



欢喜首映  
HUANXI.COM

# 2020

ANNUAL REPORT 年報



歡喜傳媒集團有限公司\*  
HUANXI MEDIA GROUP LIMITED

(於百慕達註冊成立之有限公司)

(Incorporated in Bermuda with limited liability)

股份代號 Stock Code : 1003

\* For identification purposes only 僅供識別



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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Dong Ping (*Chairman*)  
Mr. Xiang Shaokun, Steven (*Chief Executive Officer*)

#### Non-Executive Directors

Mr. Ning Hao  
Mr. Xu Zheng  
Ms. Li Ni (appointed on 21 September 2020)

#### Independent Non-Executive Directors

Mr. Wong Tak Chuen  
Mr. Li Xiaolong  
Mr. Wang Hong

### AUDIT COMMITTEE

Mr. Wong Tak Chuen (*Chairman*)  
Mr. Li Xiaolong  
Mr. Wang Hong

### REMUNERATION COMMITTEE

Mr. Wang Hong (*Chairman*)  
Mr. Dong Ping  
Mr. Li Xiaolong

### NOMINATION COMMITTEE

Mr. Wang Hong (*Chairman*)  
Mr. Dong Ping  
Mr. Li Xiaolong

### INDEPENDENT AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor

### PRINCIPAL BANKERS

Bank of Communications Co., Ltd.  
China Construction Bank Corporation  
DBS Bank (Hong Kong) Limited

### 董事會

#### 執行董事

董平先生(主席)  
項紹琨先生(行政總裁)

#### 非執行董事

寧浩先生  
徐崢先生  
李旒女士(於二零二零年九月二十一日獲委任)

#### 獨立非執行董事

黃德銓先生  
李小龍先生  
王虹先生

#### 審核委員會

黃德銓先生(主席)  
李小龍先生  
王虹先生

#### 薪酬委員會

王虹先生(主席)  
董平先生  
李小龍先生

#### 提名委員會

王虹先生(主席)  
董平先生  
李小龍先生

#### 獨立核數師

羅兵咸永道會計師事務所  
執業會計師  
註冊公眾利益實體核數師

#### 主要往來銀行

交通銀行股份有限公司  
中國建設銀行股份有限公司  
星展銀行(香港)有限公司



## **LEGAL ADVISERS TO THE COMPANY**

*As to Hong Kong Law*  
Weil, Gotshal & Manges LLP

*As to Bermuda Law*  
Appleby

## **REGISTERED OFFICE**

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10, Bermuda

## **HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

11th Floor  
Far East Finance Centre  
16 Harcourt Road  
Admiralty, Hong Kong

## **PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

MUFG Fund Services (Bermuda) Limited  
4th Floor North  
Cedar House  
41 Cedar Avenue  
Hamilton HM 12, Bermuda

## **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited  
17M Floor  
Hopewell Centre  
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Wanchai, Hong Kong

## **STOCK CODE**

1003

## **WEBSITE**

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## **INVESTOR RELATIONS CONTACT**

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## **公司法律顧問**

香港法律  
威嘉國際律師事務所

百慕達法律  
毅柏律師事務所

## **註冊辦事處**

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Hamilton HM 10, Bermuda

## **香港總辦事處及主要營業地點**

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遠東金融中心  
11樓

## **主要股份過戶登記處**

MUFG Fund Services (Bermuda) Limited  
4th Floor North  
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41 Cedar Avenue  
Hamilton HM 12, Bermuda

## **香港股份過戶登記分處**

香港中央證券登記有限公司  
香港灣仔  
皇后大道東183號  
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## **股份代號**

1003

## **網址**

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## **投資者關係聯絡**

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# CHAIRMAN'S STATEMENT

## 主席報告書

Dear Shareholders,

I am pleased to report the results and business deployment of Huanxi Media Group Limited (the "Company" or "Huanxi Media", together with its subsidiaries, the "Group") over the past year. Although global economy was severely hit by the Coronavirus Disease 2019 pandemic (the "Pandemic") in the previous year, the Group has continued to produce more quality film and TV contents and it also seized opportunities generated from "Stay-at-Home Economy" to actively promote the business development of "huanxi.com" (歡喜首映), its online video platform, leading to the growth in the number of downloads and the number of fee-paying subscribers of "huanxi.com", having strong growth momentum and promising long-term growth potential.

### FILM AND TV PROGRAMMES RIGHTS BUSINESS – KEEP PRODUCING QUALITY FILMS AND TV PROGRAMMES

For the film industry, as affected by the Pandemic, the debut of films on cinema screens during the 2020 Chinese New Year holiday had been postponed and all cinemas were temporarily closed from the beginning of 2020 until 20 July, which marked the end of a difficult time of more than six months for the Chinese film industry. The Chinese government issued the "Announcement on Policies Regarding Temporary Exemption from Collection of Special Funds for the Development of National Film Industry" (關於暫免徵收國家電影事業發展專項資金政策的公告) in May 2020. With strong support from national policies, increase of consumer spending and resumption of work in the film and TV industry, related sectors are expected to bottom out and benefit from new development opportunities. Data released by the China Film Administration show that total box office receipts of films in China amounted to RMB20,417 million, while total attendance at city cinemas reached 548 million in 2020. Box office receipts contributed by domestic-made films amounted to RMB17,093 million, accounting for 83.72% of total box office receipts. The top 10 highest-grossing films during the year were all domestic-made films, reflecting the recognition by the Chinese audience of quality domestic-made movies.

各位股東：

本人欣然報告歡喜傳媒集團有限公司(「本公司」或「歡喜傳媒」，連同其附屬公司，統稱「本集團」)過去一年業務成果及部署。縱然過去一年，全球經濟受到二零一九冠狀病毒病疫情(「疫情」)打擊，但本集團於年內仍然努力打造更多優質影視內容，並同時著力把握「宅經濟」的機遇，積極推進在線視頻平台「歡喜首映」的業務發展，「歡喜首映」的下載量及付費用戶數量持續上升，增長勢頭強勁，長遠潛力令人期待。

### 影視版權業務 – 堅持打造優質影視 佳作

電影行業方面，受疫情影響，二零二零年春節檔影片集體撤檔及電影院從去年初暫時停業，至七月二十日復工，中國電影業結束了半年多的困難時期。為此，二零二零年五月，中國政府發佈了《關於暫免徵收國家電影事業發展專項資金政策的公告》，在政策的大力支持及消費升級的背景下，加上影視行業陸續復工，相關產業有望走出低谷，迎來新的發展機遇。根據國家電影局發佈的數據，二零二零年中國電影總票房達人民幣204.17億元，城市院線觀影人次達5.48億，其中國產電影票房為人民幣170.93億元，佔總票房的83.72%，全年票房前10名影片均為國產影片，充分體現中國觀眾給予優秀國產片更多的肯定。

During the period under review marked by the outbreak of Pandemic in 2020, the Group promptly responded and forged cooperation with Beijing ByteDance Network Technology Limited\* (北京字節跳動網絡技術有限公司) ("ByteDance") for the release of *Lost in Russia* (囧媽), which was solely invested by the Group and originally expected to be released during the Chinese New Year, on online video platforms. The move enabled the Group to receive considerable license fees paid by ByteDance and share the income related to this broadcast. Audiences across the country were able to watch this festive movie for free on the first day of the Chinese New Year, and they generally provided positive comments on the movie. This cooperation has also introduced stable leads for the Group's online video platform to expand its user base.

China's cinemas have reopened gradually since July 2020. With the Pandemic being under control, audiences started resuming their entertainment and leisure activities. The Group seized this opportunity and released *Leap* (奪冠) (former title: *Leap* (中國女排)), a movie directed by Chan Ho Sun Peter, during the National Day holiday last year. The film recalls the challenges and hardships experienced by the China women's national volleyball team players over the past 40 years and it highlights their tenacity and unyielding spirit which touched the heart of audiences. Its box office receipts exceeded RMB100 million after screening for just two days, and its total box office receipts eventually amounted to RMB830 million. The co-produced film *My People, My Homeland* (我和我的家鄉) was also released during the National Day holiday and it achieved outstanding performance in box office receipts. Both movies have made it to the list of top 10 highest-grossing films in China in 2020, with *My People, My Homeland* (我和我的家鄉) also emerging as one of the top three highest-grossing movies across the world last year. *Warm Hug* (溫暖的抱抱), directed by Chang Yuan and hit the screens in the New Year holiday, generated box office receipts of nearly RMB200 million on the first day of release and it eventually produced total box office receipts of RMB860 million. *One Second* (一秒鐘), directed by Zhang Yimou, was also released during the year and this quality art film received positive feedbacks from the international film professionals.

於回顧年內，面對二零二零年的疫情來襲，本集團迅速作出應對，改為與北京字節跳動網絡技術有限公司(「字節跳動」)合作，將獨家投資的春節檔電影《囧媽》於在線視頻平台播出，以獲取字節跳動支付可觀的版權費用及與其分享相關播放收入，同時讓全國觀眾在大年初一免費在線觀看該賀歲電影，結果有口皆碑，以獲得國內觀眾一致好評，同時為本集團的在線視頻平台導入了可觀的穩定用戶。

國內影院自去年七月起陸續復業，觀眾在疫情受控的大前提下，紛紛重拾正常娛樂消遣活動。本集團成功把握契機，於去年國慶檔推出由陳可辛執導的電影《奪冠》(前稱：《中國女排》)，該電影回溯中國女排四十年風雨征程，積極表現出中國女排不屈不撓的精神，緊扣觀眾心弦，開畫僅兩天票房已破億元人民幣，總票房達人民幣8.3億元；而聯合出品的《我和我的家鄉》亦於國慶檔期上映，同樣取得驕人票房表現，兩部電影均躋身中國二零二零年電影票房前十名，而《我和我的家鄉》更成為去年全球最賣座電影三甲之一。此外，由常遠執導的電影《溫暖的抱抱》，於新年跨年檔期上映，首日上映票房已接近人民幣2億元，總票房達人民幣8.6億元；而由張藝謀執導的電影《一秒鐘》亦於年內上映，此部優質藝術電影佳作獲得國際電影界一致好評。

\* For identification purposes only

## CHAIRMAN'S STATEMENT

### 主席報告書

During the year, the Group continued the post-production of films and TV programmes that had completed shooting, and which will make their debut in due course. The key films prepared and produced by the Group, including *Li Na* (獨自•上場) (former title: *Li Na* (李娜)), directed by Chan Ho Sun Peter and starring Hu Ge, Vincent Cassel and Hao Lei, etc.; *Miss Mom* (尋漢計) (former title: *Miss Mom* (生不由己)), directed by Tang Danian and starring Ren Suxi; *Tropical Memories* (熱帶往事), produced by Ning Hao and directed by young director Wen Shippei; *Leaping Over The Dragon Gate* (龍門相) (former title: *The Advanced Animals* (高級動物)), produced by Gao Qunshu; and *The Mountain* (上山), produced by Wang Xiaoshuai, are scheduled for public release in 2021.

### ONLINE VIDEO PLATFORM – ENHANCE COOPERATION WITH MAJOR CHANNELS DRIVES DEVELOPMENT RAPIDLY

For the online video platform sector, demands for relevant service soared up due to the outbreak of the Pandemic. The number of online video users in China reached 927 million as of December 2020, marking a 76.33 million surge from that of March 2020, and representing 93.7% of total netizen population, according to the “47th China Statistics Report on Internet Development” published by the China Internet Network Information Center. The increase showed that to view online has become the principal mode of entertainment during the period when the cinemas were temporarily closed.

In particular, *Lost in Russia* (囧媽), written, directed, produced by and starring Xu Zheng and solely invested by the Group, was arranged to make its debut on online video platforms on the first day of the Chinese New Year, which not only generated promising revenue to the Group, but also enlarged the user base of its platform.

To further promote the business of the Group's online video platform “huanxi.com”, the Group signed strategic cooperation agreements during the year under review with leading domestic online video platforms, TV terminals and projector terminals in bid to expand its coverage to three main film and TV terminals: computers, mobile phones and televisions.

年內，本集團亦繼續為已完成拍攝的影視作品推展後期製作工作，藉以抓緊時機適時安排上映。其中，由本集團籌劃及製作的多部重點電影包括：陳可辛執導、胡歌、Vincent Cassel及郝蕾等主演的《獨自•上場》(前稱：《李娜》)、唐大年導演、任素汐主演的《尋漢計》(前稱：《生不由己》)、寧浩監製、青年導演溫仕培執導的《熱帶往事》、高群書監製的《龍門相》(前稱：《高級動物》)及王小帥監製的《上山》等預計將於二零二一年陸續上映與觀眾見面。

### 在線視頻平台 – 加強各大渠道合作發展一日千里

在線視頻平台行業方面，因疫情關係意外迎來爆發，根據中國互聯網絡信息中心發佈的《第47次中國互聯網絡發展狀況統計報告》顯示，截至二零二零年十二月，中國網絡視頻使用者規模達9.27億，相比同年三月劇增7,633萬，佔網民整體的93.7%。於短暫告別電影院的日子裡，線上觀看已成為人們消閒娛樂的重要途徑。

其中，本集團獨家投資、由徐暉自編自導自演兼監製的電影《囧媽》，於二零二零年大年初一於在線視頻平台播放，不僅為本集團帶來可觀收益，更擴大了在線視頻平台用戶數量。

為進一步拓展本集團在線視頻平台「歡喜首映」的業務發展，於回顧年內，本集團先後與多家國內領先的在線視頻平台、電視機終端及投影儀端達成戰略合作協議，將「歡喜首映」的覆蓋面擴展至電腦、手機及電視三個主要影視終端。

During the year under review, the Group not only obtained a strategic investment of HK\$513 million from Bilibili Inc. ("Bilibili"), both parties also signed a cooperation agreement. Pursuant to the agreement, Bilibili will set up a "huanxi.com" designated channel on its platforms; certain film and TV contents of the Group will be broadcasted on "huanxi.com" and Bilibili's platforms; Bilibili will be given priority to invest in film and TV projects that are majority-owned by the Group; and both parties will cooperate to develop derivatives of the Group's film and TV content. We believe that the cooperation will enable licensed content to reach a wider audience, bring in more revenue to the Group and increase the popularity of "huanxi.com". Contents such as the internet drama series *Run For Young* (風犬少年的天空), solely invested by the Group, and the movies *Leap* (奪冠), *One Second* (一秒鐘) and *Warm Hug* (溫暖的抱抱) which the Group produced and has exclusive new media broadcasting right, were released gradually on "huanxi.com" and Bilibili's platforms simultaneously.

In addition, the Group also forged cooperation with Huawei TV, Huawei smartphone, Mi TV, Xiaomi smartphone, Mango TV, Hisense TV, Skyworth TV, TCL TV, LeTV Super TV and Xgimi Projector to set up designated zones for "huanxi.com" on those mobile phones, TV terminals and platforms operated by these partners. In February 2021, the Group announced its enhanced strategic cooperation with Huawei Video, under which the Group will offer premium film and TV content on "huanxi.com" designated zone on AiMax Cinema of Huawei Video, and both parties will share related revenue from fee-paying subscribers. During the 2021 Spring Festival, films including *Leap* (奪冠) in 4K ultrahigh-definition, *One Second* (一秒鐘) and *Warm Hug* (溫暖的抱抱) were released.

It is worth mentioning that, in March 2021, the Group announced that "huanxi.com" will land on the LeTV Super TV. In addition to blockbusters and selected films from "huanxi.com" being released and recommended through designated zone or in other forms in the LeTV Super TV terminals, "huanxi.com" membership will be integrated into the "All-inclusive Family Member Plan" (超級家庭會員) system of LeTV Super TV. According to publicly available information, there are currently approximately 18 million (18,000,000) active terminals of LeTV Super TV, covering 55 million (55,000,000) users, and the cooperation will cover all of the terminals of LeTV Super TV. In combination with the cooperation with the above mainstream channels, "huanxi.com" reaches a majority of domestic big screen terminal users.

回顧年內，本集團不但獲哩哩哩股份有限公司\* (「哩哩哩哩」)以港幣5.13億元戰略入股，雙方更訂立合作協議。根據協議，哩哩哩哩將於其平台上設立「歡喜首映」頻道；本集團若干影視內容將於「歡喜首映」與哩哩哩哩的平台上播放；哩哩哩哩將獲授予本集團主控之影視項目的優先投資權；以及雙方合作就本集團的影視作品進行衍生開發。我們相信，合作將可令授權內容接觸更多觀眾，為本集團帶來更多收益，以及提升「歡喜首映」的知名度。由本集團獨家投資的網劇《風犬少年的天空》以及本集團出品及擁有獨家新媒體播放權的電影《奪冠》、《一秒鐘》以及《溫暖的抱抱》等內容，已陸續於「歡喜首映」與哩哩哩哩的平台上同步播放。

另外，本集團相繼與華為電視、華為手機、小米電視、小米手機、芒果TV、海信電視、創維電視、TCL電視、樂視超級電視及極米投影儀達成合作，於以上各家運營的手機、電視機終端及平台設立「歡喜首映」內容專區。於二零二一年二月，本集團宣佈與華為視頻之間的戰略合作升級，將在華為視頻AiMax影院的「歡喜首映」專區上線「歡喜首映」的眾多優質影視內容，雙方共享相關用戶付費收益。二零二一年春節期間首先上線電影《奪冠》4K超高清版、《一秒鐘》以及《溫暖的抱抱》等內容。

特別一提的是，於二零二一年三月，本集團宣佈進駐樂視超級電視，以專區等形式上線和推薦「歡喜首映」重磅內容及精選影片外，亦將「歡喜首映」會員權益加入樂視超級電視的「超級家庭會員」體系產品中。據公開資料所示，樂視超級電視有活躍終端約一千八百萬(18,000,000)部，覆蓋五千五百萬(55,000,000)用戶，合作將覆蓋樂視超級電視的全部終端，加上與前述各大渠道合作後，「歡喜首映」已覆蓋大部分的國內大屏端用戶。

\* 僅供識別



## CHAIRMAN'S STATEMENT

### 主席報告書

The Group also sourced premium film and TV productions from around the world for broadcasting on the “huanxi.com” platform, including quality overseas TV dramas such as *All Creatures Great and Small* (萬物生靈), *Staged* (舞台劇), *Quiz* (問答) and *World on Fire* (戰火浮生); as well as overseas movies such as *Never Look Away* (無主之作) and *Talking the Pictures* (默片解說員). Benefiting from the “Work-from-home Economy”, the user base of “huanxi.com” increased significantly during the year under review. Currently, “huanxi.com” has accumulated over 8 million (8,000,000) fee-paying subscribers, while the APP of “huanxi.com” has been downloaded over 33 million (33,000,000) times.

The latest edition of the “huanxi.com” APP was launched before the 2021 Spring Festival, adding more animation effects and presentation styles, improving the efficiency and dynamics of presentation for the entire page, and pushing more interesting contents to users. “huanxi.com” also enhanced its cooperation with major channels enabling the release of quality contents simultaneously on channels such as Maoyan, Mango TV, Migu Video, 1905 and the mobile APP of Huawei Video, while making such contents broadcasted on a full matrix which comprises over 20 large screen or projector terminals such as Xiaomi TV, Huawei Smart Screen, Skyworth coocaa, Hisense TV, TCL TV, huan.TV, Konka TV, Sharp TV, LeTV Super TV, Xgimi Projector and Dangbei.

In the future, the Group will continue to source more quality content worldwide and present them on “huanxi.com”, and it will enhance cooperation with different channels to facilitate the development of “huanxi.com”.

## BUSINESS STRATEGIES AND PROSPECTS

To tackle the impact brought by the Pandemic, relevant government departments in China have implemented supportive policies and offered subsidies and support to the film companies, cinemas or film and TV production bases that were adversely affected by the Pandemic, thus enabling China's film market to be among the first to recover in the world and to sustain its momentum.

Looking ahead in 2021, various random cases bring uncertainty to the film and TV industry and the macro-economy, but we believe that following the mass vaccinations, the situation of the Pandemic will be improved. Despite getting clouded by the Pandemic, quality films and TV programmes remain to be the principal pop culture that the public needs. With the combination of strong support from different policies and increase of consumer spending, the film and TV industry has resumed its operation and it is likely to bottom out, seize new development opportunities and rise up to new heights.

本集團亦搜羅全球電影、電視節目佳作於「歡喜首映」平台上播映，包括海外優質電視劇如《萬物生靈》(*All Creatures Great and Small*)、《舞台劇》(*Staged*)、《問答》(*Quiz*)及《戰火浮生》(*World on Fire*)，海外電影如《無主之作》(*Never Look Away*)及《默片解說員》(*Talking the Pictures*)等，在「宅經濟」加持下，「歡喜首映」的用戶人數於回顧年內取得大幅增長，目前「歡喜首映」平台的付費用戶已累積超過八百萬(8,000,000)，「歡喜首映」流動應用程式的下載次數更超過三千三百萬(33,000,000)。

「歡喜首映」流動應用程式在二零二一年春節前發佈了新版，增加了更多的動畫效果和展現樣式，提升了整個頁面的展示效率和生動性，將更多感興趣的內容推送到用戶面前。同時，「歡喜首映」也加強了與各大合作渠道的合作，優質內容同步上線貓眼、芒果TV、咪咕視頻、1905、華為視頻手機用戶端等渠道，更同時在小米電視、華為智慧大屏、創維酷開、海信電視、TCL電視、歡網長虹電視、康佳電視、夏普電視、樂視超級電視、極米投影儀及當貝應用市場等20餘個大屏或投影儀端全矩陣熱播。

未來，本集團將繼續搜羅全球影視的優質內容於該平台播映，以加強渠道合作的方式不斷優化和推進「歡喜首映」的發展。

## 業務策略及展望

為應對疫情帶來的衝擊，國內相關部門陸續推出各項扶持政策，對受疫情影響嚴重的電影企業、影院或影視基地進行補貼和支援，由此中國電影市場在全球電影市場中率先復蘇並持續回暖。

展望二零二一年，儘管疫情仍然零星爆發，令影視行業以至整體經濟仍然具有不確定性，但我們相信隨著疫苗的廣泛應用，疫情將會緩和。在疫情陰霾下，優質影視娛樂始終是大眾所需的主要流行文化，加上在各項政策的大力支持、及消費升級的背景下，影視復工，影視行業有望走出低谷，迎來新的發展機遇，更上一層樓。

After the year under review, in March 2021, the Group through the distribution agreement in relation to *Li Na* (獨自•上場) (former title: *Li Na* (李娜)), a film in production exclusively invested by the Group, directed by Mr. Chan Ho Sun Peter and starring Hu Ge, Vincent Cassel and Hao Lei, etc., granting the distribution right of the film in the PRC in order to receive from the minimum guarantor a consideration for minimum guaranteed distribution of at least RMB600,000,000. Therefore, the Group will be able to eliminate risks associated with the film's box office, recover the investment cost in advance and secure considerable profit in relation to the film project.

By focusing on producing quality content, the Group will work with top directors in China to develop and produce more premium content. It will also actively seek to partner with new directors to refresh our team and deliver original and premium film and TV productions. By delivering remarkable works to audiences and strengthening its cooperation with leading strategic partners in China, the Group is expanding the user base of "huanxi.com", and will strive to build "huanxi.com" into the best online video platform with unique style, so as to secure audiences who seek premium film and TV content. As part of China's huge film and TV industry, the Group will stand firm in the face of adversities, produce more quality original content and create higher returns to our shareholders.

Last but not the least, I would like to express my heartfelt gratitude to all members of our Board, our management team, business partners and staff for their dedication and contributions to the Group's business.

**Dong Ping**  
Chairman

Hong Kong, 30 March 2021

於回顧年後，二零二一年三月，本集團透過簽訂有關《獨自•上場》(前稱：《李娜》)，一部由本集團獨家投資、陳可辛執導，以及胡歌、Vincent Cassel及郝蕾等主演之製作中電影的發行協議，授出該電影於中國的發行權以獲取保底方最少支付的保底發行代價人民幣600,000,000元，使本集團能消除該電影的票房風險，及提早收回該電影項目的投資成本並鎖定豐厚利潤。

本集團將繼續堅持「內容為王」為戰略核心，牽手中國一線導演共同開發和製作優質的頭部內容，積極發掘與新晉導演合作，增添新鮮血液，打造出色的原創影視作品。另一邊廂，我們透過精彩的影視內容、以及加強與國內頂尖戰略夥伴的深度合作，持續加大「歡喜首映」的用戶發展，力爭把「歡喜首映」打造成為別樹一幟的頂尖在線視頻平台，專攻追求精品影視內容的優等觀眾。而作為中國廣大影視業中的一員，本集團將繼續砥礪前行，打造更多優秀的原創內容，持續為股東創造高價值的回報。

最後，本人謹藉此向本集團董事會成員、管理團隊、業務夥伴及全體員工對本集團業務所做出的傾力貢獻，表示由衷的致謝！

主席  
董平

香港，二零二一年三月三十日

## CHAIRMAN'S STATEMENT

### 主席報告書

## APPENDIX: FAMOUS DIRECTORS COOPERATING EXCLUSIVELY WITH THE GROUP

### 附表：與本集團簽訂獨家合作合約之知名導演

Director 導演	Background 導演簡介	Cooperation Details 合作內容
Ning Hao <sup>#</sup> 寧浩 <sup>#</sup>	<ul style="list-style-type: none"> <li>Famous internationally for his unique directing style, all films he made so far had brought strong investment returns. His directorial debut <i>Incense</i> (香火) and another work <i>Mongolian Ping Pong</i> (綠草地) were nominated for awards in over 50 international film festivals 憑藉獨特個人風格享譽國際，全部電影均帶來豐碩投資回報，其首部執導電影《香火》和《綠草地》於五十多個國際電影節獲提名</li> <li><i>Crazy Stone</i> (瘋狂的石頭), a low budget production he directed in 2006, won at the Taiwan Golden Horse Awards for Best Original Screenplay. <i>Crazy Racer</i> (瘋狂的賽車) (2009), which he wrote and directed, was produced with only RMB10 million, yet brought in box office receipts of over RMB100 million 於二零零六年執導小本電影《瘋狂的石頭》並奪得台灣金馬獎最佳原著劇本獎。寧先生自編自導製作成本僅人民幣10,000,000元之《瘋狂的賽車》(二零零九年)，票房突破人民幣100,000,000元</li> <li>He also directed the huge box office hit <i>Breakup Buddies</i> (心花路放) (2014), which grossed RMB1.17 billion in box office receipts in the PRC, making it the highest-grossing domestic Chinese movie of the year 其執導電影《心花路放》(二零一四年)，以國內總票房人民幣1,170,000,000元榮登中國年度最賣座華語電影</li> <li>He is one of the co-producers of <i>Dying to Survive</i> (我不是藥神) (2018), which earned RMB3.1 billion in box office receipts. The movie was nominated for seven awards at the 55th Taiwan Golden Horse Awards and won the awards for Best Leading Actor, Best New Director and Best Original Screenplay. The movie also won Best Screenplay at the 42nd Montreal World Film Festival 其參與聯合監製的《我不是藥神》(二零一八年)收穫票房人民幣3,100,000,000元，在第55屆金馬獎中入圍七個獎項，最終奪得最佳男主角、最佳新導演及最佳原著劇本三個獎項。此片亦榮獲第42屆蒙特利爾國際電影節之最佳劇本獎</li> <li>He also directed <i>Crazy Alien</i> (瘋狂的外星人) (2019), which grossed RMB2.2 billion in box office receipts in China 其執導電影《瘋狂的外星人》(二零一九年)，國內總票房為人民幣2,200,000,000元</li> </ul>	<ul style="list-style-type: none"> <li>The shareholder director shall direct one to two films (for public release) every three years 股東導演將為本集團每三年導演一至兩部電影作品(以作品正式公開上映為準)</li> <li>The Group shall own exclusive investment and production rights to any films and programmes developed and directed by Mr. Ning, i.e. the Group shall be the sole investor of such productions 本集團擁有任何由其構思及執導之電影及節目之排他投資權及製作權，即本集團將為有關作品之唯一投資者</li> <li>The Group shall have priority distribution rights (including cinema screenings, audio-visual products, television broadcasting, network dissemination, etc.) to the shareholder director's productions in China, Hong Kong, Taiwan and Macau 本集團擁有股東導演作品在中國、香港、台灣及澳門優先發行權，包括影劇院放映、音像製品、電視播映及網絡傳播等</li> <li>The shareholder director shall, at his best, provide the Group with the priority investment, production and distribution rights for films and TV programmes not developed or directed, or produced, screen-written by him or with him as lead actor or member of the creative team 股東導演將竭盡所能並非由股東導演構思及執導以及股東導演身為監製、編劇、主演或其他主創人員之影視作品及節目向本集團提供優先投資權、製作權及發行權</li> <li><i>Crazy Alien</i> (瘋狂的外星人), with the Group as exclusive investor and directed by Mr. Ning, was released on the first day of the Chinese New Year in 2019. It bagged a third-party guaranteed minimum distribution amount of RMB2.8 billion and generated revenue of RMB700 million for the Group in 2019 本集團獨家投資、寧先生執導的電影《瘋狂的外星人》已於二零一九年年初一上映，取得第三方人民幣2,800,000,000元保底發行金額，已於二零一九年為本集團帶來人民幣700,000,000元收入</li> </ul>

<sup>#</sup> Shareholder director

<sup>#</sup> 股東導演

Director 導演	Background 導演簡介	Cooperation Details 合作內容
<p>Xu Zheng<sup>#</sup> 徐崢<sup>#</sup></p>	<ul style="list-style-type: none"> <li>In 2012, his directorial debut <i>Lost in Thailand</i> (人再囧途之泰囧), which he also wrote, directed, produced and starred in, earned over USD200 million in box office receipts 二零一二年首次自編自導自演兼監製公路喜劇《人再囧途之泰囧》，票房突破美金200,000,000元</li> <li>In 2014, Mr. Xu produced and starred in the film <i>Great Hypnotist</i> (催眠大師) which became a classic in the thriller film market in China 二零一四年，徐先生製作並主演驚悚懸疑電影《催眠大師》，成為華語驚悚懸疑電影市場經典</li> <li><i>Dying to Survive</i> (我不是藥神) co-produced by and starring Mr. Xu earned RMB3.1 billion in box office receipts in 2018. The film was nominated for seven awards at the 55th Taiwan Golden Horse Awards and won the awards for Best Leading Actor, Best New Director and Best Original Screenplay. The movie also won Best Screenplay at the 42nd Montreal World Film Festival and Best Film at the 14th Changchun Film Festival 二零一八年，徐先生參與聯合監製並主演的《我不是藥神》收穫票房人民幣3,100,000,000元，在第55屆金馬獎中入圍7個獎項，最終奪得最佳男主角、最佳新導演及最佳原著劇本三個獎項。此片亦榮獲第42屆蒙特利爾國際電影節之最佳劇本獎及第14屆中國長春電影節之最佳故事片獎</li> <li><i>Lost in Russia</i> (囧媽) (2020), written, directed, produced by and starring Mr. Xu, which was first released through online video platforms in China 徐先生自編自導自演兼監製的電影《囧媽》(二零二零年)於國內網絡平台首映</li> </ul>	<ul style="list-style-type: none"> <li>The shareholder director shall direct one to two films (for public release) every three years 股東導演將為本集團每三年導演一至兩部電影作品(以作品正式公開上映為準)</li> <li>The Group owns exclusive investment and production rights to any films and programmes developed and directed by Mr. Xu, i.e. the Group shall be the sole investor of such productions 本集團擁有任何由徐先生構思及執導之電影及節目之排他投資權及製作權，即本集團將為有關作品之唯一投資者</li> <li>The Group has priority distribution rights (including cinema screenings, audio-visual products, television broadcasting, network dissemination, etc.) to the shareholder director's productions in China, Hong Kong, Taiwan and Macau 本集團將擁有股東導演作品在中國、香港、台灣及澳門之優先發行權，包括影劇院放映、音像製品、電視播映及網絡傳播等</li> <li>The shareholder director shall, at his best, provide the Group with the priority investment, production and distribution rights for films and TV programmes not developed or directed, or produced, screen-written by him or with him as lead actor or member of the creative team 股東導演將竭盡所能就並非由股東導演構思及執導以及股東導演身為監製、編劇、主演或其他主創人員之影視作品及節目向本集團提供優先投資權、製作權及發行權</li> <li><i>Lost in Russia</i> (囧媽), the latest in the "Lost" series, was released through online video platforms on the first day of the Chinese New Year in 2020 新一齣《囧》系列電影之《囧媽》於二零二零年大年初一透過網絡平台上映</li> </ul>

<sup>#</sup> Shareholder director

<sup>#</sup> 股東導演



## CHAIRMAN'S STATEMENT

### 主席報告書

Director 導演	Background 導演簡介	Cooperation Details 合作內容
Chan Ho Sun Peter <sup>#</sup> 陳可辛 <sup>#</sup>	<ul style="list-style-type: none"> <li>He is the first director crowned the "Best Director" at the Taiwan Golden Horse Awards, the Hong Kong Film Awards and Mainland China's Golden Rooster Awards. His films <i>Almost a Love Story</i> (甜蜜蜜) and <i>Dragon</i> (武俠) had made it among Time Magazine's 10 Best Movies of the Year 作為首位奪得台灣金馬獎、香港電影金像獎以及中國電影金雞獎「最佳導演」的大滿貫導演。其執導的電影《甜蜜蜜》及《武俠》先後兩度獲選美國時代週刊的年度十佳電影</li> <li><i>Leap</i> (奪冠) (former title: <i>Leap</i> (中國女排)) directed by him was released in 2020 其執導的電影《奪冠》(前稱：《中國女排》)已於二零二零年上映</li> <li><i>Li Na</i> (獨自•上場) (former title: <i>Li Na</i> (李娜)) directed by him is expected to be released in 2021 其執導的電影《獨自•上場》(前稱：《李娜》)預計將於二零二一年上映</li> </ul>	<ul style="list-style-type: none"> <li>During the six-year cooperation period, the Group shall have investment right to at least two films directed or co-directed by Mr. Chan, in amount up to 60% of the total investment in each of Mr. Chan's productions 在六年合作期內，本集團將擁有至少兩部由陳先生導演或與聯合導演的電影投資權，最高投資總額為每部陳先生作品投資總額的60%</li> <li>The Group shall have priority over others to purchase exclusive global distribution licenses in new media with respect to Mr. Chan's productions 本集團優先於他人購買陳先生作品的全球獨家新媒體發行許可之權利</li> <li>For those productions the Group invested in, the Group shall have the right to decide regarding distribution of the films to exclusive new media platforms 對本集團已投資的製作，本集團將獲授予擬定電影之獨家新媒體平台互聯網發行權</li> </ul>
Wong Kar Wai <sup>#</sup> 王家衛 <sup>#</sup>	<ul style="list-style-type: none"> <li>Dubbed a "movie poet", renowned movie director, producer and screenwriter, Mr. Wong won the "Best Director" title at the Hong Kong Film Awards and the Golden Horse Awards for the movie <i>Days of Being Wild</i> (阿飛正傳) 以「電影詩人」著稱的知名電影導演、監製及編劇。其執導的電影《阿飛正傳》榮獲香港電影金像獎及金馬獎最佳導演獎</li> <li>He also won the "Best Director" award for <i>Happy Together</i> (春光乍洩) at the 50th Cannes Film Festival 憑藉《春光乍洩》榮獲第50屆康城電影節最佳導演獎</li> </ul>	<ul style="list-style-type: none"> <li>During the eight-year cooperation period, the Group has the right to invest exclusively in a Chinese internet drama series – 18 episodes in two seasons – co-directed and produced by Mr. Wong. There will be 12 episodes in the first season 在八年合作期內，本集團獲得王先生聯合導演和監製的兩季共18集中文網絡系列影視劇的獨家投資權，首季共12集</li> <li>The Group also has a right to invite Mr. Wong to produce an extra movie or internet drama series principally invested by the Group 本集團亦有權邀請王先生額外製作一部主要由本集團投資的電影或網絡系列影視劇</li> <li>The Group has exclusive right to distribute, sub-license and broadcast the internet drama series to the global audience through new media platforms for a period of 10 years 本集團擁有發行、轉授及透過新媒體平台向全球觀眾播放此網絡系列影視劇的獨家許可權，年期達十年</li> <li>Mr. Wong is going to produce and co-direct an internet drama series <i>Paradise Guesthouse</i> (天堂旅館) with 12 episodes 王先生即將開始監製和聯合導演12集網絡系列影視劇《天堂旅館》</li> </ul>

<sup>#</sup> Shareholder director

<sup>#</sup> 股東導演

Director 導演	Background 導演簡介	Cooperation Details 合作內容
<p>Zhang Xiaoling# (also known as Zhang Yibai) 張曉陵# (又名張一白)</p>	<ul style="list-style-type: none"> <li>• Dubbed the "Godfather of Youth Films" in China, his love story movies have enjoyed wide acclaims and among them, the 2016 production <i>I Belonged to You</i> (從你的全世界路過) brought in box office receipts of more than RMB800 million, a record among movies of its kind 被譽為「中國青春片教父」，其執導的多部愛情電影均於中國大獲好評，其中二零一六年電影《從你的全世界路過》更是取得超過人民幣800,000,000元票房，創下國產愛情電影的票房新紀錄</li> <li>• The box office receipts of films he directed and produced totaled more than RMB3.1 billion, putting him in the league of the most commercially successful directors and producers in China today 他執導和監製的電影累積票房超過人民幣3,100,000,000元，乃中國目前最具商業價值和最有商業眼光的導演兼監製之一</li> <li>• <i>Us and Them</i> (後來的我們) (2018) produced by Mr. Zhang and directed by Rene Liu recorded a box office receipts of more than RMB1.36 billion 張先生擔任監製，劉若英執導的《後來的我們》(二零一八年)，取得票房超過人民幣1,360,000,000元</li> </ul>	<ul style="list-style-type: none"> <li>• During the six-year cooperation period, the Group has priority right over others to invest in at least two of Mr. Zhang's productions, in the amount of no less than 55% of the total investment amount of each of the productions 在六年合作期內，本集團享有優先於他人投資至少兩部張先生作品之權利，投資額不少於每部張先生作品投資總額之55%</li> <li>• The Group has priority right to purchase exclusive global distribution licenses to new media of at least two of Mr. Zhang's productions 本集團享有優先購買至少兩部張先生作品之全球獨家新媒體發行許可之權利</li> <li>• The Group has exclusive right to invest in two seasons of internet drama series directed (or co-directed) by Mr. Zhang 本集團享有對張先生執導(或聯合執導)的兩季網絡系列影視劇之獨家投資權</li> <li>• The Group has been granted exclusive global distribution rights of two seasons of the internet drama series directed (or co-directed) by Mr. Zhang to new media 本集團獲授張先生執導(或聯合執導)的兩季網絡系列影視劇之全球獨家新媒體發行權</li> <li>• The Group has participation rights to other productions of Mr. Zhang 本集團獲授張先生其他作品之投資參與權</li> <li>• The internet drama series <i>Run For Young</i> (風犬少年的天空) directed by Mr. Zhang was released in 2020 其執導的網劇《風犬少年的天空》已於二零二零年與觀眾見面</li> </ul>

# Shareholder director

# 股東導演

## CHAIRMAN'S STATEMENT

### 主席報告書

Director 導演	Background 導演簡介	Cooperation Details 合作內容
Gu Changwei# 顧長衛#	<ul style="list-style-type: none"> <li>As one of the few Chinese members of the Academy of Motion Picture Arts and Sciences (AMPAS), he has long been hailed as “the master cinematographer in Asia” and subsequently became a director 顧長衛為少數華人奧斯卡委員，早有「亞洲第一攝影師」之稱，及後轉執導電影</li> <li>He directed a number of iconic movies including <i>Love for Life</i> (最愛), <i>Peacock</i> (孔雀), and was the cinematographer of <i>Red Sorghum</i> (紅高粱) and <i>Farewell To My Concubine</i> (霸王別姬), winning accolades at many international film festivals 執導多部知名電影，包括《最愛》、《孔雀》及拍攝《紅高粱》及《霸王別姬》，在世界級電影頒獎禮中屢獲殊榮</li> </ul>	<ul style="list-style-type: none"> <li>During the six-year cooperation period, the Group has exclusive right to invest in two seasons of internet drama series directed (or co-directed) by Mr. Gu 在六年合作期內，本集團享有顧先生執導(或聯合執導)的兩季網絡系列影視劇之獨家投資權</li> <li>The Group has exclusive global new media distribution rights for these internet drama series 本集團獲授顧先生網絡系列影視劇之全球獨家新媒體發行權</li> <li>The Group has priority right to invest in Mr. Gu's productions. The exact amount of investment in each of Mr. Gu's productions is to be agreed between the Company and Mr. Gu 本集團享有優先投資顧先生電影作品之權利。每一部顧先生電影作品之具體投資額將由本公司與顧先生協定</li> <li>The Group has the right to purchase exclusive global distribution licenses to new media for at least two of Mr. Gu's productions and has participation right to invest in his other productions 本集團享有購買至少兩部顧先生電影作品的全球獨家新媒體發行許可之權利和享有投資其他作品之參與權</li> </ul>

# Shareholder director

# 股東導演

Director 導演	Background 導演簡介	Cooperation Details 合作內容
<p>Zhang Yimou# 張藝謀#</p>	<ul style="list-style-type: none"> <li>As an internationally famed movie director, his works included <i>Red Sorghum</i> (紅高粱), <i>Raise the Red Lantern</i> (大紅燈籠高高掛), <i>To Live</i> (活著), <i>Not One Less</i> (一個都不能少), <i>The Road Home</i> (我的父親母親), <i>Hero</i> (英雄), <i>House of Flying Daggers</i> (十面埋伏), <i>Curse of the Golden Flower</i> (滿城盡帶黃金甲), <i>The Flowers of War</i> (金陵十三釵), <i>Coming Home</i> (歸來) and <i>The Great Wall</i> (長城), etc. 國際知名導演，由其執導的電影包括《紅高粱》、《大紅燈籠高高掛》、《活著》、《一個都不能少》、《我的父親母親》、《英雄》、《十面埋伏》、《滿城盡帶黃金甲》、《金陵十三釵》、《歸來》、《長城》等</li> <li>His works received awards at international film festivals, including Golden Bear at the Berlin International Film Festival, Golden Lion at Venice International Film Festival, and also the Golden Horse Awards in Taiwan 其執導的電影多次獲得國際電影節大獎，包括柏林國際電影節金熊獎、威尼斯影展金獅獎和台灣金馬獎</li> <li>Mr. Zhang was the chief director of the opening ceremony of the 2008 Beijing Olympics, and was awarded an honorary doctorate degree by Boston University and Yale University in the US 張先生為二零零八年北京奧運會開幕式總導演，美國波士頓大學及耶魯大學榮譽博士</li> </ul>	<ul style="list-style-type: none"> <li>During the six-year cooperation period, the Group has exclusive right to invest in three internet drama series directed by Mr. Zhang, with topics to be agreed between the Group and Mr. Zhang 在六年合作期內，本集團將有權獨家投資張先生執導的三部網絡系列影視劇，題材將由本集團與張先生協定</li> <li>The exclusive investment right of one internet drama series directed by Mr. Zhang can be converted into priority investment right of a film directed by him (with no existing third-party contract restriction), and the investment amount within the cooperation period shall not be less than 60% of the total investment of the film 對一部張先生執導的網絡系列影視劇的獨家投資權可替換為對其執導之不受現有與第三方合約限制的電影之優先投資權，於合作期內之投資額不少於該電影投資總額的60%</li> <li>The Group shall own all the tangible and intangible assets of Mr. Zhang internet drama series, as well as the rights derived from or related to them 本集團將獲授張先生網絡系列影視劇之所有有形及無形資產以及其衍生權利及相關權利</li> <li>The film <i>One Second</i> (一秒鐘), produced by the Group and directed by Mr. Zhang, hit the screen in 2020 本集團出品、張先生執導的電影《一秒鐘》已於二零二零年與觀眾見面</li> </ul>
<p>Chen Daming 陳大明</p>	<ul style="list-style-type: none"> <li>Mr. Chen studied screenwriting, directing and acting in the US in the 1990s and starred in a number of Hollywood movies. Many of the films he directed won international awards 陳先生於九十年代赴美國學習編劇、導演和表演，曾參演多部荷里活電影，其執導之多部電影均獲國外殊榮</li> <li>He is currently a visiting professor at the Beijing Film Academy (北京電影學院), Vice President of the Shanghai International School of the Beijing Film Academy (北京電影學院上海國際學院) and has been appointed by Shanghai Vancouver Film School as its Art Director 他是北京電影學院客座教授及北京電影學院上海國際學院副院長，並受聘為上海溫哥華電影學院藝術總監</li> </ul>	<ul style="list-style-type: none"> <li>During the six-year cooperation period, the Group has priority right to invest in at least three of Mr. Chen's productions 在六年合作期內，本集團享有優先於他人投資至少三部陳先生作品之權利</li> <li>The Group has exclusive rights to invest in two seasons of internet drama series directed (or co-directed) by Mr. Chen 本集團獲得陳先生執導(或聯合執導)的兩季網絡系列影視劇之獨家投資權</li> <li>Payments (such as development fund, film director fees and creative member fees) will be agreed separately for each of Mr. Chen's films and internet drama series productions 陳先生每部電影及網絡系列影視劇製作之付款(例如開發資金、電影導演費及主創人員費用)將分別協定</li> </ul>

# Shareholder director

# 股東導演



## CHAIRMAN'S STATEMENT

### 主席報告書

Director 導演	Background 導演簡介	Cooperation Details 合作內容
Jia Zhangke 賈樟柯	<ul style="list-style-type: none"> <li>A distinguished international art-house director, he has received Lifetime Achievement Awards from several international film organisations 國際著名藝術電影導演，曾獲多個國際電影組織頒發「終身成就獎」</li> <li>Directed 12 feature films, all nominated for awards at the Berlin, Cannes and Venice International Film Festivals. In 2013, <i>A Touch of Sin</i> (天注定) won the award for Best Screenplay at the 66th Cannes Film Festival 共執導十二部長片，全部入圍柏林、康城及威尼斯電影節。二零一三年，《天注定》獲第66屆康城國際電影節最佳編劇獎</li> <li>In 2015, he received the Carrosse d'Or at the Cannes Film Festival 二零一五年，獲康城國際電影節導演雙周單元終身成就「金馬車獎」</li> <li>In 2018, <i>Ash is Purest White</i> (江湖兒女) was a shortlisted contender of the top honor at the 71st Cannes Film Festival 二零一八年，其執導的《江湖兒女》入圍第71屆康城電影節主競賽單元</li> </ul>	<ul style="list-style-type: none"> <li>The Group has exclusive or priority right to invest in at least three new films directed by Mr. Jia in the six-year cooperation period 在六年合作期內，本集團獲得由賈先生執導之最少三部新電影作品的獨家或優先投資權</li> <li>The Group has priority distribution right and exclusive new media right to the above new films 本集團可獲得上述新電影作品的優先發行權及新媒體獨家權</li> </ul>
Wang Xiaoshuai 王小帥	<ul style="list-style-type: none"> <li>A pioneer independent film director in China and recipient of the Ordre des Arts et des Lettres from the French Minister of Culture 中國獨立導演先鋒，並曾獲得法國文化藝術騎士勳章的嘉許</li> <li>Directed 11 feature films that were nominated eight times in the top three international film festivals 共執導過十一部電影長篇，八次入圍三大國際電影節競賽單元</li> <li>In 2005, <i>Shanghai Dreams</i> (青紅) won the Jury Prize at the 58th Cannes Film Festival 二零零五年，其執導的《青紅》獲第58屆康城國際電影節評審團大獎</li> </ul>	<ul style="list-style-type: none"> <li>The Group has priority right to invest in two productions (including films and internet drama series) Mr. Wang directed or produced during the six-year cooperation period 在六年合作期內，本集團獲得由王先生執導或監製之兩部影視作品(包括電影及網絡系列影視劇)的優先投資權</li> <li>The Group has priority right to invest in and distribute globally his new productions 本集團將享有新作品的優先投資權和全球優先發行權</li> <li>The Group has exclusive right to distribute and re-sell his new productions to new media platforms worldwide 本集團將享有新作品在全球各新媒體平台獨家發行權及轉售權</li> <li>The film <i>The Mountain</i> (上山), invested by the Group and produced by Mr. Wang, is expected to hit the screen in 2021 本集團投資，王先生監製的電影《上山》預計將於二零二一年與觀眾見面</li> </ul>

Director 導演	Background 導演簡介	Cooperation Details 合作內容
<p>Manfred Wong 王文俊 (又名文雋)</p>	<ul style="list-style-type: none"> <li>• A veteran filmmaker in Hong Kong who has directed, produced, and acted in films and is also a screenwriter for films and TV dramas 香港資深電影人，曾擔任電影導演、監製、演員及影視編劇等崗位</li> <li>• Ventured into the film industry in the early 1990s and co-founded BoB &amp; Partners Company Limited (最佳拍檔有限公司) in the mid-90s, he has under his belt more than 30 films including <i>The Storm Riders</i> (風雲) and <i>the Young and Dangerous</i> (古惑仔) series 於九十年代初開展電影事業，於九十年代中期合組「最佳拍檔」電影公司，曾製作超過30部電影，包括《風雲》、《古惑仔》系列等</li> <li>• The film <i>Roots and Branches</i> (我的兄弟姐妹) he produced broke the box office receipt record of domestic movies in China in 2001 and won awards at more than 10 film festivals 由其監製之《我的兄弟姐妹》於二零零一年打破全國國產電影票房紀錄，並奪取超過十個影展的電影獎項</li> <li>• Hong Kong's first producer to venture into production of internet drama series. His works included <i>Feel 100%</i> (百分百感覺) and <i>20/30 Dictionary</i> (男女字典), among others 香港首位開拓網絡劇集製作人，製作包括《百分百感覺》及《男女字典》等網絡劇集</li> </ul>	<ul style="list-style-type: none"> <li>• The Group has priority right over others to invest in at least four of Mr. Wong's productions 本集團享有優先於他人投資至少四部王先生作品之權利</li> </ul>
<p>Li Yang 李楊</p>	<ul style="list-style-type: none"> <li>• Mr. Li is a film director in Mainland China, outstanding in making documentaries on social phenomena and movies that portray real life stories. His work <i>Blind Shaft</i> (盲井) has won more than 30 awards, including the Silver Bear for Outstanding Artistic Achievement at the 53rd Berlin International Film Festival 專長於拍攝中國社會現象及社會問題紀錄片及寫實故事電影中國大陸電影導演，憑藉《盲井》，李先生獲得了包括第53屆柏林國際電影節最佳藝術貢獻銀熊獎在內的三十餘個國際大獎</li> </ul>	<ul style="list-style-type: none"> <li>• During the six-year cooperation period, the Group has exclusive right to invest in at least three films directed by Mr. Li 在六年合作期內，本集團將獲取李先生所執導最少三部電影作品的獨家投資權</li> <li>• The Group shall have exclusive right to broadcast and re-sell to new media platforms worldwide Mr. Li's productions it invested in 本集團將享有本集團投資李先生之作品在全球各新媒體平台獨家播放權及轉售權</li> </ul>

## CHAIRMAN'S STATEMENT

### 主席報告書

Director 導演	Background 導演簡介	Cooperation Details 合作內容
Liu Xingang 劉心剛	<ul style="list-style-type: none"> <li>• He has years of experience in making movies and TV drama series, and was the Art Director of <i>The Sorrow of Brook Steppe</i> (悲情布魯克) and <i>Cell Phone</i> (手機) nominated respectively for the "Best Art Direction" Award at the Golden Rooster Awards in two years. He won the "Best Director" award at the public TV Double Ten (大眾電視雙十佳) for <i>I'm Looking Forward to Being Loved</i> (好想好想談戀愛) and his <i>Five Star Hotel</i> (五星級大飯店) was named "TV Drama of the Year" by Sina 擁有多年的電影及電視劇拍攝經驗，他曾擔任美術指導的《悲情布魯克》和《手機》分別榮獲兩屆中國電影金雞獎最佳美術獎提名，隨後他憑藉《好想好想談戀愛》和《五星級大飯店》分別斬獲大眾電視雙十佳最佳導演獎和新浪年度電視劇獎</li> </ul>	<ul style="list-style-type: none"> <li>• During the six-year cooperation period, the Group has exclusive right to invest in at least three films directed by Mr. Liu 在六年合作期內，本集團獲取劉先生所執導最少三部電影作品的獨家投資權</li> <li>• The Group has exclusive right to broadcast on and re-sell to new media platforms worldwide Mr. Liu's productions it invested in 本集團享有本集團投資劉先生之作品在全球各新媒體平台獨家播放權及轉售權</li> </ul>
Huang Chen 黃辰	<ul style="list-style-type: none"> <li>• Mr. Huang wrote and directed the animated work <i>Angry Woman</i> (憤怒的女人) in 2007 黃先生於二零零七年自編自導動畫作品《憤怒的女人》</li> <li>• He directed the documentary <i>Why Chinese Guys Cannot Get American Girls</i> (為什麼中國男生泡不到美國妞) and won the best documentary in the East American Film Festival 執導紀錄片《為什麼中國男生泡不到美國妞》並榮獲美東電影節最佳紀錄片獎</li> <li>• He directed a customised sci-fi drama <i>Yolk Man</i> (蛋黃人) 執導定制科幻網劇《蛋黃人》</li> </ul>	<ul style="list-style-type: none"> <li>• During the six-year cooperation period, the Group has priority right over others to invest in three films or internet drama series 在六年合作期內，本集團享有優先於他人投資三部電影或網絡系列影視劇之權利</li> <li>• The Group shall own all the tangible and intangible assets of the productions and the rights derived from or related to them 本集團將獲授有關作品之所有有形及無形資產以及其衍生權利及相關權利</li> </ul>

## BUSINESS AND OPERATIONS REVIEW

### Investment in Film and TV Programmes Rights Business

Due to the outbreak of the Pandemic in 2020, the film and TV industry experienced the most severe winter. Despite challenging market environment, the Group explored opportunities using its extensive industry experience and flexible operations strategy. Adhering to its philosophy of "Importance of Contents", the Group actively produced premium film and TV productions and it endeavoured to develop its online video platform business, consequently winning critical acclaim from audiences. Since the suspension of operations of all cinemas across the nation, the Group has taken the initiative to debut the film *Lost in Russia* (囧媽) on online video platforms in Chinese New Year, initiating the trend of releasing Chinese New Year films online, thereby raising the awareness and extending the audience coverage of the Group's online video platform "huanxi.com". The Group also capitalised on its strategic cooperation with online video platforms, TV terminals and projector terminals to further facilitate the development of the "huanxi.com" business. The productions which were produced and invested by the Group, including *Leap* (奪冠) (former title: *Leap* (中國女排)), *My People, My Homeland* (我和我的家鄉) and *Warm Hug* (溫暖的抱抱) also generated robust box office receipts, demonstrating the competitiveness of premium films in the market.

For the year ended 31 December 2020, revenue from investment in the film and TV programmes rights business amounted to HK\$633,176,000 (2019: HK\$814,425,000), came from the box office income of the Group's films released in cinema circuits and the revenue from sub-licensing the film and TV programmes rights during the year, including *Lost in Russia* (囧媽), *Leap* (奪冠), *My People, My Homeland* (我和我的家鄉), *One Second* (一秒鐘), *Warm Hug* (溫暖的抱抱) and internet drama series *Run For Young* (風犬少年的天空). However, because of the delay in debut of films on cinema screens caused by the Pandemic, impact on the box office receipts by the implementation of prevention and control measures, combined with the increase of amortised expenses of film rights for the increase of production and purchase of film rights for optimisation and update of contents of "huanxi.com" online video platform and the increase of selling and distribution costs for strengthening the promotion of contents of the online video platform by the Group during the year, revenue from this business incurred a year-on-year decline and recorded a loss of HK\$144,636,000 (2019: profit of HK\$279,417,000).

## 業務及營運回顧

### 電影及電視劇版權投資業務

於二零二零年度，疫情來襲，影視行業陷入寒冬，本集團憑藉豐富的行業經驗和靈活的運營策略，在充滿挑戰的市道中物色機遇，堅持「內容為王」的原則，積極製作精品影視作品，並致力開拓在線視頻平台業務，取得大眾的口碑。其中，本集團因應全國電影院暫時停業，率先將春節檔電影《囧媽》改為於在線視頻平台播出，開創網上賀歲檔先河，擴大本集團在線視頻平台「歡喜首映」的知名度及觀眾覆蓋面，配合與多家在線視頻平台、電視機終端及投影儀端的戰略合作，進一步推動「歡喜首映」的業務。而本集團參與投資出品的《奪冠》(前稱：《中國女排》)、《我和我的家鄉》及《溫暖的抱抱》等在票房亦創下佳績，展現優秀電影在市場中的競爭力。

截至二零二零年十二月三十一日止年度，電影及電視劇版權投資業務錄得收益為港幣633,176,000元(二零一九年：港幣814,425,000元)，來自本集團年內在院線上映的影片票房收入以及分授電影及電視劇版權收益，包括電影《囧媽》、《奪冠》、《我和我的家鄉》、《一秒鐘》、《溫暖的抱抱》及網劇《風犬少年的天空》，惟疫情令電影延遲在院線上映、票房收入因防疫措施而有所影響，加上本集團年內不斷優化和更新「歡喜首映」在線視頻平台的內容，加大生產及採購電影版權的數量令電影版權攤銷開支增加，以及加強宣傳在線視頻平台的內容亦令銷售及分銷成本增加，令此業務的收益比上年同期減少及錄得虧損港幣144,636,000元(二零一九年：溢利港幣279,417,000元)。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

*Lost in Russia* (囧媽), which was solely invested by the Group and written, directed, produced by and starring Xu Zheng, was unable to hit cinema screens amidst the Pandemic. Hence, the Group forged cooperation with ByteDance for the release of *Lost in Russia* (囧媽) on online platforms on the first day of the Chinese New Year. Through this movie, the Group received license fees paid by ByteDance and shared the income related to this broadcast, bringing considerable revenue to the Group.

During the year, four movies co-produced by the Group were debuted on cinema screens, including *Leap* (奪冠), *My People, My Homeland* (我和我的家鄉), *One Second* (一秒鐘) and *Warm Hug* (溫暖的抱抱). Although *Leap* (奪冠) postponed its release from the Chinese New Year holiday to the National Day holiday due to the Pandemic, the film, which presents the enchanting story about the struggles of the China women's national volleyball team players, made it, together with *My People, My Homeland* (我和我的家鄉), a comedy film that the Group invested, to China's Top 10 highest-grossing movies in 2020. *Warm Hug* (溫暖的抱抱), directed by Chang Yuan, hit the big screen during the New Year holiday, and generated box office receipts that amounted to nearly RMB200 million on its premiere. *One Second* (一秒鐘), directed by Zhang Yimou and released at the end of the year, narrates the film industry practitioners' sentiment towards celluloid movies, which resonated among movie fans.

In addition, the Group continued planning and producing several blockbusters during the year, including *Li Na* (獨自•上場) (former title: *Li Na* (李娜)), directed by Chan Ho Sun Peter and starring Hu Ge, Vincent Cassel and Hao Lei, etc.; *Miss Mom* (尋漢計) (former title: *Miss Mom* (生不由己)), directed by Tang Danian and starring Ren Suxi; *Tropical Memories* (熱帶往事), produced by Ning Hao and directed by young director Wen Shipei; *Leaping Over The Dragon Gate* (龍門相) (former title: *The Advanced Animals* (高級動物)), produced by Gao Qunshu; and *The Mountain* (上山), produced by Wang Xiaoshuai. These movies have either reached their post-production stage or are nearly completed, and are expected to hit cinema screens in 2021. As for the Group's investment in internet drama series, *Paradise Guesthouse* (天堂旅館), a 12-episode internet drama produced and co-directed by Wong Kar Wai, is undergoing preliminary preparation work and making good progress.

本集團獨家投資、由徐崢自編自導自演兼監製的電影《囧媽》，受疫情影響無法於院線上映，因此本集團改為與字節跳動合作將《囧媽》於二零二零年大年初一在網絡平台播出，以獲取字節跳動支付的版權費用及與其分享相關播放的收益，為本集團帶來可觀收入。

年內，本集團參與出品並於院線上映的有《奪冠》、《我和我的家鄉》、《一秒鐘》及《溫暖的抱抱》四部電影。《奪冠》縱然受疫情影響，檔期由春節延後至國慶，但中國女排的奮鬥故事扣人心弦，與另一部集團參與投資的喜劇《我和我的家鄉》一起躋身中國二零二零年十大票房電影。由常遠執導的電影《溫暖的抱抱》，於跨年元旦檔期上映，首日上映票房已接近人民幣2億元；由張藝謀執導的電影《一秒鐘》年末上映，細訴電影人對膠片電影的情懷，引起電影愛好者的共鳴。

另外，本集團於年內繼續籌劃及製作多部重點電影作品：由陳可辛執導、胡歌、Vincent Cassel 及郝蕾等主演的《獨自•上場》(前稱：《李娜》)、唐大年導演、任素汐主演的《尋漢計》(前稱：《生不由己》)、寧浩監製、青年導演溫仕培執導的《熱帶往事》、高群書監製的《龍門相》(前稱：《高級動物》)及王小帥監製的《上山》等已進入後期製作階段或接近完成，預期將於二零二一年陸續上映。網劇投資方面，王家衛籌備監製和聯合導演的12集網絡系列影視劇《天堂旅館》正準備前期工作，目前進展順利。

As regards its online video platform and after tracking the current increasingly popular viewing trend, the Group has entered into strategic cooperation agreements with many leading online video platforms, TV terminals and projector terminals in China during the year in a bid to constantly extend the reach of “huanxi.com” across audiences. From September 2020, the film and TV content, including *Run For Young* (風犬少年的天空), an internet drama series which was exclusively invested by the Group, were broadcasted simultaneously on “huanxi.com” and Bilibili’s platforms, leading to the significant growth in the number of users of “huanxi.com”. Subsequently, the Group forged cooperation with Huawei TV, Huawei Smartphone, Mi TV, Xiaomi Smartphone, Mango TV, Hisense TV, Skyworth TV, TCL TV, LeTV Super TV and Xgimi Projector to set up designated zones for “huanxi.com” on those mobile applications (APP), TV terminals and platforms operated by these partners.

The Group also sourced premium film and TV productions from around the world for broadcast on the “huanxi.com” platform. Currently, “huanxi.com” has accumulated over 8 million (8,000,000) fee-paying subscribers, while the APP of “huanxi.com” has been downloaded over 33 million (33,000,000) times. The Group will constantly optimise and update contents on the platform and it will forge partnerships and purchase high-quality contents so as to expand its extensive subscriber base, thus intensifying efforts to facilitate the operation and development of the Group’s online video platform.

### Other Businesses (Discontinued Operations)

Reference is made to the announcement of the Company dated 9 October 2020, in which it was mentioned that, the Group would focus resources on business in investment in film and TV programmes rights and operation of the online video platform “huanxi.com” (歡喜首映), the Group has ceased the operations of property agency business and securities trading and investments business (“Other Businesses”) during the year ended 31 December 2020. For the year under review, the Other Businesses did not record any revenue (2019: Nil) and recorded segmental profit of HK\$3,766,000 (2019: loss of HK\$4,000).

在線視頻平台方面，本集團順應觀影市場趨勢，年內先後與多家中國領先的在線視頻平台、電視機終端及投影儀端達成戰略合作協議，持續擴闊「歡喜首映」的覆蓋面。由二零二零年九月起，本集團獨家投資的網劇《風犬少年的天空》等影視內容，於歡喜首映平台與哔哩哔哩平台上同步播放，為「歡喜首映」帶來大幅的用戶增長；隨後，本集團與華為電視、華為手機、小米電視、小米手機、芒果TV、海信電視、創維電視、TCL電視、樂視超級電視及極米投影儀達成合作在各家合作夥伴運營的流動應用程式、電視機終端及平台設立「歡喜首映」專區。

本集團亦搜羅全球電影、電視節目佳作於「歡喜首映」平台上播映。目前「歡喜首映」平台的付費用戶已累積超過八百萬(8,000,000)，「歡喜首映」流動應用程式的下載次數更超過三仟三佰萬(33,000,000)。本集團將持續不斷優化和更新平台上的內容，並透過結盟合作夥伴和購買高質量的內容，為「歡喜首映」帶來更廣泛的用戶群，藉此加大力度推展本集團在線視頻平台的運營及拓展。

### 其他業務(已終止經營業務)

茲提述本公司日期為二零二零年十月九日之公告，當中提及，本集團為集中資源於電影及電視劇版權投資及營運「歡喜首映」在線視頻平台之業務上，本集團已於截至二零二零年十二月三十一日止年度終止物業代理業務及證券買賣及投資業務(「其他業務」)。於回顧年內，其他業務並無錄得任何收益(二零一九年：零)及錄得分部溢利港幣3,766,000元(二零一九年：虧損港幣4,000元)。

### Impact of the Pandemic

The outbreak of the Pandemic at the beginning of 2020 posed significant impacts to the global film industry. Cinemas in Mainland China suspended their operations and only resumed business from July 2020. All films were required to cancel their release schedules in Chinese New Year. Among them, *Lost in Russia* (囧媽), a Chinese New Year film which the Group invested, changed to be broadcasted on online video platforms, while the release of *Leap* (奪冠) was postponed to the National Day holiday in 2020. Moreover, box office receipts have been adversely affected by the decline in cinema admissions as a result of various prevention and control measures.

In this regard, the Group through the distribution agreement in relation to *Li Na* (獨自•上場) (former title: *Li Na* (李娜)), a film in production exclusively invested by the Group, directed by Mr. Chan Ho Sun Peter and starring Hu Ge, Vincent Cassel and Hao Lei, etc., granting the distribution right of the film in the PRC in order to receive from the minimum guarantor a consideration for minimum guaranteed distribution of at least RMB600,000,000. Therefore, the Group will be able to eliminate risks associated with the film's box office, recover the investment cost in advance and secure considerable profit in relation to the film project.

The Group will pay close attention to the development of the Pandemic and its impact on the media market, and it will continue to take proactive measures to minimise its impact on the Group's business operations and financial results.

### FINANCIAL REVIEW

#### Review of Results

For the year ended 31 December 2020, the Group recorded revenue and film investment income of HK\$633,176,000 (2019: HK\$814,425,000) and a net loss of HK\$236,391,000 (2019: net profit of HK\$105,103,000). The net loss and the decrease of revenue were mainly due to the delay in debut of films on cinema screens caused by the Pandemic, impact on the box office receipts by the implementation of prevention and control measures, combined with the increase of amortised expenses of film rights for the increase of production and purchase of film rights for optimisation and update of contents of "huanxi.com" online video platform and the increase of selling and distribution costs for strengthening the promotion of contents of the online video platform by the Group during the year.

### 疫情的影響

二零二零年初疫情爆發對全球電影業產生了重大影響，國內電影院暫時停業至二零二零年七月才陸續復業，新春電影亦需集體撤檔，當中包括本集團投資的新春檔電影《囧媽》改為於在線視頻平台播出；以及《奪冠》則延遲至二零二零年國慶檔期上映。此外，部份防疫措施會導致入座率減少而影響票房收入。

有見及此，本集團通過簽訂有關《獨自•上場》(前稱：《李娜》)，一部由本集團獨家投資、陳可辛執導，以及胡歌、Vincent Cassel及郝蕾等主演之製作中電影的發行協議，授出該電影於中國的發行權以獲取保底方最少支付的保底發行代價人民幣600,000,000元，使本集團能消除該電影的票房風險，及提早收回該電影項目的投資成本並鎖定豐厚利潤。

本集團會密切留意疫情的發展及其對媒體市場的影響，並將繼續採取積極措施，盡量減低其對本集團業務營運及財務業績的影響。

### 財務回顧

#### 業績回顧

截至二零二零年十二月三十一日止年度，本集團錄得收益及電影投資收入港幣633,176,000元(二零一九年：港幣814,425,000元)以及淨虧損港幣236,391,000元(二零一九年：淨溢利港幣105,103,000元)。錄得淨虧損及收益減少主要是由於疫情令電影延遲在院線上映、票房收入因防疫措施而有所影響，加上本集團年內不斷優化和更新「歡喜首映」在線視頻平台的內容，加大生產及採購電影版權的數量令電影版權攤銷開支增加，以及加強宣傳在在線視頻平台的內容亦令銷售及分銷成本增加。

For the year ended 31 December 2020, loss per share of the Group amounted to HK\$0.07 (2019: earning per share of HK\$0.03) and net asset value per share attributable to owners of the Company was HK\$0.42 (2019: HK\$0.36).

## LIQUIDITY AND FINANCIAL RESOURCES

During the year ended 31 December 2020, the Group's capital expenditure, daily operations and investments are mainly funded by equity fund raising. As at 31 December 2020, the Group had net current assets of HK\$730,619,000 (2019: HK\$512,922,000), with cash and cash equivalents of HK\$142,140,000 (2019: HK\$256,203,000). As at 31 December 2020, the total equity of the Company amounted to HK\$1,446,433,000 (2019: HK\$1,130,230,000) with total borrowings of HK\$50,036,000 (2019: HK\$50,000,000). The Group's gearing ratio, expressed as the percentage of total borrowings over total capital, was 0.03 (2019: 0.04) as at 31 December 2020. Total capital is calculated as total equity plus total borrowings.

## CAPITAL STRUCTURE

As at 31 December 2020, the Company had 3,472,732,362 ordinary shares (2019: 3,154,655,408) of HK\$0.01 each in issue (the "Share" or "Shares").

During the year ended 31 December 2020, the movement in the issued Shares of the Company are as follows:

- On 30 August 2020, the Company entered into the subscription agreement ("Subscription Agreement") with Bilibili, pursuant to which the Company has allotted and issued to Bilibili 346,626,954 ordinary Shares ("Subscription Shares") of aggregate nominal value of HK\$3,466,269.54 at the subscription price of HK\$1.480 per Subscription Share (the "Subscription"). The net price received by the Company was approximately HK\$1.476 per Subscription Share. The closing price of the Shares on the date of entering into the Subscription Agreement was HK\$1.520 per Share as quoted on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

截至二零二零年十二月三十一日止年度，本集團之每股虧損為港幣0.07元(二零一九年：每股盈利港幣0.03元)和本公司擁有人應佔每股資產淨值為港幣0.42元(二零一九年：港幣0.36元)。

## 流動資金及財務來源

截至二零二零年十二月三十一日止年度，本集團的資本支出、日常營運及投資資金主要來自股本集資。於二零二零年十二月三十一日，本集團的流動資產淨值為港幣730,619,000元(二零一九年：港幣512,922,000元)，現金及現金等值為港幣142,140,000元(二零一九年：港幣256,203,000元)。於二零二零年十二月三十一日，本公司權益總額為港幣1,446,433,000元(二零一九年：港幣1,130,230,000元)，借貸總額為港幣50,036,000元(二零一九年：港幣50,000,000元)。於二零二零年十二月三十一日，本集團的資本與負債率(即借貸總額對資本總額的百分比)為0.03(二零一九年：0.04)。資本總額按權益總額加借貸總額計算。

## 資本架構

於二零二零年十二月三十一日，本公司有3,472,732,362股(二零一九年：3,154,655,408股)每股面值港幣0.01元的已發行普通股(「股份」)。

截至二零二零年十二月三十一日止年度，本公司之已發行股份變動如下：

- 於二零二零年八月三十日，本公司與哔哩哔哩訂立認購協議(「認購協議」)，據此，本公司已向哔哩哔哩配發及發行346,626,954股總面值港幣3,466,269.54元之普通股股份(「認購股份」)，認購價為每股認購股份港幣1.480元(「認購事項」)。本公司所收取之淨價為每股認購股份約港幣1.476元。股份於訂立認購協議當日在香港聯合交易所有限公司(「聯交所」)所報收市價為每股股份港幣1.520元。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

2. The Group repurchased 29,790,000 ordinary shares for an aggregate consideration of approximately HK\$38,409,000 (before expenses). Out of 29,790,000 ordinary shares repurchased during the year ended 31 December 2020, 28,550,000 shares were cancelled during the year while the remaining 1,240,000 shares were cancelled on 29 January 2021.

Please refer to the section “Purchase, Sale or Redemption of the Company’s Listed Securities” in the Directors’ Report of this annual report for details.

2. 本集團以總代價約港幣38,409,000元(未計費用)購回29,790,000股普通股。於截至二零二零年十二月三十一日止年度購回的29,790,000股普通股中，28,550,000股已於年內註銷，餘下1,240,000股已於二零二一年一月二十九日註銷。

有關詳情，請參閱本年報董事報告內「購買、出售或贖回本公司之上市證券」一節。

## MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in Note 34 to the consolidated financial statements, the Group had no material acquisitions and disposal of subsidiaries, associates and joint ventures during the year ended 31 December 2020.

## 對附屬公司、聯營公司及合營企業之重大收購或出售事項

除綜合財務報表附註34所披露者外，截至二零二零年十二月三十一日止年度，本集團概無對附屬公司、聯營公司及合營企業之重大收購或出售事項。

## CHARGES ON ASSETS

As at 31 December 2020, the Group did not have any charge on assets (2019: Same).

## 抵押資產

於二零二零年十二月三十一日，本集團並無任何抵押資產(二零一九年：相同)。

## FOREIGN EXCHANGE EXPOSURE

The Group’s cash flow from operations, cash on hand and assets are denominated mainly in Hong Kong dollars and Renminbi. Although most of the production costs and management fees are denominated in Renminbi, foreign currencies are needed for some investment opportunities and cooperation plans with mainland China and overseas film companies. The Group will continue to monitor its capital needs closely and take appropriate measures to minimise any adverse impact of exchange rate fluctuation on its overall financial status and lower the Group’s financial risks.

## 匯率風險

本集團所經營業務的現金流、持有的現金及資產主要以港幣及人民幣計值。雖然大部分製作成本和管理費以人民幣計值，但部分投資機會和與中國內地及海外地區片商的合作計劃仍需要使用外幣。本集團會繼續密切監察資本需要，並致力緩匯率波動對整體財務狀況的任何不利影響以及降低本集團的財務風險。

## RISK MANAGEMENT

During the year under review, the Group regularly reviewed the risk and credit control systems of its profit centers to improve those systems overall and mitigate credit risk. There have been no significant changes in the Group’s risk management policy since the year-end date last year.

## 風險管理

於回顧年內，本集團定期檢討利潤中心的風險及信貸監控制度，以改善整體監控制度並減低信貸風險。自去年年結日後，本集團的風險管理政策並無重大的變動。

## CONTINGENT LIABILITIES

As at 31 December 2020, the Group had no significant contingent liabilities (2019: The Group has significant contingent liabilities arose from one litigation).

## EMPLOYEES AND REMUNERATION POLICIES

The Group firmly believes high-caliber people are the most valuable asset of a corporation. The Group thus places great attention on attracting and nurturing talent. It has kept optimising its staff structure to match its development strategy and business needs. As at 31 December 2020, the Group had 101 employees (2019: 97). It hired more employees during the year under review to support the expanding of its business. The Group has in place well-designed remuneration management and incentive mechanisms, with employees remunerated based on their positions and work performance, along with industry trends.

The Group participates in various defined contribution retirement benefit plans which are available to all relevant employees. Forfeited contributions cannot be used by the Group to reduce the existing level of contribution to the defined contribution schemes.

## MATERIAL INVESTMENTS

Saved as the prepayments for film and TV programmes rights and film and TV programmes rights set out in Notes 21 and 22 to the consolidated financial statements, the Group had no material investments during the year under review.

## FUTURE PLANS FOR MATERIAL INVESTMENTS

The Group is seeking for investment opportunities, including but not limited to, in the media and entertainment related businesses in order to expand the source of income and prospects of the Group.

## 或然負債

於二零二零年十二月三十一日，本集團並無任何重大或然負債(二零一九年：本集團因一項訴訟而有重大或然負債)。

## 僱員和薪酬政策

本集團一直堅信優秀人才是企業最寶貴的資產，本集團重視吸納和培養人才，根據發展戰略和業務的需要，持續優化人才結構。於二零二零年十二月三十一日，本集團僱用101名僱員(二零一九年：97名)。於回顧年內，本集團僱用更多人才以發展業務。本集團建立了完善的薪酬管理和激勵機制，僱員的薪酬乃根據其崗位價值、工作表現及行業趨勢而釐定。

本集團參與多項提供予所有相關僱員的特定供款退休福利計劃。本集團不得將沒收供款撥作調減對特定供款計劃的現行應付供款。

## 重大投資

除綜合財務報表附註21及22所載之電影及電視劇版權預付款及電影及電視劇版權外，本集團於回顧年內並無重大投資。

## 重大投資之日後計劃

本集團正物色投資機會(包括但不限於媒體及娛樂相關業務方面)，以擴闊本集團收入來源及本集團的前景。

## BIOGRAPHICAL DETAILS OF DIRECTORS

### 董事履歷

Set out below are the biographical details of the directors (the "Directors") of the Company as at the date of this annual report:

#### EXECUTIVE DIRECTORS

##### Mr. Dong Ping ("Mr. Dong")

Mr. Dong, aged 59, was appointed as an executive Director on 2 September 2015, re-designated as the chairman (the "Chairman") of the board (the "Board") of Directors on 15 January 2016 and is also a member of remuneration committee and a member of nomination committee of the Company. Mr. Dong is also director of a number of subsidiaries of the Company. Mr. Dong has extensive experience, knowledge and connection in investment and operation of Chinese media, advertisement, satellite TV, film productions and media fields and was the former chairman of ChinaVision Media Group Limited (now known as Alibaba Pictures Group Limited), a company listed on the Main Board of the Stock Exchange (stock code: 1060). Mr. Dong has been the principal investor, producer and co-producer of various internationally renowned films, including *Crouching Tiger, Hidden Dragon* (臥虎藏龍) (directed by Mr. Ang Lee (李安)), *Devils on the Doorstep* (鬼子來了) (directed by Mr. Jiang Wen (姜文)), *Peacock* (孔雀) (directed by Mr. Gu Changwei (顧長衛)), *Let the Bullets Fly* (讓子彈飛) (directed by Mr. Jiang Wen (姜文)), *Journey to the West: Conquering the Demons* (西遊 • 降魔篇) (directed by Mr. Stephen Chow (周星馳)), *Dearest* (親愛的) (directed by Mr. Chan Ho Sun Peter (陳可辛)), *Breakup Buddies* (心花路放) (directed by Mr. Ning Hao) and *Dying to Survive* (我不是藥神) (co-produced by Mr. Ning Hao and Mr. Xu Zheng). Some of these films have won numerous major awards in both domestic and overseas film festivals. From August 2003 to April 2005, Mr. Dong was the president of Asian Union Film and Media. Between 31 May 2005 and 11 January 2008, Mr. Dong was appointed as an executive director of Asian Union New Media (Group) Limited (now known as Huayi Tencent Entertainment Co. Ltd.), a company listed on the Main Board of the Stock Exchange (stock code: 419), and was the chairman of the board of directors from 12 May 2006 to 11 January 2008.

As at the date of this report, Mr. Dong was deemed to be interested in 1,471,434,354 Shares (being 461,711,082 Shares held by Newwood Investments Limited ("Newwood"), 92,342,216 Shares held by Numerous Joy Limited ("Numerous Joy"), 800,000 Shares held by Highrise Castle Limited ("Highrise"), 36,630,000 Shares held by Mr. Dong, 2,700,000 underlying Shares held by Mr. Dong, 438,625,528 Shares held by Pacific Wits Limited ("Pacific Wits") and 438,625,528 Shares held by Tairong Holdings Limited ("Tairong")) within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"). Please refer to the section "Directors' Interests in Securities" in the Directors' Report of this annual report for details.

於本年報日期，本公司董事(「董事」)之履歷詳情載列如下：

#### 執行董事

##### 董平先生(「董先生」)

董先生，59歲，於二零一五年九月二日獲委任為執行董事，並於二零一六年一月十五日獲調任為董事會(「董事會」)主席(「主席」)，兼任本公司薪酬委員會及提名委員會成員。董先生亦為本公司若干附屬公司之董事。董先生於投資及經營華語媒體、廣告、衛星電視、電影製作及傳媒方面具備廣泛經驗、知識及脈絡，曾任聯交所主板上市公司文化中國傳播集團有限公司(現稱阿里巴巴影業集團有限公司)(股份代號：1060)主席。董先生為多部國際知名電影之主要投資者、監製及聯合監製，包括《臥虎藏龍》(由李安先生執導)、《鬼子來了》(由姜文先生執導)、《孔雀》(由顧長衛先生執導)、《讓子彈飛》(由姜文先生執導)、《西遊•降魔篇》(由周星馳先生執導)、《親愛的》(由陳可辛先生執導)、《心花路放》(由寧浩先生執導)及《我不是藥神》(由寧浩先生及徐崢先生聯合監製)。該等電影部分於國內外電影節奪得多項重要獎項。董先生於二零零三年八月至二零零五年四月出任北京保利華億傳媒文化有限公司董事長。董先生於二零零五年五月三十一日至二零零八年一月十一日獲委任為聯交所主板上市公司華億新媒體(集團)有限公司(現稱華誼騰訊娛樂有限公司)(股份代號：419)執行董事及於二零零六年五月十二日至二零零八年一月十一日出任該公司董事會主席。

於本報告日期，董先生被視為於1,471,434,354股股份(即由Newwood Investments Limited(「Newwood」)持有之461,711,082股股份、多樂有限公司(「多樂」)持有之92,342,216股股份、Highrise Castle Limited(「Highrise」)持有之800,000股股份、董先生持有之36,630,000股股份、董先生持有之2,700,000股相關股份、泰穎有限公司(「泰穎」)持有之438,625,528股股份及泰嶸控股有限公司(「泰嶸」)持有之438,625,528股股份)中擁有香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部所界定之權益。有關詳情，請參閱本年報董事報告內「董事之證券權益」一節。

**Mr. Xiang Shaokun, Steven (“Mr. Xiang”)**

Mr. Xiang, aged 58, was appointed as an executive Director on 2 September 2015 and the Chief Executive Officer of the Group on 18 September 2015. Mr. Xiang is also director of a number of subsidiaries of the Group. Mr. Xiang was a partner of Weil, Gotshal & Manges LLP, an international law firm, where he has led its China practice since 2004. Previously, Mr. Xiang was a partner in the Shanghai office of Clifford Chance, an international law firm from 2002 to 2004. A specialist in mergers and acquisitions, Mr. Xiang has acted as the principal counsel in many significant transactions including representing Lenovo Group Limited in its acquisition of IBM’s global personal computer business. He holds a degree of juris doctor from Vanderbilt University School of Law, U.S.A. and a Bachelor of Arts from Beijing University of International Relations. Mr. Xiang is licensed to practice law in New York and in Hong Kong. Mr. Xiang has been consistently ranked as one of the top mergers and acquisitions lawyers by Chambers.

As at the date of this report, Mr. Xiang was interested in 27,000,000 underlying Shares within the meaning of Part XV of the SFO. Please refer to the section “Directors’ Interests in Securities” in the Directors’ Report of this annual report for details.

**項紹琨先生(「項先生」)**

項先生，58歲，於二零一五年九月二日獲委任為執行董事，並於二零一五年九月十八日獲委任為本集團行政總裁。項先生亦為本集團若干附屬公司之董事。項先生曾為國際律師事務所威嘉國際律師事務所之合夥人，自二零零四年起掌管中國業務。此前，項先生於二零零二年至二零零四年為國際律師事務所英國高偉紳律師事務所上海代表處之合夥人。作為併購專家，項先生於多項重大交易中擔任主要法律顧問，包括代表聯想集團有限公司收購IBM全球個人電腦業務。彼持有美國Vanderbilt University法律學院法律博士(Juris Doctor)學位及北京國際關係學院文學士學位。項先生為紐約及香港執業律師，長期獲Chambers評為最佳併購律師之一。

於本報告日期，項先生於27,000,000股相關股份中擁有證券及期貨條例第XV部所界定之權益。有關詳情，請參閱本年報董事報告內「董事之證券權益」一節。



## BIOGRAPHICAL DETAILS OF DIRECTORS

### 董事履歷

#### NON-EXECUTIVE DIRECTORS

##### Mr. Ning Hao (“Mr. Ning”)

Mr. Ning, aged 43, was appointed as a non-executive Director on 2 September 2015. Mr. Ning majored in photography and obtained a bachelor degree from Beijing Film Academy (北京電影學院) in China in 2003. Mr. Ning is a film director and screenwriter who has directed seven films between 2003 and 2014, which were engraved with his unique personal style and won international acclaim. All of Mr. Ning's films have achieved strong investment returns. His directorial debut *Incense* (香火) (2003) and his second film *Mongolian Ping Pong* (綠草地) (2004) were nominated in more than 50 international film festivals, including the Berlin International Film Festival, the Locarno Festival and the Hong Kong International Film Festival. Among these, *Incense* (香火) won the Grand Prize at the Fourth Tokyo FILMeX Festival in 2003 and the Golden Prize (Asian Digital Films) at the 28th Hong Kong International Film Festival in 2004. In 2006, Mr. Ning directed his small budget film *Crazy Stone* (瘋狂的石頭), which won the Taiwan Golden Horse Awards (台灣金馬獎) for the Best Original Screenplay. *Crazy Racer* (瘋狂的賽車) (2009), which was wrote and directed by Mr. Ning, was produced for an investment of only RMB10 million and achieved over RMB100 million at the box office. In 2013, Mr. Ning directed *No Man's Land* (無人區), which won the Annual Tribute Movie by One Hundred Media (百家傳媒年度致敬電影) at the 14th Chinese Film Media Awards (華語電影傳媒大獎). Mr. Ning also directed the huge box office hit *Breakup Buddies* (心花路放) (2014) which grossed RMB1,169 million at the PRC box office and became the highest-grossing domestic Chinese film of the year. *Dying to Survive* (我不是藥神) (2018), co-produced by Mr. Ning and Mr. Xu Zheng, earned RMB3,100 million in box office receipts and was nominated for several awards at the Taiwan Golden Horse Awards, Golden Rooster Awards and others. *Crazy Alien* (瘋狂的外星人) (2019) which directed by Mr. Ning achieved RMB2,200 million at the box office.

As at the date of this report, Mr. Ning was deemed to be interested in 1,471,434,354 Shares (being 461,711,082 Shares held by Newwood, 92,342,216 Shares held by Numerous Joy, 800,000 Shares held by Highrise, 36,630,000 Shares held by Mr. Dong, 2,700,000 underlying Shares held by Mr. Dong, 438,625,528 Shares held by Pacific Wits and 438,625,528 Shares held by Tairong) within the meaning of Part XV of the SFO. Please refer to the section “Directors’ Interests in Securities” in the Directors’ Report of this annual report for details.

#### 非執行董事

##### 寧浩先生(「寧先生」)

寧先生，43歲，於二零一五年九月二日獲委任為非執行董事。寧先生於二零零三年在中國北京電影學院取得學士學位，主修攝影。寧先生為電影導演及編劇，於二零零三年至二零一四年間執導七部電影，憑藉獨特個人風格享譽國際。寧先生全部電影均帶來豐碩投資回報，其首部執導電影《香火》(二零零三年)及第二部電影《綠草地》(二零零四年)於五十多個國際電影節獲提名，包括柏林國際電影節、洛迦諾電影節及香港國際電影節。其中，《香火》先後於二零零三年及二零零四年獲得第四屆東京銀座電影節大獎及第二十八屆香港國際電影節金獎(亞洲數碼錄像)。寧先生於二零零六年執導低成本電影《瘋狂的石頭》並奪得台灣金馬獎最佳原著劇本獎。寧先生自編自導製作成本僅人民幣10,000,000元之《瘋狂的賽車》(二零零九年)，票房突破人民幣100,000,000元。寧先生於二零一三年執導《無人區》，榮獲第十四屆華語電影傳媒大獎百家傳媒年度致敬電影。寧先生另執導賣座電影《心花路放》(二零一四年)，以國內總票房人民幣1,169,000,000元榮登中國年度最賣座華語電影。由寧先生及徐崢先生聯合監製的電影《我不是藥神》(二零一八年)錄得票房人民幣3,100,000,000元及於台灣金馬獎及中國電影金雞獎等入圍不同獎項。由寧先生執導的電影《瘋狂的外星人》(二零一九年)錄得票房人民幣2,200,000,000元。

於本報告日期，寧先生被視為於1,471,434,354股股份(即由Newwood持有之461,711,082股股份、多樂持有之92,342,216股股份、Highrise持有之800,000股股份、董先生持有之36,630,000股股份、董先生持有之2,700,000股相關股份、泰穎持有之438,625,528股股份及泰嶸持有之438,625,528股股份)中擁有證券及期貨條例第XV部所界定之權益。有關詳情，請參閱本年報董事報告內「董事之證券權益」一節。

## Mr. Xu Zheng (“Mr. Xu”)

Mr. Xu, aged 48, was appointed as a non-executive Director on 2 September 2015. Mr. Xu graduated with a bachelor degree from Shanghai Theatre Academy (上海戲劇學院) in China in 1994. Mr. Xu is an actor, director, screenwriter and producer. He started his career as an actor in the 1990s. Mr. Xu rose to national stardom in 2000 with the TV series *Sunny Piggy* (春光燦爛豬八戒), followed by other successful TV dramas such as *Li Wei the Magistrate* (李衛當官) (2002). Mr. Xu then focused more on films, starring in comedies *Call for Love* (愛情呼叫轉移) (2007) and *Call for Love II* (愛情呼叫轉移2) (2008), *Lost on Journey* (人在囧途) (2010), *No Man’s Land* (無人區) (2013) (for which he was awarded the best lead actor by the China Film Directors’ Guild (中國電影導演協會) in 2014) and the huge box office hit *Breakup Buddies* (心花路放) (2014) and *Lost in Hong Kong* (港囧) (2015). In 2012, his directorial debut *Lost in Thailand* (人再囧途之泰囧) (a road trip comedy) which he also wrote, directed, produced and starred in, earned over USD200 million and broke the record of the highest-grossing domestic Chinese film. In 2014, he produced and starred in *The Great Hypnotist* (催眠大師) (a suspense thriller film), which achieved ground-breaking box-office success and a great reputation in the Chinese suspense thriller film market. In 2018, Mr. Xu was awarded the best leading actor by the Taiwan Golden Horse Awards (台灣金馬獎) for his performance in *Dying to Survive* (我不是藥神).

As at the date of this report, Mr. Xu was deemed to be interested in 1,471,434,354 Shares (being 461,711,082 Shares held by Newwood, 92,342,216 Shares held by Numerous Joy, 800,000 Shares held by Highrise, 36,630,000 Shares held by Mr. Dong, 2,700,000 underlying Shares held by Mr. Dong, 438,625,528 Shares held by Pacific Wits and 438,625,528 Shares held by Tairong) within the meaning of Part XV of the SFO. Please refer to the section “Directors’ Interests in Securities” in the Directors’ Report of this annual report for details.

## Ms. Li Ni (“Ms. Li”)

Ms. Li, aged 35, was appointed as a non-executive Director on 21 September 2020. Ms. Li has served as the chief operating officer of Bilibili Inc. (NASDAQ Trading Symbol: BILI) (Stock Exchange stock code: 9626) since November 2014 and vice chairwoman of the board of directors of Bilibili Inc. since January 2015. Ms. Li oversees the platform operations, sales and commercial cooperation, content ecosystem partnership, and strategic planning and investments of Bilibili.

## 徐崢先生(「徐先生」)

徐先生，48歲，於二零一五年九月二日獲委任為非執行董事。徐先生於一九九四年畢業於中國上海戲劇學院，取得學士學位。徐先生為演員、導演、編劇及監製，於一九九零年代開展演員生涯。徐先生於二零零零年憑藉電視劇《春光燦爛豬八戒》晉身為全國明星，其後陸續出演其他成功電視劇作品，如《李衛當官》(二零零二年)。徐先生其後專注電影發展，先後主演喜劇《愛情呼叫轉移》(二零零七年)、《愛情呼叫轉移2》(二零零八年)、《人在囧途》(二零一零年)、《無人區》(二零一三年)(彼憑藉此電影於二零一四年獲中國電影導演協會評為年度男演員)以及票房奇葩《心花路放》(二零一四年)及《港囧》(二零一五年)。於二零一二年，徐先生首次自編自導自演兼監製公路喜劇《人再囧途之泰囧》，票房突破美金200,000,000元，打破中國最賣座華語電影紀錄。於二零一四年，徐先生製作並主演驚悚懸疑電影《催眠大師》，不但創造票房神話，更成為華語驚悚懸疑電影市場經典。於二零一八年，徐先生憑藉於《我不是藥神》中的表現榮獲台灣金馬獎最佳男主角。

於本報告日期，徐先生被視為於1,471,434,354股股份(即由Newwood持有之461,711,082股股份、多樂持有之92,342,216股股份、Highrise持有之800,000股股份、董先生持有之36,630,000股股份、董先生持有之2,700,000股相關股份、泰穎持有之438,625,528股股份及泰嶸持有之438,625,528股股份)中擁有證券及期貨條例第XV部所界定之權益。有關詳情，請參閱本年報董事報告內「董事之證券權益」一節。

## 李旒女士(「李女士」)

李女士，35歲，於二零二零年九月二十一日獲委任為非執行董事。自二零一四年十一月起擔任哔哩哔哩股份有限公司\*(納斯達克股份代號：BILI)(聯交所股份代號：9626)的首席運營官，自二零一五年一月以來一直擔任哔哩哔哩股份有限公司的董事會副主席。李女士負責哔哩哔哩的平台運營，銷售和商業合作，內容生態系統合作夥伴關係以及戰略規劃和投資。

\* 僅供識別

## BIOGRAPHICAL DETAILS OF DIRECTORS

### 董事履歷

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

##### Mr. Wong Tak Chuen (“Mr. Wong”)

Mr. Wong, aged 56, joined the Company as an independent non-executive Director on 10 April 2014. Mr. Wong is the chairman of the audit committee of the Company. Mr. Wong is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants in the United Kingdom and the Institute of Chartered Accountants in England and Wales, respectively. He has over 20 years of experience in auditing, financial management, mergers and acquisitions gained from certain senior finance related positions in an international accounting firm in Hong Kong, companies listed in Hong Kong and a company listed in the United States of America. He is currently the Finance Director of a private company in Hong Kong. Mr. Wong is currently an independent non-executive director of (i) Eternity Investment Limited (stock code: 764, a company listed on the Main Board of the Stock Exchange) since 7 November 2011; and (ii) China Healthwise Holdings Limited (stock code: 348, a company listed on the Main Board of the Stock Exchange) since 11 October 2016. Mr. Wong was an independent non-executive director of Man Sang International Limited (stock code: 938, a company listed on the Main Board of the Stock Exchange) from 12 July 2016 to 5 November 2018.

##### Mr. Li Xiaolong (“Mr. Li”)

Mr. Li, aged 55, was appointed as an independent non-executive Director on 2 September 2015. Mr. Li is a member of each of the remuneration committee, nomination committee and audit committee of the Company. Mr. Li has more than 20 years of experience in the industry of information technology and telecommunications. He is the founder and chairman of Net 263 Ltd. (Shenzhen Stock Exchange Code: 002467), a company based in Beijing which provides integrated communication services for medium-and small-sized enterprises and professionals. Since September 2004, Mr. Li was the chairman of the board of Net 263 Ltd., and since August 2006, the director of Net 263 Ltd. He was an independent director at E-Commerce China Dangdang Inc. from December 2010 to October 2016, and an independent director at Kongzhong Corp. from 2012 to May 2017. Mr. Li graduated from Beijing University of Technology, majored in software engineering of computer science. In January 2013, Mr. Li was appointed as a committee member of the telecommunications and economic experts of the Ministry of Industry and Information Technology.

As at the date of this report, Mr. Li was deemed to be interested in 15,060,000 Shares within the meaning of Part XV of the SFO. Please refer to the section “Directors’ Interests in Securities” in the Directors’ Report of this annual report for details.

#### 獨立非執行董事

##### 黃德銓先生(「黃先生」)

黃先生，56歲，於二零一四年四月十日加入本公司，擔任獨立非執行董事。黃先生為本公司審核委員會主席。黃先生分別為香港會計師公會、英國特許公認會計師公會及英格蘭和威爾斯特許會計師協會之資深會員，擁有超過20年審計、財務管理、合併與收購經驗，曾在香港一家國際會計師行、香港多家上市公司及一家美國上市公司擔任若干高級財務相關職位。黃先生現時為一間香港私人公司的財務總裁。黃先生(i)自二零一一年十一月七日起擔任永恆策略投資有限公司(股份代號：764，一家在聯交所主板上市的公司)；及(ii)自二零一六年十月十一日起擔任中國智能健康控股有限公司(股份代號：348，一家在聯交所主板上市的公司)的獨立非執行董事。黃先生於二零一六年七月十二日至二零一八年十一月五日擔任民生國際有限公司(股份代號：938，一家在聯交所主板上市的公司)的獨立非執行董事。

##### 李小龍先生(「李先生」)

李先生，55歲，於二零一五年九月二日獲委任為獨立非執行董事。李先生為本公司薪酬委員會、提名委員會及審核委員會成員。李先生於資訊科技及電訊業積逾20年經驗。彼為二六三網絡通信股份有限公司(深圳證券交易所股份代號：002467)之創辦及董事長，該公司位於北京，為中小企及專業人士提供綜合通訊服務。自二零零四年九月起，李先生擔任二六三網絡通信股份有限公司之董事長，並自二零零六年八月起擔任二六三網絡通信股份有限公司之董事。自二零一零年十二月至二零一六年十月及自二零一二年至二零一七年五月，彼分別出任E-Commerce China Dangdang Inc.及Kongzhong Corp.之獨立董事。李先生畢業於北京工業大學，主修計算機科學(軟件工程)。於二零一三年一月，李先生獲委任為工業和信息化部電信經濟專家委員會成員。

於本報告日期，李先生被視為於15,060,000股股份中擁有證券及期貨條例第XV部所界定之權益。有關詳情，請參閱本年報董事報告內「董事之證券權益」一節。

## Mr. Wang Hong (“Mr. Wang”)

Mr. Wang, aged 56, was appointed as an independent non-executive Director on 2 September 2019. Mr. Wang is the chairman of each of the remuneration committee and nomination committee of the Company and a member of audit committee of the Company. Mr. Wang is currently the vice president of Hengdian Group Holdings Limited, responsible for the group’s overseas affairs. He once served as the chairman of Hengdian Film and Television Production Co., Ltd.\* (橫店影視製作有限公司), and produced the animation film *Monkey King: Hero is Back* (西遊記之大聖歸來), received the highest animation box office record in China, and some TV series. He was the chief executive officer of Asian Union New Media (Group) Limited (now known as Huayi Tencent Entertainment Company Limited) (Stock Code: 0419) between January 2008 and March 2012 and was an executive director of the company between August 2010 and March 2012, responsible for the overall operation of the company, and engaged in the investment of *Letter from an Unknown Woman* (一個陌生女人的來信), *Peacock* (孔雀), *And the Spring Comes* (立春), *Under the Hawthorn Tree* (山楂樹之戀) and some other films. He was the president of the Travel Channel between May 2003 and February 2008, during which he built up a new Travel Channel with an annual revenue of over RMB200 million. He also served as the deputy general manager of a cultural subsidiary of Poly Group between July 1991 and May 2003 and was responsible for the company’s investment business. He had engaged in the implementation of Poly Culture’s various investment projects related to the cultural industries. Mr. Wang obtained a Bachelor degree of Economics in International Trade and Economics at University of International Business and Economics in 1988.

As at the date of this report, Mr. Wang was interested in 100,000 Shares within the meaning of Part XV of the SFO. Please refer to the section “Directors’ Interests in Securities” in the Directors’ Report of this annual report for details.

## 王虹先生(「王先生」)

王先生，56歲，於二零一九年九月二日獲委任為獨立非執行董事。王先生為本公司薪酬委員會及提名委員會主席及本公司審核委員會成員。王先生現任橫店集團控股有限公司副總裁，負責集團公司海外業務。彼曾任職橫店影視製作有限公司董事長，出品了中國動畫電影最高票房的動畫片《西遊記之大聖歸來》及多部電視劇。王先生曾於二零零八年一月至二零一二年三月期間任職華億新媒體(集團)有限公司(現稱華誼騰訊娛樂有限公司)(股份代號：0419)首席執行官，並於二零一零年八月至二零一二年三月期間擔任該公司執行董事，負責公司全面運營，曾參與投資電影《一個陌生女人的來信》、《孔雀》、《立春》及《山楂樹之戀》等影片。彼於二零零三年五月至二零零八年二月期間曾任職「旅遊衛視」總裁，成功打造一個年收入超過人民幣200,000,000元的全新旅遊衛視。彼亦曾於一九九一年七月至二零零三年五月期間任職保利集團附屬文化公司副總經理，負責公司投資業務，參與執行保利文化多項文化產業投資項目。王先生於一九八八年獲得對外經濟貿易大學國際貿易專業的經濟學學士學位。

於本報告日期，王先生被視為於100,000股股份中擁有證券及期貨條例第XV部所界定之權益。有關詳情，請參閱本年報董事報告內「董事之證券權益」一節。

\* For identification purposes only



## DIRECTORS' REPORT

### 董事報告

The Directors present their report together with the audited financial statements of the Group for the year ended 31 December 2020.

### PRINCIPAL ACTIVITIES

The Company is an investment holding and film investment company and its subsidiaries are principally engaged in media and entertainment related businesses, including development and investment in film and TV programmes rights, as well as operation of an online video platform.

The Group has ceased the operations of its property agency business and securities trading and investments business during the year.

Details of the activities of the principal subsidiaries are set out in Note 13 to the consolidated financial statements. An analysis of revenue and film investment income and results by principal activities of the Group are set out in Note 6 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2020 are set out in the consolidated statement of profit or loss and other comprehensive income on page 106.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2020 (2019: Nil).

### FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five years is set out on page 228. This summary does not form part of the audited consolidated financial statements.

### SHARE CAPITAL OF THE COMPANY

Details of the ordinary shares issued by the Company in 2020 and details of movement in the share capital of the Company in 2020 are set out in Note 29 to the consolidated financial statements and sections headed "Company's Contract Involving Issue of New Shares" and "Purchase, Sale or Redemption of the Company's Listed Securities" of this Directors' Report.

董事謹此提呈董事報告以及本集團截至二零二零年十二月三十一日止年度之經審核財務報表。

### 主要業務

本公司乃一間投資控股及電影投資公司，其附屬公司主要從事媒體及娛樂相關業務，包括電影及電視劇版權製作及投資以及營運在線視頻平台。

本集團於年內已終止營運其物業代理業務及證券買賣及投資業務。

各主要附屬公司之業務詳情載於綜合財務報表附註13。按本集團主要業務劃分之收益及電影投資收入與業績分析載於綜合財務報表附註6。

### 業績及股息

本集團截至二零二零年十二月三十一日止年度之業績載於第106頁之綜合損益及其他全面收益表。

董事不建議派付截至二零二零年十二月三十一日止年度之末期股息(二零一九年：無)。

### 財務概要

本集團於過往五年之業績、資產及負債概要載於第228頁。該概要並非經審核綜合財務報表的組成部分。

### 公司股本

本公司於二零二零年已發行之普通股及本公司於二零二零年股本變動之詳情載於綜合財務報表附註29及本董事報告「本公司涉及新股份發行之合約」及「購買、出售或贖回本公司之上市證券」各節。

## SHARE OPTIONS

A share option scheme has been adopted and approved by the shareholders of the Company at the annual general meeting held on 17 June 2014 (the "Share Option Scheme"). The 10% limit of the Share Option Scheme (the "Scheme Mandate Limit") has been refreshed on 16 December 2015 and 29 June 2018. As at the date of this annual report, the Scheme Mandate Limit refreshed on 29 June 2018 has not yet been utilised and the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme is 276,805,540 shares.

On 27 April 2018, 130,700,000 options were granted under the Share Option Scheme and no share options were exercised, cancelled or lapsed during the year ended 31 December 2020. As at 31 December 2020, the Company has 130,700,000 options outstanding which represented approximately 3.76% of the total number of issued shares of the Company as at that date.

The following table discloses movements in the Company's share options during the year ended 31 December 2020:

Participants	Date of grant	Outstanding at the beginning of the year	Granted during the year	Exercised during the year	Lapsed/cancelled during the year	Outstanding at the end of the year	Exercise price per share (HK\$) 每股行使價 (港幣元)
參與者	授出日期	年初尚未行使	年內授出	年內行使	年內失效/註銷	年末尚未行使	
Mr. Dong Ping 董平先生	27 April 2018 二零一八年四月二十七日	2,700,000	-	-	-	2,700,000	2.08
Mr. Xiang Shaokun, Steven 項紹琨先生	27 April 2018 二零一八年四月二十七日	27,000,000	-	-	-	27,000,000	2.08
Eligible employees 合資格僱員	27 April 2018 二零一八年四月二十七日	101,000,000	-	-	-	101,000,000	2.08
Total 總計		130,700,000	-	-	-	130,700,000	

## 購股權

本公司股東於二零一四年六月十七日舉行之股東週年大會上採納及批准一項購股權計劃(「購股權計劃」)。購股權計劃之10%限額(「計劃授權限額」)已於二零一五年十二月十六日及二零一八年六月二十九日更新。於本年報日期，於二零一八年六月二十九日更新之計劃授權限額尚未使用，根據購股權計劃將予授出之所有購股權獲行使時可能發行之股份總數為276,805,540股股份。

於二零一八年四月二十七日，本公司根據購股權計劃授出130,700,000份購股權，且截至二零二零年十二月三十一日止年度並無購股權獲行使、註銷或失效。於二零二零年十二月三十一日，本公司有130,700,000份尚未行使之購股權，佔本公司於該日期已發行股份總數之約3.76%。

下表披露截至二零二零年十二月三十一日止年度本公司之購股權變動：

Notes:

1. The share options are exercisable as follows:

<b>Exercise criteria</b> (Commencing from the date of the grantee's commencement of employment with the Group)	<b>Number of share options can be exercised</b>
(i) On completion of the continuous employment of the grantee with the Group for 1 year	Up to one-third of the share options granted
(ii) On completion of the continuous employment of the grantee with the Group for 2 years	Up to two-thirds of the share options granted
(iii) On completion of the continuous employment of the grantee with the Group for 3 years	Up to all of the share options granted

2. The validity period of the share options is from 27 April 2018 to 17 June 2024 (both days inclusive) subject to the provisions for early termination contained in the Share Option Scheme and certain vesting conditions applicable to the relevant grantee(s).

Details of the Share Option Scheme are set out in Note 33 to the consolidated financial statements.

Save as disclosed above, at no time during 2020 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debenture of, the Company or any other body corporate.

附註：

1. 購股權可按以下各項予以行使：

<b>行使標準</b> (承授人開始受聘於本集團日期起計)	<b>可予行使之購股權數目</b>
(i) 承授人持續受聘於本集團滿一年	最多為已授出購股權之三分之一
(ii) 承授人持續受聘於本集團滿兩年	最多為已授出購股權之三分之二
(iii) 承授人持續受聘於本集團滿三年	最多為所有已授出購股權

2. 購股權之有效期為自二零一八年四月二十七日至二零二四年六月十七日止(包括首尾兩日)，惟受購股權計劃所載之提前終止條文及適用於相關承授人之若干歸屬條件規限。

有關購股權計劃的詳情載於綜合財務報表附註33。

除上文所披露者外，於二零二零年內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債權證而獲益。

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

**購買、出售或贖回本公司之上市證券**

During the year ended 31 December 2020, a wholly-owned subsidiary of the Company repurchased a total of 29,790,000 ordinary shares of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$38,409,000 (before expenses). Out of 29,790,000 ordinary shares repurchased during the year ended 31 December 2020, 28,550,000 shares were cancelled during the year while the remaining 1,240,000 shares were cancelled on 29 January 2021.

截至二零二零年十二月三十一日止年度，本公司旗下一間全資附屬公司以總代價約港幣38,409,000元（未計費用）於聯交所購回合共29,790,000股本公司普通股。於截至二零二零年十二月三十一日止年度購回的29,790,000股普通股中，28,550,000股已於年內註銷，餘下1,240,000股已於二零二一年一月二十九日註銷。

Details of the shares repurchased during the year are as follows:

於年內購回之股份詳情如下：

Month 月份	Number of shares repurchased 購回股份之數目	Price paid per share 已付每股價格		Aggregate consideration (before expenses) 總代價(未計費用)
		Highest 最高 HK\$ 港幣元	Lowest 最低 HK\$ 港幣元	
December 2020 二零二零年十二月	29,790,000	1.36	1.00	38,409,000 港幣元

The above share repurchase was made with a view to enhancing the value of the shares of the Company thereby improving the return to shareholders of the Company. In addition, the share repurchase reflects the Company's recognition of its own value and its confidence in the long-term prospects of the industry.

上述購回股份旨在提升本公司的股份價值，從而為本公司股東帶來更高回報。此外，購回股份反映本公司對自身價值的認可及對行業長期前景充滿信心。

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during 2020.

除上文所披露者外，本公司或其任何附屬公司於二零二零年內並無購買、出售或贖回本公司任何上市證券。



### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws (the "Bye-laws") or the laws of Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### RESERVES

Details of the movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 110 and Note 30 to the consolidated financial statements respectively.

### DISTRIBUTABLE RESERVE

Details of the distributable reserve of the Company as at 31 December 2020 are set out in Note 37 to the consolidated financial statements.

As at 31 December 2020, the Company did not have distributable profit to shareholders (2019: Nil).

### BUSINESS REVIEW

A review of the business performance of the Group during 2020 using financial key performance indicators and discussion on the important events affecting the Group since the end of 2020 and the Group's future business development that the Group may be facing are provided in the Chairman's Statement and Management Discussion and Analysis of this annual report, the discussions thereof form part of this Directors' Report.

Discussions on the Group's environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have significant impact on the Group are set out below in the Directors' Report of this annual report. Please also refer to the Environmental, Social and Governance Report for the Group's policies in this regard.

### 優先購買權

本公司之公司細則(「公司細則」)或百慕達法例均無有關優先購買權(即規定本公司須按比例向現有股東發售新股份)之條文。

### 儲備

本集團及本公司年內儲備變動之詳情分別載於第110頁綜合權益變動表及綜合財務報表附註30。

### 可供分派儲備

本公司於二零二零年十二月三十一日之可供分派儲備之詳情載於綜合財務報表附註37。

於二零二零年十二月三十一日，本公司並無可供分派予股東的溢利(二零一九年：無)。

### 業務回顧

有關使用財務關鍵表現指標對本集團於二零二零年業務表現進行之審閱以及自二零二零年年終起影響本集團的重要事項及本集團未來業務發展之討論載於本年報之主席報告書及管理層討論與分析，有關討論構成本董事報告的一部分。

有關本集團之環境政策、與其主要持份者之關係及遵守對本集團有重大影響之相關法律及法規之討論載於本年報下文之董事報告。有關本集團的相關政策，另請參閱環境、社會及管治報告。

## PRINCIPAL RISKS AND UNCERTAINTIES

The following are the principal risks and uncertainties facing the Group as required to be disclosed pursuant to the Companies Ordinance (Chapter 622 of the laws of Hong Kong) and are in addition to the matters referred to in the Chairman's Statement and Management Discussion and Analysis of this annual report.

### 1. Operational Risk

In respect of the risk factor relating to the Group's business, given that the Company will invest in a limited number of films, the success or failure of these films could have a significant impact on the Company's results of operations in both the year of release and in the future. Besides, unauthorised copying and piracy are prevalent in the PRC and other countries in Asia, whose legal systems may make it difficult for the Company to enforce its intellectual property rights.

In 2015, the Group signed several agreements to invest in films, including two exclusive service agreements with renowned directors, Mr. Ning Hao ("Mr. Ning") and Mr. Xu Zheng ("Mr. Xu"), who became the Company's shareholders and non-executive Directors. Under the terms of the service agreements, they are required to produce one to two films every three years by 31 December 2020, which can considerably enhance the Group's capabilities in film content creation and development. Mr. Dong Ping ("Mr. Dong"), Mr. Ning and Mr. Xu have extensive experience, strong expertise and a wide business network in the media and entertainment industry. Mr. Dong, the Company's substantial shareholder and the Chairman of the Board, has extensive experience, knowledge and connection in investment and operation of Chinese media, advertisement, satellite TV, film productions and media fields, whilst Mr. Ning and Mr. Xu are prestigious and successful directors and actors in Chinese movie industry. Please refer to "Biographical Details of Directors" in this annual report for the biographical details of Mr. Dong, Mr. Ning and Mr. Xu.

## 主要風險及不明朗因素

除本年報主席報告書及管理層討論與分析提述事宜以外，本集團根據公司條例(香港法例第622章)須予披露所面對的主要風險及不明朗因素如下。

### 1. 運營風險

有關本集團業務之風險因素，由於本公司將投資之電影數目有限，其成敗可能對本公司於發行年度及未來之營運業績造成重大影響。此外，未經授權複製及盜版在中國及亞洲其他國家尤其猖獗，而當地法律制度可能令本公司難以執行其知識產權。

於二零一五年，本集團已簽訂多份協議，積極投資電影作品。其中，本集團與兩位重量級導演(成為本公司股東兼非執行董事)- 寧浩先生(「寧先生」)及徐崢先生(「徐先生」)簽訂了獨家服務協議，截至二零二零年十二月三十一日止期間，兩位股東導演將根據服務協議條款為本集團每三年導演一至兩部電影作品，大大提升了本集團在影視內容開發及創作方面的能力。董平先生(「董先生」)、寧先生及徐先生於媒體及娛樂行業具備豐富經驗、強大專業知識及廣闊商業脈絡。董先生為本公司主要股東及董事會主席，於投資及經營華語媒體、廣告、衛星電視、電影製作及傳媒方面具備廣泛經驗、知識及脈絡，而寧先生及徐先生為中國電影界當時得令之導演及演員。有關董先生、寧先生及徐先生之履歷詳情，請參閱本年報之「董事履歷」。

On 1 June 2016, the Group entered into a cooperation agreement with Mr. Chan Ho Sun Peter and Master China Films Limited (a company indirectly wholly-owned by Mr. Wong Kar Wai) respectively, pursuant to which each of Mr. Chan Ho Sun Peter and Master China Films Limited has conditionally agreed to provide to the Group with certain services, and investment and other rights, relating to film and media productions as set forth in the relevant agreements. Further, on 6 December 2016, the Group entered into a cooperation agreement with Mr. Gu Changwei and Mr. Zhang Xiaoling (also known as Zhang Yibai) respectively, pursuant to which each of Mr. Gu Changwei and Mr. Zhang Xiaoling has conditionally agreed to provide to the Group with certain services, and investment and other rights, relating to film and internet drama series productions as set forth in the relevant agreements.

The Company entered into a cooperation agreement on 24 May 2018 with Unique Swift Limited, a company having an exclusive investment right of certain internet drama series productions or films of Mr. Zhang Yimou, and the amended and restated cooperation agreement on 11 September 2018 with Unique Swift Limited and Mr. Zhang Yimou, pursuant to which Unique Swift Limited has conditionally agreed to procure Mr. Zhang Yimou to provide the Group with certain services, investment and other rights, relating to certain internet drama series productions or films as set forth in the relevant agreements.

Given the above, the Directors are of the view that the participation of Mr. Dong, Mr. Ning, Mr. Xu, Mr. Chan Ho Sun Peter, Mr. Wong Kar Wai, Mr. Gu Changwei, Mr. Zhang Xiaoling and Mr. Zhang Yimou in the Group and through cooperation with them would be instrumental in the Company's development in the media and entertainment industry and could migrate the risk.

Since the outbreak of Coronavirus Disease 2019 in various countries in the beginning of 2020, the PRC government has implemented several measures to control the Pandemic, including temporary close of cinemas. Starting from mid-July 2020, the cinemas in the PRC have resumed opening and operation, provided that effective prevention and control measures have been implemented against the Pandemic. If the Pandemic outbreak persists for a longer period subsequently, the production and distribution plan of the Group's film and TV programmes right and the financial performance of the Group for the year ending 31 December 2021 may be affected but the financial effect of which cannot be reasonably estimated at this stage. The Group will pay close attention to the development of the Pandemic outbreak and its impact on the media market, and will continue to perform relevant assessments and take proactive measures to minimise its impact towards the Group's business operations and financial results.

於二零一六年六月一日，本集團分別與陳可辛先生及Master China Films Limited(一間由王家衛先生間接全資擁有之公司)訂立合作協議，據此，陳可辛先生及Master China Films Limited各自有條件同意向本集團提供與相關協議所載之電影及媒體製作相關之若干服務、投資及其他權利。此外，於二零一六年十二月六日，本集團分別與顧長衛先生及張曉陵先生(又名張一白)訂立合作協議，據此，顧長衛先生及張曉陵先生各自有條件同意向本集團提供與相關協議所載之電影及網絡系列影視劇製作相關之若干服務、投資及其他權利。

本公司於二零一八年五月二十四日與唯臻有限公司(一間擁有對張藝謀先生若干部網絡系列影視劇製作或電影之獨家投資權之公司)訂立合作協議及於二零一八年九月十一日與唯臻有限公司及張藝謀先生訂立經修訂及重述之合作協議，據此，唯臻有限公司有條件同意促使張藝謀先生向本集團提供與相關協議所載之若干部網絡系列影視劇製作或電影相關之若干服務、投資及其他權利。

因此，董事認為，得到董先生、寧先生、徐先生、陳可辛先生、王家衛先生、顧長衛先生、張曉陵先生及張藝謀先生加盟本集團，加上與彼等之合作，對本公司發展媒體及娛樂事業定能作出重大貢獻，並有助於轉移風險。

由於二零二零年年初2019冠狀病毒病於不同國家爆發，中國政府已實施若干管控措施，包括暫時關閉電影院。中國內地的電影院自二零二零年七月中起，在有效落實防控措施的前提下恢復開放營業。倘疫情隨後持續較長一段時間，則本集團的電影及電視劇版權製作及發行計劃以及本集團於截至二零二一年十二月三十一日止年度之財務表現或會受到影響，惟現階段無法合理估計其財務影響。本集團會密切留意疫情的發展及其對媒體市場的影響，並將繼續進行相關評估，採取積極措施，盡量減低其對本集團業務營運及財務業績的影響。

## 2. Financial Risks

Details of the Group's financial risks relating to the operations of the Group include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk are set out in Note 3 to the consolidated financial statements.

## PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in Note 17 to the consolidated financial statements.

## BOARD OF DIRECTORS

The Directors during 2020 and up to the date of the annual report were:

### **Executive Directors**

Mr. Dong Ping (*Chairman*)

Mr. Xiang Shaokun, Steven (*Chief Executive Officer*)

### **Non-Executive Directors**

Mr. Ning Hao

Mr. Xu Zheng

Ms. Li Ni (appointed on 21 September 2020)

### **Independent Non-Executive Directors**

Mr. Wong Tak Chuen

Mr. Li Xiaolong

Mr. Wang Hong

In accordance with Bye-law 102(B) of the Bye-laws, Ms. Li Ni who was appointed with effect from 21 September 2020, shall retire from office at the forthcoming annual general meeting and, being eligible, offer herself for re-election.

In accordance with Bye-law 99 of the Bye-laws, Mr. Dong Ping and Mr. Li Xiaolong shall retire by rotation at the forthcoming annual general meeting. All of them, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Brief biographical particulars of the existing Directors are set out in the "Biographical Details of Directors" of this annual report. Directors' other particulars are contained in this report and elsewhere in this annual report.

## 2. 財務風險

有關本集團經營之財務風險包括市場風險(包括外幣風險及利率風險)、信貸風險及流動資金風險，詳情載列於綜合財務報表附註3。

## 物業、廠房及設備

本集團之物業、廠房及設備於年內變動之詳情載於綜合財務報表附註17。

## 董事會

於二零二零年內及截至本年報日期止之董事如下：

### **執行董事**

董平先生(主席)

項紹琨先生(行政總裁)

### **非執行董事**

寧浩先生

徐崢先生

李旒女士(於二零二零年九月二十一日獲委任)

### **獨立非執行董事**

黃德銓先生

李小龍先生

王虹先生

按照公司細則第102(B)條，李旒女士自二零二零年九月二十一日起獲委任，須於應屆股東週年大會上退任並符合資格膺選連任。

按照公司細則第99條，董平先生及李小龍先生須於應屆股東週年大會上輪席告退。彼等均符合資格並將於應屆股東週年大會上膺選連任。

現任董事之履歷簡介載於本年報之「董事履歷」。董事之其他詳情載於本報告及本年報其他部份。



## **DIRECTORS' SERVICE CONTRACTS**

No Directors being proposed for re-election at the forthcoming annual general meeting of the Company has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

The existing Directors including the executive Directors, the non-executive Directors and independent non-executive Directors are for a term of 2 years (except Mr. Xiang Shaokun, Steven, an executive Director and the Chief Executive Officer of the Group, there is no specific term or proposed length of services for Mr. Xiang's appointment). All of the existing Directors shall be subject to retirement by rotation and re-election in accordance with the Bye-laws and the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange.

## **PERMITTED INDEMNITY PROVISION**

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) when the Directors' Report prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance.

## **INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS**

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

## **董事之服務合約**

擬於本公司之應屆股東週年大會膺選連任之董事概無與本公司或其任何附屬公司訂有僱傭公司於一年內不作賠償(法定賠償除外)即不可終止之服務合約。

現任董事(包括執行董事、非執行董事及獨立非執行董事)之委任年期均為兩年(本集團執行董事兼行政總裁項紹琨先生除外,項先生之委任並無特定任期或擬訂定之服務年期)。所有現任董事須根據公司細則及聯交所證券上市規則(「上市規則」)輪席告退及膺選連任。

## **獲准許彌償條文**

本公司已就其董事及高級管理人員可能面對因企業活動產生之法律訴訟,為董事及行政人員之職責作適當之投保安排。當董事編製之董事報告根據公司條例(香港法例第622章)第391(1)(a)條獲批准時,按公司條例第470條規定基於董事利益的獲准許彌償條文生效。

## **獨立非執行董事之獨立性**

本公司已收到各獨立非執行董事根據上市規則第3.13條發出之週年獨立性確認函,並認為各獨立非執行董事皆屬獨立人士。

**DIRECTORS' INTERESTS IN SECURITIES**

**董事之證券權益**

As at 31 December 2020, the interests and short positions of each Director and chief executive in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") under the Listing Rules, or known to the Company, were as follows:

於二零二零年十二月三十一日，各董事及行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中，擁有本公司記錄於根據證券及期貨條例第352條備存之登記冊之權益及淡倉，或根據證券及期貨條例第XV部或上市規則之上市發行人董事進行證券交易的標準守則(「標準守則」)須另行知會本公司及聯交所或本公司已知悉之權益及淡倉如下：

**Long Positions in the Ordinary Shares of HK\$0.01 Each of the Company and the Underlying Shares**

**本公司每股面值港幣0.01元之普通股及相關股份之好倉**

Name of Directors 董事姓名	Number of Ordinary Shares 普通股數目			Number of underlying Shares held under share options 購股權下相關股份數目	Total 總計	Approximate percentage of the issued Shares 佔已發行股份概約百分比
	Corporate interests 公司權益	Personal interests 個人權益	Sub-total 小計			
Mr. Dong Ping <sup>(1)</sup> 董平先生 <sup>(1)</sup>	1,432,104,354	36,630,000	1,468,734,354	2,700,000	1,471,434,354	42.37%
Mr. Ning Hao <sup>(2)</sup> 寧浩先生 <sup>(2)</sup>	1,432,104,354	36,630,000	1,468,734,354	2,700,000	1,471,434,354	42.37%
Mr. Xu Zheng <sup>(3)</sup> 徐崢先生 <sup>(3)</sup>	1,432,104,354	36,630,000	1,468,734,354	2,700,000	1,471,434,354	42.37%
Mr. Xiang Shaokun, Steven <sup>(4)</sup> 項紹琨先生 <sup>(4)</sup>	-	-	-	27,000,000	27,000,000	0.78%
Mr. Li Xiaolong <sup>(5)</sup> 李小龍先生 <sup>(5)</sup>	15,060,000	-	15,060,000	-	15,060,000	0.43%
Mr. Wang Hong <sup>(6)</sup> 王虹先生 <sup>(6)</sup>	-	100,000	100,000	-	100,000	0.00%

# DIRECTORS' REPORT

## 董事報告

### Notes:

1. These Shares include Shares held by Newwood as to 461,711,082 Shares, Numerous as to 92,342,216 Shares and Highrise as to 800,000 Shares which are companies incorporated in the British Virgin Islands with limited liability and directly wholly owned by Mr. Dong. Mr. Dong also personally holds 36,630,000 Shares and 2,700,000 unlisted physically settled share options of the Company granted on 27 April 2018 pursuant to the Company's share option scheme adopted on 17 June 2014. On 14 April 2015, Mr. Dong, Newwood, Pacific Wits, Mr. Ning, Tairong and Mr. Xu entered into a shareholders agreement (the "Shareholders Agreement"), which sets forth certain rights and obligations of each of the parties in respect of the governance of the Company following completion of the subscription for new shares in the Company pursuant to a subscription agreement dated 14 April 2015, details of which are set out in the Company's circular dated 5 August 2015. As Mr. Dong is a party to the Shareholders Agreement, Mr. Dong is therefore deemed to be interested in all the Shares in which Mr. Ning, Pacific Wits, Mr. Xu and Tairong are interested by virtue of section 317 of the SFO. Please refer to notes 2 and 3 for Shares held by Mr. Ning and Mr. Xu.
2. These Shares include 438,625,528 Shares directly held by Pacific Wits, which is a company incorporated in the British Virgin Islands with limited liability and directly wholly owned by Mr. Ning. Mr. Ning is a party to the Shareholders Agreement and is therefore deemed to be interested in all the Shares and underlying Shares in which Mr. Dong, Newwood, Mr. Xu and Tairong are interested by virtue of section 317 of the SFO. Please refer to notes 1 and 3 for Shares and underlying Shares held by Mr. Dong and Mr. Xu.
3. These Shares include 438,625,528 Shares directly held by Tairong, which is a company incorporated in the British Virgin Islands with limited liability and directly wholly owned by Mr. Xu. Mr. Xu is a party to the Shareholders Agreement and is therefore deemed to be interested in all the Shares and underlying Shares in which Mr. Dong, Newwood, Mr. Ning and Pacific Wits are interested by virtue of section 317 of the SFO. Please refer to notes 1 and 2 for Shares and underlying Shares held by Mr. Dong and Mr. Ning.
4. These underlying Shares are 27,000,000 unlisted physically settled share options of the Company granted to Mr. Xiang Shaokun, Steven on 27 April 2018 pursuant to the Company's share option scheme adopted on 17 June 2014.
5. These Shares are held by Panfaith Investments Limited, which is a company incorporated in the British Virgin Islands with limited liability and ultimately wholly owned by Mr. Li Xiaolong.
6. These Shares are jointly held by Mr. Wang Hong and his spouse.

### 附註：

1. 該等股份包括由Newwood、多樂及Highrise(均為於英屬維爾京群島註冊成立之有限公司，由董先生直接全資擁有)分別持有的461,711,082股股份、92,342,216股股份及800,000股股份。董先生亦個人持有36,630,000股股份及根據於二零一四年六月十七日採納之本公司購股權計劃於二零一八年四月二十七日授出之2,700,000份本公司非上市實物結算購股權。於二零一五年四月十四日，董先生、Newwood、泰穎、寧先生、泰嶸及徐先生訂立股東協議(「股東協議」)，其中載有根據日期為二零一五年四月十四日之認購協議，於完成認購本公司新股份後，訂約各方對管治本公司之若干權利與義務，有關詳情載於本公司日期為二零一五年八月五日之通函。由於董先生為股東協議之訂約方，故根據證券及期貨條例第317條，董先生被視作於寧先生、泰穎、徐先生及泰嶸擁有權益的全部股份中擁有權益。有關寧先生及徐先生持有之股份，請參閱附註2及3。
2. 該等股份包括由泰穎(於英屬維爾京群島註冊成立之有限公司，由寧先生直接全資擁有)直接持有之438,625,528股股份。寧先生為股東協議訂約方，因此根據證券及期貨條例第317條，彼被視作於董先生、Newwood、徐先生及泰嶸擁有權益的全部股份及相關股份中擁有權益。有關董先生及徐先生持有之股份及相關股份，請參閱附註1及3。
3. 該等股份包括由泰嶸(於英屬維爾京群島註冊成立之有限公司，由徐先生直接全資擁有)直接持有之438,625,528股股份。徐先生為股東協議訂約方，因此根據證券及期貨條例第317條，彼被視作於董先生、Newwood、寧先生及泰穎擁有權益的全部股份及相關股份中擁有權益。有關董先生及寧先生持有之股份及相關股份，請參閱附註1及2。
4. 該等相關股份為根據於二零一四年六月十七日採納之本公司購股權計劃於二零一八年四月二十七日向項紹現先生授出之27,000,000份本公司非上市實物結算購股權。
5. 該等股份由Panfaith Investments Limited(於英屬維爾京群島註冊成立之有限公司，由李小龍先生最終全資擁有)持有。
6. 該等股份由王虹先生與其配偶共同持有。

Save as disclosed above, as at 31 December 2020, none of the Directors or chief executive of the Company or any of their associates had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## **DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS**

Save as disclosed in Note 35 to the financial statements headed "Related Party Disclosures", the sections headed "Directors' Interests in Competing Business" and "Company Contracts of Significance/ Connected Transaction/Continuing Connected Transaction" of the Directors' Report and elsewhere in this annual report, no Director nor any entity connected with the Directors had a material interest, whether directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party during 2020.

## **CONTROLLING SHAREHOLDER'S INTERESTS IN SIGNIFICANT CONTRACTS**

Save as disclosed in Note 35 to the financial statements headed "Related Party Disclosures", the sections headed "Directors' Interests in Competing Business" and "Company Contracts of Significance/ Connected Transaction/Continuing Connected Transaction" of the Directors' Report and elsewhere in this annual report, at no time during 2020 had the Company or any of its subsidiaries, and the controlling shareholder (as defined in the Listing Rules) or any of its subsidiaries entered into any contracts of significance or any contract of significance for the provision of services by the controlling shareholder or any of its subsidiaries to the Company or any of its subsidiaries.

除上文所披露者外，於二零二零年十二月三十一日，本公司董事、行政總裁或彼等各自之聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中，概無擁有須記錄在本公司根據證券及期貨條例第352條所備存之登記冊或根據標準守則而另行知會本公司及聯交所之任何權益或淡倉。

## **董事於交易、安排或合約之權益**

除財務報表附註35「關連人士披露」、董事報告「董事於競爭業務之權益」及「公司之重大合約／關連交易／持續關連交易」各節及本年報其他部分所披露者外，於二零二零年，概無董事或任何與董事有關連之實體於本公司、其控股公司或其任何附屬公司或同系附屬公司所訂立之任何對本集團業務屬重大之交易、安排或合約中直接或間接擁有重大權益。

## **控股股東於重大合約之權益**

除財務報表附註35「關連人士披露」、董事報告「董事於競爭業務之權益」及「公司之重大合約／關連交易／持續關連交易」各節及本年報其他部分所披露者外，於二零二零年內任何時間，本公司或其任何附屬公司概無與控股股東(定義見上市規則)或其任何附屬公司訂立任何重大合約，亦無就控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務而訂立任何重大合約。

## **COMPANY'S CONTRACT INVOLVING ISSUE OF NEW SHARES**

On 19 March 2019, the Company completed an issuance of 236,600,000 ordinary Shares of aggregate nominal value of HK\$2,366,000 at a price of HK\$1.6507 per subscription share to Maoyan Entertainment, with gross proceeds of HK\$390,555,620. Please refer to the Company's announcements dated 12 March 2019, 13 March 2019 and 19 March 2019 for details.

As 1 January 2020, HK\$19,721,000 had not been used. As at 31 December 2020, the said unused amount was used for general working capital and the proceeds for the subscription had been fully utilised as intended for (i) investment in, production of and purchase of film and TV contents, (ii) development of online video platform and (iii) general working capital.

On 30 August 2020, the Company entered into the subscription agreement ("Subscription Agreement") with Bilibili, pursuant to which Bilibili has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to Bilibili 346,626,954 ordinary Shares ("Subscription Shares") of aggregate nominal value of HK\$3,466,269.54 at the subscription price of HK\$1.480 per Subscription Share (the "Subscription"). The net price received by the Company was approximately HK\$1.476 per Subscription Share. The closing price of the Shares on the trading day immediately preceding the date of entering into the Subscription Agreement was HK\$1.520 per Share as quoted on the Stock Exchange.

The Board believes that the Subscription represents a good opportunity to raise additional capital for the Company's business operations and broaden the shareholder base of the Company.

Please refer to the Company's announcements dated 30 August 2020, 10 September 2020 and 21 September 2020 for details of the Subscription Agreement.

## **本公司涉及新股份發行之合約**

於二零一九年三月十九日，本公司已完成向貓眼娛樂按每股認購股份港幣1.6507元之價格發行236,600,000股總面值港幣2,366,000元之普通股股份之發行事項，所得款項總額為港幣390,555,620元。有關詳情請參閱本公司日期為二零一九年三月十二日、二零一九年三月十三日及二零一九年三月十九日之公告。

於二零二零年一月一日，港幣19,721,000元尚未動用。於二零二零年十二月三十一日，上述尚未動用之金額已用於一般營運資金及認購事項之所得款項已按計劃悉數用於(i)影視內容投資、製作及購買，(ii)發展在線視頻平台及(iii)一般營運資金。

於二零二零年八月三十日，本公司與哔哩哔哩訂立認購協議(「認購協議」)，據此，哔哩哔哩已有條件同意認購，而本公司已有條件同意向哔哩哔哩配發及發行346,626,954股總面值港幣3,466,269.54元之普通股股份(「認購股份」)，認購價為每股認購股份港幣1.480元(「認購事項」)。本公司所收取之淨價為每股認購股份約港幣1.476元。股份於緊接訂立認購協議日期前一個交易日在聯交所所報收市價為每股股份港幣1.520元。

董事會認為認購事項將為本公司業務運營引入額外資金及擴大本公司的股東基礎。

有關認購協議之詳情，請參閱本公司日期為二零二零年八月三十日、二零二零年九月十日及二零二零年九月二十一日之公告。



The gross proceeds and net proceeds raised from the Subscription is HK\$513,007,892 and approximately HK\$511,700,000 respectively. Approximately HK\$369,560,000 have been used by the Company for the year ended 31 December 2020 and approximately HK\$142,140,000 remains unutilised which is expected to be fully utilised by August 2021. The following table sets out the breakdown of the use of net proceeds as at 31 December 2020:

認購事項所得款項總額及淨額分別為港幣513,007,892元及約港幣511,700,000元。截至二零二零年十二月三十一日止年度，本公司已動用約港幣369,560,000元及約港幣142,140,000元仍未動用且預期將於二零二一年八月悉數動用。下表載列於二零二零年十二月三十一日之所得款項淨額用途之明細：

<b>Use of proceeds for</b> 所得款項用途	<b>Amount proposed to be used</b> 擬動用金額 (HK\$'000) (港幣千元)	<b>Amount used</b> 已動用金額 (HK\$'000) (港幣千元)	<b>Unutilised amount</b> 未動用金額 (HK\$'000) (港幣千元)
Investment in film and TV programme rights business 電影及電視劇版權投資業務	411,700	(315,242)	96,458
General working capital 一般營運資金	100,000	(54,318)	45,682
<b>Total</b> 總額	511,700	(369,560)	142,140

## COMPANY CONTRACTS OF SIGNIFICANCE/ CONNECTED TRANSACTION/CONTINUING CONNECTED TRANSACTION

## 公司之重大合約／關連交易／持續關連交易

### The Service Agreements – continuing connected transactions

### 服務協議 – 持續關連交易

On 14 April 2015 (after trading hours), the Company entered into the service agreements (the "Service Agreements") with each of Mr. Ning Hao ("Mr. Ning") and Mr. Xu Zheng ("Mr. Xu") (the "Shareholder Directors" and each a non-executive Director and a substantial shareholder of the Company). Pursuant to the Service Agreements:

於二零一五年四月十四日(交易時段後)，本公司分別與寧浩先生(「寧先生」)及徐崢先生(「徐先生」)(「股東導演」，均為本公司非執行董事及主要股東)訂立服務協議(「服務協議」)。根據服務協議：

- (a) the Company shall have exclusive investment and production rights to any films and programmes developed and directed by Mr. Ning and Mr. Xu (the "Shareholder Directors' Productions"), i.e. the Company shall be the sole investor to such productions;
- (b) the Company shall have priority distribution rights (including cinema screenings, audio-visual products, television broadcasting and network dissemination etc.) to the Shareholder Directors' Productions in China, Hong Kong, Taiwan and Macau;

- (a) 本公司將擁有任何由寧先生及徐先生構思及執導之電影及節目(「股東導演作品」)之排他投資權及製作權，即本公司將為有關作品之唯一投資者；
- (b) 本公司將擁有股東導演作品在中國、香港、台灣及澳門之優先發行權，包括影劇院放映、音像製品、電視播映及網絡傳播等；

- (c) each of the Shareholder Directors shall direct one to two films (being films that shall be publicly released) every three years in respect of which the Company shall have the exclusive investment and production rights, and the priority distribution rights set out in paragraphs (a) and (b) above. For the avoidance of doubt, the Company shall not have such rights in any Shareholder Directors' Productions in which the Company decides not to invest;
- (d) the Shareholder Directors shall use their best endeavours to provide the Company with the priority investment, production and distribution rights for films and programmes (including films, television drama series, online drama series and other television programmes) which are not developed and directed by any of the Shareholder Directors and the Shareholder Directors are either producer, screenwriter, lead actor or other creative member (the "Non-Shareholder Directors' Productions"); and
- (e) the Shareholder Directors shall actively participate in the promotional activities of other films and programmes invested or produced by the Company according to the requirements of the Company.
- (c) 各股東導演將每三年執導一至兩部電影作品(以作品正式公開上映為準)，而本公司將如上文(a)及(b)段所載擁有該等電影作品之排他投資權及製作權以及優先發行權。為免疑慮，倘本公司決定不投資於某股東導演作品，則本公司將不會就該作品擁有該等權利；
- (d) 股東導演將竭盡所能就並非由股東導演構思及執導以及股東導演身為監製、編劇、主演或其他主創人員之影視作品及節目(包括電影、電視劇、網絡自製劇及其他電視節目)(「非股東導演作品」)向本公司提供優先投資權、製作權及發行權；及
- (e) 股東導演將根據本公司要求積極參與本公司投資或製作之其他影視作品及節目之宣傳活動。

### **Shareholder Directors' Proposal**

During a term of six years from the date of completion of the subscription agreement entered into between Newwood, Numerous, Pacific Wits, Tairong, Wise Dragon International Limited, Gold Shine Investment Company Limited, Dayunmony Investment Corporation, Concept Best Limited and Reorient Global Limited ("2015 Subscription Agreement") (i.e. 2 September 2015) (the "Service Period"), each Shareholder Director shall, with respect to each proposed Shareholder Directors' Production, submit to the Company a written proposal, which contents shall include such production's (i) plot or storyline, (ii) total budget and the basis for determining the same, (iii) production and distribution budget, (iv) production plan and timeline, and (v) the proposed screenwriter, producer and casting.

### **股東導演建議**

自Newwood、多樂、泰穎、泰嶸、騰龍國際有限公司、金耀投資有限公司、Dayunmony Investment Corporation、Concept Best Limited及瑞東環球有限公司訂立之認購協議(「二零一五年認購協議」)完成日期(即二零一五年九月二日)起計六年(「服務期」)內，各股東導演須就每部建議股東導演作品向本公司提交建議書，當中載列有關作品之(i)情節或故事大綱；(ii)總預算及其釐定基準；(iii)製作及發行預算；(iv)製作計劃及時間表；及(v)建議編劇、監製及演員陣容。

The Board or a designated board committee shall, within 30 business days of receiving the foregoing written proposal, consider and discuss such proposal with respect to its investment, production and distribution, and shall also make a determination as to whether the Company will invest in such proposed Shareholder Directors' Production.

### Service fees

No service fee shall be payable by the Company to the Shareholder Directors in consideration of entering into the Service Agreements or the transactions contemplated thereunder, subject to the Shareholder Directors' rights to the following benefits and rewards:

- (a) each of the Shareholder Directors shall be entitled to receive film director fees or creative member fees in respect of the Shareholder Directors' Productions and the Non-Shareholder Directors' Productions that the Company invests in with reference to the prevailing market rates for similar productions, subject to a maximum amount of HK\$30,000,000 per annum; and
- (b) the Shareholder Directors shall be entitled to receive dividends in respect of any Shares held by them, if any, to be declared by the Company.

### Proposed annual caps

Annual caps for the film director fees or creative member fees payable to the Shareholder Directors under the Service Agreements of HK\$30,000,000 for each Shareholder Director for each of the years ending 31 December 2015, 2016, 2017, 2018, 2019 and 2020. The annual caps were determined with reference to the prevailing market rates payable to independent third party film directors who are of similar calibre, status, standing and reputation and who have similar track records of successful and profitable movies and other media productions.

董事會或指定董事委員會將於接獲上述建議書後30個營業日內審議及討論有關建議之投資、製作及發行事宜，並釐定本公司會否投資有關建議股東導演作品。

### 服務費

本公司毋須向股東導演支付任何服務費作為訂立服務協議或其項下擬進行交易之代價，惟股東導演有權享有下列利益及報酬：

- (a) 各股東導演有權就本公司所投資之股東導演作品及非股東導演作品收取電影導演費或創作人員費，當中參考同類作品之現行市場收費，惟每年金額上限為港幣30,000,000元；及
- (b) 股東導演有權收取本公司就彼等所持任何股份(如有)宣派之股息。

### 建議年度上限

截至二零一五年、二零一六年、二零一七年、二零一八年、二零一九年及二零二零年十二月三十一日止各年度根據服務協議應付股東導演之電影導演費或創作人員費設定年度上限為每名股東導演港幣30,000,000元。年度上限乃經參考應付獨立第三方電影導演(具有相若之才幹、地位及聲譽，且在執導賣座電影方面之往績相若及具備其他媒體製作經驗)之現行市場收費後釐定。

As set out in the circular of the Company dated 5 August 2015, Mr. Ning and Mr. Xu are prestigious and successful directors and actors in the Chinese movie industry. The Directors are of the view that the participation of Mr. Ning and Mr. Xu in the Company and through the services they would provide under the Service Agreements would be instrumental in the Company's development in the media and entertainment industry.

After completion of the 2015 Subscription Agreement, each of Pacific Wits (a company incorporated in the British Virgins Islands with limited liabilities and wholly owned by Mr. Ning) and Tairong (a company incorporated in the British Virgins Islands with limited liabilities and wholly owned by Mr. Xu) has become a substantial shareholder of the Company. Besides, each of Mr. Ning and Mr. Xu is a non-executive Director and thus a connected person of the Company. Accordingly, the Service Agreements and the transactions contemplated thereunder constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The Service Agreements and the transactions contemplated thereunder are non-exempt continuing connected transactions and are subject to the requirements under Chapter 14A of the Listing Rules. The Service Agreements and annual caps for each of the six financial years ending 31 December 2020 in relation to the transactions contemplated under the Service Agreements were approved by the independent shareholders of the Company at the special general meeting of the Company held on 28 August 2015.

For the year ended 31 December 2020, the actual fee paid by the Group under the Service Agreements to each of Mr. Ning and Mr. Xu are HK\$30,000,000 (2019: Nil) and Nil (2019: Nil) respectively.

During the year ended 31 December 2020, the Group agreed to invest in a film to be directed by Mr. Ning, a non-executive director of the Company, and the Group made a prepayment of film director and creative member's fee of HK\$30,000,000 to Mr. Ning for development of the proposed film. Other terms of the film production will be further agreed between the Group and respective parties.

誠如本公司日期為二零一五年八月五日之通函所載，寧先生及徐先生為中國電影界當時得令之導演及演員。董事認為，得到寧先生及徐先生參與發展本公司，加上彼等根據服務協議提供之服務，對本公司在媒體及娛樂事業上的發展定能作出莫大貢獻。

完成二零一五年認購協議後，泰穎(於英屬維爾京群島註冊成立之有限公司並由寧先生全資擁有)及泰嶸(於英屬維爾京群島註冊成立之有限公司並由徐先生全資擁有)已各自成為本公司主要股東。此外，寧先生及徐先生均為非執行董事，因而屬本公司之關連人士，故服務協議及其項下擬進行交易構成本公司於上市規則第14A章項下之持續關連交易。

服務協議及其項下擬進行交易構成不獲豁免持續關連交易，故須遵守上市規則第14A章之規定。本公司獨立股東已於本公司於二零一五年八月二十八日舉行之股東特別大會上批准服務協議及服務協議項下擬進行交易所涉及截至二零二零年十二月三十一日止六個財政年度各年之年度上限。

截至二零二零年十二月三十一日止年度，本集團根據服務協議向寧先生及徐先生支付的實際費用分別為港幣30,000,000元(二零一九年：零)及零(二零一九年：零)。

截至二零二零年十二月三十一日止年度，本集團同意投資一部將由本公司一名非執行董事寧先生執導的電影。同時，本集團已向寧先生預先支付電影導演及主創費港幣30,000,000元用於開發建議電影。電影製作的其他條款則待本集團與各方進一步商定。

The independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that the transactions have been entered into:

- in the ordinary and usual course of business of the Group's business;
- on normal commercial terms or better; and
- according to the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this Annual Report in accordance with Rule 14A.56 of the Listing Rules. Accordingly, the Company has provided a signed copy of the said letter to the Stock Exchange. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

獨立非執行董事已審閱上述持續關連交易，並確認有關交易乃：

- 於本集團之日常及一般業務過程中訂立；
- 按照一般商務條款或更佳條款進行；及
- 根據相關協議之條款進行，而條款屬公平合理，且符合本公司股東之整體利益。

本公司核數師根據《香港鑒證業務準則》第3000號（經修訂）「歷史財務資料審計或審閱以外的鑒證業務」並參照由香港會計師公會頒佈的《實務說明》第740號「關於香港上市規則所述持續關連交易的核數師函件」報告本集團的持續關連交易。核數師已根據上市規則第14A.56條發出載有有關本集團於本年度報告所披露的持續關連交易的發現及結論的無保留意見函件。因此，本公司已向聯交所提供上述函件的簽署副本。本公司確認已按照上市規則第14A章遵守披露規定。



## Cooperation Agreements

On 23 January 2020, Huan Huan Xi Xi (Tianjin) Culture Investment Company Limited\* (歡歡喜喜(天津)文化投資有限公司) ("Huanxi"), a wholly-owned subsidiary of the Company, entered into a cooperation agreement with ByteDance for broadcasting *Lost in Russia* (囧媽) on their platform and other platform related cooperation. The first-phase cooperation started on 23 January 2020 and ended on 23 July 2020.

Afterwards, Huanxi entered into a cooperation agreement with two wholly-owned subsidiaries of Bilibili, Bilibili HK Limited (香港哔哩哔哩有限公司) and Shanghai Kuanyu Digital Technology Co., Ltd.\* (上海寬娛數碼科技有限公司) (collectively "Bilibili Companies") on 30 August 2020, pursuant to which:

- (1) the film and TV content of which the Group has the exclusive new media broadcasting right and sub-licensing right ("Licensed Content") will be broadcasted on the "huanxi.com" (歡喜首映) and the online video platforms owned or operated by the Bilibili Companies and their related parties, including but not limited to Bilibili.com (哔哩哔哩彈幕網) ("Bilibili Platforms") exclusively, and all revenue generated from Licensed Content broadcasted through the Bilibili Platforms will be shared between the parties after deducting related costs;
- (2) the Bilibili Companies will set up a "huanxi.com" designated channel on the Bilibili Platforms from which the Licensed Content will be broadcasted;
- (3) the Bilibili Companies and their affiliates will be given priority to invest in film and TV projects that are majority-owned by the Group; and
- (4) the Group will actively cooperate with Bilibili to develop derivatives of the Group's film and TV content.

Please refer to the Company's announcement dated 23 January 2020 for details of the cooperation agreement between the Group and ByteDance and announcements dated 30 August 2020, 10 September 2020 and 21 September 2020 for details of the cooperation agreement between the Group and the Bilibili Companies.

## 合作協議

於二零二零年一月二十三日，本公司之全資附屬公司歡歡喜喜(天津)文化投資有限公司(「歡喜」)與字節跳動訂立合作協議，在其平台上播映《囧媽》及展開其他平台相關合作。第一階段合作於二零二零年一月二十三日開始，於二零二零年七月二十三日結束。

其後，歡喜於二零二零年八月三十日與哔哩哔哩兩家全資附屬公司香港哔哩哔哩有限公司及上海寬娛數碼科技有限公司(合稱「哔哩哔哩公司」)訂立合作協議，據此：

- (1) 本集團享有獨家新媒體傳播權及轉授權的影視內容(「授權內容」)將於「歡喜首映」與哔哩哔哩公司及其關聯方擁有或運營的在線視頻平台(包括但不限於哔哩哔哩彈幕網)(「哔哩哔哩平台」)上獨家播放；於哔哩哔哩平台上播放授權內容所產生的所有收入經扣除相關成本後由合約方進行分成；
- (2) 哔哩哔哩公司將於哔哩哔哩平台上設立「歡喜首映」頻道播放授權內容；
- (3) 哔哩哔哩公司及其聯屬公司將獲授予本集團主控之影視項目的優先投資權；及
- (4) 本集團將與哔哩哔哩積極合作共同就本集團的影視作品進行衍生開發。

有關本集團與字節跳動之合作協議，詳情請參閱本公司日期為二零二零年一月二十三日之公告；有關本集團與哔哩哔哩公司之合作協議，詳情請參閱本公司日期為二零二零年八月三十日、二零二零年九月十日及二零二零年九月二十一日之公告。

\* For identification purposes only

**DIRECTORS' INTERESTS IN COMPETING BUSINESS**

**董事於競爭業務之權益**

Interests of the Directors in competing businesses to the Group as at 31 December 2020 required to be disclosed pursuant to Rule 8.10 of the Listing Rules were set out as below:

於二零二零年十二月三十一日，董事於本集團之競爭業務中，須根據上市規則第8.10條披露之權益載列如下：

<b>Directors</b>	<b>Companies which Directors held interests</b>	<b>Major business nature</b>	<b>Nature of interest (including close associate's interest)</b> 權益性質(包括緊密聯繫人士之權益)
<b>董事</b>	<b>董事持有權益之公司</b>	<b>主要業務性質</b>	
Mr. Ning Hao 寧浩先生	Tianjin Dirty Monkey Films Company Limited* 天津壞猴子影業有限公司	TV and movie project preparation, TV and movie planning 影視項目籌建、影視策劃	Ultimate shareholder 最終股東
	Beijing Dirty Monkey Cultural Development Company Limited* 北京壞猴子文化產業發展有限公司	TV production and distribution 電視節目製作及發行	Ultimate shareholder 最終股東
	Khorgas Dirty Monkey Media Culture Company Limited* 霍爾果斯壞猴子影視文化傳播有限公司	TV and movie production 電視節目及電影製作	Ultimate shareholder 最終股東
	花滿山(上海)影業有限公司	TV and movie production 電視節目及電影製作	Ultimate shareholder 最終股東
	壞猴子(上海)文化傳播有限公司	TV and movie production 電視節目及電影製作	Ultimate shareholder 最終股東
	Tibet Jindouyun Film Company Limited* 西藏筋斗雲影業有限公司	TV and movie production 電視節目及電影製作	Ultimate shareholder 最終股東
	上海定海神針影業有限公司	TV and movie production and movie distribution 電視節目及電影製作以及電影發行	Ultimate shareholder 最終股東
	天津萬榮企業管理諮詢中心(有限合夥)	TV and movie investments 電視節目及電影投資	Ultimate shareholder 最終股東
	霍爾果斯筋斗雲影視文化傳播有限公司	TV and movie distribution 電視節目及電影發行	Ultimate shareholder 最終股東
天津十間影視傳媒有限公司	Movie production, radio and TV production, cultural and entertainment agency 電影攝製、廣播電視節目製作、文化娛樂經紀人	Ultimate shareholder 最終股東	

\* For identification purposes only

## DIRECTORS' REPORT

### 董事報告

Directors	Companies which Directors held interests	Major business nature	Nature of interest (including close associate's interest)
董事	董事持有權益之公司	主要業務性質	權益性質(包括緊密聯繫人士之權益)
Mr. Xu Zheng 徐崢先生	INJO Films Co. Ltd. 東陽映月影視文化傳播有限公司	TV and movie production 電視節目及電影製作	Close associate's interest 緊密聯繫人士之權益
	西藏一格萬象影視傳媒有限公司	TV and movie production 電視節目及電影製作	Close associate's interest 緊密聯繫人士之權益
	西藏映月工場影視文化傳播有限公司	TV and movie production 電視節目及電影製作	Close associate's interest 緊密聯繫人士之權益
	Beijing Joy Leader Culture Communication Co. Ltd. 北京真樂道文化傳播有限公司	Movie production and investments 電影製作及投資	Ultimate shareholder 最終股東
	真樂道(上海)影視有限公司	TV and movie production and movie distribution 電視節目及電影製作以及電影發行	Ultimate shareholder 最終股東
	Shanghai Joy Leader Media Culture Workshop* 上海真樂道影視文化工作室	Planning of TV and movie 電視節目及電影策劃	Ultimate shareholder 最終股東
	海南樂道山居文化傳播有限公司	TV production 電視節目製作	Ultimate shareholder 最終股東
	海南省洋洋得意文化傳播有限公司	TV production and movie distribution 電視節目製作及電影發行	Ultimate shareholder and Close associate's interest 最終股東及緊密聯繫人士之權益
	華青傳奇(北京)科技發展有限公司	TV production 電視節目製作	Close associate's interest 緊密聯繫人士之權益
	華青傳奇影業(廈門)有限公司	TV and movie production and distribution 電視節目及電影製作以及發行	Close associate's interest 緊密聯繫人士之權益
北京真有戲影業有限公司	TV production and movie distribution 電視節目製作及電影發行	Close associate's interest 緊密聯繫人士之權益	

\* For identification purposes only

The Group is principally engaged in the media and entertainment related businesses, including development and investment in film and TV programmes rights, as well as operation of an online video platform.

Mr. Ning, together with his family, is the ultimate shareholder of the above companies (together "Mr. Ning's Companies"). Mr. Ning's companies are principally engaged in the TV and movie production and distribution in the PRC. The Group made a prepayment of film director and creative member's fee of HK\$30,000,000 to Mr. Ning for development of a proposed film. Save as disclosed above, as at 31 December 2020, none of Mr. Ning or his close associates was interested in any business in respect of film production, apart from his and/or his family's interests in Mr. Ning's Companies.

Mr. Xu is the majority shareholder of the above companies (together "Mr. Xu's Companies"). Mr. Xu's Companies are principally engaged in the TV and movie production, investment and distribution in the PRC. As at 31 December 2020, none of Mr. Xu or his close associates was interested in any business in respect of film production, apart from his interests in Mr. Xu's Companies.

The Directors consider that the Group is capable of carrying on its businesses independently of, and at arm's length from, the movie business of (i) Mr. Ning's Companies and (ii) Mr. Xu's Companies (i) and (ii) together, the "Other Companies") as (i) there is a clear separation between the Group's businesses and those of the Other Companies; (ii) the Group is not operationally or financially dependent on any of the Other Companies, or vice versa; and (iii) the Board operates independently from the boards of the Other Companies. The Board consists of eight members, comprising of two executive Directors, three non-executive Directors and three independent non-executive Directors. All of the Directors are aware of their fiduciary duties as a director of the Company which require, among other things, that they act for the benefit and in the best interests of the Company and do not allow any conflict between their duties as a Director and their personal interest. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between the Group and the Directors or their respective associates, the interested Director(s) shall abstain from voting at the relevant board meetings of the Company in respect of such transactions and shall not be counted in the quorum.

本集團主要從事媒體及娛樂相關業務，包括電影及電視劇版權製作及投資以及營運在線視頻平台。

寧先生連同其家族為上述公司(統稱「寧先生之公司」)之最終股東。寧先生之公司均主要於中國從事電視節目及電影製作及發行。本集團已向寧先生預先支付電影導演及主創費港幣30,000,000元用於開發建議電影。除上述所披露者外，於二零二零年十二月三十一日，除寧先生及／或其家族於寧先生之公司之權益外，彼或其緊密聯繫人士概無於任何有關電影製作的業務中擁有權益。

徐先生為上述公司(統稱「徐先生之公司」)之大股東。徐先生之公司主要於中國從事電視節目及電影製作、投資及發行。於二零二零年十二月三十一日，除徐先生於徐先生之公司之權益外，彼或其緊密聯繫人士概無於任何有關電影製作的業務中擁有權益。

董事認為，本集團有能力以獨立於(i)寧先生之公司及(ii)徐先生之公司((i)及(ii)統稱為「其他公司」)之電影業務之方式按公平原則開展其業務，原因是(i)本集團業務與其他公司之業務有清晰區分；(ii)本集團在營運上或財政上並非依賴任何其他公司，反之亦然；及(iii)董事會獨立於其他公司之董事會運作。董事會由八位成員組成，包括兩位執行董事、三位非執行董事及三位獨立非執行董事。全體董事均知悉彼等作為本公司董事之受信責任，要求(其中包括)彼等為本公司之利益及最佳權益行事，且不容許彼等作為董事之職責與彼等個人權益出現任何衝突。倘在本集團與董事或彼等各自之聯繫人士將予訂立之任何交易中出現潛在利益衝突，則有利害關係之董事須於本公司相關董事會會議上就有關交易放棄投票，且不得計入法定人數之中。

## DIRECTORS' REPORT

### 董事報告

From time to time, the Group may consider possible co-investment opportunities with Mr. Ning's Companies and/or Mr. Xu's Companies in film or other projects. Any such investments and the definitive terms thereof would be subject to further negotiations at arm's length between the relevant parties. If any co-investment arrangement between the Group and Mr. Ning's Companies or Mr. Xu's Companies were to materialise, it could constitute a connected transaction of the Company under the Listing Rules. Further announcement(s) in relation to any such investments will be made as and when appropriate in compliance with the Listing Rules.

Moreover, the Company has entered into the service agreements dated 14 April 2015 (the "Service Agreements") with each of Mr. Ning and Mr. Xu. The Service Agreements and the relevant annual caps have been approved by the independent shareholders of the Company at the special general meeting of the Company held on 28 August 2015. The details of the Service Agreements are disclosed under the section headed "Company Contracts of Significance/Connected Transaction/Continuing Connected Transaction" in this Directors' Report.

To avoid any potential direct or indirect competition with the Group, during the terms of the Service Agreements, save for the activities and transactions contemplated under the Service Agreements, unless with the written consent of the Company, Mr. Ning and Mr. Xu shall not, directly or indirectly entrust or authorise any third party to undertake any of the following activities:

- (a) directly or indirectly (regardless of whether acting in the capacity of a shareholder, director, employee, partner, consultant or agent) undertake or participate or benefit from any business which is the same as, similar or competes with the business of the Company, including providing any services that are the same as or similar to the services to be provided under the Service Agreements;
- (b) seize any business opportunity of the Company or solicit any clients or potential clients of the Company, or interfere or damage any relationship or contracts between the Company and any clients or potential clients of the Company; or
- (c) assist or support any third person to undertake the activities set forth in paragraphs (a) and (b) above.

本集團可不時考慮與寧先生之公司及／或徐先生之公司在電影或其他項目上之可能合資機會。任何該等投資及其最終條款將須待有關訂約方進一步公平磋商後，方可作實。倘本集團與寧先生之公司或徐先生之公司落實任何合資安排，根據上市規則，可構成本公司之關連交易。本公司將遵照上市規則適時就任何該等投資另作公告。

此外，本公司分別與寧先生及徐先生訂立日期為二零一五年四月十四日之服務協議（「服務協議」）。服務協議及有關年度上限已於本公司於二零一五年八月二十八日舉行之股東特別大會上獲本公司獨立股東批准。服務協議詳情於本董事報告「公司之重大合約／關連交易／持續關連交易」一節披露。

為避免與本集團產生任何潛在直接或間接競爭，於服務協議之年期內，除根據服務協議擬進行之業務及交易外，除非獲得本公司之書面同意，寧先生及徐先生不得直接或間接委託或授權任何第三方進行下列任何活動：

- (a) 直接或間接（不論以股東、董事、僱員、合夥人、顧問或代理人身份）承接或參與或受惠於任何與本公司業務相同、相若或對其構成競爭之業務，包括提供任何與根據服務協議所提供服務相同或相若之服務；
- (b) 篡奪本公司任何商機或引誘本公司任何客戶或潛在客戶、或干擾或損害本公司與其任何客戶或潛在客戶之關係或合約；或
- (c) 協助或支持任何第三方承接上文(a)及(b)段所列活動。



Notwithstanding the above non-compete obligations of Mr. Ning and Mr. Xu, Mr. Ning and Mr. Xu shall, through companies controlled by them, have the right to:

- (a) contract to produce the Shareholder Directors' Productions which the Company invests in;
- (b) operate the Non-Shareholder Directors' Productions;
- (c) operate the Shareholder Directors' Productions that the Company does not invest in;
- (d) operate projects that have already commenced operations by the companies controlled by Mr. Ning and Mr. Xu as at the date of the Service Agreements,

in each case, subject to compliance with any applicable connected transaction requirements under Chapter 14A of the Listing Rules.

The Board will consider allowing Mr. Ning and Mr. Xu to engage in the activities mentioned in this section if, (a) Mr. Ning and Mr. Xu have completed their obligations under their respective Service Agreements, and/or (b) in the view of the Board, the productions which Mr. Ning and Mr. Xu wish to undertake would not be profitable or would otherwise not be suitable for the Company to undertake in light of the strategic direction of the Company, taking into account the factors such as (i) the projected cost of the relevant production; (ii) the lead actors or actresses who will participate in the relevant production; (iii) the projected length of film shooting of the relevant production; (iv) the estimated box office and popularity of the relevant production; (v) the genre of the film; (vi) the plot of the film; (vii) whether undertaking such a production could lead to other investment opportunities for the Company, such as exposure to and contact with other reputable and renowned players in the industry (including actors, actresses, screenwriters, directors, costume designers, film editors, makeup artists, visual effect and sound editors and other relevant personnel of the production team); and (viii) any other fair and reasonable considerations which the Board may take into account at the time of consideration of the relevant production.

儘管寧先生及徐先生負有上述不競爭責任，惟寧先生及徐先生仍有權透過彼等控制之公司：

- (a) 就製作本公司所投資之股東導演作品訂立合約；
- (b) 營運非股東導演作品；
- (c) 營運並非本公司投資之股東導演作品；
- (d) 營運由寧先生及徐先生控制之公司於服務協議日期已展開之項目，

而在各項情況下均須遵守上市規則第14A章項下任何適用於關連交易之規定。

倘(a)寧先生及徐先生已完成彼等於各自服務協議項下之責任，及／或(b)董事會認為寧先生及徐先生欲承接之製作無利可圖或與本公司策略方向有別而不適合本公司(當中考慮到(i)相關製作預計所需成本；(ii)參演相關製作之主要演員；(iii)相關製作預計所需電影拍攝時長；(iv)相關製作之估計票房及受歡迎程度；(v)電影類型；(vi)電影情節；(vii)承接有關製作可否為本公司帶來其他投資機會，例如接觸業內其他知名人士(包括男演員、女演員、編劇、導演、服裝設計、剪片師、化妝師、視效及音效師以及製作團隊其他相關人員)；及(viii)董事會於考慮相關製作時可能計及之任何其他公平合理考慮因素)，則董事會將考慮允許寧先生及徐先生進行本節所述之活動。

**SUBSTANTIAL SHAREHOLDERS' INTERESTS**

As at 31 December 2020, save as disclosed under the section "Directors' Interests in Securities" in this Director's Report of the annual report, the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital under Section 336 of the SFO.

**主要股東權益**

於二零二零年十二月三十一日，除本年報董事報告之「董事之證券權益」一節所披露者外，本公司獲知會下列主要股東權益，即根據證券及期貨條例第336條本公司已發行股本中5%或以上之權益。

Name of shareholders 股東名稱／姓名	Capacity 身份	Number of ordinary Shares held 持有之普通股數目	Number of underlying Shares held <sup>(6)</sup> 持有之相關股份數目 <sup>(6)</sup>	Approximate percentage of shareholding 股權概約百分比
Dong Ping <sup>(1)</sup> ("Mr. Dong") 董平 <sup>(1)</sup> (「董先生」)	Beneficial owner, interests of controlled corporation and a party to an agreement required to be disclosed under section 317 of the SFO 實益擁有人、受控制法團權益及協議訂約方根據證券及期貨條例第317條須予披露的權益	1,468,734,354	2,700,000	42.37%
Newwood Investments Limited <sup>(1)</sup> ("Newwood")	Beneficial owner and interests of a party to an agreement required to be disclosed under section 317 of the SFO 實益擁有人及協議訂約方根據證券及期貨條例第317條須予披露的權益	1,468,734,354	2,700,000	42.37%
Numerous Joy Limited 多樂有限公司	Beneficial owner 實益擁有人	92,342,216	—	2.66%
Highrise Castle Limited	Beneficial owner 實益擁有人	800,000	—	0.02%
Ning Hao <sup>(2)</sup> ("Mr. Ning") 寧浩 <sup>(2)</sup> (「寧先生」)	Interests of controlled corporation and a party to an agreement required to be disclosed under section 317 of the SFO 受控制法團權益及協議訂約方根據證券及期貨條例第317條須予披露的權益	1,468,734,354	2,700,000	42.37%

<b>Name of shareholders</b> 股東名稱／姓名	<b>Capacity</b> 身份	<b>Number of ordinary Shares held</b> 持有之普通股數目	<b>Number of underlying Shares held<sup>(6)</sup></b> 持有之相關股份數目 <sup>(6)</sup>	<b>Approximate percentage of shareholding</b> 股權概約百分比
Pacific Wits Limited <sup>(2)</sup> ("Pacific Wits") 泰穎有限公司 <sup>(2)</sup> (「泰穎」)	Beneficial owner and interests of a party to an agreement required to be disclosed under section 317 of the SFO 實益擁有人及協議訂約方根據證券及期貨條例第317條須予披露的權益	1,468,734,354	2,700,000	42.37%
Xu Zheng <sup>(3)</sup> ("Mr. Xu") 徐崢 <sup>(3)</sup> (「徐先生」)	Interests of controlled corporation and a party to an agreement required to be disclosed under section 317 of the SFO 受控制法團權益及協議訂約方根據證券及期貨條例第317條須予披露的權益	1,468,734,354	2,700,000	42.37%
Tairong Holdings Limited <sup>(3)</sup> ("Tairong") 泰嶸控股有限公司 <sup>(3)</sup> (「泰嶸」)	Beneficial owner and interests of a party to an agreement required to be disclosed under section 317 of the SFO 實益擁有人及協議訂約方根據證券及期貨條例第317條須予披露的權益	1,468,734,354	2,700,000	42.37%
Bilibili Inc. <sup>(4)</sup> 哔哩哔哩股份有限公司 <sup>*(4)</sup>	Beneficial owner 實益擁有人	346,626,954	—	9.98%
Maoyan Entertainment <sup>(5)</sup> 貓眼娛樂 <sup>(5)</sup>	Beneficial owner 實益擁有人	219,140,000	—	6.31%

\* 僅供識別

# DIRECTORS' REPORT

## 董事報告

### Notes:

1. These Shares include Shares held by Newwood as to 461,711,082 Shares, Numerous Joy Limited as to 92,342,216 Shares and Highrise Castle Limited as to 800,000 Shares which are companies incorporated in the British Virgin Islands with limited liability and directly wholly owned by Mr. Dong. Mr. Dong also personally holds 36,630,000 Shares and 2,700,000 unlisted physically settled share options of the Company granted on 27 April 2018 pursuant to the Company's share option scheme adopted on 17 June 2014. On 14 April 2015, Mr. Dong, Newwood, Pacific Wits, Mr. Ning, Tairong and Mr. Xu entered into a shareholders agreement (the "Shareholders Agreement"), which sets forth certain rights and obligations of each of the parties in respect of the governance of the Company following completion of the subscription for new shares in the Company pursuant to a subscription agreement dated 14 April 2015, details of which are set out in the Company's circular dated 5 August 2015. As Mr. Dong and Newwood are parties to the Shareholders Agreement, Mr. Dong is therefore deemed to be interested in all the Shares in which Newwood, Mr. Ning, Pacific Wits, Mr. Xu and Tairong are interested by virtue of section 317 of the SFO; and Newwood is therefore also deemed to be interested in all the Shares and underlying Shares in which Mr. Dong, Mr. Ning, Pacific Wits, Mr. Xu and Tairong are interested by virtue of section 317 of the SFO. Please refer to notes 2 and 3 for Shares held by Mr. Ning, Pacific Wits, Mr. Xu and Tairong.
2. These Shares include 438,625,528 Shares directly held by Pacific Wits, which is a company incorporated in the British Virgin Islands with limited liability and directly wholly owned by Mr. Ning. As Mr. Ning and Pacific Wits are parties to the Shareholders Agreement, Mr. Ning and Pacific Wits are therefore deemed to be interested in all the Shares and underlying Shares in which Mr. Dong, Newwood, Mr. Xu and Tairong are interested by virtue of section 317 of the SFO. Please refer to notes 1 and 3 for the Shares and underlying Shares held by Mr. Dong, Newwood, Mr. Xu and Tairong.
3. These Shares include 438,625,528 Shares directly held by Tairong, which is a company incorporated in the British Virgin Islands with limited liability and directly wholly owned by Mr. Xu. As Mr. Xu and Tairong are parties to the Shareholders Agreement, Mr. Xu and Tairong are therefore deemed to be interested in all the Shares and underlying Shares in which Mr. Dong, Newwood, Mr. Ning and Pacific Wits are interested by virtue of section 317 of the SFO. Please refer to notes 1 and 2 for the Shares and underlying Shares held by Mr. Dong, Newwood, Mr. Ning and Pacific Wits.
4. Such disclosure of interests was made in the form of notice pursuant to Part XV of the SFO disclosed by Bilibili on 24 September 2020.
5. Such disclosure of interests was made in the form of notice pursuant to Part XV of the SFO disclosed by Maoyan Entertainment on 30 January 2020.
6. Details of the share options granted to the substantial shareholders of the Company under the share option scheme of the Company are set out in the section "Share Option Scheme" in this report.

Save as disclosed above, as at 31 December 2020, there were no other persons who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Section 336 of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO.

### 附註：

1. 該等股份包括由Newwood、多樂有限公司及Highrise Castle Limited(均為於英屬維爾京群島註冊成立之有限公司，由董先生直接全資擁有)分別持有的461,711,082股股份、92,342,216股股份及800,000股股份。董先生亦個人持有36,630,000股股份及根據於二零一四年六月十七日採納之本公司購股權計劃於二零一八年四月二十七日授出之2,700,000份本公司非上市實物結算購股權。於二零一五年四月十四日，董先生、Newwood、泰穎、寧先生、泰嶸及徐先生訂立股東協議(「股東協議」)，其中載有根據日期為二零一五年四月十四日之認購協議，於完成認購本公司新股份後，訂約各方對管治本公司之若干權利與義務，有關詳情載於本公司日期為二零一五年八月五日之通函。由於董先生及Newwood為股東協議之訂約方，故根據證券及期貨條例第317條，董先生被視作於Newwood、寧先生、泰穎、徐先生及泰嶸擁有權益的全部股份及相關股份中擁有權益；及根據證券及期貨條例第317條，Newwood因此亦被視作於董先生、寧先生、泰穎、徐先生及泰嶸擁有權益的全部股份及相關股份中擁有權益。有關寧先生、泰穎、徐先生及泰嶸持有之股份，請參閱附註2及3。
2. 該等股份包括由泰穎(於英屬維爾京群島註冊成立之有限公司，由寧先生直接全資擁有)直接持有之438,625,528股股份。寧先生及泰穎為股東協議訂約方，因此根據證券及期貨條例第317條，寧先生及泰穎被視作於董先生、Newwood、徐先生及泰嶸擁有權益的全部股份及相關股份中擁有權益。有關董先生、Newwood、徐先生及泰嶸持有之股份及相關股份，請參閱附註1及3。
3. 該等股份包括由泰嶸(於英屬維爾京群島註冊成立之有限公司，由徐先生直接全資擁有)直接持有之438,625,528股股份。徐先生及泰嶸為股東協議訂約方，因此根據證券及期貨條例第317條，徐先生及泰嶸被視作於董先生、Newwood、寧先生及泰穎擁有權益的全部股份及相關股份中擁有權益。有關董先生、Newwood、寧先生及泰穎持有之股份及相關股份，請參閱附註1及2。
4. 該披露權益由哔哩哔哩於二零二零年九月二十四日根據證券及期貨條例第XV部以通告方式披露。
5. 該披露權益由貓眼娛樂於二零二零年一月三十日根據證券及期貨條例第XV部以通告方式披露。
6. 有關根據本公司購股權計劃向本公司主要股東授出之購股權詳情載於本報告「購股權計劃」一節。

除上文所披露者外，於二零二零年十二月三十一日，概無其他人士於本公司之股份或相關股份中擁有根據證券及期貨條例第336條須向本公司披露或本公司記錄於根據證券及期貨條例第336條備存之登記冊之權益或淡倉。

## CONTRACTUAL ARRANGEMENTS

According to existing PRC laws and regulations, foreign investors are generally restricted to invest in provision of internet audio-visual programmes services in the PRC.

In January 2018, the Company, through its wholly-owned subsidiary, Beijing Huan Sheng Xiao Yu Culture Media Company Limited\* (北京歡聲笑語文化傳媒有限公司) ("Beijing Subsidiary") entered into certain contractual arrangements (the "Contractual Arrangements") with Beijing Huanxi Shou Ying Culture Company Limited\* (北京歡喜首映文化有限公司) (the "VIE") and its subsidiary Beijing Hangaohua Network Technology Company Limited\* (北京漢高華網絡科技有限公司). Qingdao Huanxi Shou Ying Culture Company Limited\* (青島歡喜首映文化有限公司) was incorporated on 28 May 2020 and wholly-owned by the VIE (the VIE and its subsidiaries collectively the "VIE Group"). The VIE Group is principally involved in the film and TV programmes production and investment and the provision of internet audio-visual programmes services in the PRC.

Through the Contractual Arrangements, the Group will receive economic benefits generated by, and obtain effective financial and operational control and equity holders' voting rights over the VIE Group in order to indirectly engage in the film and TV programmes production and investment and provision of internet audio-visual programmes services in the PRC. The VIE Group holds some permits including the License for Publication of Audio-Visual Programmes through Information Network (信息網絡傳播視聽節目許可證) and Telecommunication and Information Service Business Operation Permit (電信與信息服務業務經營許可證). Based on the advice of the Company's PRC legal advisers, the Board considers that the Contractual Arrangements are in compliance with the relevant PRC laws and regulations and are legally binding and enforceable.

The financial position and results of operations of the VIE Group has been consolidated into the Group's financial statements as the VIE Group are regarded as indirect subsidiaries of the Group under HKFRS 10.

Apart from the incorporation of Qingdao Huanxi Shou Ying Culture Company Limited\* (青島歡喜首映文化有限公司), during the year ended 31 December 2020, there was no material change in the Contractual Arrangements and/or the circumstances under which they were adopted, and there was no termination of the Contractual Arrangements nor failure to terminate when the restrictions that led to the adoptions of the Contractual Arrangements are removed.

\* For identification purposes only

## 合約安排

根據中國現行法律及法規，外國投資者在中國投資提供互聯網音視聽節目服務方面通常會受到限制。

於二零一八年一月，本公司透過其全資附屬公司北京歡聲笑語文化傳媒有限公司(「北京附屬公司」)與北京歡喜首映文化有限公司(「VIE」)及其附屬公司北京漢高華網絡科技有限公司訂立若干合約安排(「合約安排」)。青島歡喜首映文化有限公司於二零二零年五月二十八日註冊成立，由VIE全資擁有(VIE及其附屬公司統稱為「VIE集團」)。VIE集團主要於中國從事電影及電視節目製作及投資以及提供互聯網音視聽節目服務。

透過合約安排，本集團將收取由VIE集團產生之經濟利益，並取得對VIE集團之有效財務和營運控制及股權持有人投票權，以便在中國間接從事電影及電視節目製作及投資以及提供互聯網音視聽節目服務。VIE集團持有若干許可證，包括信息網絡傳播視聽節目許可證及電信與信息服務業務經營許可證。根據本公司中國法律顧問之意見，董事會認為合約安排符合中國相關法律及法規，並具法律約束力及可強制執行。

根據香港財務報告準則第10號，VIE集團被視為本集團之間接附屬公司，因此VIE集團之財務狀況及經營業績已併入本集團之財務報表。

除青島歡喜首映文化有限公司註冊成立外，截至二零二零年十二月三十一日止年度，合約安排及／或採納合約安排之情況概無重大變動，合約安排概無終止，而當導致採納合約安排之限制解除時亦無發生未能終止合約安排的情況。



# DIRECTORS' REPORT

## 董事報告

### Particulars of the VIE Group, their registered owners and a summary of major terms of the Contractual Arrangements

As at 31 December 2020, particulars of the VIE Group are as follows:

### VIE集團及其登記擁有人之詳情及合約安排之主要條款概述

於二零二零年十二月三十一日，VIE集團之詳情如下：

Company names 公司名稱	Registered owners and the shareholding 登記擁有人及股權	Registered capital 註冊資本	Principal activities 主要業務
Beijing Huanxi Shou Ying Culture Company Limited* 北京歡喜首映文化有限公司	Hu Hui (99%) 呼惠(99%) Ni Kelu (1%) 倪珂璐(1%)	RMB10,000,000 人民幣10,000,000元	Film and TV programmes production and investment 電影及電視節目製作及投資
Beijing Hangaohua Network Technology Company Limited* 北京漢高華網絡科技有限公司	Beijing Huanxi Shou Ying Culture Company Limited* (80%) 北京歡喜首映文化有限公司(80%) Gu Haibin (20%) 顧海濱(20%)	RMB10,000,000 人民幣10,000,000元	Provision of internet audio-visual programmes services 提供互聯網音視聽節目服務
Qingdao Huanxi Shou Ying Culture Company Limited* 青島歡喜首映文化有限公司	Beijing Huanxi Shou Ying Culture Company Limited* (100%) 北京歡喜首映文化有限公司(100%)	RMB3,000,000 人民幣3,000,000元	Film and TV programmes production and investment 電影及電視節目製作及投資

The major terms of the Contractual Arrangements are summarised as below:

合約安排之主要條款概述如下：

#### (1) Exclusive Services Agreement

According to the Exclusive Services Agreement, the VIE agreed to engage the Beijing Subsidiary as its exclusive provider of technical support and consultancy services requested by the VIE from time to time with a service fee equalled to the net profit of the VIE.

#### (1) 獨家業務合作協議

根據獨家業務合作協議，VIE同意就其不時要求之技術支持及諮詢服務委聘北京附屬公司作為其獨家供應商，服務費相等於VIE之淨溢利。

#### (2) Loan Agreement

According to the Loan Agreement, the Beijing Subsidiary agreed to provide interest-free loans to the registered owners of the VIE as capital contribution to the VIE. The registered owners of the VIE, in return for the provision of loans, agreed to enter into an Equity Interest Pledge Agreement with the Beijing Subsidiary to pledge all of their equity interest in the VIE as security.

#### (2) 借款協議

根據借款協議，北京附屬公司同意向VIE之登記擁有人提供免息借款，作為對VIE之注資。作為對獲提供借款之回報，VIE之登記擁有人同意與北京附屬公司訂立股權質押協議，以質押彼等於VIE之全部股權作為擔保。

\* For identification purposes only

**(3) Equity Interest Pledge Agreement**

According to the Equity Interest Pledge Agreement, each of the registered owners of the VIE Group agreed to pledge all their respective equity interests in the VIE Group to the Beijing Subsidiary, as a security interest to guarantee the performance of contractual obligations and the payment of outstanding loans of the registered owner of the VIE Group.

**(4) Powers of Attorney**

According to the Powers of Attorney, each of the registered owners of the VIE irrevocably appointed designee of the Beijing Subsidiary to act as their attorney on their behalf to exercise all rights in connection with matters concerning their rights as shareholders of the VIE.

**(5) Exclusive Option Contract**

According to the Exclusive Option Contract, each of the registered owners of the VIE agreed to irrevocably, unconditionally and exclusively grant an exclusive option to the Beijing Subsidiary to purchase the equity interests in the VIE from the registered owners of the VIE, when it is permitted by the then applicable PRC laws.

**(3) 股權質押協議**

根據股權質押協議，VIE集團之登記擁有人各自同意將彼等各自於VIE集團之全部股權質押予北京附屬公司作為擔保權益，以保證VIE集團之登記擁有人履行合約義務及支付未償還借款。

**(4) 授權委託書**

根據授權委託書，VIE之登記擁有人各自不可撤回地委託北京附屬公司之指定人士作為彼等之受託人，代彼等行使一切權利處理與彼等作為VIE股東之權利有關之事宜。

**(5) 獨家購買權合同**

根據獨家購買權合同，VIE之登記擁有人各自同意不可撤回地、無條件及獨家授予北京附屬公司獨家購買權，以在當時適用之中國法律允許之範圍內向VIE登記擁有人購買VIE之股權。

**Risks associated with Contractual Arrangements and the actions taken to mitigate the risks**

The Group believes the following risks are associated with the Contractual Arrangements:

- If the PRC government finds that the Contractual Arrangements that establish the structure for film and TV programmes production and investment as well as provision of internet audio-visual programmes series businesses in the PRC do not comply with applicable PRC laws and regulations, we could be subject to penalties and our business may be materially and adversely affected;
- Certain terms of our Contractual Arrangements may not be enforceable under the PRC laws;
- Our Contractual Arrangements may not be as effective in providing control over our VIE as equity ownership;

**合約安排相關風險及風險減緩措施**

本集團認為合約安排涉及以下風險：

- 倘中國政府裁定，用於設立中國電影及電視節目製作及投資以及提供互聯網音視聽系列節目業務之架構之合約安排並不符合適用中國法律及法規，本集團可能會面臨處罰，繼而可能對本集團業務造成重大不利影響；
- 根據中國法律，本集團合約安排之若干條款可能無法強制執行；
- 就控制VIE而言，本集團合約安排之效果可能不及權益擁有權；

- Any failure by the VIE or their respective ultimate shareholders to perform their obligations under our Contractual Arrangements would potentially lead to our having to incur additional costs and expend material resources to enforce such arrangements, temporary or permanent loss of control over our provision of internet audio-visual programmes series businesses or loss of access to the revenue from these businesses;
- The ultimate owners of the VIE may have potential conflicts of interest with us, which may materially and adversely affect our business and financial condition;
- If any of the VIE or its subsidiaries becomes the subject of a bankruptcy or liquidation proceeding, we may lose the ability to use and enjoy certain important assets, which could materially and adversely affect our business; and
- Our exercise of the option to acquire the equity interests of the VIE may be subject to certain limitations and the ownership transfer may incur substantial costs.
- 如VIE或彼等各自之最終股東無法依照本集團合約安排履行彼等之責任，可能導致本集團不得不承擔額外開支及投入大量資源以執行有關安排，令本集團暫時或永久失去對提供互聯網音視聽系列節目業務之控制或無法取得有關業務之收益；
- VIE最終擁有人可能與本集團存有潛在利益衝突，繼而可能對本集團之業務及財務狀況造成重大不利影響；
- 如任何VIE或其附屬公司成為破產或清盤程序之對象，可能導致本集團無法使用及享有若干重要資產，繼而可能對本集團業務造成重大不利影響；及
- 本集團在行使購股權收購VIE之股權時，或會受到若干限制，而轉讓擁有權可能產生巨額開支。

The Group realised that there are regulatory risks associated with the Contractual Arrangements. The Group will follow on the latest developments with regards to the relevant PRC laws, rules and regulations and seek professional legal advice when necessary.

本集團明白合約安排涉及監管風險。本集團將留意中國相關法律、規則及法規方面之最新發展，並於必要時尋求專業法律意見。

### Revenue and assets involved in the Contractual Arrangements

Revenue and assets of the VIE Group of approximately HK\$280,385,000 and HK\$226,431,000, respectively, are consolidated into the consolidated financial statements pursuant to the Contractual Arrangements for the year ended 31 December 2020. The above revenue and assets included transactions and balances with the Group.

### 合約安排涉及之收益及資產

截至二零二零年十二月三十一日止年度，VIE集團之收益及資產分別約為港幣280,385,000元及港幣226,431,000元，乃根據合約安排併入綜合財務報表。上述收益及資產包括與本集團所進行之交易及結餘。

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of business of the Company were entered into or exist during the year ended 31 December 2020.

### 管理合約

於截至二零二零年十二月三十一日止年度，本公司並無簽訂或存有有關本公司全部或任何主要部分業務之管理及行政合約。

## MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2020, the percentage of turnover of the Group attributable to the largest customer and the five largest customers combined are 77.13% and 88.48% respectively. For the year ended 31 December 2020, the percentage of purchases of the Group attributable to the largest supplier and the five largest suppliers combined are 25.56% and 78.53% respectively.

For the year ended 31 December 2020, the Group's third largest customer accounted for 4.50% of turnover of the Group was Bilibili, a shareholder owns more than five percent of the Company's issued shares, the turnover was mainly related to sub-licensing of some contents of the Group's online video platform.

As at 31 December 2020, none of the directors, their associates or shareholders (which to the knowledge of the directors own more than five percent of the Company's share capital) had any interest in the five largest suppliers or customers of the Group.

## RELATIONSHIP WITH KEY STAKEHOLDERS

Our staff is regarded as the most important resource of the Group. Hence, the Group has been endeavouring to provide our staff with a fair and harmonious workplace where individuals with diverse cultural backgrounds are treated equally. We offer a competitive remuneration package and great opportunities for career advancement based on employees' performance.

In respect of the business of the Group, the film industry is fragmented and highly competitive. Following years of rapid development, there is a vast number of independent service providers providing various film and television programmes production and distribution services and there is a number of reputable and reliable independent service providers who have been engaged by Hong Kong and overseas film companies for producing and distributing films and television drama series in the PRC. Mr. Dong Ping, the Chairman of the Board and an executive Director, Mr. Ning Hao and Mr. Xu Zheng, both non-executive Directors, have extensive experience, expertise and connections in the media and entertainment industries and each of them has noteworthy background, experience, social status, personal and/or professional achievements and connections with business partners in the film industry, their collective knowledge and experience would enhance the Group to identify appropriate and reliable third party service providers and negotiate suitable commercial arrangements with such providers to provide the necessary services to the Company.

## 主要客戶及供應商

截至二零二零年十二月三十一日止年度，本集團最大客戶及五大客戶分別共佔本集團營業額77.13%及88.48%。截至二零二零年十二月三十一日止年度，本集團最大供應商及五大供應商分別共佔本集團採購額25.56%及78.53%。

截至二零二零年十二月三十一日止年度，佔本集團營業額4.50%之本集團第三大客戶為擁有本公司已發行股份5%以上之股東哔哩哔哩，營業額主要與分授本集團在線視頻平台若干內容相關。

於二零二零年十二月三十一日，概無董事、彼等之聯繫人士或就董事所知擁有本公司股本5%以上之股東於本集團五大供應商或五大客戶中擁有任何權益。

## 主要持份者關係

本集團視員工為最重要的資源，因此一直努力為員工營造公平及和諧的工作環境，平等對待文化背景不同的員工。我們提供具競爭力的薪酬待遇，並按照僱員的表現，提供大量晉升機會。

就本集團的業務而言，電影行業高度分散且競爭激烈。經過多年迅速發展，一眾獨立服務供應商紛紛冒起，提供各種電影及電視節目製作與發行服務，其中部分信譽可靠之獨立服務供應商獲香港及海外電影公司委聘於中國製作及發行電影及電視劇。董事會主席兼執行董事董平先生以及非執行董事寧浩先生及徐崢先生於媒體及娛樂行業累積廣泛經驗、專業知識及脈絡，且彼等各自擁有顯赫背景、經驗、社會地位、個人及／或專業成就，以及於電影行業與業務夥伴之脈絡，彼等之知識及經驗有助於本集團物色合適而可靠之第三方服務供應商，並與有關供應商磋商適當商業安排以為本公司提供所需服務。

## DIRECTORS' REPORT

### 董事報告

The Group also places effort to maintain good relationships with financial institutions and professional advisers to maintain its continuous growth and operation needs.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Board paid attention to the Group's policies and practices on compliance with legal and regulatory requirements. External compliance and legal advisers are engaged to ensure transactions and business performed by the Group are within the applicable law framework. Besides, the Group always maintains a safe working environment for staff in accordance with relevant safety policies. There was no incident of non-compliance with relevant laws and regulations that had a significant impact on the Company during 2020.

## ENVIRONMENTAL PROTECTION

The Group encourages staff to save energy, minimise the use of natural resources and paper products. The existing businesses of the Group are not expected to create material damages to the environment. We will continue to take into account the environmental protection factor in the future when planning business activities ahead. Please also refer to the Environmental, Social and Governance Report of this annual report for details.

## REVIEW OF THE RESULTS

The audit committee of the Company together with the management has reviewed the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the consolidated financial statements for the year ended 31 December 2020.

## CORPORATE GOVERNANCE

Particulars of the Company's corporate governance practices are set out in the Corporate Governance Report of this annual report.

## PUBLIC FLOAT

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

本集團亦致力與金融機構及專業顧問維持良好的關係，以維持持續增長及滿足營運所需。

## 遵守法律及法規

董事會關注本集團有關遵守法律及監管規定方面之政策及常規。我們已聘用外部合規及法律顧問，確保本集團之交易及業務符合適用的法律框架。另外，本集團一直按照相關安全政策，為員工提供安全工作環境。於二零二零年，並無發生已對本公司產生重大影響之違反相關法律及法規之事宜。

## 環境保護

本集團鼓勵員工節約能源，盡量減少使用天然資源及紙品。本集團預期現有業務不會對環境造成嚴重破壞。本集團於日後進行未來業務活動規劃時將繼續考慮環保因素。詳情另請參閱本年報之環境、社會及管治報告。

## 審閱業績

本公司之審核委員會已聯同管理層審閱本集團所採納之會計原則及慣例，並討論內部控制及財務報告事宜(包括截至二零二零年十二月三十一日止年度之綜合財務報表)。

## 企業管治

本公司之企業管治常規詳情載於本年報之企業管治報告內。

## 公眾持股量

根據本公司獲得之公開資料及董事所知，於本年報日期本公司一直保持上市規則所規定之充足公眾持股量。



## DONATIONS

During the year, the Group did not make any donations to charitable and non-profit-making organisations.

## EVENT AFTER THE REPORTING PERIOD

On 15 March 2021, Huan Huan Xi Xi (Tianjin) Culture Investment Company Limited\* (歡歡喜喜(天津)文化投資有限公司) ("Huanxi")(an indirect wholly-owned subsidiary of the Company) entered into a distribution agreement with the minimum guarantor in relation to *Li Na* (獨自•上場) (former title: *Li Na* (李娜)), a film exclusive invested by the Group, directed by Mr. Chan Ho Sun Peter and starring Hu Ge, Vincent Cassel and Hao Lei, etc., where the minimum guarantor shall have the exclusive right to distribute *Li Na* (獨自•上場) through cinema circuits and cinemas in cities located in the PRC, from the effective date of the distribution agreement to the expiry of the tenth anniversary of the first release date of *Li Na* (獨自•上場) in the PRC. Pursuant to which, the minimum guarantor shall pay Huanxi a consideration for minimum guaranteed distribution of at least RMB600,000,000 (equivalent to approximately HK\$714,796,000).

Please refer to the Company's announcement dated 15 March 2021 for details.

## 捐款

年內，本集團沒有向慈善機構及非牟利機構捐款。

## 報告期後事項

於二零二一年三月十五日，歡歡喜喜(天津)文化投資有限公司(「歡喜」)(本公司之間接全資附屬公司)與保底方就一部由本集團獨家投資、陳可辛執導，以及胡歌、Vincent Cassel及郝蕾等主演的電影《獨自•上場》(前稱：《李娜》)訂立一份發行協議，保底方可獨家在中國城市院線影院發行《獨自•上場》，期限由發行協議生效之日起至《獨自•上場》於中國公映首日計起10年為止。據此，保底方需要向歡喜最少支付保底發行代價人民幣600,000,000元(相當於約港幣714,796,000元)。

有關詳情請參閱本公司日期為二零二一年三月十五日之公告。

\* For identification purposes only

## AUDITOR

PricewaterhouseCoopers, Certified Public Accountants, was appointed as auditor of the Company with effect from 28 August 2018 following the resignation of Deloitte Touche Tohmatsu with effect from 27 August 2018.

The consolidated financial statements for the year ended 31 December 2020 have been audited by PricewaterhouseCoopers, Certified Public Accountants. A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint PricewaterhouseCoopers, Certified Public Accountants, as auditor of the Company.

## 核數師

羅兵咸永道會計師事務所(執業會計師)自二零一八年八月二十八日起已獲委任為本公司核數師(繼自二零一八年八月二十七日起，德勤•關黃陳方會計師行辭任之後)。

截至二零二零年十二月三十一日止年度之綜合財務報表已由羅兵咸永道會計師事務所(執業會計師)審核。於本公司應屆股東週年大會上將提呈一項決議案，續聘羅兵咸永道會計師事務所(執業會計師)為本公司核數師。

On behalf of the Board  
**Dong Ping**  
*Chairman*

代表董事會  
主席  
董平

Hong Kong, 30 March 2021

香港，二零二一年三月三十日

## **CORPORATE GOVERNANCE PRACTICES**

The Board considers that maintaining corporate governance at high standard is essential for enhancing accountability and transparency of a company to the investing public and other stakeholders. Therefore, the Company is committed to good corporate governance practices for corporate sustainability and business growth.

Throughout the year ended 31 December 2020, the Company has applied the principles and complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") as listed out in Appendix 14 to the Listing Rules on the Stock Exchange.

## **CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

Pursuant to provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the financial year 2020, Mr. Dong Ping acted as the chairman of the Board (the "Chairman") and Mr. Xiang Shaokun, Steven acted as the Chief Executive Officer.

Mr. Dong Ping focuses on the leadership role in the Board to ensure that the Board works effectively in discharging its responsibilities whilst Mr. Xiang Shaokun, Steven focuses on day-to-day corporate management matters of the Group. The Board considers that the segregation of responsibilities among the Board members meets the requirements under the CG Code. The roles of the Chairman and chief executive officer are separate and exercised by different individuals, Code provision A.2.1 of the CG Code has been complied.

## **企業管治常規**

董事會認為維持高水準之企業管治對提升公司對投資大眾及其他持份者之間責性及透明度至關重要。故此，本公司致力為公司的持續發展及業務增長實施良好企業管治常規。

本公司於截至二零二零年十二月三十一日止年度貫徹應用聯交所上市規則附錄十四所載《企業管治守則》及《企業管治報告》(「企管守則」)之原則且一直遵守守則條文。

## **主席及行政總裁**

根據企管守則條文第A.2.1條，主席及行政總裁之角色應分設並且不應由同一人兼任。於二零二零年財政年度，董平先生擔任董事會主席(「主席」)及項紹琨先生擔任行政總裁。

董平先生主要負責領導董事會之職務，以確保董事會有效履行職責，而項紹琨先生則主要負責本集團之日常企業管理事務。董事會認為董事會成員內的職責分工符合企管守則的要求。主席職務及行政總裁職務分開由不同人士履行，故本集團已遵守企管守則之守則條文第A.2.1條。

## BOARD OF DIRECTORS

The Board is vested with the key roles of formulating the Group's corporate strategic directions and policies; monitoring the financial performance and internal control system of the Group and overseeing the performance of management, which is delegated with the responsibilities of executing the Board's decision and in-charging day-to-day operation.

The Directors acknowledge their responsibility for preparing the financial statements of the Company. The statement made by the auditor of the Company regarding their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report of the annual report.

Code Provision A.4.1 requires non-executive directors should be appointed for a specific term and subject to re-election. The existing Directors including the executive Directors, the non-executive Directors and independent non-executive Directors are for a term of 2 years (except Mr. Xiang Shaokun, Steven, an executive Director and the Chief Executive Officer of the Group, there is no specific term or proposed length of services for Mr. Xiang's appointment). All of the existing Directors shall be subject to retirement by rotation and re-election in accordance with the Bye-laws and the Listing Rules.

Throughout the year ended 31 December 2020, the Company complied with rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors, at least one independent non-executive Director with appropriate professional qualifications, or accounting or related financial management expertise, and a sufficient number of independent non-executive Directors representing at least one-third of the board, respectively.

## 董事會

董事會之主要角色為規劃本集團之企業策略方向及政策，監察本集團之財務表現及內部監控系統，並監督管理人員在執行董事會決策及處理日常營運時之表現。

董事確認其編製本公司財務報表之責任。本公司核數師有關其對財務報表申報責任的聲明載於本年報的獨立核數師報告內。

守則條文第A.4.1條規定非執行董事之委任應有指定任期並須接受重新選舉。現任董事(包括執行董事、非執行董事及獨立非執行董事)之委任年期均為兩年(本集團執行董事兼行政總裁項紹琨先生除外，項先生之委任並無特定任期或擬訂定之服務年期)。所有現任董事須根據公司細則及上市規則輪席告退及膺選連任。

於截至二零二零年十二月三十一日止年度，就委任至少三名獨立非執行董事；至少一名獨立非執行董事具備適當的專業資格，或具備適當的會計或相關財務管理專業知識；以及獨立非執行董事人數充足，至少佔董事會席位的三分之一，本公司分別遵守上市規則第3.10(1)、第3.10(2)及第3.10A條。

## BOARD COMPOSITION

The Board currently comprises two executive Directors, three non-executive Directors and three independent non-executive Directors, whose biographies are set out in the Biographical Details of Directors of the annual report. All the Directors are high calibre executives with diversified industry expertise and bring a wide range of skills and experience to the Group.

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

The composition of the Board and their respective attendance in the general meetings, Board meetings and other committee meetings during the year ended 31 December 2020 are as follows:

## 董事會組成

董事會現由兩名執行董事、三名非執行董事及三名獨立非執行董事組成，董事履歷載於本年報董事履歷一節。全體董事均為才幹超群之行政人員，具備不同行業專長，為本集團帶來各種技術與經驗。

本公司已收到各獨立非執行董事根據上市規則第3.13條作出之週年獨立性確認函，並認為所有獨立非執行董事皆屬獨立人士。

截至二零二零年十二月三十一日止年度，董事會之組成及各董事於股東大會、董事會會議及其他委員會會議之相關出席率如下：

		No. of meetings attended/eligible to attend 出席/符合資格出席會議次數				
		General meeting 股東大會	Regular full Board meetings 董事會全體成員例會	Audit Committee meetings 審核委員會會議	Remuneration Committee meeting 薪酬委員會會議	Nomination Committee meeting 提名委員會會議
Number of meetings	會議次數	1	4	2	1	1
<b>Executive Directors</b>	<b>執行董事</b>					
Mr. Dong Ping (Chairman)	董平先生(主席)	1/1	4/4	N/A 不適用	1/1	1/1
Mr. Xiang Shaokun, Steven (Chief Executive Officer)	項紹琨先生(行政總裁)	1/1	4/4	N/A 不適用	N/A 不適用	N/A 不適用
<b>Non-Executive Directors</b>	<b>非執行董事</b>					
Mr. Ning Hao	寧浩先生	0/1	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Xu Zheng	徐崢先生	0/1	3/4	N/A 不適用	N/A 不適用	N/A 不適用
Ms. Li Ni (appointed on 21 September 2020)	李妮女士(於二零二零年九月二十一日獲委任)	0/0	2/2	N/A 不適用	N/A 不適用	N/A 不適用
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>					
Mr. Wong Tak Chuen	黃德銓先生	1/1	4/4	2/2	N/A 不適用	N/A 不適用
Mr. Li Xiaolong	李小龍先生	1/1	4/4	2/2	1/1	1/1
Mr. Wang Hong	王虹先生	0/1	4/4	2/2	1/1	1/1



## CHANGE IN INFORMATION OF DIRECTORS

With effect from 21 September 2020, Ms. Li Ni has been appointed as a non-executive director of the Company.

Save for the above, there is no change in Directors' information since the date of the annual report 2019, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## CORPORATE GOVERNANCE FUNCTION

The Board has undertaken to perform corporate governance duties and adopted the terms of reference on corporate governance functions on 27 March 2012 for better management of the business and affairs of the Group.

The duties of the Board in respect of corporate governance functions shall be:

- (i) to develop and review the Company's policies and practices on corporate governance;
- (ii) to review and monitor the training and continuous professional development of directors and senior management;
- (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (v) to review the Company's compliance with the code provisions set out in the CG Code contained in Appendix 14 of the Listing Rules on the Stock Exchange and its disclosure requirements in the Corporate Governance Report.

## 董事資料變動

自二零二零年九月二十一日起，李旒女士已獲委任為本公司非執行董事。

除上述者外，自二零一九年年報日期以來，董事資料概無任何須根據上市規則第13.51B(1)條予以披露的變動。

## 企業管治職能

為更妥善管理本集團業務及事宜，董事會已履行企業管治職責並於二零一二年三月二十七日採納企業管治職能之職權範圍。

董事會有關企業管治職能的職責為：

- (i) 制定及審閱本公司政策及企業管治常規；
- (ii) 審閱及監控董事及高級管理層的培訓及持續專業發展；
- (iii) 審閱及監控本公司的政策及慣例是否符合法律及監管規定；
- (iv) 制定、審閱及監管適用於僱員及董事的行為守則及合規手冊(如有)；及
- (v) 審閱本公司是否遵守聯交所上市規則附錄十四所載企管守則之守則條文以及企業管治報告之披露規定。

## BOARD COMMITTEES

The Board has established three Board committees, namely audit committee, remuneration committee and nomination committee to oversee particular aspect of the Group's affair. Each of the committees had defined terms of reference setting out its duty, power and functions. The committees report to the Board and, where appropriate, make recommendations on matters discussed.

### AUDIT COMMITTEE

As at 1 January 2020, the audit committee was composed of three independent non-executive Directors, namely, Mr. Wong Tak Chuen (committee chairman), Mr. Li Xiaolong and Mr. Wang Hong. During 2020, the main role and functions of the audit committee are to review the financial information of the Company, to oversee the Company's financial reporting system, risk management and internal control procedures and maintain relations with the auditor of the Company.

Under the terms of reference of the audit committee, the audit committee shall, among others, to monitor the integrity of the Company's financial statements and annual report and accounts, half-year report and to discuss the risk management and internal control system with management to ensure that management has performed its duty to have effective risk management and internal control systems. The revised written terms of reference are posted on the websites of the Company and the Stock Exchange on 7 January 2019.

In 2020, the audit committee had held two meetings. During one of the meetings, annual results of the Group for the year ended 31 December 2019 was reviewed with the auditor of the Company. The audit committee also reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters with the management team of the Company. Another meeting was also held during 2020 that interim results of the Group for the six months ended 30 June 2020 was discussed. The audit committee also reviewed the accounting principles and practices adopted by the Group and financial reporting matters with the management team of the Company.

### 董事會委員會

董事會已成立審核委員會、薪酬委員會及提名委員會三個董事會委員會監察本集團特定範疇之事務。各委員會已確定職權範圍，列明各自的職務、權力及職能。各委員會向董事會匯報並視情況就所討論事宜提供建議。

### 審核委員會

於二零二零年一月一日，審核委員會由三名獨立非執行董事組成，分別為黃德銓先生(委員會主席)、李小龍先生及王虹先生。於二零二零年，審核委員會之主要角色及職能為審閱本公司之財務資料、監察本公司之財務匯報系統、風險管理及內部監控程序，並與本公司核數師維持良好關係。

根據審核委員會的職權範圍，審核委員會須(其中包括)監察本公司的財務報表以及年度報告及賬目、半年度報告的完整性，與管理層討論風險管理及內部監控系統，確保管理層已履行職責建立有效的風險管理及內部監控系統。經修訂書面職權範圍已於二零一九年一月七日於本公司及聯交所網站上發佈。

二零二零年，審核委員會舉行兩次會議。於其中一次會議上，與本公司核數師審閱本集團截至二零一九年十二月三十一日止年度之全年業績。審核委員會亦審閱了本集團所採納之會計原則及慣例，並與本公司管理團隊就內部控制及財務報告事宜進行討論。另一次會議亦已於二零二零年舉行，討論本集團截至二零二零年六月三十日止六個月之中期業績。審核委員會亦與本公司管理團隊審閱了本集團所採納之會計原則及慣例，以及財務報告事宜。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

Besides, the audit committee, with the assistance of the management and an external internal control and risk management consultant (the "Consultant"), has conducted annual review on the effectiveness of risk management and internal control systems of the Group for 2020 and considered the Group has operated an effective and adequate risk management and internal control systems (based on discussion between the audit committee and the Consultant and the findings of the Consultants' internal control review report). Please refer to the section "Internal Control and Risk Management" in this Corporate Governance Report for the details on the review by the audit committee on the Group's internal control and risk management for 2020.

The audit committee is also responsible for performing the corporate governance functions set out in the code provision D.3.1 of the CG Code for the year 2020. The audit committee reviewed the Consultant's report on the Company's corporate governance policies and practices, the Company's policies and practices on compliance with legal and regulatory requirements and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

## NOMINATION COMMITTEE

The nomination committee of the Company was set up with key responsibilities for considering and approving the appointment of members of the Board and will meet to discuss when nomination of new director(s) is received or when circumstances require. In considering the suitability of a candidate for directorship, the Board will take into account the candidate's qualification, experience, expertise and knowledge as well as the prevailing composition, structure and size of the Board and the requirements under the Listing Rules.

Under the terms of reference of the nomination committee, the nomination committee shall, among others, identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships; the candidates for directorship will be selected taken into account a wide range of factors, including but not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and service term. The revised written terms of reference are posted on the websites of the Company and the Stock Exchange on 7 January 2019.

另外，在管理層及一名外聘的內部監控及風險管理顧問（「該顧問」）的協助下，審核委員會已對本集團二零二零年風險管理及內部監控系統之效力作出年度檢討，並且委員會認為本集團已設有高效及適當之風險管理及內部監控系統（其依據是審核委員會與該顧問的討論及該顧問編製的內部監控檢討報告的調查結果）。就有關審核委員會審核本集團於二零二零年之內部監控及風險管理的詳情，請參閱本企業管治報告「內部監控及風險管理」一節。

二零二零年，審核委員會亦負責履行企管守則守則條文第D.3.1條所載之企業管治職能。審核委員會已審閱該顧問的報告，有關本公司企業管治政策及常規、本公司的政策及常規是否符合法律及監管規定及本公司遵守企管守則以及企業管治報告之披露規定的情況。

## 提名委員會

本公司提名委員會成立之主要職責為考慮及批准董事會成員的委任並於接獲新董事提名或有需要時開會討論。考慮董事候選人是否合適時，董事會將考慮候選人的資歷、經驗、專業技能及知識，以及董事會當時的組成、架構及人數及上市規則的規定。

根據提名委員會的職權範圍，提名委員會須（其中包括）物色合資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；在挑選董事候選人時，會考慮一系列的因素，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務任期。經修訂書面職權範圍已於二零一九年一月七日於本公司及聯交所網站上發佈。

As at 1 January 2020, the nomination committee was composed of Mr. Wang Hong (committee chairman and independent non-executive Director), Mr. Dong Ping (executive Director and Chairman of the Board) and Mr. Li Xiaolong (independent non-executive Director). The committee member met once in the year ended 31 December 2020. The meeting was held to discuss the re-election of Directors at the annual general meeting held on 23 June 2020.

A policy for board on diversity had been adopted in May 2013 and a policy for nomination of directors which sets out the nomination procedures and the process and criteria to select and recommend candidates for directorship had been adopted in 2019. Please refer to the "Corporate Governance" section on the Company website for the Board Diversity Policy and Director Nomination Policy.

### **Board Diversity Policy**

The board diversity policy is adopted in 2013 and updated in 2015 which is to set out the approach to achieve diversity on the Company's Board. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The nomination committee will review the policy and monitor the implementation of the policy.

### **Nomination Policy**

The nomination policy is adopted in 2019 which sets out the selection criteria and nomination procedures for appointment of Directors. Factors assessing the suitability of a proposed candidate for directorship include but are not limited to reputation, qualifications, accomplishment and experience, commitment in respect of available time and relevant interest and potential contribution that can bring to the Company. Independence requirements as set out in the Listing Rules will also be considered in case of appointment or re-appointment of independent non-executive director. The nomination committee will make recommendation to the Board for consideration.

於二零二零年一月一日，提名委員會由王虹先生（委員會主席兼獨立非執行董事）、董平先生（執行董事兼董事會主席）及李小龍先生（獨立非執行董事）組成。截至二零二零年十二月三十一日止年度委員會成員舉行一次會議。該會議旨在商討二零二零年六月二十三日舉行的股東週年大會上關於重選董事的事宜。

一項董事會成員多元化政策已於二零一三年五月獲採納，一項董事提名政策亦已於二零一九年獲採納，當中載列委任董事的提名程序，以及甄選及推薦候選人的過程及準則。有關董事會成員多元化政策及董事提名政策，請參閱本公司網站的「企業管治」界面。

### **董事會成員多元化政策**

董事會成員多元化政策於二零一三年獲採納，並於二零一五年更新，其載列本公司董事會為達致成員多元化而採取的方針。在決定董事會的組成時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年限。董事會所有委任均以用人唯才為原則，運用客觀標準考慮人選，同時充分顧及董事會成員多元化的裨益。提名委員會將檢討該政策並監察該政策的實施。

### **提名政策**

提名政策於二零一九年獲採納，其載列委任董事之甄選標準及提名程序。評估建議候選人是否適合擔任董事之因素包括但不限於聲譽、資格、成就及經驗、能夠投入的時間及代表相關範疇的利益，以及可為本公司帶來的潛在貢獻。委任或重新委任獨立非執行董事時亦將考慮上市規則所載之獨立性要求。提名委員會將向董事會提出推薦建議供其考慮。

## REMUNERATION COMMITTEE

The remuneration committee of the Company was set up with key responsibilities of recommending to the Board (i) the policy and structure for remuneration of Directors and senior management; and (ii) the remuneration package of executive directors and senior management. The Board retains the final authority to approve the remuneration packages.

Under the terms of reference of the remuneration committee, the remuneration committee shall, among others, make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy. The remuneration committee also make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. The written terms of reference are posted on the websites of the Company and the Stock Exchange.

As at 1 January 2020, the remuneration committee was composed of Mr. Wang Hong (committee chairman and independent non-executive Director), Mr. Dong Ping (Chairman of the Board and executive Director) and Mr. Li Xiaolong (independent non-executive Director). The committee met once in the year ended 31 December 2020. The meeting was held to review the emoluments of the Directors during the year ended 31 December 2019 and to review the remuneration packages of the Directors retired in the annual general meeting of the Company held on 23 June 2020.

## COMPANY SECRETARY

Mr. Choi Wing Koon, the Company Secretary of the Company, has undertaken no less than 15 hours of relevant professional training respectively for the year ended 31 December 2020.

## 薪酬委員會

本公司薪酬委員會成立之主要職責為(i)就董事及高級管理人員之薪酬政策及架構；及(ii)執行董事及高級管理人員之薪酬待遇向董事會提供建議。董事會保留有關薪酬待遇之最終審批權力。

根據薪酬委員會的職權範圍，薪酬委員會須(其中包括)就本公司全體董事及高級管理層的薪酬政策及架構，及就設立正規而具透明度的程序制訂此等薪酬政策，向董事會提出建議。薪酬委員會亦向董事會建議個別執行董事及高級管理人員的薪酬待遇。此應包括非金錢利益、退休金權利及賠償金額(包括喪失或終止職務或委任的任何應付賠償)。書面職權範圍已於本公司及聯交所網站上發佈。

於二零二零年一月一日，薪酬委員會由王虹先生(委員會主席兼獨立非執行董事)、董平先生(董事會主席兼執行董事)及李小龍先生(獨立非執行董事)組成。截至二零二零年十二月三十一日止年度委員會成員舉行一次會議。該會議旨在檢討於截至二零一九年十二月三十一日止年度的董事酬金及商討本公司於二零二零年六月二十三日舉行的股東週年大會上關於退任的董事之薪酬待遇事宜。

## 公司秘書

截至二零二零年十二月三十一日止年度，本公司之公司秘書蔡永冠先生已接受相關職業培訓不少於十五小時。



## AUDITOR'S REMUNERATION

During the year ended 31 December 2020, remuneration in respect of audit and non-audit services provided by the auditor of the Company to the Group are approximately HK\$2,920,000 (2019: HK\$3,150,000) and HK\$30,000 (2019: HK\$365,000) respectively. Non-audit services provided by the auditor of the Company for the year ended 31 December 2020 were to review continuous connected transactions.

## INTERNAL CONTROL AND RISK MANAGEMENT

Risk management and internal control are essential parts of corporate governance. The Directors have the overall responsibility for internal control and risk management systems, and review their effectiveness. The Group has established policies and procedures for risk management and internal control to ensure the proper monitoring and control of major risks arising from the Group's activities. The Group has engaged an external internal control and risk management consultant (i.e. the Consultant) to perform the Group's internal audit function, to review and improve the effectiveness of the Group's risk management and internal control systems. The Company has put in place risk management and internal control systems which enable the Group to respond appropriately to significant business, operational, financial, compliance and other risks. Furthermore, they help ensure the quality of internal and external reporting within the Group and the compliance with applicable laws and regulations, and also internal policies with respect to the conduct of businesses of the Group.

The Board, through the audit committee and with the assistance of the Consultant, have conducted reviews on the effectiveness of risk management and internal control systems of the Group for 2020 once and considered the Group has operated an effective, appropriate, and adequate risk management and internal control systems (based on the findings of the Consultants' internal control review reports and discussion with the Consultant). In respect of the Group's internal control systems, it aims at safeguarding assets from inappropriate use, maintaining proper accounts and ensuring compliance with regulations. The management is primarily responsible for the design, implementation and maintenance of the internal control system. The internal control and risk management systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage, rather than eliminate, risks of failure to achieve business objectives.

## 核數師酬金

截至二零二零年十二月三十一日止年度，本公司核數師向本集團提供審核及非審核服務之酬金分別約為港幣2,920,000元(二零一九年：港幣3,150,000元)及港幣30,000元(二零一九年：港幣365,000元)。截至二零二零年十二月三十一日止年度，本公司核數師所提供的非審核服務為審閱持續關連交易。

## 內部監控及風險管理

風險管理及內部監控乃企業管治的基本組成部分。董事對內部監控及風險管理系統負整體責任，並負責檢討內部監控及風險管理系統的效力。本集團已就風險管理及內部監控設立政策及程序，以確保妥善監察及控制由本集團業務產生的主要風險。本集團已從外部委聘一名內部監控及風險管理顧問(即該顧問)履行本集團內部審核職能、檢討及改進本集團風險管理及內部監控系統之效力。本公司風險管理及內部監控系統已落實到位，令本集團可就重大業務、營運、財務、合規及其他風險作出適當應對，而且有助於確保本集團內部及外部匯報之質素，以及有助於確保遵守適用之法律法規及本集團有關業務經營的內部政策。

透過審核委員會及在該顧問的協助下，董事會已就本集團二零二零年風險管理及內部監控系統之效力作出一次檢討，並且董事會認為本集團已設有高效、合宜及適當之風險管理及內部監控系統(其依據是該顧問編製的內部監控檢討報告的調查結果及與該顧問的討論)。就本集團內部監控系統而言，其旨在保障資產免被不當挪用、維持妥善賬目及確保遵守各項法規。管理層主要負責內部監控系統之設計、實施及維護。內部監控及風險管理系統的目的旨在對重大錯報或損失提供合理而非絕對的保證，並管理而非消除未能達致業務目標的風險。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

Along with the internal control review, the Consultant has prepared annual review report on overall effectiveness of the Group's system of internal control over various aspect including financial, operational and compliance issues, in particular, the processes of (i) corporate governance, (ii) financial reporting and (iii) revenue were reviewed for the year ended 31 December 2020. Along with the risk management review, the Board, through the audit committee and with the assistance of the Consultant, have, among others, identified, evaluated and assessed the key risk factors affecting the Group's business and its operation. During the risk assessment process, the management of the Company has reviewed aspects including operation, compliance and strategic areas. High-priority risks identified included strategic risk of investing in entertainment industry, operation risks such as uncertainties in production quality of media projects, credit risk in relation to distributors and risks involved in compliance with various censorship regulations, listing rules compliance, and financial data reporting standards.

Management would from time to time review the key risks identified and determine their responses to high-priority risks and where necessary, report on significant changes and effectiveness of the systems of risk management.

The Board had adopted a whistle blowing policy including procedures for employees to report any irregularities on the affairs of the Company.

### CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code contained in Appendix 10 to the Listing Rules on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry, all Directors confirmed that they fully complied with the Model Code throughout 2020.

就內部監控檢討，該顧問已就本集團內部監控系統之整體效力編製年度檢討報告，涵蓋財務、營運及合規問題等多個方面，特別是截至二零二零年十二月三十一日止年度亦審閱了(i)企業管治、(ii)財務報告及(iii)收益的流程。就風險管理檢討，董事會亦透過審核委員會及在該顧問的協助下對影響本集團在其業務與其經營的主要風險因素進行識別、評估及評定等工作。於風險評估過程中，本公司管理層已對營運、合規及策略等方面作出檢討。經識別高優先級別風險包括娛樂行業投資策略風險、媒體項目製作質素不穩等營運風險、與發行商相關的信貸風險，還有在各種審查合規、公司上市規則合規以及財務資料報告標準中涉及的風險。

管理層會不時檢討經識別的主要風險及釐定對高優先級別風險之應對措施，而且在必要時就風險管理系統的重大變動及效力進行匯報。

董事會已採納舉報政策，當中載有僱員上報任何有關本公司事宜之違規行為之程序。

### 證券交易守則

本公司已採納上市規則附錄十所載標準守則，其條款之嚴格程度不遜於標準守則所規定的標準。經特定查詢後，全體董事確認於二零二零年度已充分遵守標準守則。

## DIRECTORS' TRAINING

The Company has from time to time provided Directors with materials relating to the business and operations of the Group, latest developments regarding the Listing Rules and their responsibilities under the Listing Rules, legal and other regulatory requirements.

During the year ended 31 December 2020, all existing Directors have received the following trainings:

## 董事培訓

本公司不時根據上市規則、法律及其他監管規定向董事提供有關本集團業務及經營、上市規則最新發展以及彼等職責的資料。

截至二零二零年十二月三十一日止年度，所有現任董事已經參與下列培訓：

**Training on corporate governance, regulatory development, anti-corruption and other relevant topics**  
有關企業管治、監管發展、反貪污及其他相關課題之培訓

### Executive Directors

Mr. Dong Ping (*Chairman*)

Mr. Xiang Shaokun, Steven (*Chief Executive Officer*)

### 執行董事

董平先生(主席)

項紹琨先生(行政總裁)

✓

✓

### Non-Executive Directors

Mr. Ning Hao

Mr. Xu Zheng

Ms. Li Ni (appointed on 21 September 2020)

### 非執行董事

寧浩先生

徐崢先生

李旒女士(於二零二零年九月二十一日獲委任)

✓

✓

✓

### Independent Non-Executive Directors

Mr. Wong Tak Chuen

Mr. Li Xiaolong

Mr. Wang Hong

### 獨立非執行董事

黃德銓先生

李小龍先生

王虹先生

✓

✓

✓

## DIRECTORS' AND OFFICERS' LIABILITIES INSURANCE

The Company has arranged appropriate insurance cover for liabilities in respect of legal actions against Directors and officers of the Company and its subsidiaries arising out of corporate activities of the Group under Code A.1.8 of the CG Code.

## 董事及高級職員之責任保險

本公司已根據企管守則第A.1.8條為本公司及其附屬公司董事及高級職員因本集團的企業業務而可能面對的法律訴訟之相關責任安排購買適當的保險。

## **DIRECTORS' SERVICE CONTRACTS**

No Directors being proposed for re-election at the forthcoming annual general meeting of the Company has a service contract with the Company or any of its subsidiaries which is not determined by the employing company within one year without payment of compensation (other than statutory compensation).

## **INSIDE INFORMATION POLICY**

Pursuant to the statutory regime for disclosure of inside information sets out in Part XIVA of the SFO with effect from 1 January 2013, the Board has adopted an inside information policy on 27 August 2013 which sets out the guidelines to the Directors, officers and all relevant employees of the Group to ensure that the inside information of the Group is to be disseminated to public in equal and timely manner in accordance with the applicable laws and regulations, which includes, among others, all inside information must be treated strictly confidential and disclosure of inside information must be made in a manner that provides the public with an equal, timely and effective access to the information, such as through the electronic publication system operated by the Stock Exchange. Generally, no employee or Director may disclose, discuss or share with outside parties (except for communication with the Group's advisers who owe a duty of confidentiality, e.g. lawyers, and other categories of persons as allowed under the Part XIVA of the SFO) the information of price-sensitive nature about the Company that has not been released to the public. Please refer to the website of the Company [www.huanximedia.com](http://www.huanximedia.com) under the section "Corporate Governance" for the Company's inside information policy.

## **SHAREHOLDERS' RIGHTS**

Shareholders' communication policy was adopted by the Board on 27 March 2012 and last updated in July 2019. Shareholders' communication policy and shareholder's rights are published on the designated website of the Company.

## **董事之服務合約**

擬於本公司之應屆股東週年大會膺選連任之董事概無與本公司或其任何附屬公司訂有僱傭公司於一年內不作賠償(法定賠償除外)即不可終止之服務合約。

## **內幕消息政策**

根據自二零一三年一月一日起生效的證券及期貨條例第XIVA部所載披露內幕消息之法律制度，董事會於二零一三年八月二十七日採納內幕消息政策，該政策載列對本集團董事、高級職員及所有相關僱員的指引，以確保根據適用的法律法規公平及時地向公眾發佈本集團之內幕消息，包括(其中包括)所有內幕消息均須嚴格保密且內幕消息之披露方式須使公眾平等、適時及有效地取得消息，如於聯交所之電子登載系統刊登。一般而言，僱員或董事不可與外界人士披露、商討或分享(惟與負有保密責任之本集團顧問(例如：律師)及證券及期貨條例第XIVA部所容許之其他類別人士溝通則除外)有關並未被公開之本公司股價敏感資料。有關本公司的內幕消息政策，請參閱本公司網站[www.huanximedia.com](http://www.huanximedia.com)「企業管治」界面。

## **股東權利**

董事會於二零一二年三月二十七日採納股東通訊政策，最近於二零一九年七月予以更新。股東通訊政策及股東權利公佈於本公司指定網站。

## **RIGHT TO PUT ENQUIRIES TO THE BOARD**

Shareholders may direct their enquiries about their shareholdings to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Enquiries other than shareholdings may be directed to the head office and principal place of business of the Company in Hong Kong as set out in the Corporation Information of this annual report for the attention of the Company Secretary.

## **RIGHT TO CONVENE SPECIAL GENERAL MEETING**

Pursuant to Section 74(1) of the Bermuda Companies Act and the by-law 62 of the Bye-laws, the shareholder(s) of the Company holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company may request the Board to convene a special general meeting.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda for the attention of the Company Secretary and may consist of several documents in like form each signed by one or more requisitionists.

If the Directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

## **向董事會查詢的權利**

股東可向本公司香港股份過戶登記分處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17M樓)查詢其股權。有關股權以外事項的查詢，可寄往本年報之公司資料所載本公司香港總辦事處及主要營業地點向公司秘書提出。

## **召開股東特別大會的權利**

根據百慕達公司法第74(1)條及公司細則第62條，於提呈請求當日持有不低於十分之一之本公司繳足股本(於提呈當日附有於本公司股東大會上表決之權利者)之本公司股東可請求董事會召開股東特別大會。

請求須列明會議目的、經請求人簽署及寄往本公司註冊辦事處(地址為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda)向公司秘書提出，請求可由多份由一名或多名請求人各自簽署的格式相同的文件組成。

倘董事未於請求呈交日期起計二十一日內正式召開會議，則請求人或持有彼等全體總投票權半數以上之請求人可自行於上述日期起計三個月屆滿當日前召開會議。



## **RIGHT TO PUT FORWARD PROPOSALS AT GENERAL MEETINGS**

On the requisition in writing of either (i) any number of shareholder of the Company representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or (ii) not less than 100 shareholders, the Company shall, at the expense of the requisitionists:

- (a) to give to shareholders of the Company entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and
- (b) to circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition must be signed by the requisitionists and deposited at the registered office of the Company at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda for the attention of the Company Secretary.

## **RIGHT TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR**

According to the Bye-laws, no person other than a retiring Director shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless a notice in writing signed by a shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election as a director and also a notice in writing by that person of his willingness to be elected (including that person's biographical details as required by Rule 13.51(2) of the Listing Rules) shall be lodged with the Company Secretary at the Company's principal place of business in Hong Kong or the Hong Kong branch share registrar provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven days and that (if the notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgement of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.

## **於股東大會提出議案之權利**

在(i)於遞交請求當日持有不少於全體股東總投票權(附有可於請求有關的股東大會上投票之權利)二十分之一之任何數目本公司股東；或(ii)不少於100名股東以書面方式提出請求下，本公司須(有關費用由請求人承擔)：

- (a) 向有權接收下一屆股東週年大會通告之本公司股東發出通知，告知任何可能於該會上正式動議及擬於會上動議之決議案；及
- (b) 向有權接收任何股東大會通告之股東寄發不超過一千字之聲明，告知該會上提呈之任何決議案所述事宜或將處理之事項。

有關請求須由請求人簽署，送交本公司之註冊辦事處(地址為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda)，並註明收件人為公司秘書。

## **提名候選董事的權利**

根據公司細則，除退任董事外，任何未獲董事推薦參選之人士皆不具資格於任何股東大會上參選董事，除非獲正式合資格出席大會及可於會上投票之股東(並非擬參選人士)簽署書面通知，其內表明建議提名該人士參選董事之意向，及亦由獲提名人士簽署書面通知，表明願意參選(包括列載按照上市規則第13.51(2)條要求之該人士之履歷詳情)，該等書面通知必須呈交至本公司之香港主要營業地點交予公司秘書或呈交至香港股份過戶登記分處，惟該等書面通知之最短通知期限為至少七日，而(倘該等書面通知於寄發有關選舉所召開股東大會之通告後才呈交)該等書面通知須於寄發有關選舉之股東大會通告後翌日起至舉行該股東大會日期前七日止期間內呈交。

If such notice(s) are received less than ten business days prior to the date of such general meeting, the Company will need to consider the adjournment of such general meeting in order to allow the Shareholders fourteen clear days' notice of the proposal.

## **DIVIDEND POLICY**

A policy on payment of dividend had been adopted in March 2019. The policy specifies that the Board may pay interim dividends as appear to the Board to be justified by the position of the Company and declare and pay special dividends on such dates as they think fit. The Company may declare dividends in general meetings of the Company, but the declared dividend shall not exceed the amount recommended by the Board.

## **VOTING BY POLL**

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands.

## **INVESTOR RELATIONS**

The Company maintains websites at [www.huanximedia.com](http://www.huanximedia.com) and [www.irasia.com/listco/hk/huanximedia](http://www.irasia.com/listco/hk/huanximedia) where information and updates on the list of directors and their roles and functions, terms of reference of the Board committees, procedures for nomination of directors for election, announcements, circulars and reports released to the Stock Exchange and other information are posted.

The Company's constitutional documents are available on the websites of the Stock Exchange and the Company. There were no changes in the Company's constitutional documents during 2020.

倘於該股東大會舉行日期前少於十個營業日收到該等書面通知，為了讓股東就有關提案獲十四個足日通知，本公司將需考慮延期舉行該股東大會。

## **股息政策**

一項股息派付政策已於二零一九年三月獲採納。該政策訂明，董事會可在其認為符合本公司狀況時派付中期股息，及在其認為適當之日期宣派及派付特別股息。本公司可於本公司股東大會上宣派股息，惟所宣派之股息金額不得超過董事會建議的金額。

## **以投票方式表決**

根據上市規則第13.39(4)條的規定，股東於股東大會上的任何表決均須以投票方式進行，惟股東大會主席基於誠信原則作出決定，允許純粹有關程序或行政事宜的決議案以舉手方式表決者除外。

## **投資者關係**

本公司網站為 [www.huanximedia.com](http://www.huanximedia.com) 及 [www.irasia.com/listco/hk/huanximedia](http://www.irasia.com/listco/hk/huanximedia)，發佈有關董事名單及彼等的職務及職責、董事會委員會職權範圍、提名候選董事的程序，刊登於聯交所之公告、通函及報告以及其他資料的最新信息。

本公司之章程文件可於聯交所及本公司之網站上查閱。本公司之章程文件於二零二零年並無變動。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

The Company is pleased to present the environmental, social and governance report (“ESG Report”) to our stakeholders for providing an overview of the Group’s efforts in eliminating the environmental, social and governance (“ESG”) impacts arising from our daily operations.

The content of this ESG Report is prepared in accordance with the ESG Reporting Guide set out in Appendix 27 of the Listing Rules to make relevant disclosure of sustainability performance in material aspects of the guide, covering the whole range of our business, including development and investment in films and television drama series as well as operation of online video platform. The reporting period of this report shall cover the period from 1 January 2020 to 31 December 2020.

### STAKEHOLDER ENGAGEMENT

We view stakeholder engagement as a critical part of the sustainable development of the Group. The concerns and opinions of our stakeholders are valued highly by the Group, and we strive to meet their expectation and to communicate with them regularly through different channels, as detailed below:

本公司欣然向我們的持份者提呈環境、社會及管治報告，以概述本集團為減低因我們的日常運營產生的環境、社會及管治影響而作出的努力。

本環境、社會及管治報告根據上市規則附錄二十七所載之環境、社會及管治報告指引編製，對該指引主要層面的可持續發展的表現作出相關披露，內容涵蓋我們的整個業務，包括電影及電視劇製作及投資以及營運在線視頻平台。本報告的報告期間應涵蓋二零二零年一月一日至二零二零年十二月三十一日期間。

### 與持份者的溝通

我們將與持份者的溝通視為本集團可持續發展的重要組成部分。本集團高度重視其持份者的關切與意見，努力達致他們的期望，並透過下表詳列的不同渠道定期與他們溝通：

Stakeholders 持份者	Requirements and expectations 要求及期望	Communications and actions 溝通及行動
Government/Regulatory Authorities 政府／監管機構	<ul style="list-style-type: none"><li>compliance with laws and regulations 遵守法律法規</li><li>support for economic development 支持經濟發展</li></ul>	<ul style="list-style-type: none"><li>compliance management 合規管理</li><li>submission of reports and payment of taxes 呈交報告及納稅</li></ul>
Shareholders 股東	<ul style="list-style-type: none"><li>financial results 財務業績</li><li>business developments 業務發展</li><li>corporate governance 企業管治</li><li>channels of communications 溝通渠道</li></ul>	<ul style="list-style-type: none"><li>reports and announcements 報告及公告</li><li>general meetings 股東大會</li><li>company website, email and hotline 公司網站、電郵及熱線電話</li><li>press release 新聞稿</li></ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Stakeholders 持份者	Requirements and expectations 要求及期望	Communications and actions 溝通及行動
Customers 客戶	<ul style="list-style-type: none"> <li>high quality products and services 優質產品和服務</li> <li>meeting customers' needs 滿足客戶的需求</li> <li>feedback channels 反饋渠道</li> </ul>	<ul style="list-style-type: none"> <li>creative and quality products 創新優質產品</li> <li>protection of customer information and privacy 保護客戶資料及私隱</li> <li>dedicated customer service 專屬客戶服務</li> <li>email and hotline 電郵及熱線電話</li> <li>press release 新聞稿</li> </ul>
Employees 僱員	<ul style="list-style-type: none"> <li>employees' compensation and benefits 僱員的薪酬福利</li> <li>career development 職業發展</li> <li>protection of occupational health 保障職業健康</li> <li>work and life balance 平衡工作生活</li> </ul>	<ul style="list-style-type: none"> <li>provision of good remuneration and welfare 提供良好的薪酬福利</li> <li>regular performance reviews and feedback 定期進行表現檢討及反饋</li> <li>employee training 僱員培訓</li> <li>meetings 會議</li> </ul>
Suppliers and Business Partners 供應商及業務夥伴	<ul style="list-style-type: none"> <li>compliance with contracts 遵守合約</li> <li>communication channels 溝通渠道</li> <li>business ethics 商業道德</li> </ul>	<ul style="list-style-type: none"> <li>performance of contracts according to law 依法履行合約</li> <li>attending film festivals 參加電影節</li> <li>dedicated internal control and risk management 專項內部監控及風險管理</li> <li>emails and meetings 電郵及會議</li> </ul>
Community and Environment 社區和環境	<ul style="list-style-type: none"> <li>support for charity 支持公益慈善事業</li> <li>eco-friendly business practices 環境友好型業務常規</li> </ul>	<ul style="list-style-type: none"> <li>donation 捐款</li> <li>increasing the efficiency of the use of resources and energy 提升資源及能源使用效率</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### MATERIALITY ASSESSMENT

In line with the Corporate Governance Code, the Board is responsible for evaluating and determining the Group's ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. Management is also responsible for ensuring the effectiveness of these systems to the Board.

With reference to the requirements of the ESG Guide of the Stock Exchange, the Group determines the scope of content for ESG disclosures. Material issues are identified and evaluated by management, taking into account the Group's business operations and the standards of our peers. The impact of these material issues is rated according to their importance to the sustainable development of the Group and its stakeholders. Such ratings pertain to the current developmental stage of the Group and may change in the future. The Group identified product quality as issues of high importance to both the Group and its stakeholders.

### ENVIRONMENTAL

#### Emissions

The Group has made efforts to integrate environmental protection into our daily business operation. It is reflected by our promotion of pollution prevention, waste reduction and recycling. For all of our investment decision-making process, as one of the key assessment criteria, we perform comprehensive assessments and give due consideration to minimise the potential impact on the environment.

Throughout the reporting period, the Group complied with laws and regulations related to air pollution and waste handling including relevant regulations in the PRC.

### 重要性評估

根據《企業管治守則》，董事會須負責評估及釐定本集團的環境、社會及管治相關風險，並確保制訂適當及有效的環境、社會及管治風險管理及內部監控制度。管理層亦負責向董事會確保該等制度行之有效。

本集團參照聯交所環境、社會及管治指引的要求釐定其環境、社會及管治披露事項的範圍。管理層經考慮本集團的業務運作及同業所採納標準後，對重大性議題進行識別及評估。此等重大性議題的影響按其對本集團及其持份者可持續發展的重要程度予以評核。相關評核與本集團的當前發展階段相關，或於未來出現變動。本集團識別產品質量是對本集團及其持份者均極其重要的事項。

### 環境

#### 排放物

本集團一直致力將環保融入日常業務營運中，這從我們在防止污染、減少廢物及回收方面的推廣反映出來。作為整個投資決策過程中的主要評估標準之一，我們進行全面評估並適當考慮，盡量減少對環境造成潛在影響。

於整個報告期內，本集團已遵守有關空氣污染及廢物處理的法律及法規，包括中國的有關法規。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

For air and greenhouse gas emissions performance, please refer to the table below. 有關廢氣及溫室氣體排放表現，請參閱下表。

Environmental Key Performance Indicators 環境關鍵表現指標	Unit 單位	2020 二零二零年	2019 二零一九年
Nitrogen oxides (NOx) emitted from vehicles 車輛排放的氮氧化物(NOx)	g 克	8,209	9,209
Sulphur oxides (SOx) emitted from vehicles 車輛排放的硫氧化物(SOx)	g 克	345	385
Particulate matter emitted from vehicles 車輛排放的顆粒物	g 克	604	678
Greenhouse gas emissions (Note 1) 溫室氣體排放物(附註1)			
Scope 1 (Note 2) 範圍1(附註2)	tonnes 噸	64	71
Scope 2 (Note 3) 範圍2(附註3)	tonnes 噸	122	111
Scope 3 (Note 4) 範圍3(附註4)	tonnes 噸	28	66
Total 總量	tonnes 噸	214	248

Notes:

- Greenhouse gas emissions included emissions of carbon dioxide, methane and nitrous oxide, where methane and nitrous oxide emissions were converted to carbon dioxide emissions based on global warming potential (GWP). Therefore, the total amount of greenhouse gas emissions is the total amount of carbon dioxide emissions equivalent.
- Scope 1 calculated direct greenhouse gas emissions from combustion of fuels in mobile sources (e.g. vehicles) controlled by the Group.
- Scope 2 calculated indirect greenhouse gas emissions of electricity purchased from power companies.
- Scope 3 calculated the indirect greenhouse gas emissions of disposal of paper waste at landfill and business travel by employees.

附註：

- 溫室氣體排放包括二氧化碳、甲烷及氧化亞氮的排放量，當中甲烷及氧化亞氮的排放量根據全球變暖潛勢(global warming potential)換算為二氧化碳排放量。因此，溫室氣體排放總量為二氧化碳當量總量。
- 範圍1計算由本集團旗下控制的流動源(例如車輛)燃燒燃料直接產生的溫室氣體排放量。
- 範圍2計算從電力公司採購電力間接產生的溫室氣體排放量。
- 範圍3計算由堆填區處置廢紙及由僱員商旅間接產生的溫室氣體排放量。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

For non-hazardous waste, the Group discharged 641 kg of wasted papers in 2020 (2019: 586 kg). The papers are either re-used or collected by third parties for treatment. The Group adopts double-sided printing for internal documents and re-uses used paper to minimise wasted paper.

The Group has not identified any hazardous wastes that were produced in the core business and there are no reducing initiatives at the moment.

The Group promotes green operations and encourages employees to turn off unnecessary lighting and air-conditioning. The Group takes advantage of tele-conferencing and video-conferencing to eliminate unnecessary business trips for Directors and employees.

#### Use of Resources

Considering the nature of our businesses with the amounts of waste produced in the course of operations, the efforts that we can make should not be taken lightly. We from time to time convey the concept of green office to our employees. For instance, we remind our staff the advantages of double-sided printing and energy saving by switching off idle lighting.

During the year ended 31 December 2020, the direct and indirect energy consumption by electricity and petrol are 132,300 kWh (2019: 119,818 kWh) and 23,481L (2019: 26,175L) respectively.

Payment for water usage has been included in the management fee to the landlord, thus related consumption data cannot be obtained. Meanwhile, the Group did not have problems on shortage of water supply and use of packaging material is not applicable to our core business.

#### The Environment and Natural Resources

The existing business operations of the Group are not expected to pose a material impact on the environment. However, the management had nonetheless incorporated the factor of the potential impact on the environment and natural resources in business operations planning. The Group hopes that continuous improvement will make a contribution to the global ecological environment.

無害廢物方面，本集團於二零二零年產生641千克（二零一九年：586千克）廢紙。紙張均循環利用或由第三方回收處理。本集團對內部文件均採用雙面打印，並循環利用使用過的紙張，從而盡量減少廢紙。

本集團並無發現核心業務有產生任何有害廢物，現時亦並無制訂減排措施。

本集團提倡綠色行動，鼓勵僱員關掉不需要的電燈和空調。本集團亦善用電話會議及視頻會議設施，減少董事及僱員不必要的商務旅程。

#### 資源使用

鑒於我們的業務性質及於日常營運中產生的廢物量，我們在這方面作出的努力不容忽視。我們不時向僱員宣揚環保辦公室的概念。舉例而言，我們提醒員工雙面影印及關掉閒置燈光節能的好處。

截至二零二零年十二月三十一日止年度，電力與汽油的直接及間接能源耗量分別為132,300千瓦時（二零一九年：119,818千瓦時）及23,481升（二零一九年：26,175升）。

水費已計入業主的管理費內，因此無法獲取相關消耗數據。與此同時，本集團不存在供水短缺的問題，核心業務亦無使用包裝材料。

#### 環境及天然資源

預期本集團現有的業務營運不會對環境造成重大影響。然而，管理層規劃業務營運時已計及對環境及自然資源潛在影響的因素。本集團期望持續改善可為全球生態環境帶來貢獻。

Although the Group's impacts on environment are insignificant and the Group seldom use natural resources directly, we still encourage our employees to reduce the use of natural resources and recycle as much as possible.

儘管本集團對環境的影響不足為患，而且本集團很少直接使用天然資源，但本集團仍然鼓勵僱員減少使用天然資源，盡可能地回收利用。

## **SOCIAL – EMPLOYMENT AND LABOUR PRACTICES**

### **社會 – 僱傭及勞工常規**

#### **Recruitment**

#### **招聘**

It is the objective of the Group to provide employees with a respectful and fair working environment. We have established a sound system of human resources management covering various aspects such as recruitment and remuneration.

本集團旨在為僱員提供受尊重及公平的工作環境。我們設立完善的人力資源管理系統，涵蓋招聘及薪酬等多個方面。

We hire employees based on consideration of experience, qualifications and knowledge. An employment contract is required to be signed by the employee prior to employment to ensure job title, job duties, working hours, holidays, remuneration, termination process, and benefits are agreed.

我們根據經驗、資歷及學識招聘僱員。於僱用前，僱員須簽署僱用合約，以確保職銜、職責、工作時間、假期、薪酬、終止僱用流程及福利已獲雙方同意。

#### **Promotion, compensation, and dismissal**

#### **晉升、補償及解僱**

The Group motivates employees by promotion and salary increment based on results of annual performance appraisal. We will keep optimising the remuneration and promotion mechanism that enables the employees to share the fruitful achievement with us. Dismissal is based on the Employment Ordinance, relevant regulations in the PRC including Labour Law of the PRC and Labour Contract Law of the PRC and the requirements as stipulated in the employment contract.

本集團根據年度表現評估作出晉升及加薪決定，藉以激勵僱員。我們將繼續優化薪酬及晉升機制，讓僱員分享我們的豐碩成果。解僱程序符合《僱傭條例》、相關中國法規，包括《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及僱用合約列明的規定。

#### **Working hours, rest periods and benefits**

#### **工作時間、休息時間及福利**

Five-day workweek arrangement is adopted in Hong Kong to facilitate work-life balance. In addition to all public holidays (including Sundays) as specified in the General Holidays Ordinance, employees are entitled to annual leaves, and other paid leaves such as maternity leave, paternity leave, compensation leave, wedding leave and examination leave.

本集團在香港採取每星期工作五天的安排，以促進工作與生活之間的平衡。除《公眾假期條例》列明的所有公眾假期(包括星期日)外，僱員有權放取年假及其他有薪假期，如產假、侍產假、補休假、婚假及考試假。

Employees enjoy medical benefits, provident fund scheme (if applicable) and other benefits subject to the Group's policies.

根據本集團政策，僱員享有醫療福利、公積金計劃(如適用)及其他福利。

### Equal opportunity and anti-discrimination

The Group strove to optimise the system of human resources management to promote fairness and equality within the workplace, human resources policy has been established to ensure there is no discrimination on the grounds of age, gender, marital status, family status, sexual orientation, disability, ethnic group, nationality or religion. In accordance with our human resource policy, the above factors are not considered in the decision-making process of employment, remuneration, and promotion.

The Group would ensure strict compliance with all relevant regulatory standards, particularly the Hong Kong Employment Ordinance and Employees' Compensation Ordinance and the relevant regulations in the PRC including Labour Law of the PRC, Labour Contract Law of the PRC, and Implementation Regulations for the Labour Contract Law of the PRC.

Details of remuneration policy of the Group are also set out in the "Employees and Remuneration Policies" section in the Management Discussion and Analysis on page 25.

### Health and safety

We believe that safe working does not only uphold the adherence to people-oriented principles but also preserve our talents from exposure to occupational diseases or injuries, no matter severe or minor.

Safety guides in respect of reducing occupational hazards in the office working environment were circulated to employee to advise employees to address more attention to health and safety issues.

The Group adopts a five-day workweek in Hong Kong and motivates our staff to keep a practical and reasonable work-life balance.

In the meantime, we support our contractors and business partners placing high emphasis on health and safety issues, in terms of occupational hazards.

### 平等機會及反歧視

本集團致力優化人力資源管理系統，以宣揚工作環境的公平及平等精神，並已訂立人力資源政策，確保消除年齡、性別、婚姻狀況、家庭狀況、性取向、殘疾、種族、國籍或宗教歧視。根據我們的人力資源政策，在僱用、薪酬及晉升的決策過程中不會考慮上述因素。

本集團將確保嚴格遵守所有相關監管標準，尤其是香港《僱傭條例》及《僱員補償條例》及中國的有關法規，包括《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及《中華人民共和國勞動合同法實施條例》。

本集團薪酬政策詳情亦載於第25頁管理層討論與分析「僱員和薪酬政策」一節內。

### 健康及安全

我們相信，安全工作不僅符合以人為本的原則，亦保護我們的人才免受各種大小的職業疾病或傷患侵害。

我們已向僱員提供安全指引，以減少工作環境的職業危害，提醒僱員多關注健康及安全問題。

本集團於香港採取每星期工作五天的安排，鼓勵僱員保持實際而合理的工作與生活平衡。

同時，我們支持承辦商及業務夥伴高度重視職業危害方面的健康及安全問題。

In view of the outbreak of Coronavirus Disease 2019 Pandemic, the Group has taken following measures to safeguard the employees:

1. Setting up emergency team in PRC to monitor and respond to the development of the Pandemic;
2. Providing hand sanitizer and surgical masks for employees and visitors; and
3. Adopting flexible working hours and work from home to reduce social contact.

There is a full compliance towards Occupational Safety and Health Ordinance and relevant regulations that protected employees from occupation hazards. The Group also complied with Labour Law of the PRC and Law of PRC on the Prevention & Control of Occupational Diseases. The Group did not experience any lost days due to injury or work-related fatalities during the reporting period.

### Development and training

Apart from providing training materials for Directors as stated in the Corporate Governance Report, in the face of the dynamic business environment, employees are strongly recommended to equip themselves with different branches of knowledge. Subsidies of HK\$8,994 (2019: HK\$5,320) were given to employees for participation in training courses of 46 hours (2019: 29 hours) in 2020 which aim at enhancing their job skills. The training covered the management skill and leadership improvement, company's organisation strategy and corporate culture, employee's business knowledge, orientation and other specific training.

In addition to the professional training courses, we do not neglect the opportunities of providing our employees with learning experience gained through work assignments so as to build up their on-going job skills which benefit career development of our staff.

鑒於2019冠狀病毒病爆發，本集團已採取以下措施保護僱員：

1. 於中國設立應急團隊，以監控及應對疫情發展；
2. 為僱員和訪客提供洗手液及口罩；及
3. 推行靈活工作時間及居家辦公，以減少社交接觸。

本集團全面遵守《職業安全及健康條例》及相關法規，以保護僱員免受職業危害風險，本集團亦遵守《中華人民共和國勞動法》及《中華人民共和國職業病防治法》。於報告期內，本集團未曾因發生人員傷害或工業意外傷亡造成損失工作日的情况。

### 發展及培訓

除按企業管治報告所述為董事提供培訓資料外，我們亦強烈建議僱員在變化不定的業務環境下掌握各方面知識。二零二零年，我們為參與46小時(二零一九年：29小時)的提升工作技能培訓課程的僱員提供港幣8,994元(二零一九年：港幣5,320元)資助，培訓涵蓋管理技能及領導力的改善、公司組織策略及企業文化、僱員業務知識、導向及其他專項培訓。

除專業培訓課程外，我們亦著重分工，為僱員提供學習機會，以提高在職技能，對我們僱員的事業發展有所裨益。



### Labour standards

Child labour and forced labour are strictly prohibited within the Group. In accordance with our Human Resources Policy, background check and reference check are conducted by Human Resources Department based on the information provided by applicants before hiring, among other sources. Applicants who do not meet the legal requirements would not be hired.

There is full compliance towards relevant national and local regulations that prohibits child or forced labour. During the reporting period, we did not receive any complaints or reporting of child labour or forced labour.

### SOCIAL – OPERATING PRACTICES

#### Supply chain management

Business contract management is of fundamental concern to us. We do encourage and expect our contractors and business partners (i.e. film production companies, film directors and producers, etc) to uphold a high standard of morality that is similar to our own. To facilitate the cooperation, thorough assessment based on a variety of criteria, including but not limited to attitude towards environmental and social issues, is conducted to evaluate the quality as well as its moral standards of our business partners and contractors prior to stepping into contracting stage.

#### Product responsibility

The Group is principally engaged in media and entertainment related businesses. It recognises that proper advertising of services and products (e.g. films and internet drama series) provided as well as a timely response is of great importance to the long-term business development. The Group makes every endeavor to comply with the relevant legislation.

Being an investor in the media and entertainment field, the Group has always placed utmost importance to the safeguard and protection of intellectual property rights, encompassing the management of the confidentiality and information sharing. Clauses are included in the media investment agreements and other related cooperation agreements to protect the Group's interests in the films and/or internet drama series which it invested in, such as the Group's income rights, distribution rights and copyrights in the productions.

### 勞工標準

本集團嚴禁童工及強制勞工。根據我們的人力資源政策，人力資源部於聘用前會根據申請人提供的資料及其他資料，進行背景調查及徵信調查。違反法律規定的申請人不會獲聘用。

本集團全面遵守有關嚴禁童工或強制勞工的國家及地區法規。於報告期內，我們並未收過任何童工或強制勞工方面的投訴或舉報。

### 社會 – 營運常規

#### 供應鏈管理

我們非常重視業務合約管理。我們鼓勵並期望承辦商及業務夥伴(即電影製作公司、導演及監製等)與我們一樣遵守嚴格的道德標準。為促進合作，在進入承辦階段前，我們會根據各種標準(包括但不限於環境及社會問題的觀點)，對業務夥伴及承辦商的質素及其道德標準作全面評估。

#### 產品責任

本集團主要從事媒體及娛樂相關業務，明白適當提供服務及產品(如電影及網絡系列影視劇)廣告宣傳及適時的應對，對長期業務發展至關重要。本集團一直致力遵守相關法例。

作為媒體及娛樂行業的投資者，本集團一直非常重視知識產權的維護及保障，包括保密及資訊分享管理。我們在媒體投資協議及其他相關合作協議加入條款，旨在保護本集團於其所投資電影及/或網絡系列影視劇中的權益，例如本集團於相關作品中的收益權、發行權及版權。

## Product quality

The Group is principally engaged in media and entertainment related businesses. The Group always looks for good investment opportunities that bring high economic returns for Shareholders and provide more choices for customers. Movies invested by the Group including *Lost in Russia* (囧媽), *Leap* (奪冠), *My People My Homeland* (我和我的家鄉), *One Second* (一秒鐘) and *Warm Hug* (溫暖的抱抱) as well as the internet drama series *Run For Young* (風犬少年的天空) were released in 2020, with an average score of 8.3/10 in maoyan.com.

## Anti-corruption

The Group is committed to preventing bribes, extortion, fraud and money laundering. A whistle-blowing reporting channel has been established for employees to report any suspected fraud, malpractice, corruption, or any other unethical actions. The whistle-blowing policy has been uploaded on the website of the Company [www.huanximedia.com](http://www.huanximedia.com). We aim to maintain high moral standards in the conduct of our business.

The Group has strictly adhered to relevant laws and regulations, including the Prevention of Bribery Ordinance and the relevant regulations in the PRC. During the year 2020, there was no legal case or dispute in respect of bribery, extortion, fraud or money laundering against our employees and the Group.

## SOCIAL – COMMUNITY

### Community investment

The Group facilitates opportunities for employees to be a part of our communities. We encourage assistance in and participation in conventions, conferences, exhibitions and events held by business communities relevant to our business, with a particular focus on organisations promoting the development of media industries and community partnership.

## 產品質量

本集團主要從事媒體及娛樂相關業務。本集團持續物色可為股東帶來高經濟回報、為客戶提供更多選擇的投資良機。本集團投資的電影(包括《囧媽》、《奪冠》、《我和我的家鄉》、《一秒鐘》及《溫暖的抱抱》)以及網劇《風犬少年的天空》均於二零二零年上映，貓眼平均評分達8.3/10分。

## 反貪污

本集團致力防止賄賂、勒索、欺詐及洗錢。我們已為僱員設立舉報途徑，以舉報任何疑似欺詐、不當行為、貪污或任何其他違反職業操守的行為。舉報政策已上載至本公司的網站 [www.huanximedia.com](http://www.huanximedia.com)。我們旨在維持嚴格的業務操守標準。

本集團一直嚴格遵守相關法律法規，包括《防止賄賂條例》以及中國的有關法規。於二零二零年，概無發生任何針對我們的僱員及本集團的賄賂、勒索、欺詐或洗錢的案件或爭議。

## 社會 – 社區

### 社區投資

本集團致力讓僱員成為社區一分子。我們鼓勵僱員協助及參加與我們業務相關的商界(尤其是注重推動媒體行業及社區合作關係的組織)舉辦的大會、會議、展覽及活動。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### To the Shareholders of Huanxi Media Group Limited

(incorporated in Bermuda with limited liability)

## OPINION

### What we have audited

The consolidated financial statements of Huanxi Media Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 106 to 227, which comprise:

- the consolidated statement of financial position as at 31 December 2020;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 致歡喜傳媒集團有限公司股東

(於百慕達註冊成立之有限公司)

## 意見

### 我們已審計的內容

歡喜傳媒集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第106至227頁的綜合財務報表，包括：

- 於二零二零年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合損益及其他全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

### 我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而中肯地反映了貴集團於二零二零年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

## KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets
- Valuation of film rights investments
- Impairment of prepayments for film and TV programmes rights

## 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》（「香港審計準則」）進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## 獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。

## 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 分類為無形資產之電影及電視劇版權以及其他無形資產的減值評估
- 電影版權投資的估值
- 電影及電視劇版權預付款的減值

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<b>Impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets</b>	
Refer to Note 2.10, Note 4(b), Note 19 and Note 22 to the consolidated financial statements.	Our procedures in relation to the impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets included:
As described in the accounting policies in Note 2.10 to the consolidated financial statements, the Group has classified (i) film and TV programmes rights completed, (ii) film and TV programmes rights under production, and (iii) licensed film and TV programmes rights as intangible assets. All these rights are measured at cost less accumulated amortisation and impairment.	<ul style="list-style-type: none"> <li>Obtained an understanding of the management's internal controls and assessment process of impairment assessment of film and TV programmes rights classified as intangible assets, and other intangible assets and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and other inherent risk factors.</li> </ul>
Film and TV programmes rights completed and licensed film and TV programmes rights are tested for impairment when impairment indicator existed, while film and TV rights under production are tested for impairment annually.	<ul style="list-style-type: none"> <li>Evaluated the outcome of prior period assessment of impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets to assess the effectiveness of management's estimation process by comparing the carrying amount in the prior year against the respective actual performance during the year, if any.</li> </ul>

### 關鍵審計事項(續)

關鍵審計事項	我們的審計如何處理 關鍵審計事項
<b>分類為無形資產之電影及電視劇版權以及其他無形資產的減值評估</b>	
請參閱綜合財務報表附註2.10、附註4(b)、附註19及附註22。	我們有關分類為無形資產之電影及電視劇版權以及其他無形資產的減值評估程序包括：
誠如綜合財務報表附註2.10的會計政策所述，貴集團已將(i)已完成之電影及電視劇版權，(ii)製作中之電影及電視劇版權，及(iii)獲授權之電影及電視劇版權分類為無形資產。所有該等版權均按成本減累計攤銷及減值計量。	<ul style="list-style-type: none"> <li>了解管理層對分類為無形資產之電影及電視劇版權以及其他無形資產減值評估的內部控制及評估程序，並透過考慮估算不確定性程度和其他固有風險因素評估了重大錯報的固有風險。</li> </ul>
已完成之電影及電視劇版權在存在減值跡象時進行測試，而製作中之電影及電視劇版權則每年進行減值測試。	<ul style="list-style-type: none"> <li>對分類為無形資產之電影及電視劇版權以及其他無形資產的過往期間減值評估結果進行評估，藉以透過比較過往年度的賬面值與年內各自實際業績(如有)，評定管理層評估程序的有效性。</li> </ul>



KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter	How our audit addressed the Key Audit Matter	關鍵審計事項	我們的審計如何處理 關鍵審計事項
<b>Impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets (Continued)</b>		<b>分類為無形資產之電影及電視劇版權以及其他無形資產的減值評估(續)</b>	
As at 31 December 2020, the Group had film and TV programmes rights completed of approximately HK\$92,510,000, film and TV programmes rights under production of approximately HK\$167,479,000, licensed film and TV programmes rights of approximately HK\$140,948,000 and other intangible assets of approximately HK\$7,084,000, and they collectively represented approximately 23% of the Group's total assets.	<ul style="list-style-type: none"> <li>Evaluated and tested the key controls over the impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets performed by management, including the selection of sources of information, determination of fair values less cost of disposal and the relevant key assumptions used.</li> </ul>	於二零二零年十二月三十一日，貴集團已完成之電影及電視劇版權約為港幣92,510,000元、製作中之電影及電視劇版權約為港幣167,479,000元、獲授權之電影及電視劇版權約為港幣140,948,000元以及其他無形資產約為港幣7,084,000元，合共佔貴集團資產總額約23%。	<ul style="list-style-type: none"> <li>評價及測試管理層對分類為無形資產之電影及電視劇版權以及其他無形資產減值評估實施的關鍵控制措施，包括選擇資料來源、釐定公平值減出售成本以及所使用的相關主要假設。</li> </ul>
<b>Film and TV programmes rights completed</b>	<b>Film and TV programmes rights completed</b>	<b>已完成之電影及電視劇版權</b>	<b>已完成之電影及電視劇版權</b>
In determining whether there is any impairment indicator on respective film and TV programmes rights completed, the Group considered factors such as current market condition, political environment, latest regulatory changes, and whether there is any adverse change on the expected performance and distribution plan. Based on management's assessment, no impairment indicator has been identified for the film and TV programmes rights completed during the year.	<ul style="list-style-type: none"> <li>Assessed the reasonableness of the sources of information used by management in identifying impairment indicators, including management's assessment on current market condition, political environment and latest regulatory changes.</li> <li>Examined the relevant correspondences with joint investors and/or film production house engaged by the Group on sample basis to evaluate the progress of the production of the film and TV programmes rights and the distribution plan for the completed titles.</li> <li>Discussed with management and compared with available market information to assess the expected performance and distribution plan.</li> </ul>	於釐定各已完成之電影及電視劇版權是否存在任何減值跡象時，貴集團考慮多項因素，例如當期市況、政治環境、最新監管變動以及預期表現及發行計劃是否出現任何不利變動。根據管理層的評估，於年內概無就已完成之電影及電視劇版權識別出減值跡象。	<ul style="list-style-type: none"> <li>評估管理層用於識別減值跡象之資料來源的合理性，包括管理層對當期市況、政治環境以及最新監管變動的評估。</li> <li>抽樣檢查 貴集團與有業務往來的聯合投資者及/或電影製作公司之間的相關信函，從而對電影及電視劇版權的製作進度及已完成項目的發行計劃進行評估。</li> <li>與管理層討論並比較可公開查閱的市場資訊，藉此評估預期表現及發行計劃。</li> </ul>

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

### 關鍵審計事項(續)

Key Audit Matter	How our audit addressed the Key Audit Matter	關鍵審計事項	我們的審計如何處理 關鍵審計事項
<b>Impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets (Continued)</b>		<b>分類為無形資產之電影及電視劇版權以及其他無形資產的減值評估(續)</b>	
<b>Film and TV programmes rights under production</b>	<b>Film and TV programmes rights under production</b>	<b>製作中之電影及電視劇版權</b>	<b>製作中之電影及電視劇版權</b>
<p>In addition to the factors considered in the impairment assessment performed for the film and TV programmes rights completed, management performed annual impairment assessment on film and TV programmes rights under production by determining the recoverable amount through fair value less cost of disposal approach. Based on management's assessment, the Group has recognised impairment loss of approximately HK\$9,117,000 for the film and TV programmes under production during the year.</p>	<ul style="list-style-type: none"> <li>Compared the contractual commitments of respective film and TV programmes rights on a sample basis with, and discussed with management in relation to, the financing plan on the commitments in order to complete the production and marketing plan.</li> <li>Challenged and evaluated the key assumptions used by management in determining the fair value less cost of disposal such as expected revenue, estimated costs and discounted rates on a sample basis with reference to the contracts and publicly available information, if any.</li> <li>Involved our internal valuation specialists to assess the reasonableness of model and assumptions used in the discounted cash flow forecast ("DCF"), including the discount rate.</li> <li>Considered the potential impact of reasonably possible downside changes in key assumptions adopted in determining the fair value less cost of disposal.</li> <li>Performed specific inquiries with management about the major crew members and their background, experience and profile, and performed relevant search through external sources on media coverage on the related popularity of the crew members to corroborate with management's production plans.</li> </ul>	<p>在就已完成之電影及電視劇版權進行減值評估時所考慮的因素外，就製作中之版權而言，管理層按公平價值減出售成本的方法釐定可收回金額，對製作中之電影及電視劇版權進行年度減值評估。根據管理層的評估，貴集團於年內就製作中之電影及電視劇確認減值虧損約港幣9,117,000元。</p>	<ul style="list-style-type: none"> <li>將各電影及電視劇版權的合約承擔與為完成製作及營銷計劃而就有關承擔制訂的融資計劃進行抽樣對比，並就此與管理層展開討論。</li> <li>參考合約及公開可獲得資料(如有)，對管理層釐定公平價值減出售成本時使用的主要假設(如預期收入、估計成本以及貼現率)提出質疑並進行抽樣評估。</li> <li>委派我們的內部估值專家參與評估貼現現金流量預測所用的模型及假設，包括貼現率。</li> <li>考慮在釐定公平價值減出售成本時所採用的主要假設合理可能下行變動的潛在影響。</li> <li>就主要團隊成員及其背景、經驗與概況向管理層作出特定查詢，並藉助外部資源調查與團隊成員知名度相關的媒體報導，以批核管理層的製作計劃。</li> </ul>

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter	How our audit addressed the Key Audit Matter	關鍵審計事項	我們的審計如何處理 關鍵審計事項
<i>Impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets (Continued)</i>		分類為無形資產之電影及電視劇版權以及其他無形資產的減值評估(續)	
<b>Licensed film and TV programmes rights and other intangible assets</b>	<b>Licensed film and TV programmes rights and other intangible assets</b>	<b>獲授權之電影及電視劇版權以及其他無形資產</b>	<b>獲授權之電影及電視劇版權以及其他無形資產</b>
<p>In determining whether there is any impairment indicator on the licensed film and TV programmes rights, management considered them together with the other intangible assets (being license and software development costs) related to the Group's online video platform. The Group's licensed film and TV programmes rights are available for subscription on its online video platform which is considered as a cash-generating unit (the "Platform CGU"). Based on management's assessment, the expected revenue growth is forecasted to slow down in the upcoming year, representing an impairment indicator, triggering a need to perform an impairment assessment.</p>	<ul style="list-style-type: none"> <li>• Evaluated the reasonableness of management's assessment in determining the existence of impairment indicator.</li> <li>• Evaluated management's impairment assessment by assessing the DCF used in calculation as set out below: <ul style="list-style-type: none"> <li>- Assessed the competency, capabilities and objectivity of the independent external valuer by considering its qualifications, relevant experience and relationship with the Group.</li> </ul> </li> </ul>	<p>在釐定獲授權之電影及電視劇版權是否存在任何減值跡象時，管理層乃將其與 貴集團在線視頻平台涉及的其他無形資產(即許可證及軟件開發成本)一併考慮。 貴集團獲授權之電影及電視劇版權在其在線視頻平台(該平台被視為現金產生單位(「平台現金產生單位」))上可供認購。根據管理層的評估，預計來年收益增長將放緩，存在減值跡象，故需要進行減值評估。</p>	<ul style="list-style-type: none"> <li>• 評價管理層用於釐定減值跡象是否存在的評估的合理性。</li> <li>• 透過評估計算過程中使用的貼現現金流量預測，對管理層的減值評估作出評價，具體如下： <ul style="list-style-type: none"> <li>- 考慮獨立外部估值師的資格、相關經驗及與 貴集團的關係，藉此評估其稱職程度、能力及客觀性。</li> </ul> </li> </ul>
<p>In carrying out the impairment assessment, the Group engaged an external valuer to support the determination of the recoverable amount based on the income approach using the DCF which involves significant estimates and judgements including discount rate and terminal growth rate applied in the DCF of the Platform CGU. Based on management's assessment, no impairment provision is required for the licensed film and TV programmes rights and other intangible assets associated with the Platform CGU as at year end.</p>	<ul style="list-style-type: none"> <li>- Assessed the methodology adopted and checked the mathematical accuracy of the underlying DCF calculation.</li> <li>- Assessed the reasonableness of the key assumptions adopted by management in its DCF, including the discounted rate and terminal growth.</li> </ul>	<p>進行減值評估時， 貴集團委聘一名外部估值師使用貼現現金流量預測按收入法釐定可收回金額，當中涉及重大估計及判斷，包括進行平台現金產生單位之貼現現金流量預測所使用的貼現率及終端增長率。根據管理層的評估，截至年底，毋須就與平台現金產生單位有關的獲授權之電影及電視劇版權以及其他無形資產計提減值撥備。</p>	<ul style="list-style-type: none"> <li>- 評估所採用的方法並審核相關貼現現金流量預測計算的準確性。</li> <li>- 評估管理層在進行貼現現金流量預測時所採納的主要假設的合理性，包括貼現率及終端增長。</li> </ul>
	<ul style="list-style-type: none"> <li>- Involved our internal valuation specialists to assess the model and assumptions used in the valuation, including the discount rate and terminal growth rate.</li> </ul>		<ul style="list-style-type: none"> <li>- 委派我們的內部估值專家參與評估估值所用的模型及假設，包括貼現率及終端增長率。</li> </ul>

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

**Key Audit Matter**

**How our audit addressed the Key Audit Matter**

#### **Impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets (Continued)**

We focused on auditing the impairment assessment of the film and TV programmes rights classified as intangible assets and other intangible assets because the carrying amounts of the film and TV programmes rights classified as intangible assets and other intangible asset are significant to the consolidated financial statements and the impairment assessment of these assets is subject to a high degree of estimation uncertainty, as well as significant judgements involved in the selection of assumptions used.

#### **Valuation of film rights investments**

Refer to Note 2.10, Note 3.3, Note 4(c), and Note 22 to the consolidated financial statements.

As at 31 December 2020, film rights investments of the Group amounted to approximately HK\$164,331,000 (2019: HK\$99,897,000) and represented approximately 9% (2019: 5%) of the Group's total assets. The changes in fair values recorded in the consolidated statement of profit or loss and other comprehensive income and presented as film investment income, net during the year was approximately HK\$33,303,000 (2019: HK\$7,469,000).

The fair values are determined based on the income approach using the DCF which involves significant estimates and judgements including expected revenue, estimated costs and discounted rates.

Based on the procedures performed, we found the judgements and assumptions made by management in relation to the impairment assessment of film and TV programmes rights classified as intangible assets and other intangible assets to be supportable by the available evidence.

Our procedures in relation to the valuation of film rights investments included:

- Obtained an understanding of the management's internal controls and assessment process of valuation of film rights investments and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and other inherent risk factors.
- Evaluated the outcome of prior period valuation of film rights investments to assess the effectiveness of management's estimation process by comparing the fair values determined in the prior year against the respective actual performance during the year, if any.
- Evaluated and tested the key controls over the valuation of film rights investments performed by management, including the selection of sources of information, determination of DCF and the relevant key assumptions used.

### 關鍵審計事項(續)

**關鍵審計事項**

**我們的審計如何處理  
關鍵審計事項**

#### **分類為無形資產之電影及電視劇版權以及其他無形資產的減值評估(續)**

我們專注於審計分類為無形資產之電影及電視劇版權以及其他無形資產的減值評估，原因在於分類為無形資產之電影及電視劇版權及其他無形資產的賬面值就綜合財務報表而言數額重大、以及對該等資產的減值評估存在相當高的估計不確定性，同時在選擇所使用的假設時涉及重大判斷。

根據所執行的程序，我們認為，管理層就分類為無形資產之電影及電視劇版權以及其他無形資產的減值評估作出的判斷及假設均有據可依。

#### **電影版權投資的估值**

請參閱綜合財務報表附註2.10、附註3.3、附註4(c)以及附註22。

於二零二零年十二月三十一日，貴集團之電影版權投資約為港幣164,331,000元(二零一九年：港幣99,897,000元)，佔貴集團資產總額約9%(二零一九年：5%)。年內於綜合損益及其他全面收益表中入賬列作電影投資收入淨額的公平值變動約為港幣33,303,000元(二零一九年：港幣7,469,000元)。

公平值乃使用貼現現金流量預測按收入法釐定，當中涉及重大估計及判斷(包括預期收入、估計成本及貼現率)。

我們有關電影版權投資的估值程序包括：

- 了解管理層對電影版權投資的估值的內部控制及評估程序，並透過考慮估算不確定性程度和其他固有風險因素評估了重大錯報的固有風險。
- 對電影版權投資的估值的過往期間結果進行評估，藉以透過比較過往年度的賬面值與年內各自實際業績(如有)，評定管理層評估程序的有效性。
- 評價及測試管理層對電影版權投資的估值實施的關鍵控制措施，包括對所使用的資料來源、貼現現金流量預測的釐定及相關主要假設進行篩選。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter	How our audit addressed the Key Audit Matter	關鍵審計事項	我們的審計如何處理 關鍵審計事項
<p><i>Valuation of film rights investments (Continued)</i></p>		<p>電影版權投資的估值(續)</p>	
<p>We focused on auditing the valuation of film rights investments because the carrying amounts of the film rights investments are significant to the consolidated financial statements and the valuation of these assets is subject to a high degree of estimation uncertainty, as well as significant judgements involved in the selection of assumptions used.</p>	<ul style="list-style-type: none"> <li>Assessed the methodology adopted and the reasonableness of the sources of information used by management in developing the DCF.</li> <li>Challenged and evaluated the key assumptions used by management in determining the DCF such as expected revenue, estimated costs and discounted rates on a sample basis with reference to the contracts and publicly available information, if any.</li> <li>Involved our internal valuation specialists to assess the reasonableness of model and assumptions used in the DCF, including the discount rate.</li> <li>Considered the potential impact of reasonably possible downside changes in key assumptions adopted in determining the fair value less cost of disposal.</li> </ul>	<p>我們專注於審計電影版權投資的估值，原因在於電影版權投資的賬面值就綜合財務報表而言數額重大，以及對該等資產的估值存在相當高的估計不確定性，同時在選擇所使用的假設時涉及重大判斷。</p>	<ul style="list-style-type: none"> <li>評估所採用的方法及管理層釐定貼現現金流量預測所用資料來源的合理性。</li> <li>參考合約及公開可獲得資料(如有)，對管理層釐定貼現現金流量預測時使用的主要假設(如預期收入、估計成本以及貼現率)提出質疑並進行抽樣評估。</li> <li>委派我們的內部估值專家參與評估貼現現金流量預測所用的模型及假設的合理性，包括貼現率。</li> <li>考慮在釐定公平值減出售成本時所採用的主要假設合理可能下行變動的潛在影響。</li> </ul>
<p>Based on the procedures performed, we found the judgements and assumptions made by management in relation to the valuation of film rights investments to be supportable by the available evidence.</p>			<p>根據所執行的程序，我們認為，管理層就電影版權投資的估值作出的判斷及假設均有據可依。</p>



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<b>Impairment of prepayments for film and TV programmes rights</b>	
<p>Refer to Note 4(d) and Note 21 to the consolidated financial statements.</p> <p>As at 31 December 2020, the Group had prepayments for film and TV programmes rights of approximately HK\$628,288,000 (2019: HK\$362,707,000) which represented approximately 36% (2019: 20%) of the Group's total assets. The prepayments were made under the agreements with film directors and/or film production companies in relation to the acquisition of future film and TV programmes rights.</p> <p>The Group has performed an assessment on whether impairment indicator exists for the prepayments for film and TV programmes rights. Management considered the status of film and TV programmes rights investment plans and the progress of utilisation of the prepayments. Based on management's assessment, no impairment indicator was identified for the prepayments for film and TV programmes rights.</p>	<p>In evaluation of management's assessment on whether impairment indicators existed for the Group's prepayments for film and TV programmes rights, we have performed the following procedures:</p> <ul style="list-style-type: none"><li>• Obtained an understanding of the management's internal controls and assessment process of the arrangements with film directors and/or film production companies and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and other inherent risk factors.</li><li>• Evaluated the outcome of prior period assessment of impairment of prepayments for film and TV programmes rights to assess the effectiveness of management's estimation process by comparing the carrying amount in the prior year against the actual utilisation during the year, if any.</li></ul>

### 關鍵審計事項(續)

關鍵審計事項	我們的審計如何處理 關鍵審計事項
<b>電影及電視劇版權預付款的減值</b>	
<p>請參閱綜合財務報表附註4(d)及附註21。</p> <p>於二零二零年十二月三十一日，貴集團的電影及電視劇版權預付款約為港幣628,288,000元(二零一九年：港幣362,707,000元)，佔貴集團資產總額約36%(二零一九年：20%)。預付款乃根據與電影導演及/或電影製作公司就收購未來電影及電視劇版權訂立的協議作出。</p> <p>貴集團已就電影及電視劇版權預付款是否存在減值跡象進行評估。管理層已考慮電影及電視劇版權投資計劃的狀況及預付款的動用情況。根據管理層的評估，概無就電影及電視劇版權預付款識別出減值跡象。</p>	<p>電影及電視劇版權預付款的減值在評價管理層就貴集團的電影及電視劇版權預付款是否存在減值跡象作出的評估時，我們已執行以下程序：</p> <ul style="list-style-type: none"><li>• 了解管理層對與電影導演及/或電影製作公司安排的內部控制及評估程序，並透過考慮估算不確定性程度和其他固有風險因素評估了重大錯報的固有風險。</li><li>• 對電影版權預付款的過往期間減值評估結果進行評估，藉以透過比較過往年度的賬面值與年內各自實際業績(如有)，評定管理層評估程序的有效性。</li></ul>

## KEY AUDIT MATTERS (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<b>Impairment of prepayments for film and TV programmes rights (Continued)</b>	
<p>We focused on auditing the impairment of prepayments for film and TV programmes rights because the carrying amounts of prepayments for film and TV programmes rights are significant to the consolidated financial statements and the impairment assessment of the prepayments is subject to a high degree of estimation uncertainty.</p>	<ul style="list-style-type: none"> <li>Evaluated and tested the Group's key controls over the assessment process of the arrangements with film directors and/or film production companies including the selection of information and assumptions used.</li> <li>Inquired with management on the status of film and TV programmes rights investment plans with film directors.</li> <li>Inspected the correspondences between the film directors and management related to the progress of utilisation of the prepayments on a sample basis.</li> <li>Interviewed certain film directors for confirming the understanding of the terms of the agreements and compared the plans of utilisation of prepayments against management's investment plans.</li> <li>Circulated confirmations with counterparties as to the balances of prepayments as at 31 December 2020.</li> </ul> <p>Based on the procedures performed, we found the judgements made by management in relation to the impairment assessment of prepayments for film and TV programmes rights to be supportable by the available evidence.</p>

## 關鍵審計事項(續)

關鍵審計事項	我們的審計如何處理 關鍵審計事項
<b>電影及電視劇版權預付款的減值(續)</b>	
<p>我們專注於審計電影及電視劇版權預付款，原因在於電影及電視劇版權預付款的賬面值就綜合財務報表而言數額重大以及對該等預付款的減值評估存在相當高的估計不確定性。</p>	<ul style="list-style-type: none"> <li>評價及測試 貴集團對與電影導演及／或電影製作公司安排的評估程序的關鍵控制措施，包括對所使用的資料及假設進行篩選。</li> <li>向管理層查詢與電影導演訂立的電影及電視劇版權投資計劃的狀況。</li> <li>抽樣檢查電影導演與管理層之間有關預付款動用情況的往來信函。</li> <li>與若干電影導演面談，以確認對協議條款的理解，並將預付款的動用計劃與管理層的投資計劃進行比較。</li> <li>與交易對手溝通確認預付款於二零二零年十二月三十一日的結餘。</li> </ul> <p>根據所執行的程序，我們認為，管理層就電影及電視劇版權預付款的減值評估作出的判斷乃有據可依。</p>

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

### 其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

### 董事及審核委員會就綜合財務報表須承擔的責任

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

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督 貴集團的財務報告過程。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

## 核數師就審計綜合財務報表承擔的 責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

### 核數師就審計綜合財務報表承擔的 責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。



**AUDITOR'S RESPONSIBILITIES FOR THE  
AUDIT OF THE CONSOLIDATED FINANCIAL  
STATEMENTS** *(Continued)*

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

The engagement partner on the audit resulting in this independent auditor's report is Ho Chun Yu.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 30 March 2021

**核數師就審計綜合財務報表承擔的  
責任(續)**

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是何振宇。

**羅兵咸永道會計師事務所**  
*執業會計師*

香港，二零二一年三月三十日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

		Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元 (Restated) (經重列) (Note 38) (附註38)
<b>Continuing operations</b>	<b>持續經營業務</b>			
Revenue and film investment income, net	收益及電影投資收入，淨額	5	<b>633,176</b>	814,425
Cost of revenue	收益之成本	9	<b>(651,501)</b>	(470,915)
<b>Gross (loss)/profit</b>	<b>(毛損)/毛利</b>		<b>(18,325)</b>	343,510
Other income	其他收入	7	<b>23,092</b>	21,371
Other gains/(losses), net	其他收益/(虧損)，淨額	8	<b>21,405</b>	(2,306)
Selling and distribution costs	銷售及分銷成本	9	<b>(113,468)</b>	(43,274)
Administrative expenses	行政開支	9	<b>(138,521)</b>	(132,979)
Net impairment losses on financial assets and contract assets	金融資產及合約資產之減值 虧損淨額	3.1(b)	<b>(9,252)</b>	-
<b>Operating (loss)/profit</b>	<b>經營(虧損)/溢利</b>		<b>(235,069)</b>	186,322
Finance income	財務收入	11	<b>3,687</b>	3,036
Finance costs	財務費用	11	<b>(8,775)</b>	(3,170)
Finance costs, net	財務費用，淨額	11	<b>(5,088)</b>	(134)
<b>(Loss)/profit before tax</b>	<b>除稅前(虧損)/溢利</b>		<b>(240,157)</b>	186,188
Income tax expense	所得稅開支	12	-	(81,081)
(Loss)/profit from continuing operations	來自持續經營業務的 (虧損)/溢利		<b>(240,157)</b>	105,107
<b>Discontinued operations</b>	<b>已終止經營業務</b>			
Profit/(loss) from discontinued operations	來自已終止經營業務的 溢利/(虧損)	34	<b>3,766</b>	(4)
<b>(Loss)/profit for the year</b>	<b>本年度(虧損)/溢利</b>		<b>(236,391)</b>	105,103
(Loss)/profit for the year attributable to owners of the Company	本公司擁有人應佔本年度 (虧損)/溢利		<b>(236,391)</b>	105,103

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元 (Restated) (經重列) (Note 38) (附註38)
<b>Other comprehensive income/(loss)</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Exchange differences arising on translation of functional currency to presentation currency	其他全面收益/(虧損) 將不會重新分類至損益之 項目： 將功能貨幣換算為呈報貨幣 產生之匯兌差額	13,807	(7,195)
<i>Item that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations	可能會重新分類至損益之 項目： 換算海外業務之匯兌差額	58,397	(22,776)
		72,204	(29,971)
<b>Total comprehensive (loss)/income for the year</b>	本年度全面(虧損)/收益總額	<b>(164,187)</b>	75,132
Total comprehensive (loss)/income for the year attributable to owners of the Company	本公司擁有人應佔本年度全面(虧損)/收益總額	<b>(164,187)</b>	75,132
<b>(Loss)/earning per share for (loss)/profit from continuing operations attributable to the owners of the Company</b>	本公司擁有人應佔持續經營 業務(虧損)/溢利之每股 (虧損)/盈利		
- Basic and diluted (in HK\$)	- 基本及攤薄(港幣元)	16	0.03
<b>(Loss)/earning per share for (loss)/profit for the year attributable to the owners of the Company</b>	本公司擁有人應佔本年度 (虧損)/溢利之每股 (虧損)/盈利		
- Basic and diluted (in HK\$)	- 基本及攤薄(港幣元)	16	0.03

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

上述綜合損益及其他全面收益表應與隨附附註一併閱讀。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

AT 31 DECEMBER 2020 於二零二零年十二月三十一日

		Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	17	2,928	4,571
Right-of-use assets	使用權資產	18	19,816	36,097
Intangible assets	無形資產	19	7,084	11,294
Deposits and prepayments	按金及預付款	23	36,801	105,198
Prepayments for film and TV programmes rights	電影及電視劇版權預付款	21	417,423	362,707
Film and TV programmes rights	電影及電視劇版權	22	235,980	118,438
			<b>720,032</b>	638,305
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Prepayment for film and TV programmes rights	電影及電視劇版權預付款	21	210,865	–
Film and TV programmes rights	電影及電視劇版權	22	329,288	803,514
Trade and other receivables, deposits and prepayments	應收賬款及其他應收款項、按金及預付款	23	304,937	155,120
Contract assets	合約資產	6	38,349	2,364
Cash and cash equivalents	現金及現金等值	24	142,140	256,203
			<b>1,025,579</b>	1,217,201
<b>Total assets</b>	<b>資產總額</b>		<b>1,745,611</b>	1,855,506

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

AT 31 DECEMBER 2020 於二零二零年十二月三十一日

		Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>EQUITY</b>	<b>權益</b>			
Share capital	股本	29	<b>34,727</b>	31,547
Less: Treasury shares	減：庫存股份	29	<b>(1,613)</b>	–
Reserves	儲備	30	<b>1,413,319</b>	1,098,683
<b>Total equity</b>	<b>權益總額</b>		<b>1,446,433</b>	1,130,230
<b>NON-CURRENT LIABILITY</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債	18	<b>4,218</b>	20,997
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	應付賬款及其他應付款項	25	<b>85,977</b>	93,860
Film investment funds from investors	來自投資者的電影投資款項	26	<b>107,565</b>	188,634
Contract liabilities	合約負債	6	<b>419</b>	279,250
Borrowings	借款	27	<b>50,036</b>	50,000
Lease liabilities	租賃負債	18	<b>17,059</b>	15,897
Current tax liabilities	即期稅項負債		<b>33,904</b>	76,638
			<b>294,960</b>	704,279
<b>Total liabilities</b>	<b>負債總額</b>		<b>299,178</b>	725,276
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		<b>1,745,611</b>	1,855,506

The consolidated financial statements on pages 106 to 227 were approved by the Board of Directors on 30 March 2021 and were signed on its behalf:

第106頁至227頁之綜合財務報表已於二零二一年三月三十日獲董事會批准，並由下列董事代表董事會簽署：

**Dong Ping**

董平

Director

董事

**Xiang Shaokun, Steven**

項紹琨

Director

董事

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

上述綜合財務狀況表應與隨附附註一併閱讀。



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

AT 31 DECEMBER 2020 於二零二零年十二月三十一日

		Attributable to owners of the Company 本公司擁有人應佔			
		Share capital 股本 (Note 29) (附註29) HK\$'000 港幣千元	Treasury shares 庫存股份 (Note 29) (附註29) HK\$'000 港幣千元	Reserves 儲備 (Note 30) (附註30) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	29,181	-	629,487	658,668
Profit for the year	本年度溢利	-	-	105,103	105,103
Other comprehensive loss	其他全面虧損	-	-	(29,971)	(29,971)
Total comprehensive income for the year	本年度全面收益總額	-	-	75,132	75,132
Transactions with owners:	與擁有人的交易：				
Issue of ordinary shares, net of transaction costs	發行普通股(扣除交易成本)	2,366	-	387,634	390,000
Share option scheme: - value of services provided	購股權計劃： - 已提供服務之價值	-	-	6,430	6,430
		2,366	-	394,064	396,430
At 31 December 2019	於二零一九年十二月三十一日	31,547	-	1,098,683	1,130,230
<b>At 1 January 2020</b>	<b>於二零二零年一月一日</b>	<b>31,547</b>	<b>-</b>	<b>1,098,683</b>	<b>1,130,230</b>
Loss for the year	本年度虧損	-	-	(236,391)	(236,391)
Other comprehensive income	其他全面收益	-	-	72,204	72,204
Total comprehensive loss for the year	本年度全面虧損總額	-	-	(164,187)	(164,187)
Transactions with owners:	與擁有人的交易：				
Issue of ordinary shares, net of transaction costs	發行普通股(扣除交易成本)	3,466	-	508,234	511,700
Share option scheme: - value of services provided	購股權計劃： - 已提供服務之價值	-	-	7,205	7,205
Buy back of shares	購回股份	(286)	(1,613)	(36,616)	(38,515)
		3,180	(1,613)	478,823	480,390
At 31 December 2020	於二零二零年十二月三十一日	34,727	(1,613)	1,413,319	1,446,433

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應與隨附附註一併閱讀。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Cash flows from operating activities</b>			
Cash (used in)/generated from operations			
Income taxes paid	31	(528,250) (44,326)	95,933 (22,422)
<b>Net cash (used in)/generated from operating activities</b>		<b>(572,576)</b>	73,511
<b>Cash flows from investing activities</b>			
Interest received		1,654	3,036
Proceeds from disposal of property, plant and equipment	31	-	170
Purchase of property, plant and equipment		(220)	(3,244)
Net cash outflows from disposal of a group of subsidiaries	34	(41)	-
<b>Net cash generated from/(used in) investing activities</b>		<b>1,393</b>	(38)
<b>Cash flows from financing activities</b>			
Proceeds from issue of ordinary shares		513,008	390,556
Share issue transaction costs		(1,308)	(556)
Payments of shares repurchased		(38,515)	-
Advances from related parties		-	16,763
Repayments of advance from related parties		-	(114,291)
Proceeds from borrowings		90,041	50,000
Repayments of borrowings		(92,850)	(293,036)
Principal elements of lease payments		(15,300)	(13,285)
Interest paid		(1,344)	(8,305)
<b>Net cash generated from financing activities</b>		<b>453,732</b>	27,846
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(117,451)</b>	101,319
Cash and cash equivalents at beginning of the year		256,203	158,528
Effects of exchange rate changes on cash and cash equivalents		3,388	(3,644)
<b>Cash and cash equivalents at end of the year</b>	24	<b>142,140</b>	256,203

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應與隨附附註一併閱讀。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 1 GENERAL

Huanxi Media Group Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office of the Company is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and its principal place of business in Hong Kong is 11th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.

The Company is an investment holding and film investment company and its subsidiaries are principally engaged in media and entertainment related businesses which include development and investment in film and TV programmes rights, as well as operation of an online video platform. The activities of its principal subsidiaries are set out in Note 13.

These consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (“HK\$’000”), unless otherwise stated.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 1 一般資料

歡喜傳媒集團有限公司(「本公司」)為一家於百慕達註冊成立之獲豁免有限公司，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地址為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda，而香港主要營業地點為香港金鐘夏慤道16號遠東金融中心11樓。

本公司乃一間投資控股及電影投資公司，其附屬公司主要從事媒體及娛樂相關業務，包括電影及電視劇版權製作及投資以及營運在線視頻平台。其主要附屬公司之業務載於附註13。

除特別註明外，本公司及其附屬公司(統稱「本集團」)之此等綜合財務報表以港幣(「港幣」)呈列，且所有數值均取整至最接近的千位數(「港幣千元」)。

### 2 主要會計政策概要

本附註載列編製此等綜合財務報表時採納之主要會計政策。除特別註明外，該等政策已貫徹應用於呈列的所有年度。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## 2 主要會計政策概要(續)

### 2.1 Basis of preparation

### 2.1 編製基準

#### (a) Compliance with HKFRSs and HKCO

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) and disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap. 622.

#### (a) 遵守香港財務報告準則及香港公司條例

綜合財務報表已根據香港財務報告準則(「香港財務報告準則」)及香港公司條例(「香港公司條例」)(第622章)之披露規定編製。

#### (b) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets measured at fair value.

#### (b) 歷史成本常規法

綜合財務報表已根據歷史成本基準編製，惟按公平值計量之若干金融資產除外。

#### (c) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020:

#### (c) 本集團採納之新訂及經修訂準則

本集團自二零二零年一月一日起的年度報告期間首次應用下列準則及修訂：

HKFRS 3 (Amendments)	Definition of a Business	香港財務報告準則第3號(修訂本)	業務的定義
HKAS 1 and HKAS 8 (Amendments)	Definition of Material	香港會計準則第1號及香港會計準則第8號(修訂本)	重大的定義
HKFRS 16 (Amendments)	COVID-19 Related Rent Concession (Note)	香港財務報告準則第16號(修訂本)	2019冠狀病毒病相關租金減免(附註)
HKFRS 7, HKFRS 9 and HKAS 39 (Amendments)	Interest Rate Benchmark Reform (Phase 1)	香港財務報告準則第7號、香港財務報告準則第9號及香港會計準則第39號(修訂本)	利率基準改革(第一階段)
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting	二零一八年財務報告概念框架	經修訂財務報告概念框架

Note: The Group had to change its accounting policies, but no retrospective adjustments were resulted following the early adoption of the amendments to HKFRS 16. The impact of adoption is disclosed in Note 2.2. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current period.

備註：本集團須變更其會計政策，惟提早採納香港財務報告準則第16號修訂本後並無作出追溯調整。採納的影響於附註2.2披露。上文列示的大部分其他修訂本對過往期間確認的金額並無任何影響，且預期不會對現時期間產生重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## 2 主要會計政策概要(續)

### 2.1 Basis of preparation (Continued)

### 2.1 編製基準(續)

#### (d) New standards and interpretations not yet adopted

#### (d) 尚未採納之新訂準則及詮釋

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

若干新訂會計準則及詮釋已頒佈但並未於二零二零年十二月三十一日報告期間強制生效，且本集團並無提早採納。預計該等準則不會對實體現時或未來之報告期，以及可預見未來之交易產生重大影響。

**Effective for accounting periods beginning on or after**  
於以下日期或之後開始之會計期間生效

HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 (Amendments)	Interest Rate Benchmark Reform (Phase 2)	1 January 2021
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號(修訂本)	利率基準改革(第二階段)	二零二一年一月一日
HKAS 16 (Amendments)	Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
香港會計準則第16號(修訂本)	物業、廠房及設備 – 作擬定用途前的所得款項	二零二二年一月一日
HKAS 37 (Amendments)	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
香港會計準則第37號(修訂本)	虧損合約 – 履行合約的成本	二零二二年一月一日
HKFRS 3 (Amendments)	Reference to the Conceptual Framework	1 January 2022
香港財務報告準則第3號(修訂本)	引用概念框架	二零二二年一月一日
Annual Improvements Projects	Amendments to HKFRS 1, HKFRS 9, HKFRS 16 and HKAS 41	1 January 2022
年度改進項目	香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號及香港會計準則第41號(修訂本)	二零二二年一月一日
Accounting Guideline 5 (Amendments)	Merger Accounting for Common Control Combinations	1 January 2022
會計指引第5號(修訂本)	共同控制合併的合併會計處理	二零二二年一月一日



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## 2 主要會計政策概要(續)

### 2.1 Basis of preparation (Continued)

### 2.1 編製基準(續)

(d) *New standards and interpretations not yet adopted (Continued)*

(d) *尚未採納之新訂準則及詮釋(續)*

		Effective for accounting periods beginning on or after 於以下日期或 之後開始之 會計期間生效
HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current	1 January 2023
香港會計準則第1號(修訂本)	負債分類為流動或非流動	二零二三年一月一日
HKFRS 17 and HKFRS 17 (Amendments)	Insurance Contracts	1 January 2023
香港財務報告準則第17號及香港財務報告準則第17號(修訂本)	保險合約	二零二三年一月一日
Hong Kong Interpretation 5 (2020)	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2023
香港詮釋第5號(二零二零年)	借款人對含有按要求償還條款的定期貸款的分類	二零二三年一月一日
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或出資	待定

The Group is in the process of assessing potential impact of the above new standards and amendments that are relevant to the Group upon initial application. According to the preliminary assessment, management does not anticipate any significant impact on the Group's consolidated financial position and consolidated results of operations upon adopting the above new standards and amendments. Management plans to adopt these new standards and amendments to existing standards when they become mandatory.

本集團現正評估首次應用上述與本集團有關之新訂準則及修訂之潛在影響。根據初步評估，管理層預計採納上述新訂準則及修訂不會對本集團的綜合財務狀況及綜合經營業績構成任何重大影響。管理層計劃於該等新訂準則及對現有準則的修訂強制生效時予以採納。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Changes in accounting policies

The Group has early adopted Amendment to HKFRS 16 "Covid-19-Related Rent Concessions" retrospectively from 1 January 2020. The amendment provides an optional practical expedient allowing lessees to elect not to assess whether a rent concession related to COVID-19 is a lease modification. Lessees adopting this election may account for qualifying rent concessions in the same way as they would if they were not lease modifications. The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met: a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; b) any reduction in lease payments affects only payments due on or before 30 June 2021; and c) there is no substantive change to other terms and conditions of the lease.

The Group has applied the practical expedient to all qualifying COVID-19-related rent concessions. Rent concessions approximately HK\$908,000 have been accounted for as negative variable lease payments and recognised in other income in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2020 (Note 7), with a corresponding adjustment to the lease liabilities. There is no impact on the opening balance of equity at 1 January 2020.

## 2 主要會計政策概要(續)

### 2.2 會計政策變動

本集團自二零二零年一月一日起提早追溯採納香港財務報告準則第16號修訂本「2019冠狀病毒病相關租金減免」。該修訂本提供可選擇的可行權宜方法，允許承租人選擇不評估與2019冠狀病毒病相關的租金減免是否屬租賃修訂。採納該選擇的承租人可將合資格租金減免以非租賃修訂的入賬方式入賬。可行權宜方法僅應用於因2019冠狀病毒病疫情直接引致的租金減免且須滿足以下所有條件方會適用：a)租賃付款變動導致經修訂租賃代價與緊接變動前租賃代價相比，大致相同或更低；b)租賃付款的任何減少僅影響於二零二一年六月三十日或之前到期的付款；及c)租賃的其他條款及條件無實質性變動。

本集團已對所有合資格2019冠狀病毒病相關租金減免應用可行權宜方法。租金減免約港幣908,000元已作為負可變租賃付款入賬及於截至二零二零年十二月三十一日止年度之綜合損益及其他全面收益表的其他收入中確認(附註7)，並對租賃負債作出相應調整。此舉對於二零二零年一月一日的期初權益結餘並無影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Principles of consolidation

#### (i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.4).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

## 2 主要會計政策概要(續)

### 2.3 綜合原則

#### (i) 附屬公司

附屬公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團從參與實體業務而承擔取得其可變回報之風險或享有可變回報之權利，並有能力透過其對實體活動之主導權影響該等回報時，則本集團控制該實體。附屬公司於控制權轉移至本集團當日起全面綜合入賬，並於終止控制權當日起終止綜合入賬。

本集團採用收購會計法將業務合併入賬(參閱附註2.4)。

集團內公司間交易、結餘及集團內公司間交易未變現收益均會對銷。未變現虧損亦會對銷，惟該交易有證據顯示已轉讓資產出現減值則除外。附屬公司的會計政策已在有需要時作出調整，以確保與本集團所採納的政策一致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Principles of consolidation (Continued)

#### (ii) Joint arrangements

Under HKFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint operations.

#### *Joint operations*

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the consolidated financial statements under the appropriate headings.

#### (iii) Changes in ownership interests

When the Group ceases to consolidate for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSS.

## 2 主要會計政策概要(續)

### 2.3 綜合原則(續)

#### (ii) 聯合安排

根據香港財務報告準則第11號「聯合安排」，於聯合安排中的投資分類為合營業務或合營企業。其分類取決於各投資者之合約權利及義務而非聯合安排之法律架構。本集團有合營業務。

#### *合營業務*

本集團確認其對合營業務之資產、負債、收益及開支的直接權利以及其應佔任何共同持有或招致之資產、負債、收益及開支。該等項目已記入綜合財務報表的適當項目下。

#### (iii) 擁有權權益變動

當本集團因喪失控制權而停止綜合入賬一項投資時，於實體的任何保留權益按公平值重新計量，賬面值變動於損益確認。此外，先前於其他全面收益就該實體確認的任何金額按猶如本集團已直接出售相關資產或負債的方式入賬。這可能意味著先前於其他全面收益確認的金額重新分類至損益或轉撥至適用香港財務報告準則所指明／許可的另一權益類別內。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.4 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

## 2 主要會計政策概要(續)

### 2.4 業務合併

本集團採用收購會計法將所有業務合併入賬，而不論是否已收購權益工具或其他資產。收購一間附屬公司轉讓之代價包括：

- 所轉讓資產的公平值；
- 被收購業務前擁有人所招致之負債；
- 本集團已發行股權；
- 或然代價安排產生的任何資產或負債之公平值；及
- 於該附屬公司中的任何先前股權之公平值。

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債初步按其於收購日期之公平值計量(少數例外情況除外)。本集團根據個別收購基準按公平值或非控股權益享有被收購實體可識別資產淨值的份額比例確認於被收購實體的任何非控股權益。

收購相關成本於產生時支銷。



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### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.4 Business combinations (Continued)

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity,

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

## 2 主要會計政策概要(續)

### 2.4 業務合併(續)

以下項目：

- 所轉讓代價；
- 被收購實體的任何非控股權益金額；及
- 於被收購實體的任何先前股權於收購日期的公平值，

超出所收購可識別資產淨值公平值的金額以商譽列賬。若該等金額低於所收購業務的可識別資產淨值的公平值，則差額將直接於損益中確認為議價購買。

若現金代價的任何部分遞延結算，則未來應付金額一律折現至交換日期之現值。所用折現率為有關實體的增量借款利率，即按類似的條款及條件向獨立金融機構取得類似借款之利率。或然代價分類為權益或金融負債。分類為金融負債的金額其後將重新計量至公平值，而公平值變動於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.5 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

### 2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (the "CODM").

The executive directors of the Company, as being the CODM, assess the financial performance and position of the Group, and makes strategic decisions.

### 2.7 Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company is Renminbi ("RMB") while the consolidated financial statements of the Company are presented in HK\$, which management considers that it is more convenient to the shareholders as the Company is a listed company in Hong Kong.

## 2 主要會計政策概要(續)

### 2.5 獨立財務報表

於附屬公司之投資按成本扣除減值列賬。成本包括直接應佔投資成本。附屬公司之業績乃由本公司按已收股息及應收款項基準入賬。

若股息超出附屬公司宣派股息期間全面收益總額，或若獨立財務報表中投資賬面值超出綜合財務報表所示投資對象資產淨值(包括商譽)之賬面值，則須於收取該等投資之股息時，對該等附屬公司的投資進行減值測試。

### 2.6 分部報告

經營分部按與向主要營運決策者(「主要營運決策者」)提供之內部報告一致之方式呈報。

作為主要營運決策者，本公司之執行董事負責評估本集團財務表現及狀況並作出策略決定。

### 2.7 外幣換算

#### (i) 功能及呈列貨幣

本集團內各實體之財務報表內之項目均以該實體營運所在主要經濟環境通行之貨幣(「功能貨幣」)計量。本公司之功能貨幣為人民幣(「人民幣」)，而本公司之綜合財務報表以港幣呈列。管理層認為，由於本公司為香港上市公司，故以港幣呈列對股東而言更為便利。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 Foreign currency translation (Continued)

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the profit or loss on a net basis within other losses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

## 2 主要會計政策概要(續)

### 2.7 外幣換算(續)

#### (ii) 交易及結餘

外幣交易按交易日期之匯率換算為功能貨幣。該等交易結算及以外幣計值之貨幣性資產及負債按年終日之匯率換算所產生之匯兌收益及虧損一般於損益內確認。若匯兌收益及虧損與合資格現金流量對沖及合資格淨投資對沖有關，或由海外業務之部分淨投資所引起，則其於權益中遞延結算。

與借款有關之匯兌收益及虧損於綜合損益及其他全面收益表之融資成本內呈列。所有其他匯兌收益及虧損於損益之其他虧損內以淨額呈列。

以外幣為單位按公平值計量之非貨幣性項目，按照確定公平值當日之匯率換算。按公平值列賬的資產及負債之換算差額呈報為公平值收益或虧損之一部分。例如，非貨幣性資產及負債(例如按公平值計入損益持有的權益)的換算差額在損益中確認為公平值收益或虧損的一部分，非貨幣性資產(例如分類為按公平值計入其他全面收益的權益)的換算差額於其他全面收益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 Foreign currency translation (Continued)

#### (iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

## 2 主要會計政策概要(續)

### 2.7 外幣換算(續)

#### (iii) 集團旗下公司

功能貨幣與呈列貨幣不同之海外業務(均非嚴重通脹地區之貨幣)之業績及財務狀況按以下方式換算為呈列貨幣：

- 各財務狀況表所呈列之資產及負債按結算日之收市匯率換算；
- 各損益及其他全面收益表之收入及開支按平均匯率換算(除非此平均值並非該等交易日期通行匯率累計影響之合理約數，在此情況下收入及開支將以交易日期之匯率換算)；及
- 所有因此產生之匯兌差額於其他全面收益中確認。

於綜合賬目時，換算於海外實體的任何投資淨額，以及換算借款及其他指定為該等投資的對沖之金融工具之匯兌差額均於其他全面收益中確認。於出售海外業務或償還任何構成投資淨額一部分的借款之時，有關匯兌差額重新分類至損益，作為出售收益或虧損的一部分。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 Foreign currency translation (Continued)

#### (iii) Group companies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

#### (iv) Disposal of foreign operation

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

### 2.8 Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

## 2 主要會計政策概要(續)

### 2.7 外幣換算(續)

#### (iii) 集團旗下公司(續)

收購海外業務產生之商譽及公平價值調整乃作為該海外業務的資產及負債處理，並按收市匯率換算。

#### (iv) 出售海外業務

出售海外業務(即出售本集團於一項海外業務的全部權益，或出售導致失去對包含一項海外業務的附屬公司的控制權)時，本公司擁有人應佔該項業務於權益累計的所有貨幣換算差額重新分類至損益。

### 2.8 物業、廠房及設備

所有物業、廠房及設備均按歷史成本減折舊列賬。歷史成本包括收購該等項目直接應佔的開支。該成本亦可能包括由權益轉撥的外幣購買物業、廠房及設備合資格現金流量對沖的任何收益或虧損。

僅在與該項目相關的未來經濟利益很可能流入本集團且該項目的成本能夠可靠地計量的情況下，後續成本方會計入資產之賬面值或確認為獨立資產(如適用)。作為獨立資產入賬的任何部分之賬面值於更換時終止確認。所有其他維修及保養在發生的報告期計入損益。



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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 Property, plant and equipment (Continued)

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

- Leasehold improvements 33% or over the lease term, whichever is shorter
- Furniture, fixtures and equipment 20% to 33%
- Motor vehicles 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.11).

Gains or losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

## 2 主要會計政策概要(續)

### 2.8 物業、廠房及設備(續)

折舊乃按估計可使用年期(或如屬租賃物業裝修及若干租賃廠房及設備,則按較短租賃年期),以直線法將其成本或重估金額(扣除殘值)計算如下:

- 租賃物業裝修 33%或租期(以較短者為準)
- 傢俱、裝置及設備 20%至33%
- 汽車 20%

資產的殘值及可使用年期於各個報告期末予以審閱,並在適當時作出調整。

若資產賬面值超過其估計可收回金額,則資產賬面值即時撇減至其可收回金額(附註2.11)。

出售收益或虧損乃將所得款項與賬面值進行對比而釐定,並計入損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.9 Intangible assets

#### License

Separately acquired licenses are shown at historical cost. Licenses acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

#### Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

## 2 主要會計政策概要(續)

### 2.9 無形資產

#### 授權

單獨收購之授權按歷史成本列示。於業務合併中收購的授權按收購日期的公平值確認。具有有限可使用年期的授權按成本減累計攤銷及減值虧損列賬。

#### 軟件

與維護電腦軟件程式相關的成本於產生時確認為開支。當符合以下條件時，設計及測試由本集團控制的可辨認及獨有軟件產品直接應佔的開發成本確認為無形資產：

- 完成該軟件以致其可供使用在技術上屬可行；
- 管理層有意完成該軟件並將其投入使用或出售；
- 有能力使用或出售該軟件；
- 可證實該軟件如何產生很可能出現的未來經濟利益；
- 擁有足夠的技術、財務及其他資源完成開發並使用或出售該軟件；及
- 該軟件於開發期內應佔開支能夠可靠地計量。

可資本化成為軟件部分成本的直接應佔成本包括僱員成本及有關生產費用的適當部分。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.9 Intangible assets (Continued)

#### Software (Continued)

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

#### Amortisation methods and periods

The Group amortises software and license with a useful life using the straight-line method over five years.

### 2.10 Film and TV programmes rights

#### Film and TV programmes rights under production

Film and TV programmes rights under production are carried at cost, less accumulated impairment loss, if any. Cost includes all direct costs associated with the production of film and TV programmes rights.

Film and TV programmes rights under production are transferred to "Film and TV programmes rights completed" upon completion of production.

#### Film and TV programmes rights completed

Film and TV programmes rights completed are carried at cost, less accumulated amortisation and accumulated impairment losses, if any. The cost of film and TV programmes rights is apportioned between the exhibition and licensing, if applicable. In case that apportionment is applied, the cost related to exhibition is expensed on a straight-line basis over the shorter of estimated useful lives or the first public exhibition period. The cost related to licensing is expensed on a straight-line basis over the shorter of estimated useful lives or the underlying license periods. The apportionment, estimated useful lives and amortisation are subject to management's review at the end of each reporting period, with the effect of any changes in estimation being accounted for on a prospective basis.

## 2 主要會計政策概要(續)

### 2.9 無形資產(續)

#### 軟件(續)

已資本化的開發成本入賬列為無形資產，並自該資產可供使用之時起攤銷。

#### 攤銷方法及期間

本集團使用直線法按5年對具有可使用年期之軟件及授權進行攤銷。

### 2.10 電影及電視劇版權

#### 製作中之電影及電視劇版權

製作中之電影及電視劇版權按成本減累計減值虧損(如有)入賬。成本包括與製作電影及電視劇版權相關之所有直接成本。

製作中之電影及電視劇版權於製作完成時轉撥至「已完成之電影及電視劇版權」。

#### 已完成之電影及電視劇版權

已完成之電影及電視劇版權按成本減累計攤銷及累計減值虧損(如有)列賬。電影及電視劇版權之成本由放映及授權分攤(如適用)。如採用分攤比例，則放映相關成本使用直線法於估計可使用年期或首個公映期(以較短者為準)列作開支，授權相關成本使用直線法於估計可使用年期或相關授權期(以較短者為準)列作開支。分攤比例、估計可使用年期及攤銷須於各個報告期末經管理層審閱，任何估計變動產生之影響按提前基準入賬。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.10 Film and TV programmes rights (Continued)

#### *Film rights investments*

Film rights investments are the Group's investments in film production project which entitles the Group to share certain percentage of income to be generated from the related film based on the Group's investment portion as specified in respective film rights investments agreements but the Group has no control nor joint control over the investments. Film rights investments are carried at fair value.

#### *Licensed film and TV programmes rights*

Licensed film and TV programmes rights represent the Group's investment in film and TV programmes rights licenses. The Group acquired or licensed rights from outsiders for broadcasting of films or TV programmes series on its online video platform or sub-licensing the license rights to other parties, if applicable. Licensed film and TV programmes rights are carried at cost, less accumulated amortisation and accumulated impairment losses, if any.

Licensed film and TV programmes rights are amortised on a straight-line basis over their estimated useful lives of one to two years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimation being accounted for on a prospective basis.

#### *Derecognition*

Film and TV programmes rights are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of film and TV programmes rights are recognised in profit or loss when the asset is derecognised.

## 2 主要會計政策概要(續)

### 2.10 電影及電視劇版權(續)

#### *電影版權投資*

電影版權投資是指本集團於電影製作項目之投資，本集團有權根據相應電影版權投資協議所指明之本集團投資比例，按一定百分比享有將來電影產生之收入。但本集團對投資項目並不擁有控制權或共同控制權。電影版權投資按公平值列賬。

#### *獲授權之電影及電視劇版權*

獲授權之電影及電視劇版權是指本集團投資之電影及電視劇版權許可。本集團從外界購買或獲得許可授權以在其在線視頻平台播放電影或電視劇，或向其他人士分授許可授權(如適用)。獲授權之電影及電視劇版權按成本減累計攤銷及累計減值虧損(如有)列賬。

獲授權之電影及電視劇版權於其估計可使用年期(一至兩年)內按直線法攤銷。估計可使用年期及攤銷法於各報告期末進行檢討，任何估計變動產生之影響按提前基準入賬。

#### *終止確認*

電影及電視劇版權於出售或當預期使用或出售均不會產生未來經濟利益時終止確認。終止確認電影及電視劇版權產生之收益及虧損在終止確認資產時於損益內確認。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 Impairment of non-financial assets

Assets that have an indefinite useful life and/or not available for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 2.12 Discontinued operations

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated statement of profit or loss and other comprehensive income.

## 2 主要會計政策概要(續)

### 2.11 非金融資產減值

無確定可使用年期及／或不可使用的資產均無需攤銷，惟須每年進行減值測試，或當發生事件或情況變動顯示資產可能發生減值時，則更頻密地進行測試。其他資產於發生事件或情況變動顯示賬面值可能無法收回時進行減值測試。減值虧損按資產的賬面值超出其可收回金額之差額確認。可收回金額為資產的公平值減出售成本及使用價值兩者之中的較高者。就評估減值而言，本集團按可獨立識別的現金流入(在很大程度上獨立於其他資產或資產組別(現金產生單位)之現金流入)的最低水平劃分資產類別。出現減值的非金融資產將於各報告期末進行檢討，以釐定減值是否可予撥回。

### 2.12 已終止經營業務

已終止經營業務為已出售或分類為持作出售的實體的一部分，並代表一項按業務或經營地區劃分之獨立主要業務，為出售相關業務或經營地區之單一統籌計劃的一部分，或為一間純粹為轉售而收購的附屬公司。已終止經營業務的業績在綜合損益及其他全面收益表內單獨呈列。



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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## 2 主要會計政策概要(續)

### 2.13 Investments and other financial assets

### 2.13 投資及其他金融資產

#### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (“OCI”) or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss.

#### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### (i) 分類

本集團按以下計量類別對其金融資產進行分類：

- 隨後將按公平值計入其他全面收益或損益計量者；及
- 將按攤銷成本計量者。

分類取決於實體管理金融資產之業務模式以及現金流量之合約條款。

就按公平值計量之資產而言，有關收益及虧損將計入損益。

#### (ii) 確認及終止確認

以正規途徑購買及出售之金融資產於交易日期(即本集團承諾購買或出售該資產之日)確認。當從金融資產收取現金流量之權利已經到期或轉讓，而本集團已轉讓擁有權之絕大部分風險及回報時，即終止確認有關金融資產。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.13 Investments and other financial assets (Continued)

#### (iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There is one measurement category which the Group classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other losses together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss and other comprehensive income.

## 2 主要會計政策概要(續)

### 2.13 投資及其他金融資產(續)

#### (iii) 計量

於初步確認時，本集團按公平值加(如為並非按公平值計入損益之金融資產)收購該金融資產直接應佔之交易成本計量金融資產。按公平值計入損益之金融資產之交易成本於損益中支銷。

確定具有嵌入式衍生工具之金融資產之現金流量是否僅為支付本金及利息時，需從金融資產之整體進行考慮。

#### 債務工具

債務工具的後續計量取決於本集團管理資產之業務模式以及該資產的現金流量特點。本集團的債務工具均歸入一個計量類別：

**攤銷成本：**當持有資產之目的為收取合約現金流量，且現金流量僅為支付本金及利息時，資產按攤銷成本計量。來自該等金融資產的利息收入使用實際利率法計入財務收入。因終止確認而產生的任何收益或虧損直接於損益內確認，並連同匯兌收益及虧損於其他虧損中呈列。減值虧損於綜合損益及其他全面收益表中作為獨立項目呈列。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.13 Investments and other financial assets (Continued)

#### (iii) Measurement (Continued)

##### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial asset at FVTPL are recognised in other losses in the consolidated statement of profit or loss and other comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

## 2 主要會計政策概要(續)

### 2.13 投資及其他金融資產(續)

#### (iii) 計量(續)

##### 權益工具

本集團隨後按公平值計量所有股權投資。若本集團管理層已選擇將股權投資之公平值收益及虧損於其他全面收益中呈列，則終止確認投資後，概無後續重新分類公平值收益及虧損至損益。本集團收取付款之權利確立時，有關投資之股息繼續於損益中確認為其他收益。

按公平值計入損益之金融資產公平值變動乃於綜合損益及其他全面收益表中其他虧損中確認(如適用)。按公平值計入其他全面收益計量之股權投資減值虧損(及減值虧損之撥回)不會與其他公平值變動分開呈報。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.13 Investments and other financial assets (Continued)

#### (iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 3.1(b) for further details.

### 2.14 Financial liabilities

#### (i) Initial recognition and measurement

Financial liabilities of the Group are classified, at initial recognition, at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

#### (ii) Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

## 2 主要會計政策概要(續)

### 2.13 投資及其他金融資產(續)

#### (iv) 減值

本集團按前瞻性基準評估按攤銷成本列賬之債務工具之相關預期信貸虧損。所採用減值方法視乎信貸風險是否大幅增加而定。

就應收賬款及合約資產而言，本集團應用香港財務報告準則第9號允許的簡化方式，該方式要求於初步確認應收款項時確認預期全期虧損，詳情載於附註3.1(b)。

### 2.14 金融負債

#### (i) 初步確認與計量

本集團之金融負債於初步確認時分類為按攤銷成本計量。

所有金融負債均初步按公平值予以確認，而按攤銷成本計量的金融負債則需扣除直接應佔交易成本。

#### (ii) 後續計量

初步確認後，金融負債其後使用實際利率法按攤銷成本計量，惟倘貼現影響並不重大，則按成本列賬。收益及虧損於終止確認負債時透過實際利率攤銷程序於損益內確認。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.14 Financial liabilities (Continued)

#### (iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### 2.15 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### 2.16 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 23 for further information about the Group's accounting for trade receivables and Note 3.1(b) for a description of the Group's impairment policies.

### 2.17 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

## 2 主要會計政策概要(續)

### 2.14 金融負債(續)

#### (iii) 終止確認

金融負債於負債項下之責任獲解除、取消或屆滿時終止確認。

### 2.15 抵銷金融工具

當本集團目前擁有可依法強制執行的權利抵銷已確認金額且擬按淨值基準結算或同時變現資產及結算負債時，金融資產及負債將予抵銷，有關淨額則於綜合財務狀況表內列報。

### 2.16 應收賬款及其他應收款項

應收賬款為就於日常業務過程中提供服務而應收客戶的款項。應收賬款通常於一年內到期償還，因此均劃分為流動類別。

應收賬款初步按無條件代價的金額確認，惟倘其包含重大的融資部分時，則按公平值確認。本集團持有應收賬款及其他應收款項旨在收取合約現金流量，因此隨後以實際利率法按攤銷成本予以計量。有關本集團應收賬款入賬的進一步資料請參閱附註23，有關本集團減值政策的詳情請參閱附註3.1(b)。

### 2.17 現金及現金等值

就於綜合現金流量表呈列而言，現金及現金等值包括持有的現金及金融機構通知存款。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.18 Share capital

Ordinary shares are classified as equity (Note 29).

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity instruments, for example as the result of a share buy-back, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

### 2.19 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit term. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## 2 主要會計政策概要(續)

### 2.18 股本

普通股分類為權益(附註29)。

發行新股份或購股權直接應佔增量成本於權益中呈列為所得款項扣減(扣除稅項)。

當任何集團公司購買本公司之權益工具(例如由於購回股份)，所支付代價，包括任何直接應佔的增量成本(扣除所得稅)，均作為庫存股份從本公司擁有人應佔權益中扣除，直至股份被註銷或重新發行為止。倘該等普通股其後重新發行，則任何已收代價(扣除任何直接應佔的增量交易成本及相關所得稅影響)計入本公司擁有人應佔權益。

### 2.19 應付賬款及其他應付款項

該等款項指本集團於財政年度結束前就獲提供的貨品及服務未支付的負債。有關款項為無抵押及通常在信貸期內支付。應付賬款及其他應付款項呈列為流動負債，除非付款並非於報告期後12個月內到期。應付賬款及其他應付款項初步按公平值確認，隨後以實際利率法按攤銷成本計量。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.20 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

## 2 主要會計政策概要(續)

### 2.20 借款

借款初步按公平值確認，扣除產生的交易成本。借款其後按攤銷成本計量。所得款項(扣除交易成本)與贖回金額之間的任何差額乃使用實際利率法於借款期間的損益內確認。

於合約中訂明的責任獲履行、取消或失效時，借款從綜合財務狀況表中移除。已除去或轉移至另一方的金融負債賬面值與已付代價(包括任何已轉讓的非現金資產或承擔的負債)之間的差額於損益中確認為財務費用。

倘金融負債的條款經重新磋商，而實體向債權人發行權益工具，以消除全部或部分負債(債務與權益掉期)，則將於損益中確認收益或虧損，並按金融負債的賬面值與所發行權益工具公平值之間的差額計量。

除非本集團可無條件延遲償還負債至報告期後至少十二個月，否則借款分類為流動負債。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.21 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

### 2.22 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## 2 主要會計政策概要(續)

### 2.21 借貸成本

收購、建設或生產合資格資產直接應佔的一般及特定借貸成本在完成及準備有關資產以用於擬定用途或銷售所需的期間內予以資本化。合資格資產指需要耗費大量時間準備就緒以供擬定用途或銷售之資產。

若未用作合資格資產開支之特定借貸暫時用於投資，所賺取之投資收入自合資格作資本化之借貸成本扣除。

其他借貸成本於其產生期間列為開支。

### 2.22 即期及遞延所得稅

本期間之所得稅開支或抵免指就本期間應課稅收入按各司法權區之適用所得稅稅率支付之稅項(就暫時差額及未動用稅項虧損應佔之遞延稅項資產及負債變動作出調整)。

#### *即期所得稅*

即期所得稅開支按本公司及其附屬公司及聯營公司經營及產生應課稅收入的國家於報告期末已頒佈或實質頒佈的稅法計算。管理層就須詮釋的適用稅務法規的情況定期評估報稅表狀況，並在適當情況下根據預期須向稅務機關支付的稅款設定撥備。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.22 Current and deferred income tax (Continued)

#### Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

## 2 主要會計政策概要(續)

### 2.22 即期及遞延所得稅(續)

#### 遞延所得稅

遞延所得稅採用負債法就資產及負債的稅基與其於綜合財務報表的賬面值之間產生的暫時差額悉數計提撥備。然而，倘遞延稅項負債因初次確認商譽而產生，則不予確認；倘遞延所得稅因初次確認交易(業務合併除外)所涉資產或負債而產生，且交易時並不影響會計或應課稅損益，亦不予入賬。遞延所得稅採用於報告期末已頒佈或實質頒佈的稅率(及稅法)釐定，並預期在有關遞延所得稅資產變現或遞延所得稅負債清償時適用。

遞延稅項資產僅在未來應課稅金額將可用於動用該等暫時差額及虧損時予以確認。

倘本公司能控制撥回暫時差額的時間及該等差額可能不會於可預見將來撥回，則不會就海外業務投資賬面值與稅基之間的暫時差額確認遞延稅項負債及資產。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.22 Current and deferred income tax (Continued)

#### Deferred income tax (Continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### 2.23 Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

## 2 主要會計政策概要(續)

### 2.22 即期及遞延所得稅(續)

#### 遞延所得稅(續)

當有可依法強制執行的權利將即期稅項資產與負債抵銷，而遞延稅項結餘與同一稅務機關相關時，則可將遞延稅項資產與負債抵銷。當實體有可依法強制執行抵銷權利且有意按淨額基準結算或同時變現資產及清償負債時，則即期稅項資產與稅項負債抵銷。

即期及遞延稅項於損益中確認，惟有關於其他全面收益或直接於權益確認的項目除外。在此情況下，稅項亦分別於其他全面收益或直接於權益中確認。

### 2.23 僱員福利

#### (i) 短期責任

僱員直至報告期末之服務獲確認工資及薪金負債(包括預期在僱員提供相關服務期間結束後12個月內悉數結算的非貨幣福利)並按結算有關負債之預期金額計量。負債於綜合財務狀況表內呈列為即期僱員福利責任。



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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.23 Employee benefits (Continued)

#### (ii) Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme (the "MPF Scheme") are recognised as an expense when employees have rendered service entitling them to the contributions.

In addition, pursuant to the government regulations in the People's Republic of China (the "PRC"), the full-time employees in the PRC are covered by various government-sponsored pension plans under which the employees are entitled to a monthly pension based on certain formulas. Contributions to these plans are expensed as incurred.

#### (iii) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing where contractually obliged or where there is a past practice that has created a constructive obligation.

#### (iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

## 2 主要會計政策概要(續)

### 2.23 僱員福利(續)

#### (ii) 退休福利成本

就強制性公積金計劃(「強積金計劃」)作出之付款於僱員提供可獲取該等供款之服務時確認為開支。

此外，根據中華人民共和國(「中國」)之政府規例，中國全職員工參與多項政府資助的退休金計劃，根據各項計劃，員工每月有權享有按若干公式計算的退休金。向該等計劃作出的供款於付款時支銷。

#### (iii) 溢利分享及花紅計劃

當有合約責任或過往慣例引致推定責任時，本集團分別就花紅及溢利分享確認一項負債及一項開支。

#### (iv) 離職福利

本集團在正常退休日期前解僱僱員或僱員自願接受離職以換取該等福利時支付離職福利。本集團於以下日期(以較早者為準)確認離職福利：(a)本集團無法收回提供該等福利之日；及(b)實體確認重組成本屬香港會計準則第37號範圍內並涉及支付離職福利之日。在提出要約以鼓勵自願離職的情況下，離職福利乃根據預期接受要約的僱員人數計量。自報告期末起計逾12個月後到期應付的福利將折算至現值。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.24 Share-based payments

#### (i) Employee options

Share-based compensation benefits are provided to employees via the Group's employee option scheme, the executive short-term incentive scheme and share appreciation. Information relating to these schemes is set out in Note 33.

The fair value of options granted under the employee option scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

## 2 主要會計政策概要(續)

### 2.24 以股份為基礎之付款

#### (i) 僱員購股權

本集團透過僱員購股權計劃、行政人員短期激勵計劃及股票增值向僱員提供以股份為基礎之薪酬福利。該等計劃的資料載於附註33。

僱員購股權計劃項下授出購股權的公平值確認為僱員福利開支，並相應地調增權益。將列作開支的總金額乃參照已授出購股權的公平值釐定：

- 包括任何市場表現情況(如實體的股份價格)；
- 不包括任何服務及非市場表現歸屬條件(如盈利能力、銷售增長目標及該實體僱員於指定期間留任)的影響；及
- 包括任何非歸屬條件(如留任僱員或持有股份一段特定期間的規定)的影響。

開支總額於歸屬期間(達成所有規定歸屬條件的期間)確認。於各期間末，實體會根據非市場歸屬及服務條件修改其估計預期可予歸屬的購股權的數目。修改原有估計數字(如有)的影響則於損益確認，並對權益作相應調整。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.24 Share-based payments (Continued)

#### (ii) Share-based payment for cooperation with a film director

Equity-settled share-based payment for cooperation with a film director is measured at the fair value of the goods or services received or the fair value of the equity instrument granted if the fair value of goods or services cannot be estimated reliably. The share-based payment is recognised as expenses in accordance with “HKFRS 2 – Share-based payment” unless the goods or services qualify for recognition as assets.

### 2.25 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

## 2 主要會計政策概要(續)

### 2.24 以股份為基礎之付款(續)

#### (ii) 與一名電影導演合作之以股份為基礎之付款

與一名電影導演合作之以權益結算並以股份為基礎之付款按已收取貨品或服務之公平值計量，或倘無法可靠地估計貨品或服務之公平值，則按所授予的權益工具的公平值計量。除非貨品或服務符合資格確認為資產，否則以股份為基礎之付款根據香港財務報告準則第2號「以股份為基礎之付款」確認為開支。

### 2.25 撥備

當本集團因過往事件須承擔現有法律或推定責任，而履行責任將很可能需要資源流出，且有關金額能夠可靠估算時，本集團會確認撥備。但不會就日後之經營虧損確認任何撥備。

倘出現多項類似責任，是否需要資源流出以履行責任乃經整體考慮責任類別後釐定。即使就同類責任中任何一項出現資源流出之可能性不大，仍會確認撥備。

撥備按管理層對於報告期末履行現有責任所需的支出的最佳估計的現值計量。用於釐定現值的折現率為反映當時市場對金錢時間值及負債特定風險的評估的稅前利率。隨時間流逝而增加的撥備確認為利息開支。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.26 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of services in the ordinary course of the Group's activities.

Revenue is recognised when or as the control of the services is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the services may be transferred over time or at a point in time.

Control of the goods or services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the services. Specific criteria where revenue is recognised are described below.

When either party to a contract has performed, the Group presents the contract in the consolidated statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

## 2 主要會計政策概要(續)

### 2.26 收益確認

收益乃按於本集團一般業務過程中就銷售服務已收或應收代價之公平值計量。

收益於服務的控制權轉移予客戶時確認。視乎合約條款及適用於合約的法律，服務的控制權可隨時間或在某一時點轉移。

倘本集團的履約符合以下條件，則貨品或服務的控制權隨時間轉移：

- 提供之所有利益由客戶同時取得並耗用；
- 創建或增加客戶於本集團履約時控制的資產；或
- 並未產生對本集團有替代用途的資產，且本集團有強制執行權以收取迄今已履約的款項。

倘服務的控制權隨時間轉移，則收益乃參照完成相關履約責任的進度於合約期間確認。否則，收益於客戶獲得服務的控制權時某一時點確認。確認收益的具體標準如下文所述。

當合約的任何一訂約方已履約，本集團根據實體履約責任及客戶付款之間的關係將其合約於綜合財務狀況表呈列為合約資產或合約負債。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.26 Revenue recognition (Continued)

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a service to the customer, the Group presents the contract as a contract liability when the payment is made or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset represents the Group's right to consideration for the services that the Group has transferred to the customers but is not yet unconditional. A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Revenue is recognised when specific criteria have been met for the Group's activity as described below:

#### *Content production*

The Group invests in and produces entertainment content such as film and TV programmes series.

Revenue derived from box office income and sub-licensing of film and TV programmes rights is recognised at a point in time when the control of the entertainment content is transferred to the customers so that the customers can direct the use and obtain associated benefit.

#### *Subscription services of online video platform*

The Group offers subscription services to members with exclusive access to the contents of the Group's online video platform. The subscription fee receipts are generally for services to be delivered over time, the receipts are initially recorded as contract liabilities and revenue is recognised rateably over the subscription period as services are rendered and presented.

## 2 主要會計政策概要(續)

### 2.26 收益確認(續)

倘於本集團向客戶轉讓服務前，客戶支付代價或本集團擁有收取代價款的無條件權利，則本集團於作出付款或應收款項入賬時(以較早者為準)將合約呈列為合約負債。合約負債是本集團因已向客戶收取代價(或應收客戶的代價款)而向客戶轉讓服務的責任。

合約資產指本集團就其已轉讓予客戶但尚未為無條件的服務收取代價的權利。應收款項於本集團擁有收取代價的無條件權利時入賬。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。

收益於本集團的活動(如下文所述)符合具體標準時確認：

#### *內容製作*

本集團投資及製作電影及電視劇等娛樂內容。

票房收入及分授電影及電視劇版權產生之收益於娛樂內容的控制權轉移予客戶時的某一時點確認，以便客戶主導其使用並獲取相關利益。

#### *在線視頻平台的訂閱服務*

本集團向會員提供訂閱服務，讓會員獨享本集團在線視頻平台的內容。收取的訂閱費一般為隨時間提供的服務，該等收費初步錄為合約負債，而收益則於訂閱期內按提供及呈列服務的比率確認。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.26 Revenue recognition (Continued)

#### *Subscription services of online video platform (Continued)*

Other media related revenue also includes fees earned from subscribing members for on-demand content purchases and early access to premium content. The Group is the principal in their co-operations where partners, including consumer electronics manufacturers (TVs and cell phones), mobile operators, internet service providers and online payment agencies, provide access to the subscription services or payment processing services as the Group retains control over its service delivery to the subscribing members. Typically, payments made to the partners, are recorded as expenses.

### 2.27 Film investment income

Any gain or loss on the film rights investments that are subsequently measured at FVTPL is recognised in profit or loss and presented net in the period in which it arises.

### 2.28 Dividend income

Dividends are received from financial assets measured at FVTPL and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

### 2.29 Interest income

Interest income from financial asset at FVTPL is included in the net fair value gains/(losses) on these assets.

Interest income on financial assets at amortised cost and financial assets at FVOCI calculated using the effective interest method is recognised in profit or loss as part of other income.

## 2 主要會計政策概要(續)

### 2.26 收益確認(續)

#### *在線視頻平台的訂閱服務(續)*

其他媒體相關收益亦包括從訂閱會員賺取的按需購買內容及提前獲取優質的頭部內容的費用。由於本集團保留向訂閱會員提供服務的控制權，故本集團為其業務夥伴(包括消費電子產品製造商(電視及手機)、流動電話營運商、互聯網服務供應商及在線支付機構)提供訂閱服務或支付處理服務的合作主體。通常情況下，支付予業務夥伴的款項以費用列賬。

### 2.27 電影投資收入

隨後按公平值計入損益計量的電影版權投資之任何收益或虧損於損益中確認，並於產生之期間以淨額呈列。

### 2.28 股息收入

股息乃就按公平值計入損益及按公平值計入其他全面收益計量的金融資產收取。股息於收取付款之權利確立時在損益中確認為其他收入。這亦適用於從收購前溢利中派付的股息，惟股息明顯為收回部分投資成本者除外。在此情況下，倘股息與按公平值計入其他全面收益計量的投資相關，則在其他全面收益中確認。然而，這可能導致需要對投資進行減值測試。

### 2.29 利息收入

來自按公平值計入損益的金融資產之利息收入計入該等資產的公平值收益/(虧損)淨額。

來自按攤銷成本計量的金融資產及按公平值計入其他全面收益的金融資產之利息收入使用實際利率法計算，並於損益確認為其他收入的一部分。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.29 Interest income (Continued)

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 11 below. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### 2.30 Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to equity owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## 2 主要會計政策概要(續)

### 2.29 利息收入(續)

持作現金管理用途的金融資產所賺取的利息收入呈列為財務收入(見下文附註11)。任何其他利息收入計入其他收入。

利息收入是用實際利率乘以金融資產賬面總額計算得出，惟後續發生信貸減值的金融資產除外。就信貸減值的金融資產而言，其利息收入是用實際利率乘以金融資產賬面淨額(經扣除虧損撥備)得出。

### 2.30 每股盈利

#### (i) 每股基本盈利

每股基本盈利之計算方法為：

- 歸屬於本公司權益擁有人之溢利(不包括普通股以外之任何支付權益成本)除以
- 於財政年度內已發行普通股之加權平均數(就年內發行之普通股之紅利元素作出調整以及並不包括庫存股份)。

#### (ii) 每股攤薄盈利

每股攤薄盈利調整釐定每股基本盈利時所使用之數字以計及：

- 與潛在攤薄普通股有關之利息及其他融資成本之除所得稅後影響；及
- 假設所有潛在攤薄普通股換股，則將為已發行之額外普通股加權平均數。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.31 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

## 2 主要會計政策概要(續)

### 2.31 租賃

租賃確認為使用權資產，並在租賃資產可供本集團使用之日確認為相應負債。

合約可能包含租賃及非租賃組成部分。本集團按照租賃及非租賃組成部分相應的獨立價格，將合約代價分配至租賃及非租賃組成部分。然而，就本集團作為承租人的房地產租賃而言，本集團選擇不將租賃與非租賃部分相區分，而是將其作為單一租賃部分入賬。

租賃條款按個別基準進行磋商，包含多種不同的條款及條件。除出租人持有的所租賃資產的擔保權益外，租賃協議不構成任何契諾。所租賃資產不得用作借款的擔保。

租賃產生的資產及負債初步按現值計量。租賃負債包括下列租賃付款的淨現值：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；及
- 倘租期反映本集團行使該選擇權，則支付終止租賃的罰款。

根據合理確定延續選擇權支付的租賃付款亦計入負債計量之內。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.31 Leases (Continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing; and
- makes adjustments specific to the lease, such as term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## 2 主要會計政策概要(續)

### 2.31 租賃(續)

租賃付款採用租賃所隱含的利率予以貼現。倘無法輕易釐定該利率(為本集團租賃的一般情況)，則使用承租人的增量借款利率，即個別承租人為了在類似經濟環境中按類似條款、抵押及條件獲得與使用權資產具有類似價值的資產借入所需資金而必須支付的利率。

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整，以反映自獲得第三方融資以來融資條件的變動；
- 使用累加法，首先就本集團所持有租賃的信貸風險(最近並無第三方融資)調整無風險利率；及
- 進行特定於租約的調整，例如期限、國家、貨幣及抵押。

倘個別承租人(透過近期融資或市場數據)能夠獲取即時可觀察的攤銷貸款利率，且付款情況與該租賃相似，則集團實體可使用該利率作為起點釐定增量借款利率。

租賃付款乃分配至本金及財務費用。財務費用於租期內自損益扣除，以計算出各期間負債結餘的固定週期利率。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.31 Leases (Continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received; and
- any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

### 2.32 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## 2 主要會計政策概要(續)

### 2.31 租賃(續)

使用權資產按成本計量，包括以下各項：

- 租賃負債的初步計量金額；
- 在開始日期或之前所作的任何租賃付款，減去所收取的任何租賃優惠；及
- 任何初始直接成本。

使用權資產一般按資產可使用年期或租期(以較短者為準)以直線法折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期內予以折舊。本集團在對其土地及樓宇(於物業、廠房及設備內呈列)重新估值時，已選擇不就本集團所持有的使用權樓宇行使有關權利。

與設備及車輛短期租賃以及所有低價值資產租賃相關的付款以直線法於損益中確認為開支。短期租賃指租期為12個月或更短的租賃。

### 2.32 股息分派

就於報告期末或之前已宣派但於報告期末時尚未分派的任何股息(已適當授權及不再由實體酌情決定)的款項作出撥備。



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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.33 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

## 3 FINANCIAL RISK MANAGEMENT

### 3.1 Financial risk factors

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit or loss information has been included where relevant to add further context.

The Group's management monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

## 2 主要會計政策概要(續)

### 2.33 政府補助

倘合理確保將可收到補貼及本集團將遵守所有附帶條件，政府補助按公平值確認。

## 3 財務風險管理

### 3.1 財務風險因素

本附註闡釋本集團面臨的財務風險以及該等風險可能對本集團未來財務表現產生的影響。本年度的損益資料已載於相關內容中，以作進一步說明。

本集團管理層透過內部風險報告(該報告按風險之程度及級別作分析)監控及管理有關本集團經營之財務風險。該等風險包括市場風險(包括外幣風險及利率風險)、信貸風險及流動資金風險。

本集團金融工具面臨之風險類型或其管理及計量風險之方式並無改變。

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### 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3 財務風險管理(續)

#### 3.1 Financial risk factors (Continued)

#### 3.1 財務風險因素(續)

##### (a) Market risk

##### (a) 市場風險

##### (i) Foreign exchange risk

##### (i) 外匯風險

The Group operates in Hong Kong and the PRC with most of the transactions denominated and settled in RMB, the functional currency of relevant group entities.

本集團在香港及中國經營業務，其大部分交易均以相關集團實體之功能貨幣人民幣計值和結算。

The Group is mainly exposed to the fluctuation of HK\$ arising from foreign currency trade and other receivables, cash and cash equivalents, trade and other payables and borrowings.

本集團主要承受港幣波動之風險，其來自以外幣計值的應收賬款及其他應收款項、現金及現金等值、應付賬款及其他應付款項及借款。

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

本集團於報告期末以外幣計值之貨幣資產及貨幣負債之賬面值如下：

		Liabilities 負債		Assets 資產	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
HK\$	港幣	(4,782)	(65,337)	158,885	3,467

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### 3 FINANCIAL RISK MANAGEMENT (Continued) 3 財務風險管理(續)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

##### (i) Foreign exchange risk (Continued)

##### Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2019: Same) increase and decrease RMB against HK\$. The sensitivity rate of 5% is used when reporting foreign currency risk internally to key management personnel and represents the management's assessment of the reasonably possible change in foreign exchange rates. The changes in loss/(profit) for the year represented HK\$ strengthen 5% (2019: Same) against RMB. For a 5% (2019: 5%) weakening of the above foreign currencies against RMB, there would be an equal and opposite impact on the loss/(profit) for the year.

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

##### (i) 外匯風險(續)

##### 敏感度分析

下表詳列本集團就人民幣兌港幣匯率上升及下降5%(二零一九年:相同)之敏感度。向主要管理人員就外幣風險作內部報告時採用之敏感度比率為5%，代表管理層就外匯匯率可能出現之合理變動而作出之評估。本年度虧損/(溢利)之變動代表港幣兌人民幣匯率上升5%(二零一九年:相同)。倘上述外幣兌人民幣貶值5%(二零一九年:5%)，則會對本年度虧損/(溢利)構成同等幅度之相反效果。

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Changes in loss/(profit) for the year	本年度虧損/(溢利)之變動		
HK\$	港幣	5,779	(2,320)

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### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

##### (ii) Interest rate risk

The Group's cash flow interest rate risk arises from cash at banks.

The Group is also exposed to fair value interest rate risk in relation to fixed-rate other receivables, film investment funds from investors and borrowings. Management considers that the fair value risk in relation to the fixed-rate other receivables, film investment funds from investors and borrowings is insignificant as the other receivables, film investment funds from investors and borrowings has a short maturity period.

The Group currently does not have any interest rate hedging policy in relation to fair value and cash flow interest rate risks. Management monitors the Group's exposure on an ongoing basis and will consider hedging the interest rate risk should the need arise.

##### Sensitivity analysis

Regarding the cash flow interest rate risk, the sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For variable-rate bank deposits, the analysis is prepared assuming the amount of the relevant asset outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points (2019: Same) increase or decrease represents the management's assessment of the reasonably possible change in interest rates.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

##### (ii) 利率風險

本集團之現金流量利率風險來自銀行現金。

本集團亦承受與固定利率的其他應收款項、來自投資者的電影投資款項及借款相關之公平值利率風險。管理層認為，鑒於固定利率的其他應收款項、來自投資者的電影投資款項及借款的屆滿期限短暫，故與固定利率的其他應收款項、來自投資者的電影投資款項及借款相關之公平值風險並不重大。

本集團目前並無任何與公平值及現金流量利率風險相關的利率對沖政策。管理層監控本集團風險，並將於有需要時考慮對沖利率風險。

##### 敏感度分析

就現金流量利率風險而言，下文敏感度分析乃根據於報告期末所承受之非衍生工具利率風險而釐定。就浮息銀行存款而言，分析乃假設於報告期末尚未結清之相關資產金額於整個年度內均未結清而作出。增加或減少50個基點(二零一九年：相同)代表管理層所評估利率可能出現之合理變動。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued) 3 財務風險管理(續)

#### 3.1 Financial risk factors (Continued) 3.1 財務風險因素(續)

##### (a) Market risk (Continued)

##### (ii) Interest rate risk (Continued)

##### Sensitivity analysis (Continued)

If interest rates had been 50 basis points (2019: Same) higher/lower and all other variables were held constant, the Group's loss for the year would have decreased by approximately HK\$91,000 (2019: profit for the year would have increased by approximately HK\$948,000).

##### (b) Credit risk

##### (i) Risk management

Credit risk is managed on a group basis. The credit risk of the Group mainly arises from financial assets, cash and cash equivalents, trade receivables, contract assets, deposits and other receivables. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to these assets.

In order to minimise the credit risk, management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk as 54% (2019: 70%) of the total trade receivables was due from the Group's largest debtor.

##### (a) 市場風險(續)

##### (ii) 利率風險(續)

##### 敏感度分析(續)

倘利率增加／減少50個基點(二零一九年：相同)，而所有其他變數維持不變，本集團之本年度虧損將減少約港幣91,000元(二零一九年：本年度溢利將增加約港幣948,000元)。

##### (b) 信貸風險

##### (i) 風險管理

信貸風險按集團基準管理。本集團的信貸風險主要來自金融資產、現金及現金等值、應收賬款、合約資產、按金及其他應收款項。該等結餘的賬面值乃本集團就該等資產所面臨之最高信貸風險。

為將信貸風險降至最低，管理層已委派一團隊負責釐定信貸限額、信貸審批及其他監察程序，以確保採取跟進行動以收回逾期債務。此外，本集團於報告期末檢討各個別債項之可收回金額，以確保就無法收回之金額計提足夠減值虧損。就此，管理層認為本集團之信貸風險已大為降低。

由於應收本集團最大債務人之款項佔應收賬款總額的54%(二零一九年：70%)，本集團存在集中信貸風險。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (ii) Impairment of financial assets and contract assets

Trade receivables and contract assets

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

For trade receivables and contract assets, management has assessed the expected credit losses based on the background and reputation of the customers, historical settlement records and past experience. Management also considered the default rates and loss given default from external rating agency report and forward-looking information that may impact the customer's ability to repay the outstanding balances. As at 31 December 2020, the loss allowances of approximately HK\$8,606,000 and HK\$62,000 (2019: HK\$257,000 and Nil) were recognised for trade receivables and contract assets respectively based on the expected credit losses rates ranged from 0% to 15% (2019: 0% to 73%) applied on different groupings.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

##### (ii) 金融資產及合約資產減值

應收賬款及合約資產

本集團按香港財務報告準則第9號的規定採用簡化方式就預期信貸虧損計提撥備，該準則允許就所有應收賬款及合約資產使用全期預期信貸虧損撥備。為計量預期信貸虧損，應收賬款及合約資產已根據共同的信貸風險特點及逾期天數分組。

就應收賬款及合約資產而言，管理層已根據客戶的背景及信譽、歷史償還記錄及過往經驗評估預期信貸虧損。管理層亦考慮外部評級機構報告指出的違約率及違約損失，以及可能影響客戶償還未償還結餘的能力的前瞻性資料。於二零二零年十二月三十一日，本集團根據不同組別應用的介乎0%至15%(二零一九年：0%至73%)的預期信貸虧損率，分別就應收賬款及合約資產確認虧損撥備約港幣8,606,000元及港幣62,000元(二零一九年：港幣257,000元及零)。

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## 綜合財務報表附註

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### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (ii) Impairment of financial assets and contract assets (Continued)

The closing loss allowances for trade receivables and contract assets as at 31 December reconcile to the opening loss allowances as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Trade receivables</b>	<b>應收賬款</b>		
At 1 January	於一月一日	257	257
Increase in loss allowance recognised during the year	年內確認之虧損撥備增加	8,117	-
Receivables written off during the year as uncollectible	年內由於無法收回而撇銷的應收款項	(257)	-
Exchange difference	匯兌差額	489	-
<b>At 31 December</b>	<b>於十二月三十一日</b>	<b>8,606</b>	257
<b>Contract assets</b>	<b>合約資產</b>		
At 1 January	於一月一日	-	-
Increase in loss allowance recognised during the year	年內確認之虧損撥備增加	59	-
Exchange difference	匯兌差額	3	-
<b>At 31 December</b>	<b>於十二月三十一日</b>	<b>62</b>	-

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

##### (ii) 金融資產及合約資產減值(續)

於十二月三十一日，應收賬款及合約資產的期末虧損撥備與期初虧損撥備對賬如下：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Trade receivables</b>		
At 1 January	257	257
Increase in loss allowance recognised during the year	8,117	-
Receivables written off during the year as uncollectible	(257)	-
Exchange difference	489	-
<b>At 31 December</b>	<b>8,606</b>	257
<b>Contract assets</b>		
At 1 January	-	-
Increase in loss allowance recognised during the year	59	-
Exchange difference	3	-
<b>At 31 December</b>	<b>62</b>	-

應收賬款及合約資產於無合理期望可收回時撇銷。並無合理期望可收回款項的跡象包括(其中包括)債務人未能與本集團共同制定還款計劃及未能作出合約付款。

應收賬款及合約資產的減值虧損列為經營溢利內的減值虧損淨額。其後收回先前撇銷的金額會記入同一項目。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3 財務風險管理(續)

#### 3.1 Financial risk factors (Continued)

#### 3.1 財務風險因素(續)

##### (b) Credit risk (Continued)

##### (b) 信貸風險(續)

##### (ii) Impairment of financial assets and contract assets (Continued)

##### (ii) 金融資產及合約資產減值(續)

Other financial assets at amortised cost and cash at banks

按攤銷成本計量的其他金融資產及銀行現金

The credit quality of the other receivables has been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. Management is of the opinion that the credit risk of other receivables is low as the counterparties have strong capacity to meet its contractual cash flow obligations in the near term. As at 31 December 2020, the loss allowances of approximately HK\$1,109,000 were recognised for other receivables (2019: Nil).

其他應收款項的信貸質素乃經參考有關交易對手違約率及財務狀況的歷史資料後評估。管理層認為其他應收款項之信貸風險較低，概因交易對手具備於短期內履行其合約現金流量責任的強大實力。於二零二零年十二月三十一日，已就其他應收款項確認虧損撥備約港幣1,109,000元(二零一九年：無)。

The closing loss allowances for deposits and other receivables as at 31 December reconcile to the opening loss allowances as follows:

於十二月三十一日，按金及其他應收賬款的期末虧損撥備與期初虧損撥備對賬如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>At 1 January</b>	於一月一日	-	-
Increase in loss allowance recognised during the year	年內確認之虧損撥備增加	1,076	-
Exchange difference	匯兌差額	33	-
<b>At 31 December</b>	於十二月三十一日	<b>1,109</b>	-

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## 綜合財務報表附註

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### 3 FINANCIAL RISK MANAGEMENT (Continued) 3 財務風險管理(續)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (ii) Impairment of financial assets and contract assets (Continued)

Other financial assets at amortised cost and cash at banks (Continued)

In respect of cash at banks, the credit risk is considered to be low as the counterparties are reputable banks. The existing counterparties do not have defaults in the past. Therefore, expected credit loss rate of cash at bank is assessed to be close to zero and no provision was made as at 31 December 2020 (2019: Same).

##### (iii) Net impairment losses on financial and contract assets recognised in profit or loss

During the year, the net impairment losses on financial and contract assets recognised in profit or loss were as follows:

##### (b) 信貸風險(續)

##### (ii) 金融資產及合約資產減值(續)

按攤銷成本計量的其他金融資產及銀行現金(續)

就銀行現金而言，信貸風險被視為較低，概因交易對手為信譽良好的銀行。現有交易對手以往未發生過違約。因此，銀行現金的預期信貸虧損比率評估為接近於零，故於二零二零年十二月三十一日並未計提撥備(二零一九年：相同)。

##### (iii) 於損益內確認的金融及合約資產之減值虧損淨額

年內，於損益內確認的金融及合約資產之減值虧損淨額如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Net impairment losses for trade receivables and contract assets	應收賬款及合約資產之減值虧損淨額	(8,176)	-
Impairment losses on other financial assets	其他金融資產之減值虧損	(1,076)	-
Net impairment losses on financial assets and contract assets	金融資產及合約資產之減值虧損淨額	(9,252)	-

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### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk

As at 31 December 2020, the Group had cash and cash equivalents of approximately HK\$142,140,000, and short-term borrowings of approximately HK\$50,036,000, and the Group had net cash used in operating activities for the year of approximately HK\$572,576,000 and loss for the year attributable to owners of the Company of approximately HK\$236,391,000. Management considers the Group does not have any significant liquidity risk.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated statement of financial position date to the contractual maturity date. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (c) 流動資金風險

於二零二零年十二月三十一日，本集團擁有現金及現金等值約港幣142,140,000元及短期借款約港幣50,036,000元，本集團本年度經營活動所耗用之現金淨額約為港幣572,576,000元，而本公司擁有人應佔本年度虧損約為港幣236,391,000元。管理層認為，本集團並不存在任何重大流動資金風險。

下表將本集團的金融負債按照由綜合財務狀況表結算日至合約到期日的剩餘期限分成相關的到期組別進行分析。由於貼現影響並不重大，於12個月內到期的結餘等於其賬面結餘。



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## 綜合財務報表附註

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### 3 FINANCIAL RISK MANAGEMENT (Continued) 3 財務風險管理(續)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

Contractual maturities of financial liabilities	Weighted average interest rate	On demand or less than 1 month	1-3	3 months	1-3	Total Undiscounted cash flows	Carrying amount
			months	to 1 year	years		
金融負債的合約到期日	加權平均利率	須應要求或	一至三個月	三個月至一年	一至三年	現金流量總額	賬面值
	%	少於一個月	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
2019	二零一九年						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	應付賬款及其他						
應付款項		-	75,862	-	-	75,862	75,862
Film investment funds form investors	來自投資者的電影投資款項	-	-	-	188,634	188,634	188,634
Borrowings	借款	-	-	50,000	-	50,000	50,000
Lease liabilities	租賃負債	4.2%	1,445	2,890	12,998	21,404	36,894
			77,307	52,890	201,632	21,404	353,233
							351,390
2020	二零二零年						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	應付賬款及其他						
應付款項		-	72,895	-	-	72,895	72,895
Film investment funds form investors	來自投資者的電影投資款項	-	-	-	107,565	107,565	107,565
Borrowings	借款	-	-	-	50,036	50,036	50,036
Lease liabilities	租賃負債	4.3%	1,316	2,968	13,356	4,251	21,277
			74,211	2,968	170,957	4,251	252,387
							251,773

#### 3.1 財務風險因素(續)

##### (c) 流動資金風險(續)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.2 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt which includes borrowings in Note 27 and equity attributable to owners of the Company, comprising issued share capital and various reserves.

Management reviews the capital structure periodically. As part of this review, management considers the cost of capital and the risks associates with each class of capital. Based on recommendations of management, the Group will balance its overall capital structure through new share issues as well as the issue of new debt or the redemption of existing debt or reduction in capital.

### 3 財務風險管理(續)

#### 3.2 資本管理

本集團管理其資本，以確保本集團之實體將能夠繼續持續經營，同時透過將債務及權益結餘優化，為股東帶來最大回報。本集團之整體策略維持與往年相同。

本集團之資本架構包括債務(包括附註27之借款)及本公司擁有人應佔權益(包括已發行股本及各項儲備)。

管理層定期審閱資本架構。作為此審閱工作之一部分，管理層考慮資本成本及各資本類別之相關風險。本集團將根據管理層提出之建議，透過發行新股份及發行新債項或贖回現有債項或削減資本，平衡其整體資本架構。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3 FINANCIAL RISK MANAGEMENT (Continued) 3 財務風險管理(續)

#### 3.3 Fair value estimation

##### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

#### 3.3 公平值估計

##### (i) 公平值架構級別

本節闡述釐定於財務報表中確認及按公平值計量的金融工具公平值時所作出的判斷及估計。為得出有關釐定公平值所用輸入數據之可靠性指標，本集團已按會計準則規定將其金融工具分為三個等級。各等級於下表進行闡述。

		Note	Level 3 第三級 HK\$'000 港幣千元
<b>Recurring fair value measurements</b>			
<b>At 31 December 2020</b>			
<b>Financial assets</b>			
Film rights investments	電影版權投資	22	<b>164,331</b>
At 31 December 2019			
<b>Financial assets</b>			
Film rights investments	電影版權投資	22	99,897

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FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation (Continued)

##### (i) Fair value hierarchy (Continued)

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements see (iii) below.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

##### (ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include discounted cash flow analysis.

### 3 財務風險管理(續)

#### 3.3 公平值估計(續)

##### (i) 公平值架構級別(續)

年內，在第一級及第二級之間並無就經常性公平值計量進行轉撥。第三級計量的轉入及轉出請參閱下文第(iii)項。

本集團政策旨在確認於報告期末公平值架構級別的轉入及轉出情況。

第一級：在活躍市場上買賣的金融工具(如公開買賣衍生工具及股本證券)的公平值乃按於報告期末的市場報價釐定。本集團所持金融資產採用的市場報價為當時買盤價。該等工具計入第一級。

第二級：未在活躍市場上買賣的金融工具(例如場外衍生工具)的公平值採用估值方法釐定。該等估值方法盡量採用可觀察市場數據，並盡可能不倚賴實體特定估計。倘計算工具公平值所需的所有重大輸入數據均可觀察，則該工具計入第二級。

第三級：倘一項或多項重大輸入數據並非以可觀察市場數據為基礎，則該工具計入第三級。非上市股本證券即屬此類情況。

##### (ii) 用於釐定公平值的估值方法

用於評估金融工具價值的具體估值方法包括貼現現金流量分析。

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### 3 FINANCIAL RISK MANAGEMENT (Continued) 3 財務風險管理(續)

#### 3.3 Fair value estimation (Continued)

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year:

		<b>Film rights investments 電影版權投資 HK\$'000 港幣千元</b>
Opening balance 1 January 2019	於二零一九年一月一日的期初結餘	–
Additions	增購	105,750
Changes in fair values	公平值變動	7,469
Derecognition	終止確認	(9,553)
Exchange differences	匯兌差額	(3,769)
Closing balance 31 December 2019	於二零一九年十二月三十一日的期末結餘	99,897
Additions	增購	22,409
Changes in fair values	公平值變動	33,303
Derecognition	終止確認	(1,362)
Exchange differences	匯兌差額	10,084
<b>Closing balance 31 December 2020</b>	<b>於二零二零年十二月三十一日的期末結餘</b>	<b>164,331</b>

The key unobservable input includes the expected cash flow derived from the investments and discounted rate. If the expected cash flows were increased/(reduced) by 5%, the fair value would increase/(decrease) by approximately HK\$8,217,000. If the discounted rates were increased by 1%, the fair value would decrease by approximately HK\$2,040,000 and if the discount rates were decreased by 1%, the fair value would increase by approximately HK\$2,090,000.

#### 3.3 公平值估計(續)

(iii) 採用重大不可觀察輸入數據進行公平值計量(第三級)

下表載列第三級項目的年度變動：

		<b>Film rights investments 電影版權投資 HK\$'000 港幣千元</b>
Opening balance 1 January 2019	於二零一九年一月一日的期初結餘	–
Additions	增購	105,750
Changes in fair values	公平值變動	7,469
Derecognition	終止確認	(9,553)
Exchange differences	匯兌差額	(3,769)
Closing balance 31 December 2019	於二零一九年十二月三十一日的期末結餘	99,897
Additions	增購	22,409
Changes in fair values	公平值變動	33,303
Derecognition	終止確認	(1,362)
Exchange differences	匯兌差額	10,084
<b>Closing balance 31 December 2020</b>	<b>於二零二零年十二月三十一日的期末結餘</b>	<b>164,331</b>

主要不可觀察輸入數據包括投資產生的預期現金流量及貼現率。倘預期現金流量增加/(減少)5%，則公平值將增加/(減少)約港幣8,217,000元。倘貼現率上升1%，則公平值將減少約港幣2,040,000元；倘貼現率下降1%，則公平值將增加約港幣2,090,000元。



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### 4 CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

#### (a) Revenue derived from content production and film investment income

Management considered whether it was appropriate to recognise the revenue from content production and film investment income, net of approximately HK\$633,176,000 (2019: HK\$814,425,000) in the current year, which is in line with the Group's general policy of recognising revenue and film investment income as set out in Notes 2.26 and 2.27.

In making the judgement, management considered the detailed criteria included satisfying the performance obligation and the right to receive payment for the recognition of revenue derived from content production and measurement of film investment income set out in the applicable standards. In the event where the criteria are met but the final statement of the relevant film has not yet received, judgement is required to estimate the revenue and related costs of the film investment.

### 4 重要估計及判斷

編製綜合財務報表須運用會計估計，顧名思義，其將很少等同實際結果。管理層於採用本集團的會計政策時亦須進行判斷。

估計及判斷將持續進行評估。此乃基於過往經驗及其他因素，包括於有關情況下被視為合理的可能對該實體產生財務影響的未來事件預測。

#### (a) 內容製作產生之收益及電影投資收入

管理層考慮於本年度確認來自內容製作之收益及電影投資收入，淨額約港幣633,176,000元(二零一九年：港幣814,425,000元)是否適當，此舉符合附註2.26及2.27所載有關本集團確認收益及電影投資收入之一般政策。

於作出判斷時，管理層已就確認內容製作產生之收益及計量電影投資收入考慮適用準則所載之詳盡標準，包括完成履約責任及確立收取付款之權利。倘符合標準但尚未收到相關電影的最終報表，則估計電影投資產生的收益及相關成本需運用判斷。

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### 4 CRITICAL ESTIMATES AND JUDGEMENTS

(Continued)

#### (b) Measurement of film and TV programmes rights classified as intangible assets, and impairment of license and software development costs

At the end of each reporting period, management assessed the cost apportionment, amortisation policy and estimated useful lives of the film and TV programmes rights classified as intangible asset, license and software development costs. The determination of cost apportionment, amortisation policy and estimated useful lives requires management's significant judgement.

Other than the amortisation, management also assessed whether impairment indicator existed on film and TV programmes rights completed, licensed film and TV programmes rights that are classified as intangible assets, license and software development costs, assessed impairment for film and TV programmes rights under production and provided impairment up to its recoverable amount in accordance with the respective impairment assessment. For film and TV programmes rights completed or under production classified as intangible assets, the assessment was made on a film-by-film basis. In respect of the film and TV programmes rights completed with impairment indicator existed or the film and TV programmes rights under production, the recoverable amount of the associated film and TV programmes rights was determined by using the fair value less cost of disposal approach. In respect of the Group's license and software development costs, together with the licensed film and TV programmes rights available for subscription on the Group's online video platform, they are the essential elements of the Group's online video platform. Management identified the Group's online video platform as a cash-generating unit (the "Platform CGU"), which is the basis for impairment assessment of Group's license, software development costs and film and TV programmes rights available for subscription. The recoverable amount of the Platform CGU was determined based on the present value of the expected future cash flow generated from the Platform CGU.

### 4 重要估計及判斷(續)

#### (b) 分類為無形資產之電影及電視劇版權的計量以及許可證及軟件開發成本減值

於各報告期末，管理層均會評估分類為無形資產之電影及電視劇版權、許可證及軟件開發成本的成本分攤、攤銷政策及估計可使用年期。管理層須就釐定成本分攤、攤銷政策及估計可使用年期作出重大判斷。

除攤銷之外，管理層亦評估已完成之電影及電視劇版權、分類為無形資產之獲授權之電影及電視劇版權，許可證及軟件開發成本是否存在減值跡象，評估製作中之電影及電視劇版權之減值，並根據相關減值評估計提不超過其可收回金額的減值撥備。就分類為無形資產之已完成或製作中之電影及電視劇版權而言，評估按單部電影基準進行。就存在減值跡象之已完成之電影及電視劇版權或製作中之電影及電視劇版權而言，相關電影及電視劇版權之可收回金額乃採用公平值減出售成本的方法釐定。就本集團的許可證及軟件開發成本而言，連同本集團在線視頻平台上可供認購的獲授權之電影及電視劇版權，均為本集團在線視頻平台的重要元素。管理層將本集團的在線視頻平台認定為現金產生單位（「平台現金產生單位」），並為本集團許可證、軟件開發成本及可供認購之電影及電視劇版權減值評估的基礎。平台現金產生單位之可收回金額乃根據平台現金產生單位產生之預期未來現金流量之現值釐定。

**4 CRITICAL ESTIMATES AND JUDGEMENTS***(Continued)***(b) Measurement of film and TV programmes rights classified as intangible assets, and impairment of license and software development costs *(Continued)***

In determining whether impairment indicator existed and/or the recoverable amount of film and TV programmes rights classified as intangible assets and not included in the Platform CGU, the Group takes into consideration both internal and external market information, for example, the expected revenue, the estimated production cost, the estimated selling and distribution expenses, the discounted rates and the general economic condition of the relevant markets.

As at 31 December 2020, the carrying amount of film and TV programmes rights classified as intangible asset, license and software development costs amounted to approximately HK\$400,937,000 (2019: HK\$822,055,000), HK\$22,000 (2019: HK\$275,000) and HK\$7,062,000 (2019: HK\$11,019,000), respectively. Management determined that impairment indicator existed for the Platform CGU as the expected revenue growth is forecasted to slow down in the upcoming year, representing an impairment indicator, triggering a need to perform an impairment assessment. In carrying out the impairment assessment of the Platform CGU, Management adopted the income approach using the discounted cash flow forecast which involved key assumptions including discount rate of 26% and terminal growth rate of 3%. For the year ended 31 December 2020, the Group has recognised provision for impairment of film and TV programmes rights of approximately HK\$9,117,000 (2019: Nil). Changes in assumptions used in this assessment, including the forecasted revenue, may result in additional provision being made in the consolidated financial statements.

**4 重要估計及判斷(續)****(b) 分類為無形資產之電影及電視劇版權的計量以及許可證及軟件開發成本減值(續)**

釐定是否存在減值跡象及／或分類為無形資產且並無計入平台現金產生單位之電影及電視劇版權之可收回金額時，本集團考慮內外部市場資料，例如預期收入、估計製作成本、估計銷售及發行開支、貼現率以及相關市場的整體經濟狀況。

於二零二零年十二月三十一日，分類為無形資產之電影及電視劇版權、許可證及軟件開發成本之賬面值分別為約港幣400,937,000元(二零一九年：港幣822,055,000元)、港幣22,000元(二零一九年：港幣275,000元)及港幣7,062,000元(二零一九年：港幣11,019,000元)。管理層認為，平台現金產生單位存在減值跡象，原因為預計來年收益增長將放緩，存在減值跡象，故需要進行減值評估。進行平台現金產生單位的減值評估時，管理層採用使用貼現現金流量預測的收入法，當中涉及主要假設，包括貼現率26%及終端增長率3%。截至二零二零年十二月三十一日止年度，本集團已確認電影及電視劇版權減值撥備約港幣9,117,000元(二零一九年：無)。變更該評估所用假設(包括預測收益)，可能導致於綜合財務報表中計提額外撥備。

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### 4 CRITICAL ESTIMATES AND JUDGEMENTS

(Continued)

#### (c) Fair value of film rights investments

As at 31 December 2020, the carrying amount of film rights investments amounted to approximately HK\$164,331,000 (2019: HK\$99,897,000). The respective fair values are determined by using valuation techniques. Details of the judgement and assumptions have been disclosed in Note 3.3.

#### (d) Estimated impairment of prepayments for film and TV programmes rights

At the end of each reporting period, management assesses whether the impairment indicator existed for prepayments for film and TV programmes rights based on the contract terms of the agreements, estimated budget of the proposed production and the progress on how the prepayment has been used or realised.

Based on management's assessment on the prepayments of film and TV programmes rights, management determined that no impairment provision to be charged to prepayments of film and TV programmes rights during the year (2019: Same).

#### (e) Loss allowances of trade receivables and contract assets

The loss allowances of trade receivables and contract assets are based on assumptions about risk of default, expected loss rates and forward-looking information. Management uses judgements in making these assumptions and selecting the inputs to the calculation, based on the past history, existing market conditions as well as forward looking information at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3.1(b).

### 4 重要估計及判斷(續)

#### (c) 電影版權投資之公平值

於二零二零年十二月三十一日，電影版權投資之賬面值約為港幣164,331,000元(二零一九年：港幣99,897,000元)。各項公平值乃使用估值方法釐定。有關判斷及假設之詳情已於附註3.3披露。

#### (d) 電影及電視劇版權預付款的估計減值

於各報告期末，管理層基於協議之合約條款、建議作品之估計預算及預付款之使用或變現情況，對電影及電視劇版權預付款是否存在減值跡象進行評估。

根據管理層就電影及電視劇版權預付款之評估，管理層認為，於本年度並無減值撥備將計入電影及電視劇版權預付款(二零一九年：相同)。

#### (e) 應收賬款及合約資產的虧損撥備

應收賬款及合約資產的虧損撥備乃根據有關違約風險、預期虧損率及前瞻性資料的假設而作出。管理層於作出該等假設及選擇輸入數據進行計算時，會根據過往歷史、當前市況及於各報告期末的前瞻性資料進行判斷。有關所使用主要假設及輸入數據的詳情於附註3.1(b)披露。

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## 綜合財務報表附註

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### 5 REVENUE AND FILM INVESTMENT INCOME, NET

An analysis of the Group's revenue and film investment income, net, for the year, net of sales related tax, is as follows:

年內，本集團的收益及電影投資收入，淨額(扣除銷售相關稅項)分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Continuing operations:</b>	<b>持續經營業務：</b>		
Revenue	收益		
– Share of box office income	– 分佔票房收入	50,859	787,256
– Sub-licensing of film and TV programmes rights	– 分授電影及電視劇版權	521,265	11,858
– Other media related revenue	– 其他媒體相關收益	27,749	7,842
		<b>599,873</b>	806,956
Film investment income, net	電影投資收入，淨額	33,303	7,469
		<b>633,176</b>	814,425

### 6 SEGMENT INFORMATION

The CODM has been identified as the executive directors who review the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The CODM assesses the performance based on a measure of profit/(loss) before tax and considers all businesses to be included in a single operating segment.

The Group's operations are currently organised into one reportable segment which is investment in film and TV programmes rights. Other segments included property agency in Hong Kong and securities trading and investments that do not meet the reportable segment threshold. Thus, they are not separately included in the reports provided to the CODM. The results of these operations are included in the 'others' column. During the year, the Group has either disposed or ceased the operations of the companies within other segment and it is thus presented as discontinued operations.

### 6 分部資料

執行董事已被識別為主要經營決策者，負責審閱本集團的內部報告，旨在評估業績及分配資源。主要經營決策者已根據該等報告釐定經營分部。

主要經營決策者基於對除稅前溢利/(虧損)的計量評估表現，並審議將納入單一經營分部的所有業務。

本集團的經營業務現時歸入一個可呈報分部，即電影及電視劇版權投資。其他分部(包括香港物業代理及證券買賣及投資)不符合可呈報分部的最低要求，故此並無在提供予主要經營決策者的報告中單獨呈列。該等業務的業績計入「其他」內。於年內，本集團已出售或終止經營其他分部內的公司，因此將其呈列為已終止經營業務。



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### 6 SEGMENT INFORMATION (Continued)

### 6 分部資料(續)

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

本集團按經營及可呈報分部而劃分之收益及業績分析如下：

		Continuing operations		Discontinued operations		Consolidated	
		持續經營業務		已終止經營業務		綜合	
		Investment in film and TV programmes rights		Others			
		電影及電視劇版權投資		其他			
		2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Segment revenue</b>	<b>分部收益</b>						
Revenue	收益						
- Share of box office income	- 分佔票房收入	50,859	787,256	-	-	50,859	787,256
- Sub-licensing of film and TV programmes rights	- 分授電影及電視劇版權	521,265	11,858	-	-	521,265	11,858
- Other media related revenue	- 其他媒體相關收益	27,749	7,842	-	-	27,749	7,842
		599,873	806,956	-	-	599,873	806,956
Film investment income, net	電影投資收入，淨額	33,303	7,469	-	-	33,303	7,469
		633,176	814,425	-	-	633,176	814,425
Timing of revenue recognition	收益確認時間						
- At a point in time	- 某一時間點	572,124	799,114	-	-	572,124	799,114
- Over time	- 隨著時間	27,749	7,842	-	-	27,749	7,842
		599,873	806,956	-	-	599,873	806,956
Segment (loss)/profit	分部(虧損)/溢利	(144,636)	279,417	3,766	(4)	(140,870)	279,413
Unallocated corporate expenses	未分配之企業開支					(90,433)	(93,095)
Finance costs, net	財務費用，淨額					(5,088)	(134)
(Loss)/profit before tax	除稅前(虧損)/溢利					(236,391)	186,184
Income tax expense	所得稅開支					-	(81,081)
(Loss)/profit for the year	本年度(虧損)/溢利					(236,391)	105,103

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 6 SEGMENT INFORMATION (Continued)

### 6 分部資料(續)

		Continuing operations 持續經營業務		Discontinued operations 已終止經營業務	
		Investment in film and TV programmes rights 電影及電視劇版權投資		Others 其他	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Other information (included in measure of segment (loss)/profit)</b>	<b>其他資料(計入分部 (虧損)/溢利的計量)</b>				
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	(424)	(1,120)	-	(1)
Depreciation of right-of-use assets	使用權資產之折舊	(6,755)	(4,639)	-	-
Amortisation of intangible assets	無形資產之攤銷	(4,696)	(4,837)	-	-
Amortisation of film and TV programmes rights	電影及電視劇版權之攤銷	(637,943)	(466,342)	-	-
Impairment losses on film and TV programmes rights	電影及電視劇版權之減值 虧損	(9,117)	-	-	-

All of the segment revenue reported above was derived from external customers.

上文呈報之所有分部收益均來自外部客戶。

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 2. Segment (loss)/profit represents the (loss)/profit from each segment without allocation of unallocated corporate expenses (which mainly include certain administrative expenses and net foreign exchange losses) and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

經營分部所用之會計政策與附註2所述本集團之會計政策相同。分部(虧損)/溢利指各分部的(虧損)/溢利，但並無分配未分配企業開支(主要包括若干行政開支及匯兌虧損淨額)及財務費用。此乃為分配資源及評估表現而向主要經營決策者匯報的計量指標。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 6 SEGMENT INFORMATION (Continued)

### 6 分部資料(續)

#### Segment assets and liabilities

#### 分部資產及負債

The following is an analysis of the Group's assets and liabilities by reportable segments:

按可呈報分部劃分之本集團資產及負債分析如下：

		Continuing operations 持續經營業務		Discontinued operations 已終止經營業務		Consolidated 綜合	
		Investment in film and TV programmes rights 電影及電視劇版權投資	Others 其他	Investment in film and TV programmes rights 電影及電視劇版權投資	Others 其他	Investment in film and TV programmes rights 電影及電視劇版權投資	Others 其他
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Assets</b>	<b>資產</b>						
Segment assets	分部資產	1,482,302	1,765,711	-	117	1,482,302	1,765,828
Unallocated assets	未分配資產					263,309	89,678
Total assets	資產總額					1,745,611	1,855,506
<b>Liabilities</b>	<b>負債</b>						
Segment liabilities	分部負債	(274,468)	(631,521)	-	(3,898)	(274,468)	(635,419)
Unallocated liabilities	未分配負債					(24,710)	(89,857)
Total liabilities	負債總額					(299,178)	(725,276)
Additions to non-current assets*	增購非流動資產*	143,623	129,209	-	-		

\* Other than financial assets and deferred tax

\* 不包括金融資產及遞延稅項

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 6 SEGMENT INFORMATION (Continued)

#### Segment assets and liabilities (Continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segment other than certain property, plant and equipment, certain right-of-use assets, certain other receivables and certain cash and cash equivalents; and
- all liabilities are allocated to reportable segment other than certain other payables and certain lease liabilities.

#### Entity-wide disclosures

##### Geographical information

The Group's current operations are mainly located in the PRC and Hong Kong.

Information about the Group's revenue and film investment income net of tax is presented based on the location of the operations of the relevant business units. Information about the Group's non-current assets (excluding financial instruments) by geographical location of the assets are detailed below:

### 6 分部資料(續)

#### 分部資產及負債(續)

為監察分部表現及在分部間分配資源：

- 所有資產分配至可呈報分部，惟若干物業、廠房及設備、若干使用權資產、若干其他應收款項及若干現金及現金等值除外；及
- 所有負債分配至可呈報分部，惟若干其他應付款項及若干租賃負債除外。

#### 實體範圍內披露

##### 地區資料

本集團現時的業務主要位於中國及香港。

本集團之收益及電影投資收入(扣除稅項)資料按相關業務單位之業務地點呈列。按資產所在地劃分之本集團非流動資產(不包括金融工具)資料詳情如下：

		Revenue and film investment income, net 收益及電影投資收入，淨額		Non-current assets 非流動資產	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
The PRC	中國	633,133	814,373	704,267	532,316
Hong Kong	香港	43	52	15,765	105,989
		<b>633,176</b>	814,425	<b>720,032</b>	638,305

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

#### 6 SEGMENT INFORMATION (Continued)

##### Information about major customers

During the year, revenue and film investment income, net derived for the customers contributing over 10% of the total revenue and film investment income of the Group are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Customer A	客戶A	488,382	-
Customer B	客戶B	-	787,256

The revenue and film investment income, net was derived from investment in film and TV programmes rights in the PRC.

##### Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Contract assets	合約資產	38,411	2,364
Loss allowances (Note 3.1(b))	虧損撥備(附註3.1(b))	(62)	-
Total contract assets	合約資產總額	38,349	2,364
Contract liabilities	合約負債	419	279,250

##### Significant changes in contract assets and liabilities

As at 31 December 2020, contract assets represented unbilled revenue arisen from the share of box office income and sub-licensing of film and TV programmes rights in accordance with the payment terms as stipulated in the respective contracts.

#### 6 分部資料(續)

##### 主要客戶資料

年內，對本集團總收益及電影投資收入貢獻逾10%之客戶產生之收益及電影投資收入，淨額如下：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	488,382	-
	-	787,256

收益及電影投資收入，淨額來自中國電影及電視劇版權投資。

##### 與客戶合約有關的資產及負債

本集團已確認以下與客戶合約有關的資產及負債：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	38,411	2,364
	(62)	-
	38,349	2,364
	419	279,250

##### 合約資產及負債的重大變動

於二零二零年十二月三十一日，合約資產指根據相關合約訂明之支付條款由分佔票房收入和分授電影及電視劇版權產生的未開單收益。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 6 SEGMENT INFORMATION (Continued)

#### Information about major customers (Continued)

As at 31 December 2019, contract liabilities mainly represented the receipt of RMB250,000,000, equivalent to approximately HK\$278,831,000, in respect of a guaranteed minimum distribution income totalling RMB600,000,000 from distribution of a film. This contract liability has been released and repaid upon cancellation of distribution agreement during the year ended 31 December 2020. The amount disclosed above does not include variable consideration which is constrained.

### 6 分部資料(續)

#### 主要客戶資料(續)

於二零一九年十二月三十一日，合約負債主要指就發行一部電影之保底發行收入合共人民幣600,000,000元收取之人民幣250,000,000元(相當於約港幣278,831,000元)。該合約負債已於截至二零二零年十二月三十一日止年度內取消發行協議後獲解除及償還。上文披露之金額並不包括受限的可變代價。

### 7 OTHER INCOME

**Continuing operations:**  
Government grants (Note)  
Rent concessions  
Sundry income

**持續經營業務：**  
政府補助(附註)  
租金減免  
雜項收入

2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
21,734	21,371
908	—
450	—
<b>23,092</b>	<b>21,371</b>

Note: The government grants mainly represented the subsidies of approximately RMB18,190,000 (2019: RMB18,464,000) (equivalent to approximately HK\$20,438,000 (2019: HK\$21,371,000)) received from the PRC government and HK\$1,296,000 (2019: Nil) received from Employment Support Scheme of the Hong Kong government. There are no unfulfilled conditions or other contingencies attaching to these grants.

附註：政府補助主要指中國政府授出之補貼約人民幣18,190,000元(二零一九年：人民幣18,464,000元)(相當於約港幣20,438,000元(二零一九年：港幣21,371,000元))以及香港政府「保就業」計劃授出之港幣1,296,000元(二零一九年：無)。該等補助概無附帶尚未達成的條件或其他或有事項。

### 8 OTHER GAINS/(LOSSES), NET

**Continuing operations:**  
Gain on film investment funds from investors (Note 26)  
Net foreign exchange gains/(losses)  
Gain on disposal of property, plant and equipment

**持續經營業務：**  
來自投資者的電影投資款項之收益(附註26)  
匯兌收益/(虧損)淨額  
出售物業、廠房及設備之收益

2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
21,168	—
237	(2,311)
—	5
<b>21,405</b>	<b>(2,306)</b>

### 8 其他收益/(虧損)，淨額

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 9 EXPENSES BY NATURE

### 9 按性質劃分之開支

	Note	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元 (Restated) (經重列) (Note 38) (附註38)
<b>Continuing operations:</b>			
Employee benefit expenses (excluding directors' remuneration and share-based compensation)	10	49,335	46,110
Directors' remunerations	14	27,952	25,199
Share-based compensation to employees	10	7,205	6,430
Depreciation			
– Property, plant and equipment	17	1,928	2,244
– Right-of-use assets	18(b)	15,941	14,091
Short-term lease expense	18(b)	459	2,754
Legal and professional fees		10,913	8,615
Travelling and entertainment expenses		4,900	9,351
Advertising and marketing expenses		113,468	43,274
Amortisation of intangible assets	19	4,696	4,837
Amortisation of film and TV programmes rights	22	637,943	466,342
Impairment losses of film and TV programmes rights	22	9,117	–
Auditor's remuneration			
– Audit services		2,920	3,150
– Non-audit services		30	365
Office expenses		3,388	2,051
Insurance		1,429	1,369
Others		11,866	10,986
Total cost of revenue, selling and distribution costs and administrative expenses		903,490	647,168

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 10 EMPLOYEE BENEFIT EXPENSES (EXCLUDING DIRECTORS' REMUNERATION)

### 10 僱員福利開支(不包括董事薪酬)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Continuing operations:</b>	<b>持續經營業務：</b>		
Wages, salaries and bonus	工資、薪金及花紅	44,902	39,622
Pension costs – defined contribution plans	退休金成本 – 特定供款計劃	3,916	5,789
Others	其他	517	699
		<b>49,335</b>	46,110
Share-based compensation	以股份為基礎之薪酬	7,205	6,430
Total employee benefit expenses	僱員福利開支總額	<b>56,540</b>	52,540

#### (a) Pensions – defined contribution plans

No forfeited contributions is available to reduce the contributions payable in future years.

Contributions totalling approximately HK\$373,000 (2019: HK\$482,000) were payable at the end of reporting period.

#### (a) 退休金 – 特定供款計劃

概無沒收供款可供扣減未來年度之應付供款。

報告期末應付供款總額約為港幣373,000元(二零一九年：港幣482,000元)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

#### 10 EMPLOYEE BENEFIT EXPENSES (EXCLUDING DIRECTORS' REMUNERATION)

(Continued)

##### (b) Five highest paid individuals

The five highest paid employees of the Group during the year included two directors (2019: Same) of the Company, details of whose emoluments are included in Note 14 below. Details of the remuneration for the year of the remaining three employees (2019: Same) with highest paid are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	6,435	6,138
Performance related bonus	按表現發放之花紅	1,347	1,547
Share-based compensation	以股份為基礎之薪酬	3,779	3,331
Retirement benefits	退休福利	36	36
		<b>11,597</b>	<b>11,052</b>

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands are as follows:

		Number of employees 僱員人數	
		2020 二零二零年	2019 二零一九年
HK\$2,000,001 to HK\$2,500,000	港幣2,000,001元至港幣2,500,000元	-	1
HK\$2,500,001 to HK\$3,000,000	港幣2,500,001元至港幣3,000,000元	1	1
HK\$3,000,001 to HK\$3,500,000	港幣3,000,001元至港幣3,500,000元	1	-
HK\$5,500,001 to HK\$6,000,000	港幣5,500,001元至港幣6,000,000元	1	1
		<b>3</b>	<b>3</b>

#### 10 僱員福利開支(不包括董事薪酬) (續)

##### (b) 五名最高酬金人士

年內，本集團五名最高酬金僱員包括本公司兩名董事(二零一九年：相同)，其酬金詳情載於下文附註14。年內其餘三名最高酬金僱員(二零一九年：相同)之薪金詳情如下：

薪酬介乎以下範圍的最高酬金僱員(非本公司董事)人數如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 11 FINANCE COSTS, NET

### 11 財務費用，淨額

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Continuing operations:</b>	<b>持續經營業務：</b>		
<b>Finance income</b>	<b>財務收入</b>		
Bank interest income	銀行利息收入	1,624	3,036
Other interest income	其他利息收入	2,063	-
		<b>3,687</b>	3,036
<b>Finance costs</b>	<b>財務費用</b>		
Financial charges for lease liabilities (Note 18(b))	租賃負債之財務開支 (附註18(b))	(1,244)	(1,592)
Interest expenses for film investment funds from investors	來自投資者的電影投資款項之 利息開支	(7,531)	-
Interest on borrowings	借款利息	-	(2,339)
Net foreign exchange gains on foreign currency denominated borrowings	外幣借款匯兌收益淨額	-	761
		<b>(8,775)</b>	(3,170)
<b>Finance costs, net</b>	<b>財務費用，淨額</b>	<b>(5,088)</b>	(134)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 12 INCOME TAX EXPENSE

Under the Law of the PRC on Corporate Income Tax (the "CIT Law") and Implementation Regulation of the CIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

Pursuant to the CIT law, 10% withholding tax is levied on the PRC sourced income on foreign entities without establishments or places of business in the PRC.

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profit for both years. No provision for Hong Kong profits tax has been made in the consolidated financial statements as the relevant group entities have incurred tax losses (2019: Same).

No overseas profits tax has been calculated for the group entities that are incorporated in the British Virgin Islands (the "BVI") or Bermuda as they are exempted from tax (2019: Same).

Income tax expense charged to the profit or loss represents:

#### 12 所得稅開支

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，自二零零八年一月一日起，中國附屬公司之稅率為25%。

根據企業所得稅法，並未於中國境內設立機構或營業場所的外國實體須就其來源於中國境內的收入繳納10%的預扣稅。

兩個年度之香港利得稅均按估計應課稅溢利以稅率16.5%計算。由於相關集團實體產生稅項虧損，故並無於綜合財務報表內就香港利得稅作出撥備(二零一九年：相同)。

由於在英屬維爾京群島或百慕達成立之集團實體獲稅務豁免，故概無就該等集團實體計算海外利得稅(二零一九年：相同)。

計入損益的所得稅開支乃指：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Continuing operations</b>	<b>持續經營業務</b>		
Current tax	即期稅項	-	81,145
Over-provision in prior year	過往年度超額撥備	-	(64)
		-	81,081

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 12 INCOME TAX EXPENSE (Continued)

### 12 所得稅開支(續)

The income tax expense for the year can be reconciled to the (loss)/profit before tax from continuing operations per the consolidated statement of profit or loss and other comprehensive income as follows:

本年度之所得稅開支與綜合損益及其他全面收益表之來自持續經營業務的除稅前(虧損)/溢利對賬如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
(Loss)/profit from continuing operations before income tax expense	來自持續經營業務的除所得稅開支前(虧損)/溢利	<b>(240,157)</b>	186,188
Tax calculated at domestic tax rates applicable to (loss)/profit in the respective countries	按適用於各國(虧損)/溢利之當地稅率計算之稅項	<b>(49,880)</b>	51,126
Expenses not deductible for tax purpose	不可用作扣稅之開支	<b>8,805</b>	2,560
Income not taxable	毋須課稅之收入	<b>(254)</b>	(560)
Utilisation of tax loss previously not recognised	動用先前未確認之稅項虧損	-	(568)
Tax loss not recognised	未確認之稅項虧損	<b>41,048</b>	13,242
Withholding tax	預扣稅	-	15,287
Over-provision in prior year	過往年度超額撥備	-	(64)
Others	其他	<b>281</b>	58
Income tax expense	所得稅開支	-	81,081

The weighted average applicable tax rate was 20.8% (2019: 27.5%). The change in weighted average applicable tax rate was mainly caused by a change in mix of profits earned or losses incurred by the group entities.

加權平均適用稅率為20.8%(二零一九年：27.5%)。加權平均適用稅率之變動主要是由集團實體所賺取溢利或所產生虧損的組合變動而導致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 13 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY 13 本公司主要附屬公司詳情

Name of entities 實體名稱	Place of incorporation/ operation and kind of legal entities 註冊/經營地點及法律實體類別	Principal activities 主要業務	Particulars of issued share capital/registered capital 已發行股本/ 註冊資本詳情	Effective economic interest held by the Group 本集團所持 實際經濟權益	
				2020 二零二零年	2019 二零一九年
Beijing Huan Sheng Xiao Yu Culture Media Company Limited <sup>(1) &amp; (4)</sup> 北京歡聲笑語文化傳媒有限公司 <sup>(1)及(4)</sup>	The PRC, limited liability company 中國，有限責任公司	Film and TV programmes rights investments 電影及電視劇版權投資	RMB80,201,750 人民幣80,201,750元	100%	100%
Huan Huan Xi Xi (Tianjin) Culture Investment Company Limited <sup>(2) &amp; (4)</sup> 歡歡喜喜(天津)文化投資有限公司 <sup>(2)及(4)</sup>	The PRC, limited liability company 中國，有限責任公司	Film and TV programmes rights investments 電影及電視劇版權投資	RMB100,000,000 人民幣100,000,000元	100%	100%
Taizhou Huanxi Culture Investment Company Limited <sup>(1) &amp; (4)</sup> 台州歡喜文化投資有限公司 <sup>(1)及(4)</sup>	The PRC, limited liability company 中國，有限責任公司	Film and TV programmes rights investments 電影及電視劇版權投資	USD29,899,965 美金29,899,965元	100%	100%
Beijing Huan Jia Xi Media Company Limited <sup>(3) &amp; (4)</sup> 北京歡十喜文化傳媒有限公司 <sup>(3)及(4)</sup>	The PRC, limited liability company 中國，有限責任公司	Film and TV programmes rights investments 電影及電視劇版權投資	RMB30,000,000 人民幣30,000,000元	100%	-
Guangdong Sinofocus Media Limited <sup>(1) &amp; (4)</sup> 廣東中觀傳媒有限公司 <sup>(1)及(4)</sup>	The PRC, limited liability company 中國，有限責任公司	Film and TV programmes rights investments 電影及電視劇版權投資	RMB50,000,000 人民幣50,000,000元	100%	100%
Gain Flow Developments Limited 順盈發展有限公司	BVI/Hong Kong, limited company 英屬維爾京群島/香港，有限公司	Online video platform development 在線視頻平台發展	USD1 ordinary share 美金1元普通股	100%	100%
Power Thought Investments Limited 力思投資有限公司	BVI/Hong Kong, limited company 英屬維爾京群島/香港，有限公司	Film and TV programmes rights investments 電影及電視劇版權投資	USD1 ordinary share 美金1元普通股	100%	100%
HX Investment (HK) Limited 歡喜投資(香港)有限公司	Hong Kong, limited company 香港，有限公司	Film and TV programmes rights investments 電影及電視劇版權投資	HK\$1 ordinary share 港幣1元普通股	100%	100%
Wiz Limited 慧師有限公司	Hong Kong, limited company 香港，有限公司	Provision of management services to the Group 向本集團提供管理服務	HK\$1 ordinary share 港幣1元普通股	100%	100%

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 13 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued) 13 本公司主要附屬公司詳情(續)

Name of entities 實體名稱	Place of incorporation/ operation and kind of legal entities 註冊/經營地點及法律實體類別	Principal activities 主要業務	Particulars of issued share capital/registered capital 已發行股本/ 註冊資本詳情	Effective economic interest held by the Group 本集團所持 實際經濟權益	
				2020 二零二零年	2019 二零一九年
Graceful View Holdings Limited	BVI/Hong Kong, limited company 英屬維爾京群島/香港, 有限公司	Investment holding 投資控股	USD1 ordinary share 美金1元普通股	100%	100%
Sinofocus Media (Holdings) Limited 中觀傳媒(控股)有限公司	BVI/Hong Kong, limited company 英屬維爾京群島/香港, 有限公司	Investment holding and management 投資控股及管理	USD1 ordinary share 美金1元普通股	100%	100%
Huanxi Entertainment (HK) Limited 歡喜娛樂(香港)有限公司	Hong Kong, limited company 香港, 有限公司	Investment holding 投資控股	HK\$10,000 ordinary shares 港幣10,000元普通股	100%	100%
Huanxi Media Investment Limited 歡喜影視投資有限公司	Hong Kong, limited company 香港, 有限公司	Investment holding 投資控股	HK\$1 ordinary share 港幣1元普通股	100%	100%
Joyful Sky Holdings Limited 喜天控股有限公司	BVI/Hong Kong, limited company 英屬維爾京群島/香港, 有限公司	Investment holding 投資控股	USD1 ordinary share 美金1元普通股	100%	100%
Mansford Holdings Limited	BVI/Hong Kong, limited company 英屬維爾京群島/香港, 有限公司	Investment holding 投資控股	USD1 ordinary share 美金1元普通股	100%	100%
Beijing Huanxi Shou Ying Culture Company Limited <sup>(3), (4) &amp; (5)</sup> 北京歡喜首映文化有限公司 <sup>(3), (4) &amp; (5)</sup>	The PRC, limited liability company 中國, 有限責任公司	Film and TV programmes production and investment 電影及電視節目製作及投資	RMB10,000,000 人民幣10,000,000元	100%	100%
Beijing Hangaohua Network Technology Limited Company <sup>(4) &amp; (5)</sup> 北京漢高華網絡科技有限公司 <sup>(4) &amp; (5)</sup>	The PRC, limited liability company 中國, 有限責任公司	Provision of internet audio-visual programmes services 提供互聯網音視頻節目服務	RMB10,000,000 人民幣10,000,000元	100%	100%
Qingdao Huanxi Shou Ying Culture Company Limited <sup>(4) &amp; (5)</sup> 青島歡喜首映文化有限公司 <sup>(4) &amp; (5)</sup>	The PRC, limited liability company 中國, 有限責任公司	Film and TV programmes production and investment 電影及電視節目製作及投資	RMB3,000,000 人民幣3,000,000元	100%	-

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 13 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

- (1) These subsidiaries are registered as wholly-owned enterprises of Taiwan, Hong Kong or Macau corporate body under the PRC Law.
- (2) This subsidiary is registered as wholly-owned enterprise of foreign-invested corporate body under the PRC Law.
- (3) This subsidiary is registered as an enterprise invested/controlled by natural persons under the PRC Law.
- (4) The English names for the PRC subsidiaries are for identification purposes only.
- (5) These subsidiaries are controlled by the Group by virtue of the contractual agreements effective from 19 January 2018. Beijing Huan Sheng Xiao Yu Culture Media Company Limited ("Beijing Subsidiary") is a wholly-owned enterprise of Taiwan, Hong Kong or Macau corporate body in the PRC. The Group operates an online video platform in the PRC through contractual arrangements with its affiliated PRC entities, Beijing Huanxi Shou Ying Culture Company Limited and Beijing Hangaohua Network Technology Company Limited and Qingdao Huanxi Shou Ying Culture Company Limited (the "VIE Group"). Beijing Subsidiary has entered into a series of contractual arrangements with the VIE Group and their respective shareholders. These contractual arrangements enable the Group to (1) have power to direct the activities that most significantly affect the economic performance of the VIE Group; (2) receive substantially all of the economic benefits from the VIE Group in consideration for the services provided by Beijing Subsidiary; and (3) have an exclusive option to purchase all or part of the equity interests in the VIE Group at the minimum price permitted under the PRC laws, when and to the extent permitted by the PRC law, and request any existing shareholders of the VIE Group to transfer all or part of the equity interest in the VIE Group to any entity designated by the Group at any time in its discretion. The Group believes that its ability to exercise effective control give it the rights to receive substantially all of the economic benefits from the VIE Group in consideration for the services provided by Beijing Subsidiary. Accordingly, as the primary beneficiary of the VIE Group and in accordance with the HKFRSs, the Group consolidates their assets, liabilities, results of operations and cash flows in the consolidated financial statements.

The above table lists the subsidiaries of the Company as at 31 December 2020 which principally affected the results or assets of the Group. Management is of the opinion that to give details of other subsidiaries would result in particulars of excessive length. None of the Company's subsidiaries had issued any debt securities at year end.

### 13 本公司主要附屬公司詳情(續)

- (1) 該等附屬公司根據中國法例註冊為台港澳法人獨資企業。
- (2) 該附屬公司根據中國法例註冊為外商投資企業法人獨資企業。
- (3) 該附屬公司根據中國法例註冊為自然人投資/控股企業。
- (4) 中國附屬公司之英文名稱僅供參考。
- (5) 該等附屬公司由本集團憑藉自二零一八年一月十九日起生效的合約協議控制。北京歡聲笑語文化傳媒有限公司(「北京附屬公司」)為一間位於中國的台港澳法人獨資企業。本集團透過與其附屬中國實體北京歡喜首映文化有限公司及北京漢高華網絡科技有限公司及青島歡喜首映文化有限公司(「VIE集團」)的合約安排於中國運營一個在線視頻平台。北京附屬公司已與VIE集團，以及彼等各自股東訂立一系列合約安排。該等合約安排令本集團得以(1)有權力控制對VIE集團之經濟表現產生最重大影響的活動；(2)向VIE集團收取絕大部分經濟收益，作為北京附屬公司提供服務之代價；及(3)享有獨家購買權，可在中國法律允許之時間與範圍內，按中國法律允許之最低價格購買VIE集團之全部或部分股權，並要求VIE集團任何現任股東向本集團隨時酌情指定之任何實體轉讓VIE集團之全部或部分股權。本集團認為，能夠行使實際控制權令其有權向VIE集團收取絕大部分經濟收益，作為北京附屬公司提供服務的代價。因此，作為VIE集團的主要受益人，及根據香港財務報告準則，本集團將彼等之資產、負債、營運業績及現金流量在綜合財務報表中綜合計算。

上表所列本公司於二零二零年十二月三十一日之附屬公司，均對本集團之業績或資產具有主要影響的公司。若羅列其他附屬公司詳情，管理層認為會導致篇幅過於冗長。概無本公司的附屬公司於年末發行任何債務證券。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 14 BENEFITS AND INTEREST OF DIRECTORS

### 14 董事之福利及權益

#### (a) Directors emoluments

The remuneration of the directors of the Company paid and payable by the Group are set out below:

For the year ended 31 December 2020

		Fees	Salaries and other benefits	Performance related bonus	Pension costs-defined contribution plan	Total emoluments
		袍金	薪金及其他福利	按表現發放之花紅	退休金成本-特定供款計劃	薪金總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Executive Directors</b>	<b>執行董事</b>					
Mr. Dong Ping	董平先生	300	1,538	4,000	-	5,838
Mr. Xiang Shaokun, Steven (Note ii)	項紹琨先生(附註ii)	-	16,829	4,000	18	20,847
Sub-total	小計	300	18,367	8,000	18	26,685
<b>Non-Executive Directors</b>	<b>非執行董事</b>					
Mr. Ning Hao	寧浩先生	240	-	-	-	240
Mr. Xu Zheng	徐嶧先生	240	-	-	-	240
Ms. Li Ni (Note iii)	李旒女士(附註iii)	67	-	-	-	67
Sub-total	小計	547	-	-	-	547
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>					
Mr. Wong Tak Chuen	黃德銓先生	240	-	-	-	240
Mr. Li Xiaolong	李小龍先生	240	-	-	-	240
Mr. Wang Hong (Note iv)	王虹先生(附註iv)	240	-	-	-	240
Sub-total	小計	720	-	-	-	720
Total	總計	1,567	18,367	8,000	18	27,952

本集團已付及應付本公司董事的薪酬如下：

截至二零二零年十二月三十一日止年度

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 14 BENEFITS AND INTEREST OF DIRECTORS

(Continued)

#### (a) Directors emoluments (Continued)

For the year ended 31 December 2019

		Fees	Salaries and other benefits	Performance related bonus	Pension costs- defined contribution plan	Total emoluments
		袍金	薪金及 其他福利	按表現 發放之花紅	退休金成本 - 特定供款計劃	薪金總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Executive Directors</b>	<b>執行董事</b>					
Mr. Dong Ping	董平先生	260	1,548	3,500	-	5,308
Mr. Xiang Shaokun, Steven (Note ii)	項紹琨先生(附註ii)	-	15,173	3,500	18	18,691
Sub-total	小計	260	16,721	7,000	18	23,999
<b>Non-Executive Directors</b>	<b>非執行董事</b>					
Mr. Ning Hao	寧浩先生	240	-	-	-	240
Mr. Xu Zheng	徐嶧先生	240	-	-	-	240
Sub-total	小計	480	-	-	-	480
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>					
Mr. Wong Tak Chuen	黃德銓先生	240	-	-	-	240
Mr. Li Xiaolong	李小龍先生	240	-	-	-	240
Mr. Wang Hong (Note iv)	王虹先生(附註iv)	79	-	-	-	79
Mr. Su Tuong Sing, David (Note v)	徐傳陞先生(附註v)	161	-	-	-	161
Sub-total	小計	720	-	-	-	720
Total	總計	1,460	16,721	7,000	18	25,199

### 14 董事之福利及權益(續)

#### (a) 董事酬金(續)

截至二零一九年十二月三十一日止年度

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 14 BENEFITS AND INTEREST OF DIRECTORS

(Continued)

#### (a) Directors emoluments (Continued)

Notes:

- (i) The performance related bonus is determined by reference to individual performance of the directors and approved by the remuneration committee of the Company (the "Remuneration Committee").
- (ii) Mr. Xiang Shaokun, Steven is the chief executive officer of the Company and his emoluments disclosed above included these services rendered by him as the chief executive officer.
- (iii) Ms. Li Ni, has been appointed as the non-executive director of the Company with effective from 21 September 2020.
- (iv) Mr. Wang Hong has been appointed as the director of the Company with effective from 2 September 2019.
- (v) Mr. Su Tuong Sing, David has ceased as the director of the Company with effective from 2 September 2019.

For the year, no emoluments were paid by the Group to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments for the year (2019: Same).

#### (b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the year (2019: Same).

#### (c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year (2019: Same).

#### (d) Consideration provided to third parties for making available directors' services

During the year, the Group did not pay consideration to any third parties for making available directors' services (2019: Same).

### 14 董事之福利及權益(續)

#### (a) 董事酬金(續)

附註：

- (i) 按表現發放之花紅乃根據董事個人表現釐定，且經本公司薪酬委員會(「薪酬委員會」)批准。
- (ii) 項紹琨先生為本公司行政總裁，上文所披露之酬金已包括其擔任行政總裁所提供服務而獲支付之酬金。
- (iii) 李旻女士已獲委任為本公司非執行董事，自二零二零年九月二十一日起生效。
- (iv) 王虹先生已獲委任為本公司董事，自二零一九年九月二日起生效。
- (v) 徐傳陞先生已卸任本公司董事，自二零一九年九月二日起生效。

年內，本集團概無向任何董事支付任何酬金以作為加入本集團或加入本集團後之獎勵或作為離職補償。年內，概無董事放棄任何酬金(二零一九年：相同)。

#### (b) 董事的退休福利

年內，概無董事收取或將會收取任何退休福利(二零一九年：相同)。

#### (c) 董事的離職福利

年內，概無董事收取或將會收取任何離職福利(二零一九年：相同)。

#### (d) 就獲提供董事服務向第三方提供的代價

年內，本集團並未就獲提供的董事服務而向任何第三方支付代價(二零一九年：相同)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

#### 14 BENEFITS AND INTEREST OF DIRECTORS

*(Continued)*

##### (e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year, there is no loans, quasi-loans and other dealing arrangements in favour of directors, or controlled bodies corporate by and connected entities with such directors (2019: Same).

##### (f) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in Note 35, no significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2019: Same).

#### 15 DIVIDENDS

Neither dividends were paid, declared or proposed for the year, nor has any dividend been proposed since the end of reporting period (2019: Same).

#### 14 董事之福利及權益(續)

##### (e) 有關以董事、董事控制的法團及其關連實體為受益人的貸款、類似貸款及其他交易的資料

年內，概無以董事、董事控制的法團及其關連實體為受益人而訂立任何貸款、類似貸款及其他交易安排(二零一九年：相同)。

##### (f) 董事於交易、安排或合約的重大權益

除附註35所披露者外，於年末或年內任何時間，並無任何與本集團參與及本公司的董事於其中有重大權益(無論直接或間接)的本集團業務相關的任何重大交易、安排及合約(二零一九年：相同)。

#### 15 股息

於本年內，並無派付、宣派或建議派付任何股息，而自報告期結束後，亦無建議派付任何股息(二零一九年：相同)。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 16 (LOSS)/EARNING PER SHARE

### 16 每股(虧損)/盈利

#### (a) Basic

Basic (loss)/earning per share is calculated by dividing the (loss)/profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year.

#### (a) 基本

每股基本(虧損)/盈利乃按本公司擁有人應佔(虧損)/溢利(不包括普通股以外之任何支付權益成本)除以財政年度內已發行普通股之加權平均數計算。

		2020 二零二零年	2019 二零一九年 (Restated) (經重列) (Note 38) (附註38)
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/溢利		
- Continuing operations (in HK\$'000)	- 持續經營業務(港幣千元)	<b>(240,157)</b>	105,107
- Discontinued operations (in HK\$'000)	- 已終止經營業務(港幣千元)	<b>3,766</b>	(4)
		<b>(236,391)</b>	105,103
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earning per share (in thousands)	用以計算每股基本及攤薄(虧損)/盈利之普通股加權平均數(千股)	<b>3,249,566</b>	3,104,743
From continuing operations (in HK\$)	來自持續經營業務(港幣元)	<b>(0.07)</b>	0.03
From discontinued operations (in HK\$)	來自已終止經營業務(港幣元)	-	-
Basic (loss)/earning per share (in HK\$)	每股基本(虧損)/盈利(港幣元)	<b>(0.07)</b>	0.03

#### (b) Diluted

Diluted (loss)/earning per share is the same as basic (loss)/earnings per share as there were no potential dilutive ordinary shares outstanding during the year (2019: Same).

#### (b) 攤薄

由於本年內概無具有潛在攤薄效應之普通股，故每股攤薄(虧損)/盈利與每股基本(虧損)/盈利相同(二零一九年：相同)。



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## 綜合財務報表附註

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### 17 PROPERTY, PLANT AND EQUIPMENT

### 17 物業、廠房及設備

		Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Total
		租賃物業裝修	傢俱、 裝置及設備	汽車	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2019	於二零一九年一月一日				
Cost	成本	3,900	1,980	3,934	9,814
Accumulated depreciation	累計折舊	(3,216)	(938)	(1,898)	(6,052)
Net book amount	賬面淨值	684	1,042	2,036	3,762
Year ended 31 December 2019	截至二零一九年十二月三十一日 止年度				
Opening net book amount	期初賬面淨值	684	1,042	2,036	3,762
Additions	增購	1,483	467	1,294	3,244
Disposals	出售	-	-	(165)	(165)
Depreciation charge (Note 9)	折舊費用(附註9)	(980)	(431)	(833)	(2,244)
Exchange differences	匯兌差額	9	(15)	(20)	(26)
Closing net book amount	期末賬面淨值	1,196	1,063	2,312	4,571
At 31 December 2019	於二零一九年十二月三十一日				
Cost	成本	5,333	2,413	4,687	12,433
Accumulated depreciation	累計折舊	(4,137)	(1,350)	(2,375)	(7,862)
Net book amount	賬面淨值	1,196	1,063	2,312	4,571
<b>Year ended 31 December 2020</b>	<b>截至二零二零年十二月三十一日 止年度</b>				
Opening net book amount	期初賬面淨值	<b>1,196</b>	<b>1,063</b>	<b>2,312</b>	<b>4,571</b>
Additions	增購	-	<b>220</b>	-	<b>220</b>
Disposals	出售	-	-	-	-
Depreciation charge (Note 9)	折舊費用(附註9)	<b>(549)</b>	<b>(456)</b>	<b>(923)</b>	<b>(1,928)</b>
Exchange differences	匯兌差額	-	<b>37</b>	<b>28</b>	<b>65</b>
<b>Closing net book amount</b>	<b>期末賬面淨值</b>	<b>647</b>	<b>864</b>	<b>1,417</b>	<b>2,928</b>
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>				
Cost	成本	<b>5,496</b>	<b>3,054</b>	<b>4,724</b>	<b>13,274</b>
Accumulated depreciation	累計折舊	<b>(4,849)</b>	<b>(2,190)</b>	<b>(3,307)</b>	<b>(10,346)</b>
<b>Net book amount</b>	<b>賬面淨值</b>	<b>647</b>	<b>864</b>	<b>1,417</b>	<b>2,928</b>

Depreciation charge are included in administrative expenses of approximately HK\$1,928,000 (2019: HK\$2,244,000).

折舊費用計入行政開支約港幣1,928,000元(二零一九年：港幣2,244,000元)。

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### 18 LEASES

This note provides information for leases where the Group is a lessee.

#### (a) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

*As a lessee*

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Right-of-use assets</b>	<b>使用權資產</b>		
Properties	物業	19,816	36,079
Equipment	設備	-	18
		<b>19,816</b>	36,097
<b>Lease liabilities</b>	<b>租賃負債</b>		
Current	流動	17,059	15,897
Non-current	非流動	4,218	20,997
		<b>21,277</b>	36,894

No addition to the right-of-use assets during the year (2019: HK\$20,875,000).

### 18 租賃

本附註載列本集團作為承租人之租賃資料。

#### (a) 於綜合財務狀況表確認之金額

綜合財務狀況表呈列與租賃相關的金額如下：

*作為承租人*

年內概無增購使用權資產(二零一九年：港幣20,875,000元)。

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### 綜合財務報表附註

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#### 18 LEASES (Continued)

##### (b) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income

The consolidated statement of profit or loss and other comprehensive income show the following amounts related to leases:

		Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Depreciation charge of right-of-use assets</b>	<b>使用權資產之折舊費用</b>			
Properties	物業		<b>15,923</b>	14,070
Equipment	設備		<b>18</b>	21
		9	<b>15,941</b>	14,091
Finance charges (included in finance cost)	財務開支(計入財務費用)	11	<b>1,244</b>	1,592
Expense relating to short-term leases (included in administrative expenses)	短期租賃相關開支(計入行政開支)	9	<b>459</b>	2,754

The total cash outflow for leases for the year was approximately HK\$17,003,000 (2019: HK\$17,631,000).

#### 18 租賃(續)

##### (b) 於綜合損益及其他全面收益表確認之金額

綜合損益及其他全面收益表呈列與租賃相關的金額如下：

年內與租賃相關的現金流出總額約為港幣17,003,000元。(二零一九年：港幣17,631,000元)。

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#### 18 LEASES (Continued)

##### (c) The Group's leasing activities

The Group leases offices and equipment. Rental contracts are typically made for fixed periods of 3 years except for short-term leases.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

##### (d) Termination options

Termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of termination options held are exercisable by both parties.

#### 18 租賃(續)

##### (c) 本集團的租賃活動

本集團租賃辦公室及設備。租賃合約通常訂為3年的固定期限(短期租賃除外)。

租賃條款按個別基準進行磋商，包含多種不同的條款及條件。除出租人持有的所租賃資產的擔保權益外，租賃協議不構成任何契諾。所租賃資產不得用作借款的擔保。

##### (d) 終止權

本集團多項物業及設備租賃包含終止權。該等權利用於在管理本集團業務營運所用的資產時盡可能提高營運靈活性。所持終止權大部分可由雙方行使。

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## 綜合財務報表附註

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### 19 INTANGIBLE ASSETS

### 19 無形資產

		License 許可證 HK\$'000 港幣千元	Software development costs 軟件開發成本 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日			
Cost	成本	799	22,494	23,293
Accumulated amortisation	累計攤銷	(259)	(6,749)	(7,008)
Net book amount	賬面淨值	540	15,745	16,285
Year ended 31 December 2019	截至二零一九年 十二月三十一日止年度			
Opening net book amount	期初賬面淨值	540	15,745	16,285
Amortisation charge (Note 9)	攤銷費用(附註9)	(264)	(4,573)	(4,837)
Exchange differences	匯兌差額	(1)	(153)	(154)
Closing net book amount	期末賬面淨值	275	11,019	11,294
At 31 December 2019	於二零一九年 十二月三十一日			
Cost	成本	783	22,037	22,820
Accumulated amortisation	累計攤銷	(508)	(11,018)	(11,526)
Net book amount	賬面淨值	275	11,019	11,294
<b>Year ended 31 December 2020</b>	<b>截至二零二零年 十二月三十一日止年度</b>			
Opening net book amount	期初賬面淨值	<b>275</b>	<b>11,019</b>	<b>11,294</b>
Amortisation charge (Note 9)	攤銷費用(附註9)	<b>(256)</b>	<b>(4,440)</b>	<b>(4,696)</b>
Exchange differences	匯兌差額	<b>3</b>	<b>483</b>	<b>486</b>
<b>Closing net book amount</b>	<b>期末賬面淨值</b>	<b>22</b>	<b>7,062</b>	<b>7,084</b>
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>			
Cost	成本	<b>836</b>	<b>23,539</b>	<b>24,375</b>
Accumulated amortisation	累計攤銷	<b>(814)</b>	<b>(16,477)</b>	<b>(17,291)</b>
<b>Net book amount</b>	<b>賬面淨值</b>	<b>22</b>	<b>7,062</b>	<b>7,084</b>

Amortisation charge are included in cost of revenue of approximately HK\$4,440,000 (2019: HK\$4,573,000) and administrative expenses of approximately HK\$256,000 (2019: HK\$264,000).

攤銷開支計入收益之成本約港幣4,440,000元(二零一九年:港幣4,573,000元)及行政開支約港幣256,000元(二零一九年:港幣264,000元)。



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### 20 FINANCIAL INSTRUMENTS BY CATEGORY

### 20 按類別劃分的金融工具

The Group holds the following financial instruments:

本集團持有下列金融工具：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at amortised cost:	按攤銷成本計量的金融資產：		
Trade receivables	應收賬款	78,526	109,224
Other financial assets at amortised cost	其他按攤銷成本計量的金融資產	145,596	11,449
Cash and cash equivalents	現金及現金等值	142,140	256,203
Financial assets at FVTPL:	按公平值計入損益之金融資產：		
Film rights investments	電影版權投資	164,331	99,897
		<b>530,593</b>	<b>476,773</b>
<b>Financial liabilities</b>	<b>金融負債</b>		
Financial liabilities at amortised cost:	按攤銷成本計量的金融負債：		
Trade and other payables	應付賬款及其他應付款項	(72,895)	(75,862)
Film investment funds from investors	來自投資者的電影投資款項	(107,565)	(188,634)
Borrowings	借款	(50,036)	(50,000)
Lease liabilities	租賃負債	(21,277)	(36,894)
		<b>(251,773)</b>	<b>(351,390)</b>

The Group's exposure to various risks associated with the financial instruments is disclosed in Note 3.1. The maximum exposure to credit risk at the end of the reporting period is the carrying amounts of each class of financial assets mentioned above.

本集團就金融工具承受各類風險於附註3.1披露。報告期末的最大信貸風險敞口為上述各類金融資產的賬面值。

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#### 21 PREPAYMENTS FOR FILM AND TV PROGRAMMES RIGHTS

#### 21 電影及電視劇版權預付款

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Non-Current</b>	<b>非流動</b>		
Prepayments for film and TV programmes rights (Note (i))	電影及電視劇版權預付款 (附註(i))	<b>374,893</b>	350,976
Prepayment for film director's fee (Note 35(b))	電影導演費預付款(附註35(b))	<b>42,530</b>	11,731
		<b>417,423</b>	362,707
<b>Current</b>	<b>流動</b>		
Prepayments for film and TV programmes rights (Note (ii))	電影及電視劇版權預付款 (附註(ii))	<b>210,865</b>	-
Total	總額	<b>628,288</b>	362,707

Notes:

- (i) The prepayments for film and TV programmes rights represented the prepayments made by the Group to respective parties in relation to the film and TV programmes rights. The prepayments will form part of the contribution by the Group for the investments in the proposed film and TV programmes rights. The related terms will be further agreed between the respective parties upon the signing of the agreements.
- (ii) The prepayment for film and TV programmes rights represented prepayment made by the Group in relation to the distribution right, broadcasting right, new media broadcasting right and related income rights of a film.

附註：

- (i) 電影及電視劇版權預付款指本集團就電影及電視劇版權向各方作出之預付款。該等預付款將構成本集團對建議電影及電視劇版權投資之部分出資。相關條款將由各方於協議簽署後進一步商定。
- (ii) 電影及電視劇版權預付款指本集團就一部電影的發行權、播放權、新媒體播放權及相關收益權作出的預付款。

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## 22 FILM AND TV PROGRAMMES RIGHTS

## 22 電影及電視劇版權

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Film and TV programmes rights completed (Note a)	已完成之電影及電視劇版權 (附註a)	<b>92,510</b>	542,788
Film and TV programmes rights under production (Note b)	製作中之電影及電視劇版權 (附註b)	<b>167,479</b>	259,633
Film rights investments (Note c and d)	電影版權投資(附註c及d)	<b>164,331</b>	99,897
Licensed film and TV programmes rights (Note e)	獲授權之電影及電視劇版權 (附註e)	<b>140,948</b>	19,634
		<b>565,268</b>	921,952
Less: Current portion	減：即期部分	<b>(329,288)</b>	(803,514)
		<b>235,980</b>	118,438

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#### 22 FILM AND TV PROGRAMMES RIGHTS

(Continued)

#### 22 電影及電視劇版權(續)

		Film and TV programmes rights completed 已完成之電影及電視劇版權 HK\$'000 港幣千元	Film and TV programmes rights under production 製作中之電影及電視劇版權 HK\$'000 港幣千元	Film rights investments 電影版權投資 HK\$'000 港幣千元	Licensed film and TV programmes rights 獲授權之電影及電視劇版權 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
As at 1 January 2019	於二零一九年一月一日	10,246	734,296	-	18,077	762,619
Additions	增購	4,630	520,958	105,750	18,435	649,773
Changes in fair values (Note d)	公平值變動(附註d)	-	-	7,469	-	7,469
Transfer	轉撥	988,410	(988,410)	-	-	-
Amortisation (Note 9)	攤銷(附註9)	(449,903)	-	-	(16,439)	(466,342)
Derecognition	終止確認	-	-	(9,553)	-	(9,553)
Exchange differences	匯兌差額	(10,595)	(7,211)	(3,769)	(439)	(22,014)
<b>As at 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>542,788</b>	<b>259,633</b>	<b>99,897</b>	<b>19,634</b>	<b>921,952</b>
Additions	增購	1,214	15,709	22,409	180,002	219,334
Changes in fair values (Note d)	公平值變動(附註d)	-	-	33,303	-	33,303
Transfer	轉撥	109,444	(109,444)	-	-	-
Amortisation (Note 9)	攤銷(附註9)	(570,627)	-	-	(67,316)	(637,943)
Derecognition	終止確認	-	-	(1,362)	-	(1,362)
Impairment loss (Note 9) (Note b)	減值虧損(附註9)(附註b)	-	(9,117)	-	-	(9,117)
Exchange differences	匯兌差額	9,691	10,698	10,084	8,628	39,101
<b>As at 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>92,510</b>	<b>167,479</b>	<b>164,331</b>	<b>140,948</b>	<b>565,268</b>

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### 22 FILM AND TV PROGRAMMES RIGHTS

(Continued)

Notes:

- (a) As at 31 December 2019, the film and TV programmes rights completed includes a film right of approximately HK\$349,907,000 in respect of a film *Lost in Russia* (囧媽) where the Group entered into several agreements with Mr. Xu, the non-executive director of the Company, and Beijing Joy Leader Culture Communication Co. Ltd. (北京真樂道文化傳播有限公司) ("Beijing Joy Leader"), a company which is owned as to 51% by Mr. Xu. For details, please refer to Note 35(a) and the Company's circular dated 23 May 2019.
- (b) During the year, the Group has recognised provision for impairment of film and TV programmes rights under production of approximately HK\$9,117,000 (2019: Nil).
- (c) The balance represented the Group's investments in film productions which entitled the Group to predetermined percentage of income to be generated from the films based on the Group's investment portion as specified in respective film rights investments agreements.
- (d) During the year, the Group has recognised film investment income, net, amounted to approximately HK\$33,303,000 (2019: HK\$7,469,000) based on the Group's investment portion as specified in respective film rights investments agreements.
- (e) The balance represented the acquired license rights from independent third parties for broadcasting licensed films or TV programmes series on the Group's online video platform (Note 19) and sub-licensing the license rights to other independent third parties, if applicable.
- (f) The Group has entered into certain joint operation arrangements to produce and distribute four films (2019: Same). The Group has participating interests ranging from 50% to 57% (2019: Same) in these joint operations. As at 31 December 2020, the carrying amounts of intangible assets recognised in the consolidated statement of financial position relating to the Group's interests in these joint operation arrangements are approximately HK\$44,735,000 (2019: HK\$49,811,000).

### 22 電影及電視劇版權(續)

附註：

- (a) 於二零一九年十二月三十一日，已完成之電影及電視劇版權包括與電影《囧媽》相關的電影版權約港幣349,907,000元，其中本集團與本公司非執行董事徐先生及北京真樂道文化傳播有限公司(「北京真樂道」)(徐先生擁有該公司51%權益)訂立多份協議。有關詳情，請參閱附註35(a)及本公司日期為二零一九年五月二十三日之通函。
- (b) 本集團於年內確認製作中之電影及電視劇版權減值撥備約港幣9,117,000元(二零一九年：無)。
- (c) 該結餘指本集團於電影製作之投資，根據相應電影版權投資協議所指明之本集團投資比例，本集團有權按預先釐定之百分比享有電影將來產生之收入。
- (d) 根據相應電影版權投資協議所指明之本集團投資比例，本集團於年內確認電影投資收入，淨額約港幣33,303,000元(二零一九年：港幣7,469,000元)。
- (e) 該結餘指從獨立第三方處購買的許可授權，用於在本集團的在線視頻平台播放獲授權之電影或電視劇(附註19)，及向其他獨立第三方分授許可授權(如適用)。
- (f) 本集團已訂立若干合營業務安排以製作及發行四部電影(二零一九年：相同)。本集團於該等合營業務中之參與權益介乎50%至57%(二零一九年：相同)。於二零二零年十二月三十一日，就本集團於該等合營業務安排之權益在綜合財務狀況表內確認之無形資產的賬面值約為港幣44,735,000元(二零一九年：港幣49,811,000元)。



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#### 23 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

#### 23 應收賬款及其他應收款項、按金及預付款

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trade receivables	應收賬款		
– Share of box office income	– 分佔票房收入	1,152	–
– Sub-licensing of film and TV programmes rights	– 分授電影及電視劇版權	35,029	2,816
– Film rights investments	– 電影版權投資	49,747	106,316
– Others	– 其他	1,204	349
		<b>87,132</b>	109,481
Loss allowances (Note 3.1(b))	虧損撥備(附註3.1(b))	<b>(8,606)</b>	(257)
		<b>78,526</b>	109,224
Deposits	按金	6,395	6,287
Prepayments (Note (i))	預付款(附註(i))	93,620	124,874
Other receivables (Note (ii))	其他應收款項(附註(ii))	164,306	19,933
Loss allowances (Note 3.1(b))	虧損撥備(附註3.1(b))	<b>(1,109)</b>	–
		<b>263,212</b>	151,094
		<b>341,738</b>	260,318
Less: Amounts due within one year shown under current assets	減：流動資產項下所列一年內到期之金額	<b>(304,937)</b>	(155,120)
Non-current portion	非即期部分	<b>36,801</b>	105,198

Notes:

- (i) The prepayments mainly represented the prepayments made by the Group in relation to acquisition of licensed film rights from independent third parties for broadcasting on the Group's online video platform.
- (ii) As at 31 December 2020, other receivables included short-term loan receivables net of loss allowances of approximately HK\$124,911,000. The loan receivables of approximately HK\$71,948,000 carried interest at 10% per annum and an interest-free loan receivable of approximately HK\$52,963,000.

附註：

- (i) 該等預付款主要指本集團支付給獨立第三方的預付款為購買獲授權之電影版權於本集團的在線視頻平台播放。
- (ii) 於二零二零年十二月三十一日，其他應收款項包括短期應收貸款(扣除虧損撥備)約港幣124,911,000元。應收貸款約港幣71,948,000元按年利率10%計息及一筆免息應收貸款約港幣52,963,000元。

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### 23 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Trade and other receivables, deposits and prepayments are denominated in the following currencies:

RMB	人民幣
HK\$	港幣
USD	美金

The credit period is generally within 30 days from invoice date or the date when the settlement statement is duly confirmed as stipulated in the respective agreements.

At 31 December, the ageing analysis of the trade receivables, net of loss allowance, presented based on invoice date or date of settlement statement are as follows:

0 – 30 days	0至30日
181 – 365 days	181至365日
Over 365 days	365日以上

As at 31 December 2020, the Group does not pledge any other receivables as security (2019: Same).

Due to the short-term nature of the current receivables, their carrying amounts are considered to be the same as their fair values.

### 23 應收賬款及其他應收款項、按金及預付款(續)

應收賬款及其他應收款項、按金及預付款乃以下列貨幣計值：

2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
205,699	249,966
129,691	6,579
6,348	3,773
<b>341,738</b>	260,318

如相關協議所訂明，信貸期通常為發票日期或結算報表獲正式確認之日起30日內。

於十二月三十一日，應收賬款(扣除虧損撥備)按發票日期或結算報表日期呈列之賬齡分析如下：

2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
30,108	3,976
3,610	11,364
44,808	93,884
<b>78,526</b>	109,224

於二零二零年十二月三十一日，本集團概無質押任何其他應收款項為擔保(二零一九年：相同)。

由於即期應收款項的短期性質使然，其賬面值被視為與其公平值相同。

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#### 24 CASH AND CASH EQUIVALENTS

#### 24 現金及現金等值

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cash at banks	銀行現金	142,054	256,152
Cash on hand	持有的現金	86	51
		<b>142,140</b>	<b>256,203</b>

Cash and cash equivalents are denominated in the following currencies:

現金及現金等值乃以下列貨幣計值：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
HK\$	港幣	117,815	3,753
RMB	人民幣	22,936	250,625
Others	其他	1,389	1,825
		<b>142,140</b>	<b>256,203</b>

Bank balances and cash comprised of cash held by the Group and short-term bank deposits that are interest-bearing ranging from 0.01% to 0.35% (2019: Same) per annum and have original maturity of three months or less.

銀行結餘及現金包括本集團所持現金及按介乎0.01%至0.35%(二零一九年：相同)之年利率計息且原到期日為三個月或以內之短期銀行存款。

As at 31 December 2020, the Group has cash and bank balances amounting to approximately HK\$23,991,000 (2019: HK\$249,429,000) which are held in the PRC. These cash and bank balances are subject to the rule and regulations of foreign exchange control promulgated by the PRC government.

於二零二零年十二月三十一日，本集團擁有於中國持有的現金及銀行結餘約港幣23,991,000元(二零一九年：港幣249,429,000元)。該等現金及銀行結餘受中國政府頒佈的外匯管制法規法例規管。

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## 綜合財務報表附註

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### 25 TRADE AND OTHER PAYABLES

### 25 應付賬款及其他應付款項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trade payables	應付賬款	58,490	67,851
Other payables	其他應付款項	16,923	10,314
Accruals	應計費用	10,564	15,695
		<b>85,977</b>	93,860

The carrying amounts of trade and other payables approximated their fair values.

應付賬款及其他應付款項的賬面值與其公平值相若。

At 31 December, the ageing analysis of the trade payables based on invoice date or date of settlement statement are as follows:

於十二月三十一日，應付賬款基於發票日期或結算報表日期呈列之賬齡分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
0 – 30 days	0至30日	20,255	23,483
31 – 90 days	31至90日	2,384	–
181 – 365 days	181至365日	4,289	3,246
Over 365 days	365日以上	31,562	41,122
		<b>58,490</b>	67,851

Trade and other payables are denominated in the following currencies:

應付賬款及其他應付款項乃以下列貨幣計值：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
RMB	人民幣	72,543	70,747
HK\$	港幣	13,407	23,096
Others	其他	27	17
		<b>85,977</b>	93,860

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### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

#### 26 FILM INVESTMENT FUNDS FROM INVESTORS

The amounts represent investments made by certain investors in respect of film rights held by the Group. In accordance with the terms of the respective investment agreements, the investors are entitled to recoup their investment amounts as appropriate by the predetermined percentage of income to be generated from the theatrical release of the films. The financial liabilities were measured at amortised cost.

During the year, the Group recognised a gain on film investments from investors amounted to approximately HK\$21,168,000 upon the theatrical release of the respective film because the net proceeds entitled by the investors in accordance with the respective investment agreement was less than the film investment funds contributed by the investors.

#### 27 BORROWINGS

Unsecured borrowings

無抵押借款

As at 31 December 2020, the borrowing was interest-free and repayable within one year (2019: Same).

The fair values of the borrowings are not materially different to their carrying amounts, due to short-term in nature.

#### 26 來自投資者的電影投資款項

該款項指若干投資者就本集團所持電影版權作出的投資。根據有關投資協議的條款，投資者有權按預先釐定的比例分佔電影於院線上映所產生的收入以收回其投資金額(如適用)。該等金融負債均按攤銷成本計量。

年內，本集團於電影院線上映後確認來自投資者的電影投資收益約港幣21,168,000元，原因是投資者根據相關投資協議有權獲取的所得款項淨額低於投資者所出資的電影投資款項。

#### 27 借款

2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
-----------------------------------	-----------------------------------

50,036

50,000

於二零二零年十二月三十一日，該借款為免息及須於一年內償還(二零一九年：相同)。

由於屬短期性質，該等借款的公平值與其賬面值並無重大差異。

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### 28 DEFERRED INCOME TAX

### 28 遞延所得稅

The analysis of deferred income tax is as follows:

遞延所得稅分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Deferred tax assets	遞延稅項資產	8,985	-
Deferred tax liabilities	遞延稅項負債	(8,985)	-
		-	-

Movements on the deferred income tax account are as follow:

遞延所得稅賬之變動如下：

		Deferred tax liabilities 遞延稅項負債 Changes in fair value of film rights investments 電影版權投資之公平值變動 HK\$'000 港幣千元	Deferred tax assets 遞延稅項資產 Tax loss 稅項虧損 HK\$'000 港幣千元	Net total 淨額總額 HK\$'000 港幣千元
At 1 January 2020	於二零二零年一月一日	-	-	-
(Charged)/credited to consolidated statement of profit or loss and other comprehensive income	(扣除自)/計入綜合損益及其他全面收益表	(8,474)	8,474	-
Exchange differences	匯兌差額	(511)	511	-
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>(8,985)</b>	<b>8,985</b>	<b>-</b>

At the end of the reporting period, the Group has unrecognised tax losses of HK\$515,709,000 (2019: HK\$357,513,000) available for offset against future profits of which the amount of approximately HK\$391,210,000 (2019: HK\$292,216,000) may be carried forward indefinitely and the amount of HK\$124,499,000 (2019: HK\$65,297,000) will be expire in five years from the year of assessment.

於報告期末，本集團可供抵銷將來溢利之未確認稅項虧損為港幣515,709,000元(二零一九年：港幣357,513,000元)，其中為數約港幣391,210,000元(二零一九年：港幣292,216,000元)可無限期結轉及為數港幣124,499,000元(二零一九年：港幣65,297,000元)將自評稅年度起計五年內屆滿。



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#### 28 DEFERRED INCOME TAX (Continued)

Deferred income tax liabilities of approximately HK\$18,343,000 (2019: HK\$25,767,000) have not been provided for the withholding tax that would be payable on the unremitted earnings of subsidiaries of approximately HK\$183,428,000 (2019: HK\$257,673,000) in the PRC. The unremitted earnings are used for reinvestment. The income tax liability is not recognised, because the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

#### 28 遞延所得稅(續)

遞延所得稅負債約港幣18,343,000元(二零一九年：港幣25,767,000元)並無就附屬公司的未匯出盈利約港幣183,428,000元(二零一九年：港幣257,673,000元)於中國應付之預扣稅計提撥備。未匯出盈利乃用於再投資。所得稅負債未予確認，概因本集團能夠控制撥回臨時差額之時間且臨時差額於可見未來有可能不會撥回。

#### 29 SHARE CAPITAL

#### 29 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 港幣千元
<b>Ordinary shares of HK\$0.01 each</b>	<b>每股面值港幣0.01元之普通股</b>		
<b>Authorised:</b>	<b>法定：</b>		
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月 三十一日、二零二零年 一月一日及二零二零年 十二月三十一日		
		<b>50,000,000,000</b>	<b>500,000</b>
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
At 1 January 2019	於二零一九年一月一日	2,918,055,408	29,181
Issue of ordinary shares (Note 1)	發行普通股(附註1)	236,600,000	2,366
At 31 December 2019	於二零一九年十二月三十一日	3,154,655,408	31,547
Issue of ordinary shares (Note 2)	發行普通股(附註2)	346,626,954	3,466
Cancellation of ordinary shares (Note 3)	註銷普通股(附註3)	(28,550,000)	(286)
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>3,472,732,362</b>	<b>34,727</b>

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### 29 SHARE CAPITAL (Continued)

Note 1: During the year ended 31 December 2019, the Company entered into the subscription agreement with Maoyan Entertainment, pursuant to which Maoyan Entertainment has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to Maoyan Entertainment, 236,600,000 ordinary shares at the subscription price of HK\$1.6507 per share (the "Subscription 1"). The gross proceeds and net proceeds to be raised from the Subscription 1 are approximately HK\$390,556,000 and HK\$390,000,000 respectively. The Subscription 1 was completed on 19 March 2019.

Note 2: During the year, the Company entered into the subscription agreement with Bilibili Inc. ("Bilibili"), pursuant to which Bilibili has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to Bilibili, 346,626,954 ordinary shares at the subscription price of HK\$1.48 per share (the "Subscription 2"). The gross proceeds and net proceeds to be raised from the Subscription 2 are approximately HK\$513,008,000 and HK\$511,700,000 respectively. The Subscription 2 was completed on 21 September 2020.

Note 3: During the year, the Company repurchased 29,790,000 ordinary shares on market from 3 December 2020 to 21 December 2020. The buy-back was approved by shareholders at last year's annual general meeting. The shares were acquired at an average price of HK\$1.29 per share, with prices ranging from HK\$1.00 to HK\$1.36. The total amount paid to acquire the shares including transaction costs was approximately HK\$38,515,000. As at 31 December 2020, 28,550,000 ordinary shares repurchased have been cancelled and the respective consideration paid including transaction costs of approximately HK\$36,902,000 has been deducted from share capital and share premium. For the remaining ordinary shares repurchased but have not been cancelled as at the end of reporting period of HK\$1,613,000, they were deducted from equity attributable to the owners of the Company as treasury shares.

### 29 股本(續)

附註1：截至二零一九年十二月三十一日止年度，本公司與貓眼娛樂訂立認購協議，據此，貓眼娛樂已有條件同意認購，而本公司已有條件同意向貓眼娛樂配發及發行236,600,000股普通股，認購價為每股股份港幣1.6507元（「認購事項1」）。認購事項1所得款項總額及淨額分別為約港幣390,556,000元及港幣390,000,000元。認購事項1已於二零一九年三月十九日完成。

附註2：年內，本公司與哔哩哔哩股份有限公司\*（「哔哩哔哩」）訂立認購協議，據此，哔哩哔哩已有條件同意認購，而本公司已有條件同意向哔哩哔哩配發及發行346,626,954股普通股，認購價為每股股份港幣1.48元（「認購事項2」）。認購事項2所得款項總額及淨額分別為約港幣513,008,000元及港幣511,700,000元。認購事項2已於二零二零年九月二十一日完成。

附註3：年內，本公司於二零二零年十二月三日至二零二零年十二月二十一日期間在市場上購回29,790,000股普通股。購回已於去年股東週年大會上獲股東批准。該等股份的平均收購價為每股港幣1.29元，價格介乎港幣1.00元至港幣1.36元。收購股份之已付總額（包括交易成本）約為港幣38,515,000元。於二零二零年十二月三十一日，所購回之28,550,000股普通股已予註銷，已付相關代價（包括交易成本）約港幣36,902,000元已從股本及股份溢價中扣除。截至報告期末，餘下所購回但尚未註銷之普通股港幣1,613,000元則已作為庫存股份從本公司擁有人應佔權益中扣除。

\* 僅供識別

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 30 RESERVES

### 30 儲備

		Attributable to owners of the Company 本公司擁有人應佔				
		Share premium	Share-based payment reserve	Translation reserve	Accumulated losses (Note)	Total
		股份溢價 HK\$'000 港幣千元	以股份為基礎 付款之儲備 HK\$'000 港幣千元	匯兌儲備 HK\$'000 港幣千元	累計虧損(附註) HK\$'000 港幣千元	總額 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	2,243,493	85,368	13,202	(1,712,576)	629,487
Profit for the year	本年度溢利	-	-	-	105,103	105,103
Other comprehensive loss	其他全面虧損	-	-	(29,971)	-	(29,971)
Total comprehensive (loss)/income for the year	本年度全面(虧損)/收益總額	-	-	(29,971)	105,103	75,132
Transactions with owners:	與擁有人的交易：					
Issue of ordinary shares, net of transaction costs	發行普通股(扣除交易成本)	387,634	-	-	-	387,634
Share option scheme: - value of services provided	購股權計劃： - 已提供服務之價值	-	6,430	-	-	6,430
		387,634	6,430	-	-	394,064
At 31 December 2019	於二零一九年十二月三十一日	2,631,127	91,798	(16,769)	(1,607,473)	1,098,683
<b>At 1 January 2020</b>	<b>於二零二零年一月一日</b>	<b>2,631,127</b>	<b>91,798</b>	<b>(16,769)</b>	<b>(1,607,473)</b>	<b>1,098,683</b>
Loss for the year	本年度虧損	-	-	-	(236,391)	(236,391)
Other comprehensive income	其他全面收益	-	-	72,204	-	72,204
Total comprehensive income/(loss) for the year	本年度全面收益/(虧損)總額	-	-	72,204	(236,391)	(164,187)
Transactions with owners:	與擁有人的交易：					
Issue of ordinary shares, net of transaction costs	發行普通股(扣除交易成本)	508,234	-	-	-	508,234
Share option scheme: - value of services provided	購股權計劃： - 已提供服務之價值	-	7,205	-	-	7,205
Buy back of shares	購回股份	(36,616)	-	-	-	(36,616)
		471,618	7,205	-	-	478,823
At 31 December 2020	於二零二零年十二月三十一日	3,102,745	99,003	55,435	(1,843,864)	1,413,319

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### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 30 RESERVES (Continued)

Note: The capital reserve arising from the Group reorganisation represents the difference between the nominal value of the share capital issued by the Company in exchange for the aggregate nominal values of the share capital of the subsidiaries amounted to approximately HK\$2,099,000 (2019: Same) is included in the accumulated losses.

The contributed surplus represents the aggregate amounts of capital reduction and share premium cancellation attributable to the capital restructuring and the capital reorganisation of the Company during prior years amounted to approximately HK\$149,220,000 (2019: Same) is included in accumulated losses.

### 30 儲備(續)

附註：集團重組產生之資本儲備乃指本公司為交換附屬公司股本所發行之股本之面值與有關附屬公司股本總面值之差額約港幣2,099,000元(二零一九年：相同)，計入累計虧損。

實繳盈餘指本公司於過往年度因股本重整及股本重組產生之資本削減及股份溢價註銷的總金額約港幣149,220,000元(二零一九年：相同)，計入累計虧損。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 31 NOTE TO CASH FLOW STATEMENT

### 31 現金流量表附註

	Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>(Loss)/profit before income tax from:</b>			
<b>Continuing operations</b>		<b>(240,157)</b>	186,188
<b>Discontinued operations</b>	34	<b>2,138</b>	(4)
<b>(Loss)/profit before income tax including discontinued operations</b>		<b>(238,019)</b>	186,184
Adjustments for:	就下列各項調整：		
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	<b>1,928</b>	2,244
Depreciation of right-of-use assets	使用權資產之折舊	<b>15,941</b>	14,091
Amortisation of film and TV programmes rights	電影及電視劇版權之攤銷	<b>637,943</b>	466,342
Amortisation of intangible assets	無形資產之攤銷	<b>4,696</b>	4,837
Impairment losses on film and TV programmes right	電影及電視劇版權之減值虧損	<b>9,117</b>	-
Net impairment losses on financial assets and contract assets	金融資產及合約資產之減值虧損淨額	<b>9,252</b>	-
Gain on disposal of a group of subsidiaries	出售一組附屬公司之收益	<b>(871)</b>	-
Non-cash employee benefit expenses – share-based payments	非現金僱員福利開支 – 以股份為基礎之付款	<b>7,205</b>	6,430
Finance costs, net	財務費用，淨額	<b>5,088</b>	134
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	-	(5)
Gain on film investment funds from investors	來自投資者的電影投資款項之收益	<b>(21,168)</b>	-
Operating cash flows before working capital changes	營運資金變動前之經營現金流量	<b>431,112</b>	680,257
Changes in working capital:	營運資金變動：		
Trade and other receivables	應收賬款及其他應收款項	<b>(207,003)</b>	108,259
Contract assets	合約資產	<b>(33,846)</b>	2,853
Film and TV programmes rights	電影及電視劇版權	<b>(118,965)</b>	(641,903)
Prepayments of film and TV programmes rights	電影及電視劇版權預付款	<b>(232,263)</b>	(3,608)
Trade and other payables	應付賬款及其他應付款項	<b>(18,971)</b>	2,008
Film investment funds from investors	來自投資者的電影投資款項	<b>(67,415)</b>	195,752
Contract liabilities	合約負債	<b>(280,899)</b>	(247,685)
<b>Cash (used in)/generated from operations</b>	經營業務所(耗用)/產生之現金	<b>(528,250)</b>	95,933

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 31 NOTE TO CASH FLOW STATEMENT

(Continued)

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

### 31 現金流量表附註(續)

於綜合現金流量表內，出售物業、廠房及設備所得款項包括：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cost disposed	出售成本	-	520
Accumulated depreciation	累計折舊	-	(355)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之 收益	-	5
		-	170



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 31 NOTE TO CASH FLOW STATEMENT

(Continued)

#### (a) Reconciliation of liabilities arising from financing activities

### 31 現金流量表附註(續)

#### (a) 來自融資活動之負債對賬

		Interest payable included in other payables 計入其他應付款項之應付利息 HK\$'000 港幣千元	Borrowings (Note 27) 借款 (附註27) HK\$'000 港幣千元	Amount due to related parties 應付關連人士款項 HK\$'000 港幣千元	Lease liabilities 租賃負債 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	4,301	295,307	92,467	-	392,075
Financing cash flows, net	融資現金流量，淨額	(6,713)	(243,036)	(97,528)	(14,877)	(362,154)
Acquisition of leases	收購租賃	-	-	-	50,778	50,778
Accrued interest expenses	應計利息開支	2,339	-	-	1,592	3,931
Exchange differences	匯兌差額	73	(2,271)	5,061	(599)	2,264
At 31 December 2019	於二零一九年十二月三十一日	-	50,000	-	36,894	86,894
<b>At 1 January 2020</b>	<b>於二零二零年一月一日</b>	<b>-</b>	<b>50,000</b>	<b>-</b>	<b>36,894</b>	<b>86,894</b>
Financing cash flows, net	融資現金流量，淨額	(100)	(2,809)	-	(16,544)	(19,453)
Lease modification	租賃修訂	-	-	-	(1,000)	(1,000)
Accrued interest expenses	應計利息開支	7,531	-	-	1,244	8,775
Exchange differences	匯兌差額	448	2,845	-	683	3,976
At 31 December 2020	於二零二零年十二月三十一日	7,879	50,036	-	21,277	79,192

The table above details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

上表詳列本集團因融資活動產生之負債變動，包括現金及非現金變動。融資活動產生之負債指現金流量或未來現金流量均於本集團綜合現金流量表中分類為融資活動產生之現金流量之負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 31 NOTE TO CASH FLOW STATEMENT

(Continued)

#### (b) Material non-cash transactions

During the year, the Group has transferred prepayments for film and TV programmes rights amounted to approximately HK\$132,310,000 (2019: HK\$5,787,000).

##### Non-cash investing activities

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Acquisition of assets by means of leases 以租賃方式收購資產	-	50,778
Lease modification 租賃修訂	<b>(1,000)</b>	-
	<b>(1,000)</b>	50,778

### 31 現金流量表附註(續)

#### (b) 重大非現金交易

年內，本集團已轉撥電影及電視劇版權預付款約港幣132,310,000元(二零一九年：港幣5,787,000元)。

##### 非現金投資活動

### 32 COMMITMENTS

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Commitments in respect of the acquisition and production of film and TV programmes rights contracted for but not provided in the consolidated financial statements 就購買及製作電影及電視劇版權所作之承擔(已訂約而未於綜合財務報表撥備)	<b>447,223</b>	285,644

### 32 承擔

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 33 SHARE-BASED PAYMENTS

#### Share option scheme

Pursuant to the resolution passed at the annual general meeting held on 17 June 2014, the Company's shareholders approved the adoption of a share option scheme (the "Scheme"). The Scheme became valid and effective for a period of 10 years commencing on 17 June 2014. The Company operates the Scheme for the purpose of providing incentives and rewards to eligible participants who have made or may make contribution to the Group. The eligible participants of the Scheme include the Company's or its subsidiaries' directors, employees, and any business consultants, agents, financial or legal advisers and any other persons whom the board of directors of the Company (the "Board") may determine, at its sole discretion, will contribute or have contributed to the Group.

The share options may be exercised in accordance with the terms of the Scheme at any time within the period commencing from the date of grant of the share options and expiring on the date determined by the Company's directors, but in any event such exercise period shall not be more than 10 years from the date of grant of the share options. The amount payable on the acceptance of a share option is HK\$1 (or such other nominal sum in any currency as the board of directors of the Company may determine).

### 33 以股份為基礎之付款

#### 購股權計劃

根據於二零一四年六月十七日舉行之股東週年大會上通過之決議案，本公司股東批准採納一項購股權計劃（「該計劃」）。該計劃自二零一四年六月十七日起生效，有效期為十年。本公司設立該計劃，以激勵並獎勵已經或可能會對本集團作出貢獻之合資格參與者。該計劃之合資格參與者包括本公司或其附屬公司之董事、僱員，以及任何業務顧問、代理人、財務或法律顧問及本公司董事會（「董事會」）可全權酌情認為對本集團將作出貢獻或已作出貢獻之任何其他人士。

購股權可自授出購股權之日起至本公司董事釐定之日止期間內隨時根據該計劃的條款予以行使，惟該行使期間在任何情況下不得超過授出相關購股權之日起計十年。接納購股權應付金額為港幣1元（或本公司董事會可能釐定之以任何貨幣計值之其他象徵性金額）。

### 33 SHARE-BASED PAYMENTS (Continued)

#### Share option scheme (Continued)

The exercise price of the share options shall be determined by the board of directors of the Company, but shall not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

The maximum number of shares in the Company in respect of which the share options may be granted under the Scheme and any other share option schemes of the Company is not permitted to exceed 10% of the issued share capital of the Company as at the date of approval of the Scheme by the Company's shareholders (the "Scheme Mandate Limit"), or, if such 10% limit is refreshed, as at the date of approval of the renewal of the Scheme Mandate Limit by the Company's shareholders. Notwithstanding the foregoing, the maximum number of the Company's shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the Company's shares in issue from time to time.

The total number of shares of the Company already issued and to be issued upon exercise of all the share options granted to each participant in any 12-month period up to and including the date such new grant is not permitted to exceed 1% of the total number of the Company's shares in issue as at the date of such grant. Any further grant of share options in excess of this 1% limit shall be subject to the approval of the Company's shareholders in general meeting.

### 33 以股份為基礎之付款(續)

#### 購股權計劃(續)

購股權之行使價由本公司董事會釐定，惟不得低於以下之較高者：(i)本公司股份於授出日期(必須為營業日)在聯交所日報表所載之收市價；(ii)本公司股份於緊接授出日期前五個營業日在聯交所日報表所載之平均收市價；及(iii)本公司股份之面值。

根據該計劃及本公司任何其他購股權計劃可能授出之購股權涉及之本公司股份最高數目不得超過本公司股東於批准該計劃當日本公司已發行股本的10%(「計劃授權限額」)，或倘該10%限額經已更新，則不得超過本公司股東於批准更新計劃授權限額當日本公司已發行股本的10%。儘管有上述規定，根據該計劃及本公司任何其他購股權計劃已授出但尚未行使之所有購股權獲行使時可予發行之本公司股份最高數目不得超過本公司不時已發行股份的30%。

於截至及包括有關新授出日期止任何12個月期間，向每名參與者授出的所有購股權獲行使時所發行及將予發行之本公司股份總數不得超過於該授出日期本公司已發行股份總數的1%。任何進一步授出超過該1%限額之購股權，須獲本公司股東於股東大會上批准。

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### 綜合財務報表附註

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#### 33 SHARE-BASED PAYMENTS (Continued)

##### Share option scheme (Continued)

Each grant of share options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates in excess of 0.1% of the Company's shares in issue and with an aggregate value in excess of HK\$5,000,000 in any 12-month period up to and including the date of such grant must be approved in advance by the Company's shareholders.

#### 33 以股份為基礎之付款(續)

##### 購股權計劃(續)

倘於截至及包括有關授出日期止任何12個月期間，向本公司一名主要股東或一名獨立非執行董事或彼等各自之任何聯繫人士授出之購股權超過本公司已發行股份的0.1%及其價值總額超過港幣5,000,000元，必須獲得本公司股東事先批准。

		Average exercise price per share option 每份購股權之 平均行使價	Number of share options 購股權數目
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月 三十一日、二零二零年 一月一日及二零二零年 十二月三十一日	HK\$2.08 港幣2.08元	130,700,000
Vested and exercisable at 31 December 2020	於二零二零年十二月三十一日 已歸屬及可行使	HK\$2.08 港幣2.08元	123,700,000
Vested and exercisable at 31 December 2019	於二零一九年十二月三十一日 已歸屬及可行使	HK\$2.08 港幣2.08元	114,700,000

No options was exercised or lapsed during the periods covered by the above tables.

上表所涵蓋的期間內並無購股權獲行使或失效。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 33 SHARE-BASED PAYMENTS (Continued)

#### Share option scheme (Continued)

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry date	Exercise price	Share options 31 December 2020 二零二零年 十二月三十一日 之購股權	Share options 31 December 2019 二零一九年 十二月三十一日 之購股權
授出日期	到期日	行使價		
27 April 2018 二零一八年四月二十七日	17 June 2024 二零二四年六月十七日	HK\$2.08 港幣2.08元	<b>130,700,000</b>	130,700,000
Weighted average remaining contractual life of options outstanding at the end of period 期末尚未行使購股權之加權平均餘下合約年期			<b>3.47 years</b> <b>3.47年</b>	4.47 years 4.47年

#### Fair value of options granted

The fair value at grant date is independently determined using an adjusted form of the Black Scholes Model with Binomial Tree Method which includes a Binomial Tree model that takes into account the stock price, the exercise price, the time to maturity, the risk-free rate, the dividend yield and volatilities of comparable companies, the sub-optimal factor, and the forfeiture rate.

The model inputs for options granted included:

- options are granted for consideration of HK\$1 and vested period of three years from the employment date of the respective employees. Vested options are exercisable before expiry date
- exercise price: HK\$2.08
- grant date: 27 April 2018
- expiry date: 17 June 2024
- time to maturity: 6.15 years

### 33 以股份為基礎之付款(續)

#### 購股權計劃(續)

年末尚未行使的購股權之到期日及行使價如下：

Share options 31 December 2020 二零二零年 十二月三十一日 之購股權	Share options 31 December 2019 二零一九年 十二月三十一日 之購股權
<b>130,700,000</b>	130,700,000
<b>3.47 years</b> <b>3.47年</b>	4.47 years 4.47年

#### 已授出購股權的公平值

授出日期的公平值乃使用經調整的柏力克－舒爾斯期權定價模型二項式期權定價法(包含二項式期權定價模型)單獨釐定，並計及股票價格、行使價、到期時間、無風險利率、可資比較公司的股息收益率及波幅、次優因子及沒收率。

已授出購股權的模型輸入數據包括：

- 購股權以代價港幣1元授出，歸屬期自各僱員之僱傭日期起計為期3年。已歸屬的購股權可在到期日之前行使
- 行使價：港幣2.08元
- 授出日期：二零一八年四月二十七日
- 到期日：二零二四年六月十七日
- 距到期時間：6.15年



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### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 33 SHARE-BASED PAYMENTS (Continued)

#### Share option scheme (Continued)

##### Fair value of options granted (Continued)

- (f) share price at grant date: HK\$2.08
- (g) risk-free interest rate: 1.91%
- (h) expected dividend yield: 0%
- (i) expected price volatility of the company's shares: 48.38%
- (j) forfeiture rate: 0 to 16.35%
- (k) fair value per share option: HK\$0.72

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

During the year, the share-based payments to employees were approximately HK\$7,205,000 (2019: HK\$6,430,000) (Note 10).

### 34 DISCONTINUED OPERATIONS

On 9 October 2020, the Group entered into a disposal agreement with an independent third party to dispose the entire equity interests in a group of wholly-owned subsidiaries at total consideration of HK\$10,000. The disposal is effective from 9 October 2020 and is reported in the current period as a discontinued operation in the current period.

On 9 October 2020, the Group also decided to cease the operation and applied for deregistration of a subsidiary within other segment. As such, it has been reported as a discontinued operation in the current period. Financial information relating to the discontinued operations for the current period is set out below.

### 33 以股份為基礎之付款(續)

#### 購股權計劃(續)

##### 已授出購股權的公平值(續)

- (f) 授出日期的股價：港幣2.08元
- (g) 無風險利率：1.91%
- (h) 預期股息收益率：0%
- (i) 公司股票預期價格波幅：48.38%
- (j) 沒收率：0至16.35%
- (k) 每份購股權之公平值：港幣0.72元

預期價格波幅乃以歷史波幅(基於購股權的餘下年期)為基礎，並根據公開可獲得資料就未來波幅之任何預期變動作出調整後得出。

年內，向僱員作出的以股份為基礎之付款約為港幣7,205,000元(二零一九年：港幣6,430,000元)(附註10)。

### 34 已終止經營業務

於二零二零年十月九日，本集團與一名獨立第三方訂立出售協議，以出售於一組全資擁有的附屬公司之全部股權，總代價為港幣10,000元。出售事項於二零二零年十月九日生效，並於本期列報為本期已終止經營業務。

於二零二零年十月九日，本集團亦決定終止經營並申請註銷其他分部的一間附屬公司。故此，其已於本期列報為已終止經營業務。與本期已終止經營業務相關之財務資料載列如下。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 34 DISCONTINUED OPERATIONS (Continued)

### 34 已終止經營業務(續)

The financial performance and cash flow information presented are as follows:

財務表現及現金流量資料呈列如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Other gain	其他收益	1,268	-
Administrative expenses	行政開支	(1)	(4)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	1,267	(4)
Income tax credit	所得稅抵免	1,628	-
Profit/(loss) after income tax credit of discontinued operations	已終止經營業務除所得稅抵免後溢利/(虧損)	2,895	(4)
Gain on disposal of a group of subsidiaries after income tax	出售一組附屬公司除所得稅後收益	871	-
Profit/(loss) from discontinued operations	來自己終止經營業務之溢利/(虧損)	3,766	(4)
Profit/(loss) from discontinued operations before income tax credit	來自己終止經營業務的除所得稅抵免前溢利/(虧損)	2,138	(4)
Net cash generated from/(used in) operating activities	經營活動所產生/(耗用)之現金淨額	1	(64)
Net cash generated from/(used in) from financing activities	融資活動所產生/(耗用)之現金淨額	26	(1)
Net increase/(decrease) in cash generated/(used) by the subsidiaries	附屬公司所產生/(耗用)現金之增加/(減少)淨額	27	(65)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

#### 34 DISCONTINUED OPERATIONS (Continued)

#### 34 已終止經營業務(續)

The aggregate net liabilities disposed of in respect of the disposal of the above subsidiaries during the year are as follows:

年內與出售上述附屬公司有關的所出售負債淨值總額如下：

		2020 二零二零年 HK\$'000 港幣千元
Net liabilities disposed of:	所出售負債淨值：	
- Cash and cash equivalents	- 現金及現金等值	(51)
- Trade receivables	- 應收賬款	(90)
- Trade and other payables	- 應付賬款及其他應付款項	992
- Current tax liabilities	- 即期稅項負債	10
		<b>861</b>
Consideration received	已收代價	<b>10</b>
Gain on disposal of a group of subsidiaries	出售一組附屬公司之收益	<b>871</b>

An analysis of the net cash outflow from the above subsidiaries is as follows:

有關上述附屬公司之現金流出淨額分析如下：

		2020 二零二零年 HK\$'000 港幣千元
Cash consideration received during the year	年內已收現金代價	10
Less:	減：	
- Cash and cash equivalent included in the subsidiaries disposed	- 計入已出售附屬公司之現金及現金等值	(51)
Net cash outflow from the disposal of a group of subsidiaries	出售一組附屬公司之現金流出淨額	<b>(41)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 35 RELATED PARTY DISCLOSURES

The ultimate controlling parties of the Group are Mr. Dong, Mr. Ning and Mr. Xu. Management of the Group are of the view that the following individuals and companies were related parties that had transactions or balances with the Group as at and during the year:

#### Name of related parties

關連人士姓名／名稱

#### Relationship with the Group

與本集團關係

Mr. Dong 董先生	Executive Director 執行董事
Mr. Ning 寧先生	Non-Executive Director 非執行董事
Mr. Xu 徐先生	Non-Executive Director 非執行董事
Khorgas Dirty Monkey Media Culture Company Limited* ("Khorgas Dirty Monkey") 霍爾果斯壞猴子影視文化傳播有限公司(「霍爾果斯壞猴子」)	Controlled by Mr. Ning 由寧先生控制
Tibet Jindouyun Film Company Limited* ("Tibet Jindouyun") 西藏筋斗雲影業有限公司(「西藏筋斗雲」)	Controlled by Mr. Ning 由寧先生控制
Beijing Joy Leader Culture Communication Co. Ltd. ("Beijing Joy Leader") 北京真樂道文化傳播有限公司(「北京真樂道」)	Controlled by Mr. Xu 由徐先生控制
Shanghai Joy Leader Media Culture Workshop ("Shanghai Joy Leader")* 上海真樂道影視文化工作室(「上海真樂道」)	Controlled by Mr. Xu 由徐先生控制

\* For identification purposes only

#### (a) Related party transactions

During the year, the Group entered into the following transaction with a related party:

Film director's fee - Mr. Ning	電影導演費 - 寧先生
-----------------------------------	----------------

This transaction constitutes continuing connected transactions for the purpose of Chapter 14A of the Listing Rules.

### 35 關連人士披露

本集團之最終控股方為董先生、寧先生及徐先生。本集團管理層認為下列個人及公司屬截至及於本年度內與本集團有過交易或結餘之關連人士：

#### (a) 與關連人士之交易

年內，本集團與關連人士訂立以下交易事項：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	30,000	-

上述交易均構成上市規則第14A章的持續關連交易。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 35 RELATED PARTY DISCLOSURES (Continued)

#### 35 關連人士披露(續)

##### (a) Related party transactions (Continued)

##### (a) 與關連人士之交易(續)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Film production fee paid or payables to Mr. Xu	已付或應付徐先生之電影製作費用	-	100,694
Film production fee paid or payables to Beijing Joy Leader	已付或應付北京真樂道之電影製作費用	-	34,722
Fee paid to Beijing Joy Leader for Third Party Contracts	就第三方合約已付北京真樂道之費用	-	115,741
		-	150,463

On 24 December 2018, the Group has entered into a film investment agreement with Tibet Jindouyun. The Group has invested RMB12,000,000, being 10% of the estimated total production cost of the film during the year ended 31 December 2019.

於二零一八年十二月二十四日，本集團與西藏筋斗雲訂立電影投資協議。截至二零一九年十二月三十一日止年度，本集團已投資人民幣12,000,000元，佔該影片估計總製作成本的10%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 35 RELATED PARTY DISCLOSURES (Continued)

### 35 關連人士披露(續)

#### (b) Related party balances

#### (b) 與關連人士之結餘

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trade payables	應付賬款		
- Mr. Xu (Note i)	- 徐先生(附註i)	-	2,063
- Beijing Joy Leader (Note i)	- 北京真樂道(附註i)	-	3,346
		-	5,409
Trade receivable	應收賬款		
- Khorgas Dirty Monkey (Note ii)	- 霍爾果斯壞猴子(附註ii)	<b>49,747</b>	76,754
Prepayment for film and TV programmes rights	電影及電視劇版權預付款		
- Mr. Xu (Note iii)	- 徐先生(附註iii)	<b>12,530</b>	11,731
- Mr. Ning (Note iv)	- 寧先生(附註iv)	<b>30,000</b>	-
		<b>42,530</b>	11,731
Contract asset	合約資產		
- Beijing Joy Leader (Note v)	- 北京真樂道(附註v)	<b>3,627</b>	-
Other receivable	其他應收款項		
- Shanghai Joy Leader (Note v)	- 上海真樂道(附註v)	<b>4,990</b>	-



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### 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

#### 35 RELATED PARTY DISCLOSURES (Continued)

##### (b) Related party balances (Continued)

Note i: The balances were denominated in RMB, trade in nature, unsecured, interest-free and repayable within one year.

Note ii: The balance represented the Group's right to receive income arisen from a film rights investment where the film has been released in prior year. Khorgas Dirty Monkey took the responsibility to distribute the aforementioned income to the investors of the film including one of our subsidiaries. There were no business transactions occurred between the Group and Khorgas Dirty Monkey during the year. The balance was denominated in RMB, trade in nature, unsecured, interest-free and receivable within one year.

Note iii: The balance represented the payment prepaid to Mr. Xu in relation to the development of the proposed film.

Note iv: The balance represented the payment prepaid to Mr. Ning in relation to the development of the proposed film.

Note v: The balances represented the Group's right to receive income arisen from a film right where the film is released in current year. During the year, Beijing Joy Leader and Shanghai Joy Leader took the responsibility to distribute the aforementioned income to the Group. There are no business transactions occurred between the Group, Beijing Joy Leader and Shanghai Joy Leader during the year. The balance was denominated in RMB, trade in nature, unsecured, interest-free and receivable within one year.

#### 35 關連人士披露(續)

##### (b) 與關連人士之結餘(續)

附註i: 該等結餘以人民幣計值，為買賣性質、無抵押、免息及須於一年內償還。

附註ii: 該結餘指本集團收取一項電影版權投資所產生的收入權利，該電影已於上一年度上映。霍爾果斯壞猴子負責將上述收入分派予該電影投資方，當中包括本集團旗下一間附屬公司。本集團與霍爾果斯壞猴子於年內概無進行任何業務交易。該結餘以人民幣計值，為買賣性質、無抵押、免息及須於一年內償還。

附註iii: 該結餘指就開發建議電影向徐先生預付的款項。

附註iv: 該結餘指就開發建議電影向寧先生預付的款項。

附註v: 該等結餘指本集團收取一項電影版權所產生的收入權利，該電影於本年度上映。年內，北京真樂道及上海真樂道負責將上述收入分派予本集團。本集團、北京真樂道及上海真樂道之間於年內概無進行任何業務交易。該結餘以人民幣計值，為買賣性質、無抵押、免息及須於一年內收取。

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 35 RELATED PARTY DISCLOSURES (Continued)

#### (c) Key management personnel compensation

The remuneration of directors who were considered as key management personnel of the Group during the year is as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Short-term benefits	短期福利	27,934	25,181
Pension costs – defined contribution plans	退休金成本 – 特定供款計劃	18	18
		<b>27,952</b>	<b>25,199</b>

The remuneration of directors and key executives is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

年內被視為本集團主要管理人員之董事酬金如下：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Short-term benefits	27,934	25,181
Pension costs – defined contribution plans	18	18
	<b>27,952</b>	<b>25,199</b>

董事及主要行政人員之酬金乃由薪酬委員會視乎個人表現及市場趨勢而釐定。

### 36 EVENT AFTER THE REPORTING PERIOD

On 15 March 2021, Huan Huan Xi Xi (Tianjin) Culture Investment Company Limited\* (歡歡喜喜(天津)文化投資有限公司) (an indirect wholly-owned subsidiary of the Company) entered into a distribution agreement with the minimum guarantor in relation to *Li Na* (獨自•上場) (former title: *Li Na* (李娜)), where the minimum guarantor shall have the exclusive right to distribute *Li Na* (獨自•上場) in the PRC. Pursuant to which, the minimum guarantor shall pay the Group a consideration for minimum guaranteed distribution of at least RMB600,000,000 (equivalent to approximately HK\$714,796,000).

Please refer to the Company's announcement dated 15 March 2021 for details.

\* For identification purposes only

### 36 報告期後事項

於二零二一年三月十五日，歡歡喜喜(天津)文化投資有限公司(本公司之間接全資附屬公司)與保底方就《獨自•上場》(前稱：《李娜》)訂立一份發行協議，保底方可獨家在中國發行《獨自•上場》。據此，保底方需要向本集團最少支付保底發行代價人民幣600,000,000元(相當於約港幣714,796,000元)。

有關詳情請參閱本公司日期為二零二一年三月十五日之公告。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 37 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 37 本公司之財務狀況表

	Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Non-current assets</b>	<b>非流動資產</b>		
Prepayments	預付款	–	52,496
Interests in subsidiaries	於附屬公司之權益	<b>203,583</b>	226,388
Prepayment for film and TV programmes right	電影及電視劇版權預付款	<b>30,000</b>	–
Film and TV programmes rights	電影及電視劇版權	<b>56,754</b>	–
		<b>290,337</b>	278,884
<b>Current assets</b>	<b>流動資產</b>		
Prepayment for film and TV programmes right	電影及電視劇版權預付款	<b>59,566</b>	–
Film and TV programmes rights	電影及電視劇版權	<b>50,763</b>	49,465
Other receivables	其他應收款項	<b>54,520</b>	1,630
Contract assets	合約資產	<b>2,743</b>	–
Amounts due from subsidiaries	應收附屬公司款項	<b>290,630</b>	388,545
Cash and cash equivalents	現金及現金等值	<b>105,900</b>	5,539
		<b>564,122</b>	445,179
<b>Total assets</b>	<b>資產總額</b>	<b>854,459</b>	724,063
<b>Equity</b>	<b>權益</b>		
Share capital	股本	<b>34,727</b>	31,547
Less: Treasury shares	減：庫存股份	<b>(1,613)</b>	–
Reserves	儲備	<b>760,264</b>	551,155
	(a)		
<b>Total equity</b>	<b>權益總額</b>	<b>793,378</b>	582,702
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	<b>9,647</b>	14,991
Amounts due to subsidiaries	應付附屬公司款項	<b>51,434</b>	76,370
Borrowings	借款	–	50,000
<b>Total liabilities</b>	<b>負債總額</b>	<b>61,081</b>	141,361
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>854,459</b>	724,063

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

### 37 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

### 37 本公司之財務狀況表(續)

Notes:

(a) Reserves

附註：

(a) 儲備

		Share premium 股份溢價 HK\$'000 港幣千元	Share-based compensation reserve 以股份為基礎之薪酬儲備 HK\$'000 港幣千元	Translation reserve 匯兌儲備 HK\$'000 港幣千元	Accumulated losses (Note b) 累計虧損 (附註b) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	2,243,493	85,368	51,417	(2,152,258)	228,020
Issue of ordinary shares, net of transaction costs	發行普通股(扣除交易成本)	387,634	-	-	-	387,634
Share option scheme: - value of services provided	購股權計劃： - 已提供服務之價值	-	6,430	-	-	6,430
Total comprehensive loss for the year	本年度全面虧損總額	-	-	(7,195)	(63,734)	(70,929)
At 31 December 2019	於二零一九年十二月三十一日	2,631,127	91,798	44,222	(2,215,992)	551,155
<b>At 1 January 2020</b>	<b>於二零二零年一月一日</b>	<b>2,631,127</b>	<b>91,798</b>	<b>44,222</b>	<b>(2,215,992)</b>	<b>551,155</b>
Issue of ordinary shares, net of transaction costs	發行普通股(扣除交易成本)	508,234	-	-	-	508,234
Share option scheme: - value of services provided	購股權計劃： - 已提供服務之價值	-	7,205	-	-	7,205
Buy back of shares	購回股份	(36,616)	-	-	-	(36,616)
Total comprehensive income/(loss) for the year	本年度全面收益/(虧損)總額	-	-	13,807	(283,521)	(269,714)
At 31 December 2020	於二零二零年十二月三十一日	3,102,745	99,003	58,029	(2,499,513)	760,264

(b) The contributed surplus of approximately HK\$199,168,000 (2019: Same) is included in the accumulated losses. It represented reduction in issued share capital and share premium cancellation pursuant to a capital restructuring in 2004 and capital reorganisation in 2010, 2011 and 2012. Under the Company Law of Bermuda, the contributed surplus of the Company is available for distribution. However, the Company shall not declare or pay a dividend, or make a distribution out of contributed surplus if:

- it is, or would after the payment be, unable to pay its liabilities as they become due; or
- the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

(b) 實繳盈餘約港幣199,168,000元(二零一九年：相同)計入累計虧損。實繳盈餘乃指根據二零零四年股本重整與二零一零年、二零一一年及二零一二年股本重組時所削減之已發行股本及註銷之股份溢價。根據百慕達公司法，本公司之實繳盈餘可予分派。然而如有下列情況，本公司不得以實繳盈餘宣派或派付股息或作出分派：

- 其現時不能或於派付後將無力償還到期負債；或
- 其資產之可變現價值將因而低於其負債及其已發行股本與股份溢價賬項之總和。

### 38 COMPARATIVE FIGURES

The presentation of comparative information in respect of the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2019 has been restated in order to disclose the discontinued operations separately from continuing operations. As the restatements do not affect the consolidated statement of financial position, it is not necessary to disclose comparative information as at 1 January 2019.

### 38 比較數字

截至二零一九年十二月三十一日止年度之綜合損益及其他全面收益表的比較資料呈列已予重列，以將已終止經營業務與持續經營業務分開披露。由於重列不影響綜合財務狀況表，因此毋須披露截至二零一九年一月一日的比較資料。

# FINANCIAL SUMMARY

## 財務概要

A summary of the results, assets and liabilities of the Group for the last five financial years is as follows:

本集團過往五個財政年度之業績、資產及負債概述如下：

		For the year ended 31 December 截至十二月三十一日止年度				
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
<b>RESULTS</b>	<b>業績</b>					
Continuing operations	持續經營業務					
Revenue and film investment income	收益及電影投資收入	<b>633,176</b>	814,425	174,632	53,209	16,112
(Loss)/profit before tax	除稅前(虧損)/溢利	<b>(240,157)</b>	186,188	(426,264)	(95,159)	(1,253,745)
Income tax expense	所得稅開支	-	(81,081)	(18,429)	-	-
(Loss)/profit from continuing operations	來自持續經營業務的 (虧損)/溢利	<b>(240,157)</b>	105,107	(444,693)	(95,159)	(1,253,745)
Discontinued operations	已終止經營業務					
Profit/(loss) from discontinued operations	來自已終止經營業務的 溢利/(虧損)	<b>3,766</b>	(4)	-	-	-
(Loss)/profit for the year	本年度(虧損)/溢利	<b>(236,391)</b>	105,103	(444,693)	(95,159)	(1,253,745)
(Loss)/profit for the year attributable to: Owners of the Company	本年度(虧損)/溢利歸屬於： 本公司擁有人	<b>(236,391)</b>	105,103	(444,693)	(95,159)	(1,253,745)
		At 31 December 於十二月三十一日				
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	資產總額	<b>1,745,611</b>	1,855,506	1,693,549	1,046,527	1,011,555
Total liabilities	負債總額	<b>(299,178)</b>	(725,276)	(1,034,881)	(254,360)	(184,644)
Total equity	權益總額	<b>1,446,433</b>	1,130,230	658,668	792,167	826,911
Attributable to: Owners of the Company	歸屬於： 本公司擁有人	<b>1,446,433</b>	1,130,230	658,668	792,167	826,911





歡喜傳媒集團有限公司\*

HUANXI MEDIA GROUP LIMITED

