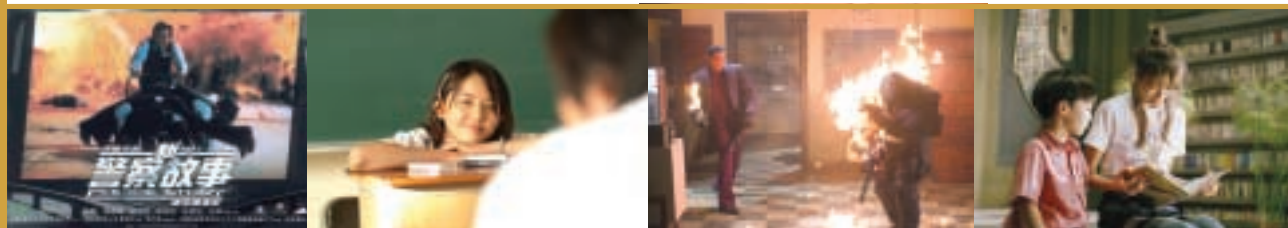
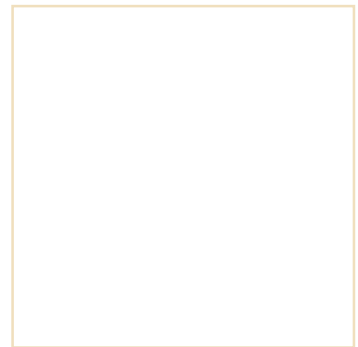
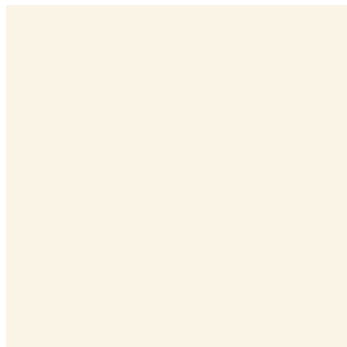
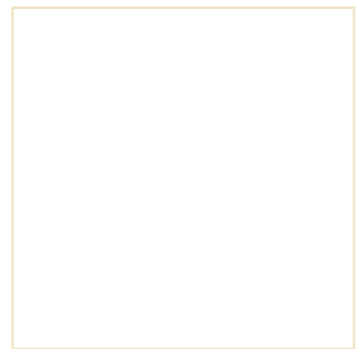




FINANCIAL INFORMATION
財務資料



REPORT OF THE DIRECTORS 董事會報告書

The directors present their report and the audited financial statements of the Company and of the Group for the year ended 30 June 2005.

PRINCIPAL ACTIVITIES

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

RESULTS AND DIVIDENDS

The Group's results for the year ended 30 June 2005 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 47 to 107.

The directors do not recommend the payment of any dividend for the year ended 30 June 2005.

董事會謹此提呈董事會報告及本公司及本集團截至二零零五年六月三十日止年度之經審核財務報表。

主要業務

本公司為一間投資控股公司。本集團之主要業務則包括全球性電影及影碟發行及在香港、馬來西亞、新加坡、台灣與中國內地經營戲院，亦包括在香港經營電影沖印業務與及電影及電視劇集製作。

業績及股息

本集團截至二零零五年六月三十日止年度之業績，與及本公司與本集團於該日之財政狀況載於第108至第168頁之財務報表內。

董事會不建議派發截至二零零五年六月三十日止年度之股息。

REPORT OF THE DIRECTORS 董事會報告書

SUMMARY FINANCIAL INFORMATION

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

財務資料摘要

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

	Year ended 30 June				
	截至六月三十日止年度				
	2005	2004	2003	2002	2001
	二零零五年	二零零四年	二零零三年	二零零二年	二零零一年
RESULTS	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
業績	千港元	千港元	千港元	千港元	千港元
TURNOVER	203,239	218,477	210,270	264,030	269,694
營業額					
LOSS BEFORE TAX	(687)	(900)	(135,778)	(82,489)	(69,858)
除稅前虧損					
Tax	(12,251)	(10,763)	(5,611)	(4,134)	(4,622)
稅項					
LOSS BEFORE MINORITY INTERESTS	(12,938)	(11,663)	(141,389)	(86,623)	(74,480)
未計少數股東權益前虧損					
Minority interests	-	-	6	5	5
少數股東權益					
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	(12,938)	(11,663)	(141,383)	(86,618)	(74,475)
股東應佔日常業務虧損淨額					

REPORT OF THE DIRECTORS 董事會報告書

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

	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	As at 30 June 於六月三十日 2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
ASSETS, LIABILITIES AND MINORITY INTERESTS 資產、負債及少數股東權益					
FIXED ASSETS 固定資產	86,590	55,753	73,632	88,947	101,460
INTERESTS IN JOINTLY-CONTROLLED ENTITIES 於共同控制公司之權益	178,619	-	-	-	-
INTERESTS IN ASSOCIATES 於聯營公司之權益	159,374	182,613	160,130	159,509	169,794
INVESTMENTS IN CLUB MEMBERSHIPS 會籍投資	4,380	4,380	4,380	4,380	4,380
RENTAL DEPOSITS 租務按金	11,413	11,869	13,134	13,179	14,206
LONG TERM INVESTMENT 長期投資	-	-	-	2,297	8,097
TRADEMARKS 商標	79,421	79,421	79,203	79,073	78,572
CURRENT ASSETS 流動資產	112,642	89,173	107,199	177,015	213,794
TOTAL ASSETS 資產總值	632,439	423,209	437,678	524,400	590,303
CURRENT LIABILITIES 流動負債	(151,362)	(97,813)	(124,513)	(109,053)	(93,805)
NON-CURRENT PORTION OF BANK LOANS, SECURED 非本期有抵押銀行貸款	(65,325)	-	-	-	-
NON-CURRENT PORTION OF FINANCE LEASE PAYABLES 非本期融資租賃應付賬款	(298)	(709)	(1,174)	(473)	-
PROVISION FOR LONG SERVICE PAYMENTS 長期服務金撥備	(3,661)	(3,800)	(3,091)	(2,478)	(1,274)
DEFERRED TAX 遞延稅項	(825)	(878)	(931)	(1,010)	(1,058)
TOTAL LIABILITIES 負債總額	(221,471)	(103,200)	(129,709)	(113,014)	(96,137)
MINORITY INTERESTS 少數股東權益	-	-	(22)	(28)	(33)
NET ASSETS 資產淨值	410,968	320,009	307,947	411,358	494,133

REPORT OF THE DIRECTORS 董事會報告書

FIXED ASSETS

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

SHARE CAPITAL

Details of movements on the Company's share capital, together with the reasons therefor, are set out in note 26 to the financial statements.

PRE-EMPTIVE RIGHTS

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

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 28 to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 30 June 2005, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Companies Act of Bermuda 1981 (as amended), the Company's contributed surplus of HK\$191,644,000 is currently not available for distribution. However, the Company's share premium account and capital redemption reserve of HK\$639,881,000 and HK\$145,000, respectively, as at 30 June 2005 may be distributed to shareholders in certain circumstance prescribed by Section 54 of the said Act.

固定資產

本集團固定資產之變動詳情載於財務報表附註12。

股本

本公司股本之變動詳情以及有關理由載於財務報表附註26。

優先購買權

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

儲備

本公司及本集團之年內儲備變動詳情分別載於財務報表附註28及綜合權益變動報表。

可分派儲備

本公司於二零零五年六月三十日並無可供現金分派及／或實物分派之保留溢利。根據一九八一年百慕達公司法（經修訂）之規定計算，本公司之繳入盈餘191,644,000港元暫時不可分派。惟本公司於二零零五年六月三十日之股份溢價賬結餘及資本贖回儲備分別為639,881,000港元及145,000港元，並可以根據前述之公司法第54條按情況分派給股東。

REPORT OF THE DIRECTORS 董事會報告書

DIRECTORS

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

Executive directors:

Raymond Chow Ting Hsing

Phoon Chiong Kit

David Chan Sik Hong

Roberta Chin Chow Chung Hang

(appointed on 2 August 2004)

Lau Pak Keung

(appointed on 22 November 2004)

(alternate to Phoon Chiong Kit)

Stephen Chu Siu Tsun

(resigned on 25 October 2004)

Non-executive director:

Eric Norman Kronfeld

(appointed on 7 September 2004)

Independent non-executive directors:

Paul Ma Kah Woh

(appointed on 2 August 2004)

Frank Lin

Prince Chatrichalerm Yukol

In accordance with Bye-law 87 of the Company's Bye-laws, David Chan Sik Hong and Prince Chatrichalerm Yukol will retire and being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

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

董事

年內及截至本報告日期在任之本公司董事為：

執行董事：

鄒文懷

潘從傑

陳錫康

陳鄒重珩

(於二零零四年八月二日獲委任)

劉柏強

(於二零零四年十一月二十二日獲委任)

(潘從傑之替任董事)

諸兆俊

(於二零零四年十月二十五日辭任)

非執行董事：

Eric Norman Kronfeld

(於二零零四年九月七日獲委任)

獨立非執行董事：

馬家和

(於二零零四年八月二日獲委任)

林輝波

Prince Chatrichalerm Yukol

根據本公司之公司細則第87條，陳錫康及 Prince Chatrichalerm Yukol 將於應屆股東週年大會上退任，惟符合資格並願意膺選連任。

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

REPORT OF THE DIRECTORS 董事會報告書

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

As at 30 June 2005, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of Part XV of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

董事及主要行政人員於股份、相關股份或債權證之權益及淡倉

於二零零五年六月三十日，本公司之董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債權證所持有並須記入本公司遵照證券及期貨條例第XV部第352條存置之登記冊內或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）所載上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司與聯交所之權益及淡倉如下：

(i) Shares of the Company			(i) 本公司股份		
Name of director	Capacity	Notes	Number of shares	Percentage	
			(L) = Long Position (S) = Short Position 股份數目 (L)=好倉 (S)=淡倉	of shareholding in the Company 於本公司之 股權百分比	
董事姓名	身份	附註			
Raymond Chow Ting Hsing	Interest of controlled corporations	1 and 6	313,121,527 (L) 262,117,118 (S)	23.54 19.70	
鄒文懷	受控法團權益	1及6			
Phoon Chiong Kit 潘從傑	Beneficial owner 實益擁有人	2 and 5 2及5	44,500,000 (L)	3.43	
David Chan Sik Hong 陳錫康	Beneficial owner 實益擁有人	3 and 5 3及5	12,109,375 (L)	0.93	
Lau Pak Keung (alternate to Phoon Chiong Kit)	Beneficial owner	5	1,600,000 (L)	0.12	
劉柏強（潘從傑之 替任董事）	實益擁有人	5			

REPORT OF THE DIRECTORS 董事會報告書

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

董事及主要行政人員於股份、相關股份或債權證之權益及淡倉 (續)

(i) Shares of the Company (continued)			(i) 本公司股份 (續)	
Name of director	Capacity	Notes	Number of shares (L) = Long Position (S) = Short Position 股份數目 (L)=好倉 (S)=淡倉	Percentage of shareholding in the Company 於本公司之 股權百分比
董事姓名	身份	附註		
Eric Norman Kronfeld	Beneficial owner 實益擁有人	4 and 6 4及6	350,000 (L)	0.03
Paul Ma Kah Woh 馬家和	Beneficial owner 實益擁有人	4 and 6 4及6	350,000 (L)	0.03
Frank Lin 林輝波	Beneficial owner 實益擁有人	4 and 6 4及6	350,000 (L)	0.03
Prince Chatrichalerm Yukol	Beneficial owner 實益擁有人	4 and 6 4及6	350,000 (L)	0.03

Notes:

附註：

- Raymond Chow Ting Hsing was deemed to be interested in 313,121,527 shares of the Company by virtue of his 100% beneficial holding in Planet Gold Associates Limited and Net City Limited, which held 183,210,590 shares and 129,910,937 shares of the Company, respectively.
- Out of 44,500,000 shares in which Phoon Chiong Kit ("Mr. Phoon") was deemed to be interested, 37,000,000 shares were shares issuable upon the exercise of share options granted by the Company to Mr. Phoon under the Company's share option scheme.

- 鑑於鄒文懷實益擁有 Planet Gold Associates Limited 及 Net City Limited 全部股權，而該等公司分別持有 183,210,590 股及 129,910,937 股之本公司股份，故此彼被視為擁有 313,121,527 股本公司股份之權益。
- 潘從傑（「潘先生」）被視為擁有 44,500,000 股之股份中，37,000,000 股股份為本公司根據其購股權計劃授予潘先生之購股權獲行使時可予發行之股份。

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

(i) Shares of the Company (continued)

Notes: (continued)

3. Out of 12,109,375 shares in which David Chan Sik Hong ("Mr. Chan") was deemed to be interested, 6,250,000 shares were the shares issuable upon the exercise of share options granted by the Company to Mr. Chan under the Company's share option scheme.
4. Each of Eric Norman Kronfeld, Paul Ma Kah Woh, Frank Lin and Prince Chatrichalerm Yukol was deemed to be interested in 350,000 shares issuable upon the exercise of share options granted by the Company to each of them under the Company's share option scheme.
5. The relevant percentage of shareholding in the Company was calculated by expressing the relevant number of shares as a percentage of the number of shares in issue (as enlarged by the rights shares) which was 1,299,109,375.
6. The relevant percentage of shareholding in the Company was calculated by expressing the relevant number of shares as a percentage of the number of shares in issue (as enlarged by the rights shares and placement of new shares) which was 1,330,309,375.

(ii) Shares of Associated Corporations

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

In addition to the above, Raymond Chow Ting Hsing has non-beneficial equity interests in certain subsidiaries which are held for the benefit of the Group.

董事及主要行政人員於股份、相關股份或債權證之權益及淡倉 (續)

(i) 本公司股份 (續)

附註：(續)

3. 陳錫康(「陳先生」)被視為擁有12,109,375股之股份中，6,250,000股股份為本公司根據其購股權計劃授予陳先生之購股權獲行使時可予發行之股份。
4. Eric Norman Kronfeld、馬家和、林輝波及Prince Chatrichalerm Yukol各自被視為擁有350,000股之股份為本公司根據其購股權計劃授予彼等各自之購股權獲行使時可予發行之股份。
5. 於本公司之有關股權百分比乃按有關股份數目佔已發行股份數目(經供股股份擴大)1,299,109,375股之百分比計算。
6. 於本公司之有關股權百分比乃按有關股份數目佔已發行股份數目(經供股股份及配售新股份擴大)1,330,309,375股之百分比計算。

(ii) 相聯法團之股份

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

除上述者外，鄒文懷代本集團持有若干附屬公司股權，但並無實際權益。

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

(ii) Shares of Associated Corporations (continued)

Save as disclosed above and save for the disclosure referred to under "Adjustments to share options and exercise prices" set out in Note 27 to the financial statements, as at 30 June 2005, none of the directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

SHARE OPTION SCHEME

Details of the share option scheme and movements in share options of the Company are set out in note 27 to the financial statements.

DIRECTORS' INTERESTS IN CONTRACTS

Except as detailed in note 30 to the financial statements, no director had a beneficial interest in any material contract to which the Company or any of its subsidiaries was a party during the year.

董事及主要行政人員於股份、相關股份或債權證之權益及淡倉 (續)

(ii) 相聯法團之股份 (續)

除上文所披露者及財務報表附註27所載之「對購股權及行使價之調整」一節所述之披露事項外，於二零零五年六月三十日，本公司各董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中並無任何權益或淡倉而須記入本公司遵照證券及期貨條例第XV部第352條存置之登記冊內或須根據標準守則須知會本公司與聯交所。

董事收購股份或債權證之權利

除上文「董事及主要行政人員於股份、相關股份或債權證之權益及淡倉」所作之披露以外，本公司或其任何附屬公司於本年度內概無參與任何安排，令本公司董事、彼等各自之配偶或未滿18歲之子女可藉收購本公司或任何其他法人團體之股份或債權證而獲益。

購股權計劃

本公司之購股權計劃及購股權之變動詳情載於財務報表附註27。

董事於合約之權益

除財務報表附註30所詳述者外，各董事並無於本公司或其任何附屬公司年內參與訂立任何重大合約中擁有實際權益。

REPORT OF THE DIRECTORS 董事會報告書

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group's purchases from its largest supplier and its five largest suppliers accounted for 6 and 30 percent of the Group's purchases, respectively.

The Group's sales to its largest customer and its five largest customers accounted for 4 and 13 percent of the Group's sales, respectively.

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

SUBSTANTIAL SHAREHOLDERS

So far as is known to any director of the Company, as at 30 June 2005, the following persons had the following interests or short positions in shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO:

主要客戶及供應商

年內，本集團向其最大供應商及五大供應商採購之購貨額分別佔本集團購貨額之6%及30%。

本集團向其最大客戶及五大客戶售出之銷售額則分別佔本集團銷售額之4%及13%。

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

主要股東

就任何本公司董事所知，於二零零五年六月三十日，根據本公司遵照證券及期貨條例第XV部第336條存置之登記冊所記載，下列人士持有以下本公司股份或相關股份之權益或淡倉：

Name of shareholder	Capacity	Notes	Number of shares (L) = Long position (S) = Short position 股份數目 (L)=好倉 (S)=淡倉	Percentage of shareholding in the Company 於本公司之 股權百分比
Raymond Chow Ting Hsing	Interest of controlled corporations	1 and 6	313,121,527 (L) 262,117,118 (S)	23.54 19.70
鄧文懷	受控法團權益	1及6		
Felicia Chow Yuan Hsi Hua	Spouse's interest	1 and 6	313,121,527 (L) 262,117,118 (S)	23.54 19.70
鄧袁曦華	配偶權益	1及6		
Planet Gold Associates Limited	Beneficial owner	1 and 6	183,210,590 (L) 174,617,118 (S)	13.77 13.13
	實益擁有人	1及6		

REPORT OF THE DIRECTORS 董事會報告書

SUBSTANTIAL SHAREHOLDERS (continued)

主要股東 (續)

Name of shareholder	Capacity	Notes	Number of shares (L) = Long position (S) = Short position 股份數目 (L)=好倉 (S)=淡倉	Percentage of shareholding in the Company 於本公司之 股權百分比
股東名稱	身份	附註		
Net City Limited	Beneficial owner	1 and 6	129,910,937 (L)	9.77
	實益擁有人	1及6	87,500,000(S)	6.58
Li Ka-Shing	Interest of controlled corporations	2 and 6	222,567,500 (L)	16.73
李嘉誠	受控法團權益	2及6		
Mayspin Management Limited	Interest of controlled corporations	2 and 6	222,567,500 (L)	16.73
	受控法團權益	2及6		
Garex Resources Limited	Beneficial owner	2 and 6	188,017,500 (L)	14.13
	實益擁有人	2及6		
Typhoon Music (PRC) Limited	Beneficial owner	3 and 5	155,000,000 (L)	11.93
	實益擁有人	3及5		
EMI Group Plc	Interest of controlled corporations	3 and 5	155,000,000 (L)	11.93
	受控法團權益	3及5		
Virgin Music Group Limited	Interest of controlled corporations	3 and 5	155,000,000 (L)	11.93
	受控法團權益	3及5		
EMI Group Worldwide Limited	Interest of controlled corporation	3 and 5	155,000,000 (L)	11.93
	受控法團權益	3及5		
Norman Cheng Tung Hon	Interest of controlled corporations	3 and 5	155,000,000 (L)	11.93
鄭東漢	受控法團權益	3及5		
Typhoon Records Limited	Interest of controlled corporation	3 and 5	155,000,000 (L)	11.93
	受控法團權益	3及5		
Lily Feng Yuen Cheung	Spouse's interest	3 and 5	155,000,000 (L)	11.93
馮元璋	配偶權益	3及5		
PAMA Group Inc.	Investment Manager	4 and 5	123,284,027 (L)	9.49
寶銘集團有限公司	投資經理	4及5		

SUBSTANTIAL SHAREHOLDERS (continued)

Notes:

1. Raymond Chow Ting Hsing was deemed to be interested in 313,121,527 shares of the Company by virtue of his 100% beneficial holding in Planet Gold Associates Limited and Net City Limited which holds 183,210,590 shares and 129,910,937 shares of the Company, respectively. Felicia Chow Yuan Hsi Hua, the spouse of Raymond Chow Ting Hsing, was deemed to be interested in the same shares in which Raymond Chow Ting Hsing was interested.
2. Li Ka-Shing was deemed to be interested in 222,567,500 shares of the Company by virtue of his 100% beneficial holding in Mayspin Management Limited which in turn owned the entire interest in each of Garex Resources Limited, which held 188,017,500 shares of the Company, Podar Investment Limited, which held 31,250,000 shares of the Company, and Oscar Resources Limited, which held 3,300,000 shares of the Company.
3. EMI Group Plc has 100% control of Virgin Music Group Limited, which has 100% control of EMI Group Worldwide Limited, which in turn has a 50% shareholding in Typhoon Music (PRC) Limited. Norman Cheng Tung Hon has 100% control of Typhoon Records Limited, which has a 50% shareholding in Typhoon Music (PRC) Limited. Each of EMI Group Plc, Virgin Music Group Limited, EMI Group Worldwide Limited, Norman Cheng Tung Hon and Typhoon Records Limited was deemed to be interested in the 155,000,000 shares of the Company held by Typhoon Music (PRC) Limited. Lily Feng Yuen Cheung, the spouse of Norman Cheng Tung Hon, was deemed to be interested in the same shares in which Norman Cheng Tung Hon was interested.
4. PAMA Group Inc. is the manager of DIF Investment Trust X and DIF Investment Trust XI, which was deemed to be interested in 123,284,027 shares of the Company.
5. The relevant percentage of shareholding in the Company was calculated by expressing the relevant number of shares as a percentage of the number of shares in issue (as enlarged by the rights shares) which was 1,299,109,375.

主要股東 (續)

附註：

1. 鑑於鄧文懷實益擁有 Planet Gold Associates Limited及Net City Limited全部股權，而該等公司分別持有183,210,590股及129,910,937股之本公司股份，故此彼被視為擁有313,121,527股本公司股份之權益。鄧文懷之配偶鄧袁曦華被視為擁有鄧文懷於股份中之相同權益。
2. 鑑於李嘉誠實益擁有 Mayspin Management Limited全部股權，而 Mayspin Management Limited持有 Garex Resources Limited (持有188,017,500股之本公司股份)、Podar Investment Limited (持有31,250,000股之本公司股份)及Oscar Resources Limited (持有3,300,000股之本公司股份)全部權益，故此彼被視為擁有222,567,500股本公司股份之權益。
3. EMI Group Plc於Virgin Music Group Limited中擁有全部控制權，Virgin Music Group Limited擁有EMI Group Worldwide Limited全部控制權，而EMI Group Worldwide Limited擁有Typhoon Music (PRC) Limited 50%股權。鄭東漢擁有Typhoon Records Limited全部控制權，而Typhoon Records Limited擁有Typhoon Music (PRC) Limited 50%股權。EMI Group Plc、Virgin Music Group Limited、EMI Group Worldwide Limited、鄭東漢及Typhoon Records Limited被視為擁有由Typhoon Music (PRC) Limited所擁有之155,000,000股本公司股份之權益。鄭東漢之配偶馮元璋被視為擁有鄭東漢於股份中之相同權益。
4. 寶銘集團有限公司為DIF Investment Trust X及DIF Investment Trust XI之經理，故此被視為擁有123,284,027股本公司股份之權益。
5. 於本公司之有關股權百分比乃按有關股份數目佔已發行股份數目(經供股股份擴大)1,299,109,375股之百分比計算。

REPORT OF THE DIRECTORS 董事會報告書

SUBSTANTIAL SHAREHOLDERS (continued)

Notes: (continued)

6. The relevant percentage of shareholding in the Company was calculated by expressing the relevant number of shares as a percentage of the number of shares in issue (as enlarged by the rights shares and placement of new shares) which was 1,330,309,375.

Save as disclosed above, no other person had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

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

CONNECTED/RELATED PARTY TRANSACTIONS

Golden Harvest Entertainment Company Limited, a wholly-owned subsidiary of the Company, entered into a joint venture agreement on 14 July 2004 (the "JV Agreement") with an independent third party and a connected person of the Company, Typhoon Music (PRC) Limited ("Typhoon") to establish a joint venture company (the "JV Company"), solely for the purpose of making loans for Chinese language motion picture production and each venturer subscribed in cash for 60%, 30% and 10%, respectively, of the share capital of the JV Company.

Typhoon is a substantial shareholder of the Company and is a connected person of the Company for the Listing Rules purposes. The formation of the joint venture under the JV Agreement therefore constituted a connected transaction for the Company for the purpose of the Listing Rules.

Save as disclosed above, details of the other material related party transactions are set out in note 30 to the financial statements.

主要股東 (續)

附註：(續)

6. 於本公司之有關股權百分比乃按有關股份數目佔已發行股份數目(經供股股份及配售新股份擴大)1,330,309,375股之百分比計算。

除上文所披露者外，根據本公司遵照證券及期貨條例第XV部第336條存置之登記冊所記錄，並無其他人士持有本公司股份或相關股份之權益或淡倉。

購買、出售及贖回上市證券

本公司或其任何附屬公司於本年度內概無購買、出售或贖回本公司之任何上市證券。

關連交易／關連人士交易

本公司之全資附屬公司嘉禾娛樂事業有限公司於二零零四年七月十四日與一名獨立第三者及本公司之關連人士Typhoon Music (PRC) Limited (「Typhoon」)訂立合營協議(「合營協議」)，以成立一家純粹為華語電影製作提供貸款之合營公司(「合營公司」)，而每名合營方已以現金認購分別為60%、30%及10%之合營公司股本。

Typhoon為本公司之主要股東及上市規則所界定之本公司關連人士。根據合營協議成立合營公司構成上市規則所界定之本公司關連交易。

除上文所披露者外，其他主要關連人士交易之詳情載於財務報表附註30。

CONNECTED/RELATED PARTY TRANSACTIONS (continued)

Other than those disclosed above, certain related party transactions also constituted connected or continuing connected transactions which amounted to de minimis transactions, as defined in the Listing Rules, which were exempt from the reporting, announcement and independent shareholders' approval requirements. The independent non-executive directors have reviewed and confirmed that these connected or continuing connected transactions were conducted in the ordinary and usual course of the business of the Group, on normal commercial terms or on terms no less favourable to the Group than terms to or from independent third parties, and in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

DISCLOSURE PURSUANT TO RULE 13.20 OF THE LISTING RULES

The Group has made available to Dartina Development Limited ("Dartina") and Dartina's indirect wholly-owned subsidiary, namely Golden Village Pictures Pte Ltd, all of which are associated companies of the Company, two advances which stood at the aggregate amount of HK\$84,175,000 as at 30 June 2005. The balance of the said advances (which are interest-free, unsecured and have no fixed repayment terms and are not expected to be repaid within the next twelve months) as at 30 June 2005 represented more than 8% of the relevant percentage ratios (as defined in the Listing Rules).

The Company and an independent third party each, through their respective 50% shareholding in Dartina, hold a 50% attributable interest in Golden Village Multiplex Pte Ltd ("GVM"). The Company has provided a guarantee in favour of a bank under which the Company has a maximum liability limited to 50% of the banking facility outstanding from GVM but in any event not exceeding HK\$17,325,000.

關連交易／關連人士交易 (續)

除上文所披露者外，根據上市規則之定義，若干關連人士交易亦屬關連交易或持續關連交易（構成少額交易），可豁免遵守報告、宣佈及獨立股東批准之規定。獨立非執行董事已審閱及確認此等關連或持續關連交易乃於本集團之日常及一般業務過程中，按正常商業條款或按不遜於本集團向獨立第三者提供或獨立第三者向本集團提供之條款，根據規管有關交易而條款乃公平合理且符合本公司股東之整體利益之有關協議進行。

根據上市規則第13.20條作出披露

本集團向本公司之聯營公司嘉年華影業有限公司（「嘉年華」）及嘉年華之間接全資附屬公司Golden Village Pictures Pte Ltd提供兩筆墊款，於二零零五年六月三十日合共84,175,000港元。於二零零五年六月三十日，上述墊款（為免息、無抵押及無固定還款期，並預期毋須於未來十二個月內償還）之結餘超過有關百分比比率（定義見上市規則）之8%。

本公司及一名獨立第三者分別透過彼等各自於嘉年華之50%股權持有Golden Village Multiplex Pte Ltd（「GVM」）之50%應佔權益。本公司向銀行提供擔保，據此本公司承擔之最高責任限於GVM尚未償還之銀行信貸額之50%，惟在任何情況下不得超過17,325,000港元。

**DISCLOSURE PURSUANT TO RULE
13.20 OF THE LISTING RULES
(continued)**

The Group has also made available to Warner Village Cinema Co., Ltd., a jointly-controlled entity of the Company, an advance of HK\$111,169,000 as at 30 June 2005. The balance of the said advance, is interest-free, unsecured and is not expected to be repaid within the next twelve months, apart from HK\$30,000,000 which is expected to be repaid within the next twelve months as at 30 June 2005, represented more than 8% of the relevant percentage ratios (as defined in the Listing Rules).

**DISCLOSURE PURSUANT TO RULE
13.22 OF THE LISTING RULES**

During the year ended 30 June 2005, the Group made advances and provided a guarantee for a facility granted to certain affiliated companies (including those associated companies and a jointly-controlled entity referred to in the immediately preceding paragraph) in an aggregate amount of approximately HK\$245,470,000 which represented more than 8% of the relevant percentage ratios (as defined in the Listing Rules). A pro forma combined balance sheet of these affiliated companies and the Group's attributable interests in these affiliated companies as at 30 June 2005 are as follows:

**根據上市規則第13.20條作出披露
(續)**

本集團亦向本公司之共同控制公司 Warner Village Cinema Co., Ltd. 提供墊款，於二零零五年六月三十日為111,169,000港元。於二零零五年六月三十日，除30,000,000港元乃預期須於未來十二個月內償還外，上述墊款為免息、無抵押，並預期毋須於未來十二個月內償還，其結餘超過有關百分比比率（定義見上市規則）之8%。

根據上市規則第13.22條作出披露

截至二零零五年六月三十日止年度，本集團向若干聯屬公司（包括上段所指之聯營公司及一間共同控制公司）提供墊款及就其獲授之一項信貸提供擔保合共約245,470,000港元，超過有關百分比比率（定義見上市規則）之8%。於二零零五年六月三十日，該等聯屬公司之備考合併資產負債表與及本集團於該等聯屬公司之應佔權益如下：

		Pro forma combined balance sheet 備考合併 資產負債表 HK\$'000 千港元
Non-current assets	非流動資產	753,286
Current assets	流動資產	264,191
Current liabilities	流動負債	(332,774)
Non-current liabilities	非流動負債	(453,270)
		231,433
Group's attributable interests	本集團應佔權益	109,805

CORPORATE GOVERNANCE

Code of Best Practice

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

The Code was replaced by the Code on Corporate Governance Practices which will be applied by the Company for the next accounting period commencing on 1 July 2005. Appropriate actions are being taken by the Company for compliance with the Code on Corporate Governance Practices.

Model Code

The Company has adopted its own code on terms no less exacting than those set out in the Model Code of the Listing Rules. The Company has made specific enquiries with all the directors and all of them have confirmed that they had complied with the requirements set out in the Company's code for the year ended 30 June 2005.

Independence of Independent Non-executive Directors

The Company has received from each independent non-executive director a written annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive directors are independent by way of their written confirmation of independence.

Remuneration of Directors and Senior Management

The Board of Directors (the "Board") has established a Remuneration Committee on 8 October 2004. Members include one executive director, Raymond Chow Ting Hsing, one non-executive director, Eric Norman Kronfeld, and three independent non-executive directors, Paul Ma Kah Woh, Frank Lin and Prince Chatrichalerm Yukol.

The Remuneration Committee made or will make recommendation to the Board on the Company's policy and structure for the remuneration packages of all the directors and senior management of the Company according to its terms of reference, including benefits in kind, pension rights and compensation payments, including any compensation payable for the loss or termination of their office or appointment. The remuneration is based on factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors and senior management, employment conditions elsewhere in the Group and desirability of performance-based remuneration.

企業管治

最佳應用守則

董事認為，本公司於回顧年度內一直遵守上市規則附錄十四所載之最佳應用守則（「守則」），惟本公司之獨立非執行董事並無指定任期，因彼等須根據本公司之公司細則規定在本公司之股東週年大會上輪值退任及膺選連任。

本公司將於二零零五年七月一日開始之下個會計期間採用已取代守則之企業管治常規守則。本公司已採取適當行動，以遵守企業管治常規守則。

標準守則

本公司已採納條款與上市規則之標準守則所載者同樣嚴謹之守則。本公司已向所有董事作出特定查詢，而彼等均已確認彼等於截至二零零五年六月三十日止年度內一直遵守本公司守則所載之規定。

獨立非執行董事之獨立性

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書。憑藉彼等之獨立性確認書，本公司認為所有獨立非執行董事均具有獨立性。

董事及高級管理人員之薪酬

董事會（「董事會」）已於二零零四年十月八日成立薪酬委員會，薪酬委員會成員包括一名執行董事鄧文懷、一名非執行董事Eric Norman Kronfeld及三名獨立非執行董事馬家和、林輝波及Prince Chatrichalerm Yukol。

薪酬委員會已或將會根據其委員會守則向董事會就本公司對本公司之所有董事及高級管理人員之薪酬組合實施政策及架構作出推薦意見，包括實物利益、退休金權利及賠償費用（包括就失去或終止職務或委任而應付之任何賠償）。薪酬乃按照可資比較公司支付之薪金、董事及高級管理人員付出之時間及職責、於本集團其他成員公司之僱傭條件及願意接受薪酬與表現掛鈎之程度等因素而釐定。

REPORT OF THE DIRECTORS 董事會報告書

CORPORATE GOVERNANCE (continued)

Audit Committee

The Company established an Audit Committee (the "Audit Committee") on 9 October 1998 in compliance with the Code of Best Practice, as set out in Appendix 14 of the Listing Rules. The work of the Audit Committee covered the full financial year ended 30 June 2005. The members of the Audit Committee at the date of this report are Paul Ma Kah Woh, Frank Lin and Prince Chatrichalerm Yukol.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is public available to the Company and within the knowledge of the directors as at the date of this report, the Company has maintained a sufficient public float as required under the Listing Rules throughout the year.

AUDITORS

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

ON BEHALF OF THE BOARD

Raymond CHOW Ting Hsing

Chairman

Hong Kong

13 October 2005

企業管治 (續)

審核委員會

本公司已遵照上市規則附錄十四所載最佳應用守則之規定，於一九九八年十月九日成立審核委員會（「審核委員會」）。審核委員會之工作涵蓋截至二零零五年六月三十日止整個財政年度。截至本報告刊發日期，審核委員會之成員為馬家和、林輝波及Prince Chatrichalerm Yukol。

足夠公眾持股量

按照截至本報告刊發日期本公司公開可得之資料及就董事所知，本公司於年內一直維持上市規則規定之足夠公眾持股量。

核數師

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

代表董事會

主席

鄒文懷

香港

二零零五年十月十三日