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Corporate Information

EXECUTIVE DIRECTORS

Mr. Ho Tsu Kwok, Charles (*Chairman*)
Mr. Jia Hong Ping
Mr. Jim Sui Hing
Mr. Lai Ting Yiu
Mr. Lo Wing Hung
Mrs. Sy Wong Chor Fong
Mr. Wong Wai Ming
Mr. Yang Yiu Chong, Ronald Jeffrey

NON-EXECUTIVE DIRECTOR

Mr. Leung Chun Ying

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Ho Chiu King, Pansy Catilina
Mr. Timothy David Dattels
Dr. Tong Yuk Lun, Paul
Mr. Tung Chee Chen

QUALIFIED ACCOUNTANT

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COMPANY SECRETARY

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執行董事

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詹瑞慶先生
黎廷瑤先生
盧永雄先生
施黃楚芳女士
黃偉明先生
楊耀宗先生

非執行董事

梁振英先生

獨立非執行董事

何超瓊女士
Timothy David Dattels先生
唐玉麟博士
董建成先生

合資格會計師

黃偉明先生

公司秘書

陳美嫦女士

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AUDITORS

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核數師

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執業會計師
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百慕達法律顧問

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主要股份過戶登記處

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HONG KONG BRANCH REGISTRAR AND TRANSFER OFFICE

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香港股份過戶登記處分處

登捷時有限公司
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PRINCIPAL BANKERS

Nanyang Commercial Bank, Ltd.
Standard Chartered Bank

主要往來銀行

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Chairman's Statement's

2003 was an eventful year for Global China Group. The economy of Hong Kong showed signs of recovery in the second half of the year following the announcement of Individual Visit Scheme and CEPA, which has positively impacted the performance of our core media business. Nevertheless, the outlook of the operating environment remains challenging.

In line with its vision to reach readers globally, the Group vigorously took part and co-hosted several world-class forums, notably the 2nd Boao Forum For Asia, the 7th CEO Forum and the 12th Asia Leadership Forum held in Hainan, Hong Kong and Shanghai respectively. The participation in these regional events have provided a unique platform upon which the Group could further enhance its corporate image and, by leveraging on such extensive business networking, to build a stronger foundation for the Group's future development across the region and beyond.

On brand product level, our flagship newspaper Sing Tao Daily registered a significant growth in circulation and readership during the year. The adoption of an effective marketing strategy coupled with ongoing efforts by Sing Tao editorial teams to improve content and layout design contributed to the respectable results.

It is this dedication that won Sing Tao Daily several international media awards. Its New York Edition was honored Excellence Awards - 2003 New York Ethnic and Community Press Awards, granted by the most authoritative Independent Press Association (IPA) in the U.S. Sing Tao Daily was among the first Chinese newsmakers to win these awards. The credit went to the combined effort of our staff journalists from Hong Kong headquarters and New York Bureau. Such recognition signifies our perseverance in high journalistic standard, which helps strengthen our foothold in the U.S. media market long dominated by Western media.

As part of the move to refine its existing products, the Group also invests additional resources into its English business newspaper The Standard. A new team of senior executives from renowned regional media has been appointed

2003年，香港特別行政區因受到「自由行」和「更緊密經貿關係的安排」的正面刺激，整體經濟自下半年起呈現復蘇跡象，泛華集團核心媒體業務因而受惠，但運營環境未來仍然充滿挑戰。

過去一年，集團為了實現其企業願景以服務全球讀者，一系列強化企業品牌活動在期內陸續展開，通過贊助和協辦多個國際論壇，積極建立國際化形象。集團先後協辦了在中國海南島舉行的「第二屆博鰲亞洲論壇」、在香港舉行的「第七屆CEO年會」以及在上海舉行的「第十二屆亞洲領袖論壇」。上述活動不僅有助於建立廣泛的商業脈絡，亦為集團今後的區域發展，以及拓展環球市場搭建有效的平台。

在產品拓展方面，集團的旗艦報章《星島日報》的報紙銷售量和讀者人數均大幅上升。這實應歸功於編採人員在期間內積極改革報章內容及版面設計，以及有效的市場推廣策略。

正是這種投入與熱誠使到《星島日報》在期間內獲得數項國際傳媒大獎，成績驕人。其中《星島日報》紐約版更是奪得美國權威的媒體組織——「美國獨立報刊協會」頒發的「2003年少數族裔及社區報刊新聞獎」最高榮譽大獎，成為第一家得此榮耀的海外中文報章，有關報道由紐約分社採訪部與香港總社記者聯合採訪。這項榮譽確認了集團堅守優質新聞報道的理念，同時也促使集團在美洲這個以西方媒體為資訊主流的地區，軋穩根基，進一步鞏固海外市場的地位。

秉承不斷優化產品的理念，集團也投入更多資源在其旗艦英文報章《英文虎報》，並聘請了一班資深區域傳媒精英加盟，負責編採及業務拓展；該報章正進行一系列改頭換面的工作，以期帶領《英

to achieve the objective. A major makeover is underway with a commitment to bringing The Standard to its new height, while offering a better choice for international readers who need to obtain the latest happenings of the Greater China region.

On the other hand, the newly-acquired magazine East Week took on a livelier image with an extensive coverage of current affairs and entertainment news after a major revamp during the year. The infotainment magazine opens up a new prospect for the Group in tapping into a market with large readership base, thus creating a synergistic effect to the Group's portfolio as a whole.

China continues to be a major focus for the Group. During the year, our media service arm in the PRC rolled out its print media distribution business and is progressing at a solid pace. The Group has started off its business in Beijing and Guangzhou through the acquisition of local print media distributors and will gradually expand its distribution network to the rest of the major cities in China.

Looking ahead, the Group will diligently carry out its development plans while strengthening the core competencies of its existing products to capture new business opportunities arising from the economic upturn. We will continue to adopt prudent financial management, and to adhere to its resource-sharing strategy to achieve greater operational efficiency and a promising return for shareholders.

On behalf of the Board, I wish to acknowledge and thank our Shareholders for their continuous support, our Management and staff members for their discipline and hard work during these challenging times.

Sincerely,
Ho Tsu Kwok, Charles
Chairman

Hong Kong, 20 April, 2004

文虎報》走向更高領域，同時為所有關心大中華區發展動向的國際讀者，提供更佳的資訊選擇。

另一方面，集團所收購的雜誌《東周刊》，經重新包裝推出後，成功開拓了綜合性時事雜誌的市場，令集團的讀者覆蓋面更廣，為旗下刊物的長遠發展帶來協同效益。

中國內地市場是集團的主力發展地區，其中，集團於國內的主打媒體服務——全國平面媒體發行業務已正式展開，通過收購現有的發行服務商，先後在北京及廣東省開拓期刊發行業務，並按照既定的發展策略在全國逐步建立分銷站點。

展望未來，雖然香港經濟逐漸復蘇，集團仍會繼續審慎推動各項發展計劃，並致力加強其產品核心競爭力，以便在營商環境理想的時候，以最佳條件抓緊各種商機。與此同時，我們也將採取謹慎的理財政策，在資源共享的原則下，為集團爭取最大的營運效益和理想的股東回報。

最後，本人僅代表泛華集團感謝所有股東的支持，管理層及全體同事過去一年的努力與貢獻。謝謝。

何柱國
集團主席
謹啟

二零零四年四月二十日

Financial Results

The consolidated turnover of the Group on the continuing operations for the year amounted to HK\$1,182 million as compared with HK\$993 million last year. The Group recorded an exceptional gain on reversal of provisions in a jointly-controlled entity for approximately HK\$54.6 million, which was realised upon the disposal of a hotel in Canada held by a jointly-controlled entity. Profit after tax for continuing operations amounted to HK\$9.7 million as compared to the loss of HK\$31.3 million last year.

Financial Review

Liquidity and financial resources, gearing ratio, charges on Group's assets

The Group maintained a strong financial position with a net cash position throughout the year under review. During the year, the Group has realised approximately HK\$75 million on the disposal of a hotel in Canada after repaying the mortgage loan and related expenses and has invested approximately HK\$94 million in a jointly controlled entity in the People's Republic of China ("PRC"). As at 31st December 2003, the Group had a net cash balance of HK\$545 million.

The gearing ratio defined as long-term borrowings to equity as at 31st December 2003 was zero (2002: zero). The Group has pledged time deposits of approximately HK\$58 million (2002: HK\$28 million) to secure the banking facilities to the Group.

財務業績

本集團本年度持續經營業務之綜合營業額約為1,182,000,000港元，而去年之營業額則約為993,000,000港元。本集團因撥回共同控制公司撥備而獲取非經常收益約54,600,000港元，乃因出售共同控制公司於加拿大持有之酒店而變現。持續經營業務除稅後溢利約為9,700,000港元，而去年虧損則約為31,300,000港元。

財務回顧

流動資金及財務資源、資本負債比率及本集團資產抵押

本集團於年度之財務狀況維持穩健，全年保持淨現金狀況。年內，本集團出售於加拿大之酒店（償付按揭貸款及相關開支後）獲取現金約75,000,000港元，及投資於一中華人民共和國（「中國」）之共同控制公司約94,000,000港元。於二零零三年十二月三十一日，本集團之現金結餘淨額約545,000,000港元。

於二零零三年十二月三十一日，資本負債比率（即長期借貸與資本之比率）為零（二零零二年：零）。本集團已抵押定期存款約58,000,000港元（二零零二年：28,000,000港元），作為本集團銀行備用額之擔保。

Capital structure, exposure to fluctuations in exchange rates

The Group has a treasury department to monitor and enhance the return on the cash on hand and to minimize the impact on the Group as a result of fluctuation in foreign currencies. Last year, the Group benefited from the appreciation of the Canadian dollar as our interests in the hotel in Canada was disposed of during the year. However, the appreciation of the Japanese Yen has hurt the profit margin of the Trading Unit. The Group has used different hedging methods with a view to mitigating the impact on the Group's margin resulting from the Yen fluctuations during the year.

Contingent liabilities

Save as the corporate guarantee given to banks to secure the general banking facilities, as at 31 December 2003, the Group did not have any contingent liability or claim which the directors considered to be material.

BUSINESS REVIEW

2003 was a challenging year for the Group. We continued to build our media-related business and were able to achieve satisfactory results for both the Media Ownership Unit as well as the Media Services Unit. We were especially pleased with the performance of our core newspaper, Sing Tao Daily, which posted encouraging growth in both advertising revenue and circulation worldwide in an eventful year highlighted by the SARS outbreak and Iraqi War. During the year, the Group had also disposed of several remaining non-core assets at favorable prices and contributed to our already healthy cash position.

資本結構、匯率波動風險

本集團設有司庫部門負責監控及提升手頭現金之回報及減低外匯波動對本集團之衝擊。年內，由於本集團將其於加拿大之酒店之權益出售，從而得享加元升值之利。然而，貿易部之利潤率則受日圓升值所累。本集團已使用不同之對沖方法以減低年內日圓波動對集團利潤之影響。

或然負債

集團除為一般銀行備用額向銀行提供公司擔保外，於二零零三年十二月三十一日，本集團並無任何董事認為屬重大之或然負債或索償。

業務回顧

二零零三年是本集團充滿挑戰的一年。這一年來，我們不斷努力發展媒體相關業務，並在媒體出版與媒體服務兩方面取得令人滿意的業績。在這個爆發沙士疫症及伊拉克戰事的多事之秋，集團的旗艦報章《星島日報》在廣告收益和全球發行量均取得良好增長。年內，集團又順利以理想價錢出售剩餘數項非核心資產，進一步鞏固集團的現金狀況。

MEDIA OWNERSHIP UNIT

1. Newspaper Group – Sing Tao Newspaper Group Limited (“Sing Tao”)

As a result of constructive restructuring and stringent cost control, the Newspaper Group recorded growth in both revenue and operating profit in 2003. For Sing Tao Daily, focusing on middle class and professional sectors was a proven success. The paper was well received by both readers and advertisers and we expect continued support from both ends. Growth was particularly evidenced on the weekend editions where we added more celebrity interviews and infotainment features.

In line with the re-positioning in 2002 as an English-language newspaper focusing on the Greater China region, The Standard continued to develop its coverage of business and financial markets in the region. Operating results were satisfactory as advertising from the paper’s core financial market remained strong. In January 2004, a new and very experienced management team was installed reflecting the Group’s commitment to allocate increased resources on its English-language publication.

Through a series of exercises such as repackaging the paper, enhancing and broadening of content, as well as implementing vigorous marketing campaigns, Sing Tao’s overseas operations recorded a significant growth in both circulation and advertising revenue. We further extended our leading edge toward our competitors in most markets. Efficient support was provided by our production department in Shenzhen, as well as utilising a worldwide editorial force – enabled us to further improve the quality of our papers. This is a great step forward to strengthen our position as the leading Chinese newspaper in the world.

媒體出版業務

1. 報業集團 — 星島報業集團有限公司（「星島」）

經過建設性重整及嚴控成本，「星島」在二零零三年的收益及經營溢利均錄得增長。《星島日報》自重新定位為一份主攻中產及專業人士的中文報章後，年來大受讀者及廣告商的歡迎與支持，成績有目共睹。《星島日報》週末版自從加入名人專訪及增添綜合性時事資訊內容後，讀者人數和銷量的上升幅度尤其明顯。

自二零零二年起，《英文虎報》定位為一份以大中華區為市場、主力提供財經訊息的英文報章。年來該報不斷加強對區內商業與金融市場的報導。由於來自金融市場的廣告保持強勁，該報在年內的業務發展令人滿意。集團並在二零零四年一月新聘一班具資深傳媒經驗的管理班子加入《英文虎報》，反映集團銳意投入更多資源於英文出版刊物的決心。

「星島」海外業務經過一系列重新包裝、加強內容的深廣度以及積極進行市場推廣後，發行量及廣告收益均錄得顯著上升，這使我們在多數市場中具有更大的競爭優勢。另一方面，集團在深圳設立的製作中心也給於報章業務強而有力的支持，再配合緊密無間的全球編採資源，使得集團的報章質素更上一層樓。

2. Magazine Group – China Touch Media Solutions & Services Limited (“China Touch”)

China Touch went through a controlled growth period in 2003 where we published some new titles as well as consolidated and repackaged the existing titles. The new East Week magazine, consisting of three individual books, was launched in September 2003 and was able to successfully capture a respectable market share in a very competitive market. East Touch continues to be a must-read for readers aiming to catch up with the latest trends in all sorts of consumer products. This title will go through periodic face-lifts in order to give readers a lively, fun, healthy perspective and will always position itself as a front-runner in trends. PC Market remained as the leading title among similar type computer magazines in the market. More innovative and educational content will be injected into this magazine to further solidify its position. The other magazine titles such as Caz Buyer and JET were also well received by readers and advertisers, and have successfully established their names in the market. China Touch underwent a restructuring in early 2004 where a new management team from Sing Tao was transferred to operate all magazine titles. With their years of editorial experience at Sing Tao, it will help the Magazine Group to move to the next level and further strengthen its already rich content base. Moreover, these magazine content can also be used in all publications within the Group as well. For instance, Sing Tao’s overseas editions have already started to insert a separate weekly version of the East Week magazine which have immediate positive impact on both advertising and circulation revenue.

2. 雜誌集團 — 華風媒介發展顧問有限公司 (「華風媒介」)

「華風媒介」於二零零三年保持有序的增長，在出版新刊物之餘亦針對部分現有雜誌進行合併和重新包裝。新的《東周刊》(一書三冊)於二零零三年九月面世，並成功在各個競爭激烈的市場界別取得可觀佔有率。專門提供各類最新消費資訊的《東TOUCH》，繼續成為讀者的必讀之物。為了確保時刻走在潮流尖端，《東TOUCH》將定期更新版面，務求帶給讀者朝氣、活潑和健康的氣息。《電腦廣場》仍然是市場上最暢銷的電腦雜誌。為了鞏固其龍頭地位，該雜誌會不斷注入更多創新和教育內容。「華風媒介」旗下其他刊物如《Caz Buyer》及《JET》等，也受到讀者及廣告商歡迎，並成功在市場打響名堂。「華風媒介」於二零零四年初進行重組，並從「星島」調來新的管理班子主理全線雜誌刊物。新的管理層在「星島」具備多年編採經驗，他們的加入將有助於帶領雜誌集團朝向更高領域發展，使既有的豐富內容更具深度，並供集團旗下其他刊物共享。例如星島海外版已開始隨報附送《東周刊》，為廣告及發行收益帶來正面影響。

3. Book Publication Group – World Link Publishing Group Limited (“World Link”)

Established in December 2002, World Link has since published more than 100 titles leveraging on the growing content pool of the whole Group, and successfully established its presence in the local publishing market under the name of Sing Tao Publishing. The travel, parenting and educational titles were especially well received. We also participated in worldwide book fairs in places like Frankfurt and Beijing, as well as having a very strong presence in the Hong Kong Book Fair in the summer of 2003. Satisfactory sales revenue was achieved in the year and we expect more of the same in 2004 where a further 100 plus titles will be published in addition to reprints of popular existing titles. Discussions are also underway with some PRC and world-renowned publishers for cooperation opportunities.

4. Non-Print Publication

The Group’s multimedia joint ventures with Xinhua News Agency, underwent some restructuring in 2003. Performance of the 55% owned Xinhua Online Info-tech Company Limited (北京新華在線信息技術有限公司) was in line with management’s expectation especially with the successful strategic alliances with Dow Jones Industrial Group to provide exclusive contents in the PRC, which was given a high rating within the industry.

3. 圖書出版集團 — 華靈出版集團有限公司 (「華靈出版」)

「華靈出版」於二零零二年十二月成立，透過整合集團旗下刊物所製作的內容，在年內出版百多本新書。「華靈出版」以「星島出版」之名於本地圖書市場佔有一席位，其所出版的旅遊、家長及教育系列書籍尤其暢銷。「華靈出版」亦先後參加在法蘭克福及北京等地舉行的國際大型書展，此外，在二零零三年參加香港書展亦備受注目。鑑於年內取得理想的銷售收益，「華靈出版」計劃再版現有的暢銷書目，並加推百本新書，故可以預期二零零四年的成績會更加理想。「華靈出版」亦正與部分國內及海外知名出版商洽談合作機會。

4. 非印刷出版

本集團與新華通訊社成立的兩間合資企業於二零零三年經過若干重整。其中，本集團擁有55%權益的「北京新華在線信息技術有限公司」業績表現符合管理層預期。該公司成功與道瓊斯工業集團建立策略性聯盟，在國內提供精辟獨到的財經內容，在行內獲高度評價。

MEDIA SERVICES UNIT

1. Print Media Distribution

Greater China Media Services Ltd. ("GCMS") (大華媒體服務有限責任公司) is the Group's jointly-controlled entity in the PRC engaged in distribution of print media products including newspaper, magazines and books. The outbreak of SARS in the PRC in the second quarter of 2003 has delayed the development of this business, but significant progress was made up in the second half of the year. GCMS rolled out its magazine distribution business partnering with a well-known PRC publisher and established a majority owned joint venture, Da Hua Hong Jin Magazine Distribution Company Limited ("DHHJ") (北京大華弘景期刊發行有限責任公司), which has secured long term national distribution rights for the renowned "Rui-Li" (瑞麗) series of fashion/lifestyle magazines. Starting with 15 magazines, DHHJ has now extended its distribution rights to over 50 magazine titles. In October 2003, our distribution business further established a foothold in Southern China where DHHJ acquired a majority stake in a leading publication distributor in Guangdong Province handling over 900 titles. Going forward, GCMS will continue to develop its nation-wide network, in a controlled manner, through acquisitions as well as strategic alliances.

媒體服務組

1. 平面媒體發行

大華媒體服務有限責任公司(「大華媒體」)是集團在國內成立的共同控制公司，專營全國平面媒體產品發行(包括報章、雜誌及書籍)。二零零三年第二季，國內爆發沙士疫症拖慢了該業務的發展步伐，但自下半年起已取得顯著進展。「大華媒體」在年內夥拍國內知名出版商正式展開雜誌發行業務，並與該出版商成立合營企業「北京大華弘景期刊發行有限責任公司」(「大華弘景」)，擁有該合營企業過半數股權。「大華弘景」已取得國內知名時裝潮流雜誌《瑞麗》系列刊物的長期發行權。至今，「大華弘景」已從最初的15本雜誌發展到現在擁有逾50本雜誌的發行權。二零零三年十月，「大華弘景」收購了廣東省一家處理逾900個刊號的大出版發行商的大部分股權，使集團的發行業務版圖擴大到華南。展望將來，「大華弘景」將通過收購及策略聯盟，逐步建立起全國性發行網絡。

2. Content Sales and Distribution

Initiated by the Group's "Centralized Media Kitchen" concept, efforts have been made to provide fast, comprehensive and cost effective content to third party media operations by establishing a one-stop sales platform. The business will benefit greatly from the likes of the "Individual Visit Scheme" and the fast growing value added businesses from telecommunication operations within the region where demand for abundant content provision becomes inevitable. In light of this, the Group has specially appointed a team headed by a media veteran, who has worked for a well-known PRC publication and possesses an extensive network in the PRC, to coordinate the overall content sales business.

2. 內容銷售及發行

建基於集團「中央廚房」的內容發展概念，本集團已著手建立一站式銷售平台，以向第三方媒體提供快速、涵蓋面廣及具成本效益的內容。「自由行計劃」和快速增長的區內電訊營運增值業務，對內容供應的需求殷切，大大有利於這項業務的發展。有見及此，集團特別委聘一名曾在國內某大出版機構工作多年，在國內人脈甚廣的資深傳媒人領導專責小組，統籌銷售業務。

HUMAN CAPITAL MANAGEMENT GROUP

The Human Capital Management Group comprises two main businesses: 1) publishing of recruitment and continuing education type publications in both Hong Kong and the PRC; and 2) the provision of classroom and e-learning corporate training courses through a joint venture with a well-known PRC business university. Our local recruitment publication, Job Market, continued to face keen competition in 2003. This was not helped by the SARS outbreak, which halted a significant amount of the local recruitment activities. However, a welcomed turnaround was witnessed in the second half of the year with HKSAR government announcing of the "CEPA" and the "Individual Visit Scheme", which boosted the overall market in Hong Kong. The publication was able to achieve a respectable result and even pick up momentum in the first quarter of 2004. A new monthly publication called "Education Plus" was launched in 2003. This new title is uniquely positioned and captured the self-enhancement need of most working class individuals. This title quickly became the clear market leader. The corporate training and e-learning business in the PRC performed well during and after the SARS outbreak as the standstill in traditional classroom courses was more than compensated for by the surge in demand for "distance learning". E-learning became the preferred channel for education. Subsequently, the number of students grew rapidly to over 10,000 in the new academic year in September 2003 attending various courses covering Business English, Economics, Finance and International Trading.

人力資本管理業務

人力資本管理業務包括兩大範疇：一是在中港兩地出版招聘及持續教育類刊物，另一則是通過與國內知名大學成立合營企業，提供課堂及網上進修企業培訓課程。集團旗下主打本地市場的招聘刊物《求職廣場》於二零零三年繼續面對激烈競爭，加上沙士疫潮爆發影響大部分本地招聘活動的進行，使經營環境更為嚴峻。然而自下半年起，香港經濟受惠於特區政府公佈「CEPA」及「自由行計劃」，整體市道再次重現生機，《求職廣場》招聘業務轉趨理想，並在二零零四年首季持續旺勢。新月刊《進修指南》於二零零三年推出，由於定位緊貼求職及在職人士的自我增值需要，故迅即在市場佔有一席之地。國內的企業培訓及網上進修業務於沙士期間及其後表現理想。儘管傳統課堂課程因受到疫潮爆發影響而停滯不前，但「遙距學習」之需求卻因而激增。網上進修在國內已成風氣，學生人數於二零零三年九月新學年急增至過萬名，課程內容包括商業英語、經濟、金融及國際貿易等。

BROADBAND CONTENT & DISTRIBUTION

During the year, the Group's broadband business reported operating profit through its jointly-controlled entity, Beelink Information Science and Technology Company Limited ("Beelink") (百靈信息科技有限公司) based in Jinan, Shandong Province. Beelink continued to maintain market leadership by claiming over 59% of the broadband access market in Jinan with over 68,000 customers, representing more than 50% growth as compared to Year 2002. Riding on its dominance of broadband access market, Beelink has successfully developed a wide array of software applications to serve the needs of its customers. We expect a similar growth in customer number in 2004. Beelink is also now one of China's leading service providers of electronic government related services.

TRADING

The Trading division again contributed healthily to the Group recording a sales growth of 53% and an operating profit of HK\$1.7 million for the year. However, as seen in the second half of 2003, the sales focus has shifted rapidly from traditional cameras to digital cameras, which has a relatively lower margin. We will continue to face keen competition, which will further reduce margin. The strengthening of Japanese Yen will also affect the margin and we have already negotiated with the supplier, Nikon Japan, to settle invoices in US dollar instead to eliminate the currency risk. We will also attempt to extend the product range to include photographic related products, as well as other suitable products to leverage on our strong distribution platform established through years of effort laid in various major cities in the PRC.

寬頻內容及發行

年內，本集團的寬頻業務通過在山東省濟南的共同控制公司一百靈信息科技有限公司（「百靈」），而錄得經營溢利。「百靈」繼續保持其市場龍頭地位，坐擁濟南59%以上寬頻接入市場，客戶人數超過68,000，較二零零二年增加超過50%。憑著在寬頻接入市場的壟斷優勢，「百靈」成功開發了一連串應用程式軟件以滿足客戶需要。集團預期二零零四年將可取得相若的客戶人數增幅。「百靈」亦成為中國其中一家主要的電子政府相關服務的服務供應商。

貿易

貿易業務再次為集團作出正面貢獻，錄得年度銷售增長53%及經營溢利約1,700,000港元。然而，如二零零三年下半年所反映，銷售焦點已從傳統相機轉移為利潤較低的數碼相機。另外，我們將繼續面對競爭白熱化，進一步削弱利潤率。日圓轉強亦會影響利潤率，故我們已與供應商尼康日本磋商改為以美元結清貨款的可能，以抵銷貨幣風險。我們也將試圖擴大產品系列至攝影相關產品（及其他適合產品）的貿易，以發揮我們多年來在國內各大城市建立強大分銷平台的優勢。

PROSPECTS

2003 was somewhat a roller-coaster year where the Group saw some bright lights towards the last quarter of the year. Continued effort will be implemented on all areas of business to ride on the worldwide economic recovery. The Group will reinforce its focus on becoming the leading multimedia content and service provider for global Chinese communities. Further resources will be allocated to expand and strengthen our overseas operations. The recovery of real estate and financial markets paved a positive sign to both our local Chinese and English newspapers. Our recent reorganization of the Magazine Group should present an even more focused effort to build on our strength in lifestyle and infotainment content. On a more cautious note, there could be quite a significant drawback to the above positive signs as we had witnessed a sharp increase in newsprint prices in the last two quarters of 2003, and it is expected to further increase in 2004. Management has made certain strategic decisions to tackle this issue with a view to minimizing the impact on the Group's profitability in 2004.

EMPLOYEES

As at 31 December 2003, the Group had a total of approximately 2,000 employees.

The Group adopts a prudent human resources policy to ensure that while managing an efficient cost base, it will be able to attract and retain quality staff. Apart from basic salaries, the Group provides its staff with various fringe benefits such as medical insurance, discretionary bonus, share options and contribution to mandatory provident fund.

展望

二零零三年可說是起伏較大的一年，集團卻能在年度末季見到曙光。隨著全球經濟逐漸復甦，本集團將在各個業務範疇繼續努力向前，專注發展成為全球華人社群中領先的多媒體內容與服務供應商。集團也會調撥更多資源壯大海外業務。此外，香港地產及金融市場的復甦，將給集團旗下兩份中英文報章帶來良好的刺激。而雜誌集團新近重組，亦顯示集團銳意集中力量加強時尚及娛樂資訊內容。這些正面訊息雖然有利於集團未來發展，但我們已注意到二零零三年最後兩季的報紙印刷價格急劇上升，並預期於二零零四年進一步上漲。管理層已就此作出若干策略性對策，謹慎部署，望能盡量減低對二零零四年本集團盈利能力之衝擊。

僱員

於二零零三年十二月三十一日，本集團共有約2,000名僱員。

本集團採取審慎之人力資源政策，確保管理可符合同成本效益，本集團將招攬及挽留人才。除基本薪金外，本集團為僱員提供免費醫療保險、酌情花紅、購股權及強積金供款等多種額外福利。

Directors and Senior Management

EXECUTIVE DIRECTOR

Mr. Ho Tsu Kwok, Charles, aged 54, is the founder and Chairman of Global China Group Holdings Limited. He is also the Chairman of Hong Kong Tobacco Company Limited, a Non-Executive Director of China National Aviation Company Limited, and an Independent Non-Executive Director of China Petroleum and Chemical Corporation.

Mr. Ho returned to Hong Kong in the late 1990s from the U.S. to take over his family business. In 2001, Mr. Ho acquired Sing Tao Group via Global China Group and formed strategic partnerships with reputable media corporations globally with an aim of developing Global China into a multimedia corporation serving global Chinese communities.

Mr. Ho contributes much to public affairs. He is a member of the Standing Committee of the Chinese People's Political Consultative Conference and an Economic Consultant of Shandong Provincial Government of the PRC. He is also an Honorary Trustee of Peking University and a Trustee of University of International Business and Economics in the PRC.

Mr. Jia Hong Ping, aged 40, is the Chief Representative of the Beijing Office of the Group. Mr. Jia brings with him a wealth of experience in management, investment and government relations to the Group. Since 1996, Mr. Jia has held the position of Chief Representative in the Beijing office for Global China Investment Company Limited. In 1998, Mr. Jia joined the Lear Corporation China Limited as the Executive Director and Chief Representative at the Beijing office.

執行董事

何柱國先生，現年54歲，為泛華集團控股有限公司創辦人兼集團主席。他同時也擔任香港煙草有限公司主席、中航興業有限公司非執行董事及中國石油化工股份有限公司獨立非執行董事。

何先生早年定居美國，90年代後期回返香港接管家族生意。2001年，何先生透過泛華集團收購歷史悠久的星島集團，正式進軍媒體，並與多家國際媒體機構組成策略性夥伴，致力將泛華發展成為服務全球華人地區的跨媒體集團。

何先生致力於公共事務。彼為中國全國政治協商會議常務委員會委員、山東省人民政府經濟顧問、北京大學名譽校董及對外經濟貿易大學校董。

賈紅平先生，40歲，本集團北京辦事處首席代表。在企業管理、投資策略及政府關係等各方面均擁有豐富經驗。自一九九六年起，受聘擔任泛華投資集團有限公司北京代表處首席代表。一九九八年，擔任美國李爾中國有限公司執行董事兼北京代表處首席代表。

Senior Management

董事及高級管理層

Prior to joining the Group, Mr. Jia had worked in various capacities in the government departments under the China State Council. He holds a Bachelor's Degree from the Beijing Institute of Technology University.

Mr. Jim Sui Hing, aged 51, joined the Group as the Editor-in-Chief of The Standard in September 2001, and is now the Managing Director of overseas operations of Sing Tao Newspaper Group Limited. Prior to joining the Group, he was the Chief Operating Officer of Mainstream Broadcasting Inc. in Canada. Mr. Jim has extensive experience in the media industry. He previously held various senior positions in a number of major Hong Kong and overseas newspapers and broadcasting companies, such as South China Morning Post, Asia Television, The Oriental Daily News, Hong Kong Commercial Broadcasting Company Limited and Fairchild Television, Vancouver. He has also served as a Senior Information Officer with the Hong Kong Government.

Mr. Lai Ting Yiu, aged 52, joined the Group in 1999 as the Executive Chief Editor of Sing Tao Daily. He is currently the Editor-in-chief of Eastweek and the Chief Executive Officer of the Magazine Group and responsible for overseeing the publication of magazines of the Group. Prior to joining the Group, Mr. Lai held various key positions in various renowned media companies.

Mr. Lo Wing Hung, aged 41, joined our group as Chief Editor of Sing Tao Daily in 1999. He currently is the Chief Executive Officer of the newspaper group of the Company. Mr. Lo has extensive experience in the media industry. Before joining the Company, Mr. Lo worked for a number of major newspaper and television companies in Hong Kong. He is a member and spokesman of the Newspapers Society of Hong Kong.

加盟本集團前，賈先生在隸屬於中國國務院的多個部門歷任要職。賈先生持有北京理工大學工科學士學位。

詹瑞慶先生，51歲，於二零零一年九月加入本集團擔任《英文虎報》之總編輯，現時為星島報業集團有限公司之海外業務董事總經理。在加入本集團前，詹先生曾任職加拿大華僑之聲之營運總裁。詹先生擁有豐富之傳媒工作經驗，曾於《南華早報》、亞洲電視、《東方日報》、香港商業廣播有限公司及溫哥華新時代電視等香港及海外多間主要報館及廣播公司出任高職，並曾於香港政府擔任高級新聞主任一職。

黎廷瑤先生，52歲，於一九九九年加入本集團擔任《星島日報》之執行總編輯，彼現為《東周刊》之總編輯及本集團雜誌業務之行政總裁，專責管理雜誌出版業務。黎先生於加入本集團前，曾於多家著名的傳媒公司擔任要職。

盧永雄先生，41歲，於一九九九年加入本集團出任《星島日報》之總編輯，彼現為本公司報章集團之行政總裁。盧先生為業內資深從業員，於加入本公司前，曾在多家香港主要報章及電視台工作。彼現為香港報業公會之委員及發言人。

Directors and Senior Management

Mrs. Sy Wong Chor Fong, aged 63, has been engaged in the import and export trading business for many years. She has twenty-nine years of experience in the distribution of consumer products in the PRC, including seventeen years of experience in the distribution of photographic products.

Mr. Wong Wai Ming, aged 46, joined the Group as the Chief Executive Officer in 2000. Mr. Wong has extensive knowledge and experience in investment banking business in Greater China. Prior to joining the Group, Mr. Wong was the Deputy CEO of the Bank of China International Holdings and was responsible for equity capital markets business in Hong Kong and PRC. Mr. Wong is a Chartered Accountant and holds a Bachelor of Science Degree from University of Manchester, Institute of Science and Technology.

Mr. Wong is an Independent Non-Executive Director of Legend Holdings Limited and Linmark Group Limited.

Mr. Yang Yiu Chong, Ronald Jeffrey, aged 37, is currently overseeing the operations of the Group's major supporting functions. He is also responsible for evaluating investments projects and exploring merger and acquisition opportunities for the Group. Mr. Yang gained wealth of experience in finance and investment arena and had participated in numerous corporate finance activities for several listed companies in Hong Kong as well as worked at a leading international bank.

Before joining the Group, he held senior positions in Leefung Asco Printers Holdings Limited, responsible for the group's financial affairs and business development. He is also a Non-Executive Director of Karce International Holdings Company Limited.

施黃楚芳女士，63歲，擁有豐富的進出口貿易經驗，從事中國消費品分銷業務達二十九年，其中十七年主力分銷攝影器材。

黃偉明先生，46歲，本集團行政總裁，於二零零零年加入本集團。黃先生在大中華地區投資銀行業務有廣泛知識及經驗，加入本集團前為中銀國際控股有限公司副執行總裁，負責中港的股票融資市場業務。黃先生為特許會計師及持有曼徹斯特大學理學士學位。

黃先生為聯想集團有限公司及林麥集團有限公司的獨立非執行董事。

楊耀宗先生，37歲，現負責管理本集團旗下主要後勤部門的整體日常營運，同時評估集團旗下之投資項目和發掘各種收購及合併機會。楊先生在財務及投資領域累積多年豐富經驗，期間參與不少香港上市公司的企業融資活動，並曾在跨國投資銀行任職。

加入本集團前，彼在利豐雅高印務集團有限公司擔任高級職位，負責管理該集團之財務事務及業務發展。楊先生現亦為泰盛實業集團有限公司之非執行董事。

NON-EXECUTIVE DIRECTOR

Mr. Leung Chun Ying, aged 49, is currently a Member of Executive Council of the Hong Kong Special Administrative Region. He is a Member of the Commission on Strategic Development. He is also the Chairman of DTZ Debenham Tie Leung Limited. Mr. Leung is a Member of the Standing Committee of the Chinese People's Political Consultative Conference National Committee, an Honorary Advisor to a number of China Government Organizations, namely, Leading Group Shanghai Government on Land Reform, Shenzhen Government on Land Reform and Tianjin Government on Land Reform. He is also an Honorary Consultant to Pudong Development, Leading Board Shanghai Government.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Ms. Ho Chiu King, Pansy Catilina, aged 41, currently is the Managing Director of Shun Tak Holdings Limited, Chief Executive Officer and Director of Shun Tak – China Travel Shipping Investments Limited, Director of Sociedade de Turismo e Diversões de Macau, S.A.R.L., Chairman of Macau Tower Convention & Entertainment Centre, and Executive Director of Air Macau Company Limited.

Besides gearing her efforts in business endeavors, Ms Ho also serves on a host of economic, social and public services. In China, such participation and services include being a Committee Member of The Chinese People's Political Consultative Conference of Beijing, Executive Committee Member of All-China Federation of Industry & Commerce and Vice President of the Chamber of Tourism of the Federation, Executive Vice President of Guangdong Chamber of Foreign Investors, and Executive Committee Member of the Beijing Women's Federation.

非執行董事

梁振英先生，49歲，現為香港特別行政區行政會議成員、策略發展委員會委員、戴德梁行有限公司之主席。梁先生亦為中華人民共和國全國政治協商會議常務委員會委員及為多個中國政府組織之名譽顧問，包括上海市及深圳市土地使用制度改革領導小組顧問，天津市政府房地產顧問、上海市浦東開發領導小組顧問等。

獨立非執行董事

何超瓊女士，41歲，現任信德集團有限公司董事總經理，同時亦為信德中旅船務投資有限公司行政總裁兼董事，並身兼澳門旅遊娛樂有限公司董事、澳門旅遊塔會展娛樂中心主席及澳門航空股份有限公司執行董事。

除了專注其集團的企業營運和業務發展，何女士亦參與眾多社會公益事務，期望為香港以至中國各地的社會文化及經濟發展作出貢獻。在國內，何女士現任政協北京市委員會委員、中華全國工商聯執行委員會委員暨工商聯旅遊業商會副會長、廣東外商公會常務副會長及北京市第十一屆婦女聯合會執行委員會委員。

Directors and Senior Management

In Hong Kong, she is a member of the Executive Committee and Board Directors of The Community Chest, Vice-Convenor of the Hong Kong Federation of Women Entrepreneurs Committee, Founding Honorary Advisor and Board Director of The University of Hong Kong Foundation for Educational Development & Research and Advisory Council Member of The Better Hong Kong Foundation.

Ms. Ho holds a Bachelor degree in marketing and international business management from the University of Santa Clara.

Mr. Timothy David Dattels, aged 46, was a Managing Director of Goldman Sachs in Asia and the head of its Menlo Park office prior to his retirement in January 2003. From 1995 to 2000, he was Goldman Sachs' Head of Investment Banking in Asia and served on its Asian Management Committee. During that time, he advised many of the leading entrepreneurs, corporations and governments in Asia. Mr. Dattels was elected Partner of Goldman Sachs in 1996. Prior to joining Goldman Sachs, he held various senior positions at First Boston and Sun Microsystems. Mr. Dattels also serves as a Director of Primedia, a NYSE media company, and Shangri-La Asia.

Dr. Tong Yuk Lun, Paul, aged 62, is currently the Chairman, Asia Pacific of Parsons Brinckerhoff. Its parent company, Parsons Brinckerhoff International, is an international engineering consultant with head office in New York, US. Between 1997 and 2001, Dr. Tong was a Director of Lai Sun Development Company Limited and Vice Chairman of Lai Fung Holdings Limited. Between 1995 and 1997, Dr. Tong was an Executive Director and Chief Executive Officer of Pacific Century Regional Developments Limited. From 1978 to 1994, Dr. Tong took up a number of senior positions at the New World Group. Besides this, he was an Executive Director of Hip Hing Construction Co., Ltd. and the General Manager of

在香港，何女士早於九十年中期已積極參與及推動香港社會事務。現時職務包括：香港公益金執行委員會委員及董事局成員、香港婦協女企業家委員會副召集人，並身兼香港大學教研發展基金有限公司創會名譽顧問及董事局成員及香港明天更好基金顧問委員會委員。

何女士擁有美國加州聖克萊大學市場學及國際商業管理學士學位。

Timothy David Dattels 先生，46歲，曾為高盛之亞洲區董事總經理並掌管該公司在Menlo Park之辦事處，其後於二零零三年一月退任。於一九九五年至二零零零年間，Dattels 先生為高盛之亞洲區投資銀行業務主管，並任職該公司之亞洲管理委員會。Dattels 先生曾為亞洲多間頂尖企業、公司及多個政府提供顧問服務，並於一九九六年獲選為高盛之合夥人。加入高盛前，Dattels 先生曾於第一波士頓及昇陽電腦擔任要職。Dattels 先生亦同時擔任Primedia（一家於紐約證券交易所上市之傳媒公司）及亞州香格里拉之董事。

唐玉麟博士，62歲，現任栢誠亞太區主席，其母公司，栢誠(國際)有限公司為一所國際工程顧問公司，總部設於美國紐約。於一九九七年至二零零一年期間，唐博士為麗新發展有限公司董事及麗豐控股有限公司副主席。於一九九五年至一九九七年間，唐博士為盈科亞洲拓展有限公司執行董事及行政總裁。由一九七八年至一九九四年，唐博士在新世界集團出任若干高級職位。此外，彼乃協興建築有限公司之執行董事及新世界發展有限公司之總經理。唐博士持有理學學士學位、理學碩士及博士學位，並於土木工程、結構工程及土力工程方面擁有相當豐富之經驗。彼乃倫敦

Senior Management

董事及高級管理層

New World Development Co., Ltd. Dr. Tong holds B.Sc., M.Sc. and Ph.D. Degrees and has extensive experience in civil, structural and geotechnical engineering. He is a Member of Institution of Civil Engineers, London and Hong Kong Institution of Engineers and has also worked with British and Hong Kong engineering consulting firms.

Mr. Tung Chee Chen, aged 61, is the Chairman and Chief Executive Officer of Orient Overseas (International) Limited. He is also an Independent Non-Executive Director of Zhejiang Expressway Co., Ltd., PetroChina Company Limited, Chekiang First Bank Limited, Wing Hang Bank Limited, BOC Hong Kong (Holdings) Limited and Cathay Pacific Airways Limited. Mr. Tung had served as the Chairman of the Hong Kong Shipowner's Association and the Chairman of the Hong Kong General Chamber of Commerce. He is a Member of the Hong Kong Port Development Council and the Chairman of the Hong Kong-America Centre.

SENIOR MANAGEMENT

Ms. Chan Kwai Yin, Miranda, aged 41, is the Chief Executive Officer of World Link Publishing Group Limited, the book publication arm of the Group, responsible for overseeing its development and operations. She is also the Chief Operating Officer of the Magazine Group with responsibility for its sales and marketing functions. Ms. Chan has over 16 years of senior management experience in publishing, media, advertising, sales and marketing, of which nine years was with the Next Media Group as the General Manager.

Ms. Chan Siu Fan, Fanny, aged 38, is the Chief Executive Officer of the Group's Human Capital Management Group, responsible for overseeing the business operations of recruitment media, continuing education and corporate training.

土木工程師學會及香港工程師學會之會員，並與英國及香港工程顧問公司工作。

董建成先生，61歲，為東方海外(國際)有限公司之主席兼行政總裁。董先生同時亦出任浙江滬甬甬甬高速公路股份有限公司、中國石油天然氣股份有限公司、浙江第一銀行有限公司、永亨銀行有限公司、中銀香港(控股)有限公司及國泰航空有限公司之獨立非執行董事。董先生曾任香港船東會之主席及香港總商會之主席。彼現為香港港口發展局成員及香港美國協會之主席。

高級管理層

陳桂賢女士，41歲，為本集團旗下出版公司華靈出版集團有限公司之行政總裁，專責書籍出版業務之發展及營運。彼亦為本集團雜誌業務之營運總裁，主管雜誌銷售及市場推廣工作。陳女士於出版、傳媒、廣告、銷售及推廣方面具有十六年以上之高級管理經驗，而其中九年任職於壹傳媒集團並擔任總經理一職。

陳筱芬女士，38歲，現任本集團之人力資本管理集團行政總裁，負責招聘媒體、持續教育和企業培訓的整體發展和營運。

Directors and Senior Management

Ms. Chan has over 16 years of professional experience with multinational companies in the industry of information and multimedia services, with a solid track record of sales and marketing, strategic planning and capital investment.

Ms. Chan graduated from Imperial College, University of London with a Master Degree in Science. She later advanced in executive management education from Haas School of Business at University of California Berkeley, and Tsinghua University, Beijing.

陳女士擁有超過16年豐富專業管理經驗，曾任職於數家以資訊科技及多媒體服務為主的跨國企業，在業務營銷、制定業務發展策略及投資發展等範疇均十分熟悉。

陳女士畢業於英國倫敦大學帝國理工學院，持有科學碩士學位，並曾於美國加州柏克萊大學商學院及北京清華大學高級管理研修班深造。

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the Company's principal subsidiaries are set out in note 44 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2003 and the state of affairs of the Company and the Group at that date are set out in this annual report on pages 42 to 178.

A distribution of HK one cent per ordinary share was paid on 24 June 2003. The directors do not recommend the payment of a final dividend for the year ended 31 December 2003.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and minority interests of the Group for the last five financial years/periods, as extracted from the audited financial statements and reclassified as appropriate, is set out on page 183. This summary does not form part of the audited financial statements.

FIXED ASSETS AND INVESTMENT PROPERTY

Details of movements in the fixed assets and investment properties of the Company and the Group during the year are set out in note 15 to the financial statements. Further details of the Group's investment properties are set out on page 182 of this annual report.

董事謹提呈本公司與本集團截至二零零三年十二月三十一日止年度之年報及經審核財務報表。

主要業務

本公司之主要業務為投資控股，其主要附屬公司之主要業務載於財務報表附註44內。本集團之主要業務性質在本年度內並無重大變動。

業績及股息

本集團截至二零零三年十二月三十一日止年度之溢利及本公司與本集團於當日之業務狀況載於本年報第42至178頁財務報表內。

於二零零三年六月二十四日已就每股普通股作出一港仙之分派。董事不建議就截至二零零三年十二月三十一日止年度派發末期股息。

財務資料概要

本集團過去五個財政年度／期間之已公佈業績以及資產負債以及少數股東權益概要載於第183頁內。概要乃摘錄自經審核財務報表並經適當重新分類，但並不屬於經審核財務報表之一部份。

固定資產及投資物業

本公司與本集團之固定資產及投資物業在本年度之變動詳情載於財務報表附註15內。本集團投資物業之進一步詳情載於本年報第182頁。

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in notes 34 and 35 to the financial statements, respectively.

PRE-EMPTIVE RIGHTS

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

CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions totalling HK\$1,115,000 (2002: HK\$43,000).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 36 to the financial statements and in the consolidated statement of changes in equity on pages 156 to 158 of this annual report, respectively.

股本及購股權

本公司之股本及購股權於本年度之變動詳情及原因分別載於財務報表附註34及35內。

優先購買權

本公司之公司細則或百慕達法例中並無優先購買權之規定，強制本公司須按比例向現時股東提呈發售新股。

慈善捐款

本集團於本年度合共捐出1,115,000港元慈善捐款（二零零二年：43,000港元）。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司在本年度並無購買、出售或贖回本公司任何上市證券。

儲備

本公司與本集團於本年度之儲備變動詳情分別載於財務報表附註36及本年報第156至158頁之綜合權益變動表內。

DISTRIBUTABLE RESERVES

The Company's contributed surplus is distributable to shareholders in accordance with the Companies Act 1981 of Bermuda as amended. At 31 December 2003, the Company's reserves available for distribution calculated in accordance with generally accepted accounting policies in Hong Kong amounted to HK\$541,417,000 (2002: Nil). In addition, the Company's share premium account, in the amount of HK\$4,192,000, may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

For the year under review, the aggregate amount of turnover attributable to the Group's five largest customers represented less than 30% of the Group's total turnover. The aggregate amount of purchases attributable to the Group's five largest suppliers represented about 45.2% of the Group's total purchases and the purchase attributable to the Group's largest supplier was about 20.6% of the Group's total purchases.

As one of the Group's five largest suppliers is a jointly-controlled entity of the Group, Mr. Ho Tsu Kwok, Charles, being an executive director of the Company and controls a company which is the controlling shareholder of the Company, is deemed to have interest in the said supplier. Save as disclosed herein, none of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers.

可供分派儲備

根據一九八一年百慕達公司法(修訂本)，本公司之繳入盈餘可供分派予股東。於二零零三年十二月三十一日，本公司根據香港公認會計準則而可供分派之儲備為541,417,000港元(二零零二年：無)。此外，本公司之股份溢價賬合共4,192,000港元或會以繳足紅股之方式進行分派。

主要客戶及供應商

於回顧年度，本集團五大客戶之營業總額佔本集團營業總額不足30%。本集團五大供應商之採購總額佔本集團採購總額約45.2%，而本集團最大供應商之採購額佔本集團採購總額約20.6%。

因屬於本集團五大供應商之一之供應商為本集團之共同控制公司，而本公司執行董事何柱國先生因同時控制一間為本公司控權股東之公司，故何柱國先生被視為擁有上述供應商之權益。除本文所披露外，本公司董事、彼等之聯繫人士或據董事所知任何擁有本公司已發行股本5%以上之股東，一概無擁有本集團五大客戶或供應商之任何權益。

Report of the Directors

DIRECTORS

The directors of the Company during the year were:

Executive directors:

Mr. Ho Tsu Kwok, Charles
Mr. Ho Kwok Fai
Mr. Jia Hong Ping
Mr. Jim Sui Hing
(appointed on 24 April 2003)
Mr. Lo Wing Hung
Mrs. Sy Wong Chor Fong
Mr. Wong Wai Ming
Mr. Yang Yiu Chong, Ronald Jeffrey

Non-executive director:

Mr. Leung Chun Ying

Independent non-executive directors:

Ms. Ho Chiu King, Pansy Catilina
Mr. Timothy David Dattels
(appointed on 24 April 2003)
Dr. Tong Yuk Lun, Paul
Mr. Tung Chee Chen

Subsequent to the balance sheet date, on 18 February 2004 and 29 March 2004, Mr. Ho Kwok Fai resigned and Mr. Lai Ting Yiu was appointed as an executive director of the Company, respectively.

董事

本公司於本年度之董事如下：

執行董事：

何柱國先生
何國輝先生
賈紅平先生
詹瑞慶先生
(於二零零三年四月二十四日獲委任)
盧永雄先生
施黃楚芳女士
黃偉明先生
楊耀宗先生

非執行董事：

梁振英先生

獨立非執行董事：

何超瓊女士
Timothy David Dattels先生
(於二零零三年四月二十四日獲委任)
唐玉麟博士
董建成先生

在結算日後，分別於二零零四年二月十八日及二零零四年三月二十九日，何國輝先生辭任本公司執行董事，而黎廷瑤先生則獲委任為本公司執行董事。

According to bye-law 86(2) of the Company's bye-laws, Mr. Lai Ting Yiu shall hold office until the forthcoming annual general meeting of the Company and shall then be eligible for re-election at the forthcoming annual general meeting.

According to bye-law 87(1) of the Company's bye-laws, Mrs. Sy Wong Chor Fong, Ms. Ho Chiu King, Pansy Catilina and Dr. Tong Yuk Lun, Paul shall retire from office by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors and the senior management of the Company are set out on pages 20 to 26 of this annual report.

DIRECTORS' SERVICE CONTRACTS AND REMUNERATION

None of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The remuneration of directors are fixed by the Board with reference to the industry and market conditions.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 43 to the financial statements, no director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

根據本公司之公司細則第86(2)條，黎廷瑤先生將留任至本公司應屆股東週年大會為止，並符合資格於應屆股東週年大會上膺選連任。

根據本公司之公司細則第87(1)條，施黃楚芳女士、何超瓊女士及唐玉麟博士須任滿告退，惟彼等符合資格且願意在應屆股東週年大會上膺選連任。

董事及高級管理層履歷

本公司董事及高級管理層之履歷載於本年報第20頁至第26頁。

董事之服務合約與酬金

董事概無與本公司或其任何附屬公司訂立本集團不可於一年內不作補償(法定補償除外)而終止之服務合約。

董事之酬金由董事會根據業內報酬標準與市場情況釐定。

董事於合約之權益

除財務報表附註43所披露外，董事概無在本公司或其任何附屬公司於本年度訂立並對本集團業務有重大影響之合約中，直接或間接擁有任何重大權益。

Report of the Directors

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 31 December 2003, the interests and short positions of the directors in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Long positions in ordinary shares of the Company:

Name of directors 董事姓名	Notes 附註	Number of ordinary shares held, capacity and nature of interest 所持普通股數目、身份及權益性質			Total 總數	Percentage of the Company's issued share capital 佔本公司 已發行股本 之百分比
		Directly beneficially owned 直接實益擁有	Through controlled corporation 透過受 控制法團			
Mr. Ho Tsu Kwok, Charles	何柱國先生	(1)	–	810,895,000	810,895,000	44.22%
Mr. Ho Kwok Fai	何國輝先生	(2)	13,164,000	–	13,164,000	0.72%
Mrs. Sy Wong Chor Fong	施黃楚芳女士	(3)	1,250,000	163,919,000	165,169,000	9.01%
Mr. Wong Wai Ming	黃偉明先生		442,000	–	442,000	0.02%
			14,856,000	974,814,000	989,670,000	53.97%

董事所持股份權益及淡倉

於二零零三年十二月三十一日，本公司董事於本公司或任何相聯法團（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，擁有根據證券及期貨條例第352條存置之登記冊所記錄或根據上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益或淡倉如下：

好倉 — 本公司普通股：

Notes:

- (1) The 808,396,000 and 2,499,000 shares are held by Luckman Trading Limited ("Luckman") and Yosham Limited, respectively, which are beneficially owned by Mr. Ho Tsu Kwok, Charles.
- (2) Subsequent to the balance sheet date, on 18 February 2004, Mr. Ho Kwok Fai resigned as a director of the Company.
- (3) The 163,919,000 shares are held by Stagelight Group Limited ("Stagelight"), which is beneficially owned by Mrs. Sy Wong Chor Fong and her family members.

The interests of the directors in the share options of the Company are separately disclosed in note 35 to the financial statements.

In addition to the above, certain directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, none of the directors had registered an interest or short position in shares of the Company or associated corporation that was required to be recorded pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

附註：

- (1) 808,396,000股及2,499,000股股份分別由Luckman Trading Limited(「Luckman」)及Yosham Limited持有。該兩間公司均由何柱國先生實益擁有。
- (2) 在結算日後，於二零零四年二月十八日，何國輝先生辭任本公司董事。
- (3) 163,919,000股股份由Stagelight Group Limited(「Stagelight」)實益擁有，而該公司則由施黃楚芳女士及其家庭成員擁有。

董事持有本公司購股權之權益另獨立披露於財務報表附註35。

除上述者外，若干董事為本公司之利益於若干附屬公司持有非實益個人股本權益，此舉僅為符合最低公司成員之規定。

除上文所披露者外，概無董事於本公司或任何相聯法團之股份中有任何權益或淡倉而須記入根據證券及期貨條例第352條存置之登記冊或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所。

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the share option scheme disclosures in note 35 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEMES

Concerning the share options granted during the year to the directors and employees, as detailed in note 35, the directors do not consider it appropriate to disclose a theoretical value of the options granted during the year because, in the absence of a readily market value of the options on the ordinary shares of the Company, the directors were unable to arrive at an assessment of the value of these options.

董事收購股份之權利

除財務報表附註35購股權計劃所披露外，本公司於本年度並無向任何董事或彼等各自之配偶或未滿十八歲之子女授出任何權利，可藉購入本公司之股份或債權證而獲益，而彼等於本年度亦無行使該等權利，而且本公司或其任何附屬公司亦無訂立任何安排，致使董事可獲得適用於任何其他法人團體之該等權利。

購股權計劃

有關年內授予董事及僱員之購股權詳情載於附註35，由於本公司普通股之購股權並無可資比較市值，董事認為披露年內所授出購股權之理論價值並不適當，故董事未能就該等購股權之價值作出評估。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES

At 31 December 2003, the following interests and short positions of 5% or more of the issued share capital of the Company were recorded in the registers required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in ordinary shares of the Company:

Name 名稱	Notes 附註	Percentage of Capacity and nature of interest 身份及權益性質	Number of ordinary shares held 所持普通股數目	the Company's issued share capital 佔本公司已發行 股本之百分比
Luckman	(1)	Directly beneficially owned 直接實益擁有	808,396,000	44.08%
Hong Kong Tobacco Company Limited ("HK Tobacco") 香港煙草有限公司 ("香港煙草")	(2)	Deemed interest 視為擁有之權益	808,396,000	44.08%
Stagelight	(3)	Directly beneficially owned 直接實益擁有	163,919,000	8.94%
Great Diamond Developments Limited		Directly beneficially owned 直接實益擁有	137,919,000	7.52%

主要股東及其他人士之股份權益及淡倉

按本公司根據證券及期貨條例第336條存置之登記冊所紀錄，下列人士於二零零三年十二月三十一日擁有本公司已發行股本5%或以上之權益及淡倉：

好倉— 本公司普通股：

Report of the Directors

Notes:

- (1) The interest of Mr. Ho Tsu Kwok, Charles, held through a controlled corporation, duplicate to those disclosed under the section "Directors' interests and short positions in shares" above.
- (2) Pursuant to an option agreement dated 20 June 2001 and two supplemental agreements entered into between Luckman and HK Tobacco on 19 July 2002 and 19 July 2003 respectively, HK Tobacco was granted an option to purchase from Luckman 66,000,000 ordinary shares of the Company. Under Sections 317 and 318 of the SFO, HK Tobacco is deemed to be interested in all the 808,396,000 ordinary shares of the Company held by Luckman.
- (3) The interest of Mrs. Sy Wong Chor Fong, held through a controlled corporation, duplicate to those disclosed under the section "Directors' interests and short positions in shares" above.

Save as disclosed above, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares" above, had registered an interest or short position in the shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

附註：

- (1) 此與何柱國先生於上文「董事之股份權益及淡倉」一節披露透過受控制法團持有之權益相同。
- (2) 根據Luckman與香港煙草分別於二零零一年六月二十日以及二零零二年七月十九日及二零零三年七月十九日訂立之購股權協議及兩份補充協議，香港煙草獲授購股權，可向Luckman收購66,000,000股本公司普通股。根據證券及期貨條例第317及318條，香港煙草被視為擁有Luckman所持有之全部808,396,000股本公司普通股之權益。
- (3) 此與施黃楚芳女士於上文「董事之股份權益及淡倉」一節披露透過受控制法團持有之權益相同。

除上文所披露者外，按本公司根據證券及期貨條例第336條存置之登記冊所紀錄，並無任何人士（本公司董事除外，彼等之權益已載於上文「董事之股份權益及淡倉」一節）擁有本公司股份之權益或淡倉。

CONNECTED TRANSACTIONS

The following transactions constituted connected transactions as defined in the Rules Governing the Listing of Securities on Stock Exchange (the "Listing Rules"):

- (i) During the year, the Group has provided financial assistance to a jointly-controlled entity in Mainland China at normal commercial lending rate. The outstanding amount as at 31 December 2003 was approximately HK\$3.3 million (2002: HK\$3.3 million). The other shareholder has not made an advance to the jointly-controlled entity in proportion to its interest therein.
- (ii) Pursuant to a sale and purchase agreement (the "Agreement") dated 13 May 2003 entered into between the Company and Mr. Ho Kwok Fai ("Mr. K. F. Ho"), a then director of the Company and the then minority shareholder of China Touch Magazine Group (BVI) Limited ("China Touch"), a subsidiary of the Group, the Company issued to Mr. K. F. Ho 13,164,000 new ordinary shares of HK\$0.1 each of the Company at an issue price of HK\$0.3550 per ordinary share for an aggregate consideration of HK\$4,673,200, in exchange for his then 4.33% equity interest in China Touch. After the completion of the acquisition, China Touch became a wholly-owned subsidiary of the Company.

關連交易

以下交易構成聯交所證券上市規則(「上市規則」)所界定之關連交易：

- (i) 年內，本集團按一般商業借貸利率向中國內地一間共同控制公司提供資助。於二零零三年十二月三十一日之未償還金額約為3,300,000港元(二零零二年：3,300,000港元)。其他股東並無向共同控制公司按其權益比例作出借貸。
- (ii) 根據本公司與何國輝先生(「何國輝先生」)，其時為本公司之董事及其時為本集團附屬公司China Touch Magazine Group (BVI) Limited(「China Touch」)之少數股東)於二零零三年五月十三日訂立之買賣協議(「該協議」)，本公司以每股普通股0.3550港元之價格向何國輝先生發行13,164,000股本公司股本中每股面值0.1港元之新普通股，總代價為4,673,200港元，以換取其當時於China Touch之4.33%股本權益。是項收購完成後，China Touch成為本公司之全資附屬公司。

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

Other than the outstanding share options as set out in note 35 to the financial statements, the Company had no outstanding convertible securities, options, warrants or other similar rights as at 31 December 2003.

POST BALANCE SHEET EVENTS

Details of the significant post balance sheet events of the Group are disclosed in note 42 to the financial statements.

CODE OF BEST PRACTICE

In the opinion of the directors, the Company complied with the Code of Best Practice (the "Code") as set out in Appendix 14 of the Listing Rules throughout the accounting period covered by this annual report, except that the independent non-executive directors of the Company are not appointed for specific terms as required by paragraph 7 of the Code, but are subject to retirement by rotation at annual general meetings in accordance with the Company's bye-laws.

AUDIT COMMITTEE

The audit committee, comprising two independent non-executive directors, Dr. Tong Yuk Lun, Paul and Ms. Ho Chiu King, Pansy Catilina, was established with written terms of reference in compliance with the Code as set out in Appendix 14 of the Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control procedures of the Group. The Group's financial statements as at and for the year ended 31 December 2003 and the Company's balance sheet as at 31 December 2003 have been reviewed by the audit committee, the members of which are of the opinion that such statements comply with the applicable accounting standards and the Listing Rules, and that adequate disclosures have been made.

可換股證券、購股權、認股權證或類似之權利

除財務報表附註35分別所載未行使之購股權外，本公司於二零零三年十二月三十一日概無未行使之可換股證券、購股權、認股權證或其他類似權利。

結算日後事項

本集團結算日後重大事項詳情載於財務報表附註42內。

最佳應用守則

董事認為，本公司在本年報涵蓋之會計期間內，一直遵守上市規則附錄十四所載之最佳應用守則（「守則」）；惟本公司之獨立非執行董事並無根據守則第7段以固定任期委任，而必須根據本公司之公司細則，於股東週年大會上輪值告退。

審計委員會

審計委員會已遵照上市規則附錄十四之守則成立，並書面列明委員會之權責範圍。審計委員會由唐玉麟博士及何超瓊女士兩位獨立非執行董事組成，主要職責是審閱並監察本集團之財務報告程序及內部監控程序。審計委員會已審閱本集團截至二零零三年十二月三十一日止年度之財務報表及本公司於二零零三年十二月三十一日之資產負債表，並認為該等報表符合適用會計準則及上市規則之規定，且已作出足夠之披露。

AUDITORS

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Mr. Ho Tsu Kwok, Charles
Chairman

Hong Kong
20 April 2004

核數師

安永會計師事務所將於應屆股東週年大會上退任，會上將提呈一項決議案續聘安永會計師事務所為本公司之核數師。

承董事會命

主席
何柱國先生

香港
二零零四年四月二十日

Report of the Auditors

ERNST & YOUNG

安永會計師事務所

To the members

Global China Group Holdings Limited

(Incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 42 to 178 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies 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.

BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

致泛華集團控股有限公司

列位股東

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核刊載於第42頁至第178頁按照香港公認會計原則編製的財務報表。

董事及核數師的個別責任

貴公司各董事須負責編製真實與公允的財務報表。在編製該等真實與公允的財務報表時，董事必須選擇及貫徹採用合適的會計政策。我們的責任是根據我們審核工作的結果，對該等財務報表作出獨立意見，並按照百慕達一九八一年《公司法》第九十條的規定，僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔任何責任。

意見的基礎

我們是按照香港會計師公會頒佈的核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編製該等財務報表時所作的重大估計和判斷、所釐定的會計政策是否適合 貴公司及 貴集團的具體情況、以及是否貫徹運用並充分披露該等會計政策。

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2003 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Hong Kong
20 April 2004

我們在策劃和進行審核工作時，均以取得一切我們認為必需的資料及解釋為目標，使我們能獲得充分的憑證，就該等財務報表是否存有重要錯誤陳述，作合理的確定。在作出意見時，我們亦已衡量該等財務報表所載資料在整體上是否足夠。我們相信，我們的審核工作已為下列意見建立合理的基礎。

意見

我們認為，上述的財務報表真實與公允地反映 貴公司及 貴集團於二零零三年十二月三十一日的財政狀況及 貴集團於該年度的溢利和現金流量狀況，並已按照香港公司條例的披露規定而妥善編製。

安永會計師事務所

香港
二零零四年四月二十日

Consolidated Profit and Loss Account

Year ended 31 December 2003

		Notes 附註	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
TURNOVER	營業額	5		
Continuing operations	持續經營業務		1,181,558	992,956
Discontinued operations	已終止業務		—	101,177
			1,181,558	1,094,133
Cost of sales	銷售成本		(757,351)	(665,173)
Gross profit	毛利		424,207	428,960
Other revenue and gains	其他收入及收益	5	86,424	39,605
Distribution costs	分銷成本		(182,750)	(157,920)
Administrative expenses	行政開支		(306,543)	(333,225)
Other operating expenses, net	其他經營開支，淨額		(16,994)	(62,202)
Gain on disposal of discontinued operations	出售已終止業務之收益	7	—	207,312
Gain on disposal of subsidiaries	出售附屬公司之收益	37(b)	—	93,352
Write-back of provision for a contingent liability	或然負債撥備撥回	38(d)	—	27,447
PROFIT FROM OPERATING ACTIVITIES	經營業務溢利	6	4,344	243,329
Finance costs	融資成本	8	(643)	(1,220)
Reversal of provision for impairment of interest in a jointly-controlled entity	撥回共同控制公司權益減值撥備		17,196	—
Reversal of provision for an amount due from a jointly-controlled entity	撥回應收共同控制公司款項撥備		37,400	—
Provisions for amounts due from jointly-controlled entities	應收共同控制公司款項撥備		(11,388)	(10,759)
Loss on disposal of an associate	出售一間聯營公司虧損		(2,980)	—
Share of profits and losses of:	應佔下列公司溢利及虧損：			
Jointly-controlled entities	共同控制公司		2,689	(13,301)
Associates	聯營公司		(6,206)	168
Amortisation and impairment of goodwill on acquisition of jointly-controlled entities	收購共同控制公司之商譽攤銷及減值	17	(3,890)	(14,667)

Profit and Loss Account

綜合損益表

截至二零零三年十二月三十一日止年度

			2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／(虧損)			
Continuing operations	持續經營業務		36,522	(7,622)
Discontinued operations	已終止業務		—	211,172
			36,522	203,550
Tax	稅項	11		
Continuing operations	持續經營業務		(26,821)	(23,716)
Discontinued operations	已終止業務		—	(496)
			(26,821)	(24,212)
PROFIT BEFORE MINORITY INTERESTS	未計少數股東權益前溢利		9,701	179,338
Minority interests	少數股東權益		2,667	(24,570)
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常 業務溢利淨額	12	12,368	154,768
DISTRIBUTION	分派	13	18,181	—
Earnings per share – (HK cents)	每股溢利(港仙)	14		
Basic	基本		0.68	9.94
Diluted	攤薄		0.67	5.94

Consolidated Balance Sheet

31 December 2003

			2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
	Notes 附註			
NON-CURRENT ASSETS				
非流動資產				
Fixed assets		15	361,185	385,134
Intangible assets		16	20,470	15,150
Goodwill:		17		
Goodwill			2,937	—
Negative goodwill			(130,620)	(136,649)
Investment in an unconsolidated subsidiary		19	—	—
Interests in jointly-controlled entities		20	335,087	235,360
Interests in associates		21	(5)	12,792
Long term investments		22	51,594	7,060
Other investments			1,146	1,468
Deferred tax assets		33	11,206	7,077
			653,000	527,392
CURRENT ASSETS				
流動資產				
Inventories		23	37,261	27,369
Short term investments		22	60,735	22,344
Trade and bills receivables		24	220,588	171,212
Prepayments, deposits and other receivables			43,516	48,533
Tax recoverable			318	—
Pledged time deposits		25	58,203	28,392
Cash and cash equivalents		26	496,761	759,005
			917,382	1,056,855
CURRENT LIABILITIES				
流動負債				
Trade and bills payables		27	91,026	74,631
Other payables and accruals			145,001	129,993
Tax payable			77,255	66,008
Interest-bearing bank loan		28	9,620	9,675
Finance lease payables		29	287	142
Deferred income		31	—	4,917
			323,189	285,366

Balance Sheet

綜合資產負債表

二零零三年十二月三十一日

		Notes 附註	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
NET CURRENT ASSETS	流動資產淨值		594,193	771,489
TOTAL ASSETS LESS CURRENT LIABILITIES	已減流動負債之資產總值		1,247,193	1,298,881
NON-CURRENT LIABILITIES	非流動負債			
Finance lease payables	融資租約應付款項	29	1,062	642
Other payables	其他應付款項	30	109,907	109,907
Deferred income	遞延收入	31	—	16,225
Provision for long service payments	長期服務金撥備	32	4,285	2,673
Deferred tax liabilities	遞延稅項負債	33	38,699	36,547
			153,953	165,994
MINORITY INTERESTS	少數股東權益		(625)	(8,710)
			1,092,615	1,124,177
CAPITAL AND RESERVES	資本及儲備			
Issued capital	已發行股本	34	183,386	253,577
Reserves	儲備		909,229	870,600
			1,092,615	1,124,177

Wong Wai Ming
黃偉明
Director
董事

Lo Wing Hung
盧永雄
Director
董事

Consolidated Statement of Changes in Equity

Year ended 31 December 2003

	Notes	Issued ordinary share capital 已發行普通股股本 HK\$'000 千港元	Issued preference share capital 已發行優先股股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Land and building revaluation reserve 土地及樓宇重估儲備 HK\$'000 千港元	Exchange fluctuation reserve 匯兌波動儲備 HK\$'000 千港元	Retained profits/(accumulated losses) 保留溢利/(累計虧損) HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2002:	於二零零二年一月一日:									
As previously reported	如前呈報	147,035	74,068	832,748	9,899	231,933	2,569	(7,191)	(392,905)	898,156
Prior year adjustment:	以前年度調整:									
SSAP 12 – restatement of deferred tax	會計實務準則第12號 – 重列遞延稅項	33	–	–	–	(25,073)	(776)	–	7,305	(18,544)
As restated	重列	147,035	74,068	832,748	9,899	206,860	1,793	(7,191)	(385,600)	879,612
Paid-up preference shares	繳付優先股	34	20,696	–	–	–	–	–	–	20,696
Conversion of preference shares to ordinary shares	優先股兌換為普通股	34	(22,996)	19,396	–	–	–	–	–	–
Issue of ordinary shares	發行普通股	34	–	112,216	–	–	–	–	–	143,390
Surplus on revaluation, net of deferred tax (as restated)	重估盈餘 (扣除遞延稅項) (重列)	–	–	–	–	–	6,366	–	–	6,366
Exchange realignment	匯兌調整	–	–	–	–	–	–	1,281	–	1,281
Net gains and losses not recognised in the profit and loss account	並無於損益賬確認之盈虧淨額	–	–	–	–	–	6,366	1,281	–	7,647
Revaluation reserve released on disposal of land and buildings	於出售土地及樓宇時變現之重估儲備	–	–	–	–	–	(247)	–	247	–
Realisation of exchange fluctuation reserve on strike-off of a subsidiary	刪除一間附屬公司時變現之匯兌波動儲備	6	–	–	–	–	–	2,277	–	2,277
Realisation of capital reserve on disposal of subsidiaries	出售附屬公司時變現之資本儲備	37(b)	–	–	–	(84,213)	–	–	–	(84,213)
Net profit for the year (as restated)	年度溢利淨額 (重列)	–	–	–	–	–	–	–	154,768	154,768
At 31 December 2002	於二零零二年十二月三十一日	181,809	71,768	*964,360	*9,899	*122,647	*7,912	*(3,633)	*(230,585)	1,124,177

Statement of Changes in Equity

綜合權益變動表

截至二零零三年十二月三十一日止年度

	Notes	Issued ordinary share capital 已發行普通股股本 HK\$'000 千港元	Issued preference share capital 已發行優先股股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Land and building revaluation reserve 土地及樓宇重估儲備 HK\$'000 千港元	Exchange fluctuation reserve 匯兌波動儲備 HK\$'000 千港元	Retained profits/(accumulated losses) 保留溢利/(累計虧損) HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2003:	於二零零三年一月一日									
As previously reported	如前呈報	181,809	71,768	964,360	9,899	147,720	12,171	(3,633)	(230,447)	1,153,647
Prior year adjustment:	以前年度調整:									
SSAP 12 – restatement of deferred tax	會計實務準則第12號 – 重列遞延稅項	33	–	–	–	(25,073)	(4,259)	–	(138)	(29,470)
As restated	重列	181,809	71,768	964,360	9,899	122,647	7,912	(3,633)	(230,585)	1,124,177
Redemption of preference shares	贖回優先股	34	(71,768)	–	–	–	–	–	–	(71,768)
Issue of ordinary shares	發行普通股	34	1,577	4,192	–	–	–	–	–	5,769
Surplus on revaluation, net of deferred tax	重估盈餘, 扣除遞延稅項	–	–	–	–	–	2,857	–	–	2,857
Exchange realignment	匯兌調整	–	–	–	–	–	–	28,089	–	28,089
Net gains and losses not recognised in the profit and loss account	並無於損益賬確認之盈虧淨額	–	–	–	–	–	2,857	28,089	–	30,946
Revaluation reserve released on disposal of land and buildings	於出售土地及樓宇時變現之重估儲備	–	–	–	–	–	(6,338)	–	6,338	–
Deferred tax released on disposal of land and buildings	出售土地及樓宇變現之遞延稅項	–	–	–	–	–	1,972	–	–	1,972
Realisation of capital reserve on disposal of an associate	出售聯營公司時變現之資本儲備	–	–	–	–	2,984	–	–	–	2,984
Realisation of exchange fluctuation reserve on strike-off of a subsidiary	刪除一間附屬公司時變現之匯兌波動儲備	6	–	–	–	–	–	4,348	–	4,348
Reduction of share premium account to credit to accumulated losses and contributed surplus	削減股份溢價賬以記入累計虧損及繳入盈餘	34	–	(964,360)	488,930	–	–	–	475,430	–
2003 distribution	二零零三年分派	13	–	–	(18,181)	–	–	–	–	(18,181)
Net profit for the year	年度溢利淨額	–	–	–	–	–	–	–	12,368	12,368
At 31 December 2003	於二零零三年十二月三十一日	183,386	–	*4,192	*480,648	*125,631	*6,403	*28,804	*263,551	1,092,615

Consolidated Statement of Changes in Equity

Year ended 31 December 2003

* These reserve accounts comprise the consolidated reserves of HK\$909,229,000 (2002 (restated): HK\$870,600,000) in the consolidated balance sheet.

* 該等儲備賬目包含綜合資產負債表中 909,229,000 港元 (二零零二年 (重列) : 870,600,000 港元) 之綜合儲備。

		Issued ordinary share capital 已發行 普通股股本 HK\$'000 千港元	Issued preference share capital 已發行 優先股股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 撥入盈餘 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Land and building revaluation reserve 土地及樓宇 重估儲備 HK\$'000 千港元	Exchange fluctuation reserve 匯兌 波動儲備 HK\$'000 千港元	Retained profits/ (accumulated losses) 保留溢利/ (累計虧損) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Reserves retained by:	由下列公司保留 之儲備:									
Company and subsidiaries	本公司及附屬 公司	183,386	-	4,192	480,648	125,631	6,403	34,767	314,609	1,149,636
Jointly-controlled entities	共同控制公司	-	-	-	-	-	-	(6,094)	(40,042)	(46,136)
Associates	聯營公司	-	-	-	-	-	-	131	(11,016)	(10,885)
31 December 2003	於二零零三年 十二月三十一日	183,386	-	4,192	480,648	125,631	6,403	28,804	263,551	1,092,615
Company and subsidiaries	本公司及附屬 公司	181,809	71,768	964,360	9,899	122,647	7,912	2,330	(188,227)	1,172,498
Jointly-controlled entities	共同控制公司	-	-	-	-	-	-	(6,094)	(37,548)	(43,642)
Associates	聯營公司	-	-	-	-	-	-	131	(4,810)	(4,679)
31 December 2002	於二零零二年 十二月三十一日	181,809	71,768	964,360	9,899	122,647	7,912	(3,633)	(230,585)	1,124,177

Certain amounts of negative goodwill arising on the acquisition of subsidiaries prior to the adoption of SSAP 30 "Business combinations" in 2001 remain credited to the capital reserve as explained in note 17 to the financial statements.

誠如財務報表附註17所述，於二零零一年採納會計實務準則第30號「業務合併」前收購附屬公司所產生之若干負商譽仍計入資本儲備。

Consolidated Cash Flow Statement

Year ended 31 December 2003

綜合現金流量表

截至二零零三年十二月三十一日止年度

	Notes 附註	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量		
Profit before tax	除稅前溢利	36,522	203,550
Adjustments for:	已作出下列調整：		
Finance costs	融資成本	8	1,220
Reversal of provision for impairment of interest in a jointly-controlled entity	撥回共同控制公司權益減值撥備	(17,196)	—
Reversal of provision for an amount due from a jointly-controlled entity	撥回應收共同控制公司款項撥備	(37,400)	—
Provisions for amounts due from jointly-controlled entities	應收共同控制公司款項撥備	11,388	10,759
Loss on disposal of an associate	出售一間聯營公司虧損	2,980	—
Share of profits and losses of jointly-controlled entities	應佔共同控制公司之溢利及虧損	(2,689)	13,301
Share of profits and losses of associates	應佔聯營公司之溢利及虧損	6,206	(168)
Amortisation and impairment of goodwill on acquisition of jointly-controlled entities	收購共同控制公司之商譽之攤銷及減值	17	14,667
Interest income	利息收入	5	(9,123)
Investment income	投資收入	5	—
Dividend income from an unlisted investment	來自一項非上市投資之股息收入	5	—
Dividend income from listed investments	來自上市投資之股息收入	5	(1,046)
Recognition of deferred income	遞延收入之確認	5	(3,441)
Gain on early termination of a lease agreement	提早終止租約協議之收益	5	—
Negative goodwill recognised as income	已確認為收入之負商譽	5	(17,345)
Gain on disposal of short term investments, net	出售短期投資之收益，淨額	5	(1,009)
Gain on disposal of fixed assets	出售固定資產之收益	5	(2,812)
Gain on disposal of discontinued operations	出售已終止業務之收益	—	(207,312)
Gain on disposal of subsidiaries	出售附屬公司之收益	37(b)	(93,352)
Write-back of provision for a contingent liability	或然負債撥備撥回	38(d)	(27,447)
Depreciation	折舊	6	39,157
Revaluation deficit/(surplus) on land and buildings	土地及樓宇重估虧絀/(盈餘)	6	14,927
Revaluation deficit on investment properties	投資物業重估虧絀	6	737
Impairment and amortisation of intangible assets	無形資產減值及攤銷	6	7,854
Impairment and amortisation of goodwill	商譽減值及攤銷	6	8,292
Loss on strike-off of a subsidiary	刪除一間附屬公司之虧損	6	2,277
Impairment of long term investments	長期投資減值	6	2,631
Impairment of other investments	其他投資減值	6	—
Loss on disposal of other investments	出售其他投資之虧損	6	—
Provisions for bad and doubtful debts	呆壞賬撥備	6	166
Provision for long service payments, net	長期服務金撥備，淨額	6	2,163
Effect of foreign exchange rate changes	匯率變動之影響	6	240

Consolidated Cash Flow Statement

Year ended 31 December 2003

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
Operating loss before working capital changes	營運資金變動前之經營虧損	(14,233)	(41,114)
Decrease/(increase) in inventories	存貨減少/(增加)	(9,890)	20,388
Decrease/(increase) in short term investments	短期投資減少/(增加)	(45,422)	15,957
Increase in trade and bills receivables, prepayments, deposits and other receivables	應收賬款及票據、預付款項、按金及其他應收款項增加	(40,351)	(28,600)
Increase in trade and bills payables, other payables and accruals	應付賬款及票據、其他應付款項及應計款項增加	25,732	35,429
Decrease in provision for long service payments	長期服務金撥備減少	32 (108)	(4,517)
Cash used in operations	經營業務所用現金	(84,272)	(2,457)
Hong Kong profits tax paid	已繳香港利得稅	(327)	(5,438)
Overseas tax refunded/(paid)	退還/(已繳)海外稅項	(12,711)	2,915
Net cash inflow/(outflow) from operating activities	經營業務之現金流入/(流出)淨額		
Continuing operations	持續經營業務	(97,310)	(39,741)
Discontinued operations	已終止業務	-	34,761
Total	合計	(97,310)	(4,980)

Cash Flow Statement

綜合現金流量表

截至二零零三年十二月三十一日止年度

	Notes 附註	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
CASH FLOWS FROM INVESTING ACTIVITIES	投資業務之現金流量		
Interest received	已收利息	15,210	9,123
Investment income	投資收入	10,753	—
Dividend received from an associate	來自聯營公司之已收股息	39,615	—
Dividend received from jointly-controlled entities	來自共同控制公司之已收股息	12,607	6,557
Dividend received from an unlisted investment	來自一項非上市投資之已收股息	1,316	—
Dividends received from listed investments	來自上市投資之已收股息	663	1,046
Purchases of fixed assets	購買固定資產	(51,035)	(52,156)
Proceeds from disposal of fixed assets	出售固定資產所得款項	63,605	31,035
Compensation paid for early termination of a lease agreement	提早終止租約協議所支付之賠償	31	—
Purchases of intangible assets	購買無形資產	16	(23,004)
Acquisition of subsidiaries	收購附屬公司	37(a)	221
Acquisition of additional interest in a subsidiary	收購附屬公司權益	(1,078)	—
Proceeds from disposal of subsidiaries and discontinued operations	出售附屬公司及已終止業務所得款項	37(b)	411,389
Proceeds from disposal of an associate	出售聯營公司所得款項	162	—
Acquisition of jointly-controlled entities	收購一間共同控制公司	(63,171)	(4,055)
Increase in amounts due from jointly-controlled entities	應收共同控制公司款項增加	(34,660)	(4,295)
Decrease in an amount due to a jointly-controlled entity	應付一間共同控制公司款項減少	—	(4,711)
Decrease in amounts due from associates	應收一間聯營公司款項減少	7,359	2,917
Purchases of long term investments	購入長期投資	(47,071)	—
Proceeds from disposal of short term investments	出售短期投資所得款項	9,188	3,583
Proceeds from disposal of other investments	出售其他投資所得款項	35	—
Decrease/(increase) in pledged time deposits	已抵押存款減少/(增加)	(29,811)	17,957
Increase in non-pledged time deposit with original maturity of more than three months when acquired	於取得時到期日超過三個月之無抵押定期存款增加	(10,353)	—
Net cash inflow/(outflow) from investing activities	投資業務之現金流入/(流出)淨額		
Continuing operations	持續經營業務	(97,075)	4,756
Discontinued operations	已終止業務	—	390,851
Total	合計	(97,075)	395,607

Consolidated Cash Flow Statement

Year ended 31 December 2003

			2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
		Notes 附註		
CASH FLOWS FROM FINANCING ACTIVITIES 融資活動之現金流量				
Proceeds from issue of ordinary shares	發行普通股所得款項	34	1,096	79,531
Proceeds from paid-up preference shares	已繳優先股份所得款項	34	—	20,696
Redemption of preference shares	贖回優先股	34	(71,768)	—
Capital contribution by a minority shareholder	少數股東注資		—	8,000
New bank loans	新造銀行貸款		—	6,724
Repayment of bank loans	償還銀行貸款		—	(33,505)
Capital element of finance lease rental payments	融資租約繳款之資本部份		(205)	(33)
Interest paid	已繳利息		(568)	(1,220)
Interest element of finance lease rental payments	融資租約繳款之利息部份		(75)	—
Distribution paid	已作分派	13	(18,181)	—
Net cash inflow/(outflow) from financing activities	融資活動之現金流入／(流出)淨額			
Continuing operations	持續經營業務		(89,701)	90,443
Discontinued operations	已終止業務		—	(10,250)
Total	合計		(89,701)	80,193
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加／(減少)淨額		(284,086)	470,820
Cash and cash equivalents at beginning of year	年初之現金及現金等值項目		759,005	285,683
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額		11,489	2,502
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及現金等值項目		486,408	759,005
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS 現金及現金等值項目結餘分析				
Cash and bank balances	現金及銀行結餘	26	105,370	167,386
Non-pledged time deposits with original maturity of less than three months when acquired	於取得時三個月內到期之無抵押定期存款	26	381,038	591,619
			486,408	759,005

Balance Sheet

31 December 2003

資產負債表

二零零三年十二月三十一日

		Notes 附註	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
NON-CURRENT ASSETS				
	非流動資產			
Fixed assets	固定資產	15	9,109	8,309
Interests in subsidiaries	於附屬公司之權益	18	738,384	781,971
Investment in an unconsolidated subsidiary	於一間未有作合併賬處理之附屬公司之投資	19	—	—
Interests in associates	於聯營公司之權益	21	—	—
			747,493	790,280
CURRENT ASSETS				
	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		2,049	3,446
Cash and cash equivalents	現金及現金等值項目	26	389	73,514
			2,438	76,960
CURRENT LIABILITIES				
	流動負債			
Other payables and accruals	其他應付款項及應計款項		20,888	19,738
Tax payable	應付稅款		11	45
			20,899	19,783
NET CURRENT ASSETS/(LIABILITIES)	流動資產/(負債)淨值		(18,461)	57,177
			729,032	847,457
CAPITAL AND RESERVES				
	資本及儲備			
Issued capital	已發行股本	34	183,386	253,577
Reserves	儲備	36	545,646	593,880
			729,032	847,457

Wong Wai Ming

黃偉明

Director

董事

Lo Wing Hung

盧永雄

Director

董事

1. CORPORATE INFORMATION

The registered office of Global China Group Holdings Limited is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

During the year, the Group was involved in the following principal activities:

- media
- property holding
- trading of photographic and electronic products
- investment holding

In the opinion of the directors, Luckman Trading Limited ("Luckman") is the Company's controlling shareholder, which is incorporated in the British Virgin Islands.

2. IMPACT OF A REVISED STATEMENT OF STANDARD ACCOUNTING PRACTICE ("SSAP")

The following new and revised SSAP and Interpretation are effective for the first time for the current year's financial statements and have had a significant impact thereon:

- SSAP 12 (Revised): "Income taxes"
- Interpretation 20: "Income taxes – Recovery of revalued non-depreciable assets"

1. 公司資料

泛華集團控股有限公司註冊辦事處位於 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本集團年內從事之主要業務如下：

- 媒體
- 物業持有
- 攝影器材及電子產品貿易
- 投資控股

董事認為於英屬處女群島註冊成立的 Luckman Trading Limited (「Luckman」) 為本公司之控權股東。

2. 經修訂會計實務準則的影響

以下新頒佈和經修訂會計實務準則首次在本年度財務報表生效並產生重大影響：

- 會計實務準則第12號(經修訂)：「所得稅」
- 註釋20：「所得稅一經重估不計提折舊資產之收回」

2. IMPACT OF A REVISED STATEMENT OF STANDARD ACCOUNTING PRACTICE ("SSAP") (continued)

These SSAP and Interpretation prescribe new accounting measurement and disclosure practices. The major effects on the Group's accounting policies and on the amounts disclosed in these financial statements of adopting this SSAP and Interpretation are summarised as follows:

SSAP 12 prescribes the accounting for income taxes payable or recoverable, arising from the taxable profit or loss for the current period (current tax); and income taxes payable or recoverable in future periods, principally arising from taxable and deductible temporary differences and the carryforward of unused tax losses (deferred tax).

The principal impact of the revision of this SSAP on these financial statements is described below:

Measurement and recognition:

- deferred tax assets and liabilities relating to the differences between capital allowances for tax purposes and depreciation for financial reporting purposes and other taxable and deductible temporary differences are generally fully provided for, whereas previously the deferred tax was recognised for timing differences only to the extent that it was probable that the deferred tax asset or liability would crystallise in the foreseeable future;

2. 經修訂會計實務準則的影響(續)

該等會計實務準則及註釋訂明新會計計算及披露規定，而採納該等對財務報表有重大影響的會計實務準則對本集團之會計政策及於本財務報表所披露之數額之主要影響概述如下：

會計實務準則第12號規定當期應計稅利潤或虧損產生之應付及應收回所得稅(當期稅項)之會計處理；及主要因應課稅與可免稅之暫時性差異及未動用稅務虧損之結轉，而於未來產生之應付及應收回所得稅(遞延稅項)之會計處理。

該會計實務準則之修訂對本財務報表之主要影響載述如下：

計量及確認：

- 稅項之資本免稅額與作財務申報用途之折舊間之差額，以及其他應課稅及可扣減之暫時性差異所涉及之遞延稅項資產及負債，一般會作出足數撥備，而過往之遞延稅項則僅就於可見將來可能實現之遞延稅項資產或負債之時差確認入賬；

2. IMPACT OF A REVISED STATEMENT OF STANDARD ACCOUNTING PRACTICE ("SSAP") (continued)

- a deferred tax liability has been recognised on the revaluation of the Group's land and buildings;
- a deferred tax liability has been recognised relating to the fair value adjustments arising from the acquisition of subsidiaries; and
- a deferred tax asset has been recognised for tax losses arising in the current/prior periods to the extent that it is probable that there will be sufficient future taxable profits against which such losses can be utilised.

Disclosures:

- deferred tax assets and liabilities are presented separately on the balance sheet, whereas previously they were presented on a net basis; and
- the related note disclosures are now more extensive than previously required. These disclosures are presented in notes 11 and 33 to the financial statements and include a reconciliation between the accounting profit and the tax expense for the year.

2. 經修訂會計實務準則的影響(續)

- 重估本集團之土地及樓宇時之遞延稅項負債已被確認；
- 因收購附屬公司而產生的公允值之遞延稅項資產已被確認；及
- 於本期或過往期間產生之稅務虧損如有足夠的將來應課稅利潤可用作抵銷，則該部份稅務虧損已被確認為遞延稅項資產。

披露：

- 遞延稅項資產及負債於資產負債表內分開呈列，而過往則以淨額型式呈列；及
- 現時有關附註之披露較過往更詳盡。該等披露已載於財務報表附註11及33，並包括本年度會計溢利及稅項支出之對賬。

2. IMPACT OF A REVISED STATEMENT OF STANDARD ACCOUNTING PRACTICE ("SSAP") (continued)

Further details of these changes and the prior year adjustments arising from them are included in the accounting policy for deferred tax in note 3 and in note 33 to the financial statements.

Interpretation 20 requires that a deferred tax asset or liability that arises from the revaluation of certain non-depreciable assets and investment properties is measured based on the tax consequences that would follow from the recovery of the carrying amount of that asset through sale. This policy has been applied by the Group in respect of the revaluation of its investment properties in the deferred tax calculated under SSAP 12.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of certain fixed assets, investment properties and investments in securities, as further explained below.

2. 經修訂會計實務準則的影響(續)

該等轉變及因而產生之以往年調整的詳情已包括於財務報表附註3有關遞延稅項的會計政策及附註33。

註釋20規定經重估之若干不計提折舊資產及投資物業所產生之遞延稅項資產或負債須透過從出售所收回的資產所得賬面值後之稅務結果而釐定。本集團已應用該政策，並根據會計實務準則第12號就重估其投資物業時計算遞延稅項。

3. 主要會計政策概要

編製之基準

財務報表乃按照香港會計實務準則、香港公認會計原則及香港公司條例之披露規定編製。財務報表乃按歷史成本慣例編製，惟不包括定期進行重新估值之若干固定資產、投資物業及證券投資，詳情載於下文。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2003. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

Subsidiaries

A subsidiary is a company whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

3. 主要會計政策概要 (續)

綜合賬目之基準

綜合財務報表乃將本公司及其附屬公司截至二零零三年十二月三十一日止年度之財務報表綜合計算。年內購入或出售之附屬公司之業績乃分別由其實際購入日期開始或計至其實際出售日期止作綜合計算。本集團內各公司間之重大交易及結餘均在綜合計算賬目時對銷。

少數股東權益指外界股東於本公司附屬公司之業績及資產淨值所擁有之權益。

附屬公司

附屬公司指本公司直接或間接控制其財務及營運政策，以從中取得利益之公司。

附屬公司業績只按已收及應收股息計入本公司之損益表。本公司於附屬公司之權益乃按成本減去減值虧損列值。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint venture companies

A joint venture company is a company set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture company operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture company's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture company is treated as:

- (a) a subsidiary, if the Company has unilateral control, directly or indirectly, over the joint venture company;
- (b) a jointly-controlled entity, if the Company does not have unilateral control, but has joint control, directly or indirectly, over the joint venture company;

3. 主要會計政策概要 (續)

合營企業

合營企業乃一間根據合約性安排而成立之公司，據此，本集團與其他各方經營一項商業業務。合營企業以一個獨立實體經營而本集團與其他各方均擁有其權益。

各合營者之間之合營協議訂明各合營者於合營企業之出資額、合營企業經營之年期及在其解散時變現資產之基準。經營合營企業所得溢利和虧損及任何盈餘資產之分派乃由各合營者按各自之出資額比例或按照合營協議之條款而攤分。

合營企業於下列情況下乃被視為：

- (a) 附屬公司，如本公司對該合營企業擁有單方面直接或間接控制權；
- (b) 共同控制公司，如本公司對該合營企業並無單方面直接或間接控制權，但可直接或間接共同控制該合營企業；

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint venture companies (continued)

- (c) an associate, if the Company does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture company's registered capital and is in a position to exercise significant influence over the joint venture company; or
- (d) a long term investment, if the Company holds, directly or indirectly, less than 20% of the joint venture company's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture company.

Jointly-controlled entities

A jointly-controlled entity is a joint venture company which is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's share of the post-acquisition results and reserves of jointly-controlled entities is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interests in jointly-controlled entities are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. Goodwill or negative goodwill arising from the acquisition of jointly-controlled entities, which was not previously eliminated or recognised in the consolidated reserves, is included as part of the Group's interests in jointly-controlled entities.

3. 主要會計政策概要 (續)

合營企業 (續)

- (c) 聯營公司，如本公司不可單方面或共同直接或間接控制該合營企業，惟通常直接或間接持有其不少於20%之註冊資本，並可對該合營企業行使重大影響力；或
- (d) 長期投資，如本公司直接或間接持有該合營企業不足20%之註冊資本，且不可直接或間接共同控制該合營企業或對其行使重大影響力。

共同控制公司

共同控制公司指受聯合控制的合營企業，令參與各方不會單方面控制共同控制公司之經濟活動。

本集團應佔共同控制公司之收購後業績及儲備分別計入綜合損益表和綜合儲備內。本集團於共同控制公司之權益，乃以權益會計法，按本集團應佔之資產淨值減去減值虧損後，列於綜合資產負債表內。收購共同控制公司所產生而以前並無在綜合儲備中對銷或確認之商譽或負債，會包括在本集團在共同控制公司之權益之一部份。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Associates

An associate is a company, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. Goodwill or negative goodwill arising from the acquisition of associates, which was not previously eliminated or recognised in the consolidated reserves, is included as part of the Group's interests in associates.

The results of associates are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's interests in associates are treated as long term assets and are stated at cost less any impairment losses.

3. 主要會計政策概要 (續)

聯營公司

聯營公司乃本集團長期整體持有其不少於20%之投票權並可對其發揮重大影響力、但並非歸類為附屬公司或共同控制公司之公司。

本集團應佔聯營公司之收購後業績及儲備分別計入綜合損益表及綜合儲備內。本集團於聯營公司之權益，乃以權益會計法，按本集團應佔之資產淨值減去減值虧損後，列於綜合資產負債表內。收購聯營公司產生之商譽或負商譽(指先前並無在綜合儲備抵銷或確認者)乃計作本集團於聯營公司權益之一部份。

本公司損益表中所計入的聯營公司業績乃按已收及應收股息入賬。本公司於聯營公司之權益被視為長期資產論，以成本值減去減值虧損後列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

Goodwill arising on the acquisition of subsidiaries, associates and jointly-controlled entities represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of 1 to 10 years. In the case of associates and jointly-controlled entities, any unamortised goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

Prior to the adoption of SSAP 30 "Business combinations" in 2001, goodwill on acquisition was eliminated against consolidated reserves in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such goodwill to remain eliminated against consolidated reserves. Goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 goodwill accounting policy above.

3. 主要會計政策概要 (續)

商譽

因收購附屬公司、聯營公司及共同控制公司所產生之商譽，乃指收購成本超逾本集團於收購當日購入之可識別的資產及負債應佔部份的公允價值之差額。

收購所產生之商譽會在綜合資產負債表確認為資產，並以直線法按估計可使用年期一至十年攤銷。若為聯營公司及共同控制公司，任何未攤銷的商譽會包括在其賬面值中，而不會在綜合資產負債表內列作為獨立可識別資產。

於二零零一年採納會計實務準則第30號「業務合併」前，收購產生之商譽乃於收購年度在綜合儲備抵銷。採納會計實務準則第30號後，本集團採用此項會計實務準則之過渡規定，有關規定容許此等商譽繼續在綜合儲備抵銷。於採納此項會計實務準則後因收購產生之商譽乃根據上述會計實務準則第30號有關商譽之會計政策處理。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

On disposal of subsidiaries, associates or jointly-controlled entities, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate. Any attributable goodwill previously eliminated against consolidated reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

The carrying amount of goodwill is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

Negative goodwill

Negative goodwill arising on the acquisition of subsidiaries, associates and jointly-controlled entities represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

3. 主要會計政策概要 (續)

商譽 (續)

出售附屬公司、聯營公司或共同控制公司時，出售盈虧會按出售當日之資產淨值計算，包括應佔尚未攤銷之商譽之金額以及任何儲備(如適用)。先前於收購時在綜合儲備抵銷之任何應佔商譽乃於本會計年度撥回並包括在出售損益之計算中。

商譽之賬面值會每年檢討，並會在有需要時為減值撇減。除非減值虧損是由於一件預期不會再發生之外來特別事故所引致，而外界其後所發生之事件對該事件有撥回影響，否則之前確認之商譽減值不會撥回。

負商譽

因收購附屬公司、聯營公司及共同控制公司所產生的負商譽，即指本集團在收購當日購入之可識別資產及負債應佔部份之公允價值之權益超出收購成本之差額。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Negative goodwill (continued)

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated profit and loss account when the future losses and expenses are recognised.

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated profit and loss account on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

In the case of associates and jointly-controlled entities, any negative goodwill not yet recognised in the consolidated profit and loss account is included in the carrying amount thereof, rather than as a separately identified item on the consolidated balance sheet.

3. 主要會計政策概要 (續)

負商譽 (續)

倘若負商譽為收購計劃內已確定且能可靠計算的預期未來虧損及開支，且並非指於收購當日之可確定負債時，該部份之負商譽會在未來虧損和開支確認時，在綜合損益表內確認為收入。

倘若負商譽與收購當日之已確定未來虧損和開支無關時，負商譽會在綜合損益表內，按所收購的可折舊／攤銷資產之尚餘平均可用年期，以有系統之基準確認。任何負商譽的價值超出所收購之非貨幣資產之公允價值的部份會即時確認為收入。

若為聯營公司及共同控制公司，任何尚未在綜合損益表內確認的負商譽會包括在其賬面值中，而不會在綜合資產負債表內分開確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Negative goodwill (continued)

Prior to the adoption of SSAP 30 "Business combinations" in 2001, negative goodwill arising on acquisitions was credited to the capital reserve in the year of acquisitions. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such negative goodwill to remain credited to the capital reserve. Negative goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 negative goodwill accounting policy above.

On disposal of subsidiaries, associates or jointly-controlled entities, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated profit and loss account and any relevant reserves, as appropriate. Any attributable negative goodwill previously credited to the capital reserve at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

3. 主要會計政策概要 (續)

負商譽 (續)

於二零零一年採納會計實務準則第30號「業務合併」前，因收購而產生之負商譽已在收購年度計入資本儲備中。採納會計實務準則第30號後，本集團採用會計實務準則第30號之過渡條文。條文准許二零零一年四月一日前因收購而產生之負商譽繼續計入資本儲備中。採納此項會計實務準則後進行之收購而產生之負商譽會按上述會計實務準則第30號負商譽之會計政策處理。

出售附屬公司、聯營公司或共同控制公司時，出售盈虧會按出售當日之資產淨值計算，包括尚未在損益表及任何相關儲備(如適用)內確認負商譽應佔金額。任何已經於收購時計入資本儲備之負商譽會予以撥回，並包括在出售盈虧之中。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Impairment of assets

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

3. 主要會計政策概要 (續)

關連人士

任何一方有能力直接或間接控制對方或可能對對方之財務及營運決策發揮重大影響力者被視為關連人士，而任何共同受到控制或重大影響之各方亦為關連人士。關連人士可以是個人或公司。

資產減值

本集團於每個結算日進行評估，評估資產是否出現減值跡象，或否顯示某項資產過往年度所確認之減值已不再存在或已減少。倘出現任何有關之跡象，則估計資產之可收回數額。資產之可收回數額按資產之使用價值或其售價淨額之較高者計算。

減值虧損只於資產之賬面值超過其可收回數額時確認。減值虧損於其產生之期間在損益表中支銷，除非資產乃按估值列賬，則減值虧損乃根據該項重估資產的有關會計政策入賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of assets (continued)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Fixed assets and depreciation

Fixed assets, other than investment properties, are stated at cost or valuation less accumulated depreciation and any 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. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

3. 主要會計政策概要 (續)

資產減值 (續)

之前確認之減值虧損只於用以釐訂資產之可收回數額之估計出現變動始能撥回，惟該數額不得超過假設有關資產於過往年度並未有確認減值虧損而予以釐訂之賬面值（扣除任何折舊／攤銷）。

撥回之減值虧損乃於其產生之期間計入損益表，除非資產仍按估值列賬，則撥回減值虧損，乃根據該項重估資產的有關會計政策入賬。

固定資產及折舊

除投資物業以外之固定資產按成本值或估值減去累計折舊及任何減值虧損列賬。資產之成本值包括其購買價及促使有關資產達致其現時營運狀況及地點作擬定用途所產生之任何直接應計成本。固定資產投產後所產生之支出，例如維修及保養，通常於產生支出期間自損益表扣除。倘若可清楚顯示有關支出將令日後使用該固定資產時帶來經濟利益，則支出將撥充資本，作為該項資產之額外成本。

Notes to Financial Statements

31 December 2003

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets and depreciation (continued)

Changes in the values of fixed assets, other than investment properties, are dealt with as movements in the revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the revaluation reserve realised in respect of previous valuation is transferred to retained profits as a movement in reserves.

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each asset over its estimated useful life, after taking into account its estimated residual value, if any. The principal annual rates used for this purpose are as follows:

Freehold land	Nil
Leasehold land	Over the lease terms
Buildings	2%-5%
Leasehold improvements	20%-33%
Furniture, fixtures and equipment	10%-30%
Motor vehicles	20%

The gain or loss on disposal or retirement of a fixed asset recognised in the profit and loss account is the difference between the net proceeds on disposal and the carrying amount of the relevant asset.

3. 主要會計政策概要 (續)

固定資產及折舊 (續)

除投資物業以外之固定資產價值之變動乃作為重估儲備變動處理。倘若個別資產之重估儲備總數不足以填補其虧絀，則多出之虧絀會於損益表內扣除。其後如有任何重估盈餘，會以先前扣除之虧絀為限，計入損益表。重新估值之資產如予出售，重估儲備中就先前估值所變現之有關部份會轉至保留盈利，作為儲備變動。

折舊乃以直線法按各項資產之估計可使用年期及其估計剩餘價值(如有)後撇銷其成本值或估值。折舊之主要年率如下：

永久業權土地	無
租賃土地	按租賃年期
樓宇	2%–5%
租賃物業裝修	20%–33%
傢俬、裝置及設備	10%–30%
汽車	20%

因固定資產出售或退廢所產生並於損益表內確認之收益或虧損乃出售該項資產所得款項淨額與其賬面值之差額。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential, any rental income being negotiated at arm's length. Such properties are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year. Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserves. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged.

On disposal of an investment property, the relevant portion of the investment property revaluation reserve realised in respect of previous valuations is released to the profit and loss account.

Intangible assets

Intangible assets represent purchased data library, copyrights, trademarks and domain names which are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 20 years.

3. 主要會計政策概要 (續)

投資物業

投資物業指建築工程及發展已完成並擬就其投資潛力而長期持有之土地及樓宇權益，而有關租金收入按公平磋商釐定。該等物業不予折舊，並按每個財政年度終結時專業估值所得之公開市值入賬。投資物業價值之變動均列作投資物業重估儲備之變動。若按投資組合基準計算，倘該儲備總額不足以彌補有關虧絀，則虧絀額會自損益表扣除。其後之任何重估盈餘計入損益表，惟以先前支銷之虧絀為限。

於出售投資物業時，根據以往估值變現之投資物業重估儲備之有關部份將撥入損益表內。

無形資產

無形資產指所購入之資料庫、版權、商標及域名，按成本值扣減任何減值虧損列賬，並以直線法按估計可使用年期20年攤銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leased assets

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing.

Assets held under capitalised finance leases are included in fixed assets and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the profit and loss account so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the profit and loss account on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

3. 主要會計政策概要 (續)

租賃資產

融資租約指資產擁有權(除法定業權外)所涉之絕大部份回報及風險屬於本集團之租約。於融資租約生效時，租賃資產之成本按最低租金之現值撥充資本，並連同債務(不包括利息部份)記錄，以反映採購及融資。

根據已撥充資本之融資租約所持有之資產計入固定資產，並按租期與資產估計可使用年期之較短者計算折舊。此等租約之融資成本自損益表扣除，用以為租約年期內提供一個固定定期扣除率。

經營租約乃指資產擁有權所涉之絕大部份回報及風險仍屬於出租者之租約。倘本集團為出租者，本集團根據經營租約所租賃之資產乃計入非流動資產，經營租約的應收租金乃於租約期內以直線法形式計入損益表。倘本集團乃承租者，經營租約之應付租金均按照租約年期以直線法自損益表扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Long term investments are non-trading investments in listed and unlisted equity or debt securities intended to be held on a long term basis. Short term investments are investments in equity or debt securities not intended to be held for an identified long term purpose.

Debt securities which are intended to be held to maturity are accounted for as held-to-maturity securities, while other securities are accounted for as investment securities or other investments, as explained below.

(a) Held-to-maturity securities

Investments in dated debt securities which are intended to be held to maturity are included in long term investments and are stated at cost, adjusted for the amortisation of premiums or discounts arising on acquisitions, less any impairment losses, on an individual investment basis.

The carrying amounts of held-to-maturity securities are reviewed as at the balance sheet date in order to assess the credit risk and whether the carrying amounts are expected to be recovered. Provisions are made when carrying amounts are not expected to be recovered and are recognised as an expense in the profit and loss account in the period in which they arise.

3. 主要會計政策概要 (續)

投資

長期投資為擬長期持有且不作買賣之上市及非上市股本證券及債務證券投資。短期投資為不擬長期持有之股本證券及債務證券投資。

有意持有至到期日為止之債務證券乃作持有至到期為止之證券入賬，而其他證券則作投資證券或其他投資入賬，詳見下文所述。

(a) 持有至到期為止之證券

擬持有至到期為止之有期債務證券投資乃計入長期投資，以個別投資項目之基準按成本值扣減任何減值虧損，並調整攤銷購入時產生之溢價或折讓列賬。

持有至到期為止之證券之賬面值均在結算日重新檢討，以評估有關之信貸風險及預期在未來能否收回有關之賬面值。當預期不能在未來收回有關之賬面值時，將會就此作出撥備，並在作出撥備之期間在損益賬內予以確認及列作支出。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Long term investment securities

Investments in dated debt securities and equity securities, intended to be held for a continuing strategic or identified long term purpose, are included in long term investments and are stated at cost less any impairment losses, on an individual investment basis.

When a decline in the fair value of an investment security below its carrying amount has occurred, unless there is evidence that the decline is temporary, the carrying amounts of the security is reduced to its fair value, as estimated by the directors. The amount of the impairment is charged to the profit and loss account for the period in which it arises.

(c) Short term investments securities

Investments in equity securities and debt securities which are not intended to be held for an identified long term purpose are included in short term investments and are stated in the balance sheet at fair values. Fair values are determined on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. The gains or losses arising from changes in the fair values of such investments are credited or charged to the profit and loss account in the period in which they arise.

3. 主要會計政策概要 (續)

(b) 長期投資證券

為持續策略目的或擬長期持有之有期債務證券及股本證券投資計入長期投資，按個別投資之成本值扣減任何減值虧損後列賬。

倘投資證券之公平值跌至低於其賬面值時，除非有證據顯示有關價值下跌屬暫時性，否則有關證券之賬面值將調低至董事估計之公平值。減值金額在產生期間於損益表扣除。

(c) 短期投資證券

並非表明擬長期持有之股本證券及債務證券投資乃計入短期投資，以公允價值列入資產負債表。公允價值之釐定基準及按個別投資於結算日之市場報價。此等投資之公允價值變動所產生之收益或虧損，於產生期間計入損益表或自損益表內扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Other investments

Other investments represent club memberships which are intended to be held for long term purposes. They are stated at cost less any impairment losses, on an individual investment basis.

The profit or loss on disposal of an investment is credited or charged to the profit and loss account in the period in which the disposal occurs, and is calculated as the difference between the net sales proceeds and the carrying amount of the investment.

Provisions against the carrying amounts of investments are written back when the circumstances and events that led to the write-down or write-off cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on actual cost, first-in, first-out basis or weighted average basis, where appropriate and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

3. 主要會計政策概要 (續)

(d) 其他投資

其他投資為擬長期持有之會所會籍，按個別投資之成本值扣減任何減值虧損後列賬。

出售某項投資時所錄得之溢利或虧損乃指銷售所得款項淨額與該項投資之賬面值兩者之差距，在出售發生之期間內計入損益賬內或在損益賬內扣除。

當引致撇減或撇銷之環境及事故不再存在，且有可信證據證明新環境及事故在可見未來將會繼續存在，投資減值撥備應予以撥回。

存貨

存貨按成本值與可變現淨值兩者中之較低者列賬。成本值乃根據實際成本、先入先出法或加權平均法(取適用者)計算。就在製品及製成品而言，成本值包括直接材料、直接人工及適當比例之經常性費用。可變現淨值以估計售價扣除完成及出售時預期所產生之任何估計成本計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheet, cash and cash equivalents comprise cash on hand and at banks, including time deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in the finance costs in the profit and loss account.

3. 主要會計政策概要 (續)

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括留存現金及活期存款以及可隨時轉換為已知數額現金、並無重大價值變動風險及一般於購入時三個月內到期之短期可變現投資，減須於要求時即時償還之銀行透支，並構成本集團現金管理方面不可或缺之一部份。

就資產負債表而言，現金及現金等值項目包括並無限制用途之手頭及銀行現金(包括定期存款)。

撥備

倘因過往事項而產生之現時責任(法律或推定)，且將來極可能需有資源流出以應付有關責任時，則予以確認為撥備，惟責任所涉及之數額必須能可靠地估計。

倘貼現之影響屬重大時，所確認撥備之數額乃為預期須支付有關責任之未來開支於結算日之現值。因時間流逝而導致所貼現之現值增加之數額，乃計入損益賬之融資成本中。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the profit and loss account or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

3. 主要會計政策概要 (續)

所得稅

所得稅包括當期及遞延稅項。所得稅於損益賬中確認，倘與其有關之項目於相同或不同期間在權益中確認，則直接在權益中確認。

遞延稅項，按負債法，就於結算日的資產及負債之稅基及其於財務報表中之賬面值之所有暫時性差異作出撥備。

所有應課稅暫時性差異均被確認為遞延稅項負債：

- 倘若遞延稅項負債的產生是由於交易中初次確認之資產或負債及不影響會計溢利或應計稅利潤或虧損除外；及
- 有關從附屬公司，聯營公司及合營企業權益之投資中產生之應課稅暫時性差異，倘若撥回暫時性差異的時間是可受控制及暫時性差異於可預見之將來可能不會撥回除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax assets and unused tax losses can be utilised:

- except where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

3. 主要會計政策概要 (續)

所得稅 (續)

所有可被扣減暫時性差異及未被動用之稅項資產與未被動用之稅務虧損之結轉均被確認為遞延稅項資產，惟只限於有可能出現的應計稅利潤用以抵扣可扣減暫時性差異，及未被動用之稅項資產及未被動用之稅務虧損之結轉：

- 倘若遞延稅項資產是有關於交易中初次確認之資產或負債的可扣減暫時性差異及不影響會計溢利或應計稅利潤或虧損除外；及
- 有關從附屬公司，聯營公司及合營企業權益之投資中產生之可扣減暫時性差異，遞延稅項資產只限於暫時性差異額有可能於可預見將來撥回及應計稅利潤將會出現以抵扣暫時性差異時確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) advertising income, when the advertisements are published or broadcasted;
- (b) circulation income, when the newspapers and magazines are delivered;

3. 主要會計政策概要 (續)

所得稅 (續)

遞延稅項資產之賬面值於每個結算日審閱，並扣減至當不再可能有足夠的應計稅利潤讓所有或部份遞延稅項資產被動用為止。相反地在有可能有足夠應計稅利潤讓所有或部份遞延稅項資產被動用時可將過往未被確認的遞延稅項資產確認。

遞延稅項資產及負債以預期當資產被變現或負債被清還時之適用稅率衡量，並根據於結算日已頒佈或大致上頒佈之稅率及稅務法例為基準。

收益確認

收益乃於本集團有可能獲得經濟利益及當收益能可靠地計算時，按下列基準確認入賬：

- (a) 廣告收入於廣告刊登或廣播時入賬；
- (b) 發行收入於報章雜誌交貨時入賬；

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

- (c) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (d) rental income, on a time proportion basis over the lease terms;
- (e) from the rendering of services, when the services are rendered;
- (f) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable;
- (g) dividend income, when the shareholders' right to receive payment has been established; and
- (h) revenue from the sale of properties, upon the completion of the formal sale and purchase agreements.

3. 主要會計政策概要 (續)

收益確認 (續)

- (c) 貨品之銷售於擁有權之重大風險及回報均已轉嫁予買家時入賬，惟本集團必須並無維持該等已出售貨品一般與擁有權有關之管理權，亦無實際控制權；
- (d) 租金收入按租賃年期以時間比例計算入賬；
- (e) 提供服務之收入於提供服務後入賬；及
- (f) 利息收入以未償還本金及適用的有效利率按時間比例計算入賬；
- (g) 股息收入於股東獲得收款之權利確立時入賬；
- (h) 出售物業收入於正式買賣協議完成時入賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits

Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

Employment Ordinance long service payments

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

A provision is recognised in respect of the probable future long service payments expected to be made. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date.

3. 主要會計政策概要 (續)

僱員福利

有薪假期結轉

本集團根據僱員合約按年曆計算，向僱員提供有薪年假。在若干情況下，截至結算日仍未提取之假期可予以結轉至下一年度供有關僱員於來年使用。本集團將就僱員年內賺取並予以結轉之有薪假期之預期未來成本於結算日入賬列為應計項目。

僱傭條例的長期服務金

本集團部份僱員已服務滿指定年期，根據香港僱傭條例合資格於終止聘用時獲取長期服務金。當終止聘用符合僱傭條例之規定時，則本集團須作出該等繳款。

本集團已就預期未來或需支付之長期服務金作出撥備。撥備乃根據僱員截至結算日向本集團提供服務所賺取的服務金之最佳估計。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Retirement benefits schemes

The Group operates defined contribution retirement benefit schemes in Hong Kong and overseas for those employees who are eligible and have elected to participate in the schemes. Contributions are made based on a percentage of the participating employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the rules of the schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. When an employee leaves the Mandatory Provident Fund Exempted ORSO retirement benefits scheme in Hong Kong or other retirement benefits schemes overseas prior to his/her interest in the Group's employer contributions vesting fully, the ongoing contributions payable by the Group may be reduced by the relevant amount of forfeited contributions. In respect of the Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme"), the Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a specific amount for the employees in Mainland China, pursuant to the local municipal government regulations. The contributions are charged to the profit and loss account as they become payable in accordance with the rules of the central pension scheme.

3. 主要會計政策概要 (續)

僱員福利 (續)

退休福利計劃

本集團為其香港及海外合資格並已參與計劃之僱員設立定額供款退休福利計劃。根據該等計劃之規則，供款額按參與計劃僱員之基本薪金之某一百分比計算繳付，並將須繳之供款於損益表內扣除。退休福利計劃之資產與本集團之資產分開，由一獨立管理之基金持有。倘僱員於可全數領取本集團之僱主供款前退出獲豁免強制性公積金職業退休計劃條例之退休福利計劃或其他海外退休福利計劃，則本集團持續應付之供款額可減去該筆被沒收之供款額。就強制性公積金退休福利計劃（「強積金計劃」）而言，本集團之僱主供款乃全數歸於參與強積金計劃供款的僱員。

本集團於中國內地經營業務之附屬公司之僱員須參與由地方市政府設立之中央退休金計劃。此等附屬公司須根據地方市政府之規定為中國僱員作出指定數額供款。供款根據中央退休金計劃規則在應付時自損益表扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Share option schemes

The Company operates share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The financial impact of share options granted under the share option schemes are not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

Borrowing costs

Borrowing costs are charged to the profit and loss account in the period in which they are incurred.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the capital and reserves section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

3. 主要會計政策概要 (續)

僱員福利 (續)

購股權計劃

本公司設立購股權計劃，旨在給予為本集團業務成功作出貢獻之合資格參與者鼓勵及獎勵。根據購股權計劃授出購股權之財務影響並無列入本公司或本集團之資產負債表，直至購股權獲行使為止，亦無就其成本自損益表或資產負債表扣除。行使購股權而發行之股份按股份面值列作本公司額外股本，而每股行使價高於股份面值之差額則列入本公司股份溢價賬。於行使日期前註銷或失效之購股權會於尚未行使購股權之登記冊中刪除。

借貸成本

借貸成本於產生之期間在損益表內扣除。

股息

董事擬派之末期股息，會於資產負債表內分類列為從股本與儲備項下的保留溢利的一項獨立分配。該等股息獲股東批准及宣派後則確認為負債。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Dividends (continued)

Interim dividends are simultaneously proposed and declared, because bye-law 140 of the Company's bye-laws grants the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the profit and loss account.

On consolidation, the financial statements of overseas subsidiaries, jointly-controlled entities and associates are translated into Hong Kong dollars using the net investment method. The profit and loss accounts of overseas subsidiaries, jointly-controlled entities and associates are translated into Hong Kong dollars at the weighted average exchange rates for the year, and their balance sheets are translated into Hong Kong dollars at the exchange rates at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

3. 主要會計政策概要 (續)

股息 (續)

由於本公司的公司組織章程第140條授予董事權力以宣派中期股息，故中期股息是同時提出及宣派。因此，中期股息於提出及宣派時隨即確認為負債。

外幣

外幣交易按交易日之適用匯率換算。於結算日以外幣為單位之貨幣資產及負債按結算日之適用匯率折算。匯兌差額撥入損益表中處理。

於綜合賬目時，海外附屬公司、共同控制公司及聯營公司之財務報表按淨投資法換算為港元。海外附屬公司、共同控制公司及聯營公司之損益賬按年內加權平均匯率換算為港元，而資產負債表則按結算日之匯率換算為港元。所有換算差額均撥入匯兌波動儲備處理。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

4. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the media segment publishes and distributes newspapers, magazines and books to readers in Hong Kong, Canada, the United States of America, Europe and Australia, and selling the respective content of such publications in Hong Kong and Mainland China;

3. 主要會計政策概要 (續)

外幣 (續)

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量當日之匯率換算為港元。海外附屬公司之全年經常性現金流量則按年內之加權平均匯率換算為港元。

4. 分類資料

分類資料以兩大類別呈報：(i)按業務劃分之基本分類方式；及(ii)按地區劃分之第二級分類方式。

本集團之經營業務按各自業務之經營性質與所提供之產品和服務獨立地構成和管理。本集團每個業務類別代表一個策略業務單位，各單位所提供的產品和服務承受與其他業務類別不同之風險與回報。以下是業務類別詳情之概述：

- (a) 媒體分類主要向香港、美加、歐洲和澳洲之讀者發行和分派報章及雜誌，及於香港及中國內地銷售上述刊物之相關內容；

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4. SEGMENT INFORMATION (continued)

- (b) the human capital management segment publishes and distributes recruitment magazines and provides continuing education and corporate training in Hong Kong and Mainland China;
- (c) the trading segment trades photographic and electronic products;
- (d) the commercial printing segment provided the services of printing of illustrated books, typesetting and printing of financial documents. The segment was discontinued in 2002 (note 7); and
- (e) the corporate and others segment comprises the Group's Internet and information consultancy services, investment and property holding business and hotel operations together with corporate expense items.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 分類資料(續)

- (b) 人力資本管理分類在香港及中國內地出版及發行求職雜誌並提供持續教育及企業訓培；
- (c) 貿易分類主要是攝影器材及電子產品貿易；
- (d) 商業印刷分類主要提供圖書印刷服務和財經文件排版及印刷服務，此分類已於二零零二年內終止(附註7)；及
- (e) 公司及其他分類包括本集團之互聯網及資訊顧問服務、投資及物業持有業務，以及酒店業務與其他公司支出項目。

在劃分本集團之地區類別時，收益會按客戶之所在地歸類，而資產則按其所在地歸類。

分類業務相互間之銷售與轉讓會參考與第三者進行買賣當時之市場售價而釐定。

4. SEGMENT INFORMATION *(continued)*

In addition, to accord with the presentation adopted in the current year, which in the opinion of the directors, better reflects the underlying nature of the Group's business operations, transactions relating to human capital management segment in the prior year have been reclassified from media and corporate and others segments.

4. 分類資料 (續)

此外，為配合，根據董事認為，更貼切地反映本集團的業務運作之基本性質而於本年度採用之呈報方式，去年有關人力資本管理分類之交易乃由媒體以及公司及其他分類中作重新分類。

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財務報表附註

二零零三年十二月三十一日

4. SEGMENT INFORMATION (continued)

4. 分類資料 (續)

(a) Business segments (continued)

(a) 業務分類 (續)

Group 本集團		Media		Human capital management		Trading		Commercial printing (Discontinued operations) 商業印刷 (已終止業務)		Corporate and others		Eliminations		Consolidated			
		媒體		人力資源管理		貿易		(已終止業務)		公司及其他		對銷		綜合			
		2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Restated)		(Restated)						(Restated)					(Restated)		
		(重列)		(重列)						(重列)					(重列)		
Segment assets	分類資產	387,904	542,325	13,214	4,576	67,270	53,392	-	-	755,388	728,725	-	-	1,223,776	1,329,018		
Interests in jointly-controlled entities	於共同控制公司之權益	204,385	11,882	8,370	4,068	-	-	-	-	122,332	219,410	-	-	335,087	235,360		
Interests in associates	於聯營公司之權益	-	-	-	-	-	185	-	-	(5)	12,607	-	-	(5)	12,792		
Unallocated assets	未分配資產	-	-	-	-	-	-	-	-	-	-	-	-	11,524	7,077		
Total assets	資產總值													1,570,382	1,584,247		
Segment liabilities	分類負債	155,923	150,851	2,073	381	25,615	23,279	-	-	166,608	163,835	-	-	350,219	338,346		
Unallocated liabilities	未分配負債	-	-	-	-	-	-	-	-	-	-	-	-	126,923	113,014		
Total liabilities	未分配負債													477,142	451,360		
Other segment information:	其他分類資料:																
Capital expenditure	資本開支	26,122	56,910	461	-	33	182	-	18,281	31,189	604	-	-	57,805	75,977		
Depreciation and amortisation	折舊及攤銷	11,740	32,346	4,377	-	835	899	-	4,949	26,705	8,539	-	-	43,657	46,733		
Impairment losses recognised in the profit and loss account	已於損益表內確認之減值虧損	5	7,432	-	-	-	-	-	177	6,427	18,259	-	-	6,432	25,868		
Other non-cash expenses	其他非現金開支	14,090	8,863	108	-	(420)	(294)	-	138	4,941	18,175	-	-	18,719	26,882		
Revaluation deficit/(surplus), net	重估虧損/(盈餘)淨額	-	15,871	-	-	-	-	-	-	(3,486)	(207)	-	-	(3,486)	15,664		
Surpluses on revaluation recognised directly in equity, net of deferred tax (as restated)	直接於權益確認之重估盈餘，扣除遞延稅項(重列)	-	5,504	-	-	-	-	-	-	2,857	862	-	-	2,857	6,366		

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4. SEGMENT INFORMATION (continued)

(b) Geographical segments

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments.

Group 本集團	Hong Kong and Mainland China		North America		Australia, New Zealand and Europe 澳洲、新西蘭 及歐洲		Eliminations		Consolidated	
	香港及中國		北美				對銷		綜合	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment revenue:	分類收入：									
Sales to external customers	向外界客戶銷售									
	755,462	739,876	343,106	287,301	82,990	66,956	-	-	1,181,558	1,094,133
Other segment information:	其他分類資料：									
Segment assets	1,089,853	1,195,787	402,216	338,256	66,789	43,127	-	-	1,558,858	1,577,170
Capital expenditure	38,158	65,643	17,644	9,618	2,003	716	-	-	57,805	75,977

5. TURNOVER, REVENUE AND GAINS

Turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts; circulation income, after allowances for returns; net advertising income, after trade discounts; the value of services rendered; and gross rental income received and receivable during the year.

4. 分類資料 (續)

(b) 地區分類

下表呈列本集團按地區類別劃分之收入，若干資產及開支資料。

5. 營業額、收入及收益

營業額為年內已售貨品減退貨及貿易折扣之發票淨值、已減退貨之發行收入、已減貿易折扣之廣告收入淨額、提供服務之價值以及已收及應收之租金收入總額。

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二零零三年十二月三十一日

5. TURNOVER, REVENUE AND GAINS (continued)

5. 營業額、收入及收益(續)

An analysis of turnover, other revenue and gains is as follows:

營業額、其他收入及收益之分析如下：

		2003 二零零三年 Notes 附註	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
Turnover	營業額		
Advertising income	廣告收入	699,465	625,559
Circulation income	發行收入	246,556	193,652
Radio broadcasting advertising income	電台廣播廣告收入	23,992	21,553
Sales of photographic products	銷售攝影器材產品	165,773	107,984
Gross rental income	租金收入總額	6,645	6,848
Rendering of printing services (discontinued)	提供印刷服務(已終止)	—	101,177
Others	其他	39,127	37,360
		1,181,558	1,094,133
Other revenue	其他收入		
Interest income	利息收入	15,210	9,123
Investment income	投資收入	10,753	—
Dividend income from an unlisted investment	來自一項非上市投資之股息收入	1,316	—
Dividend income from listed investments	來自上市投資之股息收入	663	1,046
Declaration subsidy income	報關資助收入	7,011	5,251
Recognition of deferred income	遞延收入之確認	31	3,441
Others	其他	3,562	2,272
		42,281	21,133

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5. TURNOVER, REVENUE AND GAINS (continued)

5. 營業額、收入及收益 (續)

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
	Notes 附註		
Gain	收益		
Gain on early termination of a lease agreement	提早終止租約協議之收益	14,866	—
Negative goodwill recognised as income during the year	於年內確認為收入之負商譽	7,094	17,345
Gain on disposal of short term investments, net	出售短期投資之收益，淨額	2,157	1,009
Unrealised gain on changes in fair values of short term investments, net	短期投資公平值變動未變現收益淨額	6,578	—
Gain on disposal of land and buildings	出售土地及樓宇收益	7,965	—
Gain on disposal of investment properties	出售投資物業收益	4,713	—
Gain on disposal of other fixed assets	出售其他固定資產收益	119	—
Exchange gains, net	匯兌收益淨額	651	118
Other revenue and gains	其他收入及收益	86,424	39,605

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6. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging/(crediting):

6. 經營業務溢利

本集團之經營業務溢利已扣除／(計入)：

		Notes 附註	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
Depreciation	折舊	15	38,864	39,157
Revaluation deficit/(surplus) on land and buildings	土地及樓宇之 重估虧絀／(盈餘)	15	(5,586)	14,927
Revaluation deficit on investment properties	投資物業之重估虧絀	15	2,100	737
Intangible assets:	無形資產：	16		
Amortisation for the year*	年度攤銷*		680	1,150
Impairment arising during the year*	年度減值*		—	6,704
			680	7,854
Goodwill:	商譽：	17		
Amortisation for the year*	年度攤銷*		4,113	1,050
Impairment arising during the year*	年度減值*		—	7,242
			4,113	8,292
Negative goodwill recognised as income during the year**	於年內確認為收入 之負商譽**	17	(7,094)	(17,345)
Auditors' remuneration:	核數師酬金：			
Current year	本年度		2,700	2,799
Underprovision in prior year	去年撥備不足		212	—
			2,912	2,799
Minimum leases payments under operating leases:	經營租賃項目之 最低租金：			
Land and buildings	土地及樓宇		12,309	10,511
Other equipment	其他設備		70	226
			12,379	10,737

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6. PROFIT FROM OPERATING ACTIVITIES (continued)

6. 經營業務溢利 (續)

		2003 二零零三年 Notes 附註	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
Staff costs (including directors' remuneration (note 9))	員工成本 (包括董事酬金(附註9))		
Wages and salaries	工資及薪金	422,747	424,725
Retirement benefits scheme contributions	退休福利計劃供款	16,712	23,171
Less: Forfeited contributions	減：沒收之供款	(2,022)	(5,372)
Net retirement benefits schemes contributions***	退休福利計劃 供款淨額***	14,690	17,799
Total staff costs	員工成本總額	437,437	442,524
Loss on strike-off of a subsidiary	刪除一間附屬公司之虧損	4,348	2,277
Impairment of long term investments	長期投資減值	2,537	2,631
Impairment of other investments	其他投資減值	5	—
Loss on disposal of other investments	出售其他投資之虧損	283	—
Unrealised loss/(gain) on changes in fair values of short term investments, net	短期投資公平值變動 未變現虧損/ (收益)淨額	(6,578)	15,957
Provisions for bad and doubtful debts	呆壞賬撥備	7,331	166
Provision for long service payments, net	長期服務金撥備，淨額	1,558	2,163
Gross rental income	租金收入總額	(6,645)	(6,848)
Less: outgoings	減：開銷	3,125	1,762
Net rental income	租金收入淨額	(3,520)	(5,086)

6. PROFIT FROM OPERATING ACTIVITIES (continued)

- * The amortisation and impairment of goodwill and intangible assets for the year are included in "Other operating expenses, net" on the face of the consolidated profit and loss account.
- ** The negative goodwill recognised in the consolidated profit and loss account for the year is included in "Other revenue and gains" on the face of the consolidated profit and loss account. For the year ended 31 December 2002, the amount of negative goodwill recognised in the consolidated profit and loss account included HK\$15,335,000 (restated) in respect of negative goodwill arising from the acquisition of interest in a subsidiary which is in excess of the fair values of the acquired identifiable non-monetary assets as at the date of acquisition and HK\$2,010,000 of amortisation for the year (note 17).
- *** At 31 December 2003, forfeited contributions available to the Group to reduce its contributions to retirement benefits schemes in future years amounted to approximately HK\$103,000 (2002: HK\$42,000).

6. 經營業務溢利 (續)

- * 本年度商譽及無形資產之攤銷和減值計入綜合損益表「其他經營開支，淨額」內。
- ** 於本年度綜合損益表確認之負商譽計入綜合損益表「其他收入及收益」內。截至二零零二年十二月三十一日止年度，於綜合損益表確認之負商譽金額包括15,335,000港元(重列)因收購一間附屬公司權益而產生之負商譽，且超逾於收購日期所收購可辨別非貨幣資產之公允價值，及本年度2,010,000港元的攤銷(附註17)。
- *** 於二零零三年十二月三十一日，可供本集團於扣減未來數年退休福利供款之沒收供款額約為103,000港元(二零零二年：42,000港元)。

7. DISCONTINUED OPERATIONS

On 25 January 2002, the Group entered into a sale and purchase agreement with an independent third party to dispose of its entire interests in Roman Enterprises Holdings Limited and Super Grand Holdings Limited, which together held the Group's entire interests in South China Printing Company (1988) Limited ("South China"), Noble World Printing Company Limited, Roman Financial Press Limited, Valiant Packaging (Holdings) Limited and their subsidiaries (collectively referred to as the "Disposed Assets"), for an adjusted consideration of approximately HK\$388,808,000. The Disposed Assets were principally engaged in the provision of commercial printing and financial printing services in Hong Kong and overseas. The disposal was completed on 19 April 2002.

A gain on disposal of the Disposed Assets of approximately HK\$207,312,000 was recorded by the Group upon the completion of the above disposal and there were no tax expenses arising from the disposal.

The segment information of the Disposed Assets had been disclosed under the "Commercial printing" segment in note 4 to the financial statements.

7. 已終止業務

本集團於二零零二年一月二十五日與獨立第三者訂立買賣協議，以經調整代價約388,808,000港元出售於Roman Enterprises Holdings Limited及Super Grand Holdings Limited之全部權益，該兩間公司共同持有本集團於南華印刷（一九八八）有限公司（「南華」）、卓越印刷有限公司、洛文財經印刷有限公司、Valiant Packaging (Holdings) Limited及其附屬公司之全部權益（合稱「已出售資產」）。已出售資產主要在香港與海外提供商業印刷及金融印刷服務。此出售於二零零二年四月十九日完成。

本集團於完成出售已出售資產後所錄得之一項收益約為207,312,000港元，而此出售並無產生稅項開支。

已出售資產之分類資料已於財務報表附註4「商業印刷」作出分類披露。

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7. DISCONTINUED OPERATIONS (continued)

The turnover, other revenue, expenses, profit from ordinary activities and tax expenses attributable to the Disposed Assets were as follows:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Turnover	營業額	—	101,177
Other revenue	其他收入	—	138
Expenses	開支	—	(91,349)
Profit from ordinary activities	經營業務溢利	—	9,966
Tax expenses	稅項開支	—	(496)

7. 已終止業務(續)

撥歸已出售資產之營業額、其他收入、開支、經營業務溢利及稅項開支如下：

8. FINANCE COSTS

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Interest expense on a bank loan wholly repayable within five years	須於五年內悉數償還之銀行貸款之利息開支	568	1,220
Interest on finance leases	融資租賃利息	75	—
		643	1,220

8. 融資成本

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9. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Companies Ordinance, is as follows:

9. 董事酬金

以下是根據香港聯合交易所有限公司證券上市規則(「上市規則」)及公司條例第161條披露之年內董事酬金：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Fees:	袍金：		
Executive directors	執行董事	—	136
Non-executive directors	非執行董事	80	80
Independent non-executive directors	獨立非執行董事	430	432
		510	648
Other emoluments to executive directors:	付予執行董事之其他酬金：		
Salaries and other benefits	薪金及其他福利	25,179	26,254
Retirement benefits schemes contributions	退休福利計劃供款	90	241
		25,269	26,495
		25,779	27,143

There were no other emoluments payable to the independent non-executive directors during the year (2002: Nil).

年內並無向獨立非執行董事支付其他酬金(二零零二年：無)。

9. DIRECTORS' REMUNERATION (continued)

The number of directors whose remuneration fell within the following bands is as follows:

Nil to HK\$1,000,000	零至1,000,000港元	6	6
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	2
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	2	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	—	2
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至4,000,000港元	1	—
HK\$5,000,001 to HK\$5,500,000	5,000,001港元至5,500,000港元	1	—
HK\$6,000,001 to HK\$6,500,000	6,000,001港元至6,500,000港元	1	—
HK\$6,500,001 to HK\$7,000,000	6,500,001港元至7,000,000港元	—	2

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

During the year, 20,900,000 share options of the Company were granted to the directors in respect of their services to the Group, further details of which are set out in note 35 to the financial statements. No value in respect of the share options granted during the year has been charged to the profit and loss account, or is otherwise included in the above directors' remuneration disclosures.

9. 董事酬金 (續)

董事酬金介乎下列組別：

Number of directors 董事人數	
2003 二零零三年	2002 二零零二年

本年度內董事概無訂立放棄或同意放棄任何酬金之安排。

年內，本公司就董事向本集團所提供服務而授出20,900,000份購股權，詳情載於財務報表附註35之披露。損益表內並無就年內授出購股權之價值扣除任何款項，有關購股權之價值亦無計入上文董事酬金披露。

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10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included five (2002: four) directors, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining non-director, highest paid employee for the year ended 31 December 2002 is as follows:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	—	2,080
Compensation for loss of office	離職補償	—	1,500
Performance related bonuses	業績表現酬金	—	—
Pension scheme contributions	退休金計劃供款	—	50
		—	3,630

The remuneration of the non-director, highest paid employee for the year ended 31 December 2002 fell within the following band:

		Number of employees 僱員人數	
		2003 二零零三年	2002 二零零二年
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至4,000,000港元	—	1

During the year ended 31 December 2002, no share option was granted to the non-director, highest paid employee in respect of his service to the Group.

10. 五位最高薪僱員

年內五位最高薪僱員包括五位董事(二零零二年：四位)，彼等之酬金詳情已於上文附註9披露。截至二零零二年十二月三十一日止年度餘下一位最高薪非董事僱員之酬金詳情如下：

截至二零零二年十二月三十一日止年度之一名最高薪之非董事僱員之酬金介乎下列組別：

截至二零零二年十二月三十一日止年度內，本集團並無就非董事最高薪僱員提供之服務向其授予購股權。

11. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2002: 16%) on the estimated assessable profits arising in Hong Kong during the year. The increased Hong Kong profits tax rate became effective from the year of assessment 2003/2004, and so is applicable to the assessable profits arising in Hong Kong for the whole of the year ended 31 December 2003. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

11. 稅項

香港利得稅乃按年內於香港產生之估計應課稅溢利，以17.5%（二零零二年：16%）稅率撥備。香港利得稅稅率之增加於二零零三年／二零零四評稅年度生效，因此適用於截至二零零三年十二月三十一日止年度全年於香港產生之應課稅溢利。於其他國家地區之應課稅溢利之稅項，乃按本集團有業務經營之國家之現行稅率，並按當地現行法例、詮釋及慣例計算。

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)
Group:	本集團：		
Current	本年度		
The People's Republic of China:	中華人民共和國：		
Hong Kong	香港	5,584	1,265
Elsewhere	其他地區	120	123
Elsewhere	其他地區	24,431	18,201
Under/(over) provision in prior years	過往年度撥備不足/ (超額撥備)	(6,604)	10
Deferred (note 33)	遞延 (附註33)	(1,893)	605
		21,638	20,204
Share of tax attributable to: Jointly-controlled entities	應佔公司稅項： 共同控制公司	5,183	4,008
Total tax charge for the year	本年度稅項支出總額	26,821	24,212

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11. TAX (continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the countries in which the Company and its subsidiaries, jointly-controlled entities and associates are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

11. 稅項 (續)

按本公司及其附屬公司、共同控制公司及聯營公司註冊成立國家之法定稅率計算適用於除稅前溢利之稅項開支，與實際稅率計算之稅項開支之對賬，以及適用稅率（即法定稅率）與實際稅率之對賬如下：

		Hong Kong		Mainland China		North America		Australia, New Zealand and Europe		Total	
		香港	%	中國內地	%	北美	%	澳洲、新西蘭及歐洲	%	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	%
Group – 2003	本集團 — 二零零三年										
Profit/(loss) before tax	除稅前溢利/ (虧損)	(18,402)		(22,059)		62,490		14,493		36,522	
Tax at the statutory tax rate	按法定稅率計算之稅項	(3,222)	17.5	(7,280)	33.0	23,481	37.6	4,348	30.0	17,327	47.4
Effect on opening deferred tax of increase in rates	稅率上調對期初遞延稅項之影響	1,264	(6.9)	—	—	—	—	—	—	1,264	3.5
Adjustments in respect of current tax of previous periods	以往期間之當期稅項調整	1,802	(9.8)	—	—	(8,432)	(13.5)	26	0.2	(6,604)	(18.1)
Income not subject to tax	毋須納稅之收入	(1,325)	7.2	—	—	(45,109)	(72.2)	—	—	(46,434)	(127.1)
Expenses not deductible for tax	不可扣稅之開支	5,399	(29.3)	860	(3.9)	45,627	73.0	2,909	20.1	54,795	150.0
Tax losses utilised from previous periods	運用以往期間之稅務虧損	(9,682)	52.6	—	—	—	—	(4,568)	(31.5)	(14,250)	(39.0)
Tax losses not recognised	並無確認之稅務虧損	14,183	(77.1)	6,540	(29.6)	—	—	—	—	20,723	56.7
Tax charge at the Group's effective rate	按本集團實際稅率計算之稅項	8,419	(45.8)	120	(0.5)	15,567	24.9	2,715	18.8	26,821	73.4

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11. TAX (continued)

11. 稅項 (續)

	Hong Kong		Mainland China		North America		Australia, New Zealand and Europe		Total	
	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	%
Group – 2002	本集團 — 二零零二年									
Profit/(loss) before tax	除稅前溢利/(虧損)									
	76,632		(34,811)		59,814		101,915		203,550	
Tax at the statutory tax rate	按法定稅率計算之稅項									
	12,261	16.0	(11,486)	33.0	21,571	36.1	33,352	32.7	55,698	27.4
Adjustments in respect of current tax of previous periods	以往期間之當期稅項調整									
	–	–	10	–	–	–	–	–	10	–
Income not subject to tax	毋須納稅之收入									
	(54,846)	(71.6)	(121)	0.3	(25,888)	(43.3)	(31,287)	(30.7)	(112,142)	(55.1)
Expenses not deductible for tax	不可扣稅之開支									
	29,652	38.7	536	(1.5)	9,966	16.7	1,425	1.4	41,579	20.4
Tax losses utilised from previous periods	運用以往期間之稅務虧損									
	(214)	(0.3)	–	–	–	–	(17)	–	(231)	(0.1)
Tax losses not recognised	並無確認之稅務虧損									
	17,169	22.4	11,194	(32.2)	10,935	18.3	–	–	39,298	19.3
Tax charge at the Group's effective rate	按本集團實際稅率計算之稅項									
	4,022	5.2	133	(0.4)	16,584	27.8	3,473	3.4	24,212	11.9

12. NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

12. 股東應佔日常業務虧損淨額

The net loss from ordinary activities attributable to shareholders for the year ended 31 December 2003 dealt with in the financial statements of the Company was HK\$34,282,000 (2002: HK\$79,071,000) (note 36(b)).

於本公司財務報表中處理之截至二零零三年十二月三十一日止年度的股東應佔日常業務虧損淨額為34,282,000港元(二零零二年：79,071,000港元)(附註36(b))。

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13. DISTRIBUTION

13. 分派

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Distribution of HK1 cent (2002: Nil) per ordinary share	每股普通股1港仙 (二零零二年：無)之分派	18,181	—

On 24 April 2003, the directors proposed a distribution of HK\$0.01 per share (the "Distribution") to the shareholders of the Company subject to the passing of a special resolution (the "Resolution") as further detailed in note 34(a)(iv) to the financial statements. The Distribution was declared to the shareholders of the Company whose names appeared on the register of members of the Company on 24 June 2003 upon the passing of the Resolution.

於二零零三年四月二十四日，董事建議向本公司股東作出每股0.01港元之分派（「分派」），惟須待一項特別決議案（「決議案」）獲通過後，方可作實，詳見財務報表附註34(a)(iv)。分派已在決議案通過後派付予二零零三年六月二十四日名列本公司股東名冊之本公司股東。

14. EARNINGS PER SHARE

14. 每股溢利

The calculation of basic earnings per share is based on the net profit from ordinary activities attributable to shareholders for the year of HK\$12,368,000 (2002 (restated): HK\$154,768,000) and the weighted average of 1,827,265,463 (2002: 1,556,243,668) ordinary shares in issue during the year.

每股基本溢利乃按本年度股東應佔日常業務溢利淨額12,368,000港元（二零零二年（重列）：154,768,000港元）及本年度已發行普通股之加權平均數1,827,265,463股（二零零二年：1,556,243,668股）計算。

The calculation of diluted earnings per share for the year ended 31 December 2003 is based on the net profit attributable to shareholders for the year of HK\$12,368,000.

截至二零零三年十二月三十一日止年度每股攤薄溢利乃按本年度股東應佔溢利淨額12,368,000港元計算。

14. EARNINGS PER SHARE (continued)

The calculation of diluted earnings per share for the year ended 31 December 2002 is based on the net profit attributable to shareholders for the year of HK\$154,768,000 (restated), adjusted by additional interest income of HK\$6,459,000 assuming partly paid-up preference shares had been fully paid up at the beginning of the prior year before converted into ordinary shares, and the proceeds of which were placed on 12-month Hong Kong dollar fixed deposits earning interest of 1% per annum.

The weighted average number of ordinary shares used in the calculation of diluted earnings per share is the 1,827,265,463 (2002: 1,556,243,668) ordinary shares in issue during the year, as used in the basic earnings per share calculation; the weighted average of 3,272,948 (2002: 88,900) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options during the year and the weighted average 6,156,093 (2002: 1,159,289,648) ordinary shares assumed to have been issued on the deemed conversion of all preference shares at the beginning of the year.

14. 每股溢利 (續)

截至二零零二年十二月三十一日止年度每股攤薄溢利乃按年內股東應佔溢利淨額154,768,000港元(重列)及假設部份已繳優先股已於去年年初繳足而兌換為普通股，並把所得款項存入12個月之港幣定期存款，按年率1厘計息計算獲得額外利息收入6,459,000港元以作調整。

用作計算年內每股攤薄溢利之已發行普通股之加權平均數為1,827,265,463股(二零零二年：1,556,243,668股)(亦用作計算每股基本盈利)；及假設於年內因視作全數行使購股權而須無償發行之普通股之加權平均數3,272,948股(二零零二年：88,900股)，及假設於年初因視作全數兌換優先股而須發行之普通股之加權平均數6,156,093股(二零零二年：1,159,289,648股)。

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15. FIXED ASSETS

15. 固定資產

Group
本集團

		Land and buildings 土地及樓宇 HK\$'000 千港元	Investment properties 投資物業 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢私、裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost or valuation:	成本值或估值：						
At 1 January 2003	於二零零三年一月一日	262,760	35,298	5,569	217,863	655	522,145
Additions	添置	–	–	12,612	34,093	5,100	51,805
Acquisition of subsidiaries (note 37(a))	收購附屬公司 (附註 37(a))	–	–	–	590	–	590
Disposals	出售	(19,810)	(31,000)	(37)	(15,630)	(813)	(67,290)
Surplus/(deficit) on revaluation	重估盈餘/(虧絀)	4,785	(2,100)	–	–	–	2,685
Exchange realignment	匯兌調整	4,391	–	547	2,492	(3)	7,427
At 31 December 2003	於二零零三年 十二月三十一日	252,126	2,198	18,691	239,408	4,939	517,362
Analysis of cost or valuation:	成本值或估值分析：						
At cost	按成本值	–	–	18,691	239,408	4,939	263,038
At 31 December 2003 professional valuation	二零零三年 十二月三十一日 之專業估值	252,126	–	–	–	–	252,126
At 31 December 2003 directors' valuation	二零零三年 十二月三十一日 之董事估值	–	2,198	–	–	–	2,198
		252,126	2,198	18,691	239,408	4,939	517,362
Accumulated depreciation:	累計折舊：						
At 1 January 2003	於二零零三年一月一日	–	–	2,263	134,459	289	137,011
Provided during the year	年內撥備	6,270	–	2,902	28,889	803	38,864
Disposals	出售	(852)	–	(20)	(14,938)	(672)	(16,482)
Write-back on revaluation	重估撥回	(5,703)	–	–	–	–	(5,703)
Exchange realignment	匯兌調整	285	–	342	1,862	(2)	2,487
At 31 December 2003	於二零零三年 十二月三十一日	–	–	5,487	150,272	418	156,177
Net book value:	賬面淨值：						
At 31 December 2003	於二零零三年 十二月三十一日	252,126	2,198	13,204	89,136	4,521	361,185
At 31 December 2002	於二零零二年 十二月三十一日	262,760	35,298	3,306	83,404	366	385,134

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15. FIXED ASSETS (continued)

15. 固定資產 (續)

Company

本公司

		Land and buildings 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost or valuation:	成本值或估值：					
At 1 January 2003	於二零零三年一月一日	8,030	—	511	521	9,062
Additions	添置	—	—	18	787	805
Transfer from/(to) subsidiaries	轉撥自/(入)附屬公司	—	1,596	(249)	—	1,347
Surplus on revaluation	重估盈餘	310	—	—	—	310
At 31 December 2003	於二零零三年 十二月三十一日	8,340	1,596	280	1,308	11,524
Analysis of cost or valuation:	成本值或估值分析：					
At cost	按成本值	—	1,596	280	1,308	3,184
At 31 December 2003 professional valuation	二零零三年 十二月三十一日 之專業估值	8,340	—	—	—	8,340
		8,340	1,596	280	1,308	11,524
Accumulated depreciation:	累計折舊：					
At 1 January 2003	於二零零三年一月一日	—	—	466	287	753
Provided during the year	年內撥備	167	446	34	261	908
Transfer from/(to) subsidiaries	轉撥自/(入)附屬公司	—	1,150	(229)	—	921
Write-back on revaluation	重估撥回	(167)	—	—	—	(167)
At 31 December 2003	於二零零三年 十二月三十一日	—	1,596	271	548	2,415
Net book value:	賬面淨值：					
At 31 December 2003	於二零零三年 十二月三十一日	8,340	—	9	760	9,109
At 31 December 2002	於二零零二年 十二月三十一日	8,030	—	45	234	8,309

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15. FIXED ASSETS (continued)

The land and buildings of the Group included above are held under the following lease terms:

		Hong Kong 香港 HK\$'000 千港元	Mainland China 中國內地 HK\$'000 千港元	Elsewhere 其他地區 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At valuation:	按估值：				
Freehold	永久	—	—	82,626	82,626
Long term leases	長期租賃	15,360	1,290	—	16,650
Medium term leases	中期租賃	152,850	—	—	152,850
		168,210	1,290	82,626	252,126

The land and buildings of the Company included above are held under the following lease terms:

		Hong Kong 香港 HK\$'000 千港元	Mainland China 中國內地 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At valuation:	按估值：			
Long term leases	長期租賃	—	1,290	1,290
Medium term leases	中期租賃	7,050	—	7,050
		7,050	1,290	8,340

15. 固定資產 (續)

上述本集團之土地及樓宇按下列租賃年期持有：

上述本公司之土地及樓宇按下列租賃年期持有：

15. FIXED ASSETS (continued)

The Group's and the Company's land and buildings were revalued individually at 31 December 2003 by Chung, Chan & Associates, independent professionally qualified valuers, at an aggregate value of HK\$252,126,000 and HK\$8,340,000 respectively, on an open market value and existing state basis.

Revaluation surpluses of HK\$4,902,000 and HK\$5,586,000 resulting from the valuations on the Group's land and buildings, have been credited to the Group's land and building revaluation reserve and consolidated profit and loss account, respectively. Revaluation surpluses of HK\$37,000 and HK\$440,000, resulting from the valuations of the Company's land and buildings, have been credited to the Company's land and building revaluation reserve and profit and loss account, respectively.

Had all the land and buildings of the Group and the Company been carried at cost less accumulated depreciation and impairment losses, the carrying amounts would have been approximately HK\$237,837,000 (2002: HK\$249,921,000) and HK\$8,086,000 (2002: HK\$8,030,000), respectively.

The Group's investment properties are situated in Hong Kong and are held under a long term lease.

15. 固定資產 (續)

本集團與本公司之土地及樓宇已經於二零零三年十二月三十一日由獨立專業合資格估值師衡量行按公開市值及現況個別地估值為合共252,126,000港元及8,340,000港元。

由本集團土地及樓宇之估值產生之重估盈餘4,902,000港元及5,586,000港元已分別計入本集團土地及樓宇重估儲備及自綜合損益表扣除。由本公司土地及樓宇估值產生之重估盈餘37,000港元及440,000港元已分別計入本公司之土地及樓宇重估儲備及損益表。

倘本集團與本公司之土地及樓宇均按成本值減累計折舊及減值虧損列賬，賬面值分別約為237,837,000港元(二零零二年：249,921,000港元)及8,086,000港元(二零零二年：8,030,000港元)。

本集團之投資物業位於香港，乃根據長期租約持有。

15. FIXED ASSETS (continued)

The Group's investment properties were revalued at 31 December 2003 by Chung Chan & Associates, independent professionally qualified valuers, at an aggregate value of HK\$2,940,000, on an open market value and existing state basis. However, these investment properties were stated at the directors' valuation at HK\$2,198,000 with reference to the subsequent disposal price. Accordingly, an aggregate revaluation deficit of HK\$2,100,000, being the difference between the carrying value of the property as at 31 December 2002 of HK\$4,298,000 and the directors' valuation as at 31 December 2003, has been charged to the profit and loss account (note 6).

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 40(a) to the financial statements.

Further particulars of the Group's land and buildings and investment properties are included on pages 179 to 182 of this annual report.

The net book value of the Group's fixed assets held under finance leases included in the total amount of furniture, fixtures and equipment at 31 December 2003, amounted to HK\$1,448,000 (2002: HK\$830,000).

15. 固定資產 (續)

本集團之投資物業已經於二零零三年十二月三十一日由獨立專業合資格估值師衡量行按公開市值及現況估值為總值2,940,000港元。惟此等投資物業則由董事參考其後出售價而估值為2,198,000港元。因此，總重估虧絀2,100,000港元，即物業於二零零二年十二月三十一日之賬面值4,298,000港元與於二零零三年十二月三十一日之董事估值之差額，已自損益表扣除(附註6)。

根據經營租賃租予第三方之投資物業之進一步主要詳情載於財務報表附註40(a)。

本集團之土地及樓宇以及投資物業之進一步詳情載於本年報第179至182頁。

於二零零三年十二月三十一日之傢俬、裝置及設備之總額中包括本集團根據融資租賃持有之固定資產之賬面淨值為1,448,000港元(二零零二年：HK\$830,000港元)。

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16. INTANGIBLE ASSETS

16. 無形資產

Group		HK\$'000
本集團		千港元
Cost:	成本值：	
At beginning of year	年初	23,004
Additions	添置	6,000
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At 31 December 2003	於二零零三年十二月三十一日	29,004
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Accumulated amortisation and impairment:	累計攤銷及減值：	
At beginning of year	年初	7,854
Amortisation provided during the year	年內攤銷撥備	680
<hr/>		
At 31 December 2003	於二零零三年十二月三十一日	8,534
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Net book value:	賬面淨值：	
At 31 December 2003	於二零零三年十二月三十一日	20,470
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At 31 December 2002	於二零零二年十二月三十一日	15,150
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17. GOODWILL AND NEGATIVE GOODWILL

The amounts of the goodwill and negative goodwill capitalised as an asset or recognised in the consolidated balance sheet, arising from the acquisition of subsidiaries and jointly-controlled entities, are as follows:

Group 本集團		Goodwill arising on acquisition of subsidiaries 收購附屬公司 所產生之商譽 HK\$'000 千港元	Goodwill of jointly- controlled entities (note 20) 收購共同控制 公司所產生之 商譽(附註20) HK\$'000 千港元	Negative goodwill arising on acquisition of subsidiaries 收購附屬公司 所產生之 負商譽 HK\$'000 千港元
Cost:	成本值：			
At beginning of year	年初			
As previously reported	如前呈報	8,292	16,130	(160,100)
Prior year adjustment:	以前年度調整：			
SSAP 12 – restatement of deferred tax	會計實務準則第12號 — 重列遞延稅項	—	—	6,106
As restated	重列	8,292	16,130	(153,994)
Acquisition of subsidiaries (note 37(a))	收購附屬公司 (附註 37(a))	7,050	—	—
Acquisition of additional interest in a subsidiary	收購一間附屬公司額外權益	—	—	(1,065)
Acquisition of a jointly – controlled entity	收購一間共同控制公司	—	7,779	—
At 31 December 2003	於二零零三年十二月三十一日	15,342	23,909	(155,059)

17. 商譽與負商譽

因收購附屬公司和共同控制公司而產生並資本化作為資產或已於綜合資產負債表確認之商譽及負商譽如下：

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17. GOODWILL AND NEGATIVE GOODWILL (continued)

17. 商譽與負商譽 (續)

Group 本集團		Goodwill arising on acquisition of subsidiaries 收購共同控制 收購附屬公司 所產生之商譽 HK\$'000 千港元	Goodwill arising on acquisition of jointly- controlled entities (note 20) 收購共同控制 公司所產生之 商譽 (附註20) HK\$'000 千港元	Negative goodwill arising on acquisition of subsidiaries 收購附屬公司 所產生之 負商譽 HK\$'000 千港元
Accumulated amortisation and impairment/ (recognition as income):	累計攤銷及減值/ (確認為收入):			
At beginning of year	年初			
As previously reported	如前呈報	8,292	16,130	(23,451)
Prior year adjustment: SSAP 12 – restatement of deferred tax	以前年度調整: 會計實務準則第12號— 重列遞延稅項	—	—	6,106
As restated	重列	8,292	16,130	(17,345)
Amortisation provided/ (recognised as income) during the year	年內已撥備攤銷/ (確認為收入)	4,113	—	(7,094)
Impairment provided during the year	年內減值撥備	—	3,890	—
At 31 December 2003	於二零零三年十二月三十一日	12,405	20,020	(24,439)
Net book value:	賬面淨值:			
At 31 December 2003	於二零零三年十二月三十一日	2,937	3,889	(130,620)
At 31 December 2002	於二零零二年十二月三十一日	—	—	(136,649)

17. GOODWILL AND NEGATIVE GOODWILL (continued)

As detailed in note 3 to the financial statements, on the adoption of SSAP 30 in 2001, the Group applied the transitional provision of SSAP 30 that permitted negative goodwill in respect of acquisitions which occurred prior to the adoption of the SSAP, to remain credited to the capital reserve.

The aggregate amount of the negative goodwill remaining in capital reserve as at 31 December 2003, arising from the acquisition of subsidiaries prior to the adoption of SSAP 30 in 2001, was HK\$103,541,000 (as restated), as at 1 January 2003 and 31 December 2003.

The aggregate amount of the goodwill remaining in the capital reserve as at 31 December 2002, arising from the acquisition of an associate prior to the adoption of SSAP 30 in 2001, was HK\$2,984,000.

SSAP 12 was adopted during the year, as explained in note 2 and under the heading "Income Tax" in note 3 to the financial statements. As a result, deferred tax liability has been recognised relating to the fair value adjustments arising from the acquisition of subsidiaries and the corresponding negative goodwill carrying amount has been adjusted.

This change in accounting policy has resulted in a decrease in negative goodwill of HK\$6,106,000 as at 31 December 2002 and a decrease in recognition of negative goodwill as income of HK\$6,106,000 for the year ended 31 December 2002.

17. 商譽與負商譽 (續)

誠如財務報表附註3所述，於二零零一年採納會計實務準則第30號後，本集團已經採用會計實務準則第30號之過渡條文，條文准許採納此項會計實務準則前進行之收購所產生之負商譽，可繼續計入資本儲備中。

二零零一年採納會計實務準則第30號前收購附屬公司所產生之負商譽之總額於二零零三年一月一日及二零零三年十二月三十一日為103,541,000港元(重列)，仍繼續保留在資本儲備內。

二零零一年採納會計實務準則第30號前收購聯營公司所產生之商譽之總額於二零零二年十二月三十一日為2,984,000港元，仍繼續保留在資本儲備內。

誠如財務報表附註2以及附註3「所得稅」一節所述，年內採納會計實務準則第12號。因此，已就收購附屬公司產生之公平值調整確認遞延稅項負債，而相應之負商譽賬面值已經調整。

此項會計政策之變動導致於二零零二年十二月三十一日之負商譽減少6,106,000港元，以及截至二零零二年十二月三十一日止年度負商譽確認為收入減少6,106,000港元。

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二零零三年十二月三十一日

18. INTERESTS IN SUBSIDIARIES

18. 於附屬公司之權益

		Company 本公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	115,258	115,258
Less: Provision for impairment	減：減值撥備	(110,258)	(110,258)
		5,000	5,000
Due from subsidiaries	應收附屬公司款項	1,415,567	1,362,680
Less: Provisions for amounts due from subsidiaries	減：應收附屬公司款項撥備	(336,003)	(318,134)
		1,079,564	1,044,546
Due to subsidiaries	應付附屬公司款項	(346,180)	(267,575)
		738,384	781,971

The balances with subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

與附屬公司之間之結餘為無抵押、免息及無固定還款期。

Particulars of the principal subsidiaries as at 31 December 2003 are set out in note 44 to the financial statements.

於二零零三年十二月三十一日之主要附屬公司詳情載於附註44內。

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19. INVESTMENT IN AN UNCONSOLIDATED SUBSIDIARY

19. 於一間未有作合併賬處理之附屬公司之投資

		Group and Company 本集團及本公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	36,000	36,000
Less: Provision for impairment	減：減值撥備	(36,000)	(36,000)
		—	—

The investment represents the cost incurred by the Company under an agreement completed in January 2000 (the "Agreement") to acquire a 70% equity interest in Artland International Limited ("Artland"), an investment holding company incorporated in Hong Kong, the sole asset of which is a 50% equity interest in Sichuan Allday TV Development Co., Ltd. ("Sichuan Allday"), a Sino-foreign equity joint venture established in Mainland China. At the balance sheet date, of the total consideration of HK\$36,000,000, the Company had paid HK\$18,000,000; the remaining HK\$18,000,000 of the original purchase consideration has been included as a liability in other payables and accruals.

該項投資是指本公司根據一項於二零零零年一月完成之協議（「該協議」），收購藝傳國際有限公司（「藝傳」）之70%股本權益所產生之成本。藝傳為一間於香港註冊成立之投資控股公司，其唯一資產為擁有一間在中國內地成立之中外合資合營企業—四川全天電視發展有限公司（「四川全天」）之50%股本權益。於結算日，在總代價36,000,000港元中，本公司已支付18,000,000港元，餘額18,000,000港元之原購買代價已列入其他應付款項及應計款項作為負債。

19. INVESTMENT IN AN UNCONSOLIDATED SUBSIDIARY (continued)

Pursuant to the Agreement, the vendors are responsible, inter alia, to procure for the appointment of the Company's representatives as directors of Sichuan Allday. However, up to the date of approval of these financial statements, the vendors have not been able to honour their obligations under the Agreement, including significantly the obligations relating to the appointment of directors representing Artland, and hence the Company, in Sichuan Allday. As a result, the Group has been unable either to participate in the management of its investment, or to obtain any financial information of Sichuan Allday. Against this background, the directors consider that in substance the Group is unable to exercise effective control over its investment as a whole and, accordingly, have accounted for Artland as an unconsolidated subsidiary.

In the prior year, the Group had commenced a legal action against the vendors for rescission of the Agreement made between the parties and/or damages to be assessed. The vendors then put forward a counterclaim against the Group for the remaining consideration of HK\$18,000,000. According to a legal opinion, the Group had a good arguable defence against the counterclaim. The Group had resumed discussion with the vendors during the year to sell back the 70% equity interest in Artland (the "Sale-back"). Up to the date of approval of these financial statements, the terms of the Sale-back are not yet finalised. As the legal action is at its early stage and its outcome is uncertain, the directors consider that it is prudent to continue to carry a full provision of HK\$36,000,000 against the Group's interest in Artland.

19. 於一間未有作合併賬處理之附屬公司之投資(續)

根據該協議，賣方有責任(包括其他事項)促使本公司之代表獲委任為四川全天之董事。然而，直至此等財務報表獲批准之日為止，賣方仍未能根據該協議履行彼等之責任，最重要的包括有關在四川全天委任代表藝傳(繼而代表本公司)之董事。因此，本集團未能參與其所投資之公司之管理層，亦未能取得四川全天的任何財務資料。在此背景下，董事認為本集團實際上仍未能對所投資之公司行使整體實際控制權，因此將藝傳以未有作合併賬處理之附屬公司列賬。

去年，本集團就賣方違反與各訂約方所訂立之協議及／或所蒙受之損失控告賣方，惟賣方反控告本集團申索代價餘額18,000,000港元。根據法律意見，本集團有充份證據將反控告訴訟駁回。本集團已於年內恢復與賣方討論售回藝傳之70%股本權益(「售回」)。截至本財務報表通過日期為止，售回之條款尚未敲定。由於訴訟剛開始而未有審判結果，故董事認為應採取審慎策略繼續就本集團於藝傳之權益作出全數36,000,000港元撥備。

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19. INVESTMENT IN AN UNCONSOLIDATED SUBSIDIARY (continued)

As extracted from the unaudited management accounts, the deficiency of assets of Artland as at 31 December 2003 was HK\$23,106,000 (2002: HK\$23,102,000) and the Group's share thereof was HK\$16,174,000 (2002: HK\$16,171,000). The post-acquisition loss of Artland for the year ended 31 December 2003 was HK\$4,000 (2002: HK\$61,000) and the Group's share thereof was HK\$3,000 (2002: HK\$42,000).

No guarantee had been given by the Group to Artland or its creditors and thus no material contingent liability in respect thereof is considered likely to arise.

20. INTERESTS IN JOINTLY-CONTROLLED ENTITIES

19. 於一間未有作合併賬處理之附屬公司之投資(續)

根據未經審核管理賬目，於二零零三年十二月三十一日，藝傳之資產虧絀為23,106,000港元(二零零二年：23,102,000港元)，本集團應佔數額為16,174,000港元(二零零二年：16,171,000港元)。截至二零零三年十二月三十一日止年度，藝傳之收購後虧損為4,000港元(二零零二年：61,000港元)，本集團應佔數額為3,000港元(二零零二年：42,000港元)。

由於本集團並無向藝傳或其債權人發出任何擔保，故應不會就此而產生任何重大或然負債。

20. 於共同控制公司之權益

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Share of net assets	應佔資產淨值	189,096	161,560
Goodwill on acquisition (note 17)	因收購產生之商譽(附註17)	3,889	—
		192,985	161,560
Due from jointly-controlled entities	應收共同控制公司款項	221,629	182,386
Less: Provisions for amounts due from jointly-controlled entities	減：應收共同控制公司款項之撥備	(79,527)	(108,586)
		335,087	235,360

20. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

Except for an aggregate amount of HK\$4,650,000 (2002: HK\$3,300,000) due from two jointly-controlled entities which bear interest at a rate of 5% per annum, the balances due from jointly-controlled entities are interest-free, unsecured and have no fixed terms of repayment.

The Group's trade payable balances due to jointly-controlled entities are disclosed in note 27 to the financial statements.

Particulars of the principal jointly-controlled entities, which are held indirectly through subsidiaries, are as follows:

Name 名稱	Business structure 業務架構	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Percentage of ownership interest attributable to the Group 本集團應佔股本 百分比		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
Beelink Information Science & Technology Co., Ltd. ("Beelink") 百靈訊息科技 有限公司 (「百靈」)	Corporate 企業	Mainland China 中國內地	40	40	Provision of technical support and consultancy services for Internet service providers 為互聯網服務供應商 提供技術支援及諮詢服務

20. 於共同控制公司之權益 (續)

除應收兩間共同控制公司合共4,650,000港元(二零零二年: 3,300,000港元)之款項須按年利率5厘計息外, 應收共同控制公司之其餘款項為免息及無抵押, 且無固定還款期。

本集團應付一間共同控制公司之貿易賬款於財務報表附註27披露。

本集團透過附屬公司間接持有之主要共同控制公司之詳情如下:

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20. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

20. 於共同控制公司之權益 (續)

Name 名稱	Business structure 業務架構	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Percentage of ownership interest attributable to the Group 本集團應佔股本 百分比		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
北京新華電廣影視技術 有限公司 #	Corporate 企業	Mainland China 中國內地	49	49	Provision of consultancy services on film production and sale of film broadcasting rights 為電影製作提供顧問服 務及銷售電影播放權
北京聯成互動軟件技術 有限公司 #	Corporate 企業	Mainland China 中國內地	20	20	Software development 軟件研發
北京新華在線信息技術 有限公司 #	Corporate 企業	Mainland China 中國內地	55	55	Provision of value-added PRC business information 提供中國商業增值資訊
大華媒體服務有限 責任公司 #	Corporate 企業	Mainland China 中國內地	49	—	Distribution of print- media publications in Mainland China 中國內地平面媒體 印刷品之發行

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20. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

20. 於共同控制公司之權益 (續)

Name 名稱	Business structure 業務架構	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Percentage of ownership interest attributable to the Group 本集團應佔股本 百分比		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
北京大華弘景期刊發行 有限責任公司 #	Corporate 企業	Mainland China 中國內地	24.98	—	Distribution of print- media publications in Mainland China 中國內地平面媒體印刷品 之發行
廣州如茶文化傳播 有限公司 #	Corporate 企業	Mainland China 中國內地	12.74	—	Distribution of print- media publications in Mainland China 中國內地平面媒體印刷品 之發行
北京經華智業教育科技 有限公司 #	Corporate 企業	Mainland China 中國內地	70	70	Provision of on-line and off-line corporate and vocational training and related services 提供線上及非網上企業 及職業培訓及相關服務

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20. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

20. 於共同控制公司之權益 (續)

Name 名稱	Business structure 業務架構	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Percentage of ownership interest attributable to the Group 本集團應佔股本 百分比		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
Premier Printing Group Limited 出版之友印務集團 有限公司	Corporate 企業	Hong Kong 香港	50	50	Printing 印刷
Sing Tao Daily Limited	Corporate 企業	Canada 加拿大	25	25	Newspaper publishing 報章發行
Sing Tao Newspapers (Canada 1988) Limited ("STN Canada")	Corporate 企業	Canada 加拿大	50	50	Newspaper production 報章製作
Singdeer Joint Venture #	Unincorporated 非註冊成立	Canada 加拿大	50	50	Hotel operations * 酒店經營 *

20. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

20. 於共同控制公司之權益 (續)

Name 名稱	Business structure 業務架構	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Percentage of ownership interest attributable to the Group 本集團應佔股本 百分比		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
北京東方英龍科技 發展有限公司#	Corporate 企業	Mainland China 中國內地	28	—	Metro multi-media service provider 鐵路多媒體服務供應商

The financial statements of the above jointly-controlled entities are coterminous with those of the Group except for Singdeer Joint Venture ("Singdeer") which has a financial year ended 31 March 2003. The Group's financial statements have also taken into account the results of Singdeer between 1 April 2003 and 31 December 2003.

The above table lists the jointly-controlled entities of the Group which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other jointly-controlled entities would, in the opinion of the directors, result in particulars of excessive length.

Not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

* The hotel was disposed of by the jointly-controlled entity during the year. Singdeer became dormant as at 31 December 2003.

以上共同控制公司中，除了Singdeer Joint Venture (「Singdeer」)之財政年度於二零零三年三月三十一日完結外，其他之財務報表結算日均與本集團相同。本集團之財務報表亦已經包括Singdeer 由二零零三年四月一日至二零零三年十二月三十一日之業績。

董事認為上表列出之本集團共同控制公司，主要影響本集團本年度之業績，或組成本集團淨資產之主要部份。董事認為詳細交待其他共同控制公司之詳情會令篇幅過於冗長。

並非由安永會計師事務所或Ernst & Young International 其他成員公司所審核。

* 該共同控制公司已於年內出售酒店。Singdeer 於二零零三年十二月三十一日為暫無營業。

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20. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

Extracts of the audited financial statements of the Group's material jointly-controlled entity are as follows:

20. 於共同控制公司之權益 (續)

本集團之重要共同控制公司之經審核財務報表摘要如下：

		Beelink 百靈		STN Canada	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Profit and loss account	損益表				
Turnover	營業額	54,573	27,630	268,748	214,390
Profit/(loss) attributable to joint venture partners	合營夥伴之應佔溢利/(虧損)	(9,945)	(22,882)	14,534	13,742
Balance sheet	資產負債表				
Non-current assets	非流動資產	268,080	246,825	74,868	63,164
Current assets	流動資產	48,058	49,297	66,660	63,788
Current liabilities	流動負債	(134,750)	(104,789)	(16,674)	(38,899)
Non-current liabilities	非流動負債	—	—	(1,266)	(3,261)
Net assets	資產淨值	181,388	191,333	123,588	84,792

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21. INTERESTS IN ASSOCIATES

21. 於聯營公司之權益

		Group 本集團		Company 本公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	—	—	8,979	8,979
Less: Provision for impairment	減：減值撥備	—	—	(8,979)	(8,979)
		—	—	—	—
Share of net assets	應佔資產淨值	50	5,488	—	—
Due from associates	應收聯營公司款項	10,224	17,528	—	—
Due to an associate	應付聯營公司款項	(55)	—	—	—
Less: Provisions for amounts due from associates	減：應收聯營公司 款項撥備	(10,224)	(10,224)	—	—
		(5)	12,792	—	—

The amounts due from/(to) associates are unsecured, interest-free and have no fixed terms of repayment.

應收／(應付)聯營公司之款項為無抵押、免息及並無固定還款期。

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21. INTERESTS IN ASSOCIATES (continued)

Particulars of the principal associate, which is held indirectly through a subsidiary, are as follows:

Name 名稱	Business structure 業務架構	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Percentage of ownership interest attributable to the Group 本集團應佔股本 百分比		Principal activities 主要業務
			2003 二零零三年	2002 二零零二年	
Dragon Fly Assets Limited	Corporate 企業	British Virgin Islands 英屬處女群島	50	50	Investment holding 投資控股

In the opinion of the directors, the above listed associate has affected the Group's results for the year. To give details of other associates would result in particulars of excessive length.

21. 於聯營公司之權益 (續)

透過附屬公司間接持有之主要聯營公司之詳情如下：

董事認為上表列出之聯營公司，主要影響本集團本年度之業績，交待其他聯營公司之詳情會令篇幅過於冗長。

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二零零三年十二月三十一日

22. INVESTMENTS

22. 投資

Long term investments, at cost

長期投資，按成本值

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Held-to-maturity securities: Unlisted debt securities, at amortised cost	持有至到期日證券： 非上市債務證券， 按已攤銷成本值	23,070	—
Investment securities: Listed equity securities in overseas	投資證券： 於海外之上市股本證券	872	872
Unlisted equity securities	非上市股本投資	13,400	4,999
Unlisted debt securities	非上市債務證券	3,640	3,820
		17,912	9,691
Less: Provision for impairment	減：減值撥備	(4,988)	(2,631)
		12,924	7,060
Long term deposits	長期存款	15,600	—
		51,594	7,060
Market value of listed equity securities included above at cost less impairment	以上按成本值減去減值入賬 之上市股本之市值	1,315	568

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22. INVESTMENTS (continued)

Short term investments, at fair value

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Investment securities:	投資證券：		
Listed equity securities:	上市股本投資：		
Hong Kong	香港	25,313	21,371
Elsewhere	其他地區	706	973
Unlisted debt securities	非上市債務證券	34,716	—
		60,735	22,344

22. 投資(續)

短期投資，按公允價值

23. INVENTORIES

Raw materials	原材料	15,510	13,411
Work in progress	在製品	155	—
Finished goods	製成品	5,619	3,599
Inventories held for resale	持作轉售之存貨	15,977	10,359
		37,261	27,369

The cost of inventories recognised as an expense during the year amounted to HK\$258,304,000 (2002: HK\$260,080,000).

The carrying amount of inventories carried at net realisable value included in the above balance is HK\$7,483,000 (2002: HK\$4,045,000) as at the balance sheet date.

23. 存貨

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Raw materials	原材料	15,510	13,411
Work in progress	在製品	155	—
Finished goods	製成品	5,619	3,599
Inventories held for resale	持作轉售之存貨	15,977	10,359
		37,261	27,369

在本年度確認為支出之存貨成本為258,304,000港元(二零零二年:260,080,000港元)。

於結算日，上表按可變現淨值列賬之存貨賬面值為7,483,000港元(二零零二年:4,045,000港元)。

24. TRADE AND BILLS RECEIVABLES

The Group allows an average credit period of 30 to 90 days to its trade customers. An aged analysis of trade and bills receivables, as at the balance sheet date, based on the payment due date, is as follows:

Current to 30 days	即期至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
91 to 120 days	91至120天
Over 120 days	120天以上

Less: Provisions for bad and doubtful debts 減：呆壞賬撥備

24. 應收賬款及票據

本集團給予貿易客戶平均30至90天之信貸期。於結算日，按到期日分析之應收賬款及票據之賬齡如下：

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
		151,593	133,371
		32,672	21,967
		22,015	11,350
		9,303	3,774
		16,104	6,826
		231,687	177,288
		(11,099)	(6,076)
		220,588	171,212

25. PLEDGED TIME DEPOSITS

The pledged time deposits were used to secure general banking facilities granted to the Group (note 28), certain jointly-controlled entities and a long term investment of the Group.

25. 已抵押定期存款

已抵押定期存款是用於抵押本集團、若干共同控制公司及一筆長期投資獲授之一般銀行備用額(附註28)。

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26. CASH AND CASH EQUIVALENTS

26. 現金及現金等值項目

		Group 本集團		Company 本公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	105,370	167,386	389	347
Time deposits	定期存款	391,391	591,619	—	73,167
		496,761	759,005	389	73,514

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$9,901,000 (2002: HK\$15,739,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於結算日，本集團以人民幣為單位之現金及銀行結餘為9,901,000港元(二零零二年：15,739,000港元)。人民幣並不可自由兌換為其他貨幣，然而，根據中國大陸之外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准可透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

27. TRADE AND BILLS PAYABLES

An aged analysis of trade and bills payables, as at the balance sheet date, based on the payment due date, is as follows:

Current to 30 days	即期至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
91 to 120 days	91至120天
Over 120 days	120天以上

Included in the balance is HK\$12,463,000 (2002: HK\$10,042,000) due to a jointly-controlled entity arising from printing service transactions, which is payable in accordance with the credit terms granted by the jointly-controlled entity.

27. 應付賬款及票據

於結算日，按到期日分析之應付賬款之賬齡如下：

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
		78,434	58,412
		2,270	3,515
		2,781	1,145
		64	225
		7,477	11,334
		91,026	74,631

以上結餘包括在印刷服務交易中，應付一間共同控制公司12,463,000港元(二零零二年：10,042,000港元)之款項。款項須按共同控制公司所授之信貸期支付。

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28. INTEREST-BEARING BANK LOAN

28. 附息銀行貸款

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Secured bank loan repayable within one year or on demand	須於下列期間償還之有抵押銀行貸款： 一年內或接獲通知時	9,620	9,675

The Group's bank loan is secured by certain of the Group's pledged time deposits with a carrying amount of HK\$9,620,000 (2002: HK\$9,675,000) (note 25).

本集團之銀行貸款由本集團賬面值9,620,000港元(二零零二年：9,675,000港元)之若干已抵押定期存款作抵押(附註25)。

29. FINANCE LEASE PAYABLES

29. 融資租約應付款項

The Group leases certain of its furniture and fixtures for its media business. These leases are classified as finance leases and have remaining lease terms ranging from three to five years.

本集團出租其媒體業務之若干傢俬及裝置。該等租約屬融資租約，餘下之租期為三年至五年不等。

29. FINANCE LEASE PAYABLES (continued)

29. 融資租約應付款項 (續)

At the balance sheet date, the total future minimum lease payments under finance leases and their present values were as follows:

於結算日，根據融資租約之未來最低總租金及其現值如下：

Group 本集團		Minimum lease payments 最低租金 2003 二零零三年 HK\$'000 千港元	Minimum lease payments 最低租金 2002 二零零二年 HK\$'000 千港元	Present value of minimum lease payments 最低租金 之現值 2003 二零零三年 HK\$'000 千港元	Present value of minimum lease payments 最低租金 之現值 2002 二零零二年 HK\$'000 千港元
Amounts payable:	應付款項：				
Within one year	一年內	390	196	287	142
In the second year	第二年	390	196	311	153
In the third to fifth years, inclusive	第三至第五年 (包括首尾 兩年)	829	543	751	489
Total minimum finance lease payments	最低融資租金總額	1,609	935	1,349	784
Future finance charges	未來融資費用	(260)	(151)		
Total net finance lease payables	融資租約應付款項 總淨額	1,349	784		
Portion classified as current liabilities	歸類為流動負債之 部份	(287)	(142)		
Long term portion	長期部份	1,062	642		

30. LONG TERM OTHER PAYABLES

The balance represents a payable to a joint venture partner of a jointly-controlled entity which is unsecured, interest-free and payable on or before 7 December 2005.

31. DEFERRED INCOME

As part of the disposal arrangement of the Disposed Assets (note 7), the Group entered into a lease agreement (the "Lease") with South China to continue to lease certain of the Group's investment properties (the "Properties") to South China for a period of five years commencing on 19 April 2002 (the "Lease Period") at a nominal consideration of HK\$1. The aggregate rental value of these properties for the Lease Period was estimated by the directors to be HK\$24,583,000 by reference to the then existing market rate. The directors consider that the Lease was entered into as part of the disposal arrangement of the Disposed Assets. Accordingly, such rental value had been excluded from the gain on disposal of the Disposed Assets and recognised as a deferred income in the balance sheet in the prior year. The deferred income was amortised and credited to the profit and loss account over the Lease Period on a straight-line basis.

30. 其他長期應付款項

結餘指應付予一間共同控制公司之合營企業夥伴，款項為無抵押、免息及須於二零零五年十二月七日或之前償還。

31. 遞延收入

作為已出售資產(附註7)之出售安排其中一部份，本集團與南華訂立一項租約協議(「租約」)，按1港元之名義代價向南華租出若干本集團之投資物業(「該等物業」)，由二零零二年四月十九日起為期五年(「租約期間」)。董事經考慮當時之市場利率後估計該等物業於租約期間之總租值為24,583,000港元。董事認為訂立租約協議為已出售資產之出售安排其中一部份，故該租值於去年並無計入已出售資產之出售收益內，而於資產負債表確認為遞延收入。遞延收入按直線法於租約期間攤銷並計入損益表。

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二零零三年十二月三十一日

31. DEFERRED INCOME (continued)

31. 遞延收入(續)

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Balance as at 1 January	於一月一日之結餘	21,142	—
Arising during the year	年內產生	—	24,583
Less: Credited to the profit and loss account during the year (note 5)	減：於年內計入損益表(附註5)	(3,766)	(3,441)
Release of deferred income to the profit and loss account during the year	年內撥回損益表之遞延收入	(17,376)	—
<hr/>			
Balance as at 31 December	於十二月三十一日之結餘	—	21,142
Portion classified as current liabilities	歸類為流動負債之部份	—	(4,917)
<hr/>			
Long term portion	長期部份	—	16,225

During the year, the Properties were disposed of to two independent third parties (the "Disposal"). Prior to the Disposal, a deed of surrender was entered into between the Group and South China pursuant to which, both parties agreed to terminate the Lease on 30 May 2003 with a compensation of HK\$2,500,000 payable by the Group. Accordingly, a net gain on early termination of a lease agreement of HK\$14,866,000 (note 5) (representing the remaining balance of the deferred income of HK\$17,376,000, net of the compensation of HK\$2,500,000 and related expenses of HK\$10,000) was credited to the profit and loss account.

年內，該等物業乃售予兩名獨立第三方（「出售事項」）。於出售事項前，本集團與南華印刷訂立退回契據，據此，雙方同意於二零零三年五月三十日終止租約，而本集團需因此支付2,500,000港元。因此，提早終止租約協議之收益淨額14,866,000港元（附註5）（即遞延收入之餘額17,376,000港元，扣除2,500,000港元賠償及相關開支10,000港元）乃計入損益表。

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32. PROVISION FOR LONG SERVICE PAYMENTS

32. 長期服務金撥備

		Group 本集團	
		2003 二零零三年	2002 二零零二年
		Notes 附註	Notes 附註
		HK\$'000 千港元	HK\$'000 千港元
Balance at beginning of year	年初結餘	2,673	5,608
Disposal of subsidiaries	出售附屬公司	37(b) —	(625)
Charge for the year	年內撥備	6 4,119	2,163
Write-back during the year	期內撥回	6 (2,561)	—
Payments during the year	年內繳款	(108)	(4,517)
Exchange realignment	匯兌調整	162	44
At 31 December	於十二月三十一日	4,285	2,673

The Group provides for the probable future long service payments expected to be made to employees under the Hong Kong Employment Ordinance, as further explained under the heading "Employee benefits" in note 3 to the financial statements. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their services to the Group to the balance sheet date.

本集團根據香港僱傭條例就預期未來或需向僱員支付之長期服務金作出撥備，詳情請見財務報表附註3「僱員福利」一節。撥備乃根據僱員截至結算日向本集團提供服務所賺取的未來繳款之最佳估計。

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33. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

Group
本集團

33. 遞延稅項

年內遞延稅項負債及資產之變動如下：

遞延稅項負債

		2003 二零零三年			
		Accelerated tax depreciation 加速稅項折舊 HK\$ '000 千港元	Revaluation of properties 重估物業 HK\$ '000 千港元	Others 其他 HK\$ '000 千港元	Total 總計 HK\$ '000 千港元
At 1 January 2003	於二零零三年一月一日				
As previously reported	如前呈報	445	—	(445)	—
Prior year adjustment: SSAP 12 – restatement of deferred tax	以前年度調整： 會計實務準則 第12號-重列 遞延稅項	19,461	16,641	445	36,547
As restated	重列	19,906	16,641	—	36,547
Deferred tax charged (credited) to the profit and loss account during the year, including a charge of HK\$1,866,000 due to the effect of a change in tax rates (note 11)	年內於損益表內扣除/ (計入)之遞延稅項， 包括因稅率調整之 影響而產生之 1,866,000港元 支出(附註11)	4,352	(2,013)	(51)	2,288
Deferred tax credited to land and building revaluation reserve during the year	年內於土地及樓宇 重估儲備計入之 遞延稅項	—	(179)	—	(179)
Exchange realignment	匯兌調整	19	—	24	43
Deferred tax liabilities/ (assets) at 31 December 2003	於二零零三年 十二月三十一日之 遞延稅項負債/(資產)	24,277	14,449	(27)	38,699

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33. DEFERRED TAX (continued)

33. 遞延稅項 (續)

Deferred tax assets

遞延稅項資產

Group 本集團

		2003 二零零三年				
		Deductible tax depreciation 減速稅項折舊 HK\$'000 千港元	Revaluation of properties 重估物業 HK\$'000 千港元	Provisions 撥備 HK\$'000 千港元	Recognition of taxlosses 稅務虧損 之確認 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2003	於二零零三年一月一日					
As previously reported	如前呈報	-	-	-	-	-
Prior year adjustment:	以前年度調整:					
SSAP 12 – restatement of deferred tax	會計實務準則 第12號-重列 遞延稅項	-	654	1,090	5,333	7,077
As restated	重列	-	654	1,090	5,333	7,077
Deferred tax credited/(charged) to the profit and loss account during the year, including a credit of HK\$602,000 due to the effect of a change in tax rates (note 11)	年內在損益表計入/ (扣除)之遞延稅項, 包括因稅率調整 之影響而產生之 602,000港元 抵免(附註11)	60	136	626	3,359	4,181
Deferred tax debited to land and building revaluation reserve during the year	年內於土地及樓宇重估 儲備扣除之遞延稅項	-	(252)	-	-	(252)
Exchange realignment	匯兌調整	-	-	200	-	200
Deferred tax assets at 31 December 2003	於二零零三年 十二月三十一日之 遞延稅項資產	60	538	1,916	8,692	11,206

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33. DEFERRED TAX (continued)

33. 遞延稅項 (續)

Deferred tax liabilities

遞延稅項負債

Group 本集團

		2002 二零零二年			
		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Revaluation of properties 重估物業 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2002	於二零零二年 一月一日				
As previously reported	如前呈報	7,261	—	119	7,380
Prior year adjustment: SSAP 12 – restatement of deferred tax	以前年度調整： 會計實務準則 第12號-重列 遞延稅項	8,058	31,411	—	39,469
As restated	重列	15,319	31,411	119	46,849
Deferred tax charged/(credited) to the profit and loss account during the year (note 11)	年內於損益表 扣除/(計入) 之遞延稅項 (附註11)	11,476	(18,061)	(119)	(6,704)
Deferred tax debited to land and building revaluation reserve during the year	年內於土地及 樓宇重估儲備 扣除之遞延稅項	—	3,292	—	3,292
Disposal of subsidiaries (note 37(b))	出售附屬公司 (附註 37(b))	(6,886)	—	—	(6,886)
Exchange realignment	匯兌調整	(4)	—	—	(4)
Deferred tax liabilities at 31 December 2002	於二零零二年 十二月三十一日 之遞延稅項負債	19,905	16,642	—	36,547

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33. DEFERRED TAX (continued)

33. 遞延稅項 (續)

Deferred tax assets

遞延稅項資產

Group 本集團

		2002 二零零二年			
		Revaluation of properties 重估物業 HK\$'000 千港元	Provisions 撥備 HK\$'000 千港元	Recognition of tax losses 稅務虧損 之確認 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2002	於二零零二年一月一日				
As previously reported	如前呈報	-	-	-	-
Prior year adjustment:	以前年度調整：				
SSAP 12 – restatement of deferred tax	會計實務準則 第12號-重列 遞延稅項	2,468	1,860	10,249	14,577
As restated	重列	2,468	1,860	10,249	14,577
Deferred tax credited/(charged) to the profit and loss account during the year (note 11)	年內於損益表 計入/(扣除)之 遞延稅項(附註11)	(1,623)	(770)	(4,916)	(7,309)
Deferred tax debited to land and building revaluation reserve during the year	年內於土地及樓宇 重估儲備扣除之 遞延稅項	(191)	-	-	(191)
Deferred tax assets at 31 December 2002	於二零零二年 十二月三十一日之 遞延稅項資產	654	1,090	5,333	7,077

The Group has tax losses arising in Hong Kong of HK\$158,849,000 (2002: HK\$142,566,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time.

本集團有來自香港之稅項虧損158,849,000港元(二零零二年: 142,566,000港元)可無限期用於抵銷產生此等虧損之公司之未來應計稅利潤。由於此等虧損乃來自蒙虧已有一段時間之公司, 故並無就此確認遞延稅項資產。

33. DEFERRED TAX (continued)

Deferred tax assets (continued)

At 31 December 2003, there is no significant unrecognised deferred tax liability (2002: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries, associates or joint ventures.

There are no income tax consequences attaching to the payment of distribution by the Company to its shareholders.

SSAP 12 (Revised) was adopted during the year, as further explained in note 2 to the financial statements. This change in accounting policy has resulted in an increase in the Group's deferred tax assets as at 31 December 2003 and 2002 by HK\$10,685,000 and HK\$7,077,000, respectively, and an increase in the Group's deferred tax liabilities as at 31 December 2003 and 2002 by HK\$38,699,000 and HK\$36,547,000, respectively. As a consequence, the consolidated net profits attributable to shareholders for the years ended 31 December 2003 and 2002 have been increased by HK\$1,115,000 and decreased by HK\$569,000, respectively. The consolidated accumulated losses at 1 January 2003 and 2002 have been increased by HK\$138,000 and decreased by HK\$7,305,000, respectively, as detailed in the consolidated statement of changes in equity.

33. 遞延稅項 (續)

遞延稅項資產 (續)

於二零零三年十二月三十一日，並無就本集團附屬公司、聯營公司或合營企業之未匯繳盈利而應付之重大未確認遞延稅項負債(二零零二年：無)。

本公司向其股東支付分派並未對所得稅構成重大影響。

會計實務準則第12號(經修訂)已於年內被採納，詳見財務報表附註2。該會計政策之轉變令本集團於二零零三年及二零零二年十二月三十一日之遞延稅項淨資產分別增加10,685,000港元及7,077,000港元以及本集團於二零零三年及二零零二年十二月三十一日之遞延稅項負債分別增加38,699,000港元及36,547,000港元。因此，截至二零零三年及二零零二年十二月三十一日止年度之綜合股東應佔溢利分別增加1,115,000港元及減少569,000港元，於二零零三年及二零零二年一月一日之綜合累計虧損則分別增加138,000港元及減少7,305,000港元，詳情載於綜合權益變動報表。

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34. SHARE CAPITAL

34. 股本

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
<i>Authorised:</i>	法定股本：		
4,708,513,092 ordinary shares of HK\$0.10 each	4,708,513,092股每股 面值0.10 港元之普通股	470,851	470,851
1,291,486,908 5% redeemable cumulative convertible preference shares of HK\$0.10 each	1,291,486,908股每股面值 0.10 港元之5%累積 可贖回可轉換優先股	129,149	129,149
		600,000	600,000
<i>Issued and fully paid:</i>	已發行及繳足股本：		
1,833,855,074 (2002: 1,818,086,074) ordinary shares of HK\$0.10 each	1,833,855,074股(二零零二年： 1,818,086,074股)每股面值 0.10 港元之普通股	183,386	181,809
<i>Issued and partly paid:</i>	已發行及部份繳足股本：		
Nil (2002: 1,123,486,908 5% redeemable cumulative convertible preference shares of HK\$0.10 each)	無(二零零二年： 1,123,486,908股每股面值 0.10 港元之5%累積可贖回 可轉換優先股)	—	71,768
		183,386	253,577

34. SHARE CAPITAL (continued)

During the two years ended 31 December 2003, there were the following movements in the Company's share capital:

(a) Ordinary shares

- (i) On 3 July 2002, three subscription agreements were entered into between the Company and Concord Fortune Limited, CyberTime Limited and Novel Investments (Overseas) Limited (the "Subscribers") whereby each of the Subscribers agreed to subscribe for 41,500,000 new ordinary shares in the Company of HK\$0.10 each for cash at a price of HK\$0.6388 per share for an aggregate cash consideration of HK\$79,531,000. The proceeds were raised for working capital purpose.
- (ii) Pursuant to a conditional securities exchange offer (the "Offer") announced by the Company on 11 July 2002, the Company issued 187,240,801 new ordinary shares of HK\$0.10 each at issue prices ranging from HK\$0.32 to HK\$0.40 per ordinary share for an aggregate consideration of HK\$63,859,000, for the purpose of acquiring the remaining 25.5% equity interests in Sing Tao Media Holdings Limited ("Sing Tao Media") then held by the minority shareholders of Sing Tao Media. After the completion of the Offer, Sing Tao Media became a wholly-owned subsidiary of the Company. Details of the Offer were included in the Company's circular dated 30 August 2002.

34. 股本(續)

截至二零零三年十二月三十一日止兩年之本公司股本變動如下：

(a) 普通股

- (i) 於二零零二年七月三日，本公司與 Concord Fortune Limited、CyberTime Limited 及 Novel Investments (Overseas) Limited (「認購者」) 訂立三項認購協議，認購者同意各自以每股現金 0.6388 港元，即現金代價合共 79,531,000 港元，認購 41,500,000 股每股 0.10 港元之本公司新普通股。所得款項用作營運資金。
- (ii) 根據本集團於二零零二年七月十一日公佈之有條件換股建議(「建議」)，本公司以總代價 63,859,000 港元按發行價每股普通股 0.32 港元至 0.40 港元發行 187,240,801 股每股 0.10 港元新普通股，用作收購當時由 Sing Tao Media Holdings Limited (「Sing Tao Media」) 之少數股東所持有的 Sing Tao Media 餘下 25.5% 股權。建議完成後，Sing Tao Media 成為本公司之全資附屬公司。有關建議之詳情載於本公司於二零零二年八月三十日發出之通函。

34. SHARE CAPITAL (continued)

(a) Ordinary shares (continued)

(iii) On 19 July 2002, on a conditional basis, Luckman exercised the conversion rights attached to 36,000,000 preference shares to subscribe for 36,000,000 ordinary shares of the Company. On 30 December 2002, Luckman paid up the remaining 90% of the cash subscription price of HK\$0.6388 per share for the 36,000,000 preference shares so as to enable it to exercise the conversion rights attached to these fully paid-up preference shares. The additional proceeds received by the Company thereof amounted to approximately HK\$20,696,000 and such conversion resulted in 36,000,000 new ordinary shares of the Company being issued to Luckman and credited as fully paid. The proceeds were used for working capital purpose.

(iv) At the special general meeting convened 24 June 2003, the special resolution for the reduction of the Company's share premium account by HK\$964,360,000 and the application of such reduced amount against the Company's accumulated losses in the amount of HK\$475,430,000 with the balance of HK\$488,930,000 being credited to the Company's contributed surplus was approved by the Company's shareholders.

34. 股本 (續)

(a) 普通股 (續)

(iii) 於二零零二年七月十九日，Luckman 有條件行使 36,000,000 股優先股所附有之兌換權，認購本公司 36,000,000 股普通股。於二零零二年十二月三十日，Luckman 繳足每股 0.6388 港元之 36,000,000 股優先股餘下 90% 之款項，以行使該等繳足優先股附有之兌換權。本公司從中所得之額外款項約為 20,696,000 港元，而該等兌換則導致本公司向 Luckman 發行 36,000,000 股入賬列為繳足之新普通股。所得款項用作營運資金。

(iv) 於二零零三年六月二十四日舉行之股東特別大會上，有關削減 964,360,000 港元本公司股份溢價賬及將此等削減款項用於對銷本公司之累計虧損 475,430,000 港元並將餘額 488,930,000 港元撥入本公司繳入盈餘之特別決議案已得本公司股東批准。

34. SHARE CAPITAL (continued)

(a) Ordinary shares (continued)

- (v) Pursuant to a sale and purchase agreement (the "Agreement") dated 13 May 2003 entered into between the Company and Mr. Ho Kwok Fai ("Mr. K. F. Ho"), a then director of the Company and the then minority shareholder of China Touch Magazine Group (BVI) Limited ("China Touch"), a subsidiary of the Group, the Company issued to Mr. K. F. Ho 13,164,000 new ordinary shares of HK\$0.1 each of the Company at an issue price of HK\$0.3550 per ordinary share for an aggregate consideration of HK\$4,673,200, in exchange for his then 4.33% equity interest in China Touch. After the completion of the acquisition, China Touch became a wholly-owned subsidiary of the Company.
- (vi) During the year ended 31 December 2003, the subscription rights attaching to an aggregate number of 2,605,000 share options were exercised at subscription prices ranging from HK\$0.3528 to HK\$0.5760 per share, resulting in the issue of 2,605,000 shares of HK\$0.10 each for a total cash consideration, before expenses, of HK\$1,096,000.

34. 股本 (續)

(a) 普通股 (續)

- (v) 根據本公司與何國輝先生(「何國輝先生」)·其時為本公司之董事及其時為本集團附屬公司China Touch Magazine Group (BVI) Limited (「China Touch」)之少數股東於二零零三年五月十三日訂立之買賣協議(「該協議」)·本公司以每股普通股0.3550港元之發行價向何國輝先生發行13,164,000股本公司股本中每股面值0.1港元之新普通股·總代價為4,673,200港元·以換取其當時於China Touch之4.33%股本權益。是項收購完成後·China Touch成為本公司之全資附屬公司。
- (vi) 截至二零零三年十二月三十一日止年度·合共2,605,000份購股權隨附之認購權乃按介乎每股0.3528港元至0.5760港元之認購價行使·2,605,000股每股面值0.10港元之股份因而發行·本公司因此收到總現金代價(未計開支)1,096,000港元。

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34. SHARE CAPITAL (continued)

(a) Ordinary shares (continued)

A summary of the transactions during the year with reference to the above movements in the Company's issued ordinary share capital is as follows:

		Notes 附註	Number of ordinary shares in issue 已發行 普通股數目	Issued ordinary share capital 已發行 普通股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2002	於二零零二年 一月一日		1,470,345,273	147,035	832,748	979,783
Issue of new shares to Subscribers	向認購者發行 新股份	(i)	124,500,000	12,450	67,081	79,531
Issue of new shares under the Offer	根據建議 發行新股份	(ii)	187,240,801	18,724	45,135	63,859
Conversion of preference shares	兌換優先股	(iii)	36,000,000	3,600	19,396	22,996
			347,740,801	34,774	131,612	166,386
At 31 December 2002 and 1 January 2003	於二零零二年 十二月三十一日及 二零零三年一月一日		1,818,086,074	181,809	964,360	1,146,169
Reduction of share premium account to credit to accumulated losses and contributed surplus	削減股份溢價賬以 計入累計虧損及 繳入盈餘	(iv)	—	—	(964,360)	(964,360)
Issue of new shares under the Agreement	根據該協議 發行新股份	(v)	13,164,000	1,316	3,357	4,673
Exercise of options	行使購股權	(vi)	2,605,000	261	835	1,096
			15,769,000	1,577	(960,168)	(958,591)
At 31 December 2003	於二零零三年 十二月三十一日		1,833,855,074	183,386	4,192	187,578

34. 股本 (續)

(a) 普通股 (續)

本年度有關上述本公司已發行普通股變動之交易概要如下：

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二零零三年十二月三十一日

34. SHARE CAPITAL (continued)

34. 股本(續)

(b) Preference shares

(b) 優先股

		Number of preference shares 優先股數目	Issued and partly paid 已發行及 部份繳足 HK\$'000 千港元
At 1 January 2002	於二零零二年一月一日	1,159,486,908	74,068
Paid up preference shares	繳付優先股	—	20,696
Converted into ordinary shares	兌換為普通股	(36,000,000)	(22,996)
At 31 December 2002 and 1 January 2003	於二零零二年 十二月三十一日及 二零零三年一月一日	1,123,486,908	71,768
Redemption of preference shares	贖回優先股	(1,123,486,908)	(71,768)
At 31 December 2003	於二零零三年 十二月三十一日	—	—

During the year ended 31 March 2001, 1,291,486,908 preference shares were issued at a cash subscription price of HK\$0.6388 per preference share to Luckman, and had been partly paid up as to 10% of the subscription price. 132,000,000 and 36,000,000 of such preference shares were fully paid-up and converted into ordinary shares during the period ended 31 December 2001 and the year ended 31 December 2002, respectively. At 1 January 2003, there were 1,123,486,908 preference shares in issue, and such preference shares were partly paid-up as to 10% of the subscription price.

於截至二零零一年三月三十一日止年度，1,291,486,908 股優先股已按現金認購價每股 0.6388 港元發行予 Luckman。該等優先股已繳付認購價 10% 的股款，其中 132,000,000 股及 36,000,000 股優先股已分別於截至二零零一年十二月三十一日止期間及截至二零零二年十二月三十一日止年度內繳足股款，並已兌換為普通股。於二零零三年一月一日，已發行 1,123,486,908 股優先股，而該等優先股已繳付 10% 之認購價。

34. SHARE CAPITAL (continued)

(b) Preference shares (continued)

On 2 January 2003, the Company received a redemption notice from Luckman, requiring the Company to redeem all the outstanding preference shares in issue of the Company registered in the name of Luckman at a redemption price of HK\$0.06388 per preference share, being its partly paid-up capital (the "Redemption"). Upon the completion of the Redemption, the share capital and the net assets of the Company and the Group were reduced by HK\$71,768,000.

(c) Share options

Details of the Company's share option schemes and the share options issued under the schemes are included in note 35 to the financial statements.

34. 股本 (續)

(b) 優先股 (續)

於二零零三年一月二日，本公司接獲 Luckman 之贖回通知，要求本公司按每股優先股贖回價 0.06388 港元 (即部份已繳足股本) 贖回以 Luckman 名義登記之所有已發行但尚未行使之本公司優先股 (「贖回」)。贖回完成後，本公司及本集團之股本及資產淨值減少 71,768,000 港元。

(c) 購股權

有關本公司購股權計劃及根據計劃授出購股權之詳情載於財務報表附註 35。

35. SHARE OPTION SCHEMES

On 14 June 1996, the Company adopted a share option scheme (the "Old Scheme") for the purpose of providing incentives and rewards to eligible persons including the employees and executive directors of the Company or any of its subsidiaries. The exercise period of the share options granted under the Old Scheme is determinable by the directors, and commences after a certain holding period and ends on the tenth anniversary of the date of grant of the share options.

The maximum number of share options may be granted which would result in the aggregate number of shares issued or issuable under the Old Scheme, may not exceed 10% of the issued share capital of the Company at the time of granting share options. The maximum number of share options which may be granted to any eligible person should not exceed 25% of the total number of share options which may be granted under the Old Scheme at the date of granting share options to such person. The exercise price of share options pursuant to the Old Scheme is determinable by the directors, but must be the higher of 80% of the average closing price of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the five trading days immediately preceding the date of offer of the grant of the share options, or the nominal value per share.

35. 購股權計劃

本公司於一九九六年六月十四日採納購股權計劃(「舊有計劃」)，以便向合資格人士(包括本公司或其任何附屬公司之僱員及執行董事)提供獎勵和回報。根據舊有計劃授出之購股權之行使期由董事釐定，在一段持有期完結後開始，並於購股權授出之日十週年屆滿。

最多可予授出之購股權以根據舊有計劃發行或可予發行之股份總數不得超過本公司於購股權授出當日已發行股本之10%為上限。向任何一位合資格人士授出之購股權，最多不得超過向該位合資格人士授出購股權當日，根據舊有計劃可授出之購股權總數之25%。根據舊有計劃授出之購股權之行使價由董事釐定，但必須為本公司股份在提議授出購股權當日的前五個交易日，在香港聯合交易所有限公司(「聯交所」)之平均收市價之80%或每股面值兩者之較高價。

35. SHARE OPTION SCHEMES (continued)

At the beginning of the current year, there were 62,382,000 share options outstanding under the Old Scheme. During 2003, no share option was granted under the Old Scheme and a total of 3,436,000 share options and 2,280,000 share options granted under the Old Scheme with exercise prices ranging from HK\$0.3992 to HK\$0.9184 per share and from HK\$0.3528 to HK\$0.5760 per share lapsed and were exercised, respectively.

At the balance sheet date, the Company had 56,666,000 share options outstanding under the Old Scheme, which represented approximately 3.09% of the issued share capital of the Company and entitled the holders to subscribe for shares of the Company at any time during the period from 20 October 2000 to 21 March 2012. The subscription prices, subject to adjustments, payable upon the exercise of these share options range from HK\$0.2820 to HK\$0.9184 per share.

Pursuant to the resolutions passed at the annual general meeting of the Company held on 28 May 2002, the Old Scheme was terminated and a new share option scheme (the "New Scheme") was adopted.

35. 購股權計劃 (續)

本年度年初，共有62,382,000份舊有計劃之購股權尚未行使。二零零三年內，並無根據舊購股權計劃授出購股權，根據舊有計劃分別授出之合共3,436,000份購股權（每股行使價介乎0.3992港元至0.9184港元）及2,280,000份購股權（每股行使價介乎0.3528港元至0.5760港元）已分別失效及行使。

於結算日，本公司有56,666,000份舊有計劃項下之購股權尚未行使，佔本公司已發行股本約3.09%，其持有人有權於二零零零年十月二十日至二零一二年三月二十一日期間任何時間認購本公司股份。行使此等購股權時應支付之每股認購價（可予調整）介乎0.2820港元至0.9184港元。

本公司於二零零二年五月二十八日舉行股東週年大會，通過決議案終止舊有計劃，並採納新購股權計劃（「新計劃」）。

35. SHARE OPTION SCHEMES (continued)

The following is a summary of the New Scheme:

1. Purpose: The New Scheme seeks to recognise and acknowledge the contributions or potential contributions made or to be made by the qualified persons to the Group, to motivate the qualified persons to optimise their performance and efficiency for the benefit of the Group, and to maintain or attract business relationship with the qualified persons whose contributions are or may be beneficial to the growth of the Group.
2. Participants:
 - (i) any part-time or full-time employee or officer of any member of the Group or of any associate;
 - (ii) any director (executive or non-executive) of any member of the Group or of any associate; or

35. 購股權計劃 (續)

新計劃概述如下：

1. 目的：新計劃目的為確認合資格人士所作出或將作出之貢獻，從而激勵合資格人士發揮潛能及提高效率而有利於本集團，並對作出對本集團增長有利之貢獻之合資格人士保持或促進業務關係。
2. 參與者：
 - (i) 本集團成員公司或任何聯營公司之任何兼職或全職僱員或主管；
 - (ii) 本集團成員公司或其任何聯營公司之任何董事（執行或非執行董事）；或

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35. SHARE OPTION SCHEMES (continued)

2. Participants: (continued) (iii) any supplier, agent, customer, business associate, distributor, professional or other adviser of, or consultant or contractor to, any member of the Group.
3. Total number of shares available for issue and percentage of issued share capital: The total number of shares available for issue under the New Scheme as at 31 December 2003 was 146,709,527 (2002: 147,034,527) shares (including share options for subscribing 55,065,000 (2002: 650,000) shares that have been granted but not yet lapsed or exercised) which represented approximately 8% of the issued share capital of the Company at 31 December 2003.

35. 購股權計劃 (續)

2. 參與者：(續) (iii) 本集團成員公司之供應商、代理、客戶、業務夥伴、分銷商、專業人士、諮詢人、顧問或承包商。
3. 可供發行之股份總數及已發行股本百分比：截至二零零三年十二月三十一日，根據新計劃可供發行之股份總數為146,709,527股(二零零二年：147,034,527股)(包括55,065,000股(二零零二年：650,000股)已授出但尚未失效或尚未行使之購股權)，佔本公司於二零零三年十二月三十一日之已發行股本約8%。

35. SHARE OPTION SCHEMES (continued)

4. Maximum entitlement of each participant: Unless separately approved by shareholders in a general meeting in the manner as prescribed in the Listing Rules, the total number of shares issued and to be issued upon exercise of share option granted to each qualified person (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the shares then in issue.
5. Period within which the shares must be taken up: The period during which a share option may be exercised in accordance with the terms of the New Scheme shall be the period set out in the relevant offer letter provided that such period must expire no later than the tenth anniversary of the date on which it is granted.
6. Minimum period for which an option must be held before it can be exercised: To be determined by the directors and included in the relevant offer letter.

35. 購股權計劃 (續)

4. 各參與者可獲之最高股數：於任何十二個月期間因行使向各合資格人士授出的購股權(包括已行使及尚未行使之購股權)而發行及將發行之股份總數，不得超過當時已發行股份的1%，惟根據上市規則規定由股東於股東大會另行通過則除外。
5. 必須認購股份之期間：根據新計劃條款，可行使購股權之期間為有關建議函件所列明之期間，惟該等期間必須於購股權授出日期後十年屆滿。
6. 購股權於行使前須持有之最短限期：由董事釐定，並載於有關建議函件。

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35. SHARE OPTION SCHEMES (continued)

7. Amount payable on application or acceptance and the payment period: Nil
8. Basis of determining the exercise price: The exercise price will be determined by the directors and shall be the highest of:
- (i) the closing price of the Company's shares as stated on the Stock Exchange's daily quotation sheet on the date of grant of the relevant share options;
 - (ii) the average of the closing prices of the Company's shares as stated on the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of the grant of the relevant share options; and
 - (iii) the nominal value of the Company's shares.

35. 購股權計劃 (續)

7. 申請或接納購股權之應付款項及付款期間：無。
8. 釐定行使價之基準：行使價由董事釐定，以行使價之基準：下列較高者為準：
- (i) 授出有關購股權當日本公司股份在聯交所每日報價表所示之收市價；
 - (ii) 授出有關購股權日期前五個交易日本公司股份在聯交所每日報價單之平均收市價；和
 - (iii) 本公司股份面值。

35. SHARE OPTION SCHEMES (continued)

9. Remaining life of the New Scheme: The New Scheme will expire on 27 May 2012.
10. Options granted and lapsed during the year: During the year ended 31 December 2003, a total of 54,740,000 share options were granted to the directors and employees of the Group and 325,000 share options were exercised pursuant to the New Scheme.

At the balance sheet date, the Company had 56,666,000 (2002: 62,382,000) and 55,065,000 (2002: 650,000) share options outstanding under the Old Scheme and the New Scheme, respectively, with an exercise period from 25 September 2000 to 2 June 2012 and exercise prices ranging from HK\$0.2820 to HK\$0.9184 per share. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 111,731,000 (2002: 63,032,000) additional shares of HK\$0.10 each for an aggregate consideration, before expenses, of approximately HK\$82 million (2002: 46 million).

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

35. 購股權計劃(續)

9. 新計劃之剩餘期間: 新計劃將於二零一二年五月二十七日屆滿。
10. 年內授出及失效之購股權: 截至二零零三年十二月三十一日止年度, 本集團根據新計劃向董事及僱員授出之購股權總數為 54,740,000 份, 325,000 份購股權已予行使。

於結算日, 本公司分別共有 56,666,000 份 (二零零二年: 62,382,000 份) 及 55,065,000 份 (二零零二年: 650,000 份) 舊有及新計劃之購股權尚未行使。該等購股權之行使期介乎二零零零年九月二十五日至二零一二年六月二日, 行使價介乎 0.2820 港元至 0.9184 港元。此等餘下之購股權在全部行使時, 將會導致本公司在現時的股本結構下額外發行 111,731,000 股 (二零零二年: 63,032,000 股) 每股面值 0.10 港元之股份, 未扣除開支前之總代價為 82,000,000 港元 (二零零二年: 46,000,000 港元)。

購股權並無給予持有人收取股息或於股東大會投票之權利。

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35. SHARE OPTION SCHEMES (continued)

The following share options were outstanding during the year:

35. 購股權計劃 (續)

以下是於年內尚未行使之購股權：

Name or category of participant	Number of share options 購股權數目					At 31 December 2003 於二零零三年十二月三十一日	Date of grant of share options 購股權授出日期	Exercise period of share options 購股權行使期	Price of Company's shares**** 本公司股價****		
	At 1 January 2003 於二零零三年一月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	Cancelled during the year 年內註銷				Exercise price of share options* 購股權之行使價 HK\$ 港元	At grant date of options 購股權授出當日 HK\$ 港元	At exercise date of options 購股權行使當日 HK\$ 港元
Directors 董事											
<i>Under the Old Scheme:</i> 根據舊有計劃											
Mr. Jia Hong Ping 賈紅平先生	3,500,000	-	-	-	-	3,500,000	23-10-00	01-12-00 to 23-10-10	0.8704	-	-
Mrs. Sy Wong Chor Fong 施黃楚芳女士	754,000	-	-	-	-	754,000	23-10-00	24-10-00 to 23-10-10	0.8704	-	-
	400,000	-	-	-	-	400,000	31-8-01	20-9-02 to 19-9-11	0.3528	-	-
	1,154,000	-	-	-	-	1,154,000					
Mr. Wong Wai Ming 黃偉明先生	30,000,000	-	-	-	-	30,000,000	23-10-00	24-10-00 to 23-10-10	0.8704	-	-
	6,000,000	-	-	-	-	6,000,000	31-8-01	20-9-02 to 19-9-11	0.3528	-	-
	36,000,000	-	-	-	-	36,000,000					
Mr. Yang Yiu Chong, Ronald Jeffrey 楊耀宗先生	1,960,000	-	-	-	-	1,960,000	24-9-00	25-9-00 to 24-9-10	0.9184	-	-
	2,700,000	-	-	-	-	2,700,000	31-8-01	20-9-02 to 19-9-11	0.3528	-	-
	4,660,000	-	-	-	-	4,660,000					
<i>Under the New Scheme:</i> 根據新計劃：											
Mr. Ho Kwok Fai # 何國輝先生 #	-	7,000,000	-	-	-	7,000,000	13-10-03	13-10-04 to 12-10-13	0.71	0.70	-
Mr. Jia Hong Ping 賈紅平先生	-	500,000	-	-	-	500,000	13-10-03	13-10-04 to 12-10-13	0.71	0.70	-
Mr. Jim Sui Hing 詹瑞慶先生	-	6,000,000	-	-	-	6,000,000	13-10-03	13-10-04 to 12-10-13	0.71	0.70	-
Mr. Lo Wing Hung 盧永輝先生	-	7,000,000	-	-	-	7,000,000	13-10-03	13-10-04 to 12-10-13	0.71	0.70	-
Mr. Yang Yiu Chong, Ronald Jeffrey 楊耀宗先生	-	400,000	-	-	-	400,000	13-10-03	13-10-04 to 12-10-13	0.71	0.70	-
Other employees 其他僱員											
In aggregate (under the Old Scheme) 合共(根據舊有計劃)	17,068,000	-	(2,280,000)	(3,436,000)	-	11,352,000	**	**	**	-	**
In aggregate (under the New Scheme) 合共(根據新計劃)	650,000	33,840,000	(325,000)	-	-	34,165,000	***	***	***	***	***
Total合共	63,032,000	54,740,000	(2,605,000)	(3,436,000)	-	111,731,000					

35. SHARE OPTION SCHEMES (continued)

- * The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- ** These represent options granted to employees with exercise prices ranging from HK\$0.2820 to HK\$0.9184 per share, an exercise period starting on the earliest on 20 October 2000 and ending on the latest on 21 March 2012 and the weighted average price of the Company's shares at exercise date of options is HK\$0.73.
- *** These represent options granted to employees with exercise prices ranging from HK\$0.40 to HK\$0.712 per share and an exercise period starting on the earliest on 6 August 2002 and ending on the latest on 12 October 2013. The prices of the Company's shares at grant date of options ranging from HK\$0.41 to HK\$0.73 per share and the weighted average price of the Company's shares at exercise date of options is HK\$0.67.
- **** The price of the Company's shares disclosed at grant date of options is the closing price on the Stock Exchange on the trading day immediately prior to the date of offer of the grant of the options. The price of the Company's shares disclosed at the exercise date of options is the weighted average of the closing price on the Stock Exchange over all of the exercises of options within the disclosure line.
- # Subsequent to the balance sheet date, on 18 February 2004, Mr. Ho Kwok Fai resigned as an executive director of the Company.

35. 購股權計劃 (續)

- * 購股權之行使價會視乎供股或發行紅股，或本公司股本出現類似變動而調整。
- ** 此等購股權為向僱員授出之購股權，行使價介乎0.2820港元至0.9184港元，行使期由最早的二零零零年十月二十日開始至最遲的二零一二年三月三十一日完結，本公司股份於購股權行使當日之加權平均價格為0.73港元。
- *** 此等購股權為向僱員授出之購股權，每股行使價介乎0.40港元至0.712港元，行使期由最早的二零零二年八月六日開始至最遲的二零一三年十月十二日完結，本公司股份於購股權授出當日之每股價格介乎0.41港元至0.73港元，而本公司股份於購股權行使當日之加權平均價格為0.67港元。
- **** 上表所披露於購股權授出之日之股價指提議授出購股權日之前一個交易日，本公司股份在聯交所之收市價。於購股權行使日期披露之本公司股份價格為於披露時限內有關全部購股權之行使之股份在聯交所之加權平均收價。
- # 結算日後，於二零零四年二月十八日何國輝先生辭任本公司執行董事。

36. RESERVES

(a) 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 pages 46 to 48 of this annual report.

The Group's contributed surplus represents the difference between the nominal value of shares issued by Perfect Treasure Holdings (BVI) Limited in exchange for the aggregate nominal value of the issued capital of subsidiaries acquired pursuant to the group reorganisation in 1996, prior to the listing of the Company's shares, amounted to HK\$9,899,000, and the credit of HK\$488,930,000 arising from reduction of share premium account during the year less the Distribution for the year of HK\$18,181,000.

Certain amounts of goodwill or negative goodwill arising on the acquisition of subsidiaries in prior years remain eliminated against or credited to the capital reserve as explained in note 17 to the financial statements.

36. 儲備

(a) 本集團

本集團於本年度及過往年度之儲備數額及其變動已呈列於本年報第46至第48頁之綜合股權變動表。

本集團之繳入盈餘為 Perfect Treasure Holdings (BVI) Limited 已發行股份之面值，與本公司股份上市前，用作交換根據一九九六年集團重組時收購附屬公司已發行股本總面值之差額即 9,899,000 港元，以及年內削減股份溢價賬所產生之 488,930,000 港元進賬減去年內分派之 18,181,000 港元。

若干因過往年度收購附屬公司而產生之商譽或負商譽金額仍繼續對銷或計入資本儲備內，有關解釋載於財務報表附註17內。

Financial Statements

財務報表附註

二零零三年十二月三十一日

36. RESERVES (continued)

36. 儲備

(b) Company

(b) 本公司

			Share premium account 股份溢價賬	Contributed surplus 繳入盈餘	Land and building revaluation reserve 土地及樓宇 重估儲備	Accumulated losses 累計虧損	Total 合計
		Notes 附註	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
Company	本公司						
At 1 January 2002	於二零零二年 一月一日		832,748	104,950	–	(396,359)	541,339
Issue of shares	發行股份	34(a)	131,612	–	–	–	131,612
Net loss for the year	年內虧損淨額		–	–	–	(79,071)	(79,071)
At 31 December 2002 and 1 January 2003	於二零零二年 十二月三十一日 及二零零三年 一月一日		964,360	104,950	–	(475,430)	593,880
Issue of shares	發行股份	34(a)	4,192	–	–	–	4,192
Reduction of share premium account to credit to accumulated losses and contributed surplus	削減股份溢價賬以 撥入累計虧損 及繳入盈餘	34(a)(iv)	(964,360)	488,930	–	475,430	–
Surplus on revaluation	重估盈餘	15	–	–	37	–	37
Net loss for the year	年內虧損淨額		–	–	–	(34,282)	(34,282)
2003 distribution	二零零三年分派	13	–	(18,181)	–	–	(18,181)
At 31 December 2003	於二零零三年 十二月三十一日		4,192	575,699	37	(34,282)	545,646

36. RESERVES (continued)

(b) Company (continued)

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the group reorganisation in 1996, prior to the listing of the Company's shares, over the nominal value of the Company's shares issued in exchange therefor, amounted to HK\$104,950,000, and the credit of HK\$488,930,000 arising from reduction of share premium account during the year less the Distribution for the year of HK\$18,181,000. Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions to its members out of the contributed surplus under certain circumstances.

36. 儲備 (續)

(b) 本公司 (續)

本公司之繳入盈餘為本公司股份上市前於根據一九九六年集團重組所收購之附屬公司之股份公允價值，與本公司為交換該等股份而發行之股份面值之差額，即104,950,000港元，以及年內削減股份溢價賬所產生之488,930,000港元進賬減去年內分派之18,181,000港元。根據百慕達一九八一年公司法(經修訂)，本公司可在若干情況下，以繳入盈餘向股東作出分派。

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財務報表附註

二零零三年十二月三十一日

37. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

37. 綜合現金流量表附註

(a) Acquisition of subsidiaries

(a) 收購附屬公司

			2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
		Notes 附註		
Net assets acquired:	已收購淨資產：			
Fixed assets	固定資產	15	590	—
Inventories	存貨		2	—
Trade and bills receivables, prepayments, deposits and other receivables	應收賬款及票據、 預付款項、 按金及其他應收款項		11,339	348
Cash and bank balances	現金及銀行結餘		111	8,021
Trade and bills payables, other payables and accruals	應付賬款及票據、 其他應付款項及 應計款項		(5,671)	(1,628)
Tax payable	應繳稅項		(13)	—
Minority interests	少數股東權益		(1,398)	(1,281)
			4,960	5,460
Goodwill on acquisition	收購時產生之商譽	17	7,050	2,340
			12,010	7,800
Satisfied by:	支付方式：			
Cash	現金		12,010	7,800

Notes to Financial Statements

31 December 2003

37. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(a) Acquisition of subsidiaries (continued)

An analysis of the net inflow/(outflow) of cash and cash equivalents in respect of the acquisition of subsidiaries is as follows:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Cash consideration	現金代價	(12,010)	(7,800)
Cash and bank balances acquired	已收購之現金及銀行結餘	111	8,021
		(11,899)	221

The subsidiaries acquired during the year made no significant contribution to the Group in respect of the turnover and consolidated profit after tax and before minority interests for the year.

37. 綜合現金流量表附註(續)

(a) 收購附屬公司(續)

收購附屬公司之現金及現金等值項目之流入/(流出)淨額分析如下:

年內收購之附屬公司對本集團年內之營業額及除稅後但未計少數股東權益前之綜合溢利，並無帶來重大貢獻。

Financial Statements

財務報表附註

二零零三年十二月三十一日

37. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
(continued)

37. 綜合現金流量表附註 (續)

(b) Summary of effects of disposal of subsidiaries and discontinued operations

(b) 出售附屬公司及已終止業務之影響概要

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
	Notes 附註		
Net assets disposed of:	已出售淨資產：		
Fixed assets	固定資產	—	144,900
Long term investment	長期投資	—	500
Properties held for sale	持作出售之物業	—	22,735
Inventories	存貨	—	24,369
Trade and bills receivables, prepayments, deposits and other receivables	應收賬款及票據、預付款項、按金及其他應收款項	—	87,255
Tax recoverable	可收回稅項	—	47
Cash and bank balances	現金及銀行結餘	—	124,699
Trade and bills payables, other payables and accruals	應付賬款及票據、其他應付款項及應計款項	—	(72,065)
Tax payable	應付稅項	—	(3,124)
Provision for long service payments	長期服務金撥備	32	(625)
Deferred tax liabilities	遞延稅項負債	33	(6,886)
Minority interests	少數股東權益	—	(26,751)
Net assets disposed of	已出售淨資產	—	295,054
Capital reserve realised on disposal	出售時變現之資本儲備	—	(84,213)
Gain on disposal*	出售收益*	—	93,352
Gain on disposal of discontinued operations	出售已終止業務之收益	7	207,312
		—	511,505
Satisfied by:	支付方式：		
Cash consideration, net of expenses	現金代價，減開支	—	536,088
Deferred income	遞延收入	31	(24,583)
		—	511,505

Notes to Financial Statements

31 December 2003

37. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(b) Summary of effects of disposal of subsidiaries and discontinued operations (continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries and discontinued operations is as follows:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Cash consideration, net of expenses	現金代價，減開支	—	536,088
Cash and bank balances disposed of	已出售現金及銀行結餘	—	(124,699)
		—	411,389

37. 綜合現金流量表附註(續)

(b) 出售附屬公司及已終止業務之影響概要(續)

出售附屬公司及已終止業務之現金及現金等值項目之流入淨額分析如下：

37. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(b) Summary of effects of disposal of subsidiaries and discontinued operations (continued)

- * On 3 July 2002, the Group disposed of its 74.5% equity interest in Sing Tao Holdings Limited to Ming Yuen Investments Group Limited, an independent third party, for a total consideration of HK\$163,800,000 (the "Disposal"). The completion of the Disposal was conditional upon certain conditions, one of which was the completion of the distribution of the entire issued share capital of Sing Tao Media, one of the then wholly-owned subsidiaries of Sing Tao Holdings Limited which was also the then holding company of the subsidiaries engaging in the Group's publishing and media business, by way of a special interim dividend in specie in the proportion of one ordinary share of Sing Tao Media for every ordinary share of Sing Tao Holdings Limited (the "Distribution"). Immediately after the Distribution, the Group's equity interests in Sing Tao Media remained at 74.5% and the assets of Sing Tao Holdings Limited primarily comprised non-media-related properties in Hong Kong, Mainland China and Canada and cash. The Distribution was completed on 21 August 2002 and had no significant financial impact to the Group. The Disposal was completed on 23 August 2002 and resulted in a net gain on disposal of HK\$93,352,000.

37. 綜合現金流量表附註 (續)

(b) 出售附屬公司及已終止業務之影響概要 (續)

- * 於二零零二年七月三日，本集團向一名獨立第三者 Ming Yuen Investments Group Limited 以總代價 163,800,000 港元出售於 Sing Tao Holdings Limited 之 74.5% 股權（「出售」）。出售在若干條件下才算完成，其中一項條件為按以股代息之方式，以每股 Sing Tao Holdings Limited 普通股獲發一股 Sing Tao Media 普通股之比例，向 Sing Tao Holdings Limited 之每股普通股持有人分派 Sing Tao Holdings Limited 當時其中一間全資附屬公司兼本集團從事出版及媒體業務之附屬公司之控股公司 Sing Tao Media 之全部已發行股份，作為特別中期股息（「分派」）。緊隨分派後，本集團於 Sing Tao Media 之股權維持 74.5%，而 Sing Tao Holdings Limited 之資產主要包括在香港、中國大陸及加拿大之非媒體相關物業以及現金。分派於二零零二年八月二十一日完成，對本集團並無重大之財務影響。出售於二零零二年八月二十三日完成，出售所得之收益淨額為 93,352,000 港元。

Notes to Financial Statements

31 December 2003

37. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(c) Major non-cash transactions

- (i) During the year, the Group entered into finance lease arrangements in respect of fixed assets with a total capital value at the inception of the leases of approximately HK\$770,000 (2002: HK\$817,000).

38. CONTINGENT LIABILITIES

37. 綜合現金流量表附註 (續)

(c) 主要非現金交易

- (i) 年內，本集團就固定資產訂立融資租約安排，於租賃起始時的資本總值約為770,000港元（二零零二年：817,000港元）。

38. 或然負債

	Notes 附註	Group 本集團		Company 本公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Guarantees for banking facilities granted to subsidiaries	附屬公司獲授銀行備用額之擔保 (a)	—	—	103,150	68,650
Guarantees for banking facilities granted to a jointly-controlled entity	共同控制公司獲授銀行備用額之擔保 (b)	15,000	15,000	—	—
Several guarantees for banking facilities granted to a jointly-controlled entity	共同控制公司獲授銀行備用額之多項擔保 (c)	—	63,471	—	—
		15,000	78,471	103,150	68,650

Notes:

- (a) At 31 December 2003, the Company had outstanding corporate guarantees of approximately HK\$103,150,000 (2002: HK\$68,650,000) issued in favour of banks to secure general banking facilities granted to its subsidiaries. These subsidiaries had not utilised any of the facilities as at 31 December 2003 (2002: Nil).

附註：

- (a) 於二零零三年十二月三十一日，本公司就其附屬公司獲授之一般銀行備用額向多間銀行發出之公司擔保約103,150,000港元（二零零二年：68,650,000港元）。此等附屬公司在二零零三年十二月三十一日時尚未動用任何銀行備用額（二零零二年：無）。

38. CONTINGENT LIABILITIES (continued)

Notes: (continued)

- (b) At 31 December 2003, the Group had outstanding corporate guarantees of approximately HK\$15,000,000 (2002: HK\$15,000,000) issued in favour of a bank to secure general banking facilities granted to a jointly-controlled entity. The facilities were also secured by certain of the Group's cash deposits amounting to HK\$20,997,000 (C\$3,500,000) (2002: HK\$18,717,000 (US\$2,400,000))(note 25). The jointly-controlled entity had fully utilised the facilities as at 31 December 2003.
- (c) At 31 December 2002, the Group had given several guarantees in favour of a bank to secure 50% of the credit facilities granted to, and utilised by, a jointly-controlled entity in Canada. As at 31 December 2002, the Group's proportionate share of such utilised credit facilities was approximately HK\$63,471,000.
- (d) The Group has an interest in a joint venture which, until December 1996, owned a property which was financed in part by a loan secured by a mortgage on the property. Each joint venturer is committed to the repayment of its proportionate share of the liability under the mortgage and this is reflected in a several guarantee given by the venturers to the mortgagee. During 1996, the property was sold by the mortgagee and the Group has written off its investment in the joint venture and provided for its proportionate share of the mortgage liability of approximately HK\$27,447,000 under the guarantee. There was a contingent liability in respect of the remaining excess mortgage liability of approximately HK\$110,000,000, in the event that the Group's obligations were determined to be joint and several, and the other venturers failed to honour their attributable portions. The Group had obtained legal advice which confirmed that such a claim, whilst possible, was unlikely to succeed.

38. 或然負債 (續)

附註：(續)

- (b) 於二零零三年十二月三十一日，本集團就其共同控制公司獲授之一般銀行備用額向一間銀行發出之公司擔保約15,000,000港元(二零零二年：15,000,000港元)。該等備用額以本集團若干現金存款20,997,000港元(3,500,000加元)(二零零二年：18,717,000港元(2,400,000美元))(附註25)作抵押。共同控制公司已於二零零三年十二月三十一日全數動用該等備用額。
- (c) 於二零零二年十二月三十一日，本集團已就其位於加拿大之一間共同控制公司獲受及已動用之銀行備用額向一間銀行發出多項擔保，抵押50%之備用額。於二零零二年十二月三十一日，本集團按比例應佔該等已動用之信貸備用額約為63,471,000港元。
- (d) 本集團擁有一間合營企業之權益。該企業在一九九六年十二月前擁有一項物業，資金部份來自以該項物業按揭為抵押之貸款。各合營方已經承諾會按應佔比例償還有關按揭的債務，此等承擔可從合營方向承按人發出的個別按揭擔保中反映。於一九九六年，承按人將該項物業出售，而本集團亦已撤銷在合營企業之投資，並為本集團根據擔保而須按應佔比例之按揭債務撥備約27,447,000港元。倘若本集團之責任被裁定為聯合及個別責任，而其他合營方未能履行各自之部份，則餘下之按揭債務中，會有約110,000,000港元之或然負債。本集團已取得法律意見，確定該項申索得直機會不大，但仍有此可能性。

38. CONTINGENT LIABILITIES (continued)

Notes: (continued)

(d) (continued)

The applicable limitation period with respect to the mortgagee's ability to assert a claim would be six years from the date of disposal of the property, which ended in December 2002. The Group had not received any claims from the mortgagee during the aforesaid limitation period. Based on a legal advice, the directors considered that the limitation period had run and that a claim would have been unlikely to succeed against the Group. Accordingly, the Group reversed the provision in respect of its proportionate share of mortgage liability of approximately HK\$27,447,000 under the guarantee in 2002 as the directors were of the opinion that the contingent liability in respect of the remaining excess mortgage liability no longer existed as at 31 December 2002.

39. PENDING LITIGATION

The Group has received claims made against certain subsidiaries for damages in respect of alleged defamation. Based on legal opinion, the directors are of the opinion that adequate provision has been made in the financial statements to cover any potential liabilities arising from the litigation.

38. 或然負債 (續)

附註：(續)

(d) (續)

承按人可提出申索之有關限制期限為出售物業日期起六年，而該期限已於二零零二年十二月屆滿。本集團於上述有關限制期限並無接獲承按人之任何申索。根據法律意見，董事認為限制期限已過去，而向本集團提出之申索得直機會不大可能成功。因此，本集團於二零零二年撥回根據擔保按應佔比例之按揭債務約27,447,000港元，因為董事認為截至二零零二年十二月三十一日並無有關剩餘按揭債務之或然負債。

39. 等候待判決之訴訟

本集團接獲若干附屬公司因涉及誹謗而遭提出之申索。根據法律意見，董事認為本集團已就此在財務報表中作出足夠撥備以償還任何可能因訴訟而產生之債務。

40. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases certain investment properties (note 15 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from one to five years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At the balance sheet date, the Group had total future minimum lease rental receivables under non-cancellable operating leases with its tenants falling due as follows:

40. 經營租約安排

(a) 作為出租人

本集團根據經營租約安排租出若干投資物業(財務報表附註15)，經磋商之租約為期一至五年。租約之條款一般規定租客須支付保證金，亦規定租金可定期按當時市況調整。

於結算日，本集團根據下列期間屆滿之不可撤銷經營租約應收之未來最低租金總額為：

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Within one year	一年內	3,432	5,277
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	1,773	4,925
		5,205	10,202

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31 December 2003

40. OPERATING LEASE ARRANGEMENTS (continued)

(b) As lessee

The Group leases certain of its office properties and printing equipment under operating lease arrangements. Leases for these properties and printing equipment are negotiated for terms ranging from one to two years.

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

40. 經營租約安排 (續)

(b) 作為承租人

本集團根據經營租約安排租賃若干辦公室物業及印刷設備。經磋商之物業及印刷設備之租約為期一至二年。

於結算日，本集團根據下列期間屆滿之不可撤銷經營租約應付之未來最低租金總額為：

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Within one year	一年內	6,939	12,679
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	13,886	5,300
After five years	五年後	1,045	—
		21,870	17,979

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財務報表附註

二零零三年十二月三十一日

41. COMMITMENTS

In addition to the operating lease commitments detailed in note 40(b) above, the Group had the following commitments at the balance sheet date:

(a) Capital commitments

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Capital commitments:	資本承擔		
Contracted for	已訂約	1,365	60,678
Authorised, but not contracted for	已批准但未訂約	3,921	494
		5,286	61,172

In addition, the Group's share of jointly-controlled entities' own capital commitments which are not included in the above, was as follows:

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Contracted, but not provided for	已訂約但未撥備	1,579	3,367

41. 承擔

除上文附註40(b)之經營租賃承擔外，本集團於結算日有以下承擔：

(a) 資本承擔

此外，上文並未包括的本集團應佔之共同控制公司本身之資本承擔如下：

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41. COMMITMENTS (continued)

(b) Financial derivatives

		Group 本集團	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Forward foreign exchange contracts	遠期外匯合約	156,379	—
Currency options written	已出售貨幣期權	78,000	—
Commodities options written	已出售商品期權	18,712	—

The notional amounts of these instruments indicate the volume of transactions outstanding at the balance sheet date. They do not represent amounts at risk or impact to the results or net asset value of the Group.

The Company had no material commitments at the balance sheet date.

41. 承擔 (續)

(b) 金融衍生工具

該等工具之名義款額表示於年結日之交易量，並不代表本集團的風險額或對本集團業績或資產值的影響。

本公司於結算日並無任何重大承擔。

42. POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, the Group entered into the following financial instruments for treasury and hedging purposes. The Group's commitments in respect of these instruments outstanding as at the date of this annual report are as follows:

(i) Treasury purpose

Currency options	貨幣期權
Commodities and stock options	現貨及股份期權

(ii) Hedging purpose

Forward foreign exchange contracts	遠期外匯合約
------------------------------------	--------

* *The aggregate notional amount of the above instruments will vary with fluctuations in the prevailing currency spot rates at the time the respective contracts expire. Accordingly, a range of commitments is shown.*

The notional amounts of these instruments indicate the volume of transactions outstanding as at the date of this annual report. They do not represent amounts at risk or impact to the results or net asset value of the Group.

42. 結算日後事項

結算日後，本集團為庫務及對沖目的訂立下列財務工具。於本年報日期，本集團就此等工具尚存的承擔如下：

(i) 庫務目的

	<i>HK\$'000</i> 千港元
Currency options	<u>70,309</u>
Commodities and stock options	<u>12,932</u>

(ii) 對沖目的

Minimum exposure* 最低風險 <i>HK\$'000</i> 千港元	Maximum exposure* 最高風險 <i>HK\$'000</i> 千港元
<u>191,018</u>	<u>365,583</u>

* 上述工具之總名義款額將因應於有關合約到期時的貨幣交易指數之波動而變動。因此，所以以一範圍的承擔顯示。

該等工具之名義款額表示於本年報日期尚存之交易量，惟並不代表本集團的風險額或對業績或本集團資產淨值的影響。

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43. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

		2003 二零零三年 Note 附註	2002 二零零二年 HK\$'000 千港元
Rental income received from an associate	來自一間聯營公司之已收租金收入	(i) 137	150
Rental income received from a jointly-controlled entity	來自一間共同控制公司之已收租金收入	(i) 357	—
News service fee income received from a jointly-controlled entity	來自一間共同控制公司之已收新聞服務費用收入	(ii) 10,738	8,000
Printing service charges paid and payable to a jointly-controlled entity	已付及應付一間共同控制公司之印刷服務費用	(iii) 63,137	59,429
Reimbursement of expenses paid on behalf of the Company to an affiliate of the Company's controlling shareholder	向本公司之控股股東之一間聯屬公司償還代本公司支付之開支	(iv) 1,816	1,153

Notes:

- (i) The rental income was determined between parties with reference to the prevailing market price.
- (ii) The news service fee was charged on an annual fixed amount basis pursuant to the news service agreement.
- (iii) The printing service was charged on a cost plus mark-up basis pursuant to the printing agreement.
- (iv) The reimbursement of expenses was made at cost.

43. 關連人士交易

除財務報表的其他地方詳述之交易與結餘外，本集團於年內亦與關連人士訂立下列之重大交易：

	2003 二零零三年 Note 附註	2002 二零零二年 HK\$'000 千港元
Rental income received from an associate	(i) 137	150
Rental income received from a jointly-controlled entity	(i) 357	—
News service fee income received from a jointly-controlled entity	(ii) 10,738	8,000
Printing service charges paid and payable to a jointly-controlled entity	(iii) 63,137	59,429
Reimbursement of expenses paid on behalf of the Company to an affiliate of the Company's controlling shareholder	(iv) 1,816	1,153

附註：

- (i) 租金收入由有關各方參考現行市價釐定。
- (ii) 新聞服務費用根據新聞服務協議每年定額收費。
- (iii) 印刷服務按印務協議收取成本連同溢利。
- (iv) 償還之開支按成本收費。

43. RELATED PARTY TRANSACTIONS (continued)

During the year, the Group had granted corporate guarantees of HK\$15,000,000 (2002: HK\$15,000,000) and pledged certain of its cash deposits amounting to HK\$20,997,000 (C\$3,500,000) (2002: HK\$18,717,000 (US\$2,400,000)) as securities for banking facilities of approximately HK\$15,000,000 (2002: HK\$15,000,000) granted to a jointly-controlled entity. As at 31 December 2003, such facilities were fully utilised.

Details of the Group's balances with jointly-controlled entities and associates as at the balance sheet date are disclosed in notes 20 and 21 to the financial statements, respectively.

43. 關連人士交易 (續)

年內，本集團就一間共同控制公司獲授約15,000,000港元(二零零二年：15,000,000港元)之銀行備用額發出15,000,000港元(二零零二年：15,000,000港元)之公司擔保及若干現金存款20,997,000港元(3,500,000加元)(二零零二年：18,717,000港元(2,400,000美元))作為抵押。於二零零三年十二月三十一日，該等備用額已全數動用。

本集團與共同控制公司及聯營公司於結算日之結餘詳情於財務報表附註20及21披露。

Notes to Financial Statements

31 December 2003

44. PARTICULARS OF SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 December 2003 were as follows:

44. 附屬公司詳情

本公司主要附屬公司於二零零三年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Nominal value of issued share/registered capital 已發行股份面值/ 註冊資本	Percentage of equity attributable to the Company 本公司應佔股本 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
北京泛華滙通軟件科技 有限公司# *	Mainland China 中國內地	RMB3,000,000 registered capital 人民幣3,000,000元 註冊資本	—	100	Software development 軟件開發
Chinese Information Radio	USA 美國	US\$100,000 ordinary shares 100,000美元普通股	—	100	Radio broadcasting 電台廣播
Flash Bright Development Limited 亮馳發展有限公司	Hong Kong 香港	HK\$5,000,000 ordinary shares 5,000,000港元 普通股	—	100	Distribution of photographic products 攝影器材分銷
GC Media Teamwork Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$100 ordinary shares 100美元普通股	—	100	Content Selling 內容銷售
Global China Corporate Finance Limited 泛華財務顧問有限公司	Hong Kong 香港	HK\$5,000,000 ordinary shares 5,000,000港元 普通股	100	—	Provision of corporate finance advisory services 提供企業財務顧問服務

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財務報表附註

二零零三年十二月三十一日

44. PARTICULARS OF SUBSIDIARIES (continued)

44. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Nominal value of issued share/registered capital 已發行股份面值/ 註冊資本	Percentage of equity attributable to the Company 本公司應佔股本 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Global China Management Services Limited	Hong Kong 香港	HK\$20 ordinary shares 20港元普通股	—	100	Provision of management services to Group companies 向集團公司 提供管理服務
Perfect Treasure Investment Limited 栢寶發展有限公司	Hong Kong 香港	HK\$100,000 ordinary shares 100,000港元普通股	—	100	Securities trading and investment 證券買賣及投資
Global China Properties Holdings Limited (formerly known as "The Standard Newspapers Limited")	Hong Kong 香港	HK\$3,435,000 ordinary shares 3,435,000港元普通股	—	100	Property holding 物業持有
China Touch Media Solutions & Services Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 ordinary share 1美元普通股	—	100	Magazine publishing 雜誌發行
Sing Tao (Canada) Limited	Canada 加拿大	C\$1 ordinary share C\$8,250,000 preference shares 1加元普通股 8,250,000加元 優先股	—	100	Investment holding and property holding 投資控股及物業持有

Notes to Financial Statements

31 December 2003

44. PARTICULARS OF SUBSIDIARIES (continued)

44. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Nominal value of issued share/registered capital 已發行股份面值/ 註冊資本	Percentage of equity attributable to the Company 本公司應佔股本 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Sing Tao Finance Limited 星島財務有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元普通股	—	100	Financing intermediary 財務媒介
Sing Tao Limited 星島有限公司	Hong Kong 香港	HK\$77,650,000 ordinary shares 77,650,000港元 普通股	—	100	Newspaper publishing 報章發行
Sing Tao Newspapers (Los Angeles) Limited	United States of America 美國	US\$100,000 ordinary shares 100,000美元 普通股	—	100	Newspaper publishing 報章發行
Sing Tao Newspapers New York Limited	United States of America 美國	US\$1,750,000 ordinary shares 1,750,000美元 普通股	—	100	Newspaper publishing 報章發行
Sing Tao Newspapers Pty. Limited	Australia 澳洲	A\$250,000 ordinary shares 250,000澳元普通股	—	100	Newspaper publishing 報章發行
Sing Tao Newspapers San Francisco Ltd	United States of America 美國	US\$250,000 ordinary shares 250,000美元普通股	—	100	Newspaper publishing 報章發行
Topgain Trading Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 ordinary shares 1美元普通股	—	100	Fund management 資金管理

44. PARTICULARS OF SUBSIDIARIES (continued)

44. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Nominal value of issued share/registered capital 已發行股份面值/ 註冊資本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Sing Tao (U.K.) Limited	United Kingdom 英國	£100 ordinary shares 100英鎊普通股	—	100	Newspaper publishing 報章發行
Wealthpop Limited	Hong Kong 香港	HK\$2 ordinary shares 2港元普通股	—	100	Property holding 物業持有
Sing Tao Educational Publications Limited	Hong Kong 香港	HK\$10,000 ordinary shares 10,000港元普通股	—	100	Book publishing 書籍發行

The subsidiary is a wholly-foreign owned enterprise.

該附屬公司為一間外商獨資企業。

* Not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

* 並非由香港安永會計師事務所或Ernst & Young International其他成員公司審計。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets and/or liabilities of the Group. To give details of all the Company's subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

董事認為，上表列出之附屬公司主要影響本年度業績，或構成本集團資產及／或負債淨值之主要部份。董事認為，詳列本公司所有附屬公司會令篇幅過於冗長。

45. COMPARATIVE AMOUNTS

As further explained in note 2 to the financial statements, due to the adoption of a revised SSAP during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain comparative amounts have been reclassified to conform with the current year's presentation.

46. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 20 April 2004.

45. 比較數字

誠如財務報表附註2所述，由於本年度採納經修訂之會計實務準則，若干項目及結餘之會計處理方法及在財務報表之呈報方式已經修訂，以符合新規定。因此，若干比較數字亦已重分類，以符合本年度之呈報方式。

46. 批核本財務報表

董事會於二零零四年四月二十日批核本財務報表。

Schedule of Major Properties

31 December 2003

主要物業概覽

二零零三年十二月三十一日

Name and address 名稱及地址	Lot No. 地段編號	Use 用途	Approx. gross floor area (square feet) 總樓面 面積約數 (平方呎)	Group's interest % 集團 所佔權益 %	Lease expiry 租約 屆滿年期	Main occupants 主要佔用者
(I) PROPERTIES HELD FOR OWNER OCCUPATION:						
持作自用之物業：						
<i>Located in Hong Kong</i>						
位於香港						
1. Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Kowloon. 九龍九龍灣宏光道1號 星島大廈	New Kowloon Inland Lot No. 5925 新九龍內地 段5925號	Industrial 工業	277,700	100	2047	Global China Group Holdings Limited 泛華集團控股有限公司 Sing Tao Limited 星島有限公司 China Touch Media Solutions and Services Limited
2. Rooms 1305-06, 13/F, Rooms 1401-06, 14/F, Car Po Commercial Building, Nos. 37-43 Pottinger Street, Central. 中環 砵典乍街37-43號 嘉寶商業大廈 13樓1305-06室及 14樓1401-06室	Inland Lot No. 2 內地段2號	Commercial 商業	5,911	100	2842	Flash Bright Development Limited 亮馳發展有限公司
3. Workshops Nos. 1-3 & 5-12 on 5/F, Car Parking Spaces Nos. 5, 6, 14 & 15 on Upper Ground Floor, Wah Lai Industrial Centre, Nos. 10-14 Kwei Tei Street, Fo Tan, Shatin. 沙田火炭桂地街10-14號 華麗工業中心5樓1-3及 5-12號工場及 上層5、6、14及 15號停車位	Sha Tin Town Lot No. 138 沙田市地段 138號	Commercial 商業	15,641	100	2047	Flash Bright Development Limited 亮馳發展有限公司

Schedule of Major Properties

31 December 2003

Name and address 名稱及地址	Lot No. 地段編號	Use 用途	Approx. gross floor area (square feet) 總樓面 面積約數 (平方呎)	Group's interest % 集團 所佔權益 %	Lease expiry 租約 屆滿年期	Main occupants 主要佔用者
(I) PROPERTIES HELD FOR OWNER OCCUPATION: (continued)						
持作自用之物業：(續)						
<i>Located in Canada</i>						
位於加拿大						
4. 411-417 Dundas Street West, Toronto, Ontario.	Part of lots 6 and 7 Plan D-116 規劃 D-116 6號及7號地段 之一部份	Commercial 商業	23,300	100	Fee simple 永久	Sing Tao (Canada) Limited
<i>Located in the People's Republic of China</i>						
位於中華人民共和國						
5. Unit 8E, Lan Yuan Mansion, Beijing Jindao Garden, No. 1 Xibeihe Nan Lu, Chaoyang District, Beijing Municipality, Hebei Province. 河北省北京市朝陽區 西貝河南路1號 北京金島花園 蘭苑樓8E室	N/A 不適用	Domestic 住宅	1,132	100	2064	Global China Group Holdings Limited 泛華集團控股有限公司

Major Properties

主要物業概覽

二零零三年十二月三十一日

Name and address 名稱及地址	Lot No. 地段編號	Use 用途	Approx. gross floor area (square feet) 總樓面 面積約數 (平方呎)	Group's interest % 集團 所佔權益 %	Lease expiry 租約 屆滿年期	Main occupants 主要佔用者
(I) PROPERTIES HELD FOR OWNER OCCUPATION: (continued) 持作自用之物業：(續)						
<i>Located in the United States of America</i> 位於美國						
6. 215 Littlefield Avenue South, San Francisco.	N/A 不適用	Industrial 工業	14,900	100	Fee simple 永久	Sing Tao Newspapers San Francisco Ltd.
7. 188 Lafayette Street, New York.	Block 473 Lot 40 地段40號 473區	Industrial 工業	16,200	100	Fee simple 永久	Sing Tao Newspapers New York Limited

Schedule of Major Properties

31 December 2003

Name and address 名稱及地址	Lot No. 地段編號	Use 用途	Approx. gross floor area (square feet) 總樓面 面積約數 (平方呎)	Group's interest % 集團 所佔權益 %	Lease expiry 租約 屆滿年期	Main occupants 主要佔用者
(II) INVESTMENT PROPERTIES:						
投資物業：						
<i>Located in Hong Kong</i>						
位於香港						
1. Room 1501 and 1504, 15/F, Car Po Commercial Building, No.37-43 Pottinger Street, Central. 中環 砵典乍街37—43號 嘉寶商業大廈 15樓1501及1504室	Inland Lot No. 2 內地段2號	Commercial 商業	1,134	100	2842	Independent third parties 獨立第三者

Five Year Financial Summary

五年財務概要

A summary of the published results and of the assets, liabilities and minority interests of the Group for the last five financial years/period, as extracted from the published audited financial statements and reclassified as appropriate, is set out below.

本集團過去五個財政年度／期間之已刊發業績、資產及負債以及少數股東權益概要乃摘錄自己刊發經審核財務報表，並已適當地重新歸類如下。

RESULTS

業績

		Period from 1 April 2001 to 31 December 2001			Year ended 31 March	
		Year ended 31 December 截至十二月三十一日止年度	由二零零一年 四月一日至 二零零一年 十二月三十一日	Year ended 31 March 截至三月三十一日止年度	2001	2000
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)	2001 二零零一年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元	2000 二零零零年 HK\$'000 千港元
Turnover	營業額	1,181,558	1,094,133	1,032,960	485,682	597,080
Net profit/(loss) from ordinary activities attributable to shareholders	股東應佔日常業務溢利/ (虧損)淨額	12,368	154,768	(131,446)	(245,231)	(92,357)

ASSETS, LIABILITIES AND MINORITY INTERESTS

資產，負債及少數股東權益

		As at 31 December 十二月三十一日			As at 31 March 三月三十一日	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 (Restated) (重列)	2001 二零零一年 HK\$'000 千港元 (Restated) (重列)	2001 二零零一年 HK\$'000 千港元 (Restated) (重列)	2000 二零零零年 HK\$'000 千港元
Total assets	資產總值	1,570,382	1,584,247	1,614,728	1,718,014	517,638
Total liabilities	負債總值	(477,142)	(451,360)	(520,251)	(545,146)	(130,374)
Minority interests	少數股東權益	(625)	(8,710)	(225,791)	(248,015)	(354)
		1,092,615	1,124,177	868,686	924,853	386,910

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Global China Group Holdings Limited (the "Company") will be held at Function Room, 6/F, Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Hong Kong on Friday, 28 May 2004 at 3:30 p.m. for the following purposes:—

1. To receive, consider and approve the audited financial statements and the reports of the directors and auditors for the year ended 31 December 2003.
2. To fix the maximum number of directors and to authorise the board of directors to appoint additional directors up to the maximum number determined.
3. To re-elect directors and to authorise the board of directors to fix their fee.
4. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

A. "THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

茲通告Global China Group Holdings Limited (「本公司」) 謹定於二零零四年五月二十八日星期五下午三時三十分假座香港九龍灣宏光道一號星島大廈六樓演講室舉行股東週年大會，以處理下列事項：

1. 省覽及批准截至二零零三年十二月三十一日止年度之經審核財務報表、董事會報告及核數師報告。
2. 釐定最高董事人數及授權董事會委任額外董事最多至所釐定之人數。
3. 重選董事並授權董事會釐定其酬金。
4. 重聘核數師及授權董事會釐定其酬金。
5. 作為特別事項，考慮並酌情通過下列決議案為普通決議案：

A. 「動議：

- (a) 在下文(c)段所載之規限下，一般及無條件地批准本公司之董事於有關期間內(定義見下文)行使本公司之一切權力，以配發、發行及處理本公司股本中每股面值0.10港元之額外股份，及在將會或可能須要行使此項權力之情況下，作出或授予配發股份動議、協議及購股權；

- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the directors and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option, warrants or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares as scrip dividends from time to time pursuant to the bye-laws of the Company (as amended from time to time); or (iii) the grant of options under the share option scheme of the Company or the exercise of any of the subscription rights attaching to any options that have been or may be granted thereunder; or (iv) any issue of shares of the Company upon exercise of rights of subscription or conversion attaching to any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (b) 上述(a)段所授予董事之批准為任何其他授權以外之一項額外授權，授權本公司之董事於有關期間內，作出或授予將會或可能須於有關期間完結後行使此項權力之配發股份動議、協議及購股權；
- (c) 本公司董事根據上述(a)段賦予之批准而配發或有條件或無條件同意配發(不論是否依據購股權、認股權證或其他事項)之股本總面值(依據(i) 供股(定義見下文)；或(ii)根據本公司之公司細則(經不時修定)而不時發行之股份以代替本公司股息；或(iii)根據本公司之購股權計劃所授出之購股權及行使(已發予或未發予)購股權所附之認購權以認購本公司之股份；或(iv)行使本公司認股權證所賦予之任何認購或轉換權或行使任何可轉換為本公司股份之證券而發行之股份除外)，不得超過於本決議案通過當日本公司之已發行股本總面值之20%，而上述批准亦須受此限制；及

Notice of Annual General Meeting

(d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“Rights Issue” means an offer of shares or an offer or issue of warrants or options or similar instruments to subscribe for shares open for a period fixed by the directors of the Company to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

(d) 就本決議案而言：

「有關期間」指由本決議案獲通過當日起至下列三者中之較早日期止之期間：

- (i) 本公司下屆股東週年大會結束時；
- (ii) 任何適用法例或本公司之公司細則規定須舉行本公司下屆股東週年大會之期限屆滿時；及
- (iii) 本公司股東於股東大會上通過普通決議案撤銷或更改本決議案所載授權之日；

「供股」指本公司董事於指定之期間，向於指定記錄日期名列本公司股東名冊之本公司股東，按彼等當時之持股比例發售股份或給予認股權證，或購股權或其他類似工具以認購本公司股份（惟本公司董事可就零碎股權或香港以外任何地區之任何法律限制或責任，或任何認可監管機構或任何證券交易所之規定，作出其認為必要或適當之豁免或其他安排）。

B. "THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) of resolution number 5A above) of all powers of the Company to purchase issued securities in the capital of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorization given to the directors and shall authorize the directors during the Relevant Period to procure the Company to purchase its securities at a price determined by the directors;
- (c) the aggregate nominal amount of share capital of the Company to be purchased, or agreed conditionally or unconditionally to be purchased, by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly."

B. 「動議：

- (a) 根據下文(c)段所載之規限下，一般及無條件批准本公司之董事於有關期間(定義見上述第5A項決議案之(d)段)內行使本公司之一切權力，按照所有適用之法例及香港聯合交易所有限公司(「聯交所」)證券上市規則之規定，於聯交所或本公司證券可能上市及已獲香港證券及期貨事務監察委員會及聯交所認可之任何其他證券交易所，購回本公司股本中之已發行證券；
- (b) 上述(a)段所授予之批准，乃為董事獲授之任何其他授權以外之一項額外授權，授權董事於有關期間內促使本公司按董事釐定之價格購回其已發行證券；
- (c) 本公司根據上述(a)段所授予之批准，購回或有條件或無條件同意購回本公司股本之總面值，不得超過於本決議案通過當日本公司已發行股本總面值之10%，而上述批准亦須受此限制。」

Notice of Annual General Meeting

- C. "THAT subject to the passing of resolutions No. 5A and No. 5B set out above, the aggregate nominal amount of shares in the capital of the Company which are repurchased by the Company under the authority granted pursuant to the abovementioned resolution No. 5B shall be added to the aggregate nominal amount of share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the authority granted pursuant to the abovementioned resolution No. 5A."
6. As special business, to consider and, if thought fit, pass the following resolution as a special resolution:
- "THAT the bye-laws of the Company be and are hereby amended in the following manner:
- Bye-law 1
- By inserting the following new definition of "associate" after the definition of "Act" in existing Bye-law 1:
- "associate" the meaning attributed to it in the rules of the Designated Stock Exchange.
- Bye-law 76
1. By re-numbering existing Bye-law 76 as Bye-law 76(1);
- C. 「動議待大會通過上述第5A項及5B項決議案後，將本公司根據上文第5B項決議案內所授予之授權而購回本公司股本之總面值，加入根據上文第5A項決議案所授予本公司董事之權力，可能配發或可能有條件或無條件同意配發本公司股本之總面值內。」
6. 作為特別事項，考慮並酌情通過下列決議案為特別決議案：
- 「動議將本公司之公司細則作出下列修改：
- 細則第1條
- 將以下「聯繫人士」之新定義加入現有細則第1條「公司法」之定義之後：
- 「聯繫人士」具指定證券交易所之規則所賦予之涵義。
- 細則第76條
1. 將現有細則第76條重新編號為細則第76(1)條；

2. By inserting the following as new Bye-law 76(2):

(2) Where any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.

Bye-law 88

By deleting the existing Bye-law 88 in its entirety and replacing therewith the following new Bye-law 88:

88. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that the period for lodgment of such Notice(s) shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

2. 加入作為新細則第76(2)條：

(2) 倘任何股東根據指定證券交易所規則須就任何特定決議案放棄投票，或受限制僅可投票贊成或反對任何特定決議案，則該股東或其代表在違反該規定或限制情況下所投之票數，將不予計算在內。

細則第88條

刪除現有細則第88條全文，並以下列新細則第88條代替：

88. 除非一項由正式合資格出席大會及於會上投票之股東（並非被推選之人士）簽發之書面通知（並於該通知表明其在大會推選該人士出任董事之意願）及一項由被推選人士簽發表明其願意膺選之書面通知已於股東大會舉行日期前最少七（7）日期間（由不早於就寄發指定作該推選之股東大會通告當日起至不遲於該股東大會舉行日期前七（7）日止）呈交至總辦事處或註冊辦事處，否則概無人士（於大會退任之董事除外）合資格於任何股東大會上膺選出任董事職位（由董事推舉除外）。

Notice of Annual General Meeting

Bye-law 103

By deleting the existing Bye-law 103 in its entirety and replacing therewith the following new Bye-law 103:

103.(1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associate(s) is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/ themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

細則第103條

刪除現有細則第103條全文，並以下列新細則第103條代替：

103.(1) 董事不得就其或其任何聯繫人士擁有重要權益之任何合約、安排或任何其他建議投票或計入會議之法定人數內，惟此項限制不適用於有關下列任何情況：

- (i) 向董事或其聯繫人士就其或其任何聯繫人士因應本公司或其任何附屬公司之要求或為本公司或其任何附屬公司之利益而借出之款項或引致或承諾之責任而提供任何抵押或賠償保證之任何合約或安排；
- (ii) 因應本公司或其任何附屬公司之債項或責任而向第三者提供任何抵押或賠償保證，其中董事或其聯繫人士個人或共同按某項擔保或賠償保證或抵押而承擔全部或部份責任之任何合約或安排；

- (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;
- (v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director and/or his associate(s) is/are beneficially interested in aggregate in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of any of his associates is derived); or
- (iii) 有關發售本公司或本公司可能創辦或擁有權益之任何其他公司股份、債券或其他證券(或由本公司或該等公司發售)以供認購或購買，而董事或其聯繫人士因參與發售之包銷或分包而於當中擁有權益之任何合約或安排；
- (iv) 董事或其聯繫人士僅因持有本公司或其任何附屬公司股份、債券或其他證券權益而與其他本公司股份、債券或其他證券持有人擁有相同權益之任何合約或安排；
- (v) 有關董事或其聯繫人士直接或間接於當中擁有權益(不論以高級職員、行政人員或股東身份)之任何其他公司之任何合約或安排，惟董事及／或其聯繫人士合共實益擁有該公司(或董事或其任何聯繫人士藉以獲得權益之任何第三者公司)任何類別已發行股份或該等已發行股份之投票權之百分之五(5)或以上之權益除外；或

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- (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded to the class of persons to which such scheme or fund relates.
- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) is/are the holder(s) of or beneficially interested in five (5) per cent or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no
- (vi) 有關採納、修訂或執行同時涉及本公司或其任何附屬公司之董事、其聯繫人士及僱員之購股權計劃、退休金或退休、身故或傷殘福利計劃或其他安排之任何建議，而任何董事或其聯繫人士並不獲提供任何與該計劃或基金有關之類別人士不獲賦予之特權或利益。
- (2) 只要(惟僅只要)董事及/或其聯繫人士直接或間接為一間公司(或董事或其任何聯繫人士藉以獲得權益之任何第三者公司)之任何類別股本或該公司股東所獲投票權中百分之五(5)或以上權益之持有人或實益擁有該等權益，則該公司將被視為一間有董事及/或其聯繫人士擁有百分之五(5)或以上權益之公司。就本段而言，作為被動或託管受託人之董事或其聯繫人士所持有而彼或彼等任何一人概無擁有實益權益之任何股份、於一項信託(當中只要部份其他人士有權就此收取收入，則董事或其聯繫人士之權益將還原或為剩餘)中之任何股份，以及於一項獲授權之單位信託計劃(當中董事或其聯繫人士僅作為擁有權益之單位持有人)中及不附有股東大會之投票權及高限制性之股息及退回資本權

voting right at general meetings and very restrictive dividend and return of capital right.

- (3) Where a company in which a Director and/or his associate(s) holds five (5) per cent or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting, such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.”

By Order of the Board
Chan Mei Sheung
Company Secretary

Hong Kong, 20 April 2004

利之任何股份將不予計算在內。

- (3) 倘董事及／或其聯繫人士持有當中百分之五(5)或以上之公司於交易中擁有重大權益，則該董事及／或其聯繫人士亦被視為於該項交易中擁有重大權益。
- (4) 倘於任何董事會會議上就有關董事(大會主席除外)權益之重要性或任何董事(該主席除外)享有之投票權產生任何疑問，而該疑問不能透過其自願同意放棄投票之方式解決，除非有關董事並未就該董事所知擁有之權益性質或範圍向董事會作出公平披露，否則該疑問均由大會主席處理，而其就有關該其他董事之裁決將為最終及具決定性。倘上述任何疑問乃有關大會主席，則該疑問將以董事會決議案(該主席不得就此投票)決定，除非該主席並未就該主席所知擁有之權益性質或範圍向董事會作出公平披露，否則該決議案將為最終及具決定性。」

承董事會命
公司秘書
陳美嫦

香港，二零零四年四月二十日

Notice of Annual General Meeting

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one (or if he holds two or more shares, more than one) proxy to attend and vote in his/her stead. A proxy need not be a member of the Company. If the appointer is a corporation, the form of proxy must be under its common seal, or under the hand of an officer or attorney duly authorised on its behalf.
2. In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of that power of attorney or authority, must be deposited with the Company Secretary of the Company at 6th Floor, Tower B, Sing Tao Building, 1 Wang Kwong Road, Kowloon Bay, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof.
3. The register of members of the Company will be closed from Monday, 24 May 2004 to Friday, 28 May 2004, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible for attending and voting at the said meeting, all share transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4 p.m. on Friday, 21 May 2004.

附註：

1. 凡有權出席上述通告召開之大會並於會上投票之股東，可委派一位代表（如持有兩股或以上股份，則可委派超過一位代表）代其出席及投票。受委代表毋須為本公司股東。倘若委任人為一間公司，代表委任表格必須印有公司印鑑，或經由該公司的主要人員或獲正式授權的授權人簽署。
2. 代表委任表格連同簽署人之授權書或其他授權文件（如有）或經證明之該授權書或授權文件副本，最遲須於大會或其任何續會舉行時間四十八小時前交回本公司之公司秘書，地址為香港九龍灣宏光道一號星島大廈B座六樓，方為有效。
3. 本公司將由二零零四年五月二十四日星期一至二零零四年五月二十八日星期五（首尾兩天包括在內）暫停辦理股份過戶登記手續。為符合出席上述大會並於會上投票的資格，股東須於二零零四年五月二十一日星期五下午四時正前將所有股份過戶文件連同有關股票交回本公司之股份過戶登記處香港分處登捷時有限公司，地址為香港灣仔告士打道56號東亞銀行港灣中心地下。