



SANDMARTIN INTERNATIONAL HOLDINGS LIMITED

聖馬丁國際控股有限公司*

Stock Code 股份代號 : 482

Interim Report 2018
2018 中期報告



* For identification purpose only
僅供識別

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CORPORATE INFORMATION 公司資料

EXECUTIVE DIRECTORS

Mr. Hung Tsung Chin
Mr. Chen Wei Chun

NON-EXECUTIVE DIRECTOR

Mr. Kuo Jen Hao

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

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Ms. Lee Suet Lai

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Ms. Lee Suet Lai

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洪聰進先生
陳偉鈞先生

非執行董事

郭人豪先生

獨立非執行董事

劉幼祥先生 (主席)
李澤雄先生
吳嘉明先生

審核委員會

李澤雄先生 (委員會主席)
劉幼祥先生
吳嘉明先生

薪酬委員會

吳嘉明先生 (委員會主席)
劉幼祥先生
李澤雄先生

提名委員會

劉幼祥先生 (委員會主席)
李澤雄先生
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總辦事處及主要營業地點

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公司秘書

李雪麗女士

授權代表

洪聰進先生
李雪麗女士

CORPORATE INFORMATION *(Continued)* 公司資料 (續)

PRINCIPAL BANKERS

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

AUDITOR

BDO Limited
Certified Public Accountants

LEGAL ADVISORS

Woo Kwan Lee & Lo
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主要往來銀行

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

核數師

香港立信德豪會計師事務所有限公司
執業會計師

法律顧問

胡關李羅律師行
禮德齊伯禮律師行

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CHAIRMAN'S LETTER TO SHAREHOLDERS 主席致股東報告

Dear shareholders of the Company (the "Shareholders"),

On behalf of the board (the "Board") of the directors (the "Directors") of Sandmartin International Holdings Limited (the "Company", together with its subsidiaries collectively referred to as the "Group"), I am pleased to present the interim results of the Group for the six months ended 30 June 2018.

Over the past six months, the financial performance of the Group was not satisfactory because the Group has been undergoing a restructuring of its manufacturing segments, including but not limited to outsourcing some of its production processes to external service providers, and streamlining the Group structure to improve its efficiency. For the media segment, regrettably, the satellite TV broadcasting business was still broadening its subscriber base to attain a breakeven level. Before that, the media segment of the Group was still loss-making and that adversely impacted the overall financial performance of the Group.

As part of the Group's strategy to diversify its manufacturing business to a more stable revenue stream business, the Group continued to invest in the satellite TV broadcasting business which is also correlated to our manufacturing and trading of electronic products business. The Group's 51%-owned subsidiary, My HD Media FZ-LLC ("MyHD") launched the GOBX Project with Middle East Broadcasting Center ("MBC"), a renowned broadcaster in the Middle East since October 2016. The satellite TV broadcasting business is still in the development stage to build up customer bases by purchasing high quality and highly demanded television content and promoting them to new subscribers. It incurred substantial amounts of programming costs including payment for content fees, renting satellite transponders, purchase of set-top boxes and payment for dealer's commission for marketing and promotion. Since the subscription of new customers is slower than expected, the Group has revised its projected breakeven to 2020. As this satellite TV broadcasting business is a long-term investment project and the running costs-per-subscriber remains high before the subscription revenue is expected to breakeven in 2020, the Group recorded a segment loss of HK\$52.0 million from the satellite TV broadcasting segment for the six months ended 30 June 2018.

Nevertheless, the restructuring of the Group's manufacturing segment was almost completed and new products, such as retractable chargers will be launched to the market in the second half of 2018. Besides, it is expected that the customer base of MyHD will continue to grow in the second half of 2018.

Lau Yau Cheung
Chairman

* For identification purpose only

各位本公司股東（「股東」）：

本人謹代表聖馬丁國際控股有限公司*（「本公司」，連同其附屬公司統稱為「本集團」）董事（「董事」）會（「董事會」）欣然呈報本集團截至二零一八年六月三十日止六個月的中期業績。

在過去六個月，本集團的財務表現未如理想，乃歸因於本集團一直重組其製造業務，包括但不限於外判部分生產程序予外部服務供應商，及精簡本集團架構以提升效率。媒體分部方面，衛星電視廣播業務一直拓闊用戶群，以達致收支平衡。此前，本集團的媒體分部仍然錄得虧損，對本集團的整體財務表現造成不利影響。

本集團的策略為將其製造業務分散至收益來源更加穩定的業務，其中一環乃繼續投資與我們的製造及買賣電子產品業務相關的衛星電視廣播業務。本集團擁有51%股權的附屬公司My HD Media FZ-LLC（「MyHD」），自二零一六年十月起與中東著名廣播商中東廣播中心（「MBC」）推出GOBX項目。衛星電視廣播業務仍處於發展階段，須透過購買質素佳、需求高的電視內容並向新用戶宣傳，從而建立客戶群。此階段產生巨額節目製作成本，包括支付內容費用、租用衛星轉發器、購買機頂盒及向經銷商支付營銷及推廣佣金。鑑於新客戶訂購速度較預期為慢，本集團已將項目收支平衡之目標修訂為二零二零年。由於此衛星電視廣播業務為長期投資項目，且預期在二零二零年訂購收益達致收支平衡前每名用戶營運成本依然高昂，本集團截至二零一八年六月三十日止六個月自衛星電視廣播分部錄得分部虧損52,000,000港元。

儘管如此，本集團快將完成重組製造分部，可伸縮充電器等新產品將於二零一八年下半年推出市場。再者，預期MyHD的客戶群將於二零一八年下半年持續增長。

主席
劉幼祥

* 僅供識別

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論與分析

FINANCIAL HIGHLIGHT AND BUSINESS REVIEW

The Group recorded a significant decrease in gross profit margin from 6.75% for the six months ended 30 June 2017 to 3.46% for the six months ended 30 June 2018 due to the subscription revenue of the satellite TV broadcasting segment not being able to cover the substantial amount of programming costs incurred for the satellite TV broadcasting business. Programming costs included payment for content fees, renting satellite channels and transponders, purchase of set-top boxes and payment for dealer's commission for marketing and promotion. The gross profit margin of the Group excluding the satellite TV broadcasting segment decreased from 13.20% for the six months ended 30 June 2017 to 10.82% for the six months ended 30 June 2018 due to the increase in raw material cost such as integrated circuits, multilayer ceramic capacitors, etc.

MEDIA ENTERTAINMENT PLATFORM RELATED PRODUCTS

In the first half of 2018, the Group's media entertainment platform related products segment faced fierce market competition from other set-top box manufacturers in the People's Republic of China ("PRC"). In response to the fierce market competition and the surge in raw material prices, the Group explored new business opportunities in other locations, such as customers in South Asia and Russia; and redesigned the set-top boxes and ancillary chargers to reduce material costs. Together with the strong demand of set-top boxes from Dish Media Network Limited ("Dish Media", a pay television operator in Nepal, which is owned as to approximately 47.12% by the Company), the revenue of this segment was able to increase by 27.50% as compared with the six months ended 30 June 2017.

- Segment revenue of media entertainment platform related products was approximately HK\$130.3 million (30 June 2017: HK\$102.2 million).
- Segment results from operations were approximately HK\$17.8 million (30 June 2017: HK\$18.8 million).
- Segment margin was 13.69%, which decreased by 4.72 percentage-point as compared with the segment margin of 18.41% for the six months ended 30 June 2017.

財務摘要及業務概覽

本集團的毛利率由截至二零一七年六月三十日止六個月的6.75%大幅減至截至二零一八年六月三十日止六個月的3.46%，乃由於衛星電視廣播分部的訂購收益無法應付就衛星電視廣播業務產生的龐大節目製作成本所致。節目製作成本包括支付內容費用、租用衛星頻道及轉發器、購買機頂盒以及向經銷商支付營銷及推廣佣金。本集團（衛星電視廣播分部除外）之毛利率由截至二零一七年六月三十日止六個月的13.20%下降至截至二零一八年六月三十日止六個月的10.82%，乃由於集成電路、片式多層陶瓷電容器等原材料的成本上漲所致。

媒體娛樂平臺相關產品

於二零一八年上半年，本集團的媒體娛樂平臺相關產品分部面對中華人民共和國（「中國」）其他機頂盒製造商的激烈市場競爭。為應對激烈市場競爭及原材料價格急升，本集團於其他地區發掘新商機，如南亞及俄羅斯客戶；並重新設計機頂盒及配置充電器以降低材料成本。加上Dish Media Network Limited（「Dish Media」，尼泊爾一間收費電視營運商，由本公司擁有約47.12%股權）對機頂盒需求強勁，此分部的收益得以較截至二零一七年六月三十日止六個月增加27.50%。

- 媒體娛樂平臺相關產品的分部收益約為130,300,000港元（二零一七年六月三十日：102,200,000港元）。
- 分部營運業績約為17,800,000港元（二零一七年六月三十日：18,800,000港元）。
- 分部利潤率為13.69%，較截至二零一七年六月三十日止六個月的分部利潤率18.41%下跌4.72個百分點。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析 (續)

Outlook

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

OTHER MULTIMEDIA PRODUCTS

In the first half of 2018, the market competition remained intense while we have enhanced our product portfolio and reduced the product costs by outsourcing and supply chain integration, the Group's other multimedia products segment was able to maintain its profitability. Major products of this segment included high definition multimedia interface ("HDMI") cables, multimedia accessories, external batteries and retractable chargers. Segment results slightly decreased by 0.88% due to the decrease in profit margin for the electronic products amidst the fierce competition in the industry.

- Segment revenue of other multimedia products was approximately HK\$123.3 million (30 June 2017: HK\$126.7 million).
- Segment results from operations were approximately HK\$14.0 million (30 June 2017: HK\$14.1 million).
- Segment margin was 11.32%, which increased by 0.21 percentage-point as compared with the segment margin of 11.11% for the six months ended 30 June 2017.

Outlook

We are enhancing our product portfolio and developing new businesses. New products, such as retractable chargers will be launched to the market in the second half of 2018. The China-United States trade war will have some impact on this segment as some of the customers are in the United States. We are trying to minimize the impact by relocating some productions to India and sourcing from suppliers outside the PRC.

前景

面對來自中國其他機頂盒製造商的直接競爭，以及原材料價格急升，市場競爭激烈。本集團正為其機頂盒開拓新市場，例如南亞及東歐的客戶。與此同時，本集團現重新設計其機頂盒以降低材料成本，從而減輕原材料價格急升的影響。由於本集團並無機頂盒客戶位於美國，故預期中美貿易戰不會對此分部造成重大不利影響。

其他多媒體產品

於二零一八年上半年，市場競爭仍然激烈，但我們已豐富產品組合，並透過外包及供應鏈整合降低產品成本，使本集團的其他多媒體產品分部能維持盈利能力。此分部的主要產品包括高清多媒體接口（「HDMI」）線、多媒體配件、外置電池及可伸縮充電器。分部業績微跌0.88%，乃由於電子產品的利潤率在激烈的行業競爭中有所下降所致。

- 其他多媒體產品的分部收益約為123,300,000港元（二零一七年六月三十日：126,700,000港元）。
- 分部營運業績約為14,000,000港元（二零一七年六月三十日：14,100,000港元）。
- 分部利潤率為11.32%，較截至二零一七年六月三十日止六個月的分部利潤率11.11%上升0.21個百分點。

前景

我們正在豐富產品組合和開拓新業務。可伸縮充電器等新產品將於二零一八年下半年推出市場。由於部分客戶位於美國，故中美貿易戰將對此分部造成若干影響。我們正嘗試將部分生產遷往印度及向中國以外地區的供應商進行採購，以盡量減輕所受影響。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued) 管理層討論與分析(續)

SATELLITE TV EQUIPMENT AND ANTENNA

Due to the change of business strategy in the North America satellite television market by one of the major customers of this segment, the customer decided not to place further orders for the latest model of low noise blocking downconverters ("LNBS") after the completion of the delivery of the latest model of LNBS in the first half of 2018, but switched to a preceding model of LNBS. As it takes time for the Group to resume the production of the preceding model of LNBS, it is expected that the Group will deliver the preceding model of LNBS to the customer in the fourth quarter of 2018. Hence, the revenue of this segment showed a 10.08% decrease compared with the six months ended 30 June 2017.

- Segment revenue of satellite TV equipment and antenna was approximately HK\$463.1 million (30 June 2017: HK\$515.0 million).
- Segment results from operations were approximately HK\$28.5 million (30 June 2017: HK\$65.4 million).
- Segment margin was 6.15%, which decreased by 6.55 percentage-point as compared with the segment margin of 12.70% for the six months ended 30 June 2017.

Outlook

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

SATELLITE TV BROADCASTING

The significant loss from operations in this segment was due to the high running costs-per-subscriber before subscription revenue reached break-even. The satellite TV broadcasting business is still in the development stage to build up customer bases by purchasing high quality and highly demanded television content and promoting them to new subscribers. It incurred substantial amounts of programming costs including payment for content fees, renting satellite transponders, purchase of set-top boxes and payment for dealer's commission for marketing and promotion.

衛星電視設備及天線

基於此分部一名主要客戶於北美洲衛星電視市場的業務策略改變，該名客戶決定於二零一八年上半年最新型號低雜訊降頻器（「LNB」）交付完成後不再下達最新型號LNB訂單，而轉用前一款型號的LNB。由於本集團恢復生產該舊型號LNB需時，預期本集團將於二零一八年第四季向該名客戶交付該舊型號LNB。因此，此分部的收益相較截至二零一七年六月三十日止六個月下跌10.08%。

- 衛星電視設備及天線的分部收益約為463,100,000港元（二零一七年六月三十日：515,000,000港元）。
- 分部營運業績約為28,500,000港元（二零一七年六月三十日：65,400,000港元）。
- 分部利潤率為6.15%，較截至二零一七年六月三十日止六個月的分部利潤率12.70%下降6.55個百分點。

前景

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

衛星電視廣播

此分部之重大營運虧損乃由於在訂購收益達致收支平衡前的每名用戶營運成本高昂所致。衛星電視廣播業務仍處於發展階段，須透過購買質素佳、需求高的電視內容並向新用戶宣傳，從而建立客戶群。此階段產生巨額節目製作成本，包括支付內容費用、租用衛星轉發器、購買機頂盒及向經銷商支付營銷及推廣佣金。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

- Segment revenue of satellite TV broadcasting was approximately HK\$23.3 million (30 June 2017: HK\$27.7 million).
- Segment loss from operations was HK\$52.0 million (30 June 2017: loss of HK\$64.3 million).

Outlook

With the successful launch of GOBX in October 2016, GOBX will be a growth factor for the satellite pay television business of MyHD in the Middle East region. The number of subscribers of MyHD has been increasing after the launch of GOBX project in Saudi Arabia in collaboration with MBC, one of the largest television operators and content providers in the Middle East.

Satellite TV broadcasting is a capital intensive investment project, which requires large amounts of funding in its initial stage of investment and takes several years to develop localised content and subscriber base before it turns into a cash cow business. Based on the Company's investment experience in Dish Media and its market knowledge in the Middle East, we believe that the subscribers of the satellite TV broadcasting business in the Middle East will continue to grow in the coming years.

GEOGRAPHICAL RESULTS

AFRICA

- Segment revenue for Africa for the six months ended 30 June 2018 was approximately HK\$4.7 million, as compared with the six months ended 30 June 2017 of approximately HK\$8.5 million.
- 44.71% drop in segment revenue compared with the six months ended 30 June 2017.
- Africa's portion accounted for approximately 0.7% of the Group's total revenue for the six months ended 30 June 2018 (six months ended 30 June 2017: 1.1%).

- 衛星電視廣播的分部收益約為23,300,000港元(二零一七年六月三十日: 27,700,000港元)。
- 分部營運虧損為52,000,000港元(二零一七年六月三十日: 虧損64,300,000港元)。

前景

GOBX於二零一六年十月成功推出後，將為MyHD的衛星收費電視業務於中東地區的增長因素。於沙特阿拉伯與MBC(中東最大電視營運商及內容供應商之一)共同推出GOBX項目以來，MyHD之用戶數目不斷增加。

衛星電視廣播為資本密集型投資項目，於投資初期需要大量資金，並需時數年發展本地化內容及用戶群，方能成為可產生強勁現金流的業務。根據本公司於Dish Media之投資經驗及其於中東市場之知識，我們相信中東衛星電視廣播業務之用戶於未來數年將持續增長。

地域分部業績

非洲

- 於截至二零一八年六月三十日止六個月，非洲分部收益約為4,700,000港元，而於截至二零一七年六月三十日止六個月約為8,500,000港元。
- 分部收益與截至二零一七年六月三十日止六個月相比減少44.71%。
- 於截至二零一八年六月三十日止六個月，非洲部分佔本集團總收益約0.7%(截至二零一七年六月三十日止六個月: 1.1%)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析 (續)

ASIA

- Segment revenue for Asia for the six months ended 30 June 2018 was approximately HK\$140.3 million, as compared with the six months ended 30 June 2017 of approximately HK\$84.3 million.
- 66.43% increase in segment revenue compared with the six months ended 30 June 2017.
- Asia's portion accounted for approximately 19.0% of the Group's total revenue for the six months ended 30 June 2018 (six months ended 30 June 2017: 10.9%).

EUROPE

- Segment revenue for Europe for the six months ended 30 June 2018 was approximately HK\$97.0 million, as compared with the six months ended 30 June 2017 of approximately HK\$75.6 million.
- 28.31% increase in segment revenue compared with the six months ended 30 June 2017.
- Europe's portion accounted for approximately 13.1% of the Group's total revenue for the six months ended 30 June 2018 (six months ended 30 June 2017: 9.8%).

MIDDLE EAST

- Segment revenue for Middle East for the six months ended 30 June 2018 was approximately HK\$33.3 million, as compared with the six months ended 30 June 2017 of approximately HK\$44.7 million.
- 25.50% drop in segment revenue compared with the six months ended 30 June 2017.
- Middle East's portion accounted for approximately 4.5% of the Group's total revenue for the six months ended 30 June 2018 (six months ended 30 June 2017: 5.8%).

NORTH AMERICA

- Segment revenue for North America for the six months ended 30 June 2018 was approximately HK\$458.0 million, as compared with the six months ended 30 June 2017 of approximately HK\$516.3 million.
- 11.29% drop in segment revenue compared with the six months ended 30 June 2017.
- North America's portion accounted for approximately 61.9% of the Group's total revenue for the six months ended 30 June 2018 (six months ended 30 June 2017: 66.9%).

亞洲

- 於截至二零一八年六月三十日止六個月，亞洲分部收益約為140,300,000港元，而於截至二零一七年六月三十日止六個月約為84,300,000港元。
- 分部收益與截至二零一七年六月三十日止六個月相比增加66.43%。
- 於截至二零一八年六月三十日止六個月，亞洲部分佔本集團總收益約19.0%（截至二零一七年六月三十日止六個月：10.9%）。

歐洲

- 於截至二零一八年六月三十日止六個月，歐洲分部收益約為97,000,000港元，而於截至二零一七年六月三十日止六個月約為75,600,000港元。
- 分部收益與截至二零一七年六月三十日止六個月相比增加28.31%。
- 於截至二零一八年六月三十日止六個月，歐洲部分佔本集團總收益約13.1%（截至二零一七年六月三十日止六個月：9.8%）。

中東

- 於截至二零一八年六月三十日止六個月，中東分部收益約為33,300,000港元，而於截至二零一七年六月三十日止六個月約為44,700,000港元。
- 分部收益與截至二零一七年六月三十日止六個月相比減少25.50%。
- 於截至二零一八年六月三十日止六個月，中東部分佔本集團總收益約4.5%（截至二零一七年六月三十日止六個月：5.8%）。

北美洲

- 於截至二零一八年六月三十日止六個月，北美洲分部收益約為458,000,000港元，而於截至二零一七年六月三十日止六個月約為516,300,000港元。
- 分部收益與截至二零一七年六月三十日止六個月相比減少11.29%。
- 於截至二零一八年六月三十日止六個月，北美洲部分佔本集團總收益約61.9%（截至二零一七年六月三十日止六個月：66.9%）。

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論與分析 (續)

SOUTH AMERICA

- Segment revenue for South America for the six months ended 30 June 2018 was approximately HK\$6.1 million, as compared with the six months ended 30 June 2017 of approximately HK\$41.6 million.
- 85.34% drop in segment revenue compared with the six months ended 30 June 2017.
- South America's portion accounted for approximately 0.8% of the Group's total revenue for the six months ended 30 June 2018 (six months ended 30 June 2017: 5.4%).

Outlook

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

南美洲

- 於截至二零一八年六月三十日止六個月，南美洲分部收益約為6,100,000港元，而於截至二零一七年六月三十日止六個月約為41,600,000港元。
- 分部收益與截至二零一七年六月三十日止六個月相比減少85.34%。
- 於截至二零一八年六月三十日止六個月，南美洲部分佔本集團總收益約0.8%（截至二零一七年六月三十日止六個月：5.4%）。

前景

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

FINANCIAL REVIEW 財務回顧

REVENUE

Revenue for the six months ended 30 June 2018 was approximately HK\$740.0 million, representing a decline of 4.20% compared with approximately HK\$772.4 million for the six months ended 30 June 2017. The decrease in revenue was mainly due to the underperformance of the Group's satellite TV equipment and antenna segment.

LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

Loss attributable to owners of the Company was approximately HK\$62.9 million for the six months ended 30 June 2018 representing a decrease of 1.26%, compared with approximately HK\$63.7 million for the six months ended 30 June 2017. The loss mainly arose from the loss absorbed from the Group's satellite TV broadcasting segment as the subscription revenue was not able to cover the programming costs of the satellite TV broadcasting.

LOSS PER SHARE

Calculation of basic loss per share for the six months ended 30 June 2018 was based on the loss attributable to owners of the Company and the weighted average number of 3,278,825,335 ordinary shares in issue. Basic loss per share was 1.92 HK cents for the six months ended 30 June 2018, as compared with 4.17 HK cents for the six months ended 30 June 2017.

FINANCE COSTS

The Group's finance costs for the six months ended 30 June 2018 was approximately HK\$14.0 million, compared to approximately HK\$15.9 million for the six months ended 30 June 2017. Finance costs were slightly reduced due to the repayment of certain bank and other borrowings during the six months ended 30 June 2018.

INCOME TAX EXPENSE

Income tax expense for the six months ended 30 June 2018 was approximately HK\$4.7 million (30 June 2017: HK\$6.6 million).

NET ASSET VALUE PER SHARE

Calculation of net asset value per share was based on the net asset value of the Group of HK\$243.8 million (31 December 2017: HK\$316.8 million) and 3,278,825,335 ordinary shares issued at 30 June 2018 (31 December 2017: 3,278,825,335 ordinary shares). Net asset value per share at 30 June 2018 was HK\$0.074 (31 December 2017: HK\$0.097).

收益

截至二零一八年六月三十日止六個月的收益約為740,000,000港元，較截至二零一七年六月三十日止六個月的約772,400,000港元減少4.20%。收益減少主要由於本集團衛星電視設備及天線分部表現不佳所致。

本公司擁有人應佔虧損

截至二零一八年六月三十日止六個月，本公司擁有人應佔虧損約為62,900,000港元，較截至二零一七年六月三十日止六個月的約63,700,000港元減少1.26%。虧損主要由於承受本集團衛星電視廣播分部因訂購收入無法應付衛星電視廣播之節目製作成本而產生的虧損所致。

每股虧損

截至二零一八年六月三十日止六個月的每股基本虧損乃根據本公司擁有人應佔虧損及已發行普通股加權平均數3,278,825,335股計算。截至二零一八年六月三十日止六個月的每股基本虧損為1.92港仙，而截至二零一七年六月三十日止六個月為4.17港仙。

財務成本

截至二零一八年六月三十日止六個月，本集團的財務成本約為14,000,000港元，而截至二零一七年六月三十日止六個月約為15,900,000港元。財務成本略減乃由於截至二零一八年六月三十日止六個月償還若干銀行及其他借貸。

所得稅支出

截至二零一八年六月三十日止六個月的所得稅支出約為4,700,000港元（二零一七年六月三十日：6,600,000港元）。

每股資產淨值

每股資產淨值乃根據本集團於二零一八年六月三十日的資產淨值243,800,000港元（二零一七年十二月三十一日：316,800,000港元）及3,278,825,335股已發行普通股（二零一七年十二月三十一日：3,278,825,335股普通股）計算。於二零一八年六月三十日的每股資產淨值為0.074港元（二零一七年十二月三十一日：0.097港元）。

FINANCIAL REVIEW (Continued)

財務回顧(續)

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2018, the overall cash and cash equivalent was HK\$135.7 million (31 December 2017: HK\$132.4 million). The Group's major financial resources were derived from cash generated from financing activities and internal generated cash flow.

The Group's current ratio (ratio of current assets to current liabilities) was 0.81 as at 30 June 2018 (31 December 2017: 0.93).

As at 30 June 2018, the Group's total borrowings were HK\$379.8 million (31 December 2017: HK\$402.4 million). The gearing ratio (total borrowings over total assets of the Group) increased from 31.25% as at 31 December 2017 to 34.84% as at 30 June 2018.

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2018, the Group's general banking facilities (including bank loans and other borrowings) were secured by the following assets of the Group: (i) bank deposits of HK\$1.6 million, (ii) property, plant and equipment with a carrying value of HK\$35.9 million, (iii) investment properties of HK\$136.4 million, (iv) trade receivables of HK\$93.8 million, (v) inventory of HK\$56.6 million and (vi) pledge of the Company's interest in Pro Brand Technology, Inc..

FOREIGN EXCHANGE EXPOSURE

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

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2018 (31 December 2017: Nil).

流動資金及財務資源

於二零一八年六月三十日，本集團的整體現金及現金等價物為135,700,000港元（二零一七年十二月三十一日：132,400,000港元）。本集團的財務資源主要來自融資活動產生的現金及內部產生的現金流量。

於二零一八年六月三十日，本集團的流動比率（流動資產與流動負債的比率）為0.81（二零一七年十二月三十一日：0.93）。

於二零一八年六月三十日，本集團的借貸總額為379,800,000港元（二零一七年十二月三十一日：402,400,000港元）。資本負債比率（本集團借貸總額除以資產總值）由二零一七年十二月三十一日的31.25%上升至二零一八年六月三十日的34.84%。

本集團的資產押記

於二零一八年六月三十日，本集團的一般銀行信貸（包括銀行貸款及其他借貸）以下列本集團資產作抵押：(i)銀行存款1,600,000港元；(ii)賬面值為35,900,000港元的物業、廠房及設備；(iii)投資物業136,400,000港元；(iv)應收貿易賬款93,800,000港元；(v)存貨56,600,000港元；及(vi)本公司於博百科技有限公司*(Pro Brand Technology, Inc.)權益的抵押。

外匯風險

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

或然負債

於二零一八年六月三十日，本集團並無任何重大或然負債（二零一七年十二月三十一日：無）。

* For identification purpose only

* 僅供識別

FINANCIAL REVIEW *(Continued)* 財務回顧 (續)

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend (six months ended 30 June 2017: Nil) for the six months ended 30 June 2018.

MATERIAL ACQUISITIONS AND DISPOSALS

For the six months ended 30 June 2018, there was no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group.

HUMAN RESOURCES

As at 30 June 2018, the Group employed a total of 912 (31 December 2017: 1,526) full-time employees. Employees are remunerated according to their performance and responsibilities. Employees of the Group receive training depending on their scope of works, especially those training relating to workplace health and safety.

中期股息

董事會不建議派付截至二零一八年六月三十日止六個月的中期股息 (截至二零一七年六月三十日止六個月：無)。

重大收購及出售

截至二零一八年六月三十日止六個月，本集團概無重大收購或出售附屬公司、聯營公司及合營企業。

人力資源

於二零一八年六月三十日，本集團合共聘用912名 (二零一七年十二月三十一日：1,526名) 全職僱員。僱員薪酬乃根據僱員表現及職責釐定。本集團僱員會視乎工作範圍接受培訓，尤其是與工作場所健康與安全的培訓。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

DIRECTORS' SERVICE CONTRACTS

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

SHARE OPTION SCHEME

On 17 March 2005, the Company approved and adopted a share option scheme for a period of ten years (the "Expired Option Scheme") which expired on 16 March 2015. No further option shall be offered pursuant to the Expired Option Scheme but the Expired Option Scheme shall in all other respect remain in force to the extent necessary to give effect to the exercise of any outstanding share options granted prior to its expiry. Share options granted under the Expired Option Scheme shall continue to be valid and exercisable in accordance with the terms of the Expired Option Scheme.

董事的服務合約

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

購股權計劃

於二零零五年三月十七日，本公司批准並採納一項為期十年、已於二零一五年三月十六日屆滿的購股權計劃（「已屆滿購股權計劃」）。本公司將不會根據已屆滿購股權計劃進一步授出購股權，惟已屆滿購股權計劃於所有其他方面將維持有效，以其屆滿前所授出任何未行使購股權可有效行使所需者為限。按照已屆滿購股權計劃的條款，根據已屆滿購股權計劃授出的購股權將繼續有效及可行使。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)* 企業管治及其他資料 (續)

The following table discloses movements in the Company's share options during the six months ended 30 June 2018:

下表披露於截至二零一八年六月三十日止六個月的本公司購股權變動：

Type of grantees	Date of grant	Exercisable period	Closing price per share immediately prior to the date of grant	Exercise price	Outstanding at 1 January 2018	Lapsed, cancelled, or exercised during the six months period	Outstanding at 30 June 2018
承授人類別	授出日期	行使期 (Note) (附註)	緊接授出日期前的每股收市價 (HK\$) (港元)	行使價 (HK\$) (港元)	於二零一八年一月一日尚未行使	於六個月期間內失效、註銷或行使	於二零一八年六月三十日尚未行使
Other eligible participants	22 October 2010	22.10.2012 to 21.10.2020	2.05	1.761	2,910,000	-	2,910,000
其他合資格參與人	2010/10/22	2012/10/22至2020/10/21					
Sub-total 小計					2,910,000	-	2,910,000
Employees	1 April 2009	01.04.2011 to 31.03.2019	1.07	0.957	116,400	(116,400)	-
僱員	2009/04/01	2011/04/01至2019/03/31					
Sub-total 小計					116,400	(116,400)	-
Total 總計					3,026,400	(116,400)	2,910,000

Note:

These share options are exercisable in the following manner:

- (i) on or after the second anniversary of the date of grant up to 10 years from the date of grant 50%
- (ii) on or after the third anniversary of the date of grant up to 10 years from the date of grant remaining 50%

附註：

該等購股權可按以下方式行使：

- (i) 於自授出日期起計滿兩週年當日或之後直至自授出日期起計滿10年當日 50%
- (ii) 於自授出日期起計滿三週年當日或之後直至自授出日期起計滿10年當日 剩餘50%

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

EMOLUMENT POLICY

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

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

As at 30 June 2018, the interests and short positions of each of the Directors and chief executive of the Company and their associates had in any shares, underlying shares, equity derivatives or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they were taken or deemed to have under such provisions of the SFO), or which are required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

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

Name of Director	Capacity	Number of shares held	Number of underlying shares held	Percentage of the issued share capital		Amount of debentures held
				Total	as at 30.06.2018 佔於二零一八年六月三十日 已發行股本百分比	
董事姓名	身份	所持股份數目	所持相關股份數目	總計	已發行股本百分比	所持債權證數額
Mr. Hung Tsung Chin 洪聰進先生	Interest of controlled corporation 受控制法團的權益	507,188,592 ¹	-	-	-	-
	Interest of spouse 配偶權益	-	2,328,000 ²	-	-	-
	Sub-total 小計	507,188,592	2,328,000	509,516,592	15.53%	-

酬金政策

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

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

於二零一八年六月三十日，本公司各董事及最高行政人員以及彼等的聯繫人於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）任何股份、相關股份、股票衍生工具或債權證中所擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）的權益及淡倉（包括彼等根據證券及期貨條例有關條文被當作或視作擁有的權益或淡倉），或根據證券及期貨條例第352條須記入該條例所述由本公司存置的登記冊內的權益及淡倉，或根據載於聯交所證券上市規則（「上市規則」）附錄十的《上市發行人董事進行證券交易的標準守則》（「標準守則」）須知會本公司及聯交所的權益及淡倉如下：

(a) 於本公司股份、相關股份及債權證中的好倉

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)* 企業管治及其他資料 (續)

Notes:

- These shares represent shares held by Metroasset Investments Limited in which Mr. Hung Tsung Chin beneficially owns 45.09% of the issued share capital.
- The relevant interests are unlisted physically settled options granted pursuant to the Expired Option Scheme. Upon exercise of the share options in accordance with the Expired Option Scheme, shares in the share capital of the Company are issuable. The share options are personal to the respective grantees. Further details of the share options are set out in the section headed "Share Option Scheme" of this report.

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

Name of Director	Capacity	Number of shares held	Number of underlying shares held	Percentage of the issued share capital		Amount of debentures held
				Total	as at 30.06.2018 佔於二零一八年六月三十日 已發行股本百分比	
董事姓名	身份	所持股份數目	所持相關股份數目	總計	已發行股本百分比	所持債權證數額
Mr. Chen Wei Chun 陳偉鈞先生	Interest of controlled corporation 受控制法團的權益	350,000 ¹	-	350,000	0.44%	-

Note:

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

Save as disclosed above, as at 30 June 2018, none of the Directors or the chief executive of the Company and their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

* For identification purpose only

附註：

- 該等股份代表Metroasset Investments Limited持有的股份，洪聰進先生實益擁有該公司的45.09%已發行股本。
- 相關權益為根據已屆滿購股權計劃授出的非上市實物結算購股權。於購股權根據已屆滿購股權計劃獲行使時，可發行本公司股本中的股份。購股權歸各承授人個人擁有。購股權的進一步詳情載於本報告「購股權計劃」一節。

(b) 於本公司相聯法團股份、相關股份及債權證中的好倉

附註：

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

除上文所披露者外，於二零一八年六月三十日，概無本公司董事或最高行政人員以及彼等的聯繫人於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括彼等根據證券及期貨條例有關條文被當作或視作擁有的權益或淡倉），或已記入本公司根據證券及期貨條例第352條須存置的登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

* 僅供識別

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)* 企業管治及其他資料 (續)

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

So far as the Directors or chief executive of the Company and their associates are aware, as at 30 June 2018, the Shareholders (other than Directors or the chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

LONG POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

主要股東於本公司股份及相關股份中的權益及淡倉

就本公司董事或最高行政人員以及彼等的聯繫人所知，於二零一八年六月三十日，股東（本公司董事或最高行政人員除外）於本公司股份或相關股份中所擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的權益或淡倉，或已記入本公司根據證券及期貨條例第336條須存置之登記冊內的權益或淡倉如下：

於本公司股份及相關股份中的好倉

Name of Shareholders	Capacity	Number of shares and underlying shares held	Percentage of the issued share capital as at 30.06.2018 佔於二零一八年六月三十日已發行股本百分比
股東姓名／名稱	身份	所持股份及相關股份數目	
Metroasset Investments Limited	Beneficial owner 實益擁有人	507,188,592 ¹	15.47%
Ms. Chen Mei Huei 陳美惠女士	Interest of controlled corporation 受控制法團的權益	507,188,592 ²	
	Personal interest 個人權益	2,328,000 ³	
	Sub-total 小計	509,516,592	15.53%
First Steamship Company Limited 益航股份有限公司	Interest of controlled corporation 受控制法團的權益	950,859,347 ⁴	29.00%
Mr. Fung Chuen 馮泉先生	Beneficial owner 實益擁有人	65,878,000 ⁵	5.02%

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)* 企業管治及其他資料 (續)

Notes:

1. These shares are held by Metroasset Investments Limited, 45.09% of the issued share capital of which is beneficially owned by Mr. Hung Tsung Chin.
2. The shares are held by Metroasset Investments Limited, 44.38% of the issued share capital of which is beneficially owned by Ms. Chen Mei Hui.
3. The relevant interests are unlisted physically settled options granted pursuant to the Expired Option Scheme. Upon exercise of the share options in accordance with the Expired Option Scheme, shares in the share capital of the Company are issuable. The share options are personal to the respective grantees. Further details of the share options are set out in the section headed "Share Option Scheme" of this report.
4. First Steamship Company Limited is interested in 950,859,347 shares through First Mariner Holding Limited, its wholly-owned subsidiary, which holds 833,000,000 shares and Grand Citi Limited, its non-wholly owned subsidiary, which holds 117,859,347 shares.
5. Disclosure of the percentage of the issued share capital held by Mr. Fung Chuen is made as per the last disclosure of interests notice as at 30 June 2018 which was filed on 2 June 2017.

Save as disclosed above and so far as the Directors and the chief executive of the Company are aware, as at 30 June 2018, no person or entity had any interest or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to section 336 of the SFO, to be entered in the register referred to therein.

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

During the six months ended 30 June 2018, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

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

附註：

1. 該等股份由Metroasset Investments Limited持有，而Metroasset Investments Limited的45.09%已發行股本由洪聰進先生實益擁有。
2. 該等股份由Metroasset Investments Limited持有，而Metroasset Investments Limited的44.38%已發行股本由陳美惠女士實益擁有。
3. 相關權益為根據已屆滿購股權計劃授出的非上市實物結算購股權。於購股權根據已屆滿購股權計劃獲行使時，可發行本公司股本中的股份。購股權歸各承授人個人擁有。購股權的進一步詳情載於本報告「購股權計劃」一節。
4. 益航股份有限公司透過其全資附屬公司First Mariner Holding Limited及非全資附屬公司Grand Citi Limited於950,859,347股股份中擁有權益，其中First Mariner Holding Limited持有833,000,000股股份，而Grand Citi Limited持有117,859,347股股份。
5. 有關馮泉先生所持已發行股本百分比的披露已如於二零一七年六月二日存檔的截至二零一八年六月三十日止最近期披露權益通知作出。

除上文所披露者外，並就本公司董事及最高行政人員所知，於二零一八年六月三十日，概無個人或實體於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的任何權益或淡倉，或根據證券及期貨條例第336條須記入該條例所述登記冊內的任何權益或淡倉。

購買、出售或贖回本公司的上市證券

於截至二零一八年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

企業管治

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

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料 (續)

During the six months ended 30 June 2018, the Company has applied the principles and has complied with code provisions of the Corporate Governance Code (the "Code Provision(s)") as contained in Appendix 14 to the Listing Rules, except for certain deviations as specified and explained below with considered reasons for such deviations.

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

Messrs. Kuo Jen Hao, a non-executive Director, Li Chak Hung and Wu Chia Ming, both independent non-executive Directors, were unable to attend the annual general meeting of the Company held on 12 June 2018 due to other engagements.

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

The Company is in the execution stage of streamlining its manufacturing segments, including but not limited to outsourcing production processes to external service providers, and reducing headcount of the Group to a sustainable level with higher efficiency. During the six months ended 30 June 2018, the management had provided all members of the Board with updates giving a balanced and understandable assessment of the Company's performance, position and prospect on a proactive and as requested basis.

於截至二零一八年六月三十日止六個月，本公司已應用上市規則附錄十四所載《企業管治守則》的原則及遵守《企業管治守則》的守則條文（「守則條文」），惟因下文所指明及解釋的考慮理由而出現的若干偏離除外。

- 根據守則條文A.6.7，獨立非執行董事及其他非執行董事應出席股東大會。

非執行董事郭人豪先生以及獨立非執行董事李澤雄先生及吳嘉明先生因處理其他事務而未能出席本公司於二零一八年六月十二日舉行的股東週年大會。

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

本公司正在精簡其各製造分部，包括但不限於向外部服務供應商外判生產程序，並將本集團僱員數目減至可持續水平，以提升效率。於截至二零一八年六月三十日止六個月，管理層已主動及應要求向董事會全體成員提供載列有關本公司的表現，財務狀況及前景的公正及易於理解的評估的最新資料。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standards regarding securities transactions by Directors as set out in the Model Code throughout the six months ended 30 June 2018. No incident of non-compliance was noted by the Company for the six months ended 30 June 2018.

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

There is no change in the Director's information required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules since the date of the annual report of the Company for the year ended 31 December 2017 and up to the date of this report.

董事進行證券交易的標準守則

本公司已採納標準守則作為董事買賣本公司證券的行為準則。經特定查詢後，全體董事確認彼等於截至二零一八年六月三十日止六個月一直遵守標準守則所載有關董事進行證券交易的必要準則。本公司並不知悉於截至二零一八年六月三十日止六個月有任何不合規事件。

根據上市規則第13.51B(1)條披露董事資料變動

自本公司截至二零一七年十二月三十一日止年度的年報日期以來，直至本報告日期為止，概無董事資料變動須根據上市規則第13.51B(1)條披露。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)* 企業管治及其他資料 (續)

COMPETING AND CONFLICT OF INTEREST

None of the Directors or the controlling Shareholders or their respective associates had any interest in a business, which competes or may compete, either directly or indirectly, with the business of the Group nor any conflict of interest which any of them had or may have with the Group for the six months ended 30 June 2018.

SUFFICIENCY OF PUBLIC FLOAT

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

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three members, Messrs. Li Chak Hung (chairman of the Audit Committee), Lau Yau Cheung and Wu Chia Ming, all of whom are independent non-executive Directors. The Audit Committee has reviewed the Group's unaudited condensed consolidated financial statements and the interim report for the six months ended 30 June 2018 and held discussion with the management.

GENERAL

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

LAU Yau Cheung
CHAIRMAN

Hong Kong, 10 August 2018

競爭性權益及利益衝突

截至二零一八年六月三十日止六個月，概無董事或控股股東或彼等各自的聯繫人於直接或間接與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益，或與本集團存在或可能存在任何利益衝突。

公眾持股量之充足程度

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

審核委員會

本公司已成立審核委員會（「審核委員會」），旨在審閱及監督本集團的財務申報程序及內部監控。審核委員會包括三名成員，分別為李澤雄先生（審核委員會主席）、劉幼祥先生及吳嘉明先生，彼等均為獨立非執行董事。審核委員會已審閱本集團截至二零一八年六月三十日止六個月的未經審核簡明綜合財務報表及中期報告並與管理層進行討論。

一般資料

本人謹藉此機會代表董事會衷心感謝全體股東支持本公司。

主席
劉幼祥

香港，二零一八年八月十日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 簡明綜合損益及其他全面收益表

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

		Notes 附註	For six months ended 30 June 截至六月三十日止六個月	
			2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Revenue	收益	5	739,962	772,367
Cost of sales	銷售成本		(714,352)	(720,209)
Gross profit	毛利		25,610	52,158
Other income, gains and losses	其他收入、收益及虧損		18,572	16,197
Distribution and selling costs	經銷及銷售成本		(15,759)	(18,152)
Administrative and other expenses	行政及其他開支		(103,284)	(102,394)
Research and development costs	研發成本		(17,631)	(20,858)
Finance costs	財務成本		(14,003)	(15,884)
Share of profit of an associate	應佔一間聯營公司之溢利		3,915	362
Loss before income tax expense	除所得稅支出前虧損		(102,580)	(88,571)
Income tax expense	所得稅支出	6	(4,691)	(6,631)
Loss for the period	本期間虧損	7	(107,271)	(95,202)
Other comprehensive income	其他全面收益			
<i>Item that will not be reclassified subsequently to profit or loss:</i>	<i>其後不會重新分類至損益之項目：</i>			
Revaluation surplus on investment properties upon transfer from property, plant and equipment and prepaid lease payment	從物業、廠房及設備以及預付租賃款項轉撥時產生之投資物業重估收益		30,353	-
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>			
Exchange difference on translation of foreign operations	換算海外業務時產生之匯兌差額		7,040	(15,015)
Total comprehensive income for the period	本期間全面收益總額		(69,878)	(110,217)
Loss for the period attributable to:	下列各項應佔本期間虧損：			
- Owners of the Company	- 本公司擁有人		(62,883)	(63,656)
- Non-controlling interests	- 非控股權益		(44,388)	(31,546)
			(107,271)	(95,202)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)* 簡明綜合損益及其他全面收益表 (續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

		For six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
		Notes 附註	
Total comprehensive income attributable to:	下列各項應佔全面收益總額：		
– Owners of the Company	– 本公司擁有人		(75,105)
– Non-controlling interests	– 非控股權益		(35,112)
			(69,878)
			HK cents 港仙
Loss per share	每股虧損	9	HK cents 港仙
Basic	基本		(4.17)
Diluted	攤薄		(4.17)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

AS AT 30 JUNE 2018

於二零一八年六月三十日

			30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	112,183	149,844
Prepaid lease payments	預付租賃款項		1,984	5,037
Investment properties	投資物業	10	136,399	73,681
Goodwill	商譽	10	108,251	108,297
Intangible assets	無形資產		15,107	17,368
Interest in an associate	於一間聯營公司之權益		63,240	59,325
Loan receivables	應收貸款	11	8,794	8,794
Deferred tax assets	遞延稅項資產		6,396	6,438
Total non-current assets	非流動資產總值		452,354	428,784
Current assets	流動資產			
Inventories	存貨		154,771	258,428
Trade, bills and other receivables	應收貿易賬款、應收票據及 其他應收款項	12	248,689	299,126
Prepaid lease payments	預付租賃款項		161	163
Amount due from an associate	應收一間聯營公司之款項	13	97,024	71,444
Pledged bank deposits	已抵押銀行存款		1,633	66
Bank balances and cash	銀行結存及現金		135,700	132,418
			637,978	761,645
Assets classified as held for sale	分類為持作出售之資產		-	97,396
Total current assets	流動資產總值		637,978	859,041
Current liabilities	流動負債			
Trade, bills and other payables	應付貿易賬款、應付票據及 其他應付款項	14	397,446	510,401
Tax liabilities	稅項負債		17,114	16,973
Bank and other borrowings	銀行及其他借貸	15	370,397	392,022
Obligations under finance leases	融資租賃承擔		1,901	1,886
Total current liabilities	流動負債總額		786,858	921,282
Net current liabilities	流動負債淨額		(148,880)	(62,241)
Total assets less current liabilities	資產總值減流動負債		303,474	366,543

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)* 簡明綜合財務狀況表 (續)

AS AT 30 JUNE 2018

於二零一八年六月三十日

		Notes 附註	30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借貸	15	1,100	1,131
Deferred tax liabilities	遞延稅項負債		52,054	41,142
Defined benefit obligation	界定福利責任		102	103
Obligations under finance leases	融資租賃承擔		6,449	7,375
Total non-current liabilities	非流動負債總額		59,705	49,751
NET ASSETS	資產淨值		243,769	316,792
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備			
Share capital	股本	16	327,882	327,882
Reserves	儲備		131,115	156,548
Equity attributable to owners of the Company	本公司擁有人應佔權益		458,997	484,430
Non-controlling interests	非控股權益		(215,228)	(167,638)
TOTAL EQUITY	權益總額		243,769	316,792

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

(unaudited)
(未經審核)

		Attributable to owners of the Company 本公司擁有人應佔									Non-controlling interests 非控股權益	Total 總計	
		Share capital	Share premium	Share option reserve	Statutory reserve	Defined benefit plan reserve	Special reserve	Property revaluation reserve	Currency translation reserve	Accumulated losses			Total
		股本	股份溢價	購股權儲備	法定儲備	界定福利計劃儲備	特別儲備	物業重估儲備	貨幣換算儲備	累計虧損			總計
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note a) (附註a)	HK\$'000 千港元	HK\$'000 千港元 (Note b) (附註b)	HK\$'000 千港元 (Note c) (附註c)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		
Balance at 1 January 2017 (audited)	於二零一七年一月一日之結餘 (經審核)	131,153	479,763	7,960	31,480	-	89,175	79,577	17,980	(460,500)	376,588	(94,470)	282,118
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	(63,656)	(63,656)	(31,546)	(95,202)
Exchange difference on translation of foreign operations	換算海外業務時產生之匯兌差額	-	-	-	-	-	-	-	(11,449)	-	(11,449)	(3,566)	(15,015)
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	-	(11,449)	(63,656)	(75,105)	(35,112)	(110,217)
Balance at 30 June 2017	於二零一七年六月三十日之結餘	131,153	479,763	7,960	31,480	-	89,175	79,577	6,531	(524,156)	301,483	(129,582)	171,901
Balance at 1 January 2018 (audited)	於二零一八年一月一日之結餘 (經審核)	327,882	506,750	7,960	31,945	23	89,175	79,577	7,907	(566,789)	484,430	(167,638)	316,792
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	(62,883)	(62,883)	(44,388)	(107,271)
Exchange difference on translation of foreign operations	換算海外業務時產生之匯兌差額	-	-	-	-	-	-	-	7,097	-	7,097	(57)	7,040
Revaluation of properties	重估物業	-	-	-	-	-	-	30,353	-	-	30,353	-	30,353
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	30,353	7,097	(62,883)	(25,433)	(44,445)	(69,878)
Acquisition of non-controlling interest by a subsidiary of the Company	本公司一間附屬公司收購非控股權益	-	-	-	-	-	-	-	-	-	-	(3,145)	(3,145)
Transfer	轉撥	-	-	-	137	-	-	-	-	(137)	-	-	-
Balance at 30 June 2018	於二零一八年六月三十日之結餘	327,882	506,750	7,960	32,082	23	89,175	109,930	15,004	(629,809)	458,997	(215,228)	243,769

Notes:

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

附註:

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS 簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

		For six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Net cash used in operating activities	經營活動所用現金淨額	(38,973)	(93,458)
Investing activities	投資活動		
Release of pledged bank deposits	解除已抵押銀行存款	-	391
Increase in pledged bank deposits	已抵押銀行存款增加	(1,567)	-
Advances to an associate	向一間聯營公司墊款	(148,074)	-
Repayment from an associate	一間聯營公司還款	124,006	17,776
Purchases of property, plant and equipment	購買物業、廠房及設備	(7,939)	(16,725)
Purchases of intangible assets	購買無形資產	-	(92)
Proceeds from disposals of investment properties	出售投資物業所得款項	96,511	-
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	4,775	2,347
Net cash from investing activities	投資活動所得現金淨額	67,712	3,697
Financing activities	融資活動		
Acquisition of non-controlling interest by a subsidiary of the Company	本公司一間附屬公司收購非控股權益	(3,145)	-
Repayment of bank and other loans	償還銀行及其他貸款	(254,145)	(237,884)
Repayment of obligations under finance leases	償還融資租賃承擔	(981)	(125)
New bank and other loans raised	新造銀行及其他貸款	233,618	329,607
Net cash (used in) from financing activities	融資活動(所用)所得現金淨額	(24,653)	91,598
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	4,086	1,837
Cash and cash equivalents at beginning of period	期初現金及現金等價物	132,418	76,065
Effect of foreign exchange rate changes	外幣匯率變動影響	(804)	4,926
Cash and cash equivalents at end of period, represented by bank balances and cash	期末現金及現金等價物，即銀行結存及現金	135,700	82,828

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

1. GENERAL INFORMATION

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

2. BASIS OF PREPARATION

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

These condensed consolidated financial statements should be read in conjunction with the 2017 annual financial statements. Except as described below, the accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements for the six months ended 30 June 2018 are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2017.

Basis of measurement and going concern assumption

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

1. 一般資料

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

2. 編製基準

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

本簡明綜合財務報表應與二零一七年之年度財務報表一併閱讀。除下述者外，編製本截至二零一八年六月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方法與編製本集團截至二零一七年十二月三十一日止年度之綜合財務報表時所依循者相同。

計量基準及持續經營假設

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

2. BASIS OF PREPARATION *(Continued)*

Basis of measurement and going concern assumption *(Continued)*

During the period, the Group incurred a net loss of HK\$62,883,000 attributable to owners of the Company and at the end of reporting period, the Group had net current liabilities of approximately HK\$148,880,000. The Group is dependent upon the financial support from the banks and financial institutions to meet its financial obligations. There is no certainty that bank loans and other loans of the Group will be renewed in the future. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

In view of these circumstances, the Directors have considered the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. In particular, the Directors have considered the following: (1) the Group maintains good relationship with major banks and financial institutions providing finance or facilities to the Group and the Group had successfully renewed its banking facilities based on past experience; (2) as of 30 June 2018, the Group has unutilised bank loan facilities totalling HK\$221,519,000 available to finance its future operations and financial obligations; and (3) the Group is looking for other potential business partners or investors to cooperate with the Group in the satellite TV broadcasting business of the Group.

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

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

2. 編製基準 (續)

計量基準及持續經營假設 (續)

期內，本集團產生本公司擁有人應佔淨虧損62,883,000港元，而本集團於報告期末之流動負債淨額約為148,880,000港元。本集團倚賴銀行及金融機構提供財務支援，以履行其財務責任。概不保證本集團日後將可重續其銀行貸款及其他貸款。該等狀況顯示存在重大不明朗因素，可能對本集團之持續經營能力構成重大疑問，因此，本集團或許不能在正常業務過程中變現其資產及履行其責任。

鑑於此等情況，董事已考慮本集團的未來流動性及業績以及其可用的資金來源，評估本集團是否有足夠的財務資源持續經營。特別是董事已考慮以下各項：(1)本集團與向其提供融資或信貸之主要銀行及金融機構維持良好關係，且據過往經驗均成功重續其銀行融資；(2)於二零一八年六月三十日，本集團有未動用銀行貸款額度合共221,519,000港元，可供用作為其未來營運及財務責任提供資金；及(3)本集團正物色其他潛在業務夥伴或投資者與本集團合作發展本集團衛星電視廣播業務。

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

因此，本集團之簡明綜合財務報表已按持續經營基準編製。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

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

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

- HKFRS 9, Financial Instruments
- HKFRS 15, Revenue from Contracts with Customers
- HK(IFRIC)-Interpretation 22, Foreign Currency Transactions and Advance Considerations
- Amendments to HKFRS 2, Classification and Measurement of Share-based Payment Transactions
- Amendments to HKFRS 4, Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
- Amendments to HKAS 28 included in Annual Improvements to HKFRSs 2014-2016 Cycle, Investments in Associates and Joint Ventures
- Amendments to HKAS 40, Transfers of Investment Property
- Amendments to HKFRS 1 included in Annual Improvements to HKFRSs 2014-2016 Cycle, First-time Adoption of HKFRSs

3. 香港財務報告準則（「香港財務報告準則」）之變動

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

- 香港財務報告準則第9號「金融工具」
- 香港財務報告準則第15號「客戶合約之收益」
- 香港（國際財務報告詮釋委員會）— 詮釋第22號「外幣交易及預收預付代價」
- 香港財務報告準則第2號之修訂「以股份為基礎付款交易之分類及計量」
- 香港財務報告準則第4號之修訂「於香港財務報告準則第4號『保險合約』下香港財務報告準則第9號『金融工具』之應用」
- 「香港財務報告準則二零一四年至二零一六年週期之年度改進」所載香港會計準則第28號之修訂「於聯營公司及合營企業之投資」
- 香港會計準則第40號之修訂「轉讓投資物業」
- 「香港財務報告準則二零一四年至二零一六年週期之年度改進」所載香港財務報告準則第1號之修訂「首次採納香港財務報告準則」

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

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

The impact of the adoption of HKFRS 9 Financial Instruments (see note 3A below) and HKFRS 15 Revenue from Contracts with Customers (see note 3B below) have been summarised in below. The other new or amended HKFRSs that are effective from 1 January 2018 did not have any material impact on the Group’s accounting policies.

A. HKFRS 9 Financial Instruments (“HKFRS 9”)

(i) *Classification and measurement of financial instruments*

HKFRS 9 replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment and (3) hedge accounting. The adoption of HKFRS 9 from 1 January 2018 has resulted in changes in accounting policies of the Group.

HKFRS 9 basically retains the existing requirements in HKAS 39 for the classification and measurements of financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group’s accounting policies related to financial liabilities and derivative financial instruments. The impact of HKFRS 9 on the Group’s classification and measurement of financial assets is set out below.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

採納香港財務報告準則第9號「金融工具」(見下文附註3A)及香港財務報告準則第15號「客戶合約之收益」(見下文附註3B)之影響已於下文概述。其他自二零一八年一月一日起生效之新訂或經修訂香港財務報告準則對本集團之會計政策並無重大影響。

A. 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)

(i) 金融工具之分類及計量

香港財務報告準則第9號於二零一八年一月一日或之後開始之年度期間取代香港會計準則第39號「金融工具：確認及計量」，合併金融工具會計處理全部三個方面：(1)分類及計量；(2)減值及(3)對沖會計處理。自二零一八年一月一日起採納香港財務報告準則第9號導致本集團會計政策出現變動。

香港財務報告準則第9號基本上保留香港會計準則第39號有關金融負債分類及計量之現有規定。然而，其取消先前香港會計準則第39號中持有至到期金融資產、貸款及應收款項及可供出售金融資產之金融資產類別。採納香港財務報告準則第9號對本集團有關金融負債及衍生金融工具之會計政策並無重大影響。香港財務報告準則第9號對本集團金融資產分類及計量之影響載列如下。

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簡明綜合財務報表附註 (續)

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

A. HKFRS 9 Financial Instruments (“HKFRS 9”) *(Continued)*

(i) *Classification and measurement of financial instruments (Continued)*

Under HKFRS 9, except for certain trade receivables (that the trade receivables do not contain a significant financing component in accordance with HKFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss (“FVTPL”), transaction costs. A financial asset is classified as: (i) financial assets at amortised cost (“amortised costs”); (ii) financial assets at fair value through other comprehensive income (“FVTOCI”); or (iii) financial assets at FVTPL (as defined in above). The classification of financial assets under HKFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the “solely payments of principal and interest” criterion, also known as “SPPI criterion”). Under HKFRS 9, embedded derivatives are no longer required to be separated from a host financial asset. Instead, the hybrid financial instrument is assessed as a whole for the classification.

A financial asset is measured at amortised cost if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

A. 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)(續)

(i) 金融工具之分類及計量(續)

根據香港財務報告準則第9號，除若干應收貿易賬款(應收貿易賬款不包括根據香港財務報告準則第15號的重大融資部分)外，實體於初步確認時須按公平值加交易成本(倘為並非按公平值計入損益(「按公平值計入損益」)計量之金融資產)計量金融資產。金融資產分類為：(i)按攤銷成本(「攤銷成本」)計量之金融資產；(ii)按公平值計入其他全面收益(「按公平值計入其他全面收益」)之金融資產；或(iii)按公平值計入損益之金融資產(定義見上文)。根據香港財務報告準則第9號，金融資產之分類一般基於兩項準則：(i)管理金融資產之業務模型及(ii)其合約現金流量特徵(「僅支付本金及利息」準則，亦稱為「僅支付本金及利息標準」)。根據香港財務報告準則第9號，嵌入式衍生工具毋須再與主體金融資產分開列示。取而代之，混合式金融工具須整體評估分類。

倘金融資產同時符合以下兩項條件，且並無指定按公平值計入損益，則按攤銷成本計量：

- 該金融資產以一個旨在通過持有金融資產收取合約現金流量之業務模型持有；及
- 該金融資產之合約條款於特定日期產生現金流量，而該現金流量符合僅支付本金及利息標準。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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

A. HKFRS 9 Financial Instruments (“HKFRS 9”) *(Continued)*

(i) *Classification and measurement of financial instruments (Continued)*

A debt investment is measured at FVTOCI if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to be achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an investment-by-investment basis. All other financial assets not classified at amortised cost or FVTOCI as described above are classified as FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVTOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3. 香港財務報告準則 (「香港財務報告準則」) 之變動 (續)

A. 香港財務報告準則第9號「金融工具」 (「香港財務報告準則第9號」) (續)

(i) 金融工具之分類及計量 (續)

倘債務投資同時符合以下兩項條件，且並非指定按公平值計入損益，則按公平值計入其他全面收益計量：

- 該債務投資以一個旨在通過收取合約現金流量及銷售金融資產之業務模型持有；及
- 該金融資產之合約條款於特定日期產生現金流量，而該現金流量符合僅支付本金及利息標準。

於初次確認並非持作買賣用途之股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公平值之後續變動。該選擇乃按投資逐項作出。所有其他並非如上所述分類為按攤銷成本計量或按公平值計入其他全面收益之金融資產，均分類為按公平值計入損益。此包括所有衍生金融資產。於初次確認時，本集團可不可撤回地指定金融資產 (於其他方面符合按攤銷成本計量或按公平值計入其他全面收益之規定) 為按公平值計入損益，前提是有關指定可消除或大幅減少會計錯配發生。

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

A. HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

(i) Classification and measurement of financial instruments (Continued)

The following table summarises the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for each class of the Group’s financial assets as at 1 January 2018, there is no change in their carrying amount as at 1 January 2018 upon the adoption of HKFRS 9.

Financial assets	Original classification under HKAS 39 在香港會計準則第39號下之原有類別	New classification under HKFRS 9 在香港財務報告準則第9號下之新類別
金融資產		
Loan receivables 應收貸款	Loans and receivables 貸款及應收款項	Amortised cost 攤銷成本
Amount due from an associate 應收一間聯營公司之款項	Loans and receivables 貸款及應收款項	Amortised cost 攤銷成本
Trade, bills and other receivables 應收貿易賬款、應收票據及 其他應收款項	Loans and receivables 貸款及應收款項	Amortised cost 攤銷成本
Pledged bank deposits 已抵押銀行存款	Loans and receivables 貸款及應收款項	Amortised cost 攤銷成本
Bank balance and cash 銀行結存及現金	Loans and receivables 貸款及應收款項	Amortised cost 攤銷成本

(i) Impairment of financial assets

The adoption of HKFRS 9 has changed the Group’s impairment model by replacing the HKAS 39 “incurred loss model” to the “expected credit losses (“ECLs”) model”. HKFRS 9 requires the Group to recognise ECL for trade and other receivables and debt financial asset earlier than HKAS 39. Pledged bank deposits and bank balance are subject to ECL model but the impairment is immaterial for the current period.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

A. 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)(續)

(i) 金融工具之分類及計量(續)

下表概述本集團於二零一八年一月一日各類金融資產在香港會計準則第39號下之原有計量類別及在香港財務報告準則第9號下之新計量類別。採用香港財務報告準則第9號後，該等金融資產於二零一八年一月一日之賬面金額不變。

(i) 金融資產之減值

採用香港財務報告準則第9號將本集團之減值模型由香港會計準則第39號之「已產生虧損模型」更改為「預期信貸虧損模型」。香港財務報告準則第9號規定本集團較香港會計準則第39號為早確認應收貿易賬款及其他應收款項以及債務金融資產之預期信貸虧損。已抵押銀行存款及銀行結存須受預期信貸虧損模型所限，惟本期間之減值並不重大。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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

A. HKFRS 9 Financial Instruments (“HKFRS 9”) *(Continued)*

(i) *Classification and measurement of financial instruments (Continued)*

(i) *Impairment of financial assets (Continued)*

Under HKFRS 9, the loss allowances are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade and other receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

A. 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)(續)

(i) 金融工具之分類及計量(續)

(i) 金融資產之減值(續)

根據香港財務報告準則第9號，虧損撥備按以下其中一項基準計量：(1) 12個月預期信貸虧損：此乃可能於報告日期後12個月內發生之違約事件產生之預期信貸虧損；及(2) 全期預期信貸虧損：此乃可能於金融工具預計年期內發生之所有違約事件產生之信貸虧損。

計量預期信貸虧損

預期信貸虧損乃基於根據合約應付之合約現金流量與本集團預期收取之所有現金流量之間的差額。該差額其後按與資產原有實際利率相近之利率貼現。

本集團已選擇使用香港財務報告準則第9號之簡化方式計量應收貿易賬款及其他應收款項之虧損撥備，並根據全期預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人之特定前瞻性因素及經濟環境作出調整。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

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

A. HKFRS 9 Financial Instruments (“HKFRS 9”) *(Continued)*

(i) *Classification and measurement of financial instruments (Continued)*

(i) *Impairment of financial assets (Continued)*

Measurement of ECLs *(Continued)*

For other debt financial assets, the ECLs are based on the 12-months ECLs. The 12-months ECLs is the portion of the lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information. The allowance of loan receivables will be based on the lifetime ECLs while the allowance of the amount due from an associate will be based on 12-months ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

A. 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)(續)

(i) 金融工具之分類及計量(續)

(i) 金融資產之減值(續)

計量預期信貸虧損(續)

就其他債務金融資產而言，本集團按12個月預期信貸虧損計算預期信貸虧損。12個月預期信貸虧損為全期預期信貸虧損之一部分，其源自可能在報告日期後12個月內發生之金融工具違約事件。然而，自開始以來信貸風險顯著增加時，撥備將以全期預期信貸虧損為基準。當釐定金融資產之信貸風險自初步確認後有否大幅增加，並於估計預期信貸虧損時，本集團會考慮相關及無須付出過多成本或努力即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出之定量及定性資料及分析，並包括前瞻性資料。應收貸款之撥備將以全期預期信貸虧損為基礎，而應收一間聯營公司之款項之撥備則以12個月預期信貸虧損為基礎。

倘某項金融資產逾期超過180天，則本集團假設該金融資產之信貸風險顯著上升。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

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

A. HKFRS 9 Financial Instruments (“HKFRS 9”) *(Continued)*

(i) *Classification and measurement of financial instruments (Continued)*

(i) *Impairment of financial assets (Continued)*

Measurement of ECLs *(Continued)*

The Group considers a financial asset to be in default when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 180 days past due.

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Management has concluded that neither the new requirements related to the classification and measurement nor the requirements related to impairment have any impact on the financial statements.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

A. 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)(續)

(i) 金融工具之分類及計量(續)

(i) 金融資產之減值(續)

計量預期信貸虧損(續)

本集團認為金融資產於下列情況下已違約：(1) 借款人不大可能在本集團無追索權採取行動(例如變現抵押(如持有))之情況下向本集團悉數履行其信貸義務；或(2) 該金融資產逾期超過180天。

於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

呈列預期信貸虧損

按攤銷成本計量之金融資產之虧損撥備從資產之賬面總額中扣除。

管理層釐定，分類及計量之新規定及減值規定對財務報表並無任何影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

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

A. HKFRS 9 Financial Instruments (“HKFRS 9”) *(Continued)*

(i) *Classification and measurement of financial instruments (Continued)*

(ii) *Transition*

The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the statement of financial position as at 31 December 2017, but are recognised in the statement of financial position on 1 January 2018. This means that differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 are recognised in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented for 2017 does not reflect the requirements of HKFRS 9 but rather those of HKAS 39.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of HKFRS 9 (the “DIA”):

- The determination of the business model within which a financial asset is held;

3. 香港財務報告準則 (「香港財務報告準則」) 之變動 (續)

A. 香港財務報告準則第9號「金融工具」 (「香港財務報告準則第9號」) (續)

(i) 金融工具之分類及計量 (續)

(ii) 過渡安排

本集團已應用香港財務報告準則第9號之過渡性條文，以使香港財務報告準則第9號全面獲採納而毋須重列比較資料。因此，重新分類及新預期信貸虧損規則產生之調整並無於二零一七年十二月三十一日之財務狀況表中反映，惟於二零一八年一月一日之財務狀況表中確認。其指採納香港財務報告準則第9號產生之金融資產與金融負債賬面金額差異於二零一八年一月一日之保留盈利及儲備確認。因此，就二零一七年呈列之資料並不反映香港財務報告準則第9號之規定，惟反映香港會計準則第39號之規定。

以下評估乃根據香港財務報告準則第9號初次應用日期 (「初次應用日期」) 存在之事實及情況而作出：

- 釐定持有金融資產之業務模型；

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簡明綜合財務報表附註 (續)

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

A. HKFRS 9 Financial Instruments (“HKFRS 9”) *(Continued)*

(i) *Classification and measurement of financial instruments (Continued)*

(ii) *Transition (Continued)*

- Any designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL; and
- Any designation of certain investments in equity investments not held for trading as at FVTOCI.

If an investment in a debt investment had low credit risk at the DIA, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

B. HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”)

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations. HKFRS 15 has established a five-steps model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group has adopted HKFRS 15 using the cumulative effect method without practical expedients. The Group has recognised the cumulative effect of initially applying HKFRS 15 as an adjustment to the opening balance of retained earnings at the date of initial application (that is, 1 January 2018). As a result, the financial information presented for 2017 has not been restated.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

A. 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)(續)

(i) 金融工具之分類及計量(續)

(ii) 過渡安排(續)

- 任何指定及撤銷原來指定若干按公平值計入損益計量的金融資產及金融負債；及
- 任何指定若干按公平值計入其他全面收益的非持有作買賣之股本投資。

倘於債務投資之投資在初次應用日期具有低信貸風險，則本集團假設該資產之信貸風險自其初次確認起並無顯著增加。

B. 香港財務報告準則第15號「客戶合約之收益」(「香港財務報告準則第15號」)

香港財務報告準則第15號取代香港會計準則第11號「建築合約」、香港會計準則第18號「收益」及相關詮釋。香港財務報告準則第15號建立一個五步模型，以將客戶合約收益列賬。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務作交換而有權獲得之代價金額確認。

本集團已採用累計影響法採納香港財務報告準則第15號(無可行權宜方法)。本集團已將初次應用香港財務報告準則第15號之累計影響確認為於初次應用日期(即二零一八年一月一日)對保留盈利期初結餘的調整。因此，就二零一七年呈列之財務資料並未重新呈列。

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簡明綜合財務報表附註 (續)

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

B. HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (Continued)

The Group assessed the impacts of adopting HKFRS 15 on its financial statements. Based on the assessment, the adoption of HKFRS 15 has no significant impact on the Group’s revenue recognition.

Details of the new significant accounting policies and the nature of the changes to previous accounting policies in relation to the Group’s various goods and services are set out below.

Revenue for satellite TV broadcasting is recognised over time as those services are provided. Invoices for these income are issued on a monthly basis and are usually payable within 90 days. HKFRS 15 did not result in significant impact on the Group’s accounting policies. Upon the adoption of HKFRS 15, if there is any satisfied performance obligation but where the Group does not have an unconditional right to consideration, the Group should recognise a contract asset. No contract asset is recognised upon transition and at the end of the reporting period.

Revenue for trading and manufacturing of media entertainment platform related products, other multimedia products and satellite TV equipment and antenna generally include only one performance obligation. The Group has concluded that revenue from trading and manufacturing of media entertainment platform related products, other multimedia products and satellite TV equipment and antenna should be recognised at the point in time when control of the products is transferred to the customer, generally on delivery of the products to the specific location, the risks of obsolescence and loss have been transferred to customer. Therefore, the adoption of HKFRS 15 did not result in significant impact on the consolidated financial statements.

4. USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2017 annual financial statements, except for new significant judgements and key sources of estimation uncertainty related to the application of HKFRS 9 and HKFRS 15 as described in note 3.

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

B. 香港財務報告準則第15號「客戶合約之收益」(「香港財務報告準則第15號」)(續)

本集團已評估採納香港財務報告準則第15號對其財務報表之影響。根據該評估，採納香港財務報告準則第15號對本集團之收益確認並無重大影響。

有關本集團各種貨物或服務之新重大會計政策及對以往會計政策的改變之性質詳情載列如下。

衛星電視廣播收益於提供服務期間隨時間確認。該等收入每月發出發票，一般應於90天內支付。香港財務報告準則第15號對本集團之會計政策並無重大影響。於採納香港財務報告準則第15號後，倘已達成任何履約責任惟本集團並無收取代價之無條件權利，則本集團應確認合約資產。於過渡後及報告期末概無確認合約資產。

就買賣及製造媒體娛樂平臺相關產品、其他多媒體產品以及衛星電視設備及天線之收益而言，履約責任通常只有一項。本集團得出之結論為買賣及製造媒體娛樂平臺相關產品、其他多媒體產品以及衛星電視設備及天線之收益應於產品控制權轉移至客戶之時間點確認，通常為交付產品至指定地點之時。報廢及損失之風險已轉移至客戶。因此，採納香港財務報告準則第15號對綜合財務報表並無重大影響。

4. 採用判斷及估計

於編製本簡明綜合中期財務報表之過程中，管理層於應用本集團會計政策時作出之重大判斷及估計不明朗因素之主要來源與二零一七年度財務報表所應用者相同，惟附註3所述與應用香港財務報告準則第9號及香港財務報告準則第15號有關之新重大判斷及估計不明朗因素之主要來源除外。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

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5. SEGMENT INFORMATION

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

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

(i) Media entertainment platform related products

Trading and manufacturing of media entertainment platform related products
– which are mainly used for satellite products equipment.

(ii) Other multimedia products

Trading and manufacturing of other multimedia products
– components of audio and video electronic products such as cable lines.

(iii) Integration of signal system and traffic communication network

Integration of signal system and traffic communication network
– provide installation and integration of signal system and traffic communication network.

(iv) Satellite TV equipment and antenna

Trading and manufacturing of satellite TV equipment and antenna.

(v) Satellite TV broadcasting

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

5. 分部資料

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

具體而言，本集團根據香港財務報告準則第8號之經營分部如下：

(i) 媒體娛樂平臺相關產品

買賣及製造媒體娛樂平臺相關產品
– 主要用於衛星產品設備。

(ii) 其他多媒體產品

買賣及製造其他多媒體產品
– 影音電子產品零件，例如線纜。

(iii) 整合訊號系統及交通通訊網絡

整合訊號系統及交通通訊網絡
– 提供訊號系統及交通通訊網絡安裝及整合服務。

(iv) 衛星電視設備及天線

衛星電視及天線貿易及製造。

(v) 衛星電視廣播

於中東、地中海及非洲地區提供直接入屋衛星電視廣播。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

5. SEGMENT INFORMATION (Continued)

Segment revenue and results

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

Six months ended 30 June 2018

	Media entertainment platform related products	Other multimedia products	Integration of signal system and traffic communication network	Satellite TV equipment and antenna	Satellite TV broadcasting	Total	
	媒體娛樂平臺相關產品	其他多媒體產品	整合訊號系統及交通通訊網絡	衛星電視設備及天線	衛星電視廣播	總計	
	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	
	(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)	
REVENUE	收益						
External sales	對外銷售	130,298	123,285	-	463,088	23,291	739,962
Timing of revenue recognition	確認收益之時間						
At a point in time	於某一時間點	130,298	123,285	-	463,088	-	716,671
Over time	隨時間	-	-	-	-	23,291	23,291
		130,298	123,285	-	463,088	23,291	739,962
RESULTS	業績						
Segment results	分部業績	17,834	13,951	(175)	28,477	(52,011)	8,076
Other income, gains and losses	其他收入、收益及虧損						20,347
Administrative and other expenses	行政及其他開支						(103,284)
Research and development costs	研發成本						(17,631)
Finance costs	財務成本						(14,003)
Share of profit of an associate	應佔一間聯營公司之溢利						3,915
Loss before income tax expense	除所得稅支出前虧損						(102,580)

5. 分部資料(續)

分部收益及業績

按可呈報及經營分部分析本集團於回顧期間之收益及業績如下：

截至二零一八年六月三十日止六個月

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

5. SEGMENT INFORMATION (Continued)**Segment revenue and results (Continued)**

Six months ended 30 June 2017

	Media entertainment platform related products	Other multimedia products	Integration of signal system and traffic communication network	Satellite TV equipment and antenna	Satellite TV broadcasting	Total	
	媒體娛樂平臺相關產品	其他多媒體產品	系統及交通通訊網絡	衛星電視設備及天線	衛星電視廣播	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	(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)	
REVENUE	收益						
External sales	對外銷售	102,193	126,743	667	515,023	27,741	772,367
Timing of revenue recognition	確認收益之時間						
At a point in time	於某一時間點	102,193	126,743	-	515,023	-	743,959
Over time	隨時間	-	-	667	-	27,741	28,408
		102,193	126,743	667	515,023	27,741	772,367
RESULTS	業績						
Segment results	分部業績	18,818	14,075	21	65,404	(64,312)	34,006
Other income, gains and losses	其他收入、收益及虧損						16,197
Administrative and other expenses	行政及其他開支						(102,394)
Research and development costs	研發成本						(20,858)
Finance costs	財務成本						(15,884)
Share of profit of an associate	應佔一間聯營公司之溢利						362
Loss before income tax expense	除所得稅支出前虧損						(88,571)

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

分部業績指各分部所賺取之溢利／蒙受之損失，當中並未分配其他收入、收益及虧損（應收貿易賬款及其他應收款項之減值虧損除外）、行政及其他開支、研發成本、財務成本及應佔一間聯營公司之溢利。此乃就資源分配及表現評估向主要營運決策者報告之計量方式。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

6. INCOME TAX EXPENSE

6. 所得稅支出

		For six months ended	
		30 June	
		截至六月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
The tax charge comprises:	稅項開支包括：		
Current tax:	本期稅項：		
PRC	中國	608	1,182
Jurisdictions other than the PRC and Hong Kong	中國及香港以外之司法權區	3,266	3,939
		3,874	5,121
(Over)/Under-provision in prior years:	過往年度(超額撥備)/撥備不足：		
PRC	中國	(185)	-
Hong Kong	香港	-	524
		(185)	524
Deferred taxation:	遞延稅項：		
Current period	本期間	822	714
Provision for withholding tax	預扣稅撥備	180	272
		1,002	986
		4,691	6,631

(i) PRC

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

(i) 中國

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018
截至二零一八年六月三十日止六個月

6. INCOME TAX EXPENSE (Continued)

(ii) Hong Kong

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

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

(iii) United States of America

The Group's subsidiaries in United States of America are subjected to United States Federal Income Tax at 34% and States Income Tax at 6%.

(iv) Europe

The Group's European subsidiaries are subject to profit tax rates at a range of 21% to 33%.

(v) Macau

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

(vi) Others

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

6. 所得稅支出 (續)

(ii) 香港

香港利得稅按估計應課稅溢利之16.5%計算。

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

(iii) 美利堅合眾國

本集團之美利堅合眾國附屬公司須分別按34%及6%之稅率繳納美國聯邦所得稅及州所得稅。

(iv) 歐洲

本集團之歐洲附屬公司須按介乎21%至33%之稅率繳納利得稅。

(v) 澳門

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

(vi) 其他

於其他司法權區經營之其他附屬公司須按有關司法權區之適用稅率繳稅。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018

截至二零一八年六月三十日止六個月

7. LOSS FOR THE PERIOD

7. 本期間虧損

		For six months ended	
		30 June	
		截至六月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Loss for the period has been arrived at after charging/(crediting):	達致本期間虧損時已扣除/(計入):		
Directors' emoluments	董事酬金	2,581	2,372
Other staff costs	其他員工成本	81,338	100,188
Retirement benefits scheme contribution, excluding Directors	退休福利計劃供款(董事除外)	1,539	1,602
Total employee benefit expenses	僱員福利開支總額	85,458	104,162
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15,845	15,032
Amortisation of intangible assets (Note i)	無形資產攤銷(附註i)	2,268	2,104
Release of prepaid lease payments	撥回預付租賃款項	84	77
Impairment loss on trade and other receivables (Note ii)	應收貿易賬款及其他應收款項之減值虧損(附註ii)	1,775	-
Write-down of inventories (Note i)	存貨撇減(附註i)	-	6,023
Interest income (Note ii)	利息收入(附註ii)	(1,604)	(966)
Interest income from an associate (Note ii)	來自一間聯營公司之利息收入(附註ii)	(797)	(791)
Loss on disposal of subsidiaries (Note ii)	出售附屬公司之虧損(附註ii)	2,922	-
Loss on disposal of investment properties (Note ii)	出售投資物業之虧損(附註ii)	885	-
Loss/(Gain) on disposal of property, plant and equipment (Note ii)	出售物業、廠房及設備之虧損/(收益)(附註ii)	815	(1,657)
Net foreign exchange (gain)/loss (Note ii)	外幣匯兌(收益)/虧損淨額(附註ii)	(1,550)	1,808

Notes:

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

附註:

- (i) 包括於銷售成本內。
(ii) 包括於其他收入、收益及虧損內。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

簡明綜合財務報表附註 (續)

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8. DIVIDENDS

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

9. LOSS PER SHARE

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

8. 股息

於本中期間並無派付、宣派或擬派股息。董事已決定不就本中期間派付股息。

9. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃按下列數據計算：

		For six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Basic	基本		
Loss for the period attributable to owners of the Company for the purposes of calculating basic and diluted loss per share	用於計算每股基本及攤薄虧損之本公司擁有人應佔本期間虧損	(62,883)	(63,656)
Number of shares	股份數目		
Weighted average number of ordinary shares at 30 June	於六月三十日之普通股加權平均數	3,278,825,335	1,526,855,977

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

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

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

(a) Investment properties

During the current period, the properties were transferred from property, plant and equipment to investment properties and were revaluated to fair value and a revaluation surplus amounted to HK\$30,353,000 was credited to property revaluation reserve.

(b) Property, plant and equipment

During the current period, the Group acquired property, plant and equipment of approximately HK\$7,939,000 (six months ended 30 June 2017: approximately HK\$16,725,000). During the period, the Group disposed of certain property, plant and equipment with a carrying amount of approximately HK\$5,590,000 (six months ended 30 June 2017: approximately HK\$286,000) resulting in a loss of approximately HK\$815,000 (six months ended 30 June 2017: gain of approximately HK\$1,657,000) recognised in profit or loss.

(c) Goodwill

For the purpose of impairment testing, goodwill has been allocated into two (30 June 2017: two) individual cash-generating units ("CGU(s)"), including a CGU engaged in satellite TV equipment and antenna ("PBT CGU") and a CGU engaged in satellite TV Broadcasting ("My HD CGU").

At the end of reporting period, the management performed impairment testing on the carrying amount of goodwill with reference to the cash flow projections of PBT CGU and My HD CGU. No impairment loss was recognised during the period for respective CGUs as the recoverable amounts of PBT CGU and My HD CGU based on value in use calculations were higher than their carrying amounts.

10. 投資物業、物業、廠房及設備以及商譽之變動

(a) 投資物業

於本期間，該等物業從物業、廠房及設備轉撥至投資物業，並重估至公平值，重估盈餘30,353,000港元已撥入物業重估儲備。

(b) 物業、廠房及設備

於本期間，本集團添置物業、廠房及設備約7,939,000港元（截至二零一七年六月三十日止六個月：約16,725,000港元）。於本期間，本集團出售賬面金額約5,590,000港元（截至二零一七年六月三十日止六個月：約286,000港元）之若干物業、廠房及設備，因而於損益確認虧損約815,000港元（截至二零一七年六月三十日止六個月：收益約1,657,000港元）。

(c) 商譽

就減值測試而言，商譽獲分配至兩個（二零一七年六月三十日：兩個）獨立現金產生單位（「現金產生單位」），包括一個從事衛星電視設備及天線的現金產生單位（「PBT現金產生單位」）及一個從事衛星電視廣播的現金產生單位（「My HD現金產生單位」）。

於報告期末，管理層已參考PBT現金產生單位及My HD現金產生單位之現金流量預測，對商譽之賬面金額進行減值測試。由於PBT現金產生單位及My HD現金產生單位根據使用價值計算法之可收回金額均高於其賬面金額，故於本期間並無就有關現金產生單位確認減值虧損。

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11. LOAN RECEIVABLES

11. 應收貸款

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Loan receivables (Notes i and ii)	應收貸款(附註i及ii)	59,507	59,507
Less: allowance for doubtful debts (Note iii)	減: 呆賬撥備(附註iii)	(50,713)	(50,713)
		8,794	8,794

Notes:

- (i) As at 30 June 2018 and 31 December 2017, the Group had loan receivable amounting to HK\$12,989,000 granted to a third party. The amount was unsecured and bore interest at 1.2% (31 December 2017: 1.2%) per annum. This loan receivable was fully impaired as at 30 June 2018 and 31 December 2017.
- (ii) As at 30 June 2018 and 31 December 2017, the Group had loan and trade receivables due from two customers (the "Debtors") with gross amount of HK\$46,518,000 and HK\$39,273,000 respectively (the "Receivables") which had been fully provided as at 31 December 2016. The Debtors engaged in the operation of cable television in Nepal.

The Group further advanced a loan of HK\$14,491,000 to the Debtors during the year ended 31 December 2016 to support the development of the Debtors in view of their long term growth potential and the repayment of loan and trade receivables as a result. These loan receivables bore interest at 5% (31 December 2017: 5%) per annum. Pursuant to an agreement dated 25 March 2016, the 80% equity interest in one of the Debtors was pledged for part of the loan receivables of HK\$43,803,000 ("Share Pledge"). In the event that the Debtors fail or default to settle such loan, the Group shall have the right but not the obligation to possess the Share Pledge.

Provision of impairment loss was determined by the Directors based on the credit worthiness and the past collection history of the Debtors. Also, the Directors assessed that the value of the Share Pledge to be insignificant as at 31 December 2016.

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

附註:

- (i) 於二零一八年六月三十日及二零一七年十二月三十一日，本集團擁有授予一名第三方的應收貸款12,989,000港元。該款項為無抵押，按年利率1.2厘(二零一七年十二月三十一日: 1.2厘)計息。該應收貸款已於二零一八年六月三十日及二零一七年十二月三十一日完全減值。
- (ii) 於二零一八年六月三十日及二零一七年十二月三十一日，本集團應收兩名客戶(「債務人」)之貸款及應收貿易賬款總額分別為46,518,000港元及39,273,000港元(「應收賬款」)，於二零一六年十二月三十一日已悉數計提。債務人從事尼泊爾有線電視的營運。

就債務人之長遠增長潛力及最終的貸款及應收貿易賬款還款而言，本集團於截至二零一六年十二月三十一日止年度進一步向債務人墊付貸款14,491,000港元，以支持彼等發展。該等應收貸款按年利率5厘(二零一七年十二月三十一日: 5厘)計息。根據一份日期為二零一六年三月二十五日之協議，其中一名債務人之80%股本權益已就43,803,000港元之部分應收貸款質押(「股份質押」)。倘若債務人無法結清或拖欠該等貸款，則本集團將有權利而非義務擁有股份質押。

減值虧損之撥備由董事基於債務人之信用程度及過往收賬紀錄釐定。董事亦評定股份質押於二零一六年十二月三十一日之價值為不重大。

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

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11. LOAN RECEIVABLES *(Continued)*

Notes: (Continued)

(ii) (Continued)

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

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

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

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

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

On 20 March 2018, the Group received the first instalment of US\$200,000 (equivalent to approximately HK\$1,564,000) from the Purchaser.

On 27 June 2018, the Group received the second instalment of US\$300,000 (equivalent to approximately HK\$2,354,000) from the Purchaser.

Management has performed an impairment assessment on the Receivables as at 30 June 2018. Taking into consideration of the probability of the completion of the Agreement, no impairment loss was recognised during the period.

11. 應收貸款 (續)

附註：(續)

(ii) (續)

根據協議，代價將由買方按下列方式以現金支付：

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

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

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

於完成時，本集團及買方將進行應收賬款、相關貸款協議及股份質押之轉讓。

於二零一八年三月二十日，本集團自買方收到第一期款項200,000美元（相當於約1,564,000港元）。

於二零一八年六月二十七日，本集團自買方收到第二期款項300,000美元（相當於約2,354,000港元）。

管理層已對於二零一八年六月三十日之應收款項進行減值評估。經考慮協議完成之可能性後，期內並無確認減值虧損。

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11. LOAN RECEIVABLES (Continued)

Notes: (Continued)

(iii) Allowance for doubtful debts

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
At beginning of period/year	於期/年初	50,713	59,507
Reversal of impairment loss on loan receivables	撥回應收貸款之減值虧損	-	(8,794)
At the end of period/year	於期/年末	50,713	50,713

12. TRADE, BILLS AND OTHER RECEIVABLES

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

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0 – 30 days	0至30天	116,428	157,804
31 – 90 days	31至90天	63,029	45,542
91 – 180 days	91至180天	-	21,171
More than 180 days	超過180天	-	7,579
Prepayments and other receivables	預付款項及其他應收款項	179,457	232,096
Total trade, bills and other receivables	應收貿易賬款、應收票據及其他應收款項總額	69,232	67,030
		248,689	299,126

During the period, the Directors reviewed the carrying amounts of certain long outstanding trade, bills and other receivables and identified impairment loss of approximately HK\$1,775,000 (six months ended 30 June 2017: Nil).

11. 應收貸款(續)

附註:(續)

(iii) 呆賬撥備

12. 應收貿易賬款、應收票據及其他應收款項

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

於本期間,董事已檢討若干長期尚未償還應收貿易賬款、應收票據及其他應收款項之賬面金額,並識別減值虧損約1,775,000港元(截至二零一七年六月三十日止六個月:無)。

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簡明綜合財務報表附註(續)

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13. AMOUNT DUE FROM AN ASSOCIATE

Amount due from an associate include:

- (i) amount of HK\$78,550,000 (31 December 2017: HK\$41,355,000) being unsecured, interest-free and the Group allows a credit period of 360 days to its associate which is trade in nature;
- (ii) amount of HK\$12,892,000 (31 December 2017: HK\$25,304,000) being unsecured, bearing fixed interest rate at 4.75% per annum; and
- (iii) amount of HK\$5,582,000 (31 December 2017: HK\$4,785,000) being interest receivables from the loan to an associate.

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

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0 – 30 days	0至30天	9,136	–
31 – 90 days	31至90天	8,161	–
91 – 360 days	91至360天	37,778	5,640
More than 360 days	超過360天	23,475	35,715
		78,550	41,355

Aging of amount due from an associate which are past due but not impaired:

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Less than 3 months past due	逾期少於3個月	–	12,287
3 to 6 months past due	逾期3至6個月	–	23,428
More than 6 months past due	逾期超過6個月	23,475	–
		23,475	35,715

13. 應收一間聯營公司之款項

應收一間聯營公司之款項包括：

- (i) 78,550,000港元(二零一七年十二月三十一日：41,355,000港元)為無抵押及不計息，且本集團給予其聯營公司之信貸期為360天，屬貿易性質；
- (ii) 12,892,000港元(二零一七年十二月三十一日：25,304,000港元)為無抵押、按固定年利率4.75厘計息；及
- (iii) 5,582,000港元(二零一七年十二月三十一日：4,785,000港元)為給予一間聯營公司之貸款之應收利息。

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

已逾期但無減值之應收一間聯營公司款項之賬齡：

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14. TRADE, BILLS AND OTHER PAYABLES

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

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0 – 30 days	0至30天	135,841	209,629
31 – 90 days	31至90天	74,895	42,877
91 – 360 days	91至360天	59,973	67,560
More than 360 days	超過360天	8,818	6,284
		279,527	326,350
Other payables	其他應付款項	117,919	184,051
Total trade, bills and other payables	應付貿易賬款、應付票據及 其他應付款項總額	397,446	510,401

14. 應付貿易賬款、應付票據及其他應付款項

應付貿易賬款及應付票據於報告期末按發票日期呈列之賬齡分析如下：

15. BANK AND OTHER BORROWINGS

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Bank loans	銀行貸款	184,210	278,286
Other loans	其他貸款	187,287	114,867
		371,497	393,153
Analysed as:	分析為：		
Secured	有抵押	170,284	281,015
Unsecured	無抵押	201,213	112,138
		371,497	393,153

15. 銀行及其他借貸

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2018

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15. BANK AND OTHER BORROWINGS (Continued)

During the period, the Group raised bank loans in the amount of approximately HK\$233,618,000 (six months ended 30 June 2017: approximately HK\$329,607,000) and repaid bank and other loans of approximately HK\$254,145,000 (six months ended 30 June 2017: approximately HK\$237,884,000).

The variable rates of bank borrowings carry interests at LIBOR plus a spread. The ranges of effective interest rates on borrowings are at range of 2.4% to 10.00% per annum as at 30 June 2018 (30 June 2017: 1.9% to 12.00% per annum).

16. SHARE CAPITAL

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元的普通股		
Issued and fully paid	已發行及繳足		
As at 31 December 2017 and 30 June 2018	於二零一七年十二月三十一日及 二零一八年六月三十日	3,278,825,335	327,882

17. RELATED PARTY TRANSACTIONS

(i) Transactions

The Group had the following related party transaction:

Relationship 關係	Nature of transaction 交易性質	For six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Associate 聯營公司	Sales of goods 銷售貨品	148,074	11,694
	Interest income 利息收入	797	791

15. 銀行及其他借貸(續)

於本期間，本集團新造銀行貸款約233,618,000港元(截至二零一七年六月三十日止六個月：約329,607,000港元)，並償還銀行及其他貸款約254,145,000港元(截至二零一七年六月三十日止六個月：約237,884,000港元)。

銀行貸款之浮動利率根據倫敦銀行同業拆息加若干息差而定。於二零一八年六月三十日，借貸之有效年利率介乎2.4厘至10.00厘(二零一七年六月三十日：年利率介乎1.9厘至12.00厘)。

16. 股本

17. 關聯人士交易

(i) 交易

本集團曾進行以下關聯人士交易：

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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17. RELATED PARTY TRANSACTIONS (Continued)

(ii) Balances

Details of the Group's balances with related party are set out in the condensed consolidated statement of financial position and in note 13.

(iii) Compensation of the key management personnel

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

17. 關聯人士交易(續)

(ii) 結餘

本集團與關聯人士之結餘詳情載於簡明綜合財務狀況表及附註13。

(iii) 主要管理人員之補償

期內董事及主要管理層其他成員之薪酬如下：

		For six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Short-term benefits	短期福利	6,847	7,228
Post-employment benefits	離職後福利	132	150
		6,979	7,378

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

董事認為，董事及主要行政人員的薪酬乃經考慮個人表現及市場趨勢後釐定。

18. ARBITRATION

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

18. 仲裁

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

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18. ARBITRATION (Continued)

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

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

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

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

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

18. 仲裁(續)

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

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

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

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

本集團之法律顧問已多次覆述向原股東及 Technosat 提出開展下一步調解程序之要求，惟截至二零一四年八月之限期，仍未獲得原股東及 Technosat 之法律顧問令人滿意之回覆。於本報告獲批准當日，本集團之法律顧問正在安排提出進一步仲裁程序之書面陳詞。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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19. LITIGATIONS

HCMP 1044/2017

The Company was served an originating summons under section 740 of the Companies Ordinance (Cap.622) (the "Summons 2") on 5 May 2017 filed by Fung Chuen as the plaintiff (the "Summons 2 Plaintiff") against the Company as the defendant under action number HCMP No.1044/2017 in the Court. Details of the Summons 2 are set out in the announcement of the Company dated 5 May 2017.

In the Summons 2, the Summons 2 Plaintiff applied to the Court for, among others, the following orders (the "Application"):

- (i) The Summons 2 Plaintiff and/or his authorised agent be authorised to inspect and make copies of the documents in relation to the investment in Dish Media and the Debtors;
- (ii) The Summons 2 Plaintiff and/or his authorised agent be authorised to inspect and make copies of the documents in relation to the investment in MyHD; and
- (iii) The Summons 2 Plaintiff and his authorised agent be authorised to inspect and make copies of the documents in relation to the open offer announced by the Company on 24 October 2016 and the Open Offer.

The Company was advised by its Hong Kong legal advisers in relation to the aforesaid litigation of the Group that if the Application is granted by the Court, the likely orders which would be made by the Court are that the Summons 2 Plaintiff and its authorised agent will be entitled to inspect and make copies of the requested documents (in full or in part), and that the Company shall pay costs of the Application to the Summons 2 Plaintiff (to be taxed if not agreed).

Pursuant to the order of the Court dated 17 October 2017 (the "Order dated 17 October 2017"), it was ordered that the Company shall produce to the Summons 2 Plaintiff those documents listed in the schedule of the Order dated 17 October 2017. On 27 October 2017, the Company filed a notice of appeal (the "Notice of Appeal") to the Court for a stay of execution of the Order dated 17 October 2017 pending the final determination of the appeal.

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

19. 訴訟

HCMP 1044/2017

於二零一七年五月五日，本公司收到由馮泉作為原告人（「傳票2原告人」）針對本公司（作為被告人）送達公司條例（第622章）第740條項下法院訴訟編號為HCMP 1044/2017之原訴傳票（「傳票2」）。傳票2之詳情載於本公司日期為二零一七年五月五日之公告。

在傳票2中，傳票2原告人向法院申請（其中包括）以下命令（「申請」）：

- (i) 傳票2原告人及／或其獲授權代理人獲授權查閱及複印有關投資於Dish Media及債務人之文件；
- (ii) 傳票2原告人及／或其獲授權代理人獲授權查閱及複印有關投資於MyHD之文件；及
- (iii) 傳票2原告人及其獲授權代理人獲授權查閱及複印有關本公司於二零一六年十月二十四日公佈之公開發售及公開發售之文件。

本公司獲其香港法律顧問告知，就上述本集團訴訟而言，倘法院批准申請，則法院可能頒令傳票2原告人及其獲授權代理人將有權查閱及複印所要求的文件（全部或部分），而本公司須向傳票2原告人支付申請的費用（倘不達成協議則由法院評定）。

根據法院日期為二零一七年十月十七日之命令（「二零一七年十月十七日法院命令」），法院頒令本公司須向傳票2原告人提交二零一七年十月十七日法院命令附表中載列之文件。於二零一七年十月二十七日，本公司向法院提交上訴通知書（「上訴通知書」），申請擱置執行二零一七年十月十七日法院命令，以待上訴的最終定案。

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

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19. LITIGATIONS (Continued)

HCMP 1044/2017 (Continued)

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

At the hearing held on 17 April 2018, the appeal of Stay Application under action number CACV 240 of 2017 by the Company was dismissed by the Court of Appeal of Hong Kong and the costs of Stay Application was awarded to the Plaintiff, the sum of which will be assessed by the Court of Appeal of Hong Kong and handed down together with the written judgment. The Company had to comply with the Order and produce the documents as listed in the schedule of the Order dated 17 October 2017 within 14 days upon payment by the Plaintiff of the reasonable photocopying charges to the Company.

HCCW 207/2017

On 6 July 2017, the Company was served a petition for winding-up dated 5 July 2017 (the "Winding-Up Petition") filed by Fung Chuen ("Winding Up Petitioner") against the Company (the "1st Winding-Up Respondent"), Mr. Hung Tsung Chin (the "2nd Winding-Up Respondent") and Ms. Chen Mei Huei (the "3rd Winding-Up Respondent") in the proceedings HCCW No.207/2017.

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

19. 訴訟(續)

HCMP 1044/2017(續)

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

於二零一八年四月十七日舉行之聆訊中，本公司有關訴訟編號為CACV 240/2017之擱置訴訟申請之上訴被香港高等法院上訴法庭駁回；且原告人獲得該擱置訴訟申請之訟費，其金額將由香港高等法院上訴法庭評定，並將連同書面判決頒布。待原告人向本公司支付合理之複印費後，本公司須要於14天內遵守法院命令，並提交二零一七年十月十七日法院命令附表中載列之文件。

HCCW 207/2017

於二零一七年七月六日，本公司收到由馮泉（「清盤呈請人」）於二零一七年七月五日針對本公司（「第一清盤答辯人」）、洪聰進先生（「第二清盤答辯人」）及陳美惠女士（「第三清盤答辯人」）送達法訴訟編號為HCCW 207/2017之清盤呈請（「清盤呈請」）。

根據清盤呈請，清盤呈請人要求以下命令：(i)由法院命令本公司依照香港法例第32章公司（清盤及雜項條文）條例第327(3)(c)條的指引清盤；(ii)由法院委任清盤人於本公司清盤後調查本公司事務；(iii)第二及／或第三清盤答辯人就為其自身利益及／或為其實質上擁有或控制之實體之利益及／或為本公司之適當目的及經營業務之外之其他事項而作出之付款或處置交易向本公司負責；(iv)呈請人及本公司之費用以由第二及第三清盤答辯人支付；及(v)法院認為合適及適當之其他命令。

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19. LITIGATIONS (Continued)

HCCW 207/2017 (Continued)

On 10 July 2017, a summons to apply for a validation order was issued by the Company, 2nd and 3rd Winding-Up Respondents. At the hearing held on 17 August 2017, a validation order was granted by the Court on the terms as follows: the following disposition of property and transfer of shares of the Company shall not be void by virtue of the provisions of section 182 of the Companies Ordinance (Cap 32) of the Laws of Hong Kong: (a) payment made (or to be made) into and out of the Company's bank account in the ordinary course of business of the Company between the date of presentation of the Winding-Up Petition and the date of judgment on the Winding-Up Petition; (b) disposition of property of the Company made (or to be made) in the ordinary course of business for proper value between the date of presentation of the Winding-Up Petition and the date of judgment on the Winding-Up Petition; and (c) allotment and issuance of 1,967,295,201 shares of the Company pursuant to the Open Offer and use of the proceeds from the Open Offer by the Company. The Court has also ordered the Winding-Up Petitioner to pay the costs of the validation order to the 1st, 2nd and 3rd Winding-Up Respondents.

On 30 August 2017, the Company applied for another validation order under section 182 of the Companies Ordinance (Cap 32) of the Laws of Hong Kong, which provides that any transfer of the shares of the Company shall not be void by virtue of the said section. The validation order was also granted by the Court on 25 October 2017. On 4 December 2017, the Company filed and served its points of defence (the "Points of Defence") of the 1st Winding-Up Respondent. On 11 December 2017, the 2nd and 3rd Winding-Up Respondents filed and served the Points of Defence of the 2nd and 3rd Winding-Up Respondents. Pursuant to a consent order dated 31 January 2018, the Winding-Up Petitioner should file and serve his points of reply (the "Points of Reply") to the Company's Points of Defence on 5 February 2018. As at the date of approval of these condensed consolidated financial statements, the Winding-Up Petitioner has yet to file and serve his Points of Reply and has yet to apply for a time extension for the same to be filed out of time.

19. 訴訟(續)

HCCW 207/2017(續)

於二零一七年七月十日，本公司、第二及第三清盤答辯人發出申請認可令之傳票。於二零一七年八月十七日舉行之聆訊中，法院已授出認可令，條款如下：處理本公司以下財產和轉讓股份不得憑藉香港法例第32章公司條例第182條之規定而無效：(a)於提交清盤呈請日期至清盤呈請判決日期期間在本公司日常業務過程中於本公司之銀行賬戶轉入及轉出之支付(或將支付)款項；(b)本公司於提交清盤呈請日期至清盤呈請判決日期期間在本公司日常業務過程中作出(或將作出)之任何合理價值之本公司財產處置；及(c)本公司根據公開發售配發及發行本公司1,967,295,201股股份及使用公開發售所得款項。法院亦判令清盤呈請人向第一、第二及第三清盤答辯人支付認可令之費用。

於二零一七年八月三十日，本公司根據香港法例第32章公司條例第182條申請另一項認可令，其規定不得憑藉上述條文而令本公司之任何股份轉讓無效。法院已於二零一七年十月二十五日授出認可令。於二零一七年十二月四日，本公司提交及送達其第一清盤答辯人抗辯要點(「抗辯要點」)。於二零一七年十二月十一日，第二及第三清盤答辯人提交及送達第二及第三清盤答辯人抗辯要點。根據日期為二零一八年一月三十一日之同意令，清盤呈請人應於二零一八年二月五日就本公司之抗辯要點提交及送達其答覆要點(「答覆要點」)。截至本簡明綜合財務報表獲批准日期，清盤呈請人尚未提交及送達其答覆要點，亦未申請延時提交其答覆要點。

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19. LITIGATIONS (Continued)

HCCW 207/2017 (Continued)

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

1. The Petitioner, the Company, the 2nd Winding-Up Respondent and the 3rd Winding-Up Respondent (collectively the "Parties") do file and serve their respective list of documents within 42 days after the date hereof, with inspection to be conducted within 7 days thereafter;
2. Parties do file and exchange signed witness statements as to fact within 70 days thereafter, i.e. by 22 August 2018;
3. Parties do file and exchange such witness statements in reply (if any) within 28 days thereafter, i.e. by 19 September 2018;
4. The witness statements filed with the Court do stand as evidence-in-chief unless the trial judge directs otherwise;
5. Parties shall obtain Counsel's advice (if necessary) by 28 November 2018; and all interlocutory applications if so advised, shall be taken out within 42 days thereafter;
6. Parties shall attend a case management hearing on a date to be fixed in consultation with counsel's diaries not earlier than September 2018 with 30 minutes reserved;
7. There be liberty to apply; and
8. Costs be in the cause.

The next case management hearing is scheduled to be heard on 25 October 2018. It is expected that it would take approximately 1 to 2 years (depending upon the Court's schedule) before the Winding-Up Petition would be set down for the substantive hearing.

19. 訴訟 (續)

HCCW 207/2017 (續)

於二零一八年四月二十五日舉行之案件管理聆訊中，法院作出如下命令：

1. 呈請人、本公司、第二清盤答辯人及第三清盤答辯人（統稱「各方」）須於此命令之日期後42天內提交及送達彼等各自之文件清單，並於其後7天內進行查閱；
2. 各方須於其後70天內（即於二零一八年八月二十二日或之前）提交及交換已簽署之證人陳述書；
3. 各方須於其後28天內（即於二零一八年九月十九日或之前）提交及交換證人陳述書之回覆（如有）；
4. 除非主審法官另有指示，否則向法院提交之證人陳述書乃用作主審證據；
5. 各方須於二零一八年十一月二十八日或之前獲取律師意見（如有需要）；而所有非正審申請（如獲告知）須於其後42天內進行；
6. 各方須出席為時30分鐘之案件管理聆訊（日期將於諮詢律師日誌後訂定，惟不會訂於二零一八年九月前）；
7. 可自由提出申請；及
8. 訟費歸於訴訟中。

下一次案件管理聆訊訂於二零一八年十月二十五日進行。預期清盤呈請需時約1至2年（視乎法院時間表而定）方能進入實質聆訊階段。



**SANDMARTIN INTERNATIONAL
HOLDINGS LIMITED**

聖馬丁國際控股有限公司*