



傳遞娛樂

TRANSMIT ENTERTAINMENT

ANNUAL REPORT 2017/18 年報



TRANSMIT ENTERTAINMENT LIMITED 傳遞娛樂有限公司

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

Stock Code 股份代號 : 1326

Transmit Entertainment Limited

(Stock code: 1326)

Transmit Entertainment is a fully-integrated media and entertainment company which principally engages in diversified culture-related businesses including (i) variety shows, TV series and film production, distribution and licensing of film rights; (ii) film exhibition; (iii) post-production; and (iv) advertising, marketing and publication. The Group mainly produces Chinese films, TV entertainment programs and TV series in both Hong Kong and China. It also operates five cinemas and one post-production company in Hong Kong. Houhai Culture (a wholly-owned subsidiary of the Group newly acquired in August 2018) has a professional film and television production team which mainly focuses on variety shows and TV series. It specialises in content production, scriptwriting, shooting, post-production, distribution and marketing. It also owns a substantial amount of copyrights of various TV series and has been closely cooperating with tier-one broadcast networks (including Zhejiang TV, Dragon TV, Hunan TV) and tier-one online streaming platforms (including Tencent, iQIYI, YouKu).

傳遞娛樂有限公司

(股份代號：1326)

傳遞娛樂為多元化的影視文化產業集團，主要從事(i)綜藝節目、電視劇及電影製作、發行及授出電影發行權使用許可；(ii)電影放映；(iii)後期製作；以及(iv)廣告、市場推廣及出版業務。集團以香港及中國為主要市場製作華語電影、電視娛樂節目及電視劇，亦於香港經營五間電影院及一間後期製作公司。旗下於2018年8月新收購的全資附屬公司厚海文化由一支以內容製造為主的影視策劃製作專業團隊組成，主攻電視娛樂節目及電視劇，可自行編劇、拍攝、後期製作、分銷及市場推廣，並擁有大量劇集的版權；與一綫電視台(包括浙江衛視、東方衛視、湖南衛視)以及一綫視頻類網站(包括騰訊、愛奇藝、優酷)均有緊密合作。



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CORPORATE INFORMATION

公司資料

Board of Directors	Executive Directors Mr. Zhang Liang, Johnson (<i>Chairman</i>) Mr. Lee Hin Kwong, Patrick Mr. Wong Pak Ming	董事會	執行董事 張量先生 (主席) 李憲光先生 黃栢鳴先生
	Independent Non-executive Directors Mr. Wang Bo Mr. Xiang Feng Mr. Chang Eric Jackson		獨立非執行董事 王波先生 向峰先生 張世澤先生
Audit Committee	Mr. Chang Eric Jackson (<i>Chairman</i>) Mr. Wang Bo Mr. Xiang Feng	審核委員會	張世澤先生 (主席) 王波先生 向峰先生
Nomination Committee	Mr. Wang Bo (<i>Chairman</i>) Mr. Xiang Feng Mr. Lee Hin Kwong, Patrick	提名委員會	王波先生 (主席) 向峰先生 李憲光先生
Remuneration Committee	Mr. Wang Bo (<i>Chairman</i>) Mr. Xiang Feng Mr. Lee Hin Kwong, Patrick	薪酬委員會	王波先生 (主席) 向峰先生 李憲光先生
Company Secretary	Ms. Lau Yee Wa	公司秘書	劉綺華女士
Authorised Representatives	Mr. Lee Hin Kwong, Patrick Ms. Lau Yee Wa	授權代表	李憲光先生 劉綺華女士
Registered Office	Cricket Square Hutchins Drive PO Box 2681 Grand Cayman, KY1-1111 Cayman Islands	註冊辦事處	Cricket Square Hutchins Drive PO Box 2681 Grand Cayman, KY1-1111 Cayman Islands

CORPORATE INFORMATION

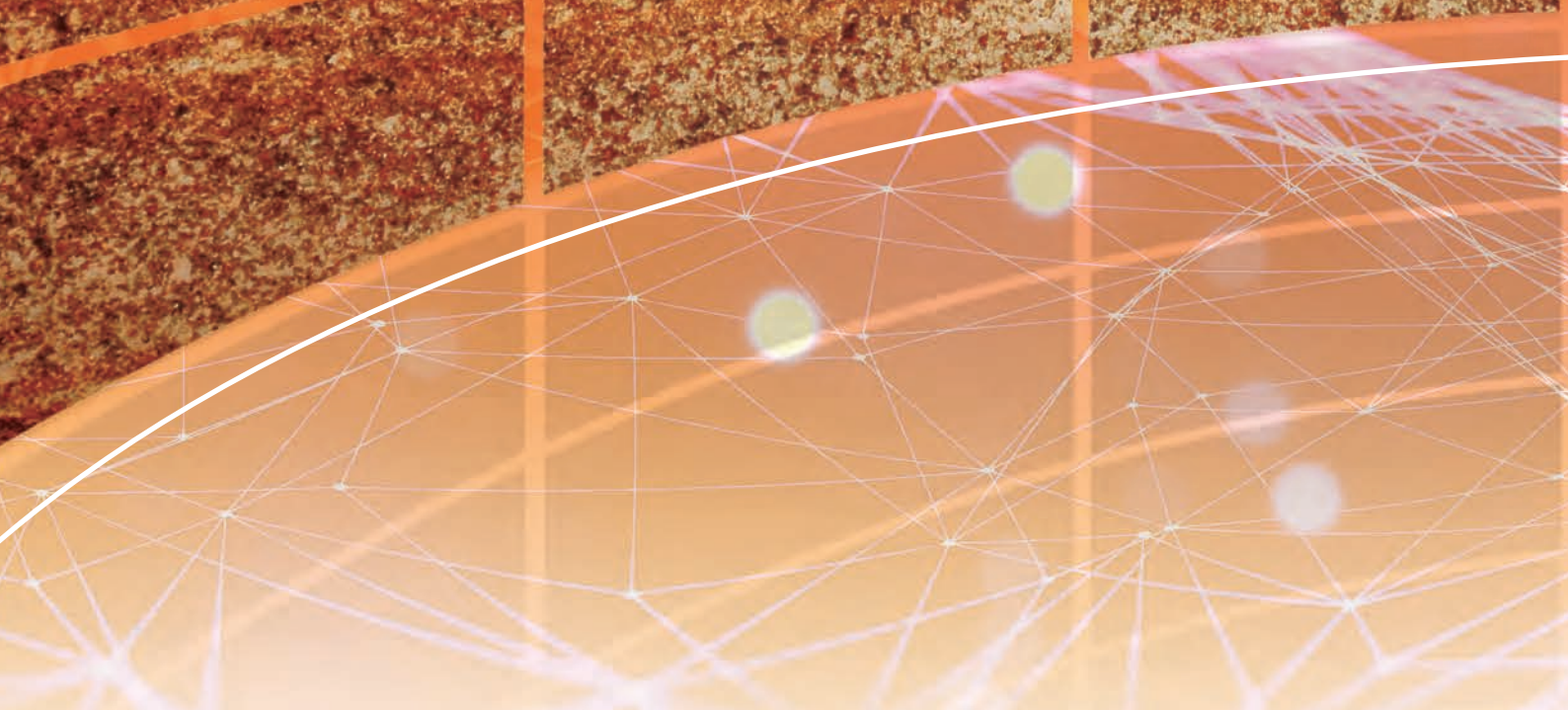
公司資料

Head Office and Principal Place of Business in Hong Kong	Room B, 14/F Neich Tower 128 Gloucester Road Wanchai Hong Kong	香港總部及主要營業地點	香港 灣仔 告士打道128號 祥豐大廈 14樓B室
Website	www.transmit-ent.com	網站	www.transmit-ent.com
Principal Share Registrar and Transfer Office	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive PO Box 2681 Grand Cayman, KY1-1111 Cayman Islands	主要股份過戶登記處	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive PO Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Hong Kong Branch Share Registrar and Transfer Office	Tricor Investor Services Limited Level 22 Hopewell Centre 183 Queen's Road East Hong Kong	香港股份過戶登記分處	卓佳證券登記有限公司 香港 皇后大道東183號 合和中心 22樓
Principal Banker	Bank of China (Hong Kong) Limited 1 Garden Road, Central Hong Kong	主要往來銀行	中國銀行(香港)有限公司 香港中環 花園道1號
	China Construction Bank (Asia) Corporation Limited 28/F, CCB Tower 3 Connaught Road Central Central, Hong Kong		中國建設銀行(亞洲)股份有限公司 香港中環 干諾道中3號 中國建設銀行大廈28樓
Auditor	Deloitte Touche Tohmatsu <i>Certified Public Accountants</i> 35/F, One Pacific Place 88 Queensway Hong Kong	核數師	德勤•關黃陳方會計師行 <i>執業會計師</i> 香港 金鐘道88號 太古廣場一座35樓
Legal Advisor	TC & Co. Solicitors Units 2201-3 Tai Tung Building 8 Fleming Road Wan Chai, Hong Kong	法律顧問	崔曾律師事務所 香港灣仔 菲林明道8號 大同大廈 2201-3室



传递娱乐

TRANSMIT ENTERTAINMENT





CHAIRMAN'S STATEMENT

主席報告



CHAIRMAN'S STATEMENT

主席報告

On behalf of the board of directors (the “Board”) of Transmit Entertainment Limited, I am pleased to present to you the annual results of the Company and its subsidiaries (the “Group”) for the year ended 30 June 2018.

本人謹代表傳遞娛樂有限公司董事會(「董事會」)，欣然向閣下提呈本公司及其附屬公司(「本集團」)截至2018年6月30日止年度的全年業績。

During the year under review, the global economy maintained its momentum of steady growth despite rising trade protectionism. According to a report published by the World Bank in June 2018, the world economy is expected to register a 3.1% increase in gross domestic product (“GDP”) in 2018. The Greater China region remains one of the fast-growing economies worldwide, as China recorded a 6.9% rise of its GDP in 2017 and a year-on-year increase of 6.8% in the first half of 2018. The growing maturity of shooting and post-production technology has benefitted the industry of film and television (“TV”) content creation, particularly the development of proprietary intellectual property rights, endowing the industry with a broad prospect and tremendous potential in the Greater China region. The industry experienced swift development also because of such favorable factors as the diverse demand for variety shows among young people and the rise of online video platforms.

Meanwhile, with the growing popularity of internet-based services and smart mobile devices, young people have gradually emerged as the key consumer of online content. According to the data released by China Internet Network Information Center (CNNIC), the number of Chinese netizens grew from 591 million in June 2013 to 802 million in June 2018, representing a compound annual growth rate (CAGR) of 6.30%. The majority (70.8%) of the netizens are aged between 10 and 39, comprising adolescents, youths and middle-aged citizens. Among them, the largest group (28.9%) compose of netizens aged between 20 and 29. Of all the netizens nationwide, mobile netizens account for an increasing proportion year on year, surging from 78.5% in June 2013 to 98.3% in June 2018.

As the fastest-growing field with a swiftly expanding market, online video content continues to draw the attention of young consumers for its entertainment and commercial value. According to the data released by CNNIC, the number of online video users increased from 389 million in June 2013 to 609 million in June 2018, representing a CAGR of 9.38%. It is worth noting that mobile videos, as a new growth point, enjoyed speedy growth of its user base from 160 million in June 2013 to 578 million in June 2018, representing a high CAGR of 29.29%. Media streaming platforms are gaining consumer recognition for their availability for broadcasting on personal mobile devices and no restriction on time and location. Hence, such platforms have gradually become one of the mainstream channels of film and TV entertainment consumption.

於回顧年度內，雖然貿易保護主義情緒升溫，環球經濟依然保持平穩增長的勢頭。根據世界銀行於2018年6月發表的報告，全球經濟預計將於2018年實現國內生產總值(「國內生產總值」)3.1%的增幅。大中華區仍然為全球經濟增長迅速的國家和地區之一，中國國內生產總值於2017年實現6.9%的增長，並於2018年上半年實現6.8%的同比增長。影視內容創作行業，尤其是自有知識產權的開發，受惠於日益發展成熟的拍攝及後期製作技術，在大中華區具有廣闊前景和龐大的發展潛力。年輕人對綜藝節目的多元化需求以及互聯網視頻平台的崛起等利好因素，亦推動行業迅速發展。

與此同時，隨著互聯網服務和智能移動設備的日益普及，年輕人逐漸成為互聯網內容消費的主力。根據中國互聯網信息中心發布的數據，中國網民規模由2013年6月的5.91億增長至2018年6月的8.02億，複合年均增長率達到6.30%。網民組成以10-39歲的青少年、青年及中年群體為主(70.8%)，其中20-29歲的網民佔比最高(28.9%)。手機網民佔全國網民比例亦逐年上升，由2013年6月的78.5%迅速增長至2018年6月的98.3%。

作為增長最迅速的領域，兼備娛樂性及商業價值的網絡視頻內容持續吸引年輕消費者的注意力，市場規模迅速增長。根據中國互聯網信息中心發布的數據，網絡視頻用戶規模由2013年6月的3.89億增長至2018年6月的6.09億，複合年均增長率達到9.38%。值得關注的是，手機視頻成為新的增長點，用戶規模由2013年6月的1.60億迅速增長至2018年6月5.78億，複合年均增長率高達29.29%。串流媒體平台由於可於個人移動設備播放，不受時間和地點的限制，日益受到消費者青睞，逐漸成為主流影視娛樂消費渠道之一。

Houhai Culture, a newly acquired company by the Group, has a professional film and TV planning and production team which mainly engages in content creation. Equipped with extensive industrial experience and human resources in film and TV planning, production and distribution, the team is capable of independent scriptwriting, shooting, post-production, distribution and marketing. Leveraging on its long-term partnership with leading satellite TV channels and media streaming platforms in China, Houhai Culture is expected to see its business benefit from tier-one platforms with their continuous investment in and attention to premium content production with copyright. By aligning with powerful tier-one platforms, Houhai Culture seeks to accurately cover a wide spectrum of viewers with its popular subject material and quality production, whilst establishing its layout in the idol industry chain to widen its influence in the market segment and cater to diverse entertainment preferences from consumers.

On 10 April 2018, the Company announced the change of its name to "Transmit Entertainment Limited". The move represents the new management's expectation of developing the Company into a leading company for culture and entertainment in China. Such a company will provide culture and entertainment products mainly for the purpose of inheriting culture and reflecting social status-quo, with different media utilised to deliver all-round culture and entertainment of different levels to various social strata.

Among the listed companies in Hong Kong, Transmit Entertainment is one of the few diversified groups in the screen culture industry that focus on variety shows and TV series production in the Greater China market. With such positioning, Transmit Entertainment will actively develop valuable intellectual property rights in the market, while cultivating its professional team for scriptwriting and planning. Going forward, as the screen production industry evolves in a healthier and more orderly manner across Greater China, Transmit Entertainment can better capture the development opportunities amidst the consumption upgrade of entertainment content and create satisfactory returns to shareholders.

To conclude, on behalf of the Board, I would like to take this opportunity to convey my most sincere gratitude to all our shareholders, partners and dedicated senior management team for their long-term care and support and to all the staff for their unremitting efforts.

Zhang Liang, Johnson
Chairman

21 September 2018

本集團新收購的厚海文化由一支以內容創作為主的影視策劃製作專業團隊組成，於影視策劃、製作及發行擁有豐富的行業經驗及人脈資源，可自行編劇、拍攝、後期製作、分銷及市場推廣。憑藉其與中國領先的衛星電視頻道以及串流媒體平台建立的長期合作關係，厚海文化業務預料可受惠於一線平台對優秀內容版權製作的持續投入和關注。通過與一線平台的強強聯合，厚海文化力求以熱門題材、高質量的製作準確覆蓋不同領域的觀眾，同時通過佈局偶像產業鏈擴大於細分市場的影響力，滿足消費者多樣化的娛樂喜好。

公司於2018年4月10日公布改名為「傳遞娛樂有限公司」，正代表新管理層期望將公司發展為首屈一指的當代中國文化娛樂公司，提供以承傳文化、反映社會現況為主要的文化娛樂產品，並將以不同載體，傳遞不同層面、全方位的文化娛樂予社會各階層。

於香港上市公司中，傳遞娛樂罕有專注於在大中華市場從事綜藝節目及電視劇製作的多元化影視文化產業集團。就此定位，傳遞娛樂將積極開發市場上有價值的知識產權，同時培育自有專業編劇策劃團隊。展望未來，隨著大中華區影視製作行業向著更加健康有序的方向發展，傳遞娛樂可以更把握娛樂內容消費升級帶來的發展機遇，為股東創造理想回報。

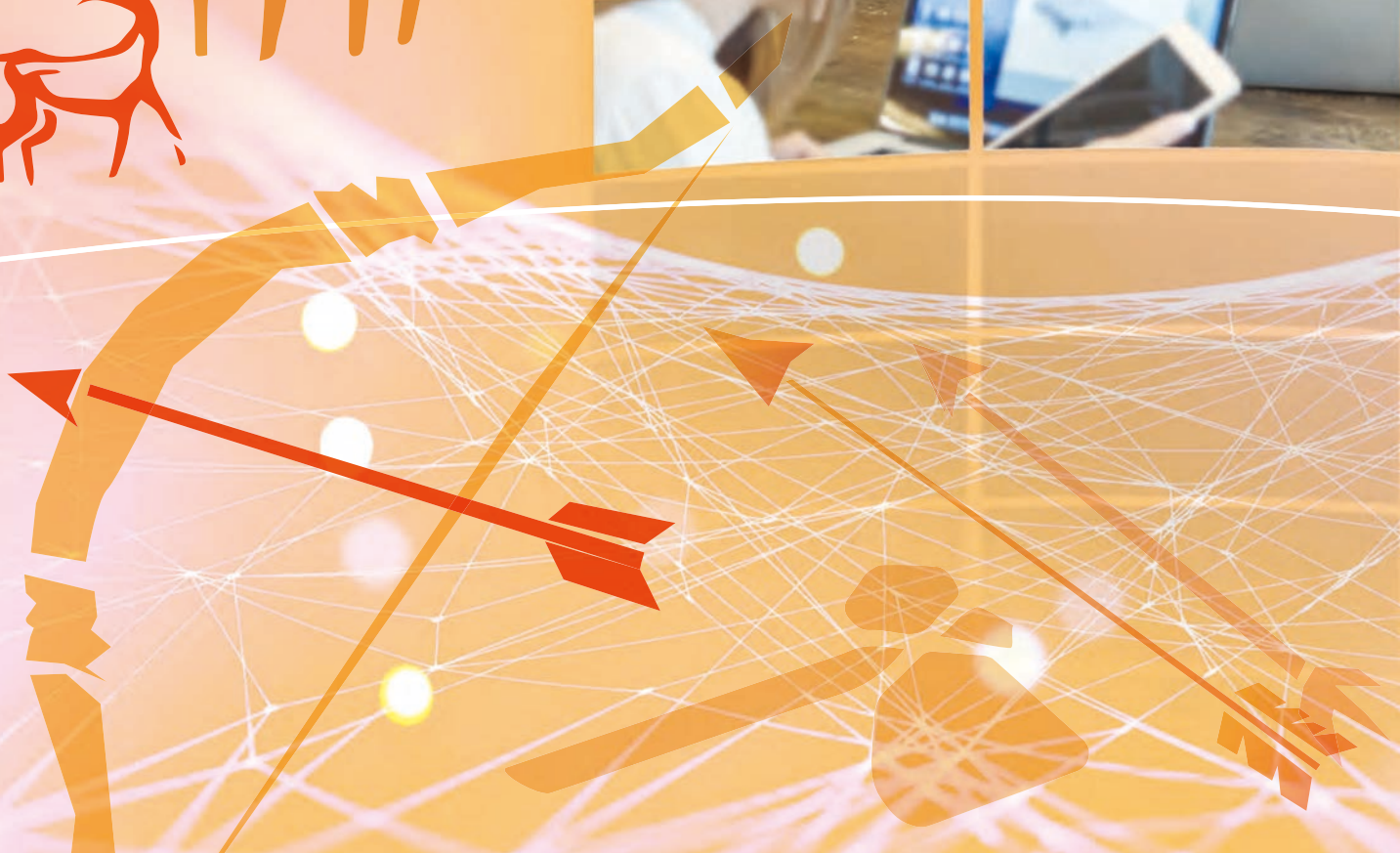
最後，本人藉此機會謹代表董事會向所有長期以來關心和支持本集團的廣大股東、合作夥伴、熱忱工作的高級管理團隊及不懈努力的全體員工報以最誠摯的謝意。

主席
張量

二零一八年九月二十一日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論 及分析





MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Group is principally engaged in (i) film and TV series production, distribution and licensing of film rights; (ii) film exhibition; (iii) post-production; and (iv) advertising, marketing and publication. The Group mainly produces Chinese films and TV series in both Hong Kong and Mainland China. It also operates five Hong Kong based cinemas, one Mainland China based cinema and one post-production company.

Film and TV series production and distribution

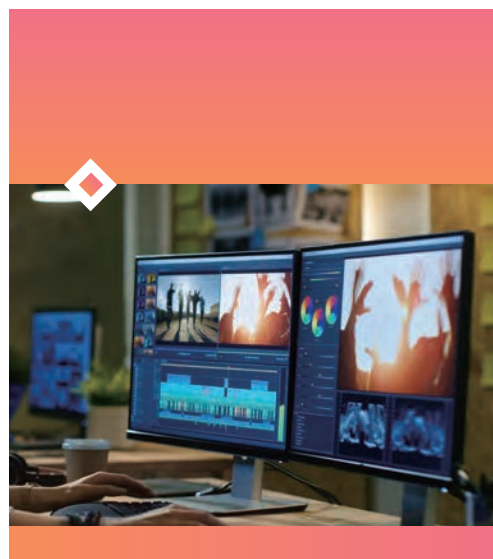
During the year under review, film and TV series production and distribution business remained as the core business of the Group with reported revenue of approximately HK\$41.5 million, representing a significant decrease of approximately 50.5% compared to the corresponding period last year. This was due to the fact that only two films were released during the year under review, namely “Love Forever” (我們遇見松花湖) and “Tomorrow Is Another Day” (黃金花), in addition to a sharing of worldwide box office receipts of “S Storm” (S風暴). During the corresponding period last year, the Group also released two films, namely “Bounty Hunters” (賞金獵人) and “S Storm” (S風暴). However, only the contributions from “S Storm” (S風暴) were reflected in the revenue. Due to the relatively smaller production scale of the films launched during the year under review, a substantial decrease in business revenue was recorded. Separately, impairment loss of certain film production in progress was recorded as cost of sales and impairment loss on investment in film production was recognised during the year under review, thus this business segment recorded a loss of approximately HK\$39.5 million (2017: profit of approximately HK\$22.1 million) for the year under review.

業務回顧

本集團主要從事(i)電影及電視劇製作、發行及授出電影發行權使用許可，(ii)電影放映，(iii)後期製作，及(iv)廣告、市場推廣及出版業務。集團以香港及中國為主要市場製作華語電影及電視劇，並經營五間香港電影院、一間中國內地電影院及一間後期製作公司。

電影及電視劇製作及發行

於回顧年度內，電影及電視劇製作及發行業務仍為本集團的核心業務，錄得的收益約為港幣41.5百萬元，較去年同期顯著減少約50.5%。這是由於本集團於回顧年度內僅上映了兩部電影，包括《我們遇見松花湖》及《黃金花》，以及獲得《S風暴》之分攤全球票房收入。於去年同期，本集團亦發行了兩部電影，分別為《賞金獵人》及《S風暴》，但僅《S風暴》的貢獻數額計入收益之中。惟因為回顧年度內上映的電影製作規模相對較小，以致該業務收入大幅減少。另外，於回顧年度內部分製作中的電影減值予以確認為銷售成本及投資電影製作確認減值虧損，致使該業務分部於回顧年度內錄得虧損約港幣39.5百萬元(2017年：溢利約港幣22.1百萬元)。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Film exhibition

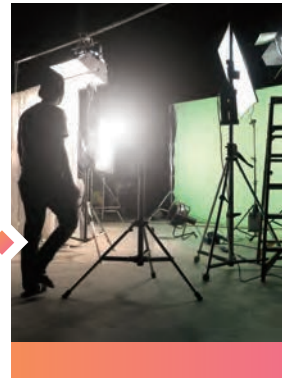
Film exhibition was another key revenue driver for the Group. During the year under review, the Group successfully expanded its film exhibition business in Hong Kong and opened four new cinemas in different strategic locations across the territory, including Chai Wan, Causeway Bay and Tsuen Wan. Cinema City Chai Wan and Cinema City JP, located in Causeway Bay, officially opened in August 2017 and October 2017, respectively. Candy Park by Cinema City, the first kid's theme cinema in Hong Kong located in Tsuen Wan, and Cinema City Victoria, located in Causeway Bay, first opened for trial operation in December 2017 and January 2018, respectively. Up to the date of this annual report, the Group has five cinemas in Hong Kong providing 23 screens and over 3,000 seats, while only the Cinema City Langham Place was in operation and provided 6 screens and about 1,100 seats for the previous year.

According to the statistics from Hong Kong Box Office Limited, the Hong Kong box office receipts posted a decline of approximately 4.8% in 2017 to approximately HK\$1.85 billion mainly attributable to the number of the films exhibited in cinemas decreased by approximately 5.2% in the same period. In the first half of 2018, the Hong Kong box office receipts posted a slight increase of 0.6% to approximately HK\$0.98 billion. Despite weak market performance, the Group's film exhibition performance was better than the market and recorded considerable growth in revenue. During the year under review, revenue from film exhibition amounted to approximately HK\$223.9 million, representing a significant increase of approximately 63.1% compared to the corresponding period of last year, and accounting for approximately 81.5% of total revenue of the Group. Despite the substantial increase of business income, the loss of this business segment increased from approximately HK\$25.6 million during the corresponding period of last year to approximately HK\$97.9 million this year, which was attributable to the inadequate average attendance to our cinemas, the accounting of lease recognition and the amortisation of the rent-free period, as well as a one-off impairment loss for its property, plant and equipment.

電影放映

電影放映為本集團另一主要收益來源。於回顧年度內，本集團成功於香港擴展其電影放映業務，分別在香港不同戰略位置（包括柴灣、銅鑼灣及荃灣）共開設四家新影院。其中，Cinema City柴灣及位於銅鑼灣的Cinema City JP分別於2017年8月及2017年10月正式開業。位於荃灣的香港首間兒童主題影院Candy Park by Cinema City以及位於銅鑼灣的Cinema City Victoria分別於2017年12月及2018年1月試營業。截至本年報日期，本集團於香港擁有五間影院，提供23塊熒幕及超過3,000個坐席（去年度，僅有Cinema City朗豪坊在營業，提供6塊熒幕及約1,100個坐席）。

根據香港票房有限公司的統計，2017年香港票房收入下跌約4.8%至約港幣18.5億元，主要由於影院放映電影數量同期下降約5.2%所致。2018年上半年度香港票房收入輕微上升0.6%至約港幣9.8億元。儘管市場表現疲弱，惟本集團的電影放映表現優於市場，錄得可觀的收益增長。回顧年度內，電影放映收益約為港幣223.9百萬元，較上年同期顯著增加約63.1%，佔本集團總收益約81.5%。雖然業務收入大幅增加，但由於電影院入座率不足、與租約確認及免租期攤銷有關的會計處理，以及物業、廠房及設備錄得的一次性減值虧損，該業務分部的虧損由去年同期的約港幣25.6百萬元增加至本年度的約港幣97.9百萬元。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Given that the Group's cinema in Mainland China, located in "Vivo City" (怡豐城), Shanghai, commenced its operation in late September 2017, its profitability has not been proven, with uncertain financial contributions and prospects. The Group has announced to dispose of this business in May 2018, at initial consideration of RMB40.7 million, so as to reallocate the Group's resources to further invest in other business segments.

Post-production

The Group operates its own post-production team to facilitate the Group's overall film production process and to serve external customers if capacity is available. In spite of a loss of approximately HK\$2.0 million recorded during the year under review, the amount of loss has been reduced when compared with the loss of approximately HK\$3.2 million in the corresponding period of last year. Going forward, the post-production business is poised to maintain its small-scale operation to mainly support the Group's overall profitability in the film production, and more importantly to benefit the Group's film production business in terms of efficiency and cost control.

Advertising, marketing and publication

The film advertising and marketing business has allowed the Group to benefit from sophisticated advertising and promotion strategies as well as cost reductions during the year under review. As for the publication business, the Group ceased the publication of the monthly luxury lifestyle magazine – "Platinum of UnionPay" (銀聯白金) in August 2016 in view of its unsatisfactory performance and in order to save costs and to reallocate the Group's resources to make further investments in other business segments. As a result, the losses in this business segment significantly narrowed from approximately HK\$1.9 million during the corresponding period last year to approximately HK\$0.8 million this year.

The Group continues to review the overall structure and strategies of its print and digital media publication business, including using the Group's publication platform for promotional events and joint film marketing campaigns thereby creating a synergy effect on the Group's publication business and film production, distribution, advertising and marketing businesses. The Group will continue to maintain this business segment in a small-scale operation with a supportive role to the Group's core businesses before the new management proposes a solid development plan.

鑒於本集團位於中國內地的電影院(位於上海怡豐城)於2017年9月底始展開營運，其盈利能力尚未得到證實，財務貢獻及前景並不確定。本集團已於2018年5月公布出售此部分業務，初步代價為人民幣40.7百萬元，以將本集團資源重新分配以進一步投資於其他業務分部。

後期製作

本集團設有內部後期製作部門，為本集團的整體電影製作過程提供協助，並在有人手的情況下服務外部客戶。儘管回顧年度內錄得虧損約港幣2.0百萬元，惟虧損幅度相較去年同期的約港幣3.2百萬元有所收窄。展望未來，後期製作業務將維持其小規模營運以主要支持本集團於電影製作的整體盈利，更重要的是在效率及成本控制方面惠及本集團的電影製作業務。

廣告、市場推廣及出版

在回顧年度內，電影廣告及市場推廣業務讓本集團從多元化的廣告及促銷策略及成本削減中獲益。在出版業務方面，鑑於本集團奢華時尚月刊雜誌《銀聯白金》的表現不如預期，本集團已於2016年8月停止出版該雜誌，以節省成本及將本集團資源重新分配以進一步投資於其他業務分部。因此，該業務分部的虧損由去年同期的約港幣1.9百萬元大幅收窄至今年的約港幣0.8百萬元。

本集團持續檢討其印刷及數碼媒體出版業務的整體架構及策略，包括利用本集團的出版平台進行促銷活動及聯合電影推廣活動，從而使本集團出版業務與電影製作、發行、廣告及市場推廣業務形成協同效應。新管理層在推出切實的發展計劃前，本集團將繼續維持此業務分部的小規模營運，其將繼續扮演本集團核心業務的配角。

FINANCIAL REVIEW

Revenue and Gross profit

Revenue of the Group for the year under review amounted to approximately HK\$274.6 million, representing an increase of approximately HK\$49.0 million or 21.7% compared to the corresponding period of last year, mainly contributed by revenue from the business segments of film and TV series production and distribution and film exhibition of approximately HK\$41.5 million and HK\$223.9 million. A significant decrease was recorded in revenue from film and TV series production and distribution compared to the corresponding period last year, which was attributable to the relatively smaller production scale of the films released during the year under review. For the film exhibition segment, the revenue for the year under review recorded a significant increase of approximately 63.1% compared to the corresponding period last year, which was due to the increase in the number of cinemas during the year.

Gross profit of the Group was approximately HK\$138.4 million representing an increase of approximately HK\$22.2 million or approximately 19.1% compared to the corresponding period of last year. Gross profit margin for the year under review was approximately 50.4%, which showed a slight decrease from that of approximately 51.5% for the corresponding period last year. This was mainly attributable to impairment loss of certain film production in progress which was recognised as cost of sales, leading to a decrease in profit margin on film production, distribution and licensing income. Moreover, the higher rental expense arising from four new cinemas in Hong Kong led to the increase in selling and distribution expenses on film exhibition business accordingly, as compared with the only two cinemas in Hong Kong and the People's Republic of China ("PRC") in the corresponding period last year. The profit margin of film exhibition segment recorded an increase of approximately 1 percentage point from approximately 57.5% last year to approximately 58.5% this year, as a result.

Other gains and income

Other gains and income was approximately HK\$16.3 million for the year under review, representing an increase of approximately HK\$4.3 million or approximately 36.4% compared to the corresponding period last year. This was mainly due to a compensation of approximately HK\$8.3 million according to the delay in handover of a leased cinema premises from the landlord in the PRC during the year under review, whilst approximately HK\$5.3 million was recorded in the corresponding period last year.

財務回顧

收益及毛利

本集團於回顧年度的收益約為港幣274.6百萬元，較去年同期增加約港幣49.0百萬元或21.7%，主要來自電影及電視劇製作及發行，以及電影放映業務分部收益約港幣41.5百萬元及港幣223.9百萬元。由於回顧年度內上映的電影製作規模相對較小，電影及電視劇製作及發行的收益同比大幅減少。就電影放映分部而言，回顧年度的收益較去年同期顯著增加約63.1%，因年內新增電影院所致。

本集團的毛利約港幣138.4百萬元，較去年同期增加約港幣22.2百萬元或約19.1%。回顧年度的毛利率約50.4%，較去年同期毛利率約51.5%輕微減少，主要由於部分製作中的電影減值予以確認為銷售成本，導致電影製作、分銷及播放許可收入的毛利率下降。此外，由於香港四間新影院的租金開支上升，導致電影放映業務的銷售及分銷開支相應增加，而去年香港及中華人民共和國（「中國」）只有兩間電影院，導致電影放映分部的毛利率上升約1個百分點，由去年的約57.5%增加至本年度的約58.5%。

其他收益及收入

於回顧年度，其他收益及收入約港幣16.3百萬元，較去年同期增加約港幣4.3百萬元或約36.4%，主要由於回顧年度內因中國業主延遲移交租賃電影院物業而產生的補償約港幣8.3百萬元，而於去年同期為約港幣5.3百萬元。

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Selling and distribution expenses

Selling and distribution expenses increased by approximately HK\$90.1 million or 81.5% from approximately HK\$110.5 million for the corresponding period last year to approximately HK\$200.6 million for the year under review. This was mainly due to the increase in selling and distribution expenses of the film exhibition business, which in turns resulted from the higher rental expenses arising from four new cinemas in Hong Kong during this year, as compared with only two cinemas in Hong Kong and in the PRC for the corresponding period of last year.

Pursuant to the lease agreements entered into between the Group and the landlords of these four new cinemas, rent-free periods ranging from three to nine months have been offered by the landlords to compensate for the loss of business during the renovation period. As disclosed in the Company's final results announcement for the year ended 30 June 2017 on the accounting treatment of lease recognition and amortisation of the rent-free periods (published on 28 September 2017), these rental incentives were treated as a uniform reduction of overall rental expenses on a straight-line or systematic basis over the entire lease term. Despite the fact that the lease terms of these four new cinemas have already begun and no rental is required to be paid during the rent-free periods, rental expenses were immediately recognised under the aforementioned accounting treatment while revenues only began to generate when these four new cinemas started operations during the period from August 2017 to January 2018.

Administrative expenses

Administrative expenses increased slightly by approximately HK\$7.0 million or approximately 16.0% from approximately HK\$43.9 million for the corresponding period last year to approximately HK\$51.0 million for the year under review, which was attributable to (i) the increase of legal and professional fee of approximately HK\$1.8 million related to certain corporate actions and transactions during the year under review; and (ii) the increase of professional fee of approximately HK\$6.5 million for an acquired project during the year under review, such increases were partly set off the decrease of general administrative expenses by approximately HK\$1.3 million during the year under review.

Impairment losses recognised for the year

The total impairment losses recognised for the year increased by approximately HK\$64.8 million or approximately 318.8% to approximately HK\$85.2 million from approximately HK\$20.4 million for the corresponding period last year. During the year under review, according to the assessment of the Group, an impairment loss has been recognised for the Group's interest in Jade Dynasty Holdings Limited, an associate of the Group, and its subsidiaries (collectively, "JDH Group") due to the recoverable amount of JDH Group, namely its value in use, and it is expected that the future cash flows of JDH Group will be lower than its carrying amount.

銷售及發行開支

銷售及發行開支由去年同期的約港幣110.5百萬元增加約港幣90.1百萬元或81.5%至回顧年度的約港幣200.6百萬元，主要由於電影放映業務的銷售及發行開支增加。該增加主要由於香港四家新影院的租金引致相關開支上升，而去年同期香港及中國只有兩家電影院。

根據本集團與該四家新影院的業主訂立的租約，業主已提供介乎3至9個月的免租期，以補償裝修期間的業務損失。如本公司於2017年9月28日刊發的截至2017年6月30日止年度的末期業績公布所披露有關租約確認及免租期攤銷的會計處理方法，該等租金獎勵乃視為於整個租期內按直線法或系統基準對整體租賃開支的統一減免。雖然該四家新影院的租期已開始且於免租期內無須支付租金，但租賃開支根據上述會計處理方法即時確認，而收益在該四家新影院分別於2017年8月至2018年1月開始營業起才開始產生。

行政開支

行政開支由去年同期的約港幣43.9百萬元輕微增加約港幣7.0百萬元或約16.0%至回顧年度的約港幣51.0百萬元，主要由於(i)回顧年度內與若干公司行動及交易相關的法律及專業費用增加約港幣1.8百萬元；及(ii)回顧年度內就收購項目引致的專業費用增加約港幣6.5百萬元，有關增加部分被回顧年度內一般行政開支約港幣1.3百萬元的減幅所抵銷。

年內確認的減值虧損

年內確認的減值虧損總額由去年同期的約港幣20.4百萬元增加約港幣64.8百萬元或約318.8%至約港幣85.2百萬元。於回顧年度內，根據本集團的預算評估，於本集團聯營公司玉皇朝控股有限公司及其附屬公司(統稱「玉皇朝集團」)的權益因玉皇朝集團的可收回金額(其使用價值)而確認減值虧損，並預期未來現金流低於其賬面值。

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Due to the underperformance of the film exhibition segment, the Group recorded a one-off impairment loss of approximately HK\$40.6 million for its property, plant and equipment. In addition, due to delay in filming and production of the movie “Inversion”, the Group recorded a one-off impairment loss on investment in film production of approximately HK\$19.6 million for prudence sake.

Share of results of associates

During the year under review, the Group had two associates, namely JDH Group and Supreme Art Entertainment Limited (“Supreme Art”), an associate acquired by the Group in July 2016.

The operation of JDH Group has recorded a loss attributable to the Group of approximately HK\$0.7 million as compared to a loss attributable to the Group of approximately HK\$3.8 million for the corresponding period of last year. JDH Group generated revenue from the businesses of comics publication and licensing of its database of comic stories and comic characters for films, TV series and theme park development as well as related products merchandising.

The operation of Supreme Art has recorded a profit attributable to the Group of approximately HK\$0.7 million (2017: approximately HK\$2.1 million). Supreme Art is engaged in the provision of artiste management and agency services which are benefiting from the Group’s film production business.

Share of results of a joint venture

Bounty Productions Limited (“BPL”) was set up by the Group with two independent third parties for the production and distribution of the film, “Bounty Hunters” (賞金獵人), in which the Group owned to 40% interest. “Bounty Hunters” (賞金獵人) was released in July 2016 and generated revenue of approximately HK\$0.5 million to the joint venture this year (2017: approximately HK\$152.6 million), in return attributed net profit to the Group of approximately HK\$0.4 million during the year under review (2017: approximately HK\$13.5 million).

Income tax expense

The income tax expense of the Group for the year under review amounted to approximately HK\$10.1 million (2017: approximately HK\$1.0 million) at the effective tax rate, excluding certain tax losses not recognised and non-taxable items which included impairment losses recognised and share of results of associates and a joint venture that were net of tax, of approximately 18.7% (2017: approximately 19.2%).

本集團由於電影放映分部表現欠佳而導致物業、廠房及設備錄得一次性減值虧損約港幣40.6百萬元。此外，本集團由於投資製作電影《Inversion》的攝製延期以及出於謹慎起見，導致投資電影製作錄得一次性減值虧損約港幣19.6百萬元。

應佔聯營公司業績

於回顧年度內，本集團的兩間聯營公司為玉皇朝集團及本集團於2016年7月收購的一間聯營公司凱藝娛樂發展有限公司（「凱藝」）。

玉皇朝集團的營運錄得應佔虧損約港幣0.7百萬元，而去年同期錄得應佔虧損約港幣3.8百萬元。玉皇朝集團自漫畫發行及其漫畫故事及漫畫英雄人物數據庫的使用許可業務獲得收益，以供製作電影、電視劇及發展主題樂園以及相關銷售商品。

凱藝營運錄得本集團應佔溢利約港幣0.7百萬元（2017年：約港幣2.1百萬元）。凱藝從事提供受益於本集團電影製作業務的演員管理及代理服務。

應佔一間合營企業業績

本集團與兩名獨立第三方成立賞金製作有限公司（「賞金」）以製作及發行電影「賞金獵人」（本集團於其中擁有40%權益）。「賞金獵人」於2016年7月上映，於本年度為本合營企業帶來約港幣0.5百萬元的收益（2017年：約港幣152.6百萬元），從而於回顧年度內為本集團貢獻純利約港幣0.4百萬元（2017年：約港幣13.5百萬元）。

所得稅開支

本集團於回顧年度的所得稅開支約港幣10.1百萬元（2017年：約港幣1.0百萬元），實際稅率（不包括若干未確認的稅項虧損及不計稅項目（包括已確認的減值虧損及已扣除稅項的應佔聯營公司及一間合營企業業績））約為18.7%（2017年：約19.2%）。

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Loss for the year under review

The Group's loss and total comprehensive expense attributable to owners of the Company for the year under review amounted to approximately HK\$189.8 million (2017: approximately HK\$40.0 million) and approximately HK\$191.1 million (2017: approximately HK\$41.2 million) respectively. The increase in loss for the year under review was mainly due to surge of selling and distribution expenses, decrease of film production income and increase of certain impairment losses.

回顧年度內虧損

於回顧年度內，本公司擁有人應佔本集團虧損及全面開支總額分別約港幣189.8百萬元（2017年：約港幣40.0百萬元）及約港幣191.1百萬元（2017年：約港幣41.2百萬元）。於回顧年度虧損增加主要由於銷售及發行開支激增、電影製作收入減少、以及多項減值虧損增加等。

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2018, the Group's bank balances and cash amounted to approximately HK\$87.0 million (30 June 2017: approximately HK\$63.2 million), which are denominated mainly in HK\$, United States Dollar ("US\$") and Renminbi ("RMB").

流動資金、財務資源及資本結構

於2018年6月30日，本集團的銀行結餘及現金約為港幣87.0百萬元（2017年6月30日：約港幣63.2百萬元），主要以港幣、美元（「美元」）及人民幣（「人民幣」）計值。

As at 30 June 2018, the Group's bank borrowing amounted to approximately HK\$8.2 million (30 June 2017: Nil). As at 30 June 2018, the Group's gearing ratio, representing the ratio of the bank borrowing to the total equity of the Group, was approximately 7.1% (30 June 2017: Nil).

於2018年6月30日，本集團的銀行借款約為港幣8.2百萬元（2017年6月30日：無）。於2018年6月30日，資產負債比率（即本集團銀行借款佔權益總額的比率）約為7.1%（2017年6月30日：無）。

As at 30 June 2018, the Group had total non-current assets of approximately HK\$165.2 million (30 June 2017: approximately HK\$184.5 million), net current liabilities of approximately HK\$47.8 million (30 June 2017: net current assets of approximately HK\$123.3 million) and net assets of approximately HK\$116.3 million (30 June 2017: approximately HK\$307.7 million). The current ratio of the Group, representing the ratio of current assets over current liabilities, was approximately 0.9 as at 30 June 2018 (30 June 2017: approximately 1.8).

於2018年6月30日，本集團擁有非流動資產總值約港幣165.2百萬元（2017年6月30日：約港幣184.5百萬元）、流動負債淨值約港幣47.8百萬元（2017年6月30日：流動資產淨值約港幣123.3百萬元）及資產淨值約港幣116.3百萬元（2017年6月30日：約港幣307.7百萬元）。於2018年6月30日，本集團的流動比率（即流動資產與流動負債的比率）約為0.9（2017年6月30日：約1.8）。

During the year ended 30 June 2018, the Group mainly funded its liquidity by the net proceeds from the Listing, bank borrowing and resources generated internally. The Group's financial resources are sufficient to support its business and operations. The Group would also consider other financing activities when appropriate business opportunities arise under favourable market conditions.

截至2018年6月30日止年度，本集團主要以上市所得款項淨額、銀行借款及內部資源撥付流動資金。本集團的財務資源足以支持業務及營運。本集團亦會在出現適當業務機會且市場條件有利時考慮其他融資活動。

SIGNIFICANT INVESTMENT

Save as disclosed in this annual report, the Group did not have any other significant investment during the year ended 30 June 2018.

重大投資

除本年報內披露者外，本集團於截至2018年6月30日止年度並無任何重大投資。

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MATERIAL ACQUISITION AND DISPOSAL

Save as disclosed in this annual report, the Group did not process any material acquisition or disposal during the year ended 30 June 2018.

HUMAN RESOURCES

As at 30 June 2018, the Group employed a total of 298 permanent employees (30 June 2017: 122) in Hong Kong and the PRC. The total salaries and wages, including the Directors' remuneration and part-time workers, amounted to approximately HK\$39.9 million for the year ended 30 June 2018 (2017: approximately HK\$28.7 million).

The Group offers remuneration packages for employees mainly based on their performance and experience, and with reference to prevailing industry practices. In addition to enrolling our new employees into the mandatory provident fund scheme in Hong Kong and State-managed pension scheme in mainland China and making contributions for them on a periodic basis, the Group also provides medical coverage, internal and external training programs and grants share options and discretionary bonuses to employees based on employees' individual performance and the Group's overall performance. The Group reviews the remuneration policies and packages on a regular basis.

CHARGE ON ASSETS

Apart from bank deposits amounting to approximately HK\$10.0 million and approximately HK\$0.7 million (30 June 2017: approximately HK\$30.6 million and approximately HK\$0.7 million respectively) that were pledged to banks for the general banking facility of the Group and the bank guarantee provided to a subsidiary of the Company regarding its due payment under a cinema equipment rental agreement respectively, the Group had not pledged its assets to any financial institutions.

TREASURY POLICY

The Group's business operations were conducted mainly in Hong Kong with transactions principally denominated in HK\$, US\$ and RMB. The monetary assets and liabilities are denominated mainly in HK\$, US\$ and RMB. Apart from HK\$, which is pegged to US\$, any significant exchange rate fluctuations of HK\$ against RMB may have a financial impact to the Group. During the year under review, the Directors do not foresee significant risk in exchange rate fluctuation. Currently, the Group has not entered into any financial instrument for hedging purposes. However, the Group will closely monitor its overall foreign exchange exposures and interest rate exposures, and consider hedging against the exposures should the need arises.

重大收購及出售事項

除本年報內披露者外，本集團於截至2018年6月30日止年度並無任何重大收購或出售事項。

人力資源

於2018年6月30日，本集團於香港及中國合共僱傭298全職僱員(2017年6月30日：122名)。截至2018年6月30日止年度，薪金及工資總額(包括董事及兼職員工酬金)約為港幣39.9百萬元(2017年：約港幣28.7百萬元)。

本集團主要根據僱員之表現及經驗並參考通行的行業常規為彼等提供薪酬待遇。除了為我們的新僱員辦理強制性公積金計劃(香港)及國營退休金計劃(中國內地)並定期為彼等作出供款外，本集團亦提供醫療保險、內部及外部培訓課程以及基於僱員之個人表現及本集團之整體表現向僱員授出購股權計劃及酌情花紅。本集團會定期審閱薪酬政策及待遇。

資產押記

除分別為數約港幣10.0百萬元及約港幣0.7百萬元(2017年6月30日：分別約為港幣30.6百萬元及約港幣0.7百萬元)之銀行存款質押予銀行以分別取得本集團之一般銀行融資及本公司一間附屬公司就其於影院設備租賃協議項下之到期付款提供之銀行擔保外，本集團並無向任何金融機構質押其資產。

庫務政策

本集團的業務營運主要在香港開展，交易主要以港幣、美元及人民幣計值。貨幣資產及負債主要以港幣、美元及人民幣計值。除港幣與美元掛鈎外，港幣兌人民幣的任何重大匯率波動均可能對本集團造成財務影響。於回顧年度內，董事預期並不會出現匯率波動的重大風險。現時，本集團並無訂立金融工具以作對沖用途。然而，本集團將密切監察其整體匯率敞口及利率敞口，並將會於有需要時考慮對沖敞口。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CAPITAL COMMITMENT

Save as disclosed in note 44 to the consolidated financial statements, there were no other capital commitment for the Group as at 30 June 2017 and 2018.

資本承擔

除綜合財務報表附註44所披露者外，於2017年及2018年6月30日，本集團並無其他資本承擔。

CONTINGENT LIABILITIES

As at 30 June 2017 and 2018, the Group did not have any significant contingent liabilities.

或然負債

於2017年及2018年6月30日，本集團並無任何重大或然負債。

USE OF PROCEEDS FROM THE LISTING

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

上市所得款項用途

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

From 31 October 2012, the date of the Listing, to 30 June 2018, the net proceeds from the Listing had been applied as follows:

由2012年10月31日(上市日期)起至2018年6月30日，上市所得款項淨額已作如下動用：

		Total use of proceeds as described in the Prospectus 招股章程所述 所得款項 使用總額 HK\$' million 港幣百萬元	Actual use of proceeds from the date of the Listing to 30 June 2018 由上市日期起至 2018年6月30日所得 款項實際使用金額 HK\$' million 港幣百萬元
Expansion of film production business	拓展電影製作業務	58.4	58.4
Invest in equipment for post-production	投資後期製作設備	9.8	7.4
Staff recruitment	招聘員工	2.8	2.8
General working capital	一般營運資金	2.5	2.5
Total	合計	73.5	71.1

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

未動用所得款項存放於本集團的香港銀行賬戶內。

The Group intended to expand its film production business by releasing eleven films during the two financial years ended 30 June 2013 and 2014. These eleven films had been released up during the financial year ended 30 June 2018.

本集團擬於截至2013年及2014年6月30日止兩個財政年度上映十一部電影，拓展其電影製作業務。該十一部電影於截至2018年6月30日止財政年度已上映。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group has intended to undertake certain post-production works of its own films by investing up to HK\$11.0 million from the net proceeds in post-production equipment and recruiting staff for its operation. The Group established its in-house post-production arm in Hong Kong to engage in digital media post-production operations. The Directors expected that the remaining net proceeds will continue to be used for procuring the post-production equipment to strengthen the business operation.

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

OUTLOOK

During the year under review, Mr. Zhang Liang, Johnson (“Mr. Zhang”) became the controlling shareholder of the Company and was appointed as the chairman of the Board to lead the Group. Following these changes, the Board intends to continue the Group’s principal businesses and at the same time continue to review the strategic directions and operation of the Group in order to formulate solid plans to explore other business or investment opportunities for its future development.

In respect of the film and TV series production and distribution, “L Storm” (L風暴), an action blockbuster and a sequel to the Group’s previously released films, “Z Storm” (Z風暴) and “S Storm” (S風暴), starring Louis Koo (古天樂) and Julian Cheung (張智霖) was released in August 2018. The contribution from this film will be recorded in the interim results of the Group for the six months ended 31 December 2018. In addition, “The Invincible Dragon” (九龍不敗), another action blockbuster, starring Max Zhang (張晉) and Anderson Silva, a former UFC middleweight champion, and directed by Fruit Chan (陳果), has now entered into the final stage of production and planned to be released in the second half of 2018.

本集團擬為其自家電影進行若干後期製作，故投資所得款項淨額達港幣11.0百萬元於後期製作設備及為業務招聘員工。本集團於香港成立內部後期製作部門，以參與數碼媒體後期製作業務。董事預期所得款項淨額餘額將繼續用於採購後期製作設備以鞏固業務營運。

董事認為招股章程所述所得款項計劃用途無須進行修改。

展望

於回顧年度內，張量先生(「張先生」)成為本公司的控股股東，並獲委任為董事會主席，領導本集團。於該等變動之後，董事會擬繼續本集團的主要業務，同時繼續檢討本集團的策略決定及營運，以制定切實的計劃以發掘其他業務或投資機會，促進本集團未來業務發展。

電影及電視劇製作及發行方面，由古天樂及張智霖主演的大型動作電影《L風暴》於2018年8月上映，為本集團以往年度上映的電影《Z風暴》及《S風暴》的續集；該等電影的貢獻將於本集團截至2018年12月31日止六個月的中期業績內確認。另外，大型動作電影《九龍不敗》由張晉及前UFC中量級冠軍Anderson Silva主演，由陳果執導，現已進入後期製作的最後階段，計劃於2018年下半年上映。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Chinese market is one of the largest film markets in the world. According to the information released by the Film Division of the State Administration of Press, Publication, Radio, Film and Television, the total national box office in 2017 reached RMB55.911 billion, representing a year-on-year increase of 13.45%. In the first half of 2018, the total national box office was RMB32.031 billion, representing a year-on-year increase of 17.82%, which shows great potential in market space. Therefore, the Group remains optimistic about the development potential of the Chinese film and television entertainment industry and will continue to focus on Hong Kong and China markets.

In May 2018, the Group announced that its wholly-owned subsidiary acquired Khorgas Houhai Culture Media Company Limited (霍爾果斯厚海文化傳媒有限公司) (“Houhai Culture”) for RMB450 million. The Group believes that this acquisition is of significance because it enables the Group to obtain the Broadcasting And TV Program Production And Operation License (廣播電視製作經營許可證) held by Houhai Culture and enter into the massive showbiz sector with great potential in mainland China. Meanwhile, the Group will obtain the intellectual property rights of variety shows and TV series held by Houhai Culture.

Houhai Culture is principally engaged in variety shows and TV series production and operation in PRC. Its professional team specialises in contents creation and can accomplish a series of essential operational activities ranging from planning, scriptwriting, filming, post-production, distribution to marketing. The core team has rich industry experience and networking resources in the film and television industry and has participated in the investment, planning and production of multiple well-known projects. Through its collection of intellectual property works with commercial value, and independently developed high-quality proprietary contents, Houhai Culture strives to create variety shows and film and television products that continue for multiple seasons.

With successive projects in progress, Houhai Culture shall constantly launch new shows, including Give Me Five (“高能少年團”) Season III, and four TV series, namely Hikaru no Go (“棋魂”), Redemption on the Blade (“刀鋒上的救贖”), Romance of the Youth (“少年江湖物語”) and Tribes and Empires: Mrs HuZhu (“九州斛珠夫人”), in 2019. Specifically, Houhai Culture has entered into a contract with a broadcast platform iQIYI regarding Hikaru no Go, a prominent intellectual property of Shueisha Inc. in Japan. Meanwhile, Redemption on the Blade is adapted from a fiction of Zhiwen, the scriptwriter of a hit online series White Night Chase (“白夜追凶”).

From 2020 to 2022, the Group shall produce more variety shows and TV series with its own intellectual property rights, including, among others, Give Me Five (“高能少年團”) Season IV, Persuader (“甲方乙方之勸退師”) Season I and II, Next To The Last Girlfriend (“倒數第二個女朋友”), Nine Knights in Beijing (“京門九俠”), Turn Red into Green (“看朱成碧”) and Imperial Harem (“後宮真煩傳”).

中國市場為全球規模最大的電影市場之一，根據國家新聞出版廣電總局電影局發布的資料，2017年全國電影總票房達到人民幣559.11億元，同比增長13.45%。2018年上半年全國總票房為人民幣320.31億元，同比增長17.82%，市場空間非常龐大。因此本集團持續看好中國影視娛樂產業的發展潛力，並將繼續以香港及中國為主要市場。

於2018年5月，本集團公布旗下全資附屬公司以人民幣4.5億元收購霍爾果斯厚海文化傳媒有限公司（「厚海文化」）。本集團相信是次收購具有重大意義，有助於本集團取得厚海文化廣播電視節目製作經營許可證，透過厚海文化進入中國內地龐大及具潛力的演藝行業市場。同時，本集團亦會獲得厚海文化所持綜藝節目和電視劇的知識產權。

厚海文化主要於中國從事綜藝節目及電視劇的製作及營運。其專業團隊專注於內容創作，可自行完成由策劃、編劇、拍攝、後期製作、分銷到市場推廣等一系列核心營運活動。核心團隊均於影視行業擁有豐富的行業經驗及人脈資源，曾參與多個知名項目的投資、策劃和製作。通過儲備具有商業價值的知識產權作品，同時自主創造優質知識產權內容，厚海文化著力打造持續多季的系列綜藝及影視作品。

隨著未來多個項目陸續敲定合作，厚海文化將源源不斷推出新作品。2019年即將播出的項目包括「高能少年團」第三季，以及《棋魂》、《刀鋒上的救贖》、《少年江湖物語》及《九州斛珠夫人》四部電視劇。其中，《棋魂》是日本集英社瑰寶級著作版權，厚海文化已經與愛奇藝播放平台簽訂合約；而《刀鋒上的救贖》則改編自熱播劇《白夜追凶》的編劇指紋之著作小說。

於2020年至2022年，本集團將通過擁有所有版權製作更多綜藝節目和電視劇，包括「高能少年團」第四季、《甲方乙方之勸退師》第一季及第二季、《倒數第二個女朋友》、《京門九俠》、《看朱成碧》及《后宮真煩傳》等。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Looking forward, the Group will continue to explore investment opportunities in terms of high-quality variety shows, TV series and movie projects all over the world, as well as cooperation opportunities derived from the upstream and downstream of the industry chain, with an aim to strengthen the Group's income base. We believe that through the newly acquired Houhai Culture operation, the Group shall further develop and expand its diversified cultural business, to enhance the Group's profitability and generate solid returns for its shareholders.

展望未來，本集團將繼續在世界各地物色優質綜藝節目、電視劇及電影項目的投資機會，以及沿著產業鏈上、下游及從旁衍生的合作機會，藉此加強本集團的收益基礎。本集團相信，通過新收購的厚海文化業務，本集團將可進一步拓展其多元化的文化娛樂產業，發展一站式綜合影視文化業務，以提升盈利能力及為本公司股東帶來理想回報。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層簡歷

Mr. Zhang Liang, Johnson, aged 37, was appointed as an executive Director and the chairman of the Board on 13 December 2017. Mr. Zhang is responsible for the overall corporate and business development and strategic direction of the Group, and provides leadership for the Board of Directors. He is an entrepreneur in various industries, including real estate and energy etc. Mr. Zhang has more than 7 years of experience in the energy sector. He is a controlling shareholder and an executive director of Kinetic Mines and Energy Limited (stock code: 1277), a company listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") which principally engages in coal production and coal trading. Mr. Zhang is also a controlling shareholder and an executive director of Top Dynamic International Holdings Limited (stock code: 2203), a company listed on the Main Board of the Stock Exchange. Mr. Zhang has more than 9 years of experience in the real estate sector. He is a director of Seedland Construction Holdings Limited, a company incorporated in Hong Kong on 15 July 2008 with limited liability which, through its subsidiaries, principally engaged in real estate business.

Since 2011, Mr. Lee Hin Kwong, Patrick ("Mr. Lee") (an executive Director of the Company) has been employed as a financial analyst by Kinetic (Asia) Limited which is a wholly owned subsidiary of Kinetic Mines and Energy Limited of which Mr. Zhang is an executive director and a controlling shareholder. Since 2016, Mr. Lee has also been a director of Seedland Construction Holdings Limited, a company indirectly wholly owned by Mr. Zhang.

Mr. Lee Hin Kwong, Patrick, aged 43, was appointed as an executive Director on 1 December 2017. Mr. Lee has over 15 years of experience in the financial services industry. He obtained a bachelor of business degree from the La Trobe University, Melbourne Victoria Australia in 1997. During the period from 1997 to 2006, he was employed by HSBC Broking Securities (Asia) Ltd with his last position as a vice president. He was also a type 4 (advising on securities), type 5 (advising on futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) licensed representative of the HSBC group from 2003 to 2004, and a type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 3 (leveraged foreign exchange trading) licensed representative of the HSBC group from 2003 to 2006. He then worked as the personal assistant of Mr. Zhang Liang, Johnson, an existing executive Director and the chairman of the Board and the controlling shareholder of the Company, from 2006 to 2011. Since 2011, he has been employed as a financial analyst by Kinetic (Asia) Limited which is a wholly owned subsidiary of Kinetic Mines and Energy Limited (stock code: 1277), a company listed on the Main Board of the Stock Exchange, of which Mr. Zhang is an executive director and a controlling shareholder. Since 2016, he has also been a director of Seedland Construction Holdings Limited, a company indirectly wholly owned by Mr. Zhang.

張量先生，37歲，於2017年12月13日獲委任為執行董事及董事會主席。張先生負責本集團之整體企業及業務發展以及策略方向，並領導董事會。彼為多個行業之企業家，包括房地產及能源等。張先生於能源領域擁有逾7年經驗。彼為香港聯合交易所有限公司（「聯交所」）主板上市公司力量礦業能源有限公司（股份代號：1277）之控股股東兼執行董事。該公司主要從事煤炭生產及煤炭買賣。張先生亦是聯交所主板上市公司泰邦集團國際控股有限公司（股份代號：2203）之控股股東兼執行董事。張先生亦於房地產領域擁有逾9年經驗。彼為實地建設集團有限公司之董事。該公司於2008年7月15日在香港註冊成立為有限公司，透過其附屬公司主要從事房地產業務。

自2011年起，李憲光先生（「李先生」）（本公司執行董事）在力量礦業能源有限公司（一間張先生為執行董事及控股股東的公司）的全資附屬公司力量（亞洲）有限公司一直受聘為金融分析師。自2016年起，李先生亦一直擔任實地建設集團有限公司的董事，該公司由張先生間接全資擁有。

李憲光先生，43歲，於2017年12月1日獲委任為執行董事。於金融服務業擁有逾15年經驗。彼於1997年在澳大利亞維多利亞州墨爾本拉籌伯大學取得商學學士學位。於1997年至2006年期間，彼曾於滙豐金融證券（亞洲）有限公司任職，最後職位為副總裁。彼亦於2003年至2004年擔任滙豐集團的第4類（就證券提供意見）、第5類（就期貨合約提供意見）、第6類（就機構融資提供意見）及第9類（提供資產管理）持牌代表，以及於2003年至2006年擔任滙豐集團的第1類（證券交易）、第2類（期貨合約交易）及第3類（槓桿式外匯交易）持牌代表。彼其後於2006年至2011年擔任本公司現時的執行董事兼董事會主席及控股股東張量先生的私人助理。自2011年起，彼在力量礦業能源有限公司（一間於聯交所主板上市的公司，股份代號：1277）（張先生為該公司之執行董事及控股股東）的全資附屬公司力量（亞洲）有限公司一直受聘為金融分析師。自2016年起，彼亦一直擔任實地建設集團有限公司的董事，該公司由張先生間接全資擁有。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層簡歷

Mr. Wong Pak Ming (“Mr. Wong”), M.H., aged 72, was appointed as a Director on 8 March 2012 and redesignated as an executive Director on 5 October 2012 and served as the chairman of the Board from October 2012 to December 2017. Mr. Wong is an artist and filmmaker in Hong Kong, who formed Cinema City Company Limited and Cinema City (Film Production) Company Limited, both of which are film production companies, in 1980s. In 1990, Mr. Wong founded Mandarin Films Limited. Mr. Wong has over 30 years of experience in the film industry for each of the roles as executive producer, script writer and artist and over 25 years of experience as film director. He has participated in more than 100 films throughout his career. Mr. Wong was awarded the Medal of Honour by the HKSAR Government in 2015. He has been the chairman of the Movie Producers and Distribution Association since 1997. He was a member of the Hong Kong-Taiwan Cultural Co-operation Committee under Hong Kong-Taiwan Economic and Cultural Cooperation and Promotion Council from 1 August 2013 to 31 October 2015. He was a member of the Hong Kong Film Development Council from April 2011 to March 2013. Mr. Wong is the father of Ms. Wong Yee Kwan, Alvina and Mr. Wong Chi Woon, Edmond, both executive Directors who resigned on 13 December 2017.

黃栢鳴先生(「黃先生」)，榮譽勳章，72歲，於2012年3月8日獲委任為董事，並於2012年10月5日調任執行董事及於2012年10月至2017年12月出任董事會主席。黃先生為一名香港演員及電影製作人，並於二十世紀八十年代成立兩家電影製作公司，即新藝城影業有限公司及新藝城電影製作有限公司。於1990年，黃先生創辦東方電影出品有限公司。黃先生於電影業擁有逾30年經驗，當中曾擔任監製、編劇及演員，並有逾25年擔任電影導演的經驗。彼於其職業生涯中參與逾100部電影。黃先生於2015年獲香港特區政府頒發榮譽勳章。彼自1997年以來一直擔任香港電影製作發行協會主席一職。彼為港台經濟文化合作協進會下的港台文化合作委員會委員，任期由2013年8月1日至2015年10月31日。於2011年4月至2013年3月期間，彼為香港電影發展局委員。黃先生為黃漪鈞女士及黃子桓先生(兩人均為執行董事並於2017年12月13日辭任)的父親。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wang Bo (“Mr. Wang”), aged 42, was appointed as an independent non-executive Director on 13 December 2017. Mr. Wang has over 20 years of experience in financing and insurance industry. He received from the Sun Yat-Sen University in China his bachelor of international accounting degree minoring in international finance in June 1998. He was the general manager of Guangdong Baolihua New Energy Stock Co., Ltd. (stock code: 000690), a company listed on the Shenzhen Stock Exchange from August 2015 to March 2018. From July 1998 to June 2015, he was employed by Guangdong Finance Investment (Holding) Corporation Limited with his last position as the deputy general manager in the financial planning department. During the course of employment with Guangdong Finance Investment (Holding) Corporation Limited, he also served as the deputy general manager of Guangdong Finance Trust Company Limited, the director of Zhong Cheng Vehicle Insurance Company Limited and Zhu Jiang Life Insurance Company Limited, and the supervisor in Guangdong Guanhao High-tech Co., Ltd. (stock code: 600433), a company listed on the Shanghai Stock Exchange.

獨立非執行董事

王波先生(「王先生」)，42歲，於2017年12月13日已獲委任為獨立非執行董事。王先生於融資及保險業擁有逾20年經驗。於1998年6月，彼獲中國中山大學頒授國際會計學士學位，副修國際金融。於2015年8月至2018年3月，彼為深圳證券交易所上市公司廣東寶麗華新能源股份有限公司(股份代號：000690)之總經理。於1998年7月至2015年6月，彼受聘於Guangdong Finance Investment (Holding) Corporation Limited，離職前職位為財務策劃部副總經理。於Guangdong Finance Investment (Holding) Corporation Limited任職期間，彼亦擔任廣東粵財信託有限公司之副總經理、Zhong Cheng Vehicle Insurance Company Limited及Zhu Jiang Life Insurance Company Limited之董事，以及上海證券交易所上市公司廣東冠豪高新技術股份有限公司(股份代號：600433)之監事。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡歷

Mr. Xiang Feng (“Mr. Xiang”), aged 41, was appointed as an independent non-executive Director on 13 December 2017. Mr. Xiang has over 13 years of experience in the movie industry. He received his bachelor of economics degree from the University of International Business and Economics in China in July 1998 and his master of arts in media production degree from the Griffith University in Australia in April 2005. He has been a general manager of Funtasy Pictures Co., Ltd. since February 2015. He has also been a supervisor of Fengzhimeng Visual Media Culture (Beijing) Company Limited since October 2013. Previously he has served as the chief operating officer of the Entgroup from March 2009 to September 2010. Mr. Xiang was also the executive producer of the movie “No Liar, No Cry”, the art director interpreter of the movie “the Mummy, Tomb of the Dragon Emperor”, the script planner of the movie “Cities in Love”, the bilingual production coordinator of the movie “Up in the Wind”, and the line producer of the movie “Last Flight”.

Mr. Chang Eric Jackson (“Mr. Chang”), aged 38, was appointed as an independent non-executive Director on 13 December 2017. Mr. Chang has over 15 years of experience in accounting, finance and business advisory work. He received his bachelor of commerce degree from the University of British Columbia in May 2002. He is a member of the Hong Kong Institute of Certified Public Accountants since September 2005 and the American Institute of Certified Public Accountants since January 2005. Mr. Chang has been an independent non-executive director of Season Pacific Holdings Ltd (stock code: 1709), a company listed on the Main Board of the Stock Exchange since May 2018. Mr. Chang is currently the chief financial officer, company secretary and an authorised representative of China Tangshang Holdings Limited (previously known as Culture Landmark Investment Limited) (stock code: 674), a company listed on the Main Board of the Stock Exchange since April 2017. He was also a non-executive director of Sino Vision Worldwide Holdings Limited (previously known as DX.com Holdings Limited) (stock code: 8086), a company listed on the GEM of the Stock Exchange, from May 2017 to July 2018. From July 2015 to April 2017, Mr. Chang served as the executive director, chief financial officer, joint company secretary and authorised representative of ZH International Holdings Limited (stock code: 185), a company listed on the Main Board of the Stock Exchange.

向峰先生(「向先生」)，41歲，於2017年12月13日獲委任為獨立非執行董事。向先生於電影業擁有逾13年經驗。於1998年7月，彼獲中國對外經濟貿易大學頒授經濟學學士學位，並於2005年4月獲澳洲格裏菲斯大學(Griffith University)頒授媒體製作文學碩士學位。自2015年2月以來，彼擔任Funtasy Pictures Co., Ltd.之總經理。自2013年10月以來，彼亦擔任Fengzhimeng Visual Media Culture (Beijing) Company Limited之監事。彼過去於2009年3月至2010年9月曾出任藝恩(Entgroup)之首席營運官。向先生亦為電影《不怕賊惦記》之執行監製、電影《神鬼傳奇3》之藝術總監翻譯、電影《戀愛中的城市》之編劇、電影《等風來》之雙語製作統籌，以及電影《絕命航班》之執行製片。

張世澤先生(「張先生」)，38歲，於2017年12月13日獲委任為獨立非執行董事。張先生在會計、財務及商業諮詢工作方面具備逾15年經驗。於2002年5月，彼獲英屬哥倫比亞大學頒授商學士學位。自2005年9月及2005年1月以來，彼為香港會計師公會及美國註冊會計師公會之會員。自2018年5月起，張先生擔任聯交所主板上市公司雲裳衣控股有限公司(股份代號：1709)之獨立非執行董事。自2017年4月起，張先生現擔任聯交所主板上市公司中國唐商控股有限公司(前稱文化地標投資有限公司)(股份代號：674)之財務總監、公司秘書及授權代表。彼自2017年5月至2018年7月亦為聯交所GEM上市公司新維國際控股有限公司(前稱DX.com控股有限公司(股份代號：8086))之非執行董事。於2015年7月至2017年4月，張先生曾擔任聯交所主板上市公司正恒國際控股有限公司(股份代號：185)之執行董事、財務總監、聯席公司秘書及授權代表。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡歷

SENIOR MANAGEMENT

Ms. Zhao Wenzhu (“Ms. Zhao”) was appointed as the president of the Company on 17 September 2018. Ms. Zhao completed her Master of Filmography at the Communication University of China. She has about 9 years of experience in mass communications. She is a dynamic leader with broad exposure and has spearheaded growth initiatives in her different roles in various companies in mass communication. She is currently the general manager of Khorgas Houhai Culture Media Co., Ltd. (霍爾果斯厚海文化傳媒有限公司). Prior to this, she was the deputy director of Dongyang Sansang Media Co., Ltd. (東陽三尚傳媒股份有限公司) until 2013. She was also the distribution director and vice-president of Beijing Xishiji Film and Television Culture Development Co., Ltd. (北京希世紀影視文化發展有限公司) in 2014 and the general manager and vice-president of the department of filmography and television of Nanjing Avenue Hengzhi Culture Media Co., Ltd. (南京大道行知文化傳媒有限公司) in 2016. She gained experience by participating in many television entertainment shows and television series before, including Three Kingdoms (“三國”), Long Trip to Beautiful Rivers and Mountains (“秀麗江山”), The Lost Tomb (“盜墓筆記”), Go Fighting (“極限挑戰”) and Give Me Five (“高能少年團”).

Ms. Chan Sze Man (“Ms. Chan”) was appointed as the chief financial officer of the Company on 3 September 2018. Ms. Chan has over 16 years of extensive working experience in the fields of accounting, financing and auditing disciplines. Ms. Chan graduated from the Hong Kong University of Science and Technology with a Bachelor’s Degree in Accounting. She is a fellow member of the Hong Kong Institute of Certified Public Accountants.

Ms. Lau Yee Wa (“Ms. Lau”) was appointed as the company secretary and the authorised representative of the Company pursuant to Rule 3.05 of the Listing Rules on 4 April 2018. Ms. Lau has over 20 years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Lau is a Chartered Secretary and an Associate of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in the United Kingdom. She holds a Bachelor’s Degree in Business Administrative Management from the University of South Australia. Ms. Lau is a Senior Manager of Corporate Services of Tricor Services Limited.

高級管理層

趙文竹女士(「趙女士」)於2018年9月17日獲委任為本公司之總裁。趙女士於中國傳媒大學修畢電影學碩士學位。彼於大眾傳播業擁有約9年經驗。彼為有魄力之領袖，在業內有廣泛聯繫，於大眾傳播業多家公司擔任不同職務，領導公司業務發展。彼現任霍爾果斯厚海文化傳媒有限公司之總經理。在此之前，彼於東陽三尚傳媒股份有限公司擔任副主任至2013年。於2014年，彼亦為北京希世紀影視文化發展有限公司之發行總監及副總裁，並於2016年擔任南京大道行知文化傳媒有限公司影視部門之總經理及副總裁。彼通過先後參與多部電視娛樂節目及電視劇累積經驗，其中包括《三國》、《秀麗江山》、《盜墓筆記》、《極限挑戰》及《高能少年團》。

陳詩敏女士(「陳女士」)於2018年9月3日獲委任為本公司之首席財務官。陳女士於會計、融資和審計領域擁有逾16年的豐富工作經驗。陳女士畢業於香港科技大學，獲會計學學士學位。陳女士為香港會計師公會資深會員。

劉綺華女士(「劉女士」)已於2018年4月4日獲委任為本公司之公司秘書及上市規則第3.05條項下之授權代表。劉女士於公司秘書領域擁有超過20年經驗並為香港上市公司以及跨國、私營及離岸公司提供專業公司服務。劉女士為特許秘書，以及香港特許秘書公會及英國特許秘書及行政人員公會的會員。彼持有南澳大學工商管理學士學位。劉女士為卓佳專業商務有限公司企業服務部高級經理。

REPORT OF THE DIRECTORS

董事會報告





REPORT OF THE DIRECTORS

董事會報告

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for the year ended 30 June 2018.

董事欣然呈報截至2018年6月30日止年度董事會報告以及本集團經審核綜合財務報表。

CHANGE OF NAME

By a special resolution passed on 13 March 2018, the name of the Company was changed from “Pegasus Entertainment Holdings Limited” to “Transmit Entertainment Limited”.

更改名稱

於2018年3月13日通過一項特別決議案，本公司的名稱由「天馬影視文化控股有限公司」更改為「傳遞娛樂有限公司」。

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and other particulars of the Company’s subsidiaries are set out in note 43 to the consolidated financial statements.

主要業務

本公司的主要業務為投資控股。本公司附屬公司的主要業務及其他詳情載於綜合財務報表附註43。

BUSINESS REVIEW

A fair review of the Group’s business for the year ended 30 June 2018, a discussion on the Group’s future development in business and a description of the principal risks and uncertainties that the Group may be facing are set out in the Chairman’s Statement on pages 4 to 7 and the Management Discussion and Analysis on pages 8 to 21 of this annual report. The capital risk management and financial risk management objectives and policies of the Group are set out in notes 37 and 38 to the consolidated financial statements respectively. An analysis of the Group’s performance during the year under review using financial key performance indicators is set out in the Financial Summary on pages 195 to 196 of this annual report. This discussion forms part of this report.

業務回顧

本集團業務截至2018年6月30日止年度的公平回顧、有關本集團業務未來發展的討論及本集團可能面臨的主要風險及不確定性的描述載列於本年報第4至7頁的主席報告及第8至21頁的管理層討論及分析。本集團的資本風險管理及財務風險管理目標及政策分別載列於綜合財務報表附註37及38。本集團採用財務方面的關鍵績效指標進行的回顧年度內業績分析載列於本年報第195至196頁的財務摘要。該討論構成本報告的一部分。

Environmental policies and performance

The Group respects the environment and is committed to the sustainable development of the environment and the society. For details of the Group’s environmental policies and performance during the year under review, please refer to the Environmental, Social and Governance Report on pages 61 to 76 of this annual report.

環境政策及表現

本集團尊重環境並致力於環境及社會的可持續發展。關於回顧年度內本集團的環境政策及表現的詳情，請參閱本年報第61至76頁的環境、社會及管治報告。

Compliance with laws and regulations

The Group and its business operations are subject to various laws, rules and regulations. The Company seeks to ensure adherence to such laws, rules and regulations through various measures such as internal controls, approval procedures, staff trainings and overseeing the business operations at different levels of the Group. The Board also monitors the Group’s policies and practices on compliance with relevant laws, rules and regulations on a regular basis.

遵守法律法規

本集團及其業務營運須遵守多項法律、規則及法規。本公司致力透過實施內部監控、審批程序、員工培訓及在本集團不同層面監察業務營運等多項措施，確保恪守該等法律、規則及法規。董事會亦定期監察本集團的政策及常規，確保遵守相關的法律、規則及法規。

So far as the Directors and senior management are aware of, for the year ended 30 June 2018, the Group has obtained the requisite approvals, permits, consents, licences and registrations for its business and operations.

To the best knowledge of the Directors, information and belief, having made all reasonable enquiries, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the year ended 30 June 2018.

Key relationships with employees, customers and suppliers

The Group believes that its success depends on the support from key stakeholders which comprise employees, customers and suppliers.

The Group recognises that employees are the valuable assets of the Group. The Group has complied with the applicable employment laws and regulations and periodically review the remuneration package of the Group's employees with reference to market conditions and conform to the performance, qualifications and experience of employees.

The key customers of the Group include the co-producers, distributors and cinemagoers. The Group is committed to providing good quality service to its customers and enhance the loyalty of the customers by increasing the interaction with customers through social media platforms particularly in film exhibition business, which provide good development to the Group's overall performance in the long run.

The Group has maintained solid and good relationships with its suppliers which ensures quality supply so as to provide high quality films and services to customers.

RESULTS AND DIVIDENDS

The Group's loss for the year ended 30 June 2018 is set out in the consolidated statement of profit or loss and other comprehensive income on pages 85 to 86 of this annual report.

The Directors did not recommend the payment of any dividend for the year ended 30 June 2018 (2017: Nil).

SEGMENT INFORMATION

Details of the segment information of the Group are set out in note 6 to the consolidated financial statements.

就董事會及高級管理層所知，截至2018年6月30日止年度，本集團已取得其業務及經營所需的批文、許可證、同意、牌照和註冊。

就董事於作出一切合理查詢後所知、所悉及所信，截至2018年6月30日止年度期間，本集團已在重大方面遵守對本集團業務及營運有重要影響之有關法律及法規。

與僱員、客戶及供應商的主要關係

本集團認為其成功取決於主要利益相關者(包括僱員、客戶及供應商)的支持。

本集團確認，僱員為本集團的寶貴資產。本集團已遵守適用的僱傭法律法規，並參照市況及遵照僱員的績效、資格及經驗對本集團僱員的薪酬方案進行定期檢討。

本集團的主要客戶包括聯合製片人、發行商及電影觀眾。本集團致力於通過社交媒體平台增加與客戶的互動(尤其是電影放映業務)，以便向其客戶提供優質服務及提升客戶的忠誠度，從而為本集團長期的整體表現提供良好的發展。

本集團已與該等確保優質供應的供應商維持穩固及良好的關係，以便向客戶提供優質的電影及服務。

業績及股息

本集團截至2018年6月30日止年度的虧損載於本年報第85至86頁的綜合損益及其他全面收益表。

董事不建議派付截至2018年6月30日止年度的任何股息(2017年：無)。

分部資料

本集團分部資料的詳情載於綜合財務報表附註6。

REPORT OF THE DIRECTORS

董事會報告

FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the past five financial years as extracted from the consolidated financial statements in the annual reports 2013/14, 2014/15, 2015/16 and 2016/17 and this annual report, respectively are set out on pages 195 to 196 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group are set out in note 13 to the consolidated financial statements.

BANK BORROWING

Details of the borrowings during the year ended 30 June 2018 are set out in note 28 to the consolidated financial statements of the Group. (30 June 2017: Nil).

CAPITALISATION OF INTEREST

The Group has not capitalised any interest during the year ended 30 June 2018 (2017: Nil).

SHARE CAPITAL AND WARRANTS

Details of movements in the Company's share capital and warrants during the year ended 30 June 2018 are set out in note 31 to the consolidated financial statements.

Details of other equity-linked agreements are included in the section headed "Share Option Scheme" in this report.

財務摘要

分別節錄自2013/14年度、2014/15年度、2015/16年度及2016/17年度年報及本年報內綜合財務報表的本集團過去五個財政年度的已公布業績以及資產及負債摘要，載於本年報第195至196頁。

物業、廠房及設備

本集團物業、廠房及設備的變動詳情載於綜合財務報表附註13。

銀行借款

截至2018年6月30日止年度之借款詳情載於本集團綜合財務報表附註28(2017年6月30日：無)。

資本化利息

截至2018年6月30日止年度，本集團並無資本化任何利息(2017年：無)。

股本及認股權證

本公司股本及認股權證於截至2018年6月30日止年度的變動詳情載於綜合財務報表附註31。

其他與股權關聯的協議的詳情載於本報告「購股權計劃」一節。

RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 30 June 2018 are set out in note 42 to the consolidated financial statements and in the consolidated statement of changes in equity on page 89 of this annual report, respectively.

DISTRIBUTABLE RESERVES

As at 30 June 2018, the Company's reserves available for distribution, calculated in accordance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$89,279,000 (30 June 2017: HK\$291,630,000).

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year ended 30 June 2018.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 30 June 2018, income received/receivable from the top five customers in aggregate accounted for approximately 12.6% (2017: 24.3%) of the Group's revenue. During the same period, income received/receivable from the single largest customer accounted for approximately 10.1% (2017: 11.7%) of the Group's revenue.

During the year ended 30 June 2018, the fees paid/payable to the top five suppliers in aggregate constituted approximately 37.0% (2017: 30.6%) of the Group's total fees paid/payable to the suppliers. During the same period, fees paid/payable to the largest supplier constituted approximately 10.7% (2017: 8.2%) of the Group's total fees paid/payable to the suppliers.

None of the Directors, their close associates or any shareholder of the Company (who to the knowledge of the Directors owns more than 5% of the share capital of the Company) has any interest in any of the top five customers and suppliers.

儲備

本公司及本集團儲備於截至2018年6月30日止年度的變動詳情分別載於綜合財務報表附註42及本年報第89頁的綜合權益變動表。

可供分派儲備

於2018年6月30日，按開曼群島法例第22章公司法(1961年第3號法例，經綜合及修訂)計算，本公司的可供分派儲備約為港幣89,279,000元(2017年6月30日：港幣291,630,000元)。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於截至2018年6月30日止年度內概無購買、出售或贖回本公司任何上市證券。

主要客戶及供應商

截至2018年6月30日止年度，已收/應收五大客戶的收入合共佔本集團收益約12.6%(2017年：24.3%)。同期已收/應收單一最大客戶的收入佔本集團收益約10.1%(2017年：11.7%)。

截至2018年6月30日止年度，已付/應付五大供應商費用合共佔本集團已付/應付供應商費用總額約37.0%(2017年：30.6%)。同期已付/應付最大供應商費用佔本集團已付/應付供應商費用總額約10.7%(2017年：8.2%)。

概無董事、彼等的緊密聯繫人或本公司任何股東(就董事所知持有本公司5%以上股本)於任何五大客戶及供應商中擁有任何權益。

EMOLUMENTS POLICY AND PENSION SCHEMES

The emoluments of the Directors are recommended by the remuneration committee of the Company (the “Remuneration Committee”) after considering factors such as the Company’s operating results, individual performance, salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

The remuneration of the employees of the Group is determined with reference to market terms and the performance, qualifications and experience of the individual employee.

The Company has adopted a share option scheme (“the Scheme”) as an incentive to Directors and eligible employees who contribute to the success of the Group’s operations. Details of the Scheme are set out in the following section headed “Share Option Scheme” in this annual report. The Group has also adopted other employee benefit schemes which include a provident fund scheme for its employees in Hong Kong, as required under the Mandatory Provident Fund Schemes Ordinance, and has participated in employee pension schemes organised and governed by the relevant local governments for its employees in the PRC.

Details of the emolument of the Directors and the five highest paid individuals of the Group are set out in note 10 to the consolidated financial statements.

SHARE OPTION SCHEME

The Company operates the Scheme for the purpose of providing incentives and rewards to eligible persons who contribute to the success of the Group’s operations. The Scheme was approved by the then sole shareholder of the Company on 5 October 2012. There were no outstanding share options under the Scheme as at 30 June 2017 and 2018. No share options have been granted, exercised or cancelled/lapsed under the Scheme during the years ended 30 June 2017 and 2018. Details of the Scheme are set out in Note 33 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

During the year under review, other than the share option scheme as set out in the paragraph headed “Share Option Scheme” of this annual report, the Company did not enter into any other equity-linked agreement, nor did any other equity-linked agreement exist during the year under review.

酬金政策及退休金計劃

董事酬金乃由本公司薪酬委員會（「薪酬委員會」）經考慮各項因素（如本公司的營運業績、個人表現、可資比較公司所付薪金、董事所投入時間及其職責以及本集團內其他職位的僱用情況）後作出建議。

本集團僱員之薪酬乃經參考市場條件及僱員個人表現、資歷及經驗後釐定。

本公司已採納一項購股權計劃（「該計劃」）以獎勵對本集團營運成功作出貢獻的董事及合資格僱員。該計劃的詳情載於本年報下文「購股權計劃」一節內。本集團亦已採納其他僱員福利計劃，包括根據強制性公積金計劃條例為香港僱員設立公積金計劃，並為中國僱員參與由有關地方政府組織及規管的僱員退休計劃。

董事酬金及本集團五名最高薪人士之詳情載於綜合財務報表附註10。

購股權計劃

本公司設有該計劃，旨在作為對本集團營運成功有所貢獻的合資格人士的獎勵及回報。該計劃於2012年10月5日獲得當時唯一的股東批准。於2017年及2018年6月30日，該計劃項下概無尚未行使購股權。於截至2017年及2018年6月30日止年度，該計劃項下概無購股權授出、行使或註銷/失效。該計劃之詳情載於綜合財務報表附註33。

股票掛鈎協議

於回顧年度內，除本年報「購股權計劃」一段所披露之購股權計劃外，本公司概無訂立任何其他股票掛鈎協議或於回顧年度內存在任何其他股票掛鈎協議。

DIRECTORS

The Directors during the year ended 30 June 2018 and up to the date of this report were:

Executive Directors

Mr. Zhang Liang, Johnson (*Chairman*) (appointed on 13 December 2017)
Mr. Lee Hin Kwong, Patrick (appointed on 1 December 2017)
Mr. Wong Pak Ming (resigned as Chairman on 13 December 2017)
Ms. Wong Yee Kwan, Alvina (resigned on 13 December 2017)
Mr. Wong Chi Woon, Edmond (resigned on 13 December 2017)

Independent Non-Executive Directors

Mr. Wang Bo (appointed on 13 December 2017)
Mr. Xiang Feng (appointed on 13 December 2017)
Mr. Chang Eric Jackson (appointed on 13 December 2017)
Mr. Lam Kam Tong (resigned on 13 December 2017)
Mr. Lo Eric Tien-cheuk (resigned on 13 December 2017)
Mr. Tang Kai Kui Terence (resigned on 13 December 2017)

Pursuant to Article 84(1) of the Company's Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation and shall be eligible for re-election. Every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Wong Pak Ming will retire at the forthcoming annual general meeting, and being eligible, will offer himself for re-election at the annual general meeting.

Pursuant to Article 83(3) of the Company's Articles of Association, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Accordingly, Mr. Zhang Liang, Johnson, Mr. Lee Hin Kwong, Patrick, Mr. Wang Bo, Mr. Xiang Feng and Mr. Chang Eric Jackson who were appointed by the Board during the year, will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election at the annual general meeting.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of Directors and senior management of the Group are disclosed in the section headed "Profile of Directors and Senior Management" on pages 22 to 25 of this annual report.

董事

截至2018年6月30日止年度內及截至本報告日期的董事包括：

執行董事

張量先生(主席)(於2017年12月13日獲委任)
李憲光先生(於2017年12月1日獲委任)
黃栢鳴先生(於2017年12月13日辭任主席)
黃漪鈞女士(於2017年12月13日辭任)
黃子桓先生(於2017年12月13日辭任)

獨立非執行董事

王波先生(於2017年12月13日獲委任)
向峰先生(於2017年12月13日獲委任)
張世澤先生(於2017年12月13日獲委任)
林錦堂先生(於2017年12月13日辭任)
羅天爵先生(於2017年12月13日辭任)
鄧啟駒先生(於2017年12月13日辭任)

根據本公司組織章程細則第84(1)條，佔當時三分之一的董事(或倘人數並非三或三的倍數，則按最接近但不少於三分之一的人數計)將於每屆股東週年大會輪席告退，並合資格膺選連任。每名董事(包括按指定年期委任的董事)須至少每三年輪席告退一次。因此，黃栢鳴先生將於即將舉行的股東週年大會退任及符合資格並願意膺選連任。

根據本公司組織章程細則第83(3)條，任何獲董事會委任或加入現有董事會的董事任期應僅至本公司下屆股東週年大會為止，屆時將符合資格進行競選連任。因此，於本年度獲董事會委任之張量先生、李憲光先生、王波先生、向峰先生及張世澤先生將於即將舉行的股東週年大會退任及符合資格並願意膺選連任。

董事及高級管理層簡歷

董事及本集團高級管理層履歷詳情於本年報第22頁至25頁「董事及高級管理層簡歷」一節披露。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE AGREEMENTS

Each of Mr. Zhang Liang, Johnson, Mr. Wong Pak Ming and Mr. Lee Hin Kwong, Patrick, being all the executive Directors, had each entered into with the Company a service contract for an initial fixed term of one year, three years and three years commencing from 13 December 2017, 31 October 2012 and 1 December 2017 respectively renewable automatically until (i) terminated by not less than respectively one month's, three months' and one month's notice in writing served by either party on the other expiring at the end of the initial term or any time thereafter or (ii) not being re-elected at an annual general meeting of the Company at which he retires and offers for re-election.

Each of Mr. Wang Bo, Mr. Xiang Feng and Mr. Chang Eric Jackson, being all the independent non-executive Directors, had entered into a letter of appointment with the Company on 13 December 2017. Each letter of appointment is for a term of one year from the date of the letter of appointment.

Save as disclosed above, none of the Directors has or is proposed to enter into a service contract/letter of appointment with the Company or any of its subsidiaries (other than contracts expiring or determinable by the Group within one year without the payment of compensation (other than statutory compensation)).

CONFIRMATION OF INDEPENDENCE

The Company has received from each independent non-executive Director an annual confirmation of his independence pursuant to the Rule 3.13 of the Listing Rules and the Company considers the independent non-executive Directors to be independent.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Details of Directors' interest in transactions, arrangements or contracts of significance in relation to the Group's business are set out in the section headed "Related Party Transactions/Connected Transactions/Continuing Connected Transactions" in this annual report and note 41 to the consolidated financial statements.

Other than as disclosed above, there was no transaction, arrangement or contract of significance to which the Company or its subsidiaries, or its holding companies or any of its fellow subsidiaries was a party, and in which a Director was materially interested, whether directly or indirectly, subsisting during or at the end of the year ended 30 June 2018.

董事服務協議

張量先生、黃栢鳴先生及李憲光先生(均為執行董事)各自已與本公司訂立服務合約，由2017年12月13日、2012年10月31日及2017年12月1日起計初步固定年期分別為一年、三年、三年，並自動續期，直至(i)由其中一方向對方發出不少於為別為一個月、三個月、一個月書面通知終止為止，而該通知將於初步期限結束時或其後任何時間屆滿；或(ii)董事於本公司股東週年大會上退任且有意重選連任但並無重選連任。

王波先生、向峰先生及張世澤先生(均為獨立非執行董事)已各自於2017年12月13日與本公司訂立委任書。每份委任書自委任書日期起計為期一年。

除上文所披露者外，概無董事與本公司或其任何附屬公司訂立或擬訂立任何服務合約/委任書(不包括於一年內屆滿或本集團可於一年內不付賠償(法定賠償除外)而終止的合約)。

獨立性確認

本公司已從各獨立非執行董事接獲根據上市規則第3.13條發出的年度獨立性確認書，而本公司認為獨立非執行董事為獨立人士。

董事於重大交易、安排或合約的權益

董事於與本集團業務相關的重大交易、安排或合約權益詳情載於本年報「關聯方交易/關連交易/持續關連交易」一節及綜合財務報表附註41。

除上文所披露者外，截至2018年6月30日止年度期間或期末，本公司或其附屬公司或其控股公司或其任何同系附屬公司概無訂立董事直接或間接擁有重大權益的重大交易、安排或合約。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save as disclosed in note 41 to the consolidated financial statements of which certain Directors engaged in film-related businesses, none of the Directors or the controlling shareholders of the Company or their respective associates as defined in the Listing Rules has any interest in any business which competes or may compete with the business of the Group during the year ended 30 June 2018.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the businesses of the Company were entered into or existed during the year ended 30 June 2018.

CONTRACTS OF SIGNIFICANCE

Saved as disclosed above, there is no contract of significance between the Company or any of its subsidiaries, and a controlling shareholder or any of its subsidiaries during the year ended 30 June 2018.

董事於競爭業務的權益

除綜合財務報表附註41披露若干董事從事電影相關業務外，截至2018年6月30日止年度，概無董事或本公司控股股東或彼等各自的聯繫人（定義見上市規則）於任何對本集團業務構成競爭或可能構成競爭的業務擁有任何權益。

管理合約

截至2018年6月30日止年度，概無訂立或存在任何有關本公司全部或絕大部分業務管理與行政之合約。

重大合約

除上文所披露者外，截至2018年6月30日止年度，本公司或其任何附屬公司與控股股東或其任何附屬公司並無訂立重大合約。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2018, the interests of Directors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were required, pursuant to Appendix 10 to the Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

Position in shares and underlying shares of the Company

Name of Director 董事姓名	Company/name of associated company 本公司/相聯公司名稱	Nature of interest 權益性質	Number of Shares or underlying Shares 股份或相關股份數目	Position 倉位	Approximate percentage of the interest 概約權益百分比
Mr. Zhang Liang, Johnson 張量先生	Company 本公司 Company 本公司	Interest in a controlled corporation 於受控法團權益 Beneficial owner 實益擁有人	1,836,391,914 (Note) 57,824,000	Long 好倉 Long 好倉	70.75% 2.23%
			1,894,215,914		72.98%

Note:

- These shares are registered in the name of Nice Rich Group Limited, the entire issued share capital of which is legally and beneficially owned as to 100% by Mr. Zhang Liang, Johnson. Under the SFO, Mr. Zhang Liang, Johnson is deemed to be interested in all the shares registered in the name of Nice Rich Group Limited.

董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於2018年6月30日，董事及本公司行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份及相關股份中擁有須根據證券及期貨條例第XV部第7及8分部規定知會本公司及聯交所的權益(包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益)，及須記錄於本公司根據證券及期貨條例第352條所存置登記冊的權益，或須根據上市規則附錄十有關董事進行證券交易的規定知會本公司及聯交所的權益如下：

於本公司股份及相關股份的倉位

附註：

- 該等股份登記於Nice Rich Group Limited名下，其全部已發行股本乃由張量先生合法及實益擁有。根據證券及期貨條例，張量先生被視為登記於Nice Rich Group Limited名下之全部股份中擁有權益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT 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的權益及淡倉

As at 30 June 2018, the interests of the persons, other than the interests disclosed above in respect of Directors or chief executive of the Company, in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO, or otherwise notified to the Company were as follows:

於2018年6月30日，以下人士(上文所披露的董事或本公司行政總裁的權益除外)於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部規定知會本公司及聯交所的權益，及記錄於本公司根據證券及期貨條例第336條所存置登記冊的權益，或以其他方式知會本公司的權益：

Name of shareholder 股東名稱/姓名	Nature of interest 權益性質	Number of Shares or underlying Shares 股份或相關股份數目	Position 倉位	Approximate percentage of interest 概約權益百分比
Nice Rich Group Limited ^{(1) & (2)} Nice Rich Group Limited ^{(1) & (2)}	Beneficial owner 實益擁有人	1,836,391,914	Long 好倉	70.75%
Mr. Zhang Liang, Johnson 張量先生	Interest in a controlled corporation 於受控法團權益	1,836,391,914 ^{(1) & (2)}	Long 好倉	70.75%
	Beneficial owner 實益擁有人	57,824,000	Long 好倉	2.23%
China Orient Asset Management Co., Ltd. ⁽²⁾ 中國東方資產管理股份有 限公司 ⁽²⁾	Interest in a controlled corporation 於受控法團權益	1,836,391,914	Long 好倉	70.75%
Dong Yin Development (Holdings) Limited ⁽²⁾ 東銀發展(控股)有限公司 ⁽²⁾	Interest in a controlled corporation 於受控法團權益	1,836,391,914	Long 好倉	70.75%
Wise Leader Assets Ltd. ⁽²⁾ Wise Leader Assets Ltd. ⁽²⁾	Interest in a controlled corporation 於受控法團權益	1,836,391,914	Long 好倉	70.75%
China Orient Asset Management (International) Holding Limited ⁽²⁾ 中國東方資產管理(國際) 控股有限公司 ⁽²⁾	Interest in a controlled corporation 於受控法團權益	1,836,391,914	Long 好倉	70.75%
Charming Treasure Investments Ltd. ⁽²⁾ Charming Treasure Investments Ltd. ⁽²⁾	Person having a security interest in shares 於股份擁有證券權益之人士	1,836,391,914	Long 好倉	70.75%

REPORT OF THE DIRECTORS

董事會報告

Notes:

1. Nice Rich Group Limited is a BVI company wholly owned by Mr. Zhang Liang, Johnson. Under the SFO, Mr. Zhang Liang, Johnson is deemed to be interested in all the shares registered in the name of Nice Rich Group Limited.
2. According to the corporate substantial shareholder notices of China Orient Asset Management Co., Ltd. ("China Orient"), Dong Yin Development (Holdings) Limited ("Dong Yin"), Wise Leader Assets Ltd. ("Wise Leader"), China Orient Asset Management (International) Holding Limited ("China Orient Int'l") and Charming Treasure Investments Limited ("Charming Treasure"), all dated 4 June 2018, all China Orient, Dong Yin, Wise Leader, China Orient Int'l and Charming Treasure were deemed to be interested in the 1,836,391,914 Shares as China Orient held the entire equity interest in Dong Yin, which in turn held the entire equity interest in Wise Leader. Both Dong Yin and Wise Leader held 50% equity interest in China Orient Int'l, which in turn held the entire issued share capital of Charming Treasure, which was the chargee of 1,836,391,914 Shares charged by Nice Rich Group Limited on 30 May 2018.

Save as disclosed above, as at 30 June 2018, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

附註：

1. Nice Rich Group Limited 為由張量先生全資擁有之英屬處女群島公司。根據證券及期貨條例，張量先生被視為於登記於 Nice Rich Group Limited 名下之所有股份中擁有權益。
2. 根據中國東方資產管理股份有限公司（「中國東方」）、東銀發展（控股）有限公司（「東銀」）、Wise Leader Assets Ltd.（「Wise Leader」）、中國東方資產管理（國際）控股有限公司（「中國東方國際」）及 Charming Treasure Investments Ltd.（「Charming Treasure」）日期均為 2018 年 6 月 4 日之法團大股東披露權益通知，中國東方、東銀、Wise Leader、中國東方國際及 Charming Treasure 均被視為於 1,836,391,914 股股份中擁有權益，原因為中國東方持有東銀之全部股權，而東銀則持有 Wise Leader 之全部股權。東銀及 Wise Leader 均持有中國東方國際之 50% 股權，而中國東方國際則持有 Charming Treasure 之全部已發行股本，Charming Treasure 為 Nice Rich Group Limited 於 2018 年 5 月 30 日質押之 1,836,391,914 股份之承押人。

除上文所披露者外，於 2018 年 6 月 30 日，本公司並不知悉任何人士（董事或本公司行政總裁除外）於本公司股份或相關股份中擁有須根據證券及期貨條例第 XV 部第 2 及 3 分部規定向本公司披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第 336 條所存置登記冊的權益或淡倉。

RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed under the sections headed “Share Option Scheme” and “Directors’ and chief executives’ interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations” in this annual report, at no time during the year ended 30 June 2018 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective close associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

PERMITTED INDEMNITY PROVISIONS

The Company’s Articles of Association provides that the Directors and officers shall be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses with they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty.

The Company has arranged appropriate insurance coverage on directors’ and officers’ liabilities in respect of any legal actions against the Directors and senior management of the Group that may be incurred in the course of performing their duties.

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 43 to 60 of this annual report.

購入股份或債券的權利

除本年報「購股權計劃」及「董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉」兩節所披露者外，截至2018年6月30日止年度內，本公司或其任何附屬公司或其任何同系附屬公司概無訂立任何安排，致使董事或本公司行政總裁或彼等各自的緊密聯繫人（定義見上市規則）有權認購本公司或其任何相聯法團（定義見證券及期貨條例）的證券，或可藉購入本公司或任何其他法人團體的股份或債券而獲利。

允許彌償保證條文

本公司的組織章程細則規定，董事及高級職員須就彼等將或可能由於執行其職責時或與執行其職責有關所進行、同意或疏忽的任何行為而產生或維持的所有行動、成本、費用、損失、損害賠償及支出而自本公司的資產及溢利中獲彌償。

本公司已就董事及本集團高級管理層於履行其職責時可能引發的任何法律訴訟中有關董事及高級職員的責任安排適當的保險範圍。

企業管治

本公司致力維持高水平企業管治常規。有關本公司採納的企業管治常規資料載於本年報第43至60頁企業管治報告。

CHANGE OF CONTROLLING SHAREHOLDER

The Company was informed by (i) Honour Grace Limited, (ii) Mr. Wong Pak Ming and (iii) Ms. Wong Kit Fong (collectively, the “Vendors”) that on 22 October 2017, Nice Rich Group Limited (the “Offeror”), the Vendors and Mr. Wong Pak Ming as the warrantor entered into the sale and purchase agreement (the “Sale and Purchase Agreement”), pursuant to which the Offeror has conditionally agreed to purchase and the Vendors have conditionally agreed to sell an aggregate of 1,523,808,000 shares (the “Sale Shares”), comprising 1,200,000,000 Shares, 125,816,000 Shares and 197,992,000 Shares beneficially owned by Honour Grace Limited, Mr. Wong Pak Ming and Ms. Wong Kit Fong, respectively, representing approximately 58.71% of the entire issued share capital of the Company as at the date of the joint announcement of the Company dated 25 October 2017, for an aggregate consideration of HK\$486,094,752, equivalent to HK\$0.319 per Sale Share. Completion of the Sale and Purchase Agreement took place on 27 October 2017.

Immediately upon the completion of the Sale and Purchase Agreement, the Offeror and parties acting in concert with it beneficially owned 1,523,808,000 Shares, representing approximately 58.71% of the entire issued share capital of the Company. The price paid is the total consideration of the Sale Shares under the Sale and Purchase Agreement.

Pursuant to Rule 26.1 of the Codes on Takeovers and Mergers and Share Buy-backs (the “Takeovers Code”), the Offeror made a mandatory unconditional cash offer (the “Offer”) for all the issued shares of the Company not already owned by or to be acquired by the Offeror and/or parties acting in concert with it. Kingston Securities Limited made the Offer to acquire all the Offer shares for and on behalf of the Offeror on the terms set out in the composite offer document at the offer price of HK\$0.319 for each offer share in cash as stated in the joint announcement dated 25 October 2017 in compliance with the Takeovers Code.

On 13 December 2017, the Offeror received 14 valid acceptances in respect of a total of 312,583,914 Offer Shares, representing approximately 12.04% of the entire issued share capital of the Company as at the date of the joint announcement dated 13 December 2017.

Taking into account the valid acceptances in respect of 312,583,914 Offer Shares (subject to the due registration by the Registrar of the transfer of the Shares acquired under the Offer by the Offeror), the Offeror, Mr. Zhang Liang, Johnson and parties acting in concert with any of them are interested in 1,836,391,914 Shares, representing approximately 70.75% of the entire issued share capital of the Company as at the date of the joint announcement dated 13 December 2017.

控股股東變動

本公司已獲(i)榮恩有限公司，(ii)黃栢鳴先生及(iii)黃潔芳女士(統稱為「賣方」)告知，於2017年10月22日，Nice Rich Group Limited(「要約人」)、賣方及黃栢鳴先生(作為擔保人)訂立買賣協議(「買賣協議」)，據此，要約人已有條件同意購買及賣方已有條件同意出售合共1,523,808,000股股份(「出售股份」)，包括分別由榮恩有限公司、黃栢鳴先生及黃潔芳女士分別實益擁有的1,200,000,000股股份、125,816,000股股份及197,992,000股股份，佔本公司於日期為2017年10月25日之聯合公告當日本公司全部已發行股本之約58.71%，總代價為港幣486,094,752元，相當於每股出售股份港幣0.319元。買賣協議已於2017年10月27日完成。

緊隨完成買賣協議後，要約人及其一致行動人士實益擁有1,523,808,000股股份，佔本公司全部已發行股本之約58.71%。已付價格為買賣協議項下出售股份之總代價。

根據公司收購、合併及股份回購守則(「收購守則」)規則26.1，要約人就要約人及/或其一致行動人士並非已擁有或將予收購之本公司全部已發行股份作出強制性無條件現金要約(「要約」)。金利豐證券有限公司代表要約人根據收購守則按照綜合要約文件所載之條款以日期為2017年10月25日之聯合公告所述每股發售股份港幣0.319元之現金要約價作出要約以收購全部要約股份。

於2017年12月13日，要約人已接獲有關合共312,583,914股要約股份之14份有效接納，相當於本公司於日期為2017年12月13日之聯合公告當日全部已發行股本之約12.04%。

經考慮有關312,583,914股要約股份之有效接納(須待向過戶處正式登記要約人根據要約收購之股份之過戶後，方告作實)，要約人、張量先生及彼等任何一人之一致行動人士於1,836,391,914股股份中擁有權益，相當於本公司於日期為2017年12月13日之聯合公告當日全部已發行股本之約70.75%。

RELATED PARTY TRANSACTIONS/ CONNECTED TRANSACTIONS/ CONTINUING CONNECTED TRANSACTIONS

Details of related party transactions of the Group during the year ended 30 June 2018 are set out in note 41 to the consolidated financial statements. All of these related party transactions are connected transactions/continuing connected transactions fully exempted under Rule 14A.76(1) of Chapter 14A of the Listing Rules. The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this annual report, based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirm that the Company maintained the amount of public float as required under the Listing Rules.

EVENT AFTER REPORTING PERIOD

Subsequent to the end of the reporting period, the Group has acquired the entire equity interest in 霍爾果斯厚海文化傳媒有限公司 (Khorgas Houhai Culture Media Company Limited) and its subsidiary, 北京聚海文化傳媒有限公司 (Beijing Juhai Culture Media Company Limited) for a consideration of RMB450,000,000 payable in 3 instalments in 2018, 2019 and 2020, subject to the profit guarantee as stated in the sale and purchase agreement. The acquisition was completed on 28 August 2018 and details were set out in the circular of the Company dated 26 July 2018.

On 31 July 2018, the disposal of 勝馬文化傳播(上海)有限公司 (Shengma Cultural Communication (Shanghai) Company Limited) ("Shengma Cultural") was completed and the control of Shengma Cultural has been passed to the purchasers. Upon completion of the disposal, Shengma Cultural has ceased to be a subsidiary of the Group. Details of the disposal are set out in the announcement of the Company dated 8 May 2018.

AUDIT COMMITTEE

The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 30 June 2018. For details of the composition and the functions of the Audit Committee, please refer to pages 43 to 60 of the Corporate Governance Report contained in this annual report.

關聯方交易／關連交易／持 續關連交易

有關本集團於截至2018年6月30日止年度的關聯方交易詳情載於綜合財務報表附註41。所有該等關聯方交易為獲完全豁免遵守上市規則第14A章第14A.76(1)條規定的關連交易／持續關連交易。本公司確認，其已根據上市規則第14A章遵守披露規定。

充足公眾持股量

於本年報日期，根據本公司可獲取的公開資料及就董事所知，董事確認本公司已維持上市規則規定的公眾持股量。

報告期後事項

於報告期末後，本集團已收購霍爾果斯厚海文化傳媒有限公司及其附屬公司北京聚海文化傳媒有限公司的全部股權，代價為人民幣450,000,000元，分別於2018年、2019年及2020年分三期支付，惟須遵守買賣協議所載的溢利保證。收購事項已於2018年8月28日完成，詳情載於本公司日期為2018年7月26日的通函。

於2018年7月31日，勝馬文化傳播(上海)有限公司(「勝馬文化」)之出售事項已完成，及勝馬文化之控制權已轉移予買方。於出售事項完成後，勝馬文化不再為本公司之附屬公司。出售事項詳情載於本公司日期為2018年5月8日的公告。

審核委員會

審核委員會已審閱截至2018年6月30日止年度本集團的綜合財務報表。關於審核委員會的組成及職能的詳情，請參閱本年報第43頁至60頁的企業管治報告。

REPORT OF THE DIRECTORS

董事會報告

AUDITOR

Deloitte Touche Tohmatsu will retire, and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting. A resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders of the Company.

On behalf of the Board
Zhang Liang, Johnson
Chairman

Hong Kong, 21 September 2018

核數師

德勤•關黃陳方會計師行將於應屆股東週年大會退任，惟合資格並願意連任。本公司將於應屆股東週年大會提呈續聘彼等為本公司核數師的決議案。

優先購買權

本公司之組織章程細則或開曼群島(本公司註冊成立之司法管轄權區)法例並無條文規定本公司須就發售新股按比例給予本公司現有股東優先購買權。

代表董事會
主席
張量

香港，2018年9月21日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to achieving high standards of corporate governance and following the principles as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules (the “CG Code”).

During the year ended 30 June 2018, save as disclosed in the paragraphs headed “Chairman and the Chief Executive Officer” (CG Code Provision A.2.1) below, the Company complied with and did not deviate from the code provisions as set out in the CG Code. The Board regularly monitors and reviews the Group’s progress in respect of corporate governance practices to ensure compliance.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Appendix 10 to the Listing Rules.

Having made all reasonable enquires, all the Directors have confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the year ended 30 June 2018.

BOARD OF DIRECTORS

The Board is responsible for the leadership and control of, and promoting the success of the Company. This is achieved by setting up corporate and strategic objectives and policies, and the monitoring and evaluations of operating activities and financial performance of the Company.

All the Directors carry out their duties in good faith and in compliance with applicable laws and regulations, taking decisions objectively and acting in the interests of the Company and the Shareholders at all times.

BOARD COMPOSITION

The Board of the Company comprises the following Directors:

Executive Directors

Mr. Zhang Liang, Johnson (*Chairman*) (appointed on 13 December 2017)
Mr. Lee Hin Kwong, Patrick (appointed on 1 December 2017)
Mr. Wong Pak Ming (resigned as Chairman on 13 December 2017)
Ms. Wong Yee Kwan Alvina (resigned on 13 December 2017)
Mr. Wong Chi Woon Edmond (resigned on 13 December 2017)

本公司致力達致高水平企業管治常規及遵循上市規則附錄十四的企業管治守則(「企業管治守則」)所載之原則。

截至2018年6月30日止年度，除下文「主席及行政總裁」(企業管治守則條文第A.2.1條)一段所披露者外，本公司已遵守且並未偏離企業管治守則所載之守則條文。董事會定期監察及檢討本集團在企業管治常規方面的進展，以確保合規。

董事證券交易

本公司已採納一套規條不遜於上市規則附錄十所載之交易標準所規定有關董事進行證券交易之行為守則。

經作出一切合理查詢後，全體董事均已確認彼等等於截至2018年6月30日止年度一直遵守本公司採納的董事進行證券交易規定的買賣準則及行為準則。

董事會

董事會負責領導並控制本公司，以及推動本公司邁向成功。為達至這些目標，董事會設定企業及策略目標與政策，並監察與評估本公司的業務活動及財務表現。

全體董事根據適用法例及規則真誠履行職責，客觀地作出決策，以及時時刻刻以符合本公司及股東利益的方式行事。

董事會組成

本公司董事會由下列董事組成：

執行董事

張量先生(主席)(於2017年12月13日獲委任)
李憲光先生(於2017年12月1日獲委任)
黃栢鳴先生(於2017年12月13日辭任主席職務)
黃漪鈞女士(於2017年12月13日辭任)
黃子桓先生(於2017年12月13日辭任)

CORPORATE GOVERNANCE REPORT

企業管治報告

Independent Non-Executive Directors

Mr. Wang Bo (appointed on 13 December 2017)
Mr. Xiang Feng (appointed on 13 December 2017)
Mr. Chang Eric Jackson (appointed on 13 December 2017)
Mr. Lam Kam Tong (resigned on 13 December 2017)
Mr. Lo Eric Tien-cheuk (resigned on 13 December 2017)
Mr. Tang Kai Kui Terence (resigned on 13 December 2017)

An updated list of Directors identifying their roles and functions and whether they are independent non-executive Directors has been published on the websites of the Company and the Stock Exchange on 13 December 2017.

Biographical details of the Directors are set out in "Profile of Directors and Senior Management" on pages 22 to 25 of this annual report. The composition of the Board is well balanced. Each of the Directors has relevant expertise and extensive corporate and strategic planning experiences that can contribute to the business of the Group.

During the year ended 30 June 2018, the Company had complied with Rules 3.10(1) and (2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing more than one-third of the Board and at least one of them has appropriate professional qualifications or accounting or related financial management expertise. All the independent non-executive Directors have met the guidelines for assessment of their independence pursuant to Rule 3.13 of the Listing Rules. The Board has received an annual confirmation of independence from each of the independent non-executive Directors. The Company considers all the independent non-executive Directors to be independent.

Save as disclosed in the section headed "Profile of Directors and Senior Management" on pages 22 to 25 of this annual report, there is no relationship (including financial, business, family or other material/relevant relationship(s)) among members of the Board and the senior management of the Group.

Formal service contracts or letters of appointment have been issued to the executive Directors and the independent non-executive Directors respectively setting out the key terms and conditions of their respective appointments.

The insurance cover in respect of any legal action against the Directors and senior officers arising out of corporate activities is covered by the Directors and Officers Liability Insurance Policy of the Company.

獨立非執行董事

王波先生(於2017年12月13日獲委任)
向峰先生(於2017年12月13日獲委任)
張世澤先生(於2017年12月13日獲委任)
林錦堂先生(於2017年12月13日辭任)
羅天爵先生(於2017年12月13日辭任)
鄧啟駒先生(於2017年12月13日辭任)

用作識別董事角色與職能及董事是否為獨立非執行董事的最新董事名單已於2017年12月13日於本公司及聯交所網站刊載。

董事履歷詳情載於本年報第22至25頁「董事及高級管理層簡歷」。董事會組成已經相當平衡。各董事具備能為本集團業務作出貢獻的相關專業知識與豐富企業及策略規劃經驗。

截至2018年6月30日止年度，本公司已遵守上市規則第3.10(1)及(2)以及第3.10A條，內容有關最少委任佔董事會成員三分之一以上的三名獨立非執行董事，以及最少一名獨立非執行董事具備適當專業資格或會計或相關財務管理專業知識。全體獨立非執行董事亦符合上市規則第3.13條評估彼等獨立性的指引。董事會已接獲各獨立非執行董事發出的年度獨立性確認書。本公司認為全體獨立非執行董事均為獨立人士。

除於本年報第22頁至第25頁「董事及高級管理層簡歷」一節內之披露，董事會成員及本集團的高級管理層之間並無關係，包括財務、業務、家屬或其他重大／相關的關係。

本公司已分別向執行董事及獨立非執行董事發出正式服務合約或委任書，當中載有彼等各自委任的主要條款及條件。

本公司董事及高級職員責任保單已包含對董事及高級職員提出因企業活動引致的任何法律行動的保險。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Wong Pak Ming has resigned as the chairman of the Board (but remains as an executive Director) with effect from 13 December 2017 and Mr. Zhang Liang, Johnson has been appointed as the chairman of the Board with effect from 13 December 2017.

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

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

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

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

主席及行政總裁

黃栢鳴先生自2017年12月13日起辭任董事會主席(但留任執行董事)及張量先生自2017年12月13日起獲委任為董事會主席。

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

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

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

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

RESPONSIBILITIES AND DELEGATION OF FUNCTIONS

The Company has formalised and adopted written terms on the division of functions reserved to the Board and those delegated to the management of the Group. The Board reserves for its decision on all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies and budgets, risk management and internal control systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Responsibilities relating to implementing decisions of the Board, directing and coordinating the daily operation and management of the Company are delegated to the management.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary of the Company (the “Company Secretary”) and senior management of the Group, with a view to ensuring compliance with the Board procedures and all applicable laws and regulations. Any Director may request independent professional advice in appropriate circumstances at the Company’s expense, upon reasonable request being made to the Board. The day-to-day management, administration and operations of the Company are delegated to the executive Directors and senior management of the Group. The Board has delegated a schedule of responsibilities to these officers for the implementation of the Board decisions. The Board periodically reviews the delegated functions and work tasks. Prior to entering into any significant transactions, the aforesaid officers have to obtain the Board’s approval.

No corporate governance committee has been established by the Company and the Board is responsible for performing the corporate governance duties, which included:

- (1) developing and reviewing the policies and practices on corporate governance of the Group;
- (2) to review and monitor the training and continuous professional development of Directors and senior management of the Group;
- (3) to review and monitor the Group’s policies and practices on compliance with legal and regulatory requirements;
- (4) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to Directors and employees; and
- (5) to review the Company’s compliance with the CG Code and disclosure in the corporate governance report of the Company.

職責及職能授權

本公司已制定並採納董事會職能分配書面職權範圍，以及授權予本集團管理層的職能。董事會保留就本公司一切重大事宜作出決策的權利，包括批准及監察所有政策事宜、整體策略及預算、風險管理及內部監控制度、重大交易（特別是可能涉及利益衝突的重大交易）、財務資料、董事委任以及其他重大財務與營運事宜。關於執行董事會決策、指導及協調本公司日常營運及管理有關的職責均轉授予管理層處理。

為確保符合董事會程序以及所有適用法例及規例，全體董事均可全面及時獲取所有相關資料，並得到本公司的公司秘書（「公司秘書」）及本集團的高級管理層的意見與服務。在向董事會提出合理要求後，任何董事均可於適當情況下要求獨立專業意見，費用由本公司支付。本公司日常管理、行政工作及營運由本集團的執行董事及高級管理層負責。董事會已就實行董事會決策將職責範疇授權予該等職員。董事會定期審閱已授權職能及工作。於訂立任何重大交易前，上述職員須取得董事會批准。

本公司並未成立任何企業管治委員會，由董事會負責履行企業管治職責，包括：

- (1) 制訂及檢討本集團之企業管治政策及常規；
- (2) 檢討及監察董事及本集團的高級管理層之培訓及持續專業發展；
- (3) 檢討及監察本集團就遵守法律及監管規定方面之政策及常規；
- (4) 制訂、檢討及監察適用於董事及僱員之操守守則及合規手冊（如有）；及
- (5) 檢討本公司遵守企業管治守則之情況及於本公司企業管治報告內之披露。

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

Mr. Zhang Liang, Johnson, Mr. Wong Pak Ming and Mr. Lee Hin Kwong, Patrick, being all the executive Directors, had each entered into with the Company a service contract for an initial fixed term of one year, three years and three years commencing from 13 December 2017, 31 October 2012 and 1 December 2017 respectively renewable automatically until (i) terminated by not less than respectively one month's, three months' and one month's notice in writing served by either party on the other expiring at the end of the initial term or any time thereafter or (ii) not being re-elected at an annual general meeting of the Company at which he retires and offers for re-election.

Each of Mr. Wang Bo, Mr. Xiang Feng and Mr. Chang Eric Jackson, being all the independent non-executive Directors, had entered into a letter of appointment with the Company on 13 December 2017. Each letter of appointment is for a term of one year from the date of the letter of appointment.

Pursuant to Article 84(1) of the Company's Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation and shall be eligible for re-election. Every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Wong Pak Ming will retire at the forthcoming annual general meeting, and being eligible, will offer himself for re-election at the annual general meeting.

Pursuant to Article 83(3) of the Company's Articles of Association, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Accordingly, Mr. Zhang Liang, Johnson, Mr. Lee Hin Kwong, Patrick, Mr. Wang Bo, Mr. Xiang Feng and Mr. Chang Eric Jackson who were appointed by the Board during the year, will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election at the annual general meeting.

董事委任、重選及罷免

張量先生、黃栢鳴先生及李憲光先生(均為執行董事)各自已與本公司訂立服務合約,分別由2017年12月13日、2012年10月31日及2017年12月1日起計初步固定為期為一年、三年及三年,並自動續期,直至由(i)其中一方向對方發出分別不少於一個月、三個月及一個月的書面通知終止為止,而該通知將於初步期限結束時或其後任何時間屆滿,或(ii)並無在其退任並膺選連任的本公司股東週年大會上獲重選連任。

王波先生、向峰先生及張世澤先生(均為獨立非執行董事)已各自於2017年12月13日與本公司訂立委任書。每份委任書自委任書日期起計為期一年。

根據本公司組織章程細則細則第84(1)條,佔當時三分之一的董事(或倘人數並非三或三的倍數,則按最接近但不少於三分之一的人數計)將於每屆股東週年大會輪席告退,並合資格膺選連任。每名董事(包括按指定年期委任的董事)須至少每三年輪席告退一次。因此,黃栢鳴先生將於即將舉行的股東週年大會退任及符合資格並願意膺選連任。

根據本公司組織章程細則細則第83(3)條,任何獲董事會委任或加入現有董事會的董事任期應僅至本公司下屆股東週年大會為止,屆時將符合資格進行競選連任。因此,於年內獲董事會委任的張量先生、李憲光先生、王波先生、向峰先生及張世澤先生將於即將舉行的股東週年大會退任,並符合資格及願意於該股東週年大會上膺選連任。

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BOARD MEETING, GENERAL MEETING AND PROCEDURES

During the year ended 30 June 2018, the Board convened a total of six board meetings and two general meetings have been held. The following is the Directors' attendance records of meetings held by the Board:

董事會會議、股東大會及程序

截至2018年6月30日止年度，董事會合共召開六次董事會會議及兩次股東大會。以下為董事出席董事會所舉行會議的出席記錄：

		Number of attendances/ number of board meetings 出席次數/ 董事會會議數目	Number of attendances/ number of general meetings 出席次數/ 股東大會數目
Mr. Zhang Liang, Johnson (appointed on 13 December 2017)	張量先生(於2017年12月13日獲委任)	0/1	0/1
Mr. Lee Hin Kwong, Patrick (appointed on 1 December 2017)	李憲光先生(於2017年12月1日獲委任)	2/2	1/1
Mr. Wong Pak Ming	黃栢鳴先生	6/6	1/2
Ms. Wong Yee Kwan Alvina (resigned on 13 December 2017)	黃漪鈞女士(於2017年12月13日辭任)	5/5	1/1
Mr. Wong Chi Woon Edmond (resigned on 13 December 2017)	黃子桓先生(於2017年12月13日辭任)	5/5	1/1
Mr. Wang Bo (appointed on 13 December 2017)	王波先生(於2017年12月13日獲委任)	1/1	1/1
Mr. Xiang Feng (appointed on 13 December 2017)	向峰先生(於2017年12月13日獲委任)	1/1	0/1
Mr. Chang Eric Jackson (appointed on 13 December 2017)	張世澤先生(於2017年12月13日獲委任)	1/1	0/1
Mr. Lam Kam Tong (resigned on 13 December 2017)	林錦堂先生(於2017年12月13日辭任)	5/5	0/1
Mr. Lo Eric Tien-cheuk (resigned on 13 December 2017)	羅天爵先生(於2017年12月13日辭任)	5/5	1/1
Mr. Tang Kai Kui Terence (resigned on 13 December 2017)	鄧啟駒先生(於2017年12月13日辭任)	5/5	1/1

Code provision A.6.7 of the CG Code stipulates that the independent non-executive Directors should attend general meetings and develop a balanced understanding of the views of the Shareholders. Mr. Lam Kam Tong was unable to attend the annual general meeting of the Company held on 23 November 2017 while Mr. Xiang Feng and Mr. Chang Eric Jackson were unable to attend the extraordinary general meeting of the Company held on 13 March 2018 as they had other business engagements.

Board members were provided with complete, adequate and timely information to allow them to fulfill their duties properly.

企業管治守則之守則條文第A.6.7條規定，獨立非執行董事應出席股東大會並對股東的意見有公正的瞭解。林錦堂先生未能出席本公司於2017年11月23日舉行的股東週年大會，而向峰先生及張世澤先生未能出席本公司於2018年3月13日舉行之股東特別大會，原因為彼等有其他事務。

董事會成員已獲提供完整、充足與及時資料，致使彼等妥善履行其職責。

Draft agenda of each Board meeting is sent to all Directors in advance. Notice of at least seven days is given for a regular Board meeting. For other Board and committees meetings, reasonable notice is generally given. Board papers together with all appropriate, complete and reliable information are dispatched to all Directors at least three days before each regular Board meeting to ensure that the Directors have sufficient time to review the related documents and be adequately prepared for the meeting.

The Company Secretary is responsible to keep minutes of all Board meetings and committees meetings. Draft minutes are normally circulated to all Directors for comments within a reasonable time after each meeting and the final versions are open for Directors' inspection. The Company's Articles of Association contains provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

CONTINUOUS PROFESSIONAL DEVELOPMENT

All Directors with names as listed out in the section headed "Board Composition" in this annual report have been given relevant guideline materials regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interest and business of the Group and such induction materials will also be provided to newly appointed Directors shortly upon their appointment as Directors. All Directors have been updated on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. Continuing briefings and professional development to Directors will be arranged whenever necessary.

During the year ended 30 June 2018, the Company had organised a seminar on the updates and the latest development of the Listing Rules, SFO and Hong Kong Companies Ordinance for the Directors. The seminar was facilitated by the Company's legal advisor with presentation and relevant materials and all Directors have attended such seminar. In addition, all Directors were provided with monthly updates on the Group's business, operations and financial matters to facilitate the discharge of their responsibilities. During the year ended 30 June 2018, the Directors also participated in other training activities such as attending seminars and reading

每次董事會會議的議程草擬本會預先送交全體董事。董事會例會須發出最少七日通知。至於其他董事會及委員會會議，一般須發出合理通知。董事會文件連同所有適當、完整及可靠資料最少於每次董事會例會舉行前三日發送全體董事，以確保董事有充分時間審閱相關文件及為會議作出充分準備。

公司秘書負責保存所有董事會會議及委員會會議的會議記錄。會議記錄草擬本一般於每次會議舉行後合理時間內供全體董事傳閱以讓彼等提出意見，會議記錄最終定稿乃公開讓董事查閱。本公司的組織章程細則載有條文，規定董事在批准有關董事或彼等任何聯繫人擁有重大權益的交易時於會議上放棄投票，且並不計入法定人數。

持續專業發展

名列本年報「董事會組成」一節的全體董事已獲發相關指引文件，內容有關作為董事的職務及職責、適用於董事的相關法例及規例、權益披露責任及本集團業務，該等入職文件亦將於新委任董事獲委任為董事後短期內提供予有關董事。為確保遵從良好企業管治常規及加強董事對良好企業管治常規的關注，全體董事均獲悉有關上市規則以及其他適用監管規例最新發展的最新消息。本公司將於有需要時為董事安排持續簡介及專業發展。

截至2018年6月30日止年度，本公司已為董事舉辦有關上市規則、證券及期貨條例及香港公司條例最新消息及最新發展的研討會。研討會由本公司法律顧問主持，期間作出簡報及提供相關文件，且所有董事已出席有關研討會。此外，全體董事均獲發有關本集團業務、營運及財政事宜的月報，方便彼等履行其職責。截至2018年6月30日止年度，董事亦參與其他培訓活動，如出席研討會及閱讀有關

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materials relevant to the Company's businesses or to their duties and responsibilities as directors of a listed company. A summary of the individual training record of each Director received for the year ended 30 June 2018 is as follows:

本公司業務或彼等作為上市公司董事的職務及職責的文件。各董事於截至2018年6月30日止年度接受個別培訓之記錄概要如下：

Directors 董事		Type of Training 培訓類型
Executive Directors		
Mr. Zhang Liang, Johnson (appointed on 13 December 2017)	張量先生(於2017年12月13日獲委任)	B
Mr. Lee Hin Kwong, Patrick (appointed on 1 December 2017)	李憲光先生(於2017年12月1日獲委任)	B
Mr. Wong Pak Ming	黃栢鳴先生	A, B
Ms. Wong Yee Kwan Alvina (resigned on 13 December 2017)	黃漪鈞女士(於2017年12月13日辭任)	A
Mr. Wong Chi Woon Edmond (resigned on 13 December 2017)	黃子桓先生(於2017年12月13日辭任)	A
Independent non-executive Directors		
Mr. Wang Bo (appointed on 13 December 2017)	王波先生(於2017年12月13日獲委任)	B
Mr. Xiang Feng (appointed on 13 December 2017)	向峰先生(於2017年12月13日獲委任)	B
Mr. Chang Eric Jackson (appointed on 13 December 2017)	張世澤先生(於2017年12月13日獲委任)	A, B
Mr. Lam Kam Tong (resigned on 13 December 2017)	林錦堂先生(於2017年12月13日辭任)	A, B
Mr. Lo Eric Tien-cheuk (resigned on 13 December 2017)	羅天爵先生(於2017年12月13日辭任)	B
Mr. Tang Kai Kui Terence (resigned on 13 December 2017)	鄧啟駒先生(於2017年12月13日辭任)	B

Note:

附註：

Types of Training

培訓類型

- A: Attending training sessions, including but not limited to, briefings, seminars, conferences and workshops
- B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications

- A: 參加培訓會議，包括但不限於簡報會、研討會、討論會及工作坊
- B: 閱讀相關新聞提醒、報紙、期刊、雜誌及相關刊物

All Directors had provided the Company Secretary with their training records for the year ended 30 June 2018.

全體董事已向公司秘書提供彼等於截至2018年6月30日止年度的培訓記錄。

BOARD COMMITTEES

The Board has established three board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, with written terms of reference which are available for viewing on the websites of the Company and the Stock Exchange to assist them in the efficient implementation of their functions. Specific responsibilities have been delegated to the above committees.

AUDIT COMMITTEE

The Board established the Audit Committee on 5 October 2012 with written terms of reference in compliance with Rules 3.21 to 3.23 of the Listing Rules and the CG Code. The primary duties of the Audit Committee are mainly to communicate with external auditor; to review the remuneration, terms of engagement, independency and objectivity of the external auditor; to review the accounting policy, financial position and financial reporting procedures of the Company; and to review and assess the financial reporting, risk management and internal control systems, effectiveness of the internal audit function of the Company and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company and making recommendations thereof.

The Audit Committee has three members comprising three independent non-executive Directors, currently they are Mr. Chang Eric Jackson (Chairman), Mr. Wang Bo and Mr. Xiang Feng. During the year ended 30 June 2018, the Audit Committee had reviewed the annual results and report of the Company in respect of the year ended 30 June 2017 and the interim results and report of the Company for the six months ended 31 December 2017, continuing connected transactions and re-appointment of auditor. The Audit Committee had been provided with the Group's consolidated financial statements, risk management report, internal control report and other necessary information to consider, review and access significant issues and matters arising from these works conducted. Subsequent to 30 June 2018 and up to the date of this report, all members of the Audit Committee conducted a meeting to review the effectiveness of the Group's risk management and internal control systems for the year ended 30 June 2018. The Audit Committee had considered and reviewed, with management and the external auditor of the Company, in detail of the identification and approach with respect to the key audit matters that were most significant in the audit procedures included in the "Independent Auditor's Report" on pages 77 to 84 of this annual report. The Group's final results and the annual report for the year ended 30 June 2018 had been reviewed by the Audit Committee before submission to the Board for approval. Members of the Audit Committee are of the opinion that the preparation of such final results and annual report complied with the applicable accounting standards, the Listing Rules and that adequate disclosure have been made. The Audit Committee also recommended to the Board of Directors the re-election of Deloitte Touche Tomatsu as the external auditor of the Company in the forthcoming annual general meeting.

董事委員會

董事會已成立三個董事委員會，即審核委員會、薪酬委員會及提名委員會，其書面職權範圍可於本公司及聯交所網站瀏覽，以協助彼等有效執行其職能。董事會已將特定職責授予上述委員會。

審核委員會

董事會於2012年10月5日成立審核委員會，並根據上市規則第3.21至第3.23條及企業管治守則制定書面職權範圍。審核委員會的主要職責為與外聘核數師溝通、審閱外聘核數師的酬金、委聘條款、獨立性及客觀性；審閱本公司會計政策、財務狀況及財務申報程序；以及審閱及評估本公司的財務申報、風險管理及內部監控系統、內部審核功能之有效性及僱員就本公司財務匯報、內部監控及其他方面可能發生的不正當行為提出關注的安排並作出相關建議。

審核委員會由三名成員組成，現時包括三名獨立非執行董事張世澤先生(主席)、王波先生及向峰先生。截至2018年6月30日止年度，審核委員會已審閱本公司截至2017年6月30日止之年度業績及報告及截至2017年12月31日止六個月之中期業績及報告、持續關連交易及核數師之續聘。審核委員會已獲提供本集團的綜合財務報表、風險管理報告、內部監控報告及其他必要資料以考慮、審閱及評估該等所進行之工作中引起的重要問題及事宜。於2018年6月30日後及截至本報告日期，所有審核委員會成員出席會議，以檢討本集團截至2018年6月30日止年度的風險管理及內部監控制度的有效性。審核委員會已與管理層及本公司外聘核數師詳細考慮及審閱載入本年報第77至84頁「獨立核數師報告」的有關審核過程中最為重要的關鍵審核事項的識別及方式。本集團截至2018年6月30日止年度末期業績及年報於呈交董事會批准前已獲審核委員會審閱。審核委員會成員認為編製該等末期業績及年報時已遵守適用會計準則及上市規則，並已作出充分披露。審核委員會亦建議董事會於應屆股東週年大會上重選德勤·關黃陳方會計師行為本公司外聘核數師。

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During the year ended 30 June 2018, two meetings of the Audit Committee have been held and the attendance of each member of the Audit Committee is contained in the following table:

截至2018年6月30日止年度，審核委員會舉行兩次會議，而審核委員會各成員出席會議記錄載於下表：

		Number of attendances/ number of meetings 出席次數／會議數目
Mr. Chang Eric Jackson (<i>Chairman</i>) (appointed on 13 December 2017)	張世澤先生(主席) (於2017年12月13日獲委任)	1/1
Mr. Wang Bo (appointed on 13 December 2017)	王波先生(於2017年12月13日獲委任)	1/1
Mr. Xiang Feng (appointed on 13 December 2017)	向峰先生(於2017年12月13日獲委任)	1/1
Mr. Lam Kam Tong (<i>Chairman</i>) (resigned on 13 December 2017)	林錦堂先生(主席)(於2017年12月13日辭任)	1/1
Mr. Lo Eric Tien-cheuk (resigned on 13 December 2017)	羅天爵先生(於2017年12月13日辭任)	1/1
Mr. Tang Kai Kui Terence (resigned on 13 December 2017)	鄧啟駒先生(於2017年12月13日辭任)	1/1

NOMINATION COMMITTEE

The Company established the Nomination Committee on 5 October 2012 with written terms of reference (updated on 13 December 2017) in compliance with the CG Code. The primary duties of the Nomination Committee are mainly to review of the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to identify individuals suitably qualified to become the Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships of the Company and to assess the independence of independent non-executive Directors. In reviewing and recommending the appointment of new Directors, the Nomination Committee would seek to identify the competencies required to enable the Board to fulfill its responsibilities. The resume or document of the nominee or candidate will be given to the Nomination Committee for consideration. The Nomination Committee has adopted a process for selection and appointment of new Directors which provides the procedure for identification of potential candidates, evaluation of the suitability of the candidate based on his qualifications, skills, knowledge, business and related experience, commitment, ability to contribute to the Board process and such qualities and attributes that may be required by the Board. The Nomination Committee shall periodically review the Board Diversity Policy which sets out the approach to achieve diversity on the Board, in terms of skills, experience, knowledge, expertise, culture, independence, age and gender.

提名委員會

本公司於2012年10月5日成立提名委員會，並制定符合企業管治守則的書面職權範圍(已於2017年12月13日更新)。提名委員會的主要職責為至少每年檢討董事會的架構、規模及組成(包括技能、知識及經驗以及觀點的多樣性)，並就任何為配合本公司的公司策略而計劃對董事會作出的變動提出建議；物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任本公司董事或就此向董事會提供推薦意見，以及評估獨立非執行董事的獨立性。於審閱委任新增董事及就此提供建議時，提名委員會將物色所需的合適人選，使董事會履行其職責。被提名人或候選人的履歷表或文件將送交提名委員會參考。提名委員會已採納選擇及委任新增董事程序，當中提供物色潛在候選人、根據候選人的資歷、技能、知識、業務及相關經驗、承擔、對董事會程序作出貢獻的能力以及具董事會可能需要的特質及特性評估候選人是否合適的程序。提名委員會須定期地檢討就達成董事會就技能、經驗、知識、專業知識、文化、獨立性、年齡及性別多元化提供方法的董事會成員多元化政策。

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企業管治報告

The Nomination Committee has three members comprising three independent non-executive Directors, currently they are Mr. Wang Bo (Chairman), Mr. Lee Hin Kwong, Patrick and Mr. Xiang Feng. During the year ended 30 June 2018, three meetings of the Nomination Committee have been held to review the structure, size and composition of the Board, assess the independence of independent non-executive Directors and nominate new Directors. The attendance of each member of the Nomination Committee is contained in the following table:

提名委員會由三名成員組成，現時包括三名獨立非執行董事王波先生(主席)、李憲光先生及向峰先生。截至2018年6月30日止年度，提名委員會舉行三次會議，以檢討董事會架構、人數及組成，評核獨立非執行董事的獨立性及提名新董事。提名委員會各成員出席會議記錄載於下表：

		Number of attendance/ number of meetings 出席次數／會議數目
Mr. Wang Bo (<i>Chairman</i>) (appointed on 13 December 2017)	王波先生(主席)(於2017年12月13日獲委任)	0/0
Mr. Lee Hin Kwong, Patrick (appointed on 13 December 2017)	李憲光先生(於2017年12月13日獲委任)	0/0
Mr. Xiang Feng (appointed on 13 December 2017)	向峰先生(於2017年12月13日獲委任)	0/0
Mr. Lo Eric Tien-cheuk (<i>Chairman</i>) (resigned on 13 December 2017)	羅天爵先生(主席)(於2017年12月13日辭任)	3/3
Mr. Lam Kam Tong (resigned on 13 December 2017)	林錦堂先生(於2017年12月13日辭任)	3/3
Mr. Tang Kai Kui Terence (resigned on 13 December 2017)	鄧啟駒先生(於2017年12月13日辭任)	3/3

REMUNERATION COMMITTEE

The Company established the Remuneration Committee on 5 October 2012 with written terms of reference (updated on 13 December 2017) in compliance with the CG Code. The primary duties of the Remuneration Committee are mainly to make recommendations to the Board of Directors on the Company's policy structure for the remuneration of the Directors and senior management and on the establish of a formal and transparent procedure for developing a remuneration policy, review the terms of the remuneration package of each Director and member of senior management of the Group and making recommendations to the Board regarding any adjustment thereof; and to review and evaluate the performance of individual Directors. No Director shall participate in any discussion about his or her own remuneration.

薪酬委員會

本公司於2012年10月5日成立薪酬委員會，並制定符合企業管治守則的書面職權範圍(已於2017年12月13日更新)。薪酬委員會的主要職責為就本公司有關董事及高級管理層薪酬的政策架構及設立制定薪酬政策的正式及透明程序向董事會提供建議、審閱各董事及本集團的高級管理層成員的薪酬組合條款，並就相關的任何調整向董事會提供建議，以及審閱及評估個別董事表現。董事不得參與有關其本身薪酬的任何討論。

CORPORATE GOVERNANCE REPORT

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The Remuneration Committee has three members comprising one executive Director, currently they are Mr. Lee Hin Kwong, Patrick, and two independent non-executive Directors, namely, Mr. Wang Bo (Chairman), and Mr. Xiang Feng. The remuneration of the Directors is determined with reference to their respective experience, responsibilities with the Group and general market conditions. During the year ended 30 June 2018, two meetings of the Remuneration Committee have been held to review the remuneration package of the Directors and senior management of the Group, and make recommendation to the Board on the remuneration of the new Directors. The attendance of each member of the Remuneration Committee is contained in the following table:

薪酬委員會由三名成員組成，現時包括一名執行董事李憲光先生及兩名獨立非執行董事王波先生(主席)及向峰先生。董事薪酬乃根據彼等各自的經驗、於本集團的職責以及整體市況釐定。截至2018年6月30日止年度，薪酬委員會舉行兩次會議，以審閱董事及本集團的高級管理層薪酬組合及對新聘董事之酬金向董事會提出建議。薪酬委員會各成員出席會議記錄載於下表：

		Number of attendance/ number of meetings 出席次數／會議數目
Mr. Wang Bo (<i>Chairman</i>) (appointed on 13 December 2017)	王波先生(主席)(於2017年12月13日獲委任)	0/0
Mr. Lee Hin Kwong, Patrick (appointed on 13 December 2017)	李憲光先生(於2017年12月13日獲委任)	0/0
Mr. Xiang Feng (appointed on 13 December 2017)	向峰先生(於2017年12月13日獲委任)	0/0
Mr. Tang Kai Kui Terence (<i>Chairman</i>) (resigned on 13 December 2017)	鄧啟駒先生(主席)(於2017年12月13日辭任)	2/2
Mr. Lam Kam Tong (resigned on 13 December 2017)	林錦堂先生(於2017年12月13日辭任)	2/2
Mr. Lo Eric Tien-cheuk (resigned on 13 December 2017)	羅天爵先生(於2017年12月13日辭任)	2/2

REMUNERATION OF SENIOR MANAGEMENT

The biographical details of senior management of the Group are disclosed in the section headed "Profile of Directors and Senior Management" on pages 22 to 25 of this annual report.

The remuneration paid/payable to senior management of the Group for the year ended 30 June 2018 fell within the following bands:

高級管理層薪酬

本集團之高級管理層履歷詳情披露於本年報第22至25頁「董事及高級管理層簡歷」一節。

截至2018年6月30日止年度已付／應付本集團高級管理層之薪酬介乎以下範圍：

		Number of individuals 人數
Less than HK\$1,000,000	低於港幣1,000,000元	2
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至港幣2,000,000元之間	1
Total	總計	3

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board acknowledges its responsibility to prepare the Group's consolidated financial statements for each financial year and to ensure that the consolidated financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The statement by the auditor of the Company about their responsibilities for the consolidated financial statements is set out in the "Independent Auditor's Report" on pages 77 to 84 of this annual report. The Board also ensures the timely publication of the financial statements. The Directors, having made appropriate enquiries, confirm that they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

董事對綜合財務報表的責任

董事會知悉其有責任編製本集團各財政年度的綜合財務報表，並確保綜合財務報表乃根據法定規例及適用會計準則編製。本公司核數師就綜合財務報表發出的責任聲明載於本年報第77至84頁「獨立核數師報告」。董事會亦確保及時刊發財務報表。董事經作出適當查詢後確認，彼等並無知悉任何有關可能令本公司持續經營的能力存在重大疑問的事件或情況的重大不明朗因素。

AUDITORS' REMUNERATION

The remuneration paid/payable to the auditors of the Group for the year ended 30 June 2018 is set out as follows:

核數師酬金

截至2018年6月30日止年度，已付／應付本集團核數師酬金載列如下：

		Paid/payable 已付／ 應付金額 HK\$'000 港幣千元
Statutory audit services	法定核數服務	1,564
Non-statutory audit services	非法定核數服務	
Tax compliance and consulting services	稅務合規及諮詢服務	1,188
Total	總計	2,752

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has developed the Group's internal control, risk assessment and management systems and has overall responsibility for reviewing and maintaining an adequate and effective risk management and internal control systems to safeguard the interests of the Shareholders and the assets of the Group. It evaluates the effectiveness of the systems at least annually to ensure the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions. The review covers all material controls, including financial, operational and compliance controls and risk management.

Risk management and internal control systems

The Group's risk management and internal control systems are designed to manage and mitigate risks, rather than eliminate risks, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Group has employed a bottom-up approach for identification, assessment and mitigation of risk at all business unit levels and across functional areas.

Main features of risk management and internal control systems

The key elements of the Group's risk management and internal control systems include the establishment of a risk register to keep track of and document identified risks, the assessment and evaluation of risks, the development and continuous updating of responsive procedures, and the ongoing testing of internal control procedures to ensure their effectiveness.

Annually, the Group identifies and assesses the key inherent risks that affect the achievements of its objectives. A risk matrix is adopted to determine risk rating into three categories: low, medium and high, after evaluation of the risk by the likelihood and the impact of the risk event. The risk ratings reflect the level of management attention and risk treatment effort required.

Process used to identify, evaluate and manage significant risks

During the process of risk assessment, each of the risk owner of departments are required to capture and identify the key inherent risks that affect the achievement of its objectives. Each inherent risk is evaluated according to the risk matrix. After taking into consideration the risk response, such as control measures in place to mitigate the risk, the residual risk of each inherent risk is evaluated again. The risk register with the risk responses and residual risks is presented to the Audit Committee. The Audit Committee, evaluates the effectiveness of the systems and report to the Board. The highest category of residual risks is subject to the Board's oversight.

風險管理及內部監控

董事會已制定本集團之內部監控及風險評估及管理制度，並對檢討及維持足夠及有效之風險管理及內部監控制度負有全面責任，以保障股東利益及本集團資產。其最少每年評估制度的有效性確保本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是足夠的。審閱涵蓋包括財務、經營及合規控制以及風險管理等所有重大監控。

風險管理及內部監控系統

本集團的風險管理及內部監控系統旨為管理及減低風險而非完全排除風險，且僅可提供合理保證及非絕對保證不會出現重大錯誤陳述或損失。本集團已採用由下而上的方法以辨識、評估及減低所有業務單位層面及在各功能範疇的風險。

風險管理及內部監控系統的主要特點

本集團的風險管理及內部監控系統主要元素包括設立風險記錄冊以追蹤及記錄所辨識的風險、評估及評測風險、發展及繼續更新應對程序，以及持續測試內部監控程序以確保其有效性。

本集團每年辨識及評估影響其達到目標的主要固有風險。本集團已於評估風險出現的可能性及風險事項的影響後採納一個風險模型釐定風險評級為低風險、中度風險及高風險三類。風險評級反映管理層所需注意及處理風險力度水平。

用以辨認、評估及管理重大風險的程序

於風險評估的程序中，各面對風險的部門須捕捉及辨識影響其達到目標的主要固有風險。各固有風險乃根據風險模型進行評估。經考慮風險的應對方法後（如採取監控措施以減低風險）將再次評估各固有風險的剩餘風險。風險記錄冊連同風險應對方法及剩餘風險將會向審核委員會予以匯報。審核委員會評估系統的有效程度及向董事會匯報。剩餘風險的最高級別須受董事會監管。

Process used to review the effectiveness of the risk management and internal control systems and to resolve material internal control defects

The management is responsible for the design, implementation and monitoring of the risk management and internal control systems. In view of the Group's business and scale of operations, and in order to adopt the most cost-effective method of conducting periodic reviews of the Group's internal controls, an independent consulting firm (the "Internal Control Auditor") has been engaged to work with the Board, through the Audit Committee, to execute the internal audit function. The Internal Control Auditor has conducted a review of the effectiveness of the Group's risk management and internal control systems for the year ended 30 June 2018 according to the scope of review determined, agreed and approved by the Audit Committee and in accordance with the requirements under code provision C.2 of the CG Code.

The Internal Control Auditor reported to the Audit Committee and the Audit Committee is satisfied that there had been no material deficiency identified in the areas of the Group's risk management and internal control systems being reviewed, where some minor areas need to be improved have been identified and reported to the Audit Committee and the Group would take further steps to improve by taken implement of the recommendations suggested by the Internal Control Auditor. Accordingly, the Board considered the risk management and internal control systems to be effective and have been implemented with adequate resources during the year ended 30 June 2018.

Procedures and internal controls for the handling and dissemination of inside information

The Company is aware of its obligations in disclosure of inside information under the Listing Rules and Part XIVA of the SFO. The Board has already established and implemented a policy on the procedures, guidelines and internal controls for the handling and dissemination of inside information. The policy stipulated the duty and responsibility of inside information announcement, restriction on sharing non-public information, handling of rumours, unintentional selective disclosure, exemption and waiver to the disclosure of inside information, and also compliance and reporting procedures. Every senior management of the Company must take all reasonable measures to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group from time to time. They must promptly bring any possible leakage or divulgence of inside information to the attention of the Company Secretary, who will notify the Board accordingly for taking the appropriate action promptly. For any material violation of this policy, the Board will decide, or designate appropriate persons to decide the course of actions for rectifying the problem and avoiding recurrence.

用以檢討風險管理及內部監控系統有效性及解決重大的內部監控缺失的程序

管理層負責設計、執行及監督風險管理及內部監控系統。鑒於本集團的業務及經營規模，及為就本集團內部監控進行定期審閱而採用最具成本效益的方法，本集團已委聘一間獨立顧問公司（「內控核數師」）透過審核委員會與董事會合作，以執行內部審核職能。內控核數師已根據審核委員會釐定、協定及批准的審閱範圍及按企業管治守則守則條文第C.2條的規定對本集團截至2018年6月30日止年度的風險管理及內部監控系統的有效性進行審閱。

內控核數師已向審核委員會匯報及審核委員會信納獲審閱的本集團的風險管理及內部監控系統範疇內並無辨識到重大缺陷，其中需予改進的部分細枝末節已獲辨識並呈報予審核委員會且本集團會通過實施內控核數師建議的推薦意見採取進一步改進措施。因此，董事會認為截至2018年6月30日止年度風險管理及內部監控系統屬有效且已以足夠資源實施。

處理及發佈內幕消息的程序及內部監控措施

本公司清楚其有責任根據上市規則及證券及期貨條例第XIVA部披露內幕消息。董事會已就處理及發佈內幕消息的程序、指引及內部監控措施制定及落實政策。該政策規定了內幕消息公布的職責與責任、在共享非公開信息、處理謠言、無意選擇性披露、豁免披露內幕消息方面的限制，以及合規及報告程序。本公司各高級管理層必須採取一切合理措施，確保設有恰當的防範措施，以防違反不時有關本集團的披露規定。彼等必須迅速提請公司秘書注意內幕消息的任何潛在洩漏，公司秘書將通知董事會迅速採取適當的行動。如嚴重違反本政策，董事會將決定或指派適當人士以決定糾正問題的行動方針，並避免再次發生。

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COMPANY SECRETARY

During the period from 1 July 2017 to 3 April 2018, Mr. Chan Chi Ming (“Mr. Chan”) was the company secretary of the Company. Mr. Chan is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Chan has taken no less than 15 hours of the relevant professional training during the year ended 30 June 2018.

Following the resignation of Mr. Chan, Ms. Lau of Tricor Services Limited, an external service provider, has been appointed as the Company Secretary since 4 April 2018. Her primary contact person at the Company is Mr. Derek Lee, Deputy General Manager, Corporate Finance and Investor Relations of the Company. The biographical details of Ms. Lau are set out under the section headed “Profile of Directors and Senior Management” on pages 22 to 25 of this annual report. Ms. Lau confirmed that she has taken no less than 15 hours of relevant professional training during the year ended 30 June 2018 in accordance with the requirements of Rule 3.29 of the Listing Rules.

SHAREHOLDERS’ RIGHTS

Communications with Shareholders

The Company has established a range of communication channels between itself and the Shareholders, and investors. These include answering questions through the general meetings, the publication of annual and interim reports, notices, announcements and circulars and the Company’s website at www.transmit-ent.com.

公司秘書

於2017年7月1日至2018年4月3日期間，陳志明先生（「陳先生」）擔任本公司公司秘書。陳先生為香港會計師公會會員及英國特許公認會計師公會資深會員。截至2018年6月30日止年度，陳先生已接受不少於15小時的相關專業培訓。

緊隨陳先生離任，自2018年4月4日起，卓佳專業商務有限公司（外部服務提供者）的劉女士獲委任為公司秘書。劉女士之主要公司聯絡人為本公司投資者關係及企業融資副總經理李達輝先生。劉女士的履歷詳情載於本年報第22至25頁「董事及高級管理層簡歷」一節。截至2018年6月30日止年度，劉女士確認已根據上市規則第3.29條之規定接受不少於15小時的相關專業培訓。

股東權利

與股東溝通

本公司已設立多種通訊渠道，以聯繫本公司、股東及投資者，包括於股東大會上回應提問、刊發年報及中期報告、通告、公布及通函，以及本公司網站（www.transmit-ent.com）。

CONSTITUTIONAL DOCUMENTS

During the year ended 30 June 2018, the Memorandum and Articles of Association of the Company have been amended to reflect the change of the Company name and effective when the change of the Company name takes effect on 13 March 2018, being the date of issue of the certificate of incorporation on change of name by the Registrar of Companies in the Cayman Islands and consolidated all previous amendments passed by the Shareholders at general meetings.

Procedures for Shareholders to convene an extraordinary general meeting

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Any general meeting other than an annual general meeting shall be referred as an extraordinary general meeting ("EGM").

Subject to applicable laws and regulations, including the Listing Rules and the Company's Articles of Association as amended from time to time, Shareholders may convene an EGM to consider proposals in accordance with the following provisions:

1. One or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid-up capital of the Company having the right of voting at general meetings can deposit a written request to convene an EGM at the principal place of business of the Company in Hong Kong (the "Hong Kong Head Office"), for the attention of the Board or the Company Secretary.
2. The written request must state the name of the Shareholders concerned, their respective shareholdings, the objects of the meeting, including details of the business(es) and resolutions proposed to be considered and approved at the meeting, signed by the Shareholders concerned.
3. The request will be verified with the Company's Hong Kong branch share registrar and transfer office and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to convene an EGM by serving sufficient notice in accordance with the statutory requirements to all the Shareholders. On the contrary, if the request has been verified as not in order, the Shareholders concerned will be advised of this outcome and accordingly, an EGM will not be convened as requested.

憲章文件

截至2018年6月30日止年度，本公司的組織章程大綱及細則經已修訂，以反映本公司名稱之變更，於2018年3月13日（即開曼群島公司註冊處處長發出更改名稱註冊證明書日期）本公司名稱變更生效時生效，及已綜合股東過往於股東大會上通過的所有修訂。

股東召開股東特別大會的程序

本公司股東大會為股東及董事會提供互相溝通機會。本公司每年須於可能由董事會釐定的地點舉行股東週年大會。股東週年大會以外的任何股東大會稱為股東特別大會（「股東特別大會」）。

受適用法例及規例（包括上市規則以及本公司經不時修訂的組織章程細則）所規限，股東可根據下列條文召開股東特別大會以考慮建議：

1. 一名或多名於遞呈要求當日持有不少於本公司附帶股東大會表決權的繳足股本十分之一的股東，可將召開股東特別大會的書面要求送交本公司香港主要營業地點（「香港總辦事處」），收件人請註明為董事會或公司秘書。
2. 書面要求必須註明相關股東姓名、相關持股量及會議目的（包括業務及將於大會上提呈以供考慮及批准的決議案詳情），並由相關股東簽署。
3. 本公司香港股份過戶登記分處將核實要求，於其確認要求屬恰當及妥當後，公司秘書將要求董事會根據法定要求向全體股東發出充分通知以召開股東特別大會。相反，倘要求已確認為不恰當，則有關結果將知會相關股東，而將不會應要求召開股東特別大會。

4. If within 21 days of such deposit of the requisition, the Board fails to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.
 5. The notice period to be given to the Shareholders in respect of the EGM varies according to the nature of the proposal. Notice of the EGM at which the passing of a special resolution is to be considered, notice of the EGM shall be arranged to be sent to the Shareholders at least 21 clear days or 10 clear business days (whichever is longer) before such EGM. Notice of all other EGM shall be arranged to be sent to the Shareholders at least 14 clear days or 10 clear business days (whichever is longer) before such EGM.
 6. There are no provisions allowing Shareholders to move new resolutions at the general meetings under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or the Company's Articles of Association. Shareholders who wish to move a resolution may request the Company to convene an EGM following the procedures set out above in this section.
4. 倘董事會未能於有關要求遞呈後21日內召開股東大會，要求方可以同一形式召開股東大會，本公司須就要求方因董事會未能召開股東大會而產生的一切合理開支彌償要求方。
 5. 就股東特別大會向股東作出的通知期因應建議性質而定。就考慮通過特別決議案的股東特別大會通知而言，股東特別大會通知須於有關股東特別大會舉行前最少21個完整日或10個完整營業日(以較長者為準)寄發予股東。所有其他股東特別大會通知須於有關股東特別大會舉行前最少14個完整日或10個完整營業日(以較長者為準)寄發予股東。
 6. 根據開曼群島法例第22章公司法(1961年第3號法例，經綜合及修訂)或本公司組織章程細則，概無條文允許股東於股東大會上動議新決議案。有意動議決議案的股東可遵從本節上文所述程序要求本公司召開股東特別大會。

Shareholders' enquiries

Shareholders and other stakeholders can make any enquiry in respect of the Company in writing either by email at "info@transmit-ent.com" or deposited at the Hong Kong Head Office for the attention of the Board or the Company Secretary. The appropriate management member of the Company will respond to the legitimate enquiry of the Shareholders, the Company's potential investors or analysts.

股東查詢

股東及其他利益相關者可電郵至「info@transmit-ent.com」或發信至香港總辦事處(收件人請註明為董事會或公司秘書)提出有關本公司的任何查詢。本公司相關管理層成員將回應股東、本公司有意投資者或分析員的合法查詢。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SCOPE AND REPORTING PERIOD

This is the annual Environmental, Social and Governance (“ESG”) Report issued by the Company, highlighting its policies, measures and performance in relation to ESG issues. This report satisfies the “comply or explain” provisions of the Hong Kong Stock Exchange ESG Reporting Guide as set out in Appendix 27 of the Listing Rules.

This ESG report focuses on the environmental and social aspects of the operations of the Group’s head office, film production, exhibition and post production in Hong Kong, from 1 July 2017 to 30 June 2018 (the “reporting period”), unless otherwise stated. This ESG report does not cover the Group’s business in the PRC as the operation of the Group’s film exhibition business in the PRC was not significant during the reporting period.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

In order to identify the most significant aspects for the Group to report on for this ESG report, key stakeholders, including but not limited to the Group’s customers, cinemagoers, employees, investors, suppliers and regulators, have been involved in discussion sessions to review areas of attention which will help the business meets its potential growth and be prepared for future challenges.

STAKEHOLDERS’ FEEDBACK

The Group welcomes stakeholders’ feedback on the Group’s ESG approach and performance. Please give your suggestions or share your views with the Group via the Group’s social media platforms or email at info@transmit-ent.com.

範圍及報告期間

此乃本公司刊發的環境、社會及管治（「環境、社會及管治」）年度報告，當中概述其有關環境、社會及管治事宜的政策、措施及表現。本報告符合上市規則附錄27所載香港聯交所環境、社會及管治報告指引「不遵守就解釋」條文。

除另有指明者外，本環境、社會及管治報告重點關注2017年7月1日至2018年6月30日（「報告期間」）於香港經營本集團總部、電影製作、放映及後期製作的環境及社會方面。本環境、社會及管治報告並未涵蓋本集團於中國的業務，原因是本集團於報告期間在中國經營的電影放映業務並不重大。

權益人的參與及重要性

為確定本集團就本環境、社會及管治報告中所匯報的最重要方面，主要權益人（包括但不限於本集團客戶、電影觀眾、僱員、投資者、供應商及監管機構）已參與討論，以便審閱有助本集團實現業務潛在增長及應對未來挑戰的注意事項。

權益人的意見

本集團歡迎權益人就本集團的環境、社會及管治方針及表現提供意見。如有任何建議或意見，敬請閣下透過本集團的社交媒體平台或電郵至 info@transmit-ent.com 聯絡本集團。





ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

THE GROUP'S COMMITMENT ON ESG

From film production on sites to film exhibition at the cinemas, the Group is committed to making efforts towards sustainable business and reducing carbon footprint while showing good stewardship in the community the Group serves. For instance, on film production operation, a production manager is assigned at each film set to carefully manage, supervise and execute sustainability practice and performance in every aspect of the production, from reducing the use of plastic water bottles to renting vehicles with higher fuel efficiency and the use of rechargeable batteries. On film exhibition operation, vegetarian options are available for cinemagoers, as well as ensuring the cinema venue is accessible to meet the needs of the particular individual. The Group will endeavour to integrate ESG into the business models.

A. ENVIRONMENTAL

During the reporting period, the Group did not note any cases of material non-compliance relating to air and greenhouse gas (GHG) emissions, discharge into water and land, and the generation of hazardous and non-hazardous waste as required by the applicable laws and regulations.

A1. Emissions

A1.1 Air Emissions

During the reporting period, petrol and diesel were used for Group-owned passenger cars and other mobile machineries for business purposes and film production, contributing to the emission of 0.23kg of sulphur oxides (SO_x). The Group will develop better data collection platform in the next reporting period for the calculation of nitrogen oxides (NO_x), and respiratory suspended particles (PM) emission related to this aspect.

The Group's operation did not involve any direct emission related to gaseous fuel consumption.

本集團就環境、社會及管治作出的承諾

從電影的現場製作到電影院的電影放映，本集團承諾在努力實現業務的可持續發展及減少碳排放的同時，在本集團服務的社區展示良好的管理。例如，在電影製作業務方面，每部電影委任的製片經理在製作的各個方面，從減少使用瓶裝水到租用較高燃油效率的車輛及使用可充電電池，審慎管理、監督及執行可持續發展常規及表現。在電影放映業務方面，電影觀眾可選擇素食，以及確保電影院能夠滿足特殊人士的需求。本集團將努力把環境、社會及管治融入到業務模式當中。

A. 環境

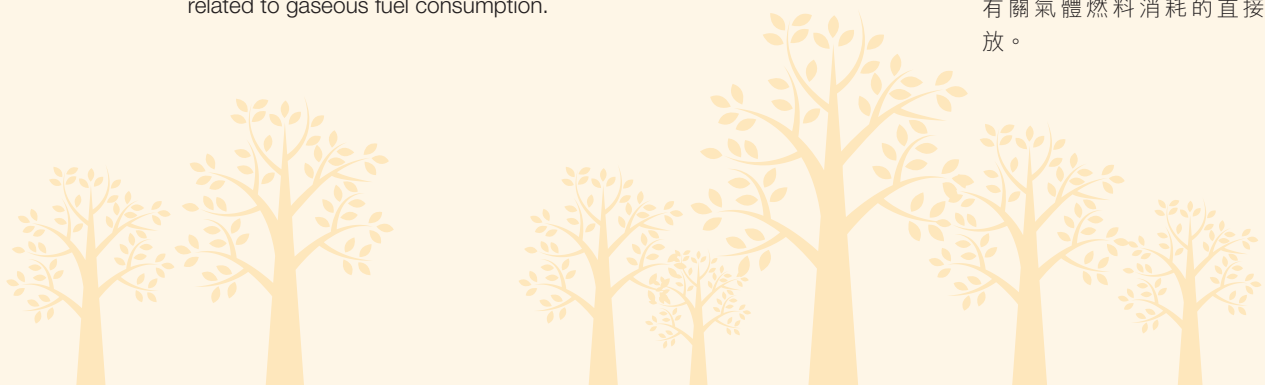
於報告期間，本集團並無發現適用法律及法規所規定的任何有關氣體及溫室氣體排放、廢水及土地排污以及產生有害及無害廢物的重大違規個案。

A1. 排放物

A1.1 氣體排放

於報告期間，本集團用於業務用途及電影製作之載客私家車以及其他移動機械均使用汽油及柴油，已排放0.23公斤之硫氧化物(SO_x)。本集團將於下一個報告期間開發更佳的數據收集平台，以計算相關的氮氧化物(NO_x)及顆粒物(PM)排放量。

本集團的業務並沒涉及任何有關氣體燃料消耗的直接排放。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A1.2 Greenhouse Gas Emissions

A1.2 溫室氣體排放

Scope of GHG emissions	Emission sources		Emission (in tCO ₂ e)	Total emission (in percentage)
溫室氣體排放範圍	排放源		排放量 (以噸二氧化碳當量計)	總排放量 (百分比)
Scope 1				
範圍1				
Direct emission	Combustion of fuels in mobiles sources	Diesel	13	3
直接排放	燃料燃燒(流動來源)	Petrol	27	
		汽油		
Scope 2				
範圍2				
Energy indirect emission	Purchased electricity		1,164	95
能源間接排放	購買電力			
Scope 3				
範圍3				
Other indirect emission	Paper waste disposed at landfills		3	2
其他間接排放	棄置堆填區的廢紙		16	
	Business air travel by employees			
	僱員乘坐飛機外出公幹			
Total			1,223	100
總計				

Note:

- tCO₂e = tonnes of carbon dioxide equivalent
- Emission factors were made reference to Appendix 27 of the Listing Rules and their referred documentation as set out by The Stock Exchange of Hong Kong Limited, unless stated otherwise.

There were 1,223 tonnes of carbon dioxide equivalent GHG (mainly carbon dioxide, methane and nitrous oxide) emitted from the Group's operation in the reporting period, with an intensity of 0.10 tCO₂e/m². The Group has complied with all applicable environmental laws and regulations, and was not subject to any fine, penalty, investigation or prosecution for non-compliance with the relevant laws and regulations relating to emissions.

附註：

- tCO₂e=噸二氧化碳當量
- 除另有說明外，排放系數乃參考載於香港聯合交易所有限公司上市規則附錄27及其所述文件。

於報告期間，本集團的運營排放1,223噸二氧化碳當量的溫室氣體(主要為二氧化碳、甲烷及氧化亞氮)，密度為每平方米0.10噸二氧化碳當量。本集團已遵守所有適用環保法律及法規，並未因違反有關排放的相關法律及法規而遭受任何處罰、罰款、調查或訴訟。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A1.3 Hazardous Waste

The Group's overall business did not involve generation of a significant amount of hazardous waste. Thus no such data is being presented in this report.

A1.4 Non-hazardous Waste

During the reporting period, a total amount of 1 tonnes of paper waste were generated with 0.3 tonnes being collected by cleaning companies provided by the property management offices for recycling.

A1.5 Measures to Mitigate Emissions

The Group will continue monitoring the vehicle use for business operation. The Group will look into giving priority to vehicles with higher fuel efficiency during future purchase and rental. Public transit and carpooling are highly encouraged for employees at film production operation.

A1.6 Wastes Handling and Reduction Initiatives

Employees at the head office are encouraged to print on both sides of paper if possible, and old cartridges are returned to the supplier. The Group's public reports make use of eco-friendly paper and materials whenever possible. For film production on site, electronic devices and forms instead of paper are used, as much as possible, for schedules, call sheets, crew and contact lists, production reports, viewing production documents and dailies. To further reduce waste generation on production sets, the Group provides water jugs and stations instead of plastic water bottles, and staff and extras are encouraged to bring their own reusable water bottles, cutlery and food container. For post-production operation, used hard disk materials are usually sold to clients at a discounted price. Employees must ensure that hard disk materials for resale are formatted and all data are erased. The Group will look into the development of waste management system and recycling practice in film exhibition operations in the coming future.

A1.3 有害廢棄物

本集團的整體業務並無涉及大量有害廢棄物。因此，並無於本報告呈列有關數據。

A1.4 無害廢棄物

於報告期間，產生總量為1噸的廢紙，其中0.3噸由物業管理處提供的清潔公司回收以循環利用。

A1.5 減低排放量的措施

本集團將繼續監控用於業務用途的車輛。本集團於日後採購及租賃時將考慮優先使用較高燃油效率的車輛。大力支持電影製作業務的僱員使用公共交通及拼車。

A1.6 處理及減少廢棄物的措施

鼓勵總部僱員在可行的情況下雙面印刷紙張及將舊墨盒退還供應商。本集團的公開報告在可行時使用環保紙及材料印製。在電影製作現場，就計劃表、資料卡、員工及聯絡名單、製作報告、查看的製作文件及日報而言，盡量多使用電子設備及形式替代紙張。為進一步減少現場產生廢棄物，本集團提供水壺及水站替代支裝水，鼓勵員工及臨時演員攜帶彼等自身可重複使用的水樽、餐具及餐盒。就後期製作業務而言，使用過的硬盤材料將以折價出售予客戶。員工須確保用於轉售的硬盤材料已格式化及其所有數據已清除。本集團未來將研究開發有關電影放映業務的廢棄物管理系統及循環利用常規。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A2. Use of Resources

A2.1 Energy Consumption

The Group's business operations resulted in total energy consumption of 2,387,132 kWh, with an intensity of 187kWh/m² during the reporting period.

Energy Consumption Sources	Direct Consumption	Indirect Consumption (in kWh)
能源消耗來源	直接消耗	間接消耗 (以千瓦時計)
Electricity 電力	2,248,577 kWh 千瓦時	2,248,577
Diesel 柴油	4,930 litres 公升	49,292
Petrol 汽油	10,073 litres 公升	89,263

A2. 資源使用

A2.1 能源消耗

於報告期間，本集團的業務營運產生總能耗量2,387,132千瓦時，密度為每平方米187千瓦時。

A2.2 Water Consumption

The Group's major water supply and discharge were managed by buildings' management office where businesses operate, and the consumption has been included in the management fees (except for film production operation). It is noteworthy that the Group did not consume a significant amount of water through business activities, and the water consumption was considered minimal during the reporting period. Hence, no data related to water consumption is being presented in this report.

A2.2 水資源消耗

本集團的主要水供應及排放由業務經營所在建築物的管理處管理，消耗已計入管理費（電影製作業務除外）。值得注意的是，本集團的業務活動並無消耗大量水資源，及於報告期間的耗水量甚微。因此，並無於本報告呈列有關水資源消耗之數據。

A2.3 Energy Use Efficiency Initiatives

For film exhibition operations, all facilities comply with the Building Energy Efficiency Ordinance implemented by the Electrical and Mechanical Services Department to ensure key building services meet the minimum energy efficiency standards of the Building Energy Code. The Group also regularly reminds employees to maintain the optimal temperature inside the facilities, to turn off computers and monitors when not in use and before leaving work, further reducing electricity consumption. During the reporting period, the Group also replaced existing fluorescent lamps with LED lights wherever possible, as well as purchasing energy saving appliances at the workplace. Routine maintenance of lighting, air-conditioning and water pipe systems are also implemented to keep them running efficiently.

A2.3 能源使用效益計劃

就電影放映業務而言，所有設施均符合機電工程署實施的建築物能源效益條例，以確保主要建築物設施符合建築物能源效益守則的最低能源效益標準。本集團亦定期提醒僱員把設施內部溫度維持在適當範圍內，於不使用時及下班前關閉電腦及顯示器，進一步減少電力消耗。於報告期間，本集團亦在工作場所範圍內盡量將現有燈管替換成LED燈，並購買節能的電器。照明、空調及水管系統亦進行日常維護，以確保其保持有效運行。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A2.4 Water Use Efficiency Initiatives

The Group's business did not involve any significant use of water. Hence no information related to water use efficiency initiatives is being presented in this report.

A2.5 Packaging Material

Some packaging material made with recyclable paper was used at film exhibition operation. Overall, the Group's business did not involve significant use of packaging materials. Hence no data nor information is being presented in this report.

A2.4 用水效益計劃

本集團的業務並無涉及大量用水。因此，本報告並無呈列與用水效益計劃有關的資料。

A2.5 包裝材料

電影放映業務會使用一些可回收紙製成的包裝材料。總體而言，本集團的業務並無涉及大量使用包裝材料。因此，本報告內並無呈列相關數據或資料。

A3. The Environment and Natural Resources

With electricity consumption being the largest contributor of GHG emission from the Group during the reporting period, the management will review and consider implementing further energy saving initiatives and venue remodification to integrated automation system, as well as reducing environmental impacts from other resources such as cutting down vehicle fuel consumption and going forward with digitalised production and paperless office. For business air travel, the Group continues to encourage employees to make use of telecommunication to keep business travelling to a minimum to further reduce related carbon emissions. The Group will also look into the development of policies with the aim of promoting environmental awareness among employees and minimizing environmental impacts at source.

A3. 環境及天然資源

於報告期間，由於電力消耗為本集團溫室氣體排放的最大來源，管理層將檢討並考慮實施進一步的節能措施及場地綜合自動化系統整改，以及從其他資源方面減少對環境的影響，例如降低車輛燃料消耗及推動使用數碼化製作及無紙化辦公室。在乘坐飛機外出公幹方面，本集團繼續鼓勵僱員使用電子通訊媒介，盡量減少出差，以進一步減少有關碳排放。本集團亦會研究制定提升僱員環保意識及盡量從源頭減少環境影響的政策。

B. SOCIAL

1. Employment and labour practices

B1. Employment

During the reporting period, there were no major changes in policies relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity and anti-discrimination for the Group's office operations. The Group did not note any cases of material non-compliance with laws and regulations in relation to employment during the reporting period.

B. 社會

1. 僱傭及勞工常規

B1. 僱傭

於報告期間，本集團辦公運作有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化及反歧視的政策並無重大變化。於報告期間，本集團並無發現任何嚴重違反僱傭相關法律及規例的情況。



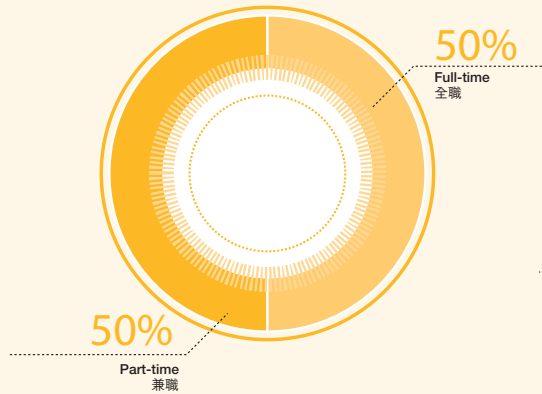
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

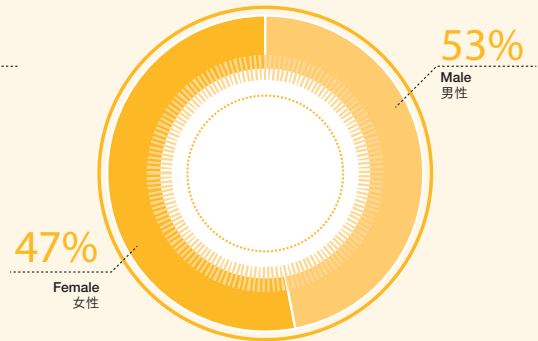
The Group had 269 employees as of 30 June 2018. All employees were from Hong Kong.

截至2018年6月30日，本集團擁有269名僱員。所有僱員均來自香港。

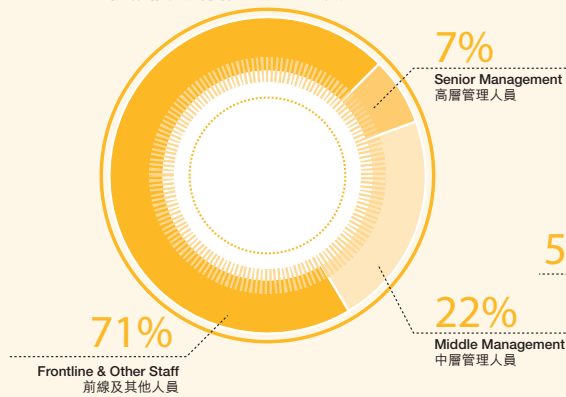
Workforce by employment type
按僱傭類型劃分的員工總數



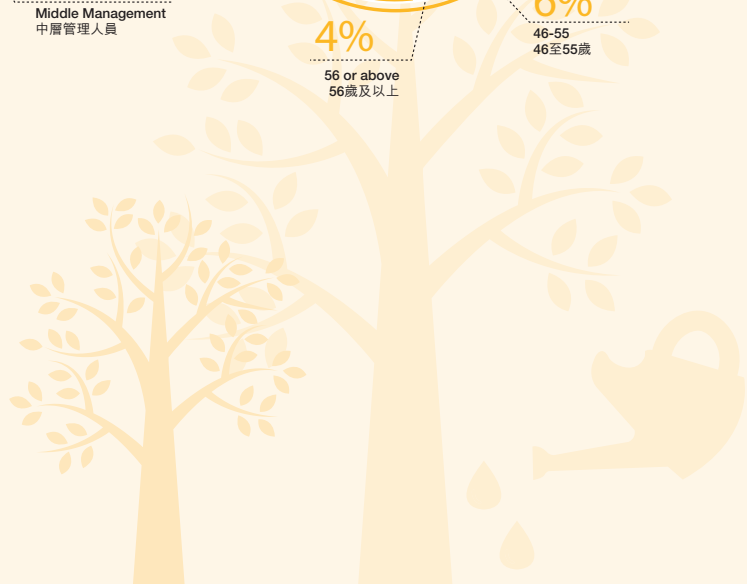
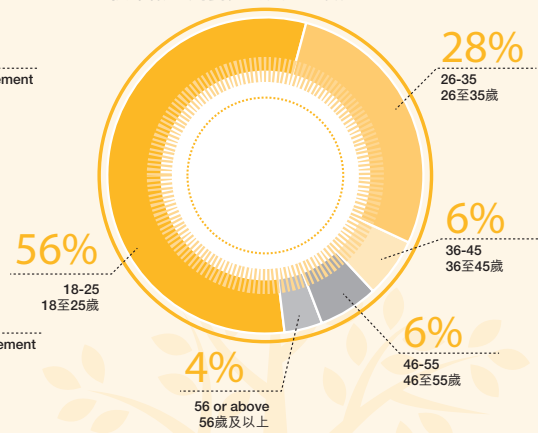
Workforce by gender
按性別劃分的員工總數



Workforce by employment category
按僱傭類別劃分的員工總數



Workforce by age group
按年齡組別劃分的員工總數





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Employees are the most valuable asset of the Group and the primary force in driving the Group's business growth and operations on a sustainable basis. Policies and regulations in the Group's staff handbook have been established for the guidance and observation by the employees of the Group and will be subject to the laws of Hong Kong as stipulated by the Hong Kong SAR Government as far as they may be applicable in conjunction with the policies. Staff handbook provides information and guidelines regarding employee's standard working hours, rest days, statutory holidays, termination of employment, summary dismissal, exit interview, salary payment, overtime work (require approval in advance), various types of leaves, medical coverage, mandatory provident fund, night shift travel allowance (for film exhibition employees) and overtime work allowance (for specific employees). The Group has been in compliance with the applicable laws and regulations relating to employment.

Equal opportunity

The Group places a high priority on achieving equality of opportunity for all employees in relation to all personnel matters including recruitment, training, promotion, transfer, benefits and dismissal. The dignity and individuality of each employee will be respected, and the privacy and confidentiality of employee records will be safeguarded. Employees' performance will be assessed solely according to their ability to meet job requirements.

Promotion and appraisal

It is also the Group's policy to offer internal promotions to employees, whenever possible, within the Group. Promotion to a higher grade will normally depend on the availability of vacancy, individual performance and potential to take up the new position.

The Group provides an open, challenging and participative environment for all employees. The Group aims to provide opportunities for the development of the skills of employees to the fullest extent possible, consistent with the needs of the Group. Job performance is reviewed annually, and this serves as an opportunity for the supervisor to evaluate employee's performance in an objective and open manner, to discuss concerns, strength and suggestions for further improvement. Employees' remuneration and pay scale adjustment are made reference to individual's performance and appraisal results, industrial standard and market trend.

僱員為本集團最寶貴的資產及推動本集團業務增長及持續經營的首要力量。本集團員工手冊內的政策及規例乃就指引本集團的僱員及供彼等遵守而設立，並將受可能與有關政策同時適用的香港特區政府訂明的香港法例所限。員工手冊載有關於僱員標準工時、休息日、法定節假日、終止僱傭、即時解僱、離職面談、工資支付、加班(須提前審批)、各類休假、醫療保障、強制性公積金、夜班差旅津貼(就電影放映僱員而言)及加班津貼(就特定僱員而言)的資料及指引。本集團一直遵循有關僱傭的適用法律及規例。

平等機會

本集團高度重視實現全體僱員機會平等，包括聘用、培訓、晉升、轉讓、福利及離職在內的所有個人事宜。本集團尊重每名僱員的尊嚴及個性，保障僱員資料的私隱及保密。僱員的表現將僅依據其滿足工作要求的能力進行評估。

晉升及評估

另外，本集團亦秉持盡量為僱員提供內部晉升機會。晉升至更高職位級別通常取決於職位空缺狀況、個人的表現及擔任新職務的潛力。

本集團為全體僱員提供一個具公開性、挑戰性及參與性的環境。本集團致力提供各種機會，促進僱員發展技能以充分配合本集團的需求。工作表現將每年進行檢討，提供機會讓主管以客觀及公開方式評估僱員的表現，討論有待改善的問題、能力及建議。僱員的薪酬及薪級調整乃參照個人的表現及評估結果、行業標準及市場趨勢。



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Employee welfare

Employees can enjoy free enrolment to Cinema City's membership along with complimentary movie tickets and coupons. Movie premiere invitations are also given to employees for the Group's own productions. The Group offered special arrangement to employees to leave work early on important traditional days which are not a public holiday such as Mid-Autumn Festival, Winter solstice, Christmas Eve and Chinese New Year's Eve. The Group regularly organises internal events to strengthen the sense of belonging within the Group and boost the communication transparency among all levels of employees, through Christmas party and annual dinner, etc.

僱員福利

僱員可享有Cinema City免費會籍，並享有免費電影票及優惠券。僱員亦獲邀請觀看本集團自家出品的電影首映。本集團為僱員作出特別安排，便於僱員於並非屬公眾假期的的重要傳統節日(如中秋節、冬至、平安夜及除夕)提早放工。本集團定期舉辦如聖誕節派對及週年晚宴等內部活動，以提升全體僱員於本集團的歸屬感，加強溝通透明度。

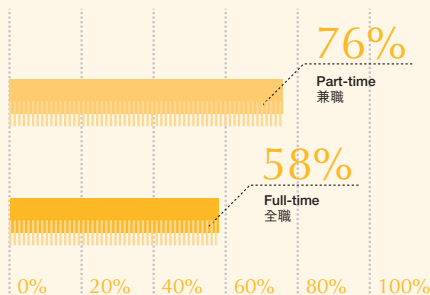
Employee turnover

During the reporting period, 180 employees left the Group. The annual turnover rates (categorised by employment type, gender and age group) in the reporting period are as follows:

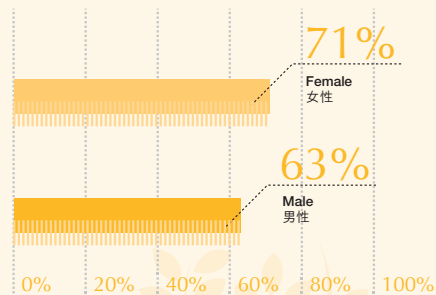
僱員流失率

於報告期間，本集團有180名僱員離職。於報告期間的年度流失率(按僱傭類型、性別及年齡組別劃分)如下：

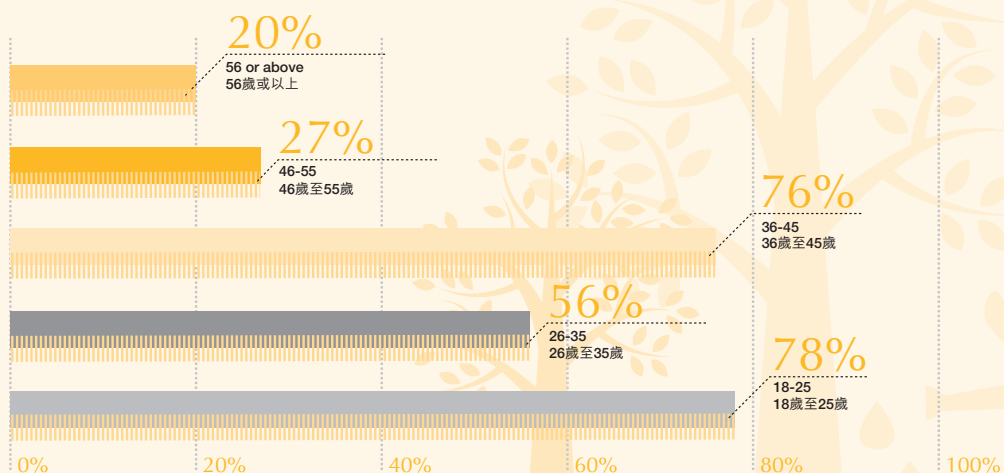
Annual Turnover Rate by Employment Type
年度流失率，按僱傭類型劃分



Annual Turnover Rate by Gender
年度流失率，按性別劃分



Annual Turnover Rate by Age Group
年度流失率，按年齡組別劃分





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B2. Employee Health and Safety

As stated in the staff handbook, health and safety at work are the interest and responsibility of both employees and the Group. Employees' compensation insurance is provided to cover any work-related injuries, illnesses and occupational diseases. The Group is committed to complying with all local occupational health and safety legislations that are relevant to the Group. First-aid kits are provided at all workplaces. Employees must take reasonable care for the health and safety of themselves and others, as well as participating in fire safety training or fire drills provided by the Group or property management offices. If any employee notices any unsafe conditions or gets injured at work, he/she should immediately report it to the supervisor.

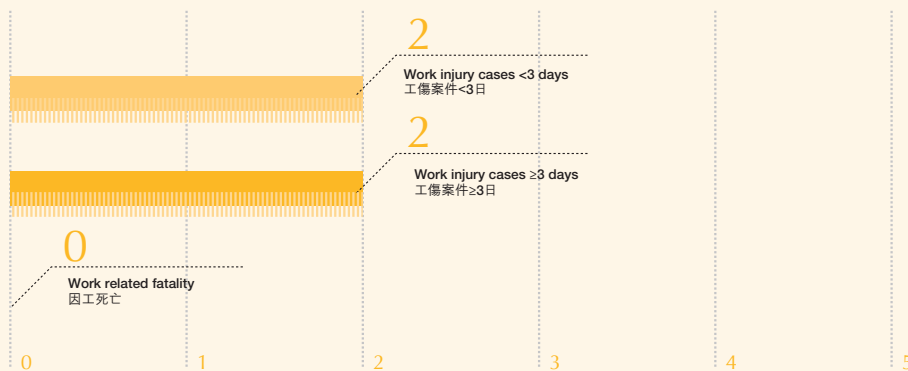
The Group's film exhibition operation has obtained Places of Public Entertainment Licence issued by Food and Environmental Hygiene Department ("FEHD") to ensure its business comply with relevant laws and regulations.

B2. 僱員健康與安全

如僱員手冊載述，職場健康及安全屬僱員及本集團的權益及責任。僱員的補償保險旨在為任何工傷、疾病以及職業病提供保障。本集團致力遵守與本集團有關的一切地方職業健康及安全法例。所有工作場所均配備急救箱。僱員須合理為自身及他人健康及安全著想，並參加由本集團或物業管理辦事處提供的消防安全培訓或消防演習。若任何僱員發現任何不安全情況或出現工傷，其應當立刻向其主管匯報。

本集團的電影放映業務已取得食物環境衛生署(「食環署」)頒發的公眾娛樂場所牌照，以確保其業務遵守有關法律及法規。

Occupational Health and Safety Data
職業健康與安全數據



There were 28.5 lost days due to minor injuries at film exhibition and production operations. Employees were given paid sick leave for their recovery. Overall, no employees experienced serious accident during the reporting period, and the Group has been in compliance with the applicable laws and regulations relating to the employees' health and safety.

電影放映及製作業務因輕傷錄得28.5個損失工作日數。本集團已給予有關僱員帶薪病假以供彼等康復。總體而言，於報告期間，概無僱員發生嚴重意外事故，且本集團已遵守與僱員健康及安全有關的適用法律及法規。



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B3. Development and Training

It is the Group's policy that all training activities, executed through the Human Resources & Administration Department of the Group ("HRA"), should comply with the local laws and regulations and protect the Group's interest. The Group maintains an open dialogue with our employees by facilitating a transparent two-way communication and providing on-the-job training to ensure they are well equipped with skills, knowledge and competencies that are needed to perform their job duties. For post-production production, the Group also encourages employees to attend external courses regarding operation skills required for upgraded software and new equipment during office hours. Standard training is arranged for Directors and the Company Secretary on an annual basis and a regular basis respectively, to strengthen their continuous professional development as well as to comply with requirements of the Listing Rules.

B4. Labour Standards

All employment and recruitment strictly abide by the Employment Ordinance of the Laws of Hong Kong. The HRA conducts checking on candidates and newly joined employee's identity cards, working visa, relevant certificates and references to ensure compliance with all the applicable laws and regulations relating to labour standards. The Group did not note any cases of material non-compliance with laws and regulations regarding labour standards during the reporting period.

2. Operating Practices

B5. Supply Chain Management

The Group has established a good relationship with the suppliers which ensure sustainable and stable quality products and services to the Group's customers. A procurement policy has been established for assigning purchasing responsibilities and ensuring a consistent approach for selecting vendors who will provide the best terms, conditions and products to meet the Group's standards and requirements. The Group requires that all material aspects of procurement of goods, raw materials, works and services be conducted to the highest ethical standards and consistent with the following principles:

- competitive tendering wherever possible and the impartial selection of appropriately qualified tenderers;

B3. 發展及培訓

本集團的一切培訓活動政策由本集團的人力資源及行政管理部(「人力資源部」)執行，且遵守地方法律及法規以及保障本集團的利益。本集團透過促進透明而雙向之溝通維持與僱員公開對話，並提供在職培訓，確保彼等具備履行其職責所需的良好技能、知識及能力。就後期製作而言，本集團亦鼓勵僱員於辦公時間參加有關軟件升級及新設備所需操作技能的外部課程。董事及公司秘書分別進行年度及定期培訓，以鞏固其持續專業發展以及符合上市規則規定。

B4. 勞工準則

所有僱傭及招聘均嚴格遵守香港僱傭條例。人力資源部對應聘人士及新聘僱員的身份證、工作簽證、相關證書及推薦函進行核實，以確保遵守一切與勞工準則有關的適用法律法規。於報告期間，本集團並無違反任何與勞工準則有關的法律及法規。

2. 營運慣例

B5. 供應鏈管理

本集團與供應商建立了良好關係，確保本集團的客戶持續享有穩定優質的產品及服務。本集團亦設立採購政策，以分配採購責任，並確保應用一致方式甄選會提供符合本集團標準及規定的最佳條款、條件及產品的供應商。本集團要求，採購貨物、原材料、工程及服務的所有重大方面須達致最高道德標準及符合以下準則：

- 於適用時採用競爭方式招標及公平甄選適當合資格投標商；



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- objective evaluation of tenders and selection of contractors and suppliers;
- adoption of appropriate forms of contract according to needs; and
- adoption of effective monitoring systems and management controls to ensure the proper fulfillment of contractual obligation, and to detect and prevent bribery, fraud or other malpractices throughout all stages of the procurement process.

The Group will take environmental and social performance into considerations in upcoming engagement and assessment with suppliers and contractors for the Group's business operation.

B6. Product and Service Responsibility

During the reporting period, the Group did not note any cases of material non-compliance with laws and regulations regarding health and safety, advertising, labelling and privacy matters relating to products and services provided.

Customer Relations

The Group recognises that customer satisfaction is of primary importance to its success. Mindful of its responsibility to the customers it serves, The Group strives to understand their requirements and concerns and to merit their business by responding effectively to their needs. Specifically, the Group's policy is to:

- always put the customers first by providing them with good quality cinema facilities, high quality viewing environment and the services that meet or exceed the customers' needs under all reasonable circumstances (film exhibition operation);
- provide service hotline and email enquiry channel, in which all enquiries must be responded within 3 working days (film exhibition operation);

- 對承包商及供應商的投標進行客觀評估及甄選；
- 根據需求採用適當合約形式；及
- 採用有效監察制度及管理控制，以確保妥為履行合約責任，於採購程序的所有階段發現及預防行賄、欺詐或其他不當作法。

本集團於未來業務營運委聘及評估供應商及承包商時將考慮計入其環境及社會表現。

B6. 產品及服務責任

於報告期內，本集團並無發現有關健康及安全、廣告、標籤以及與所提供產品與服務相關的隱私問題的法律及法規的重大違規個案。

客戶關係

本集團明白客戶滿意度乃制勝的重要因素。心繫客戶服務責任，本集團竭力了解其要求及關切問題，並透過有效回應其訴求承接其業務。尤其是，本集團所設立的政策旨在：

- 始終以客戶為先，在所有一切合理情況下為客戶提供符合或超越客戶需求的良好優質影院設施、高品質觀映環境及服務(電影放映業務)；
- 提供服務熱線及郵件詢問渠道，規定所有詢問均須在3個工作日內作出回應(電影放映業務)；



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- provide services that reliably and safely meet responsible standards of performance, efficiency and courtesy; and
- provide timely, accurate and sufficient information about its operations, capabilities and services, without misrepresentation, exaggeration and overstatement.

Accessible seats are provided for people with disability and their carers. Subtitled screenings are provided for deaf and hearing-impaired customers. Moreover, it is also the Group's standard practice to check every customer's identification cards when watching age-restricted movies.

Food Health and Safety at Cinemas

The Group obtained the Food Factory Licence issued by FEHD and strictly complies with the policies and relevant regulations set by FEHD. Officers from FEHD regularly conducts inspection on the Group's film exhibition premises to ensure food quality and hygienic environment are maintained. Employees working at concession stands are required to attend training courses provided by the FEHD and strictly follow the food preparation guidelines.

- 提供在服務能力、效率及禮儀方面能夠可靠、安全達致盡職標準的服務；及
- 準時、準確及充分提供與其營運業務、能力及服務有關的資料，不存在錯誤聲明，誇大事實，或過度陳述。

為殘疾人士及其照顧者提供無障礙座位。為失聰及聽力受損的顧客提供字幕放映。此外，在觀看有年齡限制的影片時，本集團亦採納檢查每位顧客的身份證的標準做法。

影院的食品衛生及安全

本集團已取得食環署頒發的食物製造廠牌照，並嚴格遵守食環署設立的政策及相關規例。食環署人員定期檢查本集團的電影放映業務所在處，以確保食品質量及衛生環境得到妥當處理。在販賣部工作的僱員須參加食環署提供的培訓課程，並嚴格遵守食品備製指引。





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Copyrights Management

The Group has established a copyrights management policy for its distribution and production of films, in the aspects of copyright's filing procedure, define ownership of the copyrights and contract terms. Digital Cinema Package (DCP) is used for movies for protection against illegal copying and piracy as specific decryption is required. In case of any suspected copyrights infringement item coming to the Group's attention, the policy also provides guidance on reporting structures and responsible parties and departments. Moreover, the Group enforces security encryption, subject to customers' instruction, and the Group sets securities codes for internal data and privacy protection. The use of pirate software is prohibited to avoid infringement of copyrights of other parties. For film exhibition operation, the Group ensures the warning message and policy trailers are displayed to protect intellectual property rights of the films exhibited in the cinemas. Employees are required to strictly follow work procedures to patrol inside the cinemas during screening to ensure no illegal recording.

Personal Data Protection

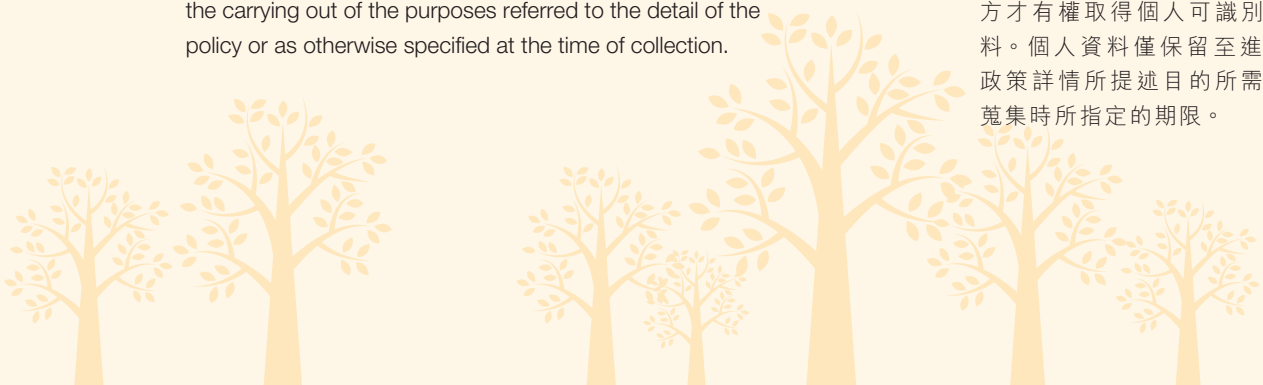
The Group is committed to complying with data protection principles and the requirements of the Personal Data (Privacy) Ordinance. Security software is installed on server for data protection. No collected personal data of employees, customers, suppliers and cinemagoers shall be shared with any third party outside the Group without their prior consent unless permitted or requested by law. Only those employees who need the personal data to perform a specific task with such information (such as job application and customer services) are granted access rights to personally identifiable information. Personal information will only be retained for such period as may be necessary for the carrying out of the purposes referred to the detail of the policy or as otherwise specified at the time of collection.

版權管理

本集團已為其發行及製作影片制定版權管理政策，所涉方面包括版權備案程序、釐定版權所有權及合約條款等。為保障免受非法複製及盜版，電影採用電影院數碼拷貝(DCP)，且須進行特別加密。若本集團僱員注意到任何疑似侵犯版權項目，該政策亦載有與報告架構以及負責人士及部門有關的指引以供遵行。另外，本集團按照客戶指示實施安全加密，同時亦為內部數據及私隱保護設立安全密碼。本集團禁止使用盜版軟件，以避免侵犯其他方的版權。就電影放映業務而言，本集團確保在電影院內播放警告訊息及政策文段，以保護影院所放映相關影片的知識產權。在放映期間，員工須嚴格遵守工作程序在電影院內巡邏，以確保無非法錄音行為。

私隱政策

本集團致力遵守個人資料(私隱)條例的保障資料原則及規定。我們的服務器上安裝有安全軟件以進行數據保護。未經僱員、客戶、供應商及影院觀眾的事先批准前，所蒐集彼等的個人資料概無與本集團以外的任何第三方共享，惟法律准許或要求者除外。僅有需要個人資料以透過相關資料執行特別工作(如職位申請及客戶服務)的僱員方才有權取得個人可識別資料。個人資料僅保留至進行政策詳情所提述目的所需或蒐集時所指定的期限。





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B7. Anti-corruption

The Group complies with the Prevention of Bribery Ordinance and it is in the Group's anti-fraud policy and code of conduct manual that employees should maintain the highest standards of integrity and honesty in conducting the Group's affairs. Any employee contravening the Group's rules and ethical standards is liable to disciplinary action.

The Group will not tolerate illegal or unethical acts. Anyone violating the code of conduct will be disciplined, and may be dismissed. The Group expects all employees to honestly uphold the Group's policy, the accounting procedures and other controls. Employees should report to the management at once any suspected violations of the code of conduct and anti-fraud policy (including conflicts of interest, deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of materials facts and collusion, fighting or gambling whilst on duty, serious neglect of duty, money laundering) which will constitute wrongdoing and damage the Group's reputation. In cases of suspected corruption or other forms of criminality, once prima facie evidence has been established, reports will be made to Hong Kong Independent Commission Against Corruption or appropriate authorities.

The Group deeply believes that conducting the business within an honest, moral and ethical arena is the best business policy to achieve healthy and sustainable growth of the Group. The Group manages and directs its business with honesty including honest financial procedures, budget proposals and honest economic evaluation of its business. According to the code of conduct, those involved in the selection of and purchase from suppliers and contractors should avoid misuse of authority or engagement in situations which could interfere, or appear to interfere, with their ability to make free and independent decisions regarding purchase or procurement.

The Group complies with laws and regulations relating to corruption or bribery. There was no case of violation of laws and regulations relating to anti-corruption against the Group or the Group's employees during the reporting period.

B7. 反貪污

本集團遵守防止賄賂條例。本集團的反欺詐政策及行為操守手冊亦規定，僱員於執行本集團事務時應保持誠信的最高標準。任何違反本集團規則及道德標準的僱員會面臨紀律處分。

本集團絕不容忍非法或不道德行為。違反行為操守的任何人士將接受處罰，甚至或會遭解僱。本集團預期全體僱員誠實恪守本集團的政策、會計程序及其他控制程序。僱員應立即向管理層匯報任何疑似違反行為操守及反欺詐政策而構成的違法行為或損害本集團聲譽的行為（包括利益衝突、欺詐、行賄、偽造、勒索、貪污、盜竊、串謀、盜用公款、不當挪用、虛假聲明、隱瞞重大事實及串通、工作期間打架或賭博、嚴重失職、洗黑錢）。疑似貪污或其他形式犯罪的表面證據一經確立，本集團將會向香港廉政公署或適當機構舉報。

本集團深信，營商時堅持誠實，恪守社會道德及職業道德乃本集團實現健康及持續增長的最佳商業政策。本集團管理及專注其業務時將秉誠行事，包括誠實遵循財務程序、預算計劃以及對其業務作出如實商業評估。根據行為操守，甄選供應商及承包商以及向其進行採購時，應避免濫用權利，或避開可能干擾或貌似干擾自主及獨立決定購買或採購的情況。

本集團遵守與反貪腐或行賄有關的法律及法規。於報告期間，本集團或本集團僱員並無違反與反貪腐有關的法律及法規。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

B8. Community Investment

The Group has no standard policies on community investment. However, employees' participation in charity works and social services are encouraged and supported by the Group. The Group strives to discharge its corporate social responsibility and has been offering special movie ticket price for the elderly and students and will consider supporting non-governmental organisations through charity gala premiere of the Group's productions or the films exhibited in the Group's cinemas.

B8. 社區投資

本集團並無有關社區投資的標準政策。然而，本集團鼓勵及支持僱員參與慈善工作及社會服務。本集團竭力履行其企業社會責任，並向長者及學生提供特惠電影票價，同時將考慮透過本集團製作的電影舉行首映禮或在本集團的電影院放映影片等慈善方式支持非政府組織。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

TO THE SHAREHOLDERS OF TRANSMIT ENTERTAINMENT LIMITED
(FORMERLY KNOWN AS PEGASUS ENTERTAINMENT HOLDINGS LIMITED)
(incorporated in the Cayman Islands with limited liability)

致傳遞娛樂有限公司各股東
(前稱天馬影視文化控股有限公司)
(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Transmit Entertainment Limited (formerly known as Pegasus Entertainment Holdings Limited) (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 85 to 194, which comprise the consolidated statement of financial position as at 30 June 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

意見

本核數師(以下簡稱「本行」)已審核第85至第194頁所載傳遞娛樂有限公司(前稱天馬影視文化控股有限公司)(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，當中包括於2018年6月30日之綜合財務狀況表，及截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

本行認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映 貴集團於2018年6月30日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為擬備。

意見的基礎

本行已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。本行於該等準則項下的責任乃於本行之報告「核數師就審核綜合財務報表承擔的責任」一節中進一步詳述。本行根據香港會計師公會頒佈之專業會計師職業道德守則(「守則」)獨立於 貴集團，本行亦已根據守則履行其他道德責任。本行相信，本行所獲得的審核憑證充足及適當地為本行的意見提供基準。

關鍵審核事項

就本行的專業判斷而言，關鍵審核事項乃指對本行審核本期綜合財務報表最為重要的事項。該等事項是在本行審核整體綜合財務報表及就此達成本行的意見時進行處理，而本行不會對此等事項單獨發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter

關鍵審核事項

Impairment loss on interests in associates

於聯營公司權益的減值虧損

We identified the impairment loss on interests in associates as a key audit matter due to its significance to the consolidated financial statements, combined with the judgment involved in management's impairment assessment of the interests in associates.

本行識別於聯營公司權益的減值虧損為關鍵審核事項，是由於於聯營公司權益的減值虧損對綜合財務報表的重要性，加上管理層對於聯營公司權益進行減值評估時所涉及的判斷。

As at 30 June 2018, the carrying amounts of the Group's interests in associates include i) interest in Jade Dynasty Holdings Limited ("JDH") and ii) interest in Supreme Art Entertainment Limited ("Supreme Art") amounted to HK\$8,400,000 and HK\$19,714,000, respectively. As disclosed in notes 4 and 16 to the consolidated financial statements, the Group determines the recoverable amount which is the higher of value in use and fair value less costs of disposal. The management has made a number of key assumptions in the value in use calculation. The key assumptions include discount rates and the future expected cash flows based on management's view of future business prospects. In addition, independent valuer is engaged to perform the value in use calculations on both JDH and Supreme Art which have carrying amounts of HK\$8,400,000, net of accumulated impairment of HK\$42,646,000, and HK\$19,714,000, respectively as at 30 June 2018.

於2018年6月30日，貴集團於聯營公司的權益的賬面值包括i)於玉皇朝控股有限公司(「玉皇朝」)的權益及ii)凱藝娛樂發展有限公司(「凱藝」)的權益分別為港幣8,400,000元及港幣19,714,000元。誠如綜合財務報表附註4及16所披露，貴集團釐定可收回金額為使用價值與公平值減出售成本之間較高者。管理層在使用價值計算中作出若干主要假設。主要假設包括貼現率及根據管理層對未來業務前景的意見計算的未來預期現金流。此外，委聘獨立估值師對玉皇朝及凱藝進行使用價值計算，玉皇朝及凱藝於2018年6月30日的賬面值分別為港幣8,400,000元(扣除累計減值港幣42,646,000元)及港幣19,714,000元。

How our audit addressed the key audit matter

本行的審核如何處理關鍵審核事項

Our procedures in relation to the impairment loss on interests in associates included:

本行關於於聯營公司權益減值虧損的程序包括：

- Understanding management's process for identifying the existence of impairment indicators and performing impairment assessment in respect of the interests in associates;
- 了解管理層識別是否存在減值跡象及就於聯營公司權益進行減值評估時所應用的程序；
- Evaluating the independent valuer's competence, capabilities and objectivity;
- 評估獨立估值師的資質、能力及客觀性；
- Engaging our internal valuation expert to evaluate whether the valuation methodology adopted by management is compliant with the International Valuation Standards and the appropriateness of the discount rates applied by reference to comparable companies in the industry;
- 委聘本行的內部估值專家評估管理層採納的估值方法是否符合國際估值準則及參照該行業可資比較公司採用的貼現率是否適當；
- Checking a selection of data inputs underpinning the future expected cash flows against appropriate supporting evidence, such as approved budgets, licensing copyright agreements and artiste services agreements to assess the accuracy and reliability;
- 以恰當支持憑證(例如獲批預算、版權許可協議及演員服務協議)檢查未來現金流量預測所應用之輸入數據，以評估準確性及可靠性；
- Evaluating the historical accuracy of the projections of cash flows prepared by management by comparing the historical budget to actual results; and
- 透過對比過往預算與實際業績，評估管理層編製的現金流量預測的過往精確性；及
- Performing sensitivity analysis on the key inputs to evaluate the magnitude of their impact on the calculation of the recoverable amounts of those associates.
- 對關鍵輸入數據進行敏感性分析，以評估其對計算聯營公司可收回金額的影響程度。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter

關鍵審核事項

How our audit addressed the key audit matter

本行的審核如何處理關鍵審核事項

Impairment loss on film rights and film production in progress

電影版權及製作中電影的減值虧損

We identified the impairment loss on film rights and film production in progress as a key audit matter due to the significance of the Group's film rights and film production in progress to the consolidated financial statements and the judgment and estimation uncertainty involved in the management's impairment assessment of the film rights and film production in progress.

本行識別電影版權及製作中電影的減值虧損為關鍵審核事項，是由於貴集團電影版權及製作中電影對綜合財務報表的重要性以及管理層對電影版權及製作中電影進行減值評估時所涉判斷與估計不明朗因素。

As at 30 June 2018, the carrying amount of film rights and film production in progress amounted to HK\$1,772,000 and HK\$140,058,000, respectively. In determining whether impairment on film rights and film production in progress is required, the Group takes into consideration the distribution and license agreements entered into by the Group and the current market environment to project cash flows expected to be received through box office receipts and distribution and licensing income. Impairment loss is recognised in the period in which the recoverable amount is less than the carrying amount. As disclosed in notes 4 and 20 to the consolidated financial statements, an impairment loss of film production in progress of HK\$15,378,000 was recognised and charged to profit or loss for the year ended 30 June 2018.

於2018年6月30日，電影版權及製作中電影的賬面值分別為港幣1,772,000元及港幣140,058,000元。於釐定電影版權及製作中電影是否需要作出減值時，貴集團考慮貴集團訂立的發行及發行權使用許可協議及目前的市場環境，以通過票房收入及發行以及發行權使用許可收入預測將收取的預期現金流量。減值虧損於可收回金額少於賬面值的期間確認。如綜合財務報表附註4及20所披露，截至2018年6月30日止年度確認製作中電影減值虧損港幣15,378,000元並於損益內扣除。

Our procedures in relation to the impairment loss on film rights and film production in progress included:

本行關於電影版權及製作中電影減值虧損的程序包括：

- Understanding the process of how management performs impairment assessment on the film rights and film production in progress;
- 了解管理層對電影版權及製作中電影進行減值評估的程序；
- Evaluating the appropriateness of the methodology used by management in determining the recoverable amounts of the film rights and film production in progress; and
- 評估管理層釐定電影版權及製作中電影可回收金額時所採用方法的合適性；及
- Evaluating the reasonableness of the assumptions used in the future cash flow projection and challenging the management's assessment on the expected revenue to be generated by the film rights and film production in progress by checking the film budget summary to the contract amounts of the distribution and licensing agreements and the estimated film box office receipts to the historical trend of similar film released.
- 透過檢查發行及發行權使用許可協議的電影預算總匯表以及按已上映類似電影的過往趨勢估計的電影票房收入，評估未來現金流預測所用假設的合理性及質疑管理層對電影版權及製作中電影產生的預期收益的評估。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter

關鍵審核事項

How our audit addressed the key audit matter

本行的審核如何處理關鍵審核事項

Impairment loss on property, plant and equipment

物業、廠房及設備的減值虧損

We identified the impairment loss of property, plant and equipment as a key audit matter due to its significance to the consolidated financial statements, combined with the judgment involved in management's impairment assessment of the property, plant and equipment of the Group.

本行識別物業、廠房及設備的減值虧損為關鍵審核事項，是由於其對綜合財務報表的重要性以及管理層對物業、廠房及設備進行減值評估時所涉判斷。

As at 30 June 2018, the carrying amount of the Group's property, plant and equipment amounted to HK\$99,005,000. As disclosed in notes 4 and 13 to the consolidated financial statements, in determining whether impairment on property, plant and equipment is required, the Group determines the recoverable amount which is the higher of value in use and fair value less costs of disposal. The management has made a number of key assumptions in the value in use calculation. The key assumptions include discount rate and the future expected cash flows based on management's view of future business prospects and past performance of the Group. As disclosed in notes 4 and 13 to the consolidated financial statements, an impairment loss of property, plant and equipment of HK\$40,579,000 was recognised and charged to profit or loss for the year ended 30 June 2018.

於2018年6月30日，貴集團物業、廠房及設備的賬面值為港幣99,005,000元。誠如綜合財務報表附註4及13所披露，於釐定物業、廠房及設備是否需要作出減值時，貴集團考慮可收回金額（以使用價值與公平值減去出售成本的較高者為準）。管理層在使用價值計算中作出若干主要假設。主要假設包括貼現率及根據管理層對貴集團未來業務前景的意見以及歷史表現計算的未來預期現金流。如綜合財務報表附註4及13所披露，截至2018年6月30日止年度確認物業、廠房及設備減值虧損港幣40,579,000元並於損益內扣除。

Our procedures in relation to the impairment loss on property, plant and equipment included:

本行關於物業、廠房及設備減值虧損的程序包括：

- Understanding management's process for identifying the existence of impairment indicators and performing impairment assessment in respect of the property, plant and equipment;
- 了解管理層識別是否存在減值跡象及就物業、廠房及設備進行減值評估時所應用的程序；
- Engaging our internal valuation expert to evaluate whether the valuation methodology adopted by management is compliant with the International Valuation Standards and the appropriateness of the discount rate applied by reference to comparable companies in the industry;
- 委聘我們的內部估值專家評估管理層採納的估值方法是否符合國際估值準則及參照該行業可資比較公司採用的貼現率是否適當；
- Evaluating the historical accuracy of the projections of cash flows prepared by management by comparing the historical budget to actual results; and
- 透過對比過往預算與實際業績，評估管理層編製的現金流量預測的過往精確性；及
- Performing sensitivity analysis on the key inputs to evaluate the magnitude of their impact on the calculation of the recoverable amounts of the property, plant and equipment.
- 對關鍵輸入數據進行敏感性分析，以評估其對於物業、廠房及設備可收回金額的影響程度。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事須對其他資料負責。其他資料包括載入年報內的資料，但不包括綜合財務報表及本行的核數師報告。

本行對綜合財務報表的意見並不涵蓋其他資料，本行亦不對該等其他資料發表任何形式的鑒證結論。

結合本行對綜合財務報表的審核，本行的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或本行在審核過程中所了解的情況存在重大不符或者似乎存在重大錯誤陳述。基於本行已執行的工作，倘若本行認為該其他資料存在重大錯誤陳述，本行需要報告該事實。在這方面，本行並無任何報告。

董事及管治人員就綜合財務報表須承擔的責任

貴公司董事負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，惟董事有意將貴集團清盤或停止經營或別無其他實際的替代方案則另作別論。

管治人員須負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

核數師就審核綜合財務報表承擔的責任

本行的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括本行意見（根據本行的協定委聘條款僅向閣下整體報告）的核數師報告，而不作其他目的。本行不會就本報告的內容向任何其他人士負上或承擔責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期其單獨或匯總可能影響使用者依賴該等綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審核的過程中，本行運用專業判斷，保持專業懷疑態度。本行亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對有關風險，以及獲取充足適當的審核憑證，作為本行意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及所作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果本行認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關披露不足，則本行應當修改意見。本行的結論是基於核數師報告日期止所取得的審核憑證。然而，未來事項或情況可能導致貴集團停止持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯列報方式反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。本行負責貴集團審核的方向、監督和執行。本行為審核意見承擔全部責任。

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

本行與有關管治人員溝通(其中包括)審核的計劃範圍、時間安排、重大審核發現等，包括本行在審核中識別出內部控制的任何重大缺陷。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

The engagement partner on the audit resulting in the independent auditor's report is Lee Po Chi.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

21 September 2018

本行亦向管治人員提交聲明，說明本行已符合有關獨立性的相關專業道德要求，並與彼等溝通有可能合理地被認為會影響本行獨立性的所有關係和其他事項以及相關的防範措施(如適用)。

從與管治人員溝通的事項中，本行確定哪些事項對本期綜合財務報表的審核最為重要，因而構成關鍵審核事項。本行在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在本行報告中溝通某事項造成的負面後果超過產生的公眾利益，本行決定不應在報告中溝通該事項。

出具本獨立核數師報告的審核項目合夥人是李寶芝。

德勤•關黃陳方會計師行
執業會計師
香港

2018年9月21日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 30 June 2018 截至2018年6月30日止年度

			2018	2017
		Notes	2018年	2017年
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
Revenue	收益	5	274,640	225,631
Cost of sales	銷售成本		(136,196)	(109,370)
Gross profit	毛利		138,444	116,261
Other gains	其他收益	7	8,608	5,353
Other income	其他收入	7	7,681	6,593
Selling and distribution expenses	銷售及發行開支		(200,624)	(110,539)
Administrative expenses	行政開支		(50,981)	(43,943)
Net foreign exchange gain (loss)	匯兌收益(虧損)淨額		1,859	(5,016)
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損		(40,579)	-
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	16	(22,295)	(20,351)
Impairment loss on available-for-sale investment	可供出售投資的減值虧損	19	(2,736)	-
Impairment loss on investment in film/drama production	投資電影/戲劇製作的減值虧損	21	(19,613)	-
Finance costs	融資成本		(262)	(9)
Share of results of associates	應佔聯營公司業績		74	(1,757)
Share of results of a joint venture	應佔一間合營企業業績		445	13,494
Loss before tax	除稅前虧損		(179,979)	(39,914)
Income tax expense	所得稅開支	8	(10,072)	(966)
Loss for the year	年內虧損	9	(190,051)	(40,880)
Other comprehensive income (expense) for the year	年內其他全面收入(開支)			
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>隨後或會重新分類至損益的項目</i>			
Share of exchange difference of a joint venture arising on translating foreign operation	應佔一間合營企業因換算海外業務產生的匯兌差額		28	(2,413)
Share of exchange difference of an associate arising on translating foreign operation	應佔一間聯營公司因換算海外業務產生的匯兌差額		(39)	48
Exchange difference arising on translating foreign operation	海外業務換算之匯兌差額		(1,373)	1,116
			(1,384)	(1,249)
Total comprehensive expense for the year	年內全面開支總額		(191,435)	(42,129)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 30 June 2018 截至2018年6月30日止年度

			2018	2017
		Note	2018年	2017年
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
Loss for the year attributable to:	下列人士應佔年內虧損：			
— Owners of the Company	— 本公司擁有人		(189,750)	(39,984)
— Non-controlling interests	— 非控股權益		(301)	(896)
			(190,051)	(40,880)
Total comprehensive expense for the year attributable to:	下列人士應佔年內全面開支總額：			
— Owners of the Company	— 本公司擁有人		(191,134)	(41,233)
— Non-controlling interests	— 非控股權益		(301)	(896)
			(191,435)	(42,129)
Loss per share	每股虧損			
Basic (HK cents)	基本(港仙)	12	(7.31)	(1.56)
Diluted (HK cents)	攤薄(港仙)		N/A 不適用	(1.56)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 30 June 2018 於2018年6月30日

		Notes	2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	99,005	62,058
Goodwill	商譽	14	–	–
Intangible assets	無形資產	15	5,600	5,600
Interests in associates	於聯營公司的權益	16	28,114	53,454
Interest in a joint venture	於一間合營企業的權益	17	205	459
Prepayment to an artiste	預付演員款項	18	–	12,000
Rental deposits	租賃按金	24	31,125	24,833
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備按金		–	15,229
Deferred tax assets	遞延稅項資產	32	1,179	10,832
			165,228	184,465
Current assets	流動資產			
Film rights	電影版權	20	1,772	9,264
Film production in progress	製作中電影	20	140,058	122,521
Available-for-sale investment	可供出售投資	19	1,320	4,056
Investments in film/drama production	投資電影／戲劇製作	21	2,920	27,417
Inventories	存貨	22	690	579
Trade and other receivables	貿易及其他應收款項	23	9,619	9,143
Prepayment to an artiste	預付演員款項	18	–	12,000
Rental deposits	租賃按金	24	18,712	19,944
Amounts due from related companies	應收關聯公司款項	29	143	–
Tax recoverable	可收回稅項		716	245
Pledged bank deposits	已抵押銀行存款	25	10,661	31,250
Bank balances and cash	銀行結餘及現金	26	76,336	31,998
			262,947	268,417
Assets classified as held for sale	分類為持有以作出售的資產	34	28,275	–
			291,222	268,417
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	27	119,469	59,676
Receipts in advance	預收款項	27	154,663	71,849
Tax payable	應付稅項		4	11,479
Bank borrowing	銀行借款	28	8,208	–
Amounts due to related companies	應付關聯公司款項	29	40,031	26
Amount due to a joint venture	應付一間合營企業款項	30	8,296	2,116
			330,671	145,146
Liabilities associated with assets classified as held for sale	與分類為持有以作出售的資產相關的負債	34	8,362	–
			339,033	145,146
Net current (liabilities) assets	流動(負債)資產淨值		(47,811)	123,271

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 30 June 2018 於2018年6月30日

		Notes 附註	2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Total assets less current liabilities	總資產減流動負債		117,417	307,736
Non-current liability	非流動負債			
Deposits received	已收按金	27	1,116	–
			116,301	307,736
Capital and reserves	資本及儲備			
Share capital	股本	31	6,489	6,489
Reserves	儲備		113,591	304,725
Equity attributable to owners of the Company	本公司擁有人應佔權益		120,080	311,214
Non-controlling interests	非控股權益		(3,779)	(3,478)
Total equity	權益總額		116,301	307,736

The consolidated financial statements on pages 85 to 194 were approved and authorised for issue by the board of directors of the Company on 21 September 2018 and are signed on its behalf by:

載於第85至第194頁之綜合財務報表已獲本公司董事會於2018年9月21日批准及授權刊發，並由以下人士代為簽署：

Zhang Liang, Johnson
張量
DIRECTOR
董事

Lee Hin Kwong, Patrick
李憲光
DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 30 June 2018 截至2018年6月30日止年度

Attributable to owners of the Company
本公司擁有人應佔

		Share capital	Share premium	Other reserve	Exchange reserve	Warrants reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
		股本	股份溢價	其他儲備	匯兌儲備	認股權證儲備	累計虧損	小計	非控股權益	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
				(Note)						
				(附註)						
At 1 July 2016	於2016年7月1日	6,309	504,353	10	(974)	295	(175,966)	334,027	(1,717)	332,310
Loss for the year	年內虧損	-	-	-	-	-	(39,984)	(39,984)	(896)	(40,880)
Share of exchange difference of an associate arising on translating foreign operation	應佔一間聯營公司因換算海外業務產生的匯兌差額	-	-	-	48	-	-	48	-	48
Share of exchange difference of a joint venture arising on translating foreign operation	應佔一間合營企業因換算海外業務產生的匯兌差額	-	-	-	(2,413)	-	-	(2,413)	-	(2,413)
Exchange difference arising on translating foreign operation	海外業務換算之匯兌差額	-	-	-	1,116	-	-	1,116	-	1,116
Total comprehensive expense for the year	年內全面開支總額	-	-	-	(1,249)	-	(39,984)	(41,233)	(896)	(42,129)
Acquisition of non-controlling interests of a subsidiary	收購一間附屬公司的非控股權益	-	-	-	-	-	53	53	(865)	(812)
Share of reserve movement of an associate	應佔一間聯營公司的儲備變動	-	-	-	-	-	1,627	1,627	-	1,627
Issue of shares upon exercise of warrants (note 31)	於行使認股權證後發行股份(附註31)	180	16,693	-	-	(133)	-	16,740	-	16,740
Transfer upon expiry of warrants (note 31)	於認股權證屆滿時轉撥(附註31)	-	-	-	-	(162)	162	-	-	-
At 30 June 2017	於2017年6月30日	6,489	521,046	10	(2,223)	-	(214,108)	311,214	(3,478)	307,736
Loss for the year	年內虧損	-	-	-	-	-	(189,750)	(189,750)	(301)	(190,051)
Share of exchange difference of an associate arising on translating foreign operation	應佔一間聯營公司因換算海外業務產生的匯兌差額	-	-	-	(39)	-	-	(39)	-	(39)
Share of exchange difference of a joint venture arising on translating foreign operation	應佔一間合營企業因換算海外業務產生的匯兌差額	-	-	-	28	-	-	28	-	28
Exchange difference arising on translating foreign operation	海外業務換算之匯兌差額	-	-	-	(1,373)	-	-	(1,373)	-	(1,373)
Total comprehensive expense for the year	年內全面開支總額	-	-	-	(1,384)	-	(189,750)	(191,134)	(301)	(191,435)
At 30 June 2018	於2018年6月30日	6,489	521,046	10	(3,607)	-	(403,858)	120,080	(3,779)	116,301

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

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

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 30 June 2018 截至2018年6月30日止年度

	NOTES 附註	2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
OPERATING ACTIVITIES	經營活動		
Loss before tax	除稅前虧損	(179,979)	(39,914)
Adjustments for:	就下列各項的調整：		
Finance costs	融資成本	262	9
Interest income	利息收入	(426)	(352)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	18,887	7,744
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	(80)	(14)
Loss on disposal of prepayment to an artiste	出售預付演員款項虧損	3,600	—
Gain on disposal of a subsidiary	出售一間附屬公司收益	(268)	—
Impairment loss on investment in film/drama production	投資電影／戲劇製作的減值虧損	19,613	—
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損	40,579	—
Impairment loss on available-for-sale investment	可供出售投資的減值虧損	2,736	—
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	22,295	20,351
Impairment loss on film production in progress	製作中電影的減值虧損	15,378	2,400
Share of results of associates	應佔聯營公司業績	(74)	1,757
Share of results of a joint venture	應佔一間合營企業業績	(445)	(13,494)
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	(57,922)	(21,513)
Increase in film rights and film production in progress	電影版權及製作中電影增加	(30,661)	(50,960)
Decrease in investments in film/drama production	投資電影／戲劇製作減少	5,210	5,609
(Increase) decrease in inventories	存貨(增加)減少	(144)	222
(Increase) decrease in trade and other receivables	貿易及其他應收款項(增加)減少	(4,344)	26,469
Decrease in prepayment to an artiste	預付演員款項減少	14,400	—
Increase in rental deposits	租賃按金增加	(6,294)	(24,831)
Increase in amounts due from related companies	應收關聯公司款項增加	(143)	—
Increase in trade and other payables and deposits received	貿易及其他應付款項及已收按金增加	64,805	14,159
Increase in receipts in advance	預收款項增加	83,175	3,058
Increase (decrease) in amounts due to related companies	應付關聯公司款項增加(減少)	5	(376)
Increase (decrease) in amount due to a joint venture	應付一間合營企業款項增加(減少)	6,180	(1,802)
Decrease in amount due from non-controlling interests	應收非控股權益款項減少	—	146
Cash generated from (used in) operations	經營所得(所用)現金	74,267	(49,819)
Income tax paid	已付所得稅	(11,263)	(590)
Income tax refunded	已退回所得稅	—	349
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營活動所得(所用)現金淨額	63,004	(50,060)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 30 June 2018 截至2018年6月30日止年度

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
	NOTES 附註		
INVESTING ACTIVITIES 投資活動			
Purchase of property, plant and equipment	購買物業、廠房及設備	(101,916)	(31,438)
Placement of pledged bank deposits	存放已抵押銀行存款	(10,000)	(31,250)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	30,589	31,165
Disposal of a subsidiary	出售一間附屬公司	12,014	—
Dividend received from an associate	已收一間聯營公司股息	3,080	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	824	89
Deposits received from disposal of a subsidiary	出售一間附屬公司的已收按金	2,400	—
Dividend received from a joint venture	已收一間合營企業股息	727	58,126
Interest received	已收利息	426	352
Investment in an associate	於一間聯營公司的投資	—	(20,000)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備的已付按金	—	(15,229)
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(61,856)	(8,185)
FINANCING ACTIVITIES 融資活動			
Advance from a related company	一間關聯公司墊付的款項	40,000	—
Proceeds from bank borrowing	銀行借款所得款項	10,000	—
Repayment of bank borrowing	償還銀行借款	(1,792)	—
Interest paid	已付利息	(262)	(9)
Proceeds from issue of shares upon exercise of warrants	行使認股權證後發行股份之所得款項	—	16,740
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	47,946	16,731
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加(減少)淨額	49,094	(41,514)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	31,998	72,177
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動的影響	(1,713)	1,335
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年末現金及現金等價物	79,379	31,998
Represented by	指		
Bank balances and cash	銀行結餘及現金	76,336	31,998
Cash and cash equivalents included in assets classified as held for sale	計入分類為持有以作出售資產的現金及現金等價物	3,043	—
		79,379	31,998

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

1A. GENERAL INFORMATION

Transmit Entertainment Limited (formerly known as Pegasus Entertainment Holdings Limited) is a public limited company incorporated in the Cayman Islands and its shares are listed on the Stock Exchange. The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands and its head office and principal place of business is located at Flat B, 14/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong. Its immediate and ultimate holding company is Nice Rich Group Limited, a company incorporated in the British Virgin Islands (the "BVI"). Its ultimate controlling shareholder is Mr. Zhang Liang, Johnson, who is also the Chairman and an executive director of the Company.

The Company is an investment holding company and the principal activities of its subsidiaries are set out in note 43.

Pursuant to a special resolution passed on 13 March 2018, the Certificate of Incorporation on Change of Name issued by the Registry of Companies in the Cayman Islands on 13 March 2018 and the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company issued by the Registrar of Companies in Hong Kong on 29 March 2018, the Company changed its name to Transmit Entertainment Limited with effect from 13 March 2018.

The consolidated financial statements are presented in Hong Kong dollar ("HK\$"), which is the Company's functional and presentation currency.

1A. 一般資料

傳遞娛樂有限公司(前稱為天馬影視文化控股有限公司)為一間於開曼群島註冊成立的公眾有限公司,其股份於聯交所上市。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands,其香港總部及主要營業地點位於香港灣仔告士打道128號祥豐大廈14樓B室。其直接及最終控股公司為Nice Rich Group Limited,為一間於英屬處女群島(「英屬處女群島」)註冊成立的公司。其最終控股股東為張量先生,彼亦為本公司之主席及執行董事。

本公司為一間投資控股公司,其附屬公司的主營業務載於附註43。

根據於2018年3月13日通過之特別決議案,開曼群島公司註冊處處長於2018年3月13日發出更改名稱註冊證明書及香港公司註冊處處長於2018年3月29日發出註冊非香港公司變更名稱註冊證明書,本公司將其名稱更改為傳遞娛樂有限公司,自2018年3月13日起生效。

綜合財務報表乃以本公司之功能及呈列貨幣港幣(「港幣」)呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

1B. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2018, the Group had net current liabilities of approximately HK\$47,811,000 (2017: net current assets of approximately HK\$123,271,000). The net current liabilities included an interest-bearing borrowing of approximately HK\$8,208,000 which was drawn from a banking facility of HK\$10,000,000 and is repayable on demand and amounts advanced from related companies of HK\$40,031,000 which is repayable on demand.

In the opinion of the directors of the Company (the “Directors”), after taking into account, among other things, the financial resources available to the Group including the future cash flows to be generated from the film and television (“TV”) series production and distribution and, the net proceeds to be received upon completion of disposal of a subsidiary, 勝馬文化傳播(上海)有限公司 (Shengma Cultural Communication (Shanghai) Company Limited) (“勝馬文化”) (details set out in note 34), the Directors are satisfied that the Group will have sufficient working capital to meet its financial obligations and commitments as and when they fall due within the next twelve months from the end of the reporting period. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements of the Group on a going concern basis. Management is not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Group’s ability to continue as a going concern.

1B. 綜合財務報表之編製 基準

於2018年6月30日，本集團擁有流動負債淨額約港幣47,811,000元(2017年：流動資產淨值約港幣123,271,000元)。流動負債淨額包括計息借款約港幣8,208,000元(乃自一筆港幣10,000,000元之銀行融資提取並須按要求償還)及關聯公司授出之墊款港幣40,031,000元(須按要求償還)。

公司董事(「董事」)認為，經考慮(其中包括)本集團可用之財務資源(包括電影及電視(「電視」)劇製作及發行產生之未來現金流量及將於出售勝馬文化傳播(上海)有限公司(「勝馬文化」)後取得之所得款項淨額)(詳情載於附註34)。董事信納本集團擁有充足的營運資金滿足其自報告期末起計未來十二個月到期的財務責任及承擔。因此，本公司董事信納按持續經營基準編製本集團之綜合財務報表屬適當。管理層並不知悉與可能使本集團之持續經營能力產生重大疑問之事件或狀況有關的任何重大不確定性。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

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

Amendments to HKFRSs that are mandatorily effective for the current year

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

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle

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

Amendments to HKAS 7 Disclosure Initiative

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the followings to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 40. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 40, the application of these amendments has had no impact on the Group’s consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度強制生效的香港財務報告準則修訂本

本集團已於本年度首次應用以下由香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則修訂本：

香港會計準則第7號（修訂本）	披露計劃
香港會計準則第12號（修訂本）	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號（修訂本）	作為香港財務報告準則2014至2016週期的年度改進之一部分

除下文所述者外，於本年度應用香港財務報告準則修訂本不會對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載的披露產生重大影響。

香港會計準則第7號（修訂本）披露計劃

本集團已於本年度首次應用此等修訂。有關修訂規定實體須披露所需資料令財務報表使用者得以衡量融資活動所產生負債變動（包括現金及非現金變動）。此外，有關修訂亦規定，倘來自金融資產的現金流量或未來現金流列作融資活動的現金流量，則須披露有關金融資產的變動。

特別是，該等修訂規定就以下情況作出披露：(i) 融資現金流量的變動；(ii) 因取得或失去附屬公司或其他業務的控制權而產生的變動；(iii) 外匯匯率變動的影響；(iv) 公平值的變動；及(v) 其他的變動。

有關該等項目期初及期末結餘的對賬載於附註40。根據修訂本的過渡條文，本集團並無披露去年的比較資料。除附註40的額外披露外，應用該等修訂並無對本集團綜合財務報表造成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

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

New and revised HKFRSs in issue but not yet effective

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

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and the related Amendments ¹
HKFRS 16	Leases ²
HKFRS 17	Insurance Contracts ⁴
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ²
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ²
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle ¹
Amendments to HKAS 40	Transfers of Investment Property ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle ²

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for annual periods beginning on or after 1 January 2019

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

⁴ Effective for annual periods beginning on or after 1 January 2021

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則及詮釋：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	客戶合約收益及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港(國際財務報告詮釋委員會)一詮釋第22號	外幣交易及預付代價 ¹
香港(國際財務報告詮釋委員會)一詮釋第23號	所得稅處理的不確定性 ²
香港財務報告準則第2號(修訂本)	以股份為基礎的付款交易的分類及計量 ¹
香港財務報告準則第4號(修訂本)	應用香港財務報告準則第9號金融工具及香港財務報告準則第4號保險合約 ¹
香港財務報告準則第9號(修訂本)	提早還款特性及負補償 ²
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或注資 ³
香港會計準則第19號(修訂本)	計劃修訂、削減或結算 ²
香港會計準則第28號(修訂本)	聯營公司及合營企業之長期權益 ²
香港會計準則第28號(修訂本)	作為香港財務報告準則2014至2016週期的年度改進之一部分 ¹
香港會計準則第40號(修訂本)	轉撥投資物業 ¹
香港財務報告準則(修訂本)	香港財務報告準則2015至2017週期的年度改進 ²

¹ 於2018年1月1日或以後開始的年度期間生效

² 於2019年1月1日或以後開始的年度期間生效

³ 於將釐定日期或以後開始的年度期間生效

⁴ 於2021年1月1日或以後開始的年度期間生效

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

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

New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss; and
- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39 *Financial Instruments: Recognition and Measurement*. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

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號引入金融資產和金融負債的分類與計量、一般對沖會計法及金融資產減值規定之新規定。

與本集團有關的香港財務報告準則第9號主要規定：

- 符合香港財務報告準則第9號範圍內之所有已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，業務模式內所持有以收取合約現金流量且合約現金流量僅為償還本金及尚未償還本金所產生利息之債務投資，一般於其後會計期間末按攤銷成本計量。業務模式內所持有以同時收回合約現金流量及出售金融資產且合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息的債務工具，一般透過其他全面收入按公平值（「透過其他全面收入按公平值」）計量。所有其他金融資產均按其後會計期間末的公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇以於其他全面收入呈列股本投資（並非持作買賣）之其後公平值變動，而僅於損益內全面確認股息收入；及
- 與香港會計準則第39號金融工具：確認及計量項下已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算金融資產之減值。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待信貸事件發生後方確認信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

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

New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

Based on the Group’s financial instruments and risk management policies as at 30 June 2018, the Directors anticipate the following potential impact on initial application of HKFRS 9:

Classification and measurement

- Debt instruments classified as loan receivables carried at amortised cost as disclosed in notes 21 and 23: it is held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, these financial assets will continue to be subsequently measured at amortised cost upon the application of HKFRS 9;
- Investment classified as available-for-sale (“AFS”) investment carried at cost less impairment as disclosed in note 19. The investment qualified for designation as measured at FVTOCI under HKFRS 9, however, the Group plans not to elect the option for designating the investment to be measured at FVTOCI and will measure the investment at fair value with subsequent fair value gains or losses to be recognised in profit or loss. Upon initial application of HKFRS 9, no fair value gains related to the investment as the fair value of the investment approximate its carrying amount as at 1 July 2018; and
- All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號金融工具(續)

根據本集團於2018年6月30日的金融工具及風險管理政策，本公司董事預期首次採納香港財務報告準則第9號將產生以下潛在影響：

分類及計量

- 分類為應收貸款並按攤銷成本列賬的債務工具(如附註21及23所披露)：此乃於目的為收取純粹為支付本金及未償還本金的利息的合約現金流量的業務模式下持有。因此，於採用香港財務報告準則第9號時，該等金融資產其後將繼續按攤銷成本計量；
- 分類為可供出售投資(「可供出售投資」)(按成本減減值列賬)之投資(如附註19所披露)：該投資合資格根據香港財務報告準則第9號被指定為透過其他全面收入按公平值計量；然而，本集團並無計劃選擇指定該投資透過其他全面收入按公平值計量，而將該投資按公平值計量，其後公平值收益或虧損將於損益確認。於首次應用香港財務報告準則第9號時，於2018年7月1日，由於該投資的公平值與其賬面值相若，故並無有關該投資的公平值收益；及
- 所有其他金融資產及金融負債將繼續按與當前根據香港會計準則第39號計量相同之基準計量。

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綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

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

New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

Impairment

In general, the Directors anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the Directors, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by the Group as at 1 July 2018 would not materially different as compared to the accumulated amount recognised under HKAS 39 as at 30 June 2018.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

香港財務報告準則第9號金融工具（續）

減值

一般而言，董事預期應用香港財務報告準則第9號的預期信貸虧損模式，將導致須對與按攤銷成本列賬的本集團金融資產有關的尚未產生信貸虧損作出較早的撥備，而其他項目則於本集團應用香港財務報告準則第9號時須作出減值撥備。

根據董事的評估，倘若本集團須應用預期信貸虧損模式，則本集團於2018年7月1日將予確認的累計減值虧損金額將不會較於2018年6月30日根據香港會計準則第39號確認的累計金額有顯著差異。

香港財務報告準則第15號客戶合約收益

香港財務報告準則第15號已頒佈，其制定單一全面模式，供實體用以將自客戶合約產生的收益入賬。當香港財務報告準則第15號生效後，其將取代現時載於香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋的收益確認指引。

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

New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The Directors anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the Directors do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

香港財務報告準則第15號客戶合約收益（續）

香港財務報告準則第15號的核心原則為實體應將向客戶轉讓承諾貨品或服務的收益確認為可反映該實體預期就交換該等貨品或服務有權獲得的代價。特別是，該準則引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於實體完成履約責任時（或就此）確認收益

根據香港財務報告準則第15號，實體於完成履約責任時（或就此）確認收益，即於特定履約責任相關的貨品或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號要求較廣泛的披露資料。

於2016年，香港會計師公會發佈對香港財務報告準則第15號的澄清，內容關於識別履約義務，當事人與代理人的考慮事項以及許可證應用指引。

董事預期，日後應用香港財務報告準則第15號可能會導致作出更多披露。然而，董事預期應用香港財務報告準則第15號將不會對相關報告期間確認收益的時間及金額產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

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

New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents operating lease payments as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號租賃

香港財務報告準則第16號為租賃安排的識別以及出租人及承租人的會計處理引入一套全面模式。香港財務報告準則第16號於生效日期起將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產的租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式所取代。

使用權資產初步按成本計量，其後按成本（若干例外情況除外）減累計折舊及減值虧損計量，並就任何重新計量的租賃負債作出調整。租賃負債初步按租賃付款（非當日支付）的現值計量。隨後，租賃負債就（其中包括）利息及租賃付款以及租賃修訂的影響作出調整。就現金流量之分類而言，本集團目前呈列經營租賃付款為經營現金流量。根據香港財務報告準則第16號，本集團將有關租賃負債之租賃付款分配至將呈列為融資現金流量之本金及利息部分。

與承租人會計處理方法相反，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計要求，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求較廣泛的披露資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

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

New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 16 Leases (Continued)

As at 30 June 2018, the Group has non-cancellable operating lease commitments of HK\$1,325,512,000 as disclosed in note 36. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of HK\$49,837,000 as rights under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

Except for the new HKFRSs mentioned above, the Directors anticipate that the application of all other new and amendments to HKFRSs and interpretations will have no material impact on consolidated financial statements in the foreseeable future.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號租賃（續）

誠如附註36所披露，於2018年6月30日，本集團擁有不可撤銷的經營租賃承擔約港幣1,325,512,000元。初步評估顯示該等安排將符合租賃的定義。應用香港財務報告準則第16號時，本集團將就所有租賃確認使用權資產及對應負債，惟其符合低值或短期租賃則另作別論。

此外，本集團現時將已付但可退還之租賃按金港幣49,837,000元視為適用於香港會計準則第17號的租賃權利。根據香港財務報告準則第16號租賃付款的定義，該等存款並非與相關資產使用權有關的付款，因此，該等存款的賬面值可能會調整為攤銷成本，而有關調整亦被視為額外租賃付款。已支付的可退還租金按金的調整將計入使用權資產的賬面金額。

此外，新要求的應用可能會導致如上所述的計量、呈現方式和披露方面的變化。

除上述新訂香港財務報告準則外，董事預期，應用所有其他新訂香港財務報告準則及其修訂本以及詮釋將不會於可見將來對綜合財務報表產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

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

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

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

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

3. 重大會計政策

綜合財務報表已按香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例（「公司條例」）所規定的適用披露。

綜合財務報表於各報告期末已按歷史成本基準編製，誠如下文載列之會計政策內闡述。

歷史成本通常按交換貨品時所付代價的公平值計算。

公平值為市場參與者於計量日期在有序交易中出售一項資產可能收取或轉讓一項負債可能支付之價格，不論該價格是否直接可觀察或使用其他估值方法作出估計。估計資產或負債之公平值時，本集團考慮了市場參與者於計量日期為該資產或負債進行定價時將會考慮的資產或負債特徵。在該等綜合財務報表中計量及／或披露之公平值均在此基礎上予以確定，惟香港財務報告準則第2號以股份為基礎付款範圍內之以股份為基礎付款的交易、香港會計準則第17號租賃範圍內之租賃交易及以及與公平值相似但並非公平值之計量（例如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值）除外。

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級或第三級，載述如下：

- 第一級輸入數據為實體於計量日期可以取得的相同資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據為就資產或負債直接或間接地可觀察之輸入數據（第一級內包括的報價除外）；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

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

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

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

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

3. 重大會計政策 (續)

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司控制之實體及其附屬公司之財務報表。倘屬以下情況，則本公司取得控制權：

- 對投資對象行使權力；
- 因參與投資對象的業務而獲得或有權獲得可變回報；及
- 有能力行使其權力影響其回報。

倘事實及情況表明以上所列控制權三個要素的一個或多個有所變動時，本集團重估其是否控制投資對象。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止入賬。具體而言，於本年度內購入或出售之附屬公司之收入及開支，按自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益及其他全面收益表內。

本公司擁有人及非控股權益應佔損益及其他全面收入各項目。本公司擁有人及非控股權益應佔附屬公司之全面收入總額，即使由此引致非控股權益結餘為負數。

附屬公司的財務報表於必要時會作出調整，以使其所採用的會計政策與本集團採用者一致。

所有集團內與本集團成員公司之間的交易有關的資產及負債、權益、收入、開支及現金流量均於綜合入賬時悉數對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Changes in the Group's ownership interests in existing subsidiaries

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

Business combinations

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

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

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

3. 重大會計政策 (續)

綜合基準 (續)

本集團於現有附屬公司的所有權益變動

當本集團失去對一個附屬公司之控制權，該附屬公司之資產及負債以及非控股權益(如有)會終止確認。收益或虧損於損益內確認，並計作下列二者之差額(i)已收代價公平值和任何保留權益公平值的總和與(ii)本公司擁有人應佔附屬公司資產(包括商譽)及負債之賬面值。就該附屬公司過往於其他綜合收益確認的所有款項均按猶如本集團已直接出售該附屬公司相關資產或負債(即重新分類至損益或轉至適用香港財務報告準則所規定/允許的另一權益類別)。

業務合併

收購業務採用收購法入賬。業務合併所轉撥的代價按公平值計量，而計算方法為本集團所轉讓的資產、本集團向被收購方原擁有人欠付的負債及本集團為交換對被收購方的控制權而發行的權益於收購日期的公平值總額。收購相關成本通常於產生時於損益內確認。

於收購日期，所收購可識別資產及所承擔負債按公平值確認，惟下列者除外：

- 遞延稅項資產或負債及與僱員福利安排有關的資產或負債，分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量；
- 與被收購方的以股份付款安排或本集團為取代被收購方的以股份付款安排所訂立的以股份付款安排有關的負債或股本工具，於收購日期根據香港財務報告準則第2號計量(見下文會計政策)；及
- 根據香港財務報告準則第5號*持作出售的非流動資產及已終止經營業務*分類為持作出售的資產(或出售組合)根據該項準則計量。

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For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations (Continued)

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Goodwill

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

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

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

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

3. 重大會計政策 (續)

業務合併 (續)

商譽是以所轉撥的代價、於被收購方的非控股權益金額及收購方以往持有被收購方權益的公平值(如有)的總和，減所收購可識別資產及所承擔負債於收購日期的淨額後，所超出的差額計量。若重估後所收購可識別資產與所承擔負債淨額高於轉撥的代價、於被收購方的非控股權益金額及收購方以往持有被收購方權益的公平值(如有)的總和，則差額即時於損益內確認為議價收購收益。

屬現時擁有的權益且於清盤時讓持有人有權按比例分佔有關附屬公司淨資產的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。

商譽

因收購業務所產生之商譽按於收購業務日期(參閱上述會計政策)所確定之成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期可從合併之協同效益得益之本集團現金產生單位(或現金產生單位組別)，即就內部管理而言按最低級別監控商譽及不大於營運分部。

獲分配商譽之現金產生單位(或現金產生單位組別)會每年進行減值測試，或於有跡象顯示該單位可能出現減值時則以更高頻率進行減值測試。就於報告期因收購產生之商譽而言，獲分配商譽之現金產生單位(或現金產生單位組別)會於該報告期末前進行減值測試。倘可收回金額少於其賬面值，則減值虧損會先用作減低任何商譽之賬面值，其後則根據該單位(或現金產生單位組別)內各項資產賬面值按比例分配至其他資產。

於出售相關現金產生單位後，在釐定出售損益(或本集團監控商譽的現金產生單位組合內的任何現金產生單位)金額時計入商譽的應佔金額。

本集團對於因收購一間聯營公司及一間合營企業產生的商譽的政策載於下文。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates and a joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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

The results and assets and liabilities of associates and a joint venture are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint venture used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

3. 重大會計政策 (續)

於聯營公司及一間合營企業的投資

聯營公司乃指本集團對其具有重大影響力的一個實體。重大影響力指有能力參與被投資者財務及營運的政策決定，但不能控制或共同控制該等政策。

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

聯營公司及一間合營企業的業績及資產及負債，均以權益會計法合併入該等綜合財務報表內。用於權益會計法之聯營公司及一間合營企業財務報表乃採用與本集團在類似交易及相若情況下事項所採用的統一會計政策編製。根據權益法，於一間聯營公司或合營企業的投資均按成本值於綜合財務狀況表內首次確認及隨後予以調整，以確認本集團應佔聯營公司或合營企業損益及其他全面收益。當本集團應佔聯營公司或一間合營企業的虧損超逾其於該聯營公司或合營企業的權益(包括(實際上)組成一部分本集團應佔聯營公司或合營企業投資淨額的任何長期權益)時，則本集團不再確認其應佔的進一步虧損。當本集團已產生法律或推定責任或代表該聯營公司或合營企業支付款項，則額外虧損僅以此為限予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates and a joint venture

(Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

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

3. 重大會計政策 (續)

於聯營公司及一間合營企業的投資 (續)

於一間聯營公司或合營企業的投資自被投資者成為一間聯營公司或合營企業之日起計採用權益法入賬。於收購聯營公司或合營企業的投資時，投資成本超過本集團分佔該被投資者可識別資產及負債的公平值淨值的任何部分確認為商譽，並計入投資的賬面值。於投資被收購期間，本集團分佔可識別資產及負債的公平值淨值超過投資成本的任何部分在重新估值後即時於損益內確認。

本集團應用香港會計準則第39號之規定釐定是否有必要就本集團於一間聯營公司或合營企業的投資確認任何減值虧損。於有需要時，投資的全部賬面值(包括商譽)將會根據香港會計準則第36號資產減值作為單一資產進行減值測試，方法為將其可收回金額(以使用價值與公平值減去出售成本的較高者為準)與其賬面值作比較，而已確認的任何減值虧損屬於該投資賬面值的一部分。減值虧損的任何撥回根據香港會計準則第36號確認，惟以該投資其後所增加的可收回金額為限。

倘集團實體與本集團之聯營公司或合營企業進行交易，則僅於交易所產生的溢利及虧損與本集團於聯營公司或合營企業的權益無關時，方於本集團的綜合財務報表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Non-current assets held for sale

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

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

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

3. 重大會計政策 (續)

持作出售之非流動資產

倘非流動資產及出售組別之賬面值主要透過出售交易而非透過持續使用而收回，則其歸類為持作出售資產。僅在出售的可能性極高，且非流動資產(或出售組別)按其現況可直接出售(僅受出售有關資產(或出售組別)之一般及慣用條款規限)，方符合所述條件。管理層須致力進行出售，且預計在歸類日期起計一年內合資格確認為已完成出售。

當本集團已致力一項出售計劃並涉及失去一附屬公司之控制權，倘上述標準符合，該附屬公司之所有資產及負債均被歸類為持作出售，不論於出售后本集團是否於其前附屬公司保留非控制權益。

歸類為持作出售之非流動資產(或出售組別)按資產原先之賬面值或公平值扣除出售成本之較低者計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

Income from the distribution of own produced films is recognised when the production is completed, the film has been released and distributed to the cinema circuit and the amount can be measured reliably, which is generally when the cinema circuit confirms to the Group its share of box office receipts.

Income from the licensing of the distribution rights over films is recognised when the Group's entitlement to such payments has been established which, subject to the terms of the relevant agreements, is usually upon delivery of the film negatives to the customers.

Amounts received for the distribution rights over films before completion and delivery of production are accounted for as receipts in advance.

Income from box office takings for film exhibition is recognised upon the sale of tickets and when the film is released.

Income from advertising service is recognised upon the provision of the services. Service income is recognised when services are provided.

3. 重大會計政策 (續)

收益確認

收益按已收或應收代價的公平值計量。收益已就估計客戶退貨、回扣及其他類似撥備作出減扣。

當收益金額能可靠計量、未來經濟利益可能流入本集團及已達成下文所述本集團各項活動的特定標準時，則確認收益。

銷售貨物的收益於交付貨物及移交所有權時確認。

自製電影發行收入於製作完成，電影已向電影院線放映及發行及金額可可靠計量（一般於電影院線向本集團確認其應佔的票房收入時能可靠計量）時確認。

電影發行權使用許可收入於本集團收取有關付款的權利已確立（通常於電影菲林底片交付予客戶後確立，惟受有關協議條款所限）時確認。

製作完成及交付前，就電影發行權已收的款項入賬為預收款項。

電影放映票房收入於門票銷售後及電影上映時確認。

廣告服務收入於提供服務後確認。服務收入於提供服務時確認。

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綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Income from the screen advertising is recognised when relevant advertisements and programmes are exhibited pursuant to the terms of the relevant agreements.

Income from post-production service is recognised upon the provision of the services. Services income is recognised when services are provided.

Membership income is recognised on a straight-line basis over the membership period.

Income from investments in film/drama production is recognised when the Group's entitlement to such payments has been established which, subject to the terms of the relevant agreements.

Interest income is accrued on a time apportionment basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3. 重大會計政策 (續)

收益確認 (續)

銀幕廣告收入於相關廣告及計劃按照相關協議的條款展示時確認。

後期製作服務收入於提供服務後確認。
服務收入於提供服務時確認。

會員收入乃按直線基準於會籍期內確認。

投資電影／戲劇製作的收入於確立本集團收取該等費用之權利時(受相關協議條款規限)確認。

利息收入參考未償還本金及適用實際利率(即於初步確認時將財務資產於預期年期之估計未來現金收入準確貼現至該資產賬面淨值之利率)以時間比例基準計算。

租賃

凡租賃條款將所有權的絕大部分風險及回報轉移至承租人的租賃，均列作融資租賃。所有其他租賃則列作經營租賃。

本集團作為承租人

經營租賃付款按直線法於租期內確認為一項開支。經營租賃項下產生的或然租金乃於產生期間確認為開支。

倘為訂立經營租賃而取得租賃獎勵，則該等獎勵確認為負債。獎勵利益總額按直線法確認為租金開支減少，除非另有一系統合理的方法更能代表使用者從租賃資產中獲取的經濟利益消耗的時間形態。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 重大會計政策 (續)

外幣

於編製各集團實體的財務報表時，以非該實體功能貨幣(外幣)進行的交易須按交易當日的適用匯率確認。於報告期末，以外幣計值的貨幣項目均按當日的適用匯率重新換算。以外幣計值按歷史成本計量的非貨幣項目則毋須重新換算。

因結算及重新換算貨幣項目而產生的匯兌差額均於產生期間於損益確認。

為呈列綜合財務報表，本集團業務的資產及負債按各報告期末的適用匯率換算成本集團的呈列貨幣(即港幣)，而收支項目則按期內平均匯率換算。所產生匯兌差額(如有)於其他全面收益確認並於匯兌儲備項下的權益(歸於非控股權益，倘適用)累計。

借款成本

收購、建造或生產合資格資產(即需要一段長時間才可作擬定用途或出售的資產)直接應佔之借款成本，加入該等資產的成本，直至資產大致上可作擬定用途或出售之時為止。

所有其他借款成本於產生期間於損益確認。

政府補貼

政府補貼僅於有合理保證本集團將符合該補貼的附帶條件且將收取該補貼時，方予確認。

作為已產生開支或虧損的應收政府補貼或就給予本集團即時財務資助而未來無相關成本的政府補貼，於成為應收款項的期間於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Retirement benefit costs

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Share-based payment arrangements

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to retained earnings. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained earnings.

3. 重大會計政策 (續)

退休福利成本

向國家管理退休福利計劃及強制性公積金計劃作出的付款於僱員提供服務而有權享有供款時確認。

短期僱員福利

短期僱員福利按預期將因及當僱員提供有關服務時而支付的未貼現福利金額確認。所有短期僱員福利均確認為開支，惟香港財務報告準則另有規定或允許於資產成本納入福利者則除外。

負債乃就僱員的應計福利(如工資及薪金、年假及病假)扣除任何已付金額後而確認。

以股份為基礎的付款安排

以權益結算以股份為基礎付款的交易

授予僱員的購股權

向僱員及其他提供類似服務的人士作出的以權益結算以股份為基礎的付款乃於授出日期按權益工具的公平值計量。

以權益結算以股份為基礎的付款按授出日期釐定的公平值(並無計及所有非市場歸屬條件)，乃根據本集團對最終將歸屬的權益工具的估計，於歸屬期內以直線法支銷，而權益(購股權儲備)會相應增加。於各報告期末，本集團基於對所有相關非市場歸屬條件的評估修訂預期歸屬的權益工具數目的估計。修訂原先估計的影響(如有)於損益中確認，以便累計開支反映修訂估計，並對以購股權儲備作出相應調整。

當購股權獲行使時，先前於購股權儲備中確認的款項將轉撥至保留盈利。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，先前於購股權儲備中確認的款項將轉撥至保留盈利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "loss before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interest in a joint venture, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. 重大會計政策 (續)

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項乃根據年內的應課稅溢利計算。應課稅溢利因其他年度的應課稅或可扣稅收支及毋須課稅或不可扣減項而有別於綜合損益及其他全面收益表所報「除稅前虧損」。本集團的即期稅項負債乃採用於報告期末已頒佈或實質上已頒佈的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利時採用的相應稅基之間的暫時差額確認。所有應課稅暫時差額一般均確認為遞延稅項負債，而倘可能出現應課稅溢利可用作抵銷可扣減暫時差額，則所有可扣減暫時差額一般確認為遞延稅項資產。若因初始確認一項交易的資產與負債而產生並無影響應課稅溢利或會計溢利的暫時差額（不包括業務合併），則不會確認該等遞延稅項資產與負債。此外，倘暫時差額因初步確認商譽而產生，則不確認遞延稅項負債。

遞延稅項負債按與於附屬公司及聯營公司投資以及於合營企業權益相關的應課稅暫時差額確認，惟本集團能夠控制暫時差額撥回且在可預見將來可能不會撥回有關暫時差額除外。與該等投資及利息相關的可扣減暫時差額所產生的遞延稅項資產，僅於有足夠應課稅溢利可動用暫時差額的利益且預期暫時差額會於可預見將來撥回時確認。

於各報告期末均會檢討遞延稅項資產的賬面值，並扣減至不可能再有足夠應課稅溢利以收回全部或部分資產為止。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Construction in progress are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such construction in progresses are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 重大會計政策 (續)

稅項 (續)

遞延稅項資產及負債基於報告期末已頒佈或實質上已頒佈的稅率(及稅法)按償還負債或變現資產期間的預期適用稅率計量。

遞延稅項負債及資產的計量反映本集團預期於報告期末收回或結算資產及負債賬面值的方式產生的稅務結果。

即期及遞延稅項於損益確認，惟若與其他全面收益或直接於權益確認的項目相關者，則亦分別於其他全面收益或直接於權益確認。

物業、廠房及設備

物業、廠房及設備(在建工程除外)以成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

在建工程按成本減任何已確認減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化的借款成本。有關在建工程於完工及作擬定用途時分類至物業、廠房及設備的適當類別。該等資產按與其他物業資產的相同基準於資產可作擬定用途時開始折舊。

折舊乃以直線法按估計可使用年期撇銷其資產(在建工程除外)成本減其剩餘價值確認。估計可使用年期、剩餘價值及折舊方法於各報告期末檢討，而任何估計變動的影響按提前應用基準入賬。

物業、廠房及設備項目於出售時或預期持續使用該資產於日後將不會產生經濟利益時終止確認。因出售或報廢物業、廠房及設備項目所產生的任何收益或虧損，按有關資產的銷售所得款項與賬面值間的差額釐定，並於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Film rights and film production in progress

Film rights are stated at cost less accumulated amortisation and accumulated impairment losses (if any). The Group amortises costs of film rights in the same ratio that current period actual revenue (numerator) bears to estimated total projected revenue (denominator). The Group begins amortisation of the capitalised costs of film rights when a film is released and it begins to recognise revenue from that film.

The Group reviews and revises estimates of total projected revenue and total production costs of film rights at the end of each reporting period. If estimates are revised, the Group adjusts the amount of total projected revenue (denominator) from the period when such changes in estimates take place and re-calculated the ratio for amortisation of film rights. The effect from changes in estimates is recognised on a prospective basis.

Film production in progress is stated at cost less any provision for impairment losses. Cost includes all costs associated with the production of films including remuneration for the film director, casts and production crew, costumes, insurance, makeup and hairdressing as well as rental of camera and lighting equipment. Film production in progress is transferred to film rights when the film is released.

Joint arrangements

Joint operations

When a group entity undertakes film production activities under joint venture arrangements (which do not involve the establishment of a corporate entity) and shares the ownership of the film rights upon completion of the production with other ventures, such film rights are classified as joint operation. The Group recognises its share of the joint operation and its share of liabilities incurred jointly with other ventures in the consolidated statement of financial position, classified according to their nature.

The Group recognises the income derived from the joint operation (in accordance with its revenue recognition policy set out above), together with its share of any expenses incurred in respect of its interest in the joint operation in its consolidated statement of profit or loss and other comprehensive income.

3. 重大會計政策 (續)

電影版權及製作中電影

電影版權按成本減累計攤銷及累計減值虧損(如有)列賬。本集團按當期實際收益(分子)較估計預測收益總額(分母)的相同比率攤銷電影版權成本。電影放映時，本集團開始電影版權資本化成本的攤銷，並且本集團開始確認電影的收益。

本集團於各報告期末審閱及修訂預測收益總額及電影版權製作成本總額的估計。倘修訂估計，本集團調整估計的該等變動產生期間的預測收益總額(分母)的金額以及重新計算電影版權的攤銷比率。估計變動的影響提前確認。

製作中電影按成本減任何減值虧損撥備列賬。成本包括所有與電影製作相關的成本，包括電影導演、演員及製作組薪酬、服裝、保險、化妝品及髮型設計以及攝影機及燈光設備租金。製作中電影於電影上映後轉撥至電影版權。

合營安排

聯合經營

當集團實體根據合營企業安排(並不涉及成立公司實體)進行電影製作活動以及與其他合營方完成電影製作後分佔電影版權所有權時，該等電影版權分類為聯合經營。本集團確認其應佔聯合經營以及綜合財務狀況表中與其他合營方共同產生的負債(根據彼等的性質分類)。

本集團確認聯合經營產生的收入(根據上文載列的收益確認政策)以及其應佔綜合損益及其他全面收益表中聯合經營的權益所產生的任何開支。

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綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

3. 重大會計政策 (續)

無形資產

業務合併中收購之無形資產

業務合併中收購之無形資產與商譽分開確認及初步按其於收購日期之公平值(視為其成本)確認。

於初步確認後，業務合併中收購之具有有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損呈報，基準與單獨收購之無形資產相同。業務合併中收購之具無限可使用年期之無形資產按成本減任何其後累計減值虧損列賬。

無形資產於出售時或預期無法通過其使用或出售獲得未來經濟收益時終止確認。終止確認無形資產所產生之收益及虧損按該資產之出售所得款項淨額與賬面值間之差額計量，並於終止確認該資產時在損益中確認。

有形及無形資產減值(不包括商譽，參閱上述與商譽有關的會計政策)

於報告期末，本集團檢討其有限可使用年期有形及無形資產之賬面值以決定是否有任何顯示該等資產受到減值虧損。如出現任何該等顯示，則應估計該資產之可回收金額以釐定其減值虧損(如有)程度。無特定使用年期的無形資產及尚未可用的無形資產至少每年及每當有跡象顯示可能減值時進行減值測試。

倘無法個別估計資產之可收回金額，則本集團會估計該資產所屬現金產生單位之可收回金額。倘可識別合理及一致之分配基準，則企業資產亦會分配至個別現金產生單位，或分配至可按合理及一致分配基準識別之最小組別現金產生單位。

可收回金額為公平值減銷售成本與使用價值兩者中之較高值。於評估使用價值時，乃以反映目前市場對金錢時間價值及資產(或現金產生單位)於估計未來現金流量調整前之獨有風險之稅前貼現率將估計未來現金流量貼現至現值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets (Continued)

Intangible assets acquired in a business combination (Continued)

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. 重大會計政策 (續)

無形資產 (續)

業務合併中收購之無形資產 (續)

有形及無形資產減值 (不包括商譽，參閱上述與商譽有關的會計政策) (續)

倘估計資產 (或現金產生單位) 之可收回金額少於其賬面值，資產 (或現金產生單位) 之賬面值下調至其可收回金額。於分配減值虧損時，則減值虧損將首先分配以調低任何商譽之賬面值 (如適用)，其後根據該單位內各資產之賬面值按比例分配至其他資產。資產的賬面值不會扣減至低於其公平值減出售成本 (倘可計量)、其使用價值 (倘可釐定) 及零中的最高者。將另行分配至資產的減值虧損金額按比例分配至該單位的其他資產。減值虧損即時於損益確認。

倘減值虧損於其後撥回，則該項資產 (或現金產生單位) 之賬面值會增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超出假設過往年度並無就該項資產 (或現金產生單位) 確認減值虧損時原應釐定之賬面值。減值虧損撥回即時於損益確認。

存貨

存貨按成本與可變現淨值兩者中的較低者列賬。存貨成本以先入先出法釐定。可變現淨值指存貨的估計售價減完成的全部估計成本及進行銷售的必要成本。

金融工具

當一個集團實體成為工具合約條文的訂約方時則確認金融資產及金融負債。

金融資產及金融負債初始按公平值計量。收購或發行金融資產及金融負債直接應佔的交易成本於初始確認時加入金融資產或金融負債的公平值，或從金融資產或金融負債的公平值扣除 (如適用)。收購透過損益以公平值列賬之金融資產或金融負債直接應佔交易成本即時於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets

Financial assets are classified into AFS financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

AFS financial assets

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (a) loans and receivables or (b) held-to-maturity investments or (c) financial assets at FVTPL.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment of financial assets below).

3. 重大會計政策 (續)

金融工具 (續)

金融資產

金融資產乃分類為可供出售金融資產及貸款與應收款項。分類視乎金融資產的性質及目的而定，於初始確認時予以釐定。所有透過正規途徑購買或銷售金融資產乃按買賣日期基準確認及終止確認。正規途徑購買或銷售乃要求於市場法規或慣例所設立的時間框架內交付資產的購買或銷售金融資產事宜。

實際利率法

實際利率法為計算債務工具的攤銷成本以及於有關期間分配利息收入的方法。實際利率為在債務工具的預期年期或(如適用)較短期間內精確地將估計未來現金收入(包括構成實際利率組成部分的所有已付或已收費用及點子、交易成本以及其他溢價或折讓)貼現至初始確認時的賬面淨值的利率。

債務工具的利息收入按實際利率基準確認。

可供出售金融資產

可供出售金融資產乃指定為可供出售或非分類為(a)貸款及應收款項，(b)持有至到期投資或(c)按公平值於損益入賬之金融資產的非衍生工具。

於活躍市場中並無市場報價且無法可靠計量其公平值的可供出售股本投資，及與該等無報價股本投資掛鉤且必須透過交付該等無報價股本投資進行結算的衍生工具，於各報告期末按成本減任何已識別的減值虧損計量(請參閱下文有關金融資產減值的會計政策)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including investments in film/drama production, trade and other receivables, amounts due from related companies, pledged bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment of financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項為具有固定或可釐定付款的非衍生金融資產，該等資產於活躍市場上並無報價。於初始確認後，貸款及應收款項(包括電影／戲劇製作投資、貿易及其他應收款項、應收關聯公司款項、已抵押銀行存款以及銀行結餘及現金)乃使用實際利率法按攤銷成本減任何減值計量(有關金融資產減值虧損的會計政策載列於下文)。

利息收入採用實際利率確認，惟短期應收款項(確認利息微乎其微)除外。

金融資產減值

金融資產乃於各報告期末評估減值跡象。於有客觀證據證明，金融資產的估計未來現金流量因金融資產初步確認後發生之一宗或多宗事件而受到影響時，金融資產被視為減值。

就可供出售股本投資而言，若證券公平價值大幅或長期下跌並低於其成本，即被認為是減值的客觀證據。

就所有其他金融資產而言，客觀減值證據可包括：

- 發行商或對手方遇到重大財務困難；或
- 違反合約，如逾期或拖欠支付利息或本金；或
- 借款人有可能破產或進行財務重組。

應收款項組合的客觀減值證據可包括本集團的過往收款經驗、組合內超逾平均信貸期的延遲付款次數增加，以及與應收款項逾期有關的全國或地方經濟狀況的明顯改變。

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For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就按攤銷成本列賬的金融資產而言，已確認減值虧損金額按該資產的賬面值與其按原先實際利率貼現的估計未來現金流量的現值之間的差額計量。

就按成本列賬的金融資產而言，減值虧損金額乃按資產賬面值與類似金融資產按現行市場回報率折現的估計未來現金流量現值間的差額計量。該項減值虧損不會於續後期間撥回。

就所有金融資產而言，金融資產的賬面值直接按減值虧損調減，惟貿易應收款項除外，其賬面值乃透過使用撥備賬目而減少。撥備賬目的賬面值變動於損益內確認。倘貿易應收款項被視為無法收回，則與撥備賬目撇銷。其後收回過往撇銷的款項計入損益內。

當可供出售金融資產被視為減值時，之前於其他全面收益中確認之累計盈虧，將於期內重新分類至損益。

就按攤銷成本計量的金融資產而言，倘於往後期間減值虧損金額減少，且該減少可客觀地與減值確認後發生的事件有關，則先前確認的減值虧損透過損益撥回，惟該投資於撥回減值日期的賬面值不超過在並無確認減值的情況下應有的攤銷成本。

金融負債及權益工具

集團實體發行的債務及權益工具乃根據合約安排的實質與金融負債及權益工具的定義分類為金融負債或權益。

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For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables, amounts due to related companies, amount due to a joint venture, bank borrowing and deposits received) are subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及權益工具 (續)

權益工具

權益工具為證明實體資產具有剩餘權益(經扣除其所有負債)的任何合約。本公司發行的權益工具按已收所得款項(扣除直接發行成本)確認。

實際利率法

實際利率法為計算金融負債的攤銷成本以及於有關期間分配利息開支的方法。實際利率為在金融負債的預期年期或(如適用)較短期間內精確地將估計未來現金付款(包括構成實際利率完整部分的所有已付或已收費用及點子、交易成本以及其他溢價或折讓)貼現至初始確認時的賬面淨值的利率。

利息開支按實際利率基準確認。

按攤銷成本計量的金融負債

金融負債(包括貿易及其他應付款項、應付關聯公司款項、應付一間合營企業款項、銀行借款及已收按金)其後使用實際利息法按攤銷成本計量。

終止確認

僅當從資產中收取現金流量的合約權利到期，或倘其轉移金融資產且資產所有權的絕大部分風險及回報轉移至其他實體，本集團終止確認金融資產。

終止確認金融資產時，該資產賬面值與已收及應收代價總和的差額於損益確認。

本集團金融負債於且僅於本集團的責任獲解除、取消或屆滿時終止確認。終止確認的金融負債賬面值與已付及應付代價的差額於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustments to the carrying amounts of assets within the next financial year.

Estimated impairment loss on film rights and film production in progress

Management of the Company ("Management") regularly reviews the recoverability of the Group's film rights and film production in progress with reference to its intended use and current market environment. Appropriate impairment for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

In determining whether impairment on film rights and film production in progress is required, the Group takes into consideration the distribution and license agreements entered into by the Group and the current market environment to project cash flows expected to be received through box office receipts and distribution and licensing income. Impairment loss is recognised in the period in which the recoverable amount is less than the carrying amount. The carrying amounts of film rights and film production in progress as at 30 June 2018 are HK\$1,772,000 (2017: HK\$9,264,000) and HK\$140,058,000 (2017: HK\$122,521,000), respectively. An impairment loss of HK\$15,378,000 (2017: HK\$2,400,000) has been recognised in respect of film production in progress for the year ended 30 June 2018. Details are set out in note 20.

4. 估計不確定因素的主要來源

於應用附註3所述的本集團會計政策時，董事須就無法直接通過其他來源獲得的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃基於歷史經驗及視為相關的其他因素作出。實際結果可能與該等估計存在差異。

估計及相關假設乃按持續基準進行檢討。倘會計估計的修訂僅對修訂期間產生影響，則其修訂僅在估計修訂期間確認；或如會計估計的修訂對當期及未來期間均產生影響，則相關修訂在估計修訂期間及未來期間進行確認。

下文載列報告期末有關未來之關鍵假設以及估計不確定因素之其他主要來源，其可能存在導致對下一財政年度之資產賬面值作出重大調整的重大風險。

電影版權及製作中電影的估計減值虧損

本公司管理層（「管理層」）參考其擬定用途及現時市場環境，定期檢討本集團的電影版權及製作中電影的可收回性。估計不可收回金額的適當減值於有客觀證據證明資產出現減值時於損益確認。

於釐定電影版權及製作中電影是否需要作出減值時，本集團考慮本集團訂立的發行及發行權使用許可協議及目前的市場環境，以通過票房收入及發行以及發行權使用許可收入預測將收取的預期現金流量。減值虧損乃於可收回金額低於賬面值期間確認。於2018年6月30日，電影版權及製作中電影的賬面值分別為港幣1,772,000元（2017年：港幣9,264,000元）及港幣140,058,000元（2017年：港幣122,521,000元）。截至2018年6月30日止年度，製作中電影已確認減值虧損港幣15,378,000元（2017年：港幣2,400,000元）。詳情載於附註20。

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For the year ended 30 June 2018 截至2018年6月30日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment loss in interests in associates

The Group determines the recoverable amount of its interests of associates which is the higher of value in use and fair value less costs of disposal. The value in use is based on the estimations of future expected cash flows from the associates and a suitable discount rate, which is performed by independent professional valuer. The discount rate represents rate that reflects current market assessments of time value of money. Where the actual future cash flows are less than expected or there is a downward revision of future estimated cash flows due to unfavourable changes in facts and circumstances, a material impairment loss may arise. The carrying amount of interests in associates as at 30 June 2018 is HK\$28,114,000 (2017: HK\$53,454,000). An impairment loss of HK\$22,295,000 (2017: HK\$20,351,000) has been recognised in respect of interests in associates for the year ended 30 June 2018. Details of the recoverable amount calculation for interests in associates are set out in note 16.

Estimated impairment loss on investments in film/drama production

In assessing the recoverability of investments in film/drama production, Management assessed the credibility of the counterparties, the progress of the related film/drama production and the market condition. Management determines the provision for impairment of investments in film/drama production taking into account the estimation of future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. The carrying amount of investments in film/drama production as at 30 June 2018 is HK\$2,920,000 (2017: HK\$27,417,000). An impairment loss of HK\$19,613,000 (2017: nil) has been recognised in respect of investments in film/drama production for the year ended 30 June 2018. Details are set out in note 21.

4. 估計不確定因素的主要 來源 (續)

於聯營公司權益的估計減值 虧損

本集團釐定其於聯營公司權益的可收回金額為使用價值及公平值減出售成本之間的較高者。使用價值乃獨立專業估值師基於對來自聯營公司的未來預期現金流量的估計及合適的貼現率作出。貼現率指反映貨幣時間價值的當前市場評估。如實際未來現金流量少於預期，或未來估計現金流量因事實或情況之不利變動而被下調，則或會產生重大減值虧損。於2018年6月30日，於聯營公司權益的賬面值為港幣28,114,000元(2017年：港幣53,454,000元)。截至2018年6月30日止年度，已就於聯營公司權益確認減值虧損港幣22,295,000元(2017年：港幣20,351,000元)。有關於聯營公司權益可收回金額計算的詳情載於附註16。

投資電影／戲劇製作的估計減 值虧損

於評估投資電影／戲劇製作的可收回性時，管理層評估了對手方的信用、相關電影／戲劇製作進度及市況。管理層釐定投資電影／戲劇製作的減值撥備時，已考慮到按金融資產的原始實際利率(即按初次確認時計算的實際利率)折現的未來現金流量(不包括尚未產生的未來信貸虧損)的估計。倘實際未來現金流量低於預期，則可能產生重大減值虧損。於2018年6月30日，投資電影／戲劇製作的賬面值為港幣2,920,000元(2017年：港幣27,417,000元)。截至2018年6月30日止年度，已就投資電影／戲劇製作確認減值虧損港幣19,613,000元(2017年：無)。詳情載於附註21。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Amortisation of film rights

The Group is required to estimate the projected revenue of the film rights based on their economic lives in order to ascertain the amount of amortisation charges for each reporting period. The appropriateness of the amortisation estimate requires the use of judgment and assumptions with reference to the prevailing and future market conditions to estimate total projected revenue over their economic lives. Changes in these estimates and assumptions could have a material effect on the amortisation charges. The carrying amount of the film rights as at 30 June 2018 is HK\$1,772,000 (2017: HK\$9,264,000). Details are set out in note 20.

Estimation of useful lives and impairment of property, plant and equipment

Management determines the estimated useful lives and depreciation method in determining the related depreciation charges for its property, plant and equipment. This estimate is based on the Management's experience of the actual useful lives of property, plant and equipment of similar nature and functions in the past. Management will accelerate the depreciation charge where the economic useful lives are shorter than previously estimated due to foreseeable removal or closure of factories and office premises. Actual economic useful lives may differ from estimated economic useful lives.

In addition, Management assesses impairment whenever events or changes in circumstances indicate that the carrying amount of an item of property, plant and equipment may not be recoverable. In determining whether impairment on property, plant and equipment is required, the Group determines the recoverable amount which is the higher of value in use and fair value less costs of disposal. The Management has made a number of key assumptions in the value in use calculation. The key assumptions include discount rate and the future expected cash flows based on Management's view of future business prospects and past performance of the Group. When the recoverable amounts of property, plant and equipment differ from the original estimates, impairment loss will be made and recognised in the period in which such event takes place. The carrying amount of property, plant and equipment as at 30 June 2018 is HK\$99,005,000 (2017: HK\$62,058,000). An impairment loss of HK\$40,579,000 (2017: nil) has been recognised in respect of property, plant and equipment for the year ended 30 June 2018. Details are set out in note 13.

4. 估計不確定因素的主要 來源 (續)

電影版權攤銷

本集團須估計電影版權於其經濟年期的預測收益，以確定各報告期的攤銷金額。適當的攤銷估計需要使用判斷及假設，並經參考當時及未來市場狀況以估計其經濟年期內的預測收益總額。此等估計及假設的變動或會對攤銷開支造成重大影響。於2018年6月30日，電影版權的賬面值為港幣1,772,000元(2017年：港幣9,264,000元)。詳情載於附註20。

物業、廠房及設備的估計可使用 年期及減值

於釐定物業、廠房及設備相關的折舊費用時，管理層釐定其估計可使用年期及折舊法。該估計乃基於管理層過往對具類似性質及功能的物業、廠房及設備實際可使用年期的經驗作出。由於工廠及辦公室物業的可預見拆除或倒閉導致經濟可使用年期短於先前估計時，管理層將加速折舊開支。實際經濟可使用年期可能有別於估計經濟可使用年期。

此外，當有事件或情況變化顯示物業、廠房及設備項目的賬面值可能無法收回時，管理層評估減值。於釐定物業、廠房及設備是否需要作出減值時，本集團釐定可收回金額為使用價值及公平值減出售成本之間的較高者。管理層已就使用價值的計算作出一系列主要假設。主要假設包括基於管理層對未來業務前景及本集團的過往表現作出的貼現率及未來預期現金流量。當物業、廠房及設備的可收回金額有別於原先預期，則將作出減值虧損並於其產生期間確認。於2018年6月30日，物業、廠房及設備的賬面值為港幣99,005,000元(2017年：港幣62,058,000元)。截至2018年6月30日止年度，已就物業、廠房及設備確認減值虧損港幣40,579,000元(2017年：無)。詳情載於附註13。

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5. REVENUE

An analysis of the Group's revenue for the year is as follows:

	2018	2017
	2018年	2017年
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Film production, distribution and licensing income 電影製作、發行及發行權使用許可收入	41,492	83,867
Film exhibition income 電影放映收入	223,854	137,291
Post-production income 後期製作收入	2,932	1,957
Advertising, marketing and publication income 廣告、市場推廣及出版收入	6,362	2,516
	274,640	225,631

5. 收益

本集團年內收益之分析如下：

6. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance is based on the following four reportable and operating segments identified under HKFRS 8 *Operating Segments*.

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

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment (loss) profit represent the loss incurred or profit earned by each segment without allocation of certain other income, certain selling and distribution expenses, certain administrative expenses, certain finance costs, impairment loss on interest in an associate and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

6. 分部資料

呈報予本公司執行董事(即主要營運決策者(「主要營運決策者」))以便進行資源分配及評估分部表現的資料乃以下列根據香港財務報告準則第8號經營分部識別的四個可呈報及經營分部為依據。

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

經營分部的會計政策與附註3所述的本集團會計政策相同。分部(虧損)溢利指各分部所產生的虧損或賺取的溢利，並無分配若干其他收入、若干銷售及發行開支、若干行政開支、若干融資成本、於一間聯營公司權益的減值虧損及應佔聯營公司業績。此乃就資源分配及表現評估向主要營運決策者作出報告的方式。

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For the year ended 30 June 2018 截至2018年6月30日止年度

6. SEGMENT INFORMATION (Continued)

Segment revenue and results

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

For the year ended 30 June 2018

		Film and TV series production and distribution 電影及電視劇製作及發行 HK\$'000 港幣千元	Film exhibition 電影放映 HK\$'000 港幣千元	Post-production 後期製作 HK\$'000 港幣千元	Advertising, marketing and publication 廣告、市場推廣及出版 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Segment revenue — External customers	分部收益 — 外部客戶	41,492	223,854	2,932	6,362	274,640
Segment loss	分部虧損	(39,500)	(97,904)	(1,984)	(815)	(140,203)
Unallocated other income	未分配的其他收入					426
Unallocated head office and corporate expenses	未分配的總部及企業開支					(17,944)
Finance costs	融資成本					(37)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損					(22,295)
Share of results of associates	應佔聯營公司業績					74
Loss before tax	除稅前虧損					(179,979)

6. 分部資料 (續)

分部收益及業績

以下為按經營及可呈報分部劃分的本集團收益及業績分析。

截至2018年6月30日止年度

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For the year ended 30 June 2018 截至2018年6月30日止年度

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the year ended 30 June 2017

		Film and TV series production and distribution 電影及 電視劇製作 及發行 HK\$'000 港幣千元	Film exhibition 電影放映 HK\$'000 港幣千元	Post- production 後期製作 HK\$'000 港幣千元	Advertising, marketing and publication 廣告、市場 推廣及出版 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Segment revenue	分部收益					
— External customers	— 外部客戶	83,867	137,291	1,957	2,516	225,631
Segment profit (loss)	分部溢利(虧損)	22,122	(25,575)	(3,155)	(1,892)	(8,500)
Unallocated other income	未分配的其他收入					370
Unallocated head office and corporate expenses	未分配的總部及企業開支					(9,667)
Finance costs	融資成本					(9)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損					(20,351)
Share of results of associates	應佔聯營公司業績					(1,757)
Loss before tax	除稅前虧損					(39,914)

As the Group's segment assets and liabilities are not regularly provided to the Group's CODM, the relevant analysis for both years is not presented.

由於本集團的分部資產及負債並非定期提供予本集團的主要營運決策者，故均無呈列兩個年度的有關分析。

6. 分部資料(續)

分部收益及業績(續)

截至2017年6月30日止年度

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6. SEGMENT INFORMATION (Continued)

Other segment information

For the year ended 30 June 2018

6. 分部資料(續)

其他分部資料

截至2018年6月30日止年度

		Film and TV series production and distribution	Film exhibition	Post-production	Advertising, marketing and publication	Unallocated	Total
		電影及電視劇製作及發行	電影放映	後期製作	廣告、市場推廣及出版	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Amounts included in the measure of segment profit or loss:	計算分部損益時所包括的金額：						
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(279)	(16,764)	(1,333)	(406)	(105)	(18,887)
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損	—	(40,579)	—	—	—	(40,579)
Impairment loss on AFS investment	可供出售投資的減值虧損	(2,736)	—	—	—	—	(2,736)
Impairment loss on investment in film/drama production	投資電影/戲劇製作的減值虧損	(19,613)	—	—	—	—	(19,613)
Share of results of a joint venture	應佔一間合營企業業績	445	—	—	—	—	445
Finance costs	融資成本	(225)	—	—	—	—	(225)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:	定期提供予主要營運決策者但計算分部損益時並無包括的金額：						
Interest income	利息收入	—	—	—	—	426	426
Finance costs	融資成本	—	—	—	—	(37)	(37)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	—	—	—	—	(22,295)	(22,295)
Share of results of associates	應佔聯營企業業績	—	—	—	—	74	74

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6. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 30 June 2017

6. 分部資料(續)

其他分部資料(續)

截至2017年6月30日止年度

	Film and TV series production and distribution	Film exhibition	Post-production	Advertising, marketing and publication	Unallocated	Total	
	電影及電視劇製作及發行	電影放映	後期製作	廣告、市場推廣及出版	未分配	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Amounts included in the measure of segment profit or loss:	計算分部損益時所包括的金額：						
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(470)	(5,062)	(1,691)	(405)	(116)	(7,744)
Share of results of a joint venture	應佔一間合營企業業績	13,494	—	—	—	—	13,494
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:	定期提供予主要營運決策者但計算分部損益時並無包括的金額：						
Interest income	利息收入	—	—	—	—	352	352
Finance costs	融資成本	—	—	—	—	(9)	(9)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	—	—	—	—	(20,351)	(20,351)
Share of results of associates	應佔聯營公司業績	—	—	—	—	(1,757)	(1,757)

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綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

6. SEGMENT INFORMATION (Continued)

Geographical information

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

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Hong Kong and Macau	香港及澳門	240,784	169,873
The PRC	中國	32,257	43,325
South East Asia Region	東南亞地區	163	7,890
Others	其他	1,436	4,543
		274,640	225,631

The Group's non-current assets (excluded deferred tax assets) by geographical location of the assets are details below:

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
The PRC	中國	10	15,482
Hong Kong	香港	164,039	158,151
		164,049	173,633

6. 分部資料(續)

地區資料

本集團來自外部客戶的收益按取得電影發行及授出發行權使用許可收入所在地區市場劃分的分析如下：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Hong Kong and Macau	香港及澳門	240,784	169,873
The PRC	中國	32,257	43,325
South East Asia Region	東南亞地區	163	7,890
Others	其他	1,436	4,543
		274,640	225,631

按資產所在地區劃分的本集團非流動資產(不包括遞延稅項資產)詳列如下：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
The PRC	中國	10	15,482
Hong Kong	香港	164,039	158,151
		164,049	173,633

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For the year ended 30 June 2018 截至2018年6月30日止年度

6. SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Customer A ¹	客戶甲 ¹	27,754	26,460

¹ Revenue from film and TV series production and distribution.

6. 分部資料(續)

有關主要客戶的資料

相應年度收益貢獻佔本集團總銷售額超過10%的客戶如下：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Customer A ¹	客戶甲 ¹	27,754	26,460

¹ 來自電影及電視劇製作及發行產生的收益。

7. OTHER GAINS AND OTHER INCOME

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Other gains	其他收益		
Compensation income (note i)	補償收入(附註i)	8,260	5,339
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	80	14
Gain on disposal of a subsidiary (note 35)	出售一間附屬公司收益(附註35)	268	—
		8,608	5,353
Other income	其他收入		
Handling service income	處理服務收入	3,635	2,526
Investment income from investments in film/drama production	投資電影/戲劇製作的投資收入	531	1,353
Government subsidies (note ii)	政府補貼(附註ii)	83	571
Membership income	會員收入	1,044	485
Interest income	利息收入	426	352
Franchise income	特許權收入	—	228
Others	其他	1,962	1,078
		7,681	6,593

7. 其他收益及其他收入

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7. OTHER GAINS AND OTHER INCOME

(Continued)

Notes:

- (i) During the year ended 30 June 2018, the Group received a compensation of RMB7,000,000 (equivalent to HK\$8,260,000) (2017: RMB4,684,000 (equivalent to HK\$5,339,000)) from the landlord of a cinema leased in the PRC due to the delay in handover of the leased cinema to the Group. The compensation income was unconditional and paid to the Group in according to the lease agreement entered into with the landlord.
- (ii) During the year ended 30 June 2018, one of the Group's subsidiaries in the PRC received RMB70,000 (equivalent to HK\$83,000) (2017: RMB501,000 (equivalent to HK\$571,000)) subsidies from the local authority for the purpose of encouraging the development of group entity in science and technology park. The subsidies received are giving immediate financial support to the group's entity with no future related cost or without any conditions and accordingly recognised in profit or loss during the year ended 30 June 2018.

7. 其他收益及其他收入(續)

附註：

- (i) 截至2018年6月30日止年度，本集團因一家中國租賃影院的業主延遲向本集團移交租賃影院而收到補償人民幣7,000,000元(相當於港幣8,260,000元)(2017年：人民幣4,684,000元(相當於港幣5,339,000元))。根據與業主訂立的租賃協議，補償收入乃無條件支付予本集團。
- (ii) 截至2018年6月30日止年度，本集團的一間中國附屬公司收到地方當局為鼓勵科技園的集團實體發展而發放的補貼人民幣70,000元(相當於港幣83,000元)(2017年：人民幣501,000元(相當於港幣571,000元))。收到的補貼為集團實體提供了即時的財務支持，且並無未來相關費用，亦無任何條件，因此在截至2018年6月30日止年度的損益中確認。

8. INCOME TAX EXPENSE

8. 所得稅開支

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Hong Kong Profits Tax	香港利得稅		
— current	— 即期	19	706
— underprovision in prior years	— 過往年度撥備不足	582	265
		601	971
PRC Enterprise Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)		
— current	— 即期	554	2,315
— (over) underprovision in prior years	— 過往年度(超額撥備)撥備不足	(736)	634
		(182)	2,949
Deferred taxation (note 32)	遞延稅項(附註32)	419	3,920
		9,653	(2,954)
		10,072	966

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8. INCOME TAX EXPENSE (Continued)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

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

The tax charge for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

8. 所得稅開支 (續)

香港利得稅按兩個年度的估計應課稅溢利的16.5%計算。

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

年內稅項支出與綜合損益及其他全面收益表所示的除稅前虧損可對賬如下：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Loss before tax	除稅前虧損	(179,979)	(39,914)
Tax at the domestic income tax rate of 16.5% (2017: 16.5%)	以本地所得稅稅率16.5%計算的稅項(2017年：16.5%)	(29,697)	(6,586)
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(1,105)	(247)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	11,676	5,049
Tax effect of deductible temporary differences not recognised	未確認的可扣減暫時差額的稅務影響	4,050	—
Tax effect of tax losses not recognised	未確認的稅項虧損的稅務影響	26,174	4,714
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認的稅項虧損的稅務影響	(65)	(1,884)
Tax effect of share of results of associates	應佔聯營公司業績的稅務影響	(12)	290
Tax effect of share of results of a joint venture	應佔一間合營企業業績的稅務影響	(73)	(2,227)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區營運的附屬公司的不同稅率的影響	(722)	958
(Over)underprovision in prior years	過往年度(超額撥備)撥備不足	(154)	899
Income tax expense for the year	年內所得稅開支	10,072	966

Details of deferred taxation are set out in note 32.

遞延稅項詳情載於附註32。

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9. LOSS FOR THE YEAR

9. 年內虧損

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Loss for the year has been arrived at after charging:	年內虧損乃經扣除以下各項後計算：		
Directors' emoluments	董事薪酬	6,210	6,708
Other staff costs	其他員工成本	31,675	20,797
Retirement benefit scheme contributions, excluding those of Directors	退休福利計劃供款，不包括董事供款	1,975	1,243
Total staff costs	員工成本總額	39,860	28,748
Auditors' remuneration	核數師酬金	1,564	1,669
Depreciation of property, plant and equipment	物業、廠房及設備折舊	18,887	7,744
Cost of film rights recognised as an expense	確認為開支的電影版權成本	18,071	37,181
Impairment loss on film production in progress (included in cost of sales)	製作中電影的減值虧損 (列入銷售成本)	15,378	2,400
Loss on disposal of prepayment to an artiste (included in cost of sales)	出售預付演員款項之虧損 (列入銷售成本)	3,600	—
Minimum lease payments under operating leases in respect of:	下列經營租賃項下的最低租賃付款：		
Premises	物業	3,689	3,710
Cinemas	電影院	121,083	74,868
Contingent rents incurred for cinemas	電影院產生的或然租金	1,411	1,332
Cost of services provided	提供服務成本	95,173	58,742
Cost of inventories sold	出售存貨成本	3,887	2,295

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10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Directors' and the chief executive's emoluments

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows:

10. 董事、行政總裁及僱員酬金

董事及行政總裁酬金

根據適用上市規則及公司條例所披露年內董事及行政總裁的酬金如下：

		Directors' fees	Salaries and other allowances	Retirement benefit scheme contributions	Total
		董事袍金	薪金及其他津貼	退休福利計劃供款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
For the year ended 30 June 2018	截至2018年6月30日止年度				
Executive Directors (Note a)	執行董事(附註a)				
Mr. Zhang Liang, Johnson (Note c)	張量先生(附註c)	—	—	—	—
Mr. Lee Hin Kwong, Patrick (Note d)	李憲光先生(附註d)	—	—	—	—
Mr. Wong Pak Ming (Note e)	黃栢鳴先生(附註e)	—	4,320	—	4,320
Ms. Wong Yee Kwan, Alvina (Note f)	黃漪鈞女士(附註f)	—	780	9	789
Mr. Wong Chi Woon, Edmond (Note f)	黃子桓先生(附註f)	—	660	9	669
Independent Non-executive Directors (Note b)	獨立非執行董事(附註b)				
Mr. Wang Bo (Note g)	王波先生(附註g)	79	—	—	79
Mr. Xiang Feng (Note g)	向峰先生(附註g)	79	—	—	79
Mr. Chang Eric Jackson (Note g)	張世澤先生(附註g)	79	—	—	79
Mr. Lam Kam Tong (Note h)	林錦堂先生(附註h)	65	—	—	65
Mr. Lo Eric Tien-cheuk (Note h)	羅天爵先生(附註h)	65	—	—	65
Mr. Tang Kai Kui, Terence (Note h)	鄧啟駒先生(附註h)	65	—	—	65
		432	5,760	18	6,210

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For the year ended 30 June 2018 截至2018年6月30日止年度

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Directors' and the chief executive's emoluments (Continued)

10. 董事、行政總裁及僱員 酬金 (續)

董事及行政總裁酬金 (續)

		Directors' fees	Salaries and other allowances	Retirement benefit scheme contributions	Total
		董事袍金 HK\$'000 港幣千元	薪金及 其他津貼 HK\$'000 港幣千元	退休福利 計劃供款 HK\$'000 港幣千元	合計 HK\$'000 港幣千元
For the year ended 30 June 2017	截至2017年6月30日 止年度				
Executive Directors (Note a)	執行董事(附註a)				
Mr. Wong Pak Ming (Note e)	黃栢鳴先生(附註e)	—	3,600	—	3,600
Ms. Wong Yee Kwan, Alvina (Note f)	黃漪鈞女士(附註f)	—	1,440	18	1,458
Mr. Wong Chi Woon, Edmond (Note f)	黃子桓先生(附註f)	—	1,200	18	1,218
Independent Non- executive Directors (Note b)	獨立非執行董事 (附註b)				
Mr. Lam Kam Tong (Note h)	林錦堂先生(附註h)	144	—	—	144
Mr. Lo Eric Tien-cheuk (Note h)	羅天爵先生(附註h)	144	—	—	144
Mr. Tang Kai Kui, Terence (Note h)	鄧啟駒先生(附註h)	144	—	—	144
		432	6,240	36	6,708

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10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Directors' and the chief executive's emoluments (Continued)

Notes:

- (a) The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.
- (b) The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.
- (c) Mr. Zhang Liang, Johnson was appointed as executive director and the chairman of the board of directors of the Company on 13 December 2017.
- (d) Mr. Lee Hin Kwong, Patrick was appointed as executive director of the Company on 1 December 2017.
- (e) Mr. Wong Pak Ming ("Mr. Wong") resigned as the chairman of the board of directors of the Company on 13 December 2017.
- (f) Ms. Wong Yee Kwan, Alvina and Mr. Wong Chi Woon, Edmond resigned as executive director of the Company on 13 December 2017. Ms. Wong Yee Kwan, Alvina and Mr. Wong Chi Woon, Edmond retained as the directors of the Company's subsidiary. Their emoluments disclosed above were for their services as directors of the Company.
- (g) Mr. Wang Bo, Mr. Xiang Feng and Mr. Chang Eric Jackson were appointed as independent non-executive directors of the Company on 13 December 2017.
- (h) Mr. Lam Kam Tong, Mr. Lo Eric Tien-cheuk and Mr. Tang Kai Kui, Terence resigned as independent non-executive directors of the Company on 13 December 2017.

No emoluments of chief executive disclosed as the Group has no appointment of chief executive during the years ended 30 June 2018 and 2017.

10. 董事、行政總裁及僱員 酬金 (續)

董事及行政總裁酬金 (續)

附註：

- (a) 上文所示執行董事酬金主要用作支付彼等就本公司及本集團的事務管理所提供的服務。
- (b) 上文所示獨立非執行董事酬金主要用作支付彼等擔任本公司董事所提供的服務。
- (c) 張量先生已於2017年12月13日獲委任為本公司執行董事及董事會主席。
- (d) 李憲光先生已於2017年12月1日獲委任為本公司執行董事。
- (e) 黃栢鳴先生(「黃先生」)已於2017年12月13日辭任本公司董事會主席職務。
- (f) 黃漪鈞女士及黃子桓先生已於2017年12月13日辭任本公司執行董事職務。黃漪鈞女士及黃子桓先生留任本公司附屬公司董事。上文所披露彼等之酬金乃用作支付彼等擔任本公司董事所提供的服務。
- (g) 王波先生、向峰先生及張世澤先生已於2017年12月13日獲委任為本公司獨立非執行董事。
- (h) 林錦堂先生、羅天爵先生及鄧啟駒先生已於2017年12月13日辭任本公司獨立非執行董事職務。

由於本集團於截至2018年及2017年6月30日止年度並無委任行政總裁，故並無披露行政總裁的酬金。

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10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Employees

Of the five highest paid individuals of the Group, the number of Directors and employees were as follows:

		2018 2018年	2017 2017年
Directors	董事	2	3
Employees	僱員	3	2
		5	5

The remuneration of the Directors are set out above. The emoluments of the remaining individuals were as follows:

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Salaries and other allowances	薪金及其他津貼	3,611	2,407
Retirement benefit scheme contributions	退休福利計劃供款	45	36
		3,656	2,443

The emoluments were within the following band:

		2018 2018年	2017 2017年
Less than HK\$1,000,000	低於港幣1,000,000元	2	1
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至港幣2,000,000元	1	1

During the year, no emoluments were paid by the Group to any of the Directors or the five highest paid individuals (including Directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. No Directors waived any emoluments for the years ended 30 June 2018 and 2017.

10. 董事、行政總裁及僱員酬金(續)

僱員

本集團五名最高薪人士當中，董事及僱員的人數如下：

		2018 2018年	2017 2017年
Directors	董事	2	3
Employees	僱員	3	2
		5	5

董事酬金於上文載列。餘下人士的酬金如下：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Salaries and other allowances	薪金及其他津貼	3,611	2,407
Retirement benefit scheme contributions	退休福利計劃供款	45	36
		3,656	2,443

彼等的酬金介乎下列範圍：

		2018 2018年	2017 2017年
Less than HK\$1,000,000	低於港幣1,000,000元	2	1
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至港幣2,000,000元	1	1

年內，本集團概無向任何董事或五名最高薪人士(包括董事及僱員)支付酬金，作為吸引彼等加入本集團或於加入本集團時的獎勵或作為離職補償。截至2018年及2017年6月30日止年度，董事概無放棄收取任何酬金。

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11. DIVIDEND

No dividend was paid or proposed for the year ended 30 June 2018, nor has any dividend been proposed since the end of the reporting period (2017: nil).

11. 股息

本公司於截至2018年6月30日止年度並未派付或建議派付任何股息，且自報告期末以來並未建議派付任何股息(2017年：無)。

12. LOSS PER SHARE

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

12. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Loss	虧損		
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	計算每股基本及攤薄虧損的本公司擁有人應佔年內虧損	(189,750)	(39,984)
		2018	2017
		2018年	2017年
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	計算每股基本及攤薄虧損的普通股加權平均股數	2,595,613,733	2,568,078,428

No calculation of diluted loss per share for the year ended 30 June 2018 as the Company has no potential ordinary shares to be issued.

並無計算截至2018年6月30日止年度的每股攤薄虧損，此乃由於本公司並無發行潛在普通股。

The computation of the diluted loss per share for the year ended 30 June 2017 did not assume the exercise of the Company's outstanding warrants since their exercise would result in a decrease in loss per share.

計算截至2017年6月30日止年度每股攤薄虧損乃假設本公司尚未行使的認股權證並未獲行使，此乃由於行使該等認股權證將導致每股虧損減少。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Leasehold improvements 租賃裝修 HK\$'000 港幣千元	Furniture, fixtures and equipment 傢俬、裝置 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Computer equipment 電腦設備 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
COST							
At 1 July 2016	成本 於2016年 7月1日	29,413	7,581	2,309	13,780	—	53,083
Exchange adjustments	匯兌調整	—	—	(13)	(1)	—	(14)
Additions	添置	20	22	—	681	30,715	31,438
Disposals	出售	—	(30)	—	(1,849)	—	(1,879)
At 30 June 2017	於2017年 6月30日	29,433	7,573	2,296	12,611	30,715	82,628
Exchange adjustments	匯兌調整	202	198	13	1	—	414
Additions	添置	2,400	57	530	280	113,878	117,145
Disposals	出售	—	(687)	(1,077)	—	—	(1,764)
Transfer from construction in progress	自在建工程轉讓	113,622	27,744	—	3,227	(144,593)	—
Reclassified as held for sale	重新分類為持作 出售	(12,090)	(11,838)	—	—	—	(23,928)
At 30 June 2018	於2018年 6月30日	133,567	23,047	1,762	16,119	—	174,495
ACCUMULATED DEPRECIATION AND IMPAIRMENT							
At 1 July 2016	累計折舊及減值 於2016年 7月1日	5,991	2,196	1,106	4,531	—	13,824
Exchange adjustments	匯兌調整	—	—	(5)	(1)	—	(6)
Provided for the year	年內撥備	3,041	1,501	459	2,743	—	7,744
Eliminated on disposals	於出售時撇銷	—	(15)	—	(977)	—	(992)
At 30 June 2017	於2017年6月30 日	9,032	3,682	1,560	6,296	—	20,570
Exchange adjustments	匯兌調整	33	27	7	1	—	68
Provided for the year	年內撥備	10,340	4,037	267	4,243	—	18,887
Eliminated on disposals	於出售時撇銷	—	(98)	(922)	—	—	(1,020)
Impairment loss recognised in profit or loss	於損益內確認減 值虧損	36,878	3,080	—	621	—	40,579
Reclassified as held for sale	重新分類為持作 出售	(2,015)	(1,579)	—	—	—	(3,594)
At 30 June 2018	於2018年 6月30日	54,268	9,149	912	11,161	—	75,490
At 30 June 2018	賬面值 於2018年 6月30日	79,299	13,898	850	4,958	—	99,005
At 30 June 2017	於2017年 6月30日	20,401	3,891	736	6,315	30,715	62,058

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13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Leasehold improvements	Over the leases term
Furniture, fixtures and equipment	20%
Motor vehicles	20%
Computer equipment	20%

As at 30 June 2018, for the purposes of impairment testing, the recoverable amount of the property, plant and equipment was determined based on value in use calculations which was performed by Management. The calculation uses cash flow projections of the Group based on financial budgets approved by the Management covering a five-year period and a pre-tax discount rate of 13.50%. The key assumption include the future expected cash flows based on Management's view of future business prospects and past performance of the Group.

During the year ended 30 June 2018, the Group recognised an impairment loss of HK\$40,579,000 of property, plant and equipment due to unsatisfactory operating result of film exhibition operations. As a result, the difference of recoverable amount, which is the value in use, and the carrying amount is recognised as an impairment loss and charged to profit or loss.

13. 物業、廠房及設備 (續)

上述物業、廠房及設備項目(在建工程除外)乃以直線法按以下年率折舊：

租賃裝修	租賃期內
傢俬、裝置及設備	20%
汽車	20%
電腦設備	20%

於2018年6月30日，就減值測試而言，物業、廠房及設備可收回金額乃由管理層按使用價值計算釐定。該計算乃採用基於管理層所批准涵蓋五年期之財務預算並採用稅前貼現率13.50%計算的本集團現金流預測。主要假設包括根據管理層對未來業務前景的意見及本集團過往表現釐定的未來預期現金流。

截至2018年6月30日止年度，本集團確認物業、廠房及設備減值虧損港幣40,579,000元，原因是電影放映業務經營業績未如理想。因此，可收回金額(即使用價值)與賬面值的差額確認為減值虧損並於損益內扣除。

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14. GOODWILL

14. 商譽

		Goodwill 商譽 HK\$'000 港幣千元
COST	成本	
At 1 July 2016, 30 June 2017 and 30 June 2018	於2016年7月1日、2017年6月30日及2018年6月30日	181,084
IMPAIRMENT	減值	
At 1 July 2016, 30 June 2017 and 30 June 2018	於2016年7月1日、2017年6月30日及2018年6月30日	181,084
CARRYING AMOUNTS	賬面值	
At 30 June 2017 and 30 June 2018	於2017年6月30日及2018年6月30日	—

For the purpose of impairment testing, goodwill (before impairment loss) of HK\$181,084,000 has been allocated to the groups of cash generating units ("CGUs") of Chili Advertising & Promotions Limited ("Chili") and its subsidiaries (collectively referred to as "Chili Group") which included Chili and Chili Platinum Advertising and Magazine Publishing Limited ("Chili Platinum") acquired by the Group in 2015.

During the year ended 30 June 2016, Management intended to terminate its publishing cooperation agreement with an independent third party and planned to cease the publication of a magazine operated by Chili Platinum under Chili Group due to its unsatisfactory operating results which was mainly due to decrease in demand for advertising market for luxury products and services in the PRC arising from the slowdown of the growth of the PRC economy and conspicuous spending. In August 2016, the Group eventually entered into a termination agreement with the independent third party regarding the publishing cooperation agreement and ceased the publication of the magazine operated by Chili Platinum. As a result, Management had taken the termination of the publishing cooperation agreement into consideration for the purpose of impairment assessment of Chili Group for the year ended 30 June 2016.

The recoverable amount of Chili Platinum had been determined based on fair value less costs of disposal calculations. The recoverable amount of Chili had been determined based on a value in use calculation. The estimated recoverable amount of Chili Group was below its carrying amount, accordingly the balance had been fully impaired as at 30 June 2016.

就減值測試而言，商譽（扣除減值虧損前）港幣181,084,000元已分配至本集團於2015年收購的Chili Advertising & Promotions Limited（「Chili」）及其附屬公司（統稱為「Chili集團」，包括Chili及智理白金雜誌廣告出版有限公司（「智理白金」）的現金產生單位（「現金產生單位」）組別。

截至2016年6月30日止年度，管理層擬終止與一名獨立第三方簽訂的出版合作協議並計劃停止出版Chili集團旗下智理白金經營的一本雜誌，這主要是由於中國奢侈品及服務廣告市場需求因中國經濟增長及奢侈消費放緩而出現下降，導致經營業績未如理想。於2016年8月，本集團最終就出版合作協議與獨立第三方訂立終止協議並停止出版智理白金經營的該本雜誌。因此，截至2016年6月30日止年度就Chili集團進行減值評估時，管理層已考慮終止出版合作協議。

智理白金的可收回金額根據公平值減出售成本計算法釐定。Chili的可收回金額乃根據使用價值計算法釐定。Chili集團的估計可收回金額低於其賬面值，因此，結餘已於2016年6月30日悉數減值。

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15. INTANGIBLE ASSETS

15. 無形資產

		Brand 商標 HK\$'000 港幣千元	Publishing cooperation agreement 出版合作協議 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
COST	成本			
At 1 July 2016, 30 June 2017 and 30 June 2018	於2016年7月1日、2017年6月30日及2018年6月30日	5,600	31,900	37,500
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值			
At 1 July 2016, 30 June 2017 and 30 June 2018	於2016年7月1日、2017年6月30日及2018年6月30日	—	31,900	31,900
CARRYING AMOUNTS	賬面值			
At 30 June 2017 and 30 June 2018	於2017年6月30日及2018年6月30日	5,600	—	5,600

The intangible assets are allocated to the CGU of Chili Group acquired by the Group which is presented under “Advertising, marketing and publication” reporting segment.

Brand

The brand name is associated to the advertising and promotion services operated by Chili and it is treated as having indefinite useful life because it is expected to contribute to net cash inflows to the Group indefinitely. Therefore, it is not amortised until its useful life is determined to be finite.

As at 30 June 2018, the recoverable amount of Chili has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by Management covering a five-year period and a discount rate of 12.50% (2017: 12.61%). Cash flows beyond the five-year period are extrapolated using a steady 2% (2017: 3%) expected inflation rate. The estimation of the budgeted sales and gross margins is based on past performance of Chili and Management’s expectations for the market development. As at 30 June 2018, no impairment loss is recognised on the brand as the recoverable amount is higher than its carrying amount.

Publishing cooperation agreement

The Group had ceased publication of the magazine operated by Chili Platinum in August 2016 due to its unsatisfactory operating results. For the year ended 30 June 2016, Management had taken the termination of the publishing cooperation agreement into consideration for the purpose of impairment assessment of Chili Platinum. The recoverable amount of Chili Platinum had been determined based on fair value less costs of disposal calculations. Accordingly, the balance had been fully impaired in 2016.

無形資產乃分配至本集團所收購的Chili集團的現金產生單位，而該現金產生單位乃於「廣告、市場推廣及出版」報告分部項下呈列。

商標

商標名稱與Chili營運的廣告及推廣服務有關，並因預計其可無限期為本集團貢獻現金流入淨額而被視作具有無限可使用年期。因此，其不會予以攤銷，直至其可使用年期釐定為有限為止。

於2018年6月30日，Chili的可收回金額根據使用價值計算法釐定。該計算法使用基於管理層所批准涵蓋五年期之財務預算並採用貼現率12.50% (2017年：12.61%) 計算的現金流預測。超過五年期的現金流量乃使用穩定預期通貨膨脹率2% (2017年：3%) 推算。預計銷售額及毛利率的估算乃根據Chili的過往表現及管理層對市場發展的預期而定。於2018年6月30日，由於可收回金額高於其賬面值，故概無就商標確認任何減值虧損。

出版合作協議

由於經營業績不如預期，本集團已於2016年8月停止出版智理白金經營的一本雜誌。截至2016年6月30日止年度就智理白金進行減值評估時，管理層已考慮終止出版合作協議。智理白金的可收回金額根據公平值減出售成本的計算法釐定。因此，結餘已於2016年悉數減值。

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16. INTERESTS IN ASSOCIATES

16. 於聯營公司的權益

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Cost of unlisted investments in associates	於聯營公司的未上市投資成本	74,000	74,000
Impairment loss recognised	已確認減值虧損	(42,646)	(20,351)
		31,354	53,649
Share of post-acquisition losses and other comprehensive expenses, net of dividend received	應佔收購後虧損及其他全面開支，扣除已收股息	(3,240)	(195)
		28,114	53,454

Interest in Jade Dynasty Holdings Limited (“JDH”)

JDH is an investment holding company incorporated in the BVI with limited liability and its subsidiaries (collectively known as “JDH Group”), are principally engaged in comic publication and own the intellectual property rights of a database of comic stories and comic heroes. Management anticipates that the Group would make use of the intellectual property rights of the associate (including but not limited to the comic stories and comic characters) that the Group considers these are suitable for reproduction as films. The Group is able to exercise significant influence over JDH because it has power to appoint 2 out of 5 directors of JDH under the Articles of Association. Therefore, JDH is accounted for as an associate of the Group.

The recoverable amount of the CGU arising from JDH Group was determined based on value in use calculations which was performed by Roma Appraisals Limited, an independent qualified professional valuer not connected with the Group, as at 30 June 2018. For impairment assessment purpose, the calculation uses cash flow projections of the associate based on the financial budgets attributable to the equity interest of the Group approved by Management covering five-year period and a post-tax discount rate of 22.32% (2017: 21.94%). Cash flows beyond the 5-year period are extrapolated using a steady 2% (2017: 2%) expected inflation rate for the CGU. The key assumption is budgeted revenue determined based on the associate’s past performance and the Management’s view of future business prospects.

於玉皇朝控股有限公司(「玉皇朝」)的權益

玉皇朝為一間在英屬處女群島註冊成立的投資控股有限公司，該公司及其附屬公司(統稱「玉皇朝集團」)主要從事漫畫發行，並擁有漫畫故事及漫畫英雄人物數據庫的知識產權。管理層預期，本集團將使用本集團認為適合重製為電影的聯營公司知識產權(包括但不限於漫畫故事及漫畫英雄人物)。本集團對玉皇朝有重大影響力，因為其根據玉皇朝的組織章程細則有權委任玉皇朝5位董事中的2位。因此，玉皇朝入賬列作本集團的聯營公司。

玉皇朝集團產生的現金產生單位的可收回金額乃由羅馬國際評估有限公司(乃一名與本集團沒有關聯的獨立合資格專業估值師)於2018年6月30日按使用價值計算釐定。就減值評估而言，該計算乃採用基於管理層所批准涵蓋五年期之本集團股權應佔按財務預算並採用稅後貼現率22.32%(2017年：21.94%)計算的聯營公司現金流預測。超出五年期的現金流乃採用現金產生單位的2%(2017年：2%)穩定預期通貨膨脹率推算。主要假設為根據聯營公司過往表現及管理層對未來業務前景的意見釐定的預算收益。

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16. INTERESTS IN ASSOCIATES (Continued)

Interest in Jade Dynasty Holdings Limited (“JDH”) (Continued)

During the year ended 30 June 2018, the Group recognised an impairment loss of HK\$22,295,000 (2017: HK\$20,351,000) of JDH Group due to the intense competition in the market of comic publication and licencing the copyrights of comic which resulted in a decrease in expected future cashflows accordingly. As a result, the difference of recoverable amount, which is the value in use, and the carrying amount (containing goodwill) is recognised as an impairment loss and charged to profit or loss.

Interest in Supreme Art Entertainment Limited (“Supreme Art”)

Supreme Art is a private entity incorporated in Hong Kong with limited liability which is engaged in provision of artiste management and agency services. Management anticipates that the artiste of Supreme Art can participate in the film production of the Group. The Group is able to exercise significant influence over Supreme Art because it has power to appoint 1 out of 3 directors of Supreme Art under its Articles of Association. Therefore, Supreme Art is accounted for as an associate of the Group.

The carrying amount of the Group’s interest in Supreme Art is also tested for impairment by comparing with the respective recoverable amount. The recoverable amount of the Group’s investment in Supreme Art has been determined based on value in use calculations which was performed by Roma Appraisals Limited, an independent qualified professional valuer not connected with the Group, as at 30 June 2018. For impairment assessment purpose, the calculation uses cash flow projections of the associate based on the financial budgets attributable to the equity interest of the Group approved by Management covering five-year period and a post-tax discount rate of 22.24% (2017: 20.85%). Cash flows beyond the 5-year period are extrapolated using a steady 2.6% (2017: 3%) expected inflation rate for the CGU. Other key assumptions for the value in use calculations relate to the cash flow projections which include the artiste management fee received, the estimation of which is based on the Management’s view of future business prospects.

As at 30 June 2018, the recoverable amount of Supreme Art is higher than the respective carrying amount and thus no impairment loss is recognised regarding to the Group’s interest in Supreme Art.

16. 於聯營公司的權益 (續)

於玉皇朝控股有限公司 (「玉皇朝」) 的權益 (續)

截至2018年6月30日止年度，本集團確認玉皇朝集團減值虧損港幣22,295,000元(2017年：港幣20,351,000元)，原因是漫畫發行市場競爭激烈及漫畫版權許可導致預期未來現金流量相應減少。因此，可收回金額(即使用價值)與賬面值(包括商譽)的差額確認為減值虧損並於損益內扣除。

於凱藝娛樂發展有限公司 (「凱藝」) 之權益

凱藝為於香港註冊成立的私人有限公司，從事提供演員管理及代理服務。管理層預期凱藝的演員可能會參與本集團的電影製作。本集團能夠對凱藝行使重大影響力，乃由於其有權根據凱藝的組織章程細則委任凱藝三名董事中的其中一名。因此，凱藝入賬列作本集團的聯營公司。

本集團於凱藝權益的賬面值亦透過比較各自可收回金額進行減值測試。本集團於凱藝投資的可收回金額乃由羅馬國際評估有限公司(一名與本集團沒有關聯的獨立合資格專業估值師)於2018年6月30日根據使用價值計算釐定。就減值評估而言，乃採用基於管理層所批准涵蓋五年期之本集團股權應佔財務預算並採用稅後貼現率22.24%(2017年：20.85%)計算的聯營公司現金流預測。超出五年期的現金流乃採用現金產生單位的2.6%(2017年：3%)穩定預期通貨膨脹率推算。使用價值計算的其他主要假設涉及現金流預測(包括所收取的演員管理費)，而有關估計乃以管理層對未來業務前景的意見為依據。

於2018年6月30日，凱藝的可收回金額高於各自賬面值，因此並無就本集團於凱藝的權益確認減值虧損。

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16. INTERESTS IN ASSOCIATES (Continued)

The details of the Group's associates at 30 June 2018 and 2017 are as follows:

Name of associate 聯營公司名稱	Place of incorporation/ registration 註冊成立/ 登記地點	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團所持所有權權益的比例		Proportion of voting rights held by the Group 本集團所持投票權的比例		Principal activities 主要業務
			2018 2018年	2017 2017年	2018 2018年	2017 2017年	
JDH	BVI	Hong Kong	40%	40%	40%	40%	Comic publication and owns the intellectual property rights of a data base of comic stories and comic heroes
玉皇朝	英屬處女群島	香港					漫畫發行，並擁有漫畫故事及漫畫英雄人物數據庫的知識產權
Supreme Art	Hong Kong	Hong Kong	40%	40%	33.33%	33.33%	Artiste management and agency services
凱藝	香港	香港					演員管理及代理服務

These associates are accounted for using the equity method in these consolidated financial statements.

The summarised financial information in respect of the Group's associates is set out below and was prepared in accordance with HKFRSs.

16. 於聯營公司的權益 (續)

有關本集團聯營公司於2018年及2017年6月30日的詳情如下：

該等聯營公司乃使用權益法於該等綜合財務報表中列賬。

下文載列本集團聯營公司根據香港財務報告準則編製的財務資料概要。

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16. INTERESTS IN ASSOCIATES (Continued)

16. 於聯營公司的權益 (續)

JDH Group

玉皇朝集團

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Non-current assets	非流動資產	76,836	79,052
Current assets	流動資產	14,752	16,335
Current liabilities	流動負債	(14,784)	(16,869)
Net assets	資產淨值	76,804	78,518

		Year ended 30 June 2018 截至2018年 6月30日 止年度 HK\$'000 港幣千元	Year ended 30 June 2017 截至2017年 6月30日 止年度 HK\$'000 港幣千元
Revenue	收益	18,372	17,156
Loss for the year attributable to owners of the associate	聯營公司擁有人應佔年度虧損	(1,652)	(9,541)
Group's share of loss	本集團應佔虧損	(661)	(3,816)
Other comprehensive (expense) income for the year	年內其他全面(開支)收益	(97)	119
Group's share of other comprehensive (expense) income	本集團應佔其他全面(開支)收益	(39)	48

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16. INTERESTS IN ASSOCIATES (Continued)

JDH Group (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Net assets of JDH Group	玉皇朝集團的資產淨值	76,804	78,518
Non-controlling interests of JDH Group	玉皇朝集團的非控股權益	(66)	(31)
		76,738	78,487
Proportion of the Group's ownership interest in JDH Group	本集團於玉皇朝集團所有權權益的比例	40%	40%
The Group's share of net assets of JDH Group	本集團應佔玉皇朝集團的資產淨值	30,695	31,395
Goodwill	商譽	20,351	20,351
Impairment loss recognised (including goodwill)	已確認減值虧損(包括商譽)	(42,646)	(20,351)
Carrying amount of the Group's interest in JDH Group	本集團於玉皇朝集團權益的賬面值	8,400	31,395

16. 於聯營公司的權益 (續)

玉皇朝集團(續)

上述財務資料概要與於綜合財務報表確認的於聯營公司權益的賬面值的對賬：

Supreme Art

凱藝

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Non-current assets	非流動資產	15,295	20,371
Current assets	流動資產	11,468	13,464
Current liabilities	流動負債	(2,478)	(3,688)
Net assets	資產淨值	24,285	30,147

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16. INTERESTS IN ASSOCIATES (Continued)

16. 於聯營公司的權益 (續)

Supreme Art (Continued)

凱藝 (續)

		Year ended 30 June 2018	Period from 12 July 2016 to 30 June 2017
		截至 2018年 6月30日 止年度 HK\$'000 港幣千元	自 2016年 7月12日至 2017年 6月30日 止期間 HK\$'000 港幣千元
Revenue	收益	9,590	13,080
Profit for the period attributable to owners of the associate	聯營公司擁有人應佔期內溢利	1,838	5,148
Group's share of profit	本集團應佔溢利	735	2,059
Dividend received from the associate during the year	年內自聯營公司收取之股息	3,080	—

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

上述財務資料概要與於綜合財務報表確認的於聯營公司權益的賬面值的對賬：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Net assets of Supreme Art	凱藝的資產淨值	24,285	30,147
Proportion of the Group's ownership interest in Supreme Art	本集團於凱藝所有權權益的比例	40%	40%
Goodwill	商譽	9,714 10,000	12,059 10,000
Carrying amount of the Group's interest in Supreme Art	本集團於凱藝權益的賬面值	19,714	22,059

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17. INTEREST IN A JOINT VENTURE

17. 於一間合營企業的權益

	2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Cost of unlisted investment in a joint venture 於一間合營企業的未上市投資成本	52,079	52,079
Share of post-acquisition losses and other comprehensive expense 應佔收購後虧損及其他全面開支	(51,874)	(51,620)
	205	459

Bounty Productions Limited (“BPL”), limited company incorporated in Hong Kong, has been set up solely for the film production of “Bounty Hunters”. The Group, Harmonious Entertainment (Shanghai) Co., Ltd (“HES”) and Bounty Yooanhwesa (“BY”) held 40.00%, 25.51% and 34.49% equity interest in BPL, respectively. The board of directors of BPL, the governing body which directs the relevant activities that significantly affects the returns of BPL, consists of three directors of which the Group, HES and BY can appoint one director each to the board of directors of BPL. The relevant activities required to be approved unanimously by all these three directors. Therefore, BPL is jointly controlled by the Group, HES and BY. As the joint arrangement does not result in either parties having rights to assets and obligations to liabilities of BPL, it is accounted for as a joint venture of the Group.

賞金製作有限公司(「賞金」)為於香港註冊成立的有限公司，其成立目的僅為製作電影「賞金獵人」。本集團、Harmonious Entertainment (Shanghai) Co., Ltd(「HES」)及Bounty Yooanhwesa(「BY」)分別擁有賞金40.00%、25.51%及34.49%股權。賞金董事會(指示可重大影響賞金回報的相關活動的規管團體)由三名董事組成，其中本集團、HES及BY可各自委任一名董事加入賞金董事會。相關活動須經該等三名董事一致批准。因此，賞金由本集團、HES及BY共同控制。由於合營安排不會導致任何一方擁有賞金的資產權利及負債責任，故賞金入賬為本集團的合營企業。

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17. INTEREST IN A JOINT VENTURE (Continued)

The details of the Group's joint venture at 30 June 2018 and 2017 are as follows:

Name of joint venture	Place of incorporation	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activities		
			2018	2017	2018	2017			
合營企業的名稱	註冊成立地點	主要營業地點	本集團持有的所有權權益比例	2018年	2017年	本集團持有的投票權比例	2018年	2017年	主要業務

BPL	Hong Kong	PRC	40%	40%	33.33%	33.33%	Production and distribution of the film
賞金	香港	中國					電影製作及發行出品

The joint venture is accounted for using the equity method in these consolidated financial statements.

The summarised financial information in respect of the Group's joint venture is set out below and were prepared in accordance with HKFRSs.

BPL

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Current assets	流動資產	8,352	9,179
Current liabilities	流動負債	(7,840)	(8,032)
Net assets	資產淨值	512	1,147
The above amounts of assets include the following:	上述資產金額包括以下各項：		
Cash and cash equivalents	現金及現金等價物	7	7,279

17. 於一間合營企業的權益(續)

本集團的合營企業於2018年及2017年6月30日的詳情如下：

該等綜合財務報表內合營企業乃使用權益法入賬。

下文載列本集團合營企業根據香港財務報告準則編製的財務資料概要。

賞金

2018
2018年
HK\$'000
港幣千元

2017
2017年
HK\$'000
港幣千元

8,352
(7,840)
512
7

9,179
(8,032)
1,147
7,279

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17. INTEREST IN A JOINT VENTURE (Continued) 17. 於一間合營企業的權益(續)

BPL (Continued)

賞金(續)

		Year ended 30 June 2018 截至2018年 6月30日 止年度 HK\$'000 港幣千元	Year ended 30 June 2017 截至2017年 6月30日 止年度 HK\$'000 港幣千元
Revenue	收益	495	152,570
Profit for the year attributable to owners of the joint venture	合營企業擁有人應佔年度溢利	1,113	33,734
Group's share of profit	本集團應佔溢利	445	13,494
Other comprehensive income (expense) for the year	年內其他全面收益(開支)	70	(6,033)
Group's share of other comprehensive income (expense)	本集團應佔其他全面收益(開支)	28	(2,413)
Dividend received from BPL during the year	年內自賞金收取的股息	727	58,126

The above profit for the year includes the following:

上述年內溢利包括以下各項：

		Year ended 30 June 2018 截至2018年 6月30日 止年度 HK\$'000 港幣千元	Year ended 30 June 2017 截至2017年 6月30日 止年度 HK\$'000 港幣千元
Interest income	利息收入	—	(269)
Income tax (credit) expense	所得稅(抵免)開支	(833)	7,933

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17. INTEREST IN A JOINT VENTURE (Continued)

BPL (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in a joint venture recognised in the consolidated financial statements:

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Net assets of BPL	賞金資產淨值	512	1,147
Proportion of the Group's ownership interest in BPL	本集團於賞金所有權權益比例	40%	40%
Carrying amount of the Group's interest in BPL	本集團於賞金權益之賬面值	205	459

18. PREPAYMENT TO AN ARTISTE

During the year ended 30 June 2010, the Group entered into a contract ("Original Contract") with an artiste for his participation in nine of the Group's film productions at a total contract fee of HK\$48,000,000 with a contract term of six years from 2010 to 2016. In 2014, the contract term was mutually agreed to be extended to eight years from 2010 to 2018. During the year ended 30 June 2017, the Group has entered a supplementary agreement with the artiste and the contract term was mutually agreed to be further extended from 2018 to 2020.

Management anticipates that the artiste would participate in one to two film productions of the Group each year and therefore, based on the service fee schedule of the artiste for each film stated in the contract, an amount of HK\$12,000,000 was classified as current assets and the remaining carrying amount of HK\$12,000,000 was classified as non-current assets as at 30 June 2017. During the year ended 30 June 2018, the artiste had participated one (2017: nil) film production for the Group.

17. 於一間合營企業的權益(續)

賞金(續)

上述財務資料概要與綜合財務報表內確認之於一間合營企業權益的賬面值的對賬：

	2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
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18. 預付演員款項

	2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
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Non-current portion	非即期部分	—	12,000
Current portion	即期部分	—	12,000
		—	24,000

截至2010年6月30日止年度，本集團與一名演員就其參與本集團的九部電影製作訂立合約(「原始合約」)，總合約費用為港幣48,000,000元，合約期由2010年至2016年為期六年。於2014年，雙方協定延長合約期，由2010年至2018年為期八年。截至2017年6月30日止年度，本集團與演員訂立補充協議及共同協定將合約期限由2018年進一步延長至2020年。

管理層預期，該演員將每年參與本集團的一至兩部電影製作，因此，根據合約中訂明該演員參與每部電影的服務費用表，於2017年6月30日，金額為港幣12,000,000元的款項分類為流動資產，餘下賬面值港幣12,000,000元則分類為非流動資產。截至2018年6月30日止年度，該演員已參與本集團之一部(2017年：無)電影製作。

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18. PREPAYMENT TO AN ARTISTE (Continued)

During the year ended 30 June 2018, the Group entered into a deed of novation with an independent third party of the Group and the artiste in which the Group released and discharged from all of its obligations whatsoever under the Original Contract and from all liabilities and claims arising out of or in connection with the Original Contract, whether arising prior to, on or subsequent to completion as if the Group had never been a party to the Original Contract at a consideration of HK\$14,400,000. The Group hereby assigns absolutely to that independent third party who is entitled to all of the right, benefits and interest of the Group arising out of or in connection with the Original Contract. As a result, a loss on disposal of prepayment to an artiste amounted to HK\$3,600,000 is recognised to the cost of film rights released to profit or loss during the year ended 30 June 2018.

18. 預付演員款項(續)

截至2018年6月30日止年度，本集團與本集團一名獨立第三方及該演員訂立更替契據，據此，本集團以代價港幣14,400,000元解除及撤除其於原始合約之全部責任及負債以及因合約產生或與原始合約有關之申索(不論是於完成前、於完成時或於完成後)，猶如本集團從未為原始合約之訂約方。因此，本集團僅向獨立第三方轉讓其因合約產生或與原始合約有關之本集團所有權利、利益及權益。因此，出售向一名演員之預付款項之虧損港幣3,600,000元於截至2018年6月30日止年度於損益中電影版權成本確認。

19. AVAILABLE-FOR-SALE INVESTMENT

On 16 April 2014, the Group entered into an agreement with an independent third party, for the investment in an animation production project held by an entity incorporated in Hong Kong, with an amount of HK\$4,056,000 as capital injection which entitled to 15% profit sharing in the project upon completion. Based on the terms of the agreement, the Group is entitled to have the profit sharing from the distribution of animation rights based on the percentage of capital invested into the animation production project. The animation production was originally expected to be completed in April 2017. On 15 April 2016, the Group and the independent third party agreed in writing to extend the completion date of the animation production project to April 2018. Therefore, it is classified as current assets as at 30 June 2018 and 2017.

It is measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is not ascertain that the Directors are of the opinion that its fair value cannot be measured reliably. As at 30 June 2018, the Group is confirmed by the counterparty to have an agreed profit sharing from this investment amounted to HK\$1,320,000 and Management considers the difference between the investment cost and the agreed profit sharing amounted to HK\$2,736,000 is not expected to be recoverable and therefore, an impairment loss of HK\$2,736,000 was recognised and charged to profit or loss during the year ended 30 June 2018.

19. 可供出售投資

於2014年4月16日，本集團與獨立第三方訂立協議，投資一間於香港註冊成立之實體所持有的動畫製作項目，注資金額為港幣4,056,000元，佔項目完成時15%的溢利分成。根據協議條款，本集團有權按動畫製作項目的注資比例分佔動畫發行權所產生的溢利。動畫製作原預期將於2017年4月完成。於2016年4月15日，本集團與獨立第三方書面協定延長動畫製作項目的完成日期至2018年4月。因此，該項投資於2018年及2017年6月30日分類為流動資產。

由於合理的公平值估計範圍不確定，因此本公司董事認為公平值不能可靠計量，因此該項投資於報告期末按成本減減值計量。於2018年6月30日，交易對方向本集團確認統一佔該項投資的協定溢利分成為港幣1,320,000元，而管理層認為投資成本及協定溢利分成之差額(即港幣2,736,000元)預期不可收回，因此，截至2018年6月30日止年度，減值虧損港幣2,736,000元於損益確認並自損益扣除。

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20. FILM RIGHTS AND FILM PRODUCTION IN PROGRESS

20. 電影版權及製作中電影

		Film rights 電影版權 HK\$'000 港幣千元	Film production in progress 製作中電影 HK\$'000 港幣千元
COST	成本		
At 1 July 2016	於2016年7月1日	587,352	97,735
Additions	添置	1,160	86,981
Transfer	轉撥	42,110	(42,110)
At 30 June 2017	於2017年6月30日	630,622	142,606
Additions	添置	—	54,732
Transfer	轉撥	10,579	(10,579)
Disposal of a subsidiary (note 35)	出售一間附屬公司(附註35)	—	(11,238)
At 30 June 2018	於2018年6月30日	641,201	175,521
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值		
At 1 July 2016	於2016年7月1日	584,177	17,685
Charged for the year	年內支銷	37,181	—
Impairment loss recognised for the year (note)	年內確認的減值虧損(附註)	—	2,400
At 30 June 2017	於2017年6月30日	621,358	20,085
Charged for the year	年內支銷	18,071	—
Impairment loss recognised for the year (note)	年內確認的減值虧損(附註)	—	15,378
At 30 June 2018	於2018年6月30日	639,429	35,463
CARRYING AMOUNTS	賬面值		
At 30 June 2018	於2018年6月30日	1,772	140,058
At 30 June 2017	於2017年6月30日	9,264	122,521

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20. FILM RIGHTS AND FILM PRODUCTION IN PROGRESS (Continued)

Note:

During the year ended 30 June 2018, an impairment loss of HK\$15,378,000 (2017: HK\$2,400,000) was recognised on the pre-production costs for films production in progress. Management is in a view that the production plan on the pre-production costs incurred for the films production in progress was postponed and considered that the amount may not be fully recovered. The Directors are of opinion that the carrying amount of HK\$15,378,000 (2017: HK\$2,400,000) is fully impaired.

21. INVESTMENTS IN FILM/DRAMA PRODUCTION

The amount represents investments in an international and PRC production houses for co-financing of the production of film, TV programme and animations.

During the year ended 30 June 2018, the Group has two (2017: three) agreements with production houses, which are independent third parties, at a total contract amounts of HK\$2,920,000 (2017: HK\$27,417,000). The investments are governed by the relevant agreements entered into between the Group and the production houses whereby the Group is entitled to benefits generated from the distribution of the related film/television programme/animations productions.

20. 電影版權及製作中電影 (續)

附註：

截至2018年6月30日止年度，就製作中電影的前期製作費用確認減值虧損港幣15,378,000元(2017年：港幣2,400,000元)。管理層認為產生前期製作費用的製作中電影的製作計劃已延期並認為有關款項可能不會全數收回。董事認為港幣15,378,000元(2017年：港幣2,400,000元)的賬面值應悉數減值。

21. 投資電影／戲劇製作

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Investments at amortised cost	按攤銷成本列賬之投資		
— film (note i)	— 電影(附註i)	—	19,513
— animations (note ii)	— 動畫(附註ii)	2,920	7,904
		2,920	27,417

該款項指向一間國際製作公司及中國製作公司投資，以為電影、電視節目及動畫的製作共同出資。

截至2018年6月30日止年度，本集團與製作公司(均為獨立第三方)訂立兩份(2017年：三份)協議，合約總金額為港幣2,920,000元(2017年：港幣27,417,000元)。有關投資受本集團與製作公司所訂立的相關協議的規管，其中，本集團有權享有相關電影／電視節目／動畫製作發行所產生之利益。

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21. INVESTMENTS IN FILM/DRAMA PRODUCTION (Continued)

Notes:

- (i) Based on the terms of the agreement signed in 2013 by Pegasus Motion Pictures Investment Limited ("PMPIL"), an indirect wholly-owned subsidiary of the Company, with Inversion Productions Limited ("Inversion"), an amount of US\$2,500,000 (equivalent to HK\$19,613,000) (2017: US\$2,500,000 (equivalent to HK\$19,513,000)) was invested and would be fully repaid to PMPIL upon the commencement of principal photography of the film tentatively scheduled to take place in August 2013 or upon the close of bank financing tentatively scheduled to take place before November 2013, whichever occurs earlier. In addition, PMPIL is entitled to a return of 20% of the investment amount upon the theatrical release of the relevant film in the United States of America tentatively scheduled to take place in 2014 and a certain percentage of the profit to be derived from the release of the film worldwide in any media and in any format. As a security, Inversion created a pledge in favor of PMPIL for another international film to be launched by Inversion, which should be exercisable in the event that the principal photography of the film did not commence by 30 November 2013 or if the production of the film was abandoned, PMPIL was entitled to exercise its right prior to 31 December 2013.

Since 2013, PMPIL and Inversion have been entering into several extension agreements to extend the date for Inversion to start principal photography of the film from August 2014 to January 2019. Due to the extension of time, the amount of the agreed fully repayment and the agreed amount of return to which PMPIL were entitled have also been increased from 20% to 48%. All the other terms and conditions of the agreements have remained unchanged and continue in full force and effect.

During the year ended 30 June 2018, the film yet to start its principal photography. Subsequent to the year ended 30 June 2018, the Company has been informed that there are changes in film director and main cast and additional funding may not be able to obtain and Inversion did not return the investment cost and the agreed interest to the Group. The Directors consider it may be remote to recover the investment cost in a film production and therefore, an impairment of investment in the film production of HK\$19,613,000 is recognised and charged to profit or loss during the year ended 30 June 2018.

21. 投資電影／戲劇製作 (續)

附註：

- (i) 根據本公司間接全資附屬公司天馬電影投資有限公司(「天馬電影投資」)與Inversion Productions Limited(「Inversion」)於2013年簽訂的協議條款，於電影主攝製開始(暫定2013年8月開拍)後或銀行融資截止(暫定2013年11月前)後(以較早者為準)，一筆2,500,000美元(相當於港幣19,613,000元)(2017年：2,500,000美元(相當於港幣19,513,000元))的已投資金額將悉數償還予天馬電影投資。此外，於該電影在美利堅合眾國電影院線上映(暫定2014年)後，天馬電影投資將享有投資金額20%的回報，以及影片在全球以任何媒體及以任何形式發行所產生的若干百分比溢利。Inversion對Inversion將推出的另一部國際電影設置以天馬電影投資為受益人的質押作為抵押品，有關權利可於該電影的主攝製並無於2013年11月30日前展開時行使，或倘該電影的製作被擱置，則天馬電影投資有權於2013年12月31日前行使其權利。

自2013年起，天馬電影投資曾多次與Inversion訂立延長協議，將Inversion電影主攝製開始日期由2014年8月延期至2019年1月。由於延期，天馬電影投資享有的協定還款總額及協定回報亦已由20%增加至48%。協議的所有其他條款及條件維持不變且依然具有十足效力及作用。

截至2018年6月30日止年度，電影主攝製仍未開始。於截至2018年6月30日止年度後，本公司已獲知會電影導演及主要選角出現變動且可能無法獲取額外資金和Inversion並無向本集團返還投資成本及協定利息。董事認為收回電影製作投資成本之可能性甚微，因此於截至2018年6月30日止年度確認並自損益扣除電影製作投資減值港幣19,613,000元。

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21. INVESTMENTS IN FILM/DRAMA PRODUCTION (Continued)

Notes: (Continued)

- (ii) During the year ended 30 June 2016, based on the terms of the agreement signed by 北京天馬聯合影視文化有限公司 (“北京天馬”), an indirect wholly-owned subsidiary of the Company, with an independent third party, an amount of RMB4,500,000 (equivalent to HK\$5,310,000) (2017: RMB4,500,000 (equivalent to HK\$5,130,000)) was invested and would be fully repaid to 北京天馬 on 15 July 2016. In addition, 北京天馬 is entitled to a minimum rate of return at 10% per annum on the principal amount and share of profit generated from the distribution of the related animation production based on the percentage of capital invested into the production of animation production.

During the year ended 30 June 2017, an investment income of RMB450,000 (equivalent to HK\$513,000) was received by the Group. In addition, 北京天馬 and the independent third party agreed in writing to extend the date of principal repayment from 15 July 2016 to 15 July 2017 and the minimum rate of return to which 北京天馬 is entitled has also been increased from 10% to 20% per annum. On 11 September 2017, 北京天馬 and independent third party agreed in writing of which the principal repayments of RMB1,500,000 each will be settled on 12 September 2017, 15 November 2017 and 15 January 2018, respectively.

During the year ended 30 June 2018, the whole investment cost of RMB4,500,000 (equivalent to HK\$5,310,000) and an investment income of RMB450,000 (equivalent to HK\$531,000) was received by the Group.

During the year ended 30 June 2017, based on the terms of the agreement signed by 北京天馬, an amount of RMB2,434,000 (equivalent to HK\$2,920,000) (2017: RMB2,434,000 (equivalent to HK\$2,774,000)) was invested and will be fully repaid to 北京天馬 upon the theatrical release of the TV programme or on 30 April 2018, whichever is earlier. In addition, 北京天馬 is entitled to a minimum rate of return at 15% per annum on the principal amount and share of profit generated from the distribution of the related TV production based on the percentage of capital invested into the production of animation production.

Subsequent to the year ended 30 June 2018, a partial repayment of RMB2,000,000 (equivalent to HK\$2,302,000) was received by the Group.

Since the initial investments are expected to be recovered by the Group within one year, the amount of HK\$2,920,000 (2017: HK\$2,774,000) is classified as current assets at 30 June 2018.

21. 投資電影／戲劇製作 (續)

附註：(續)

- (ii) 截至2016年6月30日止年度，根據本公司一間接全資附屬公司北京天馬聯合影視文化有限公司(「北京天馬」)與一名獨立第三方簽訂的協議條款，一筆人民幣4,500,000元(相當於港幣5,310,000元)(2017年：人民幣4,500,000元(相當於港幣5,130,000元))的已投資金額會於2016年7月15日悉數償還予北京天馬。此外，北京天馬享有本金額每年最低10%的回報率，並按製作動畫的投資比例分佔發行相關動畫製作產生的溢利。

截至2017年6月30日止年度，本集團收取投資收入人民幣450,000元(相當於港幣513,000元)。此外，北京天馬與獨立第三方書面協定將本金還款日期由2016年7月15日延長至2017年7月15日及北京天馬有權享有的最低回報率亦由每年10%增至20%。於2017年9月11日，北京天馬與獨立第三方書面協定分別於2017年9月12日、2017年11月15日及2018年1月15日各償還本金人民幣1,500,000元。

截至2018年6月30日止年度，本集團已收取全部投資成本人民幣4,500,000元(相當於港幣5,310,000元)及投資收入人民幣450,000元(相當於港幣531,000元)。

截至2017年6月30日止年度，根據北京天馬所簽訂的協議條款，已投資一筆人民幣2,434,000元(相當於港幣2,920,000元)(2017年：人民幣2,434,000元(相當於港幣2,774,000元))的款項及該款項將於電視節目上映後或於2018年4月30日(以較早者為準)悉數償還予北京天馬。此外，北京天馬享有本金額每年最低15%的回報率，並按製作動畫的投資比例分佔發行相關電視製作產生的溢利。

於截至2018年6月30日止年度後，本集團已收取部分還款人民幣2,000,000元(相當於港幣2,302,000元)。

由於預期本集團將於一年內收回初始投資，故港幣2,920,000元的金額(2017年：港幣2,774,000元)於2018年6月30日分類為流動資產。

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21. INVESTMENTS IN FILM/DRAMA PRODUCTION (Continued)

The investments in film/drama production contain embedded derivatives which are not closely related to the host contract. The debt components of the investments in film/drama production are measured at amortised cost subsequent to initial recognition. At initial recognition and 30 June 2018, the fair value of embedded derivatives is considered insignificant.

The Group's investments in film/drama production that are not denominated in the functional currencies of the relevant group entities are as follows:

21. 投資電影／戲劇製作 (續)

投資電影／戲劇製作包括與主合約並無密切關係的嵌入式衍生工具。投資電影／戲劇製作的債務部分乃按初步確認後的攤銷成本計量。於初步確認時及2018年6月30日，嵌入式衍生工具的公平值被認為微不足道。

本集團並非以相關集團實體的功能貨幣計值的投資電影／戲劇製作如下：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
United States Dollar ("USD")	美元(「美元」)	—	19,513

22. INVENTORIES

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Raw materials and consumable	原材料及消耗品	266	111
Finished goods	製成品	424	468
Total	總計	690	579

22. 存貨

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23. TRADE AND OTHER RECEIVABLES

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

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Trade receivables:	貿易應收款項：		
0-30 days	0至30日	2,153	2,307
31-60 days	31至60日	288	2
61-90 days	61至90日	64	3
91-180 days	91至180日	274	39
181-365 days	181至365日	84	6
Over 365 days	超過365日	12	9
		2,875	2,366
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	4,271	3,740
Other deposits and prepayments for cinema operation	電影院業務的其他按金及預付款項	2,473	3,037
		9,619	9,143

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

These trade receivables relate to a number of independent customers that have a good repayment history. Included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$722,000 (2017: HK\$59,000) as at 30 June 2018 which are past due as at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral or credit enhancements over these balances.

23. 貿易及其他應收款項

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

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

該等貿易應收款項與多名具備良好還款記錄的獨立客戶有關。本集團貿易應收款項結餘包括於2018年6月30日賬面總值為港幣722,000元(2017年：港幣59,000元)的應收賬款，於報告日期已逾期但本集團並無就此計提減值虧損撥備。本集團並無就該等結餘持有任何抵押品或採取信用加強措施。

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23. TRADE AND OTHER RECEIVABLES

(Continued)

Aging of trade receivables which are past due but not impaired:

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
31-60 days	31至60日	288	2
61-90 days	61至90日	64	3
91-180 days	91至180日	274	39
181-365 days	181至365日	84	6
Over 365 days	超過365日	12	9
		722	59

Management believes that no impairment allowance is necessary in respect of these balances as there have not been a significant change in credit risk and the balances are still considered fully recoverable.

已逾期但並未減值的貿易應收款項的賬齡分析：

管理層認為，由於信貸風險並無重大變動且結餘仍視作可悉數收回，故毋須就該等結餘計提減值撥備。

24. RENTAL DEPOSITS

Current assets (note 1)
Non-current assets (note 2)

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Current assets (note 1)	流動資產(附註1)	18,712	19,944
Non-current assets (note 2)	非流動資產(附註2)	31,125	24,833
		49,837	44,777

24. 租賃按金

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24. RENTAL DEPOSITS (Continued)

Notes:

- (1) Cinema City (Langham Place) Limited, an indirect wholly-owned subsidiary of the Company, had entered into a lease agreement on 27 December 2013 to rent a cinema situated in Langham Place ("the Lease Premises"), a prime location in Hong Kong, and to take the cinema operation for a term of ten years commencing on 23 July 2014 and expiring on 22 July 2024 (the "Lease"). Based on the terms of the Lease, the Company is obliged to pay a deposit in a sum equivalent to the aggregate of three months' base rent for the tenth year, three months' management charges for the first year, three months' promotional levy for the first year and one quarter's government rates in respect of the Lease Premises. The operation of cinema and related operations in the cinema could provide a platform for the development of the film distribution business of the Group.
- (2) During the years ended 30 June 2018 and 2017, the indirect wholly-owned subsidiaries of the Company have entered into several lease agreements to rent the cinema premises situated in Chai Wan, Causeway Bay and Tsuen Wan for terms ranging from five to fifteen years. As the deposits are refundable at the expiry of the leases, the amounts were classified as non-current assets as at 30 June 2018 and 2017.

25. PLEDGED BANK DEPOSITS

At 30 June 2018, the amounts represent bank deposits of HK\$10,661,000 (2017: HK\$31,250,000) in which an amount of HK\$10,000,000 (2017: HK\$30,591,000) was pledged to a bank to secure short-term banking facilities granted to the Group and the remaining amount of HK\$661,000 (2017: HK\$659,000) pledged to a bank to secure the 4Dx's equipment rental fees payable to a supplier of 4Dx equipment for the Group's operation in the Lease Premises in accordance with the 4Dx equipment rental agreement dated 20 August 2015. As at 30 June 2018, the deposit of HK\$10,000,000 (2017: nil) has been pledged to secure the bank borrowing as set out in note 28. The bank deposits carry interests at a fixed rate of 0.30%–1.50% (2017: 0.10%–0.30%) per annum and they will mature on 27 July 2018 and 17 July 2018 (2017: 5 July 2017 and 13 July 2017), respectively.

24. 租賃按金 (續)

附註：

- (1) 於2013年12月27日，本公司間接全資附屬公司電影城(朗豪坊)有限公司訂立租賃協議，租賃位於香港黃金地段朗豪坊的影院(「租賃物業」)及接手影院運作，自2014年7月23日起至2024年7月22日止為期十年(「租賃」)。根據租賃條款，本公司須就租賃物業支付按金，金額相當於租期第十年的三個月基本租金、第一年的三個月管理費、第一年的三個月推廣費以及一個季度的政府差餉之和。影院的運作及影院的相關業務可以為本集團電影發行業務的發展提供平台。
- (2) 截至2018年及2017年6月30日止年度，本公司的間接全資附屬公司已訂立數份租賃協議，以租賃位於柴灣、銅鑼灣及荃灣的電影院物業，租期介乎五至十五年。由於按金於租賃屆滿時可退還，該筆款項於2018年及2017年6月30日分類為非流動資產。

25. 已抵押銀行存款

於2018年6月30日，該等款項指銀行存款港幣10,661,000元(2017年：港幣31,250,000元)，其中港幣10,000,000元(2017年：港幣30,591,000元)已抵押予銀行以擔保授予本集團的短期銀行融資，而餘額港幣661,000元(2017年：港幣659,000元)已抵押予一間銀行以擔保根據日期為2015年8月20日的4Dx設備租賃協議就本集團於租賃物業營運而應付予4Dx設備供應商的4Dx設備租賃費。於2018年6月30日，存款港幣10,000,000元(2017年：無)已抵押以擔保附註28所載的銀行借貸。該等銀行存款按固定年利率0.30%至1.50%(2017年：0.10%至0.30%)計息，並將分別於2018年7月27日及2018年7月17日(2017年：2017年7月5日及2017年7月13日)到期。

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25. PLEDGED BANK DEPOSITS (Continued)

The Group's pledged bank deposits that are not denominated in the functional currencies of the relevant group entities are as follows:

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
USD	美元	661	659

25. 已抵押銀行存款(續)

本集團以相關集團實體功能貨幣以外貨幣計值的已抵押銀行存款如下：

26. BANK BALANCES AND CASH

Bank balances and cash of the Group carry interest at market rates which are as follows:

		2018 2018年	2017 2017年
Interest rate per annum	年利率	0.01% to 0.27%	0.01% to 0.29%
		0.01%至0.27%	0.01%至0.29%

26. 銀行結餘及現金

本集團銀行結餘及現金乃按以下市場利率計息：

The Group's bank balances and cash that are not denominated in the functional currencies of the relevant group entities are as follows:

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Australian Dollar ("AUD")	澳元(「澳元」)	208	212
Renminbi ("RMB")	人民幣(「人民幣」)	6,757	13,582
USD	美元	373	553
Euro ("EUR")	歐元(「歐元」)	1	5
HK\$	港幣	1,330	1,319
Singapore Dollar ("SGD")	新加坡元(「新加坡元」)	24	21

本集團以相關集團實體功能貨幣以外貨幣計值的銀行結餘及現金如下：

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27. TRADE AND OTHER PAYABLES/ RECEIPTS IN ADVANCE

27. 貿易及其他應付款項/預收款項

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Trade payables	貿易應付款項	30,270	18,765
Payables in respect of acquisition of property, plant and equipment	有關收購物業、廠房及設備的應付款項	21,992	—
Other payables and accruals	其他應付款項及應計費用	64,807	39,667
Deposits received (note 1)	已收按金(附註1)	1,116	1,244
Deposit received from disposal of a subsidiary (note 2)	自出售一間附屬公司收取之按金(附註2)	2,400	—
		120,585	59,676
Less: amount shown under non-current liability (note 1)	減：非流動負債項下呈列之金額(附註1)	(1,116)	—
Amount shown under current liabilities	流動負債項下呈列之金額	119,469	59,676
Receipts in advance (note 3)	預收款項(附註3)	154,663	71,849

The average credit period on purchases of goods is 60 to 90 days. The aging analysis of trade payables presented is based on the invoice date at the end of the reporting period. The following is analysis of the Group's trade payables at the end of the reporting period:

採購貨品的平均信貸期為60至90日。於報告期末，貿易應付款項的賬齡分析乃基於發票日期呈列。本集團於報告期末的貿易應付款項分析如下：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Within 60 days	60日內	30,202	18,233
Within 61 to 90 days	61至90日	7	—
Within 91 to 365 days	91至365日	61	532
		30,270	18,765

Notes:

- (1) Deposits received represent deposits received from a cinema circuit operator in Hong Kong for a film to be theatrical release in Hong Kong and licensing deposits received from the licensee which are refundable at the expiry of the licenses. As the licensing period is expired ranging from November 2019 to February 2022, the amounts as at 30 June 2018 were classified as non-current liability.

附註：

- (1) 已收按金指就將在香港影院放映的一部電影已收香港電影院線運營商按金及自獲特許權人收取的於特許權屆滿時可退還的特許權按金。特許權期間於2019年11月至2022年2月屆滿，該等金額於2018年6月30日分類為非流動負債。

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27. TRADE AND OTHER PAYABLES/ RECEIPTS IN ADVANCE (Continued)

Notes: (Continued)

- (2) Deposit received from disposal of a subsidiary represent the amount paid by the buyers, who are two independent third parties of the Group for acquiring entire equity interests of an indirect wholly-owned subsidiary of the Company. Details are set out in note 34.
- (3) Receipts in advance represents the instalments of contribution from the PRC co-producers for film production in progress and advances of distribution and licensing income received from distributors prior to theatrical release and delivery of film negatives of HK\$154,663,000 (2017: HK\$71,849,000) as at 30 June 2018.

The Group's trade and other payables that are not denominated in the functional currencies of the relevant group entities are as follows:

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
USD	美元	—	408

27. 貿易及其他應付款項/預收款項 (續)

附註：(續)

- (2) 自出售一間附屬公司收取之按金指就收購本公司一間間接全資附屬公司全部股權的買方(為本集團的兩名獨立第三方)支付之款項。詳情載於附註34。
- (3) 預收款項指於2018年6月30日，中國聯合製片商就製作中電影作出的分期出資及於影院放映及交付電影菲林底片前已收發行商的發行及發行權使用許可收入預收款項港幣154,663,000元(2017年：港幣71,849,000元)。

本集團以相關集團實體功能貨幣以外貨幣計值的貿易及其他應付款項如下：

28. BANK BORROWING

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Variable-rate bank borrowing, secured	浮動利率銀行借貸·已抵押	8,208	—

28. 銀行借貸

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28. BANK BORROWING (Continued)

The following is the carrying amount of bank borrowing shown under current liabilities which contains a repayment on demand clause and is repayable:

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within one year	一年內	2,441	—
Within a period of more than one year but not exceeding two years	一年以後兩年以內	2,515	—
Within a period of more than two years but not exceeding five years	兩年以後五年以內	3,252	—
		8,208	—

The bank borrowing is denominated in HK\$ and carries interest at 1-month Hong Kong Interbank Offered Rate plus 2% with effective interest rates ranging from 2.53% to 3.07% per annum. Interest is reset every month.

The bank borrowing is secured by a bank deposit of HK\$10,000,000 placed to a bank.

28. 銀行借貸(續)

以下為列於流動負債項下載有按要求償還條款並須於以下期限內償還的銀行借貸的賬面值：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within one year	一年內	2,441	—
Within a period of more than one year but not exceeding two years	一年以後兩年以內	2,515	—
Within a period of more than two years but not exceeding five years	兩年以後五年以內	3,252	—
		8,208	—

銀行借貸以港幣計值並按一個月香港銀行同業拆息另加2%計息，實際年利率介乎2.53%至3.07%。利率每月重置。

銀行借貸以抵押予一間銀行的銀行存款港幣10,000,000元作擔保。

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29. AMOUNTS DUE FROM (TO) RELATED COMPANIES

Members of the key management of the Group have controlling interest over the related companies.

29. 應收(應付)關聯公司款項

本集團主要管理層成員擁有該等關聯公司的控股權益。

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Amounts due from related companies	應收關聯公司款項		
Mandarin Motion Pictures Production Limited ("Mandarin Motion") (note i)	東方影業製作有限公司(「東方」) (附註i)	142	—
Ying Yau Development Limited (note ii)	盈有發展有限公司(附註ii)	1	—
		143	—
Amounts due to related companies	應付關聯公司款項		
PM Motion Pictures Limited (note iii)	天馬電影出品有限公司(附註iii)	7	26
Maya Entertainment Holdings Limited (note ii)	瑪雅娛樂集團有限公司(附註ii)	24	—
Pure Project Limited (note iv)	盧威有限公司(附註iv)	40,000	—
		40,031	26

Except for an amount due to Pure Project Limited in which Mr. Wong has controlling interests during the year ended 30 June 2018 (2017: nil) is non-trade nature, unsecured, interest-free and repayable on demand, the remaining balances are trade nature, unsecured, interest-free and repayable on demand.

除應付黃先生於截至2018年6月30日止年度擁有控股權益的盧威有限公司之款項(2017年：無)屬非貿易性質、無抵押及須按要求償還外，剩餘金額屬貿易性質、無抵押及須按要求償還。

Notes:

- (i): Ms. Wong Kit Fong, the sister of Mr. Wong, has controlling interest in this company.
- (ii): Mr. Zhang Liang, Johnson is also the director of these companies.
- (iii): Mr. Wong and Mr. Wong Chi Woon, Edmond and Ms. Wong Yee Kwan, Alvina who are the Directors for the period from 1 July 2017 to 13 December 2017, collectively have controlling interests in this company.
- (iv): Mr. Wong has controlling interests in this company.

附註：

- (i)：黃先生的胞妹黃潔芳女士擁有該公司的控股權益。
- (ii)：張量先生亦為該等公司之董事。
- (iii)：黃先生以及黃子桓先生及黃漪鈞女士(彼等於2017年7月1日至2017年12月13日期間為董事)共同於該公司擁有控股權益。
- (iv)：黃先生於該公司擁有控股權益。

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30. AMOUNT DUE TO A JOINT VENTURE

The amount is unsecured, interest-free and repayable on demand.

30. 應付一間合營企業款項

該款項乃無抵押、免息及須按要求即時償還。

31. SHARE CAPITAL

31. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 港幣千元
Ordinary shares of HK\$0.0025 each:	每股面值港幣0.0025元的 普通股：		
Authorised:	法定：		
At 1 July 2016, 30 June 2017 and 30 June 2018	於2016年7月1日、2017年 6月30日及2018年6月30日	32,000,000,000	80,000
Issued and fully paid:	已發行及繳足：		
At 1 July 2016	於2016年7月1日	2,523,768,239	6,309
Issue of shares upon exercise of warrants	於行使認股權證後發行股份	71,845,494	180
At 30 June 2017 and 30 June 2018	於2017年6月30日及2018年6月30日	2,595,613,733	6,489

Warrants

On 13 November 2013, the Company entered into a warrant placing agreement with a placing agent pursuant to which the placing agent agreed to place up to 96,000,000 warrants conferring rights to subscribe for 96,000,000 warrant shares at the warrant exercise price of HK\$0.93 per warrant shares (subject to adjustment) to not less than six warrant placees. As at 1 July 2016, 159,656,653 warrants were outstanding.

During the year ended 30 June 2017, registered holders of 71,845,494 warrants exercised their rights to subscribe for 71,845,494 ordinary shares in the Company at HK\$0.233 per share.

As at 30 June 2018 and 2017, the Company had no outstanding warrants as the remaining 87,811,159 warrants were expired during the year ended 30 June 2017.

認股權證

於2013年11月13日，本公司與一名配售代理訂立一份認股權證配售協議，據此，配售代理同意向不少於六名認股權證承配人配售最多96,000,000份認股權證，其賦予權利可按認股權證行使價每股認股權證股份港幣0.93元（可予調整）認購96,000,000股認股權證股份。於2016年7月1日，159,656,653份認股權證未行使。

截至2017年6月30日止年度，71,845,494份認股權證之登記持有人行使其權利按每股港幣0.233元認購71,845,494股本公司普通股。

於2018年及2017年6月30日，本公司並無尚未行使的認股權證，乃由於剩餘的87,811,159份認股權證已於截至2017年6月30日止年度到期。

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32. DEFERRED TAX ASSETS

The followings are the deferred tax asset (liability) recognised by the Group and movements thereon during the current and prior years:

		Accelerated tax	
		depreciation	Total
		Tax losses 稅項虧損	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 July 2016	於2016年7月1日	9,411	7,878
Credit to profit or loss (note 8)	計入損益(附註8)	2,192	2,954
At 30 June 2017	於2017年6月30日	11,603	10,832
(Charge) credit to profit or loss (note 8)	(支銷)計入損益(附註8)	(10,146)	(9,653)
At 30 June 2018	於2018年6月30日	1,457	1,179

Under the EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to undistributed earnings of the Group's PRC subsidiaries as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At the end of the reporting period, the Group has unused tax losses of HK\$183,491,000 (2017: HK\$90,239,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$8,834,000 (2017: HK\$70,324,000) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$174,657,000 (2017: HK\$19,915,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$977,000 and HK\$7,227,000 (2017: HK\$4,759,000 would expire in 2020) that will expire in 2020 and 2021, respectively. Other losses may be carried forward indefinitely.

32. 遞延稅項資產

本集團於本年度及過往年度確認的遞延稅項資產(負債)及其變動如下:

根據企業所得稅法，中國附屬公司就自2008年1月1日起賺取的溢利所宣派的股息須繳納預提稅。本集團並未就歸屬於本集團中國附屬公司未分派盈利的暫時差額於綜合財務報表計提遞延稅項，原因是本集團能控制暫時差額回撥的時間以及該暫時差額於可預見未來可能不會撥回。

於報告期末，本集團有未動用稅項虧損港幣183,491,000元(2017年：港幣90,239,000元)可作抵銷未來溢利。本集團已就相關虧損港幣8,834,000元(2017年：港幣70,324,000元)確認遞延稅項資產。由於未來溢利流之不可預測性，本集團並未就餘下港幣174,657,000元(2017年：港幣19,915,000元)確認遞延稅項資產。未確認稅項虧損包括將分別於2020年及2021年屆滿之虧損港幣977,000元及港幣7,227,000元(2017年：港幣4,759,000元將於2020年屆滿)。其他虧損可能無限期結轉。

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33. SHARE-BASED PAYMENT TRANSACTIONS

Share option scheme

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

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

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

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

As at 30 June 2018 and 2017, there was no share options granted under the Scheme by the Company.

33. 以股份為基礎付款的交易

購股權計劃

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

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

未經本公司股東事先批准，根據該計劃可能授出的購股權涉及的股份總數不得超過本公司任何時候已發行股份的10%。未經本公司股東事先批准，於任何一年內向任何人士授出及可能授出的購股權所涉及的已發行及將發行的股份數目不得超過本公司任何時候已發行股份的1%。

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

於2018年及2017年6月30日，本公司概無根據該計劃授出購股權。

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34. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

On 8 May 2018, 上海新馬電影院發展有限公司 (“上海新馬”), an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement (the “Equity Transfer Agreement”) with two independent third parties (the “Purchasers”), pursuant to which 上海新馬 agreed to sell and Purchasers agreed to acquire 100% equity interest of 勝馬文化, a direct wholly-owned subsidiary of 上海新馬 which engaged in cinema operations and management in the PRC, at a consideration of RMB40,700,000 (equivalent to HK\$48,840,000) plus the cash in bank of the 勝馬文化 at the completion date and minus (i) the total amount of liabilities of the 勝馬文化 at the completion date, and (ii) the contingent liabilities. Upon completion of the Equity Transfer Agreement, 上海新馬 will not hold any interest in 勝馬文化 which will cease to be a subsidiary of 上海新馬. Details of the disposal are set out in the circular issued by the Company dated 8 May 2018.

The major classes of assets and liabilities classified as held for sale as at 30 June 2018 are as follows:

34. 分類為持作出售的資產及分類為持作出售的資產相關之負債

於2018年5月8日，上海新馬電影院發展有限公司（「上海新馬」）（本公司間接全資附屬公司）與兩名獨立第三方（「買方」）訂立股權轉讓協議（「股權轉讓協議」），據此，上海新馬同意出售及買方同意收購勝馬文化（上海新馬之直接全資附屬公司，於中國從事電影院營運及管理）100%股權，代價為人民幣40,700,000元（相當於港幣48,840,000元）加勝馬文化於完成日期在銀行結存的現金，再減去(i)勝馬文化於完成日期的負債總額，及(ii)或然負債。於完成股權轉讓協議後，上海新馬將不再持有勝馬文化任何權益，而勝馬文化將不再為上海新馬的附屬公司。出售之詳情載於本公司日期為2018年5月8日刊發之通函。

於2018年6月30日列為持作出售的資產及負債之主要分類如下：

		HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	20,334
Inventories	存貨	33
Trade and other receivables	貿易及其他應收款項	3,566
Rental deposits	租賃按金	1,299
Bank balances and cash	銀行結餘及現金	3,043
Total assets classified as held for sale	分類為持作出售的總資產	28,275
Trade and other payables	貿易及其他應付款項	6,771
Receipts in advance	預收款項	373
Tax payable	應付稅項	1,218
Total liabilities associated with assets classified as held for sale	分類為持作出售的資產相關之總負債	8,362

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35. DISPOSAL OF A SUBSIDIARY

On 31 March 2018, the Group has disposed of the entire equity interest in Star Pictures Entertainment Limited ("Star Pictures"), an indirect wholly-owned subsidiary of the Company, to an independent third party at a cash consideration of HK\$12,044,000. Star Pictures is engaged in representing the Group in entering into actors' and film directors' contracts and film distribution. The disposal was completed on 31 March 2018, on which date when the control of Star Pictures passed to the acquirer. The net assets of Star Pictures at the date of disposal were as follows:

Consideration received:

	HK\$'000 港幣千元
Cash received	12,044

Analysis of assets and liabilities over which control was lost:

	HK\$'000 港幣千元
Film production in progress	11,238
Prepayment	517
Bank balances	30
Receipts in advance	(9)
Net assets disposed of	11,776

35. 出售一間附屬公司

於2018年3月31日，本集團已向一名獨立第三方出售星映娛樂有限公司（「星映娛樂」）（本公司間接全資附屬公司）之全部股權，現金代價為港幣12,044,000元。星映娛樂代表本集團參與訂立演員及電影導演合約及電影發行。出售於2018年3月31日完成，且星映娛樂的控制權亦於該日轉至收購人。星映娛樂於出售日期之淨資產如下：

已收代價：

	HK\$'000 港幣千元
	12,044

失去控制權之資產及負債分析：

	HK\$'000 港幣千元
製作中電影	11,238
預付款項	517
銀行結餘	30
預收款項	(9)
已出售之淨資產	11,776

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35. DISPOSAL OF A SUBSIDIARY (Continued)

Gain on disposal of a subsidiary:

		HK\$'000 港幣千元
Cash received	已收現金	12,044
Less: net assets disposed of	減：已出售之淨資產	(11,776)
Gain on disposal	出售之收益	268

Net cash inflow arising on disposal:

		HK\$'000 港幣千元
Cash received	已收現金	12,044
Less: bank balances disposal of	減：出售銀行結餘	(30)
		12,014

35. 出售一間附屬公司 (續)

出售一間附屬公司之收益：

		HK\$'000 港幣千元
已收現金		12,044
減：已出售之淨資產		(11,776)
出售之收益		268

出售產生之現金流入淨額：

		HK\$'000 港幣千元
已收現金		12,044
減：出售銀行結餘		(30)
		12,014

36. OPERATING LEASE COMMITMENTS

The Group as lessee

As at 30 June 2018, the Group leased certain of its office premises and cinemas under operating lease arrangements.

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

36. 經營租賃承擔

本集團作為承租人

於2018年6月30日，本集團根據經營租賃安排租賃其若干辦公室物業及電影院。

於報告期末，本集團於不可撤銷經營租賃承擔項下的日後最低租賃付款的到期情況如下：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Within one year	1年內	129,621	116,238
In the second to fifth year inclusive	第2年至第5年(包括首尾兩年)	560,859	511,082
Over five years	5年以上	635,032	576,283
		1,325,512	1,203,603

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36. OPERATING LEASE COMMITMENTS

(Continued)

The Group as lessee (Continued)

Operating lease payments represent rentals payable for the Group's office premises and cinemas. Leases are negotiated for terms ranging from one to fifteen years (2017: one to fifteen years).

Certain non-cancellable operating leases included in the above are subject to contingent rent payments, which are charged at progressive rates from 10% to 38% (2017: 10% to 39%) of the excess of the annual gross box-office takings of the related cinema premises over certain level of box-office income as determined in the respective lease agreements.

37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to the shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of cash and cash equivalents, bank borrowing and equity attributable to owners of the Company, comprising share capital and reserves.

Management reviews the capital structure on a regular basis. As part of this review, Management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of Management, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

36. 經營租賃承擔 (續)

本集團作為承租人 (續)

經營租賃付款指就本集團辦公室物業及電影院應付的租金。租賃經磋商為期介乎一至十五年 (2017年：一至十五年)。

上文所述的若干不可撤銷經營租賃須支付或然租金，有關租金乃按各租賃協議釐定的相關電影院場所每年總票房收入減若干票房收入水平的超額部分的10%至38% (2017年：10%至39%) 的累進比率收取。

37. 資本風險管理

本集團管理資本旨在確保本集團實體可持續經營，並透過維持債務與股權的最佳平衡而為股東提供最大回報。本集團的整體策略與上年度相比維持不變。

本集團的資本結構包括現金及現金等價物、銀行借貸及本公司擁有人應佔的權益 (包括股本及儲備)。

管理層定期檢討資本結構。作為檢討的一部分，管理層考慮資本成本及與各資本類別相關的風險。根據管理層的建議，本集團將透過支付股息、發行新股以及發行新債務或贖回現有債務平衡其整體資本結構。

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38. FINANCIAL INSTRUMENTS

38. 金融工具

38a. Categories of financial instruments

38a. 金融工具的種類

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	95,561	93,917
AFS investment	可供出售投資	1,320	4,056
Financial liabilities	金融負債		
Amortised cost	攤銷成本	132,550	31,072

38b. Financial risk management objectives and policies

The Group's major financial instruments include AFS investment, investments in film/drama production, trade and other receivables, amounts due from related companies, pledged bank deposits, bank balances and cash, trade and other payables, amounts due to related companies, amount due to a joint venture, bank borrowing and deposits received. Details of these financial instruments are disclosed in the respective notes. The risks associated with the Group's financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

38b. 金融風險管理目標及政策

本集團的主要金融工具包括可供出售投資、投資電影／戲劇製作、貿易及其他應收款項、應收關聯公司款項、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項、應付關聯公司款項、應付一間合營企業款項、銀行借款及已收按金。該等金融工具的詳情於相關附註披露。有關本集團金融工具的風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。如何減輕該等風險的政策載於下文。管理層管理及監察該等風險，確保及時且有效地採取適當措施。

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38. FINANCIAL INSTRUMENTS (Continued)

38b. Financial risk management objectives and policies (Continued)

Market risk

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates.

The functional currency of all group companies is HK\$ except for 北京天馬, 上海翠裕電影院管理有限公司 (“上海翠裕”), 上海家喜文化傳播有限公司 (“上海家喜”), 上海新馬, 勝馬文化, 廣州火花投資有限公司 (“廣州火花”) and 廣州戴德管理諮詢有限公司 (“廣州戴德”) of which their functional currency is RMB. At the end of each reporting period, the carrying amount of the monetary assets and liabilities of the group companies, which are denominated in foreign currencies, are as follows:

38. 金融工具 (續)

38b. 金融風險管理目標及政策 (續)

市場風險

貨幣風險

貨幣風險為金融工具的公平值或未來現金流量因外匯匯率變動而波動所產生的風險。

集團所有成員公司的功能貨幣均為港幣，惟北京天馬、上海翠裕電影院管理有限公司(「上海翠裕」、上海家喜文化傳播有限公司(「上海家喜」、上海新馬、勝馬文化、廣州火花投資有限公司(「廣州火花」)及廣州戴德管理諮詢有限公司(「廣州戴德」)除外，彼等功能貨幣為人民幣。於各報告期末，集團成員公司以外幣計值的貨幣資產及負債賬面值如下：

		2018		2017	
		2018年		2017年	
		Assets	Liabilities	Assets	Liabilities
		資產	負債	資產	負債
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
AUD	澳元	208	—	212	—
RMB	人民幣	6,757	—	13,582	—
USD	美元	1,034	—	20,725	408
EUR	歐元	1	—	5	—
HK\$	港幣	1,330	—	1,319	—
SGD	新加坡元	24	—	21	—

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38. FINANCIAL INSTRUMENTS (Continued)

38b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

The Group is mainly exposed to the foreign currency risk of RMB and USD against HK\$. Since HK\$ is pegged to USD, the Group does not expect any significant movement in USD/HK\$ exchange rate and this is excluded from the sensitivity analysis below. No sensitivity analysis for HK\$, AUD, EUR and SGD are presented as Management considered the exposure is insignificant. Management will monitor foreign exchange exposure to mitigate the foreign currency risk.

At the end of each reporting period, certain group companies, of which their functional currency is HK\$, had amounts due from the PRC subsidiaries which are denominated in RMB. These intra-group balances are HK\$68,058,000 (2017: HK\$46,011,000) as at 30 June 2018.

The following table details the Group's sensitivity to a 5% increase and decrease in HK\$ against RMB. 5% is the sensitivity rate used which represents Management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items including the above intra-group balances and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates a decrease in post-tax loss where HK\$ weaken 5% against RMB. For a 5% strengthening of HK\$ against RMB, there would be an equal and opposite impact on the loss.

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Profit or loss (note)	溢利或虧損(附註)	3,124	2,488

Note: This is mainly attributable to the exposure outstanding on bank balances, investments in film/drama production and intra-group balances at the end of the respective reporting period.

38. 金融工具(續)

38b. 金融風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

本集團主要承受人民幣及美元兌港幣的外幣風險。由於港幣與美元掛鈎，本集團預期美元/港幣匯率不會出現大幅波動，故未納入下文敏感度分析。由於管理層認為風險很小，故並無呈列港幣、澳元、歐元及新加坡元的敏感度分析。管理層將監控外匯風險以減輕外幣風險。

於各報告期末，功能貨幣為港幣的若干集團成員公司的應收中國附屬公司款項以人民幣計值。於2018年6月30日，該等集團內部結餘約為港幣68,058,000元(2017年：港幣46,011,000元)。

下表詳列本集團對港幣兌人民幣升值及貶值5%的敏感度。管理層對以外匯匯率合理可能變動進行評估時採用的敏感度比率為5%。敏感度分析僅包括以外幣計值的尚未支付的貨幣項目(包括上述集團內部結餘)及於報告期末以外匯匯率5%的變動進行換算調整。下文所示正數即表示港幣兌人民幣貶值5%時稅後虧損減少。至於港幣兌人民幣升值5%，其對虧損產生相等及相反影響。

附註：此主要與於各報告期末的銀行結餘、投資電影/戲劇製作及集團內部結餘所面對風險有關。

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38. FINANCIAL INSTRUMENTS (Continued)

38b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

Management considered the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the exposure at the end of each reporting period does not reflect the exposure during the year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to fair value interest rate risk in relation to investments in film/drama production and fixed rate pledged bank deposits (see notes 21 and 25 for details of these balances, respectively).

In addition, the Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances and bank borrowing.

If interest rate had been 50 basis points higher for bank balances and bank borrowing, and all other variables were held constant, the impact to the Group's loss for the year is as follows:

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Decrease in loss for the year	年內虧損減少	283	133

No sensitivity analysis for the decrease in interest rate of bank balances is presented as Management considered that it is not meaningful to assume a decrease of 50 basis points lower for the interest rate because the bank balances carried interest ranged from 0.01% to 0.27% (2017: 0.01% to 0.29%) per annum during the current year.

38. 金融工具(續)

38b. 金融風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

由於各報告期末的風險並不反映年內的風險，故管理層認為敏感度分析並不代表固有的外匯風險。

利率風險

利率風險為金融工具的公平值或未來現金流量將因市場利率變動而出現波動的風險。

本集團面對有關電影／戲劇製作投資及固定利率已抵押銀行存款的公平值利率風險(該等結餘的詳情分別參閱附註21及25)。

此外，本集團亦面臨有關浮動利率銀行結餘及銀行借款的現金流利率風險。

倘銀行結餘及銀行借款的利率上升50個基點，而所有其他變量維持不變，對本集團年內的虧損影響如下：

	2018	2017
	2018年	2017年
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Decrease in loss for the year	283	133

由於銀行結餘於本年度內按0.01%至0.27%(2017年：0.01%至0.29%)的年利率計息，管理層認為假設利率降低50個基點並無意義，故並無呈列銀行結餘利率下降的敏感度分析。

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38. FINANCIAL INSTRUMENTS (Continued)

38b. Financial risk management objectives and policies (Continued)

Credit risk

At the end of each reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, Management reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, Management considers that the Group's credit risk is significantly reduced.

The credit risk on liquid funds including pledged bank deposits and bank balances is limited because the counterparties are banks with good reputation.

The Group was exposed to concentration of credit risk on one of its trade customers which accounted for 34% of its trade receivables as at 30 June 2017. The top customer has a good repayment history and long-term working relationship with the Group.

The Group was exposed to concentration of credit risk on a production house which accounted for 100% (2017: 71%) of its investments in film/drama production as at 30 June 2018. The production house is an independent third party, which is a well-known film/drama production house.

Except for the above, the Group does not have any other significant concentration of credit risk.

38. 金融工具(續)

38b. 金融風險管理目標及政策(續)

信貸風險

於各報告期末，倘對手方未能履行責任，本集團面對財務虧損的最大信貸風險來自於綜合財務狀況表所列各項已確認金融資產的賬面值。

為盡可能降低信貸風險，管理層會於各報告期末審閱各個別債務的可收回金額，確保已就不可收回金額作出足夠的減值虧損。就此而言，管理層認為，本集團的信貸風險已大幅降低。

由於對手方均為具有良好聲譽的銀行，故流動資金(包括已抵押銀行存款及銀行結餘)的信貸風險有限。

本集團就其一名貿易客戶面臨信貸集中風險。該貿易客戶於2017年6月30日佔本集團的貿易應收款項達34%。該名大客戶還款記錄良好，與本集團建立了長期合作關係。

本集團就一間製作公司面臨信貸集中風險。該製作公司於2018年6月30日佔本集團投資電影／戲劇製作達100%(2017年：71%)。製作公司為獨立第三方，為知名的電影／戲劇製作公司。

除上文所述者外，本集團並無任何其他重大信貸集中風險。

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38. FINANCIAL INSTRUMENTS (Continued)

38b. Financial risk management objectives and policies (Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by Management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings and other sources of funding and considers the risk is minimal.

The following tables provide details of the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. Specifically, bank borrowing with a repayment on demand clause is included in the earliest time band regardless of the probability of the bank choosing to exercise their rights. The tables include both interest and principal cash flows.

38. 金融工具 (續)

38b. 金融風險管理目標及政策 (續)

流動資金風險

於管理流動資金風險時，本集團監控及保持管理層認為足夠的現金及現金等價物水平，以為本集團的運營提供資金並減輕現金流量波動的影響。管理層監控銀行借款的使用狀況及資金的其他來源，並認為風險極小。

下表詳列本集團非衍生金融負債按協定償還期限的餘下合約到期情況。該等表格根據本集團可被要求支付金融負債的最早日期當日的未貼現現金流量編製。尤其是，附帶按要求償還條款的銀行借款計入最早時間段內，而不論銀行選擇行使其權利的可能性多寡。該等表格載有利息及主要現金流量。

		Weighted average interest rate	On demand or 0-90 days	91-365 days	Over 1 year	Total undiscounted cash flows	Carrying amount
		加權平均利率	按要求或0至90日	91至365日	一年以上	未貼現現金流量總額	賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 30 June 2018	於2018年6月30日						
Trade and other payables	貿易及其他應付款項	—	74,831	68	—	74,899	74,899
Amounts due to related companies	應付關聯公司款項	—	40,031	—	—	40,031	40,031
Amount due to a joint venture	應付一間合營企業款項	—	8,296	—	—	8,296	8,296
Bank borrowing	銀行借款	2.8	8,208	—	—	8,208	8,208
Deposits received	已收按金	—	—	—	1,116	1,116	1,116
			131,366	68	1,116	132,550	132,550

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38. FINANCIAL INSTRUMENTS (Continued)

38. 金融工具 (續)

38b. Financial risk management objectives and policies (Continued)

38b. 金融風險管理目標及政策 (續)

Liquidity risk (Continued)

流動資金風險 (續)

		Weighted average interest rate	On demand or 0–90 days	91–365 days	Over 1 year	Total undiscounted cash flows	Carrying amount
		加權平均利率	按要求或0至90日	91至365日	一年以上	未貼現現金流量總額	賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 30 June 2017	於2017年6月30日						
Trade and other payables	貿易及其他應付款項	—	27,197	489	—	27,686	27,686
Amounts due to related companies	應付關聯公司款項	—	26	—	—	26	26
Amount due to a joint venture	應付一間合營企業款項	—	2,116	—	—	2,116	2,116
Deposits received	已收按金	—	1,244	—	—	1,244	1,244
			30,583	489	—	31,072	31,072

Bank borrowing with a repayment on demand clause is included in the “on demand or 0–90 days” time band in the above maturity analysis. As at 30 June 2018, the aggregate undiscounted principal amounts of the bank borrowing amounted to HK\$8,624,000. Taking into account the Group’s financial position, the Directors do not believe that it is probable that the bank will exercise their discretionary rights to demand immediate repayment. The Directors believe that such bank borrowing will be repaid three years after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreement, details of which are set out in the table below:

附帶按要求償還條款的銀行借款計入上述到期日分析的「按要求或0至90日」時間段內。於2018年6月30日，銀行借款的未貼現本金總額為港幣8,624,000元。經考慮本集團的財務狀況、董事認為銀行將行使其酌情權要求即時還款的可能性不大。董事認為，該等銀行借款將根據貸款協議所載的預定還款日期於報告期末後三年內償還，有關詳情載於下表：

		On demand or 0–90 days	91–365 days	Over 1 year	Total undiscounted cash flows	Carrying amount
		按要求或0至90日	91至365日	一年以上	未貼現現金流量總額	賬面值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 30 June 2018	於2018年6月30日	663	1,990	5,971	8,624	8,208

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38. FINANCIAL INSTRUMENTS (Continued)

38c. Fair value

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Management considers that the carrying amounts of financial assets and liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values.

39. RETIREMENT BENEFIT PLANS

(i) Plans for Hong Kong employees

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all its qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of trustees. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect of MPF Scheme is to make the required contributions under the MPF Scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

The contribution to the MPF Scheme is calculated based on the rules set out in the MPF Ordinance which is 5% on the basic salary of the relevant employee subject to a specific ceiling of HK\$1,500.

(ii) Plans for PRC employees

The employees employed in the PRC are members of the state-managed retirement benefits scheme operated by the PRC government. The PRC subsidiary is required to contribute a certain percentage of its payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

38. 金融工具(續)

38c. 公平值

金融資產及金融負債的公平值乃按照公認定價模式根據貼現現金流量分析而釐定。

管理層認為，按攤銷成本於綜合財務狀況表列賬的金融資產及負債的賬面值與其公平值相若。

39. 退休福利計劃

(i) 有關香港僱員的計劃

本集團根據強制性公積金計劃條例為其所有位於香港的合資格僱員設立一項強制性公積金計劃(「強積金計劃」)。強積金計劃的資產與本集團資產分開持有，資金由受託人控制。根據強積金計劃的條例，僱主及其僱員均須按條例指定的比例向計劃供款。本集團對強積金計劃的唯一責任乃根據強積金計劃作出所需供款。並無失效的供款可供扣減未來年度應付供款。

對強積金計劃的供款乃根據強積金條例載列的規則計算，其為相關僱員基本薪金的5%，惟須受港幣1,500元特定上限的限制。

(ii) 有關中國僱員的計劃

在中國聘用的僱員乃由中國政府運作的國家管理退休福利計劃的成員。中國附屬公司須按僱員工資的若干百分比向退休福利計劃作出供款，以提供福利資金。本集團就退休福利計劃的唯一責任乃根據計劃作出所需供款。

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For the year ended 30 June 2018 截至2018年6月30日止年度

39. RETIREMENT BENEFIT PLANS (Continued)

The total cost of HK\$1,993,000 (2017: HK\$1,279,000) charged to profit or loss represents contributions paid or payable to the above schemes by the Group for the year ended 30 June 2018.

39. 退休福利計劃 (續)

計入損益的總成本港幣1,993,000元(2017年：港幣1,279,000元)指本集團於截至2018年6月30日止年度向上述計劃支付或應付的供款。

40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

40. 融資活動引起的負債之對賬

下表詳列融資活動產生的本集團負債變動，包括現金及非現金變動。融資活動產生的負債是於本集團綜合現金流量表中已經分類為融資活動現金流量的現金流量或將分類為融資活動現金流量的未來現金流量。

		Amounts due to related companies 應付關聯 公司款項 HK\$'000 港幣千元	Bank borrowing 銀行借款 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 July 2017	於2017年7月1日	—	—	—
Financing cash flows	融資現金流量	40,000	8,208	48,208
Interest accrued	應計利息	—	262	262
Interest paid	已付利息	—	(262)	(262)
At 30 June 2018	於2018年6月30日	40,000	8,208	48,208

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For the year ended 30 June 2018 截至2018年6月30日止年度

41. RELATED PARTY DISCLOSURES

(I) Transactions

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

Name of related party 關聯方名稱	Notes 附註	Nature of transaction 交易性質	2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
PM Motion Pictures Limited 天馬電影出品有限公司	(a)	Service income 服務收入	49	271
Pegasus Laboratory (International) Limited ("Pegasus Laboratory") 天馬沖印(國際)有限公司 (「天馬沖印」)	(b)	Film processing services fee 電影菲林沖印服務費	—	22
Pure Project Limited 盧威有限公司	(c)	Rental expense 租金開支	1,416	1,320
BPL 賞金	(d)	Production income 製作收入	—	5,880
Ta Creative House Ta Creative House	(e)	Production services fee 製作服務費	—	500
Mandarin Motion 東方	(f)	Service income 服務收入	800	—
		Film processing services fee 電影菲林沖印服務收入	211	—

Notes:

- (a) The service income was received from PM Motion Pictures Limited for the Group's provision of film distribution services. Mr. Wong (the Director) and Mr. Wong Chi Woon, Edmond and Ms. Wong Yee Kwan, Alvina who are the Directors for the period from 1 July 2017 to 13 December 2017, collectively have controlling interests in this company.
- (b) The film processing services fee for the year ended 30 June 2017 was paid to Pegasus Laboratory in which it is beneficiary owned by a company collectively controlled by the Mr. Wong (the Director) and Mr. Wong Chi Woon, Edmond and Ms. Wong Yee Kwan, Alvina who are the Directors for the period from 1 July 2017 to 13 December 2017.

41. 關聯方披露

(I) 交易

年內，本集團與關聯方訂立以下重大交易：

2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
-----------------------------------	-----------------------------------

49	271
—	22
1,416	1,320
—	5,880
—	500
800	—
211	—

附註：

- (a) 該服務收入乃就本集團提供電影發行服務而向天馬電影出品有限公司收取。黃先生(董事)以及黃子桓先生及黃漪鈞女士(彼等於2017年7月1日至2017年12月13日期間為董事)共同於該公司擁有控股權益。
- (b) 截至2017年6月30日止年度之電影菲林沖印服務費乃支付予天馬沖印，該公司由黃先生(董事)以及黃子桓先生及黃漪鈞女士(彼等於2017年7月1日至2017年12月13日期間為董事)共同控制的一間公司實益擁有。

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41. RELATED PARTY DISCLOSURES (Continued) 41. 關聯方披露 (續)

(I) Transactions (Continued)

Notes: (Continued)

- (c) The rental expense was paid to Pure Project Limited for the office premise leased by the Group. Mr. Wong has controlling interests in Pure Project Limited.
- (d) The production income was received from the joint venture, BPL.
- (e) The production services fee was paid to Ta Creative House in which Ms. Wong Kit Fong, the sister of Mr. Wong, has controlling interest.
- (f) The service and film processing income were received from Mandarin Motion in which Ms. Wong Kit Fong, the sister of Mr. Wong, has controlling interest.

(II) Balances

Details of the amounts due from (to) related companies and amount due to a joint venture are set out in the consolidated statement of financial position and in notes 29 and 30, respectively.

(III) Compensation of key management personnel

The remuneration of Directors and other key management personnel of the Group during the year was as follows:

(I) 交易 (續)

附註：(續)

- (c) 該租金開支乃就本集團租賃的辦公室物業而支付予Pure Project Limited。黃先生於Pure Project Limited擁有控股權益。
- (d) 該製作收入自合營企業賞金收取。
- (e) 該製作服務費乃支付予Ta Creative House，而黃先生的胞妹黃潔芳女士擁有該公司的控股權益。
- (f) 該服務及電影菲林沖印收入乃向東方收取，黃先生的胞妹黃潔芳女士擁有該公司的控股權益。

(II) 結餘

應收(付)關聯公司款項及應付一間合營企業款項的詳情分別載於綜合財務狀況表和附註29及30。

(III) 主要管理人員薪酬

年內，董事及本集團其他主要管理人員的薪酬載列如下：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Salaries and other allowances	薪金及其他津貼	9,990	9,413
Retirement benefit scheme contributions	退休福利計劃供款	133	104
		10,123	9,517

The remuneration of Directors and key executives is determined by the remuneration committee of the Company having regard to the performance of individuals and market trends.

董事及主要行政人員的薪酬由本公司薪酬委員會考慮個人表現及市場趨勢後釐定。

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綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

42. 本公司財務狀況表

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	97,197	97,196
Plant and equipment	廠房及設備	28	—
		97,225	97,196
Current assets	流動資產		
Other receivables	其他應收款項	544	145
Amounts due from subsidiaries	應收附屬公司款項	118,329	311,313
Amount due from a related company	應收一間關聯公司款項	1	—
Bank balances	銀行結餘	23,735	20
		142,609	311,478
Current liabilities	流動負債		
Accruals	應計費用	5,576	—
Amounts due to subsidiaries	應付附屬公司款項	138,466	110,555
Amount due to a related company	應付一間關聯公司款項	24	—
		144,066	110,555
Net current (liabilities) assets	流動(負債淨額)資產淨值	(1,457)	200,923
Net assets	資產淨值	95,768	298,119
Capital and reserves	資本及儲備		
Share capital (note 31)	股本(附註31)	6,489	6,489
Share premium and reserves (Note)	股份溢價及儲備(附註)	89,279	291,630
Total equity	權益總額	95,768	298,119

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

42. 本公司財務狀況表 (續)

The amount(s) due from (to) subsidiaries and a related company are unsecured, interest-free and repayable on demand.

應收(付)附屬公司款項及一間關聯公司乃無抵押、免息及按要求償還。

Note:

附註：

		Share premium 股份溢價 HK\$'000 港幣千元	Special reserve 特別儲備 HK\$'000 港幣千元	Warrants reserve 認股權證儲備 HK\$'000 港幣千元	Accumulated losses 累計虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 July 2016	於2016年7月1日	504,353	47,196	295	(257,575)	294,269
Loss and total comprehensive expense for the year	年內虧損及年內全面開支總額	—	—	—	(19,199)	(19,199)
Issue of shares upon exercise of warrants (note 31)	於行使認股權證後發行股份(附註31)	16,693	—	(133)	—	16,560
Transfer upon expiry of warrants (note 31)	於認股權證屆滿時轉撥(附註31)	—	—	(162)	162	—
At 30 June 2017	於2017年6月30日	521,046	47,196	—	(276,612)	291,630
Loss and total comprehensive expense for the year	年內虧損及年內全面開支總額	—	—	—	(202,351)	(202,351)
At 30 June 2018	於2018年6月30日	521,046	47,196	—	(478,963)	89,279

Special reserve represented the capital contribution from Honour Grace Limited which is based on the total equity of Green Riches Holdings Limited ("Green Riches") at the date of Reorganisation.

特別儲備指榮恩有限公司根據翠裕控股有限公司(「翠裕」)於重組日期的權益總額進行注資。

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綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

a. The Company had the following subsidiaries as at 30 June 2018 and 2017:

43. 本公司附屬公司詳情

a. 於2018年及2017年6月30日，本公司擁有下列附屬公司：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立/經營 地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股股本/ 註冊資本	Attributable equity interest held by the Company 本公司持有的 應佔股權		Proportion of voting power held by the Company 本公司持有 投票權的比例		Principal activities 主要業務
			2018 2018年	2017 2017年	2018 2018年	2017 2017年	
Green Riches (Note i) 翠裕(附註i)	BVI 英屬處女群島	US\$1 1美元	100%	100%	100%	100%	Investment holding 投資控股
Pegasus Motion Pictures Production Limited 天馬電影製作有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Film production 電影製作
Pegasus Motion Pictures (Hong Kong) Limited 天馬電影出品(香港) 有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Film distribution 電影發行
Pegasus Motion Pictures Distribution Limited 天馬電影發行有限公司	BVI 英屬處女群島	US\$1 1美元	100%	100%	100%	100%	Film distribution and production 電影發行及製作
北京天馬 (Note ii)	PRC	HK\$1,500,000	100%	100%	100%	100%	Service provider of the Group for facilitating the establishment and expansion of the Group's business in the PRC
北京天馬(附註ii)	中國	港幣1,500,000元					方便成立及擴展本集團 於中國業務的 本集團服務供應商
Star Pictures	BVI	US\$1	— (Note iv)	100%	— (Note iv)	100%	Representing the Group in entering into actors' and film directors' contracts and film distribution
星映	英屬處女群島	1美元	(附註iv)		(附註iv)		代表本集團訂立 演員及電影導演合約及 電影發行出品
Star Pictures Entertainment (Hong Kong) Limited	Hong Kong	HK\$10,000	100%	100%	100%	100%	Representing the Group in entering into actors' and production crew's contracts and film distribution
星映娛樂(香港)有限 公司	香港	港幣10,000元					代表本集團訂立 演員及製作組合約及 電影發行出品
PMPIL 天馬電影投資	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Film investment 電影投資

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43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Continued)

43. 本公司附屬公司詳情 (續)

a. The Company had the following subsidiaries as at 30 June 2018 and 2017: (Continued)

a. 於2018年及2017年6月30日，本公司擁有下列附屬公司：(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立/經營 地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股股本/ 註冊資本	Attributable equity interest held by the Company 本公司持有的 應佔股權		Proportion of voting power held by the Company 本公司持有 投票權的比例		Principal activities 主要業務
			2018 2018年	2017 2017年	2018 2018年	2017 2017年	
Cinema City Group Limited 電影城集團有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Cinema operations and management 影院運作及管理
Cinema City (Langham Place) Limited 電影城(朗豪坊)有限 公司	Hong Kong 香港	HK\$3,000,000 港幣3,000,000元	100%	100%	100%	100%	Cinema operations 影院運作
Cinema City (Chai Wan) Limited 電影城(柴灣)有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Cinema operations 影院運作
Cinema City (Hong Kong) Limited 電影城(香港)有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Cinema operations 影院運作
Cinema City (TW) Limited 電影城(荃灣)有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Cinema operations 影院運作
Screen Media & Promotion Limited 影娛媒體宣傳有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	100%	100%	Film distribution, advertising and promotion 電影發行出品、廣告及推廣
Skywork Media Limited 天耀媒體有限公司	Hong Kong 香港	HK\$100 港幣100元	100%	100%	100%	100%	Post-production 後期製作
Chili	Hong Kong 香港	HK\$10,000 港幣10,000元	100%	100%	100%	100%	Provision of advertising and marketing services 提供廣告及市場推廣服務
Powerful Target Investment Group Limited 中威投資集團有限公司	BVI 英屬處女群島	US\$1 1美元	100%	100%	100%	100%	Investment holding 投資控股

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43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Continued)

43. 本公司附屬公司詳情 (續)

a. The Company had the following subsidiaries as at 30 June 2018 and 2017: (Continued)

a. 於2018年及2017年6月30日，本公司擁有下列附屬公司：(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ operations 註冊成立/ 成立/經營 地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股股本/ 註冊資本	Attributable equity interest held by the Company 本公司持有的 應佔股權		Proportion of voting power held by the Company 本公司持有 投票權的比例		Principal activities 主要業務
			2018 2018年	2017 2017年	2018 2018年	2017 2017年	
Favourable On Global Investment Limited ("Favourable On") 嘉安環球投資有限公司 (「嘉安」)	BVI 英屬處女群島	US\$100 100美元	70%	70%	70%	70%	Investment holding 投資控股
Chili Platinum 智理白金	Hong Kong 香港	HK\$1 港幣1元	70%	70%	70%	70%	Provision of printed and digital media publication business 提供印刷及數碼媒體出版業務
Hope Sound Limited ("Hope Sound") (Notes i and iii) 合聲有限公司 (「合聲」) (附註i及iii)	BVI 英屬處女群島	US\$100 100美元	100%	N/A 不適用	100%	N/A 不適用	Investment holding 投資控股
Hong Kong Transmit Entertainment Limited (Note iii) 香港傳遞娛樂有限公司 (附註iii)	Hong Kong 香港	HK\$100 港幣100元	100%	N/A 不適用	100%	N/A 不適用	Investment holding 投資控股
上海翠裕	PRC 中國	RMB10,000,000 人民幣 10,000,000元	100%	100%	100%	100%	Cinema management and operation in the PRC 於中國經營及管理影院
上海家喜	PRC 中國	RMB5,000,000 人民幣 5,000,000元	100%	100%	100%	100%	Film distribution in the PRC 於中國發行電影
勝馬文化	PRC 中國	RMB4,000,000 人民幣 4,000,000元	100%	100%	100%	100%	Cinema operation in the PRC 於中國經營影院
上海新馬	PRC 中國	HK\$7,500,000 港幣 7,500,000元	100%	100%	100%	100%	Cinema operation in the PRC 於中國經營影院
廣州火花 (Notes ii and iii) 廣州火花 (附註ii及iii)	PRC 中國	Note (v) 附註(v)	100%	N/A 不適用	100%	N/A 不適用	Investment holding 投資控股
廣州戴德 (Note iii) 廣州戴德 (附註iii)	PRC 中國	Note (v) 附註(v)	100%	N/A 不適用	100%	N/A 不適用	Investment holding 投資控股

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43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Continued)

a. The Company had the following subsidiaries as at 30 June 2018 and 2017: (Continued)

Notes:

- (i) Except Green Riches and Hope Sound, all other subsidiaries are indirectly owned by the Company.
- (ii) The subsidiary is a wholly-foreign owned enterprise established in the PRC.
- (iii) These subsidiaries were newly established/incorporated during the year ended 30 June 2018.
- (iv) The subsidiary was disposed of during the year ended 30 June 2018. Details are set out in note 35.
- (v) The registered capital of the subsidiaries was not yet injected as at 30 June 2018.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

b. Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of the non-wholly owned subsidiaries of the Company that has material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要經營地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益持有的所有權權益及投票權比例		Loss allocated to non-controlling interests 分配至非控股權益的虧損		Accumulated non-controlling interests 累計非控股權益	
		2018 2018年	2017 2017年	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Favourable On 嘉安	BVI 英屬處女群島	30%	30%	301	485	(3,779)	(3,478)
Individual immaterial subsidiary with non-controlling interests 擁有非控股權益的個別非重大附屬公司				—	411	—	—
				301	896	(3,779)	(3,478)

43. 本公司附屬公司詳情 (續)

a. 於2018年及2017年6月30日，本公司擁有下列附屬公司：(續)

附註：

- (i) 除翠裕及合聲外，所有其他附屬公司均由本公司間接擁有。
- (ii) 該附屬公司為於中國成立的外商獨資企業。
- (iii) 該等附屬公司於截至2018年6月30日止年度內新成立/註冊成立。
- (iv) 該附屬公司乃於截至2018年6月30日止年度出售。詳情載於附註35。
- (v) 該等附屬公司的註冊資本於2018年6月30日尚未注入。

於年末或年內任何時間，各附屬公司概無任何未償還債務證券。

b. 擁有重大非控股權益的非全資附屬公司的詳情

下表載列擁有重大非控股權益的本公司非全資附屬公司的詳情：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Continued)

b. Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

Summarised financial information in respect of the Group's subsidiary that has a material non-controlling interest is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Favourable On

43. 本公司附屬公司詳情 (續)

b. 擁有重大非控股權益的非 全資附屬公司的詳情 (續)

有關擁有重大非控股權益的本集團附屬公司的財務資料概要載列如下。以下財務資料概要所列金額乃未經集團內部對銷。

嘉安

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Current assets	流動資產	217	205
Current liabilities	流動負債	(13,299)	(12,679)
Non-current assets	非流動資產	488	881
Deficit attributable to owners of the Company	本公司擁有人應佔虧絀	(8,815)	(8,115)
Non-controlling interests	非控股權益	(3,779)	(3,478)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Continued)

43. 本公司附屬公司詳情 (續)

b. Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

b. 擁有重大非控股權益的非 全資附屬公司的詳情 (續)

		Year ended 30.6.2018 截至2018年 6月30日 止年度 HK\$'000 港幣千元	Year ended 30.6.2017 截至2017年 6月30日 止年度 HK\$'000 港幣千元
Revenue	收益	—	40
Expenses	開支	(1,001)	(1,655)
Loss for the year and total comprehensive expense for the year	年內虧損及全面開支總額	(1,001)	(1,615)
Loss and total comprehensive expense attributable to owners of the Company	本公司擁有人應佔虧損及 全面開支總額	(700)	(1,130)
Loss and total comprehensive expense attributable to non-controlling interests	非控股權益應佔虧損及 全面開支總額	(301)	(485)
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	(1,001)	(1,615)
Net cash outflow from operating activities	經營活動現金流出淨額	(1)	(257)
Net cash outflow	現金流出淨額	(1)	(257)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

44. COMMITMENTS

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

44. 承擔

於報告期末，本集團尚未履行承擔如下：

		2018 2018年 HK\$'000 港幣千元	2017 2017年 HK\$'000 港幣千元
Capital commitments:	資本承擔：		
Capital expenditure in respect of renovation of the leases contracted for but not provided in the consolidated financial statements	已訂約但未於綜合財務報表作出撥備的租賃裝修資本開支	—	46,582

45. EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Group entered into the following significant transactions:

- (i) Subsequent to the end of the reporting period, the Group has acquired the entire equity interest in 霍爾果斯厚海文化傳媒有限公司 (Khorgas Houhai Culture Media Company Limited) and its subsidiary, 北京聚海文化傳媒有限公司 (Beijing Juhai Culture Media Company Limited) at a consideration of RMB450,000,000 payable in 3 instalments from 2018, 2019 and 2020, subject to the profit guarantee as stated in the sale and purchase agreement. The acquisition was completed on 28 August 2018 and details are set out in the circular of the Company dated 26 July 2018.
- (ii) On 31 July 2018, the disposal of 勝馬文化 was completed and the control of 勝馬文化 has been passed to the Purchasers. Upon completion of the disposal, 勝馬文化 cease to be a subsidiary of the Company.

45. 報告期後事件

於報告期末後，本集團訂立以下重大交易：

- (i) 於報告期末後，本集團已收購霍爾果斯厚海文化傳媒有限公司及其附屬公司北京聚海文化傳媒有限公司的全部股權，代價為人民幣450,000,000元，於2018年、2019年及2020年分三期支付，惟須達成買賣協議所載之溢利保證。該收購事項已於2018年8月28日完成及有關詳情載於本公司日期為2018年7月26日之通函。
- (ii) 於2018年7月31日，已完成出售勝馬文化及勝馬文化的控制權已讓渡予買方。於出售完成後，勝馬文化不再為本公司的附屬公司。

FINANCIAL SUMMARY

財務摘要

FINANCIAL RESULTS

財務業績

For the year ended 30 June

截至6月30日止年度

		2014	2015	2016	2017	2018
		2014年	2015年	2016年	2017年	2018年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue	收益	134,788	155,240	446,381	225,631	274,640
Cost of sales	銷售成本	(75,064)	(108,419)	(259,552)	(109,370)	(136,196)
Gross profit	毛利	59,724	46,821	186,829	116,261	138,444
Other gains	其他收益	—	—	—	5,353	8,608
Other income	其他收入	3,532	2,869	4,738	6,593	7,681
Selling and distribution expenses	銷售及發行開支	(15,033)	(84,456)	(102,820)	(110,539)	(200,624)
Administrative expenses	行政開支	(22,112)	(33,369)	(87,674)	(43,943)	(50,981)
Net foreign exchange (loss) gain	匯兌(虧損)收益淨額	—	(110)	(6,779)	(5,016)	1,859
Impairment loss on goodwill	商譽減值虧損	—	(138,000)	(43,084)	—	—
Impairment loss on intangible asset	無形資產減值虧損	—	—	(20,514)	—	—
Impairment loss on other receivable	其他應收賬款減值虧損	—	—	(2,011)	—	—
Impairment loss on prepayment for investment in TV series production	投資電視劇製作預付款項的減值虧損	—	(15,750)	—	—	—
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損	—	—	—	—	(40,579)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	—	—	—	(20,351)	(22,295)
Impairment loss on available-for-sale investment	可供出售投資的減值虧損	—	—	—	—	(2,736)
Impairment loss on investment in film/drama production	投資電影/戲劇製作的減值虧損	—	—	—	—	(19,613)
Finance costs	融資成本	(103)	(78)	(170)	(9)	(262)
Share of results of a joint venture	應佔一間合營企業業績	—	—	(2,090)	13,494	445
Share of results of associates	應佔聯營公司業績	4,661	(4,548)	(234)	(1,757)	74
Profit (loss) before tax	除稅前溢利(虧損)	30,669	(226,621)	(73,809)	(39,914)	(179,979)
Income tax (expense) credit	所得稅(開支)抵免	(4,283)	9,637	(10,343)	(966)	(10,072)
Profit (loss) for the year	年內溢利(虧損)	26,386	(216,984)	(84,152)	(40,880)	(190,051)
Other comprehensive (expense) income for the year	年內其他全面(開支)收入					
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>隨後或會重新分類至損益的項目</i>					
Share of exchange difference of an associate arising on translating foreign operation	應佔一間聯營公司因換算海外業務產生的匯兌差額	(23)	2	29	48	(39)
Share of exchange difference of a joint venture arising on translating foreign operation	應佔一間合營企業因換算海外業務產生的匯兌差額	—	—	(2,485)	(2,413)	28
Exchange difference on translating foreign operation	海外業務換算之匯兌差額	—	—	1,503	1,116	(1,373)
Total comprehensive income (expense) for the year	年內全面收入(開支)總額	26,363	(216,982)	(85,105)	(42,129)	(191,435)

FINANCIAL SUMMARY

財務摘要

		For the year ended 30 June 截至6月30日止年度				
		2014	2015	2016	2017	2018
		2014年	2015年	2016年	2017年	2018年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Profit (loss) for the year attributable to:	下列人士應佔年內溢利(虧損):					
Owners of the Company	本公司擁有人	26,386	(215,258)	(72,591)	(39,984)	(189,750)
Non-controlling interests	非控股權益	—	(1,726)	(11,561)	(896)	(301)
		26,386	(216,984)	(84,152)	(40,880)	(190,051)
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	311,864	584,734	458,804	452,882	456,450
Total liabilities	負債總額	(20,588)	(216,892)	(126,494)	(145,146)	(340,149)
		291,276	367,842	332,310	307,736	116,301
Equity attributable to owners of the Company	本公司擁有人應佔權益	291,276	357,190	334,027	311,214	120,080
Non-controlling interests	非控股權益	—	10,652	(1,717)	(3,478)	(3,779)
		291,276	367,842	332,310	307,736	116,301



傳達娛樂

TRANSMIT ENTERTAINMENT