



Nan Hai Corporation Limited  
南海控股有限公司

Incorporated in Bermuda with limited liability  
於百慕達註冊成立之有限公司  
Stock Code 股份代號：680

# 2016

年報 Annual Report





中金動力®  
企业电子商务

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# About Nan Hai 關於南海





## About Nan Hai 關於南海

Nan Hai Corporation Limited (“Nan Hai”) (the “Company”) is a corporation listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (stock code: 680). The Company continued to engage in three main businesses, namely culture and media services, property development and corporate IT application services, through Dadi Media (HK) Limited together with its subsidiaries, Dadi Cinema Investment Limited, Dadi Film Distribution (HK) Limited together with its subsidiaries, Oristar Technology (HK) Limited and its subsidiaries (collectively as “Dadi Media”), Nan Hai Development Limited together with its subsidiaries (collectively as “Nan Hai Development”) and Sino-i Technology Limited together with its subsidiaries (collectively as “Sino-i”, stock code: 250). It has also tapped into a new business segment through Dadi News Media (HK) Limited together with its subsidiaries (collectively as “Dadi News Media”) and Dadi Innovation (HK) Limited together with its subsidiaries (collectively as “Dadi Innovation”).

As for culture and media services, in the past decade, taking the investment in establishing chain cinemas as a starting point, Dadi Media became one of the leading enterprises in the film industry by gradually expanding to the upstream of film industry chain on the basis of building a strong downstream platform. Currently, 廣東大地影院建設有限公司 (Guangdong Dadi Cinema Construction Limited) and its subsidiaries (collectively as “Dadi Cinema”) ranked top 2 among the cinema investment and management companies throughout China in terms of number of cinemas, screens, audiences and box office. As for property development, sales launch for high-end sea view residences of Phase 3 of The Peninsula, the flagship project of Nan Hai Development in Shenzhen, with an area of approximately 185,000 sq.m. took place in April 2016. In March 2017, subscription amounts has already exceeded RMB12.5 billion. As for corporate IT application services, in the past decade, Sino-i remained adamant about providing corporate IT application services for Small and Medium Enterprises (“SMEs”) in the PRC and striving for development of information technology, and has successfully established a second-to-none national business and services network in the industry.

In the meantime, for the purpose of its long term development, Nan Hai started to tap into new business segments such as “New Media” and “Innovative Business” in 2015 by means of mergers and acquisitions as well as new establishment and, in 2016, stepped up its efforts in establishing these two business segments as the new growth points of Nan Hai.

Nan Hai Corporation Limited (南海控股有限公司) (「南海」) (「本公司」) 為於香港聯合交易所有限公司(「聯交所」)上市之公司(股份代號: 680)。本公司透過旗下大地傳播(香港)有限公司及其附屬公司、大地影院投資有限公司、大地電影發行(香港)有限公司及其附屬公司及辰星科技(香港)有限公司及其附屬公司(統稱「大地傳播」)、南海發展有限公司及其附屬公司(統稱「南海發展」)和中國數碼信息有限公司及其附屬公司(統稱「中國數碼」, 股份代號: 250)持續深耕於文化與傳播服務、房地產開發及企業IT服務領域, 並透過大地傳媒(香港)有限公司及其附屬公司(統稱「大地傳媒」)、大地創意商業(香港)有限公司及其附屬公司(統稱「大地創意商業」)開啓了新業務格局。

在文化與傳播服務領域, 過去十年, 大地傳播以投資建設連鎖影院終端為切入點, 在構建強大的下游平台的基礎上逐步向電影產業上游延伸, 成為電影產業的領軍企業之一。目前, 廣東大地影院建設有限公司及其附屬公司(統稱「大地影院」)的影院數目、銀幕數目、觀影人次、票房收入已穩居全國影院投資管理公司前兩名。在房地產開發領域, 南海發展的旗艦項目—「半島·城邦」第三期已於2016年4月開售其位於深圳的面積約為18.5萬平方米的高端海景住宅, 2017年3月份時認購金額已超人民幣125億。在企業IT服務領域, 過去的十幾年裏, 中國數碼始終堅持面向中國的中小企業提供IT應用服務, 推進其信息化進程, 並已成功建立起了業內首屈一指的全國性的商務和服務網絡。

同時, 為了長遠發展, 南海也通過併購和新建, 於2015年開始進軍新的業務領域—「新媒體」業務與「創意商業」業務, 並於2016年持續在這兩個業務領域發力, 力爭將其拓展成南海新的業務增長點。

## Corporate Information 公司資料

### DIRECTORS

#### Executive

Mr. Yu Pun Hoi (*Chairman*)

Ms. Chen Dan

Ms. Liu Rong

Mr. Lung King Cheong

#### Non-executive

Mr. Lam Bing Kwan

#### Independent Non-executive

Mr. Ho Yeung Nang

Mr. Lau Yip Leung

Mr. Xiao Sui Ning

### COMPANY SECRETARY

Mr. Chiu Ming King

### AUDITOR

BDO Limited

Certified Public Accountants

Hong Kong

### BERMUDA LEGAL ADVISER

Appleby

### HONG KONG LEGAL ADVISER

Gerry K.C. Wai & Co., Solicitors

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

12/F., The Octagon

No.6 Sha Tsui Road

Tsuen Wan

New Territories

Hong Kong

### 董事

#### 執行董事

于品海先生(主席)

陳丹女士

劉榮女士

龍景昌先生

#### 非執行董事

林秉軍先生

#### 獨立非執行董事

何養能先生

劉業良先生

肖遂寧先生

### 公司秘書

趙明環先生

### 核數師

香港立信德豪會計師事務所有限公司

執業會計師

香港

### 百慕達法律顧問

Appleby

### 香港法律顧問

韋智理律師行

### 香港主要營業地點

香港

新界

荃灣

沙咀道6號

嘉達環球中心12樓

## Corporate Information 公司資料

### REGISTERED OFFICE

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

### PRINCIPAL REGISTRAR

MUFG Fund Services (Bermuda) Limited  
The Belvedere Building  
69 Pitts Bay Road  
Pembroke HM 08  
Bermuda

### HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Abacus Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

### STOCK CODE

680

### PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited  
The Hongkong and Shanghai Banking Corporation Limited  
China CITIC Bank International Limited  
Bank of Communications Co., Limited  
Luso International Banking Ltd.  
China Merchants Bank Co., Ltd

### WEBSITE

<http://www.nanhaicorp.com>

### 註冊辦事處

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

### 主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited  
The Belvedere Building  
69 Pitts Bay Road  
Pembroke HM 08  
Bermuda

### 香港股份過戶登記處

卓佳雅柏勤有限公司  
香港  
皇后大道東 183 號  
合和中心 22 樓

### 股份代號

680

### 主要往來銀行

星展銀行(香港)有限公司  
香港上海滙豐銀行有限公司  
中信銀行(國際)有限公司  
交通銀行股份有限公司  
澳門國際銀行股份有限公司  
招商銀行股份有限公司

### 網站

<http://www.nanhaicorp.com>



# Chairman's Statement

## 主席報告





## Chairman's Statement 主席報告

On behalf of the board of directors (the "Board") of the Company, I present to the shareholders the annual report of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2016.

In 2016, the Chinese economy made remarkable progress and the supply side reform started delivering solid results in elimination of overcapacity industry, destocking in property, deleveraging in financing and reduction of corporate cost. The expected economic growth rate was reached and gross domestic product ("GDP") increased by 6.7% year-on-year.

2016 marked a turning point for the Group. The Group continued to engage in three main businesses, namely culture and media services, property development and corporate IT application services through Dadi Media, Nan Hai Development and Sino-i, and made breakthroughs in various aspects benefitting from proper strategic directions and solid experiences. In particular, Phase 3 of "The Peninsula" in Shenzhen was launched for sale in April 2016 and achieved remarkable sales results. Dadi Cinema successfully issued convertible and exchangeable bonds with an aggregate principal amount of RMB1 billion to Alibaba Pictures Group Limited ("Alibaba Pictures"), and the investment value of such convertible and exchangeable bonds is initially recognized within the market. In addition to consolidating its existing three main businesses to achieve more outstanding performance, the Group will step up its efforts in establishing the businesses of "New Media" and "Innovative Business" as the new growth points of Nan Hai within the next few years.

As a result of the breakthroughs in operations, the Group achieved outstanding financial performance, in particular a significant increase in operating profits as compared with last year, and since then the profit structure of the Group underwent fundamental changes. Turnover of the Group for the year increased by approximately 112.3% to HK\$8,915.6 million (2015: HK\$4,200.1 million). Net profit attributable to owners of the Company was HK\$1,359.6 million (2015: HK\$238.9 million). The increase in profit was mainly due to the increase in revenue driven by the recognition of part of the sales income of Phase 3 "The Peninsula" property project of the Group during the year.

本人謹代表本公司董事會(「董事會」)向本公司股東呈報本公司及其附屬公司(統稱「本集團」)截至2016年12月31日止年度之年度報告。

中國經濟在2016年邁出了堅實的步伐，供給側改革在2016年初具成效，體現在工業去產能、房地產去庫存、金融去槓桿、降低企業成本負擔等方面。經濟增長指標達到預期，國內生產總值(GDP)同比增長6.7%。

2016年，對於本集團是轉折性的一年。本集團透過旗下大地傳播、南海發展和中國數碼，繼續深耕於文化與傳播服務、房地產開發、企業IT應用服務三大業務板塊，得益於正確的戰略方向和紮實的工作積累，在若干方面實現了突破。值得一提的是，深圳「半島•城邦」三期於2016年4月份開盤，並取得了優異的銷售業績；大地影院向阿里巴巴影業集團有限公司(「阿里影業」)成功發行總金額為10億元人民幣的可換股及可交換債券，其投資價值初步得到市場的認可。在篤實實現有三大業務，爭取更加優異成績的同時，本集團會在「新媒體」業務與「創意商業」業務領域持續發力，力爭在以後幾年將其發展成南海新的業務增長點。

業務上的突破帶來了財務上的優異表現，尤其是經營性盈利較往年大幅增加，帶動本集團的盈利結構自此發生了根本性的轉變。本集團年度營業額同比增長約112.3%至8,915.6百萬港元(2015年：4,200.1百萬港元)；本公司擁有人應佔溢利淨額約1,359.6百萬港元(2015年：238.9百萬港元)。盈利提升的主要原因是，本集團旗下地產項目「半島•城邦」三期年內部份確認售樓收入，拉動利潤顯著上漲。



## Chairman's Statement 主席報告

### CULTURE AND MEDIA SERVICES

The Group believes that culture and information play a vital role in the global economy and are regarded as China's sunrise industry with huge development potential. Over the last decade, the dynamic growth in China's movie industry starting back in 2004 has been benefitting from the equally remarkable boom in cinema construction in China. The initial achievement of Dadi Cinema is a testament to the successful capitalization of this opportunity. Nowadays, as movie-goers are satisfied with the basic viewing experience, China's film industry is required to effect an upgrading in terms of exhibition, distribution and production, which will certainly create tremendous business opportunities. Dadi Media will once again have a good grasp of such opportunities. While we strive to reinforce our strong position in the film exhibition market and diversify our profitability, we will spare no effort to lay the groundwork for distribution and content products and map out the crucial deployment for content industry.

Dadi Cinema fully implemented the "Film+" strategy in 2016. Through big data analysis and adhering to its established platform, Dadi Cinema expanded into upstream business and formed alliance across different industries. It was intended to make innovative breakthroughs, integrate all kind of resources and enhance cross-industry collaboration with "movie culture groups" accumulated for years as the core, with a view to creating an ecosystem of theatre experience integrated with diversified operation of "Film + Innovative Internet", "Film + Innovative Retail" as well as "Film + Innovative Catering", while deepening its relationship with "movie culture groups" to explore their consumption capabilities of "quality life" to the full extent. In 2016, the concept of "Film+ Innovative Culture" was added to "Film+" strategy to fulfill the pursuit of quality life of the general public, aiming at creating an interactive cultural and entertainment platform inside the movie showing space and offer more cultural contents to its audience in future. Meanwhile, Dadi Cinema has been continuously improving the quality of movie showing and adopted "STAR MAX", a gigantic laser screen owned by Dadi Cinema, in 2016, providing audience with first-rated viewing experience. Leveraging on its strength in scalability and capability of integrating various operations, in 2016, Dadi Cinema proposed the idea of marketing integration in the ecosystem of cinema operation, emphasizing an "environment-oriented" marketing strategy and initiating the deployment of spectacular diorama in cinemas for the purpose of enhancing the advertising value of cinemas. Thanks to this strategy, Dadi Cinema recorded impressive growth in advertising income in 2016. The Group believes that the trend looks set to continue.

### 文化與傳播服務

本集團相信，文化與資訊是全球經濟格局中最具活力的部分，在中國更是有著無限發展空間的朝陽產業。從2004年開始的中國電影產業爆發式增長在過去的十多年主要得益於中國影院建設的爆發式增長，大地影院第一階段的成功正是抓住了這一歷史機遇，在觀眾基本觀影需求已經得到滿足的今天，中國電影市場亟待消費升級，這一升級將體現在放映、發行和內容產品三個方面，勢必為市場釋放出極大商業空間，而大地傳播也將再次抓住歷史的機遇，在以大地影院為主體夯實我們在放映環節的牢固市場地位並提升其多元盈利能力的同時，在發行和內容產品方面全面播種，在內容產業的若干重要環節進行布局。

2016年是大地影院「電影+」戰略全面落地的一年，通過大數據分析，向上游延展，異業聯盟，堅持走平台化的道路，以多年來所積累的「電影文化族群」為核心，創新突破，整合各方資源，加強跨界合作，致力打造「電影+創意互聯網」、「電影+創意零售」、「電影+創意餐飲」等多業態經營的體驗式影院生態圈，開展「電影文化族群」的深度經營，全方位挖掘其「質量生活」的消費潛力。在2016年為滿足大眾對高質量生活的追求，「電影+」新增了「電影+創意文化」的概念，並將在未來把電影放映空間升級打造為文化娛樂互動平台，讓觀眾在電影院裏即可享受更多的文化內容。與此同時，大地影院堅持不斷提升放映質量，並在2016年首發自有的激光巨幕「星幕STAR MAX」，進一步為觀眾提供一流的觀影體驗而不懈努力。基於規模化的優勢以及整合各經營業態的能力，大地影院在2016年提出了影院生態圈整合營銷的媒體經營思路，並著重於「場景驅動營銷」的媒體戰略，率先布局影院超級場景，引領影院媒體價值再升級，得益於此戰略的落地執行，大地影院的廣告銷售業績在2016年有可喜的增長，本集團認為這一態勢還將繼續。

## Chairman's Statement 主席報告

The diversified operation ecosystem and the diversified film culture actively developed by Dadi Cinema has successfully attracted a member base comprising tens of millions of audience and consumers, making Dadi Media an important enterprise in China's movie industry with a say. With a long-term and well-defined strategy as well as a stable execution team with strong capability and serious attitude, Dadi Media has received acclaim and cohesion from China's film industry corresponding with its market position, promising Dadi Media a solid foundation for tapping into the content industry.

The Group is of the view that given the advancement of digital media and the application of internet, the way of showing contents will experience ongoing integration while audience division will co-exist with such integration. Quality content products are the essential driver behind the cultural creative industries. The ownership of creative intellectual property rights (especially the copyrights of literary and artistic creations) that is the source of creation and the extensive cooperation with the creative entities that may give rise to a win-win situation can safeguard the sustainable development of an enterprise of cultural creation. Dadi Media has accumulated a substantial base of movie-goers and our distribution business has also established a solid foundation over the years with positive results. In 2016, we opened up a more diverse channel for film selection and purchase, breaking the business limitation that used to confine us to distribution as an agent and leading to a presence in the upstream content business. During the year, investment in and production of movies, TV drama series and animation films as well as the related licensing business commenced in full swing. We have built long-term cooperation relationship with a number of established or start-up creative entities, striving to create a quality operating environment with sustainability. At the same time, Dadi Media (HK) Limited and its subsidiaries ("Dadi Film") under Dadi Media has raised initial funds of approximately RMB120 million through a film investment fund jointly promoted with Oriental Bangxin Venture Investment Company Limited, which will provide substantial financial support for developing Dadi Media's content business.

The cinema construction segment of China has maintained its rapid development in recently years. Competition among cinemas has becomes increasingly keen. Demand for management informatization of cinema and quality of film exhibition has become higher. Third party online ticketing has taken the dominance. To adapt to market changes, 辰星科技(香港)有限公司 (Oristar Technology (HK) Limited) and its subsidiaries (collectively as "Oristar", a member of the Group), being one of the top six providers of ticketing system in China, has optimized product structure and enriched product features, especially the significant enhancement of the online interconnection of the ticketing system.

大地影院全力打造的多業態經營體驗式商圈和多元電影文化為大地贏得了數千萬的觀眾和消費會員，使大地傳播成為在中國電影產業頗具話語權的重要企業，憑藉長期而清晰的戰略、穩定而執行力強的團隊和紮實的工作態度，大地傳播也在中國電影產業獲得了與其市場地位相匹配的良好口碑和凝聚力，而這些都將是大地傳播全方位進軍內容產業的基礎保證。

本集團認為，由於數字媒體技術的發展、互聯網的應用，內容的展現形式將不斷融合，觀眾在融合的同時也在細分，而優良的內容產品才是文化創意產業裏最核心的驅動力，掌握具備創意核心源動力的IP（一種知識產權，主要特指文學藝術作品的版權等），並建立廣泛的、與創作人（公司）長期共贏的合作關係是一個文化創意企業可以長期發展的保障。大地傳播已經在終端放映環節擁有海量的觀影人群，我們的發行業務在過去幾年也已經有一定的基礎，取得了不俗業績，2016年更是打開了更為寬泛的選片、購片渠道，突破了以往只是代理發行的業務局限，開始往內容產業的上游進發，在年內全面啟動了包括電影、電視劇、動漫等在內的多方位內容投資與製作以及相關的版權業務，並與多個業內成熟或新銳創作製作人（公司）建立了長期的合作關係，致力於打造一個具有持續生命力的優質產業生態圈，同時，大地傳播旗下大地傳播（香港）有限公司及其附屬公司（「大地電影」）與東方邦信創業投資有限公司合作發起的影視投資基金也完成了其一期約人民幣1.2億元的募集和投資，在未來將給予大地傳播的內容業務以堅實的資金支持。

近年來，中國影院建設市場繼續保持高速發展的態勢，影院之間的競爭日趨激烈，影院對管理信息化及放映品質的要求日益提高，同時網絡第三方售票已經佔據絕對主導地位。為了適應市場變化，本集團旗下辰星科技（香港）有限公司及其附屬公司（統稱「辰星科技」）作為中國六大票務系統供應商之一，大力優化產品架構豐富產品功能，尤其對票務系統的互聯網中轉服務水平做了顯著提升。

## Chairman's Statement 主席報告

Since its establishment and up to 31 December 2016, products developed by Oristar were widely applied in cinemas over 30 provinces in China and attracted extensive customer resources. The integrated cinema system has provided technical solutions for more than 2,600 cinema halls, and has provided technical services for 670 cinemas, accelerating the promotion of digital film in China and enhancing the viewing experience for over 1 billion audiences.

### PROPERTY DEVELOPMENT

The real estate market of China was volatile in 2016. With surging property prices frequently hitting record high during the first half of 2016, policies on curbing the rapidly climbing housing price was implemented in first-tier cities, yet these policies were relatively scientific, it is expected that such policies will help stabilise the development in the market instead of resulting in excessive volatility. Certain second-tier and most of the third-tier cities were still under intense pressure on inventory. Destocking and promotion of consumption would still be the main focus in the property market.

According to the research on industry development trends, the Group believes that in the medium and long term, China's real estate market will gradually enter a brand new stage of development. The market's requirements for product quality and operational efficiency of the property development companies will be increased rapidly. This will accelerate the survival of the fittest and the China's real estate market will gradually get to a healthy and orderly track of development. Based on the judgement on this trend, Nan Hai Development, a subsidiary of the Group, constantly upheld its business philosophy of "quality first" for its long term development. While striving for enhancing operation and management ability, it also laid foundations for sustainable development.

During the year, the development of two flagship property projects of the Group, namely "The Peninsula" in Shenzhen and the "Free Man Garden" in Guangzhou, continued to roll out in an orderly manner and received outstanding sales results. Combined with a series of advantages such as the opening of Taizi Bay cruise center, the Apple's research and development center settling in Shekou, being located at the economic hub of west Shenzhen Bay, Phase 3 of "The Peninsula" was well received by the market after the launch of sales in mid-2016, bringing more life and energy into the area and enhancing the living standard and internationalization of Shekou. Given the further increase in housing price in Guangzhou, Nan Hai Development adjusted and increased the ownership percentage of the "Free Man Garden" project. As at 31 December 2016, the company which owns the "Free Man Garden" in Guangzhou became a wholly-owned subsidiary of Nan Hai Development.

自成立以來，截止2016年12月31日，辰星科技的自研產品廣泛應用於全國30個省的各大院綫和影院，擁有廣泛的客戶資源，影院系統集成已累計為2,600餘個影廳提供了技術解決方案，為670家影院提供了技術服務，極大推動了我國數字電影的普及推廣，提高了廣大觀眾的觀影品質，產品服務了10億人次以上觀眾。

### 房地產開發

2016年是中國地產業異常熱鬧而跌宕的一年，在2016年前半年房價瘋漲、高價地頻出的現實面前，一線城市開始陸續頒布管控房價急速上升的政策，但這些政策相對科學，預計不會造成市場過度波動，能起到市場穩健發展的效果。而部分二線及多數三線城市庫存壓力依然嚴峻，市場仍以去庫存、促消費為主基調。

基於對行業發展趨勢的研究，本集團相信，從中長期來看，中國的房地產市場將逐步進入一個全新的發展階段。市場對於房地產開發企業的產品質量、經營效率的要求將更為快速地提升，並將加速優勝劣汰，逐步進入健康有序的發展軌道。基於這一趨勢判斷，本集團旗下的南海發展始終秉持「質量第一」的經營理念，立足於長期發展，在努力提升經營管理能力的同時，建立可持續發展的基礎。

年內，本集團的兩個旗艦項目，深圳「半島·城邦」項目及廣州「自由人花園」項目均在有條不紊的滾動開發當中，並且都創造了不俗的銷售業績。隨著太子灣游輪中心的開埠、蘋果研發中心落戶蛇口、佔據深圳西部經濟灣區發展軸等一系列利好，「半島·城邦」三期在2016年年中開盤後便受到市場矚目，為蛇口的人居水平及國際化水平注入更多的生機和活力。鑒於廣州房價進一步上揚，南海發展對廣州「自由人花園」進行了重整，擴大對該項目的擁有比例，截止2016年12月31日，擁有廣州「自由人花園」的公司已成為南海發展持有100%股權的全資子公司。



## Chairman's Statement 主席報告

### CORPORATE IT APPLICATION SERVICES

In the past decade, Sino-i remained adamant about providing corporate IT application services for SMEs in China and promoting the development of its "internet+". Thanks to its unremitting efforts, Sino-i has successfully established a second-to-none national business and services network in the industry, so as to solve "the last kilometer" problems between service providers and corporate clients. In the meantime, in respect of product development, the Company has successfully launched a series of leading corporate IT application services in the industry after long term exploration and promotion.

The coming 10 years will be the golden 10 years for corporate internet applications. To grasp this historic opportunity, the Group is dedicated to establish an "internet+" industry ecosystem for SMEs in China by leveraging on its advantages established over the years, such as substantial resources, core competencies and extensive operating experience in the enterprise market, thereby becoming a fresh driver of industrial transformation and upgrading with information technology in China.

The Company's management is of the opinion that SMEs will continue to commit more resources to the development of "internet+". Although additional time is required for the market cultivation and promotion, corporate IT application services will be presented with enormous market opportunities. Sino-i will continue to focus on the development of corporate IT application services through its key subsidiaries, namely 中企動力科技股份有限公司 (CE Dongli Technology Company Limited) ("CE Dongli") and 北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited) ("Xinnet").

With 17 years' experience in providing services for SMEs in China, CE Dongli has launched a corporate digitized intelligent operating platform, providing one-stop shop services and "internet+" solutions for SMEs through its extensive business and services network. Xinnet continued its internet-based services such as domain name registration business, cloud computing business and synergistic communication business, and actively developed various internet applications and value-added services for SMEs in China through online direct sales and distributor channels established across the nation.

### 企業IT應用服務

在過去的十幾年，中國數碼始終堅持面向中國的中小企業提供IT應用服務、推進其「互聯網+」進程。通過長期不懈的努力，中國數碼已經成功建立了業內首屈一指的全國性的商務和服務網絡，有效解決了服務商到企業客戶的「最後一公里」的問題。同時，在產品發展上，中國數碼也進行了長期的探索和推進，並成功推出了一系列業內領先的企業級IT應用服務。

未來的十年將是企業級互聯網應用的黃金十年。面對這一歷史機遇，本集團將依托其多年來積累的强大資源優勢、核心能力和企業市場的豐富運營經驗，傾力打造中國中小企業「互聯網+」產業生態圈，成為以IT科技推動中國產業轉型和升級的生力軍。

本公司管理層認為，中國的中小企業未來將持續加大在「互聯網+」領域的投入，雖然仍需一定的市場培育和推廣時間，但企業級IT應用服務將會擁有廣闊的市場機遇。中國數碼通過旗下核心企業中企動力科技股份有限公司（「中企動力」）和北京新網數碼信息技術有限公司（「新網」）繼續專注於企業IT應用服務的發展。

中企動力基於為中國中小企業服務17年的經驗，推出了企業數字化智能運營雲平台，通過龐大的商務和服務網絡，為中小企業提供一站式管家服務和「互聯網+」行業解決方案。新網繼續通過在綫直銷與遍布全國的代理商渠道，面向中國中小企業開展域名註冊、雲計算、協同辦公等互聯網基礎服務，並積極拓展各類互聯網應用及增值服務。

## Chairman's Statement 主席報告

### DEVELOPMENT OF NEW BUSINESSES

#### New Media

Adhering to its philosophy of investing in those industries which are beneficial to human intelligence, the Group tapped into the media field by establishing Dadi News Media in 2015, striving to build new media with innovative models so as to assist in social reform and advancement by upholding its own ideas and beliefs. Currently, the businesses of Dadi News Media include "HK01" and Duowei Media, making progress in its operations. Based in Hong Kong, "HK01" has now developed into a new media with over 550 employees. "HK01" strived to establish a media dissemination platform to create new interactive experience for its readers. As a brand new advocacy media, "HK01" dedicated to take shape and provide full services for its readers through multimedia platform and internet application services, namely its website, weekly magazine and physical premise. "Duowei Media" includes two major media, namely Duowei monthly magazine and Duowei website. Duowei monthly magazines are sold in different places in the Asia-Pacific Region.

#### Innovative Business

Following the commencement of "Film+" strategy of Dadi Cinema, expansion work for the innovation commercial business of the Group has been kicked off. Among which, the retail business and catering business commenced gradually. As for its retail business, the Group completed the acquisition of Crabtree & Evelyn, an UK skincare brand during the year. As an internationally renowned brand with a long history, Crabtree & Evelyn operates more than 250 stores in 12 countries around the world. Crabtree & Evelyn is in the process of comprehensive integration and will be introduced to the Chinese market when opportunities materialize. As for its catering business, Dadi Catering (HK) Limited ("Dadi Catering") took the lead to introduce a new culinary culture based on the consolidation of the concept of "light, lively and fresh" and cinema operation.

### 新業務發展

#### 新媒體

秉承投資於智慧產業的理念，本集團於2015年進軍傳媒領域，新設大地傳媒，致力於打造創新模式的新媒體，通過自己的主張和信念，助力社會改革和進步。目前「大地傳媒」包括「香港01」及「多維傳媒」兩部分，其業務也有了進一步的發展。「香港01」立足於香港，目前已發展成為擁有超過550人團隊的新型社會傳播體系，努力打造與讀者的全新互動體驗及信息傳播平台，致力於建立一類新型的倡議型媒體及互聯網應用服務，提供網站、周報及實體空間三位一體的多媒體平台，全方位服務於讀者。「多維傳媒」包括多維月刊和多維網站兩個主要媒體，多維月刊目前在亞太多個地區均有發售。

#### 創意商業

伴隨著大地影院「電影+」戰略的落地，本集團的創意商業業務也在啟動拓展。其中，在零售和餐飲方面的業務也在逐步落地。零售方面，本集團在本年完成了英國護膚品牌Crabtree & Evelyn的收購，Crabtree & Evelyn的品牌歷史悠久，在全球擁有相當的知名度，目前在全球12個國家擁有250多家店舖，其業務也在全面整合當中，並準備在時機成熟時打入中國市場。在餐飲方面，大地餐飲(香港)有限公司(「大地餐飲」)以「輕、親、新」的概念範以與影院結合的方式，引領國人新的飲食文化。

## Chairman's Statement 主席報告

### CONCLUSION

Year 2016 marked the entering of new stage of development of the Group which led the Group into a new era. The Group is optimistic about China's macroeconomy and the future development of such industries as culture and media services, property development, corporate IT application services, media and retailing, and is confident that it can achieve better performance in 2017.

In the coming year, the Group will continue to vigorously develop its three main businesses, i.e. culture and media services, property development and corporate IT application services, by adhering to its diversified core business strategy. The Group will be committed to pursuing the entire industry chain layout of the film industry through membership management and integration of online and offline operation. The Group will continue to carry out precise marketing campaigns to members and cinema users through big data analysis and perfect the outline of its interactive advertising systems. It will continue to enhance its strengths in cinema terminals and distribution channels, further promote investment in and production of contents to cater different audience with a view to establishing a platform covering entertainment and culture. It will also speed up the development process of the existing property projects, while striving for the exploration of new property projects; and will further improve its operation and management level of corporate IT application services to lay solid foundation for new businesses. In the meantime, the Group will spare no efforts to foster its media business and innovative business so as to facilitate resource sharing and strategic synergy in cross-business fields, striving to establish them as the new growth points of the Group. In addition to creating greater value for its shareholders, the Group will consolidate its foundation for sustainable development in the medium and long run. Last but not least, I would like to express my gratitude to the shareholders for their concern and support, and also to the Board, executive committee and all staff of the Company for their dedication and contribution.

**Yu Pun Hoi**  
Chairman  
Hong Kong, 14 March 2017

### 結語

2016年是承上啓下的一年，本集團的發展上了一個新的台階，未來將進入一個新的紀元。本集團對中國的宏觀經濟及其所涉及的文化與傳播服務、房地產開發、企業IT服務、傳媒及商業零售等產業的未來發展持樂觀態度，有信心在2017年度取得更加優異的成績。

在新的一年裏，本集團仍將秉承多元核心業務戰略，繼續大力發展文化與傳播服務、房地產開發、企業IT應用服務三大業務；全力開拓電影產業全產業鏈布局，綁定會員，打通線上線下業務，通過大數據分析對會員進行精準營銷，圍繞影院用戶，對廣告互動體系的模型進行進一步加工；持續擴大影院終端與發行管道上的優勢，針對不同的受眾，進一步推進內容投資與製作的各項業務，以期打造優質的泛娛樂文化平台；加快現有房地產項目的開發進度、同時努力開發拓展新的地產項目；進一步提高企業IT應用服務的經營管理水平，並積極布局新業務。同時，本集團將全力孵化、培育新媒體業務和創意商業業務，促進跨業務領域的資源共享和戰略協同，力爭將其打造成為本集團新的業務增長點，在為股東創造更大價值的同時，為本集團中長期的可持續發展夯實基礎。最後，感謝各位股東對本集團的關注與支持，感謝本公司董事會、執行委員會和全體員工的辛勤努力。

**于品海**  
主席  
香港，2017年3月14日





# Management Discussion and Analysis

## 管理層討論與分析

## Management Discussion and Analysis 管理層討論與分析



The Company continued to engage in three main businesses, namely culture and media services, property development and corporate IT application services, through Dadi Media, Nan Hai Development and Sino-i. In the meantime, for the purpose of its long term development, the Group continued to sow seeds in new business segments such as "New Media" and "Innovative Business" by means of mergers and acquisitions and new incorporation.

During the year, turnover of the Group increased by approximately 112.3% to HK\$8,915.6 million (2015: HK\$4,200.1 million). Net profit attributable to owners of the Company was approximately HK\$1,359.6 million (2015: HK\$238.9 million). The increase in profit was mainly attributable to the increase in revenue driven by the recognition of the sales income of Phase 3 of "The Peninsula" property project of the Group during the year. Net assets attributable to owners of the Company were HK\$4,051.8 million (2015: HK\$3,242.3 million).

本公司透過旗下大地傳播、南海發展和中國數碼持續深耕於文化與傳播服務、房地產開發及企業IT應用服務領域。同時，為了長遠發展，本集團也通過併購和新建，在新的業務領域——「新媒體」業務與「創意商業」業務中持續發力。

年內，本集團之營業額同比增長約112.3%至8,915.6百萬港元(2015年：4,200.1百萬港元)，本公司擁有人應佔溢利淨額約1,359.6百萬港元(2015年：238.9百萬港元)。盈利提升的主要原因是，本集團旗下地產項目「半島·城邦」三期年內確認售樓收入，拉動利潤顯著上漲。本公司擁有人應佔資產淨值約4,051.8百萬港元(2015年：3,242.3百萬港元)。



Management Discussion and Analysis 管理層討論與分析



# Culture and Media Services

## 文化與傳播 服務





## Management Discussion and Analysis 管理層討論與分析

### BUSINESS REVIEW

During the year, revenue of the culture and media services segment was approximately HK\$3,089.5 million (2015: HK\$3,153.0 million). Segment profit before income tax was HK\$170.3 million (2015: HK\$230.5 million). The decrease in profit was mainly due to box office revenue of Dadi Cinema under Dadi Media remained stable as compared with last year while new cinemas were in the period of ramp-up in 2016.

### 業務回顧

年內，文化與傳播服務板塊之營業額約3,089.5百萬港元(2015年：3,153.0百萬港元)，除所得稅前分部溢利約為170.3百萬港元(2015年：230.5百萬港元)，盈利下降的主要因為大地傳播旗下大地影院票房基本與去年持平，而在2016年新開店尚處於培育期。



大地影院



大地電影

辰星科技  
ORISTAR



## Management Discussion and Analysis 管理層討論與分析

### Dadi Cinema

In 2016, the growth of film industry tended to be rational, with an aggregate box office of RMB45.712 billion, representing an increase of approximately 3.73%. Given the booming of film industry in 2015, growth of national box office in 2016 became slow but stable. The annual admission was approximately 1,372 million. The total number of screens in China amounted to over 41,000. As regards the distribution structure of cinemas, the expansion of cinemas in third and fourth tier cities was notable. Given the expanded capacity of equipment, the performance in fourth tier cities was remarkable with the largest growth while the performance of third tier cities became more stable in terms of urban box office in 2016. The percentage of urban box office of first and second tier cities over the national box office decreased slightly as compared with 2015. In recent years, the difference in admission among cities of different tiers became smaller and smaller, resulting in a more balanced distribution structure.

Against this backdrop, Dadi Cinema consolidated its market position among cinema investment and management companies in the PRC by its strategy to focus on second, third and fourth tier cities. During the year, Dadi Cinema achieved box-office revenue (tax included) of RMB2,237 million, representing a growth of 1.1% as compared with corresponding period last year, which accounted for approximately 4.9% of the national box office, ranking second among cinema investment and management companies throughout China. Its admission of 73.25 million marked another record high. As at 31 December 2016, Dadi Cinema had an aggregate of 350 cinemas with 1,911 screens operating in 28 provinces and 164 cities. In addition, the number of contracted backlog was over 311 cinemas.

### 大地影院

2016年電影市場增長趨於理性，累計票房在457.12億元人民幣，增幅約為3.73%。2016年國內市場在2015年度爆發的基礎上，雖然票房增速放緩，但仍顯示出穩健的增長。年度觀影人次約13.72億，國內銀幕總數超4.1萬塊。而在觀影結構上，一個顯著的表現就是影院建設向三四線城市下沉，基於硬設備的擴容，2016年城市票房中，四線城市表現亮眼，增幅最大，三線城市表現較為穩定，一二線城市票房佔比較2015年度有所下降。近年來不同級別城市觀影人次份額差距逐漸縮小，結構更趨均衡。

在這樣的大背景下，大地影院以覆蓋全國，集中於二三四線城市的佈局，在全國影院投資管理公司中依然佔據穩固的地位。年內，大地影院含稅票房收入達到22.37億元人民幣，同比增長約1.1%，全國佔比約為4.9%，位列全國影院投資管理公司第二名；觀影人次達到7,325萬，再創歷史新高。截至2016年12月31日，大地影院已在全國擁有影院350家，銀幕數達1,911塊，覆蓋全國28個省，164個城市，除此之外，已簽約未開業的影院數量超過311間。



Lobby of iFree Cinema Longyan  
龍岩自由人影城大堂實景

## Management Discussion and Analysis 管理層討論與分析

Leveraging the advantages of Dadi Cinema, during the year, Dadi Cinema introduced “environment-oriented” marketing strategies. Capitalized on its own advantages, Dadi Cinema standardized the management of spectacular diorama, created a scene marketing model for online and offline cross-platform film consumption and established an efficient interactive platform for brand owners and users. In-depth transformation from brand level to marketing level was achieved. With customer base accumulated over the years, Dadi Cinema has conducted cooperation with more than 80 advertising agencies and over 200 direct advertising customers, achieving a certain advertising business scale and an increase in sales results.

Diversified financing channels became the support for development and expansion of cinemas and implementation of “environment-oriented” marketing strategies. On 1 February 2016, the asset-backed securities of Dadi Cinema Group with a principal amount of RMB1.13 billion pledged by part of the future box office revenue from 80 cinemas were listed and the proceeds shall be used for their cinema construction operation. On 9 May 2016, Dadi Cinema issued convertible and exchangeable bonds with an aggregate principal amount of RMB1 billion to Alibaba Pictures Group Limited (“Alibaba Pictures”). The proceeds shall be used for operation, investment and acquisition of cinemas, and repayment of bank loans. As China’s movie business continues to achieve breakthrough in terms of innovation, the introduction of a strategic investor will further enhance cooperation between both parties with respect to film distribution, film marketing, membership operation and the establishment of big data, promoting development of the industry in joint efforts. Thereafter, both parties will seek cooperation for further expansion into such areas as online product sales, big data application and financial services.

借助於大地影院終端的優勢，年內，大地影院提出了「場景驅動營銷」的戰略思想，大地影院作為規範化管理的超級原生場景，借助自身的優勢，打造線上線下跨平台電影消費全場景營銷模式，為品牌主和用戶搭建更加高效的互動平台，從而實現從品牌到營銷層面的深度轉化。從客戶積累上看，目前與大地影院合作的廣告代理商有80多家，直接廣告客戶有200多家，已形成了一定的廣告經營規模，並在銷售業績上取得了一定的增長。

影院的發展與擴張，與「場景驅動營銷」戰略的落地，離不開多元化融資渠道的支撐。2016年2月1日，大地影院集團資產證券化產品上市，以旗下80家影院未來部分票房收入作為質押發行資產證券化產品，融資總額11.3億元人民幣用於發展其影院建設相關業務。2016年5月9日，大地影院向阿里巴巴影業集團有限公司（「阿里影業」）發行總金額為10億元人民幣的可換股及可交換債券，認購資金將用於影院經營、投資及併購，亦可用於銀行借款的償還。在中國電影產業不斷創新突破的背景下，加入戰略投資者將有助於推動雙方在電影發行、影片營銷、聯合會員經營及大數據建設等方面深入合作，共同推動行業整體發展。未來，雙方的合作還會向產品在線零售、大數據運用及金融服務等方面延伸。



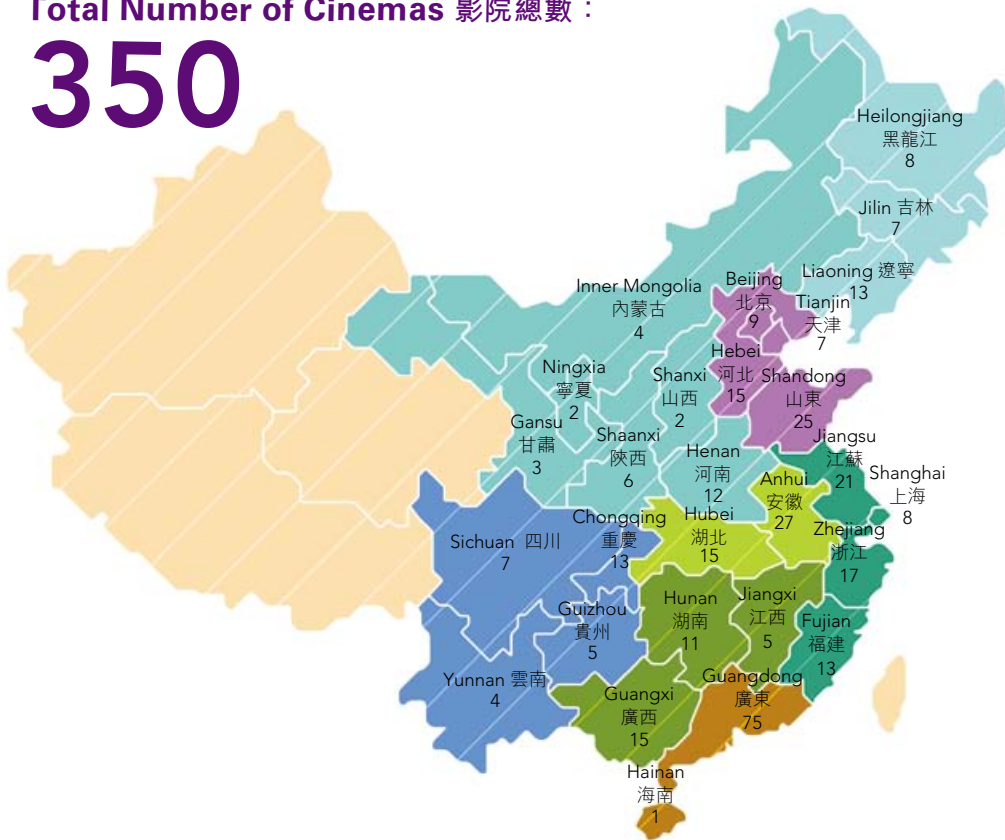


# Management Discussion and Analysis 管理層討論與分析

## GEOGRAPHICAL DISTRIBUTION OF DADI CINEMA AS AT 31 DECEMBER 2016 截至2016年12月31日大地影院地區分佈圖

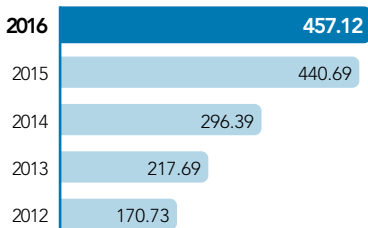
Total Number of Cinemas 影院總數：

# 350

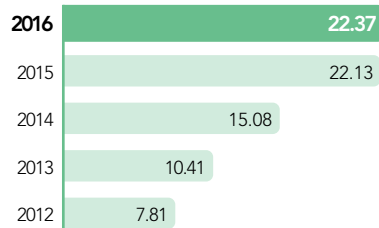


Heilongjiang	黑龍江	8
Jilin	吉林	7
Liaoning	遼寧	13
Beijing	北京	9
Hebei	河北	15
Shandong	山東	25
Tianjin	天津	7
Jiangsu	江蘇	21
Shanghai	上海	8
Zhejiang	浙江	17
Fujian	福建	13
Guangdong	廣東	75
Hainan	海南	1
Guangxi	廣西	15
Hunan	湖南	11
Jiangxi	江西	5
Anhui	安徽	27
Hubei	湖北	15
Henan	河南	12
Shanxi	山西	2
Shaanxi	陝西	6
Ningxia	寧夏	2
Inner Mongolia	內蒙古	4
Gansu	甘肅	3
Guizhou	貴州	5
Sichuan	四川	7
Yunnan	雲南	4
Chongqing	重慶	13

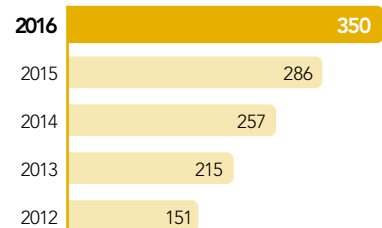
National Gross Box Office (RMB hundred million)  
全國票房總額 (人民幣億元)



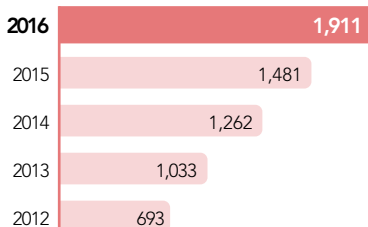
Box Office of Dadi Cinema (tax included) (RMB hundred million)  
大地影院含稅票房 (人民幣億元)



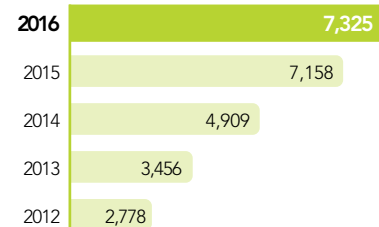
Number of Dadi Cinema (Number)  
大地影院數量 (家)



Number of Screens in Dadi Cinema (pieces)  
大地影院銀幕數量 (塊)



Number of Audiences in Dadi Cinema (ten thousands)  
大地影院觀影人次 (萬人)



## Management Discussion and Analysis 管理層討論與分析

### Dadi Film

During the year, on top of development of agency distribution business, Dadi Film under Dadi Media commenced investment in and production of contents including films, television series, network television series and animation at full force. Dadi Film distributed "Days of Our Own" (《我們的十年》) and "Adventures of Weibaobao" (《冒牌臥底》). During the year, 五洲電影發行有限公司 (Wuzhou Film Distribution Co., Limited), a 22.5% associated company, distributed "Chongqing Hotpot" (《火鍋英雄》) and "Crouching Tiger, Hidden Dragon: Sword of Destiny" (《臥虎藏龍青冥寶劍》) as the lead distributor and achieved good performance. With respect to content, on the one hand, Dadi Film expanded the scope of content derived from the original content in the film and television. Content sources were also obtained by various strategic bundling channels, including self-development, copyright procurement, cooperation with external established creative teams and renowned producers. Dadi Film is entitled to receive income for investment in or the control of content according to the content sources. On the other hand, Dadi Film commenced the layout for animation industry. With "Magical Kingdom Anime" (驚奇大地) as the business brand, Dadi Film focused on the content cultivation and copyright operation of the two-dimensional intellectual property ("IP"), which mainly refers to the copyright of literary and artistic works. Dadi Film developed and integrated potential animation projects and other quality projects with IP-derived value.

During the year, 北京東方大地影視投資管理有限公司, an associate formed by Dadi Film and 東方邦信創業投資有限公司, has basically completed the first tranche of fund raising and made an investment of approximately RMB120 million. Meanwhile, Dadi Film commenced the formation of a cinema fund investment management company, with a view to leverage on the quality resources and excellence experience of Dadi Cinema and Dadi Film in terms of film and television terminals, distribution channels and management for capital leverage and to promote the development of content industry chain business with solid financial support.

### 大地電影

年內，大地傳播旗下大地電影在繼續發展代理發行業務的基礎上，向包括電影、電視劇、網劇、動漫在內的內容投資與製作進軍。發行業務在年內發行了《我們的十年》、《冒牌臥底》等多部影片。佔股比例為22.5%之聯營公司五洲電影發行有限公司，在本年度內總計主導發行了《火鍋英雄》、《臥虎藏龍青冥寶劍》等影片，取得了良好的業績。而內容方面，一方面，擴大了原有的在影視投資中內容源獲取的範圍，從自主研發、版權採購、與外部成熟創作團隊合作、與知名監製導演的戰略捆綁等渠道來獲取內容源，並根據內容源的選擇進行參投或主控，享受收益權；另一方面，還開始了在動漫產業的佈局，以「驚奇大地」為業務品牌，專注於二次元IP（一種知識產權，主要特指文學藝術作品的版權等）內容孵化及版權運營，自主開發和整合有潛力的動漫及其他具備IP衍生價值的優質項目。



年內，大地電影與東方邦信創業投資有限公司合作發起的北京東方大地影視投資管理有限公司已基本完成了第一期的募集和投資約人民幣1.2億元，同時大地電影也在著手自建影視基金投資管理公司，以期利用大地影院、大地電影在影視終端、發行渠道及影視管理方面的優質資源和優良經驗來撬動資本槓桿，以堅實的資金支持來促進內容產業鏈業務的發展。

## Management Discussion and Analysis 管理層討論與分析

### Oristar

In 2016, Oristar underwent transformation from traditional technical company to comprehensive technical services company. For providing better services to cope with the rapid development of the Chinese film market, Oristar put efforts in recruiting talents, optimizing the company structure and improving the communication of internal information, thus enhancing the service efficiency and user satisfaction.

During the year, as the first technology company providing commercial solutions on gigantic laser screening in the PRC, Oristar put its focus on in-depth research and development and external cooperation in relation to the tri-colour laser screening solutions for the small to median-sized cinema halls, which accounted for the largest market share. The research results lay a solid foundation for the business breakthrough in 2017.

### PROSPECTS

In the past five years, the robust growth in the construction of cinemas in the PRC accelerated the rapid growth of box office of Chinese film. In 2015, the growth rate was nearly 50%. In 2016, this rapid growth trend came to an end. Growth of box office slowed down and the market tended to be more rational, urging for a consumption upgrade of the Chinese film market. Against this backdrop, Dadi Media will capture market opportunities in relation to movie showing, distribution and content products. It will devote efforts in distribution and content products and plan the layout for certain key aspects of the content industry by consolidating its market position among the cinema investment and management companies and enhancing its diversified profitability.

### 辰星科技

2016年是辰星科技由傳統科技公司向綜合型技術服務公司轉型的一年，為了更好的服務快速發展的中國電影市場，公司從人才引進，部門優化及內部信息化提升諸多方面做了大量工作，用戶服務效率及滿意度得到了有效提升。

年內，辰星科技作為中國第一家推出激光巨幕商業放映解決方案的技術公司，重點針對市場佔比最大的中小影廳的三色激光放映解決方案做了深入研發與對外合作，相關研究成果為2017年業務突破打下了堅實基礎。

### 展望

在過去五年中，中國影院建設的爆發式增長促進了中國電影票房每年都高速增長，在2015年甚至達到了接近50%的增長率，而在2016年，這一高速增長的趨勢嘎然而止，票房增速放緩，市場趨於理性，中國電影市場亟待消費升級。在這一背景下，大地傳播將會在放映、發行和內容產品三個方面，抓住市場機遇，在夯實影院投資管理公司市場地位並提升其多元盈利能力的基礎上，在發行和內容產品方面全面播種，並在內容產業的若干重要環節進行佈局。



## Management Discussion and Analysis 管理層討論與分析

On 25 January 2017, the Company announced that it entered a sale and purchase agreement in relation to the purchase of Orange Sky Golden Harvest Cinemas (China) Company Limited (橙天嘉禾影城(中國)有限公司) (“OSGH (China)”) through Dadi Media. OSGH (China) mainly operates cinemas in the first and second tier cities, which makes a complement to the cinema layout of Dadi Cinema which focuses on second to fourth tier cities. Upon completion of the transaction, the number of cinemas and screens operated and owned by Dadi Cinema would increase to 426 and 2,442 respectively, further consolidating its market position as the second leading cinema investment and management company in the PRC. In addition, the acquisition would create synergies and consolidate benefits with the core capacity and quality resources of Dadi Cinema, which would be beneficial to the long-term customer-oriented development strategies, thus laying a solid foundation for the implementation of “Film+” strategy of Dadi Cinema. Dadi Cinema’s “Film+” strategy will put more focus on materializing the correlation between cinema-related businesses and sharing of customer resources, establishing membership system and consolidating the online and offline membership data, with a view to provide precise marketing and guidance for diversified cinema-related businesses. With cinemas as a starting point, Dadi Cinema will establish a new ecosystem focusing on movie-going crowd’s entertainment consumption. Meanwhile, Dadi Cinema’s advertising business will further implement the “environment-oriented” marketing strategy and introduce various innovative media platforms to the entire film industry with the support from Dadi Cinema, bringing revolutionary changes to the film and media industry.

於2017年1月25日，本公司宣佈通過大地傳播收購橙天嘉禾影城(中國)有限公司(「橙天嘉禾影城(中國)」)簽署買賣協議，其影院在一二線城市的佈局，與大地影院以二三四線城市為主的市場佈局形成良好的補充。交易完成後，大地影院所經營的影院數將增加至426家，銀幕數將增至2,442塊，進一步鞏固其全國第二的市場排名。此外，該收購將能夠與大地影院的核心能力和優質資源形成協同效應和整合效益，有益於其未來面向客戶端的長遠發展戰略，同時也對大地影院「電影+」戰略的落地打下了更加堅實的基礎。大地影院「電影+」戰略將更加注重於實現影院關聯業態的有效聯動及客流資源共享，建立會員體系，打通線上線下會員數據，為影院周邊多元業態精準營銷和導流，以影院為入口，構築以觀影人群為中心的娛樂消費新生態圈。同時，大地影院的廣告業務，也將進一步夯實「場景驅動營銷」的戰略的落地，以大地影院為基點支撐，將各種創新的影院媒體平台推向整個電影行業，開啟影院媒體行業的變革。



## Management Discussion and Analysis 管理層討論與分析

A new ecosystem on entertainment consumption created by “Film+” strategy as well as millions of audience and members gained from diversified film culture laid a solid foundation for Dadi Film to tap into content industry. In the future, Dadi Film will actively pursue cooperation with outside parties. It aims at optimizing the coverage of its distribution network on one hand, and enhancing exploration and cultivation of content industry. As for distribution business, Dadi Film conducted cooperation on Chinese movies projects. Dadi Film will direct and participate in releasing “The Legend of The Mengol King” (《鐵木真傳奇》), a historical blockbuster with visual effects produced by Jean Jacques Annaud, and “Tea Pets” (《阿唐小來的奇幻之旅》), a movie marking the new benchmark for PRC animation technology. Dadi Film actively pursued the expansion of overseas market and has obtained the rights to distribute the following movies in the PRC: “American Made”, a criminal drama-thriller film directed by Doug Liman and starring Tom Cruise and Domhnall Gleeson, “The Expendables 4” and “Rambo 5”, which were directed by and starring Sylvester Stallone. These movies will be shown in theaters in the coming three years. As for content industry, Dadi Film introduced “brand strategy” to create quality film and television programs and animation works. By consolidating content platform, Dadi Film will strengthen the development of core films and make attempts on film and television works of various art forms. On the other hand, with creating quality IP for animation-lovers as the core driving force, Dadi Film will create a pan-entertainment complex with comprehensive product lines and integrated industrial chain consisting of animation, films and television works, derivative products and performance, thus expanding the cultural market.

In addition, development of cinema construction remains on fast track amid the golden era for the Chinese film industry. Suppliers enhanced the quality of their film screening equipment in response to the increasing demand for high quality viewing experience. In future, Oristar will shift its focus to technology services and put more efforts in the comprehensive integration of automatic operation system, ticketing system, TMS system, screening servers, servers and laser IMAX, with a view to providing more appropriate cinemas construction and operation solutions.

通過「電影+」戰略佈局形成的娛樂消費新生態圈，以及多元電影文化贏得的數千萬的觀眾和會員，都構成了大地電影全方位進軍內容產業的堅實基礎。在未來，大地電影還將積極拓展對外合作，一方面繼續完善發行網絡的覆蓋面，另一方面加強內容產業的開拓與深耕。在發行業務方面，與華語電影項目進行多方位合作，將主導及參與發行的電影如，讓雅克阿諾監製的視效史詩大片《鐵木真傳奇》、國產動畫技術新標杆《阿唐小來的奇幻之旅》等。並且積極開拓海外市場，目前已經簽訂道格裡曼導演，湯姆·克魯斯和多姆納爾·格裡森主演的犯罪類型電影《American Made》，史泰龍導演及主演的電影《敢死隊4》與《第一滴血5》的中國大陸區發行權益，這些電影預計會在未來三年內上映。在內容產業方面，提出「精品戰略」工程，打造有質量的精品影視、動漫作品。在內容方面，在打通內容平台的基礎上，一方面，深挖核心類型片，嘗試不同藝術形式的影視作品；另一方面，以覆蓋泛二次元人群的優質IP為核心驅動力，形成一個包含動漫、影視、衍生品、演出的產品線豐富且產業鏈完整的泛娛樂綜合體，撬動更大的文化市場。

此外，中國的電影行業正處於黃金時代，影院建設保持高速發展。人們對高品質觀影需求日盛，相應地，對放映設備供應商也提出了更高的要求。在未來辰星科技將全面轉向技術服務，更多針對影院自動化系統、票務系統、TMS系統、電影放映機、服務器以及激光巨幕放映系統等全系列進行平台化整合工作，為院線、影院建設及運營提供更合適的方案。

Management Discussion and Analysis 管理層討論與分析

# Property Development

## 房地產開發





## Management Discussion and Analysis 管理層討論與分析

### BUSINESS REVIEW

During the year, turnover of this business segment was approximately HK\$4,524.9 million (2015: HK\$192.1 million). Segment profit before income tax was approximately HK\$2,695.4 million (2015: HK\$97.4 million). Profit for the year was mainly attributable to the substantial increase in revenue driven by the recognition of the sales income of Phase 3 of “The Peninsula” during the year.

#### “The Peninsula” Project in Shenzhen

During the year, Nan Hai Development continued the rolling development of “The Peninsula” in Shenzhen. Nan Hai Development adhered to quality as its core values, excelling at raising the bar for its products with exquisite decorations. Phase 3 of “The Peninsula” obtained the pre-sale permit on 28 March 2016. Sales launched on 9 April 2016 in Shekou, Shenzhen, attracting nearly 2,000 visitors. 409 units were sold within two days, generating aggregate proceeds of approximately RMB5.2 billion. As at 31 December 2016, a total of 768 units in the Phase 3 of the project were sold, generating an accumulated pre-sales amount of RMB11.277 billion. Phase 4 of the project commenced construction in July 2015 and is under development at full speed, and is expected to meet pre-sales conditions in 2017.

#### “Free Man Garden” project in Guangzhou

Given the further increase in housing price in Guangzhou, Nan Hai Development adjusted and increased the ownership percentage of the “Free Man Garden” project. As at 28 December 2016, the company which owns the “Free Man Garden” in Guangzhou became a wholly-owned subsidiary of Nan Hai Development. The development of various phases went smoothly. Pre-sales for Phase 4 commenced on 16 July 2016. As at 31 December 2016, pre-sales amounted to approximately RMB2.042 billion with a total sales area of approximately 155,000 square meters (“sq.m.”), accounting for approximately 85% of the total area of Phase 4. Residential project of Phase 2 and commercial project of Phase 3 were completed with occupancy conditions fulfilled in 2016, and residential project of Phase 2 was delivered. Development of residential projects of Phase 5, 6 and 7 gradually rolled out. Certain blocks of Phase 7 obtained the pre-sales permit during the year and are expected to launch for sales in 2017.

### 業務回顧

年內，此業務部門之營業額約4,524.9百萬港元（2015年：192.1百萬港元），除所得稅前分部溢利約2,695.4百萬港元（2015年：97.4百萬港元），錄得年內溢利的主要原因為「半島•城邦」三期年內確認售樓收入，拉動利潤顯著上漲。

#### 深圳「半島•城邦」項目

年內，南海發展繼續推進其旗下項目，深圳「半島•城邦」的滾動式開發工作，並堅持以質量為核心，精益求精地打造高品質產品。「半島•城邦」三期，於2016年3月28日取得預售許可證，並於2016年4月9日在深圳蛇口開盤銷售，現場到訪客戶近2,000人，開盤兩日內認購套數409套，認購總金額52億元人民幣。截至2016年12月31日，該項目三期累計銷售768套，累計預售額已達112.77億元人民幣。該項目四期已於2015年7月份啟動工程建設，目前工程進度正全速推進，預計在2017年內達到預售條件。

#### 廣州「自由人花園」項目

年內，鑒於廣州房價進一步上揚，南海發展對廣州「自由人花園」進行了重整，擴大對該項目的持有比例，截至2016年12月28日，擁有廣州「自由人花園」的公司已成為南海發展持有100%股權的全資子公司。該項目各期工程滾動開發進展的也非常順利，其四期於2016年7月16日開盤預售。截至2016年12月31日，預售額約20.42億元人民幣，銷售總面積約15.5萬平方米（「平方米」），約佔四期總面積的85%。該項目二期住宅及三期商業已於2016年達到竣工入住條件，二期住宅已經交樓。五、六、七期住宅相繼開發建設，七期部分樓座已於年內取得預售證，預計在2017年陸續推售。

## Management Discussion and Analysis 管理層討論與分析

### PROSPECTS

The real estate market of the PRC was extremely robust and volatile in 2016. With surging property prices frequently hit record high during the first half of 2016, policies on curbing the rapidly climbing housing price were implemented in first-tier cities. These policies were relatively scientific, and it is expected that such policies will achieve stable development in the market instead of resulting in excessive volatility in the market. Certain second-tier and most of the third-tier cities were still under intense pressure on inventory. Destocking and promotion of consumption would still be the main focus in the property market.

“The Peninsula”, Nan Hai Development’s flagship project, has become one of the largest high-end residential and commercial complex in Shenzhen. Given the urban development strategy of optimizing northern Guangzhou, and great opportunities arising from urban development and its stimulating effects, “Free Man Garden” project in Guangzhou will continue to enhance its brand value effect, and thus possess tremendous room for appreciation and development prospect.

In 2017, Nan Hai Development will uphold its philosophy of “user-friendly designs, high quality and building humanity community”. While making huge effort in promoting the existing projects, Nan Hai Development will focus on first tier cities and take initiative in developing new property projects, aiming at laying a solid foundation for its sustainable development in the long run. Meanwhile, Nan Hai Development will explore innovative commercial property investment and development models which combine culture and innovation, arts and humanity, catering and travel as well as fashion and leisure.

### 展望

2016年是中國地產業異常熱鬧而跌宕的一年，在2016年上半年房價瘋漲、高價地頻出的現實面前，一線城市開始陸續頒佈管控房價急速上升的政策，但這些政策相對科學，預計不會造成市場過度波動，能起到市場穩健發展的效果。而部分二線及多數三線城市庫存壓力依然嚴峻，市場仍以去庫存、促消費為主基調。

目前，南海發展的旗艦項目「半島·城邦」已成為深圳規模最大的高端住宅與商業綜合體項目之一。而依托著廣州「北優」城市發展戰略，以及城市發展帶來的巨大機遇及拉動效應，廣州「自由人花園」項目不斷提升其品牌效應，也擁有著巨大的升值空間與發展前景。

2017年，南海發展將繼續秉承「人性化居住環境設計、高品質、人文社區構建」的理念，在大力推進現有項目的同時，以一線城市為核心積極開拓多個地產項目，為該板塊的長期持續發展奠定基礎。同時，還將積極嘗試與文化創意、藝術人文、餐飲旅游、時尚休閒相結合的創新型商業地產投資開發模式。



Management Discussion and Analysis 管理層討論與分析

# Corporate IT Application Services

## 企業 IT 應用 服務





## Management Discussion and Analysis 管理層討論與分析

### BUSINESS REVIEW

Year 2016 was the first year of the implementation of the Thirteenth Five-Year-Plan of China and the eleventh year after implementing small and medium enterprises (“SMEs”) informatization project. With the development of new technologies and emerging industries like cloud computing and mobile internet, SMEs is provided with more flexible and diversified informatization products.

Since calling for the action plan of “Internet +” in the 12th National People’s Congress, SMEs were driven to catch the wave of transformation of internet. Under keen competition, the concept of “Internet +” has made certain founders and SMEs stand out in the competition. However, lots of SMEs are still struggling in the confusing transformation. To deal with the internet transformation issue for 40 million SMEs in the PRC, a three-part solution is required: technology, marketing and services, posing a challenge to the enterprises provided information services to SMEs. Solving technological problem is the base of informationization for SMEs; solving marketing problem is the key for rising awareness on the internet; while services provided afterwards are the core factor for SMEs earning profits via internet in long term.

During the year, with key subsidiaries CE Dongli and Xinnet as its main business entities, more effort was continuously put into the corporate IT application services business of this business segment by providing comprehensive internet-based services, e-commerce and information application services, and overall solutions to SMEs and individual clients in the PRC. During the year, turnover of this segment was approximately HK\$818.1 million (2015: HK\$808.3 million), representing a growth of approximately 1.2% over the corresponding period last year. Segment loss before income tax was approximately HK\$18.9 million (2015: HK\$14.9 million), which was basically in line with that of last year.

### 業務回顧

2016年是「十三五」規劃的開局之年，也是中小企業信息化推進工程實施的第11年。隨著雲計算和移動互聯網等新興技術和產業的發展，中小企業信息化有了更靈活多樣的選擇。

自第十二屆全國人民代表大會上提出「互聯網+」的行動計劃，從此中國萬千中小企業迎來了互聯網轉型的大潮。浪潮汹涌之下大浪淘沙，「互聯網+」的概念讓一部分創業者和中小企業從市場競爭中脫穎而出，但更多的中小企業却仍處在轉型時期的迷茫之中。想要解決中國4,000萬中小企業的互聯網轉型難題，需要從技術、營銷和服務三個角度綜合切入。這就對為中小企業信息化服務的企業提出了挑戰。解決技術問題是中小企業互聯網化的基礎，解決營銷問題是企業在互聯網端受關注的關鍵，而隨後的各種服務問題則是中小企業能否長期通過互聯網盈利的核心。

年內，本業務部門繼續深耕於企業IT應用服務業務，以旗下核心企業中企動力及新網為經營主體，主要面向中國的中小企業及個人客戶提供全方位的互聯網基礎服務、電子商務和信息化應用服務及整體解決方案。年內，該分部營業額約為818.1百萬港元（2015年：808.3百萬港元），同比增長約1.2%；除所得稅前分部虧損約為18.9百萬港元（2015年：14.9百萬港元），與去年基本持平。

## Management Discussion and Analysis 管理層討論與分析

### CE Dongli

With 17 years' practical experience, CE Dongli provides comprehensive information service solutions to SMEs and capitalizes on its experience in website construction, marketing and corporate services, which are the three major business fields CE Dongli focuses on today.

In respect of website construction, CE Dongli is in the process of launching an enterprise portal "NEW Z+", an O2O all-net retail platform "ZshopS", and corporate mobile marketing platform "Vone". Through these platforms, the technical problems in internet-oriented transformation of SMEs can be solved by setting up enterprise portal, seamless inter-connection of online to offline (O2O) services, and providing barrier-free visits via mobile terminals.

In respect of marketing, "Dabatui Corporate Internet Integrated Marketing Platform (大把推企業互聯網整合營銷平台)" provides marketing services on various commercial websites and search engines at home and abroad for 40 main industries and over 1,000 sub-segment industries via observing basic searching behavior of users.

With respect to corporate services, CE Dongli optimizes its services by providing corporate domain name registration management services, global corporate email and cloud storage services, four major search engines in world. With outstanding technical measures, CE Dongli is able to solve the global commercial problems, for example, brand protection on internet, corporate domain name registration, global information communication, instant data backup, search engines and commercial marketing. During the year, the internet marketing product "Dabatui" launched by CE Dongli, was awarded "The Best Product of the Year 2016" and "The Brand for IT Users in China 2016", making CE Dongli a dual champion for both products and brand in internet marketing platform sector.

### 中企動力

中企動力經過17年的行業實踐，為中小企業提供全方位信息化服務解決方案，將自己的成功經驗總結為網站建設、營銷推廣、企業服務三大方面，這些也成為如今中企動力著重發力的三大主營業務。

在網站建設方面，中企動力推出企業門戶網站 — NEW Z+、O2O全網零售平台 — ZshopS、企業移動營銷平台 — Vone，分別從中小企業門戶網站建設、線上線下O2O服務無縫連接、移動端訪問無障礙等方面解決中小企業互聯網化進程中的各種技術問題。

在營銷推廣方面，「大把推企業互聯網整合營銷平台」共覆蓋了40大行業1,000多個細分行業的海量商貿網站及國內外搜索引擎媒介資源，通過用戶最基本的搜索行為幫助企業進行營銷推廣。

在企業服務方面，中企動力通過企業域名註冊管理服務、全球企業雲郵及雲盤服務、全球4大主流搜索引擎優化服務，憑藉頂尖的技術手段解決企業網絡品牌保護、企業域名註冊、全球信息溝通、實時數據備份、搜索引擎和商貿推廣等全球性商業問題。年內，中企動力所推出的網絡營銷推廣產品「大把推」榮獲「2016年度最佳產品獎」、「2016中國IT用戶滿意品牌」等獎勵，成為網絡營銷推廣平台領域的雙料冠軍。



CE Dongli provides assistance to SMEs to develop "Internet+"  
中企動力助力中小企業實現「互聯網+」

## Management Discussion and Analysis 管理層討論與分析

### Xinnet

Adhering to customer-oriented principal, Xinnet paves the way for customers to enter into internet business with product innovation, various marketing channels and efficient operation services.

During the year, Xinnet continued its internet-based services, such as domain name registration, cloud computing and synergistic communication, and actively developed various applications and value-added services for SMEs through online direct sales and distributor channels established across the PRC. In June 2016, Xinnet launched "Global Mail", a strategic email product, which maintained the performance advantage of Xinnet corporate email and focused on optimizing the experience of mobile office, striving to making it the sharpest solution for office operation. In addition, Xinnet launched cloud hosting products with focus on cloud computing, and established platforms for websites construction in the second half of 2016, offering convenient services to SMEs for their own websites setup. In December 2016, Xinnet launched digital asset hosting services designated for group companies and large internet enterprises. Xinnet has entered into contracts with well-known enterprises, reflecting that its services have gained general attention and recognition in the industry.

At the same time, Xinnet entered into agreements with famous cloud computing enterprises to launch Xinnet's products on different platforms, such as Baidu Cloud, Huawei Cloud and Jingdong Cloud and will continue to have further cooperation in the future.

### 新網

新網堅持以客戶為導向，通過產品創新、多元化營銷渠道和高效的運營服務，為客戶進入互聯網鋪平道路。

年內，新網繼續通過在線直銷與遍佈全國的代理商管道，面向中國中小企業開展域名註冊、雲計算、協同通訊等互聯網基礎服務，並積極拓展各類應用及增值服務。2016年6月，推出了戰略級郵箱產品——「全球郵」，「全球郵」延續了新網企業郵箱一貫的性能優勢，並著重優化移動辦公體驗，傾力打造全新一代辦公利器。此外，新網於2016年下半年推出以雲計算為核心的雲主機產品和建站平台，為中小企業自主建站提供更便利的服務。2016年12月推出面向集團類及大型互聯網企業的數字資產管家式托管服務，已簽約諸多知名企業，受到業內的普遍關注和認可。

與此同時，新網與國內知名雲計算企業簽署協議，在百度雲、華為雲、京東雲等平台上線新網產品，未來將繼續推進與其業務的互補合作。



## Management Discussion and Analysis 管理層討論與分析

### PROSPECTS

The Company's management believes that SMEs in the PRC will continue to increase its investment in informatization in the future. Although it still needs some time for market ramp-up and promotion, enterprise-level IT application services business will enjoy extensive market opportunity. As cloud applications become widely deployed, the enterprise informatization services will rely on "cloud" in the future. As cloud service products are not available on current cloud market, the development of informatization of SMEs encounters great difficulties in terms of costs and technical matters. Based on its 17 years' experience on providing informatization services for SMEs, the Company has acquired the technologies on cloud computing and cloud applications and intends to launch its cloud service products designated for SMEs via platforms to minimize the investment costs for informatization and eliminate technical barriers from "cloud".

Looking forward, apart from providing cloud services and cloud applications via platforms, the Group will continue to improve ground services capability by providing supporting ground services to SMEs under different development stages. Meanwhile, the Group will enhance its product platform and customized service capacity to provide the best and most suitable customized solutions with low costs for SMEs in different industries. The Group will also continue to commit more resources on operation services, which allows it to quickly respond to the needs of SMEs and provide timely solution, thus enhancing its overall operational capability and online services capability.

The coming 10 years will be the golden 10 years for corporate internet application industry. To grasp this historic opportunity, the Group is dedicated to establish an internet application industry ecosystem for SMEs in the PRC by leveraging on its advantages established over the years, such as substantial resources, core competencies and extensive operating experience in the enterprise market, thereby becoming a fresh driver of industrial transformation and upgrading with internet information technology in the PRC.

### 展望

本公司管理層認為，中國的中小企業未來將持續加大信息化的投入，雖然仍需一定的市場培育和推廣時間，但企業級IT應用服務業務將會擁有廣闊的市場機遇。隨著雲應用的廣泛開展，未來的企業信息化服務將依托於「雲」上，而現有的雲市場，沒有中小企業適合的雲服務產品，中小企業在信息化發展中將存在極大的成本投入和技術障礙，而本公司將在原有17年的中小企業信息化服務基礎上，隨著技術和時代的進步，已經儲存了豐富的雲計算、雲應用技術，嘗試通過平台化推出中小企業雲服務產品，降低中小企業信息化投入成本，降低由於「雲」帶來的技術障礙。

展望未來，本集團將在提供平台化雲服務、雲應用的同時，繼續不斷深化自己的地面服務能力，針對不同發展階段的中小企業提供配套的地面服務。同時強化產品平台，提高產品訂制化的能力，為不同行業中的中小企業提供最適合企業行業特性的、使用成本低的最佳的個性化解決方案。並且仍將持續加強運營保障方面的投入，對客戶問題進行快速響應，及時的解決，全面提升運營支撐能力和在線服務能力。

未來的十年將是企業級互聯網應用行業的黃金十年。面對這一歷史機遇，本集團將依托其多年來積累的強大資源優勢、核心能力和企業市場的豐富運營經驗，傾力打造中國中小企業互聯網應用產業生態圈，成為以互聯網信息化科技推動中國產業轉型和升級的生力軍。

Management Discussion and Analysis 管理層討論與分析



# Development of New Businesses

新業務 開拓



## Management Discussion and Analysis 管理層討論與分析

### NEW MEDIA

#### Business Review

Dadi News Media, which commenced operation in the second half of 2015, has established two business divisions, namely “HK01” and “Duowei Media”. During the year, turnover of Dadi News Media was approximately HK\$173.1 million (2015: HK\$22 million), of which advertisement income from the other segments of the Group was approximately HK\$147.0 million. Segment loss before income tax was approximately HK\$253.5 million (2015: HK\$52.9 million). Currently, all businesses of Dadi News Media are at a preliminary stage and are in the period of market investment and ramp-up.

Based in Hong Kong, “HK01” has now developed into a new media with over 550 employees. “HK01” strived to establish a media dissemination platform to create new interactive experience for its readers. As a brand new advocacy media and internet application service, “HK01” is dedicated to take shape and provide full services for its readers through multimedia platform, namely its website, weekly magazine and physical premise. “Duowei Media” includes two major media, namely Duowei monthly magazine and Duowei website. Duowei monthly magazine are sold in different places in the Asia-Pacific Region.

#### Prospects

Looking forward, the Group will continue to devote its resources in the new media business. Dadi News Media is actively developing a membership system to build up a solid foundation for future development of an all-rounded internet application platform and make it a new business growth driver of the Group.

### 新媒體

#### 業務回顧

由2015年下半年開始運營的大地傳媒現已建立起「香港01」和「多維傳媒」兩部分。年內，大地傳媒營業額約173.1百萬港元（2015年：22百萬港元），其中來自本集團內部其他分部的廣告收入約為147.0百萬港元，除所得稅前分部虧損約為253.5百萬港元（2015年：52.9百萬港元）。目前，大地傳媒的各項業務正處於起步階段，尚處於市場投入和培育期。

「香港01」立足於香港，目前已發展成為擁有超過550人團隊的新型社會傳播體系媒體，努力打造與讀者的全新互動體驗及信息傳播平台，致力於建立一類新型的倡議型媒體及互聯網應用服務，提供網站、周報及實體空間三位一體的多媒體平台，全方位服務於讀者。「多維傳媒」包括多維月刊和多維網站兩個主要媒體，多維月刊目前在亞太多個地區均有發售。

#### 展望

未來，本集團將在新媒體業務領域持續投入。目前，大地傳媒積極發展會員制度，以期為今後發展全方位互聯網應用平台打下堅實的基礎，並希望將其打造成為本集團旗下新的業務增長點。



## Management Discussion and Analysis 管理層討論與分析

### INNOVATIVE BUSINESS

#### Business Review

Driven by the commencement of “Film+” strategy of Dadi Cinema, network expansion work for the innovation commercial business of the Group in “Film + Innovative Retail”, and “Film + Innovative Catering” has been kicked off.

During the year, turnover of Dadi Innovation was approximately HK\$418.2 million (2015: Nil). Net loss before tax was approximately HK\$87.3 million (2015: Nil). The acquisition of Crabtree & Evelyn was completed in 2016 and Crabtree & Evelyn is currently undergoing the consolidation process, and Dadi Catering (HK) Limited (“Dadi Catering”) is at a preliminary stage.

In respect of retailing, the Group completed the acquisition of 70% equity interest in Crabtree & Evelyn, an internationally renowned skincare brand on 30 September 2016. By implementing a series of restructuring initiatives including integration of resources, remodeling of the brand, supply chain optimization, development of new product lines in Crabtree & Evelyn, Nan Hai will use its best endeavor to boost business performance of Crabtree & Evelyn. The acquisition of Crabtree & Evelyn creates synergy with the core competences and quality resources of the existing businesses like Dadi Cinema, in line with the long-term strategy of the Group with focus on users. In respect of catering, Dadi Catering took the lead to introduce a new culinary culture based on the concept of “light, lively and fresh”, bringing people in China into a brand new dining culture with the operation incorporated with cinema.

### PROSPECTS

Adhering to the principal “demands for movies as driver; cinemas as core; internet as connector”, the Group integrated its member information from different fields to conduct precise marketing and cross-selling, in order to enhance the experience of consumers in the entire commercial complex, which becomes the general trend for development. Cinemas are the key to attract and retain customers, thus an essential business in a commercial complex. In recent years, attempts have been made to establish a new market model of cinematically-themed commercial complex. Based on the “Film+” strategy, the Group drives the secondary consumption revenue from customers by entering catering, retailing businesses, with an aim to meet various consumer demands under the same business. In long run, the complementation between the cinemas and different products of the Group will benefit the long-term development of the Group’s business.

### 創意商業 業務回顧

伴隨著大地影院「電影+」戰略的落地，本集團的創意商業業務也從「電影+創意餐飲」、「電影+創意零售」兩方面啟動拓展。

年內，大地創意商業營業額約為418.2百萬港元（2015年：無），除所得稅前虧損淨額約為87.3百萬港元（2015年：無）。於2016年完成收購的Crabtree & Evelyn，目前正處於整合階段，而大地餐飲（香港）有限公司（「大地餐飲」）也正處於起步階段。

零售方面，本集團於2016年9月30日完成了對國際著名護膚品品牌Crabtree & Evelyn的70%股權的收購，並助力Crabtree & Evelyn開展一系列重組變革，包括資源整合、品牌重塑、供應鏈優化、新產品開發等，全力提升Crabtree & Evelyn的業務表現。透過收購Crabtree & Evelyn，與旗下大地影院等原有業務的核心能力和優質資源形成良好的協同效應和整合效益，有助於本集團未來面向客戶端的長遠發展戰略。餐飲方面，大地餐飲以「輕、親、新」的概念範，以與影院結合的經營方式，引領國人新的飲食文化。

### 展望

以觀影需求為驅動，影院為核心，互聯網為連結，將不同業態的會員數據進行整合，進行精準營銷和交叉銷售，提升消費群體在整個商業綜合體的體驗是發展的大勢所趨。影院已成為吸引並留住客流的重要保障，是商業綜合體的必備業態，近年來更是有以電影為主題的商業體的市場新模式嘗試。本集團在「電影+」戰略的基礎上，佈局餐飲、零售行業，直接面對客戶拉動二次消費，在一個場景下實現多維度的消費需求，從長遠來看，綜合本集團內影院與零售業態不同商品間相互整合的有益嘗試，有助於本集團的業務的長遠發展。

## Management Discussion and Analysis 管理層討論與分析

### FINANCIAL RESOURCES AND LIQUIDITY

The Group continued to adopt prudent funding and treasury policies. As at 31 December 2016, net assets attributable to the owners of the Company amounted to approximately HK\$4,051.8 million (2015: HK\$3,242.3 million), including cash and bank balances of approximately HK\$8,171.4 million (2015: HK\$2,724.5 million) which were mainly denominated in US dollars, Renminbi and Hong Kong dollars. As at 31 December 2016, the Group's aggregate borrowings were approximately HK\$15,467.4 million (2015: HK\$10,070.2 million), of which approximately HK\$8,781.9 million (2015: HK\$6,467.5 million) were bearing interest at fixed rates while approximately HK\$6,685.5 million (2015: HK\$3,602.7 million) were at floating rates. The Group currently has not taken any interest rate hedge.

As at 31 December 2016, the gearing ratio of the Group, which is calculated as the net debt divided by the adjusted capital plus net debt was approximately 58.36% as at 31 December 2016 (31 December 2015: 65.22%).

As at 31 December 2016, the capital commitment of the Group was approximately HK\$3,416.0 million, of which approximately HK\$36.7 million would be used for the renovation of the headquarters of corporate IT application services, approximately HK\$336.5 million would be used as capital expenditures for the expansion of its cinema business, and approximately HK\$3,042.8 million would be used for property development.

As at 31 December 2016, the Group's contingent liabilities were approximately HK\$18.6 million in connection with the guarantees given to secure credit facilities and guaranteed returns.

As at 31 December 2016, certain interests in leasehold land, buildings, other property, plant and equipment, properties under development and completed properties held for sale, investment properties and bank deposits with a total net carrying value of approximately HK\$10,160.5 million were pledged to secure the credit facilities granted to the Group. In addition, trading securities with a carrying value of approximately HK\$0.2 million and certain shares of several subsidiaries were pledged and bank accounts were charged for securing the Group's credit facilities.

Details of the bank, other borrowings and financing of the Group are set out in notes 29, 30 and 31 to the financial statements.

### 財務資源及流動資金

本集團繼續採取審慎之資金及財務政策。於2016年12月31日，本公司擁有人應佔資產淨值約為4,051.8百萬港元(2015年：3,242.3百萬港元)，包括現金及銀行結存約為8,171.4百萬港元(2015年：2,724.5百萬港元)，主要以美元、人民幣及港元為單位。於2016年12月31日，本集團之借貸總額約為15,467.4百萬港元(2015年：10,070.2百萬港元)，其中約8,781.9百萬港元(2015年：6,467.5百萬港元)乃按固定利率計息，而約6,685.5百萬港元(2015年：3,602.7百萬港元)則按浮動利率計息。本集團目前並無實行任何利率對沖。

於2016年12月31日，本集團之資本負債比率，即負債淨額除以已調整之資本加以負債淨額，於2016年12月31日約為58.36%(2015年12月31日：65.22%)。

於2016年12月31日，本集團之資本承擔約為3,416.0百萬港元，其中約36.7百萬港元用作企業IT應用服務總部之翻新工程費用，約336.5百萬港元將用作為擴展影院業務之資本開支，及約3,042.8百萬港元將用作房地產開發。

於2016年12月31日，本集團之或然負債約為18.6百萬港元，乃就信貸融資及保證回報提供之擔保所致。

於2016年12月31日，本集團之信貸融資是以賬面淨值總額約為10,160.5百萬港元之若干租賃土地權益、樓宇、其他物業、廠房及設備、待發展及已落成待售物業、投資性物業及銀行存款作為抵押。此外，本集團已質押賬面值約為200,000港元之交易證券、數間附屬公司之若干股份、及銀行賬戶作為本集團信貸融資之抵押。

本集團的銀行、其他借貸及融資詳情載於財務報表附註29、30及31。

## Management Discussion and Analysis 管理層討論與分析

### EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

The majority of the Group's borrowings and transactions were primarily denominated in US dollars, Renminbi and Hong Kong dollars. Both the operating expenses and revenue were primarily denominated in Renminbi and Hong Kong dollars. Uncertainties in global economic development are expected to warrant a fluctuation in Renminbi. The Group's reported assets, liabilities and results may be affected by the Renminbi exchange rates. During the year under review, fluctuation in Renminbi exchange rates affected the assets and liabilities translation from Renminbi to Hong Kong dollars in financial reporting of the Group, and the Group will keep on reviewing and monitoring the fluctuation in exchange rate between Renminbi and Hong Kong dollars. For the funding in US dollars, as Hong Kong dollars are adopted as the reporting currency of the Group, the management of the Group considers the exposure to exchange risk is insignificant owing to the linked exchange rate system that pegs Hong Kong dollars to US dollars. The Group proactively seeks management measures to minimize the impact arising from risks and uncertainties as far as practicable, and considers using foreign exchange hedging instruments (if appropriate) from time to time, to minimize the risk exposure arising from changes in Renminbi exchange rates. As at the date of this report, the Group has not used any foreign exchange hedging instruments.

### EMPLOYEES AND REMUNERATION POLICY

The Company employs and remunerates its employees based on their qualifications, experience and performance. In addition to basic salary payments, other benefits include housing, contributions to mandatory provident fund, group medical insurance, group personal accident insurance and examination leave and etc. Employees are eligible to be granted share options under the Company's share option scheme at the discretion of the Board of the Company. In general, salary review is conducted annually. As at 31 December 2016, the Group had approximately 17,741 employees (2015: 14,218 employees). The total salaries of and allowances for employees for the year ended 31 December 2016 were approximately HK\$1,358.9 million (2015: HK\$1,129.1 million). The Group focuses on providing skill and quality training for various levels of staff, and provides on-the-job capability training to its staff; in respect of staff quality, corresponding training on personal work attitude and work habits is also provided.

### 匯率波動風險

本集團大部份借貸及交易主要以美元、人民幣及港元為單位。經營開支及收入主要為人民幣及港元，預期全球經濟發展的不確定性導致人民幣匯率會有波動。本集團所錄之資產、負債以及業績可能亦會受人民幣匯率影響。於回顧年內，人民幣匯率波動影響了本集團財務報告中由人民幣匯兌至港元的資產及負債，本集團仍會繼續審視及監察人民幣及港元的匯率波動。至於美元融資方面，本集團以港元為匯報貨幣，基於港元跟美元有聯繫匯率關係，本集團管理層認為匯率波動風險不大。本集團尋求積極的管理方法，力求在可行的情況下，減輕風險及不確定因素帶來的影響，將不時考慮利用外匯對沖工具（如適合），降低人民幣匯率變化帶來的風險。於本報告日期，本集團並無使用任何外匯對沖工具。

### 僱員及薪酬政策

本公司員工的聘用及薪酬均以員工之學歷、經驗和工作表現為基礎。除基本薪金外，其他福利包括住房、強制性公積金供款、團體醫療保險、團體個人意外保險及考試休假等。員工可根據本公司購股權計劃並按本公司董事會之酌情決定獲授購股權。一般而言，每年均會進行薪金檢討。於2016年12月31日，本集團約有17,741名員工（2015年：14,218名員工）。截至2016年12月31日止年度，員工之薪金及津貼共約1,358.9百萬港元（2015年：1,129.1百萬港元）。本集團注重對員工技能和素質的培訓，針對不同崗位的需求，對員工進行崗位能力的培訓；在員工素質方面，對個人工作態度及工作習慣等方面也進行相應的培訓。



## Report of the Directors 董事會報告

The Board herein present their report and the audited financial statements of the Group for the year ended 31 December 2016.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. During the year, the Group was principally engaged in culture and media services, property development, corporate IT application services, and also tapped into new media and innovative business.

### SEGMENT INFORMATION

Particulars of the Group's revenue and segment information for the year are set out in notes 5 and 6 to the financial statements respectively.

### BUSINESS REVIEW

The description of principal risks and uncertainties that the Group may be facing is provided in the Risk Management and Internal Control section on pages 87 to 92 of this annual report and a fair review of the Group's business during the year, and the probable future business development of each segment of the Company are provided in the Management Discussion and Analysis section on pages 14 to 37 of this annual report. Also, the financial risk management objectives and policies of the Group can be found in note 49 to the consolidated financial statements. Particulars of important events affecting the Group that have occurred since the end of the financial year ended 31 December 2016 are provided in the Management Discussion and Analysis section. An analysis of the Group's performance during the year using financial key performance indicators is provided in the Five-Year Financial Summary on page 280 of this annual report. In addition, discussions on the Group's environmental policies, relationships with its consumers and employees and compliance with relevant laws and regulations which have a significant impact on the Group are all contained in the Environmental, Social and Governance Report on pages 93 to 112 of this annual report.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 121.

The Board has recommended a final dividend of 0.2 HK cents per ordinary share for the year ended 31 December 2016 (2015: Nil). This recommendation is subject to the approval of the shareholders at the forthcoming annual general meeting.

董事會謹此提呈本集團截至2016年12月31日止年度之董事會報告及經審核財務報表。

### 主要業務

本公司之主要業務為投資控股。年內，本集團主要從事文化與傳播服務、房地產開發及企業IT應用服務，並進軍新媒體及創意商業領域。

### 分部資料

本集團於本年度之營業額及分部資料分別載於財務報表附註5及6。

### 業務回顧

有關本集團可能面對之主要風險及不確定因素之描述載於本年報第87頁至第92頁之風險管理及內部監控一節；有關本集團年內業務之中肯審視及本公司各分部之可能日後業務發展載於本年報第14至37頁之管理層討論與分析一節。此外，本集團財務風險管理目標及政策可於綜合財務報表附註49閱覽。自2016年12月31日止財政年度結束以來所發生影響本集團之重要事件詳情載於管理層討論與分析一節。應用財務關鍵表現指標之本集團年內表現分析載於本年報第280頁之五年財政摘要。此外，有關本集團環境政策、與其消費者及僱員之關係以及遵守對本集團有重要影響之相關法例及規例之討論，全部載於本年報第93至112頁之環境、社會及管治報告。

### 業績及利潤分配

本集團於本年度之業績載於第121頁之綜合收益表。

董事會建議就截至2016年12月31日止年度派付末期股息每股普通股0.2港仙(2015年：無)。建議股息須待股東於應屆股東周年大會批准後方可作實。

## Report of the Directors 董事會報告

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 280.

### PROPERTY, PLANT AND EQUIPMENT

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

### SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's principal subsidiaries and associates as at 31 December 2016 are set out in notes 16 and 17 to the financial statements respectively.

### BANK AND OTHER BORROWINGS AND FINANCING

Details of the bank and other borrowings and financing of the Group as at 31 December 2016 are set out in notes 29, 30 and 31 to the financial statements respectively.

### SHARE CAPITAL

During the year, details of the movements in share capital of the Company are set out in note 35 to the financial statements.

### RESERVES

During the year, details of the movements in the reserves of the Company and the Group are set out in note 37 to the financial statements.

### DISTRIBUTABLE RESERVES

As at 31 December 2016, the amount of the Company's reserves available for distribution was approximately HK\$316.8 million. In addition, the Company's share premium account with a balance of HK\$965.9 million may be distributed in the form of fully paid bonus shares.

### 五年財政摘要

本集團過去五個財政年度之業績、資產及負債之摘要載於第280頁。

### 物業、廠房及設備

年內，本集團之物業、廠房及設備之變動詳情載於財務報表附註13。

### 附屬公司及聯營公司

本公司於2016年12月31日之主要附屬及聯營公司之詳情分別載於財務報表附註16及17。

### 銀行及其他借貸及融資

本集團於2016年12月31日之銀行及其他借貸及融資之詳情分別載於財務報表附註29、30及31。

### 股本

年內，本公司股本之變動詳情載於財務報表附註35。

### 儲備

年內，本公司及本集團儲備之變動詳情載於財務報表附註37。

### 可供分派儲備

本公司於2016年12月31日可供分派之儲備約為316.8百萬港元。此外，本公司股份溢價賬內965.9百萬港元，可作已繳足紅股之方式派發。

## Report of the Directors 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

The Group's sales to the five largest customers for the year ended 31 December 2016 accounted for less than 30.00% of the Group's total turnover.

For the year ended 31 December 2016, the percentage of purchase attributable to the Group's five largest suppliers was 47.41% with the largest supplier accounted for 29.92%.

Other than Ms. Liu Rong, a director of the Company, who controls GD Cinema Circuit (廣東大地電影院線股份有限公司) (previously known as 廣東大地電影院線有限公司) which is one of the five largest suppliers of the Group in 2016, at no time during the year have the directors, their close associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had any interest in the Group's five largest suppliers or customers.

### DONATIONS

For the year ended 31 December 2016, the Company made charitable donations and other donations amounting to approximately HK\$415,000.

### DIRECTORS' EMOLUMENTS

Details of directors' emoluments are set out in note 43 to the financial statements. Mr. Hu Bin agreed to waive emoluments of approximately HK\$24,000 in respect of the year ended 31 December 2016. Save as disclosed above, none of the directors have waived any emoluments in respect of the year ended 31 December 2016.

### DIRECTORS' INTEREST IN COMPETING BUSINESS

The director below is deemed to be interested in the business which competes or is likely to compete either directly or indirectly, with business of the Group and is required to make disclosure of interests pursuant to Rule 8.10(2) of the Listing Rules.

Ms. Liu Rong, an executive Director of the Company, is a director and ultimate shareholder of GD Cinema Circuit. GD Cinema Circuit is engaged in cinema investment and therefore is deemed to compete with the cinema investment business of the Group. However, the Board believes that the competition does not pose any material threat to the Group's business prospects due to the fact that the target geographic markets of cinemas operated by the Group and the cinemas operated by the above director who is interested in the competing business are different.

### 主要客戶及供應商

本集團五大客戶截至2016年12月31日止年度之銷售百分比，佔本集團總營業額少於30.00%。

截至2016年12月31日止年度，本集團五大供應商應佔購貨額百分比為47.41%，而最大供應商佔29.92%。

除本公司董事劉榮女士(彼控制本集團於2016年之五大供應商之一廣東大地電影院線股份有限公司(「大地電影院線」，前稱廣東大地電影院線有限公司))外，於年內任何時間，概無董事、彼等之緊密聯繫人或本公司任何股東(據董事所知，擁有本公司股本超過5%)於本集團五大供應商或客戶中擁有任何權益。

### 捐款

截至2016年12月31日止年度，本公司作出之慈善捐款及其他捐款約為415,000港元。

### 董事酬金

董事酬金之詳情載於財務報表附註43。胡濱先生同意放棄截至2016年12月31日止年度之酬金約24,000港元。除上述外，並無任何董事放棄截至2016年12月31日止年度之任何酬金。

### 董事於競爭業務之權益

以下董事乃被視為於以下與本集團之業務構成或可能構成(不論直接或間接)競爭之業務中擁有權益，須根據上市規則第8.10(2)條作出披露：

本公司執行董事劉榮女士為大地電影院線之董事兼最終股東。大地電影院線參投影院業務，故被視為與本集團之影院投資業務構成競爭。然而董事會相信該競爭不會對本集團業務前景帶來重大威脅，原因為由本集團所經營之影院與上述存有競爭利益之董事所參投之影院各自以不同地域市場為目標。



## Report of the Directors 董事會報告

In 2017, the cinema investment businesses of GD Cinema Circuit are managed by the cinema management company controlled by Dadi Cinema by way of entrusted management. We will make disclosure of such connected transactions according to the requirements under Chapter 14A of the Listing Rules when necessary.

In order to further safeguard the interest of the Group, those directors not interested in the competing business review on a regular basis the businesses and operations of the Group to ensure that its businesses are run on the basis that they are independent of, and at arm's length from, GD Cinema Circuit.

### PENSION SCHEME

Details of retirement benefit plans in respect of the year are set out in note 42 to the financial statements.

### DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Mr. Yu Pun Hoi (*Chairman*)  
 Ms. Chen Dan  
 Ms. Liu Rong  
 Mr. Lung King Cheong  
*(appointed with effect from 20 September 2016)*  
 Mr. Lam Bing Kwan<sup>#</sup>  
 Mr. Wang Gang<sup>#</sup> (*resigned with effect from 20 September 2016*)  
 Mr. Ho Yeung Nang\*  
*(appointed with effect from 20 September 2016)*  
 Mr. Lau Yip Leung\*  
 Mr. Xiao Sui Ning\* (*appointed with effect from 27 April 2016*)  
 Prof. Jiang Ping\* (*resigned with effect from 20 September 2016*)  
 Mr. Hu Bin\* (*resigned with effect from 3 February 2016*)

<sup>#</sup> Non-executive directors

\* Independent non-executive directors

The Company has received annual confirmation from each of the existing independent non-executive directors of the Company confirming his independence to the Company pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and the Company considers that such directors are independent to the Company.

In accordance with Bye-law 99 of the Company's Bye-Laws ("Bye-laws"), Ms. Liu Rong, and Mr. Lau Yip Leung shall retire at the forthcoming annual general meeting ("AGM"). In addition, Mr. Lung King Cheong and Mr. Ho Yeung Nang, who were respectively appointed by the Board as executive director and independent non-executive director on 20 September 2016, shall hold office until the forthcoming annual general meeting pursuant to Bye-law 102 of the Bye-laws. All of the above retiring directors, being eligible, will offer themselves for re-election.

在2017年，大地電影院線參投的影院均以委託管理的方式由大地影院控制的影院管理公司進行管理，對於此項關連交易，必要時我們會依據上市規則第14A章規定進行披露。

為了進一步保障本集團之利益，該等並無競爭業務權益之董事乃定期審閱本集團之業務及運作，以確保其業務與大地電影院線能在獨立及公平之基礎下經營。

### 退休金計劃

本年度退休福利計劃之詳情載於財務報表附註42。

### 董事

於年內及截至本報告日期，本公司之董事如下：

于品海先生(主席)  
 陳丹女士  
 劉榮女士  
 龍景昌先生  
*(自2016年9月20日起獲委任)*  
 林秉軍先生<sup>#</sup>  
 王鋼先生<sup>#</sup> (*自2016年9月20日起辭任*)  
 何養能先生\*  
*(自2016年9月20日起獲委任)*  
 劉業良先生\*  
 肖遂寧先生\* (*自2016年4月27日起獲委任*)  
 江平教授\* (*自2016年9月20日起辭任*)  
 胡濱先生\* (*自2016年2月3日起辭任*)

<sup>#</sup> 非執行董事

\* 獨立非執行董事

本公司已接獲本公司各現任獨立非執行董事作出之年度確認書，確認其根據聯交所證券上市規則(「上市規則」)第3.13條於本公司之獨立性，而本公司認為該等董事獨立於本公司。

根據本公司的公司細則(「細則」)第99條，劉榮女士及劉業良先生將於應屆之股東周年大會(「股東周年大會」)上輪值退任。此外，龍景昌先生及何養能先生於2016年9月20日分別獲董事會委任為執行董事及獨立非執行董事，根據細則第102條規定，擔任該職務至下一屆股東周年大會。所有上述退任董事都符合資格並願意膺選連任。

## Report of the Directors 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

#### Biographical Details of Directors

##### Executive Directors

**Mr. Yu Pun Hoi**, aged 58, holding a degree of Doctor of Philosophy conferred by Peking University, joined the Board in September 2000. Mr. Yu is the chairman of the Board, the chairman of executive committee and nomination committee of the Company, and a controlling shareholder of the Company.

Mr. Yu is also the chairman of the board of director and nomination committee of Sino-i, and a director of a number of subsidiaries of the Company.

**Ms. Chen Dan**, aged 48, graduated from Beijing Finance & Trade College with a Bachelor degree in Trade & Economics, and obtained a degree of EMBA in China Europe International Business School, and is also a qualified lawyer in the PRC.

Ms. Chen joined the Group in October 2000. In February 2006, Ms. Chen has been appointed as an executive director and executive committee member of the Company. In March 2012, Ms. Chen has been appointed as a member of nomination committee of the Company. Ms. Chen is also an executive director and nomination committee member of Sino-i, and a director of a number of subsidiaries of the Company and Sino-i.

**Ms. Liu Rong**, aged 45, graduated from the Law School of Anhui University with a Bachelor degree in Laws, and got a Master of Laws conferred by the Law Institute of Chinese Academy of Social Science, and is also a qualified lawyer in the PRC. In addition, Ms. Liu graduated from the International MBA School of National School of Development of Peking University in 2013. Prior to joining the Group, Ms. Liu worked in Chinese government departments and law firms.

Ms. Liu joined Sino-i group in April 2002 and has been appointed as an executive director and executive committee member of the Company in March 2009. Ms. Liu is responsible for the businesses in culture and media services of the Group.

Ms. Liu is also an executive director of Sino-i, and a director of a number of subsidiaries of the Company.

### 董事及高級管理人員履歷詳情

#### 董事履歷詳情

##### 執行董事

**于品海先生**，58歲，持有北京大學哲學博士學位，於2000年9月加入董事會，現擔任本公司董事會主席、執行委員會主席、提名委員會主席及控股股東。

于先生同時為中國數碼之董事會主席及提名委員會主席，以及為若干本公司附屬公司之董事。

**陳丹女士**，48歲，持有北京財貿學院貿易經濟專業學士學位、中歐國際工商管理學院高級管理人員工商管理碩士學位及中國律師資格。

陳女士於2000年10月加入本集團，於2006年2月出任本公司執行董事及執行委員會成員，並於2012年3月出任本公司提名委員會成員。陳女士同時為中國數碼之執行董事、提名委員會成員，以及為若干本公司及中國數碼附屬公司之董事。

**劉榮女士**，45歲，持有安徽大學法學學士學位、中國社會科學院法學碩士學位及中國律師資格，並於2013年畢業於北京大學國家發展研究院國際MBA學院。加入本集團前，劉女士曾在中國政府部門及律師事務所工作。

劉女士於2002年4月加入中國數碼集團，於2009年3月出任本公司執行董事及執行委員會成員。劉女士負責本集團之文化與傳播服務業務。

劉女士同時為中國數碼之執行董事，以及為若干本公司附屬公司之董事。

## Report of the Directors 董事會報告

**Mr. Lung King Cheong**, aged 63, joined the Group in 2015 as a director of Dadi News Media (HK) Limited (a wholly-owned subsidiary of the Company). He currently also serves as a director of each of Duowei Media (HK) Limited, HK01 Company Limited and WeMedia01 (HK) Limited (all of which are wholly-owned subsidiaries of the Company). Mr. Lung is responsible for all news media business of the Group in Hong Kong, Beijing and the USA. Mr. Lung is primarily responsible for the operations of "HK01", a multi-platformed news media which publishes a weekly newspaper and operates a 24 hours' news portal in Hong Kong. Mr. Lung is also responsible for the publication of Duowei monthly magazine in Hong Kong, Singapore, Malaysia and North America; as well as the overall editorial work and general management of the "HK01" editorial team.

Mr. Lung is an active member of the Hong Kong news media and has extensive publishing and editorial experience. Prior to joining the Group and starting from the 1980s, Mr. Lung had served as the deputy publisher and general manager of Hong Kong Daily News, the chief editor and publisher of Hong Kong Today, the editorial director and member of the executive committee of One Media Group Limited. Mr. Lung had also been the editor-in-chief of Ming Pao Weekly for 20 years. Mr. Lung is very familiar with the Hong Kong media industry and is one of the most experienced media people in Hong Kong.

Mr. Lung joined the Board in September 2016, and is also a director of a number of subsidiaries of the Company.

### *Non-executive Director*

**Mr. Lam Bing Kwan**, aged 67, graduated from the University of Oregon in the United States of America with a Bachelor degree in Business Administration in 1974. Prior to joining the Group, Mr. Lam had been in senior management positions in the banking and financial industry for more than 10 years.

Mr. Lam joined the Board in September 2000, and was re-designated as a non-executive director in April 2002. Mr. Lam is also a non-executive director of Sino-i, and an independent non-executive director of Lai Sun Development Company Limited, Lai Sun Garment (International) Limited, Lai Fung Holdings Limited and eForce Holdings Limited. The securities of the above mentioned companies are listed on the Stock Exchange.

**龍景昌先生**，63歲，於2015年加入本集團擔任本公司全資附屬公司大地傳媒(香港)有限公司之董事。彼現在亦於本公司之全資附屬公司多維傳媒(香港)有限公司、香港零一有限公司及香港零一媒體有限公司擔任董事。龍先生負責本集團在香港、北京及美國之所有新聞媒體業務。龍先生主要負責「香港01」之營運事宜，「香港01」為多平台新聞媒體，於香港出版一份周報及經營24小時新聞網站。龍先生亦負責在香港、星馬及北美出版《多維月刊》，以及負責「香港01」編輯團隊之整體編輯工作及一般管理事務。

龍先生活躍於香港新聞界，在出版及編輯領域均擁有豐富經驗。龍先生加盟本集團前及自1980年代以來曾擔任香港《新報》副社長及總經理、《現代日報》總編輯及出版人、萬華媒體集團有限公司編務總監及執行委員會成員。龍先生亦曾擔任《明報周刊》總編輯達二十年。龍先生對香港傳媒業非常熟悉，是經驗最豐富的香港傳媒人之一。

龍先生於2016年9月加入董事會，並擔任若干本公司附屬公司之董事。

### *非執行董事*

**林秉軍先生**，67歲，於1974年畢業於美國俄立岡大學，持有工商管理學士學位。加入本集團前，林先生於銀行及金融界任職高級管理階層逾十年。

林先生於2000年9月加入董事會，於2002年4月被調任為非執行董事。林先生同時為中國數碼之非執行董事，以及為麗新發展有限公司、麗新制衣國際有限公司、麗豐控股有限公司及意科控股有限公司之獨立非執行董事。上述公司之證券於聯交所上市。



## Report of the Directors 董事會報告

### *Independent Non-executive Directors*

**Mr. Ho Yeung Nang**, aged 67, has been in the position of chief operating officer of a private company engaged in coal mining and iron sand mining businesses in Indonesia and the Philippines respectively since he left the Group in July 2009. Mr. Ho holds a Bachelor's Degree in Arts from The University of Hong Kong and a Master's Degree in Business Administration from The Chinese University of Hong Kong. Mr. Ho served in different managerial positions in banking industry both in Hong Kong and China during the period from about 1973 to 1988. During the period from about 1989 to 1991, Mr. Ho was in Canada running his own business. In about 1992, Mr. Ho joined the Group and worked as a general manager of the property division of the Group, who left the Group in July 2009.

Mr. Ho joined the Board in September 2016 and has been appointed as a member of audit committee, remuneration committee and nomination of the Company.

**Mr. Lau Yip Leung**, aged 56, graduated from the City University of Hong Kong and awarded an honours degree of Bachelor of Arts in Accountancy in 1991, and also holds an MBA conferred by the University of Hull, UK. Mr. Lau is a fellow member of The Association of Chartered Certified Accountants, a fellow member of The Institute of Chartered Accountants in England and Wales, and a fellow practising member of the Hong Kong Institute of Certified Public Accountants. Mr. Lau started his public practice business in 1998, and has been a partner of Messrs. Fung Lau & Company, Certified Public Accountants, since October 2000.

Mr. Lau joined the Board in May 2006 and is also a member of audit committee and remuneration committee of the Company. In March 2012, Mr. Lau has been appointed as a member of nomination committee of the Company. Mr. Lau is appointed as the chairman of audit committee of the Company in September 2013.

**Mr. Xiao Sui Ning**, aged 69, graduated from Yunnan Finance and Management College (雲南經濟管理幹部學院) majoring in corporate management. Mr. Xiao is recognised as a senior economist by Bank of Communications. Mr. Xiao is currently a consultant of Ping An Bank Co., Ltd., an independent director of Beijing SPC Environment Protection Tech Co., Ltd., an independent director of Zhongrun Resources Investment Corporation and an independent non-executive director of Haitong Securities Co., Ltd..

Mr. Xiao joined the Board in April 2016 and has been appointed as the chairman of remuneration committee, and a member of audit committee and nomination committee of the Company. Mr. Xiao is also an independent non-executive director, the chairman of remuneration committee, and a member of audit committee and nomination committee of Sino-i.

### *獨立非執行董事*

**何養能先生**，67歲，自2009年7月離開本集團以來一直擔任一間私人公司之營運總監，該公司分別於印尼及菲律賓從事採煤及鐵砂開採業務。何先生持有香港大學文學士學位及香港中文大學工商管理碩士學位。何先生約於1973至1988年期間曾在香港及中國銀行業擔任不同管理職位。約於1989年至1991年期間，何先生於加拿大自行經營業務。何先生約於1992年加盟本集團，擔任本集團地產部總經理，並於2009年7月離開本集團。

何先生於2016年9月加入董事會，並出任為本公司審核委員會、薪酬委員會及提名委員會成員。

**劉業良先生**，56歲，於1991年畢業於香港城市大學，持有會計學榮譽文學學士學位及英國赫爾大學工商管理碩士學位。劉先生為英國特許公認會計師公會資深會員、英格蘭及韋爾斯特許會計師公會會員及香港會計師公會的執業會計師。劉先生於1998年開始執業，並於2000年10月起為馮劉會計師公司(執業會計師)的合夥人。

劉先生於2006年5月加入董事會，並出任為本公司審核委員會及薪酬委員會成員，於2012年3月出任為本公司提名委員會成員。於2013年9月，劉先生獲委任為本公司審核委員會主席。

**肖遂寧先生**，69歲，畢業於雲南經濟管理幹部學院，主修企業管理。肖先生獲交通銀行認可為高級經濟師，現任平安銀行股份有限公司之顧問、北京清新環境技術股份有限公司之獨立董事，中潤資源投資股份有限公司之獨立董事及海通證券股份有限公司之獨立非執行董事。

肖先生於2016年4月加入董事會，並出任為本公司薪酬委員會主席兼審核委員會及提名委員會成員。肖先生同時為中國數碼之獨立非執行董事、薪酬委員會主席兼審核委員會及提名委員會成員。

## Report of the Directors 董事會報告

### Biographical Details of Senior Management

**Mr. Xue Bo Ying** (aged 48)

*General Manager*

Nan Hai Development Limited

*General Manager*

深圳半島城邦房地產開發有限公司 (The Peninsula Shenzhen Property Development Co., Ltd.)

Mr. Xue graduated from Huazhong University and obtained a Master degree in architecture from Tsinghua University, and is a certified first-level architect and a certified town planner in the PRC. Prior to joining the Group, Mr. Xue worked in such senior positions as deputy general manager, senior architect and architectural design director in a number of corporations, and also worked in Guangzhou City Construction Commission.

Mr. Xue joined the Group in January 2006 as an architectural design director, responsible for overall architectural design of various property projects of the Group in the PRC. In February 2009, Mr. Xue was appointed as an executive deputy general manager of Nan Hai Development Limited, a wholly-owned subsidiary of the Company, and was promoted to general manager in July 2010 and appointed as a general manager of 深圳半島城邦房地產開發有限公司 (The Peninsula Shenzhen Property Development Co., Ltd.).

Mr. Xue is also a member of executive committee of the Company, and a director of a number of subsidiaries of the Company.

**Ms. Yu Xin** (aged 40)

*General Manager*

廣東大地影院建設有限公司 (Guangdong Dadi Cinema Construction Limited)

Ms. Yu has over 10 years' experience in financial management in addition to her in-depth experience and knowledge in media and culture services sector. Prior to joining the Group, Ms. Yu was a director of China region of Emile Woolf International Limited.

Ms. Yu joined the Company in January 2011 in the position of controller in fund management department. Ms. Yu was transferred to 廣東大地影院建設有限公司 (Guangdong Dadi Cinema Construction Limited) ("Dadi Construction"), a subsidiary of the Company, in August 2011 in the position of deputy general manager, and was then promoted to executive deputy general manager in December 2013, and further promoted to general manager in February 2015, responsible for daily operation management of Dadi Construction.

### 高級管理人員履歷詳情

**薛伯英先生** (48歲)

*總經理*

南海發展有限公司

*總經理*

深圳半島城邦房地產開發有限公司

薛先生畢業於華中科技大學，持有清華大學建築學碩士學位、國家一級註冊建築師與國家註冊城市規劃師資格。加入本集團前，薛先生曾在多家企業出任副總經理、高級建築師及建築設計總監等要職，並曾於廣州市建設委員會工作。

薛先生於2006年1月加入本集團，出任為設計總監，負責本集團在中國房地產項目的總體建築設計工作。於2009年2月出任為本公司附屬公司南海發展有限公司常務副總經理，於2010年7月晉升為總經理，並兼任深圳半島城邦房地產開發有限公司總經理。

薛先生亦為本公司執行委員會成員及若干本公司附屬公司之董事。

**于欣女士** (40歲)

*總經理*

廣東大地影院建設有限公司

于女士從事財務管理逾十年，並在文化與傳播服務領域具有豐富的經驗和專業積累。加入本集團前，于女士曾擔任Emile Woolf International Limited中國區總監。

于女士於2011年1月加入本公司，出任資金管理部總監，2011年8月調任本公司附屬公司廣東大地影院建設有限公司(「大地建設」)副總經理，於2013年12月晉升為常務副總經理，並於2015年2月晉升為總經理，負責大地建設的日常經營管理工作。

## Report of the Directors 董事會報告

Ms. Yu is also a member of executive committee of the Company, and a director of a number of subsidiaries of the Company.

### Mr. Chen Ming Fei (aged 40)

*General Manager*

中企動力科技股份有限公司 (CE Dongli Technology Company Limited)

*General Manager*

北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited)

Mr. Chen has more than 10 years' sales, and possesses with acute insight in IT business, and has extensive and professional experiences in product creation, business strategy planning and business management. Prior to joining Sino-i group, Mr. Chen worked in Vorwerk of Co. KG, a German company.

In 2000, Mr. Chen joined CE Dongli, and was appointed as a national commercial director, sales deputy general manager, executive deputy general manager and business general manager. In January 2012, Mr. Chen was promoted to a general manager, responsible for operation management of CE Dongli. Mr. Chen was also the general manager of Xinnet, responsible for operation management of Xinnet. Mr. Chen is also an executive director and a general manager of Sino-i, and a director of a number of subsidiaries of Sino-i.

Mr. Chen is also a member of executive committee of the Company.

### Ms. Zhao Lei (aged 37)

Ms. Zhao, with the bachelor degree in Economics from University of International Business and Economics, the master degree in Finance from University of York, and the accountant qualification of Association of Chartered Certified Accountants (ACCA).

Ms. Zhao had acted as the director of Accounting Department and Financial Department of the Company since December 2012, and was promoted as vice general manager in February 2015.

Since October 2016, Ms. Zhao has been acting as the member of executive committee of the Company.

于女士亦為本公司執行委員會成員及若干本公司附屬公司之董事。

### 陳鳴飛先生 (40歲)

*總經理*

中企動力科技股份有限公司

*總經理*

北京新網數碼信息技術有限公司

陳先生從事銷售工作逾十年，對於IT行業有著敏銳的市場洞察力，在產品創意、商務策略規劃與商務管理方面具有豐富的實戰經驗和專業積累。加入中國數碼集團前，陳先生曾在德國福維克公司工作。

陳先生於2000年加入中企動力，歷任全國商務總監、銷售副總經理、常務副總經理及業務總經理，於2012年1月晉升為總經理，負責中企動力的經營管理工作。陳先生亦曾擔任新網總經理，負責新網的經營管理工作。陳先生亦為中國數碼之執行董事兼總經理以及為若干中國數碼附屬公司之董事。

陳先生亦為本公司執行委員會成員。

### 趙蕾女士 (37歲)

趙女士持有對外經濟貿易大學經濟學學士學位、英國約克大學金融學碩士學位及英國特許公認會計師公會 (ACCA) 會計師資格。

趙女士於2012年12月加入本公司，歷任本公司會計部總監、財務部總監，並於2015年2月晉升為副總經理。

趙女士於2016年10月出任本公司執行委員會成員。



## Report of the Directors 董事會報告

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2016, the interests and short positions of the directors and chief executive of the Company in 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 under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

#### The Company

Long position in shares in issue

### 董事於股份及相關股份之權益及淡倉

於2016年12月31日，本公司董事及主要行政人員於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、相關股份及債券中，擁有須記錄於根據證券及期貨條例第352條存置之登記冊中或已根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）或以其他方式知會本公司及聯交所之權益及淡倉如下：

#### 本公司

於已發行股份之好倉

Name of Director 董事姓名	Number of shares of HK\$0.01 each 每股面值0.01港元之股份數目				Total interest 權益總額	Approximate percentage holding 持股概約 百分比	Notes 附註
	Personal interest 個人權益	Corporate interest 公司權益	Family interest 家族權益				
Yu Pun Hoi ("Mr. Yu") 于品海（「于先生」）	–	36,622,130,679	–	36,622,130,679	53.35%	1	
Chen Dan 陳丹	32,000,000	–	–	32,000,000	0.05%		

Note:

- These 36,622,130,679 shares were collectively held by Rosewood Assets Ltd., Pippen Limited, Staverley Assets Limited and First Best Assets Limited, companies indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu.

附註：

- 該等36,622,130,679股股份分別由于先生透過其全資擁有的公司大地控股有限公司持有的Rosewood Assets Ltd.、Pippen Limited、Staverley Assets Limited及First Best Assets Limited間接合共持有。

## Report of the Directors 董事會報告

### Associated Corporations

As disclosed above, Mr. Yu is entitled to control the exercise of more than one-third of the voting power at general meetings of the Company. As such, Mr. Yu is taken to be interested in the shares of the associated corporations of the Company within the meaning of Part XV of the SFO. Sino-i is a company whose shares are listed on the Stock Exchange, and is an associated corporation of the Company within the meaning of Part XV of the SFO. As at 31 December 2016, the interests of the directors of the Company in shares and underlying shares of Sino-i were as follows:

#### Sino-I

Long position in shares in issue

### 相聯法團

如上述所披露，于先生於本公司股東大會上可控制行使超過三分之一之投票權。因此，于先生被視為於本公司相聯法團（定義見證券及期貨條例第XV部）之股份中佔有權益，中國數碼股份於聯交所上市，根據證券及期貨條例第XV部，被視為本公司之相聯法團。於2016年12月31日，本公司董事於中國數碼擁有之股份及相關股份之權益如下：

#### 中國數碼

於已發行股份之好倉

Name of Director 董事姓名	Number of shares 股份數目			Total interest 權益總額	Approximate percentage holding 持股概約 百分比	Notes 附註
	Personal interest 個人權益	Corporate interest 公司權益	Family interest 家族權益			
Yu Pun Hoi 于品海	–	12,833,065,316	–	12,833,065,316	64.44%	1
Lung King Cheong 龍景昌	150,000	–	–	150,000	0.00075%	

Note:

- These 12,833,065,316 shares were collectively held by Goalrise Investments Limited, View Power Investments Limited and Wise Advance Investments Limited, all of which are wholly-owned subsidiaries of the Company. Mr. Yu was taken to be interested in these shares by virtue of his controlling interests in shares of the Company.

附註：

- 該等12,833,065,316股股份分別由本公司之全資附屬公司Goalrise Investments Limited、View Power Investments Limited及Wise Advance Investments Limited合共持有。于先生因於本公司持有控股權益而被視為於該等股份中擁有權益。

Save as disclosed above, as at 31 December 2016, none of the directors nor chief executive of the Company had any interests or short positions in shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules.

除上文所披露者外，於2016年12月31日，本公司董事及主要行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有須記錄於根據證券及期貨條例第352條存置之登記冊中，或已根據上市規則附錄10所載之標準守則或以其他方式知會本公司及聯交所之權益或淡倉。

### SHARE OPTION SCHEME

On 28 May 2012, the Company adopted a share option scheme (the "Scheme"). Under the Scheme, share options may be granted to directors, employees of the Group and those who have contributed or will contribute to the Group at any time within ten years after its adoption at the discretion of the Board.

### 購股權計劃

於2012年5月28日，本公司採納一項購股權計劃（「該計劃」）。根據該計劃，於採納後十年內，董事會可隨時酌情授出購股權予本集團之董事、僱員以及曾為或將為本集團作出貢獻之人士。

## Report of the Directors 董事會報告

Since the adoption of the Scheme and during the year ended 31 December 2016, no share options have been granted under the Scheme by the Company.

A summary of the Scheme is as follows:

### (1) Purpose

The purpose of the Scheme is to provide incentives or rewards to participants for their contribution or would-be contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which any member of the Group holds any equity interests (the "Invested Entity").

### (2) Participants

The participants include:

- a. any employee (whether full time or part time employee, including any executive directors but not any non-executive director) of the Company, its subsidiaries and any Invested Entity;
- b. any non-executive director (including independent non-executive director) of the Company, any of its subsidiaries or any Invested Entity;
- c. any supplier of goods or services to any member of the Group or any Invested Entity;
- d. any customer of the Group or any Invested Entity;
- e. any person or entity that provides research, development or technological support or other services to the Group or any Invested Entity;
- f. any shareholder or any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and
- g. any ex-employee who has contributed or may contribute to the development and growth of the Group and any Invested Entity.

自採納該計劃以來及截至2016年12月31日止年度，本公司並無根據該計劃授出購股權。

該計劃之概要如下：

### (1) 目的

該計劃旨在提供鼓勵或獎賞參與者對本集團作出之貢獻或可能作出之貢獻及／或協助本集團聘請及留任能幹僱員及吸納對本集團與本集團任何成員公司持有其任何股本權益之公司（「所投資公司」）有價值之人才。

### (2) 可參與之人士

可參與之人士包括：

- a. 本公司、其附屬公司及任何所投資公司之任何僱員（不論全職或兼職僱員，包括任何執行董事但不包括任何非執行董事）；
- b. 本公司、其任何附屬公司或任何所投資公司之任何非執行董事（包括獨立非執行董事）；
- c. 向本集團任何成員公司或任何所投資公司提供貨物或服務之任何供應商；
- d. 本集團或任何所投資公司之任何客戶；
- e. 向本集團或任何所投資公司提供研究、開發或技術支援或其他服務之任何人士或公司；
- f. 本集團或任何所投資公司之任何股東或任何成員公司，或本集團或任何所投資公司之任何成員公司所發行任何證券之任何持有人；及
- g. 對於本集團及任何所投資公司之發展及增長作出貢獻或可能作出貢獻之任何前僱員。



## Report of the Directors 董事會報告

### (3) Maximum number of shares

The total number of shares which may be issued upon exercise of all share options to be granted under the Scheme must not in aggregate exceed 10% of the relevant class of shares of the Company in issue as at the date of approval of the Scheme and the limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes must not exceed 30% of the relevant class of shares of the Company in issue from time to time. No share options may be granted under the Scheme and any other schemes of the Company if this will result in such limit exceeded. As at the date of this report, the number of shares available for issue in respect thereof is 6,864,553,579 shares representing approximately 10% of the total number of shares of the Company in issue.

### (4) Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of the share options granted to each participant under the Scheme and any other schemes (including both exercised and outstanding options) in any 12-month period must not exceed 1 per cent. of the relevant class of shares of the Company in issue. Any further grant of share options above this limit shall be subject to certain requirements as stipulated in the rules of the Scheme and to the relevant rules under the Listing Rules.

### (5) The period within which the shares must be taken up under a share option

The period within which the shares must be taken up a share option shall be determined by the Board in its absolute discretion at the time of grant, but such period must not exceed 10 years from the date of grant of the relevant share option.

### (6) Minimum period for exercising a share option

The Board may at its discretion determine the minimum period for which a share option must be held before it can be exercised.

### (7) Acceptance and payment on acceptance

The share option shall be deemed to have been accepted when the duplicate letter duly signed by the grantee, together with a remittance of HK\$1.00 in favour of the Company by way of consideration for the grant thereof, is received by the Company. To the extent that the offer is not accepted within 28 days in the manner aforesaid, it will be deemed to have been irrevocably declined and lapsed automatically.

### (3) 股份最高數目

根據該計劃授出之購股權在悉數行使時可予發行之股份總數，不得超過該計劃獲採納之日時本公司已發行相關類別股份之10%及因悉數行使根據該計劃及其他計劃已授出但尚未行使之購股權而可予發行之股份數目限額，不得超過本公司不時已發行相關類別股份之30%。不得根據該計劃及本公司任何其他購股權計劃授出可能會導致超出此等限額之購股權。於本報告日期，購股權可予發行之股份數目最多為6,864,553,579股，相當於本公司已發行股份總數約10%。

### (4) 各參與者可獲授權益之上限

每名參與者在任何12個月內獲授根據該計劃及任何其他購股權計劃授出之購股權（包括已行使及尚未行使之購股權）予以行使時所發行及將發行之股份總數，不得超過本公司已發行相關類別股份之1%。任何進一步授出超過該限額之購股權將須受該計劃之規則及上市規則項下相關規則所訂明之若干規定所規限。

### (5) 購股權項下股份必須接納之期限

購股權涉及的股份必須接納的期限由董事會在授出購股權時全權決定，但該期限不得超過有關購股權授出之日起計十年。

### (6) 行使購股權之最短期限

董事會可酌情釐定購股權在可被行使前必須持有之最短期限。

### (7) 接納購股權及接納時所付款項

當本公司接獲由承授人簽署接納購股權之函件副本及向本公司繳付1.00港元之代價後，該購股權將被視為已獲承授人接納。倘要約並未以上述方式於28天內獲接納，該要約將被視為已不可撤回地拒絕及自動失效。

## Report of the Directors 董事會報告

### (8) Basis of determining the exercise price

The exercise price for shares under the Scheme shall be a price determined by the directors, but it must not be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share.

### (9) Remaining life of the scheme

The Scheme will remain in force for a period of 10 years commencing on 29 May 2012 up to 28 May 2022.

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Except for the Scheme disclosed above, at no time during the year was the Company, or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company.

## DIRECTORS' SERVICE CONTRACTS

None of the Directors has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than the statutory compensation.

## MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

## DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in the paragraph "Continuing Connected Transactions" and "Related Party Transactions" below, no contract of significance in relation to the Group's business to which the Company or its subsidiaries was a party, and in which any directors of the Company had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

### (8) 釐定認購價之基準

該計劃項下之股份認購價由董事釐定，惟不得低於下列三者中的最高者：(i) 股份於授予購股權授出當日（須為交易日）的收市價（以聯交所日報表所載者為準）；(ii) 股份於授予購股權授出日期前五個交易日的平均收市價（以聯交所日報表所載者為準）；及 (iii) 股份面值。

### (9) 該計劃尚餘之有效期

該計劃之有效期為10年，由2012年5月29日起計，直至2022年5月28日止。

## 購買股份或債券之安排

除上述該計劃所披露外，年內，本公司或其附屬公司從未參與任何安排，致使本公司各董事藉收購本公司之股份或債券而獲益。

## 董事服務合約

概無董事與本公司簽訂本公司不可於一年內免賠償（法定賠償除外）而終止之服務合約。

## 管理合約

年內，概無訂立或存在任何有關本公司之全部或任何主要部分業務之管理及行政合約。

## 董事在合約中之權益

除下文「持續關連交易」及「關聯方交易」各段所披露者外，本公司或其附屬公司於年終或年內任何時間並無簽訂任何有關本集團業務，而令本公司董事在其中直接或間接佔有重大利益之重要合約。

## Report of the Directors 董事會報告

### DIRECTORS' INDEMNITIES

Pursuant to the Company's bye-laws (the "Bye-Law"), save and except so far as the provisions of the Bye-Law shall be avoided by any provisions of the statutes, the directors, managing directors, alternate directors, auditors, secretary and other officers for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default, fraud and dishonesty respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, except as the same shall happen by or through their own wilful neglect or default, fraud and dishonesty respectively.

The Bermuda Companies Act permits a company to exempt and indemnify its directors and officers from liability in the following terms:

- A company may in its bye-laws or in any contract or arrangement between the company and any officer, or any person employed by the company as auditor, exempt such officer or person from, or indemnify him in respect of, any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of any duty or breach of trust of which the officer or person may be guilty in relation to the company or any subsidiary thereof.
- Any provision, whether contained in the bye-laws of a company or in any contract or arrangement between the company and any officer, or any person employed by the company as auditor, exempting such officer or person from, or indemnifying him against any liability which by virtue of any rule of law would otherwise attach to him in respect of any fraud or dishonesty of which he may be guilty in relation to the company shall be void.

### 董事彌償

根據本公司細則(「細則」)，除非法規之條款免除本條公司細則之規定，否則本公司現屆董事、董事總經理、替任董事、核數師、秘書及其他高級職員和現時辦理本公司任何事務之信託人(如有)及彼等各方之遺產執行人與遺產管理人，如因應各自之職務或信託責任而在執行職責或據稱職責時作出、贊同或遺漏作出任何行為，以致彼等任何一方或其任何遺產執行人或遺產管理人蒙受或招致任何訴訟、費用、收費、損失、損害及開支，本公司將動用其資產作出彌償並確保彼等免責，惟彼等自身蓄意疏忽或失責、詐騙及不誠實招致或引起之訴訟、費用、收費、損失、損害及開支(如有)不在此限。彼等概毋須就下列事項承擔責任：彼等當中其他人作出之行為、出具之收據、疏忽或失責，或因依循規定而聯同出具收據，或負責持管或保管本公司任何款項或物品之銀行或其他人等，或本公司放貸或投資任何金錢之抵押不足或欠妥，或彼等執行各自職務或信託責任期間可能出現之任何其他損失、不幸事件或損害或相關事宜，惟本賠償規定概不引伸至上述任何人士所涉及蓄意疏忽或失責、詐騙及不誠實之任何相關事項。

百慕達公司法批准公司於以下條款豁免及彌償其董事及高級職員之責任：

- 公司可於其細則或公司與任何高級職員，或任何受公司僱用為核數師之任何人士訂立之任何合約或安排中，豁免有關高級職員或人士，或彌償其有關因任何疏忽、失責、違反任何職責或違反誠信(當中該高級職員或人士可能涉及公司或其任何附屬公司之罪行)而導致之任何損失或其所附帶之責任。
- 任何條款(不論載於公司細則抑或公司與任何高級職員、或受公司僱用為核數師之任何人士訂立之任何合約或安排)，豁免有關高級職員或人士，或彌償其就任何詐騙及不誠實(當中可能涉及公司之罪行)因而任何法律法規附帶於彼之任何責任，將為無效。



## Report of the Directors 董事會報告

This indemnification may also cover any liabilities which the officer incurs in defending any proceedings (criminal or civil) where relief is granted to him, where he is acquitted, or where judgement is given in his favour. A company may advance money to an officer for the costs of defending proceedings, on the condition that the advance shall be repaid if any allegation of fraud or dishonesty is proven.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in this annual report, there was no contract of significance to which the Company or its holding company or any of its subsidiaries was a party and in which any controlling shareholder had a material interest subsisted during the year ended 31 December 2016.

### CONTRACTS WITH CONTROLLING SHAREHOLDERS

Save as disclosed in this annual report, no contract of significance has been entered into among the Company or any of its subsidiaries and the controlling shareholders or any of their subsidiaries during the year ended 31 December 2016.

### CHANGE IN THE BOARD OF DIRECTORS

The change in the Board since the date of the Company's 2016 interim report are set out below:

Mr. Wang Gang has resigned as a non-executive director of the Company, with effect from 20 September 2016.

Prof. Jiang Ping has resigned as an independent non-executive director, and member of each of the audit committee, the remuneration committee and the nomination committee of the Company, with effect from 20 September 2016.

Mr. Lung King Cheong has been appointed as an executive director of the Company, with effect from 20 September 2016.

Mr. Ho Yeung Nang has been appointed as an independent non-executive director, and member of each of the audit committee, the remuneration committee and the nomination committee of the Company, with effect from 20 September 2016.

在獲授救濟、無罪釋放或判決對其有利之情況下，本彌償亦涵蓋高級職員於抗辯任何司法程序(刑事或民事)時產生之任何責任。公司可就抗辯司法程序之費用向高級職員墊款，條件為倘證實任何欺詐或不誠實之指控，須償還有關墊款。

本公司已為本集團董事及高級職員安排適當董事及高級職員之責任保險。

### 控股股東之合約權益

除本年報披露者外，於截至2016年12月31日止年度，本公司或其控股公司或其任何附屬公司概無訂立任何控股股東於當中擁有重大權益的任何重大合約。

### 與控股股東之合約

除本年報披露者外，於截至2016年12月31日止年度，本公司或其任何附屬公司並無與控股股東或彼等任何附屬公司訂立任何重大合約。

### 董事會變動

自本公司2016年中期報告日期以來之董事會變動載列如下：

王鋼先生已辭任本公司非執行董事，自2016年9月20日起生效。

江平教授已辭任本公司獨立非執行董事以及審核委員會、薪酬委員會及提名委員會成員，自2016年9月20日起生效。

龍景昌先生已獲委任為本公司執行董事，自2016年9月20日起生效。

何養能先生已獲委任為本公司獨立非執行董事兼審核委員會、薪酬委員會及提名委員會成員，自2016年9月20日起生效。

## Report of the Directors 董事會報告

### CHANGES IN INFORMATION IN RESPECT OF DIRECTORS

During the year ended 31 December 2016, there was no change to information which is required to be disclosed and has been disclosed by the directors pursuant to rules 13.51(2) of the Listing Rules.

### REMUNERATION POLICY

The Company remunerates its employees based on their qualifications, experience and performance. In addition to basic salary payments, other benefits include housing, contributions to mandatory provident fund, group medical insurance, group personal accident insurance and examination leave and etc. Employees are eligible to be granted share options under the Company's share option scheme at the discretion of the Board. In general, salary review is conducted annually.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules ("Model Code").

Specific enquiries have been made to all the directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2016.

### 有關董事資料之變動

於截至2016年12月31日止年度，概無根據上市規則第13.51(2)條須予披露及已由董事披露之資料之變動。

### 薪酬政策

本公司員工的薪酬均以員工之學歷、經驗和工作表現為基礎。除基本薪金外，其他福利包括住房、強制性公積金供款、團體醫療保險及團體個人意外保險及考試休假等。員工可根據本公司購股權計劃並按董事會之酌情決定獲授購股權。一般而言，每年均會進行薪金檢討。

### 證券交易之標準守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)。

本公司已向所有董事作出特定查詢，董事們確認，彼等於截至2016年12月31日止年度內一直遵守標準守則。

## Report of the Directors 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at 31 December 2016, those persons (other than directors and chief executive of the Company) who had interests or short positions in shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

### 主要股東之權益及淡倉

於2016年12月31日，根據本公司按照證券及期貨條例第336條存置之登記冊所記錄，以下人士（本公司董事及主要行政人員除外）於本公司之股份或相關股份中擁有權益或淡倉：

Name of person holding an interest in shares which has been disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO 持有根據證券及期貨條例第XV部第2及3分部已向本公司披露股份權益之人士名稱	Nature of interest 權益性質	Number of shares in issue subject to long position 好倉涉及之已發行股份數目	Approximate percentage of issued share capital of the Company 佔本公司已發行股本之概約百分比	Notes 附註
Dadi Holdings Limited 大地控股有限公司	Corporate interest 公司權益	36,622,130,679	53.35%	1
Rosewood Assets Ltd.	Beneficial interest 實益權益	7,680,000,210	11.19%	1
Pippen Limited	Beneficial interest 實益權益	14,830,245,497	21.60%	1
Staverley Assets Limited	Beneficial interest 實益權益	4,893,197,974	7.12%	1
First Best Assets Limited	Beneficial interest 實益權益	9,218,686,998	13.43%	1
Kung Ai Ming 龔愛明	Corporate interest 公司權益	4,179,119,898	6.09%	2
Yu Ben Hei 于本熙	Corporate interest 公司權益	4,109,793,498	5.99%	2
Macro Resources Ltd.	Beneficial interest 實益權益	4,109,793,498	5.99%	2
Lim Siew Choon 林小春	Corporate interest 公司權益	8,819,673,777	12.85%	3
Empire Gate Industrial Limited	Beneficial interest 實益權益	5,514,986,997	8.03%	3
Lee Tat Man 李達民	Security interest 抵押權益	7,700,000,000	11.22%	
	Beneficial interest 實益權益	28,200,000	0.04%	



## Report of the Directors 董事會報告

### Notes:

1. Rosewood Assets Ltd., Pippen Limited, Staverley Assets Limited and First Best Assets Limited are companies indirectly wholly owned by Mr. Yu through Dadi Holdings Limited, a company wholly owned by Mr. Yu. Their interests in shares are disclosed as the corporate interests of Mr. Yu above.
2. Macro Resources Ltd. is held as to 50% each by Ms. Kung Ai Ming and Mr. Yu Ben Hei, the son of Mr. Yu. Its interest in 4,109,793,498 shares was included as interest held by Ms. Kung Ai Ming. Ms. Kung Ai Ming owns interest of 69,326,400 shares through Redmap Resources Limited, her wholly-owned company.
3. Empire Gate Industrial Limited is wholly owned by Mr. Lim Siew Choon. Its interest in shares was included as interest held by Mr. Lim Siew Choon.

Save as disclosed above, as at 31 December 2016, no person (other than directors and chief executive of the Company) had notified to the Company any interests or short positions in shares or underlying shares of the Company which was required to be recorded in the register kept by the Company under Section 336 of the SFO.

### RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group are set out in note 48 to the financial statements.

Save for the transactions mentioned in the below section headed "Connected Transaction" and the section headed "Continuing Connected Transactions" which are subject to the disclosure and annual review requirements under Chapter 14A of the Listing Rules and are subject to all connected transaction requirements when any of the relevant the agreements is renewed or its terms are varied pursuant to Rule 14A.60 of the Listing Rules, certain transactions mentioned under the note also constituted connected transactions or continuing connecting transactions as defined in Chapter 14A of the Listing Rules but are exempt from the disclosure requirements under Chapter 14A of the Listing Rules.

### 附註：

1. Rosewood Assets Ltd.、Pippen Limited、Staverley Assets Limited及First Best Assets Limited為于先生間接全資擁有之公司，透過其全資擁有之大地控股有限公司持控，該等公司之股份權益於上文披露納入為于先生之公司權益。
2. 龔愛明女士及于先生之兒子于本熙先生各自持有Macro Resources Ltd. 50%權益。該公司擁有之4,109,793,498股股份權益納入為龔愛明女士所持有之權益。龔愛明女士透過其全資擁有之公司Redmap Resources Limited擁有69,326,400股股份權益。
3. Empire Gate Industrial Limited為林小春先生之全資擁有公司。該公司擁有之股份權益納入為林小春先生所持有之權益。

除上文所披露者外，於2016年12月31日，概無人士(本公司董事及主要行政人員除外)知會本公司，其於本公司之股份或相關股份中擁有須記錄於本公司按照證券及期貨條例第336條存置之登記冊之權益或淡倉。

### 關聯方交易

本集團之關聯方交易詳情載於財務報表附註48。

除下文「關連交易」一節及「持續關連交易」一節所述交易須遵守上市規則第14A章項下的披露及年度審閱規定及於任何相關協議根據上市規則第14A.60條重續或其條款予以更改而須遵守所有關連交易規定外，附註項下所述若干交易亦構成關連交易或持續關連交易(定義見上市規則第14A章)，惟豁免上市規則第14A章項下之披露規定。

## Report of the Directors 董事會報告

### CONNECTED TRANSACTION

1. On 15 December 2015, the Company as guarantor of GGC (as defined below) entered into sale and purchase agreement (the "SPA") with Glory Grace Corporation Limited ("GGC") (an indirect wholly-owned subsidiary of the Company) and Orange Blossom Limited ("OBL") (an independent third party) as purchasers (the "Purchasers"), C&E Capital Ltd. (the "Vendor") as vendor and Mr. Lim Siew Choon ("LIM") as guarantor of the Vendor, pursuant to which the Purchasers conditionally agreed to acquire and the Vendor conditionally agreed to sell, (i) the entire issued share capital (being 114,249,495 ordinary shares) of CE Holdings Limited (the "Target Company") (the "Sale Shares") and (ii) 100% of all the issued redeemable preferred stock in Crabtree & Evelyn, Ltd. and 100% of all the issued redeemable preference shares in Crabtree & Evelyn (Overseas) Limited (the "Sale Preference Shares"), both beneficially owned by the Vendor, at a total consideration ("Original Consideration") of US\$175 million (the "Acquisitions"). Pursuant to the SPA, GGC and OBL shall acquire 70% of the Sale Shares and the Preference Shares respectively and the Original Consideration shall be payable by GGC and OBL in the proportion of 70% and 30% respectively. As at 15 December 2015, LIM (who together with his associate indirectly owns 40% of all the issued shares of the Vendor) held approximately 12.85% of the total issued capital of the Company and is therefore a connected person of the Company. The transactions contemplated under the SPA therefore constitute connected transactions of the Company. On 16 March 2016, the Purchasers and the Vendor entered into a supplemental agreement to the SPA with respect to the adjustment of the Original Consideration, from US\$175 million to US\$165 million. On 16 June 2016, the Company, GGC, LIM and the Vendor signed a second supplemental agreement pursuant to which the parties agreed to extend of the long stop date and completion date of the Acquisitions to 15 September 2016 and 30 September 2016 respectively. The Acquisitions were completed on 30 September 2016. For details of the Acquisitions, please refer to the announcements of the Company dated 15 December 2015, 4 March 2016, 15 March 2016, 22 April 2016, 26 May 2016, 16 June 2016 and 17 June 2016 and the circular of the Company dated 25 August 2016.

### 關連交易

1. 於2015年12月15日，本公司(作為鴻采(定義見下文)之擔保人)與本公司間接全資附屬公司鴻采有限公司(「鴻采」)、獨立第三方Orange Blossom Limited(「OBL」)(作為買方，「買方」、C&E Capital Ltd.(作為賣方，「賣方」)以及林小春先生(「林小春」，作為賣方之擔保人)訂立買賣協議(「買賣協議」)，據此買方有條件同意收購而賣方有條件同意出售(i) CE Holdings Limited(「目標公司」)全部已發行股本(即114,249,495股普通股)(「銷售股份」)及(ii) Crabtree & Evelyn, Ltd.全部已發行可贖回優先股之100%權益及Crabtree & Evelyn (Overseas) Limited全部已發行可贖回優先股之100%權益(「銷售優先股」)，兩者均由賣方實益擁有，總代價(「原代價」)為175,000,000美元(「收購事項」)。根據買賣協議，鴻采及OBL分別收購銷售股份及優先股之70%，而原代價由鴻采及OBL分別按70%及30%之比例支付。於2015年12月15日，林小春(連同其聯繫人士間接擁有賣方全部已發行股份之40%)持有本公司已發行股本總額約12.85%，故為本公司之關連人士。因此，買賣協議項下擬進行交易構成本公司之關連交易。於2016年3月16日，買方與賣方訂立買賣協議之補充協議，以將原代價由175,000,000美元調整至165,000,000美元。於2016年6月16日，本公司、鴻采、林小春及賣方訂立第二份補充協議，據此訂約方同意將收購事項之最後截止日期及完成日期分別押後至2016年9月15日及2016年9月30日。收購事項已於2016年9月30日完成。有關收購事項之詳情，請參閱本公司日期為2015年12月15日、2016年3月4日、2016年3月15日、2016年4月22日、2016年5月26日、2016年6月16日及2016年6月17日之公告及本公司日期為2016年8月25日之通函。

## Report of the Directors 董事會報告

2. Beijing Dadi Dreamworks Investment Partnership (Limited Partnership) ("Dadi Dreamworks") is owned as to 50% and 50% by Ms. Liu Rong (an executive Director of the Company and the chairlady of Dadi Cinema (a subsidiary of the Company)) and Ms. Yu Xin (a director of certain subsidiaries of the Company and the general manager of Dadi Cinema) respectively. Ms. Liu Rong is the general partner of Dadi Dreamworks and Ms. Yu Xin is the limited partner of Dadi Dreamworks. As such, Dadi Dreamworks is an associate of Ms. Liu Rong and Ms. Yu Xin, and thus a connected person of the Company.

To recognize the significant contributions made by Ms. Liu Rong, Ms. Yu Xin and other employees of Dadi Cinema (who may be nominated to become partners of Dadi Dreamworks in the future) and to provide incentive to them, the Company proposes to implement an incentive scheme through transferring 10% equity interests in Dadi Cinema to Dadi Dreamworks. On 11 November 2016, Dadi Century Film Culture, an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement with Dadi Dreamworks, pursuant to which Dadi Century Film Culture agreed to sell and Dadi Dreamworks agreed to purchase, 10% equity interest in Dadi Cinema for a total consideration of RMB150,000,000.

### CONTINUING CONNECTED TRANSACTIONS

During the financial year under review, certain subsidiaries of the Company entered into certain continuing connected transactions (particulars of which have been disclosed in the announcement dated 19 August 2015 ("the Announcement") issued by the Company). As per the Listing Rules, all such continuing connected transactions are required to be disclosed in the annual report of the Company (all capitalized terms used hereinbelow shall have the same meanings used in the Announcement unless otherwise the contexts hereinbelow specify):

1. On 1 January 2009, Dadi Cinema entered into a cooperation agreement with GD Cinema Circuit, pursuant to which GD Cinema Circuit shall supply Dadi Cinema various motion pictures and license Dadi Cinema to project such motion pictures in its digital cinemas in the PRC for a fixed term of five (5) years, having a provision of automatic extension of one (1) year upon the end of the fixed term, i.e. a total period of six (6) years, from 1 January 2009 to 31 December 2014. Upon expiration of the extended term under the cooperation agreement on 31 December 2014, Dadi Cinema and GD Cinema Circuit entered into the Dadi Cinema Cooperation Agreement on 1 January 2015, for a fixed term of five (5) years, having a provision of automatic extension of one (1) year upon the end of the fixed term, i.e. a total period of six (6) years, from 1 January 2015 to 31 December 2020.

2. 本公司執行董事兼本公司附屬公司大地影院之主席劉榮女士及本公司若干附屬公司之董事兼大地影院之總經理于欣女士分別擁有北京大地夢工廠投資合夥企業(有限合夥)(「大地夢工廠」)50%及50%權益。劉榮女士為大地夢工廠之普通合夥人，而于欣女士為大地夢工廠之有限合夥人。因此，大地夢工廠為劉榮女士及于欣女士之聯繫人士，故為本公司之關連人士。

為表揚劉榮女士、于欣女士及日後可能獲提名成為大地夢工廠合夥人之大地影院其他雇員作出重大貢獻並向彼等提供獎勵，本公司擬透過將大地影院10%股權轉讓予大地夢工廠實行獎勵計劃。於2016年11月11日，本公司間接全資附屬公司大地時代電影文化與大地夢工廠訂立股權轉讓協議，據此，大地時代電影文化同意出售而大地夢工廠同意購買大地影院10%股權，總代價為人民幣150,000,000元。

### 持續關連交易

於回顧財政年內，本公司若干附屬公司訂立若干持續關連交易(有關詳情載於本公司所刊發日期為2015年8月19日之公告(「該公告」))。根據上市規則，所有該等持續關連交易均須於本公司年報中披露(除下文另有所指外，本報告所用所有詞彙與該公告所界定者具有相同涵義)：

1. 於2009年1月1日，大地影院與大地電影院線訂立合作協議，據此大地電影院線須向大地影院供應各類影片及許可大地影院在其中國的數字影院放映該影片，固定期限為五(5)年，於固定期限結束時可自動延期一(1)年，即合共為期六(6)年，自2009年1月1日起至2014年12月31日止。合作協議的延長期限於2014年12月31日屆滿後，大地影院及大地電影院線於2015年1月1日訂立大地影院合作協議，固定期限為五(5)年，於固定期限結束時可自動延期一(1)年，即合共為期六(6)年，自2015年1月1日起至2020年12月31日止。

## Report of the Directors 董事會報告

Major terms: (1) Provision of motion pictures and advisory services

(a) GD Cinema Circuit shall supply various motion pictures to Dadi Cinema from time to time and license Dadi Cinema to project such motion pictures in digital cinemas operated by Dadi Cinema in the PRC during the Term; and

(b) GD Cinema Circuit shall provide advisory services in respect of interior design and operations of each digital cinema operated by Dadi Cinema.

(2) Sharing of Net Box Office

(a) During the period from 1 January 2015 to 30 June 2015:

(i) Licensed Motion Picture: the Net Box Office of each Licensed Motion Picture shall be distributed in the following sequences:

(aa) pay all license fees payable to the distributor for obtaining a license to sub-license the Licensed Motion Picture to Dadi Cinema for projection of the Licensed Motion Picture in its cinemas; and

(bb) the whole portion of the Net Box Office after deduction of the amount in (aa) shall belong to Dadi Cinema, i.e. the GD Cinema Circuit shall not be entitled to share the Net Box Office of the Licensed Motion Picture; and

主要條款： (1) 提供影片及顧問服務

(a) 大地電影院線須不斷向大地影院供應各類影片及許可大地影院於期限內在大地影院於中國經營的數字影院放映該影片；及

(b) 大地電影院線須提供有關大地影院所經營各數字影院的室內設計及營運的顧問服務。

(2) 分享淨票房

(a) 自2015年1月1日至2015年6月30日止期間：

(i) 非買斷影片：每部非買斷影片的淨票房須按以下次序分派：

(aa) 向發行人支付取得許可向大地影院分銷非買斷影片於其影院放映非買斷影片的所有許可費用；及

(bb) 經扣除(aa)所述款項的淨票房全額須歸於大地影院，即大地電影院線不分享影片的淨票房；及



## Report of the Directors 董事會報告

- (ii) Fixed-Term Motion Picture: the sharing ratio of the Net Box Office of all Fixed Term Motion Pictures between GD Cinema Circuit and Dadi Cinema is 1:1, i.e. the Net Box Office is equally shared between GD Cinema Circuit and Dadi Cinema (however, GD Cinema Circuit shall be solely responsible for all costs and expenses incurred in obtaining a fixed-term license to sub-license each Fixed-Term Motion Picture to Dadi Cinema for projection in its cinemas).
- (b) During the period from 1 July 2015 till the end of the Term:
  - (i) Licensed Motion Picture: the Net Box Office of each Licensed Motion Picture shall be distributed in the following sequences:
    - (aa) pay all license fees payable to the distributor for obtaining license to sub-license the Licensed Motion Picture to Dadi Cinema for projection of the License Motion Picture in its cinemas;
    - (bb) pay 1% of the Net Box Office of the Licensed Motion Picture to GD Cinema Circuit for supplying and licensing the Licensed Motion Picture and providing advisory services and analyses; and
  - (ii) 買斷影片：所有買斷影片的淨票房在大地電影院線與大地影院之間的分享比率是1:1，即淨票房在大地電影院線與大地影院之間平分（然而，大地電影院線須全權負責獲得固定期限許可，並允許各部買斷影片在大地影院的影院放映所產生的全部成本及開支）。
- (b) 自2015年7月1日至期限結束止：
  - (i) 非買斷影片：每部非買斷影片的淨票房須按以下次序分派：
    - (aa) 大地電影院線向發行人支付簽訂影片發行放映的費用；
    - (bb) 就供應非買斷影片及提供顧問服務及分析向大地電影院線支付該影片1%的淨票房；及

## Report of the Directors 董事會報告

(cc) the whole portion of the Net Box Office of the Licensed Motion Picture after deduction of the amounts in (aa) and (bb) shall belong to Dadi Cinema; and

(ii) Fixed-Term Motion Picture: the sharing ratio of the Net Box Office of all Fixed-Term Motion Pictures between GD Cinema Circuit and Dadi Cinema is 1:1, i.e. the Net Box Office is equally shared between GD Cinema Circuit and Dadi Cinema (however, GD Cinema Circuit shall be solely responsible for all costs and expenses incurred in obtaining a fixed-term license to sub-license each Fixed-Term Motion Picture to Dadi Cinema for projection in its cinemas).

In addition to the main terms as mentioned above, Dadi Cinema shall give priority to GD Cinema Circuit in respect of publication of advertisements in the cinemas of Dadi Cinema (i.e. it will be an income for Dadi Cinema) on the condition that the terms and conditions offered by GD Cinema Circuit are at least the same as those offered by other clients of Dadi Cinema.

2. On 4 February 2009, Dadi Development entered into a cooperation agreement with GD Cinema Circuit, pursuant to which GD Cinema Circuit shall supply Dadi Development various motion pictures and license Dadi Development to project such motion pictures in its digital cinemas in the PRC for a fixed term to 31 December 2013, having a provision of automatic extension of one (1) year upon the end of the fixed term, i.e. from 4 February 2009 to 31 December 2014. Upon expiration of the extended term under the cooperation agreement on 31 December 2014, Dadi Development and GD Cinema Circuit entered into the Dadi Development Cooperation Agreement on 1 January 2015, for a fixed term of five (5) years, having a provision of automatic extension of one (1) year upon the end of the fixed term, i.e. a total period of six (6) years, from 1 January 2015 to 31 December 2020.

(cc) 經扣除(aa)及(bb)所述款項的非買斷影片淨票房全額須歸於大地影院；及

(ii) 買斷影片：所有買斷影片的淨票房在大地電影院線與大地影院之間的分享比率是1:1，即淨票房在大地電影院線與大地影院之間平分（然而，大地電影院線須全權負責獲得固定期限許可，並允許各部買斷影片在大地影院的影院放映所產生的全部成本及開支）。

除上述主要條款外，在大地電影院線提供的條款及條件至少與大地影院客戶所提供者相同的情況下，大地影院優先與大地電影院線於大地影院進行廣告合作（即將為大地影院的收入）。

2. 於2009年2月4日，大地影院發展與大地電影院線訂立合作協議，據此大地電影院線須向大地影院發展供應各類影片及許可大地影院發展在中國數字影院放映該影片，固定期限為截至2013年12月31日，於固定期限結束時可自動延期一(1)年，即自2009年2月4日起至2014年12月31日止。合作協議的延長期限於2014年12月31日屆滿後，大地影院發展及大地電影院線於2015年1月1日訂立大地影院發展合作協議，固定期限為五(5)年，於固定期限結束時可自動延期一(1)年，即合共為期六(6)年，自2015年1月1日起至2020年12月31日止。

## Report of the Directors 董事會報告

Major terms: (1) Provision of motion pictures and advisory services

(a) GD Cinema Circuit shall supply various motion pictures to Dadi Development from time to time and license Dadi Development to project such motion pictures in digital cinemas operated by Dadi Development in the PRC during the Term; and

(b) GD Cinema Circuit shall provide advisory services in respect of interior design and operations of each digital cinema operated by Dadi Development.

(2) Sharing of Net Box Office

(a) During the period from 1 January 2015 to 30 June 2015:

(i) Licensed Motion Picture: the Net Box Office of each Licensed Motion Picture shall be distributed in the following sequences:

(aa) pay all license fees payable to the distributor for obtaining a license to sub-license the Licensed Motion Picture to Dadi Development for projection of the Licensed Motion Picture in its cinemas; and

(bb) the whole portion of the Net Box Office after deduction of the amount in (aa) shall belong to Dadi Development, i.e. the GD Cinema Circuit shall not be entitled to share the Net Box Office of the Licensed Motion Picture; and

主要條款： (1) 提供影片及顧問服務

(a) 大地電影院線須不斷向大地影院發展供應各類影片及許可大地影院發展於期限內在大地影院發展於中國經營的數字影院放映該影片；及

(b) 大地電影院線須提供有關大地影院發展所經營各數字影院的室內設計及營運的顧問服務。

(2) 分享淨票房

(a) 自2015年1月1日至2015年6月30日止期間：

(i) 非買斷影片：每部非買斷影片的淨票房須按以下次序分派：

(aa) 向發行人支付取得許可向大地影院發展分銷非買斷影片於其影院放映非買斷影片的所有許可費用；及

(bb) 經扣除(aa)所述款項的淨票房全額須歸於大地影院發展，即大地電影院線不分享影片的淨票房；及

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- (ii) Fixed-Term Motion Picture: the sharing ratio of the Net Box Office of all Fixed Term Motion Pictures between GD Cinema Circuit and Dadi Development is 1:1, i.e. the Net Box Office is equally shared between GD Cinema Circuit and Dadi Development (however, GD Cinema Circuit shall be solely responsible for all costs and expenses incurred in obtaining a fixed-term license to sub-license each Fixed-Term Motion Picture to Dadi Development for projection in its cinemas).
- (b) During the period from 1 July 2015 till the end of the Term:
  - (i) Licensed Motion Picture: the Net Box Office of each Licensed Motion Picture shall be distributed in the following sequences:
    - (aa) pay all license fees payable to the distributor for obtaining license to sub-license the Licensed Motion Picture to Dadi Development for projection of the License Motion Picture in its cinemas;
  - (ii) 買斷影片：所有買斷影片的淨票房在大地電影院線與大地影院發展之間的分享比率是1:1，即淨票房在大地電影院線與大地影院發展之間平分(然而，大地電影院線須全權負責獲得固定期限許可，並允許各部買斷影片在大地影院發展的影院放映所產生的全部成本及開支)。
- (b) 自2015年7月1日至期限結束止：
  - (i) 非買斷影片：每部非買斷影片的淨票房須按以下次序分派：
    - (aa) 大地電影院線向發行人支付簽訂影片發行放映的費用；



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| <p>(bb) pay 1% of the Net Box Office of the Licensed Motion Picture to GD Cinema Circuit for supplying and licensing the Licensed Motion Picture and providing advisory services and analyses; and</p> <p>(cc) the whole portion of the Net Box Office of the Licensed Motion Picture after deduction of the amounts in (aa) and (bb) shall belong to Dadi Development; and</p> <p>(ii) Fixed-Term Motion Picture: the sharing ratio of the Net Box Office of all Fixed-Term Motion Pictures between GD Cinema Circuit and Dadi Development is 1:1, i.e. the Net Box Office is equally shared between GD Cinema Circuit and Dadi Development (however, GD Cinema Circuit shall be solely responsible for all costs and expenses incurred in obtaining a fixed-term license to sub-license each Fixed-Term Motion Picture to Dadi Development for projection in its cinemas).</p> | <p>(bb) 就供應非買斷影片及提供顧問服務及分析向大地電影院線支付該影片1%的淨票房；及</p> <p>(cc) 經扣除(aa)及(bb)所述款項的非買斷影片淨票房全額須歸於大地影院發展；及</p> <p>(ii) 買斷影片：所有買斷影片的淨票房在大地電影院線與大地影院發展之間的分享比率是1:1，即淨票房在大地電影院線與大地影院發展之間平分(然而，大地電影院線須全權負責獲得固定期限許可，並允許各部買斷影片在大地影院發展的影院放映所產生的全部成本及開支)。</p> |
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In addition to the main terms as mentioned above, Dadi Development shall give priority to GD Cinema Circuit in respect of publication of advertisements in the cinemas of Dadi Development (i.e. it will be an income for Dadi Development) on the condition that the terms and conditions offered by GD Cinema Circuit are at least the same as those offered by other clients of Dadi Development.

除上述主要條款外，在大地電影院線提供的條款及條件至少與大地影院發展客戶所提供相同的情況下，大地影院發展優先與大地電影院線於大地影院發展進行廣告合作(即將為大地影院發展的收入)。

3. On 1 January 2014, Digicine Oristar Technology Development (Beijing) Company Limited ("Oristar Technology") entered into the Oristar Technology Cooperation Agreement with GD Cinema Circuit, pursuant to which Oristar Technology shall use its reasonable endeavours to sale the Projection Equipment (or any part of it) (including installation and training) to GD Cinema Circuit upon fulfillment of certain conditions for coping with its business development during a fixed term of six (6) years, from 1 January 2014 to 31 December 2019.
3. 於2014年1月1日，數碼辰星科技發展(北京)有限公司(「數碼辰星」)與大地電影院線訂立數碼辰星合作協議，據此數碼辰星須合理地盡力根據大地電影院線的若干要求向其銷售放映設備(或其任何部分)(包括安裝及培訓)，從而確保配合其業務發展，固定期限為六(6)年，自2014年1月1日起至2019年12月31日止。

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### Major terms: (1) Undertakings of Oristar Technology

Oristar Technology shall use its reasonable endeavours to provide the Projection Equipment (or any part of it) (including appropriate installation and training) for GD Cinema Circuit within a reasonable period of time for the purpose of coping with GD Cinema Circuit's business development.

### (2) Undertakings of GD Cinema

GD Cinema Circuit shall purchase the Projection Equipment (or any part of it) from Oristar Technology on the conditions that (a) the selling price of the Projection Equipment (or any part of it) quoted by Oristar Technology shall not be higher than the selling price of (i) such Projection Equipment (or any part of it) or (ii) any other compatible equipment, apparatus or system, quoted by other suppliers obtained by GD Cinema Circuit; and (b) the quality of the Projection Equipment (or any part of it) (including but not limited to functionality and operation) and after-sales service (including but not limited to maintenance and repair) quoted by Oristar Technology shall not be lower and less than those quoted by other suppliers obtained by GD Cinema Circuit.

On 19 August 2015, Ms. Liu, a director of the Company, who is a connected person of the Company under Rule 14A.07 of the Listing Rules, (1) acquired 80% of Dadi Century Beijing (the remaining 20% has been owned by Mr. YCH, an associate of Mr. YPH, who is a connected person of the Company under Rule 14A.07 of the Listing Rules) which directly owns 85% equity interest of GD Cinema Circuit; and (2) gained an effective control of 15% equity interest of GD Cinema Circuit through Dadi Legend which is an associate of Ms. Liu. Given the foregoing, Ms. Liu has gained control in GD Cinema Circuit, and each of Dadi Century Beijing and GD Cinema Circuit has become an associate of Ms. Liu pursuant to Rule 14A.12 of the Listing Rules. As a result, the continuing transactions contemplated under the Dadi Cinema Cooperation Agreement, the Dadi Development Cooperation Agreement and the Oristar Technology Cooperation Agreement have become continuing connected transactions effect from 19 August 2015.

### 主要條款： (1) 數碼辰星的承諾

數碼辰星須用其合理努力於合理期間內為大地電影院線提供放映設備(或其任何部分)(包括適當的安裝及培訓),以便應對大地電影院線的業務發展。

### (2) 大地電影院線的承諾

大地電影院線須自數碼辰星購買放映設備(或其任何部分),條件是(a)數碼辰星所報放映設備(或其任何一部分)的售價不得高於大地電影院線所取得的任何其他供應商所報有關(i)該放映設備(或其任何部分)或(ii)任何兼容設備、裝置或系統的售價;及(b)數碼辰星所報放映設備(或其任何部分)(包括但不限於功能及運行情況)及售後服務(包括但不限於保養及維修)的質量不得低於及少於大地電影院線取得的其他供應商所報者。

於2015年8月19日,本公司董事劉女士(按上市規則第14A.07條為本公司關連人士)(1)收購大地時代北京80%權益(餘下20%已由于品海先生的聯繫人士于常海先生持有,根據上市規則第14A.07條,彼是本公司關連人士),大地時代北京直接持有大地電影院線85%股權;及(2)透過大地傳奇(其為劉女士的聯繫人士)有效控制大地電影院線的15%股權。鑒於前述情況,劉女士獲得大地電影院線的控制權,而大地時代北京及大地電影院線各自根據上市規則第14A.12條已成為劉女士的聯繫人士。因此,大地影院合作協議、大地影院發展合作協議及數碼辰星合作協議項下擬進行的持續交易自2015年8月19日起成為持續關連交易。

## Report of the Directors 董事會報告

The annual cap under Rule 14A.53 shall not be applied for the continuing connected transactions contemplated under the Dadi Cinema Cooperation Agreement, the Dadi Development Agreement and the Oristar Technology Cooperation Agreement as such transactions have already been taken place since 1 January 2009, 4 February 2009 and 1 January 2014 under the Dadi Cinema Cooperation Agreement, the Dadi Development Agreement and the Oristar Technology Cooperation Agreement respectively, i.e. before such transactions become connected transactions upon the gaining control in GD Cinema Circuit by Ms. Liu on 19 August 2015.

In respect of all continuing connected transactions contemplated under the Dadi Cinema Cooperation Agreement, the Dadi Development Cooperation Agreement and the Oristar Technology Cooperation Agreement, all independent non-executive directors have reviewed, and confirmed that all such continuing connected transactions were entered into:

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

In accordance with Rule 14A.56 of the Listing Rules, the Company has engaged its auditors to report on all continuing connected transactions as mentioned above, and the auditors have issued to the Board a letter dated 23 March 2017 confirming that nothing has come to their attention that causes them to believe that all such continuing connected transactions:

- (1) have not been approved by the Board;
- (2) in the event that there would be any transaction involving the provision of goods or services by the Group, the transactions were not, in all material respects, in accordance with the pricing policies of the Group; and
- (3) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions.

第14A.53條項下的年度上限將不適用於大地影院合作協議、大地影院發展合作協議及數碼辰星合作協議項下擬進行的持續關連交易，原因為該等交易自2009年1月1日、2009年2月4日及2014年1月1日已分別根據大地影院合作協議、大地影院發展合作協議及數碼辰星合作協議進行，即劉女士於2015年8月19日取得大地電影院線控制權前該等交易已成為關連交易。

就大地影院合作協議、大地影院發展合作協議及數碼辰星合作協議項下擬進行所有持續關連交易而言，所有獨立非執行董事已進行審閱，並確認所有該等持續關連交易乃按以下方式訂立：

- (1) 本公司日常及一般營業過程中；
- (2) 正常或更佳商業條款；及
- (3) 根據規管有關交易的協議，按屬公平合理且符合本公司股東整體利益的條款訂立。

根據上市規則第14A.56條，本公司已委聘其核數師匯報上述所有持續關連交易，而核數師已向董事會發出一封日期為2017年3月23日的函件，確認彼等並不知悉任何導致彼等相信所有該等持續關連交易：

- (1) 並未獲董事會批准；
- (2) 倘任何交易涉及本公司提供貨品或服務，有關交易並無於所有重大方面遵照本集團的定價政策；及
- (3) 並非於所有重大方面根據規管交易的相關協議訂立。

## Report of the Directors 董事會報告

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-Laws or the law in Bermuda.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save as disclosed in this annual report, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

### PUBLIC FLOAT

Based on the publicly available information and to the best knowledge of the directors, the Company has maintained during the year and up to the date of this report sufficient public float as required under the Listing Rules.

### CORPORATE GOVERNANCE

Particulars of the Company's corporate governance practices are set out in the "Corporate Governance Report" on pages 74 to 92.

### AUDIT COMMITTEE

The Audit Committee comprises all the independent non-executive directors of the Company, namely Mr. Lau Yip Leung, Mr. Ho Yeung Nang and Mr. Xiao Sui Ning. The Audit Committee has reviewed with the auditor of the Company and management the accounting principles and practices adopted by the Group, the audited consolidated financial statements of the Group for the year ended 31 December 2016, and discussed the auditing, financial control, internal control and risk management systems.

### AUDITOR

The financial statements for the year ended 31 December 2016 were audited by BDO Limited ("BDO"). A resolution will be proposed at the forthcoming AGM of the Company to re-appoint BDO as auditor of the Company.

### STRUCTURED AGREEMENTS

Reference is made to the joint announcements of the Company and its listed subsidiary, Sino-i, dated 15 November 2013, 6 December 2013 and 31 July 2015 (collectively, the "Announcements") in relation to a discloseable transaction under which Xinnet Technology Information Company Limited ("XWHT"), an indirect wholly-owned subsidiary of Sino-i, by means of the Structured Agreements, shall be entitled to control over Xinnet's management, businesses and operations in substance in addition to recognize and receive all economic benefits of the business of Xinnet. All capitalized terms used hereinbelow shall have the same meanings as those defined in the Announcements unless otherwise stated in this annual report.

### 優先購買權

細則或百慕達法例並無有關優先購買權之規定。

### 購買、出售或贖回上市證券

除本年報中披露者外，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 公眾持股量

按本公司從公眾可取閱資料所得及就董事所知，本公司於年內及截至本報告日期已維持依據上市規則規定的公眾持股量。

### 企業管治

本公司企業管治實務之詳情載於第74至92頁之「企業管治報告」。

### 審核委員會

審核委員會包括本公司全體獨立非執行董事，劉業良先生、何養能先生及肖遂寧先生。審核委員會已與本公司核數師及管理層審閱本集團所採納之會計準則及實務、本集團截至2016年12月31日止年度之經審核綜合財務報表，並檢討核數、財務監控、內部監控及風險管理制度事宜。

### 核數師

截至2016年12月31日止年度之財務報表均由香港立信德豪會計師事務所有限公司（「立信德豪」）審核。將於應屆股東周年大會上提呈一項續聘立信德豪為本公司核數師之決議案。

### 架構協議

茲提述本公司及其附屬公司中國數碼日期分別為2013年11月15日、2013年12月6日及2015年7月31日之聯合公告（統稱「該等公告」），內容有關須予披露交易，據此，新網華通信息技術有限公司（「新網華通」）（中國數碼之間接全資附屬公司）有權透過架構協議實質上掌控新網之管理、業務及營運，並同時確認及接收新網經營業務所得一切經濟利益。除本年報另有指明者外，本報告所用詞彙與該等公告所界定者具相同涵義。



## Report of the Directors 董事會報告

The Board hereby provides updated information in relation to the business operations of Xinnet through the Structured Agreements and the implications thereof as follows:

### (a) Particulars and business activities of Xinnet:

Xinnet is a limited liability company established in the PRC and a wholly-owned subsidiary of ZQHT. Mr. Jiang is a PRC citizen, and an ultimate beneficial owner of 100% equity interest of ZQHT. Xinnet's main businesses are provision of virtual server hosting and maintenance services, provision of email services and registration of domain names in the PRC, which are all regarded as a kind of internet content services. Xinnet has obtained a valid licence for providing internet content services, issued by 北京市通信管理局 (Beijing Communications Administration).

### (b) Summary of main terms of the Structured Agreement:

- (1) *Loan Agreement (dated 15 November 2013):*
  - (i) Parties: XWHT as lender; and Mr. Jiang as borrower
  - (ii) Loan amount: RMB1,500,000
  - (iii) The loan is interest free, and has no maturity date for repayment. Mr. Jiang shall have no right to effect any early repayment unless having the written consent from XWHT.
- (2) *Equity Pledge Agreement (dated 15 November 2013):*
  - (i) Parties: XWHT as pledgee; ZQHT as pledgor; and Xinnet
  - (ii) Assets pledged: 80% equity interest of Xinnet, free from encumbrance, as first fixed charge to XWHT as security.
  - (iii) ZQHT shall not dispose of the pledged 80% equity interest to any other party without obtaining the written approval of XWHT.
- (3) *Management and Technology Services Agreement (dated 15 November 2013):*
  - (i) Parties: XWHT; and Xinnet
  - (ii) XWHT shall provide certain exclusive management and technology services to Xinnet.

董事會謹此提供有關透過架構協議經營新網業務之最新消息及有關影響如下：

### (a) 新網之詳情及主要業務：

新網為於中國成立之有限公司，為中企華通之全資附屬公司。蔣先生為中國公民，為中企華通100%股權之最終實益擁有人。新網之主要業務為於中國提供虛擬伺服器寄存及維護服務、提供電子郵箱服務及域名註冊服務。所有該等業務歸類為互聯網信息服務。新網已取得北京市通信管理局發出提供互聯網信息服務之有效牌照。

### (b) 架構協議之主要條款摘要：

- (1) *借款協議 (日期為2013年11月15日)：*
  - (i) 訂約方：新網華通作為貸方；及蔣先生作為借方
  - (ii) 貸款額：人民幣1,500,000元
  - (iii) 貸款為免息及並無到期還款日。除非獲新網華通書面同意，否則蔣先生將無權提早還款。
- (2) *股權質押協議 (日期為2013年11月15日)：*
  - (i) 訂約方：新網華通作為質權人；中企華通作為出質人；及新網
  - (ii) 抵押資產：以第一固定押記形式向新網華通質押新網並無產權負擔之80%股權。
  - (iii) 除非獲新網華通書面同意，否則新網華通將不得向任何其他人士出售已抵押之80%股權。
- (3) *管理及技術服務提供協議 (日期為2013年11月15日)：*
  - (i) 訂約方：新網華通；及新網
  - (ii) 新網華通向新網提供多項獨家諮詢及技術服務。

## Report of the Directors 董事會報告

- (iii) The Management and Technology Services Agreement is solely terminable by XWHT but not Xinnet. In return for the provision of the exclusive services, XWHT shall be entitled to receive a service fee which is equivalent to the net profit of Xinnet as per its yearly audited financial statements.
- (iii) 管理及技術服務提供協議僅可由新網華通(而非新網)單方面終止。新網華通有權收取服務費作為提供獨家服務之回報，金額相等於新網經審核年度財務報表所示之純利。
- (4) *Option Agreement (dated 15 November 2013):*
- (i) Parties: XWHT as grantee; ZQHT as grantor; and Xinnet
- (i) 購買權協議(日期為2013年11月15日):  
(i) 訂約方: 新網華通作為承授方; 中企華通作為授予方; 及新網
- (ii) ZQHT shall grant an exclusive option to XWHT at an option price of RMB1.00 to acquire up to 100% equity interest in the registered capital of Xinnet (no limit on the number of times the option may be exercised by XWHT). The total subscription price for 100% equity interest of Xinnet shall be equivalent to the total loan amount (being RMB1,500,000) under the Loan Agreement, and the subscription price for each option exercised shall be paid by direct set off on a dollar-for-dollar basis against the outstanding loan amount under the Loan Agreement.
- (ii) 中企華通將按購買權代價人民幣1.00元向新網華通授出獨家購買權，以認購新網註冊資本中100%股權(新網華通可行使購買權之次數不受限制)。新網100%股權之總認購價相當於借款協議項下之貸款總額(即人民幣1,500,000元)，而行使每份購買權所涉及認購價須按定額基準透過直接抵銷借款協議項下未償還貸款金額之形式支付。
- (5) *Power of Attorney (dated 15 November 2013):*
- (i) Parties: ZQHT; and XWHT
- (i) 授權委託書(日期為2013年11月15日):  
(i) 訂約方: 中企華通; 及新網華通
- (ii) It is an irrevocable power of attorney under which XWHT shall be the sole attorney of ZQHT. XWHT shall have full power, without having to obtain ZQHT's any further consent or approval, to exercise such rights in Xinnet as (a) all shareholder's rights and voting rights in accordance with the corporate memorandum of Xinnet; and (b) rights of nomination and appointment of legal representative, chairman of the board, directors, general manager and other senior management personnel of Xinnet.
- (ii) 此乃不可撤回授權書，據此，新網華通將為中企華通之唯一代理，而新網華通可於毋須取得中企華通任何同意或批准之情況下，全權行使於新網之權利，(a) 根據新網之公司章程例行使一切股東權利及投票權；及(b)提名及委任新網之法定代表人、董事長、董事、總經理及其他高級管理人員。

The Loan Agreement, the Equity Pledge Agreement, the Management and Technology Services Agreement, the Option Agreement and the Power of Attorney shall be executed simultaneously with each other.

借款協議、股權質押協議、管理及技術服務提供協議、購買權協議與授權委託書將同時簽立。

## Report of the Directors 董事會報告

### (c) The significance of business activities of Xinnet to the Group:

By means of the Structured Agreements, the Group may engage in the business of virtual server hosting and maintenance in the PRC and such business may widen the spectrum of services of the Group. The widened services are expected to lead the Group to having not only a stronger foothold against its competitors in the PRC but also an achievement of efficiency and cost-effectiveness in provision of virtual server hosting and maintenance services to the customers of the Group.

### (d) The financial impact of the Structured Agreements on the Group:

XWHT is a parent undertaking of Xinnet as XWHT has the right to control Xinnet by virtual of the Structured Agreements. As a result, the financial position and operating results of Xinnet and its subsidiary shall be consolidated in the XWHT's financial statements from the date on which XWHT has gained control in Xinnet in accordance with the HKFRS.

During the year, revenue was approximately HK\$129,847,000 (2015: approximately HK\$122,828,000); profit before income tax was approximately HK\$3,659,000 (2015: loss before income tax of approximately HK\$35,727,000); and total assets were approximately HK\$121,684,000 (2015: approximately HK\$77,889,000) have been consolidated into the Group's financial statement.

The turnaround in profit and the increase in total assets during the year were mainly due to increasing efficiency of project research and development, more research and development costs being capitalised and boosting the sales of those self-developed products having higher gross profit, resulting in an increase of operational efficiency.

### (e) The extent to which the Structured Agreements relate to requirement of applicable laws, rules and regulations other than the foreign ownership restriction:

In view of the PRC legal opinion, (i) the Structured Agreements have complied with the laws, rules and regulations in the PRC, and complied with the respective articles of association of XWHT, ZQHT and Xinnet; (ii) there is no law, rule or regulation specifically disallows foreign investors from using any structured agreement to gain control of or operate the business of Xinnet; and (iii) the Structured Agreements would not be deemed as concealing illegal intentions with a lawful form and void under the PRC contract law.

### (c) 新網業務對本集團之重要性：

通過架構協議，本集團可於中國從事虛擬伺服器寄存及維護業務，該業務可能會拓闊本集團之服務範圍。據預料該額外業務帶領本集團不僅於中國打造較其他競爭對手更為穩固的基礎，而且可以為本集團客戶提供虛擬伺服器寄存及維護服務達到具高效率及成本效益方式之成績。

### (d) 架構協議對本集團之財務影響：

由於新網華通有權透過架構協議控制新網，故新網華通為新網之母公司。因此，根據香港財務報告準則，新網及其附屬公司之財務狀況及經營業績自新網華通取得新網之控制權當日起於新網華通之財務報表綜合入賬。

年內，收益約為129,847,000港元（2015年：約122,828,000港元）；除稅前溢利約為3,659,000港元（2015年：除稅前虧損約35,727,000港元）；及總資產約為121,684,000港元（2015年：約77,889,000港元）已於本集團財務報表綜合入賬。

本年扭虧為盈及資產總值增加的主要原因為提高了項目的研發效率，使得研發支出轉化為資產的比例增加，並且增大毛利較高的自有產品的銷售佔比，繼續提升運營效率。

### (e) 架構協議與適用法律、規則及規例（而非外國所有權限制）規定相關之程度：

中國法律意見認為，(i) 架構協議已符合中國法例、規則及規例，並符合新網華通、中企華通及新網各自之章程細則；(ii) 並無法例、規則或規例具體列明不允許外國投資者運用任何架構協議控制或經營新網；及(iii) 根據中國合同法，架構協議將不會視作以合法形式掩蓋非法目的，亦不會視作無效。

## Report of the Directors 董事會報告

**(f) Reasons for using the Structured Agreements and the risks associated therewith including actions taken to mitigate such risks:**

Xinnet's main businesses are classified as value-added telecommunication services which is a kind of business restricted to foreign investors in the PRC. By virtue of 外商投資電信企業管理規定 (Provisions on the Administration of Foreign Investment Telecommunication Enterprises), foreign investors shall not have more than 50% in the equity interest of a PRC enterprise providing value-added telecommunication services.

The main businesses of Xinnet are considered as value-added businesses which widen the spectrum of services of the Group for its customers and in turn enhance the Group's competitiveness in the PRC market. As the Group is facing to the aforesaid restriction in equity interest of a PRC company, the Structured Agreements shall be regarded as a strategic arrangement by which the Group may fully and effectively control Xinnet, which in turn enables the Group to achieve the aforesaid purposes. In addition, the Structured Agreements offer flexibility to the Group in control of Xinnet — (a) control of its management, businesses and operations; and (b) owning of its 100% equity interest by exercising the call option under the Option Agreement when the restriction in having more than 50% equity interest of a PRC enterprise by foreign investors is removed or repealed.

In addition to the foreign ownership restriction under the prevailing applicable laws and regulations, the Structured Agreements do not violate any PRC laws, rules and regulations, and the execution of the Structured Agreements by the parties thereto does not violate any article of the contracting parties; and such prevailing provision and notice issued by the PRC authorities as (i) 《外商投資電信企業管理規定》(Provisions on the Administration of Foreign Investment Telecommunication Enterprises) (amended in 2008) and 《外商投資產業指導目錄》(Catalogue for Guidance of Foreign Investment Industries) (amended in 2015) issued by the State Council of the PRC, under which foreign investor shall not have more than 50% in a corporation providing value-added telecommunication services; and (ii) 《關於加強外商投資經營增值電信業務管理的通知》(Notice of Strengthened Administration of Foreign Investment in and Operation of Value-Added Telecommunication Business) issued by the Ministry of Industry and Information Technology of the PRC in July 2006 under which a local PRC company holding an internet content provider licence shall not lease, transfer or sell the licence to foreign investors in any form, or provide any assistance to foreign investors to provide internet content services in the PRC, but such provision and notice are not governing or restricting the control of a PRC company through structured agreements.

**(f) 使用架構協議之理由及與之相關風險 (包括降低有關風險之措施)：**

新網之主要業務被歸類為增值電信服務，於中國為其中一類限制外商投資者之業務。根據外商投資電信企業管理規定，外商投資者不得擁有提供增值電信服務之中國企業超過50%權益。

新網之主要業務被視為增值業務，有助拓闊中國數碼集團向客戶提供之服務範圍，從而提高本集團於中國市場中之競爭力。由於本集團面臨著前述中國公司的股權限制，架構協議應被視為一項戰略安排，讓本集團可以充分地及有效地控制新網使本集團能夠實現前述目的。與此同時，架構協議為本集團控制新網方面提供靈活性 — (a) 控制其管理、業務及營運；及(b) 當有關外商投資者於中國企業擁有超過50%權益之限制被刪除或廢除時可透過行使購買權協議項下購買權而持有其100%權益。

此外，根據現行適用法律及法規項下的外商擁有權限制，架構協議並無違反任何中國法律、規則及法規，且訂約各方執行架構協議並無違反訂約各方之任何公司章程；及中國當局頒佈該現行之規定及通知(即(i) 中國國務院所頒佈《外商投資電信企業管理規定》(2008年修訂)及《外商投資產業指導目錄》(2015年修訂)，當中訂明外商投資者不得擁有提供增值電信服務之企業超過50%權益；及(ii) 中國工業和信息化部於2006年7月所頒佈《關於加強外商投資經營增值電信業務管理的通知》，當中訂明持有互聯網信息服務供應商牌照之當地的中國公司不得以任何形式向外商投資者租賃、轉讓或出售牌照，或向外商投資者於中國提供互聯網信息服務提供任何援助)，惟有關規定及通知並無監管或限制透過架構協議控制中國公司。



## Report of the Directors 董事會報告

Given the foregoing, the Structured Agreements shall be regarded as valid documents binding all parties thereto as at the date of this report. However, if any new applicable law or regulation were enacted in the future in the PRC, the validity and enforceability of the Structured Agreements might have been affected, and as a result, the structured agreements of controlling Xinnet would have been disruptive which in turn would have affected the business of the Group.

The Ministry of Commerce of the PRC has issued certain consultation paper (草案徵求意見稿) in respect of a bill namely 《中華人民共和國外國投資法》(Foreign Investment Law of the PRC) (the "Bill") in January 2015, which is to be enacted into an act or statute. As per sections 15 and 18 thereof, foreign investment means foreign investors directly or indirectly conduct certain investment activities, e.g. through structured agreements or trust arrangement to control a PRC company or holding equity interest of a PRC company. Any foreign investment in any business under the catalogue of restricted investment shall apply for an access permit from foreign investment authority under the State Council of the PRC as per section 27 thereof. There is no indication in the Bill that contracts under the contractual arrangement would be void.

Application for an access permit cited in the Bill could be viewed as a kind of administrative procedure rather than a prohibitive threshold, therefore, failure in obtaining the permit by fulfilling certain administrative procedures would not be very high. Mr. Jiang is not a connected person of the Group, the risk of direct conflict of interest with the Group will be very low. It is unlikely for Mr. Jiang setting up another entity conducting business having a direct competition with Xinnet's, otherwise, Mr. Jiang would not execute and procure the execution of the Structured Agreements by which Mr. Jiang has given up the businesses of Xinnet. As at the date of this report, the Group has not found that Mr. Jiang has carried out or involved in any business having a direct competition with the businesses of the Group. If Mr. Jiang or ZQHT breaches any obligations or undertakings under any Structured Agreements, the operations of Xinnet would not be affected as the position of the Group in controlling Xinnet has been fully secured by (a) full control of the board of directors of Xinnet; and (b) obtaining a charge of 100% equity interest in Xinnet (as per the provision of the Loan Agreement, the pledgor has further charged the remaining 20% equity interest in Xinnet as first fixed charge in favour of the pledgee in October 2014).

鑑於上述情況，架構協議於本報告日期被視為有效文件，對訂約各方具有約束力。然而，倘中國將來實施任何新適用法律或法規，架構協議之有效性及強行執行性可能會受到影響，因此對控制新網之架構協議會造成破壞從而會影響本集團業務。

中國商務部於2015年1月頒佈若干《草案徵求意見稿》，有關一份名為《中華人民共和國外國投資法》的議案（「草案」），有待制定為法令或法規。根據草案第15條及第18條，外商投資指外商投資者直接或間接從事若干投資活動，例如透過架構協議或信託安排來控制中國公司或持有中國公司權益。根據草案第27條，《限制實施目錄》項下任何外商投資業務須向中國國務院外資投資主管部門申請准入許可。草案並無表明合約安排項下合約將失效。

草案所訂明准入許可申請可被視為一項行政程序而非禁止性門檻。因此，履行若干行政程序後取得准入許可之失敗機會不高。蔣先生並非本集團之關連人士，故與本集團出現直接利益衝突之風險非常低。蔣先生不大可能建立另一實體從事與新網直接競爭之業務，否則蔣先生不會簽訂及促使執行架構協議（蔣先生據此放棄新網之業務）。於本報告日期，本集團並無發現蔣先生進行或參與任何與本集團業務構成直接競爭之業務。由於本集團控制新網之地位已完全受以下各項所保障：(a) 完全控制新網之董事會；及(b) 持有新網之100%股權作為抵押品（根據借款協議之條文，出質人於2014年10月以第一固定押記形式向質權人進一步抵押新網餘下20%股權），即使蔣先生或中企華通違反架構協議項下任何責任或承諾，新網之業務亦不會受到影響。

## Report of the Directors 董事會報告

Since the Bill has yet been enacted into an act or statute, the sections or provisions thereof might be further modified and amended after the consultation period, it is uncertain any additional conditions imposing on foreign investors.

The Structured Agreements might be subject to scrutiny of the tax authorities in the PRC, and additional tax might be imposed, but the Group does not expect that such tax risk is high and will lead to any substantial financial impact on the Group.

**(g) Material change in the Structured Agreements:**

No Structured Agreement has been supplemented or modified since the date of execution of all such Structured Agreements.

**(h) Unwinding of the Structured Agreements:**

No Structured Agreement has been unwound since the date of execution all such Structured Agreements. None of the Structured Agreement is to be unwound until and unless the restriction on ownership by foreign investors is removed or not in force. In the event of such restriction in foreign investment is removed or not in force, XHWT will exercise its option under the Option Agreement to acquire the entire equity interest in Xinnnet. Upon completion of formal acquisition of the entire equity interest in Xinnnet, the Structured Agreements will then be unwound.

由於草案尚未制定為法令或法規，當中所載章節或條文可能於諮詢期後進一步修改及修訂，故無法確定會否對外商投資者施加任何額外條件。

架構協議或會受到中國稅務機關監察，可能會徵收額外稅項，惟本集團預期有關稅項風險不高，亦不會對本集團帶來任何重大財務影響。

**(g) 架構協議之重大變化：**

自簽訂架構協議以來，架構協議未作補充或修訂。

**(h) 解除架構協議：**

於簽訂架構協議日期以來，架構協議未被解除。除非及直至外商投資者擁有權限制被解除或失效，否則不會解除架構協議。倘外商投資有關限制遭解除或失效，新網華通將行使其根據購買權協議所獲授購買權以收購新網全部權益。於新網全部股權之正式收購完成後，屆時架構協議將解除。

On behalf of the Board

**Yu Pun Hoi**

*Chairman*

Hong Kong, 14 March 2017

代表董事會

**于品海**

*主席*

香港，2017年3月14日

## Corporate Governance Report 企業管治報告

The Company is committed to maintain high corporate governance standard and unambiguous procedures to ensure the integrity, transparency and quality of disclosure in order to enhance its shareholders' value.

### COMPLIANCE WITH CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company has complied with the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules throughout the year ended 31 December 2016, except for the deviations from Code Provisions A.2.1, A.4.1 and A.5.1. Explanations for such non-compliance are provided below.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code.

Specific enquiries have been made to all the directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2016.

The Company has also established written guidelines on no less exacting than the Model Code (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company.

No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company.

### BOARD OF DIRECTORS

As at the date of this report, the current Board is made up of eight directors including four executive directors, one non-executive director and three independent non-executive directors (the "INEDs"). The directors are, collectively and individually, aware of their responsibilities to the shareholders. The directors' biographical information is set out on pages 42 to 44 under the heading "Biographical Details of Directors and Senior Management". During the year ended 31 December 2016 and up to the date of this report, the Board consisted of the following:

#### Executive Directors

Mr. Yu Pun Hoi (*Chairman*)  
 Ms. Chen Dan  
 Ms. Liu Rong  
 Ms. Lung King Cheong  
 (*appointed with effect from 20 September 2016*)

#### Non-executive Directors

Mr. Lam Bing Kwan  
 Mr. Wang Gang (*resigned with effect from 20 September 2016*)

本公司致力於維持高水平的企業管治標準及清晰程序，以確保資料披露之完整性、透明度及質素，藉以提升股東效益。

### 遵守企業管治守則

董事會認為，截至2016年12月31日止年度之整個期間內，本公司已遵守上市規則附錄14所載之企業管治守則（「企業管治守則」），惟偏離守則條文A.2.1、A.4.1及A.5.1除外。有關不遵守守則之說明列載如下。

### 證券交易標準守則

本公司已採納標準守則。

本公司已向所有董事作出特別查詢，董事們確認，彼等於截至2016年12月31日止年度整個期間內已遵守標準守則。

本公司亦就可能擁有本公司未刊登之內幕消息之有關僱員制定有關僱員進行證券交易之書面指引（「僱員書面指引」），該指引不低於標準守則所訂之標準。

本公司概不知悉有關僱員不遵守僱員書面指引之情況。

### 董事會

截至本報告日期，董事會由八名董事組成，包括四名執行董事、一名非執行董事及三名獨立非執行董事（「獨立非執行董事」）。董事們共同及個別知悉彼等對股東之責任。董事之履歷資料載於第42至44頁「董事及高級管理人員履歷詳情」一節。於2016年12月31日止年度及截至本報告日期，董事會由下列人士組成：

#### 執行董事

于品海先生 (*主席*)  
 陳丹女士  
 劉榮女士  
 龍景昌先生  
 (*自2016年9月20日起獲委任*)

#### 非執行董事

林秉軍先生  
 王鋼先生 (*自2016年9月20日起辭任*)

## Corporate Governance Report 企業管治報告

### Independent Non-executive Directors

Mr. Ho Yeung Nang

(appointed with effect from 20 September 2016)

Mr. Lau Yip Leung

Mr. Xiao Sui Ning (appointed with effect from 27 April 2016)

Prof. Jiang Ping (resigned with effect from 20 September 2016)

Mr. Hu Bin (resigned with effect from 3 February 2016)

The overall management of the Company's businesses is vested in the Board, which assumes the responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and monitoring its affairs. All directors should take decisions objectively in the best interests of the Company.

The day-to-day management, administration and operation of the Company are delegated to the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the abovementioned senior management of the Company.

The Board has the full support of its board committees and the senior management of the Company to discharge its responsibilities.

To the best knowledge of the Company, the Board members do not have any financial, business and family or other material/relevant relationship with each other. During the year, the Board held 17 meetings.

### Chairman and Chief Executive Officer

Code Provision A.2.1 stipulated that the roles of chairman and chief executive officer (the "CEO") should be separated and should not be performed by the same individual.

The Company has not appointed a CEO. The role of the CEO is performed by Mr. Yu Pun Hoi who is also the chairman of the Company. The Board believes that vesting the roles of both chairman and CEO in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies.

During the year, the chairman held a meeting with each of the non-executive director and independent non-executive directors of the Company and obtained independent opinions relating to affairs of the Board and the Company without the presence of other executive Directors.

### 獨立非執行董事

何養能先生

(自2016年9月20日起獲委任)

劉業良先生

肖遂寧先生(自2016年4月27日起獲委任)

江平教授(自2016年9月20日起辭任)

胡濱先生(自2016年2月3日起辭任)

董事會獲賦予本公司業務之全面管理權，透過監控本公司事務，肩負起領導、監察及共同承擔推動本公司成功之責任。全體董事應就本公司最佳利益作出客觀決定。

本公司之日常管理、行政及營運乃委以高級管理人員負責，授權職能及工作任務定期進行檢討。於訂立任何重大交易前，上述本公司高級管理人員須先獲得董事會批准。

董事會獲本公司之董事委員會及高級管理人員全面支援以履行其職責。

就本公司所知，董事會各成員之間概無財務、業務及家庭或其他重大／關聯關係。年內，董事會曾舉行17次會議。

### 主席及行政總裁

守則條文A.2.1訂明主席及行政總裁(「行政總裁」)應為獨立角色及不應由同一人擔任。

本公司尚未委任行政總裁。行政總裁之職責亦由本公司主席于品海先生履行。董事會相信，將主席及行政總裁之角色歸於同一人，可使本公司獲得鞏固及貫徹之領導，於業務決策及策略方面可有效及高效率地計劃及執行。

年內，在其他執行董事缺席的情況下，主席與本公司各非執行董事及獨立非執行董事舉行會議，獲得與董事會及本公司事務相關的獨立意見。



## Corporate Governance Report 企業管治報告

### Non-executive Directors

Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term subject to re-election.

Not all non-executive directors of the Company are appointed for a specific term. However, all non-executive directors are subject to the retirement and rotation requirements in accordance with the Bye-Laws. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

### Independent Non-executive Directors

Pursuant to Rules 3.10(1) and 3.10(2) of the Listing Rules during the year ended 31 December 2016, the Company has appointed three INEDs of whom Mr. Lau Yip Leung is a certified public accountant in Hong Kong.

The Company has received, from each of the INEDs, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the INEDs are independent.

Pursuant to Rules 3.10(1), 3.10A, 3.21 and 3.25 of the Listing Rules and CG Code Provision A.5.1, (i) the Board is required to have at least three independent non-executive directors; (ii) the Board is required to have independent non-executive directors representing at least one third of the Board; (iii) the audit committee must comprise a minimum of three members, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise; (iv) the remuneration committee is required to be chaired by an independent non-executive director and (v) the nomination committee is required to be chaired by the chairman of the board or an independent non-executive director.

Mr. Hu Bin resigned as an independent non-executive director, the chairman of the remuneration committee, and a member of each of the audit committee and the nomination committee of the Company on 3 February 2016. The Company appointed Mr. Xiao Sui Ning as an independent non-executive director, the chairman of the remuneration committee, and a member of each of the audit committee and the nomination committee of the Company on 27 April 2016. Since the Company was not able to identify suitable candidate to take up the vacancy left by Mr. Hu Bin instantly, the Company was not in compliance with the requirements prescribed under Rules 3.10(1), 3.10A, 3.21 and 3.25 of the Listing Rules and CG Code Provision A.5.1 during the period from 3 February 2016 to 26 April 2016.

### 非執行董事

守則條文A.4.1訂明，非執行董事應按特定任期委任，並須受重選所規限。

並非所有本公司之非執行董事都按特定任期委任。然而，根據細則，所有非執行董事須受輪值退任規定所規限。因此，董事會認為，已採取足夠措施確保本公司之企業管治實務不低於企業管治守則所訂之標準。

### 獨立非執行董事

根據上市規則第3.10(1)及3.10(2)條之規定，截至2016年12月31日止年度，本公司已委任三名獨立非執行董事，其中劉業良先生為香港執業會計師。

本公司已收到各獨立非執行董事根據上市規則第3.13條規定作出之年度獨立性確認書。本公司認為所有獨立非執行董事均具獨立性。

根據上市規則第3.10(1)、3.10A、3.21及3.25條以及企業管治守則條文A.5.1條之規定，(i)董事會必須有最少三名獨立非執行董事；(ii)董事會所包括獨立非執行董事人數須佔董事會成員人數最少三分之一；(iii)審核委員會須由最少三名成員組成，其中一名為具備合適專業資格或會計或相關財務管理專業知識之獨立非執行董事；(iv)薪酬委員會必須由獨立非執行董事出任主席；及(v)提名委員會必須由董事會主席或獨立非執行董事出任主席。

胡濱先生於2016年2月3日起辭任本公司獨立非執行董事、薪酬委員會主席、審核委員會及提名委員會成員。於2016年4月27日，本公司委任肖遂寧先生為本公司獨立非執行董事、薪酬委員會主席、審核委員會及提名委員會成員。由於本公司未能即時物色合適人選，以填補胡濱先生辭任後出現之空缺，本公司於2016年2月3日至2016年4月26日期間未能符合上市規則第3.10(1)、3.10A、3.21及3.25條及企業管治守則條文A.5.1之規定。

## Corporate Governance Report 企業管治報告

Pursuant to Code Provision A.4.3, any further appointment of independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by the shareholders of the Company. Notwithstanding that Mr. Lau Yip Leung has served as an independent non-executive director of the Company for more than nine years, (i) the Board has assessed and reviewed the annual confirmation of independence based on the requirement set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Lau Yip Leung remains independent; (ii) the Nomination Committee of the Company has assessed and is satisfied of the independence of Mr. Lau Yip Leung; and (iii) the Board considers that Mr. Lau Yip Leung remains independent of management and free of any relationship which could materially interfere with the exercise of his independent judgement. Notwithstanding the length of his service, the Company believes that his valuable knowledge and experience in the Group's business will continue to benefit the Company and the shareholders as a whole.

### Directors' Training

According to the Code Provision A.6.5, all directors should participate in a programme of continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding training, placing an appropriate emphasis on the roles, functions and duties of the directors.

From time to time, directors are provided with written materials to develop and refresh their professional skills on the latest development of applicable laws, rules and regulations for the purpose of assisting them in discharging their duties. The Company had received from each of the directors the confirmations on taking continuous professional training during the year, confirming that they have received the handouts in respect of reverse takeover provided by Gerry K.C. Wai & Co., Solicitors and have read the aforesaid training information.

### BOARD COMMITTEES

The Board has established four board committees, namely Executive Committee, Audit Committee, Remuneration Committee and Nomination Committee, to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities.

根據守則條文A.4.3，任何出任超過九年之獨立非執行董事之續任，應由本公司股東以獨立決議案批准後方可作實。儘管劉業良先生已擔任本公司獨立非執行董事超過九年，(i)本公司董事會已根據上市規則第3.13條所載準則評估及審閱獨立性年度確認書，並確認劉業良先生仍為獨立人士；(ii)本公司提名委員會已評估且滿意劉業良先生之獨立性；及(iii)董事會認為劉業良先生獨立於管理層，亦不存在任何以致嚴重影響彼等行使獨立判斷的關係。儘管彼等服務任期較長，但本公司相信，彼等於本集團業務之豐富知識及經驗將繼續為本公司及股東整體帶來利益。

### 董事培訓

根據守則條文A.6.5，全體董事應參與一項增進及重溫其知識及技能之持續專業發展課程，以確保彼等對董事會之貢獻仍屬知情及相關。本公司應負責安排培訓及撥款，適當重申董事之角色、職能及職責。

董事將不時獲提供有關旨在增進及重溫其專業技能之最新發展的適用法例、規則及規例的書面材料，以協助彼等履行其職責。本公司已接獲各董事於年內參加持續專業培訓之確認書，確認彼等接獲韋智理律師行提供反向收購之講義，並已細閱上述培訓資料。

### 董事委員會

董事會成立四個董事委員會，即執行委員會、審核委員會、薪酬委員會及提名委員會，以監察本公司特定方面之事務及協助董事會履行責任。

## Corporate Governance Report 企業管治報告

### Executive Committee

The Company formulated written terms of reference for the Executive Committee. During the year ended 31 December 2016 and up to the date of this report, the Executive Committee consisted of executive directors and senior management of the Company as follows:

Mr. Yu Pun Hoi (*Chairman of the Executive Committee*)  
 Ms. Chen Dan  
 Ms. Liu Rong  
 Ms. Yu Xin\*  
 Mr. Xue Bo Ying\*  
 Mr. Chen Ming Fei\*  
 Ms. Zhao Lei\* (*appointed with effect from 24 October 2016*)

\* Senior Management

The primary duties of the Executive Committee are empowered to plan, determine, approve, implement, handle, arrange, review and amend all policies, operations and internal control of the Group, ensuring that the delegation of its powers to the senior management is clearly defined, and that a transparent reporting procedural system is in place and effectively monitored.

During the year, the Executive Committee held 4 meetings, in particular, to review the financial performance of the segments in the Group, make decisions on the strategic layout of Dadi Media and formulate long-term development strategies for each segment.

### Audit Committee

The Company formulated written terms of reference for the Audit Committee in accordance with the requirements of the Listing Rules. During the year ended 31 December 2016 and up to the date of this report, the Audit Committee consisted of all INEDs as follows:

Mr. Lau Yip Leung (*Chairman of the Audit Committee*)  
 Mr. Ho Yeung Nang  
 (*appointed with effect from 20 September 2016*)  
 Mr. Xiao Sui Ning (*appointed with effect from 27 April 2016*)  
 Prof. Jiang Ping (*resigned with effect from 20 September 2016*)  
 Mr. Hu Bin (*resigned with effect from 3 February 2016*)

The primary duties of the Audit Committee are to ensure the objectivity and credibility of financial reports and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company.

### 執行委員會

本公司為執行委員會制定書面職權範圍。於截至2016年12月31日止年度及截至本報告日期，執行委員會由以下本公司執行董事及高級管理人員組成：

于品海先生 (*執行委員會主席*)  
 陳丹女士  
 劉榮女士  
 于欣女士\*  
 薛伯英先生\*  
 陳鳴飛先生\*  
 趙蕾女士\* (*自2016年10月24日起獲委任*)

\* 高級管理人員

執行委員會之職責為策劃、釐定、批准、實施、處理、安排、審核及修訂本集團之所有政策、營運及內部監控，確保向高級管理人員之授權清晰界定及具透明度之流程系統有效地運作及受監控。

年內，執行委員會曾舉行4次會議，包括審閱本集團各分部之財務表現，並就大地傳播的戰略佈局進行討論決策，以及為各分部制定長遠發展策略。

### 審核委員會

根據上市規則之規定，本公司為審核委員會制定書面職權範圍。於截至2016年12月31日止年度及截至本報告日期，審核委員會由以下全體獨立非執行董事組成：

劉業良先生 (*審核委員會主席*)  
 何養能先生  
 (*自2016年9月20日起獲委任*)  
 肖遂寧先生 (*自2016年4月27日起獲委任*)  
 江平教授 (*自2016年9月20日起辭任*)  
 胡濱先生 (*自2016年2月3日起辭任*)

審核委員會之基本職責乃確保財務報告及內部監控程序之客觀性及可信性，以及與本公司之核數師維持適當關係。

## Corporate Governance Report 企業管治報告

During the year, the Audit Committee held 2 meetings, in particular, to review with management the accounting principles and practices adopted by the Group, the audited financial statements for the year ended 31 December 2015 and the unaudited interim results for the six months ended 30 June 2016, and discussed the auditing, financial control, internal control and risk management systems.

### Remuneration Committee

The Company formulated written terms of reference for the Remuneration Committee in accordance with the requirements of the Listing Rules. During the year ended 31 December 2016 and up to the date of this report, the Remuneration Committee consisted of all the INEDs as follows:

Mr. Xiao Sui Ning (*Chairman of the Remuneration Committee*)

(*appointed with effect from 27 April 2016*)

Mr. Ho Yeung Nang

(*appointed with effect from 20 September 2016*)

Mr. Lau Yip Leung

Prof. Jiang Ping (*resigned with effect from 20 September 2016*)

Mr. Hu Bin (*resigned with effect from 3 February 2016*)

The primary duties of the Remuneration Committee is responsible for making recommendations to the Board on the establishing of formal and transparent procedures for developing remuneration policies and the remuneration packages of individual executive directors and senior management. It takes into consideration on salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

During the year, the Remuneration Committee held 3 meetings, in particular, to review and recommend to the Board the remuneration policies and the remuneration packages of the Company, and the remuneration packages of the newly appointed director.

For the year ended 31 December 2016, the emoluments paid or payable to members of senior management was within the following band:

### Emolument band

酬金範圍

Nil–HK\$1,000,000	零–1,000,000 港元
HK\$1,000,001–HK\$2,000,000	1,000,001 港元–2,000,000 港元

年內，審核委員會曾舉行2次會議，包括與管理層審閱本集團採納之會計準則及實務、截至2015年12月31日止年度之經審核財務報表及截至2016年6月30日止六個月之未經審核中期業績，並檢討有關核數、財務監控、內部監控及風險管理制度事宜。

### 薪酬委員會

根據上市規則之規定，本公司為薪酬委員會制定書面職權範圍。於截至2016年12月31日止年度及截至本報告日期，薪酬委員會由以下全體獨立非執行董事組成：

肖遂寧先生 (*薪酬委員會主席*)

(*自2016年4月27日起獲委任*)

何養能先生

(*自2016年9月20日起獲委任*)

劉業良先生

江平教授 (*自2016年9月20日起辭任*)

胡濱先生 (*自2016年2月3日起辭任*)

薪酬委員會之基本職責乃向董事會提議設立正規而具透明度程序以制訂薪酬政策及個別執行董事及高級管理人員之薪酬待遇，該薪酬政策會考慮同類公司支付的薪酬、須付出的時間及職責以及本集團內其他職位的僱用條件。

年內，薪酬委員會曾舉行3次會議，包括檢討及建議董事會及新任董事薪酬政策及待遇。

截至2016年12月31日止年度，已付及應付高級管理人員之酬金介乎下列範圍：

Emolument band 酬金範圍	Number of individuals 人數	
	2016	2015
Nil–HK\$1,000,000 零–1,000,000 港元	3	2
HK\$1,000,001–HK\$2,000,000 1,000,001 港元–2,000,000 港元	1	1



## Corporate Governance Report 企業管治報告

### Nomination Committee

The Company formulated written terms of reference for the Nomination Committee in accordance with the requirements of the Listing Rules. During the year ended 31 December 2016 and up to the date of this report, the Nomination Committee consisted of the directors of the Company as follows:

Mr. Yu Pun Hoi (*Chairman of the Nomination Committee*)

Ms. Chen Dan

Mr. Ho Yeung Nang\*

(*appointed with effect from 20 September 2016*)

Mr. Lau Yip Leung\*

Mr. Xiao Sui Ning\* (*appointed with effect from 27 April 2016*)

Prof. Jiang Ping (*resigned with effect from 20 September 2016*)

Mr. Hu Bin (*resigned with effect from 3 February 2016*)

\* INED

The primary duties of the Nomination Committee is responsible for reviewing the structure, size and composition of the Board, identifying individuals suitably qualified to become directors, assessing the independence of INEDs, and making recommendations to the Board on relevant of appointment of directors, and review the board diversity policy annually. The Nomination Committee has the authority given by the Board to seek external professional advice in the selection and recommendation for directorship, when required, fulfilling the requirements for professional knowledge and industry experience of any proposed candidates.

During the year, the Nomination Committee held 3 meetings, in particular, to review and assessment of the independence of all INEDs of the Company; to consider and recommend to the Board for approval the list of retiring directors for re-election at the annual general meeting held on 6 June 2016 (the "2016 AGM"); to review the structure, size and composition of the Board; and to nominate newly appointed directors.

The Nomination Committee will assess the candidate or incumbent on criteria such as integrity, experience, skill and ability to commit time and effort to carry out the duties and responsibilities. The recommendations of the Nomination Committee will then be put to the Board for decision.

### Procedure for Nomination of Directors

When there is a vacancy in the Board, the Nomination Committee evaluates the balance of skills, knowledge and experience of the Board, and identifies any special requirements for the vacancy. The Nomination Committee will then identify suitable candidates and convene a Nomination Committee meeting to discuss and vote on the nomination of directors and make recommendation to the Board on the candidate(s) for directorship.

### 提名委員會

根據上市規則之規定，本公司為提名委員會制定書面職權範圍。於截至2016年12月31日止年度及截至本報告日期，提名委員會由以下董事組成：

于品海先生 (*提名委員會主席*)

陳丹女士

何養能先生\*

(*自2016年9月20日起委任*)

劉業良先生\*

肖遂寧先生\* (*自2016年4月27日起獲委任*)

江平教授 (*自2016年9月20日起辭任*)

胡濱先生 (*自2016年2月3日起辭任*)

\* 獨立非執行董事

提名委員會之基本職責乃檢討董事會的架構、人數及組成、物色適當人士擔任董事、評核獨立非執行董事之獨立性、就委任董事向董事會提出建議，及每年檢討董事會多元化政策。董事會已授權提名委員會，於必要時可就有關任何建議人選之專業知識及業界經驗之符合要求在挑選及推薦董事人選之事宜尋求外部專業意見。

年內，提名委員會曾舉行3次會議，包括檢討並評估本公司全體獨立非執行董事的獨立性；考慮並建議董事會通過輪值退任的董事於2016年6月6日舉行的股東周年大會（「2016年股東周年大會」）上膺選連任；及檢討董事會架構、人數及組成及提名新任董事。

提名委員會將以下標準評估候選人或現職者，例如誠信、經驗、技能及投入時間及努力執行職責的能力。提名委員會作出推薦供董事會決定。

### 提名董事程序

當董事會出現空缺時，提名委員會將評估董事會所需技巧、知識及經驗，並識別空缺是否存在任何特殊要求。提名委員會將識別合適人選並召開提名委員會會議，就提名董事進行討論及投票，並向董事會推薦擔任董事的人選。

## Corporate Governance Report 企業管治報告

### Criteria for Nomination of Directors

The Nomination Committee will consider candidates who possess the particular skills, experience and expertise that will best complement the Board effectiveness at that time.

In considering the overall balance of the Board's composition, the Nomination Committee will give due consideration to the board diversity policy of the Company.

### BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy in relation to the nomination and appointment of new directors, which sets out the selection of board candidates shall be based on a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to gender, age, race, language, cultural background, educational background, industry experience and professional experience. Board appointments will continue to be made on a merit basis and candidates will be considered against objective criteria, with due regard for the benefits of diversity on the Board. The Nomination Committee will give consideration to the board diversity policy when identifying suitably qualified candidates to become members of the Board, and will review the board diversity policy, so as to develop and review measurable objectives for the implementing the board diversity policy and to monitor the progress on achieving these objectives.

The directors' biographical information is set out on page 42 to 44 under the heading "Biographical Details of Directors and Senior Management". The Nomination Committee reviewed the board diversity policy and recommended the Board that the existing Board was appropriately structured and no change was required.

### CORPORATE GOVERNANCE FUNCTIONS

The Executive Committee of the Company is responsible for performing the duties on corporate governance functions set out below:

- a. To develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- b. To review and monitor the training and continuous professional development of directors and senior management;
- c. To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- d. To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- e. To review the Company's compliance with the code and disclosure in the Corporate Governance Report.

### 提名董事的標準

提名委員會將考慮具備能夠最佳輔助促進董事會效率的個別技能、經驗及專業知識的人選。

提名委員會於考慮董事會組成的整體平衡時，將適當顧及本公司董事會多元化政策。

### 董事會成員多元化政策

董事會已採納有關提名及委任新董事的董事會成員多元化政策。當中載明甄選董事會成員候選人將以一系列多元化範疇為基準，並參考本公司的業務模式和特定需求，包括但不限於性別、年齡、種族、語言、文化背景、教育背景、行業經驗和專業經驗。董事會成員委任乃基於用人唯才，而為有效達致董事會成員多元化，將考慮候選人的客觀條件。提名委員會將於物色合適且符合資格的候選人成為董事會成員時考慮董事會成員多元化政策，並檢討董事會成員多元化政策，以發展及審閱執行董事會成員多元化政策的計量目標，及監察達致該等目標的進度。

董事之履歷資料載於第42至44頁「董事及高級管理人員履歷詳情」一節。提名委員會檢討董事會成員多元化政策及建議董事會現有董事會架構合理，毋須作出改動。

### 企業管治職能

本公司執行委員會負責履行下列企業管治職能責任：

- a. 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- b. 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- c. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- d. 制定、檢討及監察僱員及董事的操守準則及合規手冊(如有)；及
- e. 檢討本公司遵守守則的情況及在企業管治報告內的披露。

## Corporate Governance Report 企業管治報告

### NUMBER OF MEETINGS AND DIRECTORS' ATTENDANCE

The attendance record of each director at the Board, Board committee meetings and general meetings of the Company held for the year ended 31 December 2016 is set out in the table below:

### 召開會議次數及董事出席記錄

下表列示各董事出席截至2016年12月31日止年度舉行的本公司董事會會議、董事委員會會議及股東大會的情況：

Name of Director	董事姓名	Attendance/Number of Meetings 出席/會議次數						
		Board Meeting 董事會會議	General Meeting 股東大會	Executive Committee Meeting 執行委員會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	Continuous Professional Development 持續專業發展
<b>Executive Directors</b> 執行董事								
Mr. Yu Pun Hoi	于品海先生	10	1	4	N/A 不適用	N/A 不適用	3	✓
Ms. Chen Dan	陳丹女士	17	1	4	N/A 不適用	N/A 不適用	3	✓
Ms. Liu Rong	劉榮女士	17	-	4	N/A 不適用	N/A 不適用	N/A 不適用	✓
Mr. Lung King Cheong (Note 1)	龍景昌先生(附註1)	3	N/A 不適用	4	N/A 不適用	N/A 不適用	N/A 不適用	✓
<b>Non-executive Directors</b> 非執行董事								
Mr. Lam Bing Kwan	林秉軍先生	10	2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	✓
Mr. Wang Gang (Note 2)	王鋼先生(附註2)	7	2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	
<b>Independent Non-executive Directors</b> 獨立非執行董事								
Mr. Ho Yeung Nang (Note 3)	何養能先生(附註3)	2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	✓
Mr. Lau Yip Leung	劉業良先生	10	2	N/A 不適用	2	3	3	✓
Mr. Xiao Sui Ning (Note 4)	肖遂寧先生(附註4)	6	1	N/A 不適用	1	1	1	✓
Prof. Jiang Ping (Note 5)	江平教授(附註5)	7	-	N/A 不適用	2	2	2	
Mr. Hu Bin (Note 6)	胡濱先生(附註6)	1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	
Number of meetings held during the year	年內召開會議次數	17	2	4	2	3	3	

Notes:

附註：

- |   |                           |
|---|---------------------------|
| (1) Mr. Lung King Cheong appointed with effect from 20 September 2016.  | (1) 龍景昌先生自2016年9月20日起獲委任。 |
| (2) Mr. Wang Gang resigned with effect from 20 September 2016.          | (2) 王鋼先生自2016年9月20日起辭任。   |
| (3) Mr. Ho Yeung Nang was appointed with effect from 20 September 2016. | (3) 何養能先生自2016年9月20日起獲委任。 |
| (4) Mr. Xiao Sui Ning was appointed with effect from 27 April 2016.     | (4) 肖遂寧先生自2016年4月27日起獲委任。 |
| (5) Prof. Jiang Ping resigned with effect from 20 September 2016.       | (5) 江平教授自2016年9月20日起辭任。   |
| (6) Mr. Hu Bin resigned with effect from 3 February 2016.               | (6) 胡濱先生自2016年2月3日起辭任。    |

## Corporate Governance Report 企業管治報告

### RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS AND AUDITOR'S REMUNERATION

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements.

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2016.

The statement of the external auditor of the Company about its reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 113 to 120.

The remuneration paid to the external auditors of the Group in respect of audit service and non-audit services for the year ended 31 December 2016 amounted to approximately HK\$8,051,000 and HK\$6,946,000 respectively. The non-audit services include professional advice on transactions as well broader business advisory and advisory service to assist the Company to comply with laws and regulations. An analysis of the remuneration paid to the external auditors of the Group is set out in note 8 to the financial statements.

### COMPANY SECRETARY

The Company engaged Mr. Chiu Ming King, the executive director of Corporate Services of Vistra Corporate Services (HK) Limited, external service provider, as its company secretary. His primary contact at the Company is Ms. Zhao Lei, the vice general manager of the Company.

In compliance with Rule 3.29 of the Listing Rules, during the year ended 31 December 2016, Mr. Chiu has taken no less than 15 hours of relevant professional trainings to update his skills and knowledge.

### 有關財務報表之責任及核數師薪酬

根據上市規則及其他監管規定，董事會負責在年度報告、中期報告、涉及內幕消息事宜之公告及其他須披露資料內作出平衡、清晰及容易理解之評述。

董事得知彼等於編製本公司截至2016年12月31日止年度財務報表應負之責任。

本公司核數師就其關於財務報表之呈報責任發表之聲明載於第113至120頁之「獨立核數師報告」中。

截至2016年12月31日止年度，付予本集團核數師之核數服務及非核數服務之酬金分別約為8,051,000港元及6,946,000港元。非核數服務包括就交易提供專業意見以及提供廣泛業務諮詢及顧問服務以協助本公司遵守法律及法規。付予本集團核數師酬金之分析載於財務報表附註8內。

### 公司秘書

本公司委任外部服務提供者Vistra Corporate Services (HK) Limited企業服務執行董事趙明璟先生為其公司秘書。其於本公司之主要聯絡人為本公司副總經理趙蕾女士。

遵照上市規則第3.29條，於截至2016年12月31日止年度，趙先生已接受不少於15小時之相關專業培訓，以提升其技能及知識。



## Corporate Governance Report 企業管治報告

### SHAREHOLDERS' RIGHTS

#### 1. Procedures for shareholders to convene an Special General Meeting ("SGM")

Pursuant to the Bye-law 62 of the Bye-Laws, the board may, whenever it thinks fit, convene an SGM, and SGM shall also be convened on requisition, as provided by the Companies Act 1981 of Bermuda (the "Companies Act"), or, in default, may be convened by the requisitionists.

Under Section 74 of the Companies Act, the directors of the Company, notwithstanding anything in its Bye-Laws shall, on the requisition of shareholders of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene an SGM of the Company.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company and may consist of several documents in like form each signed by one or more requisitionists.

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

A meeting convened under Section 74 of the Companies Act by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors.

### 股東權利

#### 1. 股東召開股東特別大會(「股東特別大會」)之程序

根據細則第62條，董事會可在其認為適當之情況下召開股東特別大會，亦可按百慕達1981年公司法(「公司法」)之規定應請求召開股東特別大會，如董事會未能召開，則可由請求人召開股東特別大會。

在公司法第74條項下，不論公司細則有任何規定，本公司董事將於遞交請求日持有不少於附有本公司股東大會投票權之本公司已繳足股本十分之一(按遞交請求日計)的股東提出請求時，隨即正式召開股東特別大會。

請求之文件須註明會議目的並須由請求人簽署及遞交至本公司註冊辦事處，而該文件可由多份同樣形式之文件(每份由一位或多位請求人簽署)所組成。

倘董事並未於遞交請求日起計21日內正式召開大會，請求人或持有請求人總投票權超過半數的任何該等人士可自行召開大會，惟有關大會不得於遞交請求日起計滿三個月之後舉行。

如大會是根據公司法第74條由請求人召開，請求人須盡可能以董事召開大會之同等方式召開有關大會。

## Corporate Governance Report 企業管治報告

### 2. Procedures for putting forward proposals at shareholders' meeting

Subject to Section 79 of the Companies Act, it shall be the duty of the Company on the requisition in writing of such number of shareholders as is hereinafter specified, at the expense of the requisitionists unless the Company otherwise resolves:

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

The number of shareholders necessary for a requisition under Section 79 of the Companies Act shall be:

- (a) either any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or
- (b) not less than one hundred shareholders.

Notice of any such intended resolution shall be given, and any such statement shall be circulated, to shareholders of the Company entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on each such shareholder in any manner permitted for service of notice of the meeting, and notice of any such resolution shall be given to any other shareholders of the Company by giving notice of the general effect of the resolution in any manner permitted for giving him notice of meetings of the Company, provided that the copy shall be served, or notice of the effect of the resolution shall be given, as the case may be, in the same manner and, so far as practicable, at the same time as notice of the meeting and, where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable thereafter.

### 2. 於股東大會上提呈建議之程序

根據公司法第79條，本公司有責任在該等股東人數(定義見下文)提出書面請求時(除非本公司另行議決，否則費用由請求人自行承擔)：

- 向有權收取下屆股東周年大會通告之本公司股東，發出任何有可能在該大會上妥為動議並擬動議之任何決議案的通告；
- 向有權收取任何股東大會通告之股東傳閱任何不多於1,000字之陳述書，內容為有關在任何擬訂決議案所提述之事宜，或有關將在該大會上處理之事務。

根據公司法第79條提出請求之必要股東人數應為：

- (a) 代表不少於在請求日有權在該請求涉及的大會上表決之所有股東總表決權二十分之一的任何數目股東；或
- (b) 不少於100名股東。

任何此等擬訂決議案之通告及任何此等陳述書，應以准許用於送達大會通告之方式，將該決議案或陳述書之副本向有權收取大會通告之每位本公司股東發出及傳閱，而任何該決議案之通告，則須以准許用於向任何其他股東發出本公司會議通告之任何方式，向其發出該等決議案一般效力之通告送達，惟該副本之送達方式或該等決議案一般效力之通告之發出方式(視屬何情況而定)，須與會議通告發出之方式相同，而送達或發出之時間，亦須在切實可行範圍內與會議通告發出之時間相同，及如當時不能在切實可行情況送達或發出，則須於隨後在切實可行範圍內盡快送達或發出。

## Corporate Governance Report 企業管治報告

### 3. Shareholders' enquiries

Shareholders should direct their questions about their shareholdings to the branch share registrar of the Company in Hong Kong. Shareholders may at any time send their enquiries and concerns to the Board in writing at the Company's principal place of business in Hong Kong at 12/F., The Octagon, No.6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong, or to the Company by email at [info@nanhaicorp.com](mailto:info@nanhaicorp.com). Shareholders may also make enquiries with the Board at the SGM/AGM.

The details of the rights of shareholders of the Company can be found in the Company's website at [www.nanhaicorp.com](http://www.nanhaicorp.com).

### INVESTOR RELATIONS

The Company is committed to safeguard shareholders' interests and believes that effective communication with shareholders and other stakeholders is essential for enhancing investor relations and investor understanding of the business performance and strategies of the Group.

The Board adopted a Shareholders Communication Policy which aims to set out the provisions with the objective of ensuring that the shareholders of the Company and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders of the Company to exercise their rights in an informed manner, and to allow shareholders of the Company and potential investors to engage actively with the Company.

The Company endeavours to disclose all material information about the Group to all interested parties on a timely basis. All such publications together with additional information of the Group are timely updated on the Company's website at [www.nanhaicorp.com](http://www.nanhaicorp.com).

### CONSTITUTIONAL DOCUMENTS

There is no significant change in the Company's constitutional documents during the year.

### 3. 股東查詢

股東應直接向本公司於香港之股份過戶登記分處提出有關其股權之疑問。股東可隨時以書面形式將其查詢及問題送達本公司之香港主要營業地址香港新界荃灣沙咀道6號嘉達環球中心12樓遞交致董事會或透過電郵地址 [info@nanhaicorp.com](mailto:info@nanhaicorp.com) 致本公司。股東亦可在本公司之股東特別大會／股東周年大會上向董事會作出查詢。

有關本公司股東權利的詳情，請瀏覽本公司網站 [www.nanhaicorp.com](http://www.nanhaicorp.com)。

### 投資者關係

本公司致力保障股東權益，並相信與股東及其他利益相關者進行有效溝通對鞏固投資者關係以至投資者對本集團業務表現及策略之理解極為重要。

董事會已採納股東通訊政策，其所載條文旨在確保本公司股東及有意投資者可適時取得本公司之全面、相同及容易理解之資料，一方面使本公司股東可在知情情況下行使權力，另一方面讓本公司股東及有意投資者能積極地與本公司聯繫。

本公司致力適時向所有有關各方披露所有有關本集團之重大資料。所有發佈及本集團之額外資料於本公司網站 [www.nanhaicorp.com](http://www.nanhaicorp.com) 定期更新。

### 章程文件

年內，本公司章程文件並無任何重大變動。

## Corporate Governance Report 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for overseeing the Group's risk management and internal control systems and reviewing their effectiveness at least annually through the Audit Committee. The Audit Committee assists the Board in monitoring the risk exposures and the operating effectiveness of the underlying risk management and internal control systems.

The Company assists the management in identifying, assessing, responding, monitoring and reporting corresponding risks through risk management and internal control structure. The system aims at managing instead of eliminating the risks of unfulfilled business goals that reasonably but not absolutely prevents the impact of material risks.

### RISK MANAGEMENT STRUCTURE

The Company has established a sound risk management and internal control structure, adopting a top-down organizational structure from the Board to the specific internal control units with well-defined duties. The Group's Internal Audit Department assists the Board and/or the Audit Committee in the ongoing review of the effectiveness of the Group's risk management and internal control systems. The Board, through these committees, is regularly informed of significant risks that may impact on the Group's performance.

### 風險管理及內部監控

董事會知悉其監管本集團的風險管理及內部監控系統的責任，以及透過審核委員會至少每年檢討其成效。審核委員會協助董事會監察集團承受的風險水平、有關之風險管理和內部監控系統的運作成效。

本公司通過風險管理及內部控制的架構，協助管理層識別、評估、應對、監控、彙報相應的風險。該等系統旨在管理而非消除未能達成業務目標的風險，只合理而非絕對保證可防範重大風險的影響。

### 風險管理架構

本公司建立一個良好的風險管理及內部監控結構，搭建了從董事會到具體內控崗位的自上而下、職責明確的組織架構。集團內部審計部協助董事會及／或審核委員會持續檢討本集團風險管理及內部監控系統的成效。董事會透過該等委員會定期獲悉可能影響本集團表現的重大風險。



- ensure the maintenance of appropriate and effective risk management and internal control systems in order to safeguard the shareholders' investment and assets of the Group;
- formulate a management structure with specific terms of reference; and
- determine the nature and extent of significant risk that the Company is willing to take in achieving the strategic objectives, and formulate the Group's risk management strategies.
- 確保維持合適及有效的風險管理及內部監控系統，以保障股東投資及本集團資產；
- 制定有明確責任及權限的管理架構；及
- 釐定本公司就達致戰略目標所願承擔之重大風險之性質及程度，並制定本集團之風險管理策略。



- oversee the risk management and internal control systems of the Group;
- review and discuss with the management annually to ensure that the management has performed its duty to maintain effective risk management and internal control systems; and
- consider major findings on internal control matters and make recommendations to the Board.
- 監察本集團之風險管理及內部監控系統；
- 每年與管理層檢討並討論，以確保管理層履行其職責以維持風險管理及內部監控系統之有效性；及
- 考慮有關內部監控事宜的重要調查結果並向董事會作出推薦建議。



## Corporate Governance Report 企業管治報告

The Management  
(including heads of  
business units,  
departments  
and divisions)  
管理層  
(包括業務單位、  
部門及分部主管)

- design, implement and monitor the risk management and internal control systems properly and ensure the systems are executed effectively;
- monitor risks and take measures to mitigate risks in day-to-day operations;
- give prompt responses to, and follow up the findings on, internal control matters raised by internal or external auditors; and
- provide confirmation to the Board on the effectiveness of the risk management and internal control systems.
- 妥善設計、實施及監督風險管理及內部監控系統，並確保該等系統得以有效執行；
- 監督風險並採取措施降低日常營運風險；
- 對內部或外部核數師提出之有關內部監控事宜之調查結果作出及時的回應及跟進；及
- 向董事會確認風險管理及內部監控系統之有效性。

Internal Audit  
Department  
內部審計部

- carry out the analysis and independent appraisal of the adequacy, appropriateness and effectiveness of the risk management and internal control systems as well as their execution;
- make recommendations for improvement of any deficiencies in the design and execution of the risk management and internal control systems; and
- follow up from time to time the implementation of recommendations made by auditors to promote the standardization of all works.
- 對風險管理及內部監控系統之健全性、適用性和有效性及執行情況進行分析及獨立評估；
- 對風險管理及內部監控系統之設計和執行缺陷提出改進建議；及
- 不定期對核數師建議落實情況進行跟進，以促進各項工作規範化。

### CONTROL APPROACH AND TOOLS

During the year, the management analyzed the control environment and the risks identified, and implemented various controls measures.

- approach taken:** the management conducts interviews with relevant staff members, reviews relevant documentation of the internal control system and evaluates findings of any deficiencies in the design of the Group's internal control system, provides recommendations for improvement and assesses the effectiveness of such recommendations, where appropriate. The scope and findings of review on the risk management and internal control are reported to and reviewed by the Audit Committee annually.
- management information systems and technologies:** such systems and technologies are employed to keep track of the inputs and outputs of the Group's operations, such as financial data system and human resources. They are also employed to track the audit process in the authorization system, in which permissions and responsibility of authorisation are clearly identified and adequate records can be maintained in the system.

### 監控方法及方式

於本年度內，管理層已對監控環境及其相關已識別風險作分析，並就此實施多項監控。

- 所採取方法：**管理層與相關員工進行面談，並審閱內部監控系統相關文件及評估本集團內部監控系統設計中所發現之任何不足，就改善措施提供推薦建議及評估實施有關推薦建議之有效性(倘適用)。對風險管理及內部監控審閱的範圍及結果會每年呈報審核委員會並經其審核。
- 管理信息系統及技術：**此用於控制業務活動，允許密切追蹤本集團業務之輸入及輸出，如財務數據系統及人力資源。其亦於授權系統追蹤審核程序，據此，授權許可及責任獲明確識別及該系統可維持足夠記錄。

## Corporate Governance Report 企業管治報告

- iii. **reports and variance analysis:** such reports and analysis of each segment are conducted on a regular basis such that the performance of each segment can be easily accessible.
- iii. **報告及差異分析：**定期對各分部進行有關報告及分析，故可易於瞭解各分部之表現。
- iv. **audit and supervision:** in 2016, the Internal Audit Department reinforced supervision on high risk areas such as tender procurement and cost management of property development segment pursuant to "Internal Audit System" (《內部審計制度》) of the Company. The Internal Audit Department gets a better picture of the current conditions of internal control of each business unit by analyzing various internal control points along the business processes and the identified defects and weaknesses of the internal control system and comes up with timely improvements. By doing so, potential risks in relation to operation and management can be avoided and the corporate governance as well as economic benefits can be enhanced.
- iv. **審計監督：**2016年度，內部審計部依據公司《內部審計制度》，重點強化對房地產業務分部的招標採購、成本管理等高風險領域的監督，通過分析有關業務流程的各個內部控制點，真實反映其內部控制的現況，找出內部控制體系的缺陷及薄弱環節，及時加以改進，以達成防範經營管理中潛在風險，並提升企業管治和經濟效益之目的。

### RISK MANAGEMENT

As an important element of quality corporate governance, the overall risk management process is overseen by the Board through the Audit Committee. Rather than a separate and standalone process, risk management is integrated into the business and decision-making processes, including strategy formulation, business planning, capital allocation, investment decisions, internal control and day-to-day operations.

The management is entrusted with duties to identify, analyze, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its terms of reference. It endeavours to evaluate the level of risk and compare it against the predetermined levels of risk acceptable to the Company. For risk control and monitoring, it involves making decisions regarding acceptable risks and the ways to address unacceptable risks. The management will develop contingency plans for possible loss scenarios. Incidents and other situations incurring actual or potential loss will be investigated and properly documented as part of the effort to manage risks.

### 風險管理

董事會透過審核委員會監督集團的整體風險管理程序，是我們優良企業管治的重要一環。本公司深明風險管理不是分割、獨立的流程，而是納入各項業務及決策流程中，包括戰略製定、業務規劃、資金分配、投資決定、內部監控和日常運營。

管理層獲委派於其責任及權力範圍內識別、分析、評估、應對、監控及傳達與任何活動、職務或程序有關風險。其致力評估風險水平並與預先釐定之可接納風險水平進行比較。就風險監控及監管而言，其涉及對可接納風險及如何應對非可接納者作出決定。管理層將對可能出現之損失情況制定應急方案。造成損失或險些造成損失的事故及其他情況將被調查及妥為存檔作為致力管理風險之一部分。

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### RISK EXPOSURES

The following illustrates the major risks of the Group.

*Risk of China's policies on real estate* — the property development business of the Company is operated in China. In 2016, policies on curbing the soaring housing prices were implemented in first-tier cities in China. However, these policies are relatively scientific and will not induce excessive volatility in the market. The management of the Company will monitor closely the development of the relevant policies and industry development trend to mitigate the risk.

*Quality risk on property projects* — quality of property projects not only affects the profitability of property developers, but also exerts a considerable impact on their corporate image and culture, and in turn their core competitiveness. The Company established a sound quality control mechanism in relation to system, human resources and engineering technologies and accountability procedures by clearly defining responsibilities for specific positions to enhance the implementation of other systems. Hence, the quality of the projects is guaranteed and improved.

*Risks associated with single revenue source of cinemas* — box office receipts represent a large part of revenue structure of Dadi Cinema, which means that revenue relies highly on the performance of films. Poor general film market conditions will have an adverse effect on the financial results of the Company. To mitigate such risk, Dadi Cinema manages the film sources in a proactive and flexible manner. Dadi Cinema also plans to introduce other cultural and entertainment contents to reduce the risks associated with single revenue source.

*Risks relating to technical upgrading* — the Company is a technology-intensive company and its profitability depends largely on "Internet+", cloud computing, big data and other related technologies, which affect the Company's competitiveness directly. If the Company could not upgrade its technology in time or development new technology to meet market demand in the future, the Company will be exposed to declining profitability and loss of customers, which in return will adversely affect the Company's operation. The Company is exposed to technical upgrade risk. In view of the above risks, the Company will put more efforts in research and development and enhance business structure. The Company will also recruit high-calibre research personnel and optimize the composition of our research staff, providing technical support for product innovation and business growth of the Company.

### 風險狀況

下列各項闡述本集團數項主要風險。

*中國的房地產政策風險* — 本公司的房地產開發業務均於中國經營，2016年中國一線城市開始陸續頒布管控房價急速上升的政策，但這些政策相對科學，預計不會造成市場過度波動。本公司管理層將密切關注相關政策動向及行業發展趨勢以降低風險。

*房地產項目質量風險* — 質量不僅影響房地產企業的獲利空間，且對企業形象、企業文化等產生不容忽視的影響，繼而直接關係到房地產企業核心競爭力的提升。本公司從制度、人力資源、工程技術等方面入手，構建起完善的質量管控體系，通過明確崗位責任制度來強化其他各項制度的落實與貫徹，以保證並不斷提升工程質量水平。

*影院收入單一風險* — 大地影院收入結構中票房佔比較高，表明收入對影片表現依賴性較大。整體電影市場表現不佳時，對本公司財務業績有不利影響。為降低此類風險，大地影院在積極靈活管理影片來源的同時，計劃加入其他文化娛樂，以降低單一收入來源相關的風險。

*技術升級風險* — 公司屬技術密集型行業，與互聯網+、雲計算和大數據等相關的技術很大程度的決定了公司的盈利能力，進而直接影響到公司競爭力。未來如公司不能及時實現技術的升級，或開發出滿足市場需求的新技術，公司將面臨盈利能力下降、客戶流失的風險，從而給公司經營帶來不利影響。公司面臨一定的技術升級風險。針對上述風險，公司將加大研發投入力度、豐富業務結構，同時引進高端研發人才，優化研發人員結構，為公司產品的創新和業績的增長提供技術保障。

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*Exchange risk* — the Group is exposed to fluctuation in exchange rates as the Group's revenue is denominated in Renminbi while Hong Kong dollars are the reporting currency of the Group. The management will closely monitor the exchange exposure in order to keep the net exposure at an acceptable level and will consider hedging significant foreign currency exposure should the need arises.

### INTERNAL CONTROL

The Internal Audit Department is assigned with the task to perform regular reviews on the Group's internal control systems in respect of operational, financial and compliance aspects and will report the audit review findings or irregularities, if any, to the management and advise on the implementation of steps and actions required to enhance the Group's internal controls. The result of internal audit reviews and agreed action plans are reported to the Audit Committee and the Board.

Apart from reviewing the systems, the Audit Committee has also reviewed and is satisfied with the adequacy of resources, qualifications and experiences of staff of the Company's accounting and financial reporting function, and their training programs and budget. The Board acknowledges that the management has been progressively implementing an adequate internal control system to ensure the effective functioning of the Group's operational, financial and compliance areas, including the following key measures, policies and procedures:

#### i. financial reporting management:

- proper controls are in place to ensure the maintenance of a complete, accurate and timely record of accounting and management information;
- regular reports on revenue and ageing analysis of receivables and internal financial reports giving a balanced and understandable assessment of the Group's financial performance are prepared for the management;
- quarterly updates on internal financial statements giving a balanced and understandable assessment of the Group's performance, financial position and prospects in sufficient details are provided to all Directors; and
- annual audit is carried out by external auditor to ensure that the consolidated financial statements are prepared in accordance with generally accepted accounting principles, the Group's accounting policies and the applicable laws and regulations.

*匯率風險* — 本集團收入主要以人民幣計值，匯報貨幣為港幣，故此面臨外匯匯率波動風險。管理層會密切監控外匯風險並將淨風險維持在可接受水平，並將於必要時考慮對沖重大外匯風險。

### 內部監控

內部審計部被委派定期檢討本集團有關經營、財務及合規方面的內部監控系統，並向管理層報告審核檢討結果或不規範行為(如有)及就實施必要步驟及行動以提高本集團內部控制向彼等提供意見。內部審核檢討之結果及經協議之執行計劃乃向審核委員會及董事會匯報。

除檢討該等系統外，審核委員會亦已檢討本公司會計及財務匯報職能之資源、員工資格及經驗以及彼等之培訓計劃及預算之充足性並對此感到滿意。董事會知悉，管理層已逐步實施充分內部監控系統以確保本集團之營運、財務及合規範疇之有效運作，包括下列主要措施、政策及程序：

#### i. 財務報告管理：

- 已建立適當的監控程序，確保全面、準確及適時記錄會計及管理資料；
- 定期為管理層編製收入及應收貸款賬齡的報告和內部財務報告，以提供本集團財務表現的持平及易於理解的評估；
- 每季度向全體董事提供內部財務報表的更新，以提供本集團表現、財務狀況及前景的持平及易於理解的評估，並具有充足詳情；及
- 外部核數師進行年度審核以保證綜合財務報表的編製符合公認會計準則、本集團的會計政策及適用法律及法規。



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- ii. **the mechanism and procedures on disclosure of inside information** to ensure, with the assistance of an internal work team (if required), that any material information which comes to the knowledge of any one or more officers should be promptly identified, assessed and forwarded to the Board (if appropriate);
  - iii. **the policies and practices on compliance with legal and regulatory requirements** which shall be reviewed and monitored regularly by the Audit Committee designated by the Board;
  - iv. the Audit Committee designated by the Board to monitor, control and regularly review **continuing connected transactions** of the Company and ensure proper compliance with all relevant laws and regulations, the Listing Rules and the disclosure requirements; and
  - v. a **whistle-blowing policy** for employees of the Group and those who deal with the Group (e.g. customers and suppliers) to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters. The Group encourages reporting with real names and implements award policy if the reported suspicion is proved to be the case. Such arrangement will be reviewed by the Audit Committee to ensure that proper arrangement is in place for fair and independent investigation into the matters.
- ii. **內幕消息披露機制及程序**，以在內部工作組(如需要)協助下，確保任何一名或多名高級人員得悉的任何重大資料須予及時識別、評估及提交(倘適用)董事會；
  - iii. **有關遵守法律及監管規定之政策與常規**，由董事會委派之審核委員會定期檢討及監督；
  - iv. 由董事會委派之審核委員會監察、控制及定期檢討本公司之**持續關連交易**，確保妥為遵守一切相關法律及法規，上市規則以及披露規定；及
  - v. 設立**舉報政策**以讓本集團僱員及其他與本集團有往來者(如客戶及供應商)可暗中及保密的情況下就財務匯報、內部監控或其他事宜中的可能不當行為提出關注。鼓勵實名舉報，實行查實有獎政策。該等安排將由審核委員會檢討，確保有恰當安排就有關事項進行公平及獨立之調查。

The Board and the Audit Committee have reviewed the Group's systems and are not aware of any significant issues that would have an adverse impact on the effectiveness and adequacy of the systems, accordingly consider the systems effective and adequate.

董事會及審核委員會已審閱本集團之系統，亦並無知悉任何可能對本集團之該等系統的有效性及充足性產生不利影響的重大問題，故此認為該等系統有效及充足。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

This Environmental, Social and Governance Report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” set out in Appendix 27 of the Listing Rules and covers the policies, measures and performance regarding environmental, social and governance issues of the Company and its subsidiaries during the year ended 31 December 2016. During the year, the Company has complied with the “comply or explain” provisions set out in the “Environmental, Social and Governance Reporting Guide”.

The Group always upholds the mission of “change the world with wisdom and heart”, actively carrying out investment and industrial development. The Group promotes the enhancement of corporate management standards and the improvement of quality of life of the general public, which is also the most important reflection of the Group’s implementation of corporate responsibility, and is important to the building up of corporate image, smooth operation of business, harmonious coexistence of corporations, community and nature.

### 1. COMMUNICATION WITH STAKEHOLDERS

The Group highly values the concerns and requests of stakeholders. The Group persists on accomplishing the participation mechanism for stakeholders, enhancing communication with stakeholders and improving the operation transparency, with a view to join hands and work together with stakeholders.

本環境、社會及管治報告乃根據上市規則附錄二十七所載「環境、社會及管治報告指引」編製，涵蓋本公司及其附屬公司於截至2016年12月31日止年度有關環境、社會及管治方面的政策、措施及表現。年內，本公司已遵守「環境、社會及管治報告指引」所載的「不遵守就解釋」條文。

本集團始終秉持「用智慧與心改變世界」的使命，積極進行投資和發展實業，促進廣大企業管理水平的精進，促進社會公眾生活質量的提升，而這一過程也是本集團履行企業責任的重要體現，關係著本集團品牌形象的塑造、業務的暢順運營、企業與社會和自然的和諧共存。

### 1. 利益相關方溝通

本集團高度重視各利益相關方的關切和利益訴求，不斷健全利益相關方參與機制，加強與利益相關方的溝通和交流，提升運營透明度，與利益相關方攜手共進。

Stakeholders 利益相關方	Expectations and requirements 期望與要求	Methods of communication and responses 溝通和回應方式
Government 政府	<ul style="list-style-type: none"> <li>to comply with the laws and regulations 遵守法律法規</li> <li>to pay taxes in accordance with the laws 依法納稅</li> <li>support for economic development 支持經濟發展</li> </ul>	<ul style="list-style-type: none"> <li>compliance management 合規管理</li> <li>proactive tax payment 主動納稅</li> <li>to implement national policies 執行國家政策</li> </ul>
Investors 投資者	<ul style="list-style-type: none"> <li>returns and growth 回報與增長</li> <li>to enhance profitability 提升盈利能力</li> <li>stable operation 穩健經營</li> <li>information disclosure 信息披露</li> </ul>	<ul style="list-style-type: none"> <li>timely information disclosure on operation 定時披露經營信息</li> <li>general meetings 股東大會</li> <li>continuous growth 持續增長</li> <li>to guarantee shareholders' return 保證股東回報</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>provision of high-quality products and services 提供高品質的產品和服務</li> <li>to meet various needs of customers 滿足客戶多元需求</li> <li>to create value for customers 為客戶創造價值</li> </ul>	<ul style="list-style-type: none"> <li>innovative products 創新產品</li> <li>to guarantee quality of products 保障產品質量</li> <li>provision of diversified services 提供多元化服務</li> <li>customer satisfaction survey 客戶滿意度調查</li> </ul>

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Stakeholders 利益相關方	Expectations and requirements 期望與要求	Methods of communication and responses 溝通和回應方式
Employees 員工	<ul style="list-style-type: none"> <li>protection of employees' interest 維護員工權益</li> <li>established career path 健全發展通道</li> <li>protection of occupational health 保障職業健康</li> <li>work-life balance 平衡工作生活</li> </ul>	<ul style="list-style-type: none"> <li>remuneration payment in full and on time 及時發放足額工資</li> <li>to pay social insurances 繳納社保</li> <li>establishment of occupational health and safety management system 建立職業健康安全管理体系</li> <li>career development 職業發展通道</li> <li>staff training 員工培訓</li> </ul>
Partners 合作夥伴	<ul style="list-style-type: none"> <li>open, fair and equal procurement 公開、公平、公正採購</li> <li>fulfillment of contracts 信守合約</li> <li>sharing of experience 經驗分享</li> </ul>	<ul style="list-style-type: none"> <li>fulfillment of contracts in accordance with the laws 依法履行合同</li> <li>open tender 公開招標</li> <li>to commence cooperation on projects 開展項目合作</li> </ul>
Environment 環境	<ul style="list-style-type: none"> <li>energy conservation and emission reduction 節能減排</li> <li>tackling climate change 應對氣候變化</li> <li>conservation of ecology 保護生態</li> </ul>	<ul style="list-style-type: none"> <li>management of emission 管理排放物</li> <li>enhancement of efficiency of resources and energy utilisation 提升資源和能源使用效率</li> <li>participation in environment protection and public activities 參與環保公益</li> </ul>
Society and general public 社會和公眾	<ul style="list-style-type: none"> <li>participation in community development 參與社區發展</li> <li>contribution to public welfare 支持公益事業</li> <li>environmental protection 保護環境</li> </ul>	<ul style="list-style-type: none"> <li>public welfare and charities 公益慈善事業</li> <li>volunteer services 志願者服務</li> <li>health and culture 健康文化</li> </ul>

## 2. ASSESSMENT ON MATERIAL ISSUES

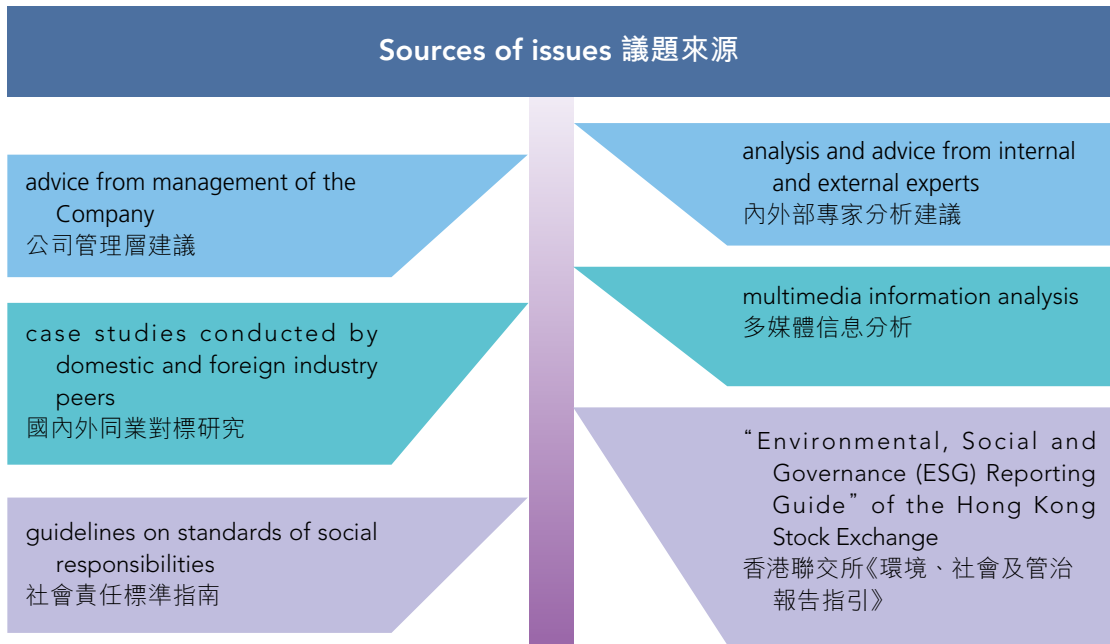
Pursuant to the requirements of the "Environmental, Social and Governance (ESG) Reporting Guide" of the Hong Kong Stock Exchange, the Group further improved the procedures specifying contents of report, enhanced interaction between stakeholders in various ways, identified and determined the material issues concerned by stakeholders, so as to finalise the content and extent of disclosure and to ensure a more accurate and complete disclosure of related operating and management information.

## 2. 重大性議題判定

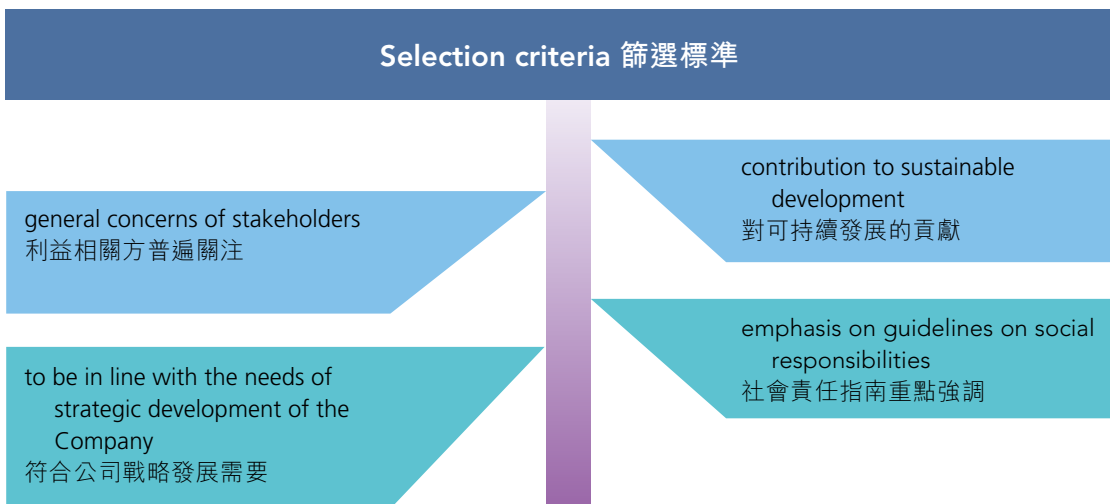
本集團參照香港聯交所《環境、社會及管治報告指引》的要求，進一步完善界定報告內容的流程，通過多種方式加強與利益相關方的互動，對利益相關方關注的議題進行識別和重要性判定，最終確定議題披露程度和邊界，保證更準確、完整地披露運營管理相關信息。

# Environmental, Social and Governance Report

## 環境、社會及管治報告



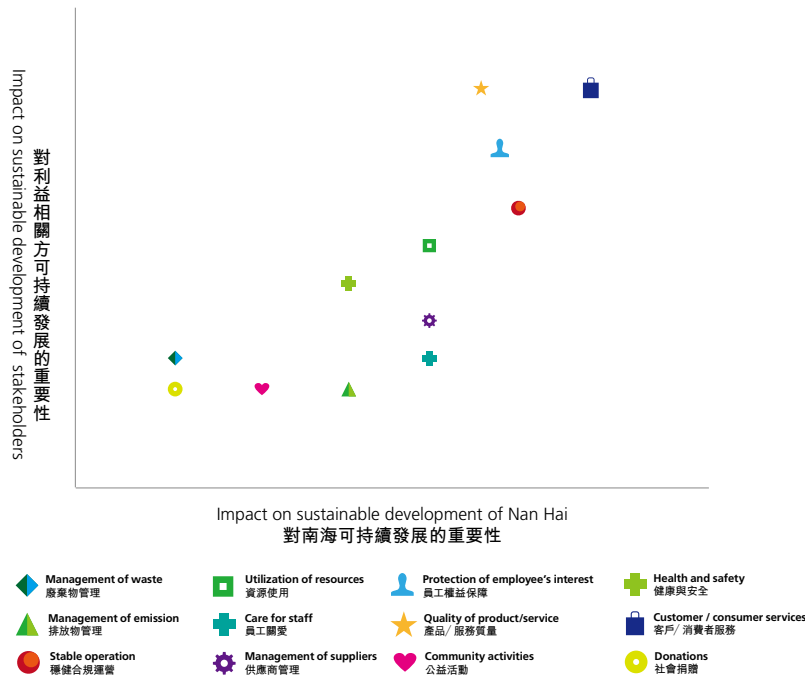
**Procedures of selecting environmental, social and governance issues**  
環境、社會及管治議題篩選流程





# Environmental, Social and Governance Report

## 環境、社會及管治報告



### 3. STABLE OPERATION

The Group is dedicated to diversification of business segments, reasonable allocation of resources and optimization of asset structure, striving to become a market leader in the fields of culture and media, property development and corporate IT application services and proactively explore and develop new businesses. The Group aims to realize stable operation in compliance to laws and regulations and create fruitful results to honor our promise to shareholders. The Group is committed to offer quality products and services which earn us customer satisfaction. The Group promotes fair competition and enjoys business value created together with business partners.

### 3. 穩健運營

本集團致力於多元化行業發展，堅持合理配置資源、優化資產結構，力爭在文化與傳播、房地產開發、企業IT應用服務等領域做大做強，並積極開拓和發展新業務。實現合規穩健運營和豐厚業績創造，兌現廣大股東承諾。實現優質產品和服務提供，贏得廣大客戶滿意。促進公平競爭，與合作夥伴共享商業價值創造。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Key performance:

- The Group was awarded “Best Investment Value Award” and “Best Brand Value Award” for “2016 China Financial Market Award for Listed Company”
- Dadi Cinema was awarded “2016 China Cinema Brand with Strongest Development Strength” for “Popular China Real Estate Award”
- In 2016, the operating revenue of the Group amounted to HK\$8,915.6 million, representing an increase of approximately 112.3% as compared with last year
- In 2016, net profit attributable to owners of the Group amounted to HK\$1,359.6 million, representing an increase of 469.1% as compared with last year
- In 2016, Dadi Cinema achieved box-office revenue (tax included) of RMB2,237 million, ranking second among cinema investment and management companies throughout China

### 關鍵績效：

- 本集團獲得2016中國融資上市公司大獎——最具投資價值獎和最具品牌價值獎
- 大地影院榮獲「中國地產風尚大獎——2016中國最具發展力影院品牌」
- 2016年，本集團營業收入8,915.6百萬港元，同比增長約112.3%
- 2016年，本集團擁有人應佔溢利淨額1,359.6百萬港元，同比增長469.1%
- 2016年，大地影院含稅票房收入達到22.37億元人民幣，位列全國影院投資管理公司第二名



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 3.1 Protection of Shareholders' Interests

The Group strictly abides by regulations governing the securities market to regulate the behaviour of major shareholders and to protect the legal interest of minority shareholders and creditors. The Group continues to optimize the rules of procedures for shareholders' general meeting, enhance the transparency of the company and the profit-sharing policy, to protect and realize investment gains of shareholders.

#### 3.1.1 Integrity and operation compliance

##### Internal control

The Group reinforced its internal control, audit and supervision and formulated and implemented "Internal Audit System of Nan Hai Corporation Limited" to commence orderly, independent and objective supervision and review. The Group reviews the appropriateness of internal control, effectiveness of risk management, truthfulness, accuracy and completeness of financial information as well as the efficiency and effectiveness of operating activities by standardization of systems, and makes recommendations and provides assistance to minimize risks associated with operation management. The Group ensures the intra-group operating activities are made in accordance to the operating principles, policies and regulations of the Group, and facilitates achievement of each targets to protect the legal interest of the Group and its shareholders as a whole.

On the subsidiary level, each subsidiary evaluates its own risk according to its operation and characteristics of its organization structure, and formulates and implements regulations and management measures accordingly. As for culture and media services, Dadi Cinema formulated "Management Measures on Fixed Assets of Dadi Cinema" (《大地影院固定資產管理辦法》) and "Audit, Risk Assessment and Accountability System for Cinema Operation" (《影院經營審計風險評級與問責制度》) to regulate the management on fixed assets of cinemas, and to evaluate and avoid the risks in operation. As for property development, Nan Hai Development introduced a series of regulations, namely "Management System on Open Tender" (《招標採購管理制度》), "Management Measures on Changes in Design" (《設計變更管理辦法》) and "Management Measures on On-site Inspection" (《現場簽證管理辦法》) to regulate management procedures, enhance management quality and avoid risks associated with construction cost and quality. As for corporate IT services, CE Dongli set up a disciplinary committee to handle any non-compliance issues.

### 3.1 維護股東利益

本集團嚴格遵守證券市場規定，規範大股東行為，保障中小股東和債權人的合法權益。不斷完善公司股東大會議事規則，增加公司透明度。不斷完善紅利分配政策，保障股東投資收益權的實現。

#### 3.1.1 誠信合規運營

##### 內控管理

本集團加強內部控制與審計監督工作，建立並實施《南海控股有限公司內部審計制度》，有序開展獨立、客觀的監督和評價活動，通過系統規範的方法，對公司內部控制的適當性、風險管理的有效性、財務信息的真實性、準確性和完整性以及經營活動的效率 and 效果等開展審查，提出相關建議和協助，最大程度降低經營管理風險，確保集團內公司經營活動按照集團的經營方針、政策規定有序進行，促進公司各項目標的順利達成，維護集團和全體股東的合法權益。

在子公司層面，各子公司針對其自身經營情況及組織架構的特點，評估自身風險，並爭對風險建立並實施了相應的規定及管理辦法。在文化與傳播服務領域，大地影院制定《大地影院固定資產管理辦法》、《影院經營審計風險評級與問責制度》，規範影院固定資產管理，評估並規避經營中出現的風險等問題；在房地產開發領域，南海發展出台《招標採購管理制度》、《設計變更管理辦法》及《現場簽證管理辦法》等一系列規章制度，規範管理流程，提升管理品質，規避工程成本、質量等風險；在企業IT服務領域，中企動力建立紀律委員會，發現違規事件嚴肅處理。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Anti-corruption

The Group devoted to eliminate all the corruption activities and is persistent on its principle of education, supervision, precaution and control. Internally, it strengthens the anti-corruption awareness of its staffs, establish an anti-corruption structure and fully perform its supervising responsibility. Any corruption activities are taken seriously once found. Externally, the Group upholds its anti-corruption commitment in the commercial operation and maintains good discipline in the industry through standardized commercial operation.

During the year, the Company has complied with all relevant laws and regulations that have a significant impact on the Company relating to bribery, extortion, fraud and money laundering.

### Protection of intellectual property

The Group emphasizes on the protection of intellectual property, and at the same time fully respects the intellectual property of the techniques, software, image and texts of the others. The Group has formulated and implemented administrative system and procedure for the intellectual property, applies for the registration of the trademark of different categories and patent rights in order to enhance the market competitiveness of the Company. Supporting incentive policy is in place to encourage and recognize intellectual properties created by the employees. We are also devoted to fight against the right infringements to protect the legal interest of the Company.

### 反腐敗

本集團杜絕一切腐敗行為，堅持教育、監督、防控並重原則，對內強化員工的廉潔從業意識，建立反腐敗體系架構，全面落實監督責任，一旦發現任何腐敗行為均進行嚴肅處理。對外在商業運作中承諾反對腐敗，通過規範商業操作，進行行業自律。

年內，本公司已遵守與賄賂、勒索、欺詐及洗黑錢有關並對本公司構成重大影響的所有相關法律及法規。

### 保護知識產權

本集團重視知識產權的保護工作，同時也充分尊重他人的技術、軟件、肖像、文字等知識產權，制定和實施知識產權管理制度和流程，申請各類商標註冊和申請專利，保護公司各類無形資產，提升企業市場競爭力。配套建立獎勵政策，鼓勵和表彰員工的知識產權創造。打擊侵權行為，保護公司合法權益。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

Sample case: CE Dongli formulated "Intellectual Property Right Management System"  
案例：中企動力制定《知識產權管理制度》

### Some of the Software Copyright Registration Certificates 部分軟件著作權證書



Software Copyright Registration  
Certificate of VONE  
VONE 軟件著作權登記證書



Software Copyright Registration  
Certificate of Zmobile  
Zmobile 軟件著作權登記證書

As a technology-oriented enterprise, CE Dongli has continued to refine the system of independent innovation, formulated and implemented "Intellectual Property Right Management System", enhanced staffs' awareness of intellectual property right protection and actively participated in promotion activities relating to intellectual property right protection in the community. CE Dongli undertakes to act in strict accordance with the law and not to infringe the intellectual property rights.

中企動力作為一家技術型企業，不斷完善自主創新機制，制訂並實施《知識產權管理制度》，並不斷增強員工知識產權保護意識，積極參與宣傳保護知識產權的社會活動。中企動力承諾嚴格依法辦事，不侵害他人知識產權。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 3.1.2 Information disclosure

The Group promptly discloses accurate information to investors in accordance with the principles of honesty and trustworthiness. The Group explains its current status and answer questions raised by shareholders by ways of annual general meetings, communications with investors and inquires, and creates communication channels with investors and maintains good relationship with them. The Group prepares and issues its annual reports and half-yearly reports on a regular basis, and report to investors and creditors the annual operating results and financial information. In enhancing the communications with investors and standardization of information disclosure, the Group sets up policies and systems to provide guidelines to its listed subsidiaries to strictly perform their obligations of information disclosure pursuant to the requirements of domestic and overseas stock exchanges on which the shares are listed.

### 3.1.2 及時信息披露

本集團按照真實、可靠的原則，向投資者及時準確披露信息情況，通過舉辦年度股東大會、投資者調研、接受相關詢問等方式，向股東介紹集團情況，解答疑問，建立與投資者的溝通橋樑，與其維持良好關係。集團每年定期編制和發布年報及半年報，向投資者、債權人報告年度經營績效和財務情況。在加強與投資者溝通、規範信息披露過程中，本集團通過政策及制度指引，引導所屬上市子公司嚴格按照境內外上市地的要求履行信息披露義務。

#### Sample case: enhancement of information disclosure and investors relation

##### 案例：加強信息披露及投資者關係維護情況

- Participated in 8 investors conferences held in Hong Kong and Shenzhen to meet face-to face with international investors and analysts or communicate via conference calls
- In May 2016, reverse roadshow was held for 2 days. Investors and reporters were invited to the launch of "STAR MAX", a gigantic laser screen owned by Dadi Cinema at Yintai Shopping Mall in Xiasha, Hangzhou
- Resolution approving the acquisition of 70% equity interest in Crabtree & Evelyn was passed in the special general meeting by unanimous vote on 13 September 2016.
- 參加8場分別在香港、深圳等地舉辦的投資者會議，與世界各地投資者及分析員會面或通過電話會議溝通
- 2016年5月，舉辦了為期兩天的反向路演活動，邀請眾多投資者及記者實地參加大地影院自有激光巨幕「星幕STAR MAX」在杭州下沙銀泰店的首發活動
- 2016年9月13日，召開股東特別大會，以100%的贊成票通過了收購著名護膚品牌Crabtree & Evelyn的70%股權的決議案

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 3.2 Enhancement of Customer Services

The Group is committed to offer quality products and services to its customers. By formulating and implementing product quality standards, the Group is able to ensure the works of every employee during the production process meet the requirements in respect of procedures, regulations and system and to ensure products under research and development fulfill the preliminary planning requirements, thus ensuring the final quality of the products. The Group continues to improve the after-sale services system, expand the feedback channels, makes timely response to customers' complaints and enhance the value of products and services, thus attracting enormous interest from customers. In 2016, the Group completed the acquisition of 70% equity interest in Crabtree & Evelyn, an internationally renowned skincare brand, marking the further implementation of the strategic concept of "Film + Innovative Retail".

As for culture and media services, Dadi Cinema upholds the idea of "let everyone watch movies and let everyone enjoy good movies". It fulfilled the needs of movie-going crowd with reasonable fares, convenient ticketing experience and comfortable viewing experience. Dadi Cinema set up a professional team specialized on movie showing quality assurance, which monitored the monthly data on movie showing quality of cinemas as well as transformed and upgraded the cinemas with poor movie showing quality. Cinemas underwent renovation on a regular basis to enhance the allocation of featured cinema halls and to enhance viewing experience for its audience. 3D glasses are provided to customers free of charge, while clip glasses are provided to customers wearing glasses and specialized children glasses are provided to children. Various models of such glasses are available for sale to meet rising demands of customers.

As for corporate IT application services, Xinnet will examine the suffixes of domain names and never support the domain names and adult domain names under country restriction in order to contribute ourselves to purify the society and internet environment. In the meantime, Xinnet will not mislead the customers to apply unnecessary domain names. Only the most suitable domain names will be recommended to the customers.

During the year, the Company has complied with all relevant laws and regulations that have a significant impact on the Company relating to health and safety, advertising, other matters relating to product responsibility.

### 3.2 提升客戶服務

本集團致力於為廣大客戶提供優質產品和服務。制定和實施產品質量規範，確保產品實現過程中各崗位人員的工作符合公司流程、規範、制度的要求，確保研發產品符合前期策劃目標，確保最終產品達到質量標準。不斷完善售後服務體系，拓寬客戶意見反饋渠道，及時處理客戶投訴，提升產品和服務價值，贏得越來越多客戶的青睞。2016年，本集團完成收購英國著名護膚品品牌Crabtree & Evelyn 70%的股權，進一步邁進「電影+創意零售」的戰略構想。

在文化與傳播服務領域，大地影院秉持「讓人人看得到電影、人人看得好電影」的理念，以合理化的票價、方便快捷的購票體驗、酣暢舒適的觀影感受，滿足廣大消費者的觀影需求。配置專業放映品質保障團隊，每月對影院放映品質數據進行監控，對放映品質不達標的影院實施改造升級。定期對影院翻新改造，完善影院特色影廳配置，提高顧客的觀影體驗。免費為顧客提供3D眼鏡，為戴眼鏡的顧客提供夾片眼鏡，為兒童提供專門的兒童眼鏡，對有更高要求的顧客提供不同款式型號的眼鏡銷售。

在企業IT應用服務領域，新網有取捨地為客戶提供域名後綴。對國家禁止的域名以及成人域名，新網堅決不予支持，為淨化社會網絡環境貢獻力量。同時，禁止誤導客戶做無謂的域名投入，幫助客戶選擇最合適的域名。

年內，本公司已遵守與健康及安全、廣告以及其他產品責任相關事宜有關並對本公司構成重大影響的所有相關法律及法規。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Sample case: Nan Hai Development took the initiative to commit for municipal green construction 案例：南海發展主動承擔市政綠化建設

Nan Hai Development took the initiative to commit for and invest in municipal green construction. Before the enhancement project carried by the municipal government, Nan Hai Development invested in and organized the construction of roads, landscape and recreation facilities of the surrounding waterfront recreation zone of The Peninsula in Shenzhen, which facilitates the public and makes The Peninsula a hot spot for years for nearby residents getting out of home and looking for recreation. Free Man Garden in Guangzhou is equipped with large greenbelt central steppe with an area of over 100,000 square meters, a 13 kilometer-long jogging track and an indoor sports field with an area of over 20,000 square meters. The overall greening rate of the Free Man Garden project was 52.6%, with independent landscape cluster with an area of over 200,000 square meters, marking it a rare green aerobic residence in Guangzhou.

南海發展主動承擔並投資完善市政綠化建設。所轄深圳半島城邦在市政完善之前出資並組織實施做好項目周邊濱海休閒帶的道路、景觀、休閒設施建設，給市民帶來更多便利，多年來成為周邊居民休閒娛樂及出行的良好去處。所轄廣州自由人花園在社區內建有超過10萬平方米的大型綠地中心草原，長達13公里的慢跑徑，超過2萬平方米的室內運動場所；項目整體綠化率達到52.6%，社區內獨立景觀組團面積超過20萬平方米，提供了廣州稀缺的綠色有氧運動型社區。



#### Sample case: Dadi Distribution implemented a "3-Step Strategy" 案例：大地發行「三步走策略」

Dadi Distribution is highly accountable to producers and films and operates its business in a scientific and efficient manner. Dadi Distribution implemented a "3-Step Strategy" during the distribution process: step 1 is to consolidate the characteristics of the films and carry out scientific analysis of national box office at the early stage; step 2 is to carry out negotiation for concrete cooperation by ground personnel on a point-to-multipoint basis at the intermediate stage; step 3 is to carry out comprehensive review at the later stage. Upon completion of the project and during review process, the distribution center will carry out in-depth analysis on the successful experience and inadequacy in achieving objectives in various regions, and organize cross-learning and review for ground personnel.

大地發行本著對出品方及影片高度負責的原則，以科學、高效的工作態度，在發行工作中開展「三步走策略」：第一步，發行前期結合影片特點科學分析全國票房；第二步，發行中期地網人員單點對多點具體合作洽談；第三步，發行後期全面複盤。項目結束複盤期間，發行中心根據各區域指標完成情況深度分析工作中的成功經驗及不足，並組織地網人員積極開展互相學習及自我批評。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### 3.3 Strengthen the Supplier Management

The Group continues to optimize supplier management and construct a standardized and effective system by introducing fair competition. We selected suppliers with outstanding performance and good reputation and established an equal contract relationship with suppliers in a cooperative and mutual benefit manner to guarantee the quality of products and services and to enhance suppliers' ability to perform their obligations.

As for culture and media services, Dadi Cinema carried out stringent management of suppliers and formulated "Management System on Open Tender" for assessment on suppliers that are unqualified or not in compliance with the requirements of the procedure or assessment on tendering process, so as to ensure the quality of movie showing and viewing experience for its audience. Oristar established an admission and performance assessment system for suppliers and prepared the "list of qualified suppliers". For the suppliers that has not been included into the "list of qualified suppliers", they will be included as an additional part in the list after passing the investigation and assessment. Suppliers that have not been investigated and assessed or unqualified after the investigation and assessment are not eligible for the tendering and are not permitted to enter into any contracts.

As for property development, Nan Hai Development implemented standardized management on contractors and required contractors to set up a stringent Environment, Health and Safety (EHS) Management System during the life cycle of buildings. Fire drill and specialized drill are organized on a regular basis. Solutions for identification of sources of hazards are also in place. Quality management control is carried out before, during and after the construction process.

#### 3.3 強化供應商管理

本集團持續完善供應商管理，構建公平競爭、規範高效的機制，使得實力雄厚、信譽良好的供應商脫穎而出，以合作共贏的態度與供應商建立平等合約關係，保障產品和服務質量，同時提升供應商履責能力。

在文化與傳播服務領域，大地影院嚴格供應商管理，制定《招投標管理制度》，對不符合資格或程序的供應商或招投標流程進行嚴格審查，確保影院的放映品質與觀眾的觀影體驗；辰星科技建立供應商市場准入、業績評估體系，並編制《合格供應商冊》。對於未列入《合格供應商名冊》的供應商，經過調查、評估合格後，列入合格供應商名冊新增部分。對於未經過調查、評估或經過調查、評估後不合格的供應商，無投標資格，不得簽訂合同。

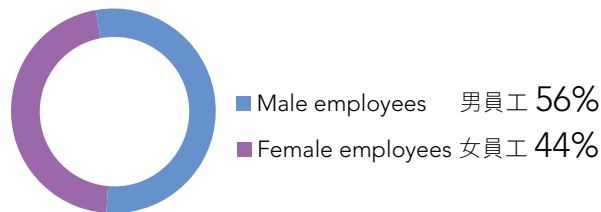
在房地產開發領域，南海發展對施工單位進行規範的管理，要求施工單位制定嚴格的建築全壽命周期EHS管理體系，定期消防演練、專項演練、制定重大危險源識別方案。對工程質量管理進行事前、事中、事後三個環節的管控。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4. NURTURING TALENTS

As the Group recognises our employees as valuable resources to achieve sustainable development of corporates, we are committed to provide good development platform for our employees. Accordingly, a team of talents with high quality is established to satisfy the needs for corporate development and to realise joint growth of employees and the corporate. As at 31 December 2016, there are 17,741 full-time employees, among which, 44% are female.



Proportion of male and female employees of the Group in 2016  
2016年本集團男女員工比例

#### 4.1 Protecting Legal Interests of Employees

The Group places emphasis on protecting legal interests of all the employees. To ensure every employee has equal, fair and open working opportunities, we strictly comply with the laws and regulations of China, including the "Labour Law", "Employment Contract Law" and "Trade Union Law, and sign employment contracts with all employees to eliminate any discrimination on, for example, genders, races, religions, ages and political stances in determining matters including recruitment, salaries, trainings and promotion and designation. Child labour and forced labour are also forbidden.

Comprehensive complain and communication channels have been established for employees to encourage them to express any issues encountered in their work, giving advice on sustainable development of the Company. As for corporate IT application services, CE Dongli established "Management Rules for Recommendations on Rationalisation (合理化建議管理規定)" to standardise specific management work. As for culture and media, Dadi Cinema established an incentive scheme to provide bonus annual leaves to employees by leveraging its own strengths. Dadi Cinema made timely modifications to its regulations according to the changes in law, regulations and policies to protect the legal interests of employees. As for media, Dadi News Media set up inquiry hotlines to handle and solve issues reflected by employees on areas including human resources, administration, network and system on a timely basis.

### 4. 培養人才

本集團視員工為企業實現可持續發展的寶貴資源，致力於為員工提供良好的發展平台，建設一支高素質的人才隊伍，滿足企業發展需要，實現員工與企業的共同成長。截至2016年12月31日，擁有正式員工17,741人，其中女員工佔比44%。

#### 4.1 保障員工合法權益

本集團重視保障所有員工的合法權益，嚴格遵照《勞動法》、《勞動合同法》、《工會法》等國家法律法規，與所有員工簽訂勞動合同，在招聘、薪酬、培訓、升遷等事宜上杜絕一切形式的性別、民族、宗教、年齡、政治立場等方面的歧視，禁止僱傭童工以及禁止強制勞工，確保所有員工均享有公平、公正、公開的工作機會。

本集團建立健全員工申訴與溝通渠道，鼓勵員工反應工作中遇到的問題，為公司持續發展出謀劃策。在企業IT應用服務領域，中企動力建立了《合理化建議管理規定》規範化管理具體工作。在文化與傳播領域，大地影院立足企業自身特點，為員工設立獎勵年假等獎勵機制，同時根據法律、法規及政策的修訂，實時修改公司各項制度，以保證員工的合法權益。在傳媒領域，大地傳媒開設了員工諮詢熱線來及時回應與解決員工在人力資源、行政、網絡及系統等方面提出的問題。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.2 Enhancing Professional Development of Employees

The Group considers that training is essential to improve working ability of employees and an important way to procure enhancement of professionalism. The Company organises and commences various trainings each year for the management and general staff from different levels and businesses, taking into account the needs of staff and our businesses in the principle of “going out and bringing in”. Each subsidiary established management measures on internal trainings to regulate management on trainings, improve quality of staff and satisfy development needs of the Company and the staff.

Employees of the Group are provided with a career path of multi-dimensions and diversified industries. Each subsidiary established and continuously improves the promotion and development system for employees with reference to the actual conditions. As for culture and media services, Oristar establishes standards on human resources systems, including management category, product system, research and development system, technical service system, sales system and affair system, and provides career path to staff from different businesses.

### 4.2 促進員工職業發展

本集團認為培訓是提升員工工作能力，促進其職業素養提升的重要方式。公司綜合考慮員工個人需求和業務需要，面對不同層級、不同業務條線的管理者及普通員工，走出去、引進來，每年組織和開展內容多樣化的員工培訓。所屬子公司也分別制定培訓管理辦法，規範培訓管理工作，提高員工素質，同時滿足公司和員工發展需求。

本集團在員工職業發展通道方面具備多維度、多行業的特點，所屬子公司均根據實際情況建立員工晉升發展體系並持續完善。在文化與傳播服務領域，辰星科技建立了包含管理群組、產品體系、研發體系、技術服務體系、銷售體系、事務體系在內的人力資源體系標準，為不同業務條線的員工暢通職業發展通道。

#### Sample Case: Internal tutor system of Oristar

##### 案例：辰星科技建立內部講師制

General manager and person-in-charge of primary and secondary department of the company are designated tutors of Oristar. Each of them must be responsible for at least four training sessions every year, the duration of each section should be over 2 hours. Integrated management department would assess and select core staff from each product line to become internal tutors. The company implements year-end assessment on lessons of the internal tutors and promotes or cancels their tutor qualification accordingly.

辰星科技規定公司總經理、各一級部門及二級部門負責人為公司指定講師，每人每年必須承擔至少4次培訓課程，每節課2小時以上。各產品線核心員工由綜合管理部組織評選合格後成為內部講師。公司對內部講師的年度授課情況實施年終考核，並按評審結果做出晉升或取消其講師資格的決定。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

Relationship between positions of managerial staff and tutor level  
管理人員職級與講師級別對應表

Positions (Managerial) 崗位職級 (管理)	Positions (Technical) 崗位職級 (技術)	Corresponding tutor level 對應講師級別	Remarks 備註
Manager 經理級	Senior engineer 高級工程師	Junior Tutor 初級講師	employed for 6 months or above 入職6個月以上
Person-in-charge of secondary department 二級部門負責人	Veteran engineer 資深工程師	Intermediate Tutor 中級講師	employed for 1 year or above 入職1年以上
Person-in-charge of Primary department 一級部門負責人	Technical expert or above 技術專家以上	Senior Tutor 高級講師	employed for 1 year or above 入職1年以上

Sample Case: Nan Hai Development commencing business training  
案例：南海發展開展業務培訓

During the reporting period, Nan Hai Development and its real estate and property company held staff trainings focusing on different levels and businesses. For example, for real estates, 廣州東鏡新城房地產有限公司 specifically strengthened trainings on professional knowledge of sales staff and administrative clerks; for properties, 深圳市半島城邦物業管理有限公司 commenced consecutive sessions of orientations for new staff in view of more new staff employed in the year.

南海發展及其所轄地產公司和物業公司於報告期內舉辦多次針對不同層級、不同業務條線的員工培訓，比如地產方面廣州東鏡新城房地產有限公司特別強化對銷售人員及行政文員的專業知識培訓、物業方面深圳市半島城邦物業管理有限公司針對年度新員工入職較多的情況連續開展多批次新員工入職培訓。



Training on gardening landscape  
園林景觀培訓



Training on fine decoration  
精裝修培訓



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.3 Protecting Vocational Health of Employees

The Group complies with requirements of laws of China and maintains social medical insurance for all employees. To promote preventive health management, the Group implements annual body checks scheme for employees and reimburses the relevant expenses. We organise vivid cultural activities to entertain our employees, and thus achieving work-life balance. Themed birthday parties, sports competitions in spring and winter time, festivals and cultural activities are held by the members within the Group for employees. Corporate cultural wall, bulletin boards, mails and weekly newsletters, greeting cards and library are in place to enhance the spiritual and cultural life of employees.

During the year, the Company has complied with all relevant health and safety laws and regulations that have a significant impact on the Company.

### 4.3 關愛員工身心健康

本集團遵守國家法律規定，為在職員工辦理社會醫療保險。倡導預防為主的健康理念，實施員工年度體檢計劃並報銷體檢費用。同時組織舉辦豐富多彩的文體活動，愉悅員工身心，促進員工的工作與生活平衡。各公司自行舉辦員工主題生日會；春季、冬季趣味運動會；節日主師活動、文體活動。企業文化牆、宣傳欄、郵件周刊、節日祝福、圖書館借閱區等的建立豐富了員工的精神文化生活。

年內，本公司已遵守對本公司構成重大影響的所有相關健康及安全法律及法規。



Chinese New Year Dinner  
迎春晚會



Outdoor activities  
戶外旅遊



Photography exhibition  
攝影展

## 5. REALISING ENVIRONMENTAL PROTECTION

While the Group focuses on business development and establishment of talented team, it also emphasises green development. Through managing impacts to the environment during operation systematically and raising awareness of every employee on environmental protection and savings, the Group continuously improves the efficiency of resources and energy and disposes wastes in a reasonable manner, to become a resource-saving and environmental friendly corporation.

## 5. 踐行環保

本集團在專注於業務開拓和人才隊伍建設的同時，更強調企業的綠色發展，通過系統化管理運營中的環境影響，強化每一位員工的環保意識和節約意識，不斷提升資源和能源使用效率，合理處置排放物，建設資源節約型、環境友好型企業。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 5.1 Improving Energy Efficiency

The Group strengthened the control on consumption of energy and resources such as electricity, water and paper. Additional consumption and waste of energy and resources such as electricity and water are reduced during business development by enhancing the awareness of staff on conservation, cultivating good office habits and establishing operating rules.

As for property development, Nan Hai Development tightened management on electricity consumption during operation by introducing various consumption requirements. For example, equipments at the workplace are switched on only when in use; set up number and power of lights of the workplace reasonably; supersede or improve work procedures and equipment of high electricity consumption; adopt energy-saving lights in public and office areas as much as possible; use infrared positioning switch in power stations as much as possible; prohibit the use of light bulbs or tubes of 40W or above in public areas. Property companies promote recycling of water. For example, reclaimed water is used as flushing water in toilets and watering gardens. Recycling devices are installed in water fixtures in the park, flooded water of the fixtures would be automatically flow back to the water storage devices for repeating water supply for the pool.

### 5.1 提升能源使用效率

本集團加強對電、水、辦公用紙等能源和資源的使用管控，通過強化員工的節約意識，培養員工養成良好的辦公習慣，並提出操作細則，確保在業務開展和開發過程中儘量減少電、水等能源或資源的額外使用，杜絕浪費現象的發生。

在房地產開發領域，南海發展加強企業運營過程中的用電管理，提出多種要求，包括作業現場機具設備做到隨用隨開，合理設置照明燈數量與功率，對耗電較大的工藝及設備進行逐步淘汰或改進，在公共區域和辦公場所儘量採用節能燈具，各配電站應儘量採用紅外線定位開關，公共區域照明不得使用40W以上燈泡或燈管等。物業公司倡導循環用水，如衛生間馬桶沖水、園林澆灌均使用中水，園區水景景觀安裝水循環裝置，景觀溢出水自動回到儲水裝置實現二次供水池補水。

#### Sample case : Nan Hai Development built green buildings wholeheartedly 案例：南海發展用心打造綠色建築

Property projects of Nan Hai Development located at the waterfront, where the weather was hot with warm and moist sea breeze. To improve living and working comfortability of residents, the company had taken into consideration of three aspects, including climate monitoring, greening rate and diversity, and built green buildings wholeheartedly. A comfortable community was thus constructed.

南海發展的地產項目地處海濱，氣候炎熱，海風多為暖濕氣流，為了增加住戶的居住和辦公舒適度，公司從氣候調節、綠化率、多樣性三個方面考慮，用心打造綠色建築，構建舒適宜人的小區。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- Climate monitoring: Design of sunshades and ventilation was especially important. The best plantation area, where sea breeze blowing directly onshore is avoided and ventilation is ensured, was built through scientific data analysis. Together with long pergola, the plantation area provided shaded passage and created leisure experience.
- Greening rate: Applying green walls on enclosing walls of the community, curtain walls of buildings and security booths can improve environment by increasing ratio of green views and reducing heat radiation. Greening of rooftop areas was also applied as far as practicable, thus reducing heat loss and energy consumption effectively.
- Plant diversity: Local biological species were considered first to increase survival rate of plants and reduce harm from pests and diseases. Implementing the allocation of plant community by planting a combination of trees, shrubs, vines and herbs. Cultivating organic vegetables in rooftop farms.
- 氣候調節：遮陽及通風設計尤為重要，通過科學的數據計算，分析出最佳的種植區域，既避免海風直吹，又保證氣流通暢；同時結合連續的遮蔭廊架，創造宜人的休閒園區體驗。
- 增加綠化率：將垂直綠牆運用在小區圍牆、建築幕牆、小區保安亭等處，提高綠視率，降低熱輻射，改善環境；同時盡可能地利用屋頂綠化，有效減少熱量散失，降低能耗。
- 植物多樣性：優先考慮本土生態植栽，提升植物成活率，減少病蟲害；實行群落化植物配置原則，喬木、灌木、藤本、草本植物組團搭配；利用屋頂農場進行有機蔬菜的培育。

### 5.2 Disposing Wastes Reasonably

The Group tightens management on disposal of waste water and waste paper and sets up specific ways of disposal of different waste. For example, waste paper are collected and managed by qualified external institution. Waste water is processed and filtered for recycling or discharged upon achieving discharge standards to minimize pollution and burden made to the environment.

As for property development, Nan Hai Development requires waste wrapping papers of the community owners to be recycled by its designated competent contractors. Waste paper, newspapers and magazines from daily operation of the company are collectively managed by the administrative department. During daily cleaning, cleaning staffs classify papers and cartons and collect them for standardised treatment.

As for innovative businesses, Dadi Catering requires all refreshment stores to undergo grease treatment for sewage, ensuring the discharged sewage achieve discharge standards and avoiding blockage caused by disposal of wasted dairy and oil products directly.

During the year, the Company has complied with all relevant environmental laws and regulations that have a significant impact on the Company.

### 5.2 合理處置排放物

本集團加強對廢水、廢紙等排放物的處理，針對不同廢棄物設定了具體明確的處理方法，比如對廢紙進行集中並交由有資質的外部機構處理，對廢水使用專業處理設備進行過濾，實現循環利用或達標排放，盡最大努力減少污染，降低環境負擔。

在房地產開發領域，南海發展規定小區業主的廢舊包裝紙由其指定的合格承包方負責回收；公司日常運營過程中產生的廢紙、廢報刊雜誌，由行政部門集中處理，同時清潔人員在每日清掃中按廢紙及紙箱分類收集後進行統一處理。

在創意商業領域，大地餐飲要求各門店對污水做隔油處理，確保排掉的污水實現達標排放，避免廢水中殘留的奶油直接排入管道而造成堵塞。

年內本公司已遵守對本公司構成重大影響的所有相關環境法律及法規。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 6. PUBLIC WELFARE

The Group commits itself to, regulates and kickoffs public welfare activities by leveraging its expertise and establishing management measures on donations. The Group is willing to show our concerns with love and care and continue to make a contribution to the social development.

#### Key performance data:

- Annual donations: HK\$415,000

As for corporate IT application services, CE Dongli formulated "Management measures on donation of micro public welfare activities of CE Dongli" (《中企微公益 — 愛心捐款管理辦法》), which require standardization and transparency of donation process to ensure proper and timely delivery of donations, to offer help to people in need on a timely basis.

As for media, Dadi News Media collaborated with American environmental organization Basel Action Network (BAN) to carry out transnational investigation on global movement of electronic waste and made an exclusive report on Hong Kong turning to a global dumping ground for electronic waste. After the release of news report on electronic waste, Dadi News Media held a talk with speakers discussing in depth the environmental impact of global electronic waste on Hong Kong as well as issues on unfair trade on the international level.

### 6. 奉獻公益

本集團熱心公益慈善活動，制定捐款管理辦法，實現規範管理和開展相關工作，發揮專業特長，開展公益活動，奉獻公益力量，用愛心點亮前進的方向，為社會發展貢獻力量。

#### 關鍵績效數據：

- 年度公益捐贈額：415,000 港元

在企業IT應用服務領域，中企動力制定並實施《中企微公益 — 愛心捐款管理辦法》，確保員工捐款流程的正規化和透明化，使捐款人的愛心得以及時準確傳達到位，並使困難群體得到及時援助。

在傳媒領域，大地傳媒與美國環保組織Basel Action Network (BAN)合作，跨國追蹤電子垃圾全球流竄路徑，獨家報導揭露香港淪為全球電子垃圾崗的事實。在電子垃圾報道之後，大地傳媒舉辦了有關講座，受邀嘉賓深入探討全球電子垃圾對香港的環境影響甚至國際間貿易不公義的問題。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

Sample Case: Dadi Distribution sponsored a cultural charitable event “Our Golden Ages (我們的黃金時代)”  
案例：大地發行贊助「我們的黃金時代」文化公益活動



“Our Golden Ages” — An Evening of Poetry, Music and Idealism  
「我們的黃金時代」詩歌、音樂、理想主義之夜現場

On 16 November 2016, Dadi Distribution organised a cultural charitable event “Our Golden Ages”. A small charitable auction was arranged at the event site. Five auction items including “This moment 054 (此刻054)”, painting of the poet Bei Dao, No.24 of the original letter of Xiao Hong (蕭紅), “Golden Age-innocence (黃金時代 — 無邪)”, the calligraphy of director Jiang Wen, “Wisdom (智慧)” of the famous calligrapher Xiao Kejia and “Poems of Bei Dao: Dear Yu Luohe — the end or the beginning (北島詩歌：結局或開始 — 獻給遇羅克)”, the calligraphy of actor Zhang Tielin came under the hammer in this charitable auction and were sold successfully. The raised fund was donated to “One Hundred Million Suosuo Project (一億棵梭梭樹項目)” of Society of Entrepreneurs and Ecology (阿拉善SEE協會) and Artistic Picture Book Donation Scheme for Rural Primary Schools (山區小學校詩集藝術繪本捐贈計劃) of Banma Gu Cultural Education Fund (斑馬谷文化教育基金).

2016年11月16日，大地發行贊助舉辦了「我們的黃金時代」文化公益活動。在活動現場特別安排了小型慈善拍賣環節，詩人北島的畫作《此刻054》、蕭紅信件原件第24封、姜文導演的書法《黃金時代 — 無邪》、著名書法家蕭可佳的作品《智慧》、演員張鐵林的書法《北島詩歌：結局或開始 — 獻給遇羅克》5件拍品參與了此次慈善拍賣並順利拍出。所籌善款用於捐助阿拉善SEE協會「一億棵梭梭樹項目」，以及斑馬谷文化教育基金的山區小學校詩集藝術繪本捐贈計劃。

# Independent Auditor's Report

## 獨立核數師報告



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**To The Shareholders of Nan Hai Corporation Limited**  
*(incorporated in Bermuda with limited liability)*

**致 Nan Hai Corporation Limited (南海控股有限  
 公司) 股東**  
*(於百慕達註冊成立之有限公司)*

### OPINION

We have audited the consolidated financial statements of Nan Hai Corporation Limited (the "Company") and its subsidiaries (herein referred to as the "Group") set out on pages 121 to 278, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

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

### 意見

本核數師(以下簡稱「我們」)已審計列載於第121至278頁Nan Hai Corporation Limited(南海控股有限公司)(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於2016年12月31日的綜合財務狀況報表與截至該日止年度的綜合收益表、綜合全面收益報表、綜合權益變動表及綜合現金流量報表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於2016年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及其綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

### 意見基礎

我們根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。該等準則規定我們的責任於本報告「核數師就審計綜合財務報表須承擔的責任」一節進一步描述。根據香港會計師公會頒佈的「專業會計師道德守則」(「守則」)，我們獨立於 貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## Independent Auditor's Report

### 獨立核數師報告

#### KEY AUDIT MATTERS

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

#### **Impairment assessment of goodwill and other assets attributable to the cash generating units ("CGUs")**

*(Refer to note 21 to the consolidated financial statements and the Group's critical accounting estimate and assumptions set out in note 4.1)*

As at 31 December 2016, the Group had goodwill of HK\$2,459,792,000 which is allocated to the CGUs of cinema business, innovative business, corporate IT application service and property development segments for annual impairment testing.

The Company's directors have concluded that there was an impairment loss on goodwill amounted to HK\$34,473,000 for the CGU of property development segment. This conclusion was based on the impairment testing carried out by the management for these CGUs in accordance with the Group's accounting policy 2.23 which is set out in detail in note 21 to the consolidated financial statements, which involved significant judgement and assumptions with respect to the determination of the pre-tax discount rates and the estimation of the underlying future cash flows.

We identified the impairment testing of goodwill and other assets of the relevant CGUs as a key audit matter because of its significance to the consolidated financial statements and because the impairment testing involved significant management judgement and estimates as explained above.

#### 關鍵審計事項

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

#### **現金產生單位（「現金產生單位」）應佔商譽及其他資產的減值評估**

*(請參閱綜合財務報表附註21及附註4.1所載 貴集團的重要會計估計及假設)*

於2016年12月31日，貴集團之商譽為2,459,792,000港元，並分配至影院業務、創意商業、企業IT應用服務及房地產開發分部的現金產生單位作年度減值測試。

貴公司董事認為房地產開發分部現金產生單位之商譽減值虧損為34,473,000港元。此結論建基於管理層就該等現金產生單位根據綜合財務報表附註21詳述之 貴集團會計政策2.23進行之減值測試，當中涉及對釐定除稅前貼現率及估計相關未來現金流量的重大判斷及假設。

我們將相關現金產生單位之商譽及其他資產之減值測試分類為關鍵審計事項，原因為其對綜合財務報表而言屬重大，以及減值測試涉及管理層如上所述作出重大判斷及估計。

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Our response

Our procedures in relation to management's impairment assessment above included:

- Evaluating the models used by management in the value in use calculations for impairment testing;
- Assessing the reasonableness of discount rates and growth rates applied to the impairment testing;
- Challenging the reasonableness of other key assumptions based on our knowledge of the business and industry;
- Checking input data to supporting evidence, such as approved budget and considering the reasonableness of the budget;
- Checking the value in use calculations mathematically;
- Comparing the actual performance in 2016 with the forecast in 2015; and
- Performing sensitivity analysis including assessing the effect of a change in the key assumptions to the recoverable amounts of the CGUs.

#### Identification of assets and liabilities for newly acquired business

(Refer to note 41(a)(iii), 41(a)(iv) to the consolidated financial statements and the Group's accounting policy set out in note 2.2)

In September 2016, the Group acquired two significant subsidiaries, CE Holdings Limited and Listar Properties Limited, which the purchase price allocation ("PPA") involved significant judgement and assumptions.

Management has engaged independent valuer to assist determining the fair value of the identifiable assets acquired and liabilities assumed at the completion dates. Fair value and corresponding deferred tax adjustments were made based on the PPA exercise, and goodwill has been recognised for the difference being the fair value of the purchase considerations in excess of the fair value of identifiable assets acquired and liabilities assumed in each case.

### 關鍵審計事項(續)

#### 我們的回應

我們就管理層上述減值評估所採納程序包括：

- 評核管理層於減值測試之使用價值計算中採用之模式；
- 評估減值測試所應用貼現率及增長率的合理性；
- 基於我們對業務及行業的認識，質疑其他主要假設的合理性；
- 檢查支持證據的輸入數據，例如獲批准預算及考慮預算的合理性；
- 在算術上檢查使用價值計算方法；
- 比較2016年實際表現與2015年所作預測；及
- 進行敏感度分析，包括評估更改有關現金產生單位可收回金額之主要假設之影響。

#### 識別新收購業務的資產及負債

(請參閱綜合財務報表附註41(a)(iii)及41(a)(iv)及附註2.2所載 貴集團的會計政策)

於2016年9月，貴集團收購兩間主要附屬公司CE Holdings Limited及Listar Properties Limited，當中收購價分配(「收購價分配」)涉及重大判斷及假設。

管理層已委聘獨立估值師，協助釐定於完成日期所收購可識別資產及所承擔負債的公允價值。公允價值及相應遞延稅項調整乃按收購價分配作出，而商譽按收購代價公允價值超出所收購可識別資產及所承擔負債公允價值的差額確認。



# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Identification of assets and liabilities for newly acquired business (Continued)

We consider this as a key audit matter because of its significance to the consolidated financial statements and because the fair value determination of certain items in the PPA involved significant management judgement and estimates.

#### Our response

Our procedures in relation to the management's PPA above included:

- Testing the mathematical accuracy of the calculations which we considered necessary;
- Checking the purchase consideration amounts against relevant supporting information;
- Considering and evaluating the reasonableness of the identification of assets acquired and liabilities assumed;
- Evaluating the PPA and fair value determination of the assets acquired and liabilities assumed, by reference to independent valuer's reports obtained by the management; and
- Assessing the reasonableness of assumptions and inputs adopted in the fair value determination.

### 關鍵審計事項(續)

#### 識別新收購業務的資產及負債(續)

我們將此事項分類為關鍵審計事項，原因為其對綜合財務報表而言屬重大，以及釐定收購價分配中若干項目的公允價值時涉及管理層作出重大判斷及估計。

#### 我們的回應

我們就管理層上述收購價分配所採納程序包括：

- 測試我們認為屬必要的計算之算術準確性；
- 以相關支持資料檢查收購代價金額；
- 考慮及評核識別所收購資產及所承擔負債的合理性；
- 參照管理層取得的獨立估值師報告評核收購價分配以及所收購資產及所承擔負債的公允價值的釐定；及
- 評估釐定公允價值時所採用假設及輸入數據的合理性。

# Independent Auditor's Report

## 獨立核數師報告

### OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

### 年報中的其他資料

董事須就其他資料承擔責任。其他資料包括 貴公司年報中所載資料，但不包括綜合財務報表及我們的核數師報告。

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

就我們對綜合財務報表的審計而言，我們的責任是閱覽其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。就此而言，我們無任何報告。

### 董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

董事亦負責監督 貴集團財務報告過程，審核委員會協助董事履行彼等的職責。

## Independent Auditor's Report

### 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

#### 核數師就審計綜合財務報表須承擔的責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發出包括我們意見的核數師報告。我們僅向閣下（作為整體）按照百慕達1981年公司法第90條報告，除此之外，本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等單獨或合併時可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們行使專業判斷，保持專業懷疑態度。我們亦：

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

# Independent Auditor's Report

## 獨立核數師報告

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

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

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

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

### 核數師就審計綜合財務報表須承擔的責任(續)

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

我們已就(其中包括)計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷與審核委員會溝通。

我們亦已向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。



## Independent Auditor's Report 獨立核數師報告

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

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

#### **BDO Limited**

*Certified Public Accountants*

#### **Chiu Wing Cheung Ringo**

Practising Certificate Number P04434

Hong Kong, 14 March 2017

### 核數師就審計綜合財務報表須承擔的 責任(續)

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

#### 香港立信德豪會計師事務所有限公司

執業會計師

#### 招永祥

執業證書號碼 P04434

香港，2017年3月14日

# Consolidated Income Statement

## 綜合收益表

For the year ended 31 December 2016 截至2016年12月31日止年度

		Notes 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Revenue	收益	5(a)	8,915,579	4,200,117
Cost of sales and services provided	銷售及提供服務之成本	8	(3,551,224)	(1,593,093)
Gross profit	毛利		5,364,355	2,607,024
Other operating income	其他經營收入	5(b)	504,584	410,898
Gain on disposal of an associate classified as non-current assets held for sale	出售一間分類為持作出售 非流動資產之聯營公司 之收益	19	—	165,554
Gain on deemed disposal of an associate	視作出售一間聯營公司 之收益		595,270	—
Gain on disposal of an associate	出售一間聯營公司之收益		—	1,446
Selling and marketing expenses	銷售及市場推廣開支		(2,054,090)	(1,633,534)
Administrative expenses	行政開支		(771,054)	(477,810)
Other operating expenses	其他經營開支		(763,753)	(479,974)
Finance costs	融資成本	7	(516,714)	(300,698)
Fair value change on financial liability at fair value through profit or loss	按公允價值於損益賬處理 之金融負債公允價值變動	32	48,374	(62,166)
Share of results of associates	應佔聯營公司業績		(36,426)	(35,792)
Share of results of a joint venture	應佔一間合營企業業績	18	(116)	(350)
Gain on fair value change on investment properties	投資物業公允價值變動 之收益	14	30,127	153,071
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>	8	<b>2,400,557</b>	347,669
Income tax expense	所得稅開支	9	(1,122,165)	(92,239)
<b>Profit for the year</b>	<b>年內溢利</b>		<b>1,278,392</b>	255,430
<b>Profit for the year attributable to:</b>	<b>以下人士應佔年內溢利：</b>			
Owners of the Company	本公司擁有人		1,359,553	238,875
Non-controlling interests	非控股權益		(81,161)	16,555
			<b>1,278,392</b>	255,430
			<b>HK cent</b>	<b>HK cent</b>
			<b>港仙</b>	<b>港仙</b>
<b>Earnings per share for profit attributable to the owners of the Company during the year</b>	<b>年內本公司擁有人應佔溢利之 每股盈利</b>	11		
— Basic	— 基本		1.98	0.35
— Diluted	— 攤薄		1.98	0.35

# Consolidated Statement of Comprehensive Income

## 綜合全面收益報表

For the year ended 31 December 2016 截至2016年12月31日止年度

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Profit for the year</b>	年內溢利	<b>1,278,392</b>	255,430
<b>Other comprehensive income, including reclassification adjustments</b>	其他全面收益，包括重新分類調整		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益賬之項目：</i>		
Exchange loss on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌虧損	<b>(186,582)</b>	(146,667)
Exchange loss on translation of financial statements of foreign associates	換算海外聯營公司財務報表之匯兌虧損	<b>(6,618)</b>	(4,242)
Exchange differences reclassified on disposal of an associate classified as non-current assets held for sale, net of tax	出售一間分類為持作出售非流動資產之聯營公司時重新分類之匯兌差額（扣除稅項）	-	(10,299)
Exchange differences reclassified on deemed disposal of an associate, net of tax	視作出售一間聯營公司時重新分類之匯兌差額（扣除稅項）	<b>(14,808)</b>	-
<b>Other comprehensive income for the year, including reclassification adjustments</b>	年內其他全面收益，包括重新分類調整	<b>(208,008)</b>	(161,208)
<b>Total comprehensive income for the year</b>	年內全面收益總額	<b>1,070,384</b>	94,222
<b>Total comprehensive income attributable to:</b>	<b>以下人士應佔全面收益總額：</b>		
Owners of the Company	本公司擁有人	<b>1,156,244</b>	85,190
Non-controlling interests	非控股權益	<b>(85,860)</b>	9,032
		<b>1,070,384</b>	94,222

# Consolidated Statement of Financial Position

## 綜合財務狀況報表

As at 31 December 2016 於2016年12月31日

	Notes 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>ASSETS AND LIABILITIES</b>			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	4,076,090	3,165,728
Investment properties	14	230,394	179,372
Prepaid land lease payments under operating leases	15	23,429	25,521
Interests in associates	17	79,963	534,299
Interest in a joint venture	18	–	2,160
Loan receivable from an associate	28(d)	–	369,848
Amounts due from related parties	48	950	5,026
Available-for-sale financial assets		324	324
Held-to-maturity investment		111,707	155,205
Long term trade receivables	24	3,303	–
Deposits, prepayments and other receivables	20	438,892	213,674
Intangible assets	21	3,024,760	223,817
Deferred tax assets	34	161,448	108,258
Pledged and restricted bank deposits	25	3,489,355	195,276
		<b>11,640,615</b>	<b>5,178,508</b>
<b>Current assets</b>			
Inventories	22	13,122,375	7,188,276
Financial assets at fair value through profit or loss	23	24,597	1,433
Trade receivables	24	321,488	332,110
Deposits, prepayments and other receivables	20	2,743,457	2,208,451
Amounts due from associates	28(c)	6,485	530
Amounts due from related parties	48	192,190	30,707
Pledged and restricted bank deposits	25	3,509,457	1,725,537
Time deposits maturing over three months	25	–	12
Cash and cash equivalents	25	1,172,620	803,694
		<b>21,092,669</b>	<b>12,290,750</b>
Non-current assets held for sale	19	13,767	–
		<b>21,106,436</b>	<b>12,290,750</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	26	1,000,000	1,000,000
Other payables and provisions	27	1,000,000	1,000,000
Accrued expenses and other liabilities	28	1,000,000	1,000,000
Bank borrowings	29	1,000,000	1,000,000
Deferred tax liabilities	35	1,000,000	1,000,000
		<b>5,000,000</b>	<b>5,000,000</b>
<b>Total</b>		<b>21,106,436</b>	<b>12,290,750</b>



# Consolidated Statement of Financial Position (Continued)

## 綜合財務狀況報表(續)

As at 31 December 2016 於2016年12月31日

		Notes 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付貿易款項	26	1,454,678	570,538
Other payables and accruals	其他應付款項及應計費用	27	1,212,914	1,189,056
Receipt in advance and deferred revenue	預收款項及遞延收益		6,793,907	496,089
Provision for tax	稅項撥備		1,410,014	639,065
Amount due to a director	欠一名董事款項	28(a)	30,108	14,273
Amount due to a shareholder	欠一名股東款項	28(b)	–	1
Amounts due to associates	欠聯營公司款項	28(c)	5,505	197,982
Amounts due to related parties	欠關連公司款項	48	99,138	103,988
Bank and other borrowings	銀行及其他借貸	29	4,784,912	5,059,078
Finance lease liabilities	融資租賃負債	30	33,330	13,509
Convertible and exchangeable bonds	可換股及可交換債券	31	1,010,036	–
Financial liabilities at fair value through profit or loss	按公允價值於損益賬處理之金融負債	32	113,717	121,589
			<b>16,948,259</b>	<b>8,405,168</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>4,158,177</b>	<b>3,885,582</b>
<b>Total assets less current liabilities</b>	<b>資產總額減流動負債</b>		<b>15,798,792</b>	<b>9,064,090</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Long term trade payables	長期應付貿易款項	26	42,482	68,087
Bank and other borrowings	銀行及其他借貸	29	9,596,954	4,968,005
Finance lease liabilities	融資租賃負債	30	42,171	29,593
Provision for warranty	保修撥備	33	4,296	5,401
Deferred tax liabilities	遞延稅項負債	34	906,890	76,439
			<b>10,592,793</b>	<b>5,147,525</b>
<b>Net assets</b>	<b>資產淨值</b>		<b>5,205,999</b>	<b>3,916,565</b>
<b>EQUITY</b>	<b>權益</b>			
Share capital	股本	35	686,455	686,455
Reserves	儲備	37	3,365,311	2,555,847
<b>Equity attributable to the Company's owners</b>	<b>本公司擁有人應佔權益</b>		<b>4,051,766</b>	<b>3,242,302</b>
<b>Non-controlling interests</b>	<b>非控股權益</b>	39	<b>1,154,233</b>	<b>674,263</b>
<b>Total equity</b>	<b>權益總額</b>		<b>5,205,999</b>	<b>3,916,565</b>

Yu Pun Hoi  
于品海  
Director  
董事

Liu Rong  
劉榮  
Director  
董事

# Consolidated Statement of Cash Flows

## 綜合現金流量報表

For the year ended 31 December 2016 截至2016年12月31日止年度

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Cash flows from operating activities</b>	<b>經營活動之現金流量</b>		
Profit before income tax	除所得稅前溢利	2,400,557	347,669
Adjustments for:	就下列項目調整：		
Interest income	利息收入	(117,910)	(116,926)
Finance costs	融資成本	516,714	300,698
Depreciation of property, plant and equipment	物業、廠房及設備折舊	510,804	260,690
Amortisation of intangible assets other than goodwill	不包括商譽之無形資產攤銷	18,528	12,866
Write-off of property, plant and equipment	物業、廠房及設備撇銷	11,092	2,849
Gain on disposal of an associate classified as non-current assets held for sale	出售一間分類為持作出售非流動資產之聯營公司之收益	-	(165,554)
Gain on disposal of an associate	出售一間聯營公司之收益	-	(1,446)
Gain on deemed disposal of an associate	視作出售一間聯營公司之收益	(595,270)	-
Operating lease charges on prepaid land lease	預付土地租賃之經營租賃款項	517	546
Bad debt written-off and provision for impairment of receivables	撇銷壞賬及應收款項減值撥備	21,789	4,261
Provision for impairment of inventories	存貨減值撥備	4,397	2,810
Write-back of provision for impairment of other receivables	其他應收款項減值撥備撥回	-	(12,887)
Provision for impairment of interest in an associate	於一間聯營公司之權益減值撥備	6,373	-
Provision for impairment of goodwill	商譽減值撥備	34,473	-
Provision for warranty	保修撥備	695	365
Loss/(Gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	1,317	(4,245)
Fair value change on financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產之公允價值變動	(781)	95
Fair value change on financial liabilities at fair value through profit or loss	按公允價值於損益賬處理之金融負債之公允價值變動	(48,374)	62,166
Gain on fair value change on investment properties	投資物業公允價值變動收益	(30,127)	(153,071)
Share of results of associates	應佔聯營公司業績	36,426	35,792
Share of results of a joint venture	應佔一間合營企業業績	116	350
Operating profit before working capital changes	營運資金變動前之經營溢利	2,771,336	577,028
Increase in inventories	存貨增加	(1,422,761)	(1,149,931)
Increase in trade receivables, deposits, prepayments and other receivables	應收貿易款項、按金、預付款項及其他應收款項增加	(679,636)	(1,574,011)
Increase in trade payables, other payables and accruals	應付貿易款項、其他應付款項及應計費用增加	156,464	196,363
Increase in receipt in advance and deferred revenue	預收款項及遞延收益增加	5,215,447	48,772
Decrease/(Increase) in amounts due from related parties	應收關連公司款項減少/(增加)	1,751	(36,709)
(Decrease)/Increase in amounts due to associates	欠聯營公司款項(減少)/增加	(5,955)	173,099
(Decrease)/Increase in amounts due to related parties	欠關連公司款項(減少)/增加	(6,753)	107,293
Increase in financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產增加	-	(9)

## Consolidated Statement of Cash Flows (Continued)

### 綜合現金流量報表(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Cash generated from/(used in) operations	經營所得/(所用)現金	6,029,893	(1,658,105)
Interest received	已收利息	103,864	85,729
Interest paid	已付利息	(869,055)	(603,212)
Income taxes paid	已付所得稅	(475,754)	(403,819)
Net cash generated from/(used in) operating activities	經營活動所得/(所用)現金淨額	4,788,948	(2,579,407)
<b>Cash flows from investing activities</b>	<b>投資活動之現金流量</b>		
Payments to acquire intangible assets	購進無形資產之付款	(56,274)	(20,880)
Payments to acquire property, plant and equipment	購進物業、廠房及設備之付款	(1,351,051)	(847,178)
Decrease/(Increase) in held-to-maturity investments	持至到期投資減少/(增加)	34,969	(160,138)
Net cash outflow arising from acquisition of interests in subsidiaries	購進附屬公司權益產生之現金流出淨額	(2,200,774)	(13,970)
(Increase)/Decrease in long term deposits, prepayments and other receivables	長期按金、預付款項及其他應收款項(增加)/減少	(35,445)	279,441
Increase in pledged and restricted bank deposits	已抵押及受限制銀行存款增加	(5,144,768)	(877,559)
Payments of guarantee deposits	支付保證按金	(180,924)	-
Increase in financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產增加	(23,196)	-
Decrease in time deposits maturing over three months	超過三個月到期之定期存款減少	12	604
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	201	4,360
Net cash from dissolution of a joint venture	解散一間合營企業之現金淨額	2,049	-
Dividend received from an associate	已收一間聯營公司股息	19,834	-
Proceeds from disposal of an associate classified as non-current assets held for sale	出售一間分類為持作出售之非流動資產之聯營公司之所得款項	-	249,857
Payments for setting up associates	成立聯營公司之付款	(266)	(38,052)
Proceeds from disposal of an associate	出售一間聯營公司之所得款項	-	1,869
Net cash used in investing activities	投資活動所用現金淨額	(8,935,633)	(1,421,646)

# Consolidated Statement of Cash Flows (Continued)

## 綜合現金流量報表(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Cash flows from financing activities</b>	<b>融資活動之現金流量</b>		
Repayments of bank and other borrowings	償還銀行及其他借貸	(5,672,117)	(4,564,094)
Repayments of finance lease liabilities	償還融資租賃負債	(37,259)	(1,812)
Repayment of finance from a third party	償還來自一名第三方之融資	-	(291,992)
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	9,730,781	9,451,438
Proceeds from convertible and exchangeable bonds	可換股及可交換債券所得款項	1,168,907	-
Payment to a shareholder	向一名股東付款	(1)	-
Payments to acquire non-controlling interests of subsidiaries	就收購附屬公司非控股權益付款	(631,293)	-
Dividend payments to non-controlling interest of a subsidiary	向一間附屬公司非控股權益支付股息	(70)	-
Advance from a director	來自一名董事之墊款	17,482	8,576
Capital contribution by non-controlling equity holder of a subsidiary	一間附屬公司非控股權益持有人注資	226	-
<b>Net cash generated from financing activities</b>	<b>融資活動所得現金淨額</b>	<b>4,576,656</b>	4,602,116
Net increase in cash and cash equivalents	現金及等同現金項目增加淨額	429,971	601,063
Cash and cash equivalents at 1 January	於1月1日之現金及等同現金項目	803,694	279,877
Effect of foreign exchange rate changes, on cash held	外幣匯率變動對所持現金之影響	(61,045)	(77,246)
<b>Cash and cash equivalents at 31 December</b>	<b>於12月31日之現金及等同現金項目</b>	<b>1,172,620</b>	803,694
<b>Analysis of the balances of cash and cash equivalents</b>	<b>現金及等同現金項目結餘分析</b>		
Cash at banks and in hand	銀行及庫存現金	1,172,620	803,694



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2016 截至2016年12月31日止年度

		Equity attributable to the Company's owners 本公司擁有人應佔權益								
		Share capital	Share premium	Capital reserve	General reserve	Exchange reserve	(Accumulated losses)/ Retained profit	Total	Non-controlling Interests	Total equity
		股本 (note 35) (附註 35)	股份溢價 (note 37) (附註 37)	資本儲備 (note 37) (附註 37)	一般儲備 (note 37) (附註 37)	匯兌儲備 (note 37) (附註 37)	(累計虧損)/ 保留溢利 (note 37) (附註 37)	總額	非控股權益 (note 39) (附註 39)	權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>At 1 January 2015</b>	於2015年1月1日	686,455	965,911	1,911,436	177,619	592,860	(1,177,169)	3,157,112	665,231	3,822,343
<b>Profit for the year</b>	年內溢利	-	-	-	-	-	238,875	238,875	16,555	255,430
<b>Other comprehensive income</b>	其他全面收益									
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益賬之項目:									
Exchange loss on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌虧損	-	-	-	-	(139,144)	-	(139,144)	(7,523)	(146,667)
Exchange loss on translation of financial statements of foreign associates	換算海外聯營公司財務報表之匯兌虧損	-	-	-	-	(4,242)	-	(4,242)	-	(4,242)
Exchange differences reclassified on disposal of associate classified as non-current assets held for sale, net of tax	出售一間分類為持作出售非流動資產之聯營公司時重新分類之匯兌差額(扣除稅項)	-	-	-	-	(10,299)	-	(10,299)	-	(10,299)
<b>Total comprehensive income for the year</b>	年內全面收益總額	-	-	-	-	(153,685)	238,875	85,190	9,032	94,222
Transfer to general reserve	撥入一般儲備	-	-	-	4,103	-	(4,103)	-	-	-
<b>At 31 December 2015 and 1 January 2016</b>	於2015年12月31日及2016年1月1日	686,455	965,911*	1,911,436*	181,722*	439,175*	(942,397)*	3,242,302	674,263	3,916,565
<b>Profit for the year</b>	年內溢利	-	-	-	-	-	1,359,553	1,359,553	(81,161)	1,278,392
<b>Other comprehensive income</b>	其他全面收益									
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益賬之項目:									
Exchange loss on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌虧損	-	-	-	-	(181,883)	-	(181,883)	(4,699)	(186,582)
Exchange loss on translation of financial statements of foreign associates	換算海外聯營公司財務報表之匯兌虧損	-	-	-	-	(6,618)	-	(6,618)	-	(6,618)
Exchange differences reclassified on deemed disposal of an associate, net of tax	視作出售一間聯營公司時重新分類之匯兌差額(扣除稅項)	-	-	-	-	(14,808)	-	(14,808)	-	(14,808)
<b>Total comprehensive income for the year</b>	年內全面收益總額	-	-	-	-	(203,309)	1,359,553	1,156,244	(85,860)	1,070,384
Disposal of partial interest in a subsidiary	出售一間附屬公司之部分權益	-	-	30,780	-	-	-	30,780	136,780	167,560
Acquisition of non-controlling interests in subsidiaries	收購附屬公司之非控股權益	-	-	(377,560)	-	-	-	(377,560)	(253,733)	(631,293)
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	682,627	682,627
Capital contribution by a non-controlling shareholder of a subsidiary	一間附屬公司非控股股東注資	-	-	-	-	-	-	-	226	226
Dividends paid to non-controlling interest of a subsidiary	向一間附屬公司之非控股權益支付股息	-	-	-	-	-	-	-	(70)	(70)
<b>At 31 December 2016</b>	於2016年12月31日	686,455	965,911*	1,564,656*	181,722*	235,866*	417,156*	4,051,766	1,154,233	5,205,999

\* These reserve accounts comprise the consolidated reserves of HK\$3,365,311,000 (2015: HK\$2,555,847,000) in the consolidated statement of financial position.

\* 此等儲備賬目構成綜合財務狀況報表之綜合儲備3,365,311,000港元(2015年: 2,555,847,000港元)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 1. GENERAL INFORMATION

Nan Hai Corporation Limited (the “Company”) is a limited liability company incorporated in Bermuda. The address of the Company’s registered office is Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda, and its principal place of business is 12/F., The Octagon, No. 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

The Company and its subsidiaries (the “Group”) are principally engaged in culture and media services, property development, corporate IT application services, new media and innovative business. Details of the principal activities of the Company’s subsidiaries are set out in note 16.

The financial statements for the year ended 31 December 2016 were approved for issue by the board of directors (the “Board”) on 14 March 2017.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The financial statements on pages 121 to 278 have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accounts (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also include the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or amended HKFRSs and the impacts on the Group’s financial statements, if any, are disclosed in note 3.

The financial statements have been prepared on the historical cost basis except for investment properties and financial instruments classified as available-for-sale and at fair value through profit or loss which are stated at fair values as explained in the accounting policies set out below.

### 1. 一般資料

Nan Hai Corporation Limited (南海控股有限公司) (「本公司」) 乃於百慕達註冊成立之有限責任公司，本公司之註冊辦事處地址為 Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda，其主要營業地點位於香港新界荃灣沙咀道6號嘉達環球中心12樓。本公司股份於香港聯合交易所有限公司(「香港聯交所」)上市。

本公司及其附屬公司(「本集團」)主要從事文化與傳播服務、房地產開發、企業IT應用服務、新媒體及創意商業。本公司之附屬公司主要活動詳情載於附註16。

截至2016年12月31日止年度之財務報表已於2017年3月14日獲董事會(「董事會」)批准刊發。

### 2. 主要會計政策概要

#### 2.1 編製基準

第121至278頁之財務報表乃根據香港會計師公會(「香港會計師公會」)所頒佈香港財務報告準則(「香港財務報告準則」)，包括所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋以及香港公司條例之披露規定而編製。財務報表亦包括香港聯交所證券上市規則(「上市規則」)之適用披露規定。

編製此等財務報表時所採用之主要會計政策概述如下。除另有指明外，此等政策在所有呈列年度內貫徹應用。採納新訂或經修訂香港財務報告準則及對本集團財務報表之影響(如有)於附註3披露。

除投資物業及分類為可供出售之金融工具及按公允價值於損益賬處理之金融工具以公允價值列賬外，財務報表按歷史成本基準編製。此等計量基準在下文之會計政策詳細論述。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

It should be noted that accounting estimates and assumptions are used in preparation of the financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

### 2.2 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

## 2. 主要會計政策概要(續)

### 2.1 編製基準(續)

務請注意編製財務報表時曾使用會計估計及假設。儘管此等估計乃按管理層對現行事件及行動之最佳理解及判斷而作出，惟實際結果最終可能有別於該等估計。涉及高度判斷或複雜程度之範圍，或假設及估計對財務報表而言屬重大之範圍，在附註4內披露。

### 2.2 業務合併及綜合賬目基準

綜合財務報表包括本公司及其附屬公司之財務報表。公司間之交易及集團內公司間之結餘連同未變現溢利於編製綜合財務報表時全數對銷。未變現虧損亦予以對銷，惟有證據顯示交易所轉讓資產出現減值則除外，於此情況下，虧損於損益賬內確認。

年內收購或出售之附屬公司之業績，分別由收購生效日期起計入綜合收益表或計至出售生效日期止(視情況而定)。如有需要，會對附屬公司之財務報表作出調整，以使其會計政策與本集團其他成員公司所採納者一致。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 Business combination and basis of consolidation (Continued)

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

Contingent consideration balances arising from the business combinations whose acquisition dates preceded 1 January 2010 (i.e. the date the Group first applied HKFRS 3 (2008)) have been accounted for in accordance with the transition requirements in the standard. Such balances are not adjusted upon first application of the standard. Subsequent revisions to estimates of such consideration are treated as adjustments to the cost of these business combinations and are recognised as part of goodwill.

### 2. 主要會計政策概要(續)

#### 2.2 業務合併及綜合賬目基準(續)

收購附屬公司或業務採用收購法列賬。一項收購之成本乃按本集團(作為收購方)所轉讓資產、所承擔負債及所發行之股權於收購當日之公允價值總額計量。所收購可識別資產及所承擔負債則主要按收購當日之公允價值計量。本集團先前所持被收購方之股權以收購當日之公允價值重新計量，而所產生之損益則於損益賬內確認。本集團可選擇以逐筆交易為基準按公允價值或於被收購方之可識別資產淨值應佔比例計量非控股權益，反映目前於附屬公司之擁有權權益。除非香港財務報告準則另有規定計量標準，否則所有其他非控股權益乃按公允價值計量。所產生之收購相關成本列作開支，惟於發行股本工具時產生者，則自權益扣除。

收購方將予轉讓之任何或然代價均按收購當日之公允價值計量。其後對代價作出之調整，僅會於調整乃由於計量期間(最長為收購當日起計12個月)內取得有關收購當日之公允價值之新資料而作出時於商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益賬確認。

收購日期為2010年1月1日(即本集團首次應用香港財務報告準則第3號(2008年)之日期)前之業務合併所產生或然代價結餘已根據該準則之過渡規定入賬。有關結餘於首次應用該準則時並未作調整。其後對有關代價估計之修訂作為對該等業務合併成本之調整處理，並被確認為商譽之一部分。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Business combination and basis of consolidation (Continued)

Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

### 2.3 Subsidiaries

A subsidiary is an investee over which the Group is able to exercise control. The Group controls an investee if all three of the following elements are present: power over the investee; exposure, or rights, to variable returns from the investee; and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

## 2. 主要會計政策概要(續)

### 2.2 業務合併及綜合賬目基準(續)

本集團於附屬公司並無導致失去控制權之權益變動列作權益交易入賬。本集團之權益與非控股權益之賬面值均予以調整，以反映彼等於附屬公司相對權益之變動。非控股權益之調整額與已支付或收取之代價之公允價值之間之任何差額，均直接於權益確認，並歸屬於本公司擁有人。

倘本集團失去附屬公司之控制權，出售損益乃按下列兩者之差額計算：(i) 所收取代價之公允價值與任何保留權益之公允價值之總額；及(ii) 該附屬公司之資產(包括商譽)及負債與任何非控股權益過往之賬面值。過往就該附屬公司於其他全面收益確認之款額按出售相關資產或負債時所規定之相同方式列賬。

收購後，代表於附屬公司之目前擁有權益之非控股權益之賬面值為該等權益於初步確認時之金額加以非控股權益應佔權益其後變動之部分。即使會導致非控股權益出現虧絀，全面收益總額仍歸屬於非控股權益。

### 2.3 附屬公司

附屬公司指本集團能夠對其行使控制權之投資對象。倘以下三項因素全部存在時，則本集團可控制投資對象：對投資對象之權力，承擔或有權享有投資對象之浮動回報及有能力運用權力影響該等浮動回報。當事實及情況顯示該等控制權之任何因素可能有變，則會重新評估控制權。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Subsidiaries (Continued)

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
- Substantive potential voting rights held by the Company and other parties who hold voting rights;
- Other contractual arrangements; and
- Historic patterns in voting attendance.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less any impairment loss unless the subsidiary is held for sale or included in a disposal group. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

### 2.4 Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amount are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless there is an obligation to make good those losses.

## 2. 主要會計政策概要(續)

### 2.3 附屬公司(續)

倘本公司擁有實際能力引導投資對象相關活動，而無需持有大多數投票權，則存在實際控制權。釐定實際控制權是否存在時，本公司考慮所有相關事實及情況，包括：

- 相對其他持有投票權人士之數量及分散情況，本公司投票權數量多少；
- 本公司及其他持有投票權人士所持有實際潛在投票權；
- 其他合約安排；及
- 參與投票之歷史模式。

於本公司之財務狀況表中，附屬公司之投資按成本扣除任何減值虧損計算，除非該附屬公司乃持作出售，或計入出售集團內。附屬公司之業績於報告日期按本公司已收及應收股息入賬。所有股息，不論是否從投資對象之收購前或收購後溢利中收取，均在本公司之損益內確認。

### 2.4 聯營公司

聯營公司指並非附屬公司或合營安排，而本集團對其有重大影響之實體。重大影響為參與決定投資對象之財務及營運政策之權力，但並非控制或共同控制該等政策。

聯營公司以權益法入賬，初步按成本確認，其後賬面值按本集團應佔聯營公司資產淨值於收購後之變動作出調整，惟超逾本集團於聯營公司權益之虧損將不予確認，除非本集團有責任彌補該等虧損。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.4 Associates (Continued)

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate. Where unrealised losses provide evidence of impairment of the asset transferred they are recognised immediately in profit or loss.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

In the Company's statement of financial position, investments in associates are carried at cost less impairment losses, if any. The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year.

### 2.5 Joint arrangements

The Group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Group classifies its interests in joint arrangements as either:

- Joint ventures: where the Group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the Group has both the rights to assets and obligations for the liabilities of the joint arrangement.

## 2. 主要會計政策概要(續)

### 2.4 聯營公司(續)

本集團與其聯營公司之間交易產生之損益僅於不相關投資者於聯營公司擁有權益時方才確認。該等交易產生之投資者分佔聯營公司溢利及虧損與聯營公司之賬面值對銷。倘未變現虧損證明資產轉移之減值，則即時於損益確認。

就聯營公司已付超出本集團應佔所收購可識別資產、負債及或然負債公允價值之任何溢價會撥充資本，並計入該聯營公司之賬面值。倘有客觀證據顯示於聯營公司之投資出現減值，則投資賬面值以與其他非金融資產一致之方式進行減值測試。

於本公司之財務狀況報表，於聯營公司之投資按成本減減值虧損(如有)列賬。聯營公司之業績由本公司按年內所收及應收股息計量。

### 2.5 共同安排

當有合約安排賦予本集團及至少一名其他訂約方對安排之相關活動之共同控制權時，則本集團為共同安排之訂約方。共同控制權乃根據與附屬公司控制權之相同原則予以評估。

本集團將其於共同安排之權益分類為：

- 合營企業：本集團僅對共同安排之資產淨值擁有權利；或
- 合營業務：本集團對共同安排之資產擁有權利並有責任承擔共同安排之負債。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.5 Joint arrangements (Continued)

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

The Group accounts for its interests in joint ventures in the same manner as investments in associates (i.e. using the equity method — see note 2.4).

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the joint venture. Where there is objective evidence that the investment in a joint venture has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

The Group accounts for its interests in joint operations by recognising its share of assets, liabilities, revenues and expenses in accordance with its contractually conferred rights and obligations.

In the Company's statement of financial position, investment in joint ventures are stated at cost less impairment losses, if any. Results of joint ventures are accounted for by the Company on the basis of dividends received and receivable during the year.

## 2. 主要會計政策概要(續)

### 2.5 共同安排(續)

在評估於共同安排之權益分類時，本集團會考慮：

- 共同安排之架構；
- 透過單獨工具構建之共同安排之法律形式；
- 共同安排協議之合約條款；及
- 任何其他事實及情況(包括任何其他合約安排)。

本集團將合營企業之權益入賬之方法與將聯營公司之投資入賬之方法(即權益法，見附註2.4)一致。

合營企業投資已付任何溢價高於已收購本集團應佔可識別資產、負債及或然負債的公允價值撥充資本，計入合營企業的賬面值。倘有合營企業投資已經減值的客觀憑證，則按與其他非金融資產相同的方式就投資賬面值進行減值測試。

本集團於合營業務之權益乃根據其合約賦予之權利及義務，透過確認其應佔資產、負債、收入及開支入賬。

於合營公司之投資在本公司財務狀況報表按成本減減值虧損(如有)列賬。合營企業之業績於年內由本公司按已收及應收股息入賬。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.6 Foreign currency translation

The financial statements are presented in Hong Kong Dollars ("HK\$"), which is also the functional currency of the Company.

Transactions entered into by the group entities in currencies other than the currency of the primary economic environment in which they operate (the "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

### 2. 主要會計政策概要(續)

#### 2.6 外幣換算

財務報表以港元(「港元」)呈報，即本公司之功能貨幣。

集團實體以其經營所在主要經營環境之貨幣(「功能貨幣」)以外貨幣進行之交易，乃按交易進行時之匯率入賬。外幣貨幣資產及負債按報告期末當時匯率換算。以外幣計值按公允價值列賬之非貨幣項目按釐定公允價值當日匯率重新換算。以外幣按歷史成本計算之非貨幣項目不作重新換算。

結算與換算貨幣項目產生之匯兌差額於其產生期間於損益確認。重新換算按公允價值列賬之非貨幣項目產生之匯兌差額計入期內損益，惟重新換算有關收益及虧損於其他全面收益內確認之非貨幣項目所產生差額除外，在此情況下，匯兌差額亦於其他全面收益內確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.6 Foreign currency translation (Continued)

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to minority interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the foreign exchange reserve.

### 2. 主要會計政策概要(續)

#### 2.6 外幣換算(續)

於綜合入賬時，海外業務之收支項目按該年度平均匯率換算為本集團之呈列貨幣(即港元)，惟匯率於期內大幅波動則除外，在此情況下，則使用與交易進行時適用匯率相若之匯率。海外業務所有資產及負債按各報告期末之匯率換算。所產生匯兌差額(如有)於其他全面收益內確認，並於權益內累計為匯兌儲備(歸屬於少數股東權益(如適用))。於集團實體個別財務報表之損益內所確認換算長期貨幣項目(構成本集團於有關海外業務淨投資一部分)之匯兌差額重新歸類為其他全面收益，並於權益內累計為匯兌儲備。

出售海外業務時，於該業務相關之匯兌儲備確認截至出售日期之累計匯兌差額，重新分類為損益作為出售盈虧之一部分。

就於2005年1月1日或之後收購海外業務而產生之商譽及所收購可識別資產之公允價值調整乃作為該海外業務之資產及負債處理，並按各報告期末之現行匯率重新換算。所產生匯兌差額於其他全面收益確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.7 Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at acquisition cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Depreciation is provided to write off the cost less their residual values over their estimated useful lives on a straight-line method, at the following rates per annum:

Buildings	5%
Leasehold improvements, furniture, fixtures and equipment	2.5% to 33-1/3%, or over lease terms whichever involves shorter period
Motor vehicles/Yachts	6-2/3% to 33-1/3%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the term of the relevant lease.

The gain or loss arising on retirement or disposal is determined as the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

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

### 2. 主要會計政策概要(續)

#### 2.7 物業、廠房及設備

物業、廠房及設備(在建工程除外)按購入成本減累計折舊及累計減值虧損列賬。資產成本包括購買價及將該資產達至其擬定用途之運作條件及位置之任何直接應佔成本。

折舊乃按下列年率，於其估計可使用年期以直線法計提，以撇銷有關成本減剩餘價值：

樓宇	5%
租賃物業裝修、傢俬、裝置及設備	按2.5%至33-1/3%或租賃期間(以較短者為準)
汽車/遊艇	6-2/3%至33-1/3%

資產之剩餘價值、折舊方法及可使用年期於各報告日期檢討，在適當情況會作出調整。

倘一項資產之賬面值高於該資產之估計可收回金額，則該項資產立即撇減至其可收回金額。

按融資租賃持有之資產按與自有資產相同之基準於預計可使用年期或相關租期(以較短者為準)計算折舊。

報廢或出售盈虧按出售所得款項與資產賬面值之差額釐定，並於損益賬確認。

其後成本只有在該項目相關之未來經濟利益可能流入本集團，且該項目之成本能可靠計量時，方計入資產之賬面值或確認為獨立資產(視適用情況而定)。替換部份之賬面值則終止確認。維修及保養等所有其他成本，於其產生之財務期間自損益賬扣除。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Construction in progress represents assets under construction and is stated at cost less impairment losses. Cost comprises direct costs of construction as well as borrowing costs capitalised during the period of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

The buildings comprise a portion that is held to earn rentals and the other portion that is held for administrative purpose. As the portion held to earn rentals cannot be sold separately and is insignificant, the building is classified as owner-occupied property rather than investment property.

### 2.8 Investment properties

Investment property is property held either to earn rentals or for capital appreciation or for both, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Properties under construction or development for future use as investment properties are classified as investment properties under construction. If the fair value cannot be reliably determined, the investment properties under construction will be measured at cost until such time as fair value can be determined or construction is completed.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

## 2. 主要會計政策概要(續)

### 2.7 物業、廠房及設備(續)

在建工程指在建資產，並按成本值減任何減值虧損入賬。成本包括在建設及安裝期間之直接建設成本及撥充資本之借貸成本。當完成準備資產作擬定用途之絕大部分所有活動時，該等成本不再撥充資本，而在建工程則轉撥至適當類別物業、廠房及設備。在建工程毋需作折舊撥備，直至其完成及準備作其擬定用途為止。

該樓宇包括持作賺取租金部分及持作行政用途之其他部分。由於持作賺取租金部分不可分拆出售且並非重大，該樓宇分類為業主自用物業而非投資物業。

### 2.8 投資物業

投資物業為持作賺取租金或資本增值或兩者兼有之物業，惟並非持作在一般業務過程中出售、用作生產或供應商品或服務或用作行政用途。投資物業於初步確認時按成本計量，而其後任何公允價值變動則於損益賬確認。

未來用作投資物業之在建或開發中物業乃分類為在建投資物業。倘公允價值無法可靠釐定，在建投資物業將按成本計量，直至能夠釐定公允價值或建設工程完成之時為止。

投資物業公允價值變動產生之損益於其產生年度之收益表入賬。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 Investment properties (Continued)

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the income statement.

### 2.9 Operating lease prepayments and land use right

Upfront payments made to acquire land held under an operating lease are stated at costs less accumulated amortisation and any accumulated impairment losses. The determination if an arrangement is or contains a lease and the lease is an operating lease is detailed in note 2.17. Amortisation is calculated on a straight-line basis over the term of the lease/right of use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

### 2.10 Goodwill

Set out below are the accounting policies on goodwill arising on acquisition of a subsidiary. Accounting for goodwill arising on acquisition of investment in an associate is set out in note 2.4.

Where the fair value of identifiable assets and liabilities exceed the aggregate of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

## 2. 主要會計政策概要(續)

### 2.8 投資物業(續)

報廢或出售投資物業而產生之任何損益於報廢或出售年度之收益表確認。

倘存貨轉入投資物業，物業於該日之公允價值與其先前賬面值之任何差額會於收益表確認。

### 2.9 經營租賃預付款項及土地使用權

就收購根據經營租約持有之土地所作出預付款項乃以成本減累計攤銷及任何累計減值虧損列值。安排是否屬於租賃或是否包含租賃以及該租賃是否屬於經營租賃之釐定方式於附註2.17詳述。攤銷乃於租賃／使用權期內以直線法計算，惟倘若有另一種基準更能反映本集團透過利用有關土地可產生收益之時間模式則除外。

### 2.10 商譽

下文列載有關收購附屬公司所產生商譽之會計政策。收購聯營公司之投資所產生商譽之會計法載於附註2.4。

倘可識別資產及負債之公允價值超出所付代價、於收購對象任何非控股權益金額及收購方先前於收購對象所持股權之收購日期公允價值之公允價值總和，則超出部分在重估後於收購日期在損益賬確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.10 Goodwill (Continued)

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units ("CGUs") that are expected to benefit from the synergies of the acquisition. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount (see note 2.23), and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the CGU to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value in use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of gain or loss on disposal.

## 2. 主要會計政策概要(續)

### 2.10 商譽(續)

商譽乃按成本減減值虧損計量。就減值測試而言，收購所產生之商譽乃被分配到預期自收購所產生協同效益中受益之各有關現金產生單位(「現金產生單位」)。現金產生單位指可大致獨立於其他資產或資產組別產生現金流入之最小可識別資產組別。獲分配商譽之現金產生單位每年(以其賬面值與可收回金額(見附註2.23)進行比較)及於出現可能減值之跡象時進行減值測試。

就財政年度內收購產生之商譽而言，獲分配商譽之現金產生單位於該財政年度末前進行減值測試。倘現金產生單位之可收回金額少於其賬面值，則首先會分配減值虧損以減少該單位獲分配之任何商譽之賬面值，再根據該單位各項資產之賬面值按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會導致個別資產之賬面值低於其公允價值減出售成本(若可計量)或使用價值(若可釐定)(取較高者)。任何商譽減值虧損於損益確認，且不會於往後期間撥回。

其後出售附屬公司時，於釐定出售之盈虧時將計及已資本化之商譽應佔金額。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.11 Other intangible assets and research and development activities

##### *Other intangible assets*

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on straight-line basis over their estimated useful lives. Amortisation commences when the intangible assets are available for use. The following useful lives are applied:

Computer software	4 years
Customer relationships	2 years
Development cost	2–4 years
Licenses	10 years
Distribution channel	6.5 years

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the computer software to which it relates. All other expenditure is expensed as incurred.

Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

Intangible assets, with finite and indefinite useful lives, are tested for impairment as described below in note 2.23.

### 2. 主要會計政策概要(續)

#### 2.11 其他無形資產及研發活動

##### *其他無形資產*

獨立收購之無形資產初步按成本確認。於業務合併中購入無形資產之成本為於收購日期之公允價值。初步確認後，具有有限使用年期之無形資產按成本減累計攤銷及任何累計減值虧損入賬。具有有限使用年期之無形資產之攤銷於其估計可使用年期以直線法計提撥備。無形資產於可使用時開始攤銷。以下為所應用之可使用年期：

電腦軟件	4年
與客戶關係	2年
開發成本	2–4年
牌照	10年
分銷渠道	6.5年

其後開支只會在與其相關之電腦軟件之未來經濟利益增加時方撥充資本。所有其他開支於產生時支銷。

具無限使用年期之無形資產按成本減任何其後累計減值虧損入賬。

具有限及無限使用年期之無形資產根據下文附註2.23所述者作減值測試。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.11 Other intangible assets and research and development activities (Continued)

##### Research and development costs

Costs associated with research activities are expensed in profit or loss as they occur. Costs that are directly attributable to the development activities are recognised as intangible assets provided they meet the following recognition requirements:

- (i) demonstration of technical feasibility of the prospective product for internal use or sale;
- (ii) there is intention to complete the intangible asset and use or sell it;
- (iii) the Group's ability to use or sell the intangible asset is demonstrated;
- (iv) the intangible asset will generate probable economic benefits through internal use or sale;
- (v) sufficient technical, financial and other resources are available for completion; and
- (vi) the expenditure attributable to the intangible asset can be reliably measured.

Direct costs include employee costs incurred on development along with an appropriate portion of relevant overheads. The costs of internally generated developments are recognised as intangible assets. They are subject to the same subsequent measurement method as externally acquired intangible assets.

All other development costs are expensed as incurred.

### 2. 主要會計政策概要(續)

#### 2.11 其他無形資產及研發活動(續)

##### 研究及開發成本

與研究活動相關之成本於產生時於損益賬支銷。開發活動直接應佔之成本於符合以下確認要求時確認為無形資產：

- (i) 顯示預期供內部使用或銷售之產品在技術上可行；
- (ii) 有意完成無形資產，並加以使用或出售；
- (iii) 顯示本集團有能力使用或出售該無形資產；
- (iv) 無形資產有可能透過內部使用或出售帶來經濟利益；
- (v) 備有足夠技術、財務及其他資源完成研發；及
- (vi) 能可靠計量無形資產應佔之開支。

直接成本包括開發過程中產生之僱員成本，以及適當部分之相關間接費用。開發產品產生之內部成本乃確認為無形資產。該資產其後之計量方法，與外購之無形資產相同。

所有其他開發成本於產生時支銷。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.12 Financial assets

The Group's accounting policies for financial assets other than investments in subsidiaries, associates and a joint venture are set out below.

Financial assets are classified into the following categories:

- financial assets at fair value through profit or loss
- loans and receivables
- held-to-maturity investments
- available-for-sale financial assets

Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Derecognition of financial assets occurs when the rights to receive cash flows from the financial assets expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

At each reporting date, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

### 2. 主要會計政策概要(續)

#### 2.12 金融資產

本集團金融資產(除附屬公司、聯營公司及一間合營企業中之投資外)之會計政策呈列如下。

金融資產分為以下類別：

- 按公允價值於損益賬處理之金融資產
- 貸款及應收款項
- 持至到期投資
- 可供出售之金融資產

管理層於初步確認時根據收購金融資產之目的釐定其金融資產之分類，及(倘允許及適用)於各報告日期重新評估該分類。

所有金融資產僅於本集團成為工具合約條文之訂約方後，方可確認。日常購置之金融資產於交易日確認。金融資產最初確認時，乃按公允價值計量，倘投資並非按公允價值於損益賬中計算，則加直接應佔交易成本計量。

倘從金融資產收取現金流量之權利屆滿或轉讓及擁有權之絕大部分風險及回報已轉讓時，則會終止確認金融資產。

於各報告日期會審閱金融資產，以評估是否有客觀證據表明金融資產減值。倘出現任何該等證據，則根據金融資產之分類釐定及確認減值虧損。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Financial assets (Continued)

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss.

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term, or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-making. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments or financial guarantee contracts.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial assets may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; or

## 2. 主要會計政策概要(續)

### 2.12 金融資產(續)

(i) *按公允價值於損益賬處理之金融資產*

按公允價值於損益賬處理之金融資產包括持作買賣之金融資產及於最初確認時指定為按公允價值於損益賬處理之金融資產。

倘收購金融資產之目的為於短期內出售，或為已識別整體管理之金融工具組合一部分，且有證據顯示近期有賺取短期利潤模式，則分類為持作買賣。除非衍生工具(包括個別嵌入式衍生工具)指定作為有效對沖工具或財務擔保合約，否則亦列為持作買賣。

倘合約含有一項或以上嵌入式衍生工具，則整份合約可指定為按公允價值於損益賬處理之金融資產，惟倘嵌入式衍生工具不會令現金流量有重大變動或明確禁止單獨處理嵌入式衍生工具則除外。

符合以下條件之金融資產可在最初確認時指定為按公允價值於損益賬處理：

- 分類將消除或顯著減少因按不同基準計量資產或確認盈虧而造成之處理方法不一致情況；或

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.12 Financial assets (Continued)

- (i) *Financial assets at fair value through profit or loss (Continued)*
- the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy and information about the group of financial assets is provided internally on that basis to the key management personnel; or
  - the financial asset contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognised in profit or loss. Fair value is determined by reference to active market transactions or using a valuation technique where no active market exists. Fair value gain or loss does not include any dividend or interest earned on these financial assets. Dividend and interest income is recognised in accordance with the Group's policies in note 2.20 to these financial statements.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost. Gains and losses are recognised in the profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

### 2. 主要會計政策概要(續)

#### 2.12 金融資產(續)

- (i) *按公允價值於損益賬處理之金融資產(續)*
- 根據明文訂立之風險管理策略，該等資產為一類受管理而其表現乃按公允價值評估之金融資產其中部分，而有關該類別金融資產之資料均按該基準提供予內部主要管理人員；或
  - 有關金融資產包含需要獨立入賬之嵌入式衍生工具。

於初步確認後，計入此類別之金融資產乃按公允價值計量，並於損益賬確認公允價值之變動。公允價值乃參考活躍市場交易或(倘無活躍市場)採用估值方法予以釐定。公允價值盈虧並不包括此等金融資產已賺取之股息或利息。該等股息及利息收入根據財務報表附註2.20所載本集團政策予以確認。

(ii) *貸款及應收款項*

貸款及應收款項乃指並非於活躍市場報價而具備固定或可釐定付款之非衍生金融資產。貸款及應收款項其後採用實際利率法按攤銷成本減任何減值虧損計算。攤銷成本經計及任何收購折讓或溢價後計算，並包括屬於實際利率及交易成本組成部分之各項費用。有關盈虧當貸款及應收款項被終止確認或減值時於損益賬確認，也透過攤銷確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Financial assets (Continued)

#### (iii) Available-for-sale financial assets

Non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets are classified as available-for-sale financial assets.

All financial assets within this category are subsequently measured at fair value. Gain or loss arising from a change in the fair value excluding any dividend and interest income is recognised in other comprehensive income and accumulated separately in the available-for-sale financial assets revaluation reserve in equity, except for impairment losses (see the policy below) and foreign exchange gains and losses on monetary assets, until the financial asset is derecognised, at which time the cumulative gain or loss is reclassified from equity to profit or loss. Interest calculated using the effective interest method is recognised in profit or loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses.

#### (iv) Held-to-maturity investments

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment losses.

## 2. 主要會計政策概要(續)

### 2.12 金融資產(續)

#### (iii) 可供出售之金融資產

不合資格列入任何其他類別金融資產之非衍生金融資產分類為可供出售之金融資產。

該類別所有金融資產其後按公允價值計量。公允價值變動(不包括任何股息及利息收入)產生之盈虧於其他全面收益確認,並於權益內可供出售金融資產重估儲備內分開累計,惟減值虧損(見下述政策)以及貨幣資產之匯兌收益及虧損除外,有關累計收益或虧損於金融資產終止確認時由權益重新分類至損益賬。以實際利率法計算之利息於損益賬確認。

在活躍市場上並無報價且公允價值無法可靠計量之可供出售股本投資,與該等非上市股本工具有關並須以交付該等工具結算之衍生工具,則須按成本減任何已識別減值虧損計量。

#### (iv) 持至到期投資

該等資產為具備固定或可釐定付款而本集團管理層有意及有能力持有至到期之非衍生金融資產。初步確認後,持至到期投資採用實際利率法按攤銷成本減任何可識別減值虧損計算。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Financial assets (Continued)

#### *Impairment of financial assets*

At each reporting date, financial assets other than at fair value through profit or loss are reviewed to determine whether there is any objective evidence of impairment.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group, national or local economic conditions that correlate with defaults on the assets in the group, and the failure to renegotiate the repayment terms of loan and receivables that would otherwise be past due or impaired.

## 2. 主要會計政策概要(續)

### 2.12 金融資產(續)

#### *金融資產之減值*

於各報告日期，本集團審閱並非按公允價值於損益賬處理之金融資產，以釐定是否有任何客觀減值證據。

個別金融資產減值之客觀證據包括本集團得悉下列一項或多項虧損事件之明顯數據：

- 債務人出現重大財政困難；
- 違反合約，例如拖欠或欠付利息或本金付款；
- 債務人可能會進行破產程序或其他財務重組；
- 科技、市場、經濟或法律環境出現對債務人有負面影響之重大變動；及
- 股本工具投資之公允價值大幅或長期下跌至低於其成本。

有關一組金融資產之虧損事件包括顯示該組金融資產之估計未來現金流量大幅減少之明顯數據。有關明顯數據包括但不限於該組債務人之付款狀況、與該組欠款資產相關之國家或地區經濟狀況之不利變動，以及未能重新磋商已逾期或減值之貸款及應收款項之還款期。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 Financial assets (Continued)

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

If any such evidence exists, the impairment loss is measured and recognised as follows:

(i) Financial assets at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

(ii) Available-for-sale financial assets

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, an amount is removed from equity and recognised in the profit or loss as impairment loss. That amount is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in the profit or loss.

## 2. 主要會計政策概要(續)

### 2.12 金融資產(續)

#### *金融資產之減值(續)*

若存在任何該等證據，則按以下方式計量及確認減值虧損：

(i) 按攤銷成本計量之金融資產

倘有客觀證據顯示按攤銷成本列賬之貸款及應收款項出現減值虧損，則虧損金額按資產之賬面值與按金融資產之原實際利率(即最初確認時計算之實際利率)貼現之估計未來現金流量(不包括未產生之未來信貸虧損)現值兩者之差額計量。虧損金額於減值出現期間在損益賬確認。

倘若其後減值虧損金額減少，而有關減幅可客觀地與確認減值後發生之事件聯繫，則撥回過往確認之減值虧損，惟不得導致金融資產於撥回減值當日之賬面值超過如無確認減值之原有攤銷成本。撥回金額於撥回發生期間在損益賬中確認。

(ii) 可供出售之金融資產

當可供出售金融資產之公允價值減幅已直接於權益確認，且有客觀證據顯示資產已減值，有關數額將自權益剔除並於損益賬確認為減值虧損。該數額乃按資產收購成本(扣除任何本金還款及攤銷)與當時之公允價值兩者之差額，減去之前就該資產在損益賬確認之任何減值虧損計量。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.12 Financial assets (Continued)

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

##### (ii) Available-for-sale financial assets (Continued)

Reversals in respect of investment in equity instruments classified as available-for-sale are not recognised in the profit or loss. The subsequent increase in fair value is recognised directly in other comprehensive income. Impairment losses in respect of debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversal of impairment losses in such circumstances are recognised in the profit or loss.

Financial assets other than financial assets at fair value through profit or loss, loans and receivables and held-to-maturity investments that are stated at amortised cost, impairment losses are written off against the corresponding assets directly. Where the recovery of loans and receivables is considered doubtful but not remote, the impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of loans and receivables is remote, the amount considered irrecoverable is written off against loans and receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

### 2. 主要會計政策概要(續)

#### 2.12 金融資產(續)

##### *金融資產之減值(續)*

##### (ii) 可供出售之金融資產(續)

就歸類為可供出售之股本工具投資之撥回並不在損益賬中確認。日後之公允價值增加直接在其他全面收益中確認。若日後之公允價值增加能夠與減值虧損確認後發生之事件客觀相關，則債務證券之減值虧損將予撥回。在該等情況下，減值虧損之撥回於損益賬中確認。

就金融資產(按公允價值於損益賬處理之金融資產與按攤銷成本列賬之貸款及應收款項以及持至到期投資除外)而言，減值虧損乃直接與相應資產撇銷。倘貸款及應收款項被認為屬呆賬但並非不能收回，則屬呆賬之應收款項減值虧損會使用撥備賬列賬。當本集團信納不大可能收回貸款及應收款項時，則被認為屬不可收回之金額乃直接自貸款及應收款項撇銷，而於撥備賬內就有關應收款項持有之任何金額會予以撥回。其後收回過往計入撥備賬之金額自撥備賬撥回。撥備賬之其他變動及其後收回過往直接撇銷之金額乃於損益賬確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.13 Inventories

Inventories are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses.

(i) *Properties under development*

The cost of properties under development for sale comprises the acquisition cost of land, materials, labour and other direct expenses and an appropriate proportion of overheads, and capitalised finance cost (see note 2.26).

(ii) *Completed properties held for sale*

Cost is determined by apportionment of the total land and development costs for that development project attributable to the unsold properties.

(iii) *Confectionery and merchandise goods*

Cost comprises the cost of purchased goods calculated using FIFO method.

(iv) *Movie projectors servers and spare parts*

Cost comprises the manufacturing cost of product and the cost of purchased raw materials calculated using FIFO method.

(v) *Botanic-based personal care and fragrance products*

Cost comprises the manufacturing cost of product and the cost of purchased raw materials calculated using FIFO method.

### 2.14 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, demand deposits with banks or other financial institutions, and short-terms highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of cash flow statement presentation, cash and cash equivalents include bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

## 2. 主要會計政策概要(續)

### 2.13 存貨

存貨按成本及可變現淨值中之較低者入賬。可變現淨值乃以日常業務之估計售價減估計完工成本及適用銷售開支所得數額。

(i) *發展中物業*

發展中待售物業之成本包括土地之收購成本、物料、勞工及其他直接費用，以及適當比例之間接費用及已資本化之融資成本(見附註2.26)。

(ii) *已落成待售物業*

成本乃按未出售物業應佔該發展項目之土地及發展成本總額之比例釐定。

(iii) *糖果及商品*

成本(包括購入貨物成本)以先進先出法計算。

(iv) *電影投影機伺服器及部件*

成本(包括製造產品成本及購入原材料成本)以先進先出法計算。

(v) *草本個人護理及香水產品*

成本(包括製造產品成本及購入原材料成本)以先進先出法計算。

### 2.14 現金及等同現金項目

現金及等同現金項目包括銀行現金及庫存現金、銀行或其他金融機構之活期存款，以及原到期日為三個月或以下可隨時轉換為已知數額現金且價值變動風險較少之短期高度流動性投資。就現金流量報表呈報而言，現金及等同現金項目包括按要求償還及屬本集團現金管理主要部分之銀行透支。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.15 Financial liabilities

The Group's financial liabilities include bank and other borrowings, trade and other payables, convertible and exchangeable bonds and finance lease liabilities. They are included in line items in the statement of financial position as bank and other borrowings, finance lease liabilities, trade payables, other payables and accruals, amount due to a director, amount due to a shareholder, amounts due to associates, amounts due to subsidiaries, amounts due to related parties, convertible and exchangeable bonds and financial liabilities at fair value through profit or loss.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All related finance costs are recognised in accordance with the Group's accounting policy for finance costs (see note 2.26).

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

#### *Borrowings*

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

## 2. 主要會計政策概要(續)

### 2.15 金融負債

本集團之金融負債包括銀行及其他借貸、應付貿易款項及其他應付款項、可換股及可交換債券以及融資租賃負債。此等項目在財務狀況報表內分別列入銀行及其他借貸、融資租賃負債、應付貿易款項、其他應付款項及應計費用、欠一名董事款項、欠一名股東款項、欠聯營公司款項、欠附屬公司款項、欠關連公司款項、可換股及可交換債券以及按公允價值於損益賬處理之金融負債。

金融負債於本集團成為工具之合約條文訂約方時確認。所有相關融資成本根據本集團有關融資成本之會計政策確認(見附註2.26)。

金融負債乃於有關負債承擔被解除或註銷或屆滿時終止確認。

倘一項現有金融負債被相同借貸人按基本上不同之條款提供之其他債項取代，或現有負債條款被重大修改，該取代或修改會被視作終止確認原有負債及確認一項新負債來處理，且各賬面值間之差額會在損益賬確認。

#### *借貸*

借貸初步按公允價值扣除交易成本確認。其後借貸按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期內使用實際利率法於損益賬內確認。

除非本集團擁有無條件權利延遲至報告日期後至少12個月償付負債，否則借貸分類為流動負債。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.15 Financial liabilities (Continued)

#### *Trade and other payables*

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

#### *Convertible and exchangeable bonds*

Convertible bonds with conversion options which are not settled by exchanging a fixed amount of cash for a fixed number of the Company's shares comprise a derivative component and a liability component.

At initial recognition, the derivative component of the convertible bonds is measured at fair value. Any excess of the proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs relating to the issue of the convertible bonds are allocated to the liability and derivative components in proportion to the allocation of proceeds. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability component. The portion relating to the derivative component is recognised immediately in profit or loss.

The derivative component is subsequently remeasured at fair value, with changes in fair value recognised immediately in profit or loss. The liability component is subsequently measured at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method.

#### *Finance lease liabilities*

Finance lease liabilities are measured at initial value less the capital element of lease repayments (see note 2.17).

## 2. 主要會計政策概要(續)

### 2.15 金融負債(續)

#### *應付貿易款項及其他應付款項*

應付貿易款項及其他應付款項初步按公允價值確認，其後使用實際利率法按攤銷成本計量。

#### *可換股及可交換債券*

附帶兌換權(並非透過以定額現金交換本公司一定數量之股份結算)之可換股債券包括衍生部分及負債部分。

於初步確認時，可換股債券衍生部分按公允價值計量。所得款項超出初步確認為衍生部分之金額之部分確認為負債部分。與發行可換股債券有關之交易成本按所得款項分配比例分配至負債部分及衍生部分。與負債部分相關之部分交易成本初步確認為負債部分其中一部分。與衍生部分相關之部分於損益中即時確認。

衍生部分其後按公允價值重新計量，公允價值變動於損益中即時確認。負債部分其後按攤銷成本計量。就負債部分於損益確認之利息開支按實際利率法計算。

#### *融資租賃負債*

融資租賃負債乃按初始價值減租賃還款之本金部分計量(見附註2.17)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.16 Financial guarantees issued

A financial guarantee contract is a contract that requires the issuer (or guarantor) to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred revenue is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised if and when it becomes probable that the holder of the guarantee will call upon the Group under the guarantee and the amount of that claim on the Group is expected to exceed the current carrying amount i.e. the amount initially recognised less accumulated amortisation, where appropriate.

### 2. 主要會計政策概要(續)

#### 2.16 已發出之財務擔保

財務擔保合約指持有人要求發行人(或擔保人)支付指定金額,以賠償持有人因指定債務人未能按債務工具條款如期還款所造成損失之合約。

當本集團發出財務擔保時,財務擔保之公允價值初步於其他應付款項中確認為遞延收入。如發出擔保時已收或應收代價,代價乃根據本集團有關資產類別適用之政策確認。若並無已收或應收代價,於初步確認遞延收益時會即時在損益中確認開支。

初步確認為遞延收入之擔保金額於擔保期在損益中攤銷,作為來自己發出財務擔保之收入。此外,如擔保持有人有可能根據擔保要求本集團還款,及向本集團索償之金額預期超逾現行賬面值(即初步確認之金額減累計攤銷(如適用)),則確認撥備。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.17 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) *Classification of assets leased to the Group*

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

(ii) *Assets acquired under finance leases*

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments of such assets, are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligation under finance leases.

Subsequent accounting for assets held under finance lease agreements corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance charges.

## 2. 主要會計政策概要(續)

### 2.17 租賃

倘本集團釐定一項安排(不論由一宗交易或一系列交易組成)附有權利可於協定期間內使用一項特定資產或多項資產以換取一項或多項付款,則該安排屬於或包含一項租賃。該釐定乃根據對該安排之內容評估而作出,而不論該安排是否為法定租賃形式。

(i) *租予本集團資產之分類*

倘本集團根據租賃持有資產,而其中擁有權絕大部分風險及利益均轉移至本集團,乃分類為根據融資租賃持有之資產。不會向本集團轉移擁有權絕大部分風險及利益之租賃乃分類為經營租賃。

(ii) *根據融資租賃購買之資產*

倘若本集團根據融資租賃購入資產使用權,乃按租賃資產之公允價值或該等資產之最低應付租賃款之現值兩者之較低者計入物業、廠房及設備內,而相應之負債在扣除融資費用後,則列作融資租賃之債務。

根據融資租賃協議所持資產之其後會計處理,與可資比較之收購資產所應用者一致。相應之融資租賃負債將按租金付款減融資費用減少。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.17 Leases (Continued)

(ii) *Assets acquired under finance leases (Continued)*

Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(iii) *Operating lease charges as the lessee*

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to the income statement on a straight-line basis over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

(iv) *Assets leased out under operating leases as the lessor*

Assets leased out under operating leases are measured and presented according to the nature of the assets. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the rental income.

### 2. 主要會計政策概要(續)

#### 2.17 租賃(續)

(ii) *根據融資租賃購買之資產(續)*

租金付款內含之融資費用於租賃期自損益賬扣除，使各會計期間之融資費用佔責任餘額之比率大致相同。

(iii) *作為承租人之經營租賃費用*

倘本集團以經營租賃持有資產使用權，則租賃費用將於租賃期間按直線法從收益表中扣除，惟倘有另一種更能反映租賃資產衍生之利益模式之基準除外。已收取之租金優惠乃於損益賬內確認為應付累計租賃款項淨額之組成部分。或然租金於產生之會計期間計入損益賬。

(iv) *作為出租人根據經營租賃租出之資產*

根據經營租賃租出之資產按資產性質計量及呈列。磋商及安排經營租賃產生之初期直接成本計入所出租資產之賬面值，並於租期內按租金收入之相同基準確認為開支。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.17 Leases (Continued)

- (iv) *Assets leased out under operating leases as the lessor (Continued)*

Rental income receivable from operating leases is recognised in profit or loss on a straight-line basis over the periods covered by the lease term, except where an alternative basis is more representative of the time pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

- (v) *Assets leased out under finance leases as the lessor*

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

### 2.18 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

## 2. 主要會計政策概要(續)

### 2.17 租賃(續)

- (iv) *作為出租人根據經營租賃租出之資產(續)*

根據經營租賃應收租金收入於租期所涉及期間按直線法於損益賬中確認，惟倘有另一基準能更清晰顯示自使用出租資產取得之利益時間模式則作別論。授出之租賃優惠於損益賬確認為應收租金淨額總和之一部分。

- (v) *作為出租人根據融資租賃租出之資產*

根據融資租賃應收承租人款項乃按本集團於有關租賃之投資淨額入賬為應收款項。融資租賃收入乃於會計期間攤分，以便反映本集團就租賃而未償付投資淨額所產生之定期固定回報率。

### 2.18 撥備及或然負債

倘本集團因過往事件而須承擔現有法定或推定責任，而履行該責任時有可能須耗用經濟利益，且涉及該責任之金額可作可靠估計，則確認有關撥備。若貨幣之時間價值屬重大，則撥備按履行該責任預計所需開支之現值列賬。

所有撥備於各報告日期檢討並調整以反映現時之最佳估計。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.18 Provisions and contingent liabilities (Continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent liabilities are recognised in the course of the allocation of purchase price to the assets and liabilities acquired in a business combination. They are initially measured at fair value at the date of acquisition, unless the fair value cannot be measured reliably, and subsequently measured at the higher of the amount that would be recognised in a comparable provision as described above and the amount initially recognised less any accumulated amortisation, if appropriate.

#### 2.19 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

### 2. 主要會計政策概要(續)

#### 2.18撥備及或然負債(續)

倘經濟利益流出之可能性較低，或無法對有關數額作出可靠估計，便會作為或然負債披露，惟經濟利益流出之可能性極低則除外。倘本集團之責任須視乎某宗或多宗本集團並不能完全控制之未來不確定事件是否發生才能確定是否存在，亦會披露為或然負債，惟經濟利益流出之可能性極低則除外。

或然負債乃於將購買價分配至在業務合併中所購入資產及負債之過程中確認。除非公允價值未能可靠計量，否則或然負債應於收購日期按公允價值初步予以計量，並在其後按上述類似條文中將予確認之金額與最初確認之金額減任何累計攤銷(如適用)兩者之較高者計量。

#### 2.19股本

普通股乃分類為權益。股本採用已發行股份之面值釐定。任何與發行股份相關之交易成本，於屬股本交易之直接應佔遞增成本情況下，自股份溢價(減任何相關所得稅利益)中扣除。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods, rendering of services and the use by others of the Group's assets yielding interest and dividends, net of rebates and discounts. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

Revenue arising from the sale of properties held for sale is recognised when the risks and rewards of the properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers pursuant to the sales agreement and collectability of related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the statement of financial position under receipt in advance and deferred revenue.

Sales of goods are recognised upon transfer of the significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods.

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. When services are performed by an indeterminate number of acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period of time unless there is evidence that some other method better represents the stage of completion.

## 2. 主要會計政策概要(續)

### 2.20 收益確認

收益包括銷售貨品已收取或應收取代價、提供服務及其他人士使用本集團資產產生之利息及股息，並扣除回佣及折扣之公允價值。收益在經濟利益有可能流向本集團，而有關收益及成本(如適用)能可靠計量時，按以下基準確認：

來自持作出售之物業銷售收益於物業之風險及回報轉嫁予買方時，即當有關物業建設工程已完成而物業已根據出售協議送交買方，而相關應收款項已獲合理保證可予收回之時，予以確認。就已出售物業於收益確認日期前收取之訂金及供款於財務狀況報表內列作預收款項及遞延收益。

銷售貨品收益在擁有權之重大風險及回報轉移至客戶時確認，通常於貨品交付及客戶收取貨物時進行。

服務銷售額於提供服務之會計期間，參考特定交易根據實際提供之服務佔所提供總服務之比例評估之完成階段確認。倘服務乃於一段指定時期內透過不確定數量行動進行，除非有證據顯示有其他更佳方法表示完成階段，否則收益按直線基準於該等指定時期確認。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.20 Revenue recognition (Continued)

Ticket income from the sale of tickets owned and controlled by the Group is recognised as income when the ticket is issued.

Sales of confectionery, merchandise and souvenir are recognised when goods are delivered.

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend is recognised when the right to receive payment is established.

### 2.21 Receipt in advance and deferred revenue

Receipt in advance and deferred revenue consists primarily of deposits and instalments received on properties sold prior to the date of revenue recognition, deferred revenue from prepaid service fees received from customers and fair value of bonus liabilities granted to customers in accordance with the announced bonus point scheme and the Group's past experience on the level of redemption of points. Revenue from deposits and instalments received on properties sold is recognised when the properties have been delivered to the purchasers pursuant to the sales agreement and collectability of related receivables is reasonably assured. Revenue from prepaid service fees and bonus liabilities are recognised when the relevant services are rendered.

### 2.22 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants are deferred and recognised in profit or loss over the period necessary to match them with the costs that the grants are intended to compensate. Government grants relating to the purchase of assets are included in liabilities as deferred government grants in the statement of financial position and are recognised in profit or loss on a straight-line basis over the expected lives of the related assets.

Government grants relating to income is presented in gross under "Other operating income" in profit or loss.

## 2. 主要會計政策概要(續)

### 2.20 收益確認(續)

銷售本集團擁有及控制之售票所得售票收入，於發售票時確認為收益。

糖果、商品及紀念品之銷售額於貨品交付時確認。

利息收入乃採用實際利率法按時間比例基準確認。

股息於收款權利確立時確認。

### 2.21 預收款項及遞延收益

預收款項及遞延收益主要包括確認收益日期前出售物業所收取按金及分期付款，向客戶收取之預付服務費用之遞延收益及按照已公佈之獎賞積分計劃以及本集團根據過往之積分兌換水平而釐定授予客戶之獎賞責任之公允價值。來自出售物業所收取按金及分期付款之收益於物業根據銷售協議交付予買方及有合理保證可收回相關應收款項時進行確認。預付服務費用之收入及獎賞責任在提供相關服務時確認。

### 2.22 政府撥款

當合理確保將收取撥款且本集團將遵守全部附帶條件，來自政府之撥款按其公允價值確認。政府撥款會遞延處理且於需要與彼等擬補償之成本作出配對期間於損益確認。關於購買資產之政府撥款於財務狀況報表內計入負債，列為遞延政府撥款，並以直線法於有關資產之估計年期於損益確認。

關於收入之政府撥款之總額於損益賬呈列為「其他經營收入」。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.23 Impairment of non-financial assets

Goodwill arising on an acquisition of subsidiary, other intangible assets, property, plant and equipment, prepaid land lease payments under operating leases, non-current portion of deposits and, interests in subsidiaries, associates and a joint venture are subject to impairment testing.

Goodwill and other intangible assets with indefinite useful life or those not yet available for use are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a CGU). As a result, some assets are tested individually for impairment and some are tested at CGU level. Goodwill in particular is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which the goodwill is monitored for internal management purpose.

Impairment losses recognised for CGUs, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the CGU, except that the carrying value of an asset will not be reduced below its individual fair value less cost to sell, or value in use, if determinable.

## 2. 主要會計政策概要(續)

### 2.23 非金融資產減值

收購附屬公司產生之商譽、其他無形資產、物業、廠房及設備、經營租賃下之預付土地租賃費、按金之非流動部分以及於附屬公司、聯營公司及一間合營企業之權益須進行減值測試。

不論是否有任何減值跡象，商譽及無限使用年期或該等尚未可供使用之其他無形資產均須最少每年進行一次減值測試。所有其他資產於有任何跡象顯示資產賬面值可能無法收回時進行減值檢測。

當資產之賬面值高於其可收回金額時，高出金額作為減值虧損被立即確認為開支。可收回金額為公允價值(反映市場情況)減去銷售成本與使用價值之較高者。評估使用價值時，以除稅前貼現率計算預計未來現金流量之現值，而該貼現率反映當時市場對貨幣時值之評估及該項資產之特有風險。

就評估減值而言，若一項資產所產生之現金流入不能獨立於其他資產所產生現金流入，可收回金額則以能獨立產生現金流入之最細資產類別(即現金產生單位)釐定。因此，部分資產個別進行減值測試，部分則在現金產生單位層次進行測試。特別是商譽，會被分配至預期可從相關業務合併之協同效應中獲益，及代表集團內為內部管理目的而監控商譽之最低單位之現金產生單位。

就已分配商譽之現金產生單位確認之減值虧損初步計入商譽之賬面值。除資產賬面值將不會調減至低於其個別公允價值減銷售成本或使用價值(如可釐定)外，任何剩餘減值虧損按比例自該現金產生單位之其他資產扣除。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.23 Impairment of non-financial assets (Continued)

An impairment loss on goodwill is not reversed in subsequent periods. In respect of other assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### 2.24 Non-current assets held for sale and disposal groups

Non-current assets and disposal groups are classified as held for sale when:

- they are available for immediate sale;
- management is committed a plan to sell;
- it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn;
- an active programme to locate a buyer has been initiated;
- the asset or disposal group is being marketed at a reasonable price in relation to its fair value; and
- a sale is expected to complete within 12 months from the date of clarification.

### 2. 主要會計政策概要(續)

#### 2.23 非金融資產減值(續)

商譽之減值虧損不可於往後期間撥回。就其他資產而言，倘用以釐定資產可收回金額之估計出現有利變動，減值虧損予以撥回，惟資產之賬面值不得超過倘並無確認減值虧損原應釐定之賬面值(經扣除折舊或攤銷)。

#### 2.24 持作出售之非流動資產及出售組別

如果出現以下情況，非流動資產及出售組別則分類為持作出售：

- 其可供立即出售；
- 管理層承諾計劃出售；
- 計劃不大可能有重大改變或撤回；
- 已經開始積極尋找買家之計劃；
- 資產或出售組別按相對其公允價值而言屬合理之價格進行市場推廣；及
- 預期將會於澄清日期起計12個月內完成有關出售。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.24 Non-current assets held for sale and disposal groups (Continued)

Non-current assets and disposal groups classified as held for sale are measured at the lower of:

- their carrying amount immediately prior to being classified as held for sale in accordance with the Group's accounting policy; and
- fair value less costs to sell.

Following their classification as held for sale, non-current assets (including those in a disposal group) are not depreciated.

The results of operations disposed of during the year are included in profit or loss up to the date of disposal.

### 2.25 Employee benefits

#### (i) Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

#### (ii) Retirement benefits

The Group operates several staff retirement schemes for employees in Hong Kong and Mainland China, comprising defined contribution pension schemes and a Mandatory Provident Fund ("MPF") scheme. The assets of these schemes are held separately from those of the Group in independently administered funds. The retirement schemes are generally funded by payments from employees and by the relevant subsidiaries of the Group.

## 2. 主要會計政策概要(續)

### 2.24 持作出售之非流動資產及出售組別(續)

分類為持作出售之非流動資產及出售組別按以下兩者中之較小者計量：

- 其於緊接被分類為持作出售前根據本集團會計政策釐定之賬面值；及
- 公允價值減銷售成本。

於其被分類為持作出售後，非流動資產(包括出售組別內者)不予折舊。

年內出售之業務在損益賬內之業績計至出售日期為止。

### 2.25 僱員福利

#### (i) 短期僱員福利

僱員應享年假乃於應計予僱員時確認，並就截至報告日期止僱員提供服務所享有年假之估計負債提撥準備。

病假及產假等非累計補假僅於休假時方予確認。

#### (ii) 退休福利

本集團為香港及中國內地之僱員提供數項員工退休計劃，包括界定供款退休金計劃及強制性公積金(「強積金」)計劃。該等計劃之資產與本集團之資產分開保管，由獨立管理基金持有。退休計劃之資金一般來自僱員及本集團有關附屬公司之供款。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.25 Employee benefits (Continued)

##### (ii) Retirement benefits (Continued)

The subsidiaries operating in Mainland China are required to participate in the defined contribution retirement scheme for their employees, organised by the relevant local government authorities. They are required to make contributions to the retirement schemes at a rate of 10% to 22% (depending on the locations of the subsidiaries) of basic salaries of their employees and there are no other further obligations to the Group.

Before 1 December 2000, the Group operated a defined contribution retirement scheme (the "ORSO Scheme") in Hong Kong for all qualified employees. The rate of contribution payable by the Group was 5% of the individual employees' monthly basic salaries. The Group's contributions under the ORSO Scheme were reduced by contributions forfeited by those employees who left the scheme prior to vesting fully in the contributions. There are no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The Mandatory Provident Fund Schemes Authority has approved the ORSO Scheme as a Mandatory Provident Fund Exempted Occupational Retirement Scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPF Schemes Ordinance"). With effect from 1 December 2000, the MPF Scheme was also set up under the MPF Schemes Ordinance for existing staff who opt for this scheme and eligible staff recruited on or after that date. When the underlying staff elects the MPF Scheme, pension scheme benefits attributed to the staff under the ORSO Scheme remain unchanged in the MPF Scheme. Under the MPF Scheme, eligible employees are required to contribute 5% of their monthly basic salaries whereas the Group's monthly contribution will be 5% of the relevant employee's basic salaries with a maximum monthly contribution of HK\$1,500 (2015: HK\$1,500). There are no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

### 2. 主要會計政策概要(續)

#### 2.25 僱員福利(續)

##### (ii) 退休福利(續)

於中國內地經營之附屬公司須為彼等之僱員參與由有關地方政府機關統籌之界定供款退休計劃，並須按其僱員之基本薪金之10%至22%（取決於附屬公司所在地）向退休計劃作出供款，而本集團並無其他進一步責任。

於2000年12月1日前，本集團為其所有合資格僱員於香港設立一個界定供款退休金計劃（「職業退休計劃」）。本集團應付供款之比率為每名個別僱員每月基本薪金之5%。本集團根據職業退休計劃作出之供款，可以因僱員於可享有供款所得全部權益前退出該計劃而沒收之供款扣減。於支付定額供款後，本集團並無任何須支付進一步供款之法定或推定責任。

強制性公積金計劃管理局根據強制性公積金計劃條例（「強積金條例」）批准職業退休計劃為強積金獲豁免職業退休計劃。由2000年12月1日起，本集團亦根據強積金條例設立強積金計劃。強積金計劃乃為選擇參與該計劃之現有員工及於該日或之後聘用之合資格員工而設。當相關員工選用強積金計劃，根據職業退休計劃屬於員工之職業退休計劃利益於強積金計劃中維持不變。根據強積金計劃，合資格僱員須按其每月基本薪金5%供款，而本集團之每月供款將為有關僱員基本薪金之5%，每月供款上限為1,500港元（2015年：1,500港元）。於支付固定供款後，本集團並無任何須支付進一步供款之法定或推定責任。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.25 Employee benefits (Continued)

#### (ii) Retirement benefits (Continued)

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short term nature.

#### (iii) Share-based employee compensation

All share-based payment arrangements granted after 7 November 2002 and had not vested on 1 January 2005 are recognised in the financial statements. The Group operates equity-settled share-based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is recognised as an expense in profit or loss over the vesting period if vesting conditions apply, or recognised as an expense in full at the grant date when the equity instruments granted vest immediately unless the compensation qualifies for recognition as asset, with a corresponding increase in share option reserve in equity. If vesting conditions apply, the expense is recognised over the vesting period, based on the best available estimate of the number of equity instruments expected to vest. Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of equity instruments expected to vest differs from previous estimates.

## 2. 主要會計政策概要(續)

### 2.25 僱員福利(續)

#### (ii) 退休福利(續)

界定供款退休金計劃之供款於僱員提供服務時在損益賬確認為開支。負債及資產可能於繳付不足或預繳時確認，並因其通常屬短期性質而計入流動負債或流動資產。

#### (iii) 以股份支付之僱員報酬

所有於2002年11月7日之後授出且於2005年1月1日尚未歸屬之以股份支付之安排，均在財務報表中確認。本集團設立以權益結算、以股份支付之補償計劃為其僱員提供薪酬。

所有僱員提供之服務用以換取任何以股份支付之報酬乃按公允價值計量，並間接經參考已授出之購股權釐定。該等服務之價值於授出日評定，且計及任何非市場歸屬條件(例如，盈利能力及銷售增長目標)之影響。

除有關賠償符合資格確認為資產外，所有以股份支付之賠償於歸屬期在損益賬確認為開支(若歸屬條件適用)，或於授出之股本工具即時歸屬時在授出日期悉數確認為開支，並在權益(購股權儲備)作相應增加。倘應用歸屬條件，則開支會於歸屬期內按照預期歸屬之股本工具數目之最佳可得估計確認。於假設預期將予以行使之權益工具時會計入非市場歸屬條件。倘有任何跡象顯示預期歸屬之股本工具數目與過往之估計不同，則會於其後修訂估計。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.25 Employee benefits (Continued)

#### (iii) Share-based employee compensation (Continued)

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to capital reserve. After vesting date, when the vested share options are later forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

### 2.26 Finance costs

Finance costs incurred for the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Other finance costs are expensed as incurred.

Finance costs are capitalised as part of the cost of a qualifying asset when expenditure for the asset is being incurred, finance costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are being undertaken. Capitalisation of finance costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are completed.

### 2.27 Accounting for income taxes

Income tax for the year comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of income tax expense in profit or loss.

## 2. 主要會計政策概要(續)

### 2.25 僱員福利(續)

#### (iii) 以股份支付之僱員報酬(續)

購股權獲行使時，之前已於購股權儲備中確認之金額將轉至資本儲備。於歸屬日期後，倘已歸屬購股權被沒收或於屆滿日未獲行使，之前已於購股權儲備中確認之金額將轉至保留溢利。

### 2.26 融資成本

因收購、興建或生產任何合資格資產而產生之融資成本，在完成及籌備資產作其擬定用途所需之期間內資本化。合資格資產乃指需要一段頗長時期始能作擬定用途或出售之資產。其他融資成本於產生時支銷。

當產生資產開支、融資成本一同產生及為籌備資產作擬定用途或出售而必須進行之活動進行時，有關融資成本便會資本化，作為合資格資產之部分成本。當完成為合資格資產之擬定用途或出售作準備之所需活動時，融資成本會停止資本化。

### 2.27 所得稅之會計處理方法

年內所得稅包括即期及遞延稅項。

即期所得稅資產及／或負債包括現行或過往呈報期間與財務機關有關而於報告日期尚未支付之應付責任或應收申索。該等金額乃根據年內應課稅溢利按相關財政期間適用之稅率及稅法計算。即期稅項資產或負債之所有變動於損益賬確認為所得稅開支一部分。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.27 Accounting for income taxes (Continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly to equity.

### 2. 主要會計政策概要(續)

#### 2.27 所得稅之會計處理方法(續)

本集團乃就資產及負債在財務申報上之賬面值與稅務上之相應金額兩者間之暫時差額確認遞延稅項。除商譽及不足以影響會計溢利或應課稅溢利之已確認資產及負債外，遞延稅項負債會就所有應課稅暫時差額確認。遞延稅項資產乃在可能有應課稅溢利可用於抵銷可扣稅暫時差額之情況下確認。

倘因商譽或因初步確認(並非業務合併)某項不影響應課稅或會計溢利或虧損之交易之資產及負債而產生暫時差額，則遞延稅項資產及負債不予確認。

就投資於附屬公司及聯營公司產生之應課稅暫時差額確認為遞延稅項負債，惟倘若本集團能夠控制該暫時差額之撥回，以及有關暫時差額不大可能於可見未來撥回則另作別論。

遞延稅項乃按預期於負債清償或資產變賣期間適用之稅率計算(不作貼現)，惟有關稅率必須為於報告日期已頒行或實質上已頒行之稅率。

遞延稅項資產或負債之變動於損益賬確認，或倘與於其他全面收益扣除或計入其他全面收益或直接自權益扣除或計入權益之項目有關，則於其他全面收益或權益確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.28 Segment reporting

The Group identifies operating segments and prepare segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major product and service lines.

The Group has identified the following reportable segments:

- (a) Corporate IT application services
- (b) Property development
- (c) Culture and media services
- (d) New media
- (e) Innovative business

Information about other business activities and operating segments that are not reportable are combined and disclosed in "all other segments". All other segments included trading of securities and property management.

Each of these operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

## 2. 主要會計政策概要(續)

### 2.28 分部呈報

本集團定期向執行董事報告內部財務資料，以供彼等就本集團業務組成部分之資源分配作決定，以及供彼等檢討該等組成部分之表現，而本集團則根據該等資料劃分經營分部及編製分部資料。向執行董事報告之內部財務資料之業務組成部分乃按照本集團之主要產品及服務類別釐定。

本集團已劃分以下可呈報分部：

- (a) 企業IT應用服務
- (b) 房地產開發
- (c) 文化與傳播服務
- (d) 新媒體
- (e) 創意商業

有關其他不作可呈報業務活動及經營分部之資料均合併及披露於「所有其他分部」，所有其他分部包括證券買賣及物業管理。

由於各個產品及服務類別所需資源以及市場推廣方式並不相同，上述各經營分部乃分開管理。所有分部間轉讓乃按公平價格進行。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.28 Segment reporting (Continued)

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs, except that:

- Share of results of certain associates
- Certain bank and other interest income
- Certain finance costs
- Income tax expense
- Corporate income and expenses which are not directly attributable to the business activities or any operating segment

are not included in arriving at the operating results of the operating segment.

Segment assets include all assets but certain pledged and restricted bank deposits, interests in associates, amounts due from associates, available-for-sale financial assets and deferred tax assets. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarter.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment. These include provision for tax, amounts due to a director/shareholder/associates and certain bank and other borrowings.

No asymmetrical allocations have been applied to reportable segments.

## 2. 主要會計政策概要(續)

### 2.28 分部呈報(續)

本集團根據香港財務報告準則第8號就報告分部業績採用之計量政策與根據香港財務報告準則於財務報表所採用者相同，惟：

- 應佔若干聯營公司業績
- 若干銀行及其他利息收入
- 若干融資成本
- 所得稅開支
- 並非直接歸入業務活動或任何經營分部之企業收益及開支

於計算經營分部之經營業績時並不包括在內。

分部資產包括除若干已抵押及受限制銀行存款、於聯營公司之權益、應收聯營公司款項、可供出售之金融資產及遞延稅項資產以外之所有資產。此外，並非直接歸入任何經營分部之業務活動之企業資產(主要適用於本集團總部)並不分配至分部。

分部負債不包括並非直接歸入任何經營分部之業務活動之企業負債，且不會分配至分部。此等包括稅項、欠一名董事／一名股東／聯營公司之款項以及若干銀行及其他借貸。

並無對可呈報分部採用非對稱之分配。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.29 Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified (a)(i).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

### 2. 主要會計政策概要(續)

#### 2.29 關連人士

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本公司母公司之主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
  - (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
  - (iii) 兩間實體均為同一第三方之合營企業。
  - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
  - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。
  - (vi) 實體受(a)(i)所識別人土控制或受共同控制。
  - (vii) 於(a)(i)所識別人土對實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員。
  - (viii) 向本集團或本集團之母公司提供主要管理層成員服務之實體或其所屬集團之任何成員公司。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.29 Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

## 3. ADOPTION OF NEW/AMENDED HKFRSs

### 3.1 Adoption of new/amended HKFRSs — effective 1 January 2016

In the current year, the Group has applied for the first time the following new/amended HKFRSs issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2016:

HKFRSs (Amendments)	Annual Improvements 2012–2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations
HKFRS 14	Regulatory Deferral Accounts

## 2. 主要會計政策概要(續)

### 2.29 關連人士(續)

某一人士之近親指預期可影響該人士與實體進行買賣或於買賣時受該人士影響之有關家族成員，並包括：

- (i) 該名人士之子女及配偶或家庭夥伴；
- (ii) 該名人士之配偶或家庭夥伴之子女；及
- (iii) 該名人士或該名人士之配偶或家庭夥伴之受養人。

## 3. 採納新訂／經修訂香港財務報告準則

### 3.1 採納新訂／經修訂香港財務報告準則 — 自2016年1月1日起生效

於本年度，本集團已首次應用以下由香港會計師公會頒佈與本集團於2016年1月1日開始之年度期間之財務報表有關及生效之新訂／經修訂香港財務報告準則：

香港財務報告準則(修訂本)	2012年–2014年 周期年度改進 披露計劃
香港會計準則第1號之修訂	澄清可接受之折舊及攤銷方法
香港會計準則第16號及香港會計準則第38號之修訂	獨立財務報表之權益法
香港會計準則第27號之修訂	投資實體：應用綜合賬目例外情況
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂	收購聯合經營權益之會計處理
香港財務報告準則第11號之修訂	規管遞延賬目
香港財務報告準則第14號	

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.1 Adoption of new/amended HKFRSs — effective 1 January 2016 (Continued)

##### *Amendments to HKAS 1 — Disclosure Initiative*

The amendments are designed to encourage entities to use judgement in the application of HKAS 1 when considering the layout and content of their financial statements.

Included in the clarifications is that an entity's share of other comprehensive income from equity accounted interests in associates and joint ventures is split between those items that will and will not be reclassified to profit or loss, and presented in aggregate as a single line item within those two groups.

The adoption of the amendments has no impact on these financial statements.

##### *Amendments to HKAS 16 and HKAS 38 — Clarification of Acceptable Methods of Depreciation and Amortisation*

The amendments to HKAS 16 prohibit the use of a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that amortisation based on revenue is not appropriate for intangible assets. This presumption can be rebutted if either the intangible asset is expressed as a measure of revenue or revenue and the consumption of the economic benefits of the intangible asset are highly correlated. The amendments are applied prospectively.

The adoption of the amendments has no impact on these financial statements as the Group has not previously used revenue-based depreciation methods.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.1 採納新訂／經修訂香港財務報告準則 — 自2016年1月1日起生效(續)

##### *香港會計準則第1號之修訂 — 披露計劃*

該等修訂旨在進一步鼓勵實體在考慮其財務報表之佈局及內容時在應用香港會計準則第1號時運用判斷。

實體應佔於聯營公司及合營企業之股本權益之其他全面收益在將及將不會重新分類至損益之項目中分拆，並在該等兩個組別內共同作為單一項目呈列。

採納有關修訂對財務報表並無影響。

##### *香港會計準則第16號及香港會計準則第38號之修訂 — 澄清可接受之折舊及攤銷方法*

香港會計準則第16號之修訂禁止就物業、廠房及設備項目使用以收益為基礎之折舊方法。香港會計準則第38號之修訂引進可推翻推定，即基於收益之攤銷就無形資產而言不適當。倘無形資產被表示為收益之計量或收益與無形資產經濟利益之消耗乃高度相關，則此推定可予以推翻。有關修訂已前瞻應用。

由於本集團過往並無使用以收益為基礎之折舊方法，故採納有關修訂對財務報表並無影響。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.1 Adoption of new/amended HKFRSs — effective 1 January 2016 (Continued)

##### *Amendments to HKAS 27 — Equity Method in Separate Financial Statements*

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements. The amendments are applied retrospectively in accordance with HKAS 8.

The adoption of the amendments has no impact on these financial statements as the Company has not elected to apply the equity method in its separate financial statements.

##### *Amendments to HKFRS 10, HKFRS 12 and HKAS 28 — Investment Entities: Applying the Consolidation Exception*

The amendments clarify that the exemption from preparing consolidated financial statements for an intermediate holding entity is available to a subsidiary of an investment entity (including investment entities that account for their subsidiaries at fair value rather than consolidating them). An investment entity will consolidate a subsidiary only when the subsidiary is not itself an investment entity and the subsidiary's main purpose is to provide services that relate to the investment entity's investment activities. A non-investment entity applying the equity method to an associate or joint venture that is an investment entity may retain the fair value measurements that associate or joint venture used for its subsidiaries. An investment entity that prepares financial statements in which all its subsidiaries are measured at fair value through profit or loss should provide the disclosures related to investment entities as required by HKFRS 12. The amendments are applied prospectively.

The adoption of the amendments has no impact on these financial statements as the Company is neither an intermediate holding entity nor an investment entity.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.1 採納新訂／經修訂香港財務報告準則 — 自2016年1月1日起生效(續)

##### *香港會計準則第27號之修訂 — 獨立財務報表之權益法*

該等修訂允許實體採用權益法於其獨立財務報表內對其於附屬公司、合營企業及聯營公司之投資進行會計處理。有關修訂已根據香港會計準則第8號追溯應用。

由於本公司並無選擇對其獨立財務報表應用權益法，故採納有關修訂對財務報表並無影響。

##### *香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂 — 投資實體：應用綜合賬目例外情況*

有關修訂澄清，豁免編製綜合財務報表乃適用於屬投資實體(包括按公允價值將附屬公司入賬而非將其綜合入賬之投資實體)之附屬公司之中間控股實體。僅於附屬公司本身並非投資實體及其主要目的為提供與投資實體之投資活動有關之服務時，投資實體方會將有關附屬公司綜合入賬。對屬投資實體之聯營公司及合營企業應用權益法之非投資實體可保留聯營公司或合營企業就其附屬公司使用之公允價值。編製綜合財務報表時將所有附屬公司計量按公允價值於損益賬處理之投資實體，應提供香港財務報告準則第12號所規定有關投資實體之披露。有關修訂已前瞻應用。

由於本公司並非中間控股實體或投資實體，故採納有關修訂對財務報表並無影響。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.1 Adoption of new/amended HKFRSs — effective 1 January 2016 (Continued)

##### *Amendments to HKFRS 11 — Accounting for Acquisitions of Interests in Joint Operations*

The amendments require an entity to apply the relevant principles of HKFRS 3 Business Combinations when it acquires an interest in a joint operation that constitutes a business as defined in that standard. The principles of HKFRS 3 are also applied upon the formation of a joint operation if an existing business as defined in that standard is contributed by at least one of the parties. The amendment are applied prospectively.

The adoption of the amendments has no impact on these financial statements as no existing business contributed to the new joint venture formed during the year.

#### 3.2 Impact of new/amended HKFRSs that have been issued but not yet effective

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

Amendments to HKAS 7	Disclosure Initiative <sup>1</sup>
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses <sup>1</sup>
Amendments to HKFRS 2	Classification and Measurement of Share-Based Payment Transactions <sup>2</sup>
HKFRS 9	Financial Instruments <sup>2</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>2</sup>
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15) <sup>2</sup>
HKFRS 16	Leases <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.1 採納新訂／經修訂香港財務報告準則 — 自2016年1月1日起生效(續)

##### *香港財務報告準則第11號之修訂 — 收購聯合經營權益之會計處理*

有關修訂規定，實體在收購構成香港財務報告準則第3號業務合併所界定業務之聯合經營權益時，須應用香港財務報告準則第3號業務合併之相關原則。倘香港財務報告準則第3號界定之現有業務由至少其中一方注入，則成立聯合經營時亦須應用香港財務報告準則第3號之原則。有關修訂已前瞻應用。

由於年內並無向新成立之合營企業注入現有業務，故採納有關修訂對財務報表並無影響。

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響

下列可能與本集團財務報表有關之新訂／經修訂香港財務報告準則經已頒佈，惟尚未生效亦未經本集團提早採納。本集團目前擬於該等修訂生效之日期應用有關修訂。

香港會計準則第7號之修訂	披露計劃 <sup>1</sup>
香港會計準則第12號之修訂	就未變現虧損確認遞延稅項資產 <sup>1</sup>
香港財務報告準則第2號之修訂	分類及計量以股份支付交易 <sup>2</sup>
香港財務報告準則第9號	金融工具 <sup>2</sup>
香港財務報告準則第15號	來自客戶合約收益 <sup>2</sup>
香港財務報告準則第15號之修訂	來自客戶合約收益(香港財務報告準則第15號之澄清) <sup>2</sup>
香港財務報告準則第16號	租賃 <sup>3</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>4</sup>



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs that have been issued but not yet effective (Continued)

- 1 Effective for annual periods beginning on or after 1 January 2017
- 2 Effective for annual periods beginning on or after 1 January 2018
- 3 Effective for annual periods beginning on or after 1 January 2019
- 4 The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments continues to be permitted.

##### *Amendments to HKAS 7 — Disclosure Initiative*

The amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities.

##### *Amendments to HKAS 12 — Recognition of Deferred Tax Assets for Unrealised Losses*

The amendments relate to the recognition of deferred tax assets and clarify some of the necessary considerations, including how to account for deferred tax assets related to debt instruments measured of fair value.

##### *Amendments to HKFRS 2 — Classification and Measurement of Share-Based Payment Transactions*

The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

- 1 於2017年1月1日或之後開始之年度期間生效
- 2 於2018年1月1日或之後開始之年度期間生效
- 3 於2019年1月1日或之後開始之年度期間生效
- 4 該等修訂原定於2016年1月1日或之後開始之期間生效。生效日期現已被遞延／移除。提早應用該等修訂仍獲准許。

##### *香港會計準則第7號之修訂 — 披露計劃*

該等修訂引入其他披露，讓財務報表之用戶可評估融資活動所產生負債變動。

##### *香港會計準則第12號之修訂 — 就未變現虧損確認遞延稅項資產*

該等修訂與確認遞延稅項資產有關及澄清若干必需的考量，包括與按公允價值計量的債務工具相關的遞延稅項資產該如何入賬。

##### *香港財務報告準則第2號之修訂 — 分類及計量以股份支付交易*

該等準則對下列會計處理作出規定：計量以現金結算以股份支付交易之歸屬及非歸屬條件之影響；就預扣稅責任有淨額結算特徵之以股份支付交易；及使交易由現金結算更改分類為權益結算之股份支付交易之條款及條件修訂。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs that have been issued but not yet effective (Continued)

##### HKFRS 9 — Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income ("FVTOCI") if the objective of the entity's business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss ("FVTPL").

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

##### 香港財務報告準則第9號 — 金融工具

香港財務報告準則第9號引進有關金融資產分類及計量之新要求。按業務模式持有而目的為收取合約現金流之債務工具(業務模式測試)以及具產生現金流之合約條款且僅為支付本金及未償還本金利息之債務工具(合約現金流特徵測試)，一般按攤銷成本計量。倘該實體業務模式之目的為持有及收取合約現金流以及出售金融資產，則符合合約現金流特徵測試之債務工具按公允價值於其他全面收益處理(「按公允價值於其他全面收益處理」)。實體可於初步確認時作出不可撤銷之選擇，按公允價值於其他全面收益處理並非持作買賣之股本工具。所有其他債務及股本工具按公允價值於損益賬處理(「按公允價值於損益賬處理」)。

香港財務報告準則第9號包括就並非按公允價值於損益賬處理之所有金融資產納入新預期虧損減值模式(取代了香港會計準則第39號之已產生虧損模式)以及新一般對沖會計規定，以讓實體於財務報表內更好地反映其風險管理活動。

香港財務報告準則第9號貫徹香港會計準則第39號有關金融負債之確認、分類及計量規定，惟就指定為按公允價值於損益賬處理之金融負債而言，因該負債之信貸風險變動而引致之公允價值變動金額乃於其他全面收入中確認，除非此舉將產生或擴大會計錯配。此外，香港財務報告準則第9號保留香港會計準則第39號有關不再確認金融資產及金融負債之規定。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs that have been issued but not yet effective (Continued)

##### *HKFRS 15 — Revenue from Contracts with Customers*

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5 steps approach to revenue recognition:

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

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRSs. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

##### *Amendments HKFRS 15 — Revenue from Contracts with Customers (Clarifications to HKFRS 15)*

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

##### *香港財務報告準則第15號 — 來自客戶合約收益*

有關新訂準則設立單一收益確認框架。框架之核心原則為實體應確認收益，以說明實體按反映交換商品及服務預期所得代價之金額向客戶轉讓所承諾商品或服務。香港財務報告準則第15號取代現有收益確認指引，包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

香港財務報告準則第15號規定確認收益所應用之五個步驟：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：按各履約責任分配交易價
- 第五步：於履行各履約責任後確認收益

香港財務報告準則第15號包括對可能改變目前根據香港財務報告準則之做法之特定收益相關事宜之特定指引。有關準則亦顯著加強有關收入之定性及定量披露。

##### *香港財務報告準則第15號之修訂 — 來自客戶合約收益(香港財務報告準則第15號之澄清)*

香港財務報告準則第15號之修訂包括澄清對履行責任之識別方式；應用委託人或代理人；知識產權許可；及過渡規定。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs that have been issued but not yet effective (Continued)

##### HKFRS 16 — Leases

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

##### 香港財務報告準則第16號 — 租賃

香港財務報告準則第16號由生效當日起將取代香港會計準則第17號「租賃」及相關詮釋，其引入單一承租人會計處理模式，並規定承租人就為期超過12個月之所有租賃確認資產及負債，除非相關資產為低價值資產則作別論。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產(表示其有權使用相關租賃資產)及租賃負債(表示其有責任支付租賃款項)。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債之現金還款分類為本金部分及利息部分，以於現金流量表內呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可撤銷租賃付款，亦包括承租人合理地肯定將行使選擇權延續租賃或行使選擇權終止租賃之情況下，將於選擇權期間內作出之付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據舊有準則香港會計準則第17號分類為經營租賃之租賃。

就出租人會計法而言，香港財務報告準則第16號大致繼承香港會計準則第17號之出租人會計法規定。因此，出租人繼續將其租賃分類為經營租賃及融資租賃，並且對兩類租賃進行不同之會計處理。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. ADOPTION OF NEW/AMENDED HKFRSs (Continued)

#### 3.2 Impact of new/amended HKFRSs that have been issued but not yet effective (Continued)

*Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group's accounting policies and financial statements.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### 4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### *Depreciation and amortisation*

The Group depreciates and amortises property, plant and equipment and intangible assets other than goodwill on a straight-line basis over the estimated useful life, and after taking into account their estimated residual values, 2.5% to 33-1/3% per annum and 10% to 50% per annum, respectively, commencing from the date on which the assets are available for use. The estimated useful life reflects the directors' estimate of the periods that the Group intend to derive future economic benefits from the use of the Group's property, plant and equipment and intangible assets other than goodwill.

### 3. 採納新訂／經修訂香港財務報告準則(續)

#### 3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則之影響(續)

*香港財務報告準則第10號及香港會計準則第28號之修訂 — 投資者與其聯營公司或合營企業之間的資產出售或注資*

該等修訂澄清實體向其聯營公司或合營企業出售或注入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易涉及不構成一項業務之資產，則僅須就不相關投資者於合營企業或聯營公司之權益確認收益或虧損。

本集團尚未能說明該等新公告是否將會導致本集團之會計政策及財務資料出現重大變動。

### 4. 重要會計估計及判斷

估計及判斷須根據過往經驗及其他因素(包括有關情況下相信為合理之未來事件預期)作出，並會持續進行評估。

#### 4.1 重要會計估計及假設

本集團就未來作出估計及假設。顧名思義，由此得出之會計估計將甚少等同相關實際結果。下文論述具有重大風險導致下個財政年度內資產及負債之賬面值須作重大調整之估計及假設：

##### *折舊及攤銷*

本集團對物業、廠房及設備以及不包括商譽之無形資產，按估計可使用年期以直線法進行折舊及攤銷，並於經計及其估計剩餘價值後，由該資產可供使用當日起分別按2.5%至33-1/3%及10%至50%之年率折舊及攤銷。估計可使用年期反映董事對本集團擬自使用本集團物業、廠房及設備及不包括商譽之無形資產而獲得未來經濟利益之期間之估計。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.1 Critical accounting estimates and assumptions (Continued)

##### *Provision for impairment of receivables*

The policy for the provision for impairment of receivables of the Group is based on the evaluation of collectibility and aging analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional provision for impairment may be required.

##### *Net realisable value of completed properties held for sale and properties under development*

Management determines the net realisable value of completed properties held for sale and properties under development by using prevailing market data such as most recent sale transactions, anticipated costs to completion and valuation reports provided by independent qualified professional valuers.

##### *Impairment of goodwill*

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 2.23. The recoverable amounts of CGUs have been determined based on value in use calculations. These calculations require the use of estimates about future cash flows and discount rates. In the process of estimating expected future cash flows management makes assumptions about future revenues and profits. These assumptions relate to future events and circumstances. The actual results may vary and may cause a material adjustment to the carrying amount of goodwill within the next financial year. Determining the appropriate discount rate involves estimating the appropriate adjustment for market risk and for asset specific risk factors. Details of the estimates of the recoverable amounts of CGUs containing goodwill are disclosed in note 21.

### 4. 重要會計估計及判斷(續)

#### 4.1 重要會計估計及假設(續)

##### *應收款項減值撥備*

本集團之應收款項減值撥備政策乃根據對賬目之可收回性之評估及賬齡分析以及管理層之判斷作出。評估該等應收款項最終能否變現需作出大量判斷，包括每名客戶目前之信譽及過往收款情況。倘本集團客戶之財務狀況將會惡化並損害其還款能力，則或須作出額外減值撥備。

##### *已落成待售物業以及發展中物業之可變現淨值*

管理層利用當時之市場數據，如最近銷售交易、估計落成成本及獨立合資格專業估值師提供之估值報告釐定已落成待售物業及發展中物業之可變現淨值。

##### *商譽減值*

本集團根據附註2.23所載會計政策，每年檢測商譽是否已減值。現金產生單位之可收回金額乃根據使用價值計算方法釐定。該等計算方法需估計未來現金流及貼現率。於估計未來現金流之過程中，管理層就未來收益及溢利作出假設。該等假設與未來事項及情況有關。實際結果可能存在差異，且可能對下個財政年度內商譽之賬面值帶來重大調整。釐定合適貼現率涉及對市場風險及資產特定風險因素作出合適調整。估計包括商譽之現金產生單位之可收回款項詳情於附註21披露。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.1 Critical accounting estimates and assumptions (Continued)

##### *Impairment of assets*

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Indefinite life intangible assets are tested for impairment annually and at other times when such indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows.

##### *Impairment of interest in associates*

Management assesses impairment of interests in associates at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Business value calculations performed in assessing recoverable amounts incorporate a number of key estimates and assumptions about future events, which are subject to uncertainty and might materially differ from the actual results. In making these key estimates and judgements, the management takes into consideration assumptions that are mainly based on market condition existing at the reporting dates and appropriate market and discount rates. These estimates are regularly compared to actual market data and actual transactions entered into by the Group.

### 4. 重要會計估計及判斷(續)

#### 4.1 重要會計估計及假設(續)

##### *資產減值*

本集團於各報告日期評估所有非金融資產是否有任何減值跡象。具無限年期之無形資產須每年及於存在該跡象之其他時間進行減值測試。其他非金融資產於有跡象顯示賬面值可能無法收回時測試減值。管理層計算使用價值時，須估計資產或現金產生單位之預期未來現金流量，並選用合適之折現率以計算現金流量之現值。

##### *於聯營公司之權益減值*

管理層於各報告日期透過評估本集團可能出現資產減值之特定情況評估於聯營公司之權益減值。倘存在導致減值之因素，則會釐定資產之可收回金額。評估可收回金額時計算之商業價值時，會納入多項有關未來事件之主要估計及假設，有關未來事件涉及不確定因素，並可能與實際結果極為不同。作出此等主要估計及判斷時，管理層考慮主要基於報告日期當時之市況及適當市場及貼現率之假設。本集團會定期將此等估計與實際市場數據及本集團訂立之實際交易作比較。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.1 Critical accounting estimates and assumptions (Continued)

##### *Current tax and deferred tax*

The Group is subject to income taxes in the People's Republic of China ("PRC"). Significant judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxations. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises taxes based on estimates of the likely outcome with reference to current tax laws and practices. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses will be recognised when management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation in the periods in which such estimate is changed.

#### 4.2 Critical judgements in applying the Group's accounting policies

##### *Current tax and deferred tax*

The Group is subject to land appreciation tax ("LAT") in the PRC. However, the implementation and settlement of this tax varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised its LAT calculation and payments with any local tax authorities in the PRC. Accordingly, significant judgement is required in determining the amount of the land appreciation and its related LAT. The Group recognised LAT based on management's best estimates according to their understanding on the tax rules.

### 4. 重要會計估計及判斷(續)

#### 4.1 重要會計估計及假設(續)

##### *即期稅項及遞延稅項*

本集團須繳納中華人民共和國(「中國」)所得稅。釐定稅項撥備金額及支付相關稅項之時間須作出重大判斷。一般業務過程中有大量交易及計算無法確切釐定最終稅額。本集團參考現行稅法及慣例，根據估計可能出現之結果確認稅項。若該等事項最終之稅項與最初記錄之金額不同，其差額將影響作出有關釐定期間之所得稅及遞延稅項撥備。

管理層認為可能存在可用暫時差額或稅項虧損予以抵銷之未來應課稅溢利時，則確認與暫時差額及稅項虧損相關之遞延稅項資產。當預期與原有估計者不同，該等差額將影響於該等估計出現變動期間之遞延稅項資產及稅項之確認。

#### 4.2 應用本集團會計政策時之重要判斷

##### *即期稅項及遞延稅項*

本集團須繳納中國土地增值稅(「土地增值稅」)。然而，中國城市不同稅收管轄區對土地增值稅之執行及結算不盡相同，而本集團尚未與中國任何地方稅務機關落實其土地增值稅之計算及付款方法。因此，須作出重大判斷以釐定土地增值額及其相關土地增值稅。本集團根據管理層以其對稅務規則之理解所作最佳估計確認土地增值稅。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.2 Critical judgements in applying the Group's accounting policies (Continued)

##### *Going concern*

The Group's financial statements are prepared using the going concern basis which assumes the Group will be able to realise their assets and discharge their liabilities in the normal course of business. The application of the going concern basis requires the Company's directors making judgements in estimating future cashflows of the Group and likelihood of outcomes of contingent matters.

The operating and capital expenditure of the Group is funded by cash flow from operations, internal liquidity and financing by banks and other parties. The Group maintains a sufficient liquidity comprises cash and cash equivalents and other liquid assets. Taking into account of available banking facilities obtained during the year, the directors consider that all contractual and estimated obligations and operational requirements would be met.

##### *Research and development activities*

Careful judgement by the Group's management is applied when deciding whether the recognition requirements for development costs have been met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems at the time of recognition. Judgements are based on the best information available at each reporting date. In addition, all internal activities related to the research and development of new software products are continuously monitored by the Group's management.

### 4. 重要會計估計及判斷(續)

#### 4.2 應用本集團會計政策時之重要判斷(續)

##### *持續經營*

本集團財務報表乃按假設本集團將可於日常業務過程中變現其資產及償還其負債之持續經營基準編製。應用持續經營基準需要本公司董事於估計本集團未來現金流及或然事項結果之可能性時作出判斷。

本集團之營運及資本開支乃以經營業務現金流入、內部流動資金及來自銀行及其他方之融資撥付。本集團維持充裕流動資金，包括現金及等同現金項目以及其他流動資產。考慮到年內可取得之銀行融資，董事認為，將能夠應付所有合約及估計債務及經營需求。

##### *研發活動*

本集團管理層於決定開發成本是否符合確認條件時會作出審慎判斷。由於在作出確認時，任何產品開發能否成功獲得經濟效益屬未知之數，且於未來可能遇到技術問題，故必須作出審慎判斷。判斷乃根據於各報告日期可取得之最佳資料作出。此外，本集團管理層不斷監察所有關於研究及開發新軟件產品之內部活動。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.2 Critical judgements in applying the Group's accounting policies (Continued)

##### Control through contractual arrangement

Notwithstanding the lack of equity ownership in 北京新網數碼信息技術有限公司 (Beijing Xinnet Cyber Information Company Limited) ("Xinnet") and its existing subsidiaries (collectively as "Xinnet Group"), the Group is able to control, recognise and receive all the economic benefits of the business of Xinnet Group as the Group (1) shall have all requisite power and unrestricted rights, acting as a principal, to control and manage all aspects, at its sole decision and its own benefit, over Xinnet Group by virtue of the power of attorney; and (2) shall have right to assume all profits of Xinnet Group under the management and technology services agreement. In view of the foregoing reasons, the Group has determined that it has the practical ability to unilaterally direct the relevant activities of the Xinnet Group and significant benefits derived from Xinnet Group and therefore has consolidated the Xinnet Group as wholly-owned subsidiaries.

### 5. REVENUE AND OTHER OPERATING INCOME

- (a) The Group's revenue represents revenue from its principal activities as set out below:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Sales of properties and car parks	物業及車位銷售	4,524,877	192,051
Corporate IT application services	企業IT應用服務	818,098	808,287
Property management services	物業管理服務	45,901	44,585
Film distribution services	電影發行服務	9,838	76,581
Cinema ticketing income	票房收入	2,519,510	2,627,591
Confectionery sales	銷售糖果	343,610	376,611
Publication of magazines and advertising income	出版雜誌及廣告收入	26,107	2,224
Sales of projection equipment	放映設備銷售	33,466	48,690
Digital media technology services	數碼媒體科技服務	183,031	23,497
Sales of botanic-based personal care and fragrance products	草本個人護理及香水產品銷售	407,755	-
Catering services	餐飲服務	3,386	-
		<b>8,915,579</b>	4,200,117

### 4. 重要會計估計及判斷(續)

#### 4.2 應用本集團會計政策時之重要判斷(續)

##### 透過架構安排之控制權

儘管未能取得北京新網數碼信息技術有限公司(「新網」)及其現有附屬公司(統稱「新網集團」)股本擁有權，本集團有權控制、確認及接收新網集團經營業務所得一切經濟利益，原因為本集團(1)獲授權委託書賦予一切所需權力及不受限制權利，作為一位主理人，可於各方面全權及以其利益作決定控制及管理新網集團；及(2)有權根據管理及技術服務協議接收新網集團全部利潤。基於上述原因，本集團確定，其擁有實際權力單方面指引新網集團之相關活動及新網集團產生之重大利益，故已將新網集團列作全資附屬公司綜合入賬。

### 5. 收益及其他經營收入

- (a) 本集團之收益指來自其主要業務之下列各項收益：



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 5. REVENUE AND OTHER OPERATING INCOME (Continued)

(b) Other operating income:

### 5. 收益及其他經營收入(續)

(b) 其他經營收入：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Bank interest income	銀行利息收入	<b>82,353</b>	75,499
Other interest income	其他利息收入	<b>35,557</b>	41,427
Interest income on financial assets not at fair value through profit or loss	並非按公允價值於損益賬處理之金融資產利息收入	<b>117,910</b>	116,926
Gain on fair value change on financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產公允價值變動之收益	<b>781</b>	-
Exchange gain	匯兌收益	<b>16,675</b>	13,419
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	<b>181</b>	4,245
Government grants*	政府撥款*	<b>135,213</b>	82,663
Cinema advertising income	影院廣告收入	<b>135,291</b>	66,560
Rental income	租金收入	<b>12,344</b>	12,636
Sundry income	雜項收入	<b>86,189</b>	114,449
		<b>504,584</b>	410,898

\* Government grants have been received mainly from the PRC governmental bodies in the form of the subsidies to cinema operations and subsidise software development projects of the Group in the PRC. The purpose of the subsidy is to encourage innovation by granting financial assistance to commercial entities who are operating cinema/having research and development projects that meet certain criteria. There are no unfulfilled conditions or contingencies attaching to these grants.

\* 主要自中國政府機關收取之政府撥款乃以補貼形式發放予本集團於中國之影院業務及資助軟件開發項目。發放補貼旨在透過向從事影院業務/研究及開發項目且達到一定條件之商業機構給予經濟援助，藉以推動創新。該等撥款並無附帶未達成條件或是或然責任。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION

The executive directors have identified the Group's five (2015:three) product and service lines as operating segments as further described in note 2.28.

These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

### 6. 分部資料

執行董事已將本集團五項(2015年:三項)產品及服務識別為經營分部(於附註2.28進一步描述)。

此等經營分部按經調整分部經營業績監控及作出策略決定。

		2016						
		Corporate IT application services 企業IT 應用服務	Property development 房地產開發	Culture and media services 文化與 傳播服務	New media 新媒體	Innovative business 創意商業	All other segments 所有其他分部	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益							
From external customers	來自對外客戶	818,098	4,524,877	3,089,455	26,107	411,141	45,901	8,915,579
From inter-segments	來自分部間	-	-	-	146,962	7,016	7,474	161,452
<b>Reportable and all other segments revenue</b>	<b>可呈報及所有其他分部收益</b>	<b>818,098</b>	<b>4,524,877</b>	<b>3,089,455</b>	<b>173,069</b>	<b>418,157</b>	<b>53,375</b>	<b>9,077,031</b>
<b>Reportable and all other segments (loss)/profit before income tax</b>	<b>可呈報及所有其他分部除所得稅前(虧損)/溢利</b>	<b>(18,913)</b>	<b>2,695,432</b>	<b>170,322</b>	<b>(253,523)</b>	<b>(87,257)</b>	<b>(10,431)</b>	<b>2,495,630</b>
Bank interest income	銀行利息收入	587	28,964	16,411	8	33	7,942	53,945
Other interest income	其他利息收入	-	31,566	-	-	-	-	31,566
Interest income on financial assets not at fair value through profit or loss	並非按公允價值於損益賬處理之金融資產利息收入	587	60,530	16,411	8	33	7,942	85,511
Finance costs	融資成本	(6,587)	(353,036)	(141,199)	-	(1,464)	-	(502,286)
Depreciation and amortisation	折舊及攤銷	(56,294)	(4,225)	(439,800)	(10,800)	(14,392)	(507)	(526,018)
Gain on deemed disposal of an associate	視作出售一間聯營公司之收益	-	595,270	-	-	-	-	595,270
(Loss)/Gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)/收益	(12)	(120)	181	(55)	(1,311)	-	(1,317)
Share of results of associates	應佔聯營公司業績	(1,192)	(48,007)	12,773	-	-	-	(36,426)
Fair value change on financial liability at fair value through profit or loss	按公允價值於損益賬處理之金融負債公允價值變動	-	-	48,374	-	-	-	48,374
<b>Reportable and all other segments assets</b>	<b>可呈報及所有其他分部資產</b>	<b>1,084,933</b>	<b>21,644,705</b>	<b>4,783,262</b>	<b>68,745</b>	<b>1,887,109</b>	<b>596,472</b>	<b>30,065,226</b>
Interests in associates	於聯營公司之權益	235	33,265	46,463	-	-	-	79,963
Additions to non-current segment assets during the year	年內添置非流動分部資產	91,847	4,015	1,285,061	28,607	44,963	1,141	1,455,634
<b>Reportable and all other segments liabilities</b>	<b>可呈報及所有其他分部負債</b>	<b>(511,921)</b>	<b>(14,860,935)</b>	<b>(4,217,791)</b>	<b>(11,568)</b>	<b>(741,820)</b>	<b>(31,484)</b>	<b>(20,375,519)</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

### 6. 分部資料(續)

		Corporate IT application services 企業IT 應用服務 HK\$'000 千港元	Property development 房地產開發 HK\$'000 千港元	2015 Culture and media services 文化與 傳播服務 HK\$'000 千港元	All other segments 所有其他分部 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收益					
From external customers	來自對外客戶	808,287	192,051	3,152,970	46,809	4,200,117
From inter-segments	來自分部間	-	-	-	4,412	4,412
<b>Reportable and all other segments revenue</b>	<b>可呈報及所有其他分部收益</b>	<b>808,287</b>	<b>192,051</b>	<b>3,152,970</b>	<b>51,221</b>	<b>4,204,529</b>
<b>Reportable and all other segments (loss)/profit before income tax</b>	<b>可呈報及所有其他分部除所得稅前(虧損)/溢利</b>	<b>(14,884)</b>	<b>97,408</b>	<b>230,482</b>	<b>(54,056)</b>	<b>258,950</b>
Bank interest income	銀行利息收入	277	763	37,505	12,049	50,594
Other interest income	其他利息收入	45	37,356	12	-	37,413
Interest income on financial assets not at fair value through profit or loss	並非按公允價值於損益賬處理之金融資產利息收入	322	38,119	37,517	12,049	88,007
Finance costs	融資成本	(1,943)	(11,822)	(262,669)	(193)	(276,627)
Depreciation and amortisation	折舊及攤銷	(55,412)	(3,380)	(211,068)	(1,625)	(271,485)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	19	-	4,226	-	4,245
Share of results of associates	應佔聯營公司業績	(368)	(55,108)	22,737	-	(32,739)
Fair value change on financial liability at fair value through profit or loss	按公允價值於損益賬處理之金融負債公允價值變動	-	(62,166)	-	-	(62,166)
<b>Reportable and all other segments assets</b>	<b>可呈報及所有其他分部資產</b>	<b>1,122,300</b>	<b>9,913,978</b>	<b>4,681,308</b>	<b>664,353</b>	<b>16,381,939</b>
Interests in associates	於聯營公司之權益	8,109	468,913	57,277	-	534,299
Additions to non-current segment assets during the year	年內添置非流動分部資產	68,498	5,315	905,598	15,556	994,967
<b>Reportable and all other segments liabilities</b>	<b>可呈報及所有其他分部負債</b>	<b>(560,869)</b>	<b>(4,170,921)</b>	<b>(3,840,259)</b>	<b>(30,175)</b>	<b>(8,602,224)</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

The totals presented for the Group's operating segments are reconciled to the Group's key financial figures as presented in the financial statements as follows:

### 6. 分部資料(續)

本集團經營分部呈報之總額與本集團於財務報表呈列之主要財務數字對賬如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Reportable segments revenue	可呈報分部收益	9,023,656	4,153,308
All other segments revenue	所有其他分部收益	53,375	51,221
Elimination of inter-segment revenue	分部間收益對銷	(161,452)	(4,412)
<b>Group revenue</b>	<b>本集團收益</b>	<b>8,915,579</b>	<b>4,200,117</b>
Reportable segments profit before income tax	除所得稅前可呈報分部溢利	2,506,061	313,006
All other segments loss before income tax	除所得稅前所有其他分部虧損	(10,431)	(54,056)
Bank interest income	銀行利息收入	28,408	24,905
Other interest income	其他利息收入	3,991	4,014
Interest income on financial assets not at fair value through profit or loss	並非按公允價值於損益賬處理之金融資產利息收入	32,399	28,919
Finance costs	融資成本	(14,428)	(24,071)
Depreciation and amortisation	折舊及攤銷	(3,831)	(2,617)
Gain on disposal of an associate	出售一間聯營公司之收益	-	1,446
Gain on disposal of an associate classified as non-current assets held for sale	出售一間分類為持作出售非流動資產之聯營公司之收益	-	165,554
Share of results of associates	應佔聯營公司業績	-	(3,053)
Unallocated corporate expenses	未分配企業開支	(109,213)	(77,459)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>	<b>2,400,557</b>	<b>347,669</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

### 6. 分部資料(續)

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Reportable segments assets	可呈報分部資產	29,468,754	15,717,586
All other segments assets	所有其他分部資產	596,472	664,353
Amount due from an associate	應收一間聯營公司款項	530	530
Amounts due from related parties	應收關連方款項	167,560	-
Deferred tax assets	遞延稅項資產	-	104,604
Available-for-sale financial assets	可供出售之金融資產	324	324
Pledged and restricted bank deposits	已抵押及受限制銀行存款	1,908,435	754,680
Other financial and corporate assets	其他金融及企業資產	604,976	227,181
Group assets	本集團資產	32,747,051	17,469,258
		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Reportable segments liabilities	可呈報分部負債	20,344,035	8,572,049
All other segments liabilities	所有其他分部負債	31,484	30,175
Amount due to a director	欠一名董事款項	30,108	14,273
Amount due to a shareholder	欠一名股東款項	-	1
Amounts due to associates	欠聯營公司款項	-	193,803
Provision for tax	稅項撥備	131,391	639,065
Bank and other borrowings	銀行及其他借貸	6,715,488	3,581,662
Other corporate liabilities	其他企業負債	288,546	521,665
Group liabilities	本集團負債	27,541,052	13,552,693



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

The Group's revenues from external customers and its non-current assets (other than deferred tax assets, loan receivable from an associate, financial instruments and pledged and restricted bank deposits) are divided into the following geographical areas:

#### Revenue from external customers

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Mainland China (domicile)	中國內地(註冊地)	8,493,641	4,191,583
Hong Kong	香港	115,678	8,349
North America	北美	143,751	178
Europe	歐洲	69,592	—
Australia	澳洲	48,598	—
Others	其他	44,319	7
<b>Total</b>	<b>總計</b>	<b>8,915,579</b>	<b>4,200,117</b>

### 6. 分部資料(續)

來自對外客戶之本集團收益及其非流動資產(遞延稅項資產、來自一間聯營公司之應收貸款、金融工具以及已抵押及受限制銀行存款除外)按下列地區劃分:

#### 來自對外客戶之收益

#### Non-current assets

#### 非流動資產

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Mainland China (domicile)	中國內地(註冊地)	6,429,380	4,342,132
Hong Kong	香港	827,037	7,465
North America	北美	491,890	—
Europe	歐洲	11,026	—
Australia	澳洲	26,517	—
Others	其他	91,931	—
<b>Total</b>	<b>總計</b>	<b>7,877,781</b>	<b>4,349,597</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the non-current assets is based on the physical and operating location of the assets. The Company is an investment holding company incorporated in Bermuda where the Group does not have any activities, the Group has the majority of its operations and workforce in Mainland China, and therefore, Mainland China is considered as the Group's country of domicile for the purpose of the disclosures as required by HKFRS 8 "Operating Segments".

During the year ended 31 December 2016 and 2015, the Group did not derive more than 10% of the Group's total revenue from any single customer.

### 6. 分部資料(續)

客戶之地區位置乃按提供服務或商品付運之地點劃分。非流動資產之地區位置乃按資產之實際及經營地點劃分。本公司為於百慕達註冊成立之投資控股公司，本集團於當地並無任何業務，本集團大部分業務及員工均位於中國內地，因此，就作出香港財務報告準則第8號「經營分部」之披露而言，本集團視中國內地為本集團之註冊國家。

截至2016年及2015年12月31日止年度，本集團並無自任何單一客戶取得超過本集團總收益10%之收入。

### 7. FINANCE COSTS

### 7. 融資成本

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借貸之利息	821,562	677,062
Interest on convertible and exchangeable bonds	可換股及可交換債券之利息	55,468	-
Finance costs on finance from a third party	來自一名第三方之融資之融資成本	-	2,141
Interest on finance leases	融資租賃之利息	6,803	64
Total finance costs on financial liabilities not at fair value through profit or loss	並非按公允價值於損益賬處理之金融負債融資成本總額	883,833	679,267
Less: Amount capitalised to properties under development and construction in progress*	減：就發展中物業及在建工程資本化之金額*	(367,119)	(378,569)
		<b>516,714</b>	<b>300,698</b>

\* The finance costs have been capitalised at a rate of 5.14% to 11.35% (2015: 6.65% to 12.00%) per annum.

\* 融資成本乃按年率5.14%至11.35% (2015年：6.65%至12.00%)資本化。

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 8. PROFIT BEFORE INCOME TAX

## 8. 除所得稅前溢利

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Profit before income tax is arrived at after charging:	除所得稅前溢利已扣除以下各項：		
Amortisation of intangible assets other than goodwill*	不包括商譽之無形資產攤銷*	18,528	12,866
Auditors' remuneration	核數師薪酬		
— Audit service	— 審核服務	8,051	5,200
— Other services	— 其他服務	6,946	2,629
Other receivables written off*	其他應收款項撇銷*	319	59
Cost of sales of properties and car parks	物業及車位出售成本	1,792,880	61,142
Cost of provision of corporate IT application services	提供企業IT應用服務成本	139,709	139,242
Cost of provision of property management services	提供物業管理服務成本	35,022	31,133
Cost of provision of film distribution services	提供電影發行服務成本	18,306	76,956
Cost of cinema ticketing	票房成本	1,070,795	1,139,364
Cost of confectionery sales	銷售糖果成本	103,496	101,846
Cost of publication of magazine and advertising	出版雜誌及廣告成本	170,999	4,427
Cost of sales of projection equipment	放映設備銷售成本	30,691	36,034
Cost of digital media technology services	數碼媒體科技服務成本	21,791	2,949
Cost of sales of botanic-based personal care and fragrance products	草本個人護理及香水產品銷售成本	166,229	—
Cost of catering services	餐飲服務成本	1,306	—
Cost of sales and services provided	銷售及提供服務之成本	3,551,224	1,593,093
Gross depreciation of property, plant and equipment — owned assets	物業、廠房及設備折舊毛額 — 自置資產	507,240	260,026
Less: Amounts included in cost of sales and service provided	減：計入銷售及提供服務成本之金額	—	(35)
Net depreciation of owned assets*	自置資產折舊淨額*	507,240	259,991
Depreciation of leased assets*	租賃資產折舊*	3,564	664
Write-off of property, plant and equipment*	物業、廠房及設備撇銷*	11,092	2,849
Minimum lease payments	最低租賃付款	654,467	511,553
Contingent rentals	或然租金	20,478	19,371
Operating lease charges on land and buildings	土地及樓宇之經營租賃費用	674,945	530,924
Operating lease charges on prepaid land lease*	預付土地租賃之經營租賃費用*	517	546
Provision for impairment of trade receivables*	應收貿易款項減值撥備*	5,390	4,202
Provision for impairment of other receivables*	其他應收款項減值撥備*	16,080	—
Provision for impairment of interest in an associate*	於一間聯營公司之權益減值撥備*	6,373	—
Provision for impairment of goodwill*	商譽減值撥備*	34,473	—
Provision for impairment of inventories*	存貨減值撥備*	4,397	2,810
Research and development expenses*	研究及開發開支*	37,332	62,592

\* included in other operating expenses

\* 計入其他經營開支

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 9. INCOME TAX EXPENSE

### 9. 所得稅開支

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
The income tax expense comprises:	所得稅開支包括：		
Current tax	即期稅項		
— Hong Kong Profits Tax	— 香港利得稅		
Tax charge for the year	年內稅項支出	11,974	10,999
Under/(Over)-provision in respect of prior years	以往年度撥備不足/ (超額撥備)	77	(487)
— PRC Enterprise Income Tax ("EIT")	— 中國企業所得稅(「企業所得稅」)		
Tax charge for the year	年內稅項支出	336,002	23,498
Over-provision in respect of prior years	以往年度超額撥備	—	(1,783)
— Taxation for other jurisdictions	— 其他司法權區之稅項		
Tax charge for the year	年內稅項支出	502	—
— PRC LAT Tax charge for the year	— 中國土地增值稅		
	年內稅項支出	889,189	16,011
		<b>1,237,744</b>	48,238
Deferred tax	遞延稅項		
— (Credit)/Charge for the year	— 於年內(計入)/扣除	(115,579)	44,001
		<b>1,122,165</b>	92,239

Hong Kong Profits Tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profit for the year.

香港利得稅乃按年度估計應課稅溢利以16.5%(2015年: 16.5%)之稅率作出撥備。

PRC EIT has been provided on the estimated assessable profits of subsidiaries operating in Mainland China at 25% (2015: 25%), unless preferential rates are applicable in the cities where the subsidiaries are located.

除非附屬公司所在城市設有優惠稅率，否則於中國內地經營之附屬公司估計應課稅溢利，已按25%(2015年: 25%)之稅率作出中國企業所得稅撥備。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

於其他司法權區所產生稅項乃按相關司法權區之現行稅率計算。

PRC LAT is levied at progressive rates from 30% to 60% (2015: 30% to 60%) on the estimated appreciation of land value, being the proceeds of sales of properties less deductible expenditure including cost of land use rights and development and construction expenditure.

中國土地增值稅乃就土地價值之估計增值(即出售物業所得款項減可扣稅開支，包括土地使用權成本以及開發及建築成本)按介乎30%至60%(2015年: 30%至60%)之累進稅率計算。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 9. INCOME TAX EXPENSE (Continued)

Reconciliation between income tax expense and accounting profit at applicable tax rates is as follows:

### 9. 所得稅開支(續)

按適用稅率計算之稅項開支與會計溢利之對賬如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	2,400,557	347,669
Tax on profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned	除稅前溢利之稅項(按所在稅務司法管轄區適用溢利稅率計算)	589,196	96,410
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	48,161	65,873
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(116,658)	(37,251)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	25,866	24,388
Utilisation of tax loss previously not recognised	動用過往未確認之稅項虧損	(149,278)	(74,596)
Tax effect of PRC LAT	中國土地增值稅之稅務影響	(222,297)	(4,003)
Tax effect of temporary differences not recognised	未確認暫時差額之稅務影響	57,909	7,677
PRC LAT	中國土地增值稅	889,189	16,011
Under/(Over)-provision in respect of prior years	以往年度撥備不足/ (超額撥備)	77	(2,270)
Income tax expense	所得稅開支	1,122,165	92,239

### 10. DIVIDEND

The Board has recommended a final dividend of 0.2 HK cents per ordinary share for the year ended 31 December 2016 (2015: Nil). The recommendation is subject to the approval of the shareholders at the forthcoming annual general meeting.

### 10. 股息

董事會建議就截至2016年12月31日止年度派付末期股息每股普通股0.2港仙(2015年：無)。建議股息須待股東於應屆股東週年大會批准後方可作實。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 11. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to the owners of the Company of HK\$1,359,553,000 (2015: HK\$238,875,000) and on 68,645,535,794 (2015: 68,645,535,794) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to the owners of the Company and adjusted to reflect the interests on the convertible and exchangeable bonds and profit attributable to non-controlling interests. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, which is the same as the basic earnings per share calculation.

Diluted earnings per share for the year ended 31 December 2016 is same as the basic earnings per share as the convertible and exchangeable bonds outstanding during the year had an anti-dilutive effect on the basic earnings per share.

Diluted earnings per share for the year ended 31 December 2015 is the same as basic earnings per share as there were no potential dilutive ordinary shares in issue during the year.

### 12. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

### 11. 每股盈利

每股基本盈利乃按本公司擁有人應佔溢利1,359,553,000港元(2015年：238,875,000港元)及年內已發行普通股68,645,535,794股(2015年：68,645,535,794股)計算。

每股攤薄盈利乃按本公司擁有人應佔年內溢利計算，並經調整以反映可換股及可交換債券之利息以及非控股權益應佔溢利。計算所用普通股加權平均數即用作計算每股基本盈利之年內已發行普通股數目。

截至2016年12月31日止年度之每股攤薄盈利與每股基本盈利相同，乃由於年內尚未行使之可換股及可交換債券對每股基本盈利有反攤薄影響。

截至2015年12月31日止年度之每股攤薄盈利與每股基本盈利相同，乃由於年內並無具潛在攤薄影響之普通股發行在外。

### 12. 僱員福利開支(包括董事酬金)

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Directors' fee (note 43(a))	董事袍金(附註43(a))	959	1,126
Wages and salaries	工資及薪金	1,183,081	987,444
Pension costs — defined contribution plans	退休金成本 — 定額供款計劃	98,926	86,590
Staff welfare	員工福利	76,865	55,115
<b>Total employee benefit expenses</b>	<b>僱員福利開支總額</b>	<b>1,359,831</b>	<b>1,130,275</b>

## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 13. PROPERTY, PLANT AND EQUIPMENT

## 13. 物業、廠房及設備

		Buildings 樓宇 HK\$'000 千港元	Leasehold improvements, furniture, fixtures and equipment 租賃物業裝修、 傢俬、裝置及 設備 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Motor vehicles/ Yachts 汽車/遊艇 HK\$'000 千港元	Freehold land 永久業權土地 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Year ended 31 December 2016</b>	<b>截至2016年12月31日止年度</b>						
Opening net carrying amount	期初賬面淨值	581,063	2,562,100	-	22,565	-	3,165,728
Additions	添置	35,825	1,361,935	-	1,913	-	1,399,673
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	41,660	191,317	-	5,025	52,899	290,901
Transfer to non-current assets held for sale (note 19)	轉撥至持作出售非流動 資產(附註19)	(10,091)	-	-	(132)	(3,544)	(13,767)
Disposals	出售	-	(1,518)	-	-	-	(1,518)
Write-off	撇銷	-	(11,092)	-	-	-	(11,092)
Depreciation	折舊	(35,748)	(469,405)	-	(5,651)	-	(510,804)
Exchange differences	匯兌差額	(38,883)	(202,248)	-	(1,216)	(684)	(243,031)
<b>Closing net carrying amount</b>	<b>期終賬面淨值</b>	<b>573,826</b>	<b>3,431,089</b>	<b>-</b>	<b>22,504</b>	<b>48,671</b>	<b>4,076,090</b>
<b>At 31 December 2016</b>	<b>於2016年12月31日</b>						
Cost	成本	690,268	5,001,961	-	44,513	48,671	5,785,413
Accumulated depreciation	累計折舊	(116,442)	(1,570,872)	-	(22,009)	-	(1,709,323)
<b>Net carrying amount</b>	<b>賬面淨值</b>	<b>573,826</b>	<b>3,431,089</b>	<b>-</b>	<b>22,504</b>	<b>48,671</b>	<b>4,076,090</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 13. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 13. 物業、廠房及設備(續)

		Buildings	Leasehold improvements, furniture, fixtures and equipment 租賃物業裝修、傢俬、裝置及設備	Construction in progress	Motor vehicles/Yachts	Freehold land	Total
		樓宇 HK\$'000 千港元	設備 HK\$'000 千港元	在建工程 HK\$'000 千港元	汽車/遊艇 HK\$'000 千港元	永久業權土地 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2015	於2015年1月1日						
Cost	成本	669,178	3,043,903	-	36,674	-	3,749,755
Accumulated depreciation	累計折舊	(58,087)	(1,107,846)	-	(15,273)	-	(1,181,206)
Net carrying amount	賬面淨值	611,091	1,936,057	-	21,401	-	2,568,549
Year ended 31 December 2015	截至2015年12月31日止年度						
Opening net carrying amount	期初賬面淨值	611,091	1,936,057	-	21,401	-	2,568,549
Additions	添置	-	938,419	30,154	6,416	-	974,989
Transfer	轉撥	30,154	-	(30,154)	-	-	-
Disposals	出售	-	(115)	-	-	-	(115)
Acquisition of subsidiaries	收購附屬公司	-	21,019	-	197	-	21,216
Write-off	撇銷	-	(2,849)	-	-	-	(2,849)
Depreciation	折舊	(32,981)	(223,097)	-	(4,612)	-	(260,690)
Exchange differences	匯兌差額	(27,201)	(107,334)	-	(837)	-	(135,372)
Closing net carrying amount	期終賬面淨值	581,063	2,562,100	-	22,565	-	3,165,728
At 31 December 2015 and 1 January 2016	於2015年12月31日及2016年1月1日						
Cost	成本	668,524	3,797,566	-	41,830	-	4,507,920
Accumulated depreciation	累計折舊	(87,461)	(1,235,466)	-	(19,265)	-	(1,342,192)
Net carrying amount	賬面淨值	581,063	2,562,100	-	22,565	-	3,165,728

The carrying amount of the Group's property, plant and equipment includes an amount of HK\$73,442,000 (2015: HK\$999,000) in respect of assets held under finance leases.

本集團物業、廠房及設備之賬面值包括73,442,000港元(2015年: 999,000港元)之融資租賃下持有之資產。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 14. INVESTMENT PROPERTIES

### 14. 投資物業

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Fair value</b>	<b>公允價值</b>		
At 1 January	於1月1日	<b>179,372</b>	–
Transfer from completed properties held for sale to investment properties	已落成待售物業撥入投資物業	<b>20,895</b>	26,301
Fair value change	公允價值變動	<b>30,127</b>	153,071
At 31 December	於12月31日	<b>230,394</b>	179,372

The fair value of the Group's investment properties at 31 December 2016 have been arrived at on market value basis carried out by 深圳市世聯土地房地產評估有限公司北京分公司, an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Management has reviewed the independent property valuation and compared it with its own assumptions, with reference to comparable sales transaction data where such information is available, and has concluded that the independent property valuation of the Group's investment property portfolio is reasonable.

本集團投資物業於2016年12月31日之公允價值乃由獨立估值師深圳市世聯土地房地產評估有限公司北京分公司按市值基準進行，該獨立估值師持有認可相關專業資格，近期亦有評估投資物業所在地點及類別之經驗。

管理層已對獨立物業估值進行審閱，並將之與其自有假設作比較，當中參考過可資比較銷售交易數據之可得資料，認為本集團投資物業組合之獨立物業估值合理。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 14. INVESTMENT PROPERTIES (Continued)

#### Fair value hierarchy

The Group's investment properties are measured at fair value. These investment properties are completed commercial properties in Mainland China. In 2016 and 2015, there were no transfers between different levels within the fair value hierarchy.

### 14. 投資物業(續)

#### 公允價值層級

本集團之投資物業按公允價值計量。該等投資物業為中國內地之已落成商業物業。於2016年及2015年，公允價值層級不同層級之間並無轉撥。

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Fair value hierarchy</b>	<b>公允價值層級</b>		
Level 3	第3級	<b>230,394</b>	179,372
		2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Fair value — level 3</b>	<b>公允價值 — 第3級</b>		
At 1 January	於1月1日	<b>179,372</b>	—
Transfer from completed properties held for sale to investment properties	已落成待售物業撥入投資物業	<b>20,895</b>	26,301
Fair value change	公允價值變動	<b>30,127</b>	153,071
At 31 December	於12月31日	<b>230,394</b>	179,372



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 14. INVESTMENT PROPERTIES (Continued)

#### Valuation processes and techniques underlying management's estimate of fair value

The valuation of the Group's completed investment property portfolio is derived by capitalising the rental income derived from existing tenancies with due provision for reversionary income potential and by making reference to recent comparable sales transactions available in the relevant property market.

The fair values of the Group's investment properties are sensitive to changes in both observable and unobservable inputs. If estimated rental income increase, the fair values increase. If the expected vacancy rates increase, the fair values decreased. The opposite is true for decreases in these inputs.

The Group reviews the valuations performed by the independent valuer for financial reporting purposes. Discussions of valuation processes and results are held between management and the independent valuer at least once every half year, in line with the Group's half year reporting dates.

#### Information about fair value measurements using significant unobservable inputs (Level 3)

### 14. 投資物業(續)

#### 管理層估算公允價值所採用估值程序及方法

本集團已落成投資物業組合的估值是將現有租約所得租金收入資本化，並為約滿後新訂租金之潛在收入變化作出適當備付，以及參考相關物業市場近期可資比較買賣交易而得出。

本集團投資物業之公允價值會同時受到可觀察及不可觀察輸入數據之變化所影響。倘估計租金收入上升，公允價值將會上升。倘預期空置率增加，公允價值將會減少。如該等輸入數據下降，情況則相反。

本集團會審核獨立估值師為財務報告用途而進行之估值。為配合本集團之半年度報告，管理層與獨立估值師最少每半年就估值程序及結果進行商討。

#### 關於使用重要不可觀察輸入數據進行公允價值計量之資料(第3級)

	Valuation technique(s) 估值方法	Significant unobservable inputs 重要不可觀察輸入數據	Range 範圍
<b>At 31 December 2016</b> <b>於2016年12月31日</b>			
Commercial properties in PRC 中國商業物業	Direct comparison approach 直接比較法	Estimated market price (per square meter) 估計市價(每平方米)	<b>RMB100,000</b> <b>to RMB130,000</b> <b>人民幣 100,000 元</b> <b>至人民幣 130,000 元</b>
	Income approach 收入法	Estimated rental income (per square meter per month) 估計租金收入(每月每平方米)	<b>RMB375</b> <b>人民幣 375 元</b>
		Expected vacancy rate 預期空置率	<b>10%</b> <b>10%</b>
		Rental growth rate 租金增長率	<b>3%</b> <b>3%</b>
		Discount rate 貼現率	<b>6%</b> <b>6%</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 14. INVESTMENT PROPERTIES (Continued)

### 14. 投資物業(續)

	Valuation technique(s) 估值方法	Significant unobservable inputs 重要不可觀察輸入數據	Range 範圍
<b>At 31 December 2015</b> <b>於2015年12月31日</b>			
Commercial properties in PRC 中國商業物業	Direct comparison approach 直接比較法	Estimated market price (per square meter) 估計市價(每平方米)	RMB103,562 to RMB116,004 人民幣103,562元 至人民幣116,004元
	Income approach 收入法	Estimated rental income (per square meter per month) 估計租金收入(每月每平方米)	RMB360 人民幣360元
		Expected vacancy rate 預期空置率	8% 8%
		Rental growth rate 租金增長率	3% 3%
		Discount rate 貼現率	6% 6%

Fair value is determined by a weighted average result of the direct comparison approach and the income approach. Under the direct comparison approach, fair value is estimated with reference to the recent transactions for similar commercial units in the proximity with adjustments for the differences in transaction dates, building age, floor area etc. Under the income approach, fair value is estimated by the discounted cash flow method, based on the estimated rental value of the commercial units. The valuation takes account of expected vacancy rates and rental growth rates of the commercial units. The discount rates have been adjusted for the condition and location of the buildings.

The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

Investment properties are pledged to banks to secure banking facilities granted to the Group (note 46 (c)).

公允價值乃按直接比較法及收入法之加權平均結果釐定。根據直接比較法，公允價值乃參照鄰近類似商業單位之近期交易估計，並就交易日期、樓齡及建築面積等差異作出調整。根據收入法，公允價值乃基於商業單位之估計租金價值按折讓現金流方法估計。估值計及商業單位之預期空置率及租金增長率。貼現率已就樓宇情況及位置作出調整。

公允價值計量乃依據上述物業之最高及最佳且與其實際用途並無差別之用途得出。

投資物業質押予銀行，作為本集團獲授之銀行融資之抵押(附註46(c))。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 15. PREPAID LAND LEASE PAYMENTS UNDER OPERATING LEASES

The Group's interests in leasehold land/land use rights represent prepaid operating lease payments and their carrying amounts are analysed as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
At 1 January	於1月1日	25,521	27,235
Amortisation	攤銷	(517)	(546)
Exchange differences	匯兌差額	(1,575)	(1,168)
<b>At 31 December</b>	<b>於12月31日</b>	<b>23,429</b>	<b>25,521</b>

### 15. 經營租賃下之預付土地租賃費

本集團於租賃土地／土地使用權之權益指預付經營租賃費，其賬面值分析如下：

### 16. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries at 31 December 2016 are as follows:

### 16. 於附屬公司之權益

於2016年12月31日主要附屬公司之詳情如下：

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立／成立及 經營國家／地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本／ 註冊資本詳情	Percentage of capital held by the Company 本公司所持股本百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
China Enterprise ASP Limited ("CE ASP") 中國企業網控股有限公司(「中國企業網」)	Hong Kong 香港	Paid-up share capital of HK\$14,037,400 繳足股本14,037,400港元	-	64.44	Investment holding 投資控股
Dadi Cinema (HK) Limited 大地影院(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$7,500 繳足股本7,500港元	-	100	Investment holding, film distribution and production 投資控股、電影發行及製作
Dadi Media Limited 大地傳播有限公司	Hong Kong 香港	Paid-up share capital of HK\$2 繳足股本2港元	-	64.44	Investment holding 投資控股
Dadi Media (HK) Limited 大地傳播(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本1港元	100	-	Investment holding 投資控股
Dadi News Media (HK) Limited 大地傳媒(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本1港元	100	-	Investment holding 投資控股

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 16. INTERESTS IN SUBSIDIARIES (Continued)

### 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Duowei Media (HK) Limited 多維傳媒(香港)有限公司	Hong Kong 香港	Paid-up share capital of HK\$1 繳足股本1港元	-	100	News media 新聞傳播
Goalrise Investments Limited Goalrise Investments Limited	British Virgin Islands ("BVI") 英屬維爾京群島 (「英屬維爾京 群島」)	1 ordinary share of US\$1 each 1股每股面值1美元之 普通股	100	-	Trading of securities 證券買賣
Hongkong New Media Interactive Advertising Co., Limited 香港新米迪互動廣告有限公司	Hong Kong 香港	Paid-up share capital of HK\$100 繳足股本100港元	-	64.44	Investment holding and information technology business 投資控股及資訊科技業務
Liu Wan Development (BVI) Company Limited 六灣開發(BVI)有限公司	BVI 英屬維爾京群島	215,000,000 ordinary shares of US\$1 each 215,000,000股 每股面值 1美元之普通股	-	100	Investment holding 投資控股
Liu Wan Investment Company Limited 六灣投資有限公司	Hong Kong 香港	Paid-up share capital of US\$2 繳足股本2美元	-	100	Investment holding 投資控股
Nan Hai Development Limited 南海發展有限公司	Hong Kong 香港	Paid-up share capital of HK\$2 繳足股本2港元	100	-	Investment holding 投資控股
Robina Profits Limited Robina Profits Limited	BVI 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之 普通股	-	64.44	Investment holding 投資控股
Sino-i Technology Limited ("Sino-i") 中國數碼信息有限公司(「中國數碼」)	Hong Kong 香港	Paid-up share capital of HK\$240,596,986 繳足股本240,596,986港元	-	64.44	Investment holding 投資控股

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 16. INTERESTS IN SUBSIDIARIES (Continued)

## 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
View Power Investments Limited	BVI	1 ordinary share of US\$1 each	100	–	Investment holding
View Power Investments Limited	英屬維爾京群島	1股每股面值1美元之 普通股			投資控股
WeMedia01 (HK) Limited	Hong Kong	Paid-up share capital of HK\$1	–	100	News media
香港零一媒體有限公司	香港	繳足股本1港元			新聞傳播
Wise Advance Investments Limited	BVI	1 ordinary share of US\$1 each	100	–	Investment holding
Wise Advance Investments Limited	英屬維爾京群島	1股每股面值1美元之 普通股			投資控股
中企動力科技股份有限公司 (note a)	PRC	RMB242,369,720	–	64.23	Information technology business
中企動力科技股份有限公司 (附註 a)	中國	人民幣242,369,720元			資訊科技業務
數碼慧谷置業管理股份有限公司 (note a)	PRC	RMB689,171,334	–	59.52	Information technology business
數碼慧谷置業管理股份有限公司 (附註 a)	中國	人民幣689,171,334元			資訊科技業務
北京中企動力廣告有限公司 (note b)	PRC	RMB21,000,000	–	64.44	Information technology business
北京中企動力廣告有限公司 (附註 b)	中國	人民幣21,000,000元			資訊科技業務
Xinnet* (note b)	PRC	RMB45,000,000	–	N/A*	Information technology business
新網*(附註 b)	中國	人民幣45,000,000元		不適用*	資訊科技業務
深圳市半島城邦物業管理有限公司 (note b)	PRC	RMB10,000,000	–	98.65	Property management
深圳市半島城邦物業管理有限公司 (附註 b)	中國	人民幣10,000,000元			物業管理
深圳市金益田實業發展有限公司 ("金益田") (note b) (note d)	PRC	RMB18,000,000	–	10.00	Property development
深圳市金益田實業發展有限公司 ("金益田") (附註 b)(附註 d)	中國	人民幣18,000,000元			房地產開發
深圳半島城邦房地產開發有限公司 (note c)	PRC	RMB110,000,000	–	100	Investment holding and property development
深圳半島城邦房地產開發有限公司 (附註 c)	中國	人民幣110,000,000元			投資控股及房地產開發



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 16. INTERESTS IN SUBSIDIARIES (Continued)

### 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
廣東大地影院建設有限公司 (note b)	PRC	RMB1,146,427,999	-	90.00	Operation of digital cinemas
廣東大地影院建設有限公司(附註b)	中國	人民幣1,146,427,999元			數碼影院經營
廣東自由人影城管理有限公司 (note b)	PRC	RMB10,000,000	-	90.00	Operation of digital cinemas
廣東自由人影城管理有限公司(附註b)	中國	人民幣10,000,000元			數碼影院經營
大地影院發展有限公司 (note b)	PRC	RMB214,000,000	-	90.00	Operation of digital cinemas
大地影院發展有限公司(附註b)	中國	人民幣214,000,000元			數碼影院經營
陝西西影大地影院建設有限公司 (note b)	PRC	RMB30,000,000	-	63.00	Operation of digital cinemas
陝西西影大地影院建設有限公司(附註b)	中國	人民幣30,000,000元			數碼影院經營
大地時代電影文化傳播(北京)有限公司 (note b)	PRC	RMB40,000,000	-	100	Film distribution
大地時代電影文化傳播(北京)有限公司(附註b)	中國	人民幣40,000,000元			電影發行
時代廣告(北京)有限公司 (note b)	PRC	RMB10,000,000	-	90.00	Providing advertising services
時代廣告(北京)有限公司(附註b)	中國	人民幣10,000,000元			提供廣告服務
數碼辰星科技發展(北京)有限公司("Oristar") (note b)	PRC	RMB50,000,000	-	100	Trading of movie projection equipment and providing digital media technology services
數碼辰星科技發展(北京)有限公司(「辰星科技」)(附註b)	中國	人民幣50,000,000元			買賣電影放映設備及提供數碼媒體技術服務
重慶煥揚影院管理有限公司("煥揚") (note b)	PRC	RMB19,000,000	-	90.00	Operation of digital cinemas
重慶煥揚影院管理有限公司(「煥揚」)(附註b)	中國	人民幣19,000,000元			數碼影院經營
重慶嘉裕影視傳媒有限公司("嘉裕") (note b)	PRC	RMB21,000,000	-	90.00	Operation of digital cinemas
重慶嘉裕影視傳媒有限公司(「嘉裕」)(附註b)	中國	人民幣21,000,000元			數碼影院經營

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 16. INTERESTS IN SUBSIDIARIES (Continued)

## 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
重慶雄都影院投資有限公司("雄都")(note b) 重慶雄都影院投資有限公司(「雄都」)(附註b)	PRC 中國	RMB18,000,000 人民幣18,000,000元	-	90.00	Operation of digital cinemas 數碼影院經營
Listar Properties Limited ("Listar")	BVI	14,000,000 class A and 6,000,000 class B ordinary shares of US\$1 each	-	100	Investment holding
Listar Properties Limited (「Listar」)	英屬維爾京群島	14,000,000 股甲類及 6,000,000 股乙類 每股面值1美元之普通股			投資控股
廣州東鏡新城房地產有限公司("東鏡")(note c) 廣州東鏡新城房地產有限公司(「東鏡」)(附註c)	PRC 中國	US\$42,000,000 42,000,000 美元	-	100	Property development 房地產開發
CE Holdings Limited ("Crabtree & Evelyn")	BVI	114,249,495 ordinary shares of US\$1 each	-	70.00	Investment holding
CE Holdings Limited (「Crabtree & Evelyn」)	英屬維爾京群島	114,249,495 股 每股面值1美元之普通股			投資控股
Crabtree & Evelyn, Ltd.	United States of America	494,068 shares of common stock 420,677 shares of preferred stock of US\$100 each issued and fully paid, respectively	-	70.00	Manufacturing, retailing and distribution of toiletries
Crabtree & Evelyn, Ltd.	美國	494,068 股普通股 420,677 股 每股面值100美元 已發行及繳足優先股			製造、零售及分銷盥洗用品

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 16. INTERESTS IN SUBSIDIARIES (Continued)

### 16. 於附屬公司之權益(續)

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars of issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of capital held by the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Crabtree & Evelyn (Overseas) Limited	The United Kingdom	100,000 ordinary shares of £1 each 4,707,500 redeemable preference shares of £0.10 each 19,000,000 redeemable preference shares of £1 each	-	70.00	Retailing and distribution of toiletries
Crabtree & Evelyn (Overseas) Limited	英國	100,000 股每股面值 1 英鎊之普通股 4,707,500 股每股面值 0.10 英鎊之優先股 19,000,000 股每股面值 1 英鎊之可贖回優先股			零售及分銷盥洗用品
Crabtree & Evelyn (Hong Kong) Limited	Hong Kong	Paid-up capital of HK\$1,000,000	-	70.00	Retailing and distribution of toiletries
Crabtree & Evelyn (Hong Kong) Limited	香港	繳足股本 1,000,000 港元			零售及分銷盥洗用品
Crabtree & Evelyn, Australia Pty Limited	Australia	300,000 ordinary shares of AUD1 each	-	70.00	Retailing and distribution of toiletries
Crabtree & Evelyn, Australia Pty Limited	澳洲	300,000 股每股面值 1 澳元普通股			零售及分銷盥洗用品
C & E Canada Inc	Canada	Class B: 200 shares Class C: 895 shares Class D: 4,380 shares	-	70.00	Retailing and distribution of toiletries
C & E Canada Inc	加拿大	乙類：200 股 丙類：895 股 丁類：4,380 股			零售及分銷盥洗用品

\* controlled through structured arrangements with effective interests of 64.44%.

\* 透過架構協議控制，實際權益為 64.44%

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 16. INTERESTS IN SUBSIDIARIES (Continued)

The above table lists out the subsidiaries of the Company as at 31 December 2016 which, in the opinion of the directors, principally affected the Group's results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes:

- (a) These subsidiaries are registered as joint stock limited company under the law of PRC.
- (b) These subsidiaries are registered as limited liability company under the law of PRC.
- (c) These subsidiaries are registered as Sino-foreign co-operative joint venture under the law of PRC.
- (d) The Group has transferred 90% equity interest in 金益田 at cost to a financial institution under an arrangement of borrowing, and such equity interest will be transferred back to the Group at the same cost once the borrowing is fully repaid. As the control of the said subsidiary was retained by the Group, the Group accounted for the transaction as a borrowing and no disposal of subsidiary was booked.

#### 16. 於附屬公司之權益(續)

上表列出本公司於2016年12月31日之附屬公司，而董事認為該等附屬公司對本集團本年度業績構成主要影響或構成本集團資產淨值之重大部分。董事認為，提供其他附屬公司之詳情會導致資料過於冗長。

附註：

- (a) 該等附屬公司根據中國法律註冊為股份有限公司。
- (b) 該等附屬公司根據中國法律註冊為有限責任公司。
- (c) 該附屬公司根據中國法律註冊為中外合作合資企業。
- (d) 本集團根據借貸安排向一間財務機構轉讓金益田之90%股權，有關股權將於悉數償還借貸後按相同成本轉回本集團。由於本集團仍保留上述附屬公司之控制權，本集團將交易入賬為借貸，而非入賬為出售附屬公司。

#### 17. INTERESTS IN ASSOCIATES

#### 17. 於聯營公司之權益

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Share of net assets/(liabilities) other than goodwill	應佔不包括商譽之資產/(負債)淨值	79,728	(256,864)
Goodwill	商譽	6,608	791,163
Less: Provision for impairment	減：減值撥備	(6,373)	-
Balance at 31 December	於12月31日結餘	79,963	534,299

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 17. INTERESTS IN ASSOCIATES (Continued)

Particulars of the associates at 31 December 2016 and 31 December 2015 are as follows:

Name 名稱	Country/Place of incorporation/ establishment and operations 註冊成立/成立及 經營國家/地點	Particulars issued and paid-up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interest held by the Group 本集團所持股本權益百分比		Principal activities 主要業務
			2016	2015	
Listar *	BVI	14,000,000 class A and 6,000,000 class B ordinary shares of US\$1 each	-	43.00	Investment holding
Listar*	英屬維爾京群島	14,000,000 股甲類及 6,000,000 股乙類每股面值 1 美元之普通股			投資控股
Genius Reward Company Limited *	Hong Kong	Paid-up share capital of HK\$200	32.20	31.00	Inactive
Genius Reward Company Limited*	香港	繳足股本200港元			暫無業務
五洲電影發行有限公司 ("Wuzhou") * 五洲電影發行有限公司 (「五洲」) *	PRC 中國	RMB50,000,000 人民幣 50,000,000 元	22.50	22.50	Film distribution 電影發行
北京東方大地影視投資管理有限公司 *	PRC	RMB5,000,000	47.50	43.00	Investment holding and management
北京東方大地影視投資管理有限公司 *	中國	人民幣 5,000,000 元			投資控股及管理
北京東方大地文化產業發展中心 (有限合夥) ("Dongfangdadi")	PRC	RMB120,000,000	38.38	26.80	Consultation, film production and project management
北京東方大地文化產業發展中心 (有限合夥) (「東方大地」)	中國	人民幣 120,000,000 元			顧問、電影製作及 項目管理
Emperor Dadi Film Distribution Limited *	Hong Kong	Paid-up share capital of HK\$2	50.00	50.00	Provision of film distribution services
英皇大地電影發行有限公司 *	香港	繳足股本2港元			提供電影發行服務
成都狗用雲科技有限公司 *	PRC	RMB125,000	12.89	12.57	Information technology business
成都狗用雲科技有限公司 *	中國	人民幣 125,000 元			資訊科技業務
深圳天基絲路航天產業發展有限公司 * 深圳天基絲路航天產業發展有限公司 *	PRC 中國	RMB500,000,000 人民幣 500,000,000 元	33.00	-	Inactive 暫無業務

\* unlisted limited liability company

Note:

Listar together with its subsidiaries (collectively the "Listar Group") engages in property development in the PRC. Listar indirectly holds 100% equity interests in 東鏡. During the year ended 31 December 2016, the Group acquired the remaining interests of Listar and Listar Group became wholly-owned subsidiaries of the Group. Details please refer to note 41(a)(iv) and 41(a)(v).

### 17. 於聯營公司之權益(續)

於2016年12月31日及2015年12月31日之  
聯營公司詳情如下：

\* 非上市有限責任公司

附註：

Listar 連同其附屬公司(統稱「Listar 集團」)於中國從事房地產開發。Listar 間接持有東鏡全部股本權益。截至2016年12月31日止年度，本集團收購Listar 餘下權益，而Listar 集團成為本集團之全資附屬公司。詳情請參閱附註41(a)(iv)及41(a)(v)。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 17. INTERESTS IN ASSOCIATES (Continued)

The summarised financial information of the Group's material associates extracted from their management accounts, adjusted for fair value adjustments made at the time of acquisition and for differences in accounting policies, if any, are as follows:

### 17. 於聯營公司之權益(續)

有關本集團主要聯營公司摘自其管理賬目並就收購時所作公允價值調整及會計政策差異而作出調整後(如有)之財務資料概要如下:

		Dongfangdadi 東方大地		Wuzhou 五洲		Listar Listar	
		2016 HK\$'000 千港元	2015 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Summarised statement of financial position:</b>	<b>財務狀況報表概要:</b>						
Non-current assets	非流動資產	84	-	4,365	1,349	-	4,047
Current assets	流動資產	132,973	205,146	910,149	1,509,416	-	4,378,079
Current liabilities	流動負債	(11)	-	(800,228)	(1,352,938)	-	(3,477,528)
Non-current liabilities	非流動負債	-	-	-	-	-	(1,737,312)
<b>Summarised statement of comprehensive income:</b>	<b>全面收益報表概要:</b>						
Revenue	收益	-	-	1,408,607	2,035,701	-	127,567
(Loss)/Profit for the year	年內(虧損)/溢利	(1,029)	-	51,866	99,962	-	(128,159)
Other comprehensive income for the year	年內其他全面收益	(10,656)	-	(13,450)	(3,003)	-	(8,235)
Total comprehensive income for the year	年內全面收益總額	(11,685)	-	38,416	96,959	-	(136,394)
Investment withdrawal of original shareholders	原股東撤回投資	(60,415)	-	-	-	-	-
Dividends paid to shareholders	已付股東股息	-	-	(81,957)	-	-	-
<b>Dividend received from associates</b>	<b>已收聯營公司股息</b>	-	-	19,834	-	-	-
<b>Reconciled to the Group's interests in the associates:</b>	<b>本集團於聯營公司之權益之對賬:</b>						
Gross amounts of net assets of the associates	聯營公司資產淨額毛額	133,046	205,146	114,286	157,827	-	(832,714)
Group's effective interest	本集團實際權益	38.38%	26.80%	22.50%	22.50%	-	43.00%
Group's share of net assets of the associates	本集團應佔聯營公司資產淨額	51,063	54,979	25,714	35,511	-	(358,067)
Goodwill	商譽	-	-	-	-	-	791,163
<b>Carrying amount in the consolidated financial statements</b>	<b>綜合財務報表之賬面值</b>	<b>51,063</b>	<b>54,979</b>	<b>25,714</b>	<b>35,511</b>	<b>-</b>	<b>433,096</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 17. INTERESTS IN ASSOCIATES (Continued)

The summarised financial information of the Group's immaterial associates (in aggregate) extracted from their management accounts, adjusted for fair value adjustments made at the time of acquisition and for differences in accounting policies, are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Summarised statement of comprehensive income:	全面收益報表概要：		
Loss for the year	年內虧損	(1,591)	(3,175)
Other comprehensive income for the year	年內其他全面收益	(3,830)	(64)
Total comprehensive income for the year	年內全面收益總額	(5,421)	(3,239)

Notes:

The Group has discontinued recognising its share of losses of certain associates. The amount of unrecognised share of losses of the associates for the year and accumulated unrecognised share of losses of the associate amounted to HK\$429,000 (2015: HK\$275,000) and HK\$4,603,000 (2015: HK\$4,174,000) respectively.

### 17. 於聯營公司之權益(續)

有關本集團非主要聯營公司(合計)就收購時所作公允價值調整及會計政策差異而作出調整後之財務資料概要(摘自其管理賬目)如下：

附註：

本集團終止確認其應佔若干聯營公司虧損。年內未確認應佔聯營公司虧損之金額及未確認應佔聯營公司虧損之累計金額分別為429,000港元(2015年：275,000港元)及4,603,000港元(2015年：4,174,000港元)。

### 18. INTERESTS IN A JOINT VENTURE

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本		
Carrying amount at 1 January	於1月1日之賬面值	2,160	2,499
Share of results of a joint venture	應佔一間合營企業業績	(116)	(350)
Exchange differences	匯兌差額	5	11
Dissolution of a joint venture	解散一間合營企業	(2,049)	—
Carrying amount at 31 December	於12月31日之賬面值	—	2,160

In November 2014, the Group set up a joint venture with two business partners. The Group hold 40% equity interest and voting right in the joint venture, 東方大地影視產業投資基金管理無錫有限公司, a separate structured vehicle incorporated and operating in PRC. The primary activity of the joint venture is investment in film industry. The joint venture was dissolved during the year ended 31 December 2016.

### 18. 於一間合營企業之權益

於2014年11月，本集團與兩名業務夥伴設立一間合營企業。本集團於合營企業東方大地影視產業投資基金管理無錫有限公司(於中國註冊成立及經營之獨立實體組織)擁有40%股權及投票權。該合營企業之主要業務為投資於電影行業。該合營企業於截至2016年12月31日止年度解散。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 18. INTERESTS IN A JOINT VENTURE (Continued)

The summarised financial information of the Group's joint venture extracted from its management accounts, adjusted for differences in accounting policies, are as follows:

### 18. 於一間合營企業之權益(續)

有關本集團之合營企業就會計政策差異而作出調整後之財務資料概要(摘自其管理賬目)如下:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Current assets	流動資產	-	4,226
<i>Included in the above amounts are:</i>	<i>計入上述款項為:</i>		
Cash and cash equivalents	現金及等同現金項目	-	1
Revenue	收益	-	-
Loss for the year	年內虧損	(290)	(876)
<i>Included in the above amounts are:</i>	<i>計入上述款項為:</i>		
Administrative expenses	行政開支	(312)	(887)
Interest income	利息收入	22	11
Reconciled to the Group's interest in the joint venture:	與本集團於合營企業之權益對賬:		
Gross amounts of net assets of the joint venture	合營企業資產淨值毛額	-	5,400
Group's effective interest	本集團實際權益	-	40.0%
Group's share of net assets of the joint venture	本集團應佔合營企業資產淨值	-	2,160
Carrying amount in the consolidated financial statements	綜合財務報表之賬面值	-	2,160

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 19. NON-CURRENT ASSETS HELD FOR SALE

In November 2016, the Group decided to cease the running of a warehouse of the Group's botanic-based personal care and fragrance product business located in Wales due to geographical relocation. The Group has actively marketed the freehold land and premises of the warehouse which meets the classification definition of HKFRS 5 as held for sale. The operation of the warehouse will cease on 31 March 2017.

In January 2015, the Group entered into a sale and purchase agreement with an independent third party, under which the Group as a vendor disposed of its 20% equity interest in Loongson Technology Co., Ltd. at a total consideration of RMB200,000,000 (equivalent to approximately HK\$249,857,000). Details of the aforesaid transaction are more particularly disclosed in the announcement dated 29 January 2015 issued by the Company. A gain on disposal of HK\$165,554,000 was recognised during the year ended 31 December 2015.

### 20. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

### 19. 持作出售之非流動資產

於2016年11月，由於地域配置，本集團決定終止營運本集團位於威爾士之草本個人護理及香水產品業務之倉庫。本集團積極推銷倉庫所在永久業權土地及物業，並符合香港財務報告準則第5號之定義可分類為持作出售。倉庫將於2017年3月31日終止營運。

於2015年1月，本集團與一名獨立第三方訂立買賣協議，據此，本集團作為賣方出售其於龍芯中科技術有限公司之20%股權，總代價為人民幣200,000,000元（相當於約249,857,000港元）。上述交易之詳情於本公司日期為2015年1月29日刊發之公告中披露。出售收益165,554,000港元於截至2015年12月31日止年度內確認。

### 20. 按金、預付款項及其他應收款項

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Deposits and prepayments	按金及預付款項	2,190,302	910,190
Other receivables	其他應收款項	1,035,898	1,557,031
		<b>3,226,200</b>	2,467,221
Less: Provision for impairment of other receivables	減：其他應收款項減值撥備	(43,851)	(45,096)
		<b>3,182,349</b>	2,422,125
Less: Non-current portion	減：非流動部分		
Long term rental deposits	長期租賃之按金	(210,862)	(185,741)
Guarantee deposits	保證按金	(188,791)	-
Deposits for purchase of property, plant and equipment	購進物業、廠房及設備之訂金	(39,239)	(27,933)
		<b>(438,892)</b>	(213,674)
		<b>2,743,457</b>	2,208,451

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 20. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Impairment losses in respect of other receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against other receivables directly. The movement in the provision for impairment of other receivables is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
At the beginning of the year	年初	45,096	83,207
Write-back for impairment during the year	年內減值撥回	-	(12,887)
Provision for impairment	減值撥備	16,080	-
Amount written off as uncollectible	撇銷為不可收回之款項	(14,907)	(22,392)
Exchange differences	匯兌差額	(2,418)	(2,832)
At the end of the year	年終	43,851	45,096

At each of the reporting dates, the Group's other receivables are individually assessed for impairment. The Group encountered difficulties in collection of certain other receivables and appropriate provision for impairment had been made against these other receivables. The individually impaired receivables are recognised based on the credit history of its debtors, their financial position and record of delinquency in payments, and current market conditions. Consequently, specific impairment provision was recognised. The Group does not hold any collateral over these balances. Except for the amount impaired, none of the above assets is either past due or impaired.

#### 20. 按金、預付款項及其他應收款項 (續)

其他應收款項之減值虧損計入撥備賬，除非本集團信納日後收回該款項之可能性極微，在此情況下，有關減值虧損將直接於其他應收款項中撇銷。其他應收款項減值撥備變動如下：

於各報告日期，本集團其他應收款項已按個別情況作減值評估。本集團於收取若干其他應收款項時遇到困難，並已就此等其他應收款項作出適當減值撥備。個別已減值應收款項乃根據該等債務人之信貸記錄、彼等之財政狀況及拖欠還款記錄以及現行市況確認。因此，本集團已確認特定減值撥備。本集團並無就該等結餘持有任何抵押品。除已減值款項外，上述資產概無逾期或減值。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 21. INTANGIBLE ASSETS

### 21. 無形資產

		Computer software 電腦軟件 HK\$'000 千港元	Development cost 開發成本 HK\$'000 千港元	Goodwill 商譽 HK\$'000 千港元	Licenses 牌照 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2015	於2015年1月1日						
Cost	成本	303,218	112,556	92,311	41,174	1,080	550,339
Accumulated depreciation	累計攤銷	(300,514)	(95,485)	-	(4,901)	-	(400,900)
Accumulated impairment	累計減值	-	-	(2,441)	-	-	(2,441)
Net carrying amount	賬面淨值	2,704	17,071	89,870	36,273	1,080	146,998
Year ended 31 December 2015	截至2015年12月31日止年度						
Opening net carrying amount	期初賬面淨值	2,704	17,071	89,870	36,273	1,080	146,998
Additions	添置	1,571	19,309	-	-	-	20,880
Acquisition of subsidiaries	收購附屬公司	51,297	-	25,971	-	-	77,268
Amortisation charge for the year	年內攤銷支出	(3,915)	(4,860)	-	(4,091)	-	(12,866)
Exchange differences	匯兌差額	(2,140)	(1,208)	(3,621)	(1,494)	-	(8,463)
Closing net carrying amount at 31 December 2015	於2015年12月31日之期終賬面淨值	49,517	30,312	112,220	30,688	1,080	223,817
At 31 December 2015 and 1 January 2016	於2015年12月31日及2016年1月1日						
Cost	成本	340,854	126,244	114,661	39,619	1,080	622,458
Accumulated depreciation	累計攤銷	(291,337)	(95,932)	-	(8,931)	-	(396,200)
Accumulated impairment	累計減值	-	-	(2,441)	-	-	(2,441)
Net carrying amount	賬面淨值	49,517	30,312	112,220	30,688	1,080	223,817
Year ended 31 December 2016	截至2016年12月31日止年度						
Opening net carrying amount	期初賬面淨值	49,517	30,312	112,220	30,688	1,080	223,817
Additions	添置	6,849	41,669	-	-	7,756	56,274
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	-	-	2,387,933	416,137	9,540	2,813,610
Provision for impairment	減值撥備	-	-	(34,473)	-	-	(34,473)
Amortisation charge for the year	年內攤銷支出	(7,684)	(4,599)	-	(6,191)	(54)	(18,528)
Exchange differences	匯兌差額	(2,932)	(3,495)	(5,888)	(3,456)	(169)	(15,940)
Closing net carrying amount at December 2016	於2016年12月31日之期終賬面淨值	45,750	63,887	2,459,792	437,178	18,153	3,024,760
At 31 December 2016	於2016年12月31日						
Cost	成本	344,452	167,913	2,496,706	454,122	18,378	3,481,571
Accumulated depreciation	累計攤銷	(298,702)	(104,026)	-	(16,944)	(225)	(419,897)
Accumulated impairment	累計減值	-	-	(36,914)	-	-	(36,914)
Net carrying amount	賬面淨值	45,750	63,887	2,459,792	437,178	18,153	3,024,760

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 21. INTANGIBLE ASSETS (Continued)

As at 31 December 2016, no intangible asset (2015: certain intangible assets amounting to HK\$3,146,000) was charged to secure banking facilities as detailed in note 46(g).

For the purpose of the annual impairment test, the carrying amount of goodwill is allocated to the following CGU:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Property development	房地產開發	1,484,856	–
Innovative business — Retailing	創業商業 — 零售	750,641	–
Corporate IT application services	企業IT應用服務	77,964	81,961
Culture and media services — Cinema business	文化與傳播服務 — 影院業務	146,331	30,259
Net carrying amount at 31 December	於12月31日之賬面淨值	2,459,792	112,220

The recoverable amounts for the CGUs of “Corporate IT application services” and “Culture and media services” were determined based on value in use calculations, covering a detailed five to seven years financial budgets which were approved by management, cash flows for the CGUs are extrapolated using an estimated weighted average growth rate stated below, which does not exceed the long term growth rate for the business in which the CGU operates.

The key assumptions used for value in use calculations for the year are as follows:

### 21. 無形資產(續)

於2016年12月31日，如附註46(g)所詳述，本集團並無抵押無形資產(2015年：若干無形資產3,146,000港元)以取得銀行融資。

就年度減值檢測而言，商譽之賬面值分配至下列現金產生單位：

「企業IT應用服務」及「文化與傳播服務」之現金產生單位之可收回金額根據使用價值方法計算，當中涵蓋經管理層批准之五至七年詳細財政預算，現金產生單位之現金流量乃使用下列估計加權平均增長率推斷，並無超越現金產生單位所經營業務之長期增長率。

用於計算該等年度使用價值之主要假設如下：

		Corporate IT application services 企業IT應用服務		Culture and media services — Cinema business 文化與傳播服務 — 影院業務	
		2016 HK\$'000 千港元	2015 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Discount rates	貼現率	13%–22%	14%–19%	19%	14%
Growth rates used to extrapolate cashflows beyond the budgeted period	用作推斷預算期以外 現金流量之增長率	0%–3%	0%–3%	1%	1%

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 21. INTANGIBLE ASSETS (Continued)

The budgeted gross margin and net profit margin were determined by the management for each individual CGU based on past performance and its expectations for market development.

The growth rate used for each of the above CGU is determined by reference to the average growth rate for the corresponding industry to which the CGU belongs.

The discount rates used are pre-tax and reflect specific risks relating to the relevant CGU.

The recoverable amount for the CGU of "Property development" of 東鏡 was determined based on value in use calculations, covering a detailed five to seven years financial budgets which were approved by management, cash flows for CGU are extrapolated using projection of future cash flows generated from the sales of properties less cost to completion prepared from the financial budgets.

Below are the key assumptions used for the discounted cash flow calculation:

### 21. 無形資產(續)

預算邊際毛利及邊際純利乃由管理層按過往表現及其對市場發展之預期就各個個別現金產生單位釐定。

以上各現金產生單位採用之增長率乃參考該等現金產生單位所屬相應行業之平均增長率釐定。

所用貼現率為除稅前並反映與相關現金產生單位有關之特定風險。

東鏡之「房地產開發」現金產生單位之可收回金額根據使用價值方法計算，當中涵蓋經管理層批准之五至七年詳細財政預算，現金產生單位之現金流量乃使用預測銷售物業所得現金流量減財政預算所編製落成成本推斷。

下列為用於計算貼現現金流量之主要假設：

		Property development 房地產開發
Estimated market price (per square meter)	估計市價(每平方米)	<b>RMB11,000 to RMB13,000</b> 人民幣 <b>11,000元至</b> 人民幣 <b>13,000元</b>
Pre-tax discount rate	除稅前貼現率	<b>36%</b>

The estimated market price was determined by the management based on the market information at location nearby the construction project.

估計市價乃由管理層基於建設項目鄰近地區之市場資料釐定。

The discount rates used are pre-tax and reflect the cost of capital of the property development segment.

所用貼現率為除稅前並反映房地產開發分部之資本成本。

Based on the assessment, an impairment loss on goodwill of HK\$34,473,000 was recognised to profit or loss during the year.

基於有關評估，商譽減值虧損34,473,000港元已於年內於損益賬確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 21. INTANGIBLE ASSETS (Continued)

The recoverable amounts for the CGU of "Innovative business — Retailing" were determined based on value in use calculation, covering a detailed eight years financial budgets which were approved by management, cash flows for geographical location within the CGU are extrapolated using an estimated weighted average growth rate stated below, which does not exceed the long term growth rate for the business in which the CGU operates.

The key assumptions used for value in use calculations for the year are as follows:

		Innovative business — Retailing 創意商業 — 零售
Growth rate	增長率	0%–40%
Terminal growth rate	最終增長率	3%
Pre-tax discount rate	除稅前貼現率	16%

Apart from the considerations described in determining the value in use calculations of the CGUs above, the Group's management is not currently aware of any other probable changes that would necessitate changes in its key estimates.

### 21. 無形資產(續)

「創意商業—零售」現金產生單位之可收回金額根據使用價值方法計算，當中涵蓋經管理層批准之八年詳細財政預算，現金產生單位所在地理位置之現金流量乃使用下列估計加權平均增長率推斷，並無超逾現金產生單位所經營業務之長期增長率。

用於計算該等年度使用價值之主要假設如下：

除上文在釐定現金產生單位使用價值所述考慮因素外，本集團管理層目前並不知悉有任何其他可能出現之變動以致須更改其主要估計。

### 22. INVENTORIES

### 22. 存貨

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Property development:</b>	<b>房地產開發：</b>		
Properties under development	發展中物業	8,911,004	6,970,146
Completed properties held for sale	已落成待售物業	3,973,636	163,993
		<b>12,884,640</b>	7,134,139
<b>Other operations:</b>	<b>其他業務：</b>		
Confectionery	糖果	23,938	14,033
Botanic-based personal care and fragrance products	草本個人護理及香水產品	158,368	—
Projection equipment	放映設備	44,794	29,822
Others	其他	10,635	10,282
		<b>13,122,375</b>	7,188,276

All the above inventories are stated at the lower of cost and net realisable value.

以上所有存貨均按成本及可變現淨值中較低者入賬。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The financial assets at fair value through profit or loss are classified as held for trading. The fair value of the Group's investments in listed securities has been determined by reference to their quoted bid prices at the reporting date.

### 24. TRADE RECEIVABLES

Based on the invoice dates, the aging analysis of the trade receivables is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
0-90 days	0至90日	243,150	299,137
91-180 days	91至180日	31,083	13,148
181-270 days	181至270日	16,019	10,298
271-360 days	271至360日	3,771	4,854
Over 360 days	超過360日	55,443	26,313
Trade receivables, gross	應收貿易款項毛額	349,466	353,750
Less: Provision for impairment of receivables	減：應收款項減值撥備	(24,675)	(21,640)
Trade receivables, net	應收貿易款項淨額	324,791	332,110
Less: Long term trade receivables	減：長期應收貿易款項	(3,303)	-
Current portion of trade receivables	應收貿易款項之即期部分	321,488	332,110

Trade receivables are due on presentation of invoices.

The long term trade receivables represent the outstanding balances receivable from customers who have granted a settlement schedule of 36 months from the Group. The current portion and non-current portion of the receivable were HK\$1,529,000 and HK\$3,303,000 respectively (2015: Nil and Nil respectively). All the remaining amounts are short term and hence the carrying values of the Group's trade receivable are considered to be a reasonable approximation of fair value.

### 23. 按公允價值於損益賬處理之金融資產

按公允價值於損益賬處理之金融資產分類為持作買賣。本集團於上市證券之投資公允價值乃參考其於報告日期所報買入價格釐定。

### 24. 應收貿易款項

應收貿易款項按發票日期作出之賬齡分析如下：

應收貿易款項於出示發票時到期。

長期應收貿易款項指應收獲本集團授予36個月之還款時間表之客戶之未償還結餘。有關應收款項之即期部分及非即期部分分別為1,529,000港元及3,303,000港元(2015年：分別為零及零)。所有餘額為短期應收貿易款項，故本集團應收貿易款項之賬面值被合理視為與公允價值相若。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 24. TRADE RECEIVABLES (Continued)

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly. The movement in the provision for impairment of trade receivables is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
At the beginning of the year	年初	21,640	18,523
Provision for impairment	減值撥備	5,390	4,202
Exchange differences	匯兌差額	(2,355)	(1,085)
At the end of the year	年終	24,675	21,640

At each of the reporting dates, the Group's trade receivables were individually assessed for impairment. The Group encountered difficulties in collection of certain trade receivables and appropriate provision for impairment has been made against certain trade receivables. The individually impaired receivables are recognised based on the credit history of its customers, their financial positions and record of delinquency in payments, and current market conditions. Consequently, specific impairment provision was recognised. The Group does not hold any collateral over these balances.

### 24. 應收貿易款項(續)

應收貿易款項之減值虧損計入撥備賬，除非本集團信納日後收回該款項之可能性極微，在此情況下，有關減值虧損將直接於應收貿易款項中撇銷。應收貿易款項減值撥備變動如下：

於各報告日期，本集團應收貿易款項已按個別情況作減值評估。本集團於收取若干應收貿易款項時遇到困難，並已就若干應收貿易款項作出適當減值撥備。個別已減值應收款項乃根據該等客戶之信貸記錄、彼等之財政狀況及拖欠還款記錄以及現行市況確認。因此，本集團已確認特定減值撥備。本集團並無就該等結餘持有任何抵押品。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 24. TRADE RECEIVABLES (Continued)

The aging analysis of trade receivables that are not considered to be impaired is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
0-90 days past due	逾期0至90日	242,966	299,137
91-180 days past due	逾期91至180日	30,716	13,136
181-270 days past due	逾期181至270日	15,468	10,276
271-360 days past due	逾期271至360日	3,036	4,822
Overdue for more than 360 days	逾期超過360日	32,605	4,739
		<b>324,791</b>	332,110

Trade receivables that were past due but not impaired related to a number of independent customers that had a good track record with the Group. Based on past experience, the management believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

The directors of the Group consider that the fair value of trade receivables which are expected to be recovered within one year are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

### 24. 應收貿易款項(續)

被視為並無減值之應收貿易款項賬齡分析如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
0-90 days past due	逾期0至90日	242,966	299,137
91-180 days past due	逾期91至180日	30,716	13,136
181-270 days past due	逾期181至270日	15,468	10,276
271-360 days past due	逾期271至360日	3,036	4,822
Overdue for more than 360 days	逾期超過360日	32,605	4,739
		<b>324,791</b>	332,110

已逾期但並無減值之應收貿易款項乃來自多名與本集團有良好往績記錄之獨立客戶。根據以往經驗，由於有關信貸質素並無重大變動，且結餘仍被視作可全數收回，故管理層認為毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品或其他改善信貸條件。

本公司董事認為，預期於一年內收回之應收貿易款項之公允價值與其賬面值並無重大差異，原因為該等結餘自產生時具有較短屆滿期。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 25. CASH AND CASH EQUIVALENTS, PLEDGED AND RESTRICTED BANK DEPOSITS AND TIME DEPOSITS MATURING OVER THREE MONTHS

### 25. 現金及等同現金項目、已抵押及受限制銀行存款以及超過三個月到期之定期存款

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Cash and bank balances	現金及銀行結存	8,171,432	2,724,519
Less: Pledged and restricted bank deposits presented as non-current assets	減：列作非流動資產之已抵押及受限制銀行存款	(3,489,355)	(195,276)
Less: Pledged and restricted bank deposits presented as current assets	減：列作流動資產之已抵押及受限制銀行存款	(3,509,457)	(1,725,537)
Less: Time deposits maturing over three months presented as current assets	減：列作流動資產之超過三個月到期之定期存款	-	(12)
Cash and cash equivalents as stated in the statement of financial position	財務狀況報表所示之現金及等同現金項目	1,172,620	803,694

Included in bank and cash balance of the Group is an aggregate amount of approximately HK\$6,574,024,000 (2015: HK\$2,647,172,000), which represented Renminbi ("RMB") deposits placed with banks in Mainland China.

本集團現金及銀行結存包括一筆總額約6,574,024,000港元(2015年：2,647,172,000港元)之款項，為本集團存於中國內地銀行之人民幣(「人民幣」)存款。

RMB is not freely convertible into foreign currencies. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks which are authorised to conduct foreign exchange business.

人民幣不得自由兌換為外幣，根據中國之外匯管制法規以及結匯、售匯及付匯管理規定，本集團獲准透過獲認可進行外匯業務之銀行將人民幣兌換為外幣。

Pledged and restricted bank deposits earn interests at floating rates based on daily bank deposit rates or fixed-rates ranging from 1.50% to 3.30% per annum (2015: 1.50% to 3.30% per annum). For the year ended 31 December 2015, time deposits maturing over three months earned fixed-rate interest at 2.75% per annum.

已抵押及受限制銀行存款以每日銀行存款利率按浮動利率或按固定年利率1.50厘至3.30厘賺取利息(2015年：年利率1.50厘至3.30厘)。截至2015年12月31日止年度，超過三個月到期之定期存款按固定年利率2.75厘賺取利息。

Restricted bank deposits represented the pre-sales proceeds received by the Group relating to the property development business. The restricted deposits are monitored by local government, any usage of the deposits requires approval by local government. The restriction will be released upon the completion of the related pre-sale properties.

受限制銀行存款指本集團已收房地產開發之預售所得款項。受限制存款由地方政府監管，使用該等存款須由地方政府批准。有關限制將於相關預售物業竣工時解除。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 26. TRADE PAYABLES

Based on the invoice dates, the aging analysis of the trade payables is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
0–90 days	0至90日	1,307,214	363,988
91–180 days	91至180日	35,161	37,549
181–270 days	181至270日	25,585	72,375
271–360 days	271至360日	34,458	40,092
Over 360 days	超過360日	94,742	124,621
		<b>1,497,160</b>	638,625
Less: Long term trade payables	減：長期應付貿易款項	<b>(42,482)</b>	(68,087)
		<b>1,454,678</b>	570,538

The long term trade payable represents the outstanding balance payable to a supplier who has granted a settlement schedule of 36 months to the Group. The current portion and non-current portion of this payable were HK\$67,024,000 and HK\$42,482,000 respectively (2015: HK\$66,315,000 and HK\$68,087,000 respectively). All the remaining amounts are short term and hence the carrying values of the Group's trade payables are considered to be a reasonable approximation of fair value.

### 27. OTHER PAYABLES AND ACCRUALS

All amounts are short term and hence the carrying values of the Group's other payables and accruals are considered to be a reasonable approximation of fair value.

### 26. 應付貿易款項

應付貿易款項按發票日期作出之賬齡分析如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
0–90 days	0至90日	1,307,214	363,988
91–180 days	91至180日	35,161	37,549
181–270 days	181至270日	25,585	72,375
271–360 days	271至360日	34,458	40,092
Over 360 days	超過360日	94,742	124,621
		<b>1,497,160</b>	638,625
Less: Long term trade payables	減：長期應付貿易款項	<b>(42,482)</b>	(68,087)
		<b>1,454,678</b>	570,538

長期應付貿易款項指應付一名供應商之未償還結餘，該名供應商授予本集團36個月之結算期。該應付款項之即期部分及非即期部分分別為67,024,000港元及42,482,000港元(2015年：分別為66,315,000港元及68,087,000港元)。所有餘額均屬短期性質，因此，本集團之應付貿易款項賬面值被視為公允價值之合理約數。

### 27. 其他應付款項及應計費用

所有金額均屬短期性質，因此，本集團其他應付款項及應計費用賬面值視為公允價值之合理約數。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 28. LOAN RECEIVABLE FROM/AMOUNT(S) DUE FROM/(TO) A DIRECTOR/A SHAREHOLDER/ASSOCIATE(S)

##### (a) Amount due to a director

The amount due to a director is unsecured, interest-free and repayable on demand.

##### (b) Amount due to a shareholder

The amount due to a shareholder is unsecured, interest-free and repayable on demand.

##### (c) Amounts due from/(to) associates

The amounts due from/(to) associates are unsecured, interest-free and repayable on demand except for the amount due to an associate of Nil (2015: HK\$4,178,000 which was repayable on or before 28 March 2016).

##### (d) Loan receivable from an associate

The balance at 31 December 2015 was unsecured, interest-free and had no fixed repayment term. The directors consider that the balance will not be recovered within twelve months from the end of the reporting period. The amount is initially measured at fair value and subsequently carried at amortised cost using effective interest method by applying an effective interest rate of 10%.

#### 28. 應收來自／應收／(欠)一名董事／一名股東／聯營公司之貸款／款項

##### (a) 欠一名董事款項

欠一名董事款項為無抵押、免息及須按要求償還。

##### (b) 欠一名股東款項

欠一名股東款項為無抵押、免息及須按要求償還。

##### (c) 應收／(欠)聯營公司款項

除欠一間聯營公司之款項為零外(2015年：4,178,000港元，於2016年3月28日或之前應償還)，應收／(欠)聯營公司款項為無抵押、免息及須按要求償還。

##### (d) 來自一間聯營公司之應收貸款

於2015年12月31日結欠之款項為無抵押、免息及無固定還款期。董事認為將無法於自報告期末起計十二個月內收回餘款。有關金額初步按公允價值計量，其後運用實際利息法及實際利率10%按攤銷成本計量。

#### 29. BANK AND OTHER BORROWINGS

#### 29. 銀行及其他借貸

		Notes 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Bank loans, secured	銀行貸款，有抵押	(a)	12,728,024	9,171,700
Other borrowings, secured	其他借貸，有抵押	(a), (b)	1,653,842	855,383
			14,381,866	10,027,083



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 29. BANK AND OTHER BORROWINGS (Continued)

At 31 December 2016, the bank and other borrowings of the Group are repayable as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
On demand or within one year	按要求或第一年內	4,784,912	5,059,078
In the second year	第二年	6,438,094	537,823
In the third to fifth years	第三至五年	3,158,860	4,430,182
Wholly repayable within five years	五年內悉數償還	14,381,866	10,027,083
Less: Portion due on demand or within one year under current liabilities	減：計入流動負債按要求或於一年內到期之部分	(4,784,912)	(5,059,078)
Portion due over one year under non-current liabilities	計入非流動負債於超過一年到期之部分	9,596,954	4,968,005

### 29. 銀行及其他借貸(續)

於2016年12月31日，本集團之銀行及其他借貸須於以下年期償還：

(a) At 31 December 2016, bank and other borrowings amounted to HK\$6,685,542,000 (2015: HK\$3,602,650,000) carry interest at floating rates ranging from 1.59% to 7.35% per annum (2015: 1.80% to 7.35% per annum). The remaining balances carry interest at fixed rates ranging from 2.40% to 14.00% per annum (2015: 2.10% to 20.00% per annum). The carrying amounts of bank and other borrowings approximate their fair values.

(b) Included in other borrowings is amount of HK\$390,651,000 (2015: HK\$425,848,000) due to financial institutions regarding four (2015: three) sales and leaseback arrangements for property, plant and equipment. The transactions are classified as loan financing and corresponding property, plant and equipment of HK\$448,927,000 (2015: HK\$414,070,000) are pledged under this arrangement.

(a) 於2016年12月31日，為數6,685,542,000港元(2015年：3,602,650,000港元)之銀行及其他借貸按浮動年利率介乎1.59厘至7.35厘(2015年：1.80厘至7.35厘)計息。餘額按固定年利率介乎2.40厘至14.00厘(2015年：2.10厘至20.00厘)計息。銀行及其他借貸之賬面值與其公允價值相若。

(b) 其他借貸中包括就四項(2015年：三項)有關物業、廠房及設備之售後租回安排欠財務機構為數390,651,000港元(2015年：425,848,000港元)之款項。該等交易按貸款融資分類，為數448,927,000港元(2015年：414,070,000港元)之相應物業、廠房及設備根據此項安排抵押。

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 29. BANK AND OTHER BORROWINGS (Continued)

- (c) The carrying amounts of the borrowings are denominated in the following currencies:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
RMB	人民幣	8,564,777	8,283,548
USD	美元	3,798,167	1,743,535
HKD	港元	2,018,565	-
AUD	澳元	357	-
		<b>14,381,866</b>	10,027,083

#### 29. 銀行及其他借貸(續)

- (c) 借貸之賬面值按下列貨幣計值：

#### 30. FINANCE LEASE LIABILITIES

- (a) Total minimum lease payments is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Due within one year	一年內到期	38,716	17,188
Due in the second year	第二年內到期	37,029	17,188
Due in the third to fifth years	第三至五年內到期	7,549	15,425
		<b>83,294</b>	49,801
Future finance charges on finance leases	融資租賃之未來財務費用	<b>(7,793)</b>	(6,699)
Present value of finance lease liabilities	融資租賃負債現值	<b>75,501</b>	43,102

#### 30. 融資租賃負債

- (a) 最低租賃付款總額如下：

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 30. FINANCE LEASE LIABILITIES (Continued)

(b) The present value of finance lease liabilities is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Due within one year, included under current liabilities	計入流動負債於一年內到期	<b>33,330</b>	13,509
Due in the second year, included under non-current liabilities	計入非流動負債於第二年內到期	<b>34,753</b>	14,913
Due in the third to fifth years, included under non-current liabilities	計入非流動負債於第三至五年內 到期	<b>7,418</b>	14,680
		<b>75,501</b>	43,102

The Group has entered into finance leases for items of cinema equipment, office equipment and motor vehicles with remaining lease terms of two to three years (2015: three to four years). Interest rate under the leases is fixed at 2.00% to 7.10% (2015: 2.00% to 7.10%) per annum. The lease does not have options to renew or any contingent rental provisions. Under the lease terms, the Group has the option to purchase the leased asset at a price that is expected to be sufficiently lower than the fair value of the leased asset at the end of the leases.

Finance lease liabilities are secured by the underlying assets where the lessor has the rights to revert in event of default. The carrying amount of the finance lease liabilities are denominated in Renminbi and Hong Kong dollars and approximates their fair values.

### 30. 融資租賃負債(續)

(b) 融資租賃負債現值如下：

本集團已就影院設備、辦公室設備及汽車項目訂立餘下租期為兩至三年之融資租賃(2015年：三至四年)。該等租賃之年利率固定為2.00厘至7.10厘(2015年：2.00厘至7.10厘)。該租約並無續期選擇權或任何或然租金條文。根據租賃條款，本集團有權以預期遠低於租約結束時租賃資產公允價值之價格購買租賃資產。

融資租賃負債以相關資產作抵押，出租人有權在發生違約事件時收回出租項目。融資租賃負債之賬面值以人民幣及港元計值，與其公允價值相若。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 31. CONVERTIBLE AND EXCHANGEABLE BONDS

On 15 June 2016 (“Issue Date”), an indirect wholly-owned subsidiary of the Company (“The Issuer”), issued an aggregate of RMB1,000,000,000 convertible and exchangeable bonds (the “Bonds”) which carry interest at 1.95% per annum with a maturity date of two years from the Issue Date (“Maturity Date”). Interest rate will be adjusted to 5.50% upon redemption of the Bonds and the adjusted interests rate applied retrospectively for the whole life of the Bonds.

The conversion price is initially RMB266,667 per share, subject to adjustments for certain specified dilutive and other events, including the adjustment by reference to the box office revenue. The Bonds are secured by the shares of the Issuer and the Bond holder can convert the Bonds into the Issuer’s shares representing approximately 4.76% of the enlarged issued share capital of the Issuer or exchanged into 100% of the issued share capital of a direct wholly-owned subsidiary of the Issuer.

Unless previously redeemed, converted or exchanged, the Issuer will redeem all the Bonds at the principal amount together with any accrued but unpaid interest on such principal amount on the third anniversary of the Issue Date.

Immediately prior to the closing of a fully underwritten registered public offering by an Issuer group company on an internationally recognised stock exchange (the “Qualified IPO”) in respect of the Issuer, unless previously converted, exchanged or redeemed, the outstanding Bonds shall be automatically exchanged into 100% of the issued share capital of a subsidiary of the Issuer credited as fully paid, at any time between the Issue Date up to the close of business on the date falling on the third anniversary of the Issue Date (the “Exchange Period”).

The holder of the Bonds shall have the right at its sole option to require the Issuer to redeem all of its Bonds outstanding at an amount which yields an internal rate of return of 5.50% per annum on the subscription amount paid by the holder following the Maturity Date, or in case of certain early redemption events happen.

### 31. 可換股及可交換債券

於2016年6月15日(「發行日期」)，本公司一間間接全資附屬公司(「發行人」)發行本金總額為人民幣1,000,000,000元之可換股及可交換債券(「債券」)，按年利率1.95厘計息，自發行日期起計兩年(「到期日」)到期。利率將於贖回債券時調整至5.50厘，而經調整利率將追溯應用至債券整個年期。

兌換價初步為每股人民幣266,667元，可就若干特定攤薄及其他事件作出調整，包括經參考票房收益作出調整。債券由發行人股份作抵押，而債券持有人可將債券兌換為發行人股份(相當於發行人經擴大已發行股本約4.76%)，或可交換為發行人一間直接全資附屬公司已發行股本之100%。

除非先前已贖回、兌換或交換，否則發行人將於發行日期第三週年按本金額連同任何應計但未付本金額之利息贖回債券。

於緊接有關發行人之發行人集團公司於國際認可證券交易所進行之全面包銷註冊公開發售(「合資格首次公開發售」)結束前，除非先前已兌換、交換或贖回，否則未償還債券將自發行日期起直至發行日期第三週年之日營業時間結束為止任何時間(「交換期」)自動兌換為發行人一間附屬公司入賬列作繳足已發行股本之100%。

於到期日後或發生若干提早贖回事件，債券持有人可全權決定要求發行人贖回其全部未償還債券，價格為持有人所支付認購額產生之每年5.50厘內部回報率。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 31. CONVERTIBLE AND EXCHANGEABLE BONDS (Continued)

The holder of the Bonds was granted an put option to request the Company to purchase the Bonds at a price that will yield an internal rate of return of 5.50% per annum on the subscription amount paid by the holder for the Bonds for a period of 90 days after the occurrence of an event of default or other events related to the application of a Qualified IPO (details of the Bonds are more particularly disclosed in the circular dated 23 June 2016 issued by the Company).

The related interest expense of the liability component of the Bonds for the year ended 31 December 2016 amounted to HK\$55,468,000, which was calculated using the effective interest method with an effective interest rate of 10.23%.

The movements in the components of the Bonds during the year ended 31 December 2016 are set out below:

### 31. 可換股及可交換債券(續)

於違約事件或其他與合資格首次公開發售申請有關之事件發生後90日期間，債券持有人獲予認沽期權，可要求本公司購入債券，價格為將為就債券持有人所支付認購額產生之每年5.50厘內部回報率(更多債券詳情於本公司日期為2016年6月23日之通函披露)。

截至2016年12月31日止年度，債券負債部分之相關利息開支為55,468,000港元，乃採用實際利率法按實際利率10.23%計算。

截至2016年12月31日止年度，債券各部分之變動載列如下：

		Liability component 負債部分 HK\$'000 千港元	Embedded derivatives 嵌入式衍生工具 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Issuance of the Bonds	發行債券	1,001,403	167,504	1,168,907
Change in fair value of embedded derivatives	嵌入式衍生工具公允價值變動	-	(48,374)	(48,374)
Interest expense	利息開支	55,468	-	55,468
Exchange differences	匯兌差額	(46,835)	(5,413)	(52,248)
<b>At 31 December 2016</b>	<b>於2016年12月31日</b>	<b>1,010,036</b>	<b>113,717</b>	<b>1,123,753</b>



## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 32. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

#### 32. 按公允價值於損益賬處理之金融負債

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
At 1 January	於1月1日	121,589	59,423
Issuance of the Bonds	發行債券	167,504	-
Change in fair value of embedded derivatives	嵌入式衍生工具公允價值變動	(48,374)	62,166
Exercise of option in business combination	於業務合併時行使期權	(121,589)	-
Exchange differences	匯兌差額	(5,413)	-
At 31 December	於12月31日	113,717	121,589

At 31 December 2016, the amounts represent the fair value of the conversion option embedded in the Bonds as disclosed in note 31 to the consolidated financial statements. At 31 December 2015, the amounts represent the fair value of the put options for a third party to transfer its equity interest in Listar to the Group at an internal rate of return of 12% per annum (the "Put Option"). The Put Option was executed during the year and Listar became a wholly owned subsidiary, details are set out in note 41(a)(iv) and 41(a)(v) to the consolidated financial statements.

於2016年12月31日，有關金額指綜合財務報表附註31所披露債券嵌入式兌換權之公允價值。於2015年12月31日，有關金額指一名第三方按每年12厘內部回報率行使認沽期權（「認沽期權」）向本集團轉讓於Listar之股權之公允價值。該認沽期權於年內行使，而Listar成為全資附屬公司，詳情載於綜合財務報表附註41(a)(iv)及41(a)(v)。

The fair value of the embedded derivatives was determined using the binomial model, and the inputs into the models at the end of reporting period were as follows:

嵌入式衍生工具公允價值乃採用二項式模型釐定，於報告期末該模型之資料輸入如下：

Conversion price	兌換價	RMB266,667 人民幣266,667元
Risk free rate	無風險利率	0.847%
Term (Years)	年期(年)	2.5
Volatility	波幅	44.8%

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 32. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Risk free rate is based on the yield of Hong Kong government bond with similar maturity of the Bonds, plus country risk differential and converted into continuously compounded.

Volatility is calculated with reference to the Company's historical share price movement matching the period of the conversion option.

The gain on fair value change of the embedded derivatives of the Bonds for the year ended 31 December 2016 of HK\$48,374,000 was recognised as "fair value change of financial liability at fair value through profit or loss" in the consolidated income statement.

### 32. 按公允價值於損益賬處理之金融負債(續)

無風險利率基準為與債券到期日相若之香港政府債券收益率，加國家風險差額及兌換為持續複合利率。

波幅乃經參考兌換期權期間本公司過往股價變動計算。

截至2016年12月31日止年度，債券之嵌入式衍生工具公允價值變動收益48,374,000港元於綜合收益表確認為「按公允價值於損益賬處理之金融負債公允價值變動」。

### 33. PROVISION FOR WARRANTY

### 33. 保修撥備

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
At 1 January	於1月1日	5,401	-
Acquisition of subsidiaries (note 41(b)(i))	收購附屬公司(附註41(b)(i))	-	5,208
Additional provision	額外撥備	695	365
Utilisation during the year	年內動用	(1,486)	-
Exchange differences	匯兌差額	(314)	(172)
<b>At 31 December</b>	<b>於12月31日</b>	<b>4,296</b>	<b>5,401</b>

The Group provides a one to three years warranty for its movie projection equipment, under which faulty products are repaired or replaced. The amount of the provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

本集團為影院放映設備提供一至三年保修，故障產品可維修或更換。保修撥備金額乃根據銷售量以及維修及退貨水平之過往經驗估計。估計基準乃按長期基準審閱並於適當時作出修訂。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 34. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

#### Deferred tax assets

		Tax loss	Provision of PRC LAT	Others	Total
		稅項虧損	中國土地增	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>At 1 January 2015</b>	<b>於2015年1月1日</b>	–	120,441	–	120,441
Deferred tax credited/ (charged) to the income statement (note 9)	於收益表計入/(扣除) 遞延稅項(附註9)	85,829	(96,621)	–	(10,792)
Exchange differences	匯兌差額	(2,644)	1,253	–	(1,391)
<b>At 31 December 2015 and 1 January 2016</b>	<b>於2015年12月31日及 2016年1月1日</b>	<b>83,185</b>	<b>25,073</b>	<b>–</b>	<b>108,258</b>
Deferred tax (charged)/credited to the income statement (note 9)	於收益表(扣除)/計入 遞延稅項(附註9)	(80,822)	133,432	6,139	58,749
Exchange differences	匯兌差額	(199)	(5,032)	(328)	(5,559)
<b>Gross deferred tax assets at 31 December 2016</b>	<b>於2016年12月31日之 遞延稅項資產毛額</b>	<b>2,164</b>	<b>153,473</b>	<b>5,811</b>	<b>161,448</b>

At 31 December 2016, the amount of unused tax losses for which no deferred tax assets is recognised in the consolidated statement of financial position is as follows:

### 34. 遞延稅項

年內遞延稅項資產及負債之變動如下：

#### 遞延稅項資產

		Tax loss	Provision of PRC LAT	Others	Total
		稅項虧損	中國土地增	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>At 1 January 2015</b>	<b>於2015年1月1日</b>	–	120,441	–	120,441
Deferred tax credited/ (charged) to the income statement (note 9)	於收益表計入/(扣除) 遞延稅項(附註9)	85,829	(96,621)	–	(10,792)
Exchange differences	匯兌差額	(2,644)	1,253	–	(1,391)
<b>At 31 December 2015 and 1 January 2016</b>	<b>於2015年12月31日及 2016年1月1日</b>	<b>83,185</b>	<b>25,073</b>	<b>–</b>	<b>108,258</b>
Deferred tax (charged)/credited to the income statement (note 9)	於收益表(扣除)/計入 遞延稅項(附註9)	(80,822)	133,432	6,139	58,749
Exchange differences	匯兌差額	(199)	(5,032)	(328)	(5,559)
<b>Gross deferred tax assets at 31 December 2016</b>	<b>於2016年12月31日之 遞延稅項資產毛額</b>	<b>2,164</b>	<b>153,473</b>	<b>5,811</b>	<b>161,448</b>

於2016年12月31日，未於綜合財務狀況報表確認為遞延稅項資產之未動用稅項虧損金額如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Temporary differences attributable to: — unused tax losses	以下項目應佔之暫時差額： — 未動用稅項虧損	1,280,026	822,343

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 34. DEFERRED TAX (Continued)

Deferred tax asset in respect of these tax losses has not been recognised in the financial statements due to the unpredictability of future profit streams against which the tax losses can be utilised. The tax losses of the subsidiaries operating in Mainland China amounted to HK\$689,241,000 (2015: HK\$760,392,000) can be carried forward for five years while tax losses of the subsidiaries operating in Hong Kong and other tax jurisdictions amounted to HK\$97,896,000 (2015: HK\$61,951,000) can be carried forward indefinitely under the current tax legislation.

Tax losses of the subsidiaries operated in other jurisdictions amounted to HK\$492,889,000 (2015: Nil) can be carried forward up to twenty years.

#### Deferred tax liabilities

		Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司產生之公允價值調整 HK\$'000 千港元	Fair value adjustments on investment properties 投資物業之公允價值調整 HK\$'000 千港元	Temporary difference on receipt in advance 預收款項之暫時差額 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 1 January 2015</b>	<b>於2015年1月1日</b>	8,906	–	21,905	30,811
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	10,547	–	–	10,547
Deferred tax (credited)/charged to the income statement (note 9)	(計入)/扣除收益表之遞延稅項(附註9)	(4,763)	38,268	(296)	33,209
Exchange differences	匯兌差額	4,020	(1,179)	(969)	1,872
<b>At 31 December 2015 and 1 January 2016</b>	<b>於2015年12月31日及2016年1月1日</b>	<b>18,710</b>	<b>37,089</b>	<b>20,640</b>	<b>76,439</b>
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	<b>893,124</b>	–	–	<b>893,124</b>
Deferred tax (credited)/charged to the income statement (note 9)	(計入)/扣除收益表之遞延稅項(附註9)	<b>(64,362)</b>	<b>7,532</b>	–	<b>(56,830)</b>
Exchange differences	匯兌差額	<b>(6,231)</b>	<b>1,179</b>	<b>(791)</b>	<b>(5,843)</b>
<b>Gross deferred tax liabilities at 31 December 2016</b>	<b>於2016年12月31日之遞延稅項負債毛額</b>	<b>841,241</b>	<b>45,800</b>	<b>19,849</b>	<b>906,890</b>

The Group is also subject to withholding tax at the rate of 5% (2015: 5%) and 10% (2015: 10%) on the distributions of profits generated from the Group's major PRC subsidiaries which are directly owned by the Group's subsidiaries incorporated in Hong Kong and BVI respectively.

### 34. 遞延稅項(續)

因無法預計可用以抵銷稅項虧損之日後溢利來源，故並無在財務報表中確認該等稅項虧損之遞延稅項資產。於中國內地營運之附屬公司稅項虧損689,241,000港元(2015年：760,392,000港元)可結轉五年，而根據現行稅法，於香港及其他司法權區營運之附屬公司稅項虧損97,896,000港元(2015年：61,951,000港元)可無限期結轉。

於其他司法權區營運之附屬公司稅項虧損492,889,000港元(2015年：無)可結轉最多20年。

#### 遞延稅項負債

		Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司產生之公允價值調整 HK\$'000 千港元	Fair value adjustments on investment properties 投資物業之公允價值調整 HK\$'000 千港元	Temporary difference on receipt in advance 預收款項之暫時差額 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 1 January 2015</b>	<b>於2015年1月1日</b>	8,906	–	21,905	30,811
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	10,547	–	–	10,547
Deferred tax (credited)/charged to the income statement (note 9)	(計入)/扣除收益表之遞延稅項(附註9)	(4,763)	38,268	(296)	33,209
Exchange differences	匯兌差額	4,020	(1,179)	(969)	1,872
<b>At 31 December 2015 and 1 January 2016</b>	<b>於2015年12月31日及2016年1月1日</b>	<b>18,710</b>	<b>37,089</b>	<b>20,640</b>	<b>76,439</b>
Acquisition of subsidiaries (note 41)	收購附屬公司(附註41)	<b>893,124</b>	–	–	<b>893,124</b>
Deferred tax (credited)/charged to the income statement (note 9)	(計入)/扣除收益表之遞延稅項(附註9)	<b>(64,362)</b>	<b>7,532</b>	–	<b>(56,830)</b>
Exchange differences	匯兌差額	<b>(6,231)</b>	<b>1,179</b>	<b>(791)</b>	<b>(5,843)</b>
<b>Gross deferred tax liabilities at 31 December 2016</b>	<b>於2016年12月31日之遞延稅項負債毛額</b>	<b>841,241</b>	<b>45,800</b>	<b>19,849</b>	<b>906,890</b>

本集團亦須就分派本集團主要中國附屬公司所得溢利分別按5% (2015年：5%) 及10% (2015年：10%) 繳交預扣稅。該等中國附屬公司由本集團分別於香港及英屬維爾京群島註冊成立之附屬公司直接擁有。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 35. SHARE CAPITAL

### 35. 股本

		Number of ordinary shares of HK\$0.01 each 每股面值0.01港元 之普通股數目	HK\$'000 千港元
Authorised:	法定股本：		
At 1 January 2015, 31 December 2015 and <b>31 December 2016</b>	於2015年1月1日、 2015年12月31日及 <b>2016年12月31日</b>	<b>500,000,000,000</b>	<b>5,000,000</b>
Issued and fully paid:	已發行及繳足股本：		
At 1 January 2015, 31 December 2015 and <b>31 December 2016</b>	於2015年1月1日、 2015年12月31日及 <b>2016年12月31日</b>	<b>68,645,535,794</b>	<b>686,455</b>

### 36. SHARE OPTION SCHEME

### 36. 購股權計劃

The Company operates a share option scheme.

本公司推行一項購股權計劃。

Under the ordinary resolution passed at the annual general meeting on 28 May 2012, the Board of the Company adopted a share option scheme. Under the scheme, share options may be granted to directors, employees of the Group and those who have contributed or will contribute to the Group at any time within ten years after its adoption at the discretion of the Board of the Company.

根據於2012年5月28日之股東周年大會上通過之普通決議案，本公司董事會採納購股權計劃。根據購股權計劃，本公司董事會可在採納後十年內隨時酌情授出購股權予本集團之董事、僱員以及曾為或將為本集團作出貢獻之人士。

There are no outstanding share options at 31 December 2016 (2015: Nil).

於2016年12月31日並無任何未行使之購股權(2015年：無)。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 37. RESERVES

#### Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 128 of the financial statements.

Notes:

- (a) Capital reserve of the Group mainly represented the reserves arising from capital reduction pursuant to a special resolution passed on 30 April 2002 and the amount previously recognised in share option reserve arising from the exercise of share options.
- (b) General reserve of the Group includes capital reserve arising from acquisitions of subsidiaries in prior years and statutory reserves. Subsidiaries of the Company established in Mainland China are required to transfer 10% of their profit after tax calculated in accordance with the PRC accounting regulations to the statutory reserve until the reserve reaches 50% of their respective capital upon which any further appropriation will be at the directors' recommendation. Such reserve may be used to reduce any losses incurred by the subsidiaries or be capitalised as paid-up capital of the subsidiaries.

### 37. 儲備

#### 集團

本年度及過往年度本集團儲備金額及其變動載於財務報表第128頁之綜合權益變動表。

附註：

- (a) 本集團資本儲備主要指根據於2002年4月30日通過之特別決議案削減股本產生之儲備，以及因行使購股權而先於購股權儲備中確認之金額。
- (b) 本集團一般儲備包括過往年度收購附屬公司所產生之資本儲備及法定儲備。本公司在中國內地成立之附屬公司須將按中國會計規則計算之除稅後溢利10%撥為法定儲備，直至該儲備達至相關資本之50%為止，其後之任何進一步轉撥可由董事酌情建議作出。該儲備可用以減低附屬公司產生之虧損或資本化作為附屬公司之實繳股本。

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## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

**37. RESERVES (Continued)****Company****37. 儲備(續)****公司**

		Share premium	Contributed surplus (note a)	Capital reserve (note b)	Accumulated losses	Total
		股份溢價	繳入盈餘	資本儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 January 2015	於2015年1月1日	965,911	1,971,857	7,480	(1,247,235)	1,698,013
Loss for the year	年內虧損	-	-	-	(196,394)	(196,394)
At 31 December 2015 and 1 January 2016	於2015年12月 31日及2016年 1月1日	<b>965,911</b>	<b>1,971,857</b>	<b>7,480</b>	<b>(1,443,629)</b>	<b>1,501,619</b>
Loss for the year	年內虧損	-	-	-	(211,420)	(211,420)
<b>At 31 December 2016</b>	<b>於2016年12月 31日</b>	<b>965,911</b>	<b>1,971,857</b>	<b>7,480</b>	<b>(1,655,049)</b>	<b>1,290,199</b>

Notes:

- (a) Contributed surplus of the Company includes the difference between the aggregate net asset value of the subsidiaries acquired and the nominal amount of the Company's shares issued for the acquisition and the reserves arising from capital reduction pursuant to a special resolution passed on 30 April 2002. Under the Bermuda Companies Act, the contributed surplus is distributable to the shareholders under certain circumstances.
- (b) Capital reserve of the Company represents the amount of equity-settled share-based compensation previously recognised transferred from the share options reserve when the share options are exercised.

附註：

- (a) 本公司之繳入盈餘包括所收購附屬公司之資產淨值總額與為收購而發行之本公司股份面值間之差額以及根據2002年4月30日通過之特別決議案削減股本產生之儲備。根據百慕達公司法，繳入盈餘於若干情況下可分派予股東。
- (b) 本公司之資本儲備指早前已確認之權益結算以股份支付酬金，乃於行使購股權時轉撥自購股權儲備。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 38. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

### 38. 控股公司之財務狀況報表

	Notes 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Interests in subsidiaries	16	–	–
Amounts due from subsidiaries		–	85,517
		–	85,517
<b>Current assets</b>			
Amounts due from subsidiaries		9,526,208	5,707,878
Amount due from an associate		–	139,526
Deposits, prepayments and other receivables		80,756	2,145
Cash and cash equivalents		108,457	55,546
		9,715,421	5,905,095
<b>Current liabilities</b>			
Other payables and accruals		284,632	372,131
Amount due to a director		23,086	1,463
Amounts due to subsidiaries		2,505,974	837,545
Bank and other borrowings		738,204	1,220,842
Loan from subsidiaries		1,475,929	1,370,557
		5,027,825	3,802,538
<b>Net current assets</b>		4,687,596	2,102,557
<b>Total assets less current liabilities</b>		4,687,596	2,188,074
<b>Non-current liabilities</b>			
Bank and other borrowings		2,710,942	–
<b>Net assets</b>		1,976,654	2,188,074
<b>EQUITY</b>			
Share capital	35	686,455	686,455
Reserves	37	1,290,199	1,501,619
<b>Total equity</b>		1,976,654	2,188,074

Yu Pun Hoi  
于品海  
Director  
董事

Liu Rong  
劉榮  
Director  
董事

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 39. NON-CONTROLLING INTERESTS

Sino-i, a 64.44% (2015: 62.85%) owned subsidiary of the Company, and Crabtree & Evelyn, a 70% owned subsidiary of the Company, has material non-controlling interests ("NCI"). The NCI of all other subsidiaries that are not 100% owned by the Group are considered to be immaterial.

Summarised financial information in relation to the NCI of Sino-i, before intra-group eliminations, is presented below:

### 39. 非控股權益

本公司擁有64.44% (2015年：62.85%) 權益之附屬公司中國數碼及本公司擁有70%權益之附屬公司Crabtree & Evelyn擁有重大非控股權益(「非控股權益」)。本集團非全資擁有之所有其他附屬公司之非控股權益被視為並不重大。

進行集團內抵銷前有關中國數碼非控股權益之財務資料概要呈列如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Non-current assets	非流動資產	764,707	2,160,708
Current assets	流動資產	1,814,706	403,006
Current liabilities	流動負債	(771,065)	(706,388)
Non-current liabilities	非流動負債	(6,246)	(93,492)
Net assets	資產淨值	1,802,102	1,763,834
Accumulated NCI	累計非控股權益	652,958	669,472
Revenue	收益	818,098	808,287
Profit for the year	年內溢利	46,663	46,052
Total comprehensive income for the year	年內全面收益總額	38,268	29,350
Profit allocated to NCI	分配予非控股權益之溢利	14,995	15,966
Dividend paid to NCI	已付非控股權益股息	-	-
Cash flows from/(used in) operating activities	經營活動所得/(所用)之現金流量	62,662	(39,976)
Cash flows (used in)/from investing activities	投資活動(所用)/所得現金流量	(95,325)	110,423
Cash flows (used in)/from financing activities	融資活動(所用)/所得現金流量	(4,295)	1,413
Net cash (outflows)/inflows	現金(流出)/流入淨額	(36,958)	71,860

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 39. NON-CONTROLLING INTERESTS (Continued)

Summarised financial information in relation to the NCI of Crabtree & Evelyn, before intra-group eliminations, is presented below:

### 39. 非控股權益 (續)

進行集團內抵銷前有關Crabtree & Evelyn非控股權益之財務資料概要呈列如下：

		2016 HK\$'000 千港元
Non-current assets	非流動資產	632,460
Current assets	流動資產	880,978
Current liabilities	流動負債	(1,033,747)
Non-current liabilities	非流動負債	(11,440)
Net assets	資產淨值	468,251
Accumulated NCI	累計非控股權益	362,072
Revenue	收益	408,810
Loss for the year	年內虧損	(63,787)
Total comprehensive income for the year	年內全面收益總額	(60,002)
Loss allocated to NCI	分配予非控股權益之虧損	(21,868)
Dividend paid to NCI	已付非控股權益股息	-
Cash flows from operating activities	經營活動所得現金流量	147,932
Cash flows used in investing activities	投資活動所用現金流量	(44,666)
Cash flows from financing activities	融資活動所得現金流量	194
Net cash inflows	現金流入淨額	103,460



## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 40. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

##### Major non-cash transactions

During the year ended 31 December 2016, certain non-current deposits and other receivables of the Group amounting to approximately HK\$20,767,000 (2015: HK\$127,811,000) were transferred to property, plant and equipment.

The Group entered into finance lease arrangements in respect of certain assets with a total capital value of approximately HK\$72,729,000 (2015: HK\$44,332,000) at the inception of the lease.

#### 41. BUSINESS COMBINATIONS

- (a) During the year ended 31 December 2016, the Group acquired equity interest of certain companies owned by independent third parties and a related party.

The Group's business combinations are detailed as follows:

- (i) The Group entered into a sale and purchase agreement in respect of the acquisition of 100% equity interest in 嘉裕, which is a company incorporated in the PRC, on 23 November 2015. 嘉裕 is principally engaged in cinema operation. The Group will expand its presence in Chongqing through this acquisition. The acquisition was completed on 1 January 2016 (the "嘉裕 Acquisition Date").

#### 40. 綜合現金流量報表附註

##### 主要非現金交易

截至2016年12月31日止年度，本集團約20,767,000港元(2015年：127,811,000港元)之若干非流動訂金及其他應收款項撥入物業、廠房及設備。

本集團就若干資產訂立融資租賃安排，於租賃開始時資本總值約為72,729,000港元(2015年：44,332,000港元)。

#### 41. 業務合併

- (a) 截至2016年12月31日止年度，本集團收購多間由獨立第三方及一名關連方擁有之公司之股權。

本集團之業務合併之詳情如下：

- (i) 於2015年11月23日，本集團訂立買賣協議以收購於中國註冊成立之嘉裕100%股權。嘉裕主要從事影院經營。本集團通過此次收購在重慶擴大佈局。該收購事項於2016年1月1日(「嘉裕收購日期」)完成。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

- (a) (i) (Continued)  
The fair values of the identifiable assets and liabilities of 嘉裕 as at the 嘉裕 Acquisition Date were as follows:

### 41. 業務合併(續)

- (a) (i) (續)  
嘉裕可識別資產及負債於嘉裕收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	28,790
Intangible assets	無形資產	14,902
Inventories	存貨	58
Trade receivables (note (b))	應收貿易款項(附註(b))	1,980
Amount due from a related party	應收一間關連公司款項	839
Deposits, prepayments and other receivables (note (b))	按金、預付款項及其他應收款項(附註(b))	34,937
Cash and cash equivalents	現金及等同現金項目	7,733
Trade payables	應付貿易款項	(10,946)
Other payables and accruals	其他應付款項及應計費用	(18,838)
Amount due to a related party	應付一間關連公司款項	(4,038)
Receipt in advance and deferred revenue	預收款項及遞延收入	(10,080)
Provision for tax	稅項撥備	(635)
Deferred tax liabilities (note 34)	遞延稅項負債(附註34)	(3,793)
<b>Total identifiable net assets at fair value</b>	<b>按公允價值計算可識別資產淨額之總值</b>	<b>40,909</b>
Goodwill (note (a))	商譽(附註(a))	41,815
<b>Fair value of consideration</b>	<b>代價之公允價值</b>	<b>82,724</b>
Purchase consideration	購買代價	(82,724)
Add: cash and cash equivalents in a subsidiary acquired	加：收購一間附屬公司之現金及等同現金項目	7,733
<b>Net cash outflows in acquisition</b>	<b>收購之現金流出淨額</b>	<b>(74,991)</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

(a) (i) (Continued)

Notes:

- (a) The goodwill arising from the acquisition of 嘉裕 represents the synergetic effect by enabling the Group to expand its cinema coverage in a more efficient and cost-effective manner by taking the advantages of 嘉裕's existing customer network in Chongqing.
- (b) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$1,980,000 and HK\$34,937,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (c) The Group incurred transaction cost of HK\$1,330,000 for the acquisition which have been expensed and recognised as administrative expense in the profit or loss for the year.
- (d) 嘉裕 has contributed revenue of HK\$35,365,000 and net profit of HK\$3,561,000 to the Group since the 嘉裕 Acquisition Date to 31 December 2016.

- (ii) The Group entered into a sale and purchase agreement in respect of the acquisition of 100% equity interest in 雄都, which is a company incorporated in the PRC, on 23 November 2015. 雄都 is principally engaged in cinema operation. The Group will expand its presence in Chongqing through this acquisition. The acquisition was completed on 29 February 2016 (the "雄都 Acquisition Date").

### 41. 業務合併(續)

(a) (i) (續)

附註：

- (a) 收購嘉裕產生之商譽，指讓本集團借助嘉裕之重慶現有客戶網絡，以更具效率及成本效益之方式為擴展影院覆蓋範圍所產生之協同效益。
- (b) 應收貿易款項及其他應收款項之公允價值及總額分別為1,980,000港元及34,937,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (c) 本集團就收購事項產生之交易成本1,330,000港元已支銷，並於截至本年度之損益賬確認為行政開支。
- (d) 自嘉裕收購日期起至2016年12月31日止，嘉裕已向本集團貢獻收益35,365,000港元及溢利淨額3,561,000港元。

- (ii) 於2015年11月23日，本集團訂立買賣協議以收購於中國註冊成立之雄都100%股權。雄都主要從事影院經營。本集團通過此次收購在重慶進一步擴大佈局。該收購事項於2016年2月29日（「雄都收購日期」）完成。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

- (a) (ii) (Continued)  
The fair values of the identifiable assets and liabilities of 雄都 as at the 雄都 Acquisition Date were as follows:

### 41. 業務合併(續)

- (a) (ii) (續)  
雄都可識別資產及負債於雄都收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	23,382
Intangible assets	無形資產	8,988
Inventories	存貨	218
Trade receivables (note (b))	應收貿易款項(附註(b))	1,978
Deposits, prepayments and other receivables (note (b))	按金、預付款項及其他應收款項(附註(b))	5,952
Cash and cash equivalents	現金及等同現金項目	2,076
Trade payables	應付貿易款項	(5,776)
Other payables and accruals	其他應付款項及應計費用	(20,955)
Receipt in advance and deferred revenue	預收款項及遞延收入	(6,026)
Deferred tax liabilities (note 34)	遞延稅項負債(附註34)	(2,505)
<b>Total identifiable net assets at fair value</b>	<b>按公允價值計算可識別資產淨額之總值</b>	<b>7,332</b>
Goodwill (note (a))	商譽(附註(a))	76,131
<b>Fair value of consideration</b>	<b>代價之公允價值</b>	<b>83,463</b>
Purchase consideration	購買代價	(83,463)
Add: cash and cash equivalents in a subsidiary acquired	加：收購一間附屬公司之現金及等同現金項目	2,076
<b>Net cash outflows in acquisition</b>	<b>收購之現金流出淨額</b>	<b>(81,387)</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

(a) (ii) (Continued)

Notes:

- (a) The goodwill arising from the acquisition of 雄都 represents the synergetic effect by enabling the Group to expand its cinema coverage in a more efficient and cost-effective manner by taking the advantages of 雄都's existing customer network in Chongqing.
- (b) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$1,978,000 and HK\$5,952,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (c) The Group incurred transaction cost of HK\$1,190,000 for the acquisition which have been expensed and recognised as administrative expense in the profit or loss for the year.
- (d) 雄都 has contributed revenue of HK\$12,635,000 and net loss of HK\$6,755,000 to the Group since the 雄都 Acquisition Date to 31 December 2016. Had the acquisition occurred on 1 January 2016, consolidated revenue and consolidated profit for the year would have been HK\$8,922,159,000 and HK\$1,278,886,000 respectively.

(iii) The Group entered into a sale and purchase agreement in respect of the acquisition of 70% equity interest in Crabtree & Evelyn, which is a company incorporated in the BVI, on 15 December 2015. Crabtree & Evelyn is principally engaged in manufacturing, retail and distribution of botanic-based personal care and fragrance products. The acquisition will expand the Group's retail and entertainment businesses. The acquisition was completed on 30 September 2016 (the "Crabtree & Evelyn Acquisition Date").

### 41. 業務合併(續)

(a) (ii) (續)

附註：

- (a) 收購雄都產生之商譽，指讓本集團借助雄都之重慶現有客戶網絡，以更具效率及成本效益之方式為擴展影院覆蓋範圍所產生之協同效益。
- (b) 應收貿易款項及其他應收款項之公允價值及總額分別為1,978,000港元及5,952,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (c) 本集團就收購事項產生之交易成本1,190,000港元已支銷，並於截至本年度之損益賬確認為行政開支。
- (d) 自雄都收購日期起至2016年12月31日止，雄都已向本集團貢獻收益12,635,000港元及虧損淨額6,755,000港元。倘收購事項於2016年1月1日進行，年內綜合收益及綜合溢利將分別為8,922,159,000港元及1,278,886,000港元。

(iii) 於2015年12月15日，本集團訂立買賣協議以收購於英屬維爾京群島註冊成立之Crabtree & Evelyn 70%股權。Crabtree & Evelyn主要從事製造、零售及分銷草本個人護理及香水產品。此次收購將擴大本集團之零售及娛樂業務。該收購事項於2016年9月30日(「Crabtree & Evelyn收購日期」)完成。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

- (a) (iii) (Continued)  
The fair values of the identifiable assets and liabilities of Crabtree & Evelyn as at the Crabtree & Evelyn Acquisition Date were as follows:

### 41. 業務合併(續)

- (a) (iii) (續)  
Crabtree & Evelyn可識別資產及負債於Crabtree & Evelyn收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	234,270
Intangible assets	無形資產	401,787
Inventories	存貨	268,367
Trade receivables (note (b))	應收貿易款項(附註(b))	53,435
Deposits, prepayments and other receivables (note (b))	按金、預付款項及其他應收款項(附註(b))	454,368
Cash and cash equivalents	現金及等同現金項目	49,851
Trade payables	應付貿易款項	(101,067)
Other payables and accruals	其他應付款項及應計費用	(819,211)
Provision for tax	稅項撥備	(1,032)
Deferred tax liabilities (note 34)	遞延稅項負債(附註34)	(11,440)
Finance lease liabilities	融資租賃負債	(163)
Total identifiable net assets at fair value	按公允價值計算可識別資產淨額之總值	529,165
Non-controlling interests	非控股權益	(383,947)
Goodwill (note (a))	商譽(附註(a))	750,658
Fair value of consideration	代價之公允價值	895,876
Purchase consideration	購買代價	(895,876)
Add: cash and cash equivalents in subsidiaries acquired	加：收購附屬公司之現金及等同現金項目	49,851
Net cash outflows in acquisition	收購之現金流出淨額	(846,025)

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

(a) (iii) (Continued)

Notes:

- (a) The goodwill arising from the acquisition of Crabtree & Evelyn represents the unidentifiable intangible assets other than Crabtree & Evelyn's brand name and sales network, and the future profit expected to be recovered in the Mainland market through the Group's distribution channel.
- (b) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$53,435,000 and HK\$454,368,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (c) The Group incurred transaction cost of HK\$6,518,000 for the acquisition which have been expensed and recognised as administrative expense in the profit or loss for the year.
- (d) Crabtree & Evelyn has contributed revenue of HK\$408,810,000 and net loss of HK\$63,787,000 to the Group since the Crabtree & Evelyn Acquisition Date to 31 December 2016. Had the acquisition occurred on 1 January 2016, consolidated revenue and consolidated profit for the year would have been HK\$9,542,171,000 and HK\$856,655,000 respectively.
- (iv) On 14 July 2016, the Board announces that the Group received a notice of exercise of the Put Option of 30% equity interest by a holder of non-controlling interest of Listar. The Group acquired such interest accordingly. After the completion of the transfer, Listar became a 73% owned subsidiary of the Group. The acquisition was completed on 15 September 2016 (the "Listar Acquisition Date").

### 41. 業務合併(續)

(a) (iii) (續)

附註：

- (a) 收購Crabtree & Evelyn產生之商譽，指Crabtree & Evelyn品牌名稱及銷售網絡以外之未識別無形資產以及預期將透過本集團分銷渠道於內地市場收回之未來溢利。
- (b) 應收貿易款項及其他應收款項之公允價值及總額分別為53,435,000港元及454,368,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (c) 本集團就收購事項產生之交易成本6,518,000港元已支銷，並於截至本年度之損益賬確認為行政開支。
- (d) 自Crabtree & Evelyn收購日期起至2016年12月31日止，Crabtree & Evelyn已向本集團貢獻收益408,810,000港元及虧損淨額63,787,000港元。倘收購事項於2016年1月1日進行，年內綜合收益及綜合溢利將分別為9,542,171,000港元及856,655,000港元。
- (iv) 於2016年7月14日，董事會宣佈本集團接獲Listar之非控股權益持有人行使30%股權之認沽期權之通知。本集團相應收購有關權益。轉讓完成後，Listar成為本集團擁有73%權益之附屬公司。該收購事項於2016年9月15日（「Listar收購日期」）完成。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

- (a) (iv) (Continued)  
The fair values of the identifiable assets and liabilities of Listar as at the Listar Acquisition Date were as follows:

### 41. 業務合併(續)

- (a) (iv) (續)  
Listar可識別資產及負債於Listar收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	4,459
Inventories	存貨	4,547,107
Trade receivables (note (c))	應收貿易款項(附註(c))	36,397
Deposits, prepayments and other receivables (note (c))	按金、預付款項及其他應收款項(附註(c))	1,153,599
Pledged and restricted bank deposits	已抵押及受限制銀行存款	249,478
Cash and cash equivalents	現金及等同現金項目	139,722
Trade payables	應付貿易款項	(403,257)
Other payables and accruals	其他應付款項及應計費用	(1,528,297)
Receipt in advance and deferred revenue	預收款項及遞延收入	(1,315,495)
Provision for tax	稅項撥備	(38,790)
Bank and other borrowings	銀行及其他借款	(863,315)
Deferred tax liabilities (note 34)	遞延稅項負債(附註34)	(875,386)
Total identifiable net assets at fair value	按公允價值計算可識別資產淨額之總值	1,106,222
Non-controlling interests	非控股權益	(298,680)
Fair value of 43% share of Listar held by the Group immediately prior to the Listar Acquisition Date	緊接Listar收購日期前本集團所持Listar之43%股權之公允價值	(988,778)
Goodwill (note (b))	商譽(附註(b))	1,519,329
Fair value of consideration	代價之公允價值	1,338,093
Purchase consideration	購買代價	(1,338,093)
Add: cash and cash equivalents in subsidiaries acquired	加：收購附屬公司之現金及等同現金項目	139,722
Net cash outflows in acquisition	收購之現金流出淨額	(1,198,371)

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

(a) (iv) (Continued)

Notes:

- (a) As the acquisition of 30% equity interest in Listar is considered as a step acquisition under HKFRS 3, equity interest previously held in Listar is treated as if it were disposed of and reacquired at fair value on the Listar Acquisition Date. Accordingly, it is remeasured to its acquisition-date fair value, and a gain on deemed disposal of associate amounted to HK\$595,270,000 is recognised in profit or loss.
- (b) The goodwill arising from the acquisition of Listar represents the synergetic effect by enabling the Group to expand its resource on property development.
- (c) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$36,397,000 and HK\$1,153,599,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (d) The Group incurred transaction cost of HK\$68,000 for the acquisition which have been expensed and recognised as administrative expense in the profit or loss for the year.
- (e) Listar has contributed revenue of HK\$553,134,000 and net loss of HK\$270,333,000 to the Group since the Listar Acquisition Date to 31 December 2016. Had the acquisition occurred on 1 January 2016, consolidated revenue and consolidated profit for the year would have been HK\$9,309,560,000 and HK\$1,167,356,000 respectively.

- (v) On 28 December 2016, the Group acquired the remaining 27% non-controlling interests of Listar. After the completion of the transfer, Listar became a wholly-owned subsidiary of the Group.

As the transfer of the equity interest did not change the control of Listar, the transaction was classified as transaction between owners as capacity of owners and any change in equity interests were recognised in equity directly.

During the year ended 31 December 2016, loss attributable to the non-controlling interest of Listar amounted to HK\$72,990,000.

### 41. 業務合併(續)

(a) (iv) (續)

附註：

- (a) 由於收購Listar之30%股權被視為香港財務報告準則第3號項下逐步收購，過往所持有之Listar股權按猶如其於Listar收購日期按公允價值出售及重新收購之方式處理。因此，已重新計量其於收購日期之公允價值，並於損益賬確認視作出售聯營公司之收益595,270,000港元。
- (b) 收購Listar產生之商譽，指讓本集團擴充房地產資源所產生之協同效益。
- (c) 應收貿易款項及其他應收款項之公允價值及總額分別為36,397,000港元及1,153,599,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (d) 本集團就收購事項產生之交易成本68,000港元已支銷，並於截至本年度之損益賬確認為行政開支。
- (e) 自Listar收購日期起至2016年12月31日止，Listar已向本集團貢獻收益553,134,000港元及虧損淨額270,333,000港元。倘收購事項於2016年1月1日進行，年內綜合收益及綜合溢利將分別為9,309,560,000港元及1,167,356,000港元。

- (v) 於2016年12月28日，本集團收購Listar餘下27%非控股權益。轉讓完成後，Listar成為本集團之全資附屬公司。

由於轉讓股權並無更改Listar之控制權，故該交易分類為擁有人以其擁有人身分進行之交易，任何股權變動直接於權益確認。

截至2016年12月31日止年度，Listar非控股權益應佔虧損為72,990,000港元。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

- (b) During the year ended 31 December 2015, the Group acquired equity interest of certain companies owned by independent third party.

The Group's material business combinations are detailed as follows:

- (i) The Group entered into a sale and purchase agreement in respect of the acquisition of 100% equity interest in Oristar, which is a company incorporated in the PRC, on 25 May 2015. Oristar is principally engaged in sales of movie projection equipment and provision of digital media technology services. The acquisition was completed on 1 June 2015 (the "Oristar Acquisition Date").

### 41. 業務合併(續)

- (b) 截至2015年12月31日止年度，本集團收購多間由獨立第三方擁有之公司之股權。

本集團之重大業務合併詳情如下：

- (i) 於2015年5月25日，本集團訂立買賣協議以收購於中國註冊成立之辰星科技100%股權。辰星科技主要從事銷售電影放映設備及提供數字媒體技術服務。收購事項於2015年6月1日(「辰星科技收購日期」)完成。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

- (b) (i) (Continued)  
The fair values of the identifiable assets and liabilities of Oristar as at the Oristar Acquisition Date were as follows:

### 41. 業務合併(續)

- (b) (i) (續)  
辰星科技可識別資產及負債於辰星科技收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	4,395
Intangible assets	無形資產	51,297
Long term trade receivables	長期應收貿易款項	57,891
Inventories	存貨	27,885
Trade receivables (note (c))	應收貿易款項(附註(c))	23,813
Deposits, prepayments and other receivables (note (c))	按金、預付款項及其他應收款項(附註(c))	10,590
Cash and cash equivalents	現金及等同現金項目	4,595
Trade payables	應付貿易款項	(66,781)
Other payables and accruals	其他應付款項及應計費用	(62,555)
Long term trade payables	長期應付貿易款項	(41,420)
Bank and other borrowings	銀行及其他借貸	(5,896)
Deferred tax liabilities (note 34)	遞延稅項負債(附註34)	(10,547)
Provision for warranty (note 33)	保修撥備(附註33)	(5,208)
Total identifiable net liabilities at fair value	按公允價值計算可識別負債淨額之總值	(11,941)
Goodwill (note (b))	商譽(附註(b))	11,941
Fair value of consideration (note (a))	代價之公允價值(附註(a))	-
Purchase consideration settled in cash	以現金繳付之購買代價	-
Add: cash and cash equivalents in subsidiaries acquired	加：收購附屬公司之現金及等同現金項目	4,595
Net cash inflows in acquisition	收購之現金流入淨額	4,595

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

- (b) (i) (Continued)  
Notes:
- (a) Pursuant to the sale and purchase agreement, the consideration for the acquisition is RMB1 (equivalent to HK\$1) which was satisfied by cash.
- (b) The goodwill arising from the acquisition of Oristar represents the synergetic effect by enabling the Group to have its source of movie projector for the cinema segment in a more efficient and cost-effective manner by taking the advantages of Oristar's trading business and services related to the movie project market in the PRC.
- (c) The fair value and the gross amount of trade receivables and other receivables amounted to HK\$23,813,000 and HK\$10,590,000 respectively. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (d) The Group incurred transaction cost of HK\$62,000 for the acquisition which have been expensed and recognised as administrative expense in the profit or loss for the year ended 31 December 2015.
- (e) Oristar has contributed revenue of HK\$72,187,000 and net profit of HK\$2,903,000 to the Group since the Oristar Acquisition Date to 31 December 2015. Had the Acquisition occurred on 1 January 2015, consolidated revenue and consolidated profit for the year ended 31 December 2015 would have been HK\$4,247,904,000 and HK\$241,378,000 respectively.
- (ii) For the year ended 31 December 2015, the Group completed the acquisition of 100% equity interest in 煥揚 on 21 December 2015 (the "煥揚 Acquisition Date"). 煥揚 is a company incorporated in the PRC and is principally engaged in cinema operation. The Group will expand its presence in Chongqing through this acquisition.

### 41. 業務合併(續)

- (b) (i) (續)  
附註：
- (a) 根據買賣協議，收購事項之代價為人民幣1元(相當於約1港元)，乃以現金償付。
- (b) 收購辰星科技產生之商譽，指讓本集團借助辰星科技有關中國電影投影市場之貿易業務及服務，以更其效率及成本效益之方式為影院分部提供電影投影機資源所產生之協同效益。
- (c) 應收貿易款項及其他應收款項之公允價值及總額分別為23,813,000港元及10,590,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (d) 本集團就收購事項產生之交易成本62,000港元已支銷，並於2015年12月31日止年度之損益賬確認為行政開支。
- (e) 自辰星科技收購日期起至2015年12月31日止，辰星科技已向本集團貢獻收益72,187,000港元及溢利淨額2,903,000港元。倘收購事項於2015年1月1日進行，2015年12月31日止年度之綜合收益及綜合溢利將分別為4,247,904,000港元及241,378,000港元。
- (ii) 截至2015年12月31日止年度，本集團於2015年12月21日(「煥揚收購日期」)完成收購煥揚100%股權。煥揚是一家於中國註冊成立之公司，主要從事影院經營。本集團通過此次收購在重慶擴大佈局。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

(b) (ii) (Continued)

The fair values of the identifiable assets and liabilities of 煥揚 as at the 煥揚 Acquisition Date were as follows:

### 41. 業務合併(續)

(b) (ii) (續)

煥揚可識別資產及負債於煥揚收購日期之公允價值如下：

		Fair value 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	16,094
Inventories	存貨	82
Amount due from a related party	應收一間關聯公司款項	1,433
Deposits, prepayments and other receivables (note (c))	按金、預付款項及其他應收款項 (附註(c))	619
Cash and cash equivalents	現金及等同現金項目	314
Trade payables	應付貿易款項	(32)
Other payables and accruals	其他應付款項及應計費用	(6,538)
Amount due to a related party	欠一間關聯公司款項	(5,050)
Total identifiable net assets at fair value	按公允價值計算可識別資產淨額之 總值	6,922
Goodwill (note (b))	商譽(附註(b))	12,905
Fair value of consideration (note (a))	代價之公允價值(附註(a))	19,827
Purchase consideration settled in cash	以現金繳付之購買代價	(19,827)
Add: cash and cash equivalents in subsidiary acquired	加：收購一間附屬公司之現金及 等同現金項目	314
Net cash outflows in acquisition	收購之現金流出淨額	(19,513)

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. BUSINESS COMBINATIONS (Continued)

- (b) (ii) (Continued)  
Notes:
- (a) Pursuant to the sale and purchase agreements, the consideration for the acquisition is RMB16,607,000 (equivalent to HK\$19,827,000) which was satisfied by cash.
- (b) The goodwill arising from the acquisition of 煥揚 represents the synergetic effect by enabling the Group to expand its cinema coverage in a more efficient and cost-effective manner by taking the advantages of 煥揚's existing customer network in Chongqing.
- (c) The fair value and the gross amount of deposits, prepayment and other receivables amounted to HK\$619,000. None of these receivables was impaired and it was expected that the full contractual amounts could be collected.
- (d) The Group incurred transaction cost of HK\$181,000 for the acquisition which have been expensed and recognised as administrative expense in the profit or loss for the year ended 31 December 2015.
- (e) 煥揚 has not contributed any revenue and net profit to the Group since the 煥揚 Acquisition Date to 31 December 2015. Had the acquisition occurred on 1 January 2015, consolidated revenue and consolidated profit for the year ended 31 December 2015 would have been HK\$4,228,019,000 and HK\$250,779,000 respectively.

### 42. RETIREMENT BENEFIT PLANS

#### Defined contribution retirement plans

The Group operates a MPF scheme and an ORSO scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group in funds under the control of the trustees.

Subsidiaries operating in Mainland China are required to participate in a defined contribution retirement benefit plan organised by the relevant government authorities. These subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit plan to fund the benefits.

The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total cost charged to the consolidated income statement of HK\$98,926,000 (2015: HK\$86,590,000) represents contributions payable to the schemes by the Group at the rates specified in the rules of the schemes.

### 41. 業務合併(續)

- (b) (ii) (續)  
附註：
- (a) 根據買賣協議，收購事項之代價人民幣16,607,000元(相當於19,827,000港元)乃以現金償付。
- (b) 收購煥揚產生之商譽，指讓本集團借助煥揚之重慶現有客戶網絡，以更具效率及成本效益之方式為擴展影院覆蓋範圍所產生之協同效益。
- (c) 按金、預付款項及其他應收款項之公允價值及總額為619,000港元。該等應收款項概無減值，預期合約金額將可全數收回。
- (d) 本集團就收購事項產生之交易成本為181,000港元，已用於開支及於2015年12月31日止年度之損益賬確認為行政開支。
- (e) 自煥揚收購日期以來至2015年12月31日，煥揚並無向本集團貢獻任何收益及純利。倘收購事項於2015年1月1日進行，截至2015年12月31日止年度內綜合收益及綜合溢利將分別為4,228,019,000港元及250,779,000港元。

### 42. 退休福利計劃

#### 定額供款退休計劃

本集團為其於香港所有合資格僱員設立強積金計劃及職業退休計劃。該等計劃之資產與本集團資產分開，並由信託人控制之基金持有。

於中國內地經營之附屬公司均須參與由有關政府機關設立之定額供款退休福利計劃。該等附屬公司須按工資成本之特定百分比向退休福利計劃供款，作為福利之資金。

本集團就退休福利計劃之唯一責任為作出指定供款。

自綜合收益表中扣除之總成本為98,926,000港元(2015年：86,590,000港元)，即本集團按該等計劃之規則列明之比率須向計劃作出之供款。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 43. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS

#### (a) Directors' emoluments

Directors' emoluments and fees are disclosed as follows:

### 43. 董事薪酬及高級管理層酬金

#### (a) 董事酬金

董事酬金及袍金披露如下：

		Fees	Basic salaries, housing, other allowances and benefits in kind 基本薪金、住房、其他津貼及實物利益 HK\$'000 千港元	Pension scheme contributions 退休金計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>2016</b>	<b>2016年</b>				
<b>Executive directors</b>	<b>執行董事</b>				
YU Pun Hoi	于品海	–	360	18	378
CHEN Dan	陳丹	–	836	124	960
LIU Rong	劉榮	–	416	–	416
LUNG King Cheong <sup>1</sup>	龍景昌 <sup>1</sup>	34	563	5	602
<b>Non-executive directors</b>	<b>非執行董事</b>				
WANG Gang <sup>2</sup>	王鋼 <sup>2</sup>	173	–	–	173
LAM Bing Kwan	林秉軍	120	–	–	120
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Prof. JIANG Ping <sup>3</sup>	江平教授 <sup>3</sup>	295	–	–	295
LAU Yip Leung	劉業良	120	–	–	120
XIAO Sui Ning <sup>4</sup>	肖遂寧 <sup>4</sup>	183	–	–	183
HO Yeung Nang <sup>5</sup>	何養能 <sup>5</sup>	34	–	–	34
HU Bin <sup>6</sup>	胡濱 <sup>6</sup>	–	–	–	–
		<b>959</b>	<b>2,175</b>	<b>147</b>	<b>3,281</b>

1 Appointed as executive director with effect from 20 September 2016

1 自2016年9月20日起獲委任為執行董事

2 Resigned as non-executive director with effect from 20 September 2016

2 自2016年9月20日起辭任非執行董事

3 Resigned as independent non-executive director with effect from 20 September 2016

3 自2016年9月20日起辭任獨立非執行董事

4 Appointed as independent non-executive director with effect from 27 April 2016

4 自2016年4月27日起獲委任為獨立非執行董事

5 Appointed as independent non-executive director with effect from 20 September 2016

5 自2016年9月20日起獲委任為獨立非執行董事

6 Resigned as independent non-executive director with effect from 3 February 2016.

6 自2016年2月3日起辭任獨立非執行董事。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 43. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

#### (a) Directors' emoluments (Continued)

		Fees	Basic salaries, housing, other allowances and benefits in kind	Pension scheme contributions	Total
		袍金	基本薪金、住房、其他津貼及實物利益	退休金計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>2015</b>	<b>2015年</b>				
<b>Executive directors</b>	<b>執行董事</b>				
YU Pun Hoi	于品海	–	372	18	390
CHEN Dan	陳丹	–	870	120	990
LIU Rong	劉榮	–	720	89	809
<b>Non-executive directors</b>	<b>非執行董事</b>				
WANG Gang	王鋼	240	–	–	240
LAM Bing Kwan	林秉軍	120	–	–	120
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Prof. JIANG Ping	江平教授	377	–	–	377
LAU Yip Leung	劉業良	120	–	–	120
HU Bin <sup>1</sup>	胡濱 <sup>1</sup>	269	–	–	269
		1,126	1,962	227	3,315

<sup>1</sup> Resigned as independent non-executive director with effect from 3 February 2016.

<sup>1</sup> 於2016年2月3日辭任獨立非執行董事。

### 43. 董事薪酬及高級管理層酬金(續)

#### (a) 董事酬金(續)

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 43. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

#### (b) Five highest paid individuals

One director (2015: none) was included in the five highest paid individuals of the Group for the year, details of whose emoluments are set out above. The emoluments of the remaining four (2015: five) employees are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	5,121	6,123
Pension contributions	退休金供款	70	62
		<b>5,191</b>	<b>6,185</b>

The emoluments of the five highest paid individuals, other than directors, fell within the following bands:

Emolument bands 酬金範圍		Number of highest paid individuals 最高薪人士數目	
		2016	2015
HK\$1,000,001–HK\$1,500,000	1,000,001 港元至 1,500,000 港元	4	4
HK\$1,500,001–HK\$2,000,000	1,500,001 港元至 2,000,000 港元	–	1
		<b>4</b>	<b>5</b>

During the years ended 31 December 2016 and 31 December 2015, no emoluments were paid to any of the Company's directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

Mr. HU Bin agreed to waive emoluments of HK\$24,000 (2015: HK\$24,000) in respect of the year ended 31 December 2016.

### 43. 董事薪酬及高級管理層酬金 (續)

#### (b) 五名最高薪人士

本年度一名董事(2015年:無)屬本集團五名最高薪酬人士,彼等之酬金詳情已載於上文。其餘四名(2015年:五名)僱員之酬金如下:

五名最高薪人士(董事除外)之酬金介乎下列範圍:

截至2016年12月31日及2015年12月31日止年度,並無向本公司董事或五名最高薪人士支付任何酬金,以吸引彼等加盟或於加盟本集團時支付或作為離職補償。

胡濱先生同意放棄截至2016年12月31日止年度之酬金24,000港元(2015年:24,000港元)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 44. COMMITMENTS

#### (a) Capital commitments

At 31 December 2016, the Group had outstanding commitments as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Contracted but not provided for in respect of:	已訂約但未撥備：		
— renovation work	— 翻新工程	36,651	68,581
— properties under development	— 發展中物業	3,042,843	970,391
— expansion of cinema business	— 擴充影院業務	336,491	414,189
— acquisition of a subsidiary	— 收購一間附屬公司	—	847,769
		<b>3,415,985</b>	<b>2,300,930</b>

#### (b) Operating lease arrangement

At 31 December 2016, the Group's total future minimum lease payments under non-cancellable operating lease are payable as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Land and buildings</b>	<b>土地及樓宇</b>		
Within one year	一年內	3,551,087	516,721
In the second to fifth years	於第二至第五年	13,482,939	2,104,731
Over five years	五年以上	31,367,785	4,491,323
		<b>48,401,811</b>	<b>7,112,775</b>

The Group leases a number of properties under operating leases. The leases run for an initial period of one to twenty years (2015: one to twenty years), with options to renew the lease terms at the expiry dates or at days as mutually agreed between the Group and the respective landlords. In addition, the Group paid additional rental expenses in respect of certain operating leases which are dependent on the level of revenue achieved by particular properties.

### 44. 承擔

#### (a) 資本承擔

於2016年12月31日，本集團有下列未支付承擔：

	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Contracted but not provided for in respect of:		
— renovation work	36,651	68,581
— properties under development	3,042,843	970,391
— expansion of cinema business	336,491	414,189
— acquisition of a subsidiary	—	847,769
	<b>3,415,985</b>	<b>2,300,930</b>

#### (b) 經營租賃承擔

於2016年12月31日，本集團根據不可撤銷經營租賃應付之未來最低租賃總額如下：

	2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Land and buildings</b>		
Within one year	3,551,087	516,721
In the second to fifth years	13,482,939	2,104,731
Over five years	31,367,785	4,491,323
	<b>48,401,811</b>	<b>7,112,775</b>

本集團根據經營租賃租用多項物業。租約初步為期一至二十年(2015年：一至二十年)，並有權於租賃到期日或本集團與各業主相互協定之日期重續租約。此外，本集團就若干經營租賃支付額外租金，金額視乎特定物業所得收入而定。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 45. CONTINGENT LIABILITIES

Guarantees given in connection with credit facilities granted to/guarantee payment recoverable from:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Associates (Note i & ii)	聯營公司(附註i及ii)	18,594	3,169,178
Third parties (Note i)	第三方(附註i)	-	18,904
		<b>18,594</b>	<b>3,188,082</b>

Note:

- (i) In February 1993, a Group's associate borrowed a loan of US\$5 million from a Filipino bank namely de Oro Unibank (formerly known as Equitable PCI Bank Inc and then as Banco de Oro-EPCI Inc.) ("Banco Unibank"). The loan was secured by a guarantee executed by the Company ("Banco Unibank Guarantee"), and by share mortgage of 74,889,892 shares (the "Philippines shares") of Acesite (Philippines) Hotel corporation Inc. ("Acesite Phils."). Due to the pending litigation as more particularly set out in note 47, the Group is not able to obtain updated indebtedness information from Banco Unibank. Given the foregoing limitation, it is estimated that the outstanding balance of the total indebtedness owing to Banco Unibank was approximately US\$2,397,000 (equivalent to approximately HK\$18,594,000) by reference to the unaudited financial statements of the associate as at 31 December 2016.

In addition to the Banco Unibank Guarantee, the Company executed another guarantee in favour of Singapore Branch of Industrial and Commercial Bank of China in respect of a loan facility of US\$15,000,000 ("ICBC Loan") made available to Acesite Phils. in March 1995. Resulting from the purported foreclosure of the Philippines Shares, Acesite Phils. has been controlled by a third party. The loan was paid in full on 10 March 2016 with reference to the published financial information of Acesite Phils as at 31 December 2016.

- (ii) Guarantees provided to Baitak Asian Shenzhen Peninsula Co. Ltd. ("Baitak") and CITIC Real Estate (Hong Kong) Development Limited ("CITIC") in respect of Listar Group

As disclosed in note 44 to the financial statements for the year ended 31 December 2015, a deed of covenants was executed among the Company, a subsidiary of the Company, Baitak, CITIC and Listar in August 2013. As per the provisions of the deed of covenants, the Company and the subsidiary of the Company guarantee that both Baitak and CITIC can recover their total consideration in the acquisition of equity interest in Listar together with a return of 12% Internal Rate of Return ("IRR") and 10% IRR respectively. The guarantees were considered by the Company's directors that would not have any effect on the Group's liabilities as Listar was expected to meet the aforesaid obligation. In fact, Listar has become a wholly-owned subsidiary of the Company upon completion of the acquisition of equity interest in Listar from Baitak and CITIC respectively during the year ended 31 December 2016. Given the foregoing, the guarantees under the deed of covenants were no longer valid.

### 45. 或然負債

就下列各方所獲授信貸融資／自其收回之保證分派作出之擔保：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Associates (Note i & ii)	聯營公司(附註i及ii)	18,594	3,169,178
Third parties (Note i)	第三方(附註i)	-	18,904
		<b>18,594</b>	<b>3,188,082</b>

附註：

- (i) 於1993年2月，本集團聯營公司向菲律賓銀行 Banco de Oro Unibank (前稱 Equitable PCI Bank Inc.，其後稱為 Banco de Oro-EPCI Inc.) (「Banco Unibank」) 借取貸款5,000,000美元。本公司就該貸款提供擔保(「Banco Unibank保證」)，並以 Acesite (Philippines) Hotel Corporation Inc. (「Acesite Phils.」) 之74,889,892股股份(「菲律賓股份」)作出之股份押記作抵押。由於待決訴訟(詳情載於附註47)，本集團無法取得 Banco Unibank 之最新債務資料。鑑於上述限制，參考聯營公司於2016年12月31日之未經審核財務報表，估計 Banco Unibank 債項總額之未償還結餘約為2,397,000美元(相當於約18,594,000港元)。

除 Banco Unibank 保證外，本公司於1995年3月就 Acesite Phils. 所獲提供之15,000,000美元貸款(「ICBC貸款」)向中國工商銀行新加坡分行作出另一保證。由於菲律賓股份據稱止贖出售，Acesite Phils. 現正由一名第三方控制。參考 Acesite Phils 於2016年12月31日已刊發之財務資料，貸款已於2016年3月10日悉數償還。

- (ii) 就 Listar 集團向 Baitak Asian Shenzhen Peninsula Co. Ltd. (「Baitak」) 及中信地產(香港)發展有限公司(「中信」)所作保證

誠如截至2015年12月31日止年度之財務報表附註44所披露，本公司、本公司一間附屬公司、Baitak、中信及Listar於2013年8月訂立一份契約。根據契約條款，本公司及本公司之附屬公司保證，Baitak及中信均能收回有關收購Listar股權之總代價，連同分別為12%及10%的內部回報率(「內部回報率」)。本公司董事認為有關保證對本集團之負債並無影響，因為Listar預期將有能力履行上述責任。事實上，於截至2016年12月31日止年度分別完成向Baitak及中信收購Listar股權後，Listar成為本公司全資附屬公司。鑒於上述，契約項下保證不再有效。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 46. CREDIT FACILITIES

As at 31 December 2016 and 31 December 2015, the Group's credit facilities were secured by the following:

- (a) charge over interest in prepaid land lease payments under operating lease (note 15) with a net carrying value of approximately HK\$23,243,000 (2015: approximately HK\$25,318,000);
- (b) charge over certain buildings (note 13) with total net carrying value of approximately HK\$543,879,000 (2015: approximately HK\$580,958,000);
- (c) charge over certain investment properties (note 14), properties under development and completed properties held for sale (note 22) with a total carrying value of approximately HK\$3,325,721,000 (2015: approximately HK\$3,492,970,000);
- (d) charge over financial assets at fair value through profit or loss (note 23) with a net carrying value of approximately HK\$202,000 (2015: approximately HK\$146,000);
- (e) pledge of 10,845,269,000 (2015: 11,162,999,000) shares in Sino-i held by the Company indirectly in favour of certain securities brokers and a financial institution, the total of which represents approximately 84.51% (2015: 89.19%) of total interest of the Company in Sino-i. The market value of such listed shares as at 31 December 2016 was approximately HK\$1,290,587,000 (2015: approximately HK\$1,317,234,000);

### 46. 信貸融資

於2016年12月31日及2015年12月31日，本集團之信貸融資以下列各項作抵押：

- (a) 押記賬面淨值約為23,243,000港元(2015年：約25,318,000港元)之經營租賃項下之預付土地租賃費之權益(附註15)；
- (b) 押記賬面淨值合共約為543,879,000港元(2015年：約580,958,000港元)之若干樓宇(附註13)；
- (c) 押記賬面值合共約為3,325,721,000港元(2015年：約3,492,970,000港元)之若干投資物業(附註14)、發展中物業及已落成待售物業(附註22)；
- (d) 押記賬面淨值約為202,000港元(2015年：約146,000港元)之按公允價值於損益賬處理之金融資產(附註23)；
- (e) 向若干證券經紀及一間財務機構抵押10,845,269,000股(2015年：11,162,999,000股)本公司間接持有之中國數碼股份作為抵押品，合共相當於本公司於中國數碼總權益約84.51%(2015年：89.19%)。該等上市股份於2016年12月31日之市值約為1,290,587,000港元(2015年：約1,317,234,000港元)；



## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 46. CREDIT FACILITIES (Continued)

- (f) pledge of certain bank deposits (note 25) of approximately HK\$5,745,622,000 (2015: approximately HK\$1,920,813,000), of which approximately HK\$4,248,928,000 (2015: HK\$1,443,314,000) were for standby letters of credit issued by banks for a total amounts of US\$566,650,000 (2015: US\$182,480,000);
- (g) no charge over certain intangible asset (note 21) (2015: net carrying value of HK\$3,146,000);
- (h) personal guarantee given by directors;
- (i) charge over certain property, plant and equipment, other than buildings disclosed in note 46(b), of HK\$522,034,000 (2015: HK\$414,070,000); and
- (j) pledge of various share mortgages of certain subsidiaries, bank accounts charges and corporate guarantee of the Company (2015: and assignment of shareholder's loan of certain subsidiaries).

#### 46. 信貸融資(續)

- (f) 抵押若干銀行存款(附註25)約5,745,622,000港元(2015年:約1,920,813,000港元),其中約4,248,928,000港元(2015年:約1,443,314,000港元)為銀行發出為數566,650,000美元(2015年:182,480,000美元)之備用信用狀;
- (g) 並無抵押任何無形資產(附註21)(2015年:賬面淨值為3,146,000港元);
- (h) 董事給予之個人擔保;
- (i) 押記若干物業、廠房及設備(附註46(b)所披露樓宇除外)為數522,034,000港元(2015年:414,070,000港元);及
- (j) 多間附屬公司之股份抵押、銀行賬戶抵押及本公司之公司擔保作抵押(2015年:以及多間附屬公司之股東貸款抵押)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 47. PENDING LITIGATIONS

- (a) In respect of the purported sale of Philippines Shares, which were mortgaged by Acesite Limited (“Acesite”), by Banco Unibank, to Waterfront Philippines Inc. (“Waterfront”), a Filipino company, in February 2003, Acesite, a former subsidiary of Sino-i; Evallon Investment Limited, a wholly-owned subsidiary of Sino-i; Mr. Yu Pun Hoi, the chairman and executive director of both the Company and Sino-i and, South Port Development Limited, a former wholly-owned subsidiary of Sino-i as first, second, third and fourth plaintiff respectively issued a claim against Banco Unibank and Waterfront, on the grounds that the purported sale of the Philippines Shares was unlawful as such sale was in breach of the terms of the mortgage; in breach of a compromise agreement reached in January 2003; and in other breaches, for damages; further or other relief; interest and costs and etc. in February 2006 under High Court Number of HCCL 5 of 2006 (the “Case”). The Case is still in progress and no date has been fixed for trial.
- (b) Dadi Media Limited, a wholly-owned subsidiary of Sino-i, as plaintiff, issued a claim against two minority shareholders of CE Dongli Technology Group Company Limited (now known as 數碼慧谷置業管理股份有限公司), a subsidiary of Sino-i, for the sum of HK\$27,750,498 together with interest thereon and costs in May 2004 under the High Court Number of HCA1130 of 2004. The two defendants filed a defence and counterclaim in June 2004 and then an amended defence and counterclaim in September 2004. The counterclaim was further amended and re-amended. In December 2004, the two defendants issued a claim against CE ASP, a wholly-owned subsidiary of Dadi Media Limited, for (1) the sum of HK\$806,250; (2) an award of compensation pursuant to section 32P of the Employment Ordinance; (3) the sum of HK\$13,000; and (4) interest and costs under High Court Number HCA2892 of 2004. CE ASP filed a defence in March 2005. These two cases are still in progress and no trial date has been fixed.

The Group, after discussion with legal advisors considered that it would not incur a material outflow of resources as a result of the above matters.

### 47. 待決訴訟

- (a) 就Banco Unibank於2003年2月向菲律賓公司Waterfront Philippines Inc. (「Waterfront」) 聲稱出售由Acesite Limited (「Acesite」) 抵押之菲律賓股份，中國數碼前附屬公司Acesite、中國數碼全資附屬公司積德投資有限公司、身兼本公司及中國數碼主席兼執行董事之于品海先生以及中國數碼前全資附屬公司South Port Development Limited，分別作為第一、第二、第三及第四原告於2006年2月就最高法院訴訟編號HCCL 5-2006項下損失、額外或其他補償、利息及費用等，向Banco Unibank及Waterfront提出索償，理據為聲稱出售菲律賓股份屬違法，此乃由於該出售違反抵押條款；違反於2003年1月達成之妥協協議；及其他違反(「案件」)。案件仍在進行中，尚未確定審訊日期。
- (b) 中國數碼全資附屬公司大地傳播有限公司作為原告，就最高法院訴訟編號HCA1130-2004項下為數27,750,498港元之金額，連同應計利息及費用，於2004年5月向中國數碼附屬公司中企動力科技集團股份有限公司(現稱為數碼慧谷置業管理股份有限公司)兩名少數股東索償。該兩名被告於2004年6月提出抗辯及反訴，其後於2004年9月提出經修訂抗辯及反訴。該反訴隨後進一步修訂及再修訂。2004年12月，該兩名被告就最高法院訴訟編號HCA2892-2004項下(1)806,250港元；(2)就僱傭條例第32P條項下補償；(3)13,000港元；及(4)利息及費用，向大地傳播有限公司全資附屬公司中國企業網提出索償。中國企業網於2005年3月提出抗辯。該兩宗案件至今仍在進行中，且尚未確定審訊日期。

本集團在與法律顧問商討後，認為上述事宜不會導致重大資源流出。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 48. RELATED PARTY TRANSACTIONS

- (a) Remuneration for key management personnel represents amounts paid to the Company's directors as disclosed in note 43(a).
- (b) During the year, the Group entered into the following transactions with related parties:

### 48. 關連方交易及結餘

- (a) 主要管理人員之薪酬指附註43(a)所披露支付予本公司董事之款項。
- (b) 年內，本集團與關連公司進行以下交易：

		Transaction amounts 交易額 2016 HK\$'000 千港元	Balance owed/ (owing) 被結欠/ (結欠)結餘 2016 HK\$'000 千港元
<b>Non-exempted continuing connected transactions</b>	<b>非豁免持續關連交易</b>		
Provision of motion pictures by: A company controlled by a director	由以下公司提供影片： 由一名董事控制之公司	(1,061,214)	(80,758)
Provision of advertising services to: A company controlled by a director	向以下公司提供廣告服務： 由一名董事控制之公司	18,367	18,658
Sales of projection equipment to: A company controlled by a director	向以下公司銷售放映設備： 由一名董事控制之公司	-	4,702
<b>Non-exempted connected transactions</b>	<b>非豁免關連交易：</b>		
Disposal of shares of a subsidiary to: A limited partnership controlled by a director	出售一間附屬公司股份： 由一名董事控制之一間有限 合夥企業	167,560	167,560
Acquisition of shares of a subsidiary from: A company partially owned by a shareholder	收購一間附屬公司股份： 由一名股東部分擁有之公司	(895,876)	-
Advance from: A non-controlling shareholder of a subsidiary	來自： 一間附屬公司之非控股 股東之墊款	N/A* 不適用*	(12,046)
<b>Exempted connected transactions</b>	<b>獲豁免關連交易</b>		
Rental income from: A company controlled by a director	來自以下公司之租金收入： 由一名董事控制之公司	809	50
Provision of advertising services by: A company controlled by a director	由以下公司提供廣告服務： 由一名董事控制之公司	(2,424)	(216)
Provision of motion pictures to: A company controlled by a director	向以下公司提供影片： 由一名董事控制之公司	50	48
Purchase of projection equipment from: A company controlled by a director	向以下公司採購放映設備： 由一名董事控制之公司	N/A* 不適用*	(6,118)
Deposits paid to: A company controlled by a director	向以下公司支付之按金： 由一名董事控制之公司	N/A* 不適用*	2,122
Information service income from: A company controlled by a director	來自以下公司之資訊服務收入： 由一名董事控制之公司	201	-

\* The transaction was made before the companies became related parties

\* 該等交易於該等公司成為關連方前作出。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 48. RELATED PARTY TRANSACTIONS (Continued)

(b) (Continued)

### 48. 關連方交易及結餘(續)

(b) (續)

		Transaction amounts	Balance owed/ (owing)
		交易額	被結欠/ (結欠)結餘
		2015	2015
		HK\$'000	HK\$'000
		千港元	千港元
<b>Non-exempted continuing connected transactions</b>	<b>非豁免持續關連交易：</b>		
Provision of motion pictures by: A company controlled by a director	由以下公司提供影片： 由一名董事控制之公司	(461,482)	(101,430)
Provision of advertising services to: A company controlled by a director	向以下公司提供廣告服務： 由一名董事控制之公司	22,155	19,520
Sales of projection equipment to: A company controlled by a director	向以下公司銷售放映設備： 由一名董事控制之公司	2,100	9,333
<b>Exempted connected transactions</b>	<b>獲豁免關連交易</b>		
Provision of advertising services by: A company controlled by a director	由以下公司提供廣告服務： 由一名董事控制之公司	(206)	(41)
Purchase of projection equipment from: A company controlled by a director	向以下公司採購放映設備： 由一名董事控制之公司	N/A* 不適用*	(2,517)
Rental income from: Companies controlled by a director	來自以下公司之租金收入： 由一名董事控制之多間公司	1,107	244
Deposits paid to: A company controlled by a director	向以下公司支付之按金： 由一名董事控制之公司	N/A* 不適用*	5,203
Deposits paid to: A company controlled by a director	向以下公司支付之按金： 由一名董事控制之公司	N/A* 不適用*	1,433

\* The transaction was made before the companies became related parties

\* 該等交易於該等公司成為關連方前作出。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 48. RELATED PARTY TRANSACTIONS (Continued)

(b) (Continued)  
Notes:

The terms of above transactions are within normal trade credit terms and above balances owed/(owing) related parties are unsecured, interest-free and repayable on demand except for the amount owed from a limited partnership of HK\$167,570,000 (2015: Nil) is receivable on or before 23 March 2017.

The Group has not made any provision for bad or doubtful debts in respect of related party debtors nor has any guarantee been given or received during 2016 regarding related party transactions.

Except as disclosed elsewhere in these financial statements, there was no material related party transaction carried out during the year.

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk.

Financial risk management is coordinated at the Group's headquarters, in close co-operation with the Board. The overall objectives in managing financial risks focus on securing the Group's short to medium term cash flows by minimising its exposure to financial markets. Long term financial investments are managed to generate lasting returns with acceptable risk levels.

It is not the Group's policy to actively engage in the trading of financial instruments for speculative purposes. The Board from time to time identifies ways to access financial markets and monitors the Group's financial risk exposures.

### 48. 關連方交易及結餘(續)

(b) (續)  
附註：

除應收一間有限合夥企業應於2017年3月23日或之前償還款項167,570,000港元(2015：零)為應收款項外，上述交易之條款屬正常貿易信貸條款，而上述被結欠／(結欠)關連公司餘額為無抵押、免息及須按的要求償還。

本集團並無就關連公司債務人之呆壞賬作出任何撥備，亦無就關連公司交易於2016年作出或獲得任何擔保。

除該等財務報表其他地方所披露者外，年內概無進行重大關連方交易。

### 49. 財務風險管理及公允價值計量

本集團於日常業務及投資活動中使用金融工具而承擔財務風險。財務風險包括市場風險(包括貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。

財務風險管理由本集團總部與董事會緊密合作統籌。管理財務風險之整體目標旨在藉盡量降低本集團於金融市場之風險，從而確保本集團短期至中期之現金流。長期金融投資之管理為在可接受風險水平帶來持續回報。

本集團之政策並非積極參與金融工具買賣投機。董事會不時物色進入金融市場之方法，並監察本集團之財務風險。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.1 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position and the fair value relate to the following categories of financial assets and liabilities:

### 49. 財務風險管理及公允價值計量 (續)

#### 49.1 金融資產及負債之分類

下列類別金融資產及金融負債於綜合財務狀況報表中呈列之賬面值及公允價值：

		2016 Carrying amount 賬面值 HK\$'000 千港元	2016 Fair value 公允價值 HK\$'000 千港元	2015 Carrying amount 賬面值 HK\$'000 千港元	2015 Fair value 公允價值 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>				
Available-for-sale financial assets	可供出售之金融資產	324	324	324	324
Held-to-maturity investment	持有至到期投資	111,707	111,707	155,205	155,205
Financial assets at fair value through profit or loss	按公允價值於損益賬處理之金融資產	24,597	24,597	1,433	1,433
Loans and receivables:	貸款及應收款項：				
— Loan receivable from an associate	— 來自一間聯營公司之應收貸款	—	—	369,848	369,848
— Trade receivables	— 應收貿易款項	324,791	324,791	332,110	332,110
— Other receivables	— 其他應收款項	1,391,700	1,391,700	1,467,063	1,467,063
— Amounts due from related parties	— 應收關連公司款項	193,140	193,140	35,733	35,733
— Amounts due from associates	— 應收聯營公司款項	6,485	6,485	530	530
Pledged and restricted bank deposits	已抵押及受限制銀行存款	6,998,812	6,998,812	1,920,813	1,920,813
Time deposits maturing over three months	超過三個月到期之定期存款	—	—	12	12
Cash and cash equivalents	現金及等同現金項目	1,172,620	1,172,620	803,694	803,694
		<b>10,224,176</b>	<b>10,224,176</b>	<b>5,086,765</b>	<b>5,086,765</b>



## Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

## 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued) 49. 財務風險管理及公允價值計量 (續)

## 49.1 Categories of financial assets and liabilities (Continued)

## 49.1 金融資產及負債之分類 (續)

		2016 Carrying amount 賬面值 HK\$'000 千港元	2016 Fair value 公允面值 HK\$'000 千港元	2015 Carrying amount 賬面值 HK\$'000 千港元	2015 Fair value 公允面值 HK\$'000 千港元
<b>Financial liabilities</b>	<b>金融負債</b>				
Financial liabilities at fair value through profit or loss	按公允價值於損益賬處理之金融負債：	113,717	113,717	121,589	121,589
Financial liabilities at amortised cost:	按攤銷成本計量之金融負債：				
— Trade payables	— 應付貿易款項	1,454,678	1,454,678	570,538	570,538
— Other payables and accruals	— 其他應付款項及應計費用	1,187,548	1,187,548	1,161,765	1,161,765
— Amount due to a director	— 欠一名董事款項	30,108	30,108	14,273	14,273
— Amount due to a shareholder	— 欠一名股東款項	—	—	1	1
— Amounts due to associates	— 欠聯營公司款項	5,505	5,505	197,982	197,982
— Amount due to related parties	— 欠關連公司款項	99,138	99,138	103,988	103,988
— Long term trade payables	— 長期應付貿易款項	42,482	42,482	68,087	68,087
— Bank and other borrowings	— 銀行及其他借貸	14,381,866	14,381,866	10,027,083	10,027,083
— Convertible and exchangeable bonds	— 可換股及可交換債券	1,010,036	1,010,036	—	—
— Finance lease liabilities	— 融資租賃負債	75,501	75,501	43,102	43,102
		<b>18,400,579</b>	<b>18,400,579</b>	12,308,408	12,308,408

## 49.2 Foreign currency risk

Transactions in foreign currencies and the Group's risk management policies

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has exposure to some of its borrowings which is denominated in United States Dollars (US\$) whereas the Group's operations and cash flows are in Renminbi. The exposure to foreign exchange risk is shown as below.

The policy to manage foreign currency risk has been followed by the Group since prior years and is considered to be effective.

## 49.2 貨幣風險

以外幣交易及本集團之風險管理政策

貨幣風險指金融工具之公允價值或未來現金流量因匯率變動而出現波動之風險。本集團承受以美元(美元)計值之部分借貸之風險，而本集團營運及現金流量則以人民幣計值。本集團所承受之外幣風險載列如下。

本集團一直沿用過往年度之外幣風險管理政策，並認為其具有成效。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.2 Foreign currency risk (Continued)

##### Summary of exposure

US\$ denominated financial assets and liabilities, translated into Hong Kong dollars at the closing rates, are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Cash and cash equivalents, pledged and restricted bank deposits and time deposits maturing over three months	現金及等同現金項目，已抵押及受限制銀行存款以及超過三個月到期之定期存款	442,161	54,794
Trade receivables	應收貿易款項	106,770	56,975
Trade payables	應付貿易款項	(105,017)	(48,648)
Other payables	其他應付款項	(272,800)	(312,424)
Other receivables	其他應收款項	76,044	1,606
Bank and other borrowings	銀行及其他借貸	(3,798,167)	(1,743,535)
Net exposure arising from recognised financial assets and financial liabilities	來自已確認金融資產及金融負債之風險淨額	(3,551,009)	(1,991,232)

##### Sensitivity analysis

The following table illustrates the sensitivity of the Group's profit for the year and equity in regards to a 0.5% (2015: 0.5%) strengthening/ (weakening) of US\$ against RMB at the reporting date and that all other variables in particular interest rates remain constant.

		2016			2015					
		Changes in foreign exchange rates	(Decrease)/ Increase in profit for the year	(Decrease)/ Increase In equity	Changes in foreign exchange rates	(Decrease)/ Increase in profit for the year	(Decrease)/ Increase In equity			
	外幣匯率變動	(減少)/增加	年內溢利	權益(減少)/增加	外幣匯率變動	(減少)/增加	年內溢利	權益(減少)/增加		
		HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	
US\$/RMB	美元/人民幣	+0.5%	(17,755)	(17,755)	+0.5%	(9,956)	(9,956)	-0.5%	9,956	9,956
		-0.5%	17,755	17,755						

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date.

### 49. 財務風險管理及公允價值計量 (續)

#### 49.2 貨幣風險 (續)

##### 風險概要

以美元列值之金融資產及負債以收市匯率換算為港元，載列如下：

##### 敏感度分析

下表說明美元兌人民幣於報告日期升值/(貶值)0.5% (2015年：0.5%) 而所有其他變數(特別是利率)維持不變之情況對本集團年內溢利及權益之敏感度。

所述變動即管理層對期間直至下個年度報告日期止期間外幣匯率可能出現之合理變動之評估。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.3 Cash flow interest rate risk

The Group is exposed to interest rate risk through the impact of interest rate changes on interest bearing bank and other borrowings, cash and cash equivalents, pledged and restricted bank deposits and time deposits maturing over three months carrying interests at variable rates. Bank and other borrowings, cash and cash equivalents, pledged and restricted bank deposits carried at variable rates expose the Group to cash flow interest rate risk. The Group will review whether bank and other borrowings bearing fixed or floating rates should be drawn from time to time with reference to the trend of changes in interest rates. The interest rates and repayment terms of bank and other borrowings, and cash and cash equivalents, pledged and restricted bank deposits and time deposits maturing over three months of the Group are disclosed in the financial statements. The Group currently does not have an interest rate hedging policy. However, the directors monitor interest rate change exposure and will consider hedging significant interest rate exchange exposure should the need arise.

##### *Cash flow interest rate risk sensitivity*

At 31 December 2016, the Group was exposed to changes in market interest rates through its bank and other borrowings, cash and cash equivalents and pledged and restricted bank deposits, which are subject to variable interest rates. The following table illustrates the sensitivity of the profit/loss for the year and equity to a change in interest rates of +50 basis points and -50 basis points (2015: +50 basis points and -50 basis points), with effect from the beginning of the year. The calculations are based on the Group's bank and other borrowings and bank balance held at each reporting date. All other variables are held constant.

### 49. 財務風險管理及公允價值計量 (續)

#### 49.3 現金流量利率風險

本集團就以浮動利率計息之銀行及其他借貸、現金及等同現金項目、已抵押及受限制銀行存款以及超過三個月到期之定期存款之利率變動承擔利率風險。按浮動利率計息之銀行及其他借貸、現金及等同現金項目以及已抵押及受限制銀行存款令本集團承擔現金流量利率風險。本集團將參考利率轉變走勢不時檢討提取按定息或浮息計息之銀行及其他借貸。本集團之銀行及其他借貸、現金及等同現金項目、已抵押及受限制銀行存款以及超過三個月到期之定期存款之利率及還款條款於財務報表披露。本集團現時並無任何利率對沖政策。然而，董事監控利率變動風險，並將於有需要時考慮對沖重大利率匯兌風險。

##### *現金流量利率風險敏感度*

於2016年12月31日，本集團因按浮動利率計息之銀行及其他借貸、現金及等同現金項目以及已抵押及受限制銀行存款而承擔市場利率變動之風險。下表闡述自年初起計，年內溢利／虧損及權益對利率變動+50個基點及-50個基點(2015年：+50個基點及-50個基點)之敏感度，此乃根據本集團於各報告日期持有之銀行及其他借貸以及銀行結餘計算。所有其他變數維持不變。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.3 Cash flow interest rate risk (Continued)

Cash flow interest rate risk sensitivity (Continued)

		2016			2015		
		Changes in basis points	(Decrease)/ Increase in profit for the year	(Decrease)/ Increase in equity	Changes in basis points	(Decrease)/ Increase in profit for the year	(Decrease)/ Increase in equity
		基點變動	年內溢利 (減少)/增加	權益(減少)/增加	基點變動	年內溢利 (減少)/增加	權益(減少)/增加
			HK\$'000	HK\$'000		HK\$'000	HK\$'000
			千港元	千港元		千港元	千港元
Interest rate	利率	+50	(3,031)	(3,031)	+50	(3,566)	(3,566)
		-50	3,031	3,031	-50	3,566	3,566

#### 49.4 Other price risk

Other price risk relates to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than changes in interest rates and foreign exchange rates). The Group is exposed to change in market prices in respect of its investments in listed equity securities classified as financial assets at fair value through profit and loss.

To manage its market price risk arising from these investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by Board. The Group's listed investments are listed on the Stock Exchange of Hong Kong, Shenzhen and Shanghai, Mainland China. Decisions to buy or sell trading securities are based on daily monitoring of the performance of individual securities compared to that of the index and other industry indicators, as well as the Group's liquidity needs. Investments held in the available for sale portfolio have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

The policies to manage other price risk have been followed by the Group since prior years and are considered to be effective.

### 49. 財務風險管理及公允價值計量 (續)

#### 49.3 現金流量利率風險 (續)

現金流量利率風險敏感度 (續)

		2016			2015		
		Changes in basis points	(Decrease)/ Increase in profit for the year	(Decrease)/ Increase in equity	Changes in basis points	(Decrease)/ Increase in profit for the year	(Decrease)/ Increase in equity
		基點變動	年內溢利 (減少)/增加	權益(減少)/增加	基點變動	年內溢利 (減少)/增加	權益(減少)/增加
			HK\$'000	HK\$'000		HK\$'000	HK\$'000
			千港元	千港元		千港元	千港元
Interest rate	利率	+50	(3,031)	(3,031)	+50	(3,566)	(3,566)
		-50	3,031	3,031	-50	3,566	3,566

#### 49.4 其他價格風險

其他價格風險指金融工具之公允價值或未來現金流量因市場價格變動(利率及匯率變動除外)而出現波動之風險。本集團就其分類為按公允價值於損益賬處理之金融資產之上市股本證券投資承擔市場價格變動風險。

為管理該等投資產生之市場價格風險，本集團分散其投資組合。分散投資組合乃按照董事會所定限制作出。本集團之上市投資乃於香港聯合交易所以及中國內地深圳及上海證券交易所上市。買入或賣出證券之決定乃根據每日監察個別證券對指數或其他市場指標之表現及本集團之流動現金需要作出。於可供出售投資組合中持有之投資乃按其長期增長潛力選取，並定期監察其表現是否符合預期。

本集團一直沿用過往年度其他價格風險管理政策，認為其具有成效。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.4 Other price risk (Continued)

##### Equity price sensitivity

For listed equity securities, an average volatility of 14.0% has been observed in 2016 (2015: 6.0%). The following table illustrates the sensitivity of the Group's profit for the year and equity in regards to 14.0% (2015: 6.0%) volatility in respect of listed equity securities classified as held for trading.

		2016			2015		
		Changes in equity price	Increase/ (Decrease) in profit for the year	Increase/ (Decrease) in equity	Changes in equity price	Increase/ (Decrease) in profit for the year	Increase/ (Decrease) in equity
		股本價格變動	年內溢利增加/(減少)	權益增加/(減少)	股本價格變動	年內溢利增加/(減少)	權益增加/(減少)
			HK\$'000	HK\$'000		HK\$'000	HK\$'000
			千港元	千港元		千港元	千港元
Listed equity securities	上市股本證券	+14.0%	3,592	3,592	+6.0%	88	88
		-14.0%	(3,592)	(3,592)	-6.0%	(88)	(88)

The assumed volatilities of listed securities represent the management's assessment of a reasonably possible change in these security price over the next twelve month period.

#### 49.5 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. As at 31 December 2016, the Group's maximum exposure to credit risk in the event of counterparties' failure to perform their obligation and financial guarantees provided by the Group is arising from:

- carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position; and
- the amount of contingent liabilities in relation to the financial guarantees provided by the Group as disclosed in note 45.

### 49. 財務風險管理及公允價值計量 (續)

#### 49.4 其他價格風險 (續)

##### 股價敏感度

就上市股本證券而言，於2016年觀察得出之平均波幅為14.0% (2015年：6.0%)。下表說明分類為持作買賣之上市股本證券14.0% (2015年：6.0%) 波幅對本集團之年內溢利及權益之敏感度。

上市證券之假設波動指管理層評估此等證券價格於未來十二個月期間之合理可能變動。

#### 49.5 信貸風險

信貸風險指金融工具之交易對方無法根據金融工具之條款履行其項下之責任，並令本集團出現財務虧損。於2016年12月31日，本集團於交易對方不能履行彼等之債務及本集團提供財務擔保情況下面對之最大信貸風險來自：

- 綜合財務狀況報表內相關已確認金融資產之賬面值；及
- 附註45所披露本集團提供之財務擔保相關或然負債金額。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.5 Credit risk (Continued)

In order to minimise the credit risk, the management of the Group has formulated a defined fixed credit policy and delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable regularly at each reporting date to ensure that adequate impairment losses are made for irrecoverable amount. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Further quantitative disclosure in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 24 and note 20, respectively.

#### 49.6 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through the ability to close-out market positions. In the opinion of the Company's directors, the Group does not have any significant liquidity risk exposure taking into account of new banking facilities obtained in 2016.

### 49. 財務風險管理及公允價值計量 (續)

#### 49.5 信貸風險 (續)

為盡量減低信貸風險，本集團管理層已制定一項明文固定信貸政策，並成立專責小組負責釐定信貸限制、信貸審批及其他監控程序，以確保採取跟進措施收回過期債務。此外，本集團於各報告日期定期審閱各個別應收貿易款項之可收回金額，確保已就不可收回金額作出足夠減值虧損撥備。就此，本公司董事認為，本集團之信貸風險已大幅減少。

本集團並無重大集中信貸風險，風險分散至多個交易對方及客戶。

本集團來自應收貿易款項及其他應收款項之信貸風險之進一步數據披露分別載於附註24及附註20。

#### 49.6 流動資金風險

審慎流動資金風險管理指透過於市場平倉之能力持有充裕現金及可供動用資金。考慮到於2016年取得之新銀行融資，本公司董事認為，本集團並無任何重大流動資金風險。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.6 Liquidity risk (Continued)

The following table details the remaining contractual maturities at the reporting date of the Group's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay:

### 49. 財務風險管理及公允價值計量 (續)

#### 49.6 流動資金風險 (續)

下表詳列本集團非衍生金融負債及衍生金融負債於各報告日期之剩餘合約到期情況，乃根據未貼現合約現金流量(包括按訂約利率或(若為浮息)按報告日期之即期利率計算之利息支出)及本集團可能需要支付之最早日期而得出：

		Carrying amount	Total contractual undiscounted cash flow	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	賬面值	未貼現合約現金流量總計	按要求或一年內	超過一年但少於兩年	超過兩年但少於五年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>					
<b>Non-derivatives:</b>	<b>非衍生工具：</b>					
Trade payables	應付貿易款項	1,497,160	1,498,560	1,455,695	38,515	4,350
Other payables and accruals	其他應付款項及應計費用	1,187,548	1,187,548	1,187,548	-	-
Amount due to a director	欠一名董事款項	30,108	30,108	30,108	-	-
Amounts due to associates	欠聯營公司款項	5,505	5,505	5,505	-	-
Amounts due to related parties	欠關連公司款項	99,138	99,138	99,138	-	-
Bank and other borrowings	銀行及其他借貸	14,381,866	17,568,757	6,907,056	7,085,269	3,576,432
Convertible and exchangeable bonds	可換股及可交換債券	1,010,036	1,010,036	1,010,036	-	-
Finance lease liabilities	融資租賃負債	75,501	83,294	38,716	37,029	7,549
		<b>18,286,862</b>	<b>21,482,946</b>	<b>10,733,802</b>	<b>7,160,813</b>	<b>3,588,331</b>
Financial guarantee issued	已發出財務擔保					
Maximum amount guaranteed	最高擔保金額	-	18,594	18,594	-	-
<b>Derivatives:</b>	<b>衍生工具：</b>					
Financial liabilities at fair value through profit or loss	按公允價值於損益賬處理之金融負債	113,717	113,717	113,717	-	-

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.6 Liquidity risk (Continued)

		Carrying amount	Total contractual undiscounted cash flow	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	賬面值	未貼現合約現金流量總計	按要求或一年內	超過一年但少於兩年	超過兩年但少於五年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
As at 31 December 2015	於2015年12月31日					
Non-derivatives:	非衍生工具：					
Other payables and accruals	其他應付款項及應計費用	1,161,765	1,161,765	1,161,765	-	-
Amount due to a director	欠一名董事款項	14,273	14,273	14,273	-	-
Amount due to a shareholder	欠一名股東款項	1	1	1	-	-
Amounts due to associates	欠聯營公司款項	197,982	197,982	197,982	-	-
Amounts due to related parties	欠關連公司款項	103,988	103,988	103,988	-	-
Bank and other borrowings	銀行及其他借貸	10,027,083	11,558,471	5,869,694	1,028,913	4,659,864
Trade payables	應付貿易款項	638,625	649,848	573,191	54,044	22,613
Finance lease liabilities	融資租賃負債	43,102	49,801	17,188	17,188	15,425
		12,186,819	13,736,129	7,938,082	1,100,145	4,697,902
Financial guarantee issued	已發出財務擔保					
Maximum amount guaranteed	最高擔保金額	-	3,188,082	3,188,082	-	-

For term loans which contain a repayment on demand clause that can be exercised at the bank's sole discretion, the analysis above shows the cash outflows based on the earliest period in which the Group can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect.

就規定銀行可行使酌情權提出還款要求之定期貸款而言，上述分析顯示按本集團可能被要求還款之最早期限（即倘貸款人援引其要求即時償還貸款之無條件權利）計算之現金流出量。

### 49. 財務風險管理及公允價值計量 (續)

#### 49.6 流動資金風險 (續)

## Notes to the Financial Statements

### 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

##### 49.6 Liquidity risk (Continued)

Taking into account the Group's financial position the directors of the Company do not consider it probable that the creditors will exercise its discretion to demand immediate repayment. The directors of the Company believe that such term loans will be repaid in accordance with the scheduled payment dates set out in the loan agreements which are summarised in the table below:

#### 49. 財務風險管理及公允價值計量 (續)

##### 49.6 流動資金風險 (續)

經計及本集團之財務狀況後，本公司董事認為債權人不大可能行使其酌情權要求即時還款。本公司董事認為，該等定期貸款將按照貸款協議所載之還款日期償還，有關概要載列如下：

		Carrying amount	Total contractual undiscounted cash flow 未貼現合約 現金流量總計	On demand or within 1 year 按要求 或一年內	More than 1 year but less than 2 years 超過一年 但少於兩年	More than 2 years but less than 5 years 超過兩年 但少於五年
		賬面值 HK\$'000 千港元	現金流量總計 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 December 2016	於2016年12月31日	15,391,902	18,732,889	6,932,337	8,224,121	3,576,431
As at 31 December 2015	於2015年12月31日	10,027,083	11,559,795	5,839,063	1,060,868	4,659,864

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.7 Fair value

The carrying amounts of the following financial assets and financial liabilities approximate their fair value as all of them are short-term by nature: pledged and restricted bank deposits, time deposits maturing over three months, cash and cash equivalents, trade receivables and payables, other receivables and payables, current portion of bank and other borrowings, finance lease liabilities, convertible and exchangeable bonds and amounts due from/(to) a director/shareholder/associates/related parties. Analysis of the interest rate and carrying amounts of borrowings are presented in note 29 to the financial statements.

The fair value of the club debenture are determined with reference to the quoted market bid price available to the second-hand market as at the reporting date. Given that the second hand market is not considered as an active market, the fair value of the club debenture are grouped in to level 2.

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets and liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable of the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

### 49. 財務風險管理及公允價值計量 (續)

#### 49.7 公允價值

由於全為短期性質，以下金融資產及金融負債之賬面值與其公允價值相若：已抵押及受限制銀行存款、超過三個月到期之定期存款、現金及等同現金項目、應收及應付貿易款項、其他應收及應付款項、銀行及其他借貸之流動部分、金融租賃負債、可換股及可交換債券以及應收／(欠)一名董事／一名股東／聯營公司／關連公司款項。借貸之利率及賬面值分析載於財務報表附註29。

會所債券之公允價值乃參照報告日期二手市場可得之市場投標報價。由於二手市場並不視為活躍市場，會所債券之公允價值列入第2層。

下表呈列根據公允價值架構，於財務狀況報表內按公允價值計量之金融資產及負債。此架構根據計量此等金融資產及負債之公允價值所使用之主要資料輸入之相對可靠性，將金融資產及負債劃分為三層。公允價值架構分為以下各層：

- 第1層：相同資產及負債於活躍市場之報價(未經調整)；
- 第2層：就資產及負債而直接(即價格)或間接(即從價格推算)可觀察之資料輸入(不包括第1層所包含之報價)；及
- 第3層：並非根據可觀察之市場數據而得出之資產或負債資料輸入(無法觀察輸入)。

金融資產或負債整體所應歸入之公允價值架構內之層次，乃基於對公允價值計量屬重大之最低層次輸入資料劃分。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 49. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

#### 49.7 Fair value (Continued)

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>				
<b>Assets</b>	<b>資產</b>				
Available-for-sale financial assets	可供出售金融資產	–	324	–	324
Listed securities held for trading	持作買賣上市證券	24,597	–	–	24,597
<b>Total fair value</b>	<b>公允價值總額</b>	<b>24,597</b>	<b>324</b>	<b>–</b>	<b>24,921</b>
<b>Liabilities</b>	<b>負債</b>				
Financial liability at fair value through profit or loss — embedded derivatives	按公允價值於損益賬處理之金融負債 — 嵌入式衍生工具	–	–	113,717	113,717
<b>Total fair value</b>	<b>公允價值總額</b>	<b>–</b>	<b>–</b>	<b>113,717</b>	<b>113,717</b>
<b>As at 31 December 2015</b>	<b>於2015年12月31日</b>				
<b>Assets</b>	<b>資產</b>				
Available-for-sale financial assets	可供出售金融資產	–	324	–	324
Listed securities held for trading	持作買賣上市證券	1,433	–	–	1,433
<b>Total fair value</b>	<b>公允價值總額</b>	<b>1,433</b>	<b>324</b>	<b>–</b>	<b>1,757</b>
<b>Liabilities</b>	<b>負債</b>				
Financial liability at fair value through profit or loss — Put Option	按公允價值於損益賬處理之金融負債 — 認沽期權	–	–	121,589	121,589
<b>Total fair value</b>	<b>公允價值總額</b>	<b>–</b>	<b>–</b>	<b>121,589</b>	<b>121,589</b>

There have been no significant transfers between level 1, 2 and 3 in the reporting period. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

### 49. 財務風險管理及公允價值計量 (續)

#### 49.7 公允價值 (續)

於財務狀況報表內按公允價值計量之金融資產及負債乃劃分為以下之公允價值架構：

於報告期間，第1層、第2層及第3層之間並無重大轉撥。用於計量公允價值之方法及估值技術與過往報告期間相比並無改變。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 50. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the current and previous years.

The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt is calculated as the sum of bank and other borrowings, finance lease liabilities and convertible and exchangeable bonds less the sum of pledged and restricted bank deposits, time deposits maturing over three months and cash and cash equivalents as shown in the statements of financial position. The Group aims to maintain the gearing ratio at a reasonable level. The gearing ratios as at the reporting date were as follows:

### 50. 資本管理

本集團資本管理之主要目標為保持強勁信貸評級及穩健資本比率，以支持業務發展及提高股東價值。

本集團管理其資本結構，並因應經濟狀況之轉變作出調整。為維持或調整資本結構，本集團可能調整應付股東股息、向股東給予資本回報或發行新股。本集團於本年度及過往年度之資本管理目標、政策或程序並無變動。

本集團使用資產負債比率監控資本，即債務淨額除以總權益加債務淨額。債務淨額乃以於財務狀況報表所示銀行及其他借貸、融資租賃負債以及可換股及可交換債券之總和減已抵押及受限制銀行存款，超過三個月到期之定期存款以及現金及等同現金項目之總和計算。本集團之目標為維持資本負債比率於合理水平。於報告日期之資本負債比率如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
<b>Current liabilities</b>	<b>流動負債</b>		
Bank and other borrowings	銀行及其他借貸	4,784,912	5,059,078
Finance lease liabilities	融資租賃負債	33,330	13,509
Convertible and exchangeable bonds	可換股及可交換債券	1,010,036	–
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Bank and other borrowings	銀行及其他借貸	9,596,954	4,968,005
Finance lease liabilities	融資租賃負債	42,171	29,593
Total debt	債務總額	15,467,403	10,070,185
Less: Pledged and restricted bank deposits	減：已抵押及受限制銀行存款	(6,998,812)	(1,920,813)
Time deposits maturing over three months	超過三個月到期之定期存款	–	(12)
Cash and cash equivalents	現金及等同現金項目	(1,172,620)	(803,694)
<b>Net debt</b>	<b>債務淨額</b>	<b>7,295,971</b>	<b>7,345,666</b>
<b>Total equity</b>	<b>權益總額</b>	<b>5,205,999</b>	<b>3,916,565</b>
<b>Total equity and net debt</b>	<b>權益總額及債務淨額</b>	<b>12,501,970</b>	<b>11,262,231</b>
<b>Gearing ratio</b>	<b>資產負債比率</b>	<b>58.36%</b>	<b>65.22%</b>



# Notes to the Financial Statements

## 財務報表附註

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### 51. EVENTS SUBSEQUENT TO REPORTING PERIOD

On 25 January 2017, the Company entered into a sale and purchase agreement to acquire Orange Sky Golden Harvest Cinemas (China) Company Limited through the acquisition of the total issued share capital of City Entertainment Corporation Limited, (the "Acquisition"). Up to the date of this report, the assessment of the fair value of City Entertainment Corporation Limited's assets and liabilities is still in progress. Details of the Acquisition are more particularly disclosed in the announcement dated 25 January 2017 issued by the Company.

### 51. 報告期後事項

於2017年1月25日，本公司訂立買賣協議以通過收購橙天嘉禾影城有限公司全部已發行股本（「收購事項」）來收購橙天嘉禾影城（中國）有限公司。截至本報告日期，橙天嘉禾影城有限公司之資產及負債之公允價值評估仍在進行中。收購事項進一步詳情於本公司所作出日期為2017年1月25日之公告內披露。

# List of Properties

## 物業一覽表

### PROPERTIES UNDER DEVELOPMENT

### 發展中物業

Location		Interest attributable to the Group in percentage 本集團應佔權益百分比	Floor area on completion in sq.m. (approx.) 落成時概約總建築面積(概約平方米)	Type of development 發展項目類別	Expected year of completion 估計完成年份	Stage of development 發展階段
物業地點						
Reclaimed site located at Liu Wan, Shekou, Shenzhen, Guangdong Province, the PRC	中國廣東省深圳蛇口六灣之填海土地	100	556,000	Shopping arcade/ residential/hotel/ recreational facilities 商場/住宅/ 酒店/娛樂設施	2019 2019年	Construction in progress 在建工程
A residential development located at Guanghai Gonglu, Huadu District, Guangdong Province, the PRC	中國廣東省花都區廣花公路之住宅物業發展	100	857,000	Commercial/ residential 商業/住宅	2019 2019年	Construction in progress 在建工程

## Five-Year Financial Summary

### 五年財政摘要

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out as follows:

本集團過去五個財政年度之業績及資產與負債之摘要載列如下

		2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元	2013 HK\$'000 千港元	2012 HK\$'000 千港元
Revenue (continuing and discontinued operations)	收益(持續及非持續經營之業務)	8,915,579	4,200,117	3,153,015	2,318,601	1,953,568
Profit/(Loss) for the year attributable to:	以下人士應佔年內溢利/(虧損):					
Owners of the Company	本公司擁有人	1,359,553	238,875	(701,731)	865,197	(346,063)
Non-controlling interests	非控股權益	(81,161)	16,555	(45,248)	(12,635)	(26,230)
Profit/(Loss) for the year	本年度溢利/(虧損)	1,278,392	255,430	(746,979)	852,562	(372,293)
Total assets	總資產	32,747,051	17,469,258	12,661,095	12,662,510	13,698,821
Total liabilities	總負債	(27,541,052)	(13,552,693)	(8,838,752)	(7,971,619)	(9,847,230)
Net assets	資產淨值	5,205,999	3,916,565	3,822,343	4,690,891	3,851,591



**南海控股**  
NAN HAI CORPORATION LIMITED

Stock Code 股份代號：680

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