



2018

INTERIM REPORT 中期報告

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

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

Mr. Gao Zhikai (resigned on 15 August 2018)

Independent Non-Executive Directors

Mr. Wong Tak Chuen

Mr. Su Tuong Sing, David

Mr. Li Xiaolong

AUDIT COMMITTEE

Mr. Wong Tak Chuen (*Chairman*)

Mr. Su Tuong Sing, David

Mr. Li Xiaolong (appointed on 15 August 2018)

Mr. Gao Zhikai (resigned on 15 August 2018)

REMUNERATION COMMITTEE

Mr. Su Tuong Sing, David (*Chairman*)

Mr. Dong Ping

Mr. Li Xiaolong

NOMINATION COMMITTEE

Mr. Su Tuong Sing, David (*Chairman*)

Mr. Dong Ping

Mr. Li Xiaolong

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong

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

高志凱先生 (於二零一八年八月十五日辭任)

獨立非執行董事

黃德銓先生

徐傳陞先生

李小龍先生

審核委員會

黃德銓先生 (*主席*)

徐傳陞先生

李小龍先生 (於二零一八年八月十五日獲委任)

高志凱先生 (於二零一八年八月十五日辭任)

薪酬委員會

徐傳陞先生 (*主席*)

董平先生

李小龍先生

提名委員會

徐傳陞先生 (*主席*)

董平先生

李小龍先生

核數師

羅兵咸永道會計師事務所

執業會計師

香港

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

Canon's Court, 22 Victoria Street
Hamilton HM12, 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
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17/F
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

STOCK CODE

1003

WEBSITE

www.huanxi.com
www.irasia.com/listco/hk/huanximedia
www.huanximedia.com

INVESTOR RELATIONS CONTACT

info@huanxi.com

註冊辦事處

Canon's Court, 22 Victoria Street
Hamilton HM12, Bermuda

香港總辦事處及主要營業地點

香港金鐘
夏慤道16號
遠東金融中心
11樓

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
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
合和中心
17樓1712-1716號舖

股份代號

1003

網址

www.huanxi.com
www.irasia.com/listco/hk/huanximedia
www.huanximedia.com

投資者關係聯絡

info@huanxi.com

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS AND OPERATION REVIEW

Regarding films investment, two films productions invested by Huanxi Media Group Limited (the “Company”, together with its subsidiaries, the “Group”) hit the big screen in the first half year. *Us and Them* (後來的我們), a directorial debut of the renowned Taiwanese singer Rene Liu, achieved impressive box office receipts of more than RMB1.36 billion and contributed significant revenue to the Group in the first half year. The Group has already brought to the market another successful film in the second half year. The film *Dying to Survive* (我不是藥神), invested and produced by the Group, and co-produced by Ning Hao and Xu Zheng drew market attention after it was released nationwide in early July this year. A vivid depiction of a social phenomenon and with humanity at heart, the movie captured the public eye. Its box office receipts were impressive and received public praises. As of the end of July, its box office receipts in the PRC had surpassed the RMB3 billion mark. According to the data of Maoyan.com (貓眼電影), as at the date hereof, the Group as the major producer currently holds second place in terms of total box office receipts in the year 2018. These demonstrated the Group’s sound investment vision whiling laying a solid foundation for the Group’s full-year revenue and results.

The Group has been implementing strategies to develop itself into a leading entertainment enterprise in the PRC. It has actively rallied top renowned directors and outstanding production crews to join the Huanxi team, aiming to create quality film and TV productions. Currently, the Group has a pool of top shareholder directors including Xu Zheng, Ning Hao, Wong Kar Wai, Chan Ho Sun Peter, Zhang Xiaoling (also known as Zhang Yibai) and Gu Changwei. Moreover, the Group has signed cooperation agreements with a number of well-known directors and producers including Jia Zhangke, Manfred Wong, Wang Xiaoshuai, Liu Xingang, Li Yang and Chen Daming to jointly develop quality film and TV contents. In addition, the Group is finalising the introduction of the world-famous director Zhang Yimou as a new shareholder director to strengthen its director team and help it develop internet drama series and films.

業務及營運回顧

歡喜傳媒集團有限公司(「本公司」，連同其附屬公司，統稱「本集團」)在電影投資方面，參與投資的兩部電影於上半年上映，其中由台灣著名女歌手劉若英執導之處女作《後來的我們》取得超過人民幣13.6億元的優異票房，為本集團上半年業績貢獻可觀的收入。本集團於下半年已帶來另一部成功的電影—由本集團參與投資及出品、寧浩及徐崢監製的電影《我不是藥神》於今年七月初在全國火熱上映後，備受市場矚目，該片深刻的社會現實和人文核心意義在國內刮起了一陣「藥神」風，其票房及口碑雙豐收，截至七月底中國票房已突破人民幣30億元，根據貓眼電影的數據，到目前為止，本集團於二零一八年作為主出品方的公司總票房收入排名暫列第二位，足證本集團的投資眼光獨到，同時亦為本集團本年度的收益及業績奠定了重要的基礎。

本集團一直為打造成為中國領先娛樂企業的目標作出戰略佈局，積極網羅中國最頂尖的著名導演及優秀製作團隊加盟，藉此打造高質素的影視作品。目前，本集團已擁有了一班頂級導演，包括徐崢、寧浩、王家衛、陳可辛、張曉陵(又名張一白)及顧長衛作為股東導演；同時，本集團與賈樟柯、王文俊(又名文雋)、王小帥、劉心剛、李楊及陳大明等多位知名導演和製片人訂立了合作協議，共同開發優質的影視作品。此外，本集團目前正在落實吸納國際知名的張藝謀導演加盟成為股東導演，以壯大本集團的導演團隊並藉此為本集團開發網絡系列影視劇及電影作品。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Spotting the huge potential of new media online film and TV platforms, the Group has built its own quality online video platform “huanxi.com” (歡喜首映) to cater for demands of online users in the PRC, as well as actively introduced reputable international directors to help enrich its quality film and TV reserves. Although the online video platform “huanxi.com” (歡喜首映) is still in trial run, the Group has kept optimising and updating the productions and contents on the platform which currently has more than 400,000 users registered and counting. In early July this year, the Group also signed a cooperation agreement with Tianjin Maoyan Weiyang Media Company Limited (天津貓眼微影文化傳媒有限公司) (“Maoyan”), a leading internet film and entertainment platform company in the PRC, and is currently finalising details of the strategic cooperation. The partnership is expected to drive the rapid growth of the Group’s new media online video platform.

Following the recognition of notable revenue from *Dying to Survive* (我不是藥神) and *Crazy Alien* (瘋狂的外星人) in the second half of this year and first half of next year respectively, the Group will begin to reap harvest of its investments.

INVESTMENT IN FILM AND TV RIGHTS BUSINESS

For the six months ended 30 June 2018, the investment in film and TV rights business recorded a revenue of HK\$84,748,000 (30 June 2017: nil), representing a significant increase in revenue compared with last corresponding period. The revenue was mainly derived from the film *Us and Them* (後來的我們) in which the Group made investment. The gross profit of this segment was HK\$14,743,000 (30 June 2017: nil), representing a significant increase in gross profit compared with last corresponding period. Major cost of sales included investment in film rights of HK\$55,337,000 (30 June 2017: nil) and amortisation of film and TV rights of HK\$12,278,000 (30 June 2017: nil). Mainly after the deduction of administrative expenses of HK\$18,232,000 (30 June 2017: HK\$13,249,000) and recognition of share-based payments (due to grant of share options on 27 April 2018) of HK\$7,761,000 for this segment (30 June 2017: nil), the segment recorded a loss of HK\$12,971,000 for the period (30 June 2017: a segment loss of HK\$8,801,000).

另一方面，本集團一直看準新媒體在線影視平台的龐大潛力，因此積極構建一個切合中國線上用家需求的優質在線影視平台「歡喜首映」，以及積極吸納享負盛名的國際級導演，以豐富本集團在優質影視作品的儲備。雖然本集團的在線影視平台「歡喜首映」暫時仍在試行階段，正持續優化和更新作品內容，但「歡喜首映」註冊用戶正穩步上揚，目前已超過40萬註冊用戶。於本年七月初，本集團進一步與中國首屈一指的互聯網電影娛樂平台公司—天津貓眼微影文化傳媒有限公司（「貓眼」）訂立合作協定，本集團目前正落實與貓眼的戰略合作事項，相信將有助大力推動本集團的新媒體在線影視平台迅速發展。

隨著來自《我不是藥神》及《瘋狂的外星人》等顯著收益分別於今年下半年度及明年上半年度入賬，本集團將開始迎來投資收成熟期。

電影及電視劇版權投資業務

截至二零一八年六月三十日止六個月，電影及電視劇版權投資業務錄得收益港幣84,748,000元（二零一七年六月三十日：無），較去年同期之收益有顯著增加，有關收益主要來自本集團參與投資的電影《後來的我們》。此分部之毛利為港幣14,743,000元（二零一七年六月三十日：無），較去年同期之毛利有顯著增加。主要銷售成本包括電影版權投資為港幣55,337,000元（二零一七年六月三十日：無）及電影及電視劇版權之攤銷為港幣12,278,000元（二零一七年六月三十日：無）。主要減去行政費用為港幣18,232,000元（二零一七年六月三十日：港幣13,249,000元）及確認以股份為基礎之付款（因於二零一八年四月二十七日授出購股權）港幣7,761,000元（二零一七年六月三十日：無）後，該分部於期內錄得虧損為港幣12,971,000元（二零一七年六月三十日：分部虧損港幣8,801,000元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

PROPERTY AGENCY BUSINESS AND SECURITIES TRADING AND INVESTMENTS BUSINESS

For the six months ended 30 June 2018, the Group's property agency business recorded revenue of HK\$240,000 (30 June 2017: HK\$107,000) and segmental loss of HK\$399,000 (30 June 2017: HK\$427,000). Meanwhile, the Group's securities trading and investments business did not record any profit/loss (30 June 2017: segmental profit of HK\$4,182,000). The segments shrank mainly because the management has allocated more resources to media, entertainment and related businesses, which are the Group's major growth drivers.

FINANCIAL REVIEW

REVIEW OF RESULTS

During the review period, the Group recorded revenue of HK\$84,988,000 (30 June 2017: HK\$107,000), representing 793 times increase in revenue compared with last corresponding period, the revenue was mainly derived from the film *Us and Them* (後來的我們) in which the Group made investment. The gross profit was HK\$14,914,000 (30 June 2017: HK\$70,000), representing 212 times increase in gross profit compared with last corresponding period.

The loss attributable to the owners of the Company of HK\$111,608,000 (30 June 2017: HK\$35,510,000). The increase in loss was mainly caused by the recognition of share-based payments (due to grant of share options on 27 April 2018) of HK\$65,469,000 (30 June 2017: nil), exchange loss of HK\$9,492,000 (30 June 2017: HK\$3,179,000) and amortisation of film and TV rights of HK\$12,278,000 (30 June 2017: nil).

Excluding the recognition of share-based payments of HK\$65,469,000 (30 June 2017: nil), a non-cash item, and exchange loss of HK\$9,492,000 (30 June 2017: HK\$3,179,000), the loss attributable to owners of the Company for the six months ended 30 June 2018 amounted to approximately HK\$36,647,000 (30 June 2017: HK\$32,331,000), representing an increase in loss of approximately 13.35% comparing with the last corresponding period.

物業代理業務及證券買賣及投資業務

截至二零一八年六月三十日止六個月，本集團的物業代理業務錄得收益及分部虧損分別為港幣240,000元（二零一七年六月三十日：港幣107,000元）及港幣399,000元（二零一七年六月三十日：港幣427,000元）。與此同時，本集團的證券買賣及投資業務並無錄得任何溢利／虧損（二零一七年六月三十日：分部溢利港幣4,182,000元）。此等業務規模減少主要由於管理層相信媒體、娛樂及相關業務將是本集團的主要增長動力，故調撥了更多資源於該等業務上。

財務回顧

業績回顧

回顧期內，本集團錄得收益港幣84,988,000元（二零一七年六月三十日：港幣107,000元），較去年同期之收益增加793倍，有關收益主要來自本集團參與投資的電影《後來的我們》，毛利為港幣14,914,000元（二零一七年六月三十日：港幣70,000元），較去年同期之毛利增加212倍。

本公司擁有人應佔虧損為港幣111,608,000元（二零一七年六月三十日：港幣35,510,000元）。虧損增加主要由於確認以股份為基礎之付款（因於二零一八年四月二十七日授出購股權）為港幣65,469,000元（二零一七年六月三十日：無）、匯兌虧損為港幣9,492,000元（二零一七年六月三十日：港幣3,179,000元）以及電影及電視劇版權之攤銷為港幣12,278,000元（二零一七年六月三十日：無）。

不包括確認以股份為基礎之付款港幣65,469,000元（二零一七年六月三十日：無）（非現金項目）以及匯兌虧損港幣9,492,000元（二零一七年六月三十日：港幣3,179,000元），截至二零一八年六月三十日止六個月，本公司擁有人應佔虧損約為港幣36,647,000元（二零一七年六月三十日：港幣32,331,000元），虧損較去年同期增加約13.35%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

For the six months ended 30 June 2018, loss per share of the Group amounted to HK\$0.04 (30 June 2017: HK\$0.01) and net asset value per share attributable to the owners of the Company was HK\$0.27 (31 December 2017: HK\$0.29).

截至二零一八年六月三十日止六個月，本集團之每股虧損為港幣0.04元（二零一七年六月三十日：港幣0.01元）和本公司擁有人應佔每股資產淨值為港幣0.27元（二零一七年十二月三十一日：港幣0.29元）。

LIQUIDITY AND FINANCIAL RESOURCES

The Group's capital expenditure, daily operations and investments are mainly funded by cash generated from its operations and borrowings. As at 30 June 2018, the Group had net current assets of HK\$299,393,000 (31 December 2017: HK\$329,083,000), with bank balances and cash of HK\$51,622,000 (31 December 2017: HK\$39,169,000). As at 30 June 2018, the total equity of the Company amounted to HK\$738,097,000 (31 December 2017: HK\$792,167,000) with total borrowings of HK\$273,455,000 (31 December 2017: HK\$197,500,000). The Group's gearing ratio, expressed as the percentage of total borrowings over total capital, was 0.27 (31 December 2017: 0.20) as at 30 June 2018. Total capital is calculated as total equity plus total borrowings.

流動資金及財務來源

本集團的資本支出、日常營運及投資資金主要來自其營運產生的現金及借款。於二零一八年六月三十日，本集團的流動資產淨值為港幣299,393,000元（二零一七年十二月三十一日：港幣329,083,000元），銀行結餘及現金為港幣51,622,000元（二零一七年十二月三十一日：港幣39,169,000元）。於二零一八年六月三十日，本公司權益總額為港幣738,097,000元（二零一七年十二月三十一日：港幣792,167,000元），借貸總額為港幣273,455,000元（二零一七年十二月三十一日：港幣197,500,000元）。於二零一八年六月三十日，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0.27（二零一七年十二月三十一日：0.20）。資本總額按權益總額加借貸總額計算。

CAPITAL STRUCTURE

As at 30 June 2018, the Company had 2,768,055,408 ordinary shares of HK\$0.01 each in issue.

資本架構

於二零一八年六月三十日，本公司有2,768,055,408股每股面值港幣0.01元的已發行普通股股份。

CHARGES ON ASSETS

As at 30 June 2018, the Group did not have any charges on assets (31 December 2017: nil).

抵押資產

於二零一八年六月三十日，本集團並無任何抵押資產（二零一七年十二月三十一日：無）。

EXPOSURE TO EXCHANGE RATE

The Group's cash flow from operation, cash on hand and assets are denominated mainly in Hong Kong dollars, US dollars and Renminbi. Presently, the Group does not have any currency hedging policy, but it will closely monitor the changes of the Renminbi exchange rate and will strive to mitigate the impact of currency fluctuation on the Group's financial position as well as seek to minimise any adverse impact on financial risk.

匯率風險

本集團所經營業務之現金流、持有的現金及資產主要以港幣、美元及人民幣計值。本集團目前並無任何貨幣對沖政策，本集團一直緊密注意人民幣匯率的波動及變化，並致力緩和匯率波動對本集團整體財務狀況的影響以及盡量減低對財務風險的不利影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

RISK MANAGEMENT

During the period under review, the Group regularly reviewed the risk and credit control systems of its profit centers in order to improve the overall controlling system and mitigate credit risk. This also ensures that the Group is capable of effectively conducting business operations and facilitates further development. There have been no significant changes in the Group's risk management policy since 31 December 2017.

CONTINGENT LIABILITIES

As at 30 June 2018, the Group had no significant contingent liabilities (31 December 2017: nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2018, the Group had 73 employees (31 December 2017: 73) and 1 agent (31 December 2017: 1). Employees are remunerated based on their positions, capability and work performance as well as industry trends. The Group evaluates the performance of employees regularly, and employees' remunerations and promotions are based on the evaluation results.

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the plans are held separately from those of the Group in funds under the control of trustees. The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit plan operated by the government of the PRC. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

風險管理

回顧期內，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，以確保本集團有能力有效開展營運及拓展業務。自二零一七年十二月三十一日後，本集團的風險管理政策並無重大的變動。

或然負債

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

僱員及薪酬政策

於二零一八年六月三十日，本集團僱用73名僱員(二零一七年十二月三十一日：73名)及1名代理(二零一七年十二月三十一日：1名)。僱員的薪酬乃根據其崗位價值、能力及工作表現，並參考市場趨勢而釐定。本集團定期對僱員的工作表現給予評價，並將評價結果與僱員薪酬、職位晉升等掛鉤。

本集團為所有香港合資格僱員安排參與強制性公積金計劃。該計劃之資產與本集團資產分開持有，存放於託管人所控制之基金內。本集團的中國附屬公司之僱員為中國政府運作之國家管理退休福利計劃成員。有關附屬公司須按工資成本的指定比例向該退休福利計劃供款以作為福利所需資金。就該退休福利計劃而言，本集團之唯一責任為作出指定供款。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

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) 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) (formerly known as Beijing Hua Hua Duo Duo Culture Company Limited (北京花朵朵文化有限公司)) (the “Target”) and its subsidiary (北京漢高華網絡科技有限公司) (the Target and its subsidiary collectively the “Target Group”), and the Target’s equity holders who are independent third party individuals in the PRC. The Target Group is principally involved in the movie production and distribution 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 Target Group in order to indirectly engage in the movie production and distribution and provision of internet audio-visual programmes services in the PRC. The Target Group hold 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 consider 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 Target Group will be consolidated into the Group’s financial statements with effect from 19 January 2018 (after the effectiveness of the Contractual Arrangements) as the Target Group are regarded as indirect subsidiaries of the Group under HKFRS 10.

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.

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網絡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與北京歡喜首映文化有限公司(前稱北京花朵朵文化有限公司)(「目標公司」)及其附屬公司北京漢高華網絡科技有限公司(目標公司及其附屬公司統稱為「目標集團」)及目標公司之股權持有人(彼等為中國獨立第三方人士)訂立若干合約安排(「合約安排」)。目標集團主要於中國從事電影製作及發行以及提供網絡視聽節目服務。

透過合約安排，本集團將收取由目標集團產生之經濟利益，並取得對目標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製作及發行以及提供網絡視聽節目服務。目標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，目標集團被視為本集團之間接附屬公司，因此目標集團之財務狀況及經營業績將併入本集團之財務報表，自二零一八年一月十九日(合約安排生效後)起生效。

本集團明白合約安排涉及監管風險。本集團將密切留意中國相關法律、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。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

PROSPECTS

2018 is a prosperous year for film industry of China. China, with total box office receipts in the first quarter exceeding RMB20 billion, overtook North America of the US\$2.89 billion (approximately RMB18.3 billion) in the same period, topping the world for the first time with the highest quarterly box office receipts recorded by a single country. According to statistics of the Film Bureau of the State Administration of Press, Publication, Radio, Film and Television, as at 30 June 2018, total box office receipts of movies released in China amounted to RMB32.031 billion, up by 17.82% year-on-year. And, cinemas admitted a total of 901 million viewers, representing a growth of 15.34% year-on-year. The box office receipts of made-in-China films was RMB18.965 billion, a surge of 80.1% when compared with the last corresponding period, accounting for 59.21% of China's total box office receipts in the first half year, which was indicative of their dominance in China's film market.

Following right after the success of *Us and Them* (後來的我們) which was released in the first half of the year and boasted an impressive box office receipts of more than RMB1.36 billion, the Group released another major production of the year *Dying to Survive* (我不是藥神) at the beginning of the second half year. The film with the Group as investor and producer, and co-produced by Xu Zheng and Ning Hao, starred Xu Zheng, Zhou Yiwei and Wang Chuanjun and others scored 9.7 on the Maoyan movie platform, the highest thus far among local films in the PRC. The film was such a great success as the audience was able to, in laughter and tears, appreciate the resilience of and warmth in life and bring positive energy. The film achieved total box office receipts exceeding RMB3 billion as at the end of July. Revenue recognised from this film will be booked in the second half of this year.

展望

二零一八年乃中國電影的黃金年，今年第一季度中國電影市場錄得超過人民幣200億元票房的佳績，超越北美同期的美金28.9億元票房（折合約人民幣183億元），創下了全球單一國家季度票房最高紀錄，並首次榮登世界榜首。根據國家新聞出版廣電總局電影局的數據顯示，截至二零一八年六月三十日，中國電影的總票房達到人民幣320.31億元，同比增長17.82%；入場總人次高達9.01億，同比增長15.34%。其中，國產影片的票房達到人民幣189.65億元，同比大幅飆升80.1%，佔中國上半年總票房的59.21%，並佔據中國電影市場的主導地位。

緊接上半年上映的《後來的我們》錄得逾人民幣13.6億元票房的理想佳績後，本集團於下半年開始再有震撼全國的年度大片《我不是藥神》上映。該片由本集團作為投資人及出品人、徐崢及寧浩擔任監製、徐崢、周一圍及王傳君等領銜主演，獲得貓眼電影平台9.7分的絕佳成績，刷新內地國產片最高分記錄，該片的成功之道在於讓觀眾能夠在笑與淚中感受到生命的堅韌和溫暖的正能量。截至七月底累計票房已突破人民幣30億元，該電影所錄得的收益將於今年下半年入賬。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In addition, in early July this year, the Group signed a distribution agreement with guaranteed minimum box office receipts of RMB2.8 billion in relation to the film *Crazy Alien* (瘋狂的外星人). The guarantor shall have the exclusive right to distribute the film through cinemas in cities in the mainland and in Hong Kong, Macau and Taiwan, and shall also be responsible for relevant promotion and distribution expenses in the amount of RMB200 million, whereas the Group shall receive a guaranteed minimum distribution income of RMB700 million. And, if the gross box office receipts of the film exceed RMB2.8 billion, the Group would receive an extra 30% from the excess in proportion to the net income of the film. The Group will retain the film's new media broadcasting right in the PRC and overseas and distribution right in other overseas cinemas. Directed by Ning Hao, starring famous comedy actors Huang Bo and Shen Teng, *Crazy Alien* (瘋狂的外星人) is a long-anticipated comedy film of the year and is expected to hit the screen next year during the Chinese New Year. Revenue recognised from the film will be booked in the first half of next year.

Furthermore, several films the Group invested in will be released in the coming one to two years. *Ash Is Purest White* (江湖兒女), a romance movie directed by Jia Zhangke, is scheduled for release nationwide in late September this year. Starring Liao Fan and Zhao Tao, it tells a love story of more than 15 years starting in 2001 in the outskirts of Shanxi province. The film was shortlisted as a contender of the top honour at the 71st Cannes Film Festival in April this year, speaking clearly to the recognition it enjoys in the international movie community. It is expected to become a hot topic of the film-making circle in China after it is released.

Given the rapid development of new media in recent years and the internet drama pay-to-view model becoming more mature, online video users are getting used to taking paying for access to quality video content and services, and the market has seen the online paid user base in the PRC growing rapidly. For the Group, such industry trends present great opportunities. It is thus actively growing the selection of quality films and TV productions on its online film and TV platform "huanxi.com" (歡喜首映). An internet drama series *Sex and Stocks* (股色股香) is expected to be released in 2019. Moreover, the 18-episode drama series will be produced and co-directed for the first time by the Group's shareholder director Wong Kar Wai, and the Group will own the exclusive rights to broadcast and re-sell the production to new media platforms around the world for a period of 10 years after its completion.

另一方面，本集團於今年七月初就《瘋狂的外星人》電影簽訂人民幣28億元之票房保底發行協議，保底方可獨家在中國內地及港澳台地區城市影院發行此部電影，並負責支出人民幣2億元的宣傳及發行費用，而本集團將收取該電影之保底發行收入人民幣7億元；如電影的總票房收入超過人民幣28億元，本集團可進一步就超出的部分收取該電影三成的淨收入，而本集團亦保留了該電影的中國及海外新媒體播放權及其他海外影院的發行權。由寧浩執導，著名喜劇演員黃渤和沈騰領銜主演的《瘋狂的外星人》，為影迷期待的年度喜劇大片，預計將於明年春節上映，該電影所錄得的收益將於明年上半年入賬。

此外，本集團參與投資的多部電影亦將於未來一至兩年陸續上映。其中，由賈樟柯執導的愛情電影《江湖兒女》已定檔在今年九月下旬在全國上映。該片由廖凡及趙濤領銜主演，該片講述了在二零零一年的山西塞外，一對戀人之間橫跨十五年的愛情故事。該片並於今年四月入圍了第71屆戛納電影節主競賽單元，足見此片備受國際電影界推崇，相信上映後將掀起中國電影界全新話題。

由於近年來新媒體發展極為迅速，付費觀賞線上網劇的模式亦日趨成熟，視頻用戶將付費機制以獲取優質視頻內容和服務視為新常態，令中國線上付款用戶基數快速擴大。此等行業轉變趨勢對本集團而言都是絕佳的機遇。本集團正積極為旗下在線影視平台「歡喜首映」注入更多高質素的影視作品。其中，網絡系列影視劇《股色股香》有望於二零一九年和觀眾見面。而由本集團股東導演王家衛首次監製和聯合導演的18集網絡系列影視劇將會開始製作，在完成製作後，本集團將於未來十年享有該網絡系列影視劇在全球新媒體平台的獨家播放權及轉售權。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

At the same time, to promote and expand development of its new media online film and TV platform, the Group announced in July this year its cooperation with the leading internet and entertainment platform Maoyan, to develop new media business. At present, the Group is finalising the agreement involving subscription by Maoyan at approximately HK\$950 million for shares of the Company equivalent to approximately 15.00% of the issued share capital of the Company as enlarged by the subscription shares. In addition, Maoyan will be granted investment right and exclusive promotion and distribution rights to the Group's films and TV/internet drama series projects and, for the Company, it may take full advantage of Maoyan's strengths in promotion and distribution. More importantly, via Maoyan's website and APP, which have high user base and traffic, users can access the Group's new media video content and services. Maoyan will also provide internet resources and technological support to the Group to help it operate and grow its new media video content and services business. The cooperation is expected to give the Group's new media online video platform "huanxi.com" (歡喜首映) the strength to achieve rapid development.

The Group firmly believes possessing quality film content and productions is critical to its success and that outstanding directors and creative teams are the deciding factor of the artistic merits and commercial value of films. Thus, the Group is dedicated to investing in and producing works of high artistic excellence and box office receipts. The Group will begin to reap harvest and expects to release a number of film and TV productions of the Group from next year onward, which will enable it to generate high returns to shareholders.

與此同時，為進一步推廣及擴大本集團新媒體在線影視平台的發展，本集團於今年七月宣佈牽手中國領先的互聯網及泛娛樂平台—貓眼，攜手開拓新媒體業務的發展。本集團目前正落實貓眼出資約港幣9.5億元認購本公司經認購股份擴大後已發行股本約15.00%股份；另外，本集團的電影和電視劇／網劇項目將給予貓眼投資權及獨家宣發權，以充份利用貓眼的宣發能力；更重要的是將在貓眼的網站及APP內，利用其用戶基數及流量，為本集團的新媒體影視內容和服務提供服務入口；並同時提供互聯網資源及技術支援，協助本集團的新媒體影視內容和服務業務的運營和拓展，相信將有助大力推動本集團的新媒體在線影視平台「歡喜首映」迅速發展。

本集團一直堅信擁有優質電影內容及作品是成功的關鍵，而傑出的導演及創作團隊則是決定電影藝術造詣與商業價值的核心因素，兼具藝術水準與票房收入是本集團投資及出品的目標。本集團將踏入收成期，預計從明年開始本集團的影視作品將會陸續上映，為股東創造高價值之回報。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE REPORT

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") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") throughout the six months ended 30 June 2018, except that pursuant to Code A.6.7 of the CG Code, independent non-executive Directors and non-executive Directors should attend general meetings of the Company. Mr. Li Xiaolong (independent non-executive Director), was unable to attend the annual general meeting of the Company held on 29 June 2018 due to his other engagement.

CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding the Directors' securities transactions. Having made specific enquiries, all Directors confirmed that they have fully complied with the Model Code throughout the review period.

BOARD COMPOSITION

As at the date of this report, the Board comprises seven Directors, with two executive Directors, two non-executive Directors and three independent non-executive Directors. All the Directors are high caliber executives with diversified industry expertise and bring a wide range of skills and experience to the Group.

CHANGE IN INFORMATION OF DIRECTORS

On 15 August 2018, Mr. Gao Zhikai has resigned as a non-executive director of the Company and ceased to be a member of the audit committee of the Company. Mr. Li Xiaolong, an independent non-executive director of the Company, has been appointed as a member of the audit committee of the Company on 15 August 2018.

Save for the above, there is no change in Directors' information since 1 January 2018, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

企業管治守則及企業管治報告

截至二零一八年六月三十日止六個月整個期間，本公司已應用香港聯合交易所有限公司（「聯交所」）證券上市規則（「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，並遵守當中之守則條文，惟下列情況除外：根據企管守則第A.6.7條，獨立非執行董事及非執行董事須出席本公司股東大會。李小龍先生（獨立非執行董事）因彼之其他事務未能出席本公司於二零一八年六月二十九日舉行之股東週年大會。

證券交易守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事進行證券交易之行為守則。經特定查詢，全體董事均確認於整個回顧期間完全遵守標準守則。

董事會組成

於本報告日期，董事會現由七名董事（兩名執行董事、兩名非執行董事及三名獨立非執行董事）組成。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。

董事資料變動

於二零一八年八月十五日，高志凱先生已辭任本公司非執行董事，並不再擔任本公司審核委員會成員。於二零一八年八月十五日，本公司獨立非執行董事李小龍先生獲委任為本公司審核委員會成員。

除上述者外，自二零一八年一月一日以來，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。

OTHER INFORMATION

其他資料

INTERIM DIVIDEND

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

DIRECTORS' INTERESTS IN SECURITIES

As at 30 June 2018, 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 Securities and Futures Ordinance (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 under the Listing Rules, or known to the Company, were as follows:

LONG POSITIONS IN THE ORDINARY SHARES OF HK\$0.01 EACH OF THE COMPANY (THE "SHARES") AND THE UNDERLYING SHARES

中期股息

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

董事之證券權益

於二零一八年六月三十日，本公司各董事及行政總裁所持本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證之權益及淡倉中，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：

本公司每股面值港幣0.01元之普通股(「股份」)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	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		
Mr. Dong Ping (Note 1) 董平先生(附註1)	1,431,304,354	4,490,000	2,700,000	51.97%
Mr. Ning Hao (Note 2) 寧浩先生(附註2)	1,431,304,354	4,490,000	2,700,000	51.97%
Mr. Xu Zheng (Note 3) 徐崢先生(附註3)	1,431,304,354	4,490,000	2,700,000	51.97%
Mr. Xiang Shaokun, Steven (Note 4) 項紹琨先生(附註4)	—	—	27,000,000	0.98%
Mr. Gao Zhikai (Note 5) 高志凱先生(附註5)	46,171,108	—	—	1.67%
Mr. Li Xiaolong (Note 6) 李小龍先生(附註6)	8,850,000	—	—	0.32%

OTHER INFORMATION

其他資料

Notes:

1. These Shares include Shares held by Newwood Investments Limited (“Newwood”) as to 461,711,082 Shares and Numerous Joy Limited (“Numerous Joy”) as to 92,342,216 Shares, both of which are companies incorporated in the British Virgin Islands with limited liability and ultimately wholly owned by Mr. Dong Ping. Mr. Dong Ping also personally holds 4,490,000 Shares and 2,700,000 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 Ping, Newwood, Pacific Wits Limited (“Pacific Wits”), Mr. Ning Hao, Tairong Holdings Limited (“Tairong”) and Mr. Xu Zheng 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 Ping and Newwood are parties to the Shareholders Agreement, Mr. Dong Ping is therefore deemed to be interested in all the Shares in which Newwood, Pacific Wits and Tairong are interested by virtue of section 317 of the SFO and Newwood is therefore deemed to be interested in all the Shares in which Mr. Dong Ping, Pacific Wits and Tairong are interested by virtue of section 317 of the SFO.
2. These Shares include 438,625,528 Shares held by Pacific Wits, which is a company incorporated in the British Virgin Islands with limited liability and ultimately wholly owned by Mr. Ning Hao. Mr. Ning Hao and Pacific Wits are parties to the Shareholders Agreement, and are therefore deemed to be interested in all the Shares in which Mr. Dong Ping, Newwood and Tairong are interested by virtue of section 317 of the SFO.
3. These Shares include 438,625,528 Shares held by Tairong, which is a company incorporated in the British Virgin Islands with limited liability and ultimately wholly owned by Mr. Xu Zheng. Mr. Xu Zheng and Tairong are parties to the Shareholders Agreement, and are therefore deemed to be interested in all the Shares in which Mr. Dong Ping, Newwood and Pacific Wits are interested by virtue of section 317 of the SFO.
4. These underlying Shares are 27,000,000 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 Dayunmony Investment Corporation, which is a company incorporated in the British Virgin Islands with limited liability and ultimately wholly owned by Mr. Gao Zhikai. Mr. Gao Zhikai resigned as a non-executive director of the Company on 15 August 2018.
6. 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.

附註：

1. 該等股份包括由Newwood Investments Limited (「Newwood」) 及多樂有限公司 (「多樂」) (均為於英屬處女群島註冊成立之有限公司，由董平先生最終全資擁有) 分別持有的461,711,082股股份及92,342,216股股份。董平先生亦個人持有4,490,000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份本公司購股權。於二零一五年四月十四日，董平先生、Newwood、泰穎有限公司 (「泰穎」)、寧浩先生、泰嶸控股有限公司 (「泰嶸」) 及徐崢先生訂立股東協議 (「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，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。由於董平先生及Newwood為股東協議之訂約方，故根據證券及期貨條例第317條，董平先生被視作於Newwood、泰穎及泰嶸擁有權益的全部股份中擁有權益，而根據證券及期貨條例第317條，Newwood被視作於董平先生、泰穎及泰嶸擁有權益的全部股份中擁有權益。
2. 該等股份包括由泰穎 (於英屬處女群島註冊成立之有限公司，由寧浩先生最終全資擁有) 持有之438,625,528股股份。寧浩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，彼等將視作於董平先生、Newwood及泰嶸擁有權益的全部股份中擁有權益。
3. 該等股份包括由泰嶸 (於英屬處女群島註冊成立之有限公司，由徐崢先生最終全資擁有) 持有之438,625,528股股份。徐崢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，彼等將視作於董平先生、Newwood及泰穎擁有權益的全部股份中擁有權益。
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琨先生授出之27,000,000份本公司購股權。
5. 該等股份由Dayunmony Investment Corporation (於英屬處女群島註冊成立之有限公司，由高志凱先生最終全資擁有) 持有。高志凱先生於二零一八年八月十五日辭任本公司非執行董事。
6. 該等股份由Panfaith Investments Limited (於英屬處女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。

OTHER INFORMATION

其他資料

Save as disclosed above, as at 30 June 2018, 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 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.

除上文披露者外，於二零一八年六月三十日，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。

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2018, save as disclosed under the section "Directors' Interests in Securities" in this interim 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

於二零一八年六月三十日，除本中期報告之「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	Capacity	Number of Ordinary Shares/ underlying Shares held 持有普通股／ 相關股份數目	Approximate percentage of shareholding 股權概約 百分比
股東名稱	身份		
Newwood Investments Limited ("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	1,438,494,354 (Notes 1 to 2) (附註1至2)	51.97%
Numerous Joy Limited ("Numerous Joy") 多樂有限公司(「多樂」)	Beneficial owner 實益擁有人	92,342,216 (Notes 1 & 3) (附註1及3)	3.34%
Dong Ping ("Mr. Dong") 董平(「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	1,438,494,354 (Notes 1 to 3) (附註1至3)	51.97%

OTHER INFORMATION

其他資料

Name of shareholders	Capacity	Number of Ordinary Shares/ underlying Shares held	Approximate percentage of shareholding
股東名稱	身份	持有普通股／ 相關股份數目	股權概約 百分比
Pacific Wits Limited (“Pacific Wits”) 泰穎有限公司(「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	1,438,494,354 (Notes 1, 2 & 4) (附註1、2及4)	51.97%
Ning Hao (“Mr. Ning”) 寧浩(「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	1,438,494,354 (Notes 1, 2 & 4) (附註1、2及4)	51.97%
Tairong Holdings Limited (“Tairong”) 泰嶸控股有限公司(「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	1,438,494,354 (Notes 1, 2 & 5) (附註1、2及5)	51.97%
Xu Zheng (“Mr. Xu”) 徐崢(「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	1,438,494,354 (Notes 1, 2 & 5) (附註1、2及5)	51.97%
Zhang Xiaoling 張曉陵	Beneficial owner 實益擁有人	140,000,000	5.06%

OTHER INFORMATION

其他資料

Notes:

1. On 14 April 2015, the Company and nine subscribers, namely Newwood, Numerous Joy, Pacific Wits, Tairong, Wise Dragon International Limited, Gold Shine Investment Company Limited, Dayunmony Investment Corporation, Concept Best Limited and Reorient Global Limited (the "Subscribers") entered into a subscription agreement (the "Subscription Agreement"), pursuant to which the Company has conditionally agreed to allot and issue, and the Subscribers have conditionally agreed to subscribe for, a total of 1,701,416,556 new Shares (the "Subscription Shares") at a subscription price of HK\$0.4 per Share (the "Subscription"). Details in relation to the Subscription are set out in the Company's circular dated 5 August 2015. The Subscription had been approved by the independent shareholders of the Company at the Company's special general meeting held on 28 August 2015 and the Subscription Shares were allotted to the Subscribers on 2 September 2015.
2. 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. Newwood is therefore deemed to be interested in all the Shares in which Mr. Dong, Pacific Wits and Tairong are interested by virtue of section 317 of the SFO.
3. Newwood and Numerous Joy are wholly owned by Mr. Dong. Pursuant to the Subscription Agreement, Newwood and Numerous Joy subscribed for 461,711,082 and 92,342,216 new Shares respectively upon completion of the Subscription. Mr. Dong also held 4,490,000 Shares and 2,700,000 share options of the Company granted on 27 April 2018 pursuant to the Company's share option scheme adopted on 17 June 2014. Mr. Dong is also a party to the Shareholders Agreement, is therefore deemed to be interested in all the Shares in which Newwood, Pacific Wits and Tairong are interested by virtue of section 317 of the SFO.
4. Pacific Wits is wholly owned by Mr. Ning. Pursuant to the Subscription Agreement, Pacific Wits subscribed for 438,625,528 new Shares upon completion of the Subscription. Mr. Ning and Pacific Wits are also the parties to the Shareholders Agreement, are therefore deemed to be interested in all the Shares in which Mr. Dong, Newwood and Tairong are interested by virtue of section 317 of the SFO.
5. Tairong is wholly owned by Mr. Xu. Pursuant to the Subscription Agreement, Tairong subscribed for 438,625,528 new Shares upon completion of the Subscription. Mr. Xu and Tairong are also the parties to the Shareholder Agreement, are therefore deemed to be interested in all the Shares in which Mr. Dong, Newwood and Pacific Wits are interested by virtue of section 317 of the SFO.

Save as disclosed above, as at 30 June 2018, 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. 二零一五年四月十四日，本公司與九名認購方（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，統稱為「認購方」）訂立認購協議（「認購協議」），據此，本公司有條件同意配發及發行，而認購方則有條件同意認購合共1,701,416,556股新股份（「認購股份」），每股股份之認購價為港幣0.4元（「認購事項」）。有關認購事項的詳情載於本公司日期為二零一五年八月五日的通函。認購事項已於二零一五年八月二十八日本公司舉行的股東特別大會上經本公司獨立股東批准，而認購股份已於二零一五年九月二日配發予認購方。
2. 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」）。該協議列明認購事項完成後協議各方就本公司管治的若干權利及責任。因此，根據證券及期貨條例第317條，Newwood被視作於董先生、泰穎及泰嶸所持的全部股份中擁有權益。
3. Newwood及多樂由董先生全資擁有。根據認購協議，認購事項完成後，Newwood及多樂分別認購461,711,082股及92,342,216股新股份。董先生亦持有4,490,000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而於二零一八年四月二十七日獲授之2,700,000份本公司購股權。董先生亦為股東協議的訂約方，因此，根據證券及期貨條例第317條，董先生被視作於Newwood、泰穎及泰嶸所持的全部股份中擁有權益。
4. 泰穎由寧先生全資擁有。根據認購協議，認購事項完成後，泰穎認購438,625,528股新股份。寧先生及泰穎亦為股東協議的訂約方，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及泰嶸所持的全部股份中擁有權益。
5. 泰嶸由徐先生全資擁有。根據認購協議，認購事項完成後，泰嶸認購438,625,528股新股份。徐先生及泰嶸亦為股東協議的訂約方，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及泰穎所持的全部股份中擁有權益。

除上文所披露者外，於二零一八年六月三十日，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。

OTHER INFORMATION 其他資料

SHARE OPTION SCHEME

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 "2014 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 interim 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 2014 Share Option Scheme and no share options were exercised, cancelled or lapsed during the period ended 30 June 2018. As at 30 June 2018, the Company has 130,700,000 options outstanding which represented approximately 4.72% 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 period ended 30 June 2018:

Participants	Date of grant	Outstanding at the beginning of the period	Granted during the period	Exercised during the period	Lapsed/ cancelled during the period	Outstanding at the end of the period	Exercise price per share (HK\$)
參與者	授出日期	期初尚未行使	期內授出	期內行使	期內失效/註銷	期末尚未行使	每股行使價 (港幣元)
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	

購股權計劃

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（「二零一四年購股權計劃」）。該購股權計劃之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。於本中期報告日期，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，根據該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，本公司根據二零一四年購股權計劃授出130,700,000份購股權，且截至二零一八年六月三十日止期間並無購股權獲行使、註銷或失效。於二零一八年六月三十日，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4.72%。

下表披露截至二零一八年六月三十日止期間本公司之購股權變動：

OTHER INFORMATION

其他資料

Notes:

1. The share options are exercisable as follows:

Exercise criteria

行使標準

(Commencing from the date of the grantee's commencement of employment)
(承授人開始受聘於本集團之日計起)

- (i) On completion of the continuous employment of the grantee with the Group for 1 year
承授人持續受聘於本集團滿一年
- (ii) On completion of the continuous employment of the grantee with the Group for 2 years
承授人持續受聘於本集團滿兩年
- (iii) On completion of the continuous employment of the grantee with the Group for 3 years
承授人持續受聘於本集團滿三年

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 2014 Share Option Scheme and certain vesting conditions applicable to the relevant grantee(s).

附註：

1. 購股權可按以下各項予以行使：

Number of share options can be exercised 可予行使之購股權數目

Up to one-third of the share options granted

最多為已授出購股權之三分之一

Up to two-thirds of the share options granted

最多為已授出購股權之三分之二

Up to all of the share options granted

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)，惟受二零一四年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。

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

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

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2018. The committee is satisfied with the review and the Board is also satisfied with the committee's report.

By Order of the Board
Dong Ping
Chairman

Hong Kong, 29 August 2018

購買、出售或贖回本公司之上市證券

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

審閱中期業績

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，以及本集團截至二零一八年六月三十日止六個月之未經審核簡明綜合財務報表。委員會對審閱表示滿意，而董事會亦對委員會之報告表示滿意。

承董事會命
主席
董平

香港，二零一八年八月二十九日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 港幣千元 (Unaudited) (未經審核)
		NOTES 附註	
Revenue	收益	3	107
Cost of sales and service rendered	銷售及提供服務成本		(37)
Gross profit	毛利		70
Other income	其他收入	4	3,306
Other gains and losses	其他收益及虧損	5	2,602
Selling and distribution costs	銷售及分銷成本		(303)
Administrative expenses	行政開支		(41,185)
Share-based payments	以股份為基礎之付款		-
Finance costs	財務費用		-
Loss before tax	除稅前虧損		(35,510)
Income tax expense	所得稅開支	6	-
Loss for the period	本期虧損	7	(35,510)
Other comprehensive (expense) income for the period	本期其他全面(開支)收益		
<i>Item that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益之項目:</i>		
Exchange difference arising on translation of functional currency to presentation currency	將功能貨幣換算為呈報貨幣產生之匯兌差額		25,179
Total comprehensive expense for the period	本期全面開支總額		(10,331)
Loss for the period attributable to owners of the Company	本公司擁有人應佔本期虧損		(35,510)
Total comprehensive expense for the period attributable to owners of the Company	本公司擁有人應佔本期全面開支總額		(10,331)
Loss per share	每股虧損		
- Basic (HK dollar)	- 基本(港幣)	9	(0.01)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況報表

At 30 June 2018 於二零一八年六月三十日

			30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
		NOTES 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	8,075	5,917
Intangible assets	無形資產	11	19,781	21,017
Rental deposits	租賃按金		5,463	5,490
Prepayment for film and TV rights	電影及電視劇版權預付款	12	384,764	407,917
Film and TV rights	電影及電視劇版權	13	20,621	22,743
			438,704	463,084
CURRENT ASSETS	流動資產			
Film and TV rights	電影及電視劇版權	13	487,841	491,090
Trade and other receivables, deposits and prepayments	應收賬款及其他應收款項、按金及預付款	14	128,972	53,184
Bank balances and cash	銀行結餘及現金		51,622	39,169
			668,435	583,443
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付賬款及其他應付款項	15	89,200	54,084
Amount due to a related party	應付一名關連人士款項	16	153,795	120,000
Borrowings	借款	17	119,660	77,500
Tax payable	應付稅項		6,387	2,776
			369,042	254,360
NET CURRENT ASSETS	流動資產淨值		299,393	329,083
NET ASSETS	資產淨值		738,097	792,167
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	18	27,681	27,681
Reserves	儲備		710,416	764,486
TOTAL EQUITY	權益總額		738,097	792,167

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Share capital	Share premium	Capital reserve	Contributed surplus	Share-based payment reserve	Translation reserve	Accumulated losses	Total
		股本	股份溢價	資本儲備	實繳盈餘	股份付款儲備	匯兌儲備	累計虧損	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2017 (audited)	於二零一七年一月一日 (經審核)	27,681	1,974,993	2,099	199,168	-	(3,039)	(1,373,991)	826,911
Loss for the period	本期虧損	-	-	-	-	-	-	(35,510)	(35,510)
Other comprehensive income for the period	本期其他全面收益	-	-	-	-	-	25,179	-	25,179
Total comprehensive income (expense) for the period	本期全面收益(開支)總額	-	-	-	-	-	25,179	(35,510)	(10,331)
At 30 June 2017 (unaudited)	於二零一七年六月三十日 (未經審核)	27,681	1,974,993	2,099	199,168	-	22,140	(1,409,501)	816,580
At 1 January 2018 (audited)	於二零一八年一月一日 (經審核)	27,681	1,974,993	2,099	199,168	-	57,376	(1,469,150)	792,167
Loss for the period	本期虧損	-	-	-	-	-	-	(111,608)	(111,608)
Other comprehensive expense for the period	本期其他全面開支	-	-	-	-	-	(7,931)	-	(7,931)
Total comprehensive expense for the period	本期全面開支總額	-	-	-	-	-	(7,931)	(111,608)	(119,539)
Issue of share options	發行購股權	-	-	-	-	65,469	-	-	65,469
At 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	27,681	1,974,993	2,099	199,168	65,469	49,445	(1,580,758)	738,097

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 港幣千元 (Unaudited) (未經審核)
OPERATING ACTIVITIES	經營活動		
Net cash used in operating activities	經營活動所耗用之現金淨額	(70,656)	(216,061)
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	573	125
Other investing cash flows	其他投資現金流量	48	(6,113)
Net cash from (used in) investing activities	投資活動所產生(耗用)之現金淨額	621	(5,988)
FINANCING ACTIVITIES	融資活動		
Advance from a related party	來自一名關連人士之墊款	36,696	20,000
New borrowings raised	新籌集貸款	44,787	–
Cash from financing activities	融資活動所產生之現金	81,483	20,000
Net increase (decrease) in cash and cash equivalents	現金及現金等值之增加(減少)淨額	11,448	(202,049)
Cash and cash equivalents at beginning of the period	期初之現金及現金等值	39,169	309,062
Effect of foreign exchange rate changes	外匯匯率變動之影響	1,005	5,724
Cash and cash equivalents at end of the period, represented by bank balances and cash	期末之現金及現金等值，指銀行結餘及現金	51,622	112,737

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

1. BASIS OF PREPARATION

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

The condensed consolidated financial statements have not been audited by the Company’s auditors, but have been reviewed by the audit committee of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2018 are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2017.

1. 編製基準

簡明綜合財務報表已根據香港會計師公會（「香港會計師公會」）所頒佈香港會計準則第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十六所載之適用披露規定編製。

本公司核數師尚未對簡明綜合財務報表進行審核，惟本公司之審核委員會已審閱該等報表。

2. 主要會計政策

除若干金融工具按公平值計量（倘適用）外，簡明綜合財務報表乃根據歷史成本基準編製。

除應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂所引致會計政策變動外，截至二零一八年六月三十日止六個月之簡明綜合財務報表內所採用之會計政策及計算方法與編製本集團截至二零一七年十二月三十一日止年度之全年綜合財務報表時所採納者一致。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatorily effective for the annual period beginning on or after 1 January 2018 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 “Financial Instruments” with HKFRS 4 “Insurance Contracts”
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

The new and amendments to HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which result in changes in accounting policies, amounts reported and/or disclosures as described below.

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則

於本中期期間，本集團已首次應用下列由香港會計師公會頒佈之新訂及經修訂香港財務報告準則，就編製本集團簡明綜合財務報表而言，有關準則及修訂本於二零一八年一月一日或之後開始之年度期間強制生效：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合同收入及相關修訂
香港(國際財務報告詮釋委員會) – 詮釋第22號	外幣交易及預付代價
香港財務報告準則第2號(修訂本)	以股份為基礎之付款交易的分類及計量
香港財務報告準則第4號(修訂本)	應用香港財務報告準則第4號「保險合約」時一併應用香港財務報告準則第9號「金融工具」
香港會計準則第28號(修訂本)	作為香港財務報告準則二零一四年至二零一六年週期之年度改進之一部分
香港會計準則第40號(修訂本)	轉讓投資物業

新訂及經修訂香港財務報告準則乃按照各自準則及修訂本內之相關過渡條文應用，導致下文所述會計政策、呈報金額及／或披露事項變動。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

(a) Impacts and changes in accounting policies of application on HKFRS 15 "Revenue from Contracts with Customers"

The Group has applied HKFRS 15 for the first time in the current interim period. HKFRS 15 superseded HKAS 18 "Revenue", HKAS 11 "Construction Contracts" and the related interpretations.

The Group recognises revenue from the following major sources:

- Investments in film and TV rights
- Property agency
- Securities trading and investments

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

Key changes in accounting policies resulting from application of HKFRS 15

HKFRS 15 introduces a 5-step approach when recognising revenue:

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

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則 (續)

(a) 應用香港財務報告準則第15號「客戶合同收入」之會計政策之影響及變動

於本中期期間，本集團已首次應用香港財務報告準則第15號。香港財務報告準則第15號已取代香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關的詮釋。

本集團確認以下主要來源的收益：

- 電影及電視劇版權投資
- 物業代理
- 證券買賣及投資

本集團已追溯應用香港財務報告準則第15號，而初始應用該準則的累計影響於初始應用日期二零一八年一月一日確認。初始應用日期的任何差額於期初累計虧損中確認，及並無重列比較資料。

應用香港財務報告準則第15號導致會計政策的重大變動

香港財務報告準則第15號引入確認收益之五個步驟：

- 第1步：識別與客戶訂立之合同
- 第2步：識別合同中之履約責任
- 第3步：釐定交易價格
- 第4步：將交易價格分配至合同之履約責任
- 第5步：於本集團完成履約責任時(或就此)確認收益

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSS (Continued)

(a) Impacts and changes in accounting policies of application on HKFRS 15 "Revenue from Contracts with Customers" (Continued)

Key changes in accounting policies resulting from application of HKFRS 15 (Continued)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance 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.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or services.

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則 (續)

(a) 應用香港財務報告準則第15號「客戶合同收入」之會計政策之影響及變動 (續)

應用香港財務報告準則第15號導致會計政策的重大變動 (續)

根據香港財務報告準則第15號，於本集團完成履約責任時（或就此）確認收益，即當與特定的履約責任相關的貨品或服務的「控制權」轉移予客戶時。

履約責任指一項明確貨品及服務（或一批貨品或服務）或一系列大致相同的明確貨品或服務。

控制權隨時間轉移，而倘符合以下其中一項標準，則收益乃參照完成相關履約責任的進度按時間確認：

- 客戶於本集團履約時同時取得並耗用本集團履約所提供的利益；
- 本集團的履約創建及增加客戶於本集團履約時控制的資產；或
- 本集團的履約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。

否則，收益於客戶獲得明確貨品或服務的控制權時某一時點確認。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

(a) *Impacts and changes in accounting policies of application on HKFRS 15 "Revenue from Contracts with Customers"* (Continued)

Variable consideration

For contracts that contain variable consideration from investment in film and TV rights, the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount, depending on which method better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

Summary of effects arising from initial application of HKFRS 15

The revenue of the Group is recognised at a point of time. The application of HKFRS 15 does not have significant impact on the amounts reported in the condensed consolidated financial statements.

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則 (續)

(a) 應用香港財務報告準則第15號「客戶合同收入」之會計政策之影響及變動 (續)

可變代價

對於包含電影及電視劇版權投資可變代價的合約，本集團使用(a)預期價值法或(b)最可能的金額估計其有權收取的代價金額，具體取決於何種方法可更好地預測本集團有權收取的代價金額。

僅當與可變代價相關的不確定性於其後消除，致使有關金額計入很大可能不會導致日後出現重大收益撥回時，可變代價的估計金額方會計入交易價格。

於各報告期末，本集團更新估計交易價格(包括更新其對可變代價估計是否受限的評估)，以真實反映報告期末的情況及報告期內的情況變動。

初始應用香港財務報告準則第15號之影響概述

本集團之收益於某一時間點確認。應用香港財務報告準則第15號並無對簡明綜合財務報表內呈報金額產生重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSS (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments”

In the current period, the Group has applied HKFRS 9 “Financial Instruments” and the related consequential amendments to other HKFRSS. HKFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities, (2) expected credit losses (“ECL”) for financial assets and (3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening accumulated losses and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 “Financial Instruments: Recognition and Measurement”.

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則 (續)

(b) 應用香港財務報告準則第9號「金融工具」之會計政策之影響及變動

於本期間，本集團已應用香港財務報告準則第9號「金融工具」及其他香港財務報告準則相關的相應修訂。香港財務報告準則第9號引入(1)金融資產及金融負債的分類及計量，(2)金融資產的預期信貸虧損(「預期信貸虧損」)及(3)一般對沖會計的新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對二零一八年一月一日(首次應用日期)尚未取消確認的工具追溯應用分類及計量規定(包括減值)，而並無對已於二零一八年一月一日取消確認的工具應用有關規定。二零一七年十二月三十一日之賬面值與二零一八年一月一日之賬面值之間的差額於期初累計虧損及其他權益部分中確認，而並無重列比較資料。

因此，若干比較資料未必與根據香港會計準則第39號「金融工具：確認及計量」編製之比較資料相若。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments” (Continued)

*Key changes in accounting policies resulting from
application of HKFRS 9*

Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則 (續)

(b) 應用香港財務報告準則第9號「金融工 具」之會計政策之影響及變動 (續)

*應用香港財務報告準則第9號所導致會
計政策的主要變動*

預期信貸虧損模型項下的減值

本集團就根據香港財務報告準則第9號須予減值的金融資產(包括應收賬款)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新,以反映自首次確認以來信貸風險的變化。

全期預期信貸虧損指相關工具的預計年內所有可能的違約事件將產生的預期信貸虧損。相反,12個月預期信貸虧損指預期於報告日期後12個月內可能發生的違約事件導致的部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗進行,並就債務人特有的因素、一般經濟狀況以及對報告日期的當前狀況及未來狀況預測的評估作出調整。

本集團始終就應收賬款確認全期預期信貸虧損。該等資產的預期信貸虧損乃就具有巨額結餘的債務人個別及/或使用具有合適組別的撥備矩陣進行整體評估。

對於所有其他工具,本集團計量等於12個月預期信貸虧損的虧損撥備,除非自首次確認以來信貸風險大幅增加,則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自首次確認以來發生違約的可能性或風險是否大幅增加。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 "Financial Instruments" (Continued)

Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則 (續)

(b) 應用香港財務報告準則第9號「金融工具」之會計政策之影響及變動 (續)

應用香港財務報告準則第9號所導致會計政策的主要變動 (續)

信貸風險大幅增加

於評估自首次確認以來信貸風險是否大幅增加時，本集團將金融工具於報告日期發生的違約風險與該金融工具於首次確認日期發生的違約風險進行比較。進行此評估時，本集團會考慮合理且有理據的定量及定性資料，包括過往經驗及無需付出過多成本或努力即可獲得的前瞻性資料。

特別是，在評估信貸風險是否大幅增加時會考慮以下資料：

- 金融工具的外部 (如有) 或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標嚴重轉差 (如債務人的信貸息差及信貸違約掉期價格大幅增加)；
- 預計將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變化；
- 債務人經營業績的實際或預期顯著惡化；
- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期的重大不利變化。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

(b) *Impacts and changes in accounting policies of application of HKFRS 9 "Financial Instruments"* (Continued)

*Key changes in accounting policies resulting from
application of HKFRS 9 (Continued)*

Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則 (續)

(b) *應用香港財務報告準則第9號「金融工 具」之會計政策之影響及變動 (續)*

*應用香港財務報告準則第9號所導致會
計政策的主要變動 (續)*

信貸風險大幅增加 (續)

不論上述評估的結果，本集團認為，倘合約付款逾期超過三十天，則自首次確認以來信貸風險已大幅增加，除非本集團有合理且有理據的資料可予證明並非如此。

本集團認為，倘工具逾期超過九十天，則已發生違約，除非本集團有合理且有理據的資料證明更滯後的違約標準屬更合適。

預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約損失率（即倘發生違約的損失程度）及違約風險之函數。違約概率及違約損失率之評估乃基於經前瞻性資料調整之歷史數據作出。

一般而言，預期信貸虧損估計乃根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額，並按首次確認時釐定之實際利率貼現。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSS (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments” (Continued)

Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Measurement and recognition of ECL (Continued)

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

As at 1 January 2018, the directors of the Company reviewed and assessed the Group’s existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. The results of the assessment and the impact thereof are detailed below.

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則 (續)

(b) 應用香港財務報告準則第9號「金融工具」之會計政策之影響及變動 (續)

應用香港財務報告準則第9號所導致會計政策的主要變動 (續)

預期信貸虧損之計量及確認 (續)

利息收入乃根據金融資產之賬面總額計算，除非金融資產發生信貸減值，在此情況下，利息收入則根據金融資產之攤銷成本計算。

本集團通過調整所有金融工具之賬面值於損益中確認該等金融工具之減值盈虧，惟應收賬款透過虧損撥備賬確認相應調整。

於二零一八年一月一日，本公司董事根據香港財務報告準則第9號之規定，使用無需付出過多成本或努力即可獲得之合理且有理據之資料，審閱及評估本集團現有金融資產之減值。評估結果及其影響詳見下文。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

(b) Impacts and changes in accounting policies of application of HKFRS 9 “Financial Instruments” (Continued)

*Summary of effects arising from initial application of
HKFRS 9*

Impairment under ECL model

In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

In the current period, the Group has applied HKFRS 9 simplified approach to measure ECL which uses a lifetime ECL for trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics.

Loss allowance for other financial assets at amortised cost mainly comprise of bank balances, and are measured on 12-month ECL basis and there had been no significant increase in credit risk since initial recognition.

As at 1 January 2018, no additional credit loss allowance has been recognised in the condensed consolidated financial statements.

2. 主要會計政策 (續)

應用新訂及經修訂香港財務報告準則 (續)

(b) 應用香港財務報告準則第9號「金融工 具」之會計政策之影響及變動 (續)

*初始應用香港財務報告準則第9號之影
響概述*

預期信貸虧損模型項下的減值

就金融資產減值而言，與香港會計準則第39號項下按已產生信貸虧損模型計算相反，香港財務報告準則第9號規定按預期信貸虧損模型計算。預期信貸虧損模型規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自首次確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

於本期間，本集團運用應收賬款全期預期信貸虧損，應用香港財務報告準則第9號簡化方式計量預期信貸虧損。應收賬款已根據共同信貸風險的特質分類，以計量預期信貸虧損。

其他按攤銷成本計量金融資產的虧損撥備主要包括銀行結餘，按12個月預期信貸虧損基準計量，且信貸風險自首次確認起並無大幅增加。

於二零一八年一月一日，並無於簡明綜合財務報表確認額外信貸虧損撥備。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

3. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by operating and reportable segments, based on information provided to the chief operating decision maker ("CODM") representing the executive directors of the Company, for the purpose of resource allocation and assessment of segment performance on types of services provided and goods sold. This is also the basis upon which the Group is arranged and organised.

The Group's operations are currently organised into three operating and reportable segments as follows:

Investment in film and TV rights	–	Investment in film and TV rights
Property agency	–	Provision of property agency and related services in Hong Kong
Securities trading and investments	–	Securities trading and investments

3. 分部資料

以下為按經營及可呈報分部而劃分之本集團收益及業績分析，此分析乃基於就資源分配及按所提供服務及所銷售貨品之類別評估分部表現而向主要經營決策者（「主要經營決策者」，即本公司之執行董事）提供之資料。此亦為本集團部署及組織之基礎。

本集團之業務現時分為三個經營及可呈報分部，詳情如下：

電影及電視劇版權投資	–	電影及電視劇版權投資
物業代理	–	於香港提供物業代理及相關服務
證券買賣及投資	–	證券買賣及投資

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

3. SEGMENT INFORMATION (Continued)

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

SEGMENT REVENUE AND RESULTS (UNAUDITED)

3. 分部資料(續)

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：

分部收益及業績(未經審核)

		Investment in film and TV rights 電影及電視劇版權投資		Property agency 物業代理		Securities trading and investments 證券買賣及投資		Consolidated 綜合	
		Six months ended 30 June 截至六月三十日止六個月		Six months ended 30 June 截至六月三十日止六個月		Six months ended 30 June 截至六月三十日止六個月		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 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	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 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
Segment revenue	分部收益								
- External sales net of tax	- 外部銷售(扣除稅項)	84,748	-	240	107	-	-	84,988	107
Segment (loss) profit	分部(虧損)溢利	(12,971)	(8,801)	(399)	(427)	-	4,182	(13,370)	(5,046)
Unallocated corporate income	未分配之企業收入							552	2,042
Unallocated corporate expenses	未分配之企業開支							(41,082)	(32,506)
Unallocated share-based payments	未分配之以股份為基礎付款							(57,708)	-
Loss before tax	除稅前虧損							(111,608)	(35,510)
Other information (included in measure of segment (loss) profit)	其他資料(計入分部(虧損)溢利)								
Gain on change in fair value of investments held for trading	持作買賣投資之公平值變動之收益	-	-	-	-	-	3,747	-	3,747
Other income	其他收入	94	2,667	11	9	-	588	105	3,264
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(951)	(472)	(1)	(3)	-	-	(952)	(475)
Amortisation of intangible assets	無形資產之攤銷	(2,390)	-	-	-	-	-	(2,390)	-
Amortisation of film and TV rights	電影及電視劇版權之攤銷	(12,278)	-	-	-	-	-	(12,278)	-
Share-based payments	以股份為基礎付款	(7,761)	-	-	-	-	-	(7,761)	-
Reversal of impairment loss on trade receivables	撥回應收賬款之減值虧損	-	-	-	34	-	-	-	34

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

3. SEGMENT INFORMATION (Continued)

SEGMENT REVENUE AND RESULTS (UNAUDITED) (Continued)

All of the segment revenue reported above was derived from external customers.

Segment (loss) profit represents the (loss) profit from each segment without allocation of unallocated corporate income (which mainly includes certain bank interest income and certain sundry income), unallocated corporate expenses (which mainly include certain administration expenses, exchange loss and finance costs) and unallocated share-based payments. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

4. OTHER INCOME

3. 分部資料(續)

分部收益及業績(未經審核)(續)

上文呈報之所有分部收益均來自外部客戶。

分部(虧損)溢利指各分部的(虧損)溢利，但並無分配未分配之企業收入(主要包括若干銀行利息收入及若干雜項收入)、未分配之企業開支(主要包括若干行政開支、匯兌虧損及財務費用)及未分配之以股份為基礎付款。此乃為就資源分配及評估表現而向主要經營決策者匯報的計量指標。

4. 其他收入

Six months ended 30 June 截至六月三十日止六個月

		2018 二零一八年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Interest on bank deposits	銀行存款利息	573	125
Dividend income	股息收入	-	588
Government grant	政府補助	-	2,584
Sundry income	雜項收入	84	9
		657	3,306

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

5. OTHER GAINS AND LOSSES

5. 其他收益及虧損

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Exchange loss, net	匯兌虧損，淨額	(9,492)	(3,179)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(2)	-
Gain on change in fair value of investments held for trading	持作買賣投資之公平值變動收益	-	3,747
Gain on disposal of art work	出售藝術品之收益	-	2,000
Reversal of impairment loss on trade receivables	撥回應收賬款之減值虧損	-	34
		(9,494)	2,602

6. INCOME TAX EXPENSE

6. 所得稅開支

Under the Law of the People's Republic of China (the "PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. No provision for the PRC enterprise income taxes was provided for the six months ended 30 June 2018 as the Group has tax losses brought forward to offset against the estimated assessable profit in the PRC. No provision for the PRC enterprise income taxes was provided for the six months ended 30 June 2017 as the subsidiaries operated in the PRC had no assessable profits.

根據中華人民共和國(「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%。由於本集團在中國有承前稅項虧損可供抵銷估計應課稅溢利，故並無就截至二零一八年六月三十日止六個月作出中國企業所得稅撥備。截至二零一七年六月三十日止六個月並無就中國企業所得稅作出撥備，原因為在中國營運之附屬公司並無產生應課稅溢利。

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods. No provision for Hong Kong profit tax was provided since there are no assessable profits in Hong Kong for the both periods.

兩段期間之香港利得稅均按估計應課稅溢利之16.5%稅率計算。由於香港於兩段期間均無應課稅溢利，故並無就香港利得稅計提撥備。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

7. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging:

7. 本期虧損

本期虧損經扣除下列各項：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Directors' remuneration, including retirement benefits scheme contributions	董事酬金 (包括退休福利計劃供款)	6,122	6,077
Other staff costs	其他員工成本	15,232	12,767
Other staff's retirement benefits scheme contributions	其他員工之退休福利計劃供款	2,217	1,587
Share-based payments	以股份為基礎之付款	65,469	—
Total staff costs	員工成本總額	89,040	20,431
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,548	1,059
Amortisation of intangible assets (included in cost of sales and service rendered)	無形資產之攤銷 (計入銷售及提供服務成本)	2,390	—
Amortisation of film and TV rights (included in cost of sales and service rendered)	電影及電視劇版權之攤銷 (計入銷售及提供服務成本)	12,278	—
Commission expense on property agency (included in cost of sales and service rendered)	物業代理佣金之開支 (計入銷售及提供服務成本)	69	37
Operating lease payments for office premises	辦公室物業經營租賃付款額	7,695	7,406

8. DIVIDENDS

Neither dividends were paid, declared or proposed for the six months ended 30 June 2018 and 2017, nor has any dividend been proposed since the end of both reporting periods.

8. 股息

截至二零一八年及二零一七年六月三十日止六個月，並無派付、宣派或建議派付任何股息，而自該兩段報告期結束後，亦無建議派付任何股息。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

9. LOSS PER SHARE

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

Loss for the period attributable to owners of the Company for the purpose of basic loss per share 用以計算每股基本虧損之本公司擁有人應佔本期虧損

Weighted average number of ordinary shares for the purpose of basic loss per share 用以計算每股基本虧損之普通股加權平均數

The basic and diluted loss per share for the six months ended 30 June 2018 and 30 June 2017 are the same. The computation of diluted loss per share for the six months ended 30 June 2018 does not assume the conversion of the Company's outstanding share options as at 30 June 2018 since their assumed exercise would result in a decrease in loss per share.

Diluted loss per share for the six months ended 30 June 2017 is not presented as there were no dilutive potential ordinary shares in issue during prior period.

9. 每股虧損

本公司擁有人應佔每股基本虧損乃根據以下數據計算：

Six months ended 30 June

截至六月三十日止六個月

2018 二零一八年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(111,608)	(35,510)

Number of ordinary shares

普通股數目

Six months ended 30 June

截至六月三十日止六個月

2018 二零一八年 '000 千股	2017 二零一七年 '000 千股
2,768,055	2,768,055

截至二零一八年六月三十日及二零一七年六月三十日止六個月之每股基本虧損與每股攤薄虧損相同。於計算截至二零一八年六月三十日止六個月之每股攤薄虧損時，並未假設於二零一八年六月三十日轉換本公司尚未行使之購股權，因其假設行使將導致每股虧損減少。

由於先前期間並無已發行之具潛在攤薄效應之普通股，因此並無呈列截至二零一七年六月三十日止六個月之每股攤薄虧損。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the addition of property, plant and equipment of the Group was HK\$3,843,000 (for the six months ended 30 June 2017: HK\$2,701,000).

During the current interim period, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of HK\$6,000 for proceeds of HK\$4,000, resulting in a loss on disposal of HK\$2,000 (for the six months ended 30 June 2017: nil).

11. INTANGIBLE ASSETS

The intangible assets represented software development cost for the Group's online video platform and the costs incurred for application of respective licences in the PRC. Its useful life is five years.

12. PREPAYMENT FOR FILM AND TV RIGHTS

10. 物業、廠房及設備變動

於本中期期間，本集團增加之物業、廠房及設備為港幣3,843,000元（截至二零一七年六月三十日止六個月：港幣2,701,000元）。

於本中期期間，本集團出售賬面值合共為港幣6,000元之若干物業、廠房及設備，所得款項為港幣4,000元，因而錄得出售虧損港幣2,000元（截至二零一七年六月三十日止六個月：零）。

11. 無形資產

無形資產指用於本集團在線視頻平台產生之軟件開發成本及於中國申請相關牌照所產生之成本。其使用年期為五年。

12. 電影及電視劇版權預付款

		30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Master China Films Limited (Note a)	Master China Films Limited (附註a)	118,315	119,904
Mr. Chan Ho Sun Peter (Note b)	陳可辛先生(附註b)	106,436	107,866
Rui Zhi Workshop Company Limited (Note c)	睿智工作坊有限公司(附註c)	5,129	5,197
Mr. Gu Changwei (Note d)	顧長衛先生(附註d)	34,773	35,240
Mr. Zhang Xiaoling (also known as Zhang Yibai) (Note e)	張曉陵先生(亦名張一白) (附註e)	63,890	64,748
Mr. Chen Daming (Note f)	陳大明先生(附註f)	14,198	14,388
Dongchun Films Co., Limited (Note g)	冬春(上海)影業有限公司 (附註g)	23,663	23,981
Xstream Pictures (Beijing) Limited (Note h)	北京西河星匯影業有限公司 (附註h)	5,916	11,991
Mr. Xu Zheng (Note i)	徐崢先生(附註i)	12,444	12,612
Shanghai Shigu Film Co., Limited (Note j)	上海拾谷影業有限公司(附註j)	-	11,990
		384,764	407,917

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAYMENT FOR FILM AND TV RIGHTS (Continued)

- (a) During the year ended 31 December 2016, the Group entered into an agreement with Master China Films Limited ("Master China"), pursuant to which Mr. Wong Kar Wai ("Mr. Wong") will provide exclusively to the Group within a period of 6 years proposals for internet drama series with two seasons to be produced by Master China as well as partially directed by Mr. Wong for the Group to consider to invest in the production of such internet drama series, and an exclusive internet distribution right through new media platform will be entitled by the Group after investment is decided to be made by the Group in such internet drama series. When the Group decides to invest in the internet drama series, the Group is required to contribute fully the production cost and such terms will be subject to another agreement to be further entered.

The Group prepaid an amount of RMB100,000,000 (equivalent to approximately HK\$118,315,000) during the year ended 31 December 2016 in relation to the production of the proposed internet drama series by Mr. Wong. The prepayment will form part of the contribution by the Group for the production cost of the proposed internet drama series (which is subject to acceptance by the Group before investment). The budgeted production cost will be provided to the Group and the related payment terms of such production cost will be further agreed between the respective parties.

As at 30 June 2018, the Group agreed to invest in an internet drama series to be produced by Master China with an amount of RMB23,000,000 (equivalent to approximately HK\$27,212,000) but the Group is awaiting the finalisation of the relevant investment agreement.

12. 電影及電視劇版權預付款 (續)

- (a) 於截至二零一六年十二月三十一日止年度，本集團與 Master China Films Limited (「Master China」) 訂立協議，據此，王家衛先生 (「王先生」) 將於六年期間內向本集團獨家提供由 Master China 製作及部分由王先生執導之總共兩季網絡系列影視劇的建議書，以供本集團考慮投資製作該等網絡系列影視劇，而本集團於決定投資該等網絡系列影視劇後，將有權獲得於新媒體平台之獨家互聯網發行權。倘本集團決定投資該等網絡系列影視劇，本集團則須出資承擔全部製作成本，而有關係款將待進一步訂立另一項協議後釐定。

截至二零一六年十二月三十一日止年度，本集團已就王先生製作的建議網絡系列影視劇預付人民幣 100,000,000 元 (相當於約港幣 118,315,000 元)。該預付款將成為本集團對建議網絡系列影視劇 (須於投資前獲本集團接納) 製作成本之部分出資。製作成本之預算將提供予本集團，而該製作成本之相關支付條款將由各方進一步商定。

於二零一八年六月三十日，本集團同意投資一部將由 Master China 製作之網絡系列影視劇，投資金額為人民幣 23,000,000 元 (相當於約港幣 27,212,000 元)，惟本集團相關投資協議尚待最終落實。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAYMENT FOR FILM AND TV RIGHTS (Continued)

- (b) During the year ended 31 December 2016, the Group entered into an agreement with Mr. Chan Ho Sun Peter ("Mr. Chan"), pursuant to which Mr. Chan will provide exclusively to the Group within a period of 6 years proposals for at least two films to be directed or co-directed by Mr. Chan for the Group to invest (not more than 60% interest) in the production of such proposed films, and the Group will be entitled to acquire an exclusive distribution right through new media platform for the proposed films at consideration to be further determined at fair market price. When the Group decides to invest in the proposed films, the Group is required to contribute its share of production cost (base on its respective percentage of investment in the films) and such terms will be subject to another agreement to be further entered.

The Group prepaid an amount of RMB89,960,000 (equivalent to approximately HK\$106,436,000) during the year ended 31 December 2016 in relation to the production of the proposed films. The prepayment will form part of the contribution by the Group for the production cost of the proposed films (which is subject to acceptance by the Group before investment). The budgeted production cost will be provided to the Group and the related payment terms of such production cost will be further agreed between the respective parties.

As at 30 June 2018, the Group is in the process of discussion with Mr. Chan for the film and TV rights investment plan and there is no acceptance for any investment in film production.

12. 電影及電視劇版權預付款 (續)

- (b) 於截至二零一六年十二月三十一日止年度，本集團與陳可辛先生（「陳先生」）訂立協議，據此，陳先生將於六年期間內向本集團獨家提供至少兩部由陳先生執導或聯合執導之電影的建議書，以供本集團投資（不超過60%權益）製作該等建議電影，而本集團將有權購買建議電影於新媒體平台之獨家發行權，代價將按公平市價進一步釐定。倘本集團決定投資建議電影，本集團則須出資承擔其應佔之製作成本（按其對各部電影的投資百分比計算），而有關條款將待進一步訂立另一項協議後釐定。

截至二零一六年十二月三十一日止年度，本集團已就製作建議電影預付人民幣89,960,000元（相當於約港幣106,436,000元）。該預付款將成為本集團對建議電影（須於投資前獲本集團接納）製作成本之部分出資。製作成本之預算將提供予本集團，而該製作成本之相關支付條款將由各方進一步商定。

於二零一八年六月三十日，本集團與陳先生的電影及電視劇版權投資計劃仍在洽談中，且並無接納任何電影製作投資。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAYMENT FOR FILM AND TV RIGHTS (Continued)

- (c) During the year ended 31 December 2016, the Group entered into an agreement with Rui Zhi Workshop Company Limited ("Rui Zhi"), pursuant to which Rui Zhi will provide exclusively to the Group within a period of 3 years proposals for at least four films to be produced by Rui Zhi for the Group to invest (not less than 60% interest) in the production of such proposed films and a prepayment of HK\$10,000,000 in relation to the development for the production is required to be paid in advance by the Group to Rui Zhi. The Group will be entitled to acquire an exclusive distribution right through new media platform for the proposed films at a consideration to be further determined at fair market price. When the Group decides to invest in the proposed films, the Group is required to contribute its share of production cost (base on its respective percentage of investment in the films) and such terms will be subject to another agreement to be further entered.

The Group prepaid an amount of RMB8,685,000 (equivalent to approximately HK\$10,276,000) during the year ended 31 December 2016 in relation to the production of the proposed films. The prepayment will form part of the contribution by the Group for the production cost of the proposed films (which is subject to acceptance by the Group before investment). The budgeted production cost will be provided to the Group and the related payment terms of such production cost will be further agreed between the respective parties.

During the year ended 31 December 2017, the Group agreed to invest in a film to be produced by Rui Zhi, in which an amount of RMB4,350,000 (equivalent to approximately HK\$5,147,000) was transferred to film and TV rights after the Group entered into the relevant film investment agreement. In addition, the Group agreed to invest in a film and development cost amounted to HK\$2,410,000 was incurred up to 30 June 2018. The Group is awaiting the finalisation of the relevant investment agreement.

12. 電影及電視劇版權預付款 (續)

- (c) 於截至二零一六年十二月三十一日止年度，本集團與睿智工作坊有限公司（「睿智」）訂立協議，據此，睿智將於三年期間內向本集團獨家提供至少四部由睿智製作之電影的建議書，以供本集團投資（不低於60%權益）製作該等建議電影，而本集團須向睿智墊付製作開發的相關預付款港幣10,000,000元。本集團將有權購買建議電影於新媒體平台之獨家發行權，代價將按公平市價進一步釐定。倘本集團決定投資建議電影，本集團則須出資承擔其應佔之製作成本（按其對各部電影的投資百分比計算），而有關條款將待進一步訂立另一項協議後釐定。

截至二零一六年十二月三十一日止年度，本集團已就製作建議電影預付人民幣8,685,000元（相當於約港幣10,276,000元）。該預付款將成為本集團對建議電影（須於投資前獲本集團接納）製作成本之部分出資。製作成本之預算將提供予本集團，而該製作成本之相關支付條款將由各方進一步商定。

於截至二零一七年十二月三十一日止年度，本集團同意投資一部將由睿智製作之電影，而人民幣4,350,000元（相當於約港幣5,147,000元）已於本集團訂立相關電影投資協議後被轉撥至電影及電視劇版權。此外，本集團同意投資一部電影，截至二零一八年六月三十日已產生開發成本港幣2,410,000元。本集團相關投資協議尚待最終落實。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAYMENT FOR FILM AND TV RIGHTS (Continued)

- (d) During the year ended 31 December 2016, the Group entered into an agreement with Mr. Gu Changwei ("Mr. Gu"), pursuant to which the Group will be entitled to acquire within a period of 6 years an exclusive distribution right through new media platform for at least two of the films to be directed by Mr. Gu at consideration to be further determined at fair market price. Mr. Gu will use his best endeavours to provide the Group with priority rights to invest in his productions. The exact investment amount in each of his productions is to be agreed between the Group and Mr. Gu. When the Group decides to invest in the proposed films, the Group is required to contribute its share of production cost (base on its respective percentage of investment in the films) and such terms will be subject to another agreement to be further entered.

Furthermore, Mr. Gu will provide exclusively to the Group within a period of 6 years proposals for internet drama series with two seasons to be directed or co-directed by Mr. Gu for the Group to consider to invest in the production of such internet drama series, and an exclusive internet distribution right through new media platform will be granted to the Group after investment is decided to be made by the Group in such internet drama series. When the Group decides to invest in the internet drama series, the Group is required to contribute fully the production cost and such terms will be subject to another agreement to be further entered.

During the year ended 31 December 2017, the Group prepaid an amount of RMB50,000,000 (equivalent to approximately HK\$59,158,000) in relation to the production of the proposed films and internet drama series to Mr. Gu. The prepayment will form part of the contribution by the Group for the production cost of the proposed films and internet drama series (which is subject to acceptance by the Group before investment). The budgeted production cost will be provided to the Group and the related payment terms of such production cost will be further agreed between the respective parties.

12. 電影及電視劇版權預付款 (續)

- (d) 於截至二零一六年十二月三十一日止年度，本集團與顧長衛先生（「顧先生」）訂立協議，據此，本集團將有權於六年期間內購買至少兩部由顧先生執導之電影於新媒體平台之獨家發行權，代價將按公平市價進一步釐定。顧先生將盡最大努力向本集團提供其作品之優先投資權。顧先生每部作品的具體投資金額將由本集團與顧先生共同商定。倘本集團決定投資建議電影，本集團則須出資承擔其應佔之製作成本（按其對各部電影的投資百分比計算），而有關係款將待進一步訂立另一項協議後釐定。

此外，顧先生將於六年期間內向本集團獨家提供由顧先生執導或聯合執導總共兩季之網絡系列影視劇的建議書，以供本集團考慮投資製作該等網絡系列影視劇，而本集團於決定投資該等網絡系列影視劇後，將有權獲得於新媒體平台之獨家互聯網發行權。倘本集團決定投資該等網絡系列影視劇，本集團則須出資承擔全部製作成本，而有關係款將待進一步訂立另一項協議後釐定。

於截至二零一七年十二月三十一日止年度，本集團已就製作建議電影及網絡系列影視劇向顧先生預付人民幣50,000,000元（相當於約港幣59,158,000元）。該預付款將成為本集團對建議電影及網絡系列影視劇（須於投資前獲本集團接納）製作成本之部分出資。製作成本之預算將提供予本集團，而該製作成本之相關支付條款將由各方進一步商定。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAYMENT FOR FILM AND TV RIGHTS (Continued)

(d) (Continued)

During the year ended 31 December 2017, an amount of RMB20,610,000 (equivalent to approximately HK\$24,385,000) was transferred from prepayment to film and TV rights after the Group entered into the relevant film investment agreement. In addition, the Group agreed to invest in a film and development cost amounted to RMB3,835,000 (equivalent to approximately HK\$4,537,000) was incurred up to 30 June 2018. The Group is yet to finalise the relevant film investment agreement.

(e) During the year ended 31 December 2016, the Group entered into another agreement with Mr. Zhang Xiaoling (also known as Zhang Yibai) ("Mr. Zhang"), pursuant to which Mr. Zhang will give priority to the Group within a period of 6 years proposals for at least two films to be directed by Mr. Zhang for the Group to invest (not less than 55% interest) in the production of such proposed films.

The Group will be entitled to acquire an exclusive distribution right through new media platform for the proposed films at consideration to be further determined at fair market price. When the Group decides to invest in the proposed films, the Group is required to contribute its share of production cost (base on its respective percentage of investment on the films) and such terms will be subject to another agreement to be further entered.

Furthermore, Mr. Zhang will provide exclusively to the Group within a period of 6 years proposals for internet drama series with two seasons to be directed or co-directed by Mr. Zhang for the Group to consider to invest in the production of such internet drama series, and an exclusive internet distribution right through new media platform will be granted to the Group after investment is decided to be made by the Group in such internet drama series. When the Group decides to invest in the internet drama series, the Group is required to contribute fully the production cost and such terms will be subject to another agreement to be further entered.

12. 電影及電視劇版權預付款 (續)

(d) (續)

於截至二零一七年十二月三十一日止年度，本集團訂立相關電影投資協議後，人民幣20,610,000元（相當於約港幣24,385,000元）已從預付款中轉撥至電影及電視劇版權。此外，本集團同意投資一部電影，截至二零一八年六月三十日已產生開發成本人民幣3,835,000元（相當於約港幣4,537,000元）。本集團尚未最終落實相關電影投資協議。

(e) 於截至二零一六年十二月三十一日止年度，本集團與張曉陵先生（「張先生」，亦名張一白）訂立另一份協議，據此，張先生將於六年期間內向本集團優先提供至少兩部由張先生執導之電影的建議書，以供本集團投資（不低於55%權益）製作該等建議電影。

本集團將有權購買建議電影於新媒體平台之獨家發行權，代價將按公平市價進一步釐定。倘本集團決定投資建議電影，本集團則須出資承擔其應佔之製作成本（按其對各部電影的投資百分比計算），而有關條款將待進一步訂立另一項協議後釐定。

此外，張先生將於六年期間內向本集團獨家提供由張先生執導或聯合執導之總共兩季網絡系列影視劇的建議書，以供本集團考慮投資製作該等網絡系列影視劇，而本集團於決定投資該等網絡系列影視劇後，將獲得於新媒體平台之獨家互聯網發行權。倘本集團決定投資該等網絡系列影視劇，本集團則須出資承擔全部製作成本，而有關條款將待進一步訂立另一項協議後釐定。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAYMENT FOR FILM AND TV RIGHTS (Continued)

(e) (Continued)

During the year ended 31 December 2017, the Group prepaid an amount of RMB54,000,000 (equivalent to approximately HK\$63,890,000) in relation to the production of the proposed films and internet drama series. The prepayment will form part of the contribution by the Group for the production cost of the proposed films and internet drama series (which is subject to acceptance by the Group before investment). The budgeted production cost will be provided to the Group and the related payment terms of such production cost will be further agreed between the respective parties.

As at 30 June 2018, the Group agreed to invest in certain internet drama series to be produced by Mr. Zhang and development cost amounted to RMB3,384,000 (equivalent to approximately HK\$4,004,000) was incurred up to 30 June 2018. The Group is yet to finalise the relevant film investment agreement.

(f) During the year ended 31 December 2016, the Group entered into an agreement with Mr. Chen Daming, pursuant to which Mr. Chen Daming will give priority to or provide exclusively to the Group within a period of 6 years proposals for at least three films and two seasons of internet drama series to be directed or co-directed by Mr. Chen Daming for the Group to invest (not less than 55% interest in films and 100% interest in internet drama series) in the production of such proposed films and internet drama series and a prepayment of RMB12,000,000 (equivalent to approximately HK\$14,198,000) in relation to the development for the production was required to be paid in advance by the Group to Mr. Chen Daming.

The Group will be entitled to acquire an exclusive distribution right through new media platform for the proposed films at consideration to be further determined at fair market price. When the Group decides to invest in the proposed films and internet drama series, the Group is required to contribute its share of production cost (base on its respective percentage of investment on the films and internet drama series) and such terms will be subject to another agreement to be further entered.

12. 電影及電視劇版權預付款 (續)

(e) (續)

於截至二零一七年十二月三十一日止年度，本集團已就製作建議電影及網絡系列影視劇預付人民幣54,000,000元（相當於約港幣63,890,000元）。該預付款將成為本集團對建議電影及網絡系列影視劇（須於投資前獲本集團接納）製作成本之部分出資。製作成本之預算將提供予本集團，而該製作成本之相關支付條款將由各方進一步商定。

於二零一八年六月三十日，本集團同意投資若干部將由張先生製作之網絡系列影視劇，截至二零一八年六月三十日已產生開發成本人民幣3,384,000元（相當於約港幣4,004,000元）。本集團尚未最終落實相關電影投資協議。

(f) 於截至二零一六年十二月三十一日止年度，本集團與陳大明先生訂立協議，據此，陳大明先生將於六年期間內向本集團優先或獨家提供由陳大明先生執導或聯合執導之至少三部電影及總共兩季網絡系列影視劇的建議書，以供本集團投資製作該等建議電影及網絡系列影視劇（不低於55%電影權益及100%網絡系列影視劇權益），而本集團須向陳大明先生墊付製作開發的相關預付款人民幣12,000,000元（相當於約港幣14,198,000元）。

本集團將有權購買建議電影於新媒體平台之獨家發行權，代價將按公平市價進一步釐定。倘本集團決定投資建議電影及網絡系列影視劇，本集團則須出資承擔其應佔之製作成本（按其對各部電影及對該網絡系列影視劇的投資百分比計算），而有關條款將待進一步訂立另一項協議後釐定。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAYMENT FOR FILM AND TV RIGHTS (Continued)

(f) (Continued)

During the year ended 31 December 2017, the Group prepaid an amount of RMB12,000,000 (equivalent to approximately HK\$14,198,000) in relation to the production of proposed films and internet drama series. The prepayment will form part of the contribution by the Group for the production cost of the proposed films and internet drama series (which is subject to acceptance by the Group before investment). The budgeted production cost will be provided to the Group and the related payment terms of such production cost will be further agreed between the respective parties.

As at 30 June 2018, the Group is still negotiating with Mr. Chen Daming for the film and TV rights investment plan and there is no acceptance for any investment in film and internet drama series production.

(g) During the year ended 31 December 2017, the Group entered into an agreement with Dongchun Films Co., Limited ("Dongchun"), a company which is 50% owned by Mr. Wang Xiaoshuai, a film director. Pursuant to the agreement, Dongchun will give priority to the Group within a period of 6 years proposals for at least (i) two films, (ii) two seasons of internet drama series or (iii) one film and one season of internet drama series to be directed or co-directed by Mr. Wang Xiaoshuai for the Group to invest (51% to 100% interest in film and 100% interest in internet drama series) in the production of such proposed films and internet drama series and a prepayment of RMB20,000,000 (equivalent to approximately HK\$23,663,000) in relation to the development for the production was required to be paid in advance by the Group to Dongchun.

The Group will be entitled to acquire an exclusive distribution right through new media platform for the proposed films at consideration to be further determined at fair market price. When the Group decides to invest in the proposed films and internet drama series, the Group is required to contribute its share of production cost (base on its respective percentage of investment on the films and internet drama series), and such terms will be subject to another agreement to be further entered.

12. 電影及電視劇版權預付款 (續)

(f) (續)

於截至二零一七年十二月三十一日止年度，本集團已就製作建議電影及網絡系列影視劇預付人民幣12,000,000元（相當於約港幣14,198,000元）。該預付款將成為本集團對建議電影及網絡系列影視劇（須於投資前獲本集團接納）製作成本之部分出資。製作成本之預算將提供予本集團，而該製作成本之相關支付條款將由各方進一步商定。

於二零一八年六月三十日，本集團與陳大明先生的電影及電視劇版權投資計劃仍在洽談中，且並無接納任何電影及網絡系列影視劇製作投資。

(g) 於截至二零一七年十二月三十一日止年度，本集團與冬春（上海）影業有限公司（「冬春」（電影導演王小帥先生持有50%股權之公司）訂立協議。根據該協議，冬春將於六年期間內向本集團優先提供由王小帥先生執導或聯合執導之至少(i)兩部電影，(ii)總共兩季網絡系列影視劇或(iii)一部電影及一季網絡系列影視劇的建議書，以供本集團投資製作該等建議電影及網絡系列影視劇（佔51%至100%電影權益及100%網絡系列影視劇權益），而本集團須向冬春墊付製作開發的相關預付款人民幣20,000,000元（相當於約港幣23,663,000元）。

本集團將有權購買建議電影於新媒體平台之獨家發行權，代價將按公平市價進一步釐定。倘本集團決定投資建議電影及網絡系列影視劇，本集團則須出資承擔其應佔之製作成本（按其對各部電影及對該網絡系列影視劇的投資百分比計算），而有關條款將待進一步訂立另一項協議後釐定。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAYMENT FOR FILM AND TV RIGHTS (Continued)

(g) (Continued)

The Group prepaid an amount of RMB20,000,000 (equivalent to approximately HK\$23,663,000) during the year ended 31 December 2017 in relation to the production of proposed films and internet drama series to Dongchun. The prepayment will form part of the contribution by the Group for the production cost of the proposed films and internet drama series (which is subject to acceptance by the Group before investment). The budgeted production cost will be provided to the Group and the related payment terms of such production cost will be further agreed between the respective parties.

As at 30 June 2018, the Group agreed to invest in an internet drama series and development cost amounted to RMB6,242,000 (equivalent to approximately HK\$7,385,000) was incurred up to 30 June 2018. The Group is yet to finalise the relevant film investment agreement.

(h) During the year ended 31 December 2017, the Group entered into an agreement with Xstream Pictures (Beijing) Limited ("Xstream"), a company which is 60% owned by Mr. Jia Zhangke ("Mr. Jia"). Pursuant to the agreement, Xstream will provide exclusive to or give priority to the Group within a period of 6 years proposals for at least three films to be directed by Mr. Jia for the Group to invest (51% to 100% interest) in the production of such proposed films and a prepayment of RMB20,000,000 (equivalent to approximately HK\$23,663,000) in relation to the development for the production was required to be paid in advance by the Group to Xstream. The Group will be entitled to acquire an exclusive distribution right through new media platform for the proposed films at consideration to be further determined at fair market price. When the Group decides to invest in the proposed films, the Group is required to contribute its share of production cost (base on its respective percentage of investment in the films) and such terms will be subject to another agreement to be further entered.

12. 電影及電視劇版權預付款 (續)

(g) (續)

於截至二零一七年十二月三十一日止年度，本集團已就製作建議電影及網絡系列影視劇向冬春預付人民幣20,000,000元（相當於約港幣23,663,000元）。該預付款將成為本集團對建議電影及網絡系列影視劇（須於投資前獲本集團接納）製作成本之部分出資。製作成本之預算將提供予本集團，而該製作成本之相關支付條款將由各方進一步商定。

於二零一八年六月三十日，本集團同意投資一部網絡系列影視劇，截至二零一八年六月三十日已產生開發成本人民幣6,242,000元（相當於約港幣7,385,000元）。本集團尚未最終落實相關電影投資協議。

(h) 於截至二零一七年十二月三十一日止年度，本集團與北京西河星匯影業有限公司（「西河星匯」）（賈樟柯先生（「賈先生」）持有60%股權之公司）訂立協議。根據該協議，西河星匯將於六年期間內向本集團獨家或優先提供至少三部由賈先生執導之電影的建議書，以供本集團投資製作該等建議電影（佔51%至100%權益），而本集團須向西河星匯墊付製作開發的相關預付款人民幣20,000,000元（相當於約港幣23,663,000元）。本集團將有權購買建議電影於新媒體平台之獨家發行權，代價將按公平市價進一步釐定。倘本集團決定投資建議電影，本集團則須出資承擔其應佔之製作成本（按其對各部電影的投資百分比計算），而有關條款將待進一步訂立另一項協議後釐定。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAYMENT FOR FILM AND TV RIGHTS (Continued)

(h) (Continued)

During the year ended 31 December 2017, the Group prepaid an amount of RMB20,000,000 (equivalent to approximately HK\$23,663,000) in relation to the development of proposed films and the Group agreed to invest in a film to be produced by Xstream. The prepayment will form part of the contribution by the Group for the production cost of the proposed films (which is subject to acceptance by the Group before investment). The budgeted production cost will be provided to the Group and the related payment terms of such production cost will be further agreed between the respective parties.

As at 30 June 2018, an amount of RMB15,000,000 (equivalent to approximately HK\$17,747,000) was transferred from prepayment to film and TV rights after the Group entered into the relevant film investment agreement.

- (i) During the year ended 31 December 2017, the Group agreed to invest in a film to be directed by Mr. Xu Zheng ("Mr. Xu"), a non-executive director of the Company, and the Group made a prepayment of film director's fee of RMB10,518,000 (equivalent to approximately HK\$12,444,000) to Mr. Xu for development of the proposed film. Other terms of the film production will be further agreed between the Group and respective parties.
- (j) During the year ended 31 December 2017, the Group agreed to invest in a film to be produced by Shanghai Shigu Film Co., Limited, and the Group made a prepayment of RMB10,000,000 (equivalent to approximately HK\$11,832,000). The prepayment will form part of the production cost of the proposed film and other terms of the film production will be further agreed between the Group and respective parties. During the six months ended 30 June 2018, an amount of RMB10,000,000 (equivalent to approximately HK\$12,264,000) was transferred from prepayment for film and TV rights to cost of sales after the Group recognised the revenue of the relevant film investment.

12. 電影及電視劇版權預付款 (續)

(h) (續)

於截至二零一七年十二月三十一日止年度，本集團已就開發建議電影預付人民幣20,000,000元（相當於約港幣23,663,000元），且本集團同意投資一部將由西河星匯製作之電影。該預付款將成為本集團對建議電影（須於投資前獲本集團接納）製作成本之部分出資，其製作成本之預算將提供予本集團。製作成本之相關支付條款將由各方進一步商定。

於二零一八年六月三十日，本集團訂立相關電影投資協議後，人民幣15,000,000元（相當於約港幣17,747,000元）已從預付款中轉撥至電影及電視劇版權。

- (i) 於截至二零一七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非執行董事徐崢先生（「徐先生」）執導的電影。同時，本集團已向徐先生預先支付電影導演費人民幣10,518,000元（相當於約港幣12,444,000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。
- (j) 於截至二零一七年十二月三十一日止年度，本集團同意投資一部將由上海拾谷影業有限公司製作之電影。同時，本集團已預先支付人民幣10,000,000元（相當於約港幣11,832,000元），該預付款將成為建議電影之部分製作成本，而電影製作的其他條款則待本集團與各方進一步商定。於截至二零一八年六月三十日止六個月，人民幣10,000,000元（相當於約港幣12,264,000元）已於本集團確認相關電影投資收入後由電影及電視劇版權預付款轉撥至銷售成本。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

13. FILM AND TV RIGHTS

13. 電影及電視劇版權

		30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Film and TV rights completed (Note a)	已完成之電影及電視劇版權 (附註a)	10,648	10,779
Film and TV rights under production (Note a)	製作中之電影及電視劇版權 (附註a)	431,257	384,331
Film rights investments (Note b)	電影版權投資(附註b)	45,936	95,980
Licensed film and TV rights (Note c)	獲授權之電影及電視劇版權 (附註c)	20,621	22,743
		508,462	513,833
		30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Analysed for reporting purposes as:	為呈報目的所作之分析：		
– Current assets	– 流動資產	487,841	491,090
– Non-current assets	– 非流動資產	20,621	22,743
		508,462	513,833

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

13. FILM AND TV RIGHTS (Continued)

- (a) The balance of film and TV rights under production represented costs associated with the production of films including remuneration for the film director, casts and production crew, costumes, insurance, makeup and hairdressing as well as rental of camera and lighting equipment. Film and TV rights under production were transferred to film and TV rights completed upon completion of production.

Included in the film and TV rights under production as at 30 June 2018, there was a film right with incurred production cost of HK\$390,896,000 (31 December 2017: HK\$373,540,000) in respect of the production of a film *Crazy Alien* (瘋狂的外星人) in the PRC.

- (b) The balance represented the Group's investments in film productions which entitled the Group to share certain percentage of income to be generated from the films based on the proportion of investment amounts as specified in respective film right investment agreements.
- (c) The balance represented the Group's investments in film and TV rights licenses. The Group acquired license rights from independent third parties for broadcasting licensed films or TV drama series on its online video platform or sublicensing the license rights to other independent third parties.

13. 電影及電視劇版權 (續)

- (a) 製作中之電影及電視劇版權結餘指電影製作相關的成本，包括電影導演、演員及製作人員的薪酬、服裝、保險、化妝及造型，以及攝影機及燈光設備租賃。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。

截至二零一八年六月三十日，與在中國製作之電影《瘋狂的外星人》相關的電影版權製作成本港幣390,896,000元（二零一七年十二月三十一日：港幣373,540,000元）計入製作中之電影及電視劇版權。

- (b) 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投資金額比例，本集團有權按一定百分比享有電影將來產生之收入。
- (c) 該結餘指本集團於電影及電視劇版權許可的投資。本集團從獨立第三方處購買許可授權以在其在線視頻平台播放獲授權之電影或電視劇，或向其他獨立第三方分授許可授權。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

14. 應收賬款及其他應收款項、按金及預付款

		30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Trade receivables	應收賬款	75,841	4,216
Less: allowance for doubtful debts	減：呆賬撥備	(2,175)	(2,175)
		73,666	2,041
Prepayment on film script fee	電影劇本費用之預付款	15,070	15,272
Other deposits paid	已支付之其他按金	558	556
Rental deposits paid – non-current	已支付之租金按金—非流動	5,463	5,490
Prepayments	預付款	639	1,656
Other receivables	其他應收款項	39,039	33,659
		134,435	58,674
Less: Amounts due within one year shown under current assets	減：列作一年內到期的流動資產之金額	(128,972)	(53,184)
Amounts shown under non-current assets	列作非流動資產之金額	5,463	5,490

Trade receivables from sublicensing of film and TV rights are usually received within 180 days from the date of delivery of the master copy or materials.

分授電影及電視劇版權之應收賬款通常自交付底本或材料之日起180日內收取。

Trade receivables from film and TV rights investment income are usually received within 60 days after the completion of release of the film in movie theatres according to the timing for settlement schedule stipulated in the investment agreement.

電影及電視劇版權投資收入之應收賬款通常根據投資協議中訂明的結算時間表於電影院完成電影放映後60日內收取。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

For property agency segment in Hong Kong, the Group allows an average credit period of 60 to 90 days to property developers upon completion date of relevant agreements whilst the individual customers are obliged to settle the amounts upon completion of the relevant agreements and generally no credit terms are granted.

The aged analysis of trade receivables, net of allowance for doubtful debts, presented based on the invoice date at the end of reporting period is as follows:

14. 應收賬款及其他應收款項、按金及預付款(續)

香港物業代理分部方面，本集團於相關協議完成日期後給予物業發展商之信貸期平均為60至90日，而個人客戶則須於相關協議完成時清償款項，故一般不獲授予信貸期。

應收賬款(扣除呆賬撥備)於報告期末按發票日期呈列之賬齡分析如下：

		30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Trade receivables	應收賬款		
0 – 30 days	0至30日	73,553	112
31 – 60 days	31至60日	13	–
61 – 90 days	61至90日	1	1,792
91 – 180 days	91至180日	3	11
Over 180 days	180日以上	96	126
		73,666	2,041

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

15. TRADE AND OTHER PAYABLES

Trade payables	應付賬款
Other payables	其他應付款項
Accruals	應計費用
Film and TV rights investment payable	應付電影及電視劇版權投資

As at 30 June 2018, trade payables of HK\$1,616,000 (31 December 2017: HK\$1,701,000) represented mainly the commissions payables to property consultants and cooperative estate agents, which are due for payment only upon the receipt of corresponding agency fees from customers.

As at 30 June 2018 and 31 December 2017, other payables mainly comprised of receipts in advance, deposit received, service fee payable for developing an online video platform, accrued directors' and staff costs and other sundry creditors.

16. AMOUNT DUE TO A RELATED PARTY

As at 30 June 2018, Mr. Dong Ping, an executive director and a substantial shareholder of the Company, made an advancement of HK\$153,795,000 (31 December 2017: HK\$120,000,000) to the Company to strengthen the Group's general working capital. The advancement is unsecured and non-interest bearing.

Subsequent to the end of the reporting period, the entire advancement of HK\$153,795,000 has been repaid to Mr. Dong Ping.

15. 應付賬款及其他應付款項

30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
1,616	1,701
62,736	29,997
7,432	10,408
17,416	11,978
89,200	54,084

於二零一八年六月三十日，應付賬款港幣1,616,000元(二零一七年十二月三十一日：港幣1,701,000元)主要指應付物業顧問及合作地產代理之佣金，於收取客戶之相關代理費用時方須支付。

於二零一八年六月三十日及二零一七年十二月三十一日，其他應付款項主要包括預收款項、已收按金、應付在線視頻平台開發服務費用、董事及員工的應計成本，以及其他雜項應付賬款。

16. 應付一名關連人士款項

於二零一八年六月三十日，本公司執行董事兼主要股東董平先生向本公司墊付港幣153,795,000元(二零一七年十二月三十一日：港幣120,000,000元)，用以鞏固本集團之一般營運資金。該筆墊款並無抵押且不計利息。

於報告期末後，該筆墊款港幣153,795,000元已悉數償還予董平先生。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

17. BORROWINGS

17. 借款

		30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Borrowings due within one year	一年內到期之其他借款	119,660	77,500

As at 30 June 2018, the Group entered into four loan agreements with four independent third parties for borrowings of approximately HK\$119,660,000. The borrowings were unsecured and carried fixed interest rates range from 3.0% to 15.0% per annum. Subsequent to the end of the reporting period, three borrowings of HK\$100,930,000 have been repaid to the independent third parties.

於二零一八年六月三十日，本集團就借款約港幣119,660,000元與四名獨立第三方訂立四份貸款協議。借款均為無抵押並按固定年利率3.0%至15.0%計息。於報告期末後，三筆借款港幣100,930,000元已悉數償還予該等獨立第三方。

18. SHARE CAPITAL

18. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 港幣千元
Ordinary shares of HK\$0.01 each	普通股每股面值港幣0.01元		
Authorised:	法定：		
At 1 January 2017, 30 June 2017, 1 January 2018 and 30 June 2018	於二零一七年一月一日、 二零一七年六月三十日、 二零一八年一月一日及 二零一八年六月三十日	50,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2017, 30 June 2017, 1 January 2018 and 30 June 2018	於二零一七年一月一日、 二零一七年六月三十日、 二零一八年一月一日及 二零一八年六月三十日	2,768,055,408	27,681

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

19. SHARE OPTIONS

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 20 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 10% limit of the Scheme (the "Scheme Mandate Limit") has been refreshed on 29 June 2018. As at 30 June 2018, a total of 276,805,540 shares of the Company (representing approximately 10% of the total number of issued shares of the Company) are available for issue under the Scheme.

On 27 April 2018, 130,700,000 share options were granted to certain directors and employees at an exercise price of HK\$2.08 per share. The share options granted will have 1/3 issued options vested after 1, 2 and 3 years respectively of continuous employment of the grantee with the Group commencing from the date of grantee's commencement of employment with the Group.

The fair value of 130,700,000 share options granted under the Scheme at the measurement dated 27 April 2018 is HK\$93,956,000. During the six months ended 30 June 2018, HK\$65,469,000 of share-based payments expense in respect of share options granted to the directors and employees has been charged to the consolidated income statement.

19. 購股權

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二十日起有效及生效，為期十年。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。該計劃之10%限額（「計劃授權限額」）已於二零一八年六月二十九日更新。於二零一八年六月三十日，根據該計劃可予發行的本公司股份總數為276,805,540股（佔本公司已發行股份總數約10%）。

於二零一八年四月二十七日，130,700,000份購股權已按行使價每股港幣2.08元授予若干董事及僱員。所授出之購股權將自承授人開始受聘於本集團之日起計承授人持續受聘於本集團分別滿一年、兩年及三年後歸屬，每批歸屬數目為向承授人授出之購股權之三分之一。

根據該計劃授出之130,700,000份購股權之公平值於計量日期（二零一八年四月二十七日）為港幣93,956,000元。於截至二零一八年六月三十日止六個月，有關已向董事及僱員授出之購股權之以股份為基礎之付款開支港幣65,469,000元已計入綜合收益表。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

19. SHARE OPTIONS (Continued)

The fair value of the share options was determined under the Black-Scholes option pricing model by an independent professionally qualified valuer and based on the following assumptions:

Grant date:	27 April 2018
Share price at the grant date:	HK\$2.08
Exercise price:	HK\$2.08
Risk-free interest rate:	1.9089%
Expected volatility:	48.3834%
Share options period:	6.15 years

The Black-Scholes option pricing model requires input of highly subjective assumptions, including the risk-free interest rate and the expected stock price volatility. Because changes in the subjective input assumptions can materially affect the fair value estimate, the Black-Scholes option pricing model does not necessarily provide a reliable measure of the fair value of the share options.

As at 30 June 2018, there are outstanding options entitling the share options holders thereof to subscribe for up to an aggregate of 130,700,000 shares at an exercise price of HK\$2.08 per share.

19. 購股權 (續)

購股權之公平值乃由獨立專業合資格估值師根據柏力克-舒爾斯期權定價模式及基於以下假設釐定：

授出日期：	二零一八年四月二十七日
於授出日期之股價：	港幣2.08元
行使價：	港幣2.08元
無風險利率：	1.9089%
預期波幅：	48.3834%
購股權期限：	6.15年

柏力克-舒爾斯期權定價模式需要輸入極為主觀之假設(包括無風險利率及預期股價波幅)。由於主觀輸入假設可對公平值估計產生重大影響，故柏力克-舒爾斯期權定價模式未必能可靠計量購股權之公平值。

於二零一八年六月三十日，尚未行使購股權賦予購股權持有人按行使價每股港幣2.08元認購最多合共130,700,000股股份之權利。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

20. OPERATING LEASES

THE GROUP AS LESSEE

Operating lease payments represent rentals payable by the Group for certain of its office premises and photocopying machines.

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

Within one year	一年內
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)

Leases are negotiated and rentals are fixed for lease terms of one to five years (31 December 2017: one to five years).

20. 經營租賃

本集團為承租人

經營租約付款指本集團就其若干寫字樓物業及複印機之應付租金。

於報告期末，本集團就不可撤銷之經營租賃於下列期間到期應付之未來最低租約付款承擔如下：

30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
12,793	16,203
38	3,954
12,831	20,157

租約經過磋商，租金於一至五年(二零一七年十二月三十一日：一至五年)租期內不能變動。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

21. COMMITMENTS

21. 承擔

	30 June 2018 二零一八年 六月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Commitments in respect of the acquisition and production of film and TV rights contracted for but not provided in the consolidated financial statements	197,128	229,207

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)

22. RELATED PARTY DISCLOSURES

22. 關連人士披露

(a) RELATED PARTY TRANSACTIONS

During the period, the Group did not enter into any transactions with related parties.

(a) 與關連人士之交易

期內，本集團並未與關連人士訂立任何交易事項。

(b) RELATED PARTY BALANCES

Details of the Group's outstanding balances with related parties are set out in notes 12 and 16.

(b) 與關連人士之結餘

有關本集團與關連人士之間未償還結餘的詳情載於附註12及16。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

22. RELATED PARTY DISCLOSURES (Continued)

(c) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors who were considered as key management personnel during the period is as follows:

Salaries and other short-term benefits	薪金及其他短期福利
Share-based payments	以股份為基礎之付款
Post-employment benefits	退休福利

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

23. PENDING LITIGATION

A court action was commenced in the Chengdu Intermediate People's Court on 29 April 2018 by Chengdu Watson Media Co., Ltd. (the "Plaintiff"), an independent third party, against Beijing Huanxi Shou Ying Culture Company Limited ("Shou Ying"), an indirect wholly-owned Company through contractual arrangements, and other 17 investors of the film *Us and Them* (後來的我們) (the "18 Defendants").

22. 關連人士披露 (續)

(c) 主要管理人員薪酬

期內被視為本集團主要管理人員之董事酬金如下：

Six months ended 30 June 截至六月三十日止六個月

2018 二零一八年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 港幣千元 (Unaudited) (未經審核)
6,113	6,068
23,548	–
9	9
29,670	6,077

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。

23. 未決訴訟

於二零一八年四月二十九日，獨立第三方成都華璨文化傳播有限公司（「原告」）對本公司一間透過合約安排間接全資的公司北京歡喜首映文化有限公司（「歡喜首映」）以及其他17名電影《後來的我們》的投資方（「十八名被告」）於成都市中級人民法院提出一項訴訟。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

23. PENDING LITIGATION (Continued)

By the above action, the Plaintiff alleged that the 18 Defendants through unfair competition adversely affect the box office receipts of the Plaintiff's film during the release period of the film *Us and Them* (後來的我們). The Plaintiff mainly requested the 18 Defendants to compensate a total sum of RMB10,000,000 (equivalent to approximately HK\$11,832,000) and bear the relevant legal fee and reasonable expenses arising from their legal rights protection. One of the 18 Defendants is applying for transferring the case to Chaoyang District People's Court of Beijing for trial.

In the opinion of legal counsel, it is premature to predict the outcome of the said claim against Shou Ying. The Company considers that the amounts of claim by the Plaintiff against Shou Ying is insignificant to the Group as a whole.

24. EVENTS AFTER THE REPORTING PERIOD

- (a) On 2 July 2018, the Company and Tianjin Maoyan Weiyong Media Company Limited (天津貓眼微影文化傳媒有限公司) (the "Maoyan") entered into the cooperation agreement. Pursuant to the cooperation agreement and conditional upon satisfaction of the conditions precedent, it is proposed that the Company intends to allot and issue, and Maoyan intends to subscribe for approximately 15.00% of shares in the issued share capital of the Company as enlarged by the subscription shares under the subscription at a subscription price of HK\$1.95067 per share. Based on the current number of 2,768,055,408 issued shares of the Company, the subscription shares should be approximately 488,480,000 shares. The proceeds from the subscription will be approximately HK\$952,863,000 which will be applied by the Company towards the development of its online video platform, film and TV rights investments and general working capital.

23. 未決訴訟(續)

根據上述訴訟，原告指十八名被告在電影《後來的我們》發行放映階段，以不正當競爭影響了原告的影片票房收益。原告主要要求十八名被告合共賠償人民幣10,000,000元(相當於約港幣11,832,000元)及承擔有關訴訟費及因合法維權產生的合理支出。十八名被告當中，其中一名被告正申請將案件轉交北京朝陽區人民法院進行審理。

根據法律顧問的意見，現階段預測對歡喜首映的上述索償結果尚屬為時過早。本公司認為，原告就歡喜首映提出申索的數額對本集團整體而言並無重大影響。

24. 報告期後事項

- (a) 於二零一八年七月二日，本公司與天津貓眼微影文化傳媒有限公司(「貓眼」)訂立合作協議。根據合作協議及待滿足先決條件後，本公司擬根據認購事項配發及發行，及貓眼擬根據認購事項按認購價每股港幣1.95067元認購本公司經認購股份擴大後已發行股本約15.00%股份，按現時本公司之已發行股份數目2,768,055,408股計算，認購股份應約為488,480,000股股份。認購事項之所得款項將為約港幣952,863,000元，並將由本公司用於發展在線視頻平台、電影及電視劇版權投資及一般營運資金。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

24. EVENTS AFTER THE REPORTING PERIOD (Continued)

(a) (Continued)

Pursuant to the cooperation agreement and conditional upon satisfaction of the conditions precedent, the Company and Maoyan will cooperate in the following business areas: (i) Maoyan will be granted the investment right and exclusive promotion and distribution rights to the Group's films and TV/internet drama series projects; (ii) Maoyan will provide a services entrance on its website and APP for the Group's new media video content and services, while also leveraging off its resources to promote the Group's new media video content and services; and (iii) Maoyan will make use of its internet resources and technologies to facilitate the operations and expansion of the Group's new media video content and services. The Company and Maoyan will further negotiate details of the subscription agreement and the strategic cooperation, and enter into a definitive agreement for the implementation of the cooperation agreement.

(b) On 5 July 2018, Huan Huan Xi Xi (Tianjin) Culture Investment 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 minimum guaranteed distribution agreement with the minimum guarantor in relation to the film *Crazy Alien* (瘋狂的外星人) (the "Film"), where the minimum guarantor shall have the exclusive right to distribute the Film through cinema circuits and cinemas in cities located in the PRC and the region of Hong Kong, Macau and Taiwan, from the effective date of the minimum guaranteed distribution agreement to the expiry of the tenth anniversary of the first release date of the Film. Pursuant to the minimum guaranteed distribution agreement, both parties agreed the minimum guaranteed amount of the box office receipts be RMB2,800,000,000 (equivalent to approximately HK\$3,435,583,000), the Group shall have the right to receive a guaranteed minimum distribution income of RMB700,000,000 (equivalent to approximately HK\$858,896,000) in relation to the Film; in the event that the gross box office receipts of the Film are higher than RMB2,800,000,000 (equivalent to approximately HK\$3,435,583,000), in addition to the aforementioned consideration, the parties may distribute the excess in proportion to the net income of the Film: being 30% for the Group and 70% for the minimum guarantor.

24. 報告期後事項(續)

(a) (續)

根據合作協議及待滿足先決條件後，本公司及貓眼將於業務方面展開以下合作：(i)本集團的電影和電視劇／網劇項目將給予貓眼投資權及獨家宣發權；(ii)貓眼將在其網站及APP內為本集團的新媒體影視內容和服務提供服務入口，並利用其資源推廣本集團的新媒體影視內容和服務；及(iii)貓眼將利用其互聯網資源及技術，協助本集團的新媒體影視內容和服務的運營和拓展。本公司及貓眼將再商討認購協議及戰略合作事項的細節，及訂立最終協議以推行合作協議。

(b) 於二零一八年七月五日，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《瘋狂的外星人》電影(「該電影」)訂立一份保底發行協議，保底方可獨家在中國及港澳台地區城市院線影院發行該電影，期限由保底發行協議生效之日起至該電影公映首日計起10年為止。根據保底發行協議，雙方約定票房保底金額為人民幣2,800,000,000元(相當於約港幣3,435,583,000元)，本集團將有權收取該電影之保底發行收入人民幣700,000,000元(相當於約港幣858,896,000元)；倘該電影的總票房收入超出人民幣2,800,000,000元(相當於約港幣3,435,583,000元)，除以上提及之代價外，訂約雙方可就超出的部分，按該電影的影片淨收入的比例分配：本集團為30%及保底方為70%。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

24. EVENTS AFTER THE REPORTING PERIOD

(Continued)

(b) *(Continued)*

In addition, as a part of the minimum guaranteed distribution agreement, the minimum guarantor shall be responsible for and bear relevant expenses for the promotion, marketing and distribution of the Film, while the estimated promotion and distribution expenses of RMB200,000,000 (equivalent to approximately HK\$245,399,000) shall be borne by the minimum guarantor.

After signing the minimum guaranteed distribution agreement, the Group will continue to retain other rights attached to the Film, including income generated from its benefits in relation to the Film, including the distribution right in other overseas cinema circuits and cinemas, as well as the new media broadcasting right in the PRC and overseas. The Film is preliminarily set to be officially released in cinema circuits and cinemas in the PRC in February 2019.

25. CHANGE IN PRESENTATION OF COMPARATIVES

Certain comparative figures of the condensed consolidated financial statements were reclassified to conform with the current period's presentation.

24. 報告期後事項 (續)

(b) (續)

此外，作為保底發行協議的一部分，保底方需負責該電影的宣傳、推廣及發行工作及承擔相關費用，預算宣傳及發行費用為人民幣200,000,000元（相當於約港幣245,399,000元），由保底方承擔。

簽訂保底發行協議後，本集團將繼續保留就該電影的其他權利，包括該電影於其他海外院線影院的發行權利以及中國及海外的新媒體播放權等權益所產生之收益。暫定該電影於二零一九年二月在中國之院線影院正式上映。

25. 變更呈列比較數字

簡明綜合財務報表內若干比較數字均已重新分類以符合本期內之呈列方式。



歡喜傳媒集團有限公司
HJANXI MEDIA GROUP LIMITED

