



SANDMARTIN INTERNATIONAL HOLDINGS LIMITED

聖馬丁國際控股有限公司*

INCORPORATED IN BERMUDA WITH LIMITED LIABILITY
於百慕達註冊成立之有限公司

Stock Code 股份代號 : 482



2020 中期報告 INTERIM REPORT

* For identification purpose only
僅供識別



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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Hung Tsung Chin
Mr. Chen Wei Chun

NON-EXECUTIVE DIRECTOR

Mr. Kuo Jen Hao

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

(With effect from 25 August 2020)
Unit 516, 5th Floor, Peninsula Centre, 67 Mody Road
Tsim Sha Tsui East, Kowloon
Hong Kong

(Before 25 August 2020)
Units 04-05, 16th Floor, Nam Wo Hong Building, 148 Wing Lok Street
Sheung Wan, Hong Kong

REGISTERED OFFICE

Clarendon House, 2 Church Street, Hamilton
HM 11, Bermuda

執行董事

洪聰進先生
陳偉鈞先生

非執行董事

郭人豪先生

獨立非執行董事

劉幼祥先生 (*主席*)
李澤雄先生
吳嘉明先生

審核委員會

李澤雄先生 (*委員會主席*)
劉幼祥先生
吳嘉明先生

薪酬委員會

吳嘉明先生 (*委員會主席*)
劉幼祥先生
李澤雄先生

提名委員會

劉幼祥先生 (*委員會主席*)
李澤雄先生
吳嘉明先生

總辦事處及主要營業地點

(自二零二零年八月二十五日起生效)
香港
九龍尖沙咀東
麼地道67號半島中心5樓516室

(於二零二零年八月二十五日前)
香港上環
永樂街148號南和行大廈16樓04-05室

註冊辦事處

Clarendon House, 2 Church Street, Hamilton
HM 11, Bermuda

CORPORATE INFORMATION (Continued)

公司資料(續)

COMPANY SECRETARY

Ms. Tung Wing Yee Winnie

AUTHORISED REPRESENTATIVES

Mr. Hung Tsung Chin

Ms. Tung Wing Yee Winnie

PRINCIPAL BANKERS

Agricultural Bank of China Limited

CTBC Bank Co., Ltd.

Industrial and Commercial Bank of China Limited

Taishin International Bank Co., Ltd.

AUDITOR

BDO Limited

Certified Public Accountants

LEGAL ADVISORS

Woo Kwan Lee & Lo

MinterEllison LLP

SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong

Computershare Hong Kong Investor Services Limited

Shops 1712–1716, 17th Floor, Hopewell Centre

183 Queen's Road East, Wanchai

Hong Kong

Bermuda

Conyers Corporate Services (Bermuda) Limited

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

CORPORATE WEBSITE

www.sandmartin.com.hk

STOCK CODE

Hong Kong 482

公司秘書

董穎怡女士

授權代表

洪聰進先生

董穎怡女士

主要往來銀行

中國農業銀行股份有限公司

中國信託商業銀行股份有限公司

中國工商銀行股份有限公司

台新國際商業銀行股份有限公司

核數師

香港立信德豪會計師事務所有限公司

執業會計師

法律顧問

胡關李羅律師行

銘德有限法律責任合夥律師事務所

股份登記及過戶處

香港

香港中央證券登記有限公司

香港

灣仔皇后大道東183號

合和中心17樓1712–1716號舖

百慕達

Conyers Corporate Services (Bermuda) Limited

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

公司網站

www.sandmartin.com.hk

股份代號

香港 482

CHAIRMAN'S LETTER TO SHAREHOLDERS

主席致股東報告

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

On behalf of the board (the "Board") of the directors (the "Directors") of Sandmartin International Holdings Limited (the "Company", together with its subsidiaries collectively referred to as the "Group"), I hereby present the interim results of the Group for the six months ended 30 June 2020.

The outbreak of the novel coronavirus epidemic (the "Epidemic") since January 2020 has impact on the business and operations of the Group, as the Group has certain factories located in the People's Republic of China (the "PRC" or "China") and extensive operations in the United States (the "US"). The Group has been closely monitoring the impact from the global development of the Epidemic, including but not limited to adjustments of its supply chain management and reallocation of human resources to reduce the unfavourable impact arising from the Epidemic.

In response to the China-US trade war, the Group mitigates the impact by strengthening its supply chain management to produce components and accessories in Vietnam and India, serving the purpose of avoiding the tariffs imposed by the US on products from the PRC.

For the Company's 47.12%-owned associate, Dish Media Network Limited ("Dish Media", the largest satellite pay television operator in Nepal), it secured a customer base exceeding a million subscribers in Nepal and generated stable subscription revenue in the first half of the year of 2020 amidst the outbreak of the Epidemic.

The impacts from the Epidemic along with the escalation of geo-political and geo-economic tensions, the general economic landscape is clouded with uncertainties and financial risks. Given these volatilities and challenges, the Group will adopt more prudent approach in managing its cash flows position and will make every endeavour to identify business opportunities with promising potential in the manufacturing segment or even other sectors so as to diversify our income source to weather the possible adverse economic cycle. With the dedicated management and execution capabilities of our top management team, the Group remains confident in seizing the opportunities amidst the challenging landscape.

* For identification purpose only

各位本公司股東(「股東」)：

本人謹代表聖馬丁國際控股有限公司*(「本公司」，連同其附屬公司統稱為「本集團」)董事(「董事」)會(「董事會」)謹此呈報本集團截至二零二零年六月三十日止六個月的中期業績。

自二零二零年一月新型冠狀病毒疫情(「疫情」)爆發以來，由於本集團若干工廠位於中華人民共和國(「中國」)並在美國(「美國」)有廣泛的業務，本集團的業務及營運因而受到影響。本集團持續密切地關注全球疫情發展的影響，包括但不限於調整本集團供應鏈管理及人力資源配置，以減低疫情所造成的不良影響。

為應對中美貿易戰，本集團通過加強供應鏈管理，在越南及印度生產零配件以避免美國對來自中國的產品徵收關稅，從而紓緩有關影響。

就本公司擁有47.12%權益的聯營公司Dish Media Network Limited(「Dish Media」，尼泊爾最大的衛星收費電視營運商)而言，其已在尼泊爾獲得超過一百萬名訂戶的客戶群，在疫情爆發中的二零二零年上半年產生穩定的訂閱服務收入。

受疫情影響加上地緣政治及經濟局勢漸趨緊張，不明朗因素及金融風險使整體經濟形勢蒙上陰影。即使面對以上動盪情況及挑戰，為求開拓更多收入來源以渡過可能出現的不利經濟週期，本集團將採取更為審慎的方式管理其現金流量狀況，並將努力在製造分部或甚至其他行業尋找潛力優厚的商機。本集團的高級管理層盡忠職守，具備卓越的管理及執行能力，故本集團有信心在充滿挑戰的形勢中把握機遇。

* 僅供識別

CHAIRMAN'S LETTER TO SHAREHOLDERS *(Continued)* 主席致股東報告(續)

Going forward, the Board believes that the growth of the Group will depend on business opportunities arising from new 5G peripherals, Internet of Things and related products. In anticipation of such business opportunity, the Group's research and development team is developing new 5G related products with reference to the market trend. New products under development include next generation radio frequency and antenna products. The Group's research and development team is working on these products in the research center in Hsinchu, Taiwan. Hopefully, the Group's new 5G related products will bring about more business opportunities as well as revenue and profits.

All in all, we are thankful for the patience and continuous support from our dedicated employees, the management, invaluable business partners, Shareholders and investors. We look forward to sharing the rewards ahead with you.

Lau Yau Cheung
Chairman

展望未來，董事會深信，本集團日後的增長將有賴於最新的5G週邊、物聯網及相關產品帶來的商機。為配合預期中的商機，本集團的研發團隊正因應市場趨勢開發全新的5G相關產品。開發中的新產品包括新一代無線電頻道及天線產品。本集團的研發團隊目前在位於台灣新竹的研究中心埋首於上述產品的開發工作，期望本集團全新的5G相關產品能誘發更多商機，繼而帶來收益及溢利。

總括而言，我們謹對專心致志的全體僱員、專責的管理層、寶貴的業務夥伴、股東和投資者一直以來的耐心表現和鼎力支持衷心致謝，期望日後能與各位分享成果。

主席
劉幼祥

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL HIGHLIGHT AND BUSINESS REVIEW

The Group recorded a slight decrease of gross profit margin from 15.58% for the six months ended 30 June 2019 to 13.12% for the six months ended 30 June 2020 due to outbreak of the Epidemic and the lockdown of certain cities in the North America and South Asia, which postponed the delivery of the products of the Group to its customers.

MEDIA ENTERTAINMENT PLATFORM RELATED PRODUCTS

In the first half of the year of 2020, the Group's media entertainment platform related products segment faced a challenging economic environment and a decline in demand of its products due to the outbreak of the Epidemic. In response to the challenging economic environment, the Group continued to explore new business opportunities such as trading of small home appliances. The revenue of this segment was decreased by 37.8% as compared with the six months ended 30 June 2019.

- Segment revenue of media entertainment platform related products was approximately HK\$74.2 million (30 June 2019: HK\$119.1 million).
- Segment results from operations were approximately HK\$5.8 million (30 June 2019: HK\$20.9 million).
- Segment margin was 7.83%, which was decreased by 9.68 percentage-point as compared with the segment margin of 17.51% for the six months ended 30 June 2019 due to the low profit margin from trading of small home appliances.

Outlook

The Group is exploring new business opportunities for this segment such as trading of small home appliances. The China-US trade war is not expected to have material adverse impact on this segment as this segment does not have customers in the US.

財務摘要及業務概覽

本集團的毛利率由截至二零一九年六月三十日止六個月的15.58%輕微減少至截至二零二零年六月三十日止六個月的13.12%，乃由於疫情爆發以及北美洲及南亞部分城市封鎖導致延遲向其客戶交付本集團產品所致。

媒體娛樂平台相關產品

於二零二零年上半年，由於疫情爆發，本集團的媒體娛樂平台相關產品分部面對的經濟環境充滿挑戰及其產品需求減少。為應對充滿挑戰的經濟環境，本集團繼續發掘新商機，如買賣小型家電。此分部的收益較截至二零一九年六月三十日止六個月減少37.8%。

- 媒體娛樂平台相關產品的分部收益約為74,200,000港元(二零一九年六月三十日：119,100,000港元)。
- 分部營運業績約為5,800,000港元(二零一九年六月三十日：20,900,000港元)。
- 分部利潤率為7.83%，較截至二零一九年六月三十日止六個月的分部利潤率17.51%下跌9.68個百分點，乃由於買賣小型家電的利潤率低。

前景

本集團正為其分部開拓新商機，例如買賣小型家電。由於此分部並無客戶位於美國，故預期中美貿易戰不會對此分部造成重大不利影響。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

OTHER MULTIMEDIA PRODUCTS

Despite the outbreak of the Epidemic, which affected the products demand of the Group's other multimedia products segment and the challenging economic environment, the Group's other multimedia products segment was able to maintain its profitability. Major products of this segment included cables, multimedia accessories, wireless mobile phone chargers for vehicles and ultraviolet light smartphone sanitizers. Segment revenue decreased by 17.1% due to the outbreak of the Epidemic.

- Segment revenue of other multimedia products was approximately HK\$109.4 million (30 June 2019: HK\$131.9 million).
- Segment results from operations were approximately HK\$10.1 million (30 June 2019: HK\$16.9 million).
- Segment margin was 9.20%, which decreased by 3.59 percentage-point as compared with the segment margin of 12.79% for the six months ended 30 June 2019.

Outlook

We are enhancing our product portfolio and developing new businesses. New products, such as ultraviolet light smartphone sterilizers received high demand in the first half of the year of 2020. The China-US trade war has some impact on this segment as some of the customers are in the US and the impact is reduced by sourcing from suppliers outside the PRC, such as Southeast Asia.

其他多媒體產品

儘管疫情爆發影響本集團的其他多媒體產品分部的產品需求及導致經濟環境充滿挑戰，本集團的其他多媒體產品分部能維持其盈利能力。此分部的主要產品包括電纜、多媒體配件、車載無線手機充電器及紫外線智能手機消毒器。分部收益因疫情爆發下跌17.1%。

- 其他多媒體產品的分部收益約為109,400,000港元(二零一九年六月三十日：131,900,000港元)。
- 分部營運業績約為10,100,000港元(二零一九年六月三十日：16,900,000港元)。
- 分部利潤率為9.20%，較截至二零一九年六月三十日止六個月的分部利潤率12.79%下降3.59個百分點。

前景

我們正在豐富產品組合和開拓新業務。紫外線智能手機消毒器等新產品於二零二零年上半年需求高企。由於部分客戶位於美國，故中美貿易戰已對此分部造成若干影響，而有關影響因向中國以外地區，例如東南亞的供應商進行採購而有所減輕。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

SATELLITE TV EQUIPMENT AND ANTENNA PRODUCTS

The revenue of the Group's satellite TV equipment and antenna products segment showed a decline as a result of the outbreak of the Epidemic in the North America.

- Segment revenue of satellite TV equipment and antenna products was approximately HK\$293.1 million (30 June 2019: HK\$416.5 million).
- Segment results from operations were approximately HK\$33.2 million (30 June 2019: HK\$54.0 million).
- Segment margin was 11.32%, which decreased by 1.65 percentage-point as compared with the segment margin of 12.97% for the six months ended 30 June 2019.

Outlook

Low noise blocking down converters ("LNBS") are receiving devices mounted on satellite dishes used for reception, which collect microwaves from the satellite dishes and facilitate the transmission of satellite television signals. Apart from the sales of LNBS to the customers in North America, we are exploring business opportunities in other areas such as cross-selling LNBS to other existing customers of the Group in South Asia. The research and development team of the Group endeavours to develop new products for next generation radio and antenna communications. The China-US trade war has some impact on this segment as some of the customers are in the US. Such impact is minimizing by sourcing from suppliers outside the PRC, such as Southeast Asia.

衛星電視設備及天線產品

本集團的衛星電視設備及天線產品分部的收益在北美洲受疫情爆發影響出現下降。

- 衛星電視設備及天線產品的分部收益約為293,100,000港元(二零一九年六月三十日: 416,500,000港元)。
- 分部營運業績約為33,200,000港元(二零一九年六月三十日: 54,000,000港元)。
- 分部利潤率為11.32%，較截至二零一九年六月三十日止六個月的分部利潤率12.97%下跌1.65個百分點。

前景

低雜訊降頻器(「LNBS」)是安裝在衛星天線用以接收來自於衛星天線無線電波的接收設備，有助傳輸衛星電視信號。除向北美洲的客戶銷售LNBS外，我們正於其他地區發掘商機，例如透過與本集團於南亞的其他現有客戶進行LNBS交叉銷售。本集團的研發團隊致力為新一代無線電及天線通訊模式開發新產品。由於部分客戶位於美國，故中美貿易戰已對此分部造成若干影響。有關影響因向中國以外地區，例如東南亞的供應商進行採購而有所減輕。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

GEOGRAPHICAL RESULTS

Africa

- Segment revenue for Africa for the six months ended 30 June 2020 was approximately HK\$1.1 million, as compared with the six months ended 30 June 2019 of approximately HK\$1.8 million.
- 40.6% drop in segment revenue compared with the six months ended 30 June 2019.
- Africa's portion accounted for approximately 0.2% of the Group's total revenue for the six months ended 30 June 2020 (six months ended 30 June 2019: 0.3%).

Asia

- Segment revenue for Asia for the six months ended 30 June 2020 was approximately HK\$69.0 million, as compared with the six months ended 30 June 2019 of approximately HK\$188.7 million.
- 63.4% drop in segment revenue compared with the six months ended 30 June 2019.
- Asia's portion accounted for approximately 14.5% of the Group's total revenue for the six months ended 30 June 2020 (six months ended 30 June 2019: 28.3%).

Europe

- Segment revenue for Europe for the six months ended 30 June 2020 was approximately HK\$57.3 million, as compared with the six months ended 30 June 2019 of approximately HK\$63.6 million.
- 9.9% drop in segment revenue compared with the six months ended 30 June 2019.
- Europe's portion accounted for approximately 12.0% of the Group's total revenue for the six months ended 30 June 2020 (six months ended 30 June 2019: 9.5%).

地域分部業績

非洲

- 於截至二零二零年六月三十日止六個月，非洲分部收益約為1,100,000港元，而於截至二零一九年六月三十日止六個月約為1,800,000港元。
- 分部收益與截至二零一九年六月三十日止六個月相比減少40.6%。
- 於截至二零二零年六月三十日止六個月，非洲部分佔本集團的總收益約0.2%（截至二零一九年六月三十日止六個月：0.3%）。

亞洲

- 於截至二零二零年六月三十日止六個月，亞洲分部收益約為69,000,000港元，而於截至二零一九年六月三十日止六個月約為188,700,000港元。
- 分部收益與截至二零一九年六月三十日止六個月相比減少63.4%。
- 於截至二零二零年六月三十日止六個月，亞洲部分佔本集團的總收益約14.5%（截至二零一九年六月三十日止六個月：28.3%）。

歐洲

- 於截至二零二零年六月三十日止六個月，歐洲分部收益約為57,300,000港元，而於截至二零一九年六月三十日止六個月約為63,600,000港元。
- 分部收益與截至二零一九年六月三十日止六個月相比減少9.9%。
- 於截至二零二零年六月三十日止六個月，歐洲部分佔本集團的總收益約12.0%（截至二零一九年六月三十日止六個月：9.5%）。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

Middle East

- Segment revenue for Middle East for the six months ended 30 June 2020 was approximately HK\$47.6 million, as compared with the six months ended 30 June 2019 of approximately HK\$31.8 million.
- 49.7% increase in segment revenue compared with the six months ended 30 June 2019.
- Middle East's portion accounted for approximately 10.0% of the Group's total revenue for the six months ended 30 June 2020 (six months ended 30 June 2019: 4.8%).

North America

- Segment revenue for North America for the six months ended 30 June 2020 was approximately HK\$276.4 million, as compared with the six months ended 30 June 2019 of approximately HK\$374.6 million.
- 26.2% drop in segment revenue compared with the six months ended 30 June 2019.
- North America's portion accounted for approximately 58.0% of the Group's total revenue for the six months ended 30 June 2020 (six months ended 30 June 2019: 56.1%).

South America

- Segment revenue for South America for the six months ended 30 June 2020 was approximately HK\$24.4 million, as compared with the six months ended 30 June 2019 of approximately HK\$6.4 million.
- 282.0% increase in segment revenue compared with the six months ended 30 June 2019.
- South America's portion accounted for approximately 5.1% of the Group's total revenue for the six months ended 30 June 2020 (six months ended 30 June 2019: 1.0%).

Outlook

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

中東

- 於截至二零二零年六月三十日止六個月，中東分部收益約為47,600,000港元，而於截至二零一九年六月三十日止六個月約為31,800,000港元。
- 分部收益與截至二零一九年六月三十日止六個月相比增加49.7%。
- 於截至二零二零年六月三十日止六個月，中東部分佔本集團的總收益約10.0% (截至二零一九年六月三十日止六個月：4.8%)。

北美洲

- 於截至二零二零年六月三十日止六個月，北美洲分部收益約為276,400,000港元，而於截至二零一九年六月三十日止六個月約為374,600,000港元。
- 分部收益與截至二零一九年六月三十日止六個月相比減少26.2%。
- 於截至二零二零年六月三十日止六個月，北美洲部分佔本集團的總收益約58.0% (截至二零一九年六月三十日止六個月：56.1%)。

南美洲

- 於截至二零二零年六月三十日止六個月，南美洲分部收益約為24,400,000港元，而於截至二零一九年六月三十日止六個月約為6,400,000港元。
- 分部收益與截至二零一九年六月三十日止六個月相比增加282.0%。
- 於截至二零二零年六月三十日止六個月，南美洲部分佔本集團的總收益約5.1% (截至二零一九年六月三十日止六個月：1.0%)。

前景

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

REVENUE

Revenue for the six months ended 30 June 2020 was approximately HK\$476.7 million, representing a decline of 28.6% compared with approximately HK\$667.6 million for the six months ended 30 June 2019. The decrease in revenue was mainly due to the outbreak of the Epidemic and the lockdown of certain cities in North America and South Asia, which postponed the delivery of the products of the Group to its customers.

(LOSS)/PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

Loss attributable to owners of the Company was approximately HK\$1.2 million for the six months ended 30 June 2020, compared with profit of approximately HK\$146.0 million for the six months ended 30 June 2019. The loss mainly arose from the decrease in revenue and gross profit as a result of the Epidemic and challenging economic environment.

(LOSS)/EARNINGS PER SHARE

Calculation of basic loss per share for the six months ended 30 June 2020 was based on the loss attributable to owners of the Company and the weighted average number of 3,263,473,622 (30 June 2019: 3,278,825,335) ordinary shares (the "Shares") in issue. Basic loss per share was HK0.04 cents for the six months ended 30 June 2020, as compared with earnings per share of HK4.45 cents for the six months ended 30 June 2019.

FINANCE COSTS

The Group's finance costs for the six months ended 30 June 2020 was approximately HK\$16.8 million, compared to approximately HK\$18.5 million for the six months ended 30 June 2019. Finance costs were decreased due to the decrease of bank and other borrowings when compared with the six months ended 30 June 2019.

INCOME TAX EXPENSE

Income tax expense for the six months ended 30 June 2020 was approximately HK\$2.3 million (30 June 2019: HK\$3.6 million).

收益

截至二零二零年六月三十日止六個月的收益約為476,700,000港元，較截至二零一九年六月三十日止六個月約667,600,000港元減少28.6%。收益減少主要由於疫情爆發以及北美洲及南亞部分城市封鎖延遲向其客戶交付本集團產品所致。

本公司擁有人應佔(虧損)/溢利

截至二零二零年六月三十日止六個月，本公司擁有人應佔虧損約為1,200,000港元，而截至二零一九年六月三十日止六個月則為溢利約146,000,000港元。虧損主要由於疫情及充滿挑戰的經濟環境令收益及毛利減少所致。

每股(虧損)/盈利

截至二零二零年六月三十日止六個月的每股基本虧損乃根據本公司擁有人應佔虧損及已發行普通股(「股份」)加權平均數3,263,473,622股(二零一九年六月三十日：3,278,825,335股)計算。截至二零二零年六月三十日止六個月的每股基本虧損為0.04港仙，而截至二零一九年六月三十日止六個月為每股盈利4.45港仙。

財務成本

截至二零二零年六月三十日止六個月，本集團的財務成本約為16,800,000港元，而截至二零一九年六月三十日止六個月約為18,500,000港元。財務成本減少乃由於與二零一九年六月三十日止六個月相比銀行及其他借貸減少所致。

所得稅支出

截至二零二零年六月三十日止六個月的所得稅支出約為2,300,000港元(二零一九年六月三十日：3,600,000港元)。

FINANCIAL REVIEW (Continued)

財務回顧(續)

TRADE RECEIVABLES

應收貿易賬款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Balance at 1 January	於一月一日的結餘	207,495	287,022
Balance at 30 June	於六月三十日的結餘	187,605	303,059
Average balance	平均結餘	197,550	295,041
Revenue for the period ended 30 June*	截至六月三十日止期間的收益*	476,694	666,194
Average turnover days	平均週轉天數	76	81

* Excluded sales to an associate

* 不包括向一間聯營公司銷售。

As at 30 June 2020, the trade receivables of the Group, net of allowance of doubtful debts was approximately HK\$187.6 million (31 December 2019: HK\$207.5 million). The trade receivables turnover days was within the average credit period of 60 days to 120 days to the customers of the Group.

於二零二零年六月三十日，本集團的應收貿易賬款扣除呆賬撥備後約為187,600,000港元(二零一九年十二月三十一日：207,500,000港元)。應收貿易賬款的週轉天數屬於給予本集團客戶的平均信貸期60天至120天以內。

TRADE PAYABLES

應付貿易賬款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Balance at 1 January	於一月一日的結餘	302,048	385,904
Balance at 30 June	於六月三十日的結餘	243,635	476,976
Average balance	平均結餘	272,842	431,440
Costs of sale for the period ended 30 June	截至六月三十日止期間的銷售成本	414,172	563,602
Average turnover days	平均週轉天數	120	140

As at 30 June 2020, the trade payables of the Group was approximately HK\$243.6 million (31 December 2019: HK\$302.0 million). The decrease in trade payables turnover days was due to the improvement of Group's liquidity and ability to settle payables to suppliers.

於二零二零年六月三十日，本集團的應付貿易賬款約為243,600,000港元(二零一九年十二月三十一日：302,000,000港元)。應付貿易賬款的週轉天數減少，乃由於本集團改善向供應商結算應付款項的流動性及能力。

NET ASSET VALUE PER SHARE

Calculation of net asset value per share was based on the net asset value of the Group of HK\$37.7 million (31 December 2019: HK\$62.3 million) and 3,278,825,335 Shares issued at 30 June 2020 (31 December 2019: 3,278,825,335 Shares). Net asset value per share at 30 June 2020 was HK\$0.01 (31 December 2019: HK\$0.02).

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2020, the overall cash and cash equivalent of the Group was HK\$128.9 million (31 December 2019: HK\$66.8 million). The Group managed its capital structure and liquidity to finance its operations by using bank and other borrowings and funds generated from operations.

The Group's current ratio (ratio of current assets to current liabilities) was 0.72 as at 30 June 2020 (31 December 2019: 0.76).

As at 30 June 2020, the Group's total borrowings were approximately HK\$463.5 million (31 December 2019: HK\$464.9 million), out of which HK\$436.6 million (31 December 2019: HK\$445.6 million) were due within one year and the rest of HK\$26.9 million (31 December 2019: HK\$19.3 million) were due over one year. Approximately 94% of the Group's bank and other borrowings were denominated in US dollars ("US\$") and the rest of them were denominated in Renminbi ("RMB"), Euro and New Taiwan dollars. The effective interest rates on the Group's variable interest rate bank and other borrowings ranged from 2.4% to 10%. The gearing ratio (total borrowings over total assets of the Group) increased from 45.02% as at 31 December 2019 to 48.61% as at 30 June 2020.

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2020, the Group's general banking facilities (included bank loans and other borrowings) were secured by the following assets of the Group: (i) bank deposits of HK\$4.0 million, (ii) property, plant and equipment with a carrying value of HK\$29.4 million, (iii) investment properties of HK\$148.9 million, (iv) trade receivables of HK\$60.3 million, (v) inventories of HK\$71.3 million, and (vi) pledge of the Company's interest in Pro Brand Technology, Inc.

* For identification purpose only

每股資產淨值

每股資產淨值乃根據本集團於二零二零年六月三十日的資產淨值37,700,000港元(二零一九年十二月三十一日: 62,300,000港元)及3,278,825,335股已發行股份(二零一九年十二月三十一日: 3,278,825,335股股份)計算。於二零二零年六月三十日的每股資產淨值為0.01港元(二零一九年十二月三十一日: 0.02港元)。

流動資金及財務資源

於二零二零年六月三十日,本集團的整體現金及現金等價物為128,900,000港元(二零一九年十二月三十一日: 66,800,000港元)。本集團利用銀行及其他借貸及來自經營產生的資金,以管理其資本結構及流動資金,向營運提供資金。

於二零二零年六月三十日,本集團的流動比率(流動資產與流動負債的比率)為0.72(二零一九年十二月三十一日: 0.76)。

於二零二零年六月三十日,本集團的借貸總額約為463,500,000港元(二零一九年十二月三十一日: 464,900,000港元),其中436,600,000港元(二零一九年十二月三十一日: 445,600,000港元)於一年內到期,其餘26,900,000港元(二零一九年十二月三十一日: 19,300,000港元)超過一年到期。本集團約94%的銀行及其他借貸以美元(「美元」)計值,其餘以人民幣(「人民幣」)、歐元及新台幣計值。本集團浮息銀行及其他借貸的實際利率介乎2.4%至10%。資本負債比率(本集團借貸總額除以資產總值)由二零一九年十二月三十一日的45.02%上升至二零二零年六月三十日的48.61%。

本集團的資產押記

於二零二零年六月三十日,本集團的一般銀行信貸(包括銀行貸款及其他借貸)以下列本集團資產作抵押: (i)銀行存款4,000,000港元; (ii)賬面值為29,400,000港元的物業、廠房及設備; (iii)投資物業148,900,000港元; (iv)應收貿易賬款60,300,000港元; (v)存貨71,300,000港元; 及(vi)質押本公司於博百科技有限公司*(Pro Brand Technology, Inc.)的權益。

* 僅供識別

FINANCIAL REVIEW (Continued) 財務回顧(續)

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There were no significant investments held as at 30 June 2020 nor were there other plans for material investments or capital assets as at the date of this report.

FOREIGN EXCHANGE EXPOSURE

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

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2020 (31 December 2019: Nil).

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

DISPOSAL OF ALL INTERESTS IN MYHD AND CONTINUATION OF LOANS AND GUARANTEE

Reference is made to the announcement of the Company dated 31 December 2018 (the "Announcement") and the circular of the Company dated 25 May 2019 (the "Circular"). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement and in the Circular. On 31 December 2018 after trading hours of the Stock Exchange, the Vendor and the Purchaser entered into the Agreement pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the entire issued share capital of the Target Company, at the nominal consideration of US\$1 with effect from the Transaction Date. The Target Company was a wholly-owned subsidiary of the Company and indirectly held 51% interests in MyHD.

持有的重大投資以及重大投資或資本資產的未來計劃

於二零二零年六月三十日，本公司並無持有重大投資，而截至本報告日期並無重大投資或資本資產的其他計劃。

外匯風險

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

或然負債

於二零二零年六月三十日，本集團並無任何重大或然負債(二零一九年十二月三十一日：無)。

中期股息

董事會已議決不宣派截至二零二零年六月三十日止六個月的中期股息(截至二零一九年六月三十日止六個月：無)。

出售於MYHD的全部權益及延續貸款及擔保

茲提述本公司日期為二零一八年十二月三十一日的公告(「該公告」)及本公司日期為二零一九年五月二十五日的通函(「該通函」)。除另有說明外，本報告所用詞彙與該公告及該通函所界定者具有相同涵義。於二零一八年十二月三十一日聯交所交易時段後，賣方與買方訂立該協議，據此，賣方有條件同意出售，而買方有條件同意以象徵式代價1美元購買目標公司之全部已發行股本，自交易日期起生效。目標公司為本公司的全資附屬公司，間接持有MyHD的51%權益。

FINANCIAL REVIEW (Continued)

財務回顧(續)

The Vendor had agreed with the Purchaser under the Agreement to procure that the Existing Loans shall continue to be advanced by the Company or SMT (as the case may be) to the Target Company and/or MyHD (as the case may be) notwithstanding Completion taking place.

As at 30 June 2020, there were Existing Loans in the aggregate amount of US\$88,788,000 comprising aggregate principal amount of US\$71,298,000 and aggregate accrued interest (calculated based on the terms of the Existing Loans) of US\$17,490,000 owing by the Target Company and/or MyHD to the Company and/or SMT (as the case may be), the particulars of which are as follows.

儘管完成已落實，賣方已根據該協議與買方協定促使本公司或宏揚科技(視乎情況而定)繼續向目標公司及/或MyHD(視乎情況而定)墊付現有貸款。

於二零二零年六月三十日，現有貸款合共為88,788,000美元，包括目標公司及/或MyHD結欠本公司及/或宏揚科技(視乎情況而定)的本金總額71,298,000美元及應計利息(根據現有貸款的條款計算)總額17,490,000美元，詳情如下：

Lenders	Debtors	Prevailing interest rate	Maturity date	Principal amount outstanding as at 30 June 2020 於二零二零年六月三十日 尚未償還本金額	Accrued interest as at 30 June 2020 於二零二零年六月三十日 應計利息
貸款人	債務人	現行利率	到期日		
SMT	Target Company	3 months LIBOR + 100 basis points ^(Note 1)	31 December 2020	US\$9,554,000 (approximately HK\$74,047,000)	US\$1,345,000 (approximately HK\$10,425,000)
宏揚科技	目標公司	三個月倫敦銀行同業拆息加100個基點 ^(附註1)	二零二零年十二月三十一日	9,554,000美元 (約74,047,000港元)	1,345,000美元 (約10,425,000港元)
SMT	MyHD	3 months LIBOR + 100 basis points ^(Note 1)	31 December 2020	US\$10,500,000 (approximately HK\$81,380,000)	US\$1,218,000 (approximately HK\$9,437,000)
宏揚科技	MyHD	三個月倫敦銀行同業拆息加100個基點 ^(附註1)	二零二零年十二月三十一日	10,500,000美元 (約81,380,000港元)	1,218,000美元 (約9,437,000港元)
SMT	MyHD	10% per annum	31 December 2020	US\$42,653,000 (approximately HK\$330,584,000)	US\$12,427,000 (approximately HK\$96,319,000)
宏揚科技	MyHD	年利率10厘	二零二零年十二月三十一日	42,653,000美元 (約330,584,000港元)	12,427,000美元 (約96,319,000港元)
the Company	MyHD	10% per annum	31 December 2020	US\$8,591,000 (approximately HK\$66,586,000)	US\$2,500,000 (approximately HK\$19,376,000)
本公司	MyHD	年利率10厘	二零二零年十二月三十一日	8,591,000美元 (約66,586,000港元)	2,500,000美元 (約19,376,000港元)
			Total	US\$71,298,000 (approximately HK\$552,597,000)	US\$17,490,000 (approximately HK\$135,557,000)
			總計	71,298,000美元 (約552,597,000港元)	17,490,000美元 (約135,557,000港元)

Note:

1. As a reference, 3 months London inter-bank offered rates ("LIBOR") as applicable to these two loans during the period between 1 May 2012 to 30 June 2020 ranged between 0.22335% and 2.80763%.

附註：

1. 作為參考，於二零一二年五月一日至二零二零年六月三十日期間適用於該等兩項貸款的三個月倫敦銀行同業拆息(「倫敦銀行同業拆息」)介乎0.22335%至2.80763%。

FINANCIAL REVIEW (Continued) 財務回顧(續)

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 June 2020, the Group employed a total of 676 (31 December 2019: 651) full-time employees. Employees are remunerated according to their performance and responsibilities. Employees of the Group receive training depending on their scope of works, especially those training relating to workplace health and safety.

The Directors and senior management of the Company receive compensation in the form of salaries, benefits in kind and/or discretionary bonuses relating to the performance of the Group. The emoluments of the Directors are decided by the Board based on the recommendation of the remuneration committee, having regard to market competitiveness, individual performance and achievement. The Company regularly reviews and determines the remuneration and compensation packages of the Directors and senior management.

人力資源及酬金政策

於二零二零年六月三十日，本集團合共聘用676名(二零一九年十二月三十一日：651名)全職僱員。僱員薪酬乃根據僱員表現及職責釐定。本集團僱員會視乎工作範圍接受培訓，尤其是與工作場所健康與安全相關的培訓。

董事及本公司高級管理層以薪金、實物利益及／或與本集團表現有關的酌情花紅形式收取報酬。董事的酬金由董事會基於薪酬委員會經考慮市場競爭力、個人表現及成就後作出的推薦釐定。本公司定期檢討及釐定董事及高級管理層的酬金及薪酬待遇。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

DIRECTORS' SERVICE CONTRACTS

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

SHARE OPTION SCHEME

On 17 March 2005, the share option scheme of the Company ("Share Option Scheme") was approved and adopted by the then Shareholders. The Share Option Scheme has expired on 16 March 2015. No further option shall be offered pursuant to the Share Option Scheme but all the outstanding share options are exercisable in accordance with the terms of the Share Option Scheme and such other terms and conditions upon which a share option was granted, at any time during the option period after the share option has been granted by the Board but in any event, not longer than ten (10) years from the date upon which the share option is accepted or deemed to be accepted in accordance with the terms of the Share Option Scheme.

董事的服務合約

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

購股權計劃

於二零零五年三月十七日，當時之股東批准並採納本公司購股權計劃(「購股權計劃」)。購股權計劃已於二零一五年三月十六日屆滿。本公司將不會根據購股權計劃進一步授出購股權，惟所有尚未行使購股權可於購股權獲董事會授出後的購股權期限內任何時間，惟無論如何不超過購股權根據購股權計劃的條款獲接納或被視作獲接納之日起十(10)年，根據購股權計劃的條款及授出購股權所依據的其他條款及條件予以行使。

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

The following table discloses movements in the Company's share options during the six months ended 30 June 2020:

下表披露於截至二零二零年六月三十日止六個月的本公司購股權變動：

Type of grantees	Date of grant	Exercisable period	Closing price per Share immediately prior to the date of grant 緊接授出日期前的每股股份收市價 (HK\$) (港元)	Exercise price per Share 每股股份行使價 (HK\$) (港元)	Outstanding at 1 January 2020 於二零二零年一月一日尚未行使	Lapsed, cancelled, or exercised during the six months period 於六個月期間內失效、註銷或行使	Outstanding at 30 June 2020 於二零二零年六月三十日尚未行使
Employees of the Group 本集團僱員	22 October 2010 二零一零年十月二十二日	22 October 2012 to 21 October 2020 二零一二年十月二十二日至二零二零年十月三十一日	2.05	1.761	2,910,000	-	2,910,000
Total 總計					2,910,000	-	2,910,000

Notes:

附註：

These share options are exercisable in the following manner:

該等購股權可按以下方式行使：

- | | | | |
|---|---------------|---------------------------------------|-------|
| (i) on or after the second anniversary of the date of grant up to 10 years from the date of grant | 50% | (i) 於自授出日期起計滿兩週年當日或之後直至自授出日期起計滿10年當日 | 50% |
| (ii) on or after the third anniversary of the date of grant up to 10 years from the date of grant | remaining 50% | (ii) 於自授出日期起計滿三週年當日或之後直至自授出日期起計滿10年當日 | 剩餘50% |

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

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

As at 30 June 2020, the interests and short positions of each of the Directors and chief executive of the Company and their associates had in any shares, underlying shares, equity derivatives or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they were taken or deemed to have under such provisions of the SFO), or which are required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

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

Name of Director	Capacity	Number of Shares held	Number of underlying shares held	Total	Percentage of the Share capital as at 30.06.2020
董事姓名	身份	所持股份數目	所持相關股份數目	總計	佔於二零二零年六月三十日股本百分比
Mr. Hung Tsung Chin 洪聰進先生	Interest of controlled corporation 受控制法團的權益	507,188,592 ¹	-		
	Interest of spouse 配偶權益	-	2,328,000 ²		
	Total 總計	507,188,592	2,328,000	509,516,592	15.53%

Notes:

- These Shares represent Shares held by Metroasset Investments Limited in which Mr. Hung Tsung Chin beneficially owns 45.09% of the issued Share capital.
- The relevant interests are unlisted physically settled options granted to Ms. Chen Mei Hui, the spouse of Mr. Hung Tsung Chin, pursuant to the Share Option Scheme. Upon exercise of the share options in accordance with the Share Option Scheme, Shares with a par value of HK\$0.10 each in the share capital of the Company are issuable. The share options are personal to the respective grantees. Further details of the share options are set out in the section headed "Share Option Scheme" of the interim report.

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

於二零二零年六月三十日，本公司各董事及最高行政人員以及彼等的聯繫人於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)任何股份、相關股份、股票衍生工具或債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉(包括彼等根據證券及期貨條例有關條文被當作或視作擁有的權益或淡倉)，或根據證券及期貨條例第352條須記入該條例所述由本公司存置的登記冊內的權益及淡倉，或根據載於聯交所證券上市規則(「上市規則」)附錄十的《上市發行人董事進行證券交易的標準守則》(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

(a) 於本公司股份、相關股份及債權證中的好倉

附註：

- 該等股份代表Metroasset Investments Limited持有的股份，洪聰進先生實益擁有該公司的45.09%已發行股本。
- 相關權益為根據購股權計劃向洪聰進先生的配偶陳美惠女士授出的非上市實物結算購股權。待購股權根據購股權計劃獲行使後，可發行本公司股本中每股面值為0.10港元的股份。購股權歸各承授人私人擁有。購股權的進一步詳情載於中期報告「購股權計劃」一節。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料(續)

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

Name of associated corporation:

Pro Brand Technology, Inc.

(b) 於本公司相聯法團股份、相關股份及債權證中的好倉

相聯法團名稱：

博百科技有限公司*(Pro Brand Technology, Inc.)

Name of Directors	Capacity	Number of Shares held	Percentage of the Share capital as at 30.06.2020
董事姓名	身份	所持股份數目	佔於二零二零年六月三十日股本百分比
Mr. Chen Wei Chun 陳偉鈞先生	Interest of controlled corporation 受控制法團的權益	350,000 ¹	
	Beneficial owner 實益擁有人	150,000 ²	
	Total 總計	500,000	0.63%
Mr. Hung Tsung Chin 洪聰進先生	Beneficial owner 實益擁有人	250,000 ³	0.31%

Notes:

- These shares represent 350,000 shares of Pro Brand Technology, Inc., a non-wholly owned subsidiary of the Company, held by Jun Zhong Investment Limited* (鈞仲投資有限公司) in which Mr. Chen Wei Chun beneficially owns the entire issued share capital.
- These shares represent 150,000 shares of Pro Brand Technology, Inc., a non-wholly owned subsidiary of the Company, owned by Mr. Chen Wei Chun.
- These shares represent 250,000 shares of Pro Brand Technology, Inc., a non-wholly owned subsidiary of the Company, owned by Mr. Hung Tsung Chin.

附註：

- 該等股份代表鈞仲投資有限公司持有的本公司非全資附屬公司博百科技有限公司*(Pro Brand Technology, Inc.)的350,000股股份，陳偉鈞先生實益擁有鈞仲投資有限公司的全部已發行股本。
- 該等股份代表本公司非全資附屬公司博百科技有限公司*(Pro Brand Technology, Inc.)的150,000股股份，由陳偉鈞先生擁有。
- 該等股份代表本公司非全資附屬公司博百科技有限公司*(Pro Brand Technology, Inc.)的250,000股股份，由洪聰進先生擁有。

* For identification purpose only

* 僅供識別

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

Save as disclosed above, as at 30 June 2020, none of the Directors or the chief executive of the Company and their associates had any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

So far as the Directors or chief executive of the Company are aware, as at 30 June 2020, the Shareholders (other than Directors or the chief executive of the Company) who had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

除上文所披露者外，於二零二零年六月三十日，概無本公司董事或最高行政人員以及彼等的聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉(包括彼等根據證券及期貨條例有關條文被當作或視作擁有的權益或淡倉)，或已記入本公司根據證券及期貨條例第352條須存置的登記冊內的任何權益或淡倉，或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

主要股東於本公司股份及相關股份中的權益及淡倉

就本公司董事或最高行政人員所知，於二零二零年六月三十日，股東(本公司董事或最高行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的權益或淡倉，或已記入本公司根據證券及期貨條例第336條須存置之登記冊內的權益或淡倉如下：

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

Long positions in the Shares and underlying shares of the Company

於本公司股份及相關股份中的好倉

Name of Shareholders	Capacity	Number of Shares and underlying shares held	Percentage of the Share capital as at 30.06.2020
股東名稱	身份	所持股份及相關股份數目	佔於二零二零年六月三十日股本百分比
Metroasset Investments Limited	Beneficial owner 實益擁有人	507,188,592 ¹	15.47%
Ms. Chen Mei Huei 陳美惠女士	Interest of controlled corporation 受控制法團的權益	507,188,592 ²	
	Personal interest 個人權益	2,328,000 ³	
	Sub-total 小計	509,516,592	15.53%
First Steamship Company Limited 益航股份有限公司	Interest of controlled corporation 受控制法團的權益	950,859,347 ⁴	29.00%

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

Notes:

1. These Shares are held by Metroasset Investments Limited, 45.09% of the issued share capital of which is beneficially owned by Mr. Hung Tsung Chin.
2. These Shares are the same batch of shares held by Metroasset Investments Limited, 44.38% of the issued share capital of which is beneficially owned by Ms. Chen Mei Hwei.
3. The relevant interests are unlisted physically settled options granted pursuant to the Share Option Scheme. Upon exercise of the share options in accordance with the Share Option Scheme, Shares with a par value of HK\$0.10 each in the share capital of the Company are issuable.
4. First Steamship Company Limited is interested in 950,859,347 Shares through First Mariner Holding Limited, its wholly-owned subsidiary, which holds 833,000,000 Shares and Grand Citi Limited, its non-wholly owned subsidiary, which holds 117,859,347 Shares.

Save as disclosed above and so far as the Directors and the chief executive of the Company are aware, as at 30 June 2020, no person or entity had any interest or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to section 336 of the SFO, to be entered in the register referred to therein.

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

During the six months ended 30 June 2020, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

附註：

1. 該等股份由Metroasset Investments Limited持有，而Metroasset Investments Limited的45.09%已發行股本由洪聰進先生實益擁有。
2. 該等股份為Metroasset Investments Limited持有的同一批股份，而Metroasset Investments Limited的44.38%已發行股本由陳美惠女士實益擁有。
3. 相關權益為根據購股權計劃授出的非上市實物結算購股權。待購股權根據購股權計劃獲行使後，可發行本公司股本中每股面值為0.10港元的股份。
4. 益航股份有限公司透過其全資附屬公司First Mariner Holding Limited及其非全資附屬公司Grand Citi Limited於950,859,347股股份中擁有權益，其中First Mariner Holding Limited持有833,000,000股股份，而Grand Citi Limited持有117,859,347股股份。

除上文所披露者外，並就本公司董事及最高行政人員所知，於二零二零年六月三十日，概無個人或實體於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露的任何權益或淡倉，或根據證券及期貨條例第336條須記入該條例所述登記冊內的任何權益或淡倉。

購買、出售或贖回本公司的上市證券

於截至二零二零年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

DELISTING AND REPURCHASE OF TDRS

Reference is made to the announcements of the Company dated 9 April 2020, 15 April 2020, 29 April 2020, 5 May 2020, 4 August 2020 and 10 August 2020 (the "TDR Announcements") in relation to, among other things, the delisting of TDRs of the Company as requested by the Taiwan Stock Exchange. Unless otherwise specified herein, capitalised terms used herein shall have the same meanings as those defined in the TDR Announcements.

As disclosed in the TDR Announcements, the Company received a notice from the Taiwan Stock Exchange on 5 May 2020, whereby the Taiwan Stock Exchange required the TDRs to be delisted with effect from 15 June 2020 pursuant to the relevant rules of the Taiwan Stock Exchange as the equity attributable to the owners of the Company fell below one-third of the sum of the share capital and the share premium of the Company as set out in the annual report of the Company for the year ended 31 December 2019 and its conversion report prepared under the IFRSs recognised by the FSC, which was determined pursuant to the relevant rules of the Taiwan Stock Exchange and published as an overseas regulatory announcement of the Company on 29 April 2020. As such, the last trading day of the TDRs had fallen on 12 June 2020.

As at 3 August 2020 (being the last date for TDR Holders to submit their requests for the Company to repurchase their TDRs), there were 97,748,625 units of TDR that were required to be repurchased by the Company, which constitute approximately 2.98% of the number of issued Shares as at the date of this report. The TDRs so requested to be repurchased by the Company had been surrendered to the Depository Agent for cancellation. The total amount involved to repurchase the TDRs is approximately NT\$26,490,000 (equivalent to approximately HK\$6,971,000) (which is calculated by multiplying the total number of TDRs required to be repurchased by the Company with the Repurchase Price of NT\$0.271) has already been paid by the Company to the Depository Agent.

臺灣存託憑證終止上市及回購

茲提述本公司日期為二零二零年四月九日、二零二零年四月十五日、二零二零年四月二十九日、二零二零年五月五日、二零二零年八月四日及二零二零年八月十日之公告(「臺灣存託憑證公告」)，內容有關(其中包括)本公司之臺灣存託憑證按臺灣證券交易所要求終止上市。除本報告另有說明外，本報告所用之詞彙與臺灣存託憑證公告所界定者具有相同涵義。

誠如臺灣存託憑證公告內所披露，本公司於二零二零年五月五日收到臺灣證券交易所發出的通知，根據本公司截至二零一九年十二月三十一日止年度之年報及其以金管會認可之國際財務報告準則編製的報告(其依照臺灣證券交易所的相關規則編製並於二零二零年四月二十九日作為本公司海外監管公告刊發)所載，由於本公司擁有人應佔權益已低於本公司股本及股份溢價之和的三分之一，故其得依臺灣證券交易所的相關規則要求臺灣存託憑證於二零二零年六月十五日起終止上市。因此，臺灣存託憑證的最後交易日為二零二零年六月十二日。

截至二零二零年八月三日(即臺灣存託憑證持有人提交要求本公司回購臺灣存託憑證之最後日期)，共有97,748,625份臺灣存託憑證需要本公司回購，於本報告日期構成已發行股份數目約2.98%。需要本公司回購之臺灣存託憑證已交還給存託機構作註銷。本公司回購臺灣存託憑證金額合共約新台幣26,490,000元(相當於約6,971,000港元)(其由需要本公司回購之臺灣存託憑證總數乘以新台幣0.271元之回購價計算所得)已由本公司支付予存託機構。

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

Other outstanding procedures in relation to the TDR Repurchase includes:

- the Depositary Agent to notify the Hong Kong custodian of the underlying Shares representing the repurchased TDRs and the Hong Kong custodian will transfer such Shares to the Company. This is expected to be completed in mid-September 2020; and
- upon receipt of the Shares surrendered by the Hong Kong custodian, the Company will instruct the Company's share registrar to arrange the Shares to be cancelled. The cancellation of the Shares surrendered is expected to be completed by the end of September 2020.

The table below sets out a summary of the shareholding structure of the Company (i) as at the date of this report, and (ii) immediately following completion of the TDR Repurchase (assuming there is no change in the number of issued Shares held by the shareholders of the Company described below immediately before completion of the TDR Repurchase):

其他就臺灣存託憑證回購的未進程序包括：

- 存託機構將通知香港存託人已回購的臺灣存託憑證所代表之相關股份，而香港存託人將把該等股份轉讓給本公司。預計此程序將於二零二零年九月中完成；及
- 本公司收到香港存託人交還的股份後，將指示本公司之股份過戶處註銷股份。交還股份註銷預期於二零二零年九月底前完成。

下表載列本公司(i)於本報告日期；和(ii)緊隨臺灣存託憑證回購完成後(假設下述緊接臺灣存託憑證回購完成前本公司股東所持有的已發行股份數量沒有變化)的股權結構概要：

Shareholders	股東	As at the date of this report		Immediately after completion of TDR Repurchase	
		No. of Shares held	% of the total issued Shares	No. of Shares held	% of the total issued Shares
		所持股份數目	佔已發行股份總數概約%	所持股份數目	佔已發行股份總數概約%
First Steamship Company Limited	益航股份有限公司	950,859,347 (Note 1) (附註1)	29.00%	950,859,347	29.89%
Metroasset Investments Limited	Metroasset Investments Limited	507,188,592 (Note 2) (附註2)	15.47%	507,188,592	15.94%
Public shareholders	公眾股東	1,635,532,764	49.88%	1,635,532,764	51.42%
TDR Holders	臺灣存託憑證持有人	185,244,632	5.65%	87,496,007	2.75%
Total	總數	3,278,825,335	100.00%	3,181,076,710	100.00%

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

Notes:

1. First Steamship Company Limited is interested in 950,859,347 Shares through First Mariner Holding Limited, its wholly-owned subsidiary, which holds 833,000,000 Shares and Grand Citi Limited, its non-wholly owned subsidiary, which holds 117,859,347 Shares.
2. These Shares are held by Metroasset Investments Limited, 45.09% and 43.38% of the issued share capital of which are beneficially owned by Mr. Hung Tsung Chin (an executive Director of the Company) and Ms. Chen Mei Huei (spouse of Mr. Hung Tsung Chin) respectively.

EVENT SUBSEQUENT TO THE REPORTING PERIOD

Reference is made to the announcements of the Company dated 6 August 2020 and 10 August 2020 (the "Subscription Announcements"). Pursuant to the Subscription Agreement entered into between the Company as issuer and the Subscriber dated 6 August 2020, and the Supplemental Agreement dated 10 August 2020 entered into between the Company, the Subscriber and the New Subscriber, the Company has conditionally agreed to allot and issue, and the New Subscriber has conditionally agreed to subscribe for 100,000,000 Subscription Shares. The Subscription Shares will be issued at the Subscription Price of HK\$0.10 per Subscription Share. Unless otherwise specified herein, capitalised terms used herein shall have the same meanings as those defined in the Subscription Announcements.

The total number of 100,000,000 Subscription Shares to be allotted and issued under the Subscription represent (i) approximately 3.05% of the issued share capital of the Company as at the date of the Subscription Agreement; and (ii) approximately 2.96% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming that there is no change in the issued share capital of the Company from the date of the Subscription Agreement and up to the Completion). The Subscription Shares will be issued under the General Mandate and the issue of the Subscription Shares will not be subject to the approval by the Shareholders. The Subscription Shares, when allotted and issued, will rank pari passu among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

附註：

1. 益航股份有限公司透過其全資附屬公司First Mariner Holding Limited及其非全資附屬公司Grand Citi Limited於950,859,347股股份中擁有權益，其中First Mariner Holding Limited持有833,000,000股股份，而Grand Citi Limited持有117,859,347股股份。
2. 該等股份由Metroasset Investments Limited持有，而Metroasset Investments Limited的45.09%及43.38%已發行股本分別由洪聰進先生(本公司之執行董事)及陳美惠女士(洪聰進先生之配偶)實益擁有。

報告期後事項

茲提述本公司日期為二零二零年八月六日及二零二零年八月十日之公告(「認購公告」)。根據本公司(作為發行人)與認購人於二零二零年八月六日訂立的認購協議，及本公司、認購人及新認購人於二零二零年八月十日訂立的補充協議，本公司已有條件同意配發及發行，而新認購人已有條件同意認購100,000,000股認購股份。認購股份將按認購價每股認購股份0.10港元發行。除本報告另有說明外，本報告所用之詞彙與認購公告所界定者具有相同涵義。

根據認購事項將予配發及發行的認購股份總數100,000,000股佔(i)本公司於認購協議日期已發行股本的約3.05%；及(ii)本公司經發行認購股份擴大後已發行股本的約2.96%(假設本公司已發行股本自認購協議日期起直至完成為止概無變動)。認購股份將根據一般授權發行，發行認購股份毋須經股東批准。認購股份在配發及發行時將於彼此之間及與認購股份的配發及發行當日的已發行股份具同等地位。

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

The gross proceeds of the Subscription is HK\$10,000,000 and the net proceeds of the Subscription, after deduction of expenses, are estimated to be approximately HK\$9,800,000, representing a net issue price of approximately HK\$0.098 per Subscription Share. Out of the net proceeds of approximately HK\$9,800,000, HK\$7,000,000 will be used to replenish liquidity of the Company and the rest of HK\$2,800,000 will be used as general working capital of the Group.

The New Subscriber, Mr. Tai Kwok Kei, a third party independent of the Company and its connected persons (as defined in the Listing Rules) is a resident of Hong Kong and is mainly engaged in investment business.

The Subscription Price of HK\$0.10 per Subscription Share represented:

- i. a premium of approximately 40.85% to the closing price of HK\$0.071 per Share as quoted on the Stock Exchange on the last trading day immediately prior to the date of the Supplemental Agreement (i.e. 7 August 2020) (the "Last Trading Day");
- ii. a premium of approximately 30.89% to the average closing price of approximately HK\$0.0764 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and
- iii. a premium of approximately 44.72% to the average of the closing prices of approximately HK\$0.0691 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day.

The Directors consider that the Subscription represents an opportunity to raise additional funding for the Company to replenish liquidity of the Company that was decreased due to its TDR Repurchase and will strengthen the Group's financial position, and enlarge shareholders' base of the Company which may in turn enhance the liquidity of the Shares, and provide working capital to the Group to meet any financial obligations of the Group without any interest burden, within a relatively shorter time frame and at lower costs when compared with other means of fundraising.

認購事項的所得款項總額為10,000,000港元，估計認購事項的所得款項淨額(經扣除相關費用後)約為9,800,000港元，即淨發行價為每股認購股份約0.098港元。所得款項淨額約9,800,000港元中，7,000,000港元將用於補充本公司流動資金，而其餘2,800,000港元則用作本集團的一般營運資金。

新認購人戴國基先生(為獨立於本公司及其關連人士(定義見上市規則)的第三方)為香港居民，主要從事投資業務。

認購價每股認購股份0.10港元較：

- i. 股份於緊接補充協議日期之前的最後一個交易日(即二零二零年八月七日)(「最後交易日」)在聯交所所報之收市價每股0.071港元溢價約40.85%；
- ii. 股份於截至及包括最後交易日前最後五個連續交易日在聯交所所報之平均收市價約每股0.0764港元溢價約30.89%；及
- iii. 股份於截至及包括最後交易日前最後十個連續交易日在聯交所所報之平均收市價約每股0.0691港元溢價約44.72%。

董事認為認購事項是能為本公司提供額外資金以補充因臺灣存託憑證回購而減少的本公司流動資金的機會，並將加強本集團之財務狀況，擴大本公司之股東基礎，從而可能增強股份之流通性，並為本集團提供營運資金以滿足本集團之任何財務責任而毋須產生任何利息負擔，與其他集資方式相比較，其耗時相對較短且成本更低。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料(續)

Application has been made by the Company to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares. Given that completion of the Subscription is subject to a number of conditions as set out in more details in the Subscription Announcements, the Subscription may or may not proceed. As at the date of this report, the listing of and permission to deal in the Subscription Shares has not been granted by the Listing Committee of the Stock Exchange.

CORPORATE GOVERNANCE

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

During the six months ended 30 June 2020, the Company has applied the principles and has complied with code provisions of the Corporate Governance Code (the "Code Provision(s)") as contained in Appendix 14 to the Listing Rules, except for the deviation with following reason.

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

Mr. Kuo Jen Hao, a non-executive Director was unable to attend the annual general meeting of the Company held on 29 June 2020 due to his other personal engagements.

本公司已向上市委員會申請批准認購股份上市及買賣。由於完成認購事項受限於認購公告中所詳述的多項條件，因此，認購事項可能未必會進行。於本報告日期，聯交所上市委員會尚未批准認購股份上市及買賣。

企業管治

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

於截至二零二零年六月三十日止六個月，本公司已應用上市規則附錄十四所載《企業管治守則》的原則及遵守《企業管治守則》的守則條文（「守則條文」），惟因以下原因而出現的偏離情況除外。

根據守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會。

非執行董事郭人豪先生因處理其個人其他事務而未能出席本公司於二零二零年六月二十九日舉行的股東週年大會。

CORPORATE GOVERNANCE AND OTHER INFORMATION (Continued)

企業管治及其他資料(續)

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standards regarding securities transactions by Directors as set out in the Model Code throughout the six months ended 30 June 2020. No incident of non-compliance was noted by the Company for the six months ended 30 June 2020.

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

In accordance with rule 13.51B(1) of the Listing Rules, the changes to information required to be disclosed by the Directors pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) subsequent to the date of the annual report of the Company for the year ended 31 December 2019 and up to the date of this interim report are set out below:

1. Mr. Hung Tsung Chin's service agreement as executive Director has been renewed for a term of 3 years commencing from 1 April 2020. Mr. Hung's remuneration is approximately HK\$1,585,000 per annum pursuant to his service agreement.
2. Mr. Kuo Jen Hao's letter of appointment as non-executive Director has been renewed for a term of 3 years commencing from 18 August 2020. Mr. Kuo's service fee is approximately HK\$120,000 per annum pursuant to his letter of appointment.

COMPETING AND CONFLICT OF INTEREST

None of the Directors or the controlling Shareholders or their respective associates had any interest in a business, which competes or may compete, either directly or indirectly, with the business of the Group nor any conflict of interest which any of them had or may have with the Group for the six months ended 30 June 2020.

董事進行證券交易的標準守則

本公司已採納標準守則作為董事買賣本公司證券的行為準則。經特定查詢後，全體董事確認彼等於截至二零二零年六月三十日止六個月一直遵守標準守則所載有關董事進行證券交易的必要準則。本公司並不知悉於截至二零二零年六月三十日止六個月有任何不合規事件。

根據上市規則第13.51B(1)條披露董事資料變動

根據上市規則第13.51B(1)條，於本公司截至二零一九年十二月三十一日止年度之年報日期後以及直至本中期報告日期止，根據第13.51(2)條第(a)至(e)段及第(g)段須由董事予以披露的資料變動如下：

1. 洪聰進先生擔任執行董事的服務協議已續期，自二零二零年四月一日起，為期三年。根據其服務協議，洪先生的每年酬金約為1,585,000港元。
2. 郭人豪先生擔任非執行董事的委任函已續期，自二零二零年八月十八日起，為期三年。根據其委任函，郭先生的每年服務金約為120,000港元。

競爭性權益及利益衝突

截至二零二零年六月三十日止六個月，概無董事或控股股東或彼等各自的聯繫人於直接或間接與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益，或與本集團存在或可能存在任何利益衝突。

CORPORATE GOVERNANCE AND OTHER INFORMATION *(Continued)*

企業管治及其他資料(續)

SUFFICIENCY OF PUBLIC FLOAT

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

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three members, Messrs. Li Chak Hung (chairman of the Audit Committee), Lau Yau Cheung and Wu Chia Ming, all of whom are independent non-executive Directors. The interim financial information for the six months ended 30 June 2020 have not been audited by the independent auditor of the Company. The Audit Committee has reviewed the Group's unaudited condensed consolidated financial statements and the interim report for the six months ended 30 June 2020 and held discussion with the management.

APPRECIATION

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

LAU Yau Cheung

Chairman

Hong Kong, 20 August 2020

公眾持股量之充足程度

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

審核委員會

本公司已成立審核委員會(「審核委員會」)，旨在審閱及監督本集團的財務申報程序及內部監控。審核委員會包括三名成員，分別為李澤雄先生(審核委員會主席)、劉幼祥先生及吳嘉明先生，全部均為獨立非執行董事。截至二零二零年六月三十日止六個月的中期財務資料未經本公司獨立核數師審核。審核委員會已審閱本集團截至二零二零年六月三十日止六個月的未經審核簡明綜合財務報表及中期報告，並與管理層進行討論。

致謝

本人謹藉此機會代表董事會衷心感謝全體股東支持本公司。

主席

劉幼祥

香港，二零二零年八月二十日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

		For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
		Notes 附註	
Continuing operations	持續經營業務		
Revenue	收益	5	667,624
Cost of sales	銷售成本		(563,602)
Gross profit	毛利		104,022
Other income, gains and losses	其他收入、收益及虧損	6	20,939
Distribution and selling costs	經銷及銷售成本		(12,249)
Administrative and other expenses	行政及其他開支		(67,512)
Research and development costs	研發成本		(20,343)
Reversal of expected credit losses on financial assets	金融資產預期信貸虧損撥回		18,292
Finance costs	財務成本		(18,519)
Share of profit of an associate	應佔一間聯營公司之溢利		9,741
(Loss)/Profit before income tax expense	除所得稅支出前(虧損)/溢利		34,371
Income tax expense	所得稅支出	7	(3,561)
(Loss)/Profit for the period from continuing operations	來自持續經營業務之本期間(虧損)/溢利		30,810
Discontinued operation	已終止經營業務		
Profit for the period from discontinued operation	來自已終止經營業務之本期間溢利	8	79,788
(Loss)/Profit for the period	本期間(虧損)/溢利	9	110,598
Other comprehensive income	其他全面收益		
<i>Item that will not be reclassified subsequently to profit or loss:</i>	<i>其後不會重新分類至損益之項目：</i>		
Gain on revaluation of properties upon transfer from property, plant and equipment to investment properties	物業、廠房及設備轉撥至投資物業時的物業重估收益		3,370
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>		
Exchange difference on translation of foreign operations	換算海外業務時產生之匯兌差額		10,280
Other comprehensive income for the period	本期間其他全面收益		13,650
Total comprehensive income for the period	本期間全面收益總額		124,248

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

簡明綜合損益及其他全面收益表(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

		For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
		Notes 附註	
(Loss)/Profit for the period attributable to owners of the Company:	本公司擁有人應佔本期間(虧損)/溢利:		
— from continuing operations	— 來自持續經營業務	(1,241)	19,981
— from discontinued operation	— 來自已終止經營業務	-	125,997
		(1,241)	145,978
(Loss)/Profit for the period attributable to non-controlling interests:	非控股權益應佔本期間(虧損)/溢利:		
— from continuing operations	— 來自持續經營業務	(2,181)	10,829
— from discontinued operation	— 來自已終止經營業務	-	(46,209)
		(2,181)	(35,380)
		(3,422)	110,598
Total comprehensive income attributable to:	下列各項應佔全面收益總額:		
— Owners of the Company	— 本公司擁有人	(9,072)	157,042
— Non-controlling interests	— 非控股權益	(2,378)	(32,794)
		(11,450)	124,248
		HK cents 港仙	HK cents 港仙
(Loss)/Earnings per share from continuing and discontinued operations	來自持續及已終止經營業務之每股(虧損)/盈利		
Basic	基本	(0.04)	4.45
Diluted	攤薄	(0.04)	4.45
(Loss)/Earnings per share from continuing operations	來自持續經營業務之每股(虧損)/盈利		
Basic	基本	(0.04)	0.61
Diluted	攤薄	(0.04)	0.61

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

AT 30 JUNE 2020

於二零二零年六月三十日

		Notes 附註	30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	80,417	83,619
Prepaid lease payments	預付租賃款項		886	935
Investment properties	投資物業	12	148,916	147,622
Goodwill	商譽	12	8,826	9,272
Intangible assets	無形資產		6,575	8,704
Interest in an associate	於一間聯營公司之權益		79,538	76,600
Loan to an associate	給予一間聯營公司的貸款	15	22,139	22,130
Deferred tax assets	遞延稅項資產		3,320	3,346
Total non-current assets	非流動資產總值		350,617	352,228
Current assets	流動資產			
Inventories	存貨		141,934	221,049
Loan receivables	應收貸款	13	-	-
Trade, bills and other receivables	應收貿易賬款、應收票據及 其他應收款項	14	285,197	326,800
Prepaid lease payments	預付租賃款項		56	57
Amount due from an associate	應收一間聯營公司之款項	15	42,989	61,729
Pledged bank deposits	已抵押銀行存款		3,960	3,973
Bank balances and cash	銀行結存及現金		128,856	66,840
Total current assets	流動資產總值		602,992	680,448
Current liabilities	流動負債			
Trade, bills and other payables	應付貿易賬款、應付票據及 其他應付款項	16	321,323	391,750
Contract liabilities	合約負債		28,552	23,509
Tax liabilities	稅項負債		10,797	11,534
Bank and other borrowings	銀行及其他借貸	18	432,210	441,045
Provision for financial guarantee	財務擔保撥備	17	27,332	27,332
Puttable Taiwan Depositary Receipts	可認沽臺灣存託憑證	22	7,124	-
Accruals for repurchase of Taiwan Depositary Receipts	回購臺灣存託憑證之 應計項目	22	5,999	-
Lease liabilities	租賃負債		4,390	4,545
Total current liabilities	流動負債總額		837,727	899,715
Net current liabilities	流動負債淨額		(234,735)	(219,267)
Total assets less current liabilities	資產總值減流動負債		115,882	132,961

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

簡明綜合財務狀況表(續)

AT 30 JUNE 2020
於二零二零年六月三十日

		Notes 附註	30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借貸	18	21,139	11,568
Deferred tax liabilities	遞延稅項負債		51,205	51,351
Defined benefit obligation	界定福利責任		31	33
Lease liabilities	租賃負債		5,785	7,714
Total non-current liabilities	非流動負債總額		78,160	70,666
NET ASSETS	資產淨值		37,722	62,295
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備			
Share capital	股本	19	309,358	327,882
Reserves	儲備		(326,981)	(323,310)
(Capital deficiency)/Equity attributable to owners of the Company	本公司擁有人應佔(股本虧絀)/權益		(17,623)	4,572
Non-controlling interests	非控股權益		55,345	57,723
TOTAL EQUITY	權益總額		37,722	62,295

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

(unaudited)
(未經審核)

		Attributable to owners of the Company 本公司擁有人應佔												
		Share capital	Share premium	Share option reserve	Capital redemption reserve	Statutory reserve	Defined benefit plan reserve	Special reserve	Property revaluation reserve	Currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本	股份溢價	購股權儲備	資本贖回儲備	法定儲備	界定福利計劃儲備	特別儲備	物業重估儲備	貨幣換算儲備	累計虧損	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
						(Note a) (附註a)		(Note b) (附註b)	(Note c) (附註c)					
Balance at 1 January 2019 (audited)	於二零一九年一月一日之結餘(經審核)	327,882	506,750	7,960	-	32,486	41	89,175	74,634	754	(711,734)	327,948	(293,834)	34,114
Profit/(Loss) for the period	本期間溢利/(虧損)	-	-	-	-	-	-	-	-	-	145,978	145,978	(35,380)	110,598
Other comprehensive income	其他全面收益	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	換算海外業務時產生之匯兌差額	-	-	-	-	-	-	-	-	7,694	-	7,694	2,586	10,280
Revaluation of properties	重估物業	-	-	-	-	-	-	-	3,370	-	-	3,370	-	3,370
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	-	3,370	7,694	145,978	157,042	(32,794)	124,248
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	-	-	391,442	391,442
Transfer	轉撥	-	-	-	-	(5)	-	-	-	-	5	-	-	-
Balance at 30 June 2019	於二零一九年六月三十日之結餘	327,882	506,750	7,960	-	32,481	41	89,175	78,004	8,448	(565,751)	484,990	64,814	549,804
Balance at 1 January 2020 (audited)	於二零二零年一月一日之結餘(經審核)	327,882	506,750	7,960	-	32,486	124	89,175	76,864	(9,474)	(1,027,195)	4,572	57,723	62,295
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	-	(1,241)	(1,241)	(2,181)	(3,422)
Other comprehensive income	其他全面收益	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	換算海外業務時產生之匯兌差額	-	-	-	-	-	-	-	-	(7,831)	-	(7,831)	(197)	(8,028)
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	-	-	(7,831)	(1,241)	(9,072)	(2,378)	(11,450)
Repurchase of Taiwan Depository Receipts (Note 22)	回購臺灣存託憑證(附註22)	(18,524)	-	-	5,401	-	-	-	-	-	-	(13,123)	-	(13,123)
Balance at 30 June 2020	於二零二零年六月三十日之結餘	309,358	506,750	7,960	5,401	32,486	124	89,175	76,864	(17,305)	(1,028,436)	(17,623)	55,345	37,722

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

簡明綜合權益變動表(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

Notes:

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

附註：

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

		For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
Net cash from/(used in) operating activities	經營活動所得/(所用)現金淨額	69,739	(55,602)
Investing activities	投資活動		
Release of pledged bank deposits	撥回已抵押銀行存款	13	-
Increase in pledged bank deposits	已抵押銀行存款增加	-	(2,336)
Advances to an associate	向一間聯營公司墊款	-	(1,424)
Repayment from an associate	一間聯營公司還款	-	49,668
Purchases of property, plant and equipment	購買物業、廠房及設備	(8,107)	(6,380)
Net cash outflow arising from disposal of a subsidiary	自出售一間附屬公司所產生現金外流淨額	-	(1,558)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	147	9,149
Net cash (used in)/from investing activities	投資活動(所用)/所得現金淨額	(7,947)	47,119
Financing activities	融資活動		
Repayment of bank and other borrowings	償還銀行及其他貸款	(263,080)	(289,627)
Payment of interest element of lease liabilities	支付租賃負債利息部份	(110)	(29)
Payment of principal element of lease liabilities	支付租賃負債本金部份	(2,184)	(931)
New bank and other loans raised	新造銀行及其他貸款	266,134	308,620
Net cash from financing activities	融資活動所得現金淨額	760	18,033
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	62,552	9,550
Cash and cash equivalents at beginning of period	期初現金及現金等價物	66,840	72,695
Effect of foreign exchange rate changes	外幣匯率變動影響	(536)	(446)
Cash and cash equivalents at end of period, represented by bank balances and cash	期末現金及現金等價物，即銀行結存及現金	128,856	81,799

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

1. GENERAL INFORMATION

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

2. BASIS OF PREPARATION

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

These condensed consolidated financial statements should be read in conjunction with the 2019 annual financial statements. Except as described below, the accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2019.

1. 一般資料

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

2. 編製基準

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

該等簡明綜合財務報表應與二零一九年之年度財務報表一併閱讀。除下述者外，編製本截至二零二零年六月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方法與編製本集團截至二零一九年十二月三十一日止年度之綜合財務報表時所依循者相同。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

2. BASIS OF PREPARATION (Continued)

Basis of measurement and going concern assumption

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

At the end of reporting period, the Group had net current liabilities of approximately HK\$234,735,000. The Group is dependent upon the financial support from the banks and financial institutions to meet its financial obligations. There is no certainty that bank loans and other loans of the Group will be renewed in the future. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

In view of these circumstances, the Directors have considered the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. In particular, the Directors have considered the following: (1) the Group maintains good relationship with major banks and financial institutions providing finance or facilities to the Group and the Group had successfully renewed its banking facilities based on past experience; and (2) as of 30 June 2020, the Group has unutilised bank loan facilities totalling HK\$210,005,000 available to finance its future operations and financial obligations.

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

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

2. 編製基準(續)

計量基準及持續經營假設

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

於報告期末，本集團之流動負債淨額約為234,735,000港元。本集團倚賴銀行及金融機構提供財務支援，以履行其財務責任。概不保證本集團日後將可重續其銀行貸款及其他貸款。該等狀況顯示存在重大不明朗因素，可能對本集團之持續經營能力構成重大疑問，因此，本集團或許不能在正常業務過程中變現其資產及履行其責任。

鑑於此等情況，董事已考慮本集團的未來流動性、業績以及其可用的資金來源，評估本集團是否有足夠的財務資源持續經營。特別是董事已考慮以下各項：(1)本集團與向其提供融資或信貸之主要銀行及金融機構維持良好關係，且據過往經驗均成功重續其銀行融資；及(2)於二零二零年六月三十日，本集團有未動用銀行貸款額度合共210,005,000港元，可供用作為其未來營運及財務責任提供資金。

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

因此，本集團之簡明綜合財務報表已按持續經營基準編製。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

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

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

In the current period, the Group has applied for the first time the following new or revised HKFRSs that are relevant to and effective for the Group’s consolidated financial statements for the annual period beginning on 1 January 2020.

Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material

The adoption of the above new or revised HKFRSs in the current period has no material effect on the amounts reported and/or disclosures set out in these unaudited condensed consolidated financial statements.

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

3. 香港財務報告準則(「香港財務報告準則」)之變動

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

於本期間，本集團首次應用下列新訂或經修訂香港財務報告準則，有關準則與二零二零年一月一日開始之年度期間之本集團綜合財務報表相關並對其生效。

香港財務報告準則第3號之修訂	業務之定義
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義

於本期間採納上述新訂或經修訂香港財務報告準則不會對該等未經審核簡明綜合財務報表所載的呈報金額及／或披露資料產生重大影響。

以下新訂／經修訂香港財務報告準則可能與本集團財務報表有關，乃已頒佈但未生效，及未獲本集團提早採納。本集團現時的意向為於該等變動生效時應用相關變動。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

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

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendment to HKFRS 16	COVID-19 Related Rent Concessions ²
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before intended use ³
Amendments to HKFRS 3	Reference to the Conceptual Framework ³
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract ³
Annual improvements to HKFRS standards 2018–2020	Amendment to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standard, Amendment to HKFRS 9, Financial instruments, Amendment to illustrative examples accompanying HKFRS 16, Leases, Amendment to HKAS 41 Agriculture ³
Amendment to HKAS 1	Classification of Liabilities as Current and Non-current ⁴

¹ The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted

² Effective for annual periods beginning on or after 1 June 2020

³ Effective for annual periods beginning on or after 1 January 2022

⁴ Effective for annual periods beginning on or after 1 January 2023

3. 香港財務報告準則(「香港財務報告準則」)之變動(續)

香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業間之資產出售或注資 ¹
香港財務報告準則第16號之修訂	與2019冠狀病毒病有關之租金寬減 ²
香港會計準則第16號之修訂	物業、廠房及設備：於作擬定用途前之所得款項 ³
香港財務報告準則第3號之修訂	概念框架之提述 ³
香港會計準則第37號之修訂	有償合約—履行合約之成本 ³
香港財務報告準則二零一八年至二零二零年之年度改進	香港財務報告準則第1號之修訂首次採納香港財務報告準則、香港財務報告準則第9號之修訂、金融工具、香港財務報告準則第16號租賃隨附之示例之修訂、香港會計準則第41號之修訂農業 ³
香港會計準則第1號之修訂	將負債分類為流動及非流動 ⁴

¹ 該等修訂原訂於二零一六年一月一日或之後開始之期間生效。有關生效日期現已押後/刪除。繼續允許提前應用有關修訂

² 於二零二零年六月一日或之後開始之年度期間生效

³ 於二零二二年一月一日或之後開始之年度期間生效

⁴ 於二零二三年一月一日或之後開始之年度期間生效

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

4. USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2019 annual financial statements.

5. SEGMENT INFORMATION

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

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

Continuing operations

- (i) *Media entertainment platform related products*
Trading and manufacturing of media entertainment platform related products, which are mainly used for satellite products equipment.
- (ii) *Other multimedia products*
Trading and manufacturing of components of audio and video electronic products such as cable lines.
- (iii) *Satellite TV equipment and antenna products*
Trading and manufacturing of satellite TV equipment and antenna products.

Discontinued operation

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

4. 採用判斷及估計

於編製該等簡明綜合中期財務報表之過程中，管理層於應用本集團會計政策時作出之重大判斷及估計不明朗因素之主要來源與二零一九年年度財務報表所應用者相同。

5. 分部資料

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

具體而言，本集團根據香港財務報告準則第8號之經營分部如下：

持續經營業務

- (i) *媒體娛樂平台相關產品*
買賣及製造媒體娛樂平台相關產品，主要用於衛星產品設備。
- (ii) *其他多媒體產品*
買賣及製造影音電子產品零件，例如線纜。
- (iii) *衛星電視設備及天線產品*
買賣及製造衛星電視設備及天線產品。

已終止經營業務

- (iv) *衛星電視廣播*
於中東、地中海及非洲地區提供直接入屋衛星電視廣播服務。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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5. SEGMENT INFORMATION (Continued)

Segment revenue and results

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

Six months ended 30 June 2020

5. 分部資料(續)

分部收益及業績

按可呈報及經營分部分析本集團於回顧期間之收益及業績如下：

截至二零二零年六月三十日止六個月

		Continuing operations 持續經營業務			Discontinued operation 已終止經營業務	Total 總計	
		Media entertainment platform related products 媒體娛樂平臺 相關產品 HK\$'000 千港元 (unaudited) (未經審核)	Other multimedia products 其他多媒 體產品 HK\$'000 千港元 (unaudited) (未經審核)	Satellite TV equipment and antenna products 衛星電視設備 及天線產品 HK\$'000 千港元 (unaudited) (未經審核)	Sub-total 小計 HK\$'000 千港元 (unaudited) (未經審核)		Satellite TV broadcasting 廣播 HK\$'000 千港元 (unaudited) (未經審核)
REVENUE	收益						
External sales	對外銷售	74,159	109,412	293,126	476,697	-	476,697
Timing of revenue recognition	收益確認時間						
At a point in time	按時間點	74,159	109,412	293,126	476,697	-	476,697
RESULTS	業績						
Segment results	分部業績	5,806	10,064	33,170	49,040	-	49,040
Other income, gains and losses	其他收入、收益及虧損				18,852	-	18,852
Administrative and other expenses	行政及其他開支				(52,000)	-	(52,000)
Research and development costs	研發成本				(16,092)	-	(16,092)
Reversal of expected credit losses on trade receivables	應收貿易賬款的預期信貸 虧損撥回				6,952	-	6,952
Reversal of expected credit losses on loan to an associate	給予一間聯營公司的貸款 的預期信貸虧損撥回				9	-	9
Reversal of expected credit losses on amount due from an associate	應收一間聯營公司款項的 預期信貸虧損撥回				2,137	-	2,137
Finance costs	財務成本				(16,830)	-	(16,830)
Share of profit of an associate	應佔一間聯營公司之溢利				6,852	-	6,852
Loss before income tax expense	除所得稅支出前虧損				(1,080)	-	(1,080)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
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5. SEGMENT INFORMATION (Continued)

Six months ended 30 June 2019

5. 分部資料(續)

截至二零一九年六月三十日止六個月

		Continuing operations 持續經營業務			Discontinued operation 已終止經營業務		
		Media entertainment platform related products 媒體娛樂平臺相關產品	Other multimedia products 其他多媒體產品	Satellite TV equipment and antenna products 衛星電視設備及天線產品	Sub-total	Satellite TV broadcasting 衛星電視廣播	Total
		HKS'000 千港元 (unaudited) (未經審核)	HKS'000 千港元 (unaudited) (未經審核)	HKS'000 千港元 (unaudited) (未經審核)	HKS'000 千港元 (unaudited) (未經審核)	HKS'000 千港元 (unaudited) (未經審核)	HKS'000 千港元 (unaudited) (未經審核)
REVENUE	收益						
External sales	對外銷售	119,145	131,935	416,544	667,624	18,990	686,614
Timing of revenue recognition	收益確認時間						
At a point in time	按時間點	119,145	131,935	416,544	667,624	-	667,624
Over time	隨時間	-	-	-	-	18,990	18,990
		119,145	131,935	416,544	667,624	18,990	686,614
RESULTS	業績						
Segment results	分部業績	20,868	16,872	54,033	91,773	(54,391)	37,382
Other income, gains and losses	其他收入、收益及虧損				20,939	-	20,939
Administrative and other expenses	行政及其他開支				(67,512)	(16,909)	(84,421)
Research and development costs	研發成本				(20,343)	-	(20,343)
Reversal of expected credit losses on trade receivables	應收貿易賬款的預期信貸虧損撥回				8,825	1,140	9,965
Reversal of expected credit losses on loan receivables	應收貸款的預期信貸虧損撥回				4,255	-	4,255
Provision for expected credit losses on loan to an associate	給予一間聯營公司的貸款預期信貸虧損撥備				(21)	-	(21)
Reversal of expected credit losses on amount due from an associate	應收一間聯營公司款項的預期信貸虧損撥回				5,233	-	5,233
Finance costs	財務成本				(18,519)	-	(18,519)
Share of profit of an associate	應佔一間聯營公司之溢利				9,741	-	9,741
Gain on disposal of discontinued operation	出售已終止經營業務之收益				-	149,948	149,948
Profit before income tax expense	除所得稅支出前溢利				34,371	79,788	114,159

Segment results represent profit earned/loss suffered by each segment without allocation of other income, gains and losses, administrative and other expenses, research and development costs, provision for/reversal of expected credit losses, finance costs, share of profit of an associate and gain on disposal of discontinued operation. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

分部業績指各分部所賺取之溢利／蒙受之損失，當中並未分配其他收入、收益及虧損、行政及其他開支、研發成本、預期信貸虧損撥備／撥回、財務成本、應佔一間聯營公司之溢利及出售已終止經營業務之收益。此乃就資源分配及表現評估向主要營運決策者報告之計量方式。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
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6. OTHER INCOME, GAINS AND LOSSES

6. 其他收入、收益及虧損

		For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
Increase in fair value of investment properties	投資物業的公平值增加	3,135	-
Income from tenants for water and electricity payment	來自租戶水電費的收入	5,064	6,769
Interest income	利息收入	1,810	2,006
Interest income from an associate	來自一間聯營公司的利息收入	501	503
Rental income	租金收入	6,361	6,252
Net foreign exchange loss	匯兌虧損淨額	(1,702)	(2,515)
Others	其他	3,683	7,924
		18,852	20,939

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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7. INCOME TAX EXPENSE

7. 所得稅支出

		For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
The tax charge comprises:	稅項開支包括：		
Current tax:	本期稅項：		
PRC	中國	521	223
Jurisdictions other than the PRC and Hong Kong	中國及香港以外之司法權區	2,318	4,161
		2,839	4,384
Under-provision in prior years:	過往年度撥備不足：		
PRC	中國	55	23
Deferred taxation:	遞延稅項：		
Current period	本期間	(552)	(846)
		2,342	3,561

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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7. INCOME TAX EXPENSE (Continued)

(i) PRC

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

(ii) Hong Kong

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits, with the first HK\$2,000,000 of assessable profits calculated at 8.25%.

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

(iii) United States

The Group's subsidiaries in United States of America are subjected to United States Federal Income Tax at 21% and States Income Tax at 6%.

(iv) Europe

The Group's European subsidiaries are subject to profit tax rates at a range of 25% to 30%.

(v) Macau

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

(vi) Others

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

7. 所得稅支出(續)

(i) 中國

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

(ii) 香港

香港利得稅按估計應課稅溢利之16.5%計算，首2,000,000港元之應課稅溢利按8.25%計算。

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

(iii) 美國

本集團之美利堅合眾國附屬公司須分別按21%及6%之稅率繳納美國聯邦所得稅及州所得稅。

(iv) 歐洲

本集團之歐洲附屬公司須按介乎25%至30%之稅率繳納利得稅。

(v) 澳門

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

(vi) 其他

於其他司法權區經營之其他附屬公司須按有關司法權區之適用稅率繳稅。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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8. DISCONTINUED OPERATION

In 2019, the business of satellite TV broadcasting operated by the subsidiaries of the Company had been disposed of. This business segment is presented as discontinued operation in accordance with HKFRS 5 accordingly.

The results of the discontinued operation for the period from 1 January 2019 to 25 June 2019 (the date of disposal) was as follows:

8. 已終止經營業務

於二零一九年，本公司附屬公司經營的衛星電視廣播業務經已出售。此業務分部根據香港財務報告準則第5號呈列為已終止經營業務。

已終止經營業務自二零一九年一月一日至二零一九年六月二十五日(出售日期)止期間之業績如下：

		Period from 1 January 2019 to 25 June 2019 自二零一九年 一月一日至 二零一九年 六月二十五日 止期間 HK\$'000 千港元 (audited) (經審核)
Revenue	收益	18,990
Cost of sales	銷售成本	(71,965)
		(52,975)
Other income, gains and losses	其他收入、收益及虧損	-
Distribution and selling costs	經銷及銷售成本	(1,416)
Administrative and other expenses	行政及其他開支	(16,909)
Reversal of expected credit loss on trade receivables	應收貿易賬款的預期信貸虧損撥回	1,140
Gain on disposal of discontinued operation	出售已終止經營業務之收益	149,948
Profit before taxation	除稅前溢利	79,788
Taxation	稅項	-
Profit for the period from discontinued operation	本期間來自已終止經營業務之溢利	79,788

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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8. DISCONTINUED OPERATION (Continued)

The cash flows of the discontinued operation for the period from 1 January 2019 to 25 June 2019 (the date of disposal) was as follows:

8. 已終止經營業務(續)

自二零一九年一月一日至二零一九年六月二十五日(出售日期)期間已終止經營業務之現金流量如下:

		Period from 1 January 2019 to 25 June 2019 自二零一九年 一月一日至 二零一九年 六月二十五日 止期間 HK\$'000 千港元 (audited) (經審核)
Operating cash flows	經營現金流量	(26,902)
Financing cash flows	融資現金流量	20,065
Total cash flows	現金流量總額	(6,837)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
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9. (LOSS)/PROFIT FOR THE PERIOD

9. 本期間(虧損)/溢利

		For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
Continuing operations	持續經營業務		
(Loss)/Profit for the period has been arrived at after charging/(crediting):	達致本期間(虧損)/溢利時已扣除/(計入)：		
Directors' emoluments	董事酬金	1,484	1,718
Other staff costs	其他員工成本	39,229	59,731
Retirement benefits scheme contribution, excluding Directors	退休福利計劃供款(董事除外)	338	1,019
Total employee benefit expenses	僱員福利開支總額	41,051	62,468
Reversal of expected credit losses on trade receivables	應收貿易賬款的預期信貸虧損撥回	(6,952)	(8,825)
Reversal of expected credit losses on loan receivables	應收貸款的預期信貸虧損撥回	-	(4,255)
(Reversal of)/Provision for expected credit losses on loan to an associate	給予一間聯營公司貸款的預期信貸虧損(撥回)/撥備	(9)	21
Reversal of expected credit losses on amount due from an associate	應收一間聯營公司款項的預期信貸虧損撥回	(2,137)	(5,233)
Reversal of expected credit losses on financial assets	金融資產的預期信貸虧損撥回	(9,098)	(18,292)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9,072	13,502
Depreciation of right-of-use assets presented in property, plant and equipment	以物業、廠房及設備呈列之使用權資產折舊	1,682	941
Amortisation of intangible assets (Note (i))	無形資產攤銷(附註(i))	2,094	2,205
Release of prepaid lease payments	撥回預付租賃款項	31	78
Loss on disposal of subsidiaries (Note (ii))	出售附屬公司之虧損(附註(ii))	-	940
(Gain)/Loss on disposal of property, plant and equipment (Note (iii))	出售物業、廠房及設備之(收益)/虧損(附註(ii))	(147)	381
Discontinued operation	已終止經營業務		
Other staff costs	其他員工成本	-	8,341
Gain on disposal of discontinued operation	出售已終止經營業務之收益	-	(149,948)
Reversal of expected credit losses on financial assets	金融資產預期信貸虧損撥回	-	(1,140)

Notes:

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

附註：

- (i) 包括於銷售成本內
(ii) 包括於其他收入、收益及虧損內

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
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10. DIVIDENDS

No dividend was paid or declared during the interim period. The Board has resolved not to declare an interim dividend for the period.

11. (LOSS)/EARNINGS PER SHARE

Continuing and discontinued operations

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

10. 股息

於本中期期間並無派付或宣派股息。董事會已決議不就本期間宣派中期股息。

11. 每股(虧損)/盈利

持續及已終止經營業務

本公司擁有人應佔每股基本及攤薄(虧損)/盈利乃按下列數據計算：

		For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
(Loss)/Profit for the period attributable to owners of the Company for the purposes of calculating basic and diluted (loss)/earnings per share	用於計算每股基本及攤薄(虧損)/盈利之本公司擁有人應佔本期間(虧損)/溢利	(1,241)	145,978
Number of shares	股份數目		
Weighted average number of ordinary shares at 30 June	於六月三十日之普通股加權平均數	3,263,473,622	3,278,825,335

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

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
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11. (LOSS)/EARNINGS PER SHARE (Continued)

Continuing operations

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

	For six months ended 30 June 截至六月三十日止六個月	
	2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
(Loss)/Profit for the period attributable to owners of the Company for the purposes of calculating basic and diluted (loss)/earnings per share	用作計算每股基本及攤薄(虧損)/ 盈利之本公司擁有人應佔本期間 (虧損)/溢利	
	(1,241)	19,981

The denominators used are the same as those for continuing and discontinued operations.

Discontinued operation

Both basic and diluted loss per share for the discontinued operation attributable to the owners of the Company is nil for the period (earnings per share for the six months ended 30 June 2019: HK3.84 cents per share). The basic and diluted earnings for the discontinued operation attributable to the owners of the Company for the six months ended 30 June 2019 was based on the profit for the period attributable to owners of the Company from the discontinued operation of HK\$125,997,000 and the denominators detailed above for both basic and diluted earnings per share.

11. 每股(虧損)/盈利(續)

持續經營業務

本公司擁有人應佔每股基本及攤薄(虧損)/盈利乃按下列數據計算：

	For six months ended 30 June 截至六月三十日止六個月	
	2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
(Loss)/Profit for the period attributable to owners of the Company for the purposes of calculating basic and diluted (loss)/earnings per share	用作計算每股基本及攤薄(虧損)/ 盈利之本公司擁有人應佔本期間 (虧損)/溢利	
	(1,241)	19,981

持續及已終止經營業務採用之分母相同。

已終止經營業務

於期內，本公司擁有人應佔已終止經營業務之每股基本及攤薄虧損為零(截至二零一九年六月三十日止六個月之每股盈利：每股3.84港仙)。截至二零一九年六月三十日止六個月，本公司擁有人應佔已終止經營業務之基本及攤薄盈利乃根據來自已終止經營業務之本期間本公司擁有人應佔溢利125,997,000港元以及上文詳述用作計算每股基本及攤薄盈利之分母計算所得。

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簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

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

(a) Investment properties

During the period ended 30 June 2019, the Group reclassified one of its owner-occupied factory in the PRC as an investment property. As a result, gain on revaluation of properties of approximately HK\$3,370,000 was recognised in other comprehensive income upon transfer of property, plant and equipment to investment properties.

(b) Property, plant and equipment

During the current period, the Group acquired property, plant and equipment of approximately HK\$8,107,000 (six months ended 30 June 2019: approximately HK\$6,380,000). During the period, the Group disposed of certain property, plant and equipment with nil carrying amount (six months ended 30 June 2019: approximately HK\$9,530,000) resulting in a gain of approximately HK\$147,000 (six months ended 30 June 2019: loss of approximately HK\$381,000) recognised in profit or loss.

(c) Goodwill

For the purpose of impairment testing, goodwill has been allocated into one (30 June 2019: one) individual cash-generating unit ("CGU"), engaged in satellite TV equipment and antenna products ("PBT CGU").

At the end of reporting period, the management performed impairment testing on the carrying amount of goodwill with reference to the cash flow projection of PBT CGU. No impairment loss was recognised during the period as the recoverable amount of PBT CGU based on value in use calculations was higher than its carrying amount.

12. 投資物業、物業、廠房及設備以及商譽之變動

(a) 投資物業

截至二零一九年六月三十日止期間，本集團將其於中國的一間自用廠房重新分類為投資物業。因此，於物業、廠房及設備轉撥至投資物業時，物業重估收益約3,370,000港元於其他全面收益確認。

(b) 物業、廠房及設備

於本期間，本集團購置物業、廠房及設備約8,107,000港元(截至二零一九年六月三十日止六個月：約6,380,000港元)。於期內，本集團出售若干物業、廠房及設備之賬面值為零(截至二零一九年六月三十日止六個月：約9,530,000港元)，因而於損益確認收益約147,000港元(截至二零一九年六月三十日止六個月：虧損約381,000港元)。

(c) 商譽

就減值測試而言，商譽獲分配至一個(二零一九年六月三十日：一個)獨立現金產生單位(「現金產生單位」)，從事衛星電視設備及天線產品(「博百科技現金產生單位」)。

於報告期末，管理層已參考博百科技現金產生單位的現金流量預測，對商譽之賬面值進行減值測試。由於博百科技現金產生單位根據使用價值計算法之可收回金額高於其賬面值，故於期內並無確認減值虧損。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

FOR THE SIX MONTHS ENDED 30 JUNE 2020
截至二零二零年六月三十日止六個月

13. LOAN RECEIVABLES

13. 應收貸款

		30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Loans receivables (Note (i))	應收貸款(附註(i))	12,989	12,989
Loans receivables due from former subsidiaries (Note (ii))	應收前附屬公司貸款(附註(ii))	648,512	646,366
		661,501	659,355
Less: allowance for doubtful debts (Note (iv))	減：呆賬撥備(附註(iv))	(661,501)	(659,355)
		-	-

Notes:

- (i) As at 30 June 2020 and 31 December 2019, the Group had loan receivable amounting to HK\$12,989,000 granted to a third party. The amount was unsecured and bore interest at 1.2% (31 December 2019: 1.2%) per annum. This loan receivable was fully impaired as at 30 June 2020 and 31 December 2019.
- (ii) During the year ended 31 December 2019, the Group disposed of the entire equity interest in Speed Connection Group Limited (the "Disposal"), and since then, the loan receivables from Speed Connection Group Limited and its subsidiary, MyHD Media FZ LLC ("MyHD") were classified as loan receivables due from former subsidiaries.

The loan receivables due from former subsidiaries were arising from the disposal of all interests in MyHD and the extension of the existing loans to MyHD. For details, please refer to the announcement of the Company dated 31 December 2018 and the circular of the Company dated 25 May 2019. The amounts were unsecured, interest-bearing at rates ranged from 3 months LIBOR plus 100 basis point per annum to 10% per annum and will be matured on 31 December 2020.

附註：

- (i) 於二零二零年六月三十日及二零一九年十二月三十一日，本集團擁有授予一名第三方的應收貸款12,989,000港元。該款項為無抵押，按年利率1.2厘(二零一九年十二月三十一日：1.2厘)計息。該應收貸款已於二零二零年六月三十日及二零一九年十二月三十一日完全減值。
- (ii) 截至二零一九年十二月三十一日止年度，本集團出售於捷聯集團有限公司之全部股本權益(「出售事項」)，自此以後，來自捷聯集團有限公司及其附屬公司MyHD Media FZ LLC(「MyHD」)之應收貸款已分類為應收前附屬公司貸款。

應收前附屬公司貸款乃產生自出售於MyHD之全部權益，以及將授予MyHD的現有貸款延長。詳情請參閱本公司日期為二零一八年十二月三十一日之公告及本公司日期為二零一九年五月二十五日之通函。該等金額為無抵押，按三個月倫敦銀行同業拆息加100個基點至10厘的年利率計息，並將於二零二零年十二月三十一日到期。

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簡明綜合財務報表附註(續)

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13. LOAN RECEIVABLES (Continued)

Notes: (Continued)

(ii) (Continued)

The principal amounts of these loan receivables at the date of the Disposal were US\$71,298,000 (equivalent to approximately HK\$556,907,000), in which amount of US\$9,554,000 (equivalent to approximately HK\$74,626,000) due from Speed Connection Group Limited, bore interest rate at 3 months LIBOR plus 100 basis points per annum; and amount of US\$51,244,000 (equivalent to approximately HK\$400,266,000) and amount of US\$10,500,000 (equivalent to approximately HK\$82,015,000) due from MyHD (the non-wholly owned subsidiary of Speed Connection Group Limited), bore interest rate at 10% per annum and at 3 months LIBOR plus 100 basis points per annum respectively, and the corresponding interest receivables were US\$11,728,000 (equivalent to approximately HK\$91,606,000). These loan receivables and the interest receivables, net of the provision of expected credit loss of HK\$219,103,000 as at the date of the Disposal, amounted to HK\$429,410,000 were recognised as loan receivables upon the Disposal.

In December 2019, management was given to understand that Speed Connection Group Limited and MyHD were in serious financial problem and ceased to operate in late 2019. As such, management considered these loan receivables were credit-impaired and recognised life time ECLs of the total net carrying amount of these loan receivables of HK\$429,410,000 at 31 December 2019.

The provision of expected credit loss was determined by the management of the Group based on the creditworthiness and the past collection history of the borrowers.

(iii) As at 31 December 2018, the Group had loan and trade receivables due from two customers (the "Debtors") with gross amount of HK\$46,518,000 and HK\$39,273,000 respectively (the "Receivables"). The Debtors were engaged in the operation of cable television in Nepal.

The loan receivables borne interest at 5% per annum. Pursuant to an agreement dated 25 March 2016, the 80% equity interest in one of the Debtors was pledged for part of the loan receivables of HK\$43,803,000 (the "Share Pledge"). In the event that the Debtors fails or defaults to settle such loan, the Group shall have the right but not the obligation to possess the pledged share.

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

13. 應收貸款(續)

附註：(續)

(ii) (續)

於出售日期，該等應收貸款之本金額為71,298,000美元(相當於約556,907,000港元)，其中應收捷聯集團有限公司之9,554,000美元(相當於約74,626,000港元)按三個月倫敦銀行同業拆息加100個基點的年利率計息，而應收MyHD(捷聯集團有限公司之非全資附屬公司)之51,244,000美元(相當於約400,266,000港元)及10,500,000美元(相當於約82,015,000港元)則分別按年利率10厘及三個月倫敦銀行同業拆息加100個基點計息，相應的應收利息為11,728,000美元(相當於約91,606,000港元)。於出售日期扣除預期信貸虧損撥備219,103,000港元後，該等應收貸款及應收利息為429,410,000港元，已於出售事項後確認為應收貸款。

於二零一九年十二月，管理層知悉捷聯集團有限公司及MyHD面臨嚴重財務問題，並於二零一九年底終止營運。因此，管理層認為該等應收貸款已信貸減值，並就該等應收貸款於二零一九年十二月三十一日之賬面淨值總額429,410,000港元確認全期預期信貸虧損。

預期信貸虧損撥備由本集團管理層基於借款人之信譽及過往收賬紀錄而釐定。

(iii) 於二零一八年十二月三十一日，本集團應收兩名客戶(「債務人」)之貸款及應收貿易賬款總額分別為46,518,000港元及39,273,000港元(「應收賬款」)。債務人從事尼泊爾有線電視的營運。

該等應收貸款按年利率5厘計息。根據一份日期為二零一六年三月二十五日之協議，其中一名債務人之80%股本權益已就43,803,000港元之部分應收貸款質押(「股份質押」)。倘若債務人無法結清或拖欠該等貸款，則本集團將有權利而非義務擁有質押股份。

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

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簡明綜合財務報表附註(續)

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13. LOAN RECEIVABLES (Continued)

Notes: (Continued)

(iii) (Continued)

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

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

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

As at 31 December 2019, the Group had received all instalments with total amount of US\$4,000,000 (equivalent to approximately HK\$31,351,000) from the Purchaser. Accordingly the date of completion of the Agreement was 31 December 2019.

At completion, the Group and the Purchaser had executed an assignment of the Receivables, relevant loan agreements and Share Pledge. Management has recognised a reversal of expected credit loss ("ECL") amounted to HK\$8,794,000 in respect of the loan portion of the Receivables during the year ended 31 December 2019 and derecognised the gross carrying amount and ECL amount of the Receivables upon the completion.

13. 應收貸款(續)

附註：(續)

(iii) (續)

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

根據協議，代價將由買方按下列方式以現金支付如下：

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

於二零一九年十二月三十一日，本集團自買方收到所有分期款項合共4,000,000美元(相當於約31,351,000港元)。因此，協議之完成日期為二零一九年十二月三十一日。

於完成時，本集團與買方進行應收賬款、相關貸款協議及股份質押之轉讓。管理層於完成時就截至二零一九年十二月三十一日止年度應收賬款之貸款部分確認撥回預期信貸虧損(「預期信貸虧損」)8,794,000港元，並終止確認應收賬款賬面總值及預期信貸虧損金額。

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13. LOAN RECEIVABLES (Continued)

Notes: (Continued)

(iv) Allowances for doubtful debts

		30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
At the beginning of period/year	於期／年初	659,355	50,713
Reversal of expected credit loss (note (iii))	預期信貸虧損撥回(附註(iii))	-	(8,794)
Written off (note (iii))	撇銷(附註(iii))	-	(28,930)
Recognised upon the Disposal (note (ii))	於出售事項後確認(附註(ii))	-	219,103
Provision of expected credit loss (note (ii))	預期信貸虧損撥備(附註(ii))	-	429,410
Exchange realignment	匯兌調整	2,146	(2,147)
At the end of period/year	於期／年末	661,501	659,355

13. 應收貸款(續)

附註：(續)

(iv) 呆賬撥備

14. TRADE, BILLS AND OTHER RECEIVABLES

14. 應收貿易賬款、應收票據及其他應收款項

		30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Trade and bills receivables	應收貿易賬款及應收票據	187,605	207,495
Other receivables	其他應收款項	97,592	119,305
Total trade, bills and other receivables	應收貿易賬款、應收票據及 其他應收款項總額	285,197	326,800

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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14. TRADE, BILLS AND OTHER RECEIVABLES (Continued)

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

		30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0–30 days	0至30天	107,650	93,837
31–90 days	31至90天	52,981	63,794
91–180 days	91至180天	18,489	36,489
More than 180 days	超過180天	132,033	146,351
		311,153	340,471
Less: Loss allowance	減：虧損撥備	(123,548)	(132,976)
		187,605	207,495

Based on the Group's assessment, the Group recognised reversal of expected credit losses on trade receivables of HK\$6,952,000 (six months ended 30 June 2019: HK\$8,825,000).

14. 應收貿易賬款、應收票據及其他應收款項(續)

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

根據本集團的評估，本集團已確認應收貿易賬款的預期信貸虧損撥回6,952,000港元(截至二零一九年六月三十日止六個月：8,825,000港元)。

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簡明綜合財務報表附註(續)

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15. AMOUNT DUE FROM/LOAN TO AN ASSOCIATE

15. 應收一間聯營公司之款項／給予一間聯營公司之貸款

			30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
		Notes 附註		
Non-current assets	非流動資產			
Loan receivables	應收貸款	(i)	22,139	22,130
Current assets	流動資產			
Trade receivables	應收貿易賬款	(ii)	37,715	56,934
Interest receivable on loan receivables	應收貸款的應收利息		5,274	4,795
Amount due from an associate	應收一間聯營公司的款項		42,989	61,729

Notes:

(i) The amount is unsecured and bears interest at a fixed rate of 4.75% (31 December 2019: 4.75%) per annum. The loan receivables mature on 31 December 2022.

(ii) Amount being unsecured and interest-free. The Group allows a credit period of 360 days.

附註：

(i) 該款項乃無抵押及按固定年利率4.75厘(二零一九年十二月三十一日：4.75厘)計息。應收貸款於二零二零年十二月三十一日到期。

(ii) 該款項乃無抵押及不計息。本集團給予的信貸期為360日。

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簡明綜合財務報表附註(續)

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15. AMOUNT DUE FROM/LOAN TO AN ASSOCIATE (Continued)

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

	30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
More than 360 days 超過360天	37,715	56,934

15. 應收一間聯營公司之款項／給予一間聯營公司之貸款(續)

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

16. TRADE, BILLS AND OTHER PAYABLES

16. 應付貿易賬款、應付票據及其他應付款項

	30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Trade payables 應付貿易賬款	243,291	301,571
Bills payables 應付票據	344	477
Other payables and accruals (Note) 其他應付款項及應計項目(附註)	77,688	89,702
Total trade, bills and other payables 應付貿易賬款、應付票據及 其他應付款項總額	321,323	391,750

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16. TRADE, BILLS AND OTHER PAYABLES (Continued)

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

		30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0–30 days	0至30天	100,091	235,388
31–90 days	31至90天	80,082	23,212
91–360 days	91至360天	55,674	31,153
More than 360 days	超過360天	7,788	12,295
		243,635	302,048

The average credit period for purchases of goods is 90 days.

Note: An amount due to a Director of HK\$6,320,000 (31 December 2019: HK\$5,328,000) which was included in other payables which term is unsecured, interest free and repayable on demand.

17. PROVISION FOR FINANCIAL GUARANTEE

The Company had pursuant to the guarantee (the "Guarantee") given in favour of MyHD irrevocably guaranteed to pay all financial obligations of MyHD in relation to the third amendment agreement to the content supply agreement (the "Content Supply Agreement") dated 3 October 2016 which was entered into between MyHD and MBC FZ LLC. The Guarantee does not expire and the maximum amount payable by the Company under the Guarantee should not exceed US\$3,500,000 (equivalent to approximately HK\$27,332,000).

16. 應付貿易賬款、應付票據及其他應付款項(續)

應付貿易賬款及應付票據於報告期末按發票日期呈列之賬齡分析如下：

購買貨品的平均信貸期為90日。

附註：其他應付款項包括一筆應付董事款項6,320,000港元（二零一九年十二月三十一日：5,328,000港元），此款項的條款為無抵押、免息且須按要求償還。

17. 財務擔保撥備

本公司已根據就MyHD之利益作出之擔保（「擔保」），不可撤回地保證支付MyHD有關MyHD與MBC FZ LLC所訂立日期為二零一六年十月三日之內容供應協議（「內容供應協議」）第三份修訂協議之所有財務責任。該擔保並無到期日，而本公司根據擔保應付之最高金額不得超過3,500,000美元（相當於約27,332,000港元）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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17. PROVISION FOR FINANCIAL GUARANTEE (Continued)

The Guarantee does not contain any conditions which need to be fulfilled or any circumstances which must arise before MyHD can enforce the same and demand payment from the Company. Notwithstanding that MyHD failed to observe all its payment obligations under the third amendment agreement to the Content Supply Agreement, since the date of the Guarantee up to the reporting date, the Company has not received any demand for payment from MyHD under the Guarantee.

At 30 June 2020 and 31 December 2019, the Group had recognised the provision for financial guarantee amounting to US\$3,500,000 (equivalent to approximately HK\$27,332,000) in relation to the Guarantee.

17. 財務擔保撥備(續)

擔保並不包含任何須予達成之條件或必須發生之任何情況，以規限 MyHD 執行擔保及要求本公司付款。儘管 MyHD 未能遵從於內容供應協議第三份修訂協議下之所有付款責任，惟自擔保日期起直至報告日期止，本公司並無接獲任何由 MyHD 根據擔保提出之付款要求。

於二零二零年六月三十日及二零一九年十二月三十一日，本集團已就擔保確認為數 3,500,000 美元(相當於約 27,332,000 港元)之財務擔保撥備。

18. BANK AND OTHER BORROWINGS

18. 銀行及其他借貸

		30 June 2020 二零二零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Bank loans	銀行貸款	212,005	211,342
Other loans	其他貸款	241,344	241,271
		453,349	452,613
Analysed as:	分析為：		
Secured	有抵押	130,478	201,878
Unsecured	無抵押	322,871	250,735
		453,349	452,613
Analysed as:	分析為：		
Current	流動	432,210	441,045
Non-current	非流動	21,139	11,568
		453,349	452,613

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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18. BANK AND OTHER BORROWINGS (Continued)

During the period, the Group raised bank and other loans in the amount of approximately HK\$266,134,000 (six months ended 30 June 2019: approximately HK\$308,620,000) and repaid bank and other loans of approximately HK\$263,080,000 (six months ended 30 June 2019: approximately HK\$289,627,000).

The variable rates of bank borrowings carry interests at LIBOR plus a spread. The effective interest rates on borrowings are at range of 2.4% to 10.00% per annum as at 30 June 2020 (30 June 2019: 3.0% to 10.00% per annum).

19. SHARE CAPITAL

18. 銀行及其他借貸(續)

於期內，本集團新造銀行及其他貸款約266,134,000港元(截至二零一九年六月三十日止六個月：約308,620,000港元)，並償還銀行及其他貸款約263,080,000港元(截至二零一九年六月三十日止六個月：約289,627,000港元)。

銀行借貸之浮動利率根據倫敦銀行同業拆息加若干息差而定。於二零二零年六月三十日，借貸之實際年利率介乎2.4厘至10.00厘(二零一九年六月三十日：年利率介乎3.0厘至10.00厘)。

19. 股本

		Number of shares 股份數目
Ordinary shares of HK\$0.10 each	每股面值0.10港元的普通股	
Issued and fully paid	已發行及繳足	
As at 31 December 2019 and 30 June 2020	於二零一九年十二月三十一日 及二零二零年六月三十日	3,278,825,335
		Amount
		金額
		HK\$'000
		千港元
Movement of share capital:	股本變動：	
At 31 December 2019	於二零一九年十二月三十一日	327,882
Reclassified as puttable Taiwan Depository Receipts (Note)	重新分類為可認沽臺灣存託憑證 (附註)	(18,524)
At 30 June 2020	於二零二零年六月三十日	309,358

Note:

On 15 June 2020, 185,244,632 units of Taiwan Depository Receipts ("TDRs") of the Company were accounted for as puttable TDRs and reclassified as financial liabilities. Details of the classification and recognition of the puttable TDRs are set out in note 22.

附註：

於二零二零年六月十五日，本公司185,244,632份臺灣存託憑證(「臺灣存託憑證」)入賬列為可認沽臺灣存託憑證，並重新分類為金融負債。可認沽臺灣存託憑證之分類及確認詳情載於附註22。

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20. RELATED PARTY TRANSACTIONS

(i) Transactions

The Group had the following related party transaction:

Relationship 關係	Nature of transaction 交易性質	For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
Associate 聯營公司	Sales of goods 銷售貨品	3	1,430
	Interest income 利息收入	501	503

(ii) Balances

Details of the Group's balances with related party are set out in the condensed consolidated statement of financial position and in note 15.

20. 關聯人士交易

(i) 交易

本集團曾進行以下關聯人士交易：

(ii) 結餘

本集團與關聯人士之結餘詳情載於簡明綜合財務狀況表及附註15。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

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20. RELATED PARTY TRANSACTIONS (Continued)

(iii) Compensation of the key management personnel

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

		For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
Short-term benefits	短期福利	4,692	4,712
Post-employment benefits	離職後福利	85	80
		4,777	4,792

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

21. ARBITRATION

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

20. 關聯人士交易(續)

(iii) 主要管理人員之補償

期內董事及主要管理層其他成員之薪酬如下：

		For six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)
Short-term benefits	短期福利	4,692	4,712
Post-employment benefits	離職後福利	85	80
		4,777	4,792

董事認為，董事及主要行政人員的薪酬乃經考慮個人表現及市場趨勢後釐定。

21. 仲裁

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

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21. ARBITRATION (Continued)

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

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

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

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

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

21. 仲裁(續)

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

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

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

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

本集團之法律顧問已多次覆述向原股東及 Technosat 提出開展下一步調解程序之要求，惟截至二零一四年八月之限期，仍未獲得原股東及 Technosat 之法律顧問令人滿意之回覆。於本報告獲批准當日，本集團之法律顧問已確認仲裁並無更新。

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22. DELISTING AND REPURCHASE OF TAIWAN DEPOSITARY RECEIPTS

Reference is made to the announcements of the Company dated 9 April 2020, 15 April 2020, 29 April 2020, 5 May 2020, 4 August 2020 and 10 August 2020 in relation to, among other things, the delisting of TDRs of the Company as requested by the Taiwan Stock Exchange. The TDR delisting was effective from 15 June 2020 pursuant to the relevant rules of the Taiwan Stock Exchange. Within 50 days from and including the date of TDR delisting, a TDR holder may request the Company to repurchase their TDRs pursuant to the Taiwan Stock Exchange Corporation Procedures for Applications by Taiwan Stock Exchange Listed Companies for the Delisting of Securities at the repurchase price of NT\$0.271 (equivalent to approximately HK\$0.071). There are 185,244,632 units of TDRs outstanding at 15 June 2020 (the "Puttable TDRs"). The Puttable TDRs should be accounted for as financial liability and measured at fair value at initial recognition. Accordingly, the Puttable TDRs of NT\$50,201,000 (equivalent to approximately HK\$13,123,000), which is calculated by multiplying the total number of Puttable TDRs with the repurchase price, was recognised as current liabilities. The difference between the Puttable TDRs of HK\$13,123,000 and the carry amount of the relevant share capital of HK\$18,524,000 was recognised in the capital redemption reserve. As at 30 June 2020, there were 84,681,009 units of TDR that would be required to be repurchased by the Company, the corresponding portion of the Puttable TDRs was recognised as accruals for repurchase of TDRs and subsequently measured at amortised costs. The remaining 100,563,623 units Puttable TDRs, should be measured at fair value through profit or loss. The directors considered that the difference between the fair value of the remaining Puttable TDRs as at the end of the reporting period and their carrying amount was insignificant and not recognised.

22. 臺灣存託憑證終止上市及回購

茲提述本公司日期為二零二零年四月九日、二零二零年四月十五日、二零二零年四月二十九日、二零二零年五月五日、二零二零年八月四日及二零二零年八月十日之公告，內容有關(其中包括)本公司臺灣存託憑證應臺灣證券交易所要求終止上市。根據臺灣證券交易所之相關規則，臺灣存託憑證自二零二零年六月十五日起終止上市。自臺灣存託憑證終止上市日期(包括該日)起計50日內，臺灣存託憑證持有人可根據臺灣證券交易所股份有限公司上市公司申請有價證券終止上市處理程序要求本公司按回購價新台幣0.271元(相當於約0.071港元)回購其臺灣存託憑證。於二零二零年六月十五日，共有185,244,632份未經兌換臺灣存託憑證(「可認沽臺灣存託憑證」)。可認沽臺灣存託憑證應作為金融負債入賬，並於初步確認時按公平值計量。因此，可認沽臺灣存託憑證新台幣50,201,000元(相當於約13,123,000港元)(按可認沽臺灣存託憑證總數乘以回購價計算)已確認為流動負債。可認沽臺灣存託憑證13,123,000港元與相關股本之賬面值18,524,000港元之間的差額於資本贖回儲備中確認。於二零二零年六月三十日，本公司須購回84,681,009份臺灣存託憑證，可認沽臺灣存託憑證之相應部分已確認為回購臺灣存託憑證之應計項目，其後按攤銷成本計量。餘下100,563,623份可認沽臺灣存託憑證應按公平值計入損益計量。董事認為，餘下可認沽臺灣存託憑證於報告期末之公平值與其賬面值之間的差額並不重大，故並無確認。

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截至二零二零年六月三十日止六個月

22. DELISTING AND REPURCHASE OF TAIWAN DEPOSITARY RECEIPTS (Continued)

As at 3 August 2020 (being the last date for TDR holders to submit their requests for the Company to repurchase their TDRs), there are total 97,748,625 units of TDR that were required to be repurchased by the Company. The TDRs so requested to be repurchased by the Company had been surrendered to the depositary agent for cancellation. The total amount involved to repurchase the TDRs is approximately NT\$26,490,000 (equivalent to approximately HK\$6,971,000) (which is calculated by multiplying the total number of TDRs required to be repurchased by the Company with the Repurchase Price of NT\$0.271) has already been paid by the Company to the depositary agent.

23. EVENT SUBSEQUENT TO THE REPORTING PERIOD

Pursuant to the subscription agreement entered into between the Company as issuer and the subscriber dated 6 August 2020, and the supplemental agreement dated 10 August 2020 entered into between the Company, the subscriber and the new subscriber, the Company has conditionally agreed to allot and issue, and the new subscriber has conditionally agreed to subscribe for 100,000,000 subscription shares. The subscription shares will be issued at the subscription price of HK\$0.10 per subscription share. These subscription shares rank pari passu among themselves and with the shares in issue on the date of allotment and issue of the subscription shares.

Details of the allotment and issue of these subscription shares are set out in the announcements of the Company dated 6 August 2020 and 10 August 2020. Given the completion of the subscription is subject to a number of conditions as set out in more details in the aforesaid announcements, the subscription may or may not proceed.

22. 臺灣存託憑證終止上市及回購(續)

於二零二零年八月三日(即臺灣存託憑證持有人要求本公司購回其臺灣存託憑證之最後日期),本公司須購回合共97,748,625份臺灣存託憑證。本公司按要求購回之臺灣存託憑證已交予存託機構註銷。購回臺灣存託憑證所涉及之總金額約為新台幣26,490,000元(相當於約6,971,000港元)(按本公司須將予購回之臺灣存託憑證總數乘以回購價新台幣0.271元計算),已由本公司向存託機構支付。

23. 報告期後事項

根據本公司(作為發行人)與認購人訂立日期為二零二零年八月六日之認購協議及本公司、認購人及新認購人訂立日期為二零二零年八月十日之補充協議,本公司已有條件同意配發及發行,而新認購人已有條件同意認購100,000,000股認購股份。認購股份將按認購價每股認購股份0.10港元發行。該等認購股份與於認購股份配發及發行日期之已發行股份享有同等地位。

配發及發行該等認購股份之詳情載於本公司日期為二零二零年八月六日及二零二零年八月十日之公告。由於認購事項的完成須受限於上述公告所詳述的多項條件,故認購事項可能未必會進行。



SANDMARTIN INTERNATIONAL
HOLDINGS LIMITED

聖馬丁國際控股有限公司*

