

Notes to Financial Statements

財務報表附註

31 December 2004

1. CORPORATE INFORMATION

The registered office of Sing Tao News Corporation Limited (formerly known as 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
- human capital management
- property holding
- trading of photographic products
- investment holding

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

2. IMPACT OF RECENTLY ISSUED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards, herein collectively referred to as the new HKFRSs, which are generally effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 December 2004. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

1. 公司資料

星島新聞集團有限公司（前稱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
- 人力資本管理
- 物業持有
- 攝影器材貿易
- 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. 最近頒佈之香港財務報告準則之影響

香港會計師公會已頒佈若干新增及經修訂之香港財務報告準則及香港會計準則，本文統稱為新「香港財務報告準則」，此準則一般自二零零五年一月一日或之後起開始之會計期間生效。本集團並無提早於截至二零零四年十二月三十一日止年度之財務報表中採納此等新香港財務報告準則。本集團已就此等新香港財務報告準則之影響進行評估，唯未能決定此等新香港財務報告準則是否會對其營運業績及財務狀況構成重大影響。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (which also include Statements of Standard Accounting Practice (“SSAPs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, 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.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2004. 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

編製之基準

財務報表乃按照香港會計師公會頒佈之香港財務報告準則(當中亦包括香港會計實務準則(「會計實務準則」)及詮釋)、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。

綜合賬目之基準

綜合財務報表乃將本集團截至二零零四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。

Notes to Financial Statements

財務報表附註

31 December 2004

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 Group has unilateral control, directly or indirectly, over the joint venture company;
- (b) a jointly-controlled entity, if the Group does not have unilateral control, but has joint control, directly or indirectly, over the joint venture company;
- (c) an associate, if the Group 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 Group 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.

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，如本集團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，如本集團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；
- (c) 聯營公司，如本集團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，如本集團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。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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)

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商譽，會包括在本集團在共同控制公司之權益之一部份。

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。

Notes to Financial Statements

財務報表附註

31 December 2004

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.

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.

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。

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。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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

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。

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。

Notes to Financial Statements

財務報表附註

31 December 2004

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 acquisition. 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.

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.

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之過渡條文。條文准許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，包括尚未在綜合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。

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。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 and 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.

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.

3. 主要會計政策概要 (續)

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，或有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。

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。

Notes to Financial Statements

財務報表附註

31 December 2004

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets and depreciation

Fixed assets, other than investment properties and construction in progress, 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.

Changes in the values of fixed assets, other than investment properties, are dealt with as movements in the land and buildings 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 land and buildings revaluation reserve realised in respect of previous valuations 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%

3. 主要會計政策概要 (續)

固定資產及折舊

除投資物業及在建工程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。

除投資物業以外之固定資產價值之變動乃作為土地及樓宇重估儲備變動處理。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，土地及樓宇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%至5%
租賃物業裝修	20%至33%
傢俬、裝置及設備	10%至30%
汽車	20%

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets and depreciation (continued)

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.

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction. Construction in progress is reclassified to the appropriate category of fixed assets when completed and ready for use.

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 reserve. 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.

3. 主要會計政策概要 (續)

固定資產及折舊 (續)

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。

在建工程指興建中的樓宇，乃按成本值扣減任何減值虧損列賬，且並無折舊。成本包括直接建築成本，在建工程會於竣工時及可供使用時重新分類至固定資產項目之合適類別中。

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。

Notes to Financial Statements

財務報表附註

31 December 2004

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 10 to 20 years.

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 relevant lease terms.

3. 主要會計政策概要 (續)

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10至20年攤銷。

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，經營租約之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 and debt securities intended to be held on a long term basis. Short term investments are investments in equity, debt securities and commodities 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

Held-to-maturity securities are investments in dated debt securities which the Group has expressed intention and ability to hold to maturity, 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.

In situations where the circumstances and events which led to an impairment of a held-to-maturity security cease to exist and there is persuasive evidence that the new circumstances and events will persist in the foreseeable future, the reversal of the impairment is credited to the profit and loss account, on an individual investment basis, to the extent of the amount previously charged.

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、債務證券及商品投資。

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

持有至到期為止之證券指本集團有明確意圖並有能力持有至到期為止之有期債務證券投資，乃以成本例值，且透過攤銷購入時產生之溢價或折讓作出調整，並按個別投資之基準扣減任何減值虧損。

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。

當出現引致持有至到期為止之證券之減值不再存在之環境及事故，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，則該減值之撥回將按個別投資，以先前扣除之數額為限計入損益表中。

Notes to Financial Statements

財務報表附註

31 December 2004

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

(b) Long term investment securities

Investments in dated debt securities and listed or unlisted 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 in the period in which it arises.

(c) Short term investment securities

Investments in equity, debt securities and commodities 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 of listed equity securities and commodities are determined on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. Unlisted debt securities are stated at estimated fair values at the balance sheet date, on an individual investment basis. The estimated fair values of unlisted debt securities are determined by the directors having regard to, inter alia, the prices of the most recent reported sales or purchases of the securities. Any realised or unrealised 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.

(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.

3. 主要會計政策概要 (續)

投資 (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上市或非上市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、債務證券及商品投資乃計入短期投資，以公允價值列入資產負債表。上市股本證券及商品投資之公允價值之釐定基準及按個別投資於結算日之市場報價。非上市債務證券按個別投資以估計公允價值列入資產負債表。非上市債務證券之估計公允價值乃由董事根據（其中包括）該證券最近所報之銷售或購買價格而釐定。此等投資之公允價值變動所產生之任何已變現或未變現收益或虧損，於產生期間計入損益表或自損益表內扣除。

(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。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

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, on an individual investment basis, to the extent of the amount previously charged to the profit and loss account, 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.

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.

3. 主要會計政策概要 (續)

投資 (續)

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，投資減值撥備應按個別投資基準予以撥回（惟以先前在損益表中扣減之金額為限）。

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。

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）。

Notes to Financial Statements

財務報表附註

31 December 2004

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 the 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.

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)

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,乃計入損益表之融資成本中。

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。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

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 future 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 future taxable profit will be available against which the temporary differences can be utilised.

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.

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未來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額有可能於可預見將來撥回及未來應計稅利潤將會出現以抵扣暫時性差異時確認。

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。

Notes to Financial Statements

財務報表附註

31 December 2004

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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;
- (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

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；
- (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；
- (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；及
- (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。

Notes to Financial Statements

財務報表附註

31 December 2004

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Retirement benefits schemes

The Group operates defined contribution retirement benefits 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之僱員。

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.

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.

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。

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。

Notes to Financial Statements

財務報表附註

31 December 2004

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

3. 主要會計政策概要 (續)

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。

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。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

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;
- (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 products; and
- (d) the corporate and others segment comprises the Group's Internet and information consultancy services, investment and property holding business 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

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；
- (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貿易；及
- (d) 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。

Notes to Financial Statements

財務報表附註

31 December 2004

4. SEGMENT INFORMATION (continued)

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments.

Group 本集團

		Media		Human Capital Management		Trading		Corporate and others		Eliminations		Consolidated	
		2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'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	千港元	千港元
Segment revenue:	分類收入：												
Sales to external customers	向外界客戶銷售	1,140,198	978,460	47,365	32,582	245,002	166,564	8,505	3,952	-	-	1,441,070	1,181,558
Intersegment sales	分類業務間之銷售	8,368	2,570	51	97	-	236	101,234	53,251	(109,653)	(56,154)	-	-
Other revenue and gains	其他收入及收益	6,776	7,532	293	31	13,926	4,594	10,769	48,343	-	-	31,764	60,500
Intersegment other revenue	分類業務間之其他收入	2,454	4,707	-	34	-	-	449	14,511	(2,903)	(19,252)	-	-
Total	合計	1,157,796	993,269	47,709	32,744	258,928	171,394	120,957	120,057	(112,556)	(75,406)	1,472,834	1,242,058
Segment results	分類業績	4,442	13,400	(6,067)	(11,623)	1,410	1,733	(36,925)	(25,090)			(37,140)	(21,580)
Interest and dividend income	利息及股息收入											17,311	17,189
Gain on disposal of an unconsolidated subsidiary	出售一間未有作合併賬處理之附屬公司之收益											18,400	-
Unallocated gains	未分類收益											4,867	8,735
Profit from operating activities	經營業務溢利											3,438	4,344
Finance costs	融資成本											(764)	(645)
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	20,806	10,141	3,741	(110)	-	-	(4,727)	(7,342)			19,820	2,689
Associates	聯營公司	-	-	-	-	-	(27)	(3)	(6,179)			(3)	(6,206)
Reversal of provision for impairment of interest in a jointly-controlled entity	撥回一間共同控制公司權益減值撥備	-	-	-	-	-	-	-	17,196			-	17,196
Reversal of provision for an amount due from a jointly-controlled entity	撥回應收一間共同控制公司款項撥備	-	-	-	-	-	-	6,097	37,400			6,097	37,400
Provisions for amounts due from jointly-controlled entities	應收共同控制公司款項撥備	(3,420)	(6,075)	-	-	-	-	(13,382)	(5,313)			(16,802)	(11,388)
Gain on disposal of a jointly-controlled entity	出售一間共同控制公司之收益	-	-	-	-	-	-	7,947	-			7,947	-
Loss on disposal of an associate	出售一間聯營公司之虧損	-	-	-	-	-	-	-	(2,980)			-	(2,980)
Amortisation and impairment of goodwill on acquisition of a jointly-controlled entity	收購一間共同控制公司之商譽攤銷及減值	-	-	-	-	-	-	(3,242)	(3,890)			(3,242)	(3,890)
Profit before tax	除稅前溢利											16,491	36,522
Tax	稅項											(12,415)	(26,821)
Profit before minority interests	未計少數股東權益前溢利											4,076	9,701
Minority interests	少數股東權益											625	2,667
Net profit from ordinary activities attributable to shareholders	股東應佔日常業務溢利淨額											4,701	12,368

4. 分類資料 (續)

(a) 業務分類

下表呈列本集團按業務類別劃分之收入、溢利／(虧損)及若干資產、負債以及開支資料。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

4. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

Group 本集團

		Media		Human Capital		Trading		Corporate		Eliminations		Consolidated	
		媒體		人力資本管理		貿易		公司及其他		對銷		綜合	
		2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'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	千港元	
Segment assets	分類資產	484,950	387,904	10,070	13,214	93,792	67,270	691,251	725,607	-	-	1,280,063	1,193,995
Interests in jointly-controlled entities	於共同控制公司之權益	199,479	204,385	12,185	8,370	-	-	85,608	122,332	-	-	297,272	335,087
Interests in associates	於聯營公司之權益	3	-	-	-	-	-	(4)	(5)	-	-	(1)	(5)
Unallocated assets	未分類資產											20,344	41,305
Total assets	資產總值											1,597,678	1,570,382
Segment liabilities	分類負債	186,009	155,923	3,085	2,073	44,607	25,615	134,706	166,608	-	-	368,407	350,219
Unallocated liabilities	未分類負債											116,053	126,923
Total liabilities	負債總值											484,460	477,142
Other segment information:	其他分類資料:												
Capital expenditure	資本開支	37,837	26,122	-	461	649	33	11,349	31,189	-	-	49,835	57,805
Depreciation and amortisation	折舊及攤銷	13,349	11,740	3,203	4,377	642	835	27,347	26,705	-	-	44,541	43,657
Impairment losses recognised in the profit and loss account	已於損益表內確認之減值虧損	-	5	-	-	-	-	2,500	6,427	-	-	2,500	6,432
Other non-cash expenses	其他非現金開支	3,664	14,090	89	108	-	(420)	73	4,941	-	-	3,826	18,719
Revaluation surplus, net	重估盈餘淨額	(1,240)	-	-	-	-	-	(17,238)	(3,486)	-	-	(18,478)	(3,486)
Surpluses on revaluation recognised directly in equity, net of deferred tax	直接於權益確認之重估盈餘，扣除遞延稅項	(1,054)	-	-	-	-	-	(497)	(2,857)	-	-	(1,551)	(2,857)
Negative goodwill recognised as income during the year	於年內已確認為收入之負商譽	(6,028)	(7,094)	-	-	-	-	-	-	-	-	(6,028)	(7,094)
Gain on disposal of properties	出售物業之收益	-	-	-	-	-	-	-	(12,678)	-	-	-	(12,678)
Loss/(gain) on disposal/strike-off of subsidiaries	出售/刪除附屬公司之虧損/(收益)	-	-	(77)	-	-	-	(170)	4,348	-	-	(247)	4,348

Notes to Financial Statements

財務報表附註

31 December 2004

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		Eliminations		Consolidated	
		香港及中國		北美		澳洲、新西蘭及歐洲		對銷		綜合	
		2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
		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	943,237	755,462	391,901	343,106	105,932	82,990	-	-	1,441,070	1,181,558
Other segment information:	其他分類資料：										
Segment assets	分類資產	1,052,815	1,089,853	467,401	402,216	73,177	66,789	-	-	1,593,393	1,558,858
Capital expenditure	資本開支	12,809	38,158	36,316	17,644	710	2,003	-	-	49,835	57,805

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。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

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.

An analysis of the Group's turnover, other revenue and gains is as follows:

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。

本集團之營業額、其他收入及收益之分析如下：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Turnover	營業額		
Advertising income	廣告收入	847,314	699,465
Circulation income	發行收入	284,700	246,556
Radio broadcasting advertising income	電台廣播廣告收入	20,257	23,992
Sales of photographic products	銷售攝影器材產品	244,069	165,773
Gross rental income	租金收入總額	5,987	6,645
Others	其他	38,743	39,127
		1,441,070	1,181,558
Other revenue	其他收入		
Interest income	利息收入	15,912	15,210
Investment income	投資收入	11,231	10,753
Dividend income from an unlisted investment	來自一項非上市投資之股息收入	496	1,316
Dividend income from listed investments	來自上市投資之股息收入	903	663
Declaration subsidy income	報關資助收入	11,365	7,011
Recognition of deferred income	遞延收入之確認	-	3,766
Others	其他	1,334	3,562
		41,241	42,281
Gains	收益		
Negative goodwill recognised as income during the year	於年內確認為收入之負商譽	6,028	7,094
Gain on disposal of short term investments, net	出售短期投資之收益淨額	2,332	2,157
Unrealised gain on changes in fair values of short term investments, net	短期投資公平值變動之未變現收益淨額	2,535	6,578
Gain on strike-off of subsidiaries	刪除附屬公司之收益	247	-
Exchange gains, net	匯兌收益淨額	1,559	651
Gain on disposal of other fixed assets	出售其他固定資產之收益	-	119
Other revenue and gains	其他收入及收益	53,942	58,880

Notes to Financial Statements

財務報表附註

31 December 2004

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	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Depreciation	折舊	14	40,442	38,864
Revaluation deficit/(surplus) on properties:	物業重估之虧絀/(盈餘):			
Land and buildings	土地及樓宇	14	(19,921)	(5,586)
Investment properties	投資物業	14	1,443	2,100
Gain on disposal of properties:	出售物業之收益:			
Land and buildings	土地及樓宇		-	(7,965)
Investment properties	投資物業		-	(4,713)
Amortisation of intangible assets*	無形資產攤銷*	15	1,162	680
Amortisation of goodwill*	商譽攤銷*	16	2,937	4,113
Negative goodwill recognised as income during the year**	於年內確認為收入之負商譽**	16	(6,028)	(7,094)
Auditors' remuneration:	核數師酬金:			
Current year	本年度		3,096	2,700
Underprovision in prior years	去年撥備不足		75	212
			3,171	2,912
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		13,220	12,309
Other equipment	其他設備		23	70
			13,243	12,379
Staff costs (including directors' remuneration (note 8))	員工成本(包括董事酬金(附註8))			
Wages and salaries	工資及薪金		478,182	422,747
Retirement benefits schemes contributions	退休福利計劃供款		17,263	16,712
Less: Forfeited contributions	減: 沒收之供款		(986)	(2,022)
Net retirement benefits schemes contributions***	退休福利計劃供款淨額***		16,277	14,690
Total staff costs	員工成本總額		494,459	437,437
Loss/(gain) on disposal of fixed assets	出售固定資產之虧損/(收益)		800	(119)
Loss/(gain) on disposal/strike-off of subsidiaries	出售/刪除附屬公司之虧損/(收益)		(247)	4,348
Impairment of long term investments	長期投資減值		2,500	2,537
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
Provisions for bad and doubtful debts	呆壞賬撥備		3,826	7,331
Provision for long service payments, net	長期服務金撥備淨額	30	2,742	1,558
Gross rental income	租金收入總額		(5,987)	(6,645)
Less: outgoings	減: 開銷		2,906	3,125
Net rental income	租金收入淨額		(3,081)	(3,520)

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

6. PROFIT FROM OPERATING ACTIVITIES (continued)

- * The amortisation 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.
- *** At 31 December 2004, forfeited contributions available to the Group to reduce its contributions to retirement benefits schemes in future years amounted to approximately HK\$104,000 (2003: HK\$103,000).

7. FINANCE COSTS

6. 經營業務溢利 (續)

- * 本年度商譽及無形資產之攤銷計入綜合損益表「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。
- *** 於二零零四年十二月三十一日，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104,000港元（二零零三年：103,000港元）。

7. 融資成本

		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
Interest 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	637	568
Interest on finance leases	融資租賃利息	127	75
		764	643

Notes to Financial Statements

財務報表附註

31 December 2004

8. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Companies Ordinance, is as follows:

8. 董事酬金

以下是根據上市規則及公司條例第161條披露之年內董事酬金：

		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
Fees:	袍金：		
Executive directors	執行董事	-	-
Non-executive directors	非執行董事	80	80
Independent non-executive directors	獨立非執行董事	430	430
		510	510
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	25,605	25,179
Retirement benefits schemes contributions	退休福利計劃供款	98	90
		25,703	25,269
		26,213	25,779

Other than set out above, there were no other emoluments payable to the independent non-executive directors during the year (2003: Nil).

除上述者外，年內並無向獨立非執行董事支付其他酬金（二零零三年：無）。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

8. DIRECTORS' REMUNERATION (continued)

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

8. 董事酬金 (續)

董事酬金介乎下列組別：

		Number of directors 董事人數	
		2004 二零零四年	2003 二零零三年
Nil to HK\$1,000,000	零至1,000,000港元	8	6
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	2
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1	1
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至4,000,000港元	1	1
HK\$5,000,001 to HK\$5,500,000	5,000,001港元至5,500,000港元	-	1
HK\$5,500,001 to HK\$6,000,000	5,500,001港元至6,000,000港元	1	-
HK\$6,000,001 to HK\$6,500,000	6,000,001港元至6,500,000港元	1	1
		15	13

For the year ended 31 December 2004, one of the directors waived emoluments of HK\$120,000 (2003: Nil).

截至二零零四年十二月三十一日止年度，一名董事放棄酬金120,000港元（二零零三年：無）。

No share options were granted to the directors during the year.

年內並無董事獲授購股權。

During the year ended 31 December 2003, certain directors were granted share options in respect of their services to the Group under the share option schemes of the Company, further details of which are set out in note 33 to the financial statements. No value in respect of the share options granted during that year has been charged to the profit and loss account, or is otherwise included in the above directors' remuneration disclosures.

截至二零零三年十二月三十一日止年度，若干董事就彼等向本集團所提供服務根據本公司購股權計劃獲授購股權，詳情載於財務報表附註33之披露。損益表內並無就該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。

Notes to Financial Statements

財務報表附註

31 December 2004

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four (2003: five) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining one non-director, highest paid employee for the year ended 31 December 2004, which fell within the band of HK\$4,000,001 to HK\$4,500,000, is as follows:

		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
Salaries and other benefits	薪金及其他福利	4,434	-
Retirement benefits schemes contributions	退休福利計劃供款	12	-
		4,446	-

For the year ended 31 December 2004, 4,000,000 share options were granted to this non-director, highest paid employee in respect of his service to the Group, further details of which are included in the disclosures in note 33 to the financial statements. No value in respect of the share options granted during the year has been charged to the profit or loss account, or is otherwise included in the above non-director, highest paid employee's remuneration disclosures.

9. 五位最高薪僱員

年內五位最高薪僱員包括四位董事(二零零三年:五位),彼等之酬金詳情已於上文附註8披露。截至二零零四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(介乎4,000,001港元至4,500,000港元之間)詳情如下:

		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
Salaries and other benefits	薪金及其他福利	4,434	-
Retirement benefits schemes contributions	退休福利計劃供款	12	-
		4,446	-

截至二零零四年十二月三十一日止年度內,本集團就此名非董事最高薪僱員提供之服務向其授予4,000,000份購股權,詳情載於財務報表附註33之披露資料。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非董事最高薪僱員酬金披露資料內。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

10. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2003: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. 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.

10. 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%（二零零三年：17.5%）稅率撥備。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。

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
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	3,882	5,584
Elsewhere	其他地區	3	120
Elsewhere	其他地區	4,902	24,431
Overprovision in prior years	過往年度超額撥備	(7,574)	(6,604)
Deferred (note 31)	遞延 (附註31)	3,314	(1,893)
		4,527	21,638
Share of tax attributable to:	應佔公司稅項：		
Jointly-controlled entities	共同控制公司	7,888	5,183
Total tax charge for the year	本年度稅項支出總額	12,415	26,821

Notes to Financial Statements

財務報表附註

31 December 2004

10. 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 the majority of 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:

10. 稅項 (續)

按本公司及其大部份附屬公司、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		North		Australia,		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 - 2004	本集團 - 二零零四年										
Profit/(loss) before tax	除稅前溢利/ (虧損)	573		(6,745)		18,438		4,225		16,491	
Tax at the statutory tax rate	按法定稅率計算之稅項	100	17.5	(2,226)	33.0	6,539	35.5	1,268	30.0	5,681	34.4
Adjustments in respect of current tax of previous periods	以往期間之當期稅項調整	(897)	(156.5)	-	-	(8,086)	(43.9)	1,409	33.3	(7,574)	(45.9)
Income not subject to tax	毋須納稅之收入	(7,134)	(1,245.0)	-	-	(3,314)	(18.0)	(29)	(0.7)	(10,477)	(63.5)
Expenses not deductible for tax	不可扣稅之開支	9,584	1,672.6	1,006	(14.9)	4,416	24.0	79	1.9	15,085	91.5
Tax losses utilised from previous periods	運用以往期間之稅務虧損	(6,136)	(1,070.9)	-	-	-	-	-	-	(6,136)	(37.2)
Tax losses not recognised	並無確認之稅務虧損	10,228	1,785.0	1,223	(18.1)	4,274	23.2	-	-	15,725	95.3
Temporary differences not recognised	並無確認之暫時性差異	111	19.3	-	-	-	-	-	-	111	0.7
Tax charge at the Group's effective rate	按本集團實際稅率計算之稅項	5,856	1,022.0	3	-	3,829	20.8	2,727	64.5	12,415	75.3

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

10. TAX (continued)

10. 稅項 (續)

		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

11. NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

11. 股東應佔日常業務溢利淨額

The net profit from ordinary activities attributable to shareholders for the year ended 31 December 2004 dealt with in the financial statements of the Company was HK\$10,614,000 (2003: net loss of HK\$34,282,000 (note 34(b))).

於本公司財務報表中處理之截至二零零四年十二月三十一日止年度的股東應佔日常業務溢利淨額為10,614,000港元(二零零三年:虧損淨額34,282,000港元)(附註34(b))。

Notes to Financial Statements

財務報表附註

31 December 2004

12. DISTRIBUTION

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Nil (2003: distribution of HK1 cent per ordinary share)	無 (二零零三年：每股普通股1港仙之分派)	-	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 32(a)(i) 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32(a)(i)。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。

13. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the net profit from ordinary activities attributable to shareholders for the year of HK\$4,701,000 (2003: HK\$12,368,000) and the weighted average of 1,834,438,526 (2003: 1,827,265,463) ordinary shares in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the net profit attributable to shareholders for the year of HK\$4,701,000 (2003: HK\$12,368,000) and the weighted average number of 1,836,919,367 (2003: 1,836,694,504) ordinary shares, after adjusting for the effects of all dilutive potential ordinary shares during the year.

13. 每股溢利

(a) 每股基本溢利

每股基本溢利乃按本年度股東應佔日常業務溢利淨額4,701,000港元（二零零三年：12,368,000港元）及本年度已發行普通股之加權平均數1,834,438,526股（二零零三年：1,827,265,463股）計算。

(b) 每股攤薄溢利

每股攤薄溢利乃按本年度股東應佔溢利淨額4,701,000港元（二零零三年：12,368,000港元）及普通股之加權平均數1,836,919,367股（二零零三年：1,836,694,504股）（已就本年度內具潛在攤薄影響之所有普通股作出調整）計算。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

13. EARNINGS PER SHARE (continued)

(b) Diluted earnings per share (continued)

The reconciliation of weighted average number of shares used in calculation of basic earnings per share and diluted earnings per share is as follows:

13. 每股溢利 (續)

(b) 每股攤薄溢利 (續)

用作計算每股基本溢利之股份加權平均數及用作計算每股攤薄溢利之股份加權平均數之對賬如下:

		2004 二零零四年	2003 二零零三年
Weighted average number of ordinary shares used in basic earnings per share calculation	用作計算每股基本溢利之普通股加權平均數	1,834,438,526	1,827,265,463
Weighted average number of ordinary shares:	普通股加權平均數:		
Assumed issued at no consideration on deemed exercise of all share options outstanding during the year	年內假設行使全部未行使購股權而無償發行	2,480,841	3,272,948
Assumed issued on the deemed conversion of all preference shares at the beginning of the year	年初假設兌換全部優先股而發行	-	6,156,093
Weighted average number of ordinary shares used in diluted earnings per share calculation	用作計算每股攤薄溢利之普通股加權平均數	1,836,919,367	1,836,694,504

Notes to Financial Statements

財務報表附註

31 December 2004

14. FIXED ASSETS

14. 固定資產

Group 本集團

		Land and buildings 土地及樓宇 HK\$'000 千港元	Construc- tion in progress 在建工程 HK\$'000 千港元	Investment properties 投資物業 HK\$'000 千港元	Leasehold improve- ments 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 2004	於二零零四年 一月一日	252,126	-	2,198	18,691	239,408	4,939	517,362
Additions	添置	-	17,878	-	2,795	24,920	3,696	49,289
Transfers	轉撥	(4,240)	-	4,218	-	-	-	(22)
Disposals	出售	-	-	(978)	(180)	(7,173)	(1,803)	(10,134)
Surplus/(deficit) on revaluation	重估盈餘/ (虧絀)	15,837	-	(1,443)	-	-	-	14,394
Exchange realignment	匯兌調整	2,612	-	-	23	586	31	3,252
At 31 December 2004	於二零零四年 十二月三十一日	266,335	17,878	3,995	21,329	257,741	6,863	574,141
Analysis of cost or valuation:	成本值或估值分析：							
At cost	按成本值	-	17,878	-	21,329	257,741	6,863	303,811
At 31 December 2004 professional valuation	二零零四年 十二月三十一日 之專業估值	266,335	-	3,995	-	-	-	270,330
		266,335	17,878	3,995	21,329	257,741	6,863	574,141
Accumulated depreciation:	累計折舊：							
At 1 January 2004	於二零零四年 一月一日	-	-	-	5,487	150,272	418	156,177
Provided during the year	年內撥備	6,737	-	-	6,755	24,519	2,431	40,442
Transfers	轉撥	(22)	-	-	-	-	-	(22)
Disposals	出售	-	-	-	(143)	(5,946)	(1,640)	(7,729)
Write-back on revaluation	重估撥回	(6,732)	-	-	-	-	-	(6,732)
Exchange realignment	匯兌調整	17	-	-	23	410	7	457
At 31 December 2004	於二零零四年 十二月三十一日	-	-	-	12,122	169,255	1,216	182,593
Net book value:	賬面淨值：							
At 31 December 2004	於二零零四年 十二月三十一日	266,335	17,878	3,995	9,207	88,486	5,647	391,548
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

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

14. FIXED ASSETS (continued)

14. 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 2004	於二零零四年 一月一日	8,340	1,596	280	1,308	11,524
Additions	添置	-	265	22	6	293
Surplus on revaluation	重估盈餘	730	-	-	-	730
At 31 December 2004	於二零零四年 十二月三十一日	9,070	1,861	302	1,314	12,547
Analysis of cost or valuation:	成本值或估值分析：					
At cost	按成本值	-	1,861	302	1,314	3,477
At 31 December 2004 professional valuation	二零零四年 十二月三十一日 之專業估值	9,070	-	-	-	9,070
		9,070	1,861	302	1,314	12,547
Accumulated depreciation:	累計折舊：					
At 1 January 2004	於二零零四年 一月一日	-	1,596	271	548	2,415
Provided during the year	年內撥備	176	39	28	180	423
Write-back on revaluation	重估撥回	(176)	-	-	-	(176)
At 31 December 2004	於二零零四年 十二月三十一日	-	1,635	299	728	2,662
Net book value:	賬面淨值：					
At 31 December 2004	於二零零四年 十二月三十一日	9,070	226	3	586	9,885
At 31 December 2003	於二零零三年 十二月三十一日	8,340	-	9	760	9,109

Notes to Financial Statements

財務報表附註

31 December 2004

14. FIXED ASSETS (continued)

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

		Mainland			Total 合計 HK\$'000 千港元
		Hong Kong 香港 HK\$'000 千港元	China 中國內地 HK\$'000 千港元	Elsewhere 其他地區 HK\$'000 千港元	
At valuation:	按估值：				
Freehold	永久	-	-	86,665	
Long term leases	長期租賃	8,100	1,310	-	
Medium term leases	中期租賃	170,260	-	-	
		178,360	1,310	86,665	266,335

14. 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：

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

		Mainland		Total 合計 HK\$'000 千港元
		Hong Kong 香港 HK\$'000 千港元	China 中國內地 HK\$'000 千港元	
At valuation:	按估值：			
Long term leases	長期租賃	-	1,310	
Medium term leases	中期租賃	7,760	-	
		7,760	1,310	9,070

上述本公司之土地及樓宇按下列租賃年期持有：

The Group's and the Company's land and buildings were revalued individually at 31 December 2004 by Chung, Chan & Associates, independent professionally qualified valuers, at an aggregate value of HK\$266,335,000 and HK\$9,070,000, respectively, on an open market value and existing state basis.

本集團與本公司之土地及樓宇已經於二零零四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266,335,000港元及9,070,000港元。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

14. FIXED ASSETS (continued)

Revaluation surpluses of HK\$2,648,000 and HK\$19,921,000 resulting from the valuations on the Group's land and buildings, have been credited to the Group's land and buildings revaluation reserve and the consolidated profit and loss account (note 6), respectively. Revaluation surpluses of HK\$44,000 and HK\$862,000, resulting from the valuations on the Company's land and buildings, have been credited to the Company's land and buildings revaluation reserve (note 34(b)) 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\$247,083,000 (2003: HK\$237,837,000) and HK\$8,772,000 (2003: HK\$8,086,000), respectively.

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

The Group's investment properties were revalued at 31 December 2004 by Chung, Chan & Associates, independent professionally qualified valuers, at an aggregate value of HK\$3,995,000, on an open market value and existing state basis. Revaluation deficit of HK\$1,443,000 resulting from the valuations on the Group's investment properties 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 38(a) to the financial statements.

Certain investment properties were transferred from leasehold land and buildings in Hong Kong during the year. No asset revaluation reserve was previously included in the land and buildings revaluation reserve before the transfer.

Further particulars of the Group's land and buildings and investment properties are included on pages 133 to 135 of this annual report.

14. 固定資產 (續)

由本集團土地及樓宇之估值產生之重估盈餘2,648,000港元及19,921,000港元已分別計入本集團土地及樓宇重估儲備及綜合損益表(附註6)。由本公司土地及樓宇估值產生之重估盈餘44,000港元及862,000港元已分別計入本公司之土地及樓宇重估儲備(附註34(b))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247,083,000港元(二零零三年：237,837,000港元)及8,772,000港元(二零零三年：8,086,000港元)。

本集團之投資物業位於香港，乃根據長期租約持有。

本集團之投資物業已經於二零零四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3,995,000港元。重估本集團投資物業所產生之重估虧絀1,443,000港元已自損益表扣除(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38(a)。

若干投資物業乃於本年度內轉撥自位於香港之租賃土地及樓宇。於此轉撥前，土地及樓宇重估儲備並無包括資產重估儲備。

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133至135頁。

Notes to Financial Statements

財務報表附註

31 December 2004

14. FIXED ASSETS (continued)

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 2004 amounted to HK\$1,781,000 (2003: HK\$1,448,000).

14. 固定資產 (續)

於二零零四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1,781,000港元(二零零三年: 1,448,000港元)。

15. INTANGIBLE ASSETS

15. 無形資產

Group 本集團

		HK\$'000 千港元
Cost:	成本值:	
At 1 January 2004	於二零零四年一月一日	29,004
Additions	添置	546
At 31 December 2004	於二零零四年十二月三十一日	29,550
Accumulated amortisation and impairment:	累計攤銷及減值:	
At 1 January 2004	於二零零四年一月一日	8,534
Amortisation provided during the year	年內攤銷撥備	1,162
At 31 December 2004	於二零零四年十二月三十一日	9,696
Net book value:	賬面淨值:	
At 31 December 2004	於二零零四年十二月三十一日	19,854
At 31 December 2003	於二零零三年十二月三十一日	20,470

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

16. 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

16. 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：

		Goodwill arising on acquisition of subsidiaries 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 19) 收購共同控制公司所產生之商譽(附註19) 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	15,342	23,909	(155,059)
Disposal of a jointly-controlled entity	出售一間共同控制公司	-	(7,779)	-
At 31 December 2004	於二零零四年十二月三十一日	15,342	16,130	(155,059)
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	12,405	20,020	(24,439)
Amortisation provided/(recognised as income) during the year	年內已撥備攤銷／(確認為收入)	2,937	3,242	(6,028)
Disposal of a jointly-controlled entity	出售一間共同控制公司	-	(7,132)	-
At 31 December 2004	於二零零四年十二月三十一日	15,342	16,130	(30,467)
Net book value:	賬面淨值：			
At 31 December 2004	於二零零四年十二月三十一日	-	-	(124,592)
At 31 December 2003	於二零零三年十二月三十一日	2,937	3,889	(130,620)

Notes to Financial Statements

財務報表附註

31 December 2004

16. 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 2004, arising from the acquisition of subsidiaries prior to the adoption of SSAP 30 in 2001, was HK\$103,541,000, as at 1 January 2004 and 31 December 2004.

17. INTERESTS IN SUBSIDIARIES

Unlisted shares, at cost 非上市股份，按成本值
Less: Provision for impairment 減：減值撥備

115,258 115,258
(110,258) (110,258)

5,000 5,000

Due from subsidiaries 應收附屬公司款項
Less: Provisions for amounts 減：應收附屬公司
due from subsidiaries 款項撥備

1,421,078 1,415,567
(335,720) (336,003)

1,085,358 1,079,564

Due to subsidiaries 應付附屬公司款項

(359,049) (346,180)

731,309 738,384

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

Particulars of the principal subsidiaries as at 31 December 2004 are set out in note 42 to the financial statements.

16. 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二零零四年一月一日及二零零四年十二月三十一日為103,541,000港元，仍繼續於二零零四年十二月三十一日保留在資本儲備內。

17. 於附屬公司之權益

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	115,258	115,258
Less: Provision for impairment	(110,258)	(110,258)
	5,000	5,000
Due from subsidiaries	1,421,078	1,415,567
Less: Provisions for amounts due from subsidiaries	(335,720)	(336,003)
	1,085,358	1,079,564
Due to subsidiaries	(359,049)	(346,180)
	731,309	738,384

與附屬公司之間之結餘為無抵押、免息及無固定還款期。

於二零零四年十二月三十一日之主要附屬公司詳情載於附註42內。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

18. INVESTMENT IN AN UNCONSOLIDATED SUBSIDIARY

18. 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	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份，按成本值	-	36,000
Less: Provision for impairment	減：減值撥備	-	(36,000)
		-	-

The investment in the prior years represents the cost of an investment in respect of 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 the People's Republic of China. The Group had paid HK\$18 million of the total consideration of HK\$36,000,000 under the acquisition agreement (the "Agreement") entered into in 2000 while the remaining HK\$18 million of the original purchase consideration was included as a liability in other payables and accruals.

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, the vendors were not 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 was not able either to participate in the management of its investment, or to obtain any financial information of Sichuan Allday. Against this background, the directors considered that in substance the Group was unable to exercise effective control over its investment as a whole and, accordingly, had accounted for Artland as an unconsolidated subsidiary. Full provision of HK\$36 million was made against the Group's investment in the prior years.

該項去年之投資是指本公司投資於藝傳國際有限公司（「藝傳」）之70%股本權益之成本。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華人民共和國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。在於二零零零年訂立之收購協議（「該協議」）項下之總代價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。

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，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。於過往之年度，已就本集團之投資作出全數36,000,000港元撥備。

Notes to Financial Statements

財務報表附註

31 December 2004

18. INVESTMENT IN AN UNCONSOLIDATED SUBSIDIARY (continued)

During the current year, it was agreed between the Company and the original vendors of Artland that the Company is not requested to pay the balance of the purchase consideration of HK\$18,000,000 and the vendors of Artland agreed to buy back from the Company the 70% equity interest in Artland for an aggregate amount of HK\$400,000. Upon completion of the disposal, the remaining HK\$18 million of the original purchase consideration was written back to the profit and loss account and included in the gain on disposal of an unconsolidated subsidiary amounting to HK\$18,400,000.

19. INTERESTS IN JOINTLY-CONTROLLED ENTITIES

Share of net assets	應佔資產淨值	194,011	189,096
Goodwill on acquisition (note 16)	因收購產生之商譽(附註16)	-	3,889
		194,011	192,985
Due from jointly-controlled entities	應收共同控制公司款項	196,065	221,629
Due to jointly-controlled entities	應付共同控制公司款項	(1,170)	-
Less: Provisions for amounts due from jointly-controlled entities	減：應收共同控制公司款項之撥備	(91,634)	(79,527)
		297,272	335,087

At 31 December 2004, the balances due from/(to) jointly-controlled entities are unsecured, interest-free and have no fixed terms of repayment. At 31 December 2003, except for an aggregate amount of HK\$4,650,000 due from two jointly-controlled entities which bore interest at a rate of 5% per annum, the balances due from jointly-controlled entities were unsecured, interest-free and had no fixed terms of repayment.

18. 於一間未有作合併賬處理之附屬公司之投資(續)

於本年度，本公司及藝傳之原賣方同意，本公司無需支付購買代價餘額18,000,000港元，而藝傳之賣方亦同意以款項總額400,000港元從本公司購回藝傳之70%股本權益。出售完成後，原購買代價餘下之18,000,000港元已回撥至損益表，並包括於出售一間未有作合併賬處理之附屬公司之收益18,400,000港元內。

19. 於共同控制公司之權益

		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 net assets	應佔資產淨值	194,011	189,096
Goodwill on acquisition (note 16)	因收購產生之商譽(附註16)	-	3,889
		194,011	192,985
Due from jointly-controlled entities	應收共同控制公司款項	196,065	221,629
Due to jointly-controlled entities	應付共同控制公司款項	(1,170)	-
Less: Provisions for amounts due from jointly-controlled entities	減：應收共同控制公司款項之撥備	(91,634)	(79,527)
		297,272	335,087

於二零零四年十二月三十一日，應收／(應付)共同控制公司款項為無抵押、免息及無固定還款期。於二零零三年十二月三十一日，除應收兩間共同控制公司合共4,650,000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無抵押及免息，且無固定還款期。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

19. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

The Group's trade payable balances due to jointly-controlled entities are disclosed in note 26 to the financial statements.

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

19. 於共同控制公司之權益 (續)

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26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：

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
			2004 二零零四年	2003 二零零三年	
Beelink Information Science & Technology Co., Ltd. ("Beelink") [#] 百靈信息科技有限公司 ("百靈") [#]	Corporate 企業	People's Republic of China ("PRC")/ Mainland China 中華人民共和國 ("中國")/ 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
北京新華電廣影視技術 有限公司 [#]	Corporate 企業	PRC/ Mainland China 中國/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

Notes to Financial Statements

財務報表附註

31 December 2004

19. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

19. 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
			2004 二零零四年	2003 二零零三年	
北京聯成互動軟件技術 有限公司*	Corporate 企業	PRC/ Mainland China 中國/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	PRC/ Mainland China 中國/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	PRC/ Mainland China 中國/中國內地	49	49	Distribution of print-media publications in Mainland China 中國內地平面媒體 印刷品之發行
北京大華弘景期刊發行 有限責任公司*	Corporate 企業	PRC/ Mainland China 中國/中國內地	24.98	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	PRC/ Mainland China 中國/中國內地	12.74	12.74	Sale of print-media publications in Mainland China 中國內地平面媒體 印刷品之銷售

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

19. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

19. 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
			2004 二零零四年	2003 二零零三年	
北京經華智業教育科技 有限公司 [#]	Corporate 企業	PRC/ Mainland China 中國/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
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

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 all the Group's jointly-controlled entities would, in the opinion of the directors, result in particulars of excessive length.

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。董事認為詳細交待本集團所有共同控制公司之詳情會令篇幅過於冗長。

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

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

Notes to Financial Statements

財務報表附註

31 December 2004

19. INTERESTS IN JOINTLY-CONTROLLED ENTITIES (continued)

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

19. 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	
		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
Profit and loss account	損益表				
Turnover	營業額	39,850	54,573	329,705	268,748
Profit/(loss) for the year	年內溢利/(虧損)	(3,046)	(9,945)	30,286	14,534
Balance sheet	資產負債表				
Non-current assets	非流動資產	279,668	268,080	73,356	74,868
Current assets	流動資產	20,830	48,058	85,901	66,660
Current liabilities	流動負債	(120,367)	(134,750)	(23,594)	(16,674)
Non-current liabilities	非流動負債	-	-	(2,045)	(1,266)
Net assets	資產淨值	180,131	181,388	133,618	123,588

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

20. INTERESTS IN ASSOCIATES

20. 於聯營公司之權益

		Group 本集團		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
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	47	50	-	-
Due from associates	應收聯營公司款項	3	10,224	-	-
Due to an associate	應付一間聯營公司款項	(51)	(55)	-	-
Less: Provisions for amounts due from associates	減：應收聯營公司款項撥備	-	(10,224)	-	-
		(1)	(5)	-	-

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。

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

透過附屬公司間接持有之主要聯營公司之詳情如下：

Name 名稱	Business structure 業務架構	Place of incorporation and operations 註冊成立及經營地點	Percentage of ownership interest attributable to the Group 本集團應佔股本百分比		Principal activities 主要業務
			2004 二零零四年	2003 二零零三年	
Dragon Fly Assets Limited	Corporate 企業	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	50	50	Investment holding 投資控股

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

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。董事認為，交待本集團所有聯營公司之詳情會令篇幅過於冗長。

Notes to Financial Statements

財務報表附註

31 December 2004

21. INVESTMENTS

21. 投資

		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
Long term investments, at cost	長期投資，按成本值		
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	23,105	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	12,669	13,400
Unlisted debt securities	非上市債務證券	11,440	19,240
		24,981	33,512
Less: Provision for impairment	減：減值撥備	(7,488)	(4,988)
		17,493	28,524
		40,598	51,594
Listed equity securities in overseas, at market value	海外上市股本證券之市值	1,378	1,315
Short term investments, at fair value	短期投資，按公允價值		
Investment securities: Listed equity securities: Hong Kong Elsewhere	投資證券： 上市股本證券： 香港 其他地區	42,198 4,621	25,313 706
Unlisted debt securities	非上市債務證券	60,961	34,716
Commodities	商品投資	10,131	-
		117,911	60,735

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

22. INVENTORIES

22. 存貨

		Group	
		本集團	
		2004	2003
		二零零四年	二零零三年
		<i>HK\$'000</i>	<i>HK\$'000</i>
		千港元	千港元
Raw materials	原材料	24,476	15,510
Work in progress	在製品	885	155
Finished goods	製成品	5,966	5,619
Inventories held for resale	持作轉售之存貨	25,724	15,977
		57,051	37,261

The cost of inventories recognised as an expense during the year amounted to HK\$308,438,000 (2003: HK\$258,304,000).

在本年度確認為支出之存貨成本為308,438,000港元(二零零三年:258,304,000港元)。

The carrying amount of inventories carried at net realisable value included in the above balance is HK\$7,834,000 (2003: HK\$7,483,000) as at the balance sheet date.

於結算日,上表按可變現淨值列賬之存貨賬面值為7,834,000港元(二零零三年:7,483,000港元)。

Notes to Financial Statements

財務報表附註

31 December 2004

23. 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:

		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
Current to 30 days	即期至30天	170,206	151,593
31 to 60 days	31至60天	38,495	32,672
61 to 90 days	61至90天	21,670	22,015
91 to 120 days	91至120天	7,164	9,303
Over 120 days	120天以上	17,400	16,104
		254,935	231,687
Less: Provisions for bad and doubtful debts	減：呆壞賬撥備	(10,982)	(11,099)
		243,953	220,588

24. PLEDGED TIME DEPOSITS

The pledged time deposits were used to secure general banking facilities granted to the Group (note 27), a jointly-controlled entity (note 41) and a long term investment of the Group.

23. 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：

24. 已抵押定期存款

已抵押定期存款是用於抵押本集團（附註27）、本集團一間共同控制公司（附註41）及一筆長期投資獲授之一般銀行備用額。

Notes to Financial Statements

財務報表附註

31 December 2004
二零零四年十二月三十一日

25. CASH AND CASH EQUIVALENTS

		Group 本集團		Company 本公司	
		2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Cash and bank balances	現金及銀行結餘	106,175	105,370	1,021	389
Time deposits	定期存款	331,724	391,391	-	-
		437,899	496,761	1,021	389

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$13,520,000 (2003: HK\$9,901,000). 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13,520,000港元（二零零三年：9,901,000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。

26. 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:

		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
Current to 30 days	即期至30天	93,943	78,434
31 to 60 days	31至60天	2,596	2,270
61 to 90 days	61至90天	2,566	2,781
91 to 120 days	91至120天	313	64
Over 120 days	120天以上	1,357	7,477
		100,775	91,026

Included in the balance is HK\$12,655,000 (2003: HK\$12,463,000) 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.

26. 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：

以上結餘包括在印刷服務交易中，應付一間共同控制公司12,655,000港元（二零零三年：12,463,000港元）之款項。款項須按共同控制公司所授之信貸期支付。

Notes to Financial Statements

財務報表附註

31 December 2004

27. INTEREST-BEARING BANK LOAN

27. 附息銀行貸款

		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
Secured bank loan repayable	須於下列期間償還之有抵押銀行貸款：		
within one year or on demand	一年內或接獲通知時	9,713	9,620

At the balance sheet date, the Group's bank loan was secured by certain of the Group's pledged time deposits with a carrying amount of HK\$9,713,000 (2003: HK\$9,620,000) (note 24).

於結算日，本集團之銀行貸款由本集團賬面值9,713,000港元（二零零三年：9,620,000港元）之若干已抵押定期存款作抵押（附註24）。

28. FINANCE LEASE PAYABLES

28. 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 two 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，餘下之租期為二年至五年不等。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

28. FINANCE LEASE PAYABLES (continued)

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

28. 融資租約應付款項 (續)

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 2004 二零零四年 HK\$'000 千港元	Minimum lease payments 最低租金 2003 二零零三年 HK\$'000 千港元	Present value	Present value
			of minimum lease payments 最低租金 之現值 2004 二零零四年 HK\$'000 千港元	of minimum lease payments 最低租金 之現值 2003 二零零三年 HK\$'000 千港元
Amounts payable:	應付款項：			
Within one year	一年內	557	390	287
In the second year	第二年	557	390	311
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	852	829	751
Total minimum finance lease payments	最低融資租金 總額	1,966	1,609	1,349
Future finance charges	未來融資費用	(225)	(260)	
Total net finance lease payables	融資租約應付 款項總淨額	1,741	1,349	
Portion classified as current liabilities	歸類為流動負債 之部份	(451)	(287)	
Long term portion	長期部份	1,290	1,062	

Notes to Financial Statements

財務報表附註

31 December 2004

29. OTHER PAYABLES AND ACCRUALS

Included in the balance at 31 December 2004 is an amount of approximately HK\$109,907,000 representing 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. This balance was included in long term other payables at 31 December 2003.

30. PROVISION FOR LONG SERVICE PAYMENTS

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.

29. 其他應付及應計款項

包括於二零零四年十二月三十一日之結餘約109,907,000港元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。該結餘於二零零三年十二月三十一日列於其他長期應付款項內。

30. 長期服務金撥備

		Group	
		本集團	
		2004	2003
		二零零四年	二零零三年
Notes		HK\$'000	HK\$'000
附註		千港元	千港元
	Balance at beginning of year	4,285	2,673
	Charge for the year	2,916	4,119
	Write-back during the year	(174)	(2,561)
	Payments during the year	(2,364)	(108)
	Exchange realignment	31	162
	At 31 December	4,694	4,285
	於十二月三十一日		

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。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

31. DEFERRED TAX

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

Deferred tax liabilities

Group 本集團		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	Recognition of tax losses 稅項虧損 之確認 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	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 10)	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10)	4,352	(2,013)	-	(51)	2,288
Deferred tax credited to land and buildings 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
At 31 December 2003 and 1 January 2004	於二零零三年十二月 三十一日及 二零零四年一月一日	24,277	14,449	-	(27)	38,699
Deferred tax charged/ (credited) to the profit and loss account during the year (note 10)	年內於損益表扣除/ (計入)之遞延稅項 (附註10)	(2,470)	4,159	(5,353)	429	(3,235)
Deferred tax charged to land and buildings revaluation reserve during the year	年內於土地及樓宇 重估儲備扣除之 遞延稅項	-	725	-	-	725
At 31 December 2004	於二零零四年十二月 三十一日	21,807	19,333	(5,353)	402	36,189

31. 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

Notes to Financial Statements

財務報表附註

31 December 2004

31. DEFERRED TAX (continued)

31. 遞延稅項 (續)

Deferred tax assets

遞延稅項資產

Group		Deductible tax	Revaluation	Provisions	Recognition	Total
本集團		depreciation	of properties		of tax losses	
		減速稅項	重估	撥備	稅項虧損	總計
		折舊	物業		之確認	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 January 2003	於二零零三年一月一日	-	654	1,090	5,333	7,077
Deferred tax credited 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 10)	年內於損益表計入之遞延稅項，包括因稅率調整之602,000港元抵免(附註10)	60	136	626	3,359	4,181
Deferred tax charged to land and buildings 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
At 31 December 2003 and 1 January 2004	於二零零三年十二月三十一日及二零零四年一月一日	60	538	1,916	8,692	11,206
Deferred tax credited/(charged) to the profit and loss account during the year (note 10)	年內於損益表計入/(扣除)之遞延稅項(附註10)	25	-	1	(6,575)	(6,549)
Deferred tax charged to land and buildings revaluation reserve during the year	年內於土地及樓宇重估儲備扣除之遞延稅項	-	(372)	-	-	(372)
At 31 December 2004	於二零零四年十二月三十一日	85	166	1,917	2,117	4,285

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

31. DEFERRED TAX (continued)

The Group has tax losses arising in Hong Kong of approximately HK\$973,777,000 (2003: approximately HK\$957,377,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets in respect of tax losses of approximately HK\$931,091,000 (2003: approximately HK\$907,709,000) have not been recognised as they have arisen in certain subsidiaries that have been loss-making for some time.

At 31 December 2004, there was no significant unrecognised deferred tax liability (2003: 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.

32. SHARE CAPITAL

31. 遞延稅項 (續)

本集團有來自香港之稅項虧損約973,777,000港元(二零零三年:約957,377,000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若干蒙虧已有一段時間之公司,故並無就稅務虧損約931,091,000港元(二零零三年:約907,709,000港元)確認遞延稅項資產。

於二零零四年十二月三十一日,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(二零零三年:無)。

本公司向其股東支付分派並未對所得稅構成重大影響。

32. 股本

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Authorised:	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
Issued and fully paid:	已發行及繳足股本:		
1,834,535,074 (2003: 1,833,855,074) ordinary shares of HK\$0.10 each	1,834,535,074股(二零零三年:1,833,855,074股)每股面值0.10港元之普通股	183,454	183,386

Notes to Financial Statements

財務報表附註

31 December 2004

32. SHARE CAPITAL (continued)

During the two years ended 31 December 2004, movements in the Company's share capital were as follows:

(a) Ordinary shares

- (i) At the special general meeting convened on 24 June 2003, the special resolution for the reduction of the Company's share premium account by approximately HK\$964,360,000 and the application of such reduced amount against the Company's accumulated losses in the amount of approximately HK\$475,430,000 with the balance of approximately HK\$488,930,000 being credited to the Company's contributed surplus was approved by the Company's shareholders (note 34(b)).
- (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 Sing Tao Magazine Holdings Limited (formerly known as 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 approximately HK\$0.355 per ordinary share for an aggregate consideration of HK\$4,673,000, 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.
- (iii) 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.

32. 股本 (續)

截至二零零四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) 於二零零三年六月二十四日舉行之股東特別大會上，有關削減約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約475,430,000港元並將餘額約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(附註34(b))。
- (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Sing Tao Magazine Holdings Limited(前稱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約0.355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4,673,000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。
- (iii) 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。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

32. SHARE CAPITAL (continued)

(a) Ordinary shares (continued)

- (iv) During the year ended 31 December 2004, the subscription rights attaching to an aggregate number of 680,000 share options were exercised at subscription prices ranging from HK\$0.420 to HK\$0.576 per share, resulting in the issue of 680,000 shares of HK\$0.10 each for a total cash consideration, before expenses, of HK\$380,000.

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:

32. 股本 (續)

(a) 普通股 (續)

- (iv) 截至二零零四年十二月三十一日止年度，合共680,000份購股權隨附之認購權乃按介乎每股0.420港元至0.576港元之認購價行使，680,000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）380,000港元。

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：

		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 2003	於二零零三年 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	(i)	-	-	(964,360)	(964,360)
Issue of new shares under the Agreement	根據該協議 發行新股份	(ii)	13,164,000	1,316	3,357	4,673
Exercise of options	行使購股權	(iii)	2,605,000	261	835	1,096
			15,769,000	1,577	(960,168)	(958,591)
At 31 December 2003 and 1 January 2004	於二零零三年 十二月三十一日及 二零零四年一月一日		1,833,855,074	183,386	4,192	187,578
Exercise of options	行使購股權	(iv)	680,000	68	312	380
At 31 December 2004	於二零零四年 十二月三十一日		1,834,535,074	183,454	4,504	187,958

Notes to Financial Statements

財務報表附註

31 December 2004

32. SHARE CAPITAL (continued)

(b) Preference shares

		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 2003	於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 and 2004	於二零零三年及二零零四年 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. 168,000,000 of these preference shares were fully paid-up and converted into ordinary shares up to 31 December 2002. 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.

During the year ended 31 December 2003, such outstanding partly paid-up preference shares were redeemed 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 33 to the financial statements.

32. 股本 (續)

(b) 優先股

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168,000,000股優先股已於截至二零零二年十二月三十一日繳足股款，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。

於截至二零零三年十二月三十一日止年度，該等尚未行使之部份繳足優先股已按每股優先股贖回價0.06388港元（即部份已繳足股本）贖回（「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33。

33. 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 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.

At the beginning of the current year, there were 56,666,000 share options outstanding under the Old Scheme. During 2004, no share option was granted under the Old Scheme and a total of 2,210,000 outstanding share options previously granted under the Old Scheme with exercise prices ranging from HK\$0.5760 to HK\$0.9184 per share lapsed while 680,000 outstanding share options previously granted under the Old Scheme with exercise prices ranging from HK\$0.4200 to HK\$0.5760 per share were exercised, resulting in the issue of 680,000 new ordinary shares at a total cash consideration, before expenses, of HK\$380,000 (note 32(a)(iv)).

At the balance sheet date, the Company had 53,776,000 share options outstanding under the Old Scheme, which represented approximately 2.93% 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 29 January 2014. 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.

In compliance with the amended Chapter 17 of the Listing Rules, on 28 May 2002, the Old Scheme was terminated and a new share option scheme (the "New Scheme") was adopted.

33. 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。

本年度年初，共有56,666,000份舊有計劃之購股權尚未行使。二零零四年內，根據舊購股權計劃授出零份購股權，根據舊有計劃之前授出之合共2,210,000份尚未行使購股權（每股行使價介乎0.5760港元至0.9184港元）已失效，而根據舊有計劃之前授出之合共680,000份尚未行使購股權（每股行使價介乎0.4200港元至0.5760港元）已行使，據此發行680,000股新普通股，總現金代價（未計開支）380,000港元（附註32(a)(iv)）。

於結算日，本公司有53,776,000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2.93%，其持有人有權於二零零零年十月二十日至二零一四年一月二十九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。

根據上市規則第17章（經修訂），於二零零二年五月二十八日終止舊有計劃，並採納新購股權計劃（「新計劃」）。

Notes to Financial Statements

財務報表附註

31 December 2004

33. 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 participants to the Group, to motivate the participants to optimise their performance and efficiency for the benefit of the Group, and to maintain or attract business relationship with the participants whose contributions are or may be beneficial to the growth of the Group.

2. Participants

The Board may at its absolute discretion invite anyone from the following classes of participants to take up options to subscribe for shares of the Company:

- (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
- (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

The total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the shares in issue as at the date of approval of the New Scheme (excluding options which have lapsed) (the "General Mandate").

33. 購股權計劃 (續)

新計劃概述如下：

1. 目的

新計劃目的為確認參與者所作出或將作出之貢獻，從而激勵參與者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參與者保持或促進業務關係。

2. 參與者

董事會可全權酌情邀請下列參與者界別之任何人士購入購股權，以認購本公司股份：

- (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
- (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

因行使根據新計劃及本公司任何其他購股權計劃將予授出之所有購股權（不包括已失效之購股權）可予發行之股份總數，合共不得超逾新購股權計劃獲批准當天已發行股份之10%（「一般授權」）。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

33. SHARE OPTION SCHEMES (continued)

3. Total number of shares available for issue (continued)

The Company may, from time to time, refresh the General Mandate by obtaining the approval of shareholders of the Company in a general meeting. The Company may also seek separate approval by its shareholders in a general meeting for granting options beyond the General Mandate or the refreshed limit provided the options in excess of the limit are granted to participants specifically identified before such approval is sought.

The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option scheme of the Company must not exceed 30% of the shares in issue from time to time.

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 options granted to each participant (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.

33. 購股權計劃 (續)

3. 可供發行之股份總數 (續)

本公司可以不時透過在股東大會上取得本公司股東批准更新一般授權。本公司亦可在股東大會上取得其股東批准授出超逾一般授權或更新限額之購股權，惟超逾該限額之購股權僅授予在尋求該等批准前特別指定之參與者。

因行使根據新計劃及本公司任何其他購股權計劃已授出而尚未行使及仍有待行使之所有購股權予以行使時發行之股份數目整體限額，不得超逾不時已發行股份之30%。

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參與者授出的購股權（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。

Notes to Financial Statements

財務報表附註

31 December 2004

33. SHARE OPTION SCHEMES (continued)

6. Basis of determining the exercise price

The exercise price shall be the highest of:

- (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets on the date of grant of the relevant share options;
- (ii) the average of the closing prices of the Company's shares as stated in 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.

7. Remaining life of the New Scheme

The New Scheme will expire on 27 May 2012.

During the year ended 31 December 2004, a total of 4,000,000 share options were granted to the employees of the Group under the New Scheme while a total of 15,525,000 share options lapsed and none of them were exercised.

At the balance sheet date, the Company had 53,776,000 (2003: 56,666,000) and 43,540,000 (2003: 55,065,000) share options outstanding under the Old Scheme and the New Scheme, respectively, with an exercise period from 20 October 2000 to 29 January 2014 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 97,316,000 (2003: 111,731,000) additional shares of HK\$0.10 each for an aggregate consideration, before expenses, of approximately HK\$72 million (2003: HK\$82 million).

33. 購股權計劃 (續)

6. 釐定行使價之基準

行使價以下列較高者為準:

- (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。

7. 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。

截至二零零四年十二月三十一日止年度,本集團根據新計劃向僱員授出合共4,000,000份購股權,而合共15,525,000份購股權已失效,概無該等購股權已行使。

於結算日,本公司分別共有53,776,000份(二零零三年:56,666,000份)及43,540,000份(二零零三年:55,065,000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十月二十日至二零一四年一月二十九日,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97,316,000股(二零零三年:111,731,000股)每股面值0.10港元之股份,未扣除開支前之總代價為72,000,000港元(二零零三年:82,000,000港元)。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

33. SHARE OPTION SCHEMES (continued)

The following share options were outstanding during the year:

33. 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 參與者姓名或類別	Number of share options 購股權數目					At 31 December 2004 於二零零四年十二月三十一日	Date of grant of share options 購股權授出日期	Exercise period of share options 購股權行使期	Exercise price of share options* 購股權之行使價*	Price of Company's shares**** 本公司股價****	
	At 1 January 2004 於二零零四年一月一日	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					At grant date of options 購股權授出當日	At exercise date of options 購股權行使當日
									HKS 港元	HKS 港元	HKS 港元
Directors 董事											
Under the Old Scheme: 根據舊有計劃											
Mr. Jia Hongping 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					
Under the New Scheme: 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	0.710	0.70	-
Mr. Jia Hongping 賈紅平先生	500,000	-	-	-	-	500,000	13-10-03	13-10-04 to 12-10-13	0.710	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	0.710	0.70	-
Mr. Lo Wing Hung 盧永雄先生	7,000,000	-	-	-	-	7,000,000	13-10-03	13-10-04 to 12-10-13	0.710	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	0.710	0.70	-
Mr. Lai Ting Yiu # 黎廷瑤先生#	4,000,000	-	-	-	-	4,000,000	02-10-03	02-10-04 to 01-10-13	0.712	0.70	-

Notes to Financial Statements

財務報表附註

31 December 2004

33. SHARE OPTION SCHEMES (continued)

33. 購股權計劃 (續)

Name or category of participant 參與者姓名或類別	Number of share options 購股權數目					At 31 December 2004 於二零零四年十二月三十一日	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 2004 於二零零四年一月一日	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*	At grant date of options 購股權授出當日	At exercise date of options 購股權行使當日
								HKS 港元	HKS 港元	HKS 港元	
Other employees 其他僱員											
In aggregate (under the Old Scheme) 合共(根據舊有計劃)											
	11,352,000	-	(680,000)	(2,210,000)	-	8,462,000	**	**	-	**	
In aggregate (under the New Scheme) 合共(根據新計劃)											
	30,165,000	4,000,000	-	(8,525,000)	-	25,640,000	***	***	***	***	
Total 合共	111,731,000	4,000,000	(680,000)	(17,735,000)	-	97,316,000					

* 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.

* 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。

** These represent options granted to employees with exercise prices ranging from HK\$0.2820 to HK\$0.9184 per share, an exercise period starting at the earliest on 20 October 2000 and ending at the latest on 21 March 2012 and the weighted average price of the Company's shares at exercise date of options was HK\$0.64 per share.

** 此等購股權為向僱員授出之購股權，每股行使價介乎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0.64港元。

*** These represent options granted to employees with exercise prices ranging from HK\$0.6840 to HK\$0.7120 per share and an exercise period starting at the earliest on 2 October 2004 and ending at the latest on 29 January 2014. The closing price of the Company's shares at grant date of options was HK\$0.65 per share.

*** 此等購股權為向僱員授出之購股權，每股行使價介乎0.6840港元至0.7120港元，行使期由最早的二零零四年十月二日開始至最遲的二零一四年一月二十九日完結，本公司股份於購股權授出當日之每股收市價為0.65港元。

**** 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.

**** 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。

Mr. Lai Ting Yiu was appointed as a director of the Company on 29 March 2004.

黎廷瑤先生於二零零四年三月二十九日獲委任為本公司董事。

Mr. Ho Kwok Fai resigned as a director of the Company on 18 February 2004.

何國輝先生於二零零四年二月十八日辭任本公司董事。

Mr. Wong Wai Ming resigned as a director of the Company on 12 April 2005.

黃偉明先生於二零零五年四月十二日辭任本公司董事。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

34. 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 40 to 41 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, amounting to HK\$9,899,000, and the credit of HK\$488,930,000 arising from reduction of share premium in 2003 less the distribution of HK\$18,181,000 in 2003.

Certain amounts of negative goodwill arising on the acquisition of subsidiaries in prior years remain credited to the capital reserve as explained in note 16 to the financial statements.

34. 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40至第41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，以及二零零三年削減股份溢價賬所產生之488,930,000港元進賬減去二零零三年分派之18,181,000港元。

若干因過往年度收購附屬公司而產生之負商譽金額仍繼續計入資本儲備內，有關解釋載於財務報表附註16內。

Notes to Financial Statements

財務報表附註

31 December 2004

34. RESERVES (continued)

(b) Company

34. 儲備 (續)

(b) 本公司

			Share premium account 股份 溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Land and buildings revaluation reserve 土地及樓宇 重估儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
	Notes 附註						
At 1 January 2003	於二零零三年 一月一日		964,360	104,950	-	(475,430)	593,880
Issue of shares	發行股份	32(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	32(a)(i)	(964,360)	488,930	-	475,430	-
Surplus on revaluation, net of deferred tax	重估盈餘(減去 遞延稅項)		-	-	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	12	-	(18,181)	-	-	(18,181)
At 31 December 2003 and 1 January 2004	於二零零三年 十二月三十一日 及二零零四年 一月一日		4,192	575,699	37	(34,282)	545,646
Issue of shares	發行股份	32(a)(iv)	312	-	-	-	312
Surplus on revaluation, net of deferred tax	重估盈餘(減去 遞延稅項)	14	-	-	44	-	44
Net profit for the year	年內溢利淨額		-	-	-	10,614	10,614
At 31 December 2004	於二零零四年 十二月三十一日		4,504	575,699	81	(23,668)	556,616

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

34. 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, amounting to approximately HK\$104,950,000, and the credit of approximately HK\$488,930,000 arising from reduction of share premium account in 2003 less the distribution of approximately HK\$18,181,000 in 2003. 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.

34. 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，即約104,950,000港元，以及二零零三年削減股份溢價賬所產生之約488,930,000港元進賬減去二零零三年分派之約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。

35. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Acquisition of subsidiaries

Net assets acquired:	已收購淨資產：		
Fixed assets	固定資產	-	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
Cash and bank balances	現金及銀行結餘	-	111
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)
Tax payable	應繳稅項	-	(13)
Minority interests	少數股東權益	-	(1,398)

Goodwill on acquisition	收購時產生之商譽	-	4,960
		-	7,050
		-	12,010

Satisfied by:	支付方式：		
Cash	現金	-	12,010

35. 綜合現金流量表附註

(a) 收購附屬公司

	2004	2003
	二零零四年	二零零三年
	HK\$'000	HK\$'000
	千港元	千港元

Notes to Financial Statements

財務報表附註

31 December 2004

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

(a) Acquisition of subsidiaries (continued)

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

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Cash consideration	現金代價	-	(12,010)
Cash and bank balances acquired	已收購之現金及銀行結餘	-	111
		-	(11,899)

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

(b) Major non-cash transactions

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\$745,000 (2003: approximately HK\$770,000).

35. 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出淨額分析如下：

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Cash consideration	-	(12,010)
Cash and bank balances acquired	-	111
	-	(11,899)

過往年度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。

(b) 主要非現金交易

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745,000港元（二零零三年：約770,000港元）。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

36. CONTINGENT LIABILITIES

36. 或然負債

		Notes 附註	Group 本集團		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
Guarantees to banks for trade facilities granted to subsidiaries	就附屬公司獲授之貿易信貸向銀行作出之擔保	(a)	-	-	75,950	83,650
Guarantees to a bank for treasury facilities granted to a subsidiary	就一間附屬公司獲授之財資信貸向銀行作出之擔保	(b)	-	-	19,500	19,500
Guarantees for banking facilities granted to a jointly-controlled entity	就一間共同控制公司獲授之銀行信貸作出之擔保	(c)	-	15,000	-	-
			-	15,000	95,450	103,150

Notes:

附註:

(a) At 31 December 2004, the Company had outstanding corporate guarantees of approximately HK\$75,950,000 (2003: approximately HK\$83,650,000) issued in favour of banks to secure general trade facilities granted to its subsidiaries. These subsidiaries had utilised the facilities to the extent of approximately HK\$4,135,000 as at 31 December 2004 (2003: approximately HK\$15,000,000).

(a) 於二零零四年十二月三十一日，本公司就其附屬公司獲授之一般貿易信貸向若干銀行發出公司擔保約75,950,000港元（二零零三年：約83,650,000港元）。於二零零四年十二月三十一日，該等附屬公司已動用約4,135,000港元之信貸（二零零三年：約15,000,000港元）。

(b) At 31 December 2004, the Company had an outstanding corporate guarantee of approximately HK\$19,500,000 (2003: approximately HK\$19,500,000) issued in favour of a bank to secure treasury facilities granted to a subsidiary. The subsidiary had utilised the facilities for an amount exceeding HK\$19,500,000 as at 31 December 2004 (2003: exceeding HK\$19,500,000).

(b) 於二零零四年十二月三十一日，本公司就一間附屬公司獲授之財資信貸向一間銀行發出公司擔保約19,500,000港元（二零零三年：約19,500,000港元）。於二零零四年十二月三十一日，該附屬公司已動用逾19,500,000港元之信貸（二零零三年：逾19,500,000港元）。

(c) At 31 December 2003, the Group had outstanding corporate guarantees of approximately HK\$15,000,000 issued in favour of a bank to secure general banking facilities granted to a jointly-controlled entity. The jointly-controlled entity had fully utilised the facilities as at 31 December 2003.

(c) 於二零零三年十二月三十一日，本集團就一間共同控制公司獲授之一般銀行信貸向一間銀行發出公司擔保約15,000,000港元。該共同控制公司於二零零三年十二月三十一日全數動用該等信貸。

Notes to Financial Statements

財務報表附註

31 December 2004

37. 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. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases certain investment properties (note 14 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:

37. 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。

38. 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14），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	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	3,257	3,432
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	2,334	1,773
		5,591	5,205

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

38. 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 ten years.

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

38. 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十年。

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	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Within one year	一年內	8,694	6,939
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	19,508	13,886
After five years	五年後	9,055	1,045
		37,257	21,870

Notes to Financial Statements

財務報表附註

31 December 2004

39. COMMITMENTS

In addition to the operating lease commitments detailed in note 38(b) above, the Group had the following commitments at the balance sheet date:

(a) Capital commitments

		Group 本集團	
		2004	2003
		二零零四年	二零零三年
		<i>HK\$'000</i>	<i>HK\$'000</i>
		千港元	千港元
Capital commitments:	資本承擔		
Contracted, but not provided for	已訂約但未撥備	8,592	1,365
Authorised, but not contracted for	已批准但未訂約	3,024	3,921
		11,616	5,286

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	
		2004	2003
		二零零四年	二零零三年
		<i>HK\$'000</i>	<i>HK\$'000</i>
		千港元	千港元
Contracted, but not provided for	已訂約但未撥備	2,249	1,579

39. 承擔

除上文附註38(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：

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

39. COMMITMENTS (continued)

(b) Financial derivatives

		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
Forward foreign exchange contracts	逾期外匯合約	97,188	156,379
Currency options written	已出售貨幣期權	17,550	78,000
Commodity options written	已出售商品期權	11,154	18,712
Equity contracts	股票合約	12,291	-

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 on the results or net asset value of the Group.

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。

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

本公司於結算日並無任何重大承擔。

Notes to Financial Statements

財務報表附註

31 December 2004

40. 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

		<i>HK\$'000</i> 千港元
Currency options written	已出售貨幣期權	7,800
Commodity options written	已出售商品期權	79,404
Equity contracts	股票合約	12,275

(ii) Hedging purpose

		<i>HK\$'000</i> 千港元
Forward foreign exchange contracts	遠期外匯合約	75,270

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 on the results or net asset value of the Group.

40. 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

(ii) 對沖目的

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。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

41. 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:

41. 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：

			2004 二零零四年	2003 二零零三年
		Notes 附註	HK\$'000 千港元	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
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)	431	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)	11,590	10,738
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)	73,572	63,137
Reimbursement of expenses paid on behalf of the Company to an affiliate of the Company's controlling shareholder	向本公司之控權股東之一間聯屬公司償還代本公司支付之開支	(iv)	2,427	1,816

Notes:

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

附註：

- (i) 租金收入由有關各方參考現行市價釐定。
- (ii) 新聞服務費用根據相關新聞服務協議每年定額收費。
- (iii) 印刷服務費用根據相關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。

Notes to Financial Statements

財務報表附註

31 December 2004

41. RELATED PARTY TRANSACTIONS (continued)

During the year, the Group pledged certain of its deposits amounting to approximately HK\$11,925,000 (2003: approximately HK\$20,997,000 (approximately C\$3,500,000)) as securities for banking facilities of approximately HK\$11,925,000 (note 24) (2003: approximately HK\$15,000,000) granted to a jointly-controlled entity. As at 31 December 2004, 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 19 and 20 to the financial statements, respectively.

41. 關連人士交易 (續)

年內，本集團就一間共同控制公司獲授約11,925,000港元(附註24)(二零零三年：約15,000,000港元)之銀行備用額以若干存款約11,925,000港元(二零零三年：約20,997,000港元(約3,500,000加元))作為抵押。於二零零四年十二月三十一日，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19及20披露。

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

42. PARTICULARS OF SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 December 2004 were as follows:

42. 附屬公司詳情

本公司主要附屬公司於二零零四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#*	PRC/Mainland China 中國/ 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
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

Notes to Financial Statements

財務報表附註

31 December 2004

42. PARTICULARS OF SUBSIDIARIES (continued)

42. 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	
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	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
Sing Tao Magazine Group Limited (formerly known as China Touch Media Solutions and Services Limited) 星島雜誌集團有限公司 (前稱華風媒介發展顧問 有限公司)	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	CS\$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
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

Notes to Financial Statements

財務報表附註

二零零四年十二月三十一日

42. PARTICULARS OF SUBSIDIARIES (continued)

42. 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 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 Ltd.	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 Limited	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 share 1美元普通股	-	100	Fund management 資金管理
Sing Tao (U.K.) Ltd.*	United Kingdom 英國	£100 ordinary shares 100英鎊普通股	-	100	Newspaper publishing 報章發行
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

Notes to Financial Statements

財務報表附註

31 December 2004

42. PARTICULARS OF SUBSIDIARIES (continued)

- # The subsidiary is registered as a wholly-foreign owned enterprise under the PRC law.
- * Not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

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.

43. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 April 2005.

42. 附屬公司詳情 (續)

- # 該附屬公司按照中國法例註冊為一間外商獨資企業。
- * 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。

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。

43. 批核本財務報表

董事會於二零零五年四月二十五日批核本財務報表。