

### 於股份之好倉：

| Name   | Capacity/Nature of interest                    | Number of Shares held | Percentage of aggregate interests to total issued share capital<br>總權益佔全部已發行股本的百分比 |
|--|--|-----------------------|--|
| 姓名   | 身份／權益性質  | 所持股份數目                |  |
| Mr. Kan Kwok Cheung ("Mr. Kan") (Note)<br>簡國祥先生(「簡先生」)(附註) | Interest in controlled corporation<br>於受控制法團權益 | 69,000,000            | 1.70%  |
| Mr. Chia Kar Hin, Eric John ("Mr. Chia")<br>謝嘉軒先生(「謝先生」)   | Beneficial owner<br>實益擁有人                      | 14,600,000            | 0.36%  |

附註：簡先生為Shunleetat (BVI) Limited（「Shunleetat」）的唯一實益擁有人，而Shunleetat擁有69,000,000股股份的權益。根據證券及期貨條例，簡先生被視為擁有Shunleetat所持全部股份的權益。

## **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS** *(Continued)*

Saved as disclosed above, as at 31 December 2016, none of the Directors and chief executive of the Company had any other interests or short positions in any Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules.

## **SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY**

So far as was known to the Directors, as at 31 December 2016, the following persons/entities (other than the Directors or chief executive of the Company) had, or are deemed to have, interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who/which were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or who/which were recorded in the register required to be kept by the Company under Section 336 of the SFO with details as follows:

## **董事及主要行政人員於本公司及其相聯法團的股份、相關股份或債權證的權益及淡倉 (續)**

除上文所披露者外，於二零一六年十二月三十一日，概無董事及本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的任何其他權益或淡倉（包括根據證券及期貨條例的有關條文彼等被當作或視作擁有的權益或淡倉）；或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉；或根據創業板上市規則第5.46條所述董事進行交易的規定標準須知會本公司及聯交所的權益或淡倉。

## **主要股東及其他人士於本公司股份及相關股份的權益及淡倉**

就董事所知，於二零一六年十二月三十一日，下列人士／實體（董事或本公司主要行政人員除外）擁有或被視作擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露的本公司股份、相關股份或債權證的權益或淡倉，或直接或間接擁有可於任何情況下在本集團任何成員公司的股東大會上投票的任何類別股本面值5%或以上的權益或淡倉，或擁有記錄於本公司根據證券及期貨條例第336條所存置之登記冊之權益或淡倉，詳情如下：

**SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY** (Continued)

主要股東及其他人士於本公司股份及相關股份的權益及淡倉 (續)

**Long position in the Shares and underlying Shares:**

於股份及相關股份之好倉：

| Name                               | Number of Shares held     |                                    | Number of underlying Shares under convertible notes (Note a) |                                    | Total interests | Percentage of aggregate interests to total issued share capital<br>總權益佔全部已發行股本之百分比 |
|------------------------------------|---------------------------|------------------------------------|--|------------------------------------|-----------------|--|
|                                    | Beneficial owner          | Interest in controlled corporation | Beneficial owner   | Interest in controlled corporation |                 |  |
| 名稱                                 | 實益擁有人                     | 於受控制法團之權益                          | 實益擁有人  | 於受控制法團之權益                          | 總權益             |  |
| China Xinhua NNC                   | 1,188,621,377<br>(Note b) | -                                  | 1,311,378,623<br>(Note b)                                    | -                                  | 2,500,000,000   | 61.65%   |
| 中國新華新聞電視網                          | 1,188,621,377<br>(附註b)    | -                                  | 1,311,378,623<br>(附註b)                                       | -                                  | 2,500,000,000   | 61.65%   |
| 中國新華新聞電視網有限公司<br>("CNC China")     | -                         | 1,188,621,377<br>(Note b)          | -  | 1,311,378,623<br>(Note b)          | 2,500,000,000   | 61.65%   |
| 中國新華新聞電視網有限公司<br>([中國新華新聞電視網(中國)]) | -                         | 1,188,621,377<br>(附註b)             | -  | 1,311,378,623<br>(附註b)             | 2,500,000,000   | 61.65%   |

Notes:

附註：

- (a) Details of the convertible notes were set out in the circulars of the Company dated 19 November 2011 and 6 January 2015.
- (b) China Xinhua NNC is wholly and beneficially owned by CNC China. Accordingly, CNC China is deemed to be interested in the 1,188,621,377 Shares and 1,311,378,623 underlying Shares held by China Xinhua NNC under the SFO.

- (a) 可換股票據的詳情載於本公司日期為二零一一年十一月十九日及二零一五年一月六日的通函內。
- (b) 中國新華新聞電視網由中國新華新聞電視網(中國)全資及實益擁有。因此，根據證券及期貨條例，中國新華新聞電視網(中國)被視為擁有中國新華新聞電視網所持有的1,188,621,377股股份及1,311,378,623股相關股份的權益。

## **SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY** *(Continued)*

Saved as disclosed above, as at 31 December 2016, the Directors were not aware of any other person/entity (other than the Directors or chief executive as disclosed in the paragraph headed "Directors' and chief executive's interests and short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations" above) who/which had, or is deemed to have, interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who/which were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or who/which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed in this report, none of the Directors and their respective associates including spouses and children under 18 years of age was granted by the Company or its subsidiaries any right to acquire Shares or debentures of the Company or any other body corporate, or had exercised any such right during the Period.

## **PURCHASE, SALE OR REDEMPTION OF THE SHARES**

During the Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Shares.

## **主要股東及其他人士於本公司股份及相關股份的權益及淡倉 (續)**

除上文所披露者外，於二零一六年十二月三十一日，就董事所知，概無任何其他人士／實體（並非上文「董事及主要行政人員於本公司及其相關法團的股份、相關股份或債權證的權益及淡倉」一段所披露之董事或主要行政人員）擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露的本公司股份、相關股份或債權證的權益或淡倉，或直接或間接擁有可於任何情況下在本集團任何成員公司的股東大會上投票的任何類別股本面值5%或以上的權益或淡倉，或擁有記錄於本公司根據證券及期貨條例第336條所存置之登記冊之權益或淡倉。

## **董事購買股份或債權證的權利**

除本報告所披露者外，於本期間內，概無董事及彼等各自的聯繫人（包括配偶及未滿18歲的子女）獲本公司或其附屬公司授出任何權利以購買本公司或任何其他法人團體的股份或債權證，亦無行使任何有關權利。

## **購買、出售或贖回股份**

於本期間內，本公司或其任何附屬公司概無購買、出售或贖回任何股份。

## CONNECTED TRANSACTIONS

During the Period, the Group entered into following continuing connected transactions:

### Television Broadcasting Right Agreement

On 5 September 2011, Xinhua TV Asia-Pacific Operating Co., Limited (“Xinhua TV Asia-Pacific”) entered into a television broadcasting right agreement (the “Television Broadcasting Right Agreement”) with China Xinhua NNC, pursuant to which China Xinhua NNC granted the television broadcasting right in respect of broadcasting information contents from Xinhua News Agency under the CNC Channels on television channels in the Asia-Pacific region (excluding the PRC) to the Group for an annual fee of HK\$1.0 million prior to 31 December 2016 and HK\$3.0 million with effective from 1 January 2017. The Television Broadcasting Right Agreement has a term of 120 months from 1 September 2011 to 31 August 2021. Since China Xinhua NNC is a substantial shareholder of the Company, and therefore a connected person of the Company within the meaning of the GEM Listing Rules, the transactions contemplated under the Television Broadcasting Right Agreement constitute continuing connected transactions for the Company pursuant to Chapter 20 of the GEM Listing Rules.

### Announcement Posting Agreement

On 3 May 2016 and 6 May 2015, the Company entered into agreements (the “Announcement Posting Agreements”) with Hong Kong Listco Limited (“HKLC”) pursuant to which HKLC will provide the Company with the service of dissemination of announcements including hosting and posting of announcements, press releases or other documents as required by the GEM Listing Rules on the website(s) of the Group at a monthly service fee of HK\$750 for a term of one year commencing from 1 July 2016 and 1 July 2015 respectively. HKLC is a company incorporated in Hong Kong and is wholly and beneficially owned by Mr. Chia. The Company considers it more cost effective to engage a professional firm to take up this report posting obligation after listing.

## 關連交易

於本期間內，本集團訂立以下持續關連交易：

### 電視播放權協議

於二零一一年九月五日，新華電視亞太台運營有限公司（「新華電視亞太台」）與中國新華新聞電視網訂立一份電視播放權協議（「電視播放權協議」），據此，中國新華新聞電視網向本集團授出於亞太地區（不包括中國）之電視頻道播放新華社之CNC頻道下之資訊內容之電視播放權，於二零一六年十二月三十一日前之年費為1,000,000港元及自二零一七年一月一日起之年費為3,000,000港元。電視播放權協議為期120個月，自二零一一年九月一日起至二零二一年八月三十一日止。由於中國新華新聞電視網為本公司之主要股東，故為本公司之關連人士（定義見創業板上市規則）。因此，根據創業板上市規則第20章，電視播放權協議項下擬進行之交易構成本公司之持續關連交易。

### 刊登公佈協議

於二零一六年五月三日及二零一五年五月六日，本公司與公司資訊網有限公司（「公司資訊網」）訂立協議（「刊登公佈協議」），據此，公司資訊網將向本公司提供公佈發佈服務，包括於本集團網站上安排及刊登公佈、媒體報道或創業板上市規則規定之其他文件，每月服務費為750港元，分別自二零一六年七月一日及二零一五年七月一日起計為期一年。公司資訊網為一間於香港註冊成立之公司，由謝先生全資實益擁有。本公司認為於上市後委聘一間專業公司承擔公佈刊登之責任更具成本效益。

## GEM Listing Rules Implications

Pursuant to Rule 20.41 of the GEM Listing Rules, the transactions contemplated under the Television Broadcasting Right Agreement are subject to the applicable reporting, annual review and disclosure requirements under Chapter 20 of the GEM Listing Rules. The Company will comply with the applicable reporting, disclosure and independent shareholders' approval requirements, as the case may be, under Chapter 20 of the GEM Listing Rules upon any variation or renewal of the Television Broadcasting Right Agreement.

As the annual service fee payable under the Announcement Posting Agreements referred to above is less than HK\$1.0 million and none of the percentage ratios, on an annual basis, equals or exceeds 5%, and the Announcement Posting Agreements were entered into in the ordinary and usual course of business of the Group, the transactions under the aforesaid agreements are exempt continuing connected transactions of the Company pursuant to Rule 20.33(3) (c) of the GEM Listing Rules, which are exempt from reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Save as disclosed above, none of the Directors, controlling shareholders and their respective associates has any other conflict of interests with the Group during the Period.

## CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms which are the same as the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company periodically issues notices to its Directors reminding them of the general prohibition on dealing in the Company's listed securities during the blackout periods before the publication of announcements of financial results. The Company has confirmed, having made specific enquiry of the Directors, that all the Directors have complied with the required standards of dealings throughout the period under review. The Company was not aware of any non-compliance in this respect during the Period.

## 創業板上市規則的涵義

根據創業板上市規則第20.41條，電視播放權協議項下擬進行之交易須受到創業板上市規則第20章項下適用的申報、年度審閱及披露規定規管。於電視播放權協議作出任何修改或更新後，本公司將遵守創業板上市規則第20章項下適用的申報、披露及獨立股東批准之規定（視乎情況而定）。

由於上文所述根據刊登公佈協議應付之年度服務費低於1,000,000港元且概無年度百分比率等於或超過5%，以及刊登公佈協議乃於本集團日常及一般業務過程中訂立，根據創業板上市規則第20.33(3)(c)條，上述協議項下之交易為本公司之獲豁免持續關連交易，獲豁免遵守創業板上市規則第20章項下之申報、年度審閱、公佈及獨立股東批准之規定。

除上文披露者外，於本期間內，董事、控股股東及彼等各自的聯繫人概無與本集團有任何其他利益衝突。

## 董事進行證券交易之行為守則

本公司按與創業板上市規則第5.48至5.67條所載交易必守標準相同的條款採納董事進行證券交易之行為守則。本公司定期向董事發出通知，提醒彼等於刊發財務業績公佈前之禁制期內買賣本公司上市證券之一般禁制規定。經本公司向全體董事作出特別查詢後確認，全體董事於回顧期間一直遵守交易必守標準。據本公司所知，於本期間內並無任何違規事宜。

## CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and enhance the performance of the Group. The Company has applied the principles and code provisions in the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 15 to the GEM Listing Rules. In the opinion of the Board, the Company has complied with the Code during the Period, except paragraph A.6.7 of the Code. This report further illustrates in detail as to how the Code was applied, inclusive of the considered reasons for any deviation throughout the Period.

Paragraph A.6.7 of the Code requires that independent non-executive directors and non-executive directors shall attend general meetings and develop a balanced understanding of the views of shareholders. Two independent non-executive Directors, namely The Hon. Ip Kwok Him, *GBS, JP* and Mr. Wan Chi Keung, *Aaron, BBS, JP* did not attend the annual general meeting of the Company held on 29 July 2016 due to overseas commitment and pre-arranged business engagements. Other Board members, the chairmen of the relevant Board committees and the external auditor of the Company also attended the annual general meeting to inter-face with, and answer questions from the Shareholders. An executive Director, namely Mr. Zhang Hao, a non-executive Director, namely Dr. Li Yong Sheng and an independent non-executive Director, namely Mr. Jin Hai Tao did not attend the extraordinary general meeting of the Company held on 14 November 2016 due to overseas commitment and pre-arranged business engagements. Other Board members, the chairmen of the relevant Board committees and the external auditor of the Company also attended the extraordinary general meeting to inter-face with, and answer questions from the Shareholders.

## 企業管治守則

本公司一直致力維持高水平之企業管治，務求保障股東利益及提高本集團之表現。本公司已應用創業板上市規則附錄15所載之企業管治守則（「守則」）之原則及守則條文。董事會認為，除守則第A.6.7段之規定外，本公司於本期間內一直遵守守則。本報告進一步詳細說明守則如何獲應用，包括於整個期間內任何偏離情況之理由。

守則第A.6.7段規定，獨立非執行董事及非執行董事應出席股東大會，對股東之意見有公正之了解。兩位獨立非執行董事（即葉國謙議員，*金紫荊星章，太平紳士*及尹志強先生，*銅紫荊星章，太平紳士*）因海外事務及預先事務安排未有出席本公司於二零一六年七月二十九日舉行之股東週年大會。其他董事會成員、相關董事委員會主席及本公司外聘核數師亦有出席股東週年大會以正面回答股東提問。一名執行董事（即張浩先生）、一名非執行董事（即李永升博士）及一名獨立非執行董事（即靳海濤先生）因海外事務及預先事務安排未有出席本公司於二零一六年十一月十四日舉行之股東特別大會。其他董事會成員、相關董事委員會主席及本公司外聘核數師亦有出席股東特別大會以正面回答股東提問。



## AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established on 11 August 2010 with terms of reference in compliance with paragraph C.3.3 of the Code. The primary duties of the Audit Committee include, among other things, reviewing and supervising the financial reporting process and internal control systems, as well as the overall risk management of the Group, reviewing the financial statements and the quarterly, interim and annual reports of the Group, and reviewing the terms of engagement and scope of audit work of the external auditors.

As at 31 December 2016, the members of the Audit Committee were Mr. Wong Chung Yip, Kenneth, Dr. Li Yong Sheng, The Hon. Ip Kwok Him, GBS, JP, Mr. Kwok Man Wai, SBS, IDS, JP, Mr. Wan Chi Keung, Aaron, BBS, JP and Mr. Jin Hai Tao. Mr. Wong Chung Yip, Kenneth was the chairman of the Audit Committee. The Audit Committee had reviewed the unaudited condensed consolidated results of the Group for the Period and is of the opinion that the preparation of such results complied with the applicable accounting standards and that adequate disclosures have been made.

\* For identification purpose only

By Order of the Board  
**CNC Holdings Limited**  
**Li Yuet Tai**  
Company Secretary

Hong Kong, 9 February 2017

As at the date of this report, the Directors are Mr. Zhang Hao<sup>1</sup> (Chairman), Mr. Zou Chen Dong<sup>1</sup> (Vice Chairman and Chief Executive Officer), Mr. Kan Kwok Cheung<sup>1</sup>, Mr. Chia Kar Hin, Eric John<sup>1</sup>, Dr. Li Yong Sheng<sup>2</sup>, The Hon. Ip Kwok Him, GBS, JP<sup>3</sup>, Mr. Kwok Man Wai, SBS, IDS, JP<sup>3</sup>, Mr. Wan Chi Keung, Aaron, BBS, JP<sup>3</sup>, Mr. Jin Hai Tao<sup>3</sup> and Mr. Wong Chung Yip, Kenneth<sup>3</sup>.

<sup>1</sup> Executive Director

<sup>2</sup> Non-executive Director

<sup>3</sup> Independent non-executive Director

## 審核委員會

本公司於二零一零年八月十一日成立審核委員會（「審核委員會」），其職權範圍符合守則第C.3.3段所載規定。審核委員會的主要職責為（其中包括）審閱及監督本集團的財務申報程序、內部監控制度及整體風險管理，審閱本集團的財務報表及季度報告、中期報告及年報，以及審閱外部核數師的聘用條款及審核工作範圍。

於二零一六年十二月三十一日，審核委員會的成員包括王忠業先生、李永升博士、葉國謙議員，金紫荊星章、太平紳士、郭文緯先生，銀紫荊星章、廉政公署卓越獎章、太平紳士、尹志強先生，銅紫荊星章、太平紳士及靳海濤先生。王忠業先生為審核委員會主席。審核委員會已審閱本集團於本期間之未經審核簡明綜合業績，並認為該等業績的編製符合適用會計準則並已作出充分披露。

承董事會命  
**中國新華電視控股有限公司**  
公司秘書  
李月弟

香港，二零一七年二月九日

於本報告日期，董事為張浩先生<sup>1</sup>（主席）、鄒陳東先生<sup>1</sup>（副主席兼行政總裁）、簡國祥先生<sup>1</sup>、謝嘉軒先生<sup>1</sup>、李永升博士<sup>2</sup>、葉國謙議員，金紫荊星章、太平紳士<sup>3</sup>、郭文緯先生，銀紫荊星章、廉政公署卓越獎章、太平紳士<sup>3</sup>、尹志強先生，銅紫荊星章、太平紳士<sup>3</sup>、靳海濤先生<sup>3</sup>及王忠業先生<sup>3</sup>。

<sup>1</sup> 執行董事

<sup>2</sup> 非執行董事

<sup>3</sup> 獨立非執行董事



**CNC HOLDINGS LIMITED**  
**中國新華電視控股有限公司**