



# National Arts Entertainment and Culture Group Limited 國藝娛樂文化集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)  
(於開曼群島註冊成立並於百慕達存續之有限公司)

Stock code 股份代號 : 8228



## 2019 第三季報告 THIRD QUARTERLY REPORT



## Characteristics of GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, 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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors of National Arts Entertainment and Culture Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

### 香港聯合交易所有限公司(「聯交所」)GEM之特色

GEM的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於聯交所主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

香港交易及結算所有限公司及聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部分內容而產生或因依賴該等內容而引致之任何損失承擔任何責任。

本報告載有遵照聯交所GEM證券上市規則之規定而提供有關國藝娛樂文化集團有限公司(「本公司」)之資料，本公司各董事願就此共同及個別承擔全部責任。本公司各董事經作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重大方面均屬準確及完整，並無誤導或欺詐成份，且並無遺漏任何其他事實，足以致使本報告或其所載任何陳述產生誤導。





## Contents 目錄

	Page 頁次
Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income 未經審核之綜合損益及 其他全面收益表	3
Notes to the Consolidated Financial Statements 綜合財務報表附註	5
Management Discussion and Analysis 管理層討論及分析	10
Additional Information 附加資料	34
Corporate Information 公司資料	46

The board (the “Board”) of directors (the “Directors”) of National Arts Entertainment and Culture Group Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the nine months ended 30 September 2019, together with the comparative figures for the corresponding period in 2018 as follows:

國藝娛樂文化集團有限公司(「本公司」)董事(「董事」)會(「董事會」)公佈本公司及其附屬公司(統稱「本集團」)截至二零一九年九月三十日止九個月之未經審核綜合業績，連同二零一八年同期之比較數字如下：

## Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income

### 未經審核之綜合損益及其他全面收益表

		Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Notes 附註					
Revenue	收入				
Good and services	貨品及服務	3	30,924	17,211	99,805
Rental	租金	3	12,349	5,312	32,775
Total revenue	總收入		43,273	22,523	132,580
Other Income	其他收入	3	1,246	663	3,203
Staff costs	員工成本		(15,474)	(12,188)	(43,339)
Depreciation of property, plant and equipment	物業、廠房及設備折舊		(2,937)	(4,832)	(34,755)
Amortisation of land lease prepayments	預付土地租賃攤銷		(3,440)	(3,440)	(10,318)
Other operating expense	其他經營費用		(25,364)	(21,853)	(78,362)
Loss on exchange difference	匯兌差額的虧損		(24,859)	(30,848)	(26,675)
Finance costs	融資成本	4	(43,778)	(57,055)	(188,014)
Impairment loss on other receivable	其他應收款項減值虧損		—	—	(3,687)
Share of profit of an associate	分佔一間聯營公司溢利		509	—	509
Share of loss of a joint venture	分佔一間合營企業虧損		(591)	(60)	(1,876)
Loss before income tax	除所得稅前虧損	5	(71,415)	(107,090)	(247,047)
Income tax expense	所得稅開支	6	—	—	—
Loss for the period	本期間虧損		(71,415)	(107,090)	(247,047)

# Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 未經審核之綜合損益及其他全面收益表

		Notes 附註	Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
			2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Other comprehensive expense</b>	<b>其他全面開支</b>					
Exchange differences on translation of financial statements of foreign operations	換算海外業務財務報表時產生的匯兌差額		(16,406)	(16,554)	(17,435)	(23,918)
<b>Other comprehensive expense for the period</b>	<b>本期間其他全面開支</b>		(16,406)	(16,554)	(17,435)	(23,918)
<b>Total comprehensive expense for the period</b>	<b>本期間全面開支總額</b>		(87,821)	(123,644)	(264,482)	(263,753)
Loss for the period attributable to:	應佔本期間虧損：					
Owners of the Company	本公司擁有人		(71,110)	(107,090)	(246,404)	(239,834)
Non-controlling interests	非控股權益		(305)	—	(643)	(1)
			(71,415)	(107,090)	(247,047)	(239,835)
<b>Total comprehensive expense for the period attributable to:</b>	<b>應佔本期間全面開支總額：</b>					
Owners of the Company	本公司擁有人		(87,516)	(123,644)	(263,839)	(263,752)
Non-controlling interests	非控股權益		(305)	—	(643)	(1)
			(87,821)	(123,644)	(264,482)	(263,753)
<b>Loss per share</b>	<b>每股虧損</b>					
Basic and diluted	基本及攤薄	7	(HK1.43 cents) (1.43港仙)	(HK2.37 cents) (2.37港仙)	(HK5.10 cents) (5.10港仙)	(HK5.31 cents) (5.31港仙)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 1. GENERAL

National Arts Entertainment and Culture Group Limited was incorporated in the Cayman Islands on 16 November 2001 as an exempted company under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. On 14 October 2010, the Company deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda effective on 14 October 2010. The registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company's principal place of business in Hong Kong is Rm. L&M, 21/F., Kings Wing Plaza, Phase 1, No. 3 On Kwan Street, Shek Mun, Shatin, N.T., Hong Kong.

The Company's shares are listed on GEM of the Stock Exchange. The Company is principally engaged in investment holding. The principal activities of the Group include film production and distribution, the provision of management services to artistes, event coordination, provision of travel related products and operations of film studio and hotels.

The unaudited consolidated financial statements are presented in Hong Kong Dollars ("HK\$"), which is also the functional currency of the Company and all values are rounded to the nearest thousand ("HK\$'000") unless otherwise stated.

### 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("**GEM Listing Rules**"), including compliance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting and Interpretation* issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements set out in Chapter 18 of the GEM Listing Rules.

As set out in the Company's announcement dated 17 June 2019, a winding up petition together with appointment of provisional liquidators on a light touch approach for financial restructuring purposes was presented and filed with the Supreme Court of Bermuda on 14 June 2019 by the Group. The purpose of the financial restructuring is to allow the Group to seek to better preserve value and business operations of the Group. On 10 July 2019, the Company invited all known creditors of the Company to make an offer to the Company for possible restructuring transaction, which has received substantial support from most of the creditors. On 26 August 2019, the Company put forward the proposed scheme of arrangement pursuant to Section 99 of the Companies Act 1981 of Bermuda and Section 670 of the Companies Ordinance (Cap. 622) of Hong Kong, further details of which are disclosed on pages 23 to 33 of this report and the Company's announcements dated 30 July, 12 August, 19 August, 20 September, 8 October and 14 October 2019 and the circular of the Company dated 20 September 2019. Further announcements will be made by the Company to update the shareholders of the Company and investors on further progress of the financial restructuring and relevant court proceedings.

### 1. 一般資料

國藝娛樂文化集團有限公司於二零零一年十一月十六日根據開曼群島法例第22章公司法(一九六一年法例3, 經綜合及修訂)在開曼群島註冊成立為獲豁免公司。於二零一零年十月十四日, 本公司於開曼群島撤銷註冊, 並根據百慕達法例正式於百慕達以獲豁免公司形式存續, 於二零一零年十月十四日生效。本公司的註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。本公司的香港主要營業地點位於香港新界沙田石門安群街3號京瑞廣場1期21樓L及M室。

本公司股份於聯交所GEM上市。本公司主要從事投資控股。本集團之主要業務包括電影製作及發行、提供藝人管理服務、活動統籌、提供旅遊相關產品及經營影視城和酒店。

未經審核綜合財務報表以港元(「港元」), 亦為本公司的功能貨幣)呈列, 除另有指明外, 所有價值均四捨五入至最接近的千位數(「千港元」)。

### 2. 編製基準

本集團之未經審核簡明綜合財務報表乃按照聯交所GEM證券上市規則(「**GEM上市規則**」)之適用披露條文(包括遵守香港會計師公會(「**香港會計師公會**」)頒佈之香港會計準則(「**香港會計準則**」)第34號中期財務報告及詮釋)及GEM上市規則第18章所載之披露規定編製。

誠如本公司日期為二零一九年六月十七日的公佈所載, 本集團已於二零一九年六月十四日向百慕達最高法院送呈及提交清盤呈請, 連同以在「非強制」基礎上委任臨時清盤人以作財務重組。財務重組旨在令本集團更妥善地保留本集團的價值及業務營運。於二零一九年七月十日, 本公司邀請所有已知的本公司債權人就本公司之可能重組交易作出要約, 獲得大部份債權人鼎力支持。於二零一九年八月二十六日, 本公司根據百慕達(一九八一年)的公司法第99條及香港法例第622章《公司條例》第670條提呈建議計劃安排, 更多詳情於本報告第23至33頁及本公司日期為二零一九年七月三十日、八月十二日、八月十九日、九月二十日、十月八日及十月十四日之公佈及本公司日期為二零一九年九月二十日之通函披露。本公司將另行刊發公佈以向本公司股東及投資者提供最新有關財務重組及相關法律訴訟的進一步進展。

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

### 2. BASIS OF PREPARATION (CONTINUED)

The unaudited consolidated results for the nine months ended 30 September 2019 have not been audited by the Company's auditors but have been reviewed by the audit committee of the Company.

The accounting policies and basis of preparation adopted for the preparation of the financial statements are consistent with those adopted by the Group in its annual financial statements for the year ended 31 December 2018.

### 3. REVENUE AND OTHER INCOME

Revenue derived from the Group's principal activities recognised during the period is as follows:

### 2. 編製基準(續)

截至二零一九年九月三十日止九個月之未經審核綜合業績未經本公司核數師審核，但已經由本公司之審核委員會審閱。

編製財務報表時所採用之會計政策及編製基準，乃與本集團於截至二零一八年十二月三十一日止年度之年度財務報表所採用者貫徹一致。

### 3. 收入及其他收入

期內確認來自本集團主要業務的收入如下：

	Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Revenue from contracts with customers within the scope of HKFRS 15, disaggregated by major products or services lines:</b>	<b>香港財務報告準則第15號範圍內客戶合約的收益，按主要产品及服務線劃分：</b>			
Artiste management fee	7	39	34	222
Hotel room income	2,742	3,048	9,548	9,767
Food and beverage income	4,830	6,027	17,430	19,034
Entrance fee income	18,607	5,253	53,691	40,801
Sales of travel related products	1,300	398	3,708	662
Sales of goods	480	319	2,108	1,363
Ancillary services	2,958	2,127	13,181	14,293
Consultation income	—	—	105	—
	<b>30,924</b>	17,211	<b>99,805</b>	86,142
Rental income	<b>12,349</b>	5,312	<b>32,775</b>	33,066
	<b>43,273</b>	22,523	<b>132,580</b>	119,208
Timing of revenue recognition:	收益確認時間：			
At a point of time	25,216	11,998	76,937	61,861
Over time	18,057	10,525	55,643	57,347
	<b>43,273</b>	22,523	<b>132,580</b>	119,208
Other income	其他收入			
Bank interest income	1	4	29	14
Others	1,245	659	3,174	1,638
	<b>1,246</b>	663	<b>3,203</b>	1,652

4. FINANCE COSTS

4. 融資成本

		Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Finance lease charges	財務租賃費用	437	459	1,321	1,425
Interest on bonds	債券利息	28,004	35,282	131,258	96,995
Interest on convertible bonds	可換股債券利息	—	—	—	2,521
Interest on promissory note	承兌票據利息	2,093	—	6,279	3,209
Interest on loan from shareholders	股東貸款的利息	12,208	16,600	39,948	44,440
Interest on unsecured other borrowings	其他無抵押借貸利息	1,036	856	3,939	3,892
Interest on secured other borrowings	其他有抵押借貸利息	—	3,858	5,269	9,200
Interest on secured bank borrowings	有抵押銀行借貸利息	—	—	—	615
		<b>43,778</b>	<b>57,055</b>	<b>188,014</b>	<b>162,297</b>

5. LOSS BEFORE INCOME TAX

5. 除所得稅前虧損

		Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Loss before income tax is arrived at after charging:	除所得稅前虧損已扣除下列各項：				
Auditor's remuneration	核數師酬金	213	280	638	839
Amortisation of land lease prepayments	預付土地租賃攤銷	3,440	3,440	10,318	10,318
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,937	4,832	34,755	36,721
<b>Employee benefit expenses</b> (including directors' remuneration)	<b>僱員福利開支</b> (包括董事酬金)				
Salaries and allowances	薪金及津貼	14,473	11,075	40,219	35,108
Contributions to retirement benefits schemes	退休福利計劃供款	1,001	1,113	3,120	3,207
		<b>15,474</b>	<b>12,188</b>	<b>43,339</b>	<b>38,315</b>



## 6. INCOME TAX EXPENSE

Hong Kong Profits Tax has not been provided for the nine months ended 30 September 2019 (2018: Nil) as the Group did not generate any assessable profits in Hong Kong during these periods.

The People's Republic of China ("PRC") Enterprises Income Tax at 25% has not been provided as the PRC subsidiaries incurred losses for taxation purpose for both periods.

Taxation arising in other jurisdiction is calculated at the rates prevailing in the relevant jurisdiction.

## 7. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to the owners of the Company of approximately HK\$246,404,000 (2018: approximately HK\$239,834,000) and the weighted average of approximately 4,828,109,000 (2018: approximately 4,517,085,000) ordinary shares in issue during the period.

Diluted loss per share for the loss attributable to the owners of the Company for the nine months ended 30 September 2019 and 2018 was the same as basic loss per share as the impact of the exercise of the share options, warrants and convertible bonds is anti-dilutive.

## 8. DIVIDEND

The Directors does not recommend payment of dividend for the nine months ended 30 September 2019 (2018: Nil).

## 6. 所得稅開支

由於本集團於截至二零一九年九月三十日止九個月並無在香港產生任何應課稅溢利，故並無就此等期間之香港利得稅作出撥備(二零一八年：無)。

由於中華人民共和國(「中國」)附屬公司於兩個期間均錄得稅務虧損，故並無就中國企業所得稅(稅率為25%)作出撥備。

於其他司法權區產生的稅項乃按相關司法權區的當前稅率計算。

## 7. 每股虧損

每股基本虧損乃根據本公司擁有人應佔虧損約246,404,000港元(二零一八年：約239,834,000港元)及期內已發行普通股的加權平均數約4,828,109,000股(二零一八年：約4,517,085,000股)計算。

由於行使購股權、認股權證及可換股債券具有反攤薄影響，故截至二零一九年及二零一八年九月三十日止九個月，本公司擁有人應佔虧損的每股攤薄虧損與每股基本虧損相同。

## 8. 股息

董事不建議派付截至二零一九年九月三十日止九個月的股息(二零一八年：無)。

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

9. UNAUDITED CONSOLIDATED  
STATEMENT OF CHANGES IN EQUITY

9. 未經審核之綜合權益變動表

		Attributable to the owners of the Company 本公司擁有人應佔											Attributable to non-controlling interests		Total
		Share capital	Share premium	Special reserve	Contributed surplus	Properties revaluation reserve	Translation reserve	Share option reserve	Convertible bond equity reserve	Accumulated losses	Subtotal				
		股本	股份溢價	特別儲備	實繳盈餘	儲備	換算儲備	儲備	儲備	累計虧損	小計	非控股權益應佔	總額		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元		
At 1 January 2018 (Audited)	於二零一八年一月一日 (經審核)	451,416	803,714	1,000	78,791	372,835	(75,087)	51,880	15,597	(1,059,949)	640,197	234	640,431		
Share issued upon exercise of share options	行使購股權所發行的股份	300	668	-	-	-	-	(233)	-	-	735	-	735		
Lapse of share options	購股權失效	-	-	-	-	-	-	(262)	-	262	-	-	-		
Transactions with owners	與擁有人進行的交易	300	668	-	-	-	-	(495)	-	262	735	-	735		
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	(239,834)	(239,834)	(1)	(239,835)		
Exchange difference on translation of financial statement of foreign operations	換算海外業務財務報表時產生的匯兌差額	-	-	-	-	-	(23,918)	-	-	-	(23,918)	-	(23,918)		
Total comprehensive expense for the period	本期間全面開支總額	-	-	-	-	-	(23,918)	-	-	(239,834)	(263,752)	(1)	(263,753)		
At 30 September 2018 (Unaudited)	於二零一八年九月三十日 (未經審核)	451,716	804,382	1,000	78,791	372,835	(99,005)	51,385	15,597	(1,299,521)	377,180	233	377,413		
At 1 January 2019 (Audited)	於二零一九年一月一日 (經審核)	451,716	804,495	6,302	78,791	335,013	(131,671)	41,912	-	(1,441,615)	144,943	232	145,175		
Share issued upon exercise of share options	行使購股權所發行的股份	224	326	-	-	-	-	-	-	-	550	-	550		
Share issued upon completion of placing of new shares	配售新股份完成後所發行的股份	42,877	64,314	-	-	-	-	-	-	-	107,191	-	107,191		
Transactions with owners	與擁有人進行的交易	43,101	64,640	-	-	-	-	-	-	-	107,741	-	107,741		
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	(246,404)	(246,404)	(643)	(247,047)		
Exchange difference on translation of financial statement of foreign operations	換算海外業務財務報表時產生的匯兌差額	-	-	-	-	-	(17,435)	-	-	-	(17,435)	-	(17,435)		
Total comprehensive expense for the period	本期間全面開支總額	-	-	-	-	-	(17,435)	-	-	(246,404)	(263,839)	(643)	(264,482)		
At 30 September 2019 (Unaudited)	於二零一九年九月三十日 (未經審核)	494,617	869,135	6,302	78,791	335,013	(149,106)	41,912	-	(1,688,019)	(11,155)	(411)	(11,566)		

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

During the period under review, the Group reported a revenue of approximately HK\$132.58 million, representing an increase of approximately HK\$13.37 million as compared to the revenue in the corresponding period in 2018. The revenue was mainly generated from the entrance fee income and the rental income from the film production crews using the Group's film shooting base, while part of the revenue was generated from sales of goods, filming supporting service and hotel room income in the PRC, and the artiste management and event coordination business in Hong Kong.

Staff costs for the period under review increased to approximately HK\$43.34 million from approximately HK\$38.32 million in the corresponding period in 2018, representing an increase of approximately HK\$5.02 million in staff costs.

Finance costs for the period under review increased by approximately HK\$25.72 million from the corresponding period in 2018. As facilitated by the Company's financial restructuring, all interest expenses have been calculated up to 14 June 2019. The interest expenses from 15 June 2019 to 30 September 2019 are estimate only and such interest expenses will be reversed after completion of the Scheme (as defined below).

Other operating expenses for the period under review increased to approximately HK\$78.36 million from approximately HK\$67.37 million in the corresponding period in 2018. An increase of approximately HK\$10.99 million in other operating expenses during the period under review was mainly due to the increase in the operating expenses in the PRC.

For the nine months ended 30 September 2019, the Group recorded a net loss of approximately HK\$247.05 million and a net loss before depreciation of property, plant and equipment, amortization of land lease prepayments and finance costs of approximately HK\$13.96 million, as compared to a net loss of approximately HK\$239.84 million and a net loss before depreciation of property, plant and equipment, amortization of land lease prepayments and finance costs of approximately HK\$30.50 million for the nine months ended 30 September 2018. Such increase is mainly due to the increase in finance costs during the period under review.

### 財務回顧

於回顧期間，本集團錄得收入約132.58百萬港元，較二零一八年同期之收入增加約13.37百萬港元。收入乃主要源於入場費收入及電影製作團隊使用本集團電影拍攝基地的租賃收入，而部分收入源自中國的銷售商品、拍攝支援服務及酒店房間收入以及香港的藝人管理及活動統籌活動。

回顧期間的員工成本由二零一八年同期約38.32百萬港元增至約43.34百萬港元，員工成本增加約5.02百萬港元。

回顧期間的融資成本較二零一八年同期增加約25.72百萬港元。為促進公司的財務重組，所有利息開支均已計算至二零一九年六月十四日。從二零一九年六月十五日起至二零一九年九月三十日的利息費用金額僅為估計，該等利息開支將於計劃（定義見下文後）完成後撥回。

回顧期間的其他經營費用由二零一八年同期的約67.37百萬港元增至約78.36百萬港元。回顧期間的其他經營費用增加約10.99百萬港元乃主要由於位於內地的經營開支有所增加。

截至二零一九年九月三十日止九個月，本集團錄得虧損淨額約247.05百萬港元及在扣除物業、廠房及設備折舊、土地租賃預付款項攤銷及融資成本前錄得虧損淨額約13.96百萬港元，而截至二零一八年九月三十日止九個月則錄得虧損淨額約239.84百萬港元及在扣除物業、廠房及設備折舊、土地租賃預付款項攤銷及融資成本前錄得虧損淨額約30.50百萬港元。有關增幅乃主要由於回顧期間的融資成本增加所致。

## BUSINESS REVIEW

### *Xiqiao National Arts Studio Project (the “Project”)*

Located in Foshan City, Guangdong Province, the Xiqiao National Arts Film Studio (the “**Studio**”) has the view of Mount Xiqiao which is known as one of the national 5-star tourist attractions and has total developed land area of 444,000 square meters. There are unique film shooting areas throughout the Studio along with theme parks, hotel and performing arts complexes. The Studio incorporates tourism and recreational facilities that leads the Studio to become an international vacation resort in Guangdong Province.

For the nine months ended 30 September 2019, the Studio attracted a total of approximately 920,000 visitors, from which the ‘Theme Park – Frozen’ and ‘The Secret of a Planet (Dome Show)’, which were organised for the first time started from September 2019, drew approximately 80,000 visitors. The Group also held other festival celebrations such as ‘Blissful and Fulfilling Mid-Autumn Festival’ and ‘National Arts Rice Dumplings in Mid-Summer’ as well.

In addition, the Group has participated in several charity groups on education at the end of last year. The Studio cooperated with charitable organisations such as Caritas and Po Leung Kuk to organise study group events for students to participate and to explore different culture and film production in the Studio.

The Groups believes that the events held by the Group will effectively improve the brand awareness of the Studio and will push the Project to the peak.

### *Travel*

National Arts Travel Limited (“**NA Travel**”) has been established and commenced its business since 2016. It provides cozy travel solution such as organising tailor-made travel itineraries for different organisations, groups and individuals. Besides traditional group tours, NA Travel launched a series of featured group tours to enhance customers’ unique travel experience.

To enhance the comprehensive customer support, NA Travel has updated its inquiry and sales system in 2018. The system provides worldwide information on air tickets, hotels as well as travel insurance, transportation and visa application, thus strengthening the competitiveness of the Group in the market.

## 業務回顧

### *西樵山國藝影視城項目(「項目」)*

西樵山國藝影視城(「**影視城**」)位於廣東省佛山市，盡享國家五星級景點西樵山的美景，已開發土地總面積達四十四萬四千平方米，包含各種獨特電影拍攝場景，主題公園、酒店及表演場館等。影視城集旅遊及休閒設施於一身，將令影視城成為廣東省的國際渡假勝地。

截至二零一九年九月三十日止九個月，影視城吸引合共約920,000名遊客，當中二零一九年九月新舉辦的「冰雪女王主題樂園」以及「絕密星球(球幕影院)」已吸引約80,000名遊客。本集團亦有舉辦其他節日活動，例如「中秋祝福圓夢節」及「國藝粽夏童樂日」。

此外，本集團於去年年末已與數個慈善團體就教育事務合作。例如，影視城與明愛及保良局等慈善組織合辦遊學活動，供學生參與及探索影視城內不同的文化特色及影片製作。

本集團相信已舉辦的活動將大力提升影視城的品牌知名度，把項目推上高峰。

### *旅遊*

國藝旅遊有限公司(「**國藝旅遊**」)自二零一六年成立及開展業務，提供舒適旅遊解決方案，例如為各個機構、集團及個人籌辦定制行程。除傳統旅行團外，國藝旅遊亦推出了一連串的特色旅行團，務求提升客戶的獨特旅遊體驗。

為改進綜合客戶支援，國藝旅遊於二零一八年更新其查詢及銷售系統。該系統提供世界性的資訊，涵蓋機票、酒店以至旅遊保險、交通及簽證申請，以此加強本集團的市場競爭力。

## Management Discussion and Analysis 管理層討論及分析

In 2018, the Group enthusiastically diversified the current product lines by establishing the brand “Skyyer Travel” in order to build a new brand image. “Skyyer Travel” is a brand under NA Travel which professionally designs “Tailor-made tours for sport, hobby and industry” and invites various celebrities to lead and guide in different tours. Moreover, “Skyyer Travel” is exploring special and exclusive tourist attractions and incorporates travel tours with specific subjects, which includes golf, yoga, bicycle, darts, painting, dragon boat, diving, photography, religion, music, goodies marathon, etc.

### *Film Shooting Base*

The film shooting base is the core project of the Project. It covers 374,000 square meters of land, including a lake of 120,000 square meters and numbers of indoor and outdoor studios which are equipped with excellent and comprehensive ancillary facilities in order to provide the Southern China and foreign shooting crews the most realistic and delicate scene.

During the nine months ended 30 September 2019, there were approximately 99 production crews filmed in the shooting base by virtue of the extensive choices, supreme geographical location and multinational ancillary services.

Since 2017, the Group has taken the role of rental agent by entering into several rental agreements with a number of companies renting film shooting equipment. The Group’s partners provide the plentiful props, attires and high-tech shooting equipment including lots of ancient costumes of Ming and Qing dynasties, antique furniture, simulated ordnance and other performing props. The rental service generates substantial revenue to the Group. Besides creating enormous synergistic effect for the Group, it also enhances the Group’s capability of provision of ancillary services in respect of film shooting, and also facilitates centralization of the industry as well as strengthen the Group’s competitiveness among its peers.

On 4 January 2018, Foshan Bureau of Culture, Publication, Radio, Film and Television (the “**Bureau**”) approved a few wholly-owned subsidiaries of the Company to assist the Bureau in the operation and expansion (i) that would facilitate film enterprises from various regions moving into Foshan, policy presentation, solicitation of investment and funding as well as shooting, etc.; (ii) of digital studio and film location construction projects; and (iii) in respect of diversification of props and equipment portfolio, leasing and consolidation of props leasing business.

於二零一八年，本集團踴躍多元化發展其現有產品線，成立「閃令令旅遊」品牌，建設新品牌形象。「閃令令旅遊」是國藝旅遊下一個品牌專業，打造「運動、興趣及行業而設的度身訂造之旅程」，並邀請各界別的名人帶領及導遊，及全球搜尋特色及獨家景點，將旅行團與主題相匹配，包括高爾夫球、瑜珈、單車、飛鏢、畫畫、龍舟、潛水、攝影、宗教、音樂、美食及馬拉松等等。

### *電影拍攝基地*

電影拍攝基地是項目的核心項目，佔地三十七萬四千平方米，包括面積為十二萬平方米的湖泊水景及多間室內及室外的攝影棚，配備頂尖及全面的配套設施，為華南及海外拍攝團隊提供最真實細緻的場景。

於截至二零一九年九月三十日止九個月，憑著多種場景選擇、有利的地理位置及多功能的配套服務，在拍攝基地拍攝的製作團隊達約99個。

由二零一七年起，本集團已成為租賃代理，與多間租用電影拍攝器材的公司訂立數份租賃協議。本集團之合作夥伴提供各式各樣道具、服飾及高科技拍攝器材，包括大量明清時期的古裝、古董家具、仿製軍械及其他表演道具。租賃服務為本集團帶來龐大收益。除為本集團創造巨大的協同效應外，其亦提升本集團提供電影拍攝配套服務的能力，也促進行業集中化以及增強本集團於同行之間的競爭力。

於二零一八年一月四日，佛山市文化廣電新聞出版局（「**新聞局**」）授權批准本公司數間全資子公司協助新聞局經營及拓展：(i)不同地區的影視企業到佛山落戶、政策宣講、招商引資、協助拍攝等各項服務；(ii)數碼攝影棚及電影場景建設項目；及(iii)影視道具器材品種擴張、租賃、集聚道具租賃業務。

The Group is the first enterprise designated by the Foshan Government to help building Foshan as the largest hub for props and equipment in Foshan, with focus on film and television industry, which boosted the reputation of the Group in the industry, thereby further consolidating the presence of the Studio in the film and television industry in Southern China.

Due to the rapid increase in the demand of film industry in recent years, the Group is actively developing the second phase development of the Studio (the **“Second Phase Project”**). The Second Phase Project includes the building of indoor studio, which could raise the Group’s current position in the film industry and enable the Group to develop into a world-known film shooting base in the foreseeable future.

### **Wedding Photography**

The Group reached an agreement with a renowned domestic wedding photography chain group in the fourth quarter of 2013 to develop its wedding photography business. Pursuant to the agreement, the Group leased the Studio with an area of approximately 20 mu (13,333.33 square meters) for a term of 12 years and the wedding photography company invested RMB10 million for the construction of scenic spots in different styles such as European, Korean and Japanese styles and guarantee there will be at least 28,800 couples taking wedding photos in the scenic spots per year. The annual income of this arrangement will be not less than approximately RMB1.2 million starting from 2016.

In addition, the Group is negotiating with several jeweler, Chinese and western bakery, Chinese style wedding gown and wedding planning company in order to provide one stop service for wedding couples. The Studio is expected to become a comprehensive wedding hot spot.

### **Hotel**

The 5-star National Arts Resort Hotel (the **“Hotel”**) located next to the Studio provides 350 suites facilitated from deluxe suites to economic standard rooms. The Hotel is equipped with a variety of recreational facilities such as SPA, modern swimming pool and chess room. Apart from the recreation, the Hotel also provides catering services and commercial services such as business centre, meeting rooms and lecture halls, thereby satisfy essential needs and wants of the customers.

With the Hotel’s brilliant corporate management and high-quality services, the Hotel was awarded “Resort Hotel of the Year 2018” and “18th Golden Horse Award of China Hotel – Best Theme Hotel Resort of Greater Bay Area” which recognized the corporate management quality and service quality of the Hotel.

本集團亦是首間受到佛山市政府指名協助打造佛山成為佛山最大的道具器材及集中影視產業的經營中心，為本集團提高在行業中的知名度，亦更加鞏固影視城在華南影視產業中的地位。

由於近年電影業的需求急速增加，本集團積極開發影視城第二期（**「第二期項目」**）。第二期項目包括建設室內攝影棚，從而擴大本集團在現有電影業的定位，及在可見將來，發展為享譽世界的電影拍攝基地。

### **婚紗攝影**

本集團於二零一三年第四季與國內一個著名的婚紗攝影連鎖集團達成協議，發展其婚紗攝影業務。根據協議，本集團出租該影視城佔地約20畝（13,333.33平方米）的範圍，租期12年，及婚紗攝影公司已投資人民幣10,000,000元興建多個不同風格的景區，如歐式、韓式、日式等，確保每年至少有28,800對新人進入景區拍攝婚紗照。預料此項安排自二零一六年起每年產生的收入將不少於約人民幣1,200,000元。

此外，本集團正與若干珠寶、中西式禮餅、中式結婚禮服及婚禮籌辦公司磋商，為新人提供一站式婚禮服務。該影視城預期將成為全面的結婚熱門勝地。

### **酒店**

毗鄰該影視城的五星級佛山國藝度假酒店（**「酒店」**）提供350間客房，包括豪華套房及經濟實惠的標準房。酒店配備各類康樂設施，如水療、現代游泳池及棋藝室。除康樂設施外，酒店亦提供餐飲服務及商務中心、會議室及演講廳，以滿足客戶的基本需求。

憑藉酒店的卓越企業管理及優質服務，酒店榮獲「2018年度度假酒店金珠獎」及「第18屆中國酒店金馬獎 – 大灣區最佳主題度假酒店」，表揚酒店的企業管理質素及服務質素。

## Management Discussion and Analysis 管理層討論及分析

Besides, the development of the Hotel has become mature and its popularity has increased and the number of tourist continuously grows, the Group has introduced additional facilities such as beauty service, karaoke room, billiard parlour and other recreational facilities. The Group is also expecting to build boutique hotel in the foreseeable future.

### Film Production

The Group spared no effort in promoting entertainment culture for many years such as production of and investment in movie, microcinema and online TV programme to promote the culture and the spirit of entertainment. During 2016, the Group invested in the production of a charity film named “Our Days in 6E” (我們的6E班). The theme of “Our Days in 6E” is in line with the current social status, laden with educational significance as part of its social responsibility. In 2019, the Group has invested in the production of a modern romantic film named “Romantic Marriage?” (婚姻的童話?). The Group expects to invest more in the production of films of various themes with an intention to step forward to the diversified film market. In addition, the Group held various courses from time to time to cultivate the next generation of film producers and actors in order to encourage the development of film production and contribute to the betterment of the film industry. With regard to the prospects of film production of the Group, the Group will step forward in respect of Hong Kong-Mainland film production and maintain a position in the film industry in Southern China.

### Cinema

National Arts Films Production Limited (“**NA Films**”), an indirectly wholly-owned subsidiary of the Company, entered into a joint venture agreement for the development of cinema business in a large shopping mall in a transportation hub area of Zhuhai, Guangdong, the PRC in 2012. NA Films held 60% equity interest in the joint venture. The cinema boasts eight screens and a total of more than 730 seats. The cinema has commenced its operation since May 2014 which supports further comprehensive development of the Group’s entertainment and culture business.

此外，酒店的發展漸趨成熟及其知名度日增，且旅客人數不斷上漲，本集團已增建美容服務、卡拉OK室、桌球室等設施和其他康樂設施。本集團亦預期在可見將來建設精品酒店。

### 電影製作

本集團歷年來不遺餘力促進電影文化，例如製作及投資於電影、微電影及網上電視節目，以推動娛樂文化及精神。於二零一六年，本集團投資製作一齣慈善電影「我們的6E班」。「我們的6E班」的主題切合當前社會狀況，滿載教育意義，藉此也履行我們的社會責任。於二零一九年，本集團投資製作一齣現代浪漫電影，名為「婚姻的童話？」。本集團預期繼續投資製作更多各種主題的電影，奔向百花齊放的電影市場。此外，本集團不時舉辦各種課程，培育新一代電影製作人及演員，鼓勵電影製作的發展，為電影業的進步作出貢獻。就本集團的電影製作前景而言，本集團將加大對香港與內地電影製作的投資，維持在華南電影業的地位。

### 電影院

於二零一二年，本公司間接全資附屬公司國藝影視製作有限公司（「**國藝影視**」）訂立合營企業協議，以在中國廣東省珠海市中心的大型商場合作發展電影院業務。國藝影視持有合營企業60%股本權益。該電影院設有八個銀幕，提供合共逾730個座位。該電影院已自二零一四年五月起投入營運，令本集團的娛樂文化業務得以更全面發展。

### **Artiste Management**

To enhance the popularity of the Group's artists such as Rose Chan and Brian Yuen, the Group has arranged a variety of performance opportunities including the participation in the charity movie, "Our Days in 6E" (我們的6E班), the romantic movie, "Romantic Marriage?" (婚姻的童話?), the online TV series "OCTB" (反黑), brand representative, dramas such as "Guardian Angel" (守護神之保險調查) and TV game shows host of the Lunar New Year Celebration, and guest performers for the "New Year is A Game" (大玩特玩) and "Cooking Beauties" (美女廚房). Besides, the Group also explores the PRC market for its artists by making arrangement for them to participate in live reality show and online drama to enhance their popularity. With the huge market of domestic movies, the Group will continue to recruit artists with potential in the future to cope with the demands in the vast market and expand the artiste management segment, hoping that it will become one of the major income sources of the Group.

### **Foreign Currency Exposure**

The Group's reporting currency is expressed in Hong Kong dollars. During the nine months ended 30 September 2019, most of the transactions, assets and liabilities of the Group were denominated in Hong Kong dollars and Renminbi. During the period under review, since the Group had both Hong Kong dollars and Renminbi receipts and payments, the net Renminbi exposure was not significant. The Board considers that the Group's exposure to foreign exchange risk was not significant, therefore, no hedging transaction was made during the period under review.

### **Future Prospect**

Against the backdrop that China's film-induced tourism is at the development stage, the Group is committed to the further development of the Second Phase Project in order to compete with its peers in face of the upward trend in both tourism industry and film industry.

### **藝人管理**

為提高陳嘉桓及阮頌揚等本集團藝員的知名度，本集團安排各式各樣的表演機會，包括參演慈善電影「我們的6E班」、浪漫電影「婚姻的童話？」、網上電視劇系列「反黑」、品牌代言、電視劇如「守護神之保險調查」及擔當春節慶祝活動的電視遊戲節目主持、「大玩特玩」及「美女廚房」的表演嘉賓等。除此之外，本集團亦為藝人開拓中國市場，透過安排藝人參演直播真人秀及網絡劇以吸納更多的知名度。國內電影市場龐大，本集團未來會繼續羅致有潛質的藝人，以應對龐大的市場需求，並會擴大藝人管理分部，以冀成為本集團的主要收入來源之一。

### **外匯風險**

本集團以港元作為呈報貨幣。於截至二零一九年九月三十日止九個月，本集團大部分交易、資產及負債均以港元及人民幣結算。回顧期間內，因本集團分別以港元及人民幣收款和付款，故人民幣風險淨額並不重大。董事會認為，本集團面臨的匯兌風險並不重大，故於回顧期間並無進行對沖交易。

### **未來前景**

中國影視旅遊仍在發展階段，在此背景下，本集團致力進一步發展第二期項目，務求在旅遊業及電影業的上升大勢及同儕競爭中保持優勢。



## Management Discussion and Analysis 管理層討論及分析

The Group believes that the Second Phase Project is essential and the Second Phase Project will include (i) the construction of indoor studios; (ii) cooperation with resourceful company in providing high-tech equipment, props, etc, and (iii) new boutique hotels. The Group expects that there will be more shooting crews to film and tourists to visit in the Studio after the Studio has been improved. Besides, in the short term, the Studio will also focus on education such as providing more tours to the students. In the long term, the Group will consider building a film production school for giving opportunities to any person who is interested in and passionate about film industry such as post-production and actor training. Overall, the Group believes that better land use planning and provision of supporting facilities will allow the Studio to become a comprehensive film studio in the foreseeable future. In recent years, tourism has experienced continuous growth. With the advent of the leisure era, the Group believes that film-induced tourism will present a promising prospect, advancing in a direction characterized by diversified tourist attractions, individualized tourists, updated tourism contents and integrated planning and construction.

### PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 13 February 2019, the Company entered into two separate placing agreements (“**GM Placing Agreements**”) with Quasar Securities Co., Limited and Oriental Patron Asia Limited (collectively the “**GM Placing Agents**”) pursuant to which the Company has conditionally agreed to place up to 846,153,844 placing shares (“**GM Placing Shares**”) and each of the GM Placing Agents has conditionally agreed to procure on a best effort basis, as placing agent, currently expected to be not less than six places who and whose ultimate beneficial owners shall be independent third parties of the Company to subscribe for up to 423,076,922 GM Placing Shares at a price of HK\$0.26 per GM Placing Shares (“**GM Placing**”).

The placing price of HK\$0.26 per GM Placing Share represents (i) no discount or premium to the closing price of HK\$0.26 per Share as quoted on the Stock Exchange on 12 February 2019, being the last day on which the shares of the Company (“**Shares**”) were traded on the Stock Exchange prior to the date of the GM Placing Agreement (“**GM Lasting Trading Day**”); and (ii) a premium of approximately 0.8% to the average closing price of approximately HK\$0.258 per Share as quoted on the Stock Exchange for the last five consecutive trading days (including the GM Last Trading Day) immediately prior to the date of the GM Placing Agreements.

本集團相信，第二期項目實屬必要，將包括：(i)興建室內的攝影棚；(ii)與資源豐富的公司合作，提供高科技設備、道具等等；及(iii)新精品酒店。本集團預計影視城設備提升後，會有更多拍攝團隊進行拍攝和觀光遊客前來遊覽。此外，影視城將會集中教育範疇，比如短期內向學生提供更多導賞團。長遠而言，本集團考慮成立電影製作學校，為任何對電影業有興趣及熱愛電影的人士帶來機遇，例如參與後期製作、演員培訓等。整體而言，本集團相信更好的土地用途計劃、提供支援設施等等，將使影視城在可見將來成為綜合電影片廠。近年來，旅遊業發展持續增長。隨著休閒時代的來臨，本集團預期影視旅遊的前景暢旺，會以多元化的旅遊點、個人遊、更新旅遊活動的內容和結合規劃與興建的方向發展。

### 根據一般授權配售新股份

於二零一九年二月十三日，本公司與駿昇證券有限公司及東英亞洲有限公司(統稱「**一般授權配售代理**」)訂立兩份獨立的配售協議(「**一般授權配售協議**」)，據此，本公司已有條件地同意配售最多846,153,844股配售股份(「**一般授權配售股份**」)，而各一般授權配售代理有條件同意作為配售代理，按竭盡全力基準物色目前預期不少於六名承配人(該等承配人及其最終實益擁有人須為本公司獨立第三方)，彼等將按每股一般授權配售股份0.26港元的價格，認購最多423,076,922股一般授權配售股份(「**一般授權配售事項**」)。

配售價為每股一般授權配售股份0.26港元，較：(i)本公司股份(「**股份**」)於二零一九年二月十二日(即一般授權配售協議日期前股份於聯交所買賣的最後日子(「**一般授權最後交易日**」))在聯交所所報收市價每股0.26港元並無折讓或溢價；及(ii)股份於緊接一般授權配售協議日期前最後五個連續交易日(包括一般授權最後交易日)在聯交所所報平均收市價每股約0.258港元溢價約0.8%。

Completion of the GM Placing under the Placing Agreements is conditional upon: (a) the Listing Committee of the Stock Exchange granting or agreeing to grant the approval for listing of, and permission to deal in, the GM Placing Shares; and (b) all necessary consents and approvals required to be obtained on the part of the Company in respect of the GM Placing and the transactions contemplated thereunder having been obtained.

### **Reasons for and the benefits of the GM Placing**

As at 31 December 2018, the unaudited cash and bank balances of the Group were approximately HK\$15.7 million.

As disclosed in the interim report of the Group for the six months ended 30 June 2018, the total liabilities of the Group were approximately HK\$2.1 billion as at 30 June 2018, among which, the Group recorded (i) loans from shareholders of an aggregate amount of approximately HK\$609.0 million; (ii) borrowings of an aggregate amount of approximately HK\$197.5 million; (iii) trade payables and other payables and accruals of an aggregate amount of approximately HK\$80.3 million; (iv) bonds of an aggregate amount of approximately HK\$871.5 million; and (v) promissory notes of an aggregate amount of approximately HK\$104.6 million as at 30 June 2018.

Assuming the maximum number of the GM Placing Shares is placed under the GM Placing Agreements, the gross proceeds from the GM Placing will be approximately HK\$220.0 million, and the net proceeds will be approximately HK\$201.5 million (after deduction of commission and other expenses incurred in the Placing), representing a net issue price of approximately HK\$0.24 per GM Placing Share. With reference to the financial position of the Group as mentioned above, it was expected that the net proceeds from the GM Placing, being approximately HK\$201.5 million, will be utilised for the partial repayment of the principal and interests of bonds and borrowings of the Group.

As the majority of interest rates of the existing bonds, borrowings and loans from shareholders and directors range from approximately 6.0% to 15.0%, the financial cost derived from such debts represents a significant part of the total expense of the Group. As such, the Board was of the view that the abovementioned repayment would reduce the interest burden of the Group, improve the gearing ratio of Group and strengthen the financial position and profitability of the Group.

根據配售協議完成一般授權配售事項須待以下條件達成後，方告作實：(a)聯交所上市委員會批准或同意批准一般授權配售股份的上市及買賣；及(b)本公司就一般授權配售事項及其項下擬進行之交易已經取得所有必需取得之同意書及批文。

### **進行一般授權配售事項之理由及裨益**

於二零一八年十二月三十一日，本集團的未經審核現金及銀行結餘約為15.7百萬港元。

誠如本集團截至二零一八年六月三十日止六個月的中期報告所披露，本集團於二零一八年六月三十日的總負債約21億港元，其中，於二零一八年六月三十日，本集團錄得(i)股東的貸款總額約609.0百萬港元；(ii)借款總額約197.5百萬港元；(iii)應付貿易款項及其他應付款項及應計費用總額約80.3百萬港元；(iv)債券總額約871.5百萬港元；及(v)承兌票據總額約104.6百萬港元。

假設根據一般授權配售協議配售最大數目的一般授權配售股份，一般授權配售事項的所得款項總額將為約220.0百萬港元，扣除一般授權配售事項產生的佣金及其他開支後，所得款項淨額將約201.5百萬港元，相當於每股一般授權配售股份淨發行價約0.24港元。經參考上文所述之本集團財務狀況，預期一般授權配售事項的所得款項淨額約201.5百萬港元將用作部分償還本集團債券及借貸的本金及利息。

由於現有債券、借款及來自股東及董事貸款的利率主要介乎約6.0%至15.0%，該等債務所產生的財務成本在本集團總開支中佔有重大比例。因此，董事會認為，上述還款將減輕本集團的利息負擔，改善本集團的資本負債比率並加強本集團的財務狀況及盈利能力。

## Management Discussion and Analysis

### 管理層討論及分析

The Board has considered other alternative fundraising methods such as debt financing, rights issue or open offer. The Board considered that debt financing may further incur interest burden on the Group. On the other hand, rights issue or open offer may involve relatively substantial time and cost to complete as compared to the equity financing through the GM Placing. In addition, the GM Placing would strengthen the capital base of the Company.

As set out in the Company's announcement dated 15 March 2019, (1) all the conditions of the GM Placing have been fulfilled and the completion of the GM Placing took place on 15 March 2019; and (2) an aggregate of 428,769,230 GM Placing Shares have been successfully placed at the GM Placing Price of HK\$0.260 per GM Placing Share pursuant to the terms and conditions of the GM Placing Agreements. The aggregate nominal value of the GM Placing Shares under the GM Placing is HK\$ will be HK\$42,876,923.

The 428,769,230 GM Placing Shares represent (i) approximately 9.5% of the issued share capital of the Company immediately before the completion of the GM Placing; and (ii) approximately 8.7% of the issued share capital of the Company as enlarged by the allotment and issue of the 428,769,230 GM Placing Shares.

The gross proceeds from the GM Placing is approximately HK\$111.5 million, and the net proceeds from the GM Placing, after deducting the placing commission and other expenses in connection with the GM Placing from the gross proceeds, is approximately HK\$104.5 million which is intended to be used for the partial repayment of the principal and interests of the bonds and borrowings of the Group.

The GM Placing Shares were allotted and issued pursuant to the general mandate granted to the Directors by the shareholders of the Company (the "Shareholders") pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 28 June 2018 to allot and issue up to 903,432,244 new Shares, and therefore the allotment and issue of the GM Placing Shares was not subject to any additional Shareholders' approval.

Further details of the GM Placing Agreements and the GM Placing are disclosed in the Company's announcements dated 13 February 2019 and 15 March 2019.

董事會曾考慮其他集資方法如債務融資、供股或公開發售。董事會認為，債務融資或令本集團引致更多利息負擔。另一方面，與藉一般授權配售事項進行股本融資相比，供股或公開發售可能牽涉較長時間及成本。此外，一般授權配售事項將強化本公司的資本基礎。

誠如本公司日期為二零一九年三月十五日之公佈披露：(1)一般授權配售事項的所有條件均獲達成，且一般授權配售事項已於二零一九年三月十五日完成；及(2)合共428,769,230股一般授權配售股份已根據一般授權配售協議的條款及條件，按每股一般授權配售股份0.260港元之一般授權配售價成功配售。一般授權配售事項項下的一般授權配售股份的總面值為42,876,923港元。

428,769,230股一般授權配售股份佔：(i)緊接一般授權配售事項完成前本公司已發行股本約9.5%；及(ii)經配發及發行428,769,230股一般授權配售股份擴大後本公司已發行股本約8.7%。

一般授權配售事項的所得款項總額約為111.5百萬港元，而一般授權配售事項的所得款項淨額(自所得款項總額扣除配售佣金及與一般授權配售事項有關的其他開支後)則約為104.5百萬港元，該筆款項擬用於償還部分本集團債券及借款本金及利息。

一般授權配售股份將根據本公司股東(「股東」)於二零一八年六月二十八日舉行的本公司股東週年大會上通過一項普通決議案而授予董事的一般授權配發及發行，可配發及發行最多903,432,244股新股份，因此，一般授權配售股份之配發及發行毋須經任何額外股東批准。

關於一般授權配售協議及一般授權配售事項的更多詳情，於本公司日期為二零一九年二月十三日及二零一九年三月十五日的公佈披露。

## PLACING OF NEW SHARES UNDER SPECIFIC MANDATE AND INCREASE IN AUTHORISED SHARE CAPITAL

On 13 February 2019, the Company entered into a placing agreement (“**SM Placing Agreement**”) with Emperor Securities Limited, Kingston Securities Limited and Oriental Patron Asia Limited (collectively the “**SM Placing Agents**”), pursuant to which the Company has conditionally agreed to place through the SM Placing Agents, on a best effort basis, of up to 6,153,846,153 placing shares (“**SM Placing Shares**”) to currently expected to be not less than six placees who and whose ultimate beneficial owners shall be independent third parties of the Company at a price of HK\$0.26 per SM Placing Share (“**SM Placing**”). The SM Placing Shares will be allotted and issued pursuant to the specific mandate to be sought at the special general meeting of the Company to be convened and held.

Further details of the SM Placing Agreements and the SM Placing are disclosed in the Company’s announcement dated 13 February 2019, 4 April 2019, 17 May 2019 and 30 May 2019, and the Company’s circular dated 2 May 2019.

Further announcement(s) will be made by the Company in the event that the Company proceeds with the SM Placing.

## POTENTIAL STRATEGIC INVESTOR AGREEMENT

On 14 May 2019, the Company entered into a Potential Strategic Investor Agreement (“**Potential Strategic Investor Agreement**”) with Proxima Media, LLC (“**Proxima Media**”).

Pursuant to the Potential Strategic Investor Agreement, the Proxima Media intends to assist the Company in, among others, building a vertically-integrated, internationally competitive film and television business and establish the Studio as one of the world’s premiere destinations for media production and entertainment tourism (“**Business**”). Details of the co-operation and the consideration will be determined by the Company and Proxima Media after further negotiations and entering into one or more long-form agreements that incorporate the terms of the Potential Strategic Investor Agreement and other customary terms (“**Long-Form Agreements**”). Subject to the aforesaid further negotiations and signing of the Long-Form Agreements, the Company is desirous to collaborate with Proxima Media to engage in the Business.

## 根據特別授權配發新股份及增加法定股本

於二零一九年二月十三日，本公司與英皇證券(香港)有限公司、金利豐證券有限公司及東英亞洲有限公司(統稱為「**特別授權配售代理**」)訂立一份配售協議(「**特別授權配售協議**」)，據此，本公司已有條件同意透過特別授權配售代理按竭盡全力基準配售最多6,153,846,153股配售股份(「**特別授權配售股份**」)予現時預期不少於六名承配人(該等承配人及其最終實益擁有人應為本公司獨立第三方)，配售價為每股特別授權配售股份0.26港元(「**特別授權配售事項**」)。特別授權配售股份將根據於本公司將召開及舉行的股東特別大會上尋求之特別授權配發及發行。

關於特別授權配售協議及特別授權配售事項的更多詳情，於本公司日期為二零一九年二月十三日、二零一九年四月四日、二零一九年五月十七日及二零一九年五月三十日的公佈以及本公司日期為二零一九年五月二日的通函披露。

倘本公司進行特別授權配售事項，本公司將另行刊發公告。

## 引入策略性股東協議

於二零一九年五月十四日(交易時段後)，本公司與Proxima Media, LLC(「**Proxima Media**」)訂立引入策略性股東協議(「**引入策略性股東協議**」)。

根據引入策略性股東協議Proxima Media擬協助本公司(其中包括)建立垂直整合、具有國際競爭力的電影與電視業務，並將影視城打造成媒體製作及娛樂旅遊的環球首選熱點之一(「**該業務**」)。合作詳情與代價將由本公司與Proxima Media深入磋商後釐定，雙方將訂立一份或多份詳細協議，內容包括引入策略性股東協議的條款及其他特定條款(「**詳細協議**」)。待前述的深入討論及詳細協議簽立後，本公司希望與Proxima Media合作經營該業務。

## Management Discussion and Analysis 管理層討論及分析

Subject to the relevant rules and regulations and the terms set out in the Long-Form Agreements, Proxima Media will use its best efforts to raise or inject capital (“**Capital Contribution**”) into the Company of up to US Dollars 100 million (equivalent to approximately HK\$780 million) within 12 months from the date of the Potential Strategic Investor Agreement as a place under the SM Placing (as defined below) subject to the conditions of the SM Placing. The Capital Contribution is intended to level up the Company to become a world-class film production studio, details of the Capital Contribution and the use of proceeds of such will be included in the Long-Form Agreements.

Further details of the Potential Strategic Investor Agreement are disclosed in the Company’s announcement dated 14 May 2019.

### POTENTIAL STRATEGIC INVESTORS

As disclosed in the Company’s announcement dated 11 July 2019, the Company has been actively seeking for potential strategic investors to invest into the Company. In addition to Proxima Media, the film production company controlled and wholly owned by the famous Hollywood film producer, Ryan Kavanaugh, which was disclosed in the announcement of the Company dated 14 May 2019, the Company is concurrently negotiating with a leading regional financial institution for strategic investment which is subject to investor’s due diligence works and regulatory approval.

### LOAN CAPITALISATION AGREEMENT

On 30 May 2019, the Company entered into a loan capitalisation agreement (“**Loan Capitalisation Agreement**”) with Mr. Sin Kwok Lam (“**Mr. Sin**”) pursuant to which the Company has conditionally agreed to allot and issue and Mr. Sin has conditionally agreed to subscribe for (i) an aggregate of 869,000,000 new Shares at the subscription price of HK\$0.38 per Loan Capitalisation Share; and (ii) the convertible bond in the principal amount of HK\$318,768,776.

Pursuant to the loan agreements and a promissory note executed by the Company and Mr. Sin during 2015 to 2018, as at 31 December 2018, there was an aggregate principal amount of approximately HK\$632.6 million loans (“**Mr. Sin’s Loans**”) granted by Mr. Sin to the Company which carry interest of nil to 15% per annum.

在相關規則及法規及詳細協議條款的規限下，Proxima Media將根據本公司特別授權下的新股份配售，於引入策略性股東協議日期起計12個月內，以承配人身份竭盡所能籌集或向本公司出資（「**出資**」）最多1億美元（相當於約7.8億港元），惟須遵守特別授權配售事項（定義見下文）的條件行事。出資的目的是將本公司提升至成為世界級電影製作工作室，有關出資及其所得款項用途的詳情將載於詳細協議。

更多有關引入策略性股東協議的詳情披露於本公司日期為二零一九年五月十四日之公佈。

### 潛在策略性投資者

誠如本公司日期為二零一九年七月十一日之公佈所披露，本公司一直積極尋找潛在策略性投資者向本公司投資。除於本公司日期為二零一九年五月十四日之公佈所披露有關由著名荷里活電影製作人Ryan Kavanaugh控制及全資擁有的電影製作公司Proxima Media外，本公司同時與一間區內頂尖的金融機構商討策略性投資，惟須待投資者的盡職審查及監管機構批准後方告作實。

### 貸款資本化協議

於二零一九年五月三十日，本公司與冼國林先生（「**冼先生**」）訂立貸款資本化協議（「**貸款資本化協議**」），據此，本公司已有條件同意配發及發行及冼先生已有條件同意認購：(i)認購價為每股貸款資本化股份0.38港元的合共869,000,000股新股份；及(ii)本金額318,768,776港元的可換股債券。

根據本公司與冼先生於二零一五年至二零一八年簽立的貸款協議及承兌票據，於二零一八年十二月三十一日，有本金額合共約6.326億港元的貸款（「**冼先生貸款**」）由冼先生授予本公司，按年利率零至15%計息。

The aggregate subscription amount payable by Mr. Sin under the Loan Capitalisation Agreement shall be satisfied by capitalising the entire amount owing by the Company to Mr. Sin in an aggregate amount of approximately HK\$648,988,776 as at 20 May 2019 comprising outstanding principal amount of the Mr. Sin's Loans and accrued interest up to 20 May 2019.

Further details of the Loan Capitalisation Agreement are disclosed in the Company's announcement dated 30 May 2019.

#### **Termination of the Loan Capitalisation Agreement**

As disclosed in the Company's announcement dated 19 August 2019, given that (i) the Company was in the process of proposing the Scheme (as defined below) and (ii) Mr. Sin was supportive towards the proposed Schemes, on 19 August 2019, the Company and Mr. Sin mutually agreed to terminate the Loan Capitalisation Agreement with immediate effect with no claims to each other, the transactions contemplated thereunder would not proceed.

## PETITION FOR THE WINDING UP OF THE COMPANY AND APPLICATION FOR THE APPOINTMENT OF JOINT PROVISIONAL LIQUIDATORS

To facilitate the Company's financial restructuring, on 14 June 2019, a winding up petition together with the application for the appointment of Mr. Osman Mohammed Arab and Mr. Lai Wing Lun, both of RSM Corporate Advisory (Hong Kong) Limited, 29/F, Lee Garden Two, 28 Yun Ping Road, Causeway Bay, Hong Kong and Mr. Roy Bailey c/o EY Bermuda Ltd, 3 Bermudiana Road, Hamilton, HM08, Bermuda as joint provisional liquidators (together "**JPLs**") of the Company on a light touch approach for restructuring purposes (the "**JPL Application**") was presented and filed with the Supreme Court of Bermuda (the "**Bermuda Court**") by the Company's Bermuda Counsel, Conyers Dill & Pearman at the request of the Company.

根據貸款資本化協議，冼先生應付的總認購金額將以資本化本公司於二零一九年五月二十日結欠冼先生的全部款項(總額約648,988,776港元)(包括冼先生貸款的未償還本金額及累計至二零一九年五月二十日的利息)的方式支付。

貸款資本化協議的更多詳情，於本公司日期為二零一九年五月三十日的公佈披露。

#### **終止貸款資本化協議**

誠如本公司日期為二零一九年八月十九日之公佈披露，鑑於：(i)本公司正在提呈計劃(定義見下文)及(ii)冼先生支持建議計劃，本公司及冼先生於二零一九年八月十九日已互相同意即時終止貸款資本化協議，雙方並沒有任何索償，據此擬進行之交易將不會進行。

## 本公司的清盤呈請及申請委任共同臨時清盤人

為了促進本公司的財務重組，於二零一九年六月十四日，應本公司要求，本公司的百慕達律師 Conyers Dill & Pearman 向百慕達最高法院(「**百慕達法院**」)送呈及提交清盤呈請，連同以在「非強制」基礎上委任羅申美企業顧問有限公司(地址為香港銅鑼灣恩平道28號利園二期29樓)的馬德民先生及黎穎麟先生以及EY Bermuda Ltd(地址為3 Bermudiana Road, Hamilton, HM08, Bermuda)的 Roy Bailey 先生為本公司的共同臨時清盤人(統稱「**共同臨時清盤人**」)以作重組用途的申請(「**共同臨時清盤人申請**」)。

## Management Discussion and Analysis 管理層討論及分析

Under the JPL Application, the Company has requested that, should JPLs be appointed and until further order of the Bermuda Court, the Board shall retain all of its executive powers in relation to the ordinary course of business of the Company, subject to the JPLs' supervision, for the purpose of developing and proposing a financial restructuring, of the exercise of such powers. This would allow the Company's current management to work with the JPLs to oversee the implementation of a financial restructuring proposal that seeks to better preserve value and business operations of the Company that would not otherwise be possible without the appointment of the JPLs. Accordingly, the Board believes it is in the interests of the Company, its shareholders and creditors that JPLs are appointed in respect of the Company pursuant to the JPL Application.

The JPL Application was heard before the Bermuda Court on the same date at 2:30 p.m. Bermuda time. The Bermuda Court made the orders as sought by the Company under the JPL Application, inter alia, the JPLs have been appointed with immediate effect.

Pursuant to the order made by the Bermuda Court (the "**Bermuda Order**"), the JPLs are granted a wide range of powers, including but not limited to the powers to review the financial position of the Company, to monitor, consult with, oversee and otherwise liaise with the existing Board and the creditors and shareholders of the Company in determining the most appropriate manner of effecting a reorganisation and/or refinancing of the Company, to seek assistance of or recognition in any other courts as may be considered appropriate, and to do all things necessary and incidental to the exercise of the foregoing powers, etc.

By an order of the Honourable Mr. Justice Wilson Chan dated 15 August 2019, the appointment of the JPLs pursuant to the order of the Bermuda Court dated 14 June 2019 was recognized by the High Court of Hong Kong with the powers conferred therein.

根據共同臨時清盤人申請，本公司要求，倘委任共同臨時清盤人及直至百慕達法院另行通知前，董事會將對本公司一般業務過程保留一切執行權力，以在共同臨時清盤人監督下，以行使有關權力制定及提出財務重組。此舉讓本公司現任管理層與共同臨時清盤人合作監督財務重組建議的執行，旨在更妥善地保留本公司的價值及業務營運，而若不委任共同臨時清盤人則無法達成此目的。據此，董事會認為，根據共同臨時清盤人申請就本公司委任共同臨時清盤人乃符合本公司、其股東及債權人的利益。

共同臨時清盤人申請於同日下午二時三十分(百慕達時間)在百慕達法院進行聆訊。百慕達法院應本公司提出共同臨時清盤人申請頒令(其中包括)，委任共同臨時清盤人並即時生效。

根據百慕達法院發出之命令(「**百慕達法院之命令**」)，共同臨時清盤人獲授大範圍的權力，包括但不限於審閱本公司財務狀況；監控、諮詢、監察及聯絡現任董事會及本公司之債權人及股東，以斷定本公司落實重組及/或再融資的最佳方式；在認為合適的情況下，向任何其他法院尋求協助及認可；以及採取所有所需及連帶的行動以行駛上述權力等。

根據陳嘉信法官日期為二零一九年八月十五日之頒令，香港高等法院認可根據百慕達法院日期為二零一九年六月十四日的頒令任命共同臨時清盤人，並賦予有關權力。

## RESTRUCTURING TRANSACTION

As disclosed in the Company's announcement dated 30 July 2019, on 10 July 2019, as part of the Company's financial restructuring plans, the Company invited all known creditors of the Company (the "Creditors") to make an offer to the Company to subscribe for:

- (1) 1% annual coupon rate convertible bonds due 2024 to be issued by the Company (the "Convertible Bonds") in the principal amount equal to 60% of the outstanding principal amount of debts due and owing by the Company to each of the Creditors (where applicable, together with interests accrued thereon and calculated up to 14 June 2019 at the respective annual interest rate of the relevant debt(s)) and convertible into fully-paid ordinary shares of the Company listed and traded on GEM at the initial conversion price of HK\$0.55 per conversion share (the "Conversion Shares") (the "CB Subscription"); and
- (2) new shares of the Company at the issue price of HK\$0.38 per share (the "New Shares") the total value of which equals to the remaining 40% of the outstanding principal amount of debts due and owing by the Company to each of the Creditors (where applicable, together with interests accrued thereon and calculated up to 14 June 2019 at the respective annual interest rate of the relevant debt(s)) (the "Share Subscription") (the CB Subscription and the Share Subscription together referred to as the "Restructuring Transaction"), as full and final settlement of all outstanding debts (where applicable, together with interests accrued thereon and calculated up to 14 June 2019 at the respective annual interest rate of the debt(s)) due and owing by the Company to the Creditors, subject to the execution, and the final terms and conditions, of the subscription agreement, the bond instrument, any scheme of arrangement proposed by the Company and/or other agreements the execution of which is desirable for the implementation and consummation of the Restructuring Transaction, as the case maybe.

The offer by the Creditors to participate in the Restructuring Transaction also includes an agreement that the Creditors will participate in, support and vote in favour of a scheme(s) of arrangement proposed by the Company, where such scheme(s) is/are deemed necessary and appropriate by the Company and the JPLs of the Company appointed pursuant to the Order of the Bermuda Court dated 14 June 2019.

## 重組交易

誠如本公司日期為二零一九年七月三十日的公佈所披露，於二零一九年七月十日，作為本公司財務重組計劃之一部分，本公司已邀請本公司債權人（「債權人」）提呈認購：

- (1) 於二零二四年到期之1%年度票息率由本公司將發行之可換股債券（「可換股債券」），其本金額等於本公司應付及結欠債權人之債務（倘適用，連同就有關債務累計及截至二零一九年六月十四日的利息，按相關債務的相關年利率計算）的尚未償還本金額之百分之六十，及可按轉換價每股0.55港元轉換為本公司於GEM上市及買賣之已繳足普通股（「換股股份」）（「可換股債券認購事項」）；及
- (2) 按發行價每股0.38港元由本公司將發行之新股份（「新股份」），其總價值等於本公司應付及結欠債權人之債務（倘適用，連同就有關債務累計及截至二零一九年六月十四日的利息，按相關債務的相關年利率計算）的尚未償還本金額餘下之百分之四十（「股份認購事項」）（可換股債券認購事項及股份認購事項統稱為「重組交易」），下文所概述的條款及條件為本公司應付及結欠債權人之所有尚未償還債務（倘適用，連同就有關債務累計及截至二零一九年六月十四日的利息，按相關債務的相關年利率計算）的全數及最終償款的基準，並以認購協議、債券文據、任何由本公司建議之協議安排及／或就實行或達成（視乎情況而定）重組交易而簽立相關協議及最終條款及條件為規限。

債權人向本公司提呈要約參與重組交易，包括同意將參與、支持及投票贊成本公司所建議的一項或多項協議安排（該一項或多項協議安排被本公司及根據日期為二零一九年六月十四日百慕達法院頒令任命的共同臨時清盤人認為屬必須及合適的情況下）。



## Management Discussion and Analysis 管理層討論及分析

As disclosed in the Company's announcement dated 12 August 2019, the Company has received substantial support from its creditors regarding the Restructuring Transaction. In this respect, the Company proposed to put forward a scheme of arrangement pursuant to Section 99 of the Companies Act 1981 of Bermuda and Section 670 of the Companies Ordinance (Cap. 622) of Hong Kong with substantially similar terms under the Restructuring Transaction as disclosed in the announcement of the Company dated 30 July 2019, further details of which are set out in the paragraph headed "Scheme of Arrangement" below.

### SCHEME OF ARRANGEMENT

The Company proposes to implement, subject to the approval by the Bermuda Court and the Hong Kong Court, the scheme of arrangement (the "**Scheme**"). Under the Scheme, the Company will issue the New Shares and the Convertible Bonds to the creditors of the Company (the "**Creditors**") to discharge and release the debt owing by the Company to the Creditors in full (the "**Claims**").

Up to 14 June 2019 (the "**Restructuring Order Date**"), based on the available books and records of the Company, the estimated total amount of Claims against the Company is approximately HK\$2.13 billion. This figure is indicative only and will be subject to final determination by the scheme administrators and (if applicable) adjudication under the Scheme.

Since the Company is proposing to put forward the Scheme, the Company has been preparing to apply to the Hong Kong Court and the Bermuda Court respectively for the granting of leave to convene the meeting of the Creditors for the purpose of considering and approving the Scheme by the Creditors (the "**Scheme Meeting**"). Upon obtaining the directions of the Bermuda Court and the Hong Kong Court in the hearing before the Hong Kong Court and the Bermuda Court of the applications for leave to convene the Scheme Meeting (the "**Convening Hearing**"), the date of the Scheme Meeting will be fixed and the Scheme Meeting will be convened accordingly for the purpose of considering the approval of the Scheme by the Creditors.

After obtaining the approval from Creditors in the Scheme Meeting, the Company will apply to the Hong Kong Court and Bermuda Court respectively for the sanctions of the Scheme with the result of the Scheme Meeting presented before the Hong Kong Court and Bermuda Court. After the sanctions of the Hong Kong Court and Bermuda Court have been obtained, the Sanctioning Order will be filed with the Companies Registry in Hong Kong and the equivalence in Bermuda for registration, and the Scheme will, subject to the fulfilment of the conditions precedent, then become effective.

誠如本公司日期為二零一九年八月十二日的公佈披露，本公司就重組交易獲得其債權人大力支持。就此而言，本公司擬根據一九八一年百慕達公司法第99條及香港公司條例(第622章)第670條提呈計劃安排，條款大致與本公司日期為二零一九年七月三十日的公佈所披露的重組交易相似，更多有關詳情載於下文「計劃安排」一段。

### 計劃安排

本公司擬推行計劃安排(「**計劃**」)，須取得百慕達法院及香港法院批准。根據計劃，本公司將向本公司債權人(「**債權人**」)發行新股份及可換股債券，以全數釋除及解除本公司結欠債權人的債務(「**申索**」)。

截至二零一九年六月十四日(「**重組頒令日期**」)，根據可得的本公司賬簿及記錄，針對本公司的申索的估計總金額約為21.3億港元。該數字僅供參考，有待計劃管理人最終釐定及計劃下的審裁(如適用)。

由於本公司擬提呈計劃，本公司已準備分別向香港法院及百慕達法院申請批准召開債權人會議，以供債權人考慮及批准計劃(「**計劃會議**」)。待於香港法院及百慕達法院聆訊中取得百慕達法院及香港法院有關申請批准召開計劃會議的指示後(「**召開聆訊**」)，將會釐定計劃會議日期並將據此召開計劃會議，以供債權人審批計劃。

待於計劃會議上取得債權人批准後，本公司將分別向香港法院及百慕達法院申請批准計劃，並於香港法院及百慕達法院呈報計劃會議的結果。待取得香港法院及百慕達法院批准後，將向香港公司註冊處及百慕達同等機關辦理登記批准頒令，且計劃將於達成先決條件後生效。

The scheme administrator will then assign the cut-off date of the Scheme for filing all notice of claims from the Creditors to the Company and notify the final amount of the claims of each of the Creditors. Based on the final amounts of claims of each Creditor, the New Shares will be allotted and issued and the Convertible Bonds will be issued to the Creditors.

Upon the issue of the New Shares and Convertible Bonds, all the Claims of the Creditors will be discharged and extinguished and the Creditors will not be allowed to make any claim against the Company in respect of their Claims.

### **Issue of New Shares and Convertible Bonds under Specific Mandate**

Subject to the Scheme becoming effective, the Company will implement (i) the Share Subscription, under which it is estimated that the Company will allot and issue, in aggregate, up to 2,247,015,390 New Shares at the issue price of HK\$0.38 per New Share for settlement of 40% of the Claims held by the Creditors against the Company as at the Restructuring Order Date which have been admitted by the scheme administrators (the “**Admitted Claims**”) of the Creditors; and (ii) the CB Subscription, under which it is estimated that the Company will issue the Convertible Bonds in the aggregate principal amount of HK\$1,302,145,529 subject to any adjustments made regarding the consent bonus (the “**Consent Bonus**”) to be awarded to eligible Creditors if there’s any in accordance with the terms of the Scheme.

Subject to the Scheme becoming effective, Consent Bonus of an extra one (1) per cent of the outstanding principal amount of his/its debt (where applicable, together with interests accrued thereon and calculated up to the Restructuring Order Date at the respective annual interest rate of the relevant debt(s)) will be rewarded to the eligible Creditors.

As part of the Scheme, a Deed of Restructuring Support (the “**RSD**”) was duly executed by the Company and the Provisional Liquidators on 24 August 2019 to support and facilitate the implementation of the restructuring, pursuant to which, any Creditor may become a party to the RSD. Any Creditor who agrees to be bound by the RSD by delivering to the Company a duly completed and executed accession deed in respect of its Claim (or Claims) under the Scheme on or before Wednesday, 11 September 2019 would be eligible to the Consent Bonus.

計劃管理人其後將指定債權人向本公司提交所有索償通知之計劃截止日期，並通知各債權人之最終索償金額。新股份將根據每名債權人之最終索償金額予以配發及發行，並向債權人發行可換股債券。

發行新股份及可換股債券後，所有債權人之索償將予以釋除及註銷，且債權人將不得就其索償向本公司提出任何申索。

### **根據特別授權發行新股份及可換股債券**

待計劃生效後，本公司將根據計劃條款進行(i)股份認購事項，據此估計本公司將按發行價每股新股份0.38港元配發及發行合共最多2,247,015,390股新股份，以結算債權人於重組頒令日期針對本公司所持索償的40%，該等索償已獲債權人的計劃管理人認可(「**認可索償**」)；及(ii)可換股債券認購事項，據此估計本公司將發行本金總額1,302,145,529港元的可換股債券，可就合資格債權人獲授的同意獎金(「**同意獎金**」)(如有)作出任何調整。

待計劃生效後，合資格債權人將獲授同意獎金，金額等於其債務未償還本金額的額外百分之一(1)(如適用，連同截至重組頒令日期就此按相關債務各年利率累積及計算的利息)。

作為計劃的一部分，本公司及臨時清盤人已於二零一九年八月二十四日正式簽立重組支持契據(「**重組支持契據**」)，以支持及促成重組的實施，據此任何債權人均可成為重組支持契據的訂約方。債權人如於二零一九年九月十一日(星期三)或之前，根據計劃透過就其索償向本公司交付一份正式填妥及簽立的加入契據，同意受重組支持契據約束，將符合資格獲發同意獎金。

## Management Discussion and Analysis 管理層討論及分析

### *Details of the Share Subscription*

The maximum value of the New Shares to be issued to the Creditors will be up to approximately HK\$854 million (subject to the determination of Admitted Claims in accordance with the terms of the Scheme). The New Shares have an aggregate nominal value of up to HK\$224,701,539.00. The issue price of HK\$0.38 per New Share represents a premium of approximately 84.47% over the closing price of HK\$0.206 per Share as quoted on the Stock Exchange on 19 August 2019. The New Shares are subject to a lock-up period of 12 months from the date of completion of the Share Subscription.

### *Details of the CB Subscription*

The maximum value of the Convertible Bonds to be issued to the Creditors will be up to approximately HK\$1,302 million (subject to the determination of the Admitted Claims in accordance with the terms of the Scheme and entitlement of Consent Bonus), (being the sum of (i) up to approximately HK\$1,280.7 million for the aggregation of 60% of the Claims of the Creditors and (ii) HK\$21.3 million for the maximum amount of Consent Bonus). The Conversion Shares, upon full conversion, shall have an aggregate nominal value of up to HK\$236,753,714.40. The maturity date of the Convertible Bonds falls on the day being the fifth (5th) anniversary of the issue date of the Convertible Bonds. Subject to the terms and conditions of the Convertible Bonds, the conversion price will initially be HK\$0.55 per share, but subject to customary adjustments including but not limited to (i) consolidation or subdivision; (ii) rights issue of shares or rights to acquire shares; (iii) issues of convertible securities; (iv) modification of rights of conversion; (v) other offers to shareholders; and (vi) other events. The initial conversion price of HK\$0.55 per Conversion Shares represents a premium of approximately 166.99% over the closing price of HK\$0.206 per Share as quoted on the Stock Exchange on 19 August 2019.

The New Shares and the Conversion Shares will be allotted and issued under the specific mandate sought from the Shareholders (other than Mr. Sin, Ms. Law Po Yee (“**Ms. Law**”), Mr. Chow Kai Weng (“**Mr. Chow**”), Mr. Tse Young Lai (“**Mr. Tse**”) and Mr. Yiu Kin Kong and any Shareholder with a material interest in the Scheme) at the special general meeting of the Company held on 10 October 2019 (“**SGM**”).

An application will be made by the Company to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the New Shares and the Conversion Shares.

### *股份認購事項詳情*

債權人將獲發行的新股份的價值上限將高達約854百萬港元(視乎根據計劃條款釐定認可索償而定)。新股份的總面值高達224,701,539.00港元。發行價每股新股份0.38港元較股份於二零一九年八月十九日在聯交所所報收市價每股0.206港元溢價約84.47%。新股份將受股份認購事項完成日期起計12個月的禁售期規限。

### *可換股債券認購事項詳情*

債權人將獲發行的可換股債券的價值上限將高達約1,302百萬港元(視乎根據計劃條款釐定認可索償及是否享有同意獎金而定)，即(i)高達約1,280.7百萬港元抵償債權人索償合共60%；及(ii)21.3百萬港元抵償同意獎金的上限金額的總和。於悉數兌換後，換股股份的總面值將高達236,753,714.40港元。可換股債券的到期日為可換股債券發行日期起計滿第五週年當日。根據可換股債券條款及條件，轉換價初步將為每股0.55港元，惟可作出常規調整，包括但不限於(i)合併或拆細；(ii)供股或收購股份的權利；(iii)發行可換股證券；(iv)修訂轉換權；(v)向股東進行其他發售；及(vi)其他事項。初步轉換價每股換股股份0.55港元較股份於二零一九年八月十九日在聯交所所報收市價每股0.206港元溢價約166.99%。

新股份及換股股份將根據本公司在二零一九年十月十日舉行的股東特別大會(「**股東特別大會**」)上向股東(洗先生、羅寶兒女士(「**羅女士**」)、周啟榮先生(「**周先生**」)、謝欣禮先生(「**謝先生**」)及姚建剛先生及任何於計劃中擁有重大權益的股東除外)尋求的特別授權配發及發行。

本公司將向聯交所上市委員會申請新股份及換股股份上市及買賣。

**Connected Transactions in relation to the Issue of New Shares and Convertible Bonds**

Among all Creditors, Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse have loaned to the Company.

Mr. Sin is an executive Director, the chairman of the Board, a member of the nomination committee of the Board and a substantial shareholder of the Company. Ms. Law, being the spouse of Mr. Sin, is an associate of Mr. Sin. As at the date of this report, Mr. Sin, together with his associate, Ms. Law, are interested in 871,932,623 Shares, representing approximately 17.62% of the total issued share capital of the Company.

Mr. Chow is an executive Director, the associate chairman of the Board and chief executive officer of the Company. As at the date of this report, Mr. Chow is interested in 1,000,000 Shares, representing approximately 0.02% of the total issued share capital of the Company.

Mr. Tse is a substantial shareholder of the Company. As at the date of this report, Mr. Tse is interested in 563,547,600 Shares, representing approximately 11.39% of the total issued share capital of the Company.

Up to the Restructuring Order Date, the total amounts respectively due to Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse (including the interests accrued thereon and calculated up to the Restructuring Order Date at the respective interest rate of the relevant Claim(s)) are illustrated as follows:

		HK\$ 港元
Mr. Sin	冼先生	647,333,195
Ms. Law	羅女士	29,270,746
Mr. Chow	周先生	36,341,433
Mr. Tse	謝先生	1,892,584
		<u>714,837,958</u>

**有關發行新股份及可換股債券之關連交易**

在所有債權人中，冼先生、羅女士、周先生及謝先生已貸款予本公司。

冼先生為執行董事、董事會主席、董事會提名委員會成員及本公司的主要股東。羅女士(冼先生的配偶)為冼先生的聯繫人。於本報告日期，冼先生連同其聯繫人羅女士於871,932,623股股份(佔本公司已發行股本總額約17.62%)中擁有權益。

周先生為執行董事、董事會聯席主席兼本公司行政總裁。於本報告日期，周先生於1,000,000股股份(佔本公司已發行股本總額約0.02%)中擁有權益。

謝先生為本公司的主要股東。於本報告日期，謝先生於563,547,600股股份(佔本公司已發行股本總額約11.39%)中擁有權益。

直至重組頒令日期，分別應付冼先生、羅女士、周先生及謝先生的總金額(包括據此應計及直至重組頒令日期按相關申索的各自利率計算的利息)列示如下：

## Management Discussion and Analysis 管理層討論及分析

Under the Scheme, Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse shall have the same entitlement as the other Creditors. Pursuant to the terms of Scheme and based on the available books and records of the Company, it is expected that the entitlement of Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse under the Scheme respectively are as follows:

根據計劃，冼先生、羅女士、周先生及謝先生將與其他債權人擁有相同權益限額。按照計劃條款及根據本公司可得的賬冊及記錄，預計冼先生、羅女士、周先生及謝先生於計劃項下的權益限額分別如下：

	Mr. Sin 冼先生	Ms. Law 羅女士	Mr. Chow 周先生	Mr. Tse 謝先生
<b>Share Subscription</b> <b>股份認購事項</b>				
Value of New Shares to be issued 將發行新股份價值	HK\$258,933,278 258,933,278港元	HK\$11,708,299 11,708,299港元	HK\$14,536,573 14,536,573港元	HK\$757,033 757,033港元
Issue price 發行價	HK\$0.38 0.38港元	HK\$0.38 0.38港元	HK\$0.38 0.38港元	HK\$0.38 0.38港元
Number of New Shares to be issued 將發行新股份數目	681,403,362 New Shares 681,403,362股 新股份	30,811,311 New Shares 30,811,311股 新股份	38,254,139 New Shares 38,254,139股 新股份	1,992,193 New Shares 1,992,193股 新股份
<b>CB Subscription</b> <b>可換股債券認購事項</b>				
Principal amount (including Consent Bonus) 本金額 (包括同意獎金)	HK\$394,873,249 394,873,249港元	HK\$17,855,155 17,855,155港元	HK\$22,168,274 22,168,274港元	HK\$1,154,476 1,154,476港元
Maximum Conversion Shares upon full conversion 獲悉數轉換後的 換股股份上限	717,951,361 717,951,361股	32,463,918 32,463,918股	40,305,952 40,305,952股	2,099,047 2,099,047股

All of Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse have confirmed that they will compromise their Claims against the Company pursuant to the Scheme and the treatment to be received by them under the Scheme shall be the same as those to other Creditors.

冼先生、羅女士、周先生及謝先生全部已確認，彼等將根據計劃折衷處理對本公司的申索，且彼等根據計劃將接受的待遇與其他債權人相同。

### Reasons for and Benefits of the Scheme

### 計劃之理由及裨益

#### A. Principal activities of the company

#### A. 本公司的主要活動

The Group is principally engaged in film production and distribution, the provision of management services to artistes, event coordination, provision of travel related products and operations of film studio and hotel.

本集團主要從事電影製作及發行、提供藝人管理服務、活動統籌、提供旅遊相關產品及經營影視城和酒店。

*B. Actions taken to address financial difficulties*

Referring to the previous announcements of the Company since February 2019, the Company has been in a distressed financial position as to its repayment obligations towards its bonds and loans and the Company has done a series of actions in an attempt to refurbish its financial position and reduce its financial risks.

1. Placing under general mandate

On 13 February 2019, the Company has entered into two placing agreements with two placing agents for the purpose of placing shares under general mandate. On 18 March 2019, the placing of Shares under general mandate has been completed and raised gross proceeds of approximately HK\$110 million for the repayment of the principal and interest payment of certain bonds fallen due.

2. Proposed the placing of Shares under specific mandate

On 13 February 2019, the Company has entered into a placing agreement with four placing agents for the purpose of placing shares under specific mandate. As disclosed in the announcement of the Company dated 30 May 2019 as to the change of use of proceeds, substantial portion of the intended use of proceeds to be raised from such placing is allocated to the repayments of the outstanding indebtedness.

*B. 為處理財務困難採取的措施*

根據本公司自二零一九年二月起的過往公佈，本公司一直因其債券及貸款的還款責任而受到財政壓力及本公司已進行一連串行動以嘗試回復其財務狀況及減低其財務風險。

1. 根據一般授權的配售

於二零一九年二月十三日，本公司與兩名配售代理就根據一般授權配售股份訂立兩份配售協議。於二零一九年三月十八日，根據一般授權配售股份已完成及籌得所得款項總額約110百萬港元，以償還若干到期債券的本金還款及利息付款。

2. 建議根據特別授權配售股份

於二零一九年二月十三日，本公司與四名配售代理就根據特別授權配售股份訂立一份配售協議。誠如本公司日期為二零一九年五月三十日有關所得款項用途變動的公佈所披露，自有關配售籌集的所得款項擬定用途大部分分配作償還未付債務。

3. Potential strategic investors

On 14 May 2019, the Company entered into the Potential Strategic Investment Agreement with Proxima Media, which is wholly owned by the famous Hollywood film producer, Ryan Kavanaugh, with a view to raise or inject capital into the Company of up to US\$100 million within twelve months from the date of the Potential Strategic Investor Agreement. Subject to the certain criteria under the Potential Strategic Investment Agreement, Proxima Media will (i) transform the Studio into a world-class film-induced tourism base in collaboration with the Company; (ii) introduce up to 5 overseas films and 3 overseas TV series for the Company to be filmed at the Studio each year, and it will expand to world-wide film market together with the Company; and (iii) assist the Company on building an indoor studio and a major modern shooting water studio to fulfil the requirements of the large-scale films, creating a modernized theme park and improving the rating of the Hotel to a 7-star hotel.

In addition, the Company is concurrently negotiating with a leading regional financial institution for strategic investment which is subject to the investors' due diligence works and regulatory approval.

4. Filing winding up petition and application for appointment of provisional liquidators for restructuring purposes

On 14 June 2019, to facilitate the Company's financial restructuring, a winding up petition together with the application for appointment of the JPLs as the joint provisional liquidators of the Company on a light touch approach for restructuring purposes was presented and filed with the Supreme Court of Bermuda by the Company's Bermuda Counsel, Conyers Dill & Pearman at the request of the Company.

3. 潛在策略性股東

於二零一九年五月十四日，本公司與 Proxima Media 訂立潛在策略性股東協議，Proxima Media 由知名荷里活製作人 Ryan Kavanaugh 全資擁有，此舉旨在於潛在策略性股東協議日期起計十二個月內為本公司籌集或注資最多 1 億美元。根據潛在策略性股東協議的若干準則，Proxima Media 將 (i) 與本公司攜手將影視城打造成世界級影視旅遊基地；(ii) 為本公司每年引入最多 5 套海外電影及 3 套海外連續劇於影視城拍攝，並與本公司共同拓展世界級影視市場；及 (iii) 協助本公司興建室內攝影棚及大型現代水棚以合乎大型電影需求、打造現代化主題樂園及提升現時酒店至 7 星級酒店水平。

此外，本公司同時與一間區內頂尖的金融機構商討策略性投資，惟須待投資者的盡職審查及監管機構批准後方告作實。

4. 為重組遞交清盤呈請及申請委任臨時清盤人

於二零一九年六月十四日，為了促進本公司的財務重組，應本公司要求，本公司的百慕達律師 Conyers Dill & Pearman 向百慕達最高法院送呈及提交清盤呈請，連同以在「非強制」基礎上委任共同臨時清盤人為本公司的共同臨時清盤人的申請，以進行重組。

5. Invitation to the creditors to make an offer to the Company to subscribe for New Shares and the Convertible Bonds

On 10 July 2019, the Company invited all known creditors to make an offer to the Company to subscribe for the New Shares and the Convertible Bonds with a view to settling all outstanding Debts. On 12 August 2019, the Company announced that it has received substantial support from its creditors regarding the Restructuring Transaction and proposed to put forward a scheme of arrangement.

### C. *Effects of the Scheme*

The effect of the Scheme is that on completion of the Scheme, all Claims will be discharged and extinguished and the Creditors will not be allowed to make any claim against the Company in respect of their Claims. Each Creditor with Admitted Claim will be entitled to receive Convertible Bonds in the principal amount equal to 60% of his Admitted Claim and New Shares at the issue price of HK\$0.38 per New Share, the total value of which equivalent to 40% of his Admitted Claim in return for the full discharge and extinguishment of any claim he may have against the Company in respect of his Claim.

Considering the effect of the Scheme, the Company proposed to put forwards the Scheme involving the issue of New Shares and Convertible Bonds so as to (i) resolve its financial difficulties in fulfilling its repayment obligations and therefore strengthen the financial positions of the Company; (ii) ease the Company from heavy burden from high financial costs; (iii) increase the capital base through new issue of Shares, rather than overly relying on debt financings. Further, the Board also holds the view that, upon successful restructuring, the Company will be of a better position to negotiate with the relevant potential investors to invest into the Group.

In light of the above and given that the Scheme should give equal treatments to all Creditors in the same class, including Mr. Sin, Ms. Law, Mr. Chow and Mr. Tse, the Directors (including the independent non-executive Directors after having considered the advice of the independent financial adviser) are of the view that the terms of the Scheme are fair and reasonable and the Scheme is in the interests of the Company and the Shareholders as a whole.

5. 邀請債權人向本公司提呈要約以認購新股份及可換股債券

於二零一九年七月十日，本公司邀請所有已知的債權人向本公司提呈要約以認購新股份及可換股債券，以期償付所有未付債務。於二零一九年八月十二日，本公司宣佈，重組交易已獲債權人鼎力支持及建議提出計劃安排。

### C. *計劃之影響*

計劃之影響為完成計劃時所有申索將解除及消除且債權人將不得再對本公司就其申索提出任何索償。各認可索償債權人將有權獲發本金額等於其認可索償60%的可換股債券及每股新股份發行價0.38港元之新股份(總值等於其認可索償的40%)，作為全部解除及消除其可能就其申索向本公司提出的任何申索之交換。

考慮到計劃之影響，本公司建議提呈計劃，包括發行新股份及可換股債券，以(i)解決其償還債務的財政困難，藉此加強本公司財務狀況；(ii)讓本公司擺脫高昂財務成本的沉重負擔；(iii)通過發行新股份擴大股本基礎，而不是過分依賴債務融資。此外，董事會亦認為本公司於成功重組後在與相關潛在投資者磋商投資本集團的事宜時將處於更有利狀況。

考慮到上述因素及鑒於計劃會對同一類別的所有債權人(包括冼先生、羅女士、周先生及謝先生)給予同等待遇，董事(包括獨立非執行董事，彼等已考慮獨立財務顧問之意見)認為計劃之條款誠屬公平合理及計劃符合本公司及股東之整體利益。



### **Issue of Shares under Specific Mandate in relation to Advisory Service of Financial Adviser**

As disclosed in the Company's announcement dated 26 August 2019 and the circular of the Company dated 20 September 2019, the Company has appointed Oriental Patron Asia Limited ("**OPAL**"), a licensed corporation to carry out type 1 (dealing in securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, as the financial adviser to the Company (the "**Appointment of Financial Adviser**") to advise on and assist in formulating and overseeing a potential financial restructuring as to improving the Company's financial position. Regarding the payment of advisory fee (the "**Advisory Fee**"), after arm's length negotiations, OPAL agreed to receive the newly issued shares of the Company to settle the Advisory Fee. On 26 August 2019, the supplemental mandate letter (as to supplement the original mandate letter signed in May 2019) has been entered into between the Company and OPAL, pursuant to which the Advisory Fee is agreed to be paid by the Company to OPAL in the form of issuing and allotting 250,000,000 newly issued and fully paid-up Shares (the "**Fee Shares**") which is subject to subject to a lock-up period of 12 months from the date of the issuance and such Fee Shares shall be issued and allotted to OPAL simultaneously with the New Shares to be issued to the Creditors under the Scheme upon its completion.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Fee Shares. The Fee Shares will be allotted and issued under a specific mandate sought from the Shareholders at the SGM.

### **Increase in Authorised Share Capital**

Taking into account the aforesaid and in order to accommodate future expansion and growth of the Group, the Board proposes to increase the authorised share capital of the Company from HK\$600,000,000 divided into 6,000,000,000 Shares to HK\$2,000,000,000 divided into 20,000,000,000 Shares by the creation of additional 14,000,000,000 new Shares ("**Increase in Authorised Share Capital**"), all of which will rank pari passu with all existing Shares. The proposed Increase in Authorised Share Capital is conditional upon the passing of an ordinary resolution by the Shareholders at the SGM.

### **就財務顧問之顧問服務根據特別授權發行股份**

誠如本公司日期為二零一九年八月二十六日的公佈及本公司日期為二零一九年九月二十日的通函所披露，本公司已委任東英亞洲有限公司（「東英」）為本公司之財務顧問（「委任財務顧問」），以就制定及監控為改善本公司財務狀況的潛在財務重組提供意見及協助，東英為一間根據證券及期貨條例可進行第1類（證券交易）、第6類（就機構融資提供意見）及第9類（提供資產管理）受規管活動之持牌法團。就支付顧問費（「顧問費用」）而言，經公平磋商後，東英同意獲發本公司新發行股份作為顧問費用之結款。於二零一九年八月二十六日，本公司與東英訂立補充授權函件（以補充二零一九年五月簽立的原授權函件），據此本公司同意向東英以發行及配發250,000,000股新發行及繳足股款股份（「費用股份」）的方式支付顧問費用，惟該等股份於發行日期起12個月內禁售，且有關費用股份將於計劃完成後根據計劃向債權人發行新股份的同時發行及配發予東英。

本公司將向聯交所上市委員會申請批准費用股份上市及買賣。費用股份將根據於股東特別大會上自股東尋求的特別授權配發及發行。

### **增加法定股本**

經計及上文所述及為適應本集團未來擴張及增長，董事會建議透過增設額外14,000,000,000股新股份，將本公司法定股本由600,000,000港元（分為6,000,000,000股股份）增至2,000,000,000港元（分為20,000,000,000股股份）（「增加法定股本」），所有該等股份將與所有現有股份享有同等地位。建議增加法定股本須待股東於股東特別大會上通過普通決議案後方可作實。

### **The SGM**

The SGM was convened and held on 10 October 2019, during which (i) the Scheme and the transactions contemplated thereunder, including the grant of the specific mandate for the allotment and issue of the New Shares and the Conversion Shares; (ii) the granting of specific mandate to allot and issue the Fee Shares; and (iii) the Increase in Authorised Share Capital were approved by the Shareholders.

### **Update on the Scheme**

#### *Hong Kong Court*

On 25 September 2019, the Convening Hearing before the Hong Kong Court was heard and was adjourned to 4 October 2019. The Hong Kong Court requested the Company to revise the composite document containing the Scheme.

On 4 October 2019, the adjourned Convening Hearing before the Hong Kong Court was heard and the Hong Kong Court has directed that, among other things, the Company do convene the Scheme Meeting for the purpose of considering and, if thought fit, approving the Scheme.

#### *Bermuda Court*

The Convening Hearing before the Bermuda Court was initially scheduled on 1 October 2019 (Bermuda time) and was also rescheduled to 4 October 2019 (Bermuda time) in order to accommodate the adjourned Convening Hearing before the Hong Kong Court.

On 4 October 2019 (Bermuda time), the Convening Hearing before the Bermuda Court was heard and the Bermuda Court has directed that, among other things, the Company do convene the Scheme Meeting for the purpose of considering and, if thought fit, approving the Scheme.

#### *The Scheme Meeting*

The Scheme Meeting is scheduled to be held in Hong Kong on 8 November 2019. If the Scheme is approved by the requisite majority of the Creditors at the Scheme Meeting, the hearing of the petition to sanction the Scheme by the Hong Kong Court will be held on 19 November 2019, whereas the hearing of the petition to sanction the Scheme by the Bermuda Court will follow.

Further details of the Scheme are set out in the Company's announcements dated 19 August 2019, 8 October 2019 and 14 October 2019 and the circular of the Company dated 20 September 2019.

### **股東特別大會**

股東特別大會已於二零一九年十月十日召開及舉行，於會上股東已批准(i)計劃及據此擬進行交易，包括授出特別授權以配發及發行新股份及換股股份；(ii)授出特別授權以配發及發行費用股份；及(iii)增加法定股本。

### **計劃之最新資料**

#### *香港法院*

於二零一九年九月二十五日，召開聆訊於香港法院進行，並押後至二零一九年十月四日。香港法院要求本公司修訂載有計劃的綜合文件。

於二零一九年十月四日，押後召開聆訊於香港法院進行，香港法院指示(其中包括)本公司召開計劃會議以考慮及酌情批准計劃。

#### *百慕達法院*

百慕達法院的召開聆訊原定於二零一九年十月一日(百慕達時間)進行，亦改為二零一九年十月四日(百慕達時間)進行以配合香港法院的押後召開聆訊。

於二零一九年十月四日(百慕達時間)，召開聆訊於百慕達法院進行，且百慕達法院已指示(其中包括)本公司召開計劃會議以考慮及酌情批准計劃。

#### *計劃會議*

計劃會議定於二零一九年十一月八日在香港舉行。倘計劃於計劃會議上獲必要大多數債權人批准，則香港法院對批准計劃之呈請的聆訊將於二零一九年十一月十九日進行，而百慕達法院對批准計劃之呈請的聆訊將隨即進行。

計劃的更多詳情載於本公司日期為二零一九年八月十九日、二零一九年十月八日及二零一九年十月十四日的公佈及本公司日期為二零一九年九月二十日的通函。

# Additional Information

## 附加資料

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2019, 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 any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

#### 1. Long Positions in the ordinary shares of HK\$0.1 each of the Company ("Shares")

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares held 所持股份數量	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比 (Note 1) (附註1)
Mr. Sin Kwok Lam 冼國林先生	Beneficial owner 實益擁有人	848,580,623	17.15%
	Interest of spouse (Note 2) 配偶權益(附註2)	23,352,000	0.47%
Mr. Chow Kai Weng 周啟榮先生	Beneficial Owner 實益擁有人	1,000,000	0.02%
Mr. Chui Chi Yun Robert 崔志仁先生	Beneficial Owner 實益擁有人	3,000,000	0.06%
Mr. Li Kit Chee 李傑之先生	Beneficial Owner 實益擁有人	4,480,000	0.09%

Notes:

- This is based on the total issued Shares as at 30 September 2019 (i.e. 4,948,170,452 shares).
- Ms. Law Po Yee was beneficially interested in 23,352,000 Shares. By virtue of the SFO, Mr. Sin, being the spouse of Ms. Law Po Yee, was deemed to be interested in all the Shares in which Ms. Law Po Yee was interested.

### 董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零一九年九月三十日，董事、本公司主要行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券擁有之根據證券及期貨條例第352條之規定須登記於所述之登記冊內之權益及淡倉，或根據GEM上市規則第5.46條至5.67條之規定須知會本公司及聯交所之權益及淡倉如下：

#### 1. 於本公司每股面值0.1港元之普通股(「股份」)之好倉

附註：

- 此乃基於二零一九年九月三十日全部已發行股份(即4,948,170,452股)。
- 羅寶兒女士實益擁有23,352,000股股份。就證券及期貨條例而言，羅寶兒女士之配偶冼先生被視為於羅寶兒女士擁有權益的全部股份中擁有權益。

2. Long positions in the underlying Shares

2. 於相關股份之好倉

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares held 所持股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比 (Note 1) (附註1)
Mr. Chow Kai Weng ("Mr. Chow") 周啟榮先生(「周先生」)	Beneficial Owner 實益擁有人	45,063,695 (Note 2) (附註2)	0.91%
Mr. Chui Chi Yun Robert ("Mr. Chui") 崔志仁先生(「崔先生」)	Beneficial Owner 實益擁有人	1,546,896 (Note 3) (附註3)	0.03%
Mr. Cheng Wang Chun ("Mr. Cheng") 鄭弘駿先生(「鄭先生」)	Beneficial Owner 實益擁有人	44,980,000 (Note 4) (附註4)	0.91%

Notes:

- This is based on the total issued Shares as at 30 September 2019 (i.e. 4,948,170,452 Shares).
- These underlying Shares represent (i) 24,888 Shares to be issued upon exercise of the physically settled share options granted to Mr. Chow on 29 September 2010 pursuant to the share option scheme adopted on 22 July 2002 and terminated on 29 September 2010 ("**Post-IPO Share Option Scheme**") under which Mr. Chow may exercise the said options from 29 September 2010 to 2 September 2020 at an exercise price of HK\$2.89 per Share; (ii) 58,807 Shares to be issued upon exercise of the physically settled share options granted to Mr. Chow on 28 March 2011 pursuant to the share option scheme adopted on 29 September 2010 ("**New Share Option Scheme**") under which Mr. Chow may exercise the said options from 28 March 2012 to 27 March 2021 at an exercise price of HK\$7.62 per Share; and (iii) 44,980,000 Shares to be issued upon exercise of the physically settled share options granted to Mr. Chow on 16 May 2017 pursuant to the New Share Option Scheme under which Mr. Chow may exercise the said options from 16 May 2017 to 15 May 2020 at an exercise price of HK\$0.2456 per Share.

附註：

- 此乃基於二零一九年九月三十日的已發行股份總數(即4,948,170,452股股份)。
- 該等相關股份指(i)於根據於二零零二年七月二十二日採納，並於二零一零年九月二十九日終止的購股權計劃(「**首次公開發售後購股權計劃**」)，於二零一零年九月二十九日授予周先生的實物結算購股權獲行使後將予發行之24,888股股份，據此，周先生可於二零一零年九月二十九日至二零二零年九月二日期間行使前述購股權，行使價為每股2.89港元；(ii)於根據二零一零年九月二十九日採納的購股權計劃(「**新購股權計劃**」)於二零一一年三月二十八日授予周先生的實物結算購股權獲行使後將予發行之58,807股股份，據此，周先生可於二零一二年三月二十八日至二零二一年三月二十七日期間行使前述購股權，行使價為每股7.62港元；及(iii)於根據新購股權計劃於二零一七年五月十六日授予周先生的實物結算購股權獲行使後將予發行之44,980,000股股份，據此，周先生可於二零一七年五月十六日至二零二零年五月十五日期間行使前述購股權，行使價為每股0.2456港元。

## Additional Information 附加資料

3. These underlying Shares represent (i) 33,292 Shares to be issued upon exercise of the physically settled share options granted to Mr. Chui on 13 May 2010 pursuant to the Post-IPO Share Option Scheme under which Mr. Chui may exercise the said options from 13 May 2010 to 12 May 2020 at an exercise price of HK\$3.66 per Share; (ii) 33,604 Shares to be issued upon exercise of the physically settled share options granted to Mr. Chui on 28 March 2011 pursuant to the New Share Option Scheme under which Mr. Chui may exercise the said options from 28 March 2012 to 27 March 2021 at an exercise price of HK\$7.62 per Share; and (iii) 1,480,000 Shares to be issued upon exercise of the physically settled share options granted to Mr. Chui on 16 May 2017 pursuant to the New Share Option Scheme under which Mr. Chui may exercise the said options from 16 May 2017 to 15 May 2020 at an exercise price of HK\$0.2456 per Share.
4. These underlying Shares represent 44,980,000 Shares to be issued upon exercise of the physically settled share options granted to Mr. Cheng on 16 May 2017 pursuant to the New Share Option Scheme under which Mr. Cheng may exercise the said options from 16 May 2017 to 15 May 2020 at an exercise price of HK\$0.2456 per Share.

Save as disclosed above, none of the Directors or the chief executive of the Company had, as at 30 September 2019, 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) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

3. 該等相關股份指(i)於根據首次公開發售後購股權計劃於二零一零年五月十三日授予崔先生的實物結算購股權獲行使後將予發行之33,292股股份，據此，崔先生可於二零一零年五月十三日至二零二零年五月十二日期間行使前述購股權，行使價為每股3.66港元；(ii)於根據新購股權計劃於二零一一年三月二十八日授予崔先生的實物結算購股權獲行使後將予發行之33,604股股份，據此，崔先生可於二零一二年三月二十八日至二零二一年三月二十七日期間行使前述購股權，行使價為每股7.62港元；及(iii)於根據新購股權計劃於二零一七年五月十六日授予崔先生的實物結算購股權獲行使後將予發行之1,480,000股股份，據此，崔先生可於二零一七年五月十六日至二零二零年五月十五日期間行使前述購股權，行使價為每股0.2456港元。
4. 該等相關股份指於根據新購股權計劃於二零一七年五月十六日授予鄭先生的實物結算購股權獲行使後將予發行之44,980,000股股份，據此，鄭先生可於二零一七年五月十六日至二零二零年五月十五日期間行使前述購股權，行使價為每股0.2456港元。

除上文所披露外，於二零一九年九月三十日，各董事或本公司主要行政人員概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根據證券及期貨條例第352條規定須登記於所述登記冊內之權益或淡倉，或根據GEM上市規則第5.46條至第5.67條之規定須知會本公司及聯交所之權益或淡倉。

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

As at 30 September 2019, the persons or corporations, other than a director or chief executive of the Company, who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of Part XV of the SFO or had otherwise been notified to the Company were as follows:

### Substantial shareholders' long position in the Shares

Name of shareholder 股東姓名	Capacity/ Nature of interest 身份／權益性質	Number of Shares held 持有股份數目	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本之 概約百分比 (Note 1) (附註1)
Ms. Law Po Yee (“ <b>Ms. Law</b> ”) 羅寶兒女士(「羅女士」)	Beneficial Owner 實益擁有人	23,352,000	0.47%
	Interest of Spouse (Note 2) 配偶權益(附註2)	848,580,623	17.15%
Tse Young Lai 謝欣禮	Beneficial Owner 實益擁有人	563,547,600	11.39%

#### Notes:

- This is based on the total issued Shares as at 30 September 2019 (i.e. 4,948,170,452 Shares).
- Mr. Sin was beneficially interested in 848,580,623 Shares. By virtue of the SFO, Ms. Law, being the spouse of Mr. Sin, was deemed to be interested in all the Shares in which Mr. Sin was interested

Save as disclosed above, as at 30 September 2019, the Company has not been notified of any persons, other than a director or chief executive of the Company, who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company as recorded in the register required to be kept under section 336 of Part XV of the SFO.

## 主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一九年九月三十日，根據本公司按照證券及期貨條例第XV部第336條規定存置之登記冊所記錄，或本公司已獲知會，下列人士或法團(除本公司董事或行政總裁外)於本公司之股份及相關股份中擁有權益或淡倉：

### 主要股東於股份之好倉

Name of shareholder 股東姓名	Capacity/ Nature of interest 身份／權益性質	Number of Shares held 持有股份數目	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本之 概約百分比 (Note 1) (附註1)
Ms. Law Po Yee (“ <b>Ms. Law</b> ”) 羅寶兒女士(「羅女士」)	Beneficial Owner 實益擁有人	23,352,000	0.47%
	Interest of Spouse (Note 2) 配偶權益(附註2)	848,580,623	17.15%
Tse Young Lai 謝欣禮	Beneficial Owner 實益擁有人	563,547,600	11.39%

#### 附註：

- 此乃基於二零一九年九月三十日的全部已發行股份(即4,948,170,452股股份)。
- 冼先生實益擁有848,580,623股股份。根據《證券及期貨條例》，羅女士為冼先生之配偶，故被視為在冼先生所有享有權益的股份擁有權益。

除上文所述者外，截至二零一九年九月三十日，本公司並不知悉任何人士(本公司董事或主要行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第336條所規定存置登記冊內記錄的須向本公司披露的權益或淡倉。

## SHARE OPTION SCHEMES

Pursuant to a written resolution of the sole shareholder of the Company passed on 22 July 2002, the Company conditionally adopted and approved the Post-IPO Share Option Scheme. The principal terms of which are set out in Appendix IV to the prospectus of the Company dated 9 October 2002.

Pursuant to a resolution passed at the extraordinary general meeting of the Company on 29 September 2010, the New Share Option Scheme was adopted and the Post-IPO Share Option Scheme was terminated. The principal terms of New Share Option Scheme are set out in the circular of the Company dated 6 September 2010.

### Post-IPO Share Option Scheme

As at 30 September 2019, the share options to subscribe for an aggregate of 58,180 shares of the Company granted pursuant to the Post-IPO Share Option Scheme were outstanding. The details of the share options granted under the Post-IPO Share Option Scheme as at 30 September 2019 are set out as follows:

Category of participants	Exercise price per share	Date of grant	Exercise period	Number of share options 購股權數目					Outstanding as at 30 September 2019 於二零一九年九月三十日尚未行使
				As at 1 January 2019 於二零一九年一月一日	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	Cancelled during the period 期內註銷	
Directors 董事	3.66	13 May 2010 二零一零年五月十三日	13 May 2010–12 May 2020 二零一零年五月十三日至二零二零年五月十二日	33,292	–	–	–	–	33,292
Directors 董事	3.38	20 May 2010 二零一零年五月二十日	20 May 2010–19 May 2020 二零一零年五月二十日至二零二零年五月十九日	33,420	–	–	(33,420)	–	–
Directors 董事	2.89	3 September 2010 二零一零年九月三日	29 September 2010–2 September 2020 二零一零年九月二十九日至二零二零年九月二日	4,006,968	–	–	(3,982,080)	–	24,888
Total 總數				4,073,680	–	–	(4,015,500)	–	58,180

Note: All share options granted under the Post-IPO Share Option Scheme are vested immediately.

## 購股權計劃

根據本公司唯一股東於二零零二年七月二十二日通過之書面決議案，本公司有條件地採納及批准首次公開發售後購股權計劃。有關的主要條款載於日期為二零零二年十月九日之本公司招股章程附錄四內。

根據本公司於二零一零年九月二十九日舉行之股東特別大會上通過之決議案，新購股權計劃已獲採納，而首次公開發售後購股權計劃已經終止。新購股權計劃之主要條款載於本公司於二零一零年九月六日發出之通函內。

### 首次公開發售後購股權計劃

於二零一九年九月三十日，根據首次公開發售後購股權計劃授出而可認購本公司合共58,180股股份之購股權尚未獲行使。於二零一九年九月三十日之根據首次公開發售後購股權計劃授出的購股權詳情如下：

Category of participants	Exercise price per share	Date of grant	Exercise period	Number of share options 購股權數目					Outstanding as at 30 September 2019 於二零一九年九月三十日尚未行使
				As at 1 January 2019 於二零一九年一月一日	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	Cancelled during the period 期內註銷	
Directors 董事	3.66	13 May 2010 二零一零年五月十三日	13 May 2010–12 May 2020 二零一零年五月十三日至二零二零年五月十二日	33,292	–	–	–	–	33,292
Directors 董事	3.38	20 May 2010 二零一零年五月二十日	20 May 2010–19 May 2020 二零一零年五月二十日至二零二零年五月十九日	33,420	–	–	(33,420)	–	–
Directors 董事	2.89	3 September 2010 二零一零年九月三日	29 September 2010–2 September 2020 二零一零年九月二十九日至二零二零年九月二日	4,006,968	–	–	(3,982,080)	–	24,888
Total 總數				4,073,680	–	–	(4,015,500)	–	58,180

附註：根據首次公開發售後購股權計劃授出的全部購股權為即時歸屬。

### New Share Option Scheme

In accordance with the resolution passed at the annual general meeting (the “AGM”) held on 29 June 2017, the scheme limit on the grant of options under the New Share Option Scheme and any other share option schemes of the Company has been refreshed to up to 449,848,122 Shares, being 10% of the Shares in issue as at the AGM date based on 4,498,481,222 Shares in issue (excluding share options previously granted, outstanding, cancelled, lapsed or exercised under the New Share Option Scheme) (the “Refreshed Scheme Limit”); and the Directors are authorised, at their absolute discretion, to grant share options to subscribe for Shares within the Refreshed Scheme Limit in accordance with the rules of the New Share Option Scheme; to allot, issue and deal with the Shares pursuant to the exercise of share options granted under the New Share Option Scheme within the Refreshed Scheme Limit; and to do such acts and execute such documents for or incidental to implement the New Share Option Scheme within the Refreshed Scheme Limit.

As at 30 September 2019, the share options to subscribe for an aggregate of 254,472,411 Shares granted pursuant to the New Share Option Scheme were outstanding. The details of the share options granted under the New Share Option Scheme as at 30 September 2019 are set out as follows:

Category of participants	Exercise price per Share	Date of grant	Vesting period	Exercise period	Number of share options 購股權數目					Outstanding as at 30 June 2019 於二零一九年六月三十日尚未行使
					As at 1 January 2019 於二零一九年一月一日	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	Cancelled during the period 期內註銷	
Directors (Note 1) 董事(附註1)	7.62	28 March 2011 二零一一年三月二十八日	28 March 2011– 27 March 2012 二零一一年三月二十八日至 二零一二年三月二十七日	28 March 2012– 27 March 2021 二零一二年三月二十八日至 二零一三年三月二十七日	4,830,579	–	–	(4,738,168)	–	92,411
Directors (Note 1) 董事(附註1)	0.2456	16 May 2017 二零一七年五月十六日	–	16 May 2017– 15 May 2020 二零一七年五月十六日至 二零二零年五月十五日	57,660,000	–	(2,240,000) (附註2)	(8,960,000)	–	46,460,000
Other participants 其他參與人士	0.2456	16 May 2017 二零一七年五月十六日	–	16 May 2017– 15 May 2020 二零一七年五月十六日至 二零二零年五月十五日	207,920,000	–	–	–	–	207,920,000
<b>Total 總數</b>					<b>270,410,579</b>	<b>–</b>	<b>(2,240,000)</b>	<b>(13,698,168)</b>	<b>–</b>	<b>254,472,411</b>

### 新購股權計劃

根據於二零一七年六月二十九日舉行之股東週年大會(「股東週年大會」)上通過之決議案，根據新購股權計劃及本公司任何其他購股權計劃授出購股權之計劃限額已更新至最多449,848,122股股份，即以4,498,481,222股已發行股份為基準，為於股東週年大會當日已發行股份之10%(根據新購股權計劃之前授出、尚未行使、註銷、失效或行使之購股權除外)(「更新計劃限額」)；及授權董事全權酌情根據新購股權計劃之規則授出可認購股份之購股權，數額以更新計劃限額為限；於根據新購股權計劃所授出之購股權獲行使時，配發、發行及處理股份，數額以更新計劃限額為限；及因應於更新計劃限額範圍內執行新購股權計劃作出有關行動及簽立有關文件。

於二零一九年九月三十日，根據新購股權計劃授出可認購合共254,472,411股股份之購股權尚未獲行使。於二零一九年九月三十日之根據新購股權計劃授出的購股權詳情如下：



## Additional Information 附加資料

Note 1: The Directors include former directors of the Company.

附註1：董事包括本公司前任董事。

Note 2: The weighted average closing price of Shares immediately before the date on which the options were exercised is HK\$0.35.

附註2：緊接購股權獲行使當日之前，股份的加權平均收市價為0.35港元。

### (i) *New Share Option Scheme's purpose*

The purpose of the New Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to selected person and to promote the success of the business of the Group.

### (i) *新購股權計劃目的*

新購股權計劃旨在吸引及挽留最優秀的人才、向經甄選人士提供額外獎勵，以及推動本集團業務成功。

### (ii) *Qualifying participants*

The participants of the New Share Option Scheme include any employee of the Company or any subsidiary of the Company, a director, a shareholder, a supplier, a customer or any subsidiary of the Company; an agent, adviser, consultant, strategist, contractor, sub-contractor, expert or entity that provides research, development or other technological support or any valuable services to Company or any of its subsidiary; a holder of any securities issued.

### (ii) *合資格參與者*

新購股權計劃的參與者包括本公司或本公司任何附屬公司的任何僱員、董事、股東、供應商、客戶或本公司任何附屬公司；向本公司或其任何附屬公司提供研發或其他技術支援或任何有價值服務的代理、顧問、專業顧問、策略師、承辦商、分承辦商、專家或實體；任何已發行證券的持有人。

### (iii) *Maximum number of shares*

In accordance with the resolution passed at the AGM, the scheme limit on the grant of options under the New Share Option Scheme and any other share option schemes of the Company was refreshed to up to 449,848,122 Shares, being 10% of the Shares in issue as at the date of the meeting (i.e. 4,498,481,222 Shares in issue) (excluding share options previously granted, outstanding, cancelled, lapsed or exercised under the New Share Option Scheme) and representing approximately 9.09% of the issued Shares as at the date of this report (i.e. 4,948,170,452 Shares); and the Directors are authorized, at their absolute discretion, to grant share options to subscribe for Shares within the Refreshed Scheme Limit in accordance with the rules of the New Share Option Scheme; to allot, issue and deal with the Shares pursuant to the exercise of share options granted under the New Share Option Scheme within the Refreshed Scheme Limit; and to do such acts and execute such documents for or incidental to implement the New Share Option Scheme within the Refreshed Scheme Limit.

### (iii) *最高股份數目*

根據於股東週年大會上通過之決議案，根據新購股權計劃及本公司任何其他購股權計劃授出購股權之計劃限額已更新至最多449,848,122股股份，佔大會當日已發行股份（即4,498,481,222股已發行股份）之10%（根據新購股權計劃之前授出、尚未行使、註銷、失效或行使之購股權除外）及佔於本報告日期已發行股份（即4,948,170,452股股份）約9.09%；及授權董事全權酌情根據新購股權計劃之規則授出可認購股份之購股權，數額以更新計劃限額為限；於根據新購股權計劃所授出之購股權獲行使時，配發、發行及處理股份，數額以更新計劃限額為限；及因應於更新計劃限額範圍內執行新購股權計劃作出有關行動及簽立有關文件。

(iv) *Maximum entitlement of each qualifying participant*

No qualifying participant shall be granted any options which, if exercised in full, would result in such person's maximum entitlement exceeding 1% of the aggregate number of Shares for the time being issued and issuable under the New Share Option Scheme in the 12-month period up to and including the proposed grant date unless such grant is approved in advance by the shareholders in general meeting. No qualifying participant who is a substantial shareholder or an independent non-executive Director, or any of their respective associates shall be granted any options, which, if exercised in full, would result in the shares issued and issuable to such person under the New Share Option Scheme in the 12-month period up to and including the proposed grant date for such options, unless such grant of options is approved in advance by the shareholders of the Company in general meeting: (a) representing in aggregate over 0.1% of the number of Shares then in issue; and (b) having an aggregate value, based on the closing price of the Shares as stated in the Stock Exchange's daily quotations sheets on each relevant date on which the grant of such options is made to such person under the relevant scheme, in excess of HK\$5 million.

(v) *Option period*

The share options may be exercised in whole or in part by the participant at any time during the exercise period, i.e. not exceed 10 years from the date of grant of the relevant new share options pursuant to the New Share Option Scheme, by delivering to the Company a notice duly signed in a form approved by the Board (together with payment of the exercise price in full in respect of each new share to be subscribed for) and delivery of the new share option certificate for amendment or cancellation.

(vi) *Minimum period for which an option must be held before it can be exercised*

No offer of a new share option which is capable of or open for acceptance shall be made after the expiry of the exercise period pursuant to the New Share Option Scheme.

(iv) 每名合資格參考者可獲授權益上限

倘若授予合資格參與者之購股權於截至建議授出日期(包括當日)止12個月期間獲全面行使,將導致該人士可獲授權益上限超逾當時根據新購股權計劃已發行股份及可發行股份總數之1%,則該合資格參與者將不獲授予任何購股權,惟獲股東於股東大會上預先批准者除外。如合資格參與者為主要股東或獨立非執行董事或任何彼等各自之聯繫人士,均不得獲授任何購股權(惟購股權授予已經本公司股東在股東大會上預先批准者除外):根據新購股權計劃,已經及將會授予該等人士之購股權獲全面行使後將導致已經及將予發行股份之數目於截至及包括建議授出日期止前12個月期間(包括當日):(a)合計超逾已發行股份數目0.1%;及(b)根據相關購股權計劃,每次授出購股權予該人士之有關日期於聯交所之每日報價表所列之股份收市價計算,總值超逾5,000,000港元。

(v) 購股權年期

參與者可於行使期(即根據新購股權計劃授出相關新購股權的日期起計不超過10年)內,隨時透過向本公司送交已按董事會批准的形式妥為簽署的通知(連同就將予認購的每股新股份支付的全數行使價款項),並送交新購股權證書以供修訂或註銷,以行使全部或部分購股權。

(vi) 行使前須持有購股權之最短期限

根據新購股權計劃,不得於行使期屆滿後提呈可獲接納或可供接納的新購股權。

*(vii) Payment on acceptance of the option*

HK\$1 is payable by the grantee to the Company on acceptance of the share option offer. The share option offer will be offered for acceptance for a period of 14 days from the date on which the offer is granted.

*(viii) Basis of determining the exercise price*

The exercise price for the share under the New Scheme will be determined by the Board in its absolute discretion at the time of making the offer of grant of a new share option but in any case the subscription price must be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business day immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares.

*(ix) Remaining life of the New Share Option Scheme*

The New Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the New Share Option Scheme becomes unconditional. The Board may amend any of the provisions of the New Share Option Scheme or withdraw or otherwise terminate the New Share Option Scheme at any time but no alterations shall be made to the advantage of any participant unless approved by the shareholders in general meeting. All new share options granted prior to such termination and not then exercise shall continue to be valid and exercisable subject to and in accordance with the terms of the New Share Option Scheme.

*(vii) 就接納購股權之付款*

承授人於接納購股權建議時須向本公司支付1港元。購股權建議將可於授出建議日期起計14天內予以接納。

*(viii) 釐定行使價之基準*

新計劃下的股份行使價將由董事會於提呈授出新購股權時全權酌情釐定，惟認購價無論如何最少須為下列三者中的較高者：(i)股份於提呈授出日期（必須為營業日）在聯交所每日報價表所報的收市價；(ii)股份於緊接提呈授出日期前五個營業日在聯交所每日報價表所報的平均收市價；及(iii)股份面值。

*(ix) 新購股權計劃之餘下年期*

新購股權計劃於新購股權計劃成為無條件之日起計10年內有效。董事會可隨時修訂新購股權計劃的任何條文，或撤回或以其他方式終止新購股權計劃，惟除非經股東於股東大會上批准，否則不得作出任何有利於任何參與者的修訂。所有有關終止前已授出但當時尚未行使的新購股權將繼續有效，並受限於新購股權計劃的條款及可根據該等條款行使。

## EMPLOYEE AND REMUNERATION POLICY

The Directors believe that the quality of its employees is the most important factor in sustaining the Group's growth and improving its profitability. The Group gives remuneration and discretionary bonus to its employees based on their performances, experience and prevailing industry practices. In addition to basic salaries and mandatory provident fund, staff benefits including medical coverage scheme and share options are offered.

The Group's remuneration policy was reviewed periodically by the remuneration committee of the Board and the Board's remuneration is determined by reference to market terms, company performance, and individual qualifications and performance. The Group aimed to recruit, retain and develop competent individuals who were committed to the Group's long-term success and growth. Remunerations and other benefits of employees were reviewed annually in response to both market conditions and trends, and were based on qualifications, experience, responsibilities and performance.

The current remuneration of the Directors and the key management is determined by the individual performance and market trends.

During the period under review, the Group has not experienced any significant problems with its employees or disruption to its operation due to labour disputes nor has it experienced any difficulties in the recruitment and retention of experienced staff. The Directors believe that the Group has a good working relationship with its employees.

The Group encourages and supports the employees in personal and professional training and also encourages a culture of experience-sharing. The Group organises various forms of training covering management, customers service, financial, etc to the PRC office with support from the Hong Kong head office. Other than the internal training programme, the Group has also established a continuous education scheme (the "Education Scheme"). According to the Education Scheme, the employee who passed the probation will be entitled to the subsidy for the specified course approved by the management with the maximum amount to HK\$50,000.

## 僱員及薪酬政策

董事相信，僱員素質為本集團持續增長及改善其盈利能力的最重要因素。本集團的僱員薪酬及酌情獎金乃按工作表現、經驗及當前行業慣例釐定。除基本薪金及強制性公積金外，本集團亦提供醫療保障計劃及購股權等員工福利。

董事會薪酬委員會定期檢討本集團之薪酬政策，而董事會之薪酬乃參考市場條款、公司表現及個人資歷及表現釐定。本集團旨在招聘、挽留及發展能幹而對本集團長遠成功及增長有承擔的人士。僱員的薪酬及其他福利均每年檢討，以回應市況及趨勢，亦以資歷、經驗、責任及表現為基準。

董事及主要管理層的現時薪酬乃按個別人士的表現及市場趨勢釐定。

於回顧期間，本集團與其僱員之間並無發生任何重大問題，亦無因勞資糾紛而引致營運受到干擾，且在招聘及挽留有經驗員工方面亦無遭遇任何困難。董事相信，本集團與其僱員維持良好工作關係。

本集團鼓勵並支持僱員的個人及專業培訓，亦鼓勵分享經驗的文化。本集團在香港總辦事處的協助下，為中國辦事處舉辦不同形式的培訓，包括管理、客戶服務、財務等。除內部培訓計劃外，本集團亦設立一項持續進修計劃（「進修計劃」）。根據進修計劃，通過試用期的僱員將有權就特定課程享有管理層批准的津貼，上限金額為50,000港元。

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the nine months ended 30 September 2019.

## COMPETING INTERESTS

None of the Directors or controlling shareholders of the Company (as defined in the GEM Listing Rules) or their respective close associates had any interest, whether directly or indirectly, in a business which competes or may compete with the business of the Group during the nine months ended 30 September 2019.

## AUDIT COMMITTEE

The Company has established the audit committee ("**Audit Committee**") in 2002 with written terms of reference, which deal clearly with its authorities and duties. The primary duties of the Audit Committee are to review the Company's annual reports and financial statements, interim reports and quarterly reports and discuss with the management over issues relating to auditing, internal control and financial reporting. As at 30 September 2019 and up to the date of this report, the Audit Committee comprises three independent non-executive Directors, namely Mr. Chui Chi Yun Robert (Chairman), Mr. Li Kit Chee and Mr. Lam Kwok Hing Wilfred. The Group's unaudited results for the nine months ended 30 September 2019 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results has complied with applicable accounting standards and requirements and that adequate disclosures have been made.

## 買賣或贖回本公司上市證券

本公司及其任何附屬公司於截至二零一九年九月三十日止九個月概無買賣或贖回本公司任何上市證券。

## 競爭權益

本公司董事或控股股東(定義見GEM上市規則)或彼等各自之緊密聯繫人於截至二零一九年九月三十日止九個月概無於與本集團業務構成競爭或可能構成競爭之業務中擁有任何直接或間接權益。

## 審核委員會

本公司已於二零零二年成立審核委員會(「**審核委員會**」)，並具有書面職權範圍，清楚列明其權責。審核委員會之主要職責為審閱本公司之年報及財務報表、中期報告及季度報告，並與管理層就有關審計、內部監控及財務報告等議題進行磋商。於二零一九年九月三十日及直至本報告日期，審核委員會由三名獨立非執行董事(即崔志仁先生(主席)、李傑之先生及林國興先生)組成。審核委員會已審閱本集團截至二零一九年九月三十日止九個月之未經審核業績，認為有關業績已遵照適用之會計準則及規定編製，並已作出充分披露。

## CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance with sound and reasonable corporate governance practices and procedures with an aim of maximizing the shareholders' interests as well as to enhancing the stakeholders' transparency and accountability. In this respect, to the best knowledge of the Board, the Company has complied with all of the code provisions set out in the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules ("**Corporate Governance Code**") then in force during the nine months ended 30 September 2019, except the following: As Mr. Chow Kai Weng has served as both the chairman ("**Chairman**") and the chief executive officer ("**Chief Executive Officer**") of the Company from 13 June 2018 to 13 May 2019, such practice deviates from the code provision A.2.1 of the Corporate Governance Code. The Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same person can facilitate the execution of the Group's business strategies and enhance effectiveness of its operation. Therefore, the Board considers that the deviation from the code provision A.2.1 of the Corporate Governance Code is appropriate in such circumstances. Following the appointment of Mr. Sin Kwok Lam as an executive Director and the chairman of the Company and the re-designation of Mr. Chow Kai Weng from the chairman of the Company to the associate chairman of the Company with effect from 14 May 2019, the Company has complied with the code provision A.2.1 of the Corporate Governance Code.

## REQUIRED STANDARD OF DEALINGS FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company throughout the nine months ended 30 September 2019.

By Order of the Board  
**National Arts Entertainment and Culture Group Limited**  
*(Provisional Liquidators Appointed)*  
*(For Restructuring Purposes)*  
**Chow Kai Weng**  
*Associate Chairman, Executive Director and Chief Executive Officer*

Hong Kong, 6 November 2019

## 企業管治

本公司致力通過完善及合理的企業管治常規及程序保持高水準的企業管治，旨在為股東帶來最大利益，同時提高對權益關涉者之透明度及問責性。有關此方面，就董事會所知，於截至二零一九年九月三十日止九個月，本公司已遵守GEM上市規則附錄15所載企業管治守則（「**企業管治守則**」）其時有效的所有守則條文，惟以下除外：由於周啟榮先生於二零一八年六月十三日至二零一九年五月十三日出任本公司主席（「**主席**」）及行政總裁（「**行政總裁**」），有關常規已偏離企業管治守則的守則條文第A.2.1條。董事會認為，將主席及行政總裁歸屬由同一人出任，能促進實行本集團的營運策略，且可提高營運效率。因此，董事會認為在這種情況下偏離企業管治守則的守則條文第A.2.1條實屬合適。自二零一九年五月十四日起，於冼國林先生獲委任為執行董事及本公司主席以及周啟榮先生自本公司主席調任為本公司聯席主席後，本公司已符合企業管治守則的守則條文第A.2.1條。

## 董事進行證券交易的必守標準

本公司已採納一套有關董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48條至5.67條所載之規定交易標準。本公司已向全體董事作出特定查詢，而全體董事已確認，彼等於截至二零一九年九月三十日止九個月一直遵守有關規定交易標準及本公司所採納有關董事進行證券交易之行為守則。

承董事會命  
**國藝娛樂文化集團有限公司**  
*(已委任臨時清盤人)*  
*(作重組用途)*  
聯席主席、執行董事兼行政總裁  
**周啟榮**

香港，二零一九年十一月六日

# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### **Chairman and executive Director**

Mr. Sin Kwok Lam (appointed on 14 May 2019)

#### **Associate Chairman, Executive Director and Chief Executive Officer**

Mr. Chow Kai Weng (re-designated as the Associate Chairman on 14 May 2019)

#### **Executive Directors**

Mr. Cheng Wang Chun  
Mr. Ho Leung Ting

#### **Non-Executive Director**

Dr. Lam Lee G.

#### **Independent Non-executive Directors**

Mr. Chui Chi Yun  
Mr. Li Kit Chee  
Mr. Lam Kwok Hing Wilfred  
(Appointed on 22 March 2019)  
Prof. Wong Lung Tak Patrick  
(Resigned on 1 January 2019)

### COMPANY SECRETARY

Ms. Sun Shui

### COMPLIANCE OFFICER

Mr. Chow Kai Weng

### HEAD OFFICER AND PRINCIPAL PLACE OF BUSINESS

Rm. L&M, 21/F., Kings Wing Plaza  
Phase 1, No. 3 On Kwan Street  
Shek Mun, Shatin, N.T.  
Hong Kong

### 董事會

#### **主席兼執行董事**

冼國林先生(於二零一九年五月十四日獲委任)

#### **聯席主席、執行董事兼行政總裁**

周啟榮先生(於二零一九年五月十四日  
調任為聯席主席)

#### **執行董事**

鄭弘駿先生  
何亮靈先生

#### **非執行董事**

林家禮博士

#### **獨立非執行董事**

崔志仁先生  
李傑之先生  
林國興先生  
(於二零一九年三月二十二日獲委任)  
黃龍德教授  
(於二零一九年一月一日辭任)

### 公司秘書

孫瑞女士

### 監察主任

周啟榮先生

### 總辦事處及營業地點

香港  
新界沙田石門  
安群街3號京瑞廣場1期  
21樓L及M室

## SHARE REGISTRAR AND TRANSFER OFFICES

### **Principal share registrar and transfer office**

Conyers Corporate Services (Bermuda) Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

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

Tricor Secretaries Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

## AUTHORISED REPRESENTATIVES

Mr. Chow Kai Weng  
Mr. Cheng Wang Chun

## COMMITTEES

### **Audit Committee**

Mr. Chui Chi Yun Robert (*Chairman*)  
Mr. Li Kit Chee  
Mr. Lam Kwok Hing Wilfred  
(Appointed on 22 March 2019)  
Prof. Wong Lung Tak Patrick  
(Resigned on 1 January 2019)

### **Remuneration Committee**

Mr. Chui Chi Yun Robert (*Chairman*)  
Mr. Li Kit Chee  
Mr. Lam Kwok Hing Wilfred  
(Appointed on 22 March 2019)  
Prof. Wong Lung Tak Patrick  
(Resigned on 1 January 2019)

### **Nomination Committee**

Mr. Chow Kai Wang (*Chairman*)  
Mr. Li Kit Chee  
Mr. Lam Kwok Hing Wilfred  
(Appointed on 22 March 2019)  
Prof. Wong Lung Tak Patrick  
(Resigned on 1 January 2019)

## 股份過戶及登記處

### **主要股份過戶及登記分處**

Conyers Corporate Services (Bermuda) Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### **香港股份過戶及登記處**

卓佳秘書商務有限公司  
香港  
皇后大道東183號  
合和中心54樓

## 授權代表

周啟榮先生  
鄭弘駿先生

## 轄下委員會

### **審核委員會**

崔志仁先生 (*主席*)  
李傑之先生  
林國興先生  
(於二零一九年三月二十二日獲委任)  
黃龍德教授  
(於二零一九年一月一日辭任)

### **薪酬委員會**

崔志仁先生 (*主席*)  
李傑之先生  
林國興先生  
(於二零一九年三月二十二日獲委任)  
黃龍德教授  
(於二零一九年一月一日辭任)

### **提名委員會**

周啟榮先生 (*主席*)  
李傑之先生  
林國興先生  
(於二零一九年三月二十二日獲委任)  
黃龍德教授  
(於二零一九年一月一日辭任)



## LEGAL ADVISORS

Conyers Dill & Pearman (Bermuda laws)  
LCH Lawyers LLP (Hong Kong laws)

## AUDITORS

Elite Partners CPA Limited  
*Certified Public Accountants*  
10/F., 8 Observatory Road  
Tsim Sha Tsui  
Kowloon  
Hong Kong

## PRINCIPAL BANKER

Hang Seng Bank

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## GROUP'S WEBSITE

<http://www.nationalarts.hk>

## STOCK CODE

8228

## 法律顧問

Conyers Dill & Pearman (百慕達法律)  
呂鄭洪律師行有限法律責任合夥(香港法律)

## 核數師

開元信德會計師事務所有限公司  
執業會計師  
香港  
九龍  
尖沙咀  
天文台道8號10樓

## 主要來往銀行

恒生銀行

## 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## 本集團網址

<http://www.nationalarts.hk>

## 股份代號

8228



National Arts Entertainment and Culture Group Limited  
國藝娛樂文化集團有限公司

Hong Kong listed code 香港上市編號 : 8228

