



PEGASUS ENTERTAINMENT HOLDINGS LIMITED 天馬影視文化控股有限公司

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

Stock Code / 股份代號 : 1326

INTERIM REPORT 2016/17 中期報告



Contents 目錄

PEGASUS ENTERTAINMENT HOLDINGS LIMITED
天馬影視文化控股有限公司
INTERIM REPORT 2016/17 中期報告

Corporate Information

公司資料 2

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表 4

Consolidated Statement of Financial Position

綜合財務狀況表 6

Consolidated Statement of Changes in Equity

綜合權益變動表 8

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表 10

Notes to the Interim Financial Statements

中期財務報表附註 11

Management Discussion and Analysis

管理層討論及分析 27

Other Information

其他資料 36

Corporate Information

公司資料

Board of Directors (The "Board")	Executive Directors	董事會 (「董事會」)	執行董事
	Mr. Wong Pak Ming (<i>Chairman</i>) Ms. Wong Yee Kwan Alvina Mr. Wong Chi Woon Edmond		黃栢鳴先生(主席) 黃漪鈞女士 黃子桓先生
	Independent Non-Executive Directors		獨立非執行董事
	Mr. Lam Kam Tong Mr. Lo Eric Tien-cheuk Mr. Tang Kai Kui Terence		林錦堂先生 羅天爵先生 鄧啟駒先生
Audit committee	Mr. Lam Kam Tong (<i>Chairman</i>) Mr. Lo Eric Tien-cheuk Mr. Tang Kai Kui Terence	審核委員會	林錦堂先生(主席) 羅天爵先生 鄧啟駒先生
Nomination committee	Mr. Lo Eric Tien-cheuk (<i>Chairman</i>) Mr. Lam Kam Tong Mr. Tang Kai Kui Terence	提名委員會	羅天爵先生(主席) 林錦堂先生 鄧啟駒先生
Remuneration committee	Mr. Tang Kai Kui Terence (<i>Chairman</i>) Mr. Lam Kam Tong Mr. Lo Eric Tien-cheuk	薪酬委員會	鄧啟駒先生(主席) 林錦堂先生 羅天爵先生
Company secretary	Mr. Chan Chi Ming CPA FCCA	公司秘書	陳志明先生，香港會計師， 特許公認會計師 公會資深會員
Compliance officer	Ms. Wong Yee Kwan Alvina	合規主任	黃漪鈞女士
Authorised representatives	Mr. Wong Pak Ming Mr. Chan Chi Ming	授權代表	黃栢鳴先生 陳志明先生
Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands	註冊辦事處	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands

Headquarter and principal place of business in Hong Kong	Rooms 1801–02, Westlands Centre 20 Westlands Road Quarry Bay Hong Kong	香港總部及主要營業地點	香港 鯉魚涌 華蘭路20號 華蘭中心1801–02室
Company's website	www.pegasusmovie.com	公司網站	www.pegasusmovie.com
Principal share registrar and transfer office	Codan Trust Company (Cayman) Limited Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands	主要股份過戶登記處	Codan Trust Company (Cayman) Limited Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited Level 22 Hopewell Centre 183 Queen's Road East Hong Kong	香港股份過戶登記分處	卓佳證券登記有限公司 香港 皇后大道東183號 合和中心 22樓
Principal banker	Bank of China (Hong Kong) Limited 1 Garden Road, Central Hong Kong	主要往來銀行	中國銀行(香港)有限公司 香港 中環花園道1號
Auditor	Deloitte Touche Tohmatsu <i>Certified Public Accountants</i> 35/F, One Pacific Place 88 Queensway Hong Kong	核數師	德勤•關黃陳方會計師行 <i>執業會計師</i> 香港 金鐘道88號 太古廣場一座35樓

Interim results for the six months ended 31 December 2016

截至2016年12月31日止六個月的
中期業績

The Board is pleased to announce the unaudited results of Pegasus Entertainment Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 31 December 2016 together with the comparative unaudited figures for the corresponding period in 2015 as follows:

董事會欣然公佈·天馬影視文化控股有限公司(「**本公司**」)及其附屬公司(統稱為「**本集團**」)截至2016年12月31日止六個月的未經審核業績連同2015年同期的未經審核比較數字如下：

Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表

For the six months ended 31 December 2016 截至2016年12月31日止六個月

		Six months ended 31 December 截至12月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
	Notes 附註		
Revenue	3	131,583	309,381
Cost of sales		(63,962)	(184,248)
Gross profit		67,621	125,133
Other income		3,665	2,173
Selling and distribution expenses		(47,953)	(49,158)
Administrative expenses		(20,633)	(57,794)
Net foreign exchange loss		(2,634)	(3,161)
Impairment loss on other receivables		–	(2,011)
Finance costs	5	–	(139)
Share of results of associates		(1,102)	887
Share of results of a joint venture		8,097	(572)
Profit before tax		7,061	15,358
Income tax expense	6	(528)	(10,181)
Profit for the period	7	6,533	5,177
Other comprehensive income	其他全面收入		
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>隨後或會重新分類至損益的項目</i>		
Share of exchange difference of an associate		90	–
Share of exchange difference of a joint venture		45	–
Exchange difference arising on translating foreign operations		1,675	945
		1,810	945
Total comprehensive income for the period	期內全面收入總額	8,343	6,122

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the six months ended 31 December 2016 截至2016年12月31日止六個月

		Six months ended 31 December	
		截至12月31日止六個月	
	Note	2016	2015
	附註	2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Profit (loss) for the period attributable to: 下列人士應佔期內溢利(虧損):			
Owners of the Company	本公司擁有人	7,063	8,025
Non-controlling interests	非控股權益	(530)	(2,848)
		6,533	5,177
Total comprehensive income (expense) for the period attributable to: 下列人士應佔期內全面收入(開支)總額:			
Owners of the Company	本公司擁有人	8,873	8,970
Non-controlling interests	非控股權益	(530)	(2,848)
		8,343	6,122
Earnings per share 每股盈利			
Basic (HK cent)	基本(港仙)	0.3	0.3
Diluted (HK cent)	攤薄(港仙)	0.3	0.3

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2016 於2016年12月31日

		Notes	31 December 2016 2016年 12月31日 HK\$'000 港幣千元 (Unaudited) (未經審核)	30 June 2016 2016年 6月30日 HK\$'000 港幣千元 (Audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		35,720	39,259
Intangible assets	無形資產		5,600	5,600
Interests in associates	於聯營公司的權益	10	72,875	53,887
Interest in a joint venture	於一間合營企業的權益	11	55,646	47,504
Prepayment to an artiste	預付演員款項		12,000	12,000
Available-for-sale investment	可供出售投資		4,056	4,056
Deferred tax assets	遞延稅項資產		9,394	7,878
			195,291	170,184
Current assets	流動資產			
Film rights	電影版權		14,357	3,175
Film production in progress	製作中電影		82,787	80,050
Investments in film/drama production	投資電影／戲劇製作		29,963	33,401
Inventories	存貨		621	801
Trade and other receivables	貿易及其他應收款項	12	28,219	35,716
Prepayment to an artiste	預付演員款項		12,000	12,000
Rental deposits	租賃按金		33,507	19,989
Amount due from non-controlling interest	應收非控股權益款項		-	146
Pledged bank deposits	已抵押銀行存款	13	31,211	31,165
Bank balances and cash	銀行結餘及現金		65,460	72,177
			298,125	288,620

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2016 於2016年12月31日

			31 December 2016 2016年 12月31日 HK\$'000 港幣千元 (Unaudited) (未經審核)	30 June 2016 2016年 6月30日 HK\$'000 港幣千元 (Audited) (經審核)
		Notes 附註		
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	14	41,100	45,582
Receipts in advance	預收款項		17,754	69,037
Tax payable	應付稅項		9,353	7,555
Amounts due to related companies	應付關聯公司款項		17	402
Amount due to non-controlling interest	應付非控股權益款項		26	-
Amount due to a joint venture	應付一間合營企業款項		67,773	3,918
			136,023	126,494
Net current assets	流動資產淨值		162,102	162,126
Total assets less current liabilities	總資產減流動負債		357,393	332,310
Capital and reserves	資本及儲備			
Share capital	股本	15	6,489	6,309
Reserves	儲備		353,151	327,718
Equity attributable to owners of the Company	本公司擁有人應佔權益		359,640	334,027
Non-controlling interests	非控股權益		(2,247)	(1,717)
Total equity	權益總額		357,393	332,310

Consolidated Statement of Changes in Equity

綜合權益變動表

For the six months ended 31 December 2016 截至2016年12月31日止六個月

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Share option reserve	Other reserve	Exchange reserve	Warrants reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
		股本	股份溢價	購股權儲備	其他儲備	匯兌儲備	認股權證儲備	累計虧損	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		(Note) (附註)									
At 1 July 2015 (Audited)	於2015年7月1日 (經審核)	6,040	479,313	-	10	(21)	495	(128,647)	357,190	10,652	367,842
Profit (loss) for the period	期內溢利(虧損)	-	-	-	-	-	-	8,025	8,025	(2,848)	5,177
Exchange difference arising on translating foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	945	-	-	945	-	945
Total comprehensive income (expense) for the period	期內全面收入(開支)總額	-	-	-	-	945	-	8,025	8,970	(2,848)	6,122
Acquisition of addition interest in a subsidiary	收購一間附屬公司的額外權益	-	-	-	-	-	-	-	-	(1,008)	(1,008)
Recognition of equity-settled share-based payments	確認以權益結算以股份為基礎的付款	-	-	25,272	-	-	-	-	25,272	-	25,272
Transfer upon share options lapsed	購股權失效時轉撥	-	-	(25,272)	-	-	-	25,272	-	-	-
Issue of shares upon exercise of warrants	於行使認股權證後發行股份	269	25,040	-	-	-	(200)	-	25,109	-	25,109
At 31 December 2015 (Unaudited)	於2015年12月31日 (未經審核)	6,309	504,353	-	10	924	295	(95,350)	416,541	6,796	423,337

Consolidated Statement of Changes in Equity

綜合權益變動表

For the six months ended 31 December 2016 截至2016年12月31日止六個月

		Attributable to owners of the Company								Non-controlling interests	Total
		本公司擁有人應佔									
Share capital	Share premium	Share option reserve	Other reserve	Exchange reserve	Warrants reserve	Accumulated losses	Sub-total				
股本	股份溢價	購股權儲備	其他儲備	匯兌儲備	認股權證儲備	累計虧損	小計	非控股權益	總計		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
			(Note)								
			(附註)								
At 1 July 2016 (Audited)	於2016年7月1日 (經審核)	6,309	504,353	-	10	(974)	295	(175,966)	334,027	(1,717)	332,310
Profit (loss) for the period	期內溢利(虧損)	-	-	-	-	-	-	7,063	7,063	(530)	6,533
Share of exchange difference of an associate	應佔一間聯營公司 匯兌差額	-	-	-	-	90	-	-	90	-	90
Share of exchange difference of a joint venture	應佔一間合營企業 匯兌差額	-	-	-	-	45	-	-	45	-	45
Exchange difference arising on translating foreign operations	換算海外業務產生的 匯兌差額	-	-	-	-	1,675	-	-	1,675	-	1,675
Total comprehensive income (expense) for the period	期內全面收入(開支) 總額	-	-	-	-	1,810	-	7,063	8,873	(530)	8,343
Issue of shares upon exercise of warrants	於行使認股權證後 發行股份	180	16,693	-	-	-	(133)	-	16,740	-	16,740
Transfer upon warrants expired	認股權證到期時轉撥 已屆期	-	-	-	-	-	(162)	162	-	-	-
At 31 December 2016 (Unaudited)	於2016年12月31日 (未經審核)	6,489	521,046	-	10	836	-	(168,741)	359,640	(2,247)	357,393

Note: Other reserve represents the difference between the aggregate nominal value of the respective share capital of the companies now comprising the subsidiaries of the Company over the nominal value of the shares of the Company issued pursuant to the group reorganisation completed on 5 October 2012 to rationalise the structure of the Group in preparation for the listing of the Company's shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing").

附註：其他儲備指根據本集團為籌備本公司股份於香港聯合交易所有限公司(「聯交所」)創業板上市(「上市」)而以梳理架構於2012年10月5日完成集團重組，現組成本公司各附屬公司的公司各自股本總面值與本公司已發行股份面值的差額。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 31 December 2016 截至2016年12月31日止六個月

		Six months ended 31 December	
		截至12月31日止六個月	
		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Net cash used in operating activities	經營活動所用現金淨額	(5,636)	(11,437)
Net cash used in investing activities	投資活動所用現金淨額	(20,190)	(25,011)
Net cash from financing activities	融資活動所得現金淨額	16,740	35,920
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(9,086)	(528)
Effect of foreign exchange rate changes	匯率變動影響	2,369	(2,957)
Cash and cash equivalents at 1 July	於7月1日的現金及現金等價物	72,177	81,750
Cash and cash equivalents at 31 December	於12月31日的現金及現金等價物	65,460	78,265
Cash and cash equivalents represented by:	現金及現金等價物指：		
Bank balances and cash	銀行結餘及現金	65,460	78,265

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

1. General information

The Company is a limited liability company incorporated in the Cayman Islands on 8 March 2012. The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is located at Rooms 1801-2, Westlands Centre, 20 Westlands Road, Quarry Bay, Hong Kong. Its immediate and ultimate holding company is Honour Grace Limited (“**Honour Grace**”), a company incorporated in the British Virgin Islands.

The Company is an investment holding company. The Group is principally engaged in film and television (“**TV**”) series production, distribution and licensing of film rights, film exhibition, post-production, as well as advertising, marketing and publication.

2. Basis of preparation

The unaudited consolidated financial statements for the six months ended 31 December 2016 (the “**Interim Financial Statements**”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The Interim Financial Statements have been prepared under the historical cost basis. The principal accounting policies used in the preparation of the Interim Financial Statements are consistent with those used in the annual consolidated financial statements for the year ended 30 June 2016.

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards. For those which are effective for accounting period beginning on 1 July 2016, the application has no material impact on the reported results and the financial position of the Group for the current and/or prior accounting periods. For those which are not yet effective, the Group is in the process of assessing their impact on the Group's results and financial position.

The Interim Financial Statements are presented in Hong Kong dollars (“**HK\$**”), which is the Company's functional and presentation currency.

1. 一般資料

本公司為一家於2012年3月8日在開曼群島註冊成立的有限公司。本公司的註冊辦事處位於 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，其主要營業地點位於香港鰂魚涌華蘭路20號華蘭中心1801-2室。其直接及最終控股公司為榮恩有限公司（「**榮恩**」），為一家於英屬處女群島註冊成立的公司。

本公司為一家投資控股公司。本集團主要從事電影及電視（「**電視**」）劇製作、發行及授出電影發行權使用許可、電影放映、後期製作以及廣告、市場推廣及出版業務。

2. 編製基準

截至2016年12月31日止六個月未經審核綜合財務報表（「**中期財務報表**」）乃根據香港會計師公會（「**香港會計師公會**」）頒佈的香港會計準則第34號「中期財務報告」及聯交所證券上市規則（「**上市規則**」）附錄十六的適用披露規定編製。

中期財務報表乃按歷史成本基準編製。編製中期財務報表所採用的主要會計政策與截至2016年6月30日止年度的年度綜合財務報表所採用者一致。

香港會計師公會已頒佈多項新訂及經修訂香港財務報告準則。應用於2016年7月1日開始之會計期間生效的新訂及經修訂香港財務報告準則對本集團於本及／或先前會計期間的已申報業績及財務狀況並無重大影響。就尚未生效的新訂及經修訂香港財務報告準則而言，本集團現正評估其對本集團業績及財務狀況的影響。

中期財務報表以本公司的功能及呈列貨幣港幣（「**港幣**」）呈列。

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

3. Revenue

3. 收益

		Six months ended 31 December 截至12月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Film production, distribution and licensing income	電影製作、發行及發行權使用許可收入	57,051	235,048
Film exhibition income	電影放映收入	66,570	66,724
Post-production income	後期製作收入	797	988
Advertising, marketing and publication income	廣告、市場推廣及出版收入	2,514	4,203
Advertising income	廣告收入	–	2,418
Services income	服務收入	4,651	–
		131,583	309,381

4. Segment information

4. 分部資料

The Group identifies operating segments on basis of internal reports about components of the Group that are regularly reviewed by the directors of the Company (the “**Directors**”), the chief operating decision makers (“**CODM**”) in order to allocate resources to the segments and to assess their performance.

本集團已按照有關本集團不同部門的內部報告確定經營分部，該等經營分部由本公司董事（「**董事**」）、主要營運決策者（「**主要營運決策者**」）定期審閱，以便分配分部資源及評估其表現。

For the six months ended 31 December 2016, the Group is organised into four main reportable segments as follows:

截至2016年12月31日止六個月，本集團分為以下四個主要可呈報分部：

- (i) Film and TV series production and distribution;
- (ii) Film exhibition;
- (iii) Post-production; and
- (iv) Advertising, marketing and publication.

- (i) 電影及電視劇製作及發行；
- (ii) 電影放映；
- (iii) 後期製作；及
- (iv) 廣告、市場推廣及出版。

Segment profit (loss) represent the profit earned or loss incurred by each segment without allocation of certain of other income, selling and distribution expenses, administrative expenses, finance costs and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

分部溢利(虧損)指各分部所賺取的溢利或產生的虧損，並無分配若干其他收入、銷售及發行開支、行政開支、融資成本及應佔聯營公司業績。此乃就資源分配及表現評估向主要營運決策者作出報告的方式。

4. Segment information (Continued)

Segment revenue and results

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

For the six months ended 31 December 2016:

4. 分部資料(續)

分部收益及業績

以下為本集團按可呈報及經營分部劃分之收益及業績分析。

截至2016年12月31日止六個月：

		Film and TV series production and distribution 電影及電視劇製作及發行 HK\$'000 港幣千元 (Unaudited) (未經審核)	Film exhibition 電影放映 HK\$'000 港幣千元 (Unaudited) (未經審核)	Post-production 後期製作 HK\$'000 港幣千元 (Unaudited) (未經審核)	Advertising, marketing and publication 廣告、市場推廣及出版 HK\$'000 港幣千元 (Unaudited) (未經審核)	Total 總計 HK\$'000 港幣千元 (Unaudited) (未經審核)
Segment revenue — External customers	分部收益 — 外部客戶	61,702	66,570	797	2,514	131,583
Segment profit (loss)	分部溢利(虧損)	24,912	(7,434)	(1,679)	(707)	15,092
Unallocated other income	未分配的其他收入					184
Unallocated head office and corporate expenses	未分配的總部及企業開支					(7,113)
Share of results of associates	應佔聯營公司業績					(1,102)
Profit before tax	除稅前溢利					7,061

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

4. Segment information (Continued)

Segment revenue and results (Continued)

For the six months ended 31 December 2015:

	Film and TV series production and distribution 電影及電視劇製作及發行	Film exhibition 電影放映	Post-production 後期製作	Advertising, marketing and publication 廣告、市場推廣及出版	Total 總計	
	HK\$'000 港幣千元 (Unaudited) (未經審核)	HK\$'000 港幣千元 (Unaudited) (未經審核)	HK\$'000 港幣千元 (Unaudited) (未經審核)	HK\$'000 港幣千元 (Unaudited) (未經審核)	HK\$'000 港幣千元 (Unaudited) (未經審核)	
Segment revenue — External customers	分部收益 — 外部客戶	237,466	66,724	988	4,203	309,381
Segment profit (loss)	分部溢利(虧損)	69,326	(11,611)	(2,016)	(8,501)	47,198
Unallocated other income	未分配的其他收入					859
Unallocated head office and corporate expenses	未分配的總部及企業開支					(33,447)
Finance costs	融資成本					(139)
Share of results of associates	應佔聯營公司業績					887
Profit before tax	除稅前溢利					15,358

4. 分部資料(續)

分部收益及業績(續)

截至2015年12月31日止六個月：

4. Segment information (Continued)**Geographical information**

An analysis of the Group's revenue from external customers by geographical market based on where the revenue is derived from are as below:

		Six months ended 31 December 截至12月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Hong Kong and Macau	香港及澳門	82,562	79,716
The People's Republic of China (the "PRC")	中華人民共和國(「中國」)	42,838	189,340
South East Asia region	東南亞地區	3,080	9,474
Others	其他地區	3,103	30,851
		131,583	309,381

4. 分部資料(續)**地區資料**

本集團來自外部客戶的收益按收益所在地區市場劃分的分析如下：

5. Finance costs

		Six months ended 31 December 截至12月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Interest on bank borrowings wholly repayable within five years	須於五年內悉數償還之銀行借貸產生的利息	—	64
Interest on bank overdrafts	銀行透支產生的利息	—	75
		—	139

5. 融資成本

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

6. Income tax expense

6. 所得稅開支

		Six months ended 31 December 截至12月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
The income tax expense comprises:	所得稅開支包括：		
Hong Kong Profits Tax — current	香港利得稅 — 即期	1,792	8,546
PRC Enterprise Income Tax (“EIT”) — current	中國企業所得稅(「企業所得稅」) — 即期	252	—
Deferred taxation	遞延稅項	(1,516)	1,635
		528	10,181

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the six months ended 31 December 2015 and 2016.

香港利得稅按截至2015年及2016年12月31日止六個月的估計應課稅溢利按稅率16.5%計算。

Under the Law of the PRC on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries are 25% from 1 January 2008 onwards.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司自2008年1月1日起的稅率為25%。

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

7. Profit for the period

7. 期內溢利

		Six months ended 31 December 截至12月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Profit for the period has been arrived at after charging:	期內溢利乃經扣除以下各項後計算：		
Directors' emoluments	董事薪酬	3,355	8,304
Other staff costs	其他員工成本	9,785	11,040
Retirement benefit scheme contributions, excluding those of Directors	退休福利計劃供款，不包括董事供款	445	450
Total staff costs	員工成本總額	13,585	19,794
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,853	3,813
Amortisation of intangible assets	無形資產攤銷	-	5,577
Cost of film rights recognised as an expense	確認為開支的電影版權成本	33,549	148,659
Cost of services provided	提供服務成本	29,346	34,385
Cost of inventories sold	出售存貨成本	1,067	1,204
Minimum lease payments under operating leases in respect of:	下列經營租賃項下的最低租賃付款：		
Premises	物業	1,899	2,069
Cinema	電影院	30,266	28,545
Contingent rents incurred for cinema	電影院產生的或然租金	670	750
Share-based payment expense	以股份為基礎之付款開支	-	25,272
and after crediting:	並計入以下各項後計算：		
Bank interest income	銀行利息收入	184	859
Handling service income (included in other income)	處理服務收入(計入其他收入)	1,204	1,070

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

8. Earnings per share

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

		Six months ended 31 December 截至12月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Earnings	盈利		
Profit for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	計算每股基本及攤薄盈利的本公司擁有人應佔期內溢利	7,063	8,025

		Six months ended 31 December 截至12月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的普通股加權平均股數	2,540,992,068	2,462,834,063
Effect of dilutive ordinary shares arising from issue of warrants	因發行認股權證而對普通股造成的攤薄影響	41,260,047	128,962,910
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利的普通股加權平均股數	2,582,252,115	2,591,796,973

8. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

9. Dividends

The Board does not recommend the payment of any interim dividend for the six months ended 31 December 2016 (31 December 2015: Nil).

9. 股息

董事會不建議派付截至2016年12月31日止六個月的任何中期股息(2015年12月31日：無)。

10. Interests in associates

10. 於聯營公司的權益

		31 December 2016 2016年 12月31日 HK\$'000 港幣千元 (Unaudited) (未經審核)	30 June 2016 2016年 6月30日 HK\$'000 港幣千元 (Audited) (經審核)
Cost of unlisted investments in associates	於非上市聯營公司的投資成本	74,000	54,000
Share of post-acquisition loss and other comprehensive expense	應佔收購後虧損及其他全面開支	(1,125)	(113)
		72,875	53,887

Interests in associates represent the Group's equity interests in the companies principally engaged in comic publication and film production businesses in Hong Kong and the PRC.

於聯營公司的權益指本集團於主要在香港及中國從事漫畫發行及電影製作業務的公司的股權。

11. Interest in a joint venture

11. 於一間合營企業的權益

		31 December 2016 2016年 12月31日 HK\$'000 港幣千元 (Unaudited) (未經審核)	30 June 2016 2016年 6月30日 HK\$'000 港幣千元 (Audited) (經審核)
Cost of unlisted investment in a joint venture	於一間非上市合營企業的投資成本	52,079	52,079
Share of post-acquisition profit (loss) and other comprehensive income (expense)	應佔收購後溢利(虧損)及其他全面收入(開支)	3,567	(4,575)
		55,646	47,504

Interest in a joint venture represents the Group's equity interests in the film production namely "Bounty Hunters" (賞金獵人).

於一間合營企業的權益指本集團於一部電影名為《賞金獵人》的電影製作的權益。

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

12. Trade and other receivables

The aged analysis of the Group's trade receivables, net of allowance for doubtful debts, based on the invoice date, which approximates the respective revenue recognition dates at the end of the reporting period is as follows:

		31 December 2016 2016年 12月31日 HK\$'000 港幣千元 (Unaudited) (未經審核)	30 June 2016 2016年 6月30日 HK\$'000 港幣千元 (Audited) (經審核)
Trade receivables:	貿易應收款項：		
0–30 days	0至30日	8,228	23,551
31–60 days	31至60日	9	5,757
61–90 days	61至90日	32	7
91–180 days	91至180日	787	5
181–365 days	181至365日	3	9
Over 365 days	超過365日	10	14
		9,069	29,343
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	18,276	5,707
Other deposits and prepayments for cinema operation	電影院業務的其他按金及預付款項	874	666
		28,219	35,716

Generally, with the exception of post-production and advertising, marketing and publication customers, who are generally granted credit period ranging from 30 to 60 days and 90 to 120 days respectively, no credit period is granted to the Group's customers. Distribution and licensing fee from distributors in Hong Kong, the PRC and overseas countries are normally settled upon delivery of film negatives to them. On a case-by-case basis, one to two months of credit period may be granted to its customers with good repayment history.

12. 貿易及其他應收款項

於報告期末，本集團貿易應收款項（經扣除呆賬撥備）按發票日期（大致為各自之收益確認日期）的賬齡分析如下：

		31 December 2016 2016年 12月31日 HK\$'000 港幣千元 (Unaudited) (未經審核)	30 June 2016 2016年 6月30日 HK\$'000 港幣千元 (Audited) (經審核)
Trade receivables:	貿易應收款項：		
0–30 days	0至30日	8,228	23,551
31–60 days	31至60日	9	5,757
61–90 days	61至90日	32	7
91–180 days	91至180日	787	5
181–365 days	181至365日	3	9
Over 365 days	超過365日	10	14
		9,069	29,343
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	18,276	5,707
Other deposits and prepayments for cinema operation	電影院業務的其他按金及預付款項	874	666
		28,219	35,716

除後期製作及廣告、市場推廣及出版客戶一般分別獲授介乎30至60日和90至120日的信貸期外，本集團一般並無向其客戶授出任何信貸期。應收香港、中國及海外國家發行商的發行及發行權使用許可費用通常於向彼等交付電影菲林底片時結算。本集團可按個案基準向具備良好還款記錄的客戶授出一至兩個月的信貸期。

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

13. Pledged bank deposits

At 31 December 2016, the amounts represent bank deposits of approximately HK\$31,211,000 (30 June 2016: HK\$31,165,000) in which an amount of HK\$30,553,000 (30 June 2016: HK\$30,507,000) pledged to a bank to secure short-term banking facilities granted to the Group and the remaining amount of HK\$658,000 (30 June 2016: HK\$658,000) pledged to a bank to secure for the 4Dx's equipment rental fees payable to a supplier of 4Dx equipment for the Group's operation in the cinema in accordance with the 4Dx Equipment Rental Agreement dated on 20 August 2014. The bank deposits are carried interests at a fixed rate of 0.12%–0.40% (30 June 2016: 0.10%–0.30%) per annum and they will be matured between 5 January 2017 and 12 January 2017 (30 June 2016: 5 July 2016).

14. Trade and other payables

The average credit period on purchases of goods is 60 to 90 days. As at 30 June 2016 and 31 December 2016, the aged of trade payables were fall within 60 days. The aging analysis of trade payables presented is based on the invoice date at the end of the reporting period.

13. 已抵押銀行存款

於2016年12月31日，該款項指銀行存款約港幣31,211,000元(2016年6月30日：港幣31,165,000元)，其中港幣30,553,000元(2016年6月30日：港幣30,507,000元)為向一間銀行抵押以擔保授予本集團的短期銀行融資，而餘額港幣658,000元(2016年6月30日：港幣658,000元)則為向一間銀行抵押以擔保供應商根據日期為2014年8月20日的4Dx設備租賃協議向本集團提供於電影院營運的4Dx設備而應付供應商的4Dx設備租賃費。該等銀行存款按固定年利率0.12%至0.40%(2016年6月30日：0.10%至0.30%)計息，並將於2017年1月5日至2017年1月12日期間到期(2016年6月30日：2016年7月5日)。

14. 貿易及其他應付款項

		31 December 2016 2016年 12月31日 HK\$'000 港幣千元 (Unaudited) (未經審核)	30 June 2016 2016年 6月30日 HK\$'000 港幣千元 (Audited) (經審核)
Trade payables	貿易應付款項	15,633	19,496
Other payables and accruals	其他應付款項及應計費用	24,311	24,424
Deposits received	已收按金	1,156	1,662
		41,100	45,582

採購貨品的平均信貸期為60至90日。於2016年6月30日及2016年12月31日，貿易應付款項的賬齡均於60日內。於報告期末，貿易應付款項的賬齡分析乃基於發票日期呈列。

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

15. Share capital

15. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 港幣千元
	Note 附註		
Ordinary shares of HK\$0.0025 each: 每股面值港幣0.0025元的普通股：			
Authorised:	法定：		
At 1 July 2016 (Audited) and 31 December 2016 (Unaudited)	於2016年7月1日(經審核)及 2016年12月31日(未經審核)	32,000,000,000	80,000
Issued and fully paid:	已發行及繳足：		
At 1 July 2016 (Audited)	於2016年7月1日(經審核)	2,523,768,239	6,309
Issue of shares upon exercise of warrants	於行使認股權證後發行股份 (a)	71,845,494	180
At 31 December 2016 (Unaudited)	於2016年12月31日(未經審核)	2,595,613,733	6,489

Note:

(a) During the six months ended 31 December 2016, register holders of 71,845,494 warrants exercised their rights to subscribe for 71,845,494 ordinary shares of the Company at HK\$0.233 per share. At 31 December 2016, the Company had no outstanding warrants as all warrants have not been exercised were expired on 11 December 2016.

附註：

(a) 截至2016年12月31日止六個月，71,845,494份認股權證的登記持有人行使彼等的權利，以每股港幣0.233元認購71,845,494股本公司普通股。由於所有未獲行使的認股權證已於2016年12月11日到期，故於2016年12月31日本公司並無尚未行使的認股權證。

16. Share-based payment transactions

Share option scheme

The Company's share option scheme (the "**Scheme**"), was approved and adopted by the sole shareholder on 5 October 2012 for the primary purpose to grant options to eligible persons as incentives or rewards for their contribution to the Group.

Under the Scheme, the Board may, at its discretion, grant options pursuant to the Scheme to the Directors (including executive directors, non-executive directors and independent non-executive directors), employees, advisors and consultants of the Company and its subsidiaries who the Board considers, in its absolute discretion, have contributed or will contribute to the Group (the "**Participants**").

The total numbers of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

The Scheme shall be valid and effective for a period of 10 years commencing on 5 October 2012. Options granted during the life of the Scheme shall continue to be exercisable in accordance with their terms of grant. The exercise price is determined by the Directors, and will not be less than the highest of (i) the closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant, which must be a trading day; (ii) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares. Upon acceptance of the option, the Participants shall pay HK\$1.00 to the Company by way of consideration for the grant. The option will be offered for acceptance for a period of 28 days from the date of grant.

As at 30 June 2016 and 31 December 2016, there was no share options granted under the Scheme by the Company.

16. 以股份為基礎付款的交易

購股權計劃

本公司的購股權計劃(「**該計劃**」)於2012年10月5日獲唯一股東批准及採納，主要目的為向合資格人士授出購股權，作為彼等對本集團作出貢獻的獎勵或回報。

於該計劃下，董事會可酌情根據該計劃向其全權認為對本集團已作出或將作出貢獻的本公司及其附屬公司的董事(包括執行董事、非執行董事及獨立非執行董事)、僱員、顧問及諮詢人士(「**參與者**」)授出購股權。

在毋須本公司股東事先批准的情況下，根據該計劃可能授出的購股權涉及的股份總數不得超過本公司當時已發行股份的10%。在毋須本公司股東事先批准的情況下，於任何一年時間向任何人士授出及可能授出的購股權所涉及的已發行及將予發行的股份數目不得超過本公司當時已發行股份的1%。

該計劃自2012年10月5日起計十年內有效。該計劃有效期內授出的購股權根據授出條款可繼續予以行使。行使價由董事釐定，且不會低於以下三者的最高者：(i)於授出日期(必須為交易日)聯交所發佈的每日報價表所示股份收市價；(ii)緊接授出日期前五個交易日聯交所發佈的每日報價表所示股份平均收市價；及(iii)本公司股份面值。於接納購股權後，參與者須向本公司支付港幣1.00元，作為獲授購股權的代價。購股權的接納期為授出日期起計28日。

於2016年6月30日及2016年12月31日，本公司概無根據該計劃授出購股權。

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

17. Related party transactions

During the periods, the Group entered into the following significant transactions with related parties:

17. 關聯方交易

期內，本集團與關聯方訂立以下重大交易：

Name of related parties 關聯方名稱	Notes 附註	Nature of transaction 交易性質	Six months ended 31 December 截至12月31日止六個月	
			2016 2016年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (Unaudited) (未經審核)
PM Motion Pictures Limited (“PM Motion”)	(a)	Service income 服務收入	106	31
PM Motion Pictures Limited (「PM Motion」)				
Pegasus Laboratory (International) Limited (“Pegasus Laboratory”)	(b)	Film processing services fee 電影菲林沖印服務費	10	–
天馬沖印(國際)有限公司(「天馬沖印」)				
Pure Project Limited (“Pure Project”)	(c)	Rental expense 租金開支	660	660
盧威有限公司(「盧威」)				
Bounty Productions Limited (“BPL”)	(d)	Production and distribution services income 製作及發行服務收入	3,590	–
賞金製作有限公司(「賞金」)				

Notes:

- The service income was received from PM Motion for the Group's provision of film distribution services. This company is beneficially owned by Mr. Wong Pak Ming (“Mr. Wong”), the executive Director.
- The film processing services fee was paid to Pegasus Laboratory. This company is beneficially owned by Mr. Wong.
- The rental expense was paid to Pure Project for the office premise leased by the Group. Mr. Wong has controlling interests in this company.
- The production and distribution services income was received from the joint venture of the Group, BPL.

附註：

- 該服務收入乃就本集團提供電影發行服務而向PM Motion收取。此公司由執行董事黃栢鳴先生(「黃先生」)實益擁有。
- 該電影菲林沖印服務費乃支付予天馬沖印。此公司由黃先生實益擁有。
- 該租金開支乃就本集團租賃的辦公室物業而支付予盧威。黃先生於此公司擁有控股權益。
- 製作及發行服務收入乃自本集團的合營企業賞金收取。

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

18. Operating lease commitments

The Group as lessee

As at 31 December 2016, the Group leased certain of its office premises and cinemas under operating lease arrangements.

At the end of the reporting period, the Group had committed for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		31 December 2016 2016年 12月31日 HK\$'000 港幣千元 (Unaudited) (未經審核)	30 June 2016 2016年 6月30日 HK\$'000 港幣千元 (Audited) (經審核)
Within one year	一年內	88,553	66,104
In the second to fifth year inclusive	第二年至第五年內(包括首尾兩年)	370,471	283,890
Over five years	五年後	498,394	290,282
		957,418	640,276

Operating lease payments represent rentals payable for the Group's office premises and cinemas. Leases are negotiated for terms ranging from one to fifteen years.

Certain non-cancellable operating leases included in the above are subject to contingent rent payments, which are charged at progressive rates from 11% to 38% of the annual gross box-office takings of the related cinema premise in excess of the base rents as determined in the respective lease agreements.

18. 經營租賃承擔

本集團作為承租人

於2016年12月31日，本集團根據經營租賃安排租賃其若干辦公室物業及電影院。

於報告期末，本集團根據不可撤銷經營租賃承擔的日後最低租賃付款的到期情況如下：

經營租賃付款指就本集團辦公室物業及電影院應付的租金。租賃經磋商為期介乎一至十五年。

上文所述的若干不可撤銷經營租賃須支付或然租金，有關租金乃按相關電影院場所每年總票房收入的11%至38%的累進比率計算並按超出各租賃協議釐定的基本租金部分收取。

Notes to the Interim Financial Statements

中期財務報表附註

For the six months ended 31 December 2016 截至2016年12月31日止六個月

19. Commitments

At the end of the reporting period, the Group had outstanding commitments as follows:

19. 承擔

於報告期末，本集團尚未履行承擔如下：

		31 December 2016 2016年 12月31日 HK\$'000 港幣千元 (Unaudited) (未經審核)	30 June 2016 2016年 6月30日 HK\$'000 港幣千元 (Audited) (經審核)
Capital commitments:	資本承擔：		
Capital expenditure in respect of renovations of the cinema operation contracted for but not provided in the consolidated financial statements	已訂約但未於綜合財務報表作出撥備的有關電影院營運裝修的資本開支	29,588	15,340
Capital expenditure authorised but not contracted for:	已授權但未訂約的資本開支：		
— the cinema operation in the PRC	— 於中國的電影院營運	27,480	25,601
		57,068	40,941

Management Discussion and Analysis

管理層討論及分析

Business Review

The Group is principally engaged in (i) film and TV series production, distribution and licensing of film rights, (ii) film exhibition, (iii) post-production, and (iv) advertising, marketing and publication. The Group produces films and TV series in the Chinese language with Hong Kong and the PRC as its major markets. The Group also operates both a cinema and a post-production house in Hong Kong.

Film and TV series production and distribution

During the period under review, film and TV series production and distribution operations have remained the core business of the Group with reported revenues of approximately HK\$61.7 million, representing a decrease of 74.0% compared to the corresponding period last year. This was because even though two films were released during the period under review, namely “Bounty Hunters” (賞金獵人) and “S Storm” (S風暴), only the contributions from “S Storm” (S風暴) was reflected in the revenue total, while “Bounty Hunters” (賞金獵人) was a film jointly produced by the Group and production companies from Korea and the PRC, its results was reflected in share of results of a joint venture. During the corresponding period last year, the Group had released two films, namely “Ip Man 3” (葉問3) and “Wong Ka Yan” (王家欣) of which revenue was mainly contributed by a large-scale blockbuster “Ip Man 3” (葉問3).

“Bounty Hunters” (賞金獵人) was released in July 2016 and generated revenue over HK\$150.0 million to a joint venture, in return attributed net profit to the Group of approximately HK\$8.1 million during the period under review. As a result, the profit from this business segment was decreased from HK\$69.3 million during the corresponding period last year to HK\$24.9 million during the period under review.

Currently, the Group has a number of films and TV series in the production pipeline which are scheduled to be completed and released by the year ending 30 June 2017. These include: “Dream Has Become A Reality” (怪談之喜怒哀樂), a general-scale drama film, starring Kevin Cheng (鄭嘉穎), Louis Cheung (張繼聰), Dada Chan (陳靜) and Stephy Tang (鄧麗欣), and directed by Teddy Robin (泰迪羅賓); and “Tomorrow Is Another Day” (黃金花), a general-scale drama film starring Teresa Mo (毛舜筠) and Ray Lui (呂良偉), directed by Tai Lee Chan (陳大利), a new director in the industry.

業務回顧

本集團主要從事(i)電影及電視劇製作、發行及授出電影發行權使用許可，(ii)電影放映，(iii)後期製作，及(iv)廣告、市場推廣及出版業務。本集團以香港及中國為主要市場製作華語電影及電視劇。本集團亦於香港經營電影院及後期製作公司。

電影及電視劇製作及發行

於回顧期內，電影及電視劇製作及發行業務一直為本集團的核心業務，錄得的收益約為港幣61.7百萬元，較去年同期下降74.0%。這是由於儘管在回顧期內上映了兩部電影(即《賞金獵人》及《S風暴》)，但只有《S風暴》的收益計入總收益之中，而《賞金獵人》乃本集團與韓國及中國製作公司聯合製作的一部電影，其業績計入應佔一間合營企業業績。於去年同期，本集團發行兩部電影，分別為《葉問3》及《王家欣》，當中收益主要來自大型動作電影《葉問3》。

《賞金獵人》於2016年7月上映，為合營企業帶來超過港幣150.0百萬元的收益，於回顧期內為本集團貢獻純利約港幣8.1百萬元。因此，該業務分部的溢利由去年同期的港幣69.3百萬元減至回顧期內的港幣24.9百萬元。

目前，本集團正籌備製作多部電影及電視劇，並預期於2017年6月30日止年度前完成製作及上映。其中包括：由鄭嘉穎、張繼聰、陳靜及鄧麗欣主演以及泰迪羅賓執導的一般規模劇情電影《怪談之喜怒哀樂》；以及由毛舜筠及呂良偉主演以及由業內新晉導演陳大利執導的一般規模劇情電影《黃金花》。

Management Discussion and Analysis 管理層討論及分析

In addition, a few more films in the production pipeline are scheduled to be completed and released during the second half of 2017. These include: “Made in Kowloon” (九龍不敗), a large-scale action film, starring Max Zhang (張晉) and Anderson Silva, the former UFC middleweight champion, and directed by Fruit Chan (陳果), who is the director of the award-winning film — “The Midnight After” (那夜凌晨，我坐上了旺角開往大埔的紅VAN); and “L Storm” (L風暴), a general-scale action film and sequel to the Group’s previously released films entitled “Z Storm” (Z風暴) and “S Storm” (S風暴), starring Louis Koo (古天樂) and Julian Cheung (張智霖).

In recent years, the Group has been seeking new promising directors in order to mature the new flock of talent and boost the development of Hong Kong’s film industry. Apart from Tai Lee Chan (陳大利), Benny Lau (劉偉恆), the director of “Wong Ka Yan” (王家欣) was also a fledgling director who received positive feedback after the release of his film in October 2015.

In addition, the Group has also invested in an international sci-fi movie entitled — “Inversion” (tentative name) which is slated for worldwide theatrical distribution. Jack Huston, who starred in movies “Ben-Hur” (賓虛) and “American Hustle” (騙海豪情) as well as Liu Yifei (劉亦菲), who has taken many starring roles in movies such as “Never Gone” (致青春：原來你還在這裡) and the series of “The Four” (四大名捕) are part of the main cast. As additional time was needed for preparation and preliminary photography work, the shooting schedule has been further delayed. The filming and worldwide theatrical distribution tentatively scheduled to take place in mid of 2017 and 2018 respectively. With an outstanding pre-sale performance track record, the Group expects that the film will be another bit hit upon its release.

In the future, the Group will continue to identify quality investment opportunities in film and TV series projects worldwide, not only to strengthen the Group’s revenue base, but also to enrich its knowledge and experience for entering the global market. The Group will also make use of the 3-year strategic cooperation framework with 華策影業(天津)有限公司 (in English, for identification purpose only, Huace Pictures (Tianjin) Co., Ltd.) since June 2016 to strengthen the Group’s capabilities in and further penetrate into the PRC film market.

As disclosed in the prospectus of the Company dated 9 October 2012 (the “Prospectus”) and the reports published in previous financial years, various factors such as number of films distributed by the Group, the scale, schedule of film release and the result of a film could have significant impact on the Group’s results. Taking all these factors into consideration, the Group’s interim financial results may not be indicative of the Group’s financial results of a full year and the Group’s financial performance would fluctuate from period to period.

此外，本集團正籌備製作多部於2017年下半年完成及上映的電影，包括大型動作電影《九龍不敗》(由張晉及前UFC中量級冠軍Anderson Silva主演，由陳果執導，陳果為獲獎影片《那夜凌晨，我坐上了旺角開往大埔的紅VAN》的導演)及《L風暴》(一般規模的動作電影，為本集團早前上映且由古天樂及張智霖主演的電影《Z風暴》及《S風暴》的續集)。

近年來，本集團一直發掘具潛質的新晉導演，以培育新人才及推動香港電影業的發展。除陳大利之外，《王家欣》之導演劉偉恆亦是一位新晉導演，其電影於2015年10月上映後，得到正面的評價。

此外，本集團亦有投資一部計劃在全球電影院發行的國際科幻電影《Inversion》(暫定名)。該片由Jack Huston(曾主演電影《賓虛》及《騙海豪情》)及劉亦菲(曾在《致青春：原來你還在這裡》及系列電影《四大名捕》等電影中擔任主要角色)主演。由於準備及初步拍攝工作需要額外的時間，拍攝計劃進一步延遲。該電影的拍攝及於全球影院發行分別暫定於2017年年中及2018年進行。憑藉過往於預售表現中的突出成績，本集團預期該影片將在上映後成為另一賣座電影。

未來，本集團將繼續在世界各地物色優質電影及電視劇項目的投資機會，藉此加強本集團的收益基礎，並加強進軍全球市場的知識及經驗。本集團亦將利用自2016年6月以來與華策影業(天津)有限公司訂立的3年期戰略合作框架，以增強本集團的實力及進一步增加中國電影市場的份額。

如本公司於2012年10月9日的招股章程(「招股章程」)及過往財政年度刊發的報告所披露，本集團發行電影的數量、規模、電影上映日期及電影票房等多項因素會對本集團的業績產生重大影響。經考慮所有該等因素，本集團的中期財務業績可能無法反映本集團的全年財務業績，本集團的財務表現於不同期間會有所波動。

Film exhibition

In terms of film exhibition operations, the Group's flagship cinema complex — Cinema City Langham Place, which is situated in a prime location of Mongkok, has to date maintained its number one ranking in terms of box office receipts among all cinemas in Hong Kong during the period under review. Cinema City Langham Place recorded growth in both the number of admissions and total box office receipts, outperforming the overall market even the Hong Kong box office receipts posted a slight decline of 2.0% in 2016 to approximately HK\$1.95 billion.

As the only theatre in Hong Kong equipped with "4Dx" exclusive viewing technology, which provides an advanced, sophisticated cinematic experience for audiences, Cinema City Langham Place has been ranked at the top of the list among all cinemas in Hong Kong. According to the statistics from Hong Kong Box Office Limited, the cinema took in over HK\$123.0 million in box office receipts in 2016, an increase of 5.3% compared with 2015, maintaining its primary position as the largest box office receipts cinema in Hong Kong.

Cinema City Langham Place was another key revenue driver for the Group. During the period under review, revenue from film exhibition amounted to approximately HK\$66.6 million, while loss of this business segment narrowed significantly from HK\$11.6 million during the corresponding period last year to approximately HK\$7.4 million this year. The Group is confident that the performance of film exhibition will be further improved going forward.

As for the Group's first cinema in the PRC located in "Vivo City" (怡豐城), a new large-scale retail complex in the Central Business District (CBD) of southwest Shanghai, renovation work has already started and the cinema is expected to begin operations in the third quarter of 2017. With the steady growth of box office receipts and a rise in the number of admissions, the Group is optimistic about prospects for the film exhibition business and will continue to explore all viable opportunities in the PRC for film exhibition business expansion.

Post-production

Post-production plays an important role for the Group in the overall integrated film production process. In spite of a loss of HK\$1.7 million recorded during the period under review, the Group will maintain its small-scale operations to provide post-production services for external customers, which will help strengthen the Group's overall profitability, and more importantly, benefit the Group's film production business in terms of efficiency and cost control.

電影放映

在電影放映業務方面，於回顧期內，位於旺角黃金地段的本集團旗艦影院 Cinema City 朗豪坊，其票房收入至今在香港所有電影院中仍排名第一。儘管 2016 年香港票房收入輕微下跌 2.0% 至約港幣 19.5 億元，但 Cinema City 朗豪坊之入場人次及總票房收入仍錄得增長，表現超越整體市場。

作為香港唯一一家設有「4Dx」獨家觀影技術的電影院，為觀眾提供先進、立體的觀影體驗，Cinema City 朗豪坊在香港所有電影院中名列前茅。根據香港票房有限公司的統計，該電影院於 2016 年錄得超過港幣 123.0 百萬元的票房收入，較 2015 年增加 5.3%，保持其作為香港最高票房收入電影院的首要地位。

Cinema City 朗豪坊為本集團另一主要收益來源。於回顧期內，電影放映收益約為港幣 66.6 百萬元，而該業務之分部虧損則由去年同期的港幣 11.6 百萬元大幅收窄至本年度的約港幣 7.4 百萬元。本集團相信未來電影放映的業績將會進一步改善。

至於本集團於中國的首家電影院位於上海西南部中央商務區的大型新零售綜合商場「怡豐城」，其裝修工程已經開始，預計 2017 年第三季度開始運營。隨著票房收入的穩定增長及入場人次增加，本集團對電影放映業務前景表示樂觀，並會於中國繼續發掘各種可行的機會拓展電影放映業務。

後期製作

後期製作在本集團的整體綜合電影製作過程中扮演重要角色。儘管於回顧期內錄得虧損港幣 1.7 百萬元，本集團將維持其小規模經營，向外部客戶提供後期製作服務，以加強本集團的整體盈利能力，且更為重要的是，這有利於本集團電影製作業務提高效率及控制成本。

Management Discussion and Analysis

管理層討論及分析

Advertising, marketing and publication

During the period under review, the film advertising and marketing business has not only contributed positive results to the Group but also allowed the Group to benefit from the sophisticated advertising and promotion strategies as well as cost reduction. As for the publication business, in view of the unsatisfactory performance of the Group's monthly luxury lifestyle magazine — "Platinum of UnionPay" (銀聯白金), the Group has ceased publication of this magazine in August 2016 in order to save cost and release the Group from making further investment in this business segment. Having taken this important step, the loss of this business segment narrowed substantially from HK\$8.5 million during the corresponding period last year to approximately HK\$0.7 million this year.

The Group is now in the process of reviewing the overall structure and strategies of its print and digital media publication business, including using the Group's publication platform for promotion events and joint film marketing campaigns and thereby creating a synergy effect from the Group's publication business and film production, distribution, advertising and marketing businesses. The Group believes that the reorientation of the print and digital media publication business will help further strengthen its core business development, which forms an important part of the Group's film production value chain.

Outlook

According to the State Administration of Press, Publication, Radio, Film and Television (國家新聞出版廣電總局), in 2016, the PRC total box office receipts grossed approximately RMB45.7 billion, representing a year-on-year growth of approximately 3.7%. The number of new cinemas and screens were 1,612 and 9,552 respectively, and the total number of admissions reached 1.37 billion, representing a year-on-year growth of approximately 8.9%. The PRC now leads the world with a total of 41,179 film screens.

Although industry growth in 2016 was not as impressive as in previous years, the Group believes that this is considered just a healthy adjustment, and the industry is still on the right developmental track for continuous growth.

On-going favourable policies were issued by the PRC government. For example, in November 2016, the Film Industry Promotion Law of the PRC (中國電影產業促進法) was adopted at the Standing Committee of the Twelfth National People's Congress of the PRC (中國第十二屆全國人民代表大會常務委員會) for the purposes of promoting investment in film production and encouraging the long-term development of the film industry. The above mentioned law will come into force on 1 March 2017.

廣告、市場推廣及出版

在回顧期內，電影廣告及市場推廣業務不僅為本集團業績帶來正面貢獻，亦讓本集團從多元化的廣告及促銷策略及成本削減中獲益。在出版業務方面，鑑於本集團奢華時尚月刊雜誌《銀聯白金》的表現不如預期，本集團已於2016年8月停止出版該雜誌，以節省成本及避免本集團進一步投資此業務。採取該重要措施後，該業務分部的虧損由去年同期的港幣8.5百萬元大幅收窄至今年的約港幣0.7百萬元。

本集團正在檢討其印刷及數碼媒體出版業務的整體架構及策略，包括利用本集團的出版平台進行促銷活動及聯合電影推廣活動，從而使本集團出版業務與電影製作、發行、廣告及市場推廣業務形成協同效應。本集團相信印刷及數碼媒體出版業務的重新定位將有助於進一步鞏固本集團核心業務發展，形成本集團電影製作價值鏈的重要部分。

展望

根據國家新聞出版廣電總局，2016年度中國的總票房收入合共約人民幣457億元，按年增加約3.7%。新電影院及銀幕數目分別達1,612間及9,552塊，總入場人次達13.7億人，按年增長約8.9%。中國目前以合共41,179塊電影銀幕而名列世界之首。

儘管2016年行業增長並不如過往年度般強勁，本集團認為這僅僅是良性調整，電影業仍朝著正確的發展軌道不斷前進。

中國政府頒佈持續優惠政策，例如於2016年11月，在中國第十二屆全國人民代表大會常務委員會上採納《中國電影產業促進法》，以促進投資電影製作及鼓勵電影產業長期發展。有關政策將於2017年3月1日起生效。

In Hong Kong, the government also clearly stated its desire to continue promoting the development of the film industry, especially with respect to production expansion, elite talent cultivation, Hong Kong film brands promotion and other aspects. The Hong Kong Government's 2016 Policy Address mentions that it will encourage greater production of local films and the development of Hong Kong film brands as well as consider including cinemas in property development projects as a condition for government land leases. In June 2016, the government injected an additional HK\$20.0 million into the Film Development Fund (電影發展基金) to enhance the subsidies for expenses incurred by locally produced Cantonese films slated for distribution and publicity in the PRC.

With the support of recently launched governmental policies, the Group remains optimistic about the future prospect for the industry. Looking forward, the Group will continue to strategically focus on its core businesses to strengthen the integration of its film production value chain and effectively utilise its available resources to capture business opportunities within the PRC film industry, in order to maximise the Group's value and returns to the shareholders of the Company.

Financial Review

Revenue and Gross profit

Revenue and gross profit of the Group were approximately HK\$131.6 million and HK\$67.6 million respectively for the six months ended 31 December 2016, representing decreases of approximately HK\$177.8 million or 57.5% and HK\$57.5 million or 46.0% respectively compared to the corresponding period last year. This was mainly due to the fact that the film released during the period under review namely "S Storm" (S風暴) was of general-scale, whilst during the corresponding period last year, the Group had released two films of which one was a large-scale film namely "Ip Man 3" (葉問3). This large-scale film alone accounted for approximately 71.9% of the total revenue for the corresponding period last year. The overall gross profit margin for the six months ended 31 December 2016 was approximately 51.4%, which showed a significant increase from that of approximately 40.4% for the corresponding period last year. This was mainly due to the Group production of general-scale film during the period under review as opposed to a large-scale film. Due to the relatively large costs involved, large-scale production inherently has a lower gross profit margin. In addition, the gross profit margin for the film exhibition was approximately 57.5% for the period under review, representing an increase of approximately 3.5 percentage points compared to the corresponding period last year.

同時，香港政府明確表明持續推動電影產業發展的決心，尤其是在擴大製作、精英人才培育，及香港電影品牌推廣等。香港政府2016年施政報告，鼓勵加大本港電影製作及香港電影品牌發展，並考慮將電影院納入物業發展項目作為一項政府土地租賃條件。於2016年6月，香港政府向電影發展基金額外注入港幣20.0百萬元，為計劃在中國宣傳及上映的本地製作粵語電影提供補貼。

在近期政府推出政策的支持下，本集團對產業的未來前景保持樂觀。展望將來，本集團會繼續策略性地集中發展其核心業務，以加強其電影產業價值鏈的一體化及有效使用其可得的資源，務求抓緊中國電影業內的商機，以擴大本集團的價值及本公司股東的回報。

財務回顧

收益及毛利

截至2016年12月31日止六個月，本集團收益及毛利分別約為港幣131.6百萬元及港幣67.6百萬元，相較上一年度同期，分別減少約港幣177.8百萬元或57.5%，及港幣57.5百萬元或46.0%。減幅主要由於本集團於回顧期內上映了屬於一般規模的電影《S風暴》，而於上一年度同期本集團上映了兩部電影，其中一部為大型電影《葉問3》。該部大型電影佔上一年度同期總收益約71.9%。截至2016年12月31日止六個月的整體毛利率約為51.4%，較上一年度同期約40.4%大幅增加。此乃主要由於對比大型電影，本集團於回顧期內製作了一般規模的電影。由於大型製作所涉及的成本相對較高，而本質上的毛利率較低。此外，回顧期內電影放映的毛利率約為57.5%，較上一年度同期增加約3.5個百分點。

Management Discussion and Analysis

管理層討論及分析

Other income

Other income was approximately HK\$3.7 million for the six months ended 31 December 2016, representing an increase of approximately HK\$1.5 million or 68.7% compared to the corresponding period last year. This was mainly due to the investment income from investments in film/drama production of certain PRC film and TV animations programme distributed by independent PRC production houses of approximately HK\$1.0 million recorded for the period under review, whilst no such income was recognised in the corresponding period last year.

Selling and distribution expenses

Selling and distribution expenses decreased by approximately HK\$1.2 million or 2.5% from approximately HK\$49.2 million for the six months ended 31 December 2015 to approximately HK\$48.0 million for the six months ended 31 December 2016. This was mainly due to additional costs of approximately HK\$3.9 million on advertising and promotion events were incurred relating to the release of the large-scale film in the corresponding period last year, whilst no such costs were recorded for the period under review as the film released was of general-scale, outweighed the increase in the rental related expenses of the cinema operation of approximately HK\$2.7 million during the period under review.

Administrative expenses

Administrative expenses decreased by approximately HK\$37.2 million or 64.3% from approximately HK\$57.8 million for the six months ended 31 December 2015 to approximately HK\$20.6 million for the six months ended 31 December 2016. This was mainly due to (i) the grant of share options by the Company in the corresponding period last year which resulted in a charge of share-based payment of approximately HK\$25.3 million, whilst no such cost was recorded for the period under review; (ii) the decrease in total staff costs by approximately HK\$6.7 million as a result of no discretionary bonuses paid to Directors during the period under review; and (iii) the amortisation of intangible assets for the advertising, marketing and publication segment of approximately HK\$5.6 million during the corresponding period last year, whilst no such cost was recognised for the period under review as the relevant assets were fully impaired in the previous financial year.

Share of results of a joint venture

During the period under review, BPL recorded a profit attributable to the Group of approximately HK\$8.1 million. This represents the Group's sharing of the results of a film namely "Bounty Hunters" (賞金獵人), a large-scale adventure action film, released in July 2016 of which jointly produced by the Group with production companies from Korea and the PRC during the period under review.

其他收入

截至2016年12月31日止六個月，其他收入約為港幣3.7百萬元，較上一年度同期增加約港幣1.5百萬元或68.7%。此乃主要由於來自投資獨立中國製片廠發行的若干中國電影及電視動畫節目的電影／戲劇製作在回顧期內錄得投資收入約港幣1.0百萬元，而上一年度同期並無確認該等收入。

銷售及發行開支

銷售及發行開支由截至2015年12月31日止六個月約港幣49.2百萬元減少約港幣1.2百萬元或2.5%，至截至2016年12月31日止六個月約港幣48.0百萬元。此乃主要由於上一年度同期有關上映大型電影導致廣告及宣傳活動產生額外成本約港幣3.9百萬元，而回顧期上映一般規模的電影並無產生有關額外成本，超過了回顧期內電影院經營的租金相關開支增加約港幣2.7百萬元。

行政開支

行政開支由截至2015年12月31日止六個月約港幣57.8百萬元減少約港幣37.2百萬元或64.3%，至截至2016年12月31日止六個月約港幣20.6百萬元。此乃主要歸因於(i)本公司於上一年度同期授出購股權導致列入以股份為基礎付款約港幣25.3百萬元，而於回顧期內並無產生有關成本；(ii)由於回顧期內並無向董事支付酌情花紅而令總員工成本減少約港幣6.7百萬元；及(iii)於上一年度同期，廣告、市場推廣及出版分部下攤銷無形資產約港幣5.6百萬元，而回顧期內因有關資產於上一財政年度悉數減值而並無確認有關成本。

應佔一間聯營公司業績

於回顧期內，賞金錄得本集團應佔溢利約港幣8.1百萬元。此乃本集團應佔於2016年7月上映的大型冒險動作電影《賞金獵人》的業績，該電影由本集團與韓國及中國製作公司於回顧期內聯合製作。

Profit for the period

The Group's profit and total comprehensive income attributable to owners of the Company for the six months ended 31 December 2016 amounted to approximately HK\$7.1 million (31 December 2015: HK\$8.0 million) and HK\$8.9 million (31 December 2015: HK\$9.0 million), respectively. The change during the period under review was primarily resulted from the significant decreases in revenue and gross profit from film and TV series production and distribution, being set off against a promising results contributed by the joint venture and the significant decrease in the operating expenses of the Group as aforementioned.

Liquidity, Financial Resources and Capital Structure

As at 31 December 2016, the Group's bank balances and cash amounted to approximately HK\$96.7 million (30 June 2016: HK\$103.3 million), which are denominated mainly in HK\$, United States Dollar ("US\$") and Renminbi ("RMB").

As at 31 December 2016, the Group's did not have any interest-bearing loans and shareholders' loans (30 June 2016: Nil). Gearing ratio was not applicable as at 31 December 2016 and 30 June 2016.

The Group had un-utilised credit facilities totalling HK\$35.0 million as at 31 December 2016 (30 June 2016: HK\$35.0 million). The Group has maintained these general banking facilities for flexibility.

As at 31 December 2016, the Group had total non-current assets of approximately HK\$195.3 million (30 June 2016: HK\$170.2 million), net current assets of approximately HK\$162.1 million (30 June 2016: HK\$162.1 million) and net assets of approximately HK\$357.4 million (30 June 2016: HK\$332.3 million). The current ratio of the Group, representing the ratio of current assets over current liabilities, was approximately 2.2 as at 31 December 2016 (30 June 2016: 2.3).

During the period under review, the Group mainly funded its liquidity by the net proceeds from the Listing and issue of new shares pursuant to the subscription rights attaching to the warrants of the Company and resources generated internally. The Group's financial resources are sufficient to support its business and operations. The Group would also consider other financing activities when appropriate business opportunities arise under favourable market conditions.

The financial position and liquidity of the Group remain solid and healthy and there is no material adverse change in the operations of the Group.

期內溢利

截至2016年12月31日止六個月，本公司擁有人應佔本集團溢利及全面收入總額分別約為港幣7.1百萬元（2015年12月31日：港幣8.0百萬元）及港幣8.9百萬元（2015年12月31日：港幣9.0百萬元）。回顧期內之變動主要由於電影及電視劇製作及發行產生的收益及毛利大幅減少所致，惟已被上述聯營公司貢獻的良好業績及本集團經營開支顯著減少所抵銷。

流動資金、財務資源及資本結構

於2016年12月31日，本集團的銀行結餘及現金約為港幣96.7百萬元（2016年6月30日：港幣103.3百萬元），主要以港幣、美元（「美元」）及人民幣（「人民幣」）計值。

於2016年12月31日，本集團並無任何計息貸款及股東貸款（2016年6月30日：無）。於2016年12月31日及2016年6月30日，資產負債比率並不適用。

於2016年12月31日，本集團的未動用信貸融資合共為港幣35.0百萬元（2016年6月30日：港幣35.0百萬元）。本集團已保留此等一般銀行融資，以保持靈活性。

於2016年12月31日，本集團擁有非流動資產總值約港幣195.3百萬元（2016年6月30日：港幣170.2百萬元）、流動資產淨值約港幣162.1百萬元（2016年6月30日：港幣162.1百萬元）及資產淨值約港幣357.4百萬元（2016年6月30日：港幣332.3百萬元）。於2016年12月31日，本集團的流動比率（即流動資產與流動負債的比率）約為2.2（2016年6月30日：2.3）。

於回顧期內，本集團主要透過上市及根據本公司認股權證附帶的認購權發行新股份所得款項淨額及內部資源撥付流動資金。本集團的財務資源足以支持業務及營運。本集團亦會在出現適當業務機會且市場條件有利時考慮其他融資活動。

本集團的財務狀況及流動資金維持穩定及健全，而本集團業務並無重大不利變動。

Management Discussion and Analysis

管理層討論及分析

Employee Information

As at 31 December 2016, the Group had 89 full-time employees (30 June 2016: 94). Staff costs, including Directors' remuneration and part-time staff, amounted to approximately HK\$13.6 million for the six months ended 31 December 2016 (31 December 2015: HK\$19.8 million).

The Group offers a comprehensive and competitive remuneration and benefits package to all of its employees. The Group has adopted the Scheme for the purpose of providing incentives and rewards to eligible persons who contribute to the success of the Group's operations. The Group has also adopted other employee benefits including a provident fund scheme for its employees in Hong Kong, as required under the Mandatory Provident Fund Schemes Ordinance, and has participated in employee pension schemes organised and governed by the relevant local governments for its employees in the PRC.

Charge on Assets

The Group's bank deposits of approximately HK\$30.5 million for both periods ended 30 June 2016 and 31 December 2016, were pledged to secure a general banking facility of HK\$30.0 million. As at 31 December 2016, the Group's bank deposits of approximately HK\$0.7 million (30 June 2016: HK\$0.7 million) were pledged to secure the bank guarantee provided by a subsidiary of the Company regarding its due payment under a cinema equipment rental agreement.

Foreign Exchange Exposure

The Group's business operations were conducted mainly in Hong Kong with transactions principally denominated in HK\$, US\$ and RMB. The monetary assets and liabilities are denominated mainly in HK\$, US\$ and RMB. Apart from HK\$, which is pegged to US\$, any significant exchange rate fluctuations of HK\$ against RMB may have a financial impact to the Group. During the period under review, there was no significant fluctuation in the exchange rates of these currencies.

The Group did not engage in any derivatives activities and did not commit to any financial instruments to hedge its statement of financial position exposure during the six months ended 31 December 2016.

Contingent Liabilities

As at 30 June 2016 and 31 December 2016, the Group did not have any significant contingent liabilities.

僱員資料

於2016年12月31日，本集團擁有89名全職僱員(2016年6月30日：94名)。截至2016年12月31日止六個月，員工成本(包括董事薪酬及兼職員工)約為港幣13.6百萬元(2015年12月31日：港幣19.8百萬元)。

本集團向全體僱員提供全面及具競爭力的薪酬及福利。本集團採納該計劃，旨在作為對本集團業務成功有所貢獻的合資格人士的獎勵及回報。本集團亦已採納其他僱員福利，包括根據強制性公積金計劃條例的規定為其香港僱員設立一項公積金計劃，並為其中國僱員參與有關地方政府組織及規管的僱員退休金計劃。

資產押記

截至2016年6月30日及2016年12月31日止兩個期間，本集團質押銀行存款約港幣30.5百萬元，以擔保港幣30.0百萬元之一般銀行融資。於2016年12月31日，本集團質押銀行存款約港幣0.7百萬元(2016年6月30日：港幣0.7百萬元)，以擔保本公司一間附屬公司就電影院設備租賃協議項下的到期付款所提供的銀行擔保。

外匯風險

本集團的業務營運主要在香港開展，交易主要以港幣、美元及人民幣計值。貨幣資產及負債主要以港幣、美元及人民幣計值。除港幣與美元掛鈎外，港幣兌人民幣的任何重大匯率波動均會對本集團造成財務影響。於回顧期內，該等貨幣並無重大匯率波動。

截至2016年12月31日止六個月，本集團並未從事任何衍生工具活動，而且並未採用任何金融工具對沖其財務狀況表風險。

或然負債

於2016年6月30日及2016年12月31日，本集團並無任何重大或然負債。

Use of Proceeds from the Listing

The planned use of proceeds from the Listing as disclosed in the Prospectus were based on the best estimation of future market conditions made by the Group at the time of preparing the Prospectus, while the proceeds were applied in accordance with the actual development of the market.

From 31 October 2012, the date of the Listing to 31 December 2016, the net proceeds from the Listing had been applied as follows:

上市所得款項用途

招股章程所披露的上市所得款項的計劃用途，乃根據本集團於編製招股章程時對未來市況所作的最佳估計而制定，而所得款項乃根據市場的實際發展而予以動用。

由上市日期2012年10月31日起至2016年12月31日，上市所得款項淨額已動用如下：

		Total use of proceeds as described in the Prospectus	Actual use of proceeds from the date of the Listing to 31 December 2016
		招股章程所述所得款項用途總額	由上市日期起至2016年12月31日所得款項用途實際金額
		HK\$'million	HK\$'million
		港幣百萬元	港幣百萬元
Expansion of film production business	拓展電影製作業務	58.4	58.4
Invest in equipment for post-production	投資後期製作設備	9.8	7.4
Staff recruitment	招聘員工	2.8	2.8
General working capital	一般營運資金	2.5	2.5
Total	合計	73.5	71.1

The un-utilised proceeds were deposited in the Group's bank accounts located in Hong Kong.

未動用所得款項存放於本集團的香港銀行賬戶內。

The Group intended to expand its film production business by releasing eleven films during the two years ended 30 June 2013 and 2014. All these films had been released up to the period under review.

本集團擬透過於截至2013年及2014年6月30日止兩個年度內上映十一部電影，以擴展電影製作業務。直至回顧期內，所有該等電影均已上映。

The Group has intended to undertake certain post-production works of its own films by investing up to HK\$11.0 million from the net proceeds in post-production equipment and recruiting staff for its operation. In September 2014, the Group established its in-house post-production arm through cooperating with a well-known post-production house in Hong Kong which has over twenty years of experience in the post-production industry, to engage in digital media post-production operations. The Directors expected that the remaining net proceeds will continue to be used for procuring the post-production equipment to strengthen the business operation.

本集團擬承接若干其自有電影的後期製作項目，並從所得款項淨額中動用最多港幣11.0百萬元，投資於後期製作設備及為該業務招聘員工。於2014年9月，本集團藉與香港一家於後期製作行業擁有逾20年經驗且廣為人知的的後期製作公司合作，成立其自身的後期製作部門，參與數碼媒體後期製作業務。董事預期剩餘的所得款項淨額將繼續用作採購後期製作設備，以鞏固業務營運。

The Directors considered that no modification of the planned use of proceeds described in the Prospectus was required.

董事認為招股章程所述的所得款項計劃用途無須進行修改。

Other Information

其他資料

Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 31 December 2016, the interests of Directors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were required, pursuant to Appendix 10 of the Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

Position in shares and underlying shares of the Company

Name of Director	Company/name of associated company	Nature of interest	Number of shares	Position	Percentage of the Company's/ associated company's issued share capital 佔本公司/ 相聯公司已發行股本百分比
董事姓名	本公司/相聯公司名稱	權益性質	股份數目	倉位	
Mr. Wong	Company	Interest in a controlled corporation	1,200,000,000 (Note)	Long	46.23%
黃先生	本公司	於受控制法團權益	(附註)	好	
	Company	Beneficial owner	81,864,000	Long	3.16%
	本公司	實益擁有人		好	
			<u>1,281,864,000</u>		<u>49.39%</u>
	Honour Grace	Beneficial owner	9 shares of US\$1.00 each	Long	60.00%
	榮恩	實益擁有人	9股每股面值1.00美元之股份	好	

Note: These shares are registered in the name of Honour Grace, the entire issued share capital of which is legally and beneficially owned as to 60% by Mr. Wong, 20% by Mr. Wong Chi Woon Edmond and 20% by Ms. Wong Yee Kwan Alvina. Under the SFO, Mr. Wong is deemed to be interested in all the shares registered in the name of Honour Grace. On 20 December 2016, the Company was notified that Honour Grace had entered a conditional sale and purchase agreement with Anhuixinke New Materials Co., Ltd. pursuant to which Honour Grace had agreed to sell 776,088,506 shares of HK\$0.0025 each in the share capital of the Company, detail of which have been set out in the announcement of the Company dated 20 December 2016.

董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於2016年12月31日，董事及本公司行政總裁於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份及相關股份中擁有須根據證券及期貨條例第XV部第7及8分部規定知會本公司及聯交所的權益（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益），及須記錄於本公司根據證券及期貨條例第352條所存置登記冊的權益，或須根據上市規則附錄十就董事進行之證券交易知會本公司及聯交所的權益如下：

於本公司股份及相關股份的倉位

附註：該等股份以榮恩的名義登記，而榮恩的全部已發行股本由黃先生、黃子桓先生及黃漪鈞女士分別合法及實益擁有60%、20%及20%。根據證券及期貨條例，黃先生被視為擁有所有以榮恩名義登記股份的權益。於2016年12月20日，本公司獲悉榮恩已與安徽鑫科新材料股份有限公司訂立有條件買賣協議，據此，榮恩同意出售本公司股本中每股港幣0.0025元的股份776,088,506股，詳情載於本公司於2016年12月20日刊發的公佈。

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at 31 December 2016, the interest of the persons, other than the interest disclosed above in respect of Directors or chief executive of the Company, in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO, or otherwise notified to the Company were as follows:

主要股東於本公司股份及相關股份的權益及淡倉

於2016年12月31日，以下人士（上文所披露的董事或本公司行政總裁的權益除外）於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部規定知會本公司及聯交所的權益，及記錄於本公司根據證券及期貨條例第336條所存置登記冊的權益，或以其他方式知會本公司的權益：

Name of shareholder 股東名稱／姓名	Nature of interest 權益性質	Number of shares 股份數目	Position 倉位	Percentage of the Company's issued share capital 佔本公司已發行股本百分比
Honour Grace 榮恩	Beneficial owner 實益擁有人	1,200,000,000	Long 好	46.23%
Mr. Wong 黃先生	Interest in a controlled corporation 於受控制法團權益 Beneficial owner 實益擁有人	1,200,000,000 (Note 1) (附註1) 81,864,000	Long 好 Long 好	46.23% 3.16%
		1,281,864,000		49.39%
Ms. Zee Ven Chu Lydia (Note 2) 徐文娟女士(附註2)	Deemed interest 被視為擁有權益	1,281,864,000	Long 好	49.39%
Ms. Wong Kit Fong 黃潔芳女士	Beneficial owner 實益擁有人	197,992,000	Long 好	7.63%

Notes:

- These shares are registered in the name of Honour Grace, the entire issued share capital of which is legally and beneficially owned as to 60% by Mr. Wong, 20% by Mr. Wong Chi Woon Edmond and 20% by Ms. Wong Yee Kwan Alvina. Under the SFO, Mr. Wong is deemed to be interested in all the shares registered in the name of Honour Grace. On 20 December 2016, the Company was notified that Honour Grace had entered a conditional sale and purchase agreement with Anhuixinke New Materials Co., Ltd. pursuant to which Honour Grace had agreed to sell 776,088,506 shares of HK\$0.0025 each in the share capital of the Company, detail of which have been set out in the announcement of the Company dated 20 December 2016.
- Ms. Zee Ven Chu Lydia, spouse of Mr. Wong, is deemed under the SFO to be interested in all the shares in which Mr. Wong is deemed to be interested.

附註：

- 該等股份以榮恩的名義登記，其全部已發行股本由黃先生、黃子桓先生及黃漪鈞女士分別合法及實益擁有60%、20%及20%。根據證券及期貨條例，黃先生被視為擁有所有以榮恩名義登記股份的權益。於2016年12月20日，本公司獲悉榮恩已與安徽鑫科新材料股份有限公司訂立有條件買賣協議，據此，榮恩同意出售本公司股本中每股港幣0.0025元的股份776,088,506股，詳情載於本公司於2016年12月20日刊發的公佈。
- 根據證券及期貨條例，黃先生的配偶徐文娟女士被視為於黃先生被視為擁有權益的所有股份中擁有權益。

Other Information 其他資料

Save as disclosed above, as at 31 December 2016, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Share Option Scheme

The Company operates the Scheme for the purpose of providing incentives and rewards to eligible persons who contribute to the success of the Group's operations. The Scheme has been approved by the then sole shareholder on 5 October 2012. No share options were granted, exercised or cancelled by the Company under the Scheme during the six months ended 31 December 2016 and there was no outstanding share option under the Scheme as at 31 December 2016.

Rights to Acquire Shares or Debentures

Other than as disclosed under the sections "Share Option Scheme" and "Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations" in this report, at no time during the six months ended 31 December 2016 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Interests in Competing Business

Save as disclosed in the Prospectus, the section headed "Related party transactions" in note 17 to the Notes to the Interim Financial Statements of which certain Directors engaged in film-related businesses, none of the Directors or their respective associates as defined in the Listing Rules has any interest in any business which competes or may compete with the business of the Group during the six months ended 31 December 2016.

除上文所披露者外，於2016年12月31日，本公司並不知悉任何人士（董事或本公司行政總裁除外）於本公司股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部規定向本公司披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第336條所存置登記冊的權益或淡倉。

購股權計劃

本公司設有該計劃，旨在作為對本集團營運成功有所貢獻的合資格人士的獎勵及回報。該計劃於2012年10月5日獲得當時唯一的股東批准。本公司於截至2016年12月31日止六個月期間概無根據該計劃授出、行使或註銷任何購股權，及於2016年12月31日，該計劃項下並無任何尚未行使之購股權。

購入股份或債券的權利

除本報告上文「購股權計劃」及「董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉」章節所披露者外，於截至2016年12月31日止六個月內，本公司或其任何附屬公司或其任何同系附屬公司概無訂立任何安排，致使董事或本公司行政總裁或彼等各自的聯繫人（定義見上市規則）有權認購本公司或其任何相聯法團（定義見證券及期貨條例）的證券，或可藉購入本公司或任何其他法人團體的股份或債券而獲利。

董事於競爭業務的權益

除招股章程、中期財務報表附註的附註17「關聯方交易」一節所披露若干董事從事電影相關業務外，於截至2016年12月31日止六個月，概無董事或彼等各自的聯繫人（定義見上市規則）於任何對本集團業務構成競爭或可能構成競爭的業務擁有權益。

Purchase, Sale or Redemption of the Listed Securities of the Company

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 31 December 2016.

Compliance with the Required Standard of Dealings in Securities Transactions by Directors of Listed Issuers

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 Appendix 10 of the Listing Rules. Having made all reasonable enquires, all the Directors have 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 during the six months ended 31 December 2016.

Code on Corporate Governance Practices

The Company is committed to maintaining a high standard of corporate governance practices. During the six months ended 31 December 2016, it met all the code provisions of the Corporate Governance Code (the “Code”) set out in Appendix 14 of the Listing Rules, save as the deviations as mentioned in the following sections headed “Chairman and Chief Executive Officer” and “General Meetings” in this report.

The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements and to meet the rising expectations of shareholders of the Company and investors.

Chairman and Chief Executive Officer

The Company has not yet adopted A.2.1 of the Code. Under the code provision A.2.1 of the Code, the roles of Chairman and Chief Executive Officer (“CEO”) should be separated and would not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing.

Mr. Wong is the Chairman of the Board and is responsible for the overall strategy planning and policy making of the Group. The Chairman also takes the lead to ensure that the Board works effectively and acts in the best interest of the Company by encouraging the Directors to actively participate in the Board’s affairs and promoting a culture of openness and debate.

購買、出售或贖回本公司上市證券

於截至2016年12月31日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

遵守上市發行人董事進行證券交易規定的買賣準則

本公司已採納一套條規不遜於根據上市規則附錄十所載之交易標準所規定有關全體董事進行證券交易之守則。經作出一切合理查詢後，全體董事均已確認彼等於截至2016年12月31日止六個月一直遵守本公司採納的董事進行證券交易規定的買賣準則及行為準則。

企業管治常規守則

本公司致力維持高水平企業管治常規。本公司於截至2016年12月31日止六個月已符合上市規則附錄十四企業管治守則(「守則」)所有守則條文，惟本報告以下「主席及行政總裁」及「股東大會」各節所述的偏離除外。

本公司將繼續檢討其企業管治常規，以提高其企業管治標準，遵守不斷收緊的監管規定及符合本公司股東與投資者更高的期望。

主席及行政總裁

本公司尚未採納守則A.2.1。根據守則之守則條文A.2.1，主席及行政總裁(「行政總裁」)之角色應有區分，且不應由一人同時兼任。主席與行政總裁之職責分工應清楚界定並以書面列載。

黃先生乃為董事會主席，負責本集團整體策略規劃及政策制定。主席亦帶頭通過鼓勵董事積極參與董事會事務以及推廣公開及坦誠交流之文化，確保董事會有效運作及以本公司最佳利益為依歸。

Other Information 其他資料

The Company has no such position as the CEO and therefore the daily operation and management of the Company is monitored by the executive Directors as well as the senior management.

The Board is of the view that although there is no CEO, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Company.

General Meetings

Code provision A.6.7 of the Code stipulates that the independent non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders of the Company. Mr. Lam Kam Tong and Mr. Lo Eric Tien-cheuk were unable to attend the annual general meeting of the Company held on 17 November 2016 as they had other business engagement.

Audit Committee

The Audit Committee has three members comprising three independent non-executive Directors, Mr. Lam Kam Tong (Chairman of the Audit Committee), Mr. Lo Eric Tien-cheuk and Mr. Tang Kai Kui Terence, with written terms of reference in compliance with the Rules 3.21 to 3.23 of the Listing Rules and the Code. The primary duties of the Audit Committee are mainly to communicate with the external auditor; to review the remuneration, terms of engagement, independency and objectivity of the external auditor; to review the accounting policy, financial position and financial reporting procedures of the Company; and to assess the financial reporting system, risk management and internal control systems of the Company and making recommendations thereof. The unaudited interim results of the Group for the six months ended 31 December 2016 and this interim report have been reviewed by the Audit Committee.

On behalf of the Board
Pegasus Entertainment Holdings Limited
Wong Pak Ming
Chairman

Hong Kong, 27 February 2017

As at the date of this report, the executive Directors are Mr. Wong Pak Ming, Ms. Wong Yee Kwan Alvina and Mr. Wong Chi Woon Edmond and the independent non-executive Directors are Mr. Lam Kam Tong, Mr. Lo Eric Tien-cheuk and Mr. Tang Kai Kui Terence.

本公司並無設立行政總裁一職，故本公司日常運作及管理由執行董事及高級管理層監督。

董事會認為儘管未設立行政總裁，控制權及管理權之平衡乃由董事會運作確保，董事會由富有經驗之人士組成，彼等不時會面討論影響本公司運作之事宜。

股東大會

守則的守則條文A.6.7規定，獨立非執行董事應出席股東大會並對本公司股東的意見有公正的了解。林錦堂先生及羅天爵先生因彼等之其他業務承擔而未能出席本公司於2016年11月17日舉行的股東週年大會。

審核委員會

審核委員會由三名成員組成，包括三名獨立非執行董事林錦堂先生（審核委員會主席）、羅天爵先生及鄧啟駒先生，其書面職權範圍符合上市規則第3.21至3.23條及守則。審核委員會的主要職責為與外聘核數師溝通、審閱外聘核數師的酬金、委聘條款、獨立性及客觀性；審閱本公司會計政策、財務狀況及財務申報程序；以及評估本公司財務申報系統、風險管理及內部監控系統並作出相關建議。審核委員會已審閱本集團截至2016年12月31日止六個月未經審核中期業績及本中期報告。

代表董事會
天馬影視文化控股有限公司
主席
黃栢鳴

香港，2017年2月27日

於本報告日期，執行董事為黃栢鳴先生、黃漪鈞女士及黃子桓先生，以及獨立非執行董事為林錦堂先生、羅天爵先生及鄧啟駒先生。

