

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December, 2004
截至二零零四年十二月三十一日止年度

1. GENERAL

The Company was incorporated in Bermuda as an exempted company with limited liability. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company acts as an investment holding company. Its ultimate holding company is Puregain Assets Limited, a company which is incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

番禺飛圖夢幻影城有限公司 (Panyu Fantasy Film City Limited) ("PFFCL") was a wholly-owned subsidiary of the Company which was de-consolidated in the financial statements for the year ended 31st December, 2003. In May 2004, after receiving the application of recovery of debts from creditors, the local court has taken control of all the chattels and properties of PFFCL to settle creditors' claims.

In preparing the financial statements, the directors have given consideration to the liquidity position of the Group in light of its net liabilities of HK\$15,635,000 as at 31st December, 2004. The financial statements have been prepared on a going concern basis on the basis that a controlling shareholder has agreed to provide adequate financial support to enable the Group to meet in full its financial obligations as they fall due for the foreseeable future. At the same time, however, the Group is actively seeking other sources of financing.

1. 一般資料

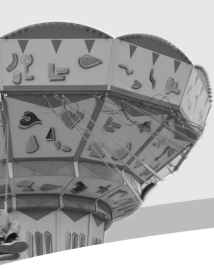
本公司於百慕達註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）主板上市。

本公司為投資控股公司。本公司之最終控股公司為於英屬處女群島註冊成立之 Puregain Assets Limited。

2. 財務報表之編製基準

番禺飛圖夢幻影城有限公司（「飛圖夢幻影城」）乃本公司全資附屬公司，解除於截至二零零三年十二月三十一日止年度財務報表綜合入賬。於二零零四年五月，收到債務人追討貸款之申請後，地方法院已接管所有飛圖夢幻影城之動產及物業，以處理債權人之申索。

於編製財務報表時，董事已基於本集團於二零零四年十二月三十一日之負債淨額15,635,000港元考慮其流動資金狀況。由於控股股東已同意提供足夠財務支援，致使本集團於可見將來悉數支付到期財務責任，故財務報表按持續經營基準編製。與此同時，本集團正積極尋找其他融資來源。



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3. **POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS**

In 2004, the Hong Kong Institute of Certified Public Accountants (the "HKICPA") issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards ("HKFRSs") (herein collectively referred to as "new HKFRSs") which are effective for accounting periods beginning on or after 1st January, 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31st December, 2004.

The Group has commenced considering the potential impact of these new HKFRSs but is not yet in a position to determine whether these HKFRSs would have a significant impact on how its results of operations and financial position are prepared and presented. These HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

4. **SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention and in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31st December each year.

All significant inter-company transactions and balances within the Group are eliminated on consolidation.

3. **近期頒佈會計準則所產生潛在影響**

於二零零四年，香港會計師公會頒發數項新訂或經修訂之香港會計準則及香港財務報告準則（以下統稱「新香港財務報告準則」），於二零零五年一月一日或以後開始之會計期間生效。本集團並無於截至二零零四年十二月三十一日止年度財務報表提早採用此等新香港財務報告準則。

本集團已著手研究該等新香港財務報告準則對本集團之潛在影響，惟現時未能確定此等新香港財務報告準則對經營業績及財務狀況之編製及呈列方式有否重大影響。此等新香港財務報告準則可能改變日後業績及財務狀況之編製及呈列方式。

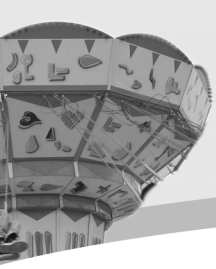
4. **主要會計政策**

此等財務報表乃根據香港公認會計原則及按照歷史成本法而編製。所採用之主要會計政策如下：

綜合基準

綜合財務報表包括本公司及各附屬公司截至十二月三十一日止各年度之財務報表。

集團內公司間所有重大交易及結餘概於綜合賬目時抵銷。



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4. SIGNIFICANT ACCOUNTING POLICIES – continued

Investments in subsidiaries

Investments in subsidiaries are stated at cost less any identified impairment loss.

Turnover

Turnover represents the net amounts received and receivable from third parties in connection with the operation of carnivals.

Revenue recognition

Sales of tickets and tokens are recognised when the sales are concluded.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

Property, plant and equipment

Property, plant and equipment is stated at cost less depreciation and any identified impairment loss at the balance sheet date.

The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Depreciation is provided to write off the cost of amusement rides and machines over their estimated useful lives, using the straight line method, for 15 carnivals or five years, whichever is shorter.

Depreciation is provided to write off the cost of office fixtures and equipment over their estimated useful lives, using straight line method, at 18% – 50% per annum.

4. 主要會計政策 – 續

附屬公司投資

附屬公司投資按成本減任何確認之減值虧損入賬。

營業額

營業額指經營嘉年華會而自第三者所收及應收款項之淨額。

收益確認

門票及代幣銷售之收入於銷售完成時確認。

利息收入根據未償還本金及適用利率按時間比例確認。

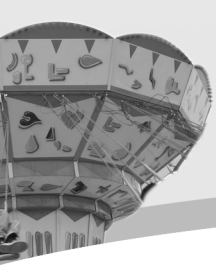
物業、廠房及設備

物業、廠房及設備按成本減任何折舊及於結算日已確認之減值虧損列賬。

出售或棄用資產之盈虧乃根據出售所得款項與資產賬面值之差額釐定，計入收益表。

折舊按機動遊戲設施及機器以15個嘉年華會或5年之估計可使用期，以較短者為準，以直線法攤銷，以撇銷有關成本。

辦公室裝置及設備根據估計可使用期，以直線法按介乎18%-50%之年率折舊，以撇銷有關成本。



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4. SIGNIFICANT ACCOUNTING POLICIES – continued

Inventories

Inventories, which represent redemption gifts, are stated at the lower of cost and net realisable value.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Taxation

Taxation represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable or deductible.

4. 主要會計政策 – 續

存貨

存貨指換領禮品，按成本值與可變現淨值兩者中較低者列賬。

減值

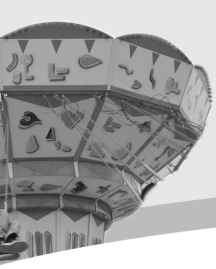
本集團於各結算日檢討其資產之賬面值，以確定該等資產是否存在減值虧損跡象。倘估計一項資產之可收回價值低於其賬面值，則將賬面值撇減至可收回價值。減值虧損一律即時確認為開支。

倘一項減值虧損於其後撥回，則將該項資產之賬面值增加至新評估之可收回價值，惟增加後之賬面值不得超過假設該項資產以往年度未曾確認減值虧損之情況下原應釐定之賬面值。減值虧損之撥回一律即時確認為收入。

稅項

稅項指本期應付稅項與遞延稅項之總和。

本期應付稅項乃按本年度之應課稅溢利計算。由於應課稅溢利不包括可於其他年度課稅或減免之收支項目，亦不包括毋須課稅或不獲減免之收益表項目，故應課稅溢利與載於收益表之純利有所不同。



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4. SIGNIFICANT ACCOUNTING POLICIES – continued

Taxation – continued

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary difference can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

4. 主要會計政策 – 續

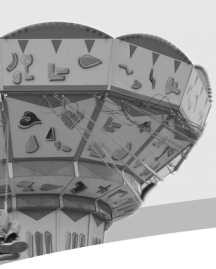
稅項 – 續

遞延稅項乃就財務報表所載資產負債之賬面值與計算應課稅溢利所用相應稅基之差異預期應付或可收回之稅項，以資產負債表負債法入賬。在一般情況下，遞延稅項負債乃就所有應課稅暫時差額確認，而倘可能有應課稅溢利與可動用之可減免暫時差額抵銷，則確認為遞延稅項資產。倘有關暫時差額乃源自商譽（或負商譽）或初次確認（非業務合併）並無影響應課稅溢利或會計溢利交易之其他資產及負債，則不確認有關資產負債。

遞延稅項負債乃就附屬公司投資所產生應課稅暫時差額確認，惟倘本集團能夠控制暫時差額之撥回及暫時差額可能不會在可見未來撥回則作別論。

遞延稅項資產之賬面值乃於各結算日檢討，並至於不再有足夠應課稅溢利收回全部或部分資產調低時。

遞延稅項乃按負債清償或資產變現期間預期適用之稅率計算。遞延稅項乃於收益表扣除或計入，惟倘遞延稅項涉及直接於股權扣除或計入之項目，在此情況下，遞延稅項亦於股權中處理。



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4. SIGNIFICANT ACCOUNTING POLICIES – continued

Foreign currencies

Transactions in foreign currencies are translated at the rates ruling on the dates of the transactions or at the contracted settlement rate. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates ruling on the balance sheet date. Gains and losses arising on translation are dealt with in the income statement.

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rate prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Translation differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Operating leases

Rentals payable under operating leases are charged to the income statement on a straight line basis over the period of the respective leases.

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

The Company's operation is regarded as a single segment, being an enterprise engaged in the operation of carnivals.

Analysis of the Group's turnover and results as well as analysis of carrying amount of segment assets and additions to property, plant and equipment by geographical market has not been presented as they are substantially generated from or situated in Mainland China (the "PRC").

4. 主要會計政策 – 續

外幣

外幣交易按交易日之適用匯率或合約結算匯率換算。以外幣為單位之貨幣資產及負債按結算日之適用匯率重新換算。匯兌損益計入收益表。

綜合賬目時，本集團海外業務之資產與負債按結算日適用之匯率換算。收支項目按有關期間之平均匯率換算。如有任何匯兌差額，一律分類為股權，並計入本集團之匯兌儲備。此等匯兌差額將於有關業務出售之期間確認為收入或支出。

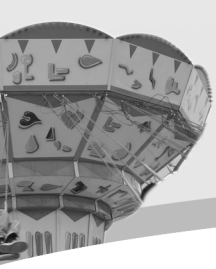
經營租約

根據經營租約應付之租金按有關租期以直線法計入收益表。

5. 業務及地區分部

本公司為從事經營嘉年華會之企業，其業務被視為屬於單一分部。

本集團並無呈列根據地區市場劃分之本集團營業額及業績之分析，亦無分部資產之賬面值及物業、廠房及設備之添置之分析，因為上述各項極大部分均產生自或位於中國大陸（「中國」）。



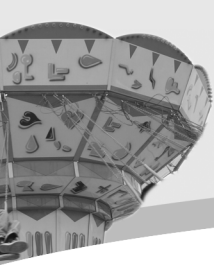
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6. LOSS FROM OPERATIONS

6. 經營虧損

| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
|--|----------------|----------------------------------|----------------------------------|
| Loss from operations has been arrived at after charging: | 經營虧損 乃經扣除： | | |
| Directors' remuneration (Note 7) | 董事酬金 (附註7) | 2,506 | 1,636 |
| Other staff's retirement benefits scheme contributions | 其他員工退休福利計劃供款 | 56 | 67 |
| Other staff costs | 其他員工成本 | 4,790 | 6,548 |
| | | <u>7,352</u> | <u>8,251</u> |
| Auditors' remuneration | 核數師酬金 | 500 | 400 |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備虧損 | - | 410 |
| Operating lease rentals in respect of | 有關下列項目之經營租賃租金： | | |
| - amusement facilities | - 遊樂設施 | 14,653 | - |
| - land and buildings | - 土地及樓宇 | 213 | 2,197 |
| and after crediting: | 及經計入： | | |
| Interest income | 利息收入 | <u>3</u> | <u>617</u> |



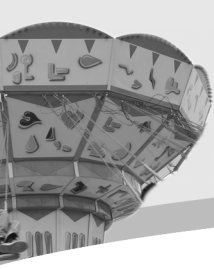
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7. DIRECTORS' REMUNERATION

7. 董事酬金

| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
|--|-------------------------|-------------------------------------|----------------------------------|
| Fees for | 袍金： | | |
| - executive directors | - 執行董事 | 90 | - |
| - independent non-executive directors | - 獨立非執行董事 | 377 | 108 |
| - waiver of fees by a former director | - 一名前董事豁免袍金 | (38) | - |
| | | <u>429</u> | <u>108</u> |
| Other emoluments for executive directors | 給予執行董事之其他酬金 | | |
| - basic salaries and allowances | - 基本薪金及津貼 | 2,485 | 1,502 |
| - retirement benefits scheme contributions | - 退休福利計劃供款 | 5 | 26 |
| - waiver of other emoluments by a former director | - 一名前董事豁免其他酬金 | (413) | - |
| | | <u>2,077</u> | <u>1,528</u> |
| Other emoluments for independent non-executive directors | 給予獨立非執行董事之其他酬金 | - | - |
| | | <u>2,506</u> | <u>1,636</u> |
| | | Number of directors 董事人數 | |
| | | 2004 二零零四年 | 2003 二零零三年 |
| The emoluments of the directors were within the following bands: | 董事酬金介乎以下範圍： | | |
| Up to HK\$1,000,000 | 1,000,000港元以下 | 15 | 6 |
| HK\$1,500,001 to HK\$2,000,000 | 1,500,001港元至2,000,000港元 | <u>1</u> | <u>-</u> |



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7. DIRECTORS' REMUNERATION – continued

During the year, no emoluments were paid by the Group to the five highest paid individuals, including directors and employees, as an inducement to join or upon joining the Group or as compensation for loss of office.

8. EMPLOYEES' EMOLUMENTS

The aggregate emoluments of the five highest paid individuals included one (2003: two) executive director(s) of the Company, whose emoluments are included in note 7 above. The aggregate emoluments of the remaining four (2003: three) highest paid individuals are as follows:

| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
|--|----------|----------------------------------|----------------------------------|
| Basic salaries and allowances | 基本薪金及津貼 | 1,386 | 1,442 |
| Retirement benefits scheme contributions | 退休福利計劃供款 | 22 | 28 |
| | | <u>1,408</u> | <u>1,470</u> |

None of the highest paid individuals received emoluments in excess of HK\$1 million.

9. TAXATION

No provision for taxation has been made in the financial statements as the Group had no assessable profit for the year.

There was no significant unprovided deferred taxation for the year or at the balance sheet date.

7. 董事酬金 – 續

年內，本集團概無向五名最高薪人士（包括董事及僱員）支付任何酬金，作為彼等加盟本集團或於加盟後之獎勵或失去職位之補償。

8. 僱員薪酬

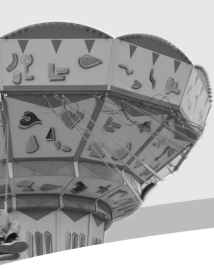
五名最高薪人士之酬金總額包括一名（二零零三年：兩名）本公司執行董事，彼等酬金已載於上文附註7。其餘四名（二零零三年：三名）最高薪人士之酬金總額如下：

最高薪人士所收取酬金一概不超過1,000,000港元。

9. 稅項

本集團於年內並無應課稅溢利，故並無於財務報表內作出稅項撥備。

年內或於結算日並無任何重大未撥備遞延稅項。



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截至二零零四年十二月三十一日止年度

10. LOSS PER SHARE

The calculation of the basic loss per share for the year is based on the net loss for the year of HK\$47,167,000 (2003: HK\$198,033,000) and the 600,000,000 shares in issue during the year.

No diluted loss per share has been presented as there were no potential dilutive shares for the year.

10. 每股虧損

年內每股基本虧損乃根據年內淨虧損47,167,000港元(二零零三年:198,033,000港元)及年內已發行600,000,000股股份計算。

由於年內並無可產生攤薄影響之股份,故並無呈列每股攤薄虧損。

11. PROPERTY, PLANT AND EQUIPMENT

11. 物業、廠房及設備

| | | Amusement rides and machines 機動遊戲 及機器 HK\$'000 千港元 | Office fixtures and equipment 辦公室裝置 及設備 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|------------------------|-------------------|--|--|--------------------------------|
| THE GROUP | 本集團 | | | |
| COST | 成本 | | | |
| At 1st January, 2004 | 於二零零四年一月一日 | - | - | - |
| Additions | 添置 | 23,227 | 250 | 23,477 |
| At 31st December, 2004 | 於二零零四年 十二月三十一日 | 23,227 | 250 | 23,477 |
| DEPRECIATION | 折舊 | | | |
| At 1st January, 2004 | 於二零零四年一月一日 | - | - | - |
| Provided for the year | 年內撥備 | 1,492 | 55 | 1,547 |
| At 31st December, 2004 | 於二零零四年 十二月三十一日 | 1,492 | 55 | 1,547 |
| NET BOOK VALUES | 賬面淨值 | | | |
| At 31st December, 2004 | 於二零零四年 十二月三十一日 | 21,735 | 195 | 21,930 |
| At 31st December, 2003 | 於二零零三年 十二月三十一日 | - | - | - |

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December, 2004
截至二零零四年十二月三十一日止年度

12. INVESTMENTS IN SUBSIDIARIES

12. 附屬公司投資

| | | THE COMPANY 本公司 | |
|---------------------------|-----------|----------------------------------|----------------------------------|
| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
| Unlisted shares, at cost | 非上市股份·按成本 | 243,512 | 243,502 |
| Less: Impairment in value | 減:減值 | (238,156) | (199,696) |
| | | 5,356 | 43,806 |

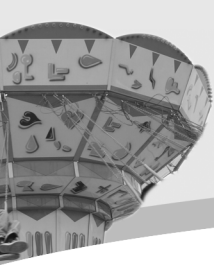
Impairment loss was recognised based on the recoverable amount of the subsidiaries which were determined by the estimated discounted net future cash flows from the subsidiaries.

減值虧損乃根據附屬公司之可收回金額確認，而可收回金額乃根據該附屬公司之估計折讓未來現金流量淨額釐定。

Details of the Company's subsidiaries at 31st December, 2004 are as follows:

本公司於二零零四年十二月三十一日之附屬公司詳情如下：

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ establishment/ operations 註冊成立/成立 /經營地點 | Nominal value of issued and fully paid/ registered capital 已發行及繳足股本 /註冊股本面值 | Proportion of nominal value of issued/ registered capital 佔已發行/ 註冊股本比例 | Principal activities 主要業務 |
|---|---|--|---|--|
| Alltrade Enterprises Limited 全貿企業有限公司 | British Virgin Islands/ Hong Kong 英屬處女群島/ 香港 | US\$1 1美元 | 100% 100% | Leasing of mechanical rides 租賃機動遊戲 |
| Metro Asia Limited 盛亞有限公司 | British Virgin Islands/ Hong Kong 英屬處女群島/ 香港 | US\$1 1美元 | 100% 100% | Investment holding 投資控股 |



NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December, 2004
截至二零零四年十二月三十一日止年度

12. INVESTMENTS IN SUBSIDIARIES

12. 附屬公司投資－續

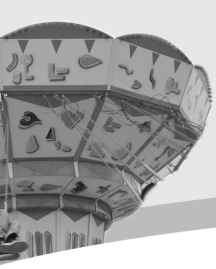
| Name of subsidiary 附屬公司名稱 | Place of incorporation/ establishment/ operations 註冊成立／成立 ／經營地點 | Nominal value of issued and fully paid/ registered capital 已發行及繳足股本 ／註冊股本面值 | Proportion of nominal value of issued/ registered capital 佔已發行／ 註冊股本比例 | Principal activities 主要業務 |
|---|--|--|---|--|
| Penny Farthing Agents Limited | British Virgin Islands/ Hong Kong 英屬處女群島／ 香港 | US\$8 8美元 | 100% 100% | Investment holding 投資控股 |
| Regent King Holdings Limited 欣景集團有限公司 | Hong Kong 香港 | HK\$1 1港元 | 100% 100% | Administrative and supporting services 行政及支援服務 |
| 上海澤安游樂有限公司* | PRC 中國 | US\$600,000 600,000美元 | 95% 95% | Operation of carnivals for a term of 20 years commencing 25th June, 2004 經營嘉年華會，由二零 零四年六月二十五日 起為期二十年 |

* This is a sino-foreign joint venture enterprise indirectly held by the Company.

* 此乃本公司間接持有之中外合資企業。

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.

於年終或年內任何時間，各附屬公司概無任何債務證券發行在外。



NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

For the year ended 31st December, 2004
截至二零零四年十二月三十一日止年度

13. INTERESTS IN A FORMER SUBSIDIARY

13. 於前附屬公司之權益

| | | THE GROUP 本集團 | |
|---|----------------|----------------------------------|----------------------------------|
| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
| Share of former subsidiary's net assets | 應佔前附屬公司之資產淨值 | - | - |
| Amount due from a former subsidiary | 應收前附屬公司款項 | 32,014 | 32,014 |
| Less: Allowance for amount due from a former subsidiary | 減：應收前附屬公司款項之撥備 | (32,014) | (32,014) |
| | | <u>-</u> | <u>-</u> |

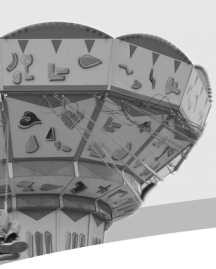
The directors of the Company believe that the Group has no other material obligations or commitments in PFFCL that require either adjustments to or disclosure in these financial statements.

本公司董事認為，本集團於飛圖夢幻影城並無任何其他重大責任或承擔而須於此等財務報表中作出調整或披露。

14. TRADE AND OTHER RECEIVABLES

14. 貿易及其他應收款項

| | | THE GROUP 本集團 | |
|-------------------|--------|----------------------------------|----------------------------------|
| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
| Trade receivables | 貿易應收款項 | 29,323 | 29,323 |
| Other receivables | 其他應收款項 | 6,379 | 2,297 |
| | | <u>35,702</u> | <u>31,620</u> |



NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

For the year ended 31st December, 2004
截至二零零四年十二月三十一日止年度

14. TRADE AND OTHER RECEIVABLES – continued

The following is an aged analysis of trade receivables at the balance sheet date:

| Age | 賬齡 |
|-----------------|----------|
| 181 to 365 days | 181至365日 |
| Over 365 days | 365日以上 |

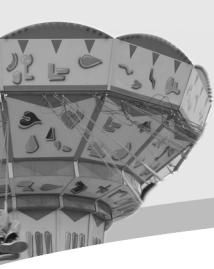
In June 2004, the Group filed claims to the Hong Kong High Court against a trade debtor for the sales of theme park tickets of HK\$29,323,000. In the opinion of the directors, since the claim is still pending for hearing, it is unable to determine the final outcome of the claims at such preliminary stage. Accordingly, no allowance of this amount has been made in the financial statements.

14. 貿易及其他應收款項 – 續

於結算日之貿易應收款項按賬齡分析如下：

| THE GROUP | |
|---------------|---------------|
| 本集團 | |
| 2004 | 2003 |
| 二零零四年 | 二零零三年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |
| - | 7,156 |
| 29,323 | 22,167 |
| 29,323 | 29,323 |

於二零零四年六月，本集團入稟香港高等法院，就收回有關銷售主題公園門票之貿易賬款29,323,000港元向貿易債務人提出申索。董事認為，由於申索正排期聆訊，彼等無法在此初步階段預測最終申索結果。因此，本集團並未就此筆款項於財務報表作出撥備。



NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

For the year ended 31st December, 2004
 截至二零零四年十二月三十一日止年度

15. AMOUNT DUE FROM A FORMER DIRECTOR

Details of the amount due from a former director are as follows:

| Name of former director 前董事姓名 | THE GROUP 本集團 | | |
|----------------------------------|--|---|--|
| | Balance at 31.12.2004 於二零零四年十二月三十一日之結餘 HK\$'000 千港元 | Balance at 1.1.2004 於二零零四年一月一日之結餘 HK\$'000 千港元 | Maximum amount outstanding during the year 年內最高欠款額 HK\$'000 千港元 |
| Mr. Li Tat Ting 李達庭先生 | 38,682 | 38,682 | 38,682 |

The amount is unsecured, interest-free and has no fixed repayment terms.

In July 2004, the Group filed claims to the Hong Kong High Court against a former director Mr. Li Tat Ting for an amount of HK\$38,682,000. In the opinion of the directors, since the claims are still pending for hearing, it is unable to determine the final outcome of the claims at such preliminary stage. Accordingly, no allowance of this amount has been made in the financial statements.

16. ADVANCE FROM A FORMER SHAREHOLDER

The advance from a former shareholder is unsecured, interest-free and repayable on demand. It was secured by a personal guarantee given by a former director of the Company Mr. Li Tat Ting.

15. 應收前董事款項

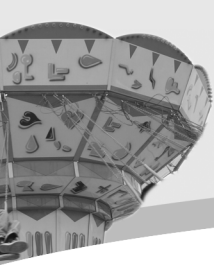
應收前董事之款項詳情如下：

該筆款項為無抵押、免息及並無固定還款期。

於二零零四年七月，本集團入稟香港高等法院，向前董事李達庭先生索償38,682,000港元。董事認為，由於申索正排期聆訊，彼等無法在此初步階段預測最終申索結果。因此，本集團並未就此筆款項於財務報表作出撥備。

16. 前股東墊款

前股東墊款為無抵押、免息及須應要求償還。該項墊款乃以本公司前董事李達庭先生之個人擔保作為抵押。



NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

For the year ended 31st December, 2004
截至二零零四年十二月三十一日止年度

17. AMOUNT DUE TO A DIRECTOR

The amount is unsecured, interest free and has no fixed repayment terms.

17. 應付董事款項

該筆款項為無抵押、免息及無固定還款期。

18. BANK LOANS

18. 銀行貸款

| | | THE GROUP 本集團 | |
|---|-------------------|----------------------------------|----------------------------------|
| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
| The bank loans are repayable as follows: | 銀行貸款須於以下年期償還： | | |
| Within one year | 一年內 | 8,654 | — |
| Between one to two years | 一年至兩年 | 8,654 | — |
| Between two to five years | 兩年至五年 | 30,308 | — |
| | | 47,616 | — |
| Less: Amounts due within one year shown under current liabilities | 減：列為流動負債於一年內到期之款項 | 8,654 | — |
| Amounts due after one year | 一年後到期之款項 | 38,962 | — |

The bank loans were secured by a pledge of certain shares of the Company owned by the ultimate holding company Puregain Assets Limited and a personal guarantee given by a director Mr. Chan Chak Mo.

銀行貸款以最終控股公司Puregain Assets Limited所持有本公司若干股份及董事陳澤武先生所提供個人擔保作為抵押。

NOTES TO THE FINANCIAL STATEMENTS

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For the year ended 31st December, 2004
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19. AMOUNT DUE TO ULTIMATE HOLDING COMPANY 19. 應付最終控股公司款項

| | | THE GROUP AND THE COMPANY 本集團及本公司 | |
|--|-----------|---|----------------------------------|
| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
| Interest carrying at prevailing market rates | 按現行市場利率計息 | 6,837 | — |
| Non-interest carrying | 不計利息 | 112 | — |
| | | 6,949 | — |

The amount is unsecured and has no fixed repayment terms. In the opinion of the directors, the amount is unlikely to be repaid with the next twelve months of the balance sheet date and is therefore shown in the balance sheet as non-current.

有關款項並無抵押及無固定還款期。董事認為，有關款項不大可能於結算日後十二個月內償還，因此於資產負債表列為非流動項目。

20. AMOUNT DUE TO A DIRECTOR 20. 應付董事款項

| | | THE GROUP 本集團 | | THE COMPANY 本公司 | |
|--|---------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
| Interest carrying at prevailing market rates | 按現行市場利率 | 11,216 | — | 7,516 | — |
| Non-interest carrying | 不計利息 | 16,237 | — | — | — |
| | | 27,453 | — | 7,516 | — |

The amounts are unsecured and have no fixed repayment terms. In the opinion of the directors, the amount is unlikely to be repaid with the next twelve months of the balance sheet date and is therefore shown in the balance sheet as non-current.

有關款項並無抵押及無固定還款期。董事認為，有關款項不大可能於結算日後十二個月內償還，因此於資產負債表列為非流動項目。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December, 2004
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21. SHARE CAPITAL

21. 股本

| | | Number of shares 2004 & 2003 股份數目 二零零四年及 二零零三年 | Amount 2004 & 2003 金額 二零零四年及 二零零三年 HK\$'000 千港元 |
|----------------------------------|--------------------|---|---|
| Authorised: | 法定： | | |
| Ordinary shares of HK\$0.01 each | 每股面值0.01港元之 普通股 | 3,000,000,000 | 30,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| Ordinary shares of HK\$0.01 each | 每股面值0.01港元之 普通股 | 600,000,000 | 6,000 |

22. SHARE OPTIONS

22. 購股權計劃

Pursuant to the share option scheme adopted by the Company on 13th June, 2002, the Company may grant options to the directors, non-executive directors, suppliers of goods and services, customers, advisors and consultants, shareholders of the Company or any of its subsidiaries for the primary purpose of providing incentives to them, to subscribe for shares in the Company with the payment of HK\$1 per offer. The total number of shares in respect of which options may be granted shall not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any individual in any one year shall not exceed 1% of the issued share capital of the Company. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's issued share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders. The exercise price of the share option will be determined at the higher of the average of closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options; the closing price of the shares on the Stock Exchange on the date of grant; and the nominal value of the shares. The share options are exercisable for a period not later than 10 years from the date of grant, where the acceptance date should not be later than 28 days after the date of offer.

No share options were granted since adoption of the scheme.

根據本公司於二零零二年六月十三日採納之購股權計劃，本公司可向本公司或其任何附屬公司之董事、非執行董事、貨物及服務供應商、客戶、諮詢人及顧問、股東授出購股權，以認購本公司股份，藉此激勵彼等為本集團效力。購股權之代價為每份購股權1港元。可能授出之購股權所涉及股份總數，不得超過本公司不時已發行股本30%。此外，於任何一個年度，不得向任何人士授出涉及本公司已發行股本1%以上之購股權。倘向主要股東或獨立非執行董事授出超過本公司已發行股本0.1%或價值超過5,000,000港元之購股權，則必須事先取得本公司股東批准。購股權之行使價為緊接股份於購股權授出日期前五個交易日在聯交所之平均收市價、股份於授出日期在聯交所之收市價以及股份面值三者之最高者。購股權可於授出日期起計10年內行使，而接納日期不得遲於提呈日期後28日。

本公司自採納該計劃以來概無授出任何購股權。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December, 2004
截至二零零四年十二月三十一日止年度

23. RESERVES

23. 儲備

| | | Share premium 股份溢價 HK\$'000 千港元 | Contributed surplus 繳入盈餘 HK\$'000 千港元 | Retained profit (deficit) 保留溢利 (虧絀) HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|------------------------|-------------------|---|---|--|--------------------------------|
| THE COMPANY | 本公司 | | | | |
| At 1st January, 2003 | 於二零零三年一月一日 | 18,197 | 243,302 | 1,386 | 262,885 |
| Net loss for the year | 本年度虧損淨額 | - | - | (237,353) | (237,353) |
| At 1st January, 2004 | 於二零零四年一月一日 | 18,197 | 243,302 | (235,967) | 25,532 |
| Net loss for the year | 本年度虧損淨額 | - | - | (47,167) | (47,167) |
| At 31st December, 2004 | 於二零零四年 十二月三十一日 | <u>18,197</u> | <u>243,302</u> | <u>(283,134)</u> | <u>(21,635)</u> |

The contributed surplus of the Company represents the difference between the aggregate net tangible assets of the subsidiaries acquired by the Company under the group reorganisation in 2002 and the nominal amount of the Company's shares issued for the acquisition.

繳入盈餘指本公司根據二零零二年集團重組而收購之附屬公司之有形資產淨值總額與本公司就收購所發行股份之面值兩者之差額。

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

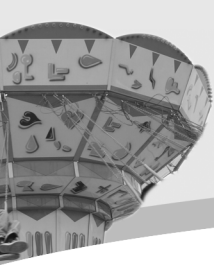
根據百慕達一九八一年公司法(修訂本),本公司之繳入盈餘可供分派。然而,倘出現下列情況,則本公司不得動用繳入盈餘宣派或派付股息或作出分派:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

- (a) 本公司於支付有關款項後無法或可能無法償還到期債務;或
- (b) 本公司資產之可變現值會因而低於其負債、已發行股本及股份溢價相加之總和。

The Company had no distributable reserve at 31st December, 2004.

於二零零四年十二月三十一日,本公司並無可供分派儲備。



NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

For the year ended 31st December, 2004
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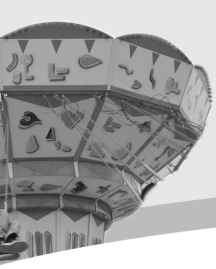
24. DE-CONSOLIDATION OF A FORMER SUBSIDIARY

24. 解除綜合計算前附屬公司

PFCL is a wholly-owned subsidiary of the Company which was de-consolidated in the financial statements for the year ended 31st December, 2003.

飛圖夢幻影城乃本公司全資附屬公司，於截至二零零三年十二月三十一日止年度解除於財務報表綜合入賬。

| | | 2004 二零零四年 HK\$'000 千港元 | 2003 二零零三年 HK\$'000 千港元 |
|---|-------------------|----------------------------------|----------------------------------|
| Net assets de-consolidated: | 解除綜合計算之資產淨值： | | |
| Property, plant and equipment | 物業、廠房及設備 | - | 299,508 |
| Deposits made on acquisition of property, plant and equipment | 購置物業、廠房及設備所付訂金 | - | 11,417 |
| Inventories | 存貨 | - | 572 |
| Trade and other receivables | 貿易及其他應收款項 | - | 27,462 |
| Bank balances and cash | 銀行結餘及現金 | - | 3,285 |
| Trade and other payables | 貿易及其他應付款項 | - | (51,430) |
| Amount due to a former director | 應付前董事款項 | - | (38,074) |
| Taxation | 稅項 | - | (9,511) |
| Long-term payables | 長期應付款項 | - | (42,101) |
| Bank loans | 銀行貸款 | - | (12,397) |
| Net assets | 資產淨值 | - | 188,731 |
| Negative goodwill realised on de-consolidation | 解除綜合計算時變現之負商譽 | - | (39,304) |
| Loss on de-consolidation | 解除綜合計算之虧損 | - | (149,427) |
| | | - | - |
| Net cash outflow arising on de-consolidation: | 解除綜合計算時產生之現金流出淨額： | | |
| Bank balances and cash de-consolidated | 解除綜合計算之銀行結餘及現金 | - | (3,285) |



NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December, 2004
截至二零零四年十二月三十一日止年度

25. CONTINGENT LIABILITIES

At 31st December, 2004, the Group and the Company is a party to a number of claims totalling HK\$6,541,000 (2003: HK\$408,000) and HK\$5,420,000 (2003: HK\$408,000) respectively. In the opinion of the directors, ultimate resolution of these claims would not have a significant effect on the Group's and the Company's results and financial position.

26. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme (the "Scheme") for all qualifying employees in Hong Kong. The assets of the Scheme are held separately from those of the Group in funds under the control of trustee. The Group contributes 5% of relevant payroll costs to the Scheme.

27. OPERATING LEASE COMMITMENTS

While the Company had no outstanding operating lease commitments, at balance sheet date, one of its subsidiary was committed to make future minimum lease payments of HK\$71,000 (2003: Nil) in respect of land and buildings rented under a non-cancellable operating lease which falls due within one year.

28. RELATED PARTY TRANSACTIONS

During the year, the Group paid interest of HK\$243,000 (2003: Nil) and HK\$123,000 (2003: Nil) to its ultimate holding company and director respectively.

29. POST BALANCE SHEET EVENT

Subsequent to 31st December, 2004, the advance from a former shareholder of HK\$10,698,000 was assigned to Mr. Chan Chak Mo, a director of the Company. Details of which are set out in the paragraph headed "Material litigation" within the Management Discussion and Analysis of the 2004 annual report.

25. 或然負債

於二零零四年十二月三十一日，本集團及本公司牽涉多宗金額分別合共6,541,000港元（二零零三年：408,000港元）及5,420,000港元（二零零三年：408,000港元）之索償。董事認為，該等索償之最終結果不會對本集團及本公司之業績及財務狀況造成重大影響。

26. 退休福利計劃

本集團為香港所有合資格僱員設有強制性公積金計劃（「該計劃」）。該計劃之資產與本集團之資產分開處理，並由信託人所控制之基金持有。本集團與僱員須各自按相關工資成本之5%向該計劃作出供款。

27. 經營租賃承擔

本公司並無未償還經營租賃承擔，惟於結算日，本公司一家附屬公司就一項於一年內到期之不可撤銷經營租賃項下土地及樓宇作出71,000港元（二零零三年：無）未來最低租金付款承擔。

28. 有關連人士交易

年內，本集團分別向其最終控股公司及董事支付利息243,000港元（二零零三年：無）及123,000港元（二零零三年：無）。

29. 結算日後事項

於二零零四年十二月三十一日後，10,698,000港元之前股東墊款已轉讓予本公司董事陳澤武先生。有關詳情載於二零零四年年報「管理層論述及分析」內「重大訴訟」一段。