

**REPORT OF  
THE DIRECTORS**  
董事會報告書

The directors present their report and the audited financial statements of the Company and of the Group for the year ended 30 June 2003.

**PRINCIPAL ACTIVITIES**

The principal activity of the Company is investment holding. The principal activities of the Group consist of worldwide film and video distribution; film exhibition in Hong Kong, Malaysia, Singapore and Mainland China; film production and television drama series production; and the operation of a film processing business in Hong Kong.

**RESULTS AND DIVIDENDS**

The Group's loss for the year ended 30 June 2003 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 53 to 108.

The directors do not recommend the payment of any dividends in respect of the year.

董事會謹此提呈董事會報告及本公司及本集團截至二零零三年六月三十日止年度之經審核財務報表。

**主要業務**

本公司之主要業務為投資控股。本集團之主要業務則包括全球性電影及影碟發行及在香港、馬來西亞、新加坡與中國內地經營戲院，亦包括電影及電視劇集製作與及在香港經營電影沖印業務。

**業績及股息**

本集團截至二零零三年六月三十日止年度之虧損，與及本公司與本集團於該日之財政狀況載於第109至164頁之財務報表內。

董事會不建議派發任何股息。

**SUMMARY FINANCIAL INFORMATION**

Set out below is a summary of the consolidated results and of the assets, liabilities and minority interests of the Group for the last five financial years as extracted from the audited financial statements and restated/reclassified as appropriate.

**財務資料摘要**

以下為本集團過去五個財政年度摘錄自經審核財務報表及經重新編列之綜合業績、資產、負債及少數股東權益匯總表。

	Year ended 30 June				
	截至六月三十日止年度				
	2003	2002	2001	2000	1999
	二零零三年	二零零二年	二零零一年	二零零零年	一九九九年
	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
RESULTS		(Restated)	(Restated)	(Restated)	(Restated)
業績		(重列)	(重列)	(重列)	(重列)
<b>TURNOVER</b>	210,270	264,030	269,694	103,590	158,136
營業額					
<b>LOSS BEFORE TAX</b>	(135,778)	(82,489)	(69,858)	(77,912)	(32,280)
除稅前虧損					
<b>Tax</b>	(5,611)	(4,134)	(4,622)	(3,912)	(3,661)
稅項					
<b>LOSS BEFORE MINORITY INTERESTS</b>	(141,389)	(86,623)	(74,480)	(81,824)	(35,941)
未計少數股東權益之虧損					
<b>Minority interests</b>	6	5	5	-	-
少數股東權益					
<b>NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS</b>	(141,383)	(86,618)	(74,475)	(81,824)	(35,941)
股東應佔虧損					

**Note:**

The results for the years ended 1999, 2000, 2001 and 2002 have been adjusted for the effects of the retrospective changes in accounting policy affecting the accrual of unused holiday leave for employees, as detailed in note 4 to the financial statements.

**附註：**

一九九九年，二零零零年，二零零一年及二零零二年之業績已因應有關僱員應計補假之會計政策更改而予以追溯調整，詳見財務報表附註4。

**SUMMARY FINANCIAL INFORMATION** (continued)

**財務資料摘要** (續)

	As at 30 June 於六月三十日				
	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)	2000 二零零零年 HK\$'000 千港元 (Restated) (重列)	1999 一九九九年 HK\$'000 千港元 (Restated) (重列)
<b>ASSETS, LIABILITIES AND MINORITY INTERESTS</b> 資產、負債及少數股東權益					
FIXED ASSETS 固定資產	73,632	88,947	101,460	106,385	31,481
INTERESTS IN ASSOCIATES 於聯營公司之權益	160,130	159,509	169,794	191,554	302,994
INVESTMENTS IN CLUB MEMBERSHIPS 會籍投資	4,380	4,380	4,380	4,380	2,890
RENTAL DEPOSITS 租務按金	13,134	13,179	14,206	14,386	4,941
LONG TERM INVESTMENT 長期投資	-	2,297	8,097	40,000	-
TRADEMARKS 商標	79,203	79,073	78,572	75,332	-
CURRENT ASSETS 流動資產	107,199	177,015	213,794	295,056	228,952
<b>TOTAL ASSETS</b> 資產總值	<b>437,678</b>	<b>524,400</b>	<b>590,303</b>	<b>727,093</b>	<b>571,258</b>
CURRENT LIABILITIES 流動負債	(124,513)	(109,053)	(93,805)	(140,469)	(97,931)
NON-CURRENT PORTION OF BANK LOANS 非本期銀行貸款	-	-	-	-	(10,706)
NON-CURRENT PORTION OF FINANCE LEASE PAYABLES 非本期融資租賃應付款	(1,174)	(473)	-	-	-
PROVISION FOR LONG SERVICE PAYMENTS 長期服務金	(3,091)	(2,478)	(1,274)	(1,114)	(997)
DEFERRED TAX 遞延稅項	-	(110)	(110)	(110)	-
<b>TOTAL LIABILITIES</b> 負債總額	<b>(128,778)</b>	<b>(112,114)</b>	<b>(95,189)</b>	<b>(141,693)</b>	<b>(109,634)</b>
MINORITY INTERESTS 少數股東權益	(22)	(28)	(33)	(38)	(38)
<b>NET ASSETS</b> 資產淨值	<b>308,878</b>	<b>412,258</b>	<b>495,081</b>	<b>585,362</b>	<b>461,586</b>

**SUMMARY FINANCIAL INFORMATION (continued)****財務資料摘要 (續)**

Note:

The current liabilities as at 30 June 1999, 2000, 2001 and 2002 have been adjusted for the effects of the retrospective changes in accounting policy affecting the accrual of unused holiday leave for employees, as detailed in note 4 to the financial statements.

**FIXED ASSETS**

Details of movements in the fixed assets of the Group are set out in note 12 to the financial statements.

**SHARE CAPITAL AND SHARE OPTIONS**

Details of the Company's share capital and details of movements in the share options, together with the reasons therefor, are set out in notes 24 and 25, respectively, to the financial statements.

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.

**RESERVES**

Details of movements in the reserves of the Company and of the Group during the year are set out in note 26 to the financial statements and in the consolidated statement of changes in equity, respectively.

**DISTRIBUTABLE RESERVES**

As at 30 June 2003, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Companies Act of Bermuda 1981 (as amended) (the "Act"), the Company's contributed surplus of HK\$191,644,000 is currently not available for distribution. However, the Company's share premium account and capital redemption reserve of HK\$565,577,000 and HK\$145,000, respectively, as at 30 June 2003 may be distributed to shareholders in certain circumstance prescribed by Section 54 of the Act.

附註：

一九九九年，二零零零年，二零零一年及二零零二年六月三十日之流動負債因應有關僱員應計補假之會計政策更改而予以追溯調整，詳見財務報表附註4。

**固定資產**

本集團固定資產之變動詳情載於財務報表附註12。

**股本及購股權**

本公司之股本及購股權之變動詳情分別載於財務報表附註24及25。

本公司之公司細則或百慕達公司法例並無關於優先購買權之規定，以致本公司須向現有股東按比例發售新股。

**儲備**

本公司及本集團之年內儲備變動詳情分別載於財務報表附註26及綜合權益變動報表。

**可分派儲備**

本公司於二零零三年六月三十日並無可供現金分派及／或實物分派之保留溢利。根據一九八一年百慕達公司法(經修訂)(「公司法」)之規定計算，本公司之繳入盈餘191,644,000港元暫時不可分派。惟本公司於二零零三年六月三十日之股份溢價賬結餘及資本贖回儲備分別為565,577,000港元及145,000港元並可以根據公司法第54章按情況分派給股東。

## DIRECTORS

The directors of the Company during the year were:

Chow Ting Hsing, Raymond  
Huang Shao-Hua, George  
Phoon Chiong Kit  
Chu Siu Tsun, Stephen  
Chan Sik Hong, David  
Peng, Philip\*  
Lin, Frank\*\*  
Prince Yukol, Chatrichalerm\*\*  
(appointed on 18 October 2002)  
Kwee Chong Kok, Michael\*\*  
(resigned on 23 August 2002)  
Tsui Man Ling, Monica\*\*  
(alternate to Kwee Chong Kok, Michael)  
(resigned on 23 August 2002)  
Lin Joung Yol\*  
(resigned on 5 September 2002)

\* *Non-executive directors*

\*\* *Independent non-executive directors*

In accordance with Bye-laws 86(2) and 87(1) of the Company's Bye-laws, Huang Shao-Hua, George and Chu Siu Tsun, Stephen will retire and being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

## DIRECTORS' SERVICE CONTRACTS

The Company has a service contract with Chu Siu Tsun, Stephen with extended terms until 31 October 2004.

Save as disclosed above, no other director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

## 董事

年內本公司之董事為：

鄒文懷  
黃少華  
潘從傑  
諸兆俊  
陳錫康  
彭錦彬\*  
林輝波\*\*  
Prince Yukol, Chatrichalerm\*\*  
(於二零零二年十月十八日獲委任)  
郭彰國\*\*  
(於二零零二年八月二十三日辭任)  
徐曼玲\*\*  
(郭彰國之替任董事)  
(於二零零二年八月二十三日辭任)  
林焯堯\*  
(於二零零二年九月五日辭任)

\* *非執行董事*

\*\* *獨立非執行董事*

根據本公司之公司細則第86(2)及87(1)條，黃少華與諸兆俊將於應屆股東週年大會退任，惟符合資格並願意重選連任。

## 董事之服務合約

本公司與諸兆俊所簽訂之服務合約期限將延續至二零零四年十月三十一日。

除上文所述披露者外，擬於應屆股東週年大會上膺選連任之董事與本公司並無訂立本公司不可於一年內不付賠償(法定賠償除外)而終止之服務合約。

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES

As at 30 June 2003, the interests of the directors and chief executive in the shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance (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 shares of the Company

Director 董事	Nature 權益性質	Capacity 身份	Number of shares 股份數目	Percentage of shareholding in the Company 股權百分比
Chow Ting Hsing, Raymond 鄧文懷	Corporate 公司權益	Controlled Corporations (Note) 受控制法團 (附註)	250,537,223	31.28
Phoon Chiong Kit 潘從傑	Personal 個人權益	Beneficial owners 實益擁有人	6,000,000	0.75
Chu Siu Tsun, Stephen 諸兆俊	Personal 個人權益	Beneficial owners 實益擁有人	5,959,375	0.74
Chan Sik Hong, David 陳錫康	Personal 個人權益	Beneficial owners 實益擁有人	5,895,375	0.73

The interests of the directors in the share options of the Company are separately disclosed in the section "Share Option Scheme" below.

#### Note:

Chow Ting Hsing, Raymond was deemed to be interested in 250,537,223 shares of the Company by virtue of his beneficial holdings of the entire issued share capital of Planet Gold Associates Limited and Net City Limited, which held 146,568,473 shares and 103,968,750 shares of the Company, respectively.

## 董事及主要行政人員於股份、相關股份或債權證之權益及短倉

於二零零三年六月三十日，各董事及主要行政人員於本公司及其任何聯營公司之股份、相關股份或債權證所持有並須記入本公司遵照證券及期貨條例（「證券及期貨條例」）第352條存置之登記冊內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與香港聯合交易所有限公司（「聯交所」）之權益如下：

### 本公司股份之好倉

董事於本公司購股權之權益另文載列於下文「購股權計劃」一節。

#### 附註：

鑒於鄧文懷實益擁有 Planet Gold Associates Limited及Net City Limited之全部已發行股本，而該等公司分別持有146,568,473股及103,968,750股本公司股份，故此鄧文懷被視為擁有250,537,223股本公司股份之權益。

**DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES** *(continued)*

**Long positions in shares of associated corporations**

Chow Ting Hsing, Raymond is also the beneficial owner of the entire issued share capital of Golden Harvest Film Enterprises Inc., which beneficially holds 114,000,000 non-voting deferred shares of Golden Harvest Entertainment Company Limited, a wholly-owned subsidiary of the Company.

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 and save for the disclosures referred to in the section "Share Option Scheme" below, none of the directors and chief executive of the Company had any beneficial interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

**DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed under the heading "Directors' and chief executive's interests and short positions in shares, underlying shares or debentures" above and in the share option scheme disclosures in note 25 to the financial statements, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Company's directors, their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

**董事及主要行政人員於股份、相關股份或債權證之權益及短倉**  
(續)

**聯營公司股份之好倉**

鄒文懷同時亦為 Golden Harvest Film Enterprises Inc. 全部已發行股本之實益擁有人，而該公司實益持有 114,000,000 股本公司全資附屬公司嘉禾娛樂事業有限公司之無投票權遞延股份。

除上述者外，若干董事僅為符合公司股東人數下限之規定而代本公司持有若干附屬公司股權，但並無實際個人權益。

除上文所披露者及下文「購股權計劃」一節所提述之資料披露外，本公司各董事及主要行政人員於本公司及其任何聯營公司（定義見證券及期貨條例第 XV 部）之股份、相關股份或債權證中並無任何實益權益或短倉而須記入本公司遵照證券及期貨條例第 352 條存置之登記冊內或須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與聯交所。

**董事收購股份或債權證之權益**

除上文「董事及主要行政人員於股份、相關股份或債權證之權益及短倉」以及財務報表附註 25 就購股權計劃所作之披露以外，本公司及其任何附屬公司概無參與任何安排，令本公司董事、彼等各自之配偶或未滿 18 歲之子女可藉收購本公司或其他法人團體之股份或債權證而獲益。

### SHARE OPTION SCHEME

Due to the adoption of Hong Kong Statement of Standard Accounting Practice No. 34 "Employee benefits" during the year, disclosures relating to the Company's share option scheme including the directors' and chief executive's interests in share options, have been moved to note 25 to the financial statements.

### DIRECTORS' INTERESTS IN CONTRACTS

Except as detailed in note 28 to the financial statements, no director had a beneficial interest in any material contract to which the Company or any of its subsidiaries was a party during the year.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group's purchases from its largest supplier and its five largest suppliers accounted for 7 and 28 percent of the Group's combined purchases, respectively.

The Group's sales to its largest customer and its five largest customers accounted for 3 and 11 percent of the Group's combined sales, respectively.

Chow Ting Hsing, Raymond, Phoon Chiong Kit and Chu Siu Tsun, Stephen, who were directors of the Company during the year, were also directors and/or beneficial shareholders in certain of the Group's five largest customers and suppliers.

Apart from the above, none of the directors, or any of their associates, or any shareholders of the Company (which to the best knowledge of the directors own more than 5 percent of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

### 購股權計劃

由於本公司在年內採納香港會計實務準則第34條「僱員福利」，關於本公司購股權計劃之資料披露(包括董事及主要行政人員於購股權之權益)已轉為載列於財務報表附註25。

### 董事於合約之權益

除財務報表附註28所詳述者外，各董事並無於本公司或其任何附屬公司年內參與訂立之任何重大合約中擁有實際權益。

### 主要客戶及供應商

年內，本集團向其最大供應商及五大供應商採購之購貨額分別佔本集團合併購貨額之7%及28%。

本集團向其最大客戶及五大客戶售出之銷售額則分別佔本集團合併銷售額之3%及11%。

年內，本公司董事鄒文懷、潘從傑及諸兆俊均為本集團若干五大客戶及供應商之董事及／或實益股東。

除上述者外，本公司各董事或彼等任何聯繫人士或任何股東(就董事所知擁有本公司已發行股本5%以上之股東)並無擁有本集團五大客戶及供應商任何權益。

### **SUBSTANTIAL SHAREHOLDERS**

As at 30 June 2003, the following persons had the following interests in shares or underlying shares of the Company, as recorded in the register required to be kept by the Company under Section 336 of the SFO:

#### **Long positions in shares of the Company**

Name 名稱	Notes 附註	Number of shares 股份數目	Percentage 百分比
Chow Ting Hsing, Raymond 鄒文懷	1	250,537,223	31.28
Planet Gold Associates Limited	1	146,568,473	18.30
Net City Limited	1	103,968,750	12.98
Acer Incorporated 宏碁電腦股份有限公司	2	150,414,000	18.78
Acer SoftCapital Incorporated 宏碁智融有限公司	2	82,044,000	10.24
Acer Digital Services (BVI) Holding Corporation	2	68,370,000	8.54
Acer Digital Services (Cayman Islands) Corporation	2	68,370,000	8.54
PAMA Group Inc. 寶銘集團有限公司		123,284,027	15.39
CDIB & Partners Investment Holding (Cayman) Limited		54,696,000	6.83

### **主要股東**

於二零零三年六月三十日，根據本公司遵照證券及期貨條例第336條存置之登記冊所記錄，下列人士持有以下本公司之股份或相關股份之權益：

#### **本公司股份之好倉**

**SUBSTANTIAL SHAREHOLDERS (continued)**

Notes:

1. Chow Ting Hsing, Raymond was deemed to be interested in 250,537,223 shares of the Company by virtue of his beneficial holding in the entire issued capital of Planet Gold Associates Limited and Net City Limited, which held 146,568,473 shares and 103,968,750 shares of the Company, respectively.
2. Acer Incorporated was deemed to be interested in the shares of the Company by virtue of its 100 percent shareholding in Acer SoftCapital Incorporated, which held 82,044,000 shares of the Company, and by virtue of its 100 percent shareholding in Acer Digital Services (BVI) Holding Corporation which held 100 percent shareholding in Acer Digital Services (Cayman Islands) Corporation which in turn, held 68,370,000 shares of the Company.

Save as disclosed above and save for any interests in share options granted by the Company referred to in the section Share Option Scheme, no other person had an interest or short position in the share capital or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

**PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES**

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

**主要股東 (續)**

附註：

1. 鑒於鄧文懷實益擁有Planet Gold Associates Limited及Net City Limited之全部已發行股本，而該等公司分別持有146,568,473股及103,968,750股本公司股份，故此鄧文懷被視為擁有250,537,223股本公司股份之權益。
2. 鑒於宏碁電腦股份有限公司擁有宏碁智融有限公司全部股權及全資擁有Acer Digital Services (BVI) Holding Corporation及其全資附屬公司Acer Digital Services (Cayman Island) Corporation之全部股權，而該等公司分別持有82,044,000股及68,370,000股本公司股份，故此宏碁電腦股份有限公司被視為擁有本公司股份之權益。

除上文所披露者及「購股權計劃」一節所述本公司授出之購股權權益外，根據本公司遵照證券及期貨條例第336條存置之登記冊所記錄，並無其他人士持有本公司股本或相關股份之權益或短倉。

**買賣及贖回上市證券**

年內本公司及其任何附屬公司概無買賣或贖回本公司之任何上市證券。

### CONNECTED/RELATED PARTY TRANSACTIONS

Details of the material related party transactions are set out in note 28 to the financial statements.

Certain related party transactions also constituted connected transactions, as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

In respect of certain connected transactions with the Golden Harvest Private Group (a group of private companies controlled by Chow Ting Hsing, Raymond, a director of the Company, which were not included in the Group reorganisation in November 1994), a conditional waiver from strict compliance with the connected transaction requirements as set out in Chapter 14 of the Listing Rules has been obtained. The directors have reviewed and confirmed that those connected transactions were conducted in the ordinary and usual course of the Group's business, and on terms no less favourable than those offered by unrelated third parties.

### POST BALANCE SHEET EVENT

Details of the significant post balance sheet event of the Group are set out in notes 24 and 32 to the financial statements.

### CODE OF BEST PRACTICE

In the opinion of the directors, the Company complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules throughout the year, except that the independent non-executive directors of the Company were not appointed for a specific term because they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company's bye-laws.

### 關連交易／關連人士交易

主要關連人士交易之詳情載於財務報表附註 28。

根據香港聯合交易所有限公司證券上市規則（「上市規則」）之定義，若干關連人士交易亦屬關連交易。

若干與嘉禾私人集團（由本公司董事鄒文懷控制之私人集團公司，並不包括在一九九四年十一月進行之集團重組內）之關連交易已獲准有條件豁免於嚴格遵從上市規則第 14 章所載關於關連交易之規定。董事已審閱並確認該等關連交易乃於本集團一般日常業務中按不遜於無關連第三者給予之條款進行。

### 結算日後事項

本集團結算日後重大事項之詳情載於財務報表附註 24 及 32。

### 最佳應用守則

董事認為，本公司於年內一直遵守上市規則附錄 14 所載之最佳應用守則，惟本公司獨立非執行董事並無指定任期，而須根據本公司細則之規定在股東週年大會輪流退任及重選連任。

**AUDIT COMMITTEE**

The Company established an Audit Committee (the "Audit Committee") on 9 October 1998 in compliance with the Code of Best Practice, as set out in Appendix 14 of the Listing Rules. The work of the Audit Committee covered the full financial year ended 30 June 2003. The members of the Audit Committee at the date of this report were Lin, Frank and Prince Yukol, Chatrichalerm.

**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

**Chow Ting Hsing, Raymond**

*Chairman*

Hong Kong

17 October 2003

**審核委員會**

本公司已遵照上市規則附錄14所載最佳應用守則之規定，於一九九八年十月九日成立審核委員會（「審核委員會」）。審核委員會之工作涵蓋截至二零零三年六月三十日止整個財政年度。截至本報告日期，審核委員會之成員為林輝波及Prince Yukol, Chatrichalerm。

**核數師**

本公司核數師安永會計師事務所之任期將告屆滿，本公司將於應屆股東週年大會上提呈續聘其為本公司核數師之決議案。

承董事會命

主席

**鄒文懷**

香港

二零零三年十月十七日