

The directors present their annual report and the audited financial statements for the year ended 31st December, 2002.

Change of Name

Pursuant to a special resolution passed at a special general meeting held on 27th May, 2002, the name of the Company was changed from Ocean Shores Group Limited to Riche Multi-Media Holdings Limited with effect from 10th June, 2002.

Principal Activities

The Company acts as an investment holding company. The activities of its subsidiaries and associates are set out in notes 14 and 17 respectively to the financial statements.

Results

The results of the Group for the year ended 31st December, 2002 are set out in the consolidated income statement on page 25.

Five Year Financial Summary

A summary of the audited results and the assets and liabilities of the Group for the last five financial years ended 31st December, 2002 is set out on page 79.

Property, Plant and Equipment

The Group's leasehold land and buildings were revalued at 31st December, 2002. The revaluation deficit of approximately HK\$874,000 has been charged to the properties revaluation reserve.

During the year, the Group disposed of its plant and machinery and studio and lighting equipment with an aggregate carrying value of approximately HK\$23,500,000.

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

董事會欣然呈報截至二零零二年十二月三十一日止年度報告及經審核財務報表。

更改名稱

根據於二零零二年五月二十七日舉行之股東特別大會通過之特別決議案，由二零零二年六月十日起，本公司由海岸集團有限公司易名為豐采多媒體集團有限公司。

主要業務

本公司之主要業務為投資控股，而各附屬公司及聯營公司之業務分別載於財務報表附註14及17。

業績

本集團截至二零零二年十二月三十一日止年度之業績載於第25頁之綜合收益表。

五年財務概要

本集團截至二零零二年十二月三十一日止最近五個財政年度之經審核業績、資產及負債概要載於第79頁。

物業、廠房及設備

本集團之租賃土地及樓宇於二零零二年十二月三十一日重估。重估減值約874,000港元已自物業重估儲備扣除。

年內，本集團出售總面值約23,500,000港元之廠房、機器、影樓及燈光設備。

年內本集團物業、機器及設備之上述及其他變動之詳情載於財務報表附註13。

Share Capital and Warrants

Details of movements during the year in the share capital and outstanding warrants of the Company are set out in note 24 to the financial statements.

Reserves

Details of movements in the reserves of the Group and of the Company during the year are set out in page 29 and note 25 to the financial statements respectively.

Distributable Reserves

As at 31st December, 2002, the Company's had no reserves available for distribution.

Major Customers and Suppliers

The percentages of the aggregate turnover for the year attributable to the Group's five largest customers are as follows:

The largest customer	60%
Five largest customers combined	95%

The percentages of the aggregate purchases for the year attributable to the Group's five largest suppliers are as follows:

The largest supplier	72%
Five largest suppliers combined	89%

At 31st December, 2002, China Star Entertainment Limited ("China Star"), a shareholder holding more than 5% of the Company's share capital had a beneficial interest in one of the Group's five largest suppliers. All transactions between the Group and the supplier concerned were carried out on normal commercial terms. Mr. Heung Wah Keung and his spouse, Ms. Chen Ming Yin, Tiffany, are also directors of and have beneficial interests in China Star.

Other than as disclosed above, none of the directors, their associates or any shareholders (which to the knowledge of the directors owned more than 5% of the Company's issued share capital) had an interest in any of the Group's five largest customers or suppliers.

股本及認股權證

年內本公司股本及未行使認股權證變動之詳情分別載於財務報表附註24。

儲備

年內本集團及本公司儲備變動之詳情分別載於第29頁及財務報表附註25。

可分派儲備

於二零零二年十二月三十一日，本公司並無可分派予股東之儲備。

主要客戶及供應商

本集團五大客戶所佔總營業額之百分比如下：

最大客戶	60%
五大客戶合計	95%

本集團五大供應商所佔總採購額之百分比如下：

最大供應商	72%
五大供應商合計	89%

於二零零二年十二月三十一日，中國星集團有限公司（「中國星」，擁有本公司股本5%以上之股東）在本集團五大供應商之一擁有實益。本集團與上述供應商之所有交易均按一般商業條款進行。向華強先生及其配偶陳明英女士為實益擁有中國星之董事。

除上文所披露者外，各董事、彼等之聯繫人士或任何股東（據董事所知擁有本公司已發行股本5%以上者）並無擁有以上任何五大客戶或供應商之權益。

Directors' Report ■ 董事會報告書

Directors

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

Executive directors:

Mr. HEUNG Wah Keung (*Chairman*)
Ms. CHEN Ming Yin, Tiffany (*Vice Chairman*)
Mr. LEI Hong Wai (*Chief Executive Officer*)

Independent non-executive directors:

Mr. LAI Hok Lim
Mr. TANG Chak Lam, Gilbert (appointed on
6th February, 2002)
Mr. WONG Yuen (resigned on
27th May, 2002)

In accordance with the Company's bye-laws, Ms. Chen Ming Yin, Tiffany shall retire by rotation at the forthcoming annual general meeting and, being eligible, offer herself for re-election.

The term of office of each independent non-executive director is the period up to his retirement by rotation in accordance with the Company's bye-laws.

Directors' Service Contracts

There are no existing or proposed service contracts between any of the directors and the Company or any of its subsidiaries, other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

董事

本年度及截至本報告日期之本公司董事如下：

執行董事：

向華強先生 (主席)
陳明英女士 (副主席)
李雄偉先生 (行政總裁)

獨立非執行董事：

黎學廉先生
鄧澤林先生 (於二零零二年二月六日
獲委任)
王沅先生 (於二零零二年五月二十七
日退任)

根據本公司細則，陳明英女士將於股東週年大會上輪值告退，惟符合資格膺選連任。

根據本公司細則，各獨立非執行董事之任其將維持直至輪值告退為止。

董事之服務合約

各董事與本公司或其任何附屬公司訂立或建議服務合約，惟於一年內屆滿或僱主可於一年內不付賠償(法定賠償除外)終止之合約除外。

Directors' Interests in Shares

At 31st December, 2002, the interests of the directors and their associates in the share capital of the Company and its associated corporations, within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance"), as recorded in the register maintained by the Company pursuant to Section 29 of the SDI Ordinance or 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:

1. Interests in shares in the Company

Name of director 董事姓名	Nature of interest 權益性質
Mr. Heung Wah Keung * 向華強先生*	Corporate 公司
Ms. Chen Ming Yin, Tiffany * 陳明英女士*	Corporate 公司

* This refers to the same number of 192,998,000 shares beneficially held by Classical Statue Limited ("CSL"), a wholly-owned subsidiary of China Star, a company in which Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany, have controlling interests.

2. Rights to acquire shares in the Company

Pursuant to the share option scheme of the Company adopted on 21st January, 2002, the directors may, at their discretion, invite participants to take up options at a consideration of HK\$1.00 to subscribe for ordinary shares in the Company. Further details of the share option scheme are set out in note 32 to the financial statements and the section under the heading "Share Option Scheme" below.

董事之股份權益

根據本公司按照證券(披露權益)條例(「披露權益條例」)第29條存置之登記冊所載或本公司及香港聯合交易所有限公司(「聯交所」)根據上市公司董事進行證券交易之標準守則接獲之通知，於二零零二年十二月三十一日，各董事及其聯繫人士所擁有本公司或其相聯法團(定義見披露權益條例)之股本權益如下：

1. 所擁有本公司股份權益

Number of shares held 所持股份數目	Shareholding percentage 持股百分比
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192,998,000	40.61%
192,998,000	40.61%

* 該權益指中國星之全資附屬公司 Classical Statue Limited (「CSL」)實益持有之192,998,000股，而向華強先生及陳明英女士共同擁有中國星之控制權。

2. 購買本公司股份之權利

根據本公司於二零零二年一月二十一日採納之購股權計劃，董事可酌情邀請參與者按1.00港元之代價接納購股權以認購本公司普通股。購股權計劃之詳情載於財務報表附註32及下文「購股權計劃」一節。

Directors' Interests in Shares (continued)

2. Rights to acquire shares in the Company (continued)

Details of movements in the share options to subscribe for shares of HK\$0.10 each in the Company granted to certain directors are as follows:

Name of director 董事名稱	Date of grant 授出日期	Exercisable period 行使期 (Note i) (註i)	Exercise price per share 每股行使價 HK\$ 港元	At 1.1.2002 於二零零二年 一月一日	Number of options 購股權數目		At 31.12.2002 於二零零二年 十二月三十一日
					Granted during the year 於本年度授出 (Note ii) (註ii)	Cancelled during the year 於本年度註銷 (Note iii) (註iii)	
Mr. Heung Wah Keung 向華強先生	8.3.2002 二零零二年 三月八日	8.3.2002 to 7.3.2012 二零零二年三月八日至 二零一二年三月七日	2.60	—	475,000	(475,000)	—
Ms. Chen Ming Yin, Tiffany 陳明英女士	8.3.2002 二零零二年 三月八日	8.3.2002 to 7.3.2012 二零零二年三月八日至 二零一二年三月七日	2.60	—	475,000	(475,000)	—
Mr. Lei Hong Wai 李雄偉先生	8.3.2002 二零零二年 三月八日	8.3.2002 to 7.3.2012 二零零二年三月八日至 二零一二年三月七日	2.60	—	4,750,000	—	4,750,000
				—	5,700,000	(950,000)	4,750,000

Notes:

- (i) The exercisable period commenced on the date of grant of the relevant share options.
- (ii) The closing price of the share immediately before the date of grant was HK\$2.525.
- (iii) Pursuant to the minutes of the directors' meeting dated 23rd May, 2002, the unexercised options of 475,000 held by Mr. Heung Wah Keung and 475,000 held by Ms. Chen Ming Yin, Tiffany at 23rd May, 2002 were cancelled.
- (iv) No option was exercised during the year.

董事之股份權益 (續)

2. 購買本公司股份之權利 (續)

本公司向若干董事授出購股權以認購本公司每股0.10港元之股份變動詳情如下：

Name of director 董事名稱	Date of grant 授出日期	Exercisable period 行使期 (Note i) (註i)	Exercise price per share 每股行使價 HK\$ 港元	At 1.1.2002 於二零零二年 一月一日	Number of options 購股權數目		At 31.12.2002 於二零零二年 十二月三十一日
					Granted during the year 於本年度授出 (Note ii) (註ii)	Cancelled during the year 於本年度註銷 (Note iii) (註iii)	
Mr. Heung Wah Keung 向華強先生	8.3.2002 二零零二年 三月八日	8.3.2002 to 7.3.2012 二零零二年三月八日至 二零一二年三月七日	2.60	—	475,000	(475,000)	—
Ms. Chen Ming Yin, Tiffany 陳明英女士	8.3.2002 二零零二年 三月八日	8.3.2002 to 7.3.2012 二零零二年三月八日至 二零一二年三月七日	2.60	—	475,000	(475,000)	—
Mr. Lei Hong Wai 李雄偉先生	8.3.2002 二零零二年 三月八日	8.3.2002 to 7.3.2012 二零零二年三月八日至 二零一二年三月七日	2.60	—	4,750,000	—	4,750,000
				—	5,700,000	(950,000)	4,750,000

註：

- (i) 行使期由有關購股權授出日期開始。
- (ii) 緊貼授出日期前之股份收市價為2.525港元。
- (iii) 根據於二零零二年五月二十三日舉行董事會議之會議記錄，向華強先生及陳明英女士於二零零二年五月二十三日各自持有之475,000份尚未行使購股權已註銷。
- (iv) 本年度並無行使購股權。

3. Interests in warrants

The following directors have interests in the warrants which carry rights to subscribe for shares of HK\$0.10 each in the Company at a subscription price of HK\$3.60 per share (subject to adjustment) during the period from 17th June, 2002 to 16th June, 2005 (both days inclusive):

Name of director

董事名稱

Mr. Heung Wah Keung*	向華強先生*
Ms. Chen Ming Yin, Tiffany*	陳明英女士*

* These warrants are held by CSL, a wholly-owned subsidiary of China Star.

Details of the warrants issued by the company are set out in note 24 to the financial statements.

Save as disclosed above, at no time during the year was the Company or its holding companies, subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors or chief executives of the Company or to the spouse or children under 18 years of age of such director or chief executives, to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate or had exercised any such rights.

Shares Options Scheme

Particulars of the Company's share option scheme and details of movements during the year in the share options to subscribe for shares of HK\$0.10 each in the Company granted under the share option scheme adopted on 21st January, 2002 are set out in note 32 to the financial statements.

As disclosed in note 32 to the financial statements, the Company had granted a total number of 19,950,000 options during the year. The fair value of the options granted during the year measured at the date of options granted on 8th March, 2002 was HK\$2.25 per option. The following significant assumptions were used to derive the fair values using the Black-Scholes option pricing model:

1. an expected volatility of 90.59%;
2. no annual dividends; and

3. 認股權證之權益

以下為董事於二零零二年六月十七日至二零零五年六月十六日期間(包括首尾兩日)附有可按認購價每股3.60港元(或會調整)認購本公司每股0.10港元之股份之認股權證之權益:

Amount of warrants beneficially held by corporate interest

公司實益持有認股權證之數額

HK\$

港元

132,192,000

132,192,000

* 該等認股權證由中國星之全資附屬公司CSL持有。

本公司已發行認股權證之詳情載於財務報表附註24。

除上文所披露者外，本公司、其控股公司、附屬公司或同系附屬公司於年內任何時間並無參與任何安排，致使本公司董事、行政總裁、彼等之配偶及未滿18歲之子女可藉購入本公司或任何其他法人團體任何股份或債券而獲益，而彼等亦無行使上述權利。

購股權計劃

本公司之購股權計劃詳情及本公司根據於二零零二年一月二十一日採納之購股權計劃而授出購股權以認購每股0.10港元股份之年內變動詳情載於財務報表附註32。

根據財務報表披露附註32，本公司已於本年度授出合共19,950,000份購股權。按二零零二年三月八日已授出之購股權計算本年度授出之購股權公平值為每份2.25港元。根據Black-Scholes購股權定價模式計算公平值時所用之重大假設如下：

1. 預期波動比率90.59%；
2. 並無年度股息；及

- the estimated expected life of the options granted is 10 years. The corresponding 10 year Hong Kong Exchange Fund Notes interest rate at the date the options were granted was 6.17 % per annum.

For the purposes of the calculation of fair value, no adjustment has been made in respect of options expected to be forfeited due to lack of historical data.

The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price. Because changes in subjective input assumptions can materially affect the fair value estimate, in the directors' opinion, the existing model does not necessary provide a reliable single measure of the fair value of the share options.

Connected Transactions and Directors' Interests in Contracts

Details of the discloseable connected transactions with China Star and its subsidiaries and directors' interests in contracts for the year are set out in note 34 (a) to (h) to the financial statements.

The independent non-executive directors of the Company have reviewed and confirmed that the connected transactions as set out in note 34 (a) to (g) to the financial statements entered into by the Group were in the ordinary course of its business, on normal commercial terms and in accordance with the terms of the agreement governing such transactions.

Save as disclosed above, no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at end of the year or at any time during the year.

- 估計授出之購股權行使期為10年。而於授出購股權當日，10年香港外匯基金票據之年息為6.17厘。

就計算公平值而言，由於並無過往數據，故並無就預期沒收購股權作出調整。

Black Scholes購股權定價模式依賴高度主觀之假設，其中包括股價之波動比率。由於該等主觀假設變動或會對所估計之公平值有重大影響，故此董事認為，現行定價模式未必為計算購股權公平值之單一可靠方法。

關連交易及董事所擁有之合約權益

年內與中國星及其附屬公司進行之須予披露關連交易及董事所擁有之合約權益詳情載於財務報表附註34(a)至(h)。

本公司獨立非執行董事已審閱及確認，財務報表附註34(a)至(g)所述之本集團關連交易均於日常業務中根據一般商業條款及有關協議之條款進行。

除上文所披露者外，本公司或其任何附屬公司參與訂立而於年結日或年內任何時間仍然生效之重大合約中，本公司董事並無直接或間接擁有任何重大權益。

Substantial Shareholders

As at 31st December, 2002, the following parties were interested in 10% or more of the issued share capital of the Company as recorded in the register kept by the Company under Section 16(1) of the SDI Ordinance:

Name 名稱		Number of shares 股份數目		Total 總計	Percentage of issued share capital 佔已發行股本 百分比
		Direct 直接	Deemed 間接		
CSL	CSL	192,998,000	—	192,998,000	40.61%
China Star	中國星	—	192,998,000	192,998,000	40.61%
Top Vision Management Limited	Top Vision Management Limited	79,200,000	—	79,200,000	16.67%

The shareholding interests held by China Star in the Company are held indirectly through CSL.

Save as disclosed above, at 31st December, 2002, no other parties were recorded in the register required by the SDI Ordinance to be kept as having an interest of 10% or more of the issued share capital of the Company.

Retirement Benefits Scheme

Details of the Group's retirement benefits scheme are set out in note 33 to the financial statements.

Purchase, Sale and Redemption of the Company's Listed Securities

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

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.

主要股東

於二零零二年十二月三十一日，根據本公司按照披露權益條例第16(1)條存置之登記冊所載，下列人士擁有本公司已發行股本10%或以上權益：

Name 名稱		Number of shares 股份數目		Total 總計	Percentage of issued share capital 佔已發行股本 百分比
		Direct 直接	Deemed 間接		
CSL	CSL	192,998,000	—	192,998,000	40.61%
China Star	中國星	—	192,998,000	192,998,000	40.61%
Top Vision Management Limited	Top Vision Management Limited	79,200,000	—	79,200,000	16.67%

中國星所持之本公司股權均透過CSL間接持有。

除上文所披露者外，於二零零二年十二月三十一日，根據披露權益條例規定存置之登記冊所載，並無其他人士擁有本公司已發行股本10%或以上權益。

退休福利計劃

本集團之退休福利計劃詳情載於財務報表附註33。

買賣或贖回本公司上市證券

本公司及其任何附屬公司於年內概無買賣或贖回本公司任何上市證券。

優先認購權

本公司之細則及百慕達法例並無有關優先認購權之規定，使本公司須按比例向現有股東發售新股份。

Corporate Governance

In the opinion of the directors, the Company has complied throughout the year ended 31st December, 2002 with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Audit Committee

The audit committee of the Company as at 31st December, 2002 comprised Messrs. Lai Hok Lim and Tang Chak Lam, Gilbert, the independent non-executive directors. The principal duties of the audit committee are to review with management the accounting principles and practices adopted by Group and discussed internal controls and financial reporting matters including reviews of interim and annual financial statements.

Practice Note 19 of the Listing Rules

As at 31st December, 2002, the aggregate amount of advances made by the Group to an associate, namely Gainful Fortune Limited, in the form of convertible notes was HK\$160 million, which represents approximately 73% of the net asset value of the Group as set out in its latest audited consolidated financial statements for the year ended 31st December, 2002. Particulars of these advances are set out in note 17 to the financial statements.

The consolidated balance sheet of Gainful Fortune Limited as at 31st December, 2002 is as follows:

		HK\$'000 千港元
Non-current assets	非流動資產	82,096
Current assets	流動資產	63,350
Current liabilities	流動負債	(2,252)
Net current assets	流動資產淨值	61,098
Non-current liabilities	非流動資產淨值	(160,000)
Deficiency in shareholders' funds	股東資金虧絀	(16,806)

Details of the above associate are set out in note 17 to the financial statements.

公司管治

董事認為，本公司於截至二零零二年十二月三十一日止整個年度一直遵守聯交所證券上市規則（「上市規則」）附錄14所載之最佳應用守則。

審核委員會

於二零零二年十二月三十一日，本公司之審核委員會由獨立非執行董事黎學廉先生及鄧澤林先生組成。審核委員會之主要職責為與管理層審閱本集團採用之會計準則及慣例，並商討內部監控及財務申報事宜，包括審閱中期及年度財務報表。

上市規則應用指引第19項

於二零零二年十二月三十一日，本集團向其聯營公司Gainful Fortune Limited以可換股票據方式作出之墊款合共160,000,000港元，即截至二零零二年十二月三十一日止年度之最近期經審核綜合財務報表所載本集團資產淨值約73%。該等墊款之詳情載於財務報表附註17。

Gainful Fortune Limited於二零零二年十二月三十一日之綜合資產負債表如下：

		HK\$'000 千港元
Non-current assets	非流動資產	82,096
Current assets	流動資產	63,350
Current liabilities	流動負債	(2,252)
Net current assets	流動資產淨值	61,098
Non-current liabilities	非流動資產淨值	(160,000)
Deficiency in shareholders' funds	股東資金虧絀	(16,806)

上述聯營公司之詳情載於財務報表附註17。

Post Balance Sheet Event

Details of the significant event occurring after the balance sheet date are set out in note 35 to the financial statements.

Auditors

Messrs. PricewaterhouseCoopers, Certified Public Accountants, acted as auditors of the Company during the period from 29th October, 1999 (date of incorporation of the Company) to 31st December, 2000. Messrs. Deloitte Touche Tohmatsu acted as auditors of the Company for the past two years ended 31st December, 2002. A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Heung Wah Keung

Chairman

Hong Kong, 25th April, 2003

結算日後事項

於結算日後發生之重大事項詳情載於財務報表附註35。

核數師

羅兵咸永道會計師事務所於一九九九年十月二十九日(本公司註冊成立之日期)至二零零零年十二月三十一日期間曾出任本公司核數師，而德勤·關黃陳方會計師行則為本公司截至二零零二年十二月三十一日止兩年度之核數師。應屆股東週年大會上將提呈決議案，續聘德勤·關黃陳方會計師行為本公司核數師。

代表董事會

主席
向華強

香港，二零零三年四月二十五日