

REPORT OF THE DIRECTORS

董事會報告

The directors present their annual report and the audited financial statements for the year ended 31 December 2005.

Change of Name

Pursuant to a special resolution passed at an extraordinary general meeting held on 16 November 2005, the name of the Company was changed from Goldigit Atom-Tech Holdings Limited 金澤超分子科技控股有限公司 to Signal Media and Communications Holdings Limited 烽火傳媒控股有限公司.

Principal Activities

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 31 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2005 are set out in the consolidated income statement on page 30 of the annual report.

No interim dividend was paid to the shareholders during the year. The directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2005.

Property, Plant and Equipment

Details of the movements during the year in the property, plant and equipment of the Group and the Company are set out in note 14 and 31 to the financial statements respectively.

Investment Properties

Details of the investment properties of the Group are set out in note 16 to the financial statements.

董事謹提呈截至二零零五年十二月三十一日止年度之年報及經審核財務報表。

更改名稱

根據於二零零五年十一月十六日舉行之股東特別大會上通過之特別決議案，本公司名稱由Goldigit Atom-Tech Holdings Limited (金澤超分子科技控股有限公司)更改為Signal Media and Communications Holdings Limited (烽火傳媒控股有限公司)。

主要業務

本公司乃一間投資控股公司，其附屬公司之主要業務載於財務報表附註31。

業績及分派

本集團截至二零零五年十二月三十一日止年度之業績載於本年報第30頁綜合損益表。

年內，並無向股東派付任何中期股息。董事不建議就截至二零零五年十二月三十一日止年度派發末期股息。

物業、廠房及設備

本集團及本公司於年內之物業、廠房及設備變動詳情分別載於財務報表附註14及31。

投資物業

本集團之投資物業詳情載於財務報表附註16。

Purchases, Sales or Redemption of Listed Securities

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

Share Option Scheme

Details of share option scheme of the Company are set out in note 24 to the financial statements.

As at the date of this report, the total number of securities available for issue under the existing share option scheme is 169,986,000 shares, representing 10% of the issued share capital of the Company.

Distributable Reverses of The Company

The Company's reserves available for distribution to shareholders as at 31 December 2005 represents the aggregate of share premium, special reserve and accumulated losses amounting to HK\$70,984,000 (2004: HK\$86,426,000).

Directors and Directors' Service Contracts

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

Executive directors:

Isao Matsushima	(appointed on 25 July 2005)
Kwok King Yan, Edmund	(appointed on 11 November 2005)
Osamu Nakano	(appointed on 4 October 2005)
Sosuke Kawanishi	(appointed on 4 October 2005)
Ryutao Okada	(appointed on 2 December 2005)
Kiyohisa Nanri	(appointed on 4 October 2005 and resigned on 18 April 2006)
Masashi Ono	(appointed on 9 June 2005 and resigned on 2 November 2005)

購買、出售或贖回上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

購股權計劃

本公司購股權計劃之詳情載於財務報表附註24。

於本報告日期，現行購股權計劃項下可供發行之證券總數為169,986,000股股份，相當於本公司已發行股本10%。

本公司之可供分派儲備

本公司於二零零五年十二月三十一日之可供股東分派儲備相當於股份溢價、特殊儲備及累計虧損之總和，達70,984,000港元(二零零四年：86,426,000港元)。

董事及董事服務合約

年內及截至本報告日期止期間之本公司在任董事如下：

執行董事：

松島庸	於二零零五年七月二十五日獲委任
(Isao Matsushima)	
郭敬仁	(於二零零五年十一月十一日獲委任)
中野治	(於二零零五年十月四日獲委任)
(Osamu Nakano)	
川西崇介	(於二零零五年十月四日獲委任)
(Sosuke Kawanishi)	
岡田隆太郎	(於二零零五年十二月二日獲委任)
(Ryutao Okada)	
南里清久	(於二零零五年十月四日獲委任，並於二零零六年四月十八日辭任)
(Kiyohisa Nanri)	
小野雅司	(於二零零五年六月九日獲委任並於二零零五年十一月二日辭任)
(Masashi Ono)	

REPORT OF THE DIRECTORS

董事會報告

Chen Lawrence	(appointed on 9 June 2005 and resigned on 25 July 2005)	陳維樑	(於二零零五年六月九日獲委任並於二零零五年七月二十五日辭任)
Oe Tadayuki	(appointed on 9 June 2005 and resigned on 2 November 2005)	大江匡行 (Oe Tadayuki)	(於二零零五年六月九日獲委任並於二零零五年十一月二日辭任)
Akinobu Kataoka	(appointed on 9 June 2005 and resigned on 2 November 2005)	片岡曉伸 (Akinobu Kataoka)	(於二零零五年六月九日獲委任並於二零零五年十一月二日辭任)
Lao Seng Peng	(resigned on 1 July 2005)	劉勝平	(於二零零五年七月一日辭任)
Cai Wei Min	(resigned on 1 July 2005)	蔡偉民	(於二零零五年七月一日辭任)
Yeh Tung Ming	(resigned on 1 July 2005)	葉東明	(於二零零五年七月一日辭任)
Wong Kin Ping	(resigned on 1 July 2005)	王建平	(於二零零五年七月一日辭任)

Independent non-executive directors:

Sun Juyi	
Chiu Ching Katie	(appointed on 9 June 2005)
Hin Ya Ha	(appointed on 9 June 2005)
Chan Sai Kuai	(resigned on 1 July 2005)
Jiang Ming Le	(resigned on 1 July 2005)

In accordance with the provisions of the Company's Articles of Association, Messr. Sun Juyi, Ms. Hin Yat Ha and Ms. Chiu Ching, Katie will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

獨立非執行董事:

孫聚義	
趙菁	(於二零零五年六月九日獲委任)
軒一霞	(於二零零五年六月九日獲委任)
陳世貴	(於二零零五年七月一日辭任)
蔣鳴樂	(於二零零五年七月一日辭任)

根據本公司的公司組織章程細則條文，孫聚義先生、軒一霞女士及趙菁女士將於應屆股東週年大會任滿告退，惟彼等合資格並願意膺選連任。

Two of the executive directors have entered into service agreements with the Company under which they are to act as executive directors commencing from their respective date of appointment. One service agreement has an initial term of three years and shall continue thereafter until terminated by either party giving to the other party notice in writing. The other service contract does not have a specific term of service and shall continue thereafter until terminated by either party giving to the other party notice in writing.

Each of the independent non-executive directors was appointed for a period of one year commencing from their respective appointment date and, shall continue thereafter for successive terms of one year until terminated by either party with six month's notice in writing served to the other side.

Save as disclosed above, none of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

兩名執行董事已與本公司訂立服務協議，自彼等各自獲委任之日期起擔任執行董事。一類服務協議初步為期三年，期滿後仍繼續有效，直至任何一方向另一方發出書面通知終止為止。另一服務協議不設特定服務期限，期滿後仍繼續有效，直至任何一方向另一方發出書面通知終止為止。

各獨立非執行董事之任期由其彼等各自獲委任日期起計為期一年，其後將繼續有效，並續期一年，除非任何一方向另一方發出六個月書面通知予以終以為止。

除上文披露者外，概無擬於應屆股東週年大會膺選連任之董事與本公司或其任何附屬公司訂有任何不可由本集團於一年內終止而毋須作出賠償(法定賠償除外)之服務合約。

REPORT OF THE DIRECTORS

董事會報告

Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures

As at 31 December 2005, the interests and short positions of the directors and the chief executive of the Company or any of their respective associates in any shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which are required: (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have under such provision of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Interests in options of the Company

The number of options, which have been granted to the directors of the Company and consultants of the Group under the share option scheme, during the year is as follows:

Directors 董事	Date of grant 授出日期	Exercisable period 可行使期間	Exercise price 行使價	Granted during the year and outstanding at 31.12.2005 年內已授出 及於二零零五年 十二月三十一日
Isao Matsushima 松島庸	15.11.2005 二零零五年十一月十五日	15.11.2005 – 14.11.2015 二零零五年十一月十五日至 二零一五年十一月十四日	0.305	16,998,600
Kwok King Yan, Edmund 郭敬仁	15.11.2005 二零零五年十一月十五日	15.11.2005 – 14.11.2015 二零零五年十一月十五日至 二零一五年十一月十四日	0.305	16,998,600
Consultants 顧問	15.11.2005 二零零五年十一月十五日	15.11.2005 – 14.11.2015 二零零五年十一月十五日至 二零一五年十一月十四日	0.305	33,997,200 1,699,860
Consultants 顧問	15.11.2005 二零零五年十一月十五日	15.11.2005 – 14.11.2015 二零零五年十一月十五日至 二零一五年十一月十四日	0.315	115,590,480
				151,287,540

董事及行政總裁於股份、相關股份及債券之權益

於二零零五年十二月三十一日，本公司各董事及行政總裁或彼等之聯繫人士於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中，擁有(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益(包括根據證券及期貨條例有關條文被當作或視作擁有之權益或淡倉)；或(b)須記錄於根據證券及期貨條例第352條所規定存置之登記冊之權益；或(c)根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益如下：

於本公司購股權之權益

年內，根據購股權計劃已授予本公司董事及本集團顧問之購股權數目如下：

Interests in options of the ultimate holding company, i-cf, Inc.'s shares

於最終控股公司i-cf, Inc.購股權之權益

Directors 董事		Exercise period 行使期	Exercise price 行使價 JP¥ 日元	Number of outstanding options at 31.12.2005 於二零零五年十二月三十一日尚未行使購股權數目
Kiyohisa Nanri	南里清久	1.2.2007 – 31.12.2014	380,869	1,100
Sosuke Kawanishi	川西崇介	1.2.2007 – 31.12.2014	380,869	30
Osamu Nakano	中野治	1.2.2007 – 31.12.2014	380,869	30
Ryutaro Okada	岡田隆太郎	1.2.2007 – 31.12.2014	380,869	275

Save as disclosed above, none of the directors and the chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which are required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV and the SFO (including interests or short positions which he is taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

除上文所披露者外，本公司各董事及行政總裁概無於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中，擁有(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益(包括根據證券及期貨條例有關條文被當作或視作擁有之權益或淡倉)；或(b)須記錄於根據證券及期貨條例第352條所規定存置之登記冊之權益；或(c)根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益。

Arrangements to Purchase Shares or Debentures

Other than the share option scheme disclosed above, at no time during the year was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. None of the directors, chief executive nor any of their spouses or children under the age of 18, had any right to subscribe for the shares of the Company or had exercised such rights during the year.

購買股份或債券之安排

除上文所披露之購股權計劃外，於本年度任何時間，本公司、其控股公司或其任何附屬公司概無訂立任何安排，致使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲利。年內，董事、行政總裁或彼等各自之配偶或十八歲以下之子女概無擁有認購本公司股份之任何權利，亦無行使該等權利。

REPORT OF THE DIRECTORS

董事會報告

Directors' Interests in Contracts of Significance

No contracts of significance, to which the Company, its holding company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Interests of Substantial Shareholders

As at 31 December 2005, so far as is known to the directors and the chief executive of the Company, the persons, other than directors or the chief executive of the Company, who had an interest or a short position in the shares and underlying shares which would fall to be disclosed to the company under the provisions of divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, and the amount of each of such person's interest in such securities, together with any options in respect of such capital, were as follows:

董事於重大合約之權益

於年結日或年內任何時間，本公司、其控股公司或其任何附屬公司概無訂有本公司董事直接或間接擁有重大權益之重大合約。

主要股東權益

於二零零五年十二月三十一日，據本公司董事及行政總裁所知，以下人士(本公司董事及行政總裁除外)於股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉，或直接或間接擁有任何類別股本(賦有權利可於一切情況下於本集團任何其他成員公司股東大會上投票)面額10%或以上權益，而該等人士各自於該等證券之權益數目，連同有關該等股本之任何購股權如下：

Shareholder 股東	Capacity/ nature of interest 身份/ 權益性質	Number of shares held/ involved 所持/ 所涉及 股份數目	Percentage of the total issued share capital 佔已發行 股本總額 百分比 (%)
i-cf, Inc. (Note 1) i-cf, Inc. (附註 1)	Interest of controlled corporations 受控法團權益	968,472,000	56.97
Suiko Enterprise Co., Ltd. (Note 1) Suiko Enterprise Co., Ltd. (附註 1)	Beneficial owner 實際擁有人	867,000,000	51.00
i-cf International Limited (Note 1) i-cf International Limited (附註 1)	Beneficial owner 實際擁有人	101,472,000	5.97
Cathorne Holdings Limited (Notes 2 & 3) Cathorne Holdings Limited (附註 2 及 3)	Beneficial owner 實際擁有人	302,503,600	17.80
Mr. Yatsumi Kawakami (Note 2) Yatsumi Kawakami 先生 (附註 2)	Interest of a controlled corporation 受控法團權益	302,503,600	17.80

REPORT OF THE DIRECTORS
董事會報告

Shareholder 股東	Capacity/ nature of interest 身份/ 權益性質	Number of shares held/ involved 所持/所涉及 股份數目	Percentage of the total issued share capital 佔已發行 股本總額 百分比 (%)
Catot Limited (Note 3) Catot Limited (附註 3)	Nominee 代理人	302,503,600	17.80
Newcorp Limited (Note 4) Newcorp Limited (附註 4)	Interest of a controlled corporation 受控法團權益	302,503,600	17.80
Newcorp Holdings Limited (Note 4) Newcorp Holdings Limited (附註 4)	Interest of a controlled corporation 受控法團權益	302,503,600	17.80
Power Multi Equity No. 3 Investment Partnership (Note 5) Investment Partnership Power Multi Equity No. 3 (附註 5)	Beneficial owner 實際擁有人	187,983,781	11.06

Notes:

1. i-cf, Inc. wholly owns all the shares in Suiko Enterprise Co., Ltd. and i-cf International Limited and is therefore deemed to have an interest in an aggregate of 968,472,000 shares under the SFO.
2. Mr. Yatsumi Kawakami wholly owns all beneficial interest in the shares in Cathorne Holdings Limited and is therefore deemed to have an interest in 302,503,600 shares under the SFO.
3. Catot Limited is deemed to be interested in 302,503,600 shares under the SFO because it holds all the shares in Cathorne Holdings Limited as a nominee for Mr. Yatsumi Kawakami.
4. Catot Limited is a wholly-owned subsidiary of Newcorp Limited, which in turn is a wholly-owned subsidiary of Newcorp Holdings Limited.

附註：

1. i-cf, Inc.全資擁有Suiko Enterprise Co., Ltd.及i-cf International Limited全部股份，因此根據證券及期貨條例視為擁有合共968,472,000股股份權益。
2. Yatsumi Kawakami先生於Cathorne Holdings Limited之股份中全資擁有所有實益權益，因此，根據證券及期貨條例視為擁有302,503,600股股份權益。
3. Catot Limited (作為Yatsumi Kawakami先生之代理人)持有Cathorne Holdings Limited所有股份，因此，根據證券及期貨條例視為擁有302,503,600股股份權益。
4. Catot Limited為Newcorp Limited之全資附屬公司，而Newcorp Limited為Newcorp Holdings Limited之全資附屬公司。

REPORT OF THE DIRECTORS

董事會報告

5. Power Multi Equity No. 3 Investment Partnership ("PME") is interested in 187,983,781 shares under the SFO according to an agreement dated 11 November 2005 entered into between the Company as issuer and PME as subscriber pursuant to which, PME subscribed for the zero coupon convertible bonds issued by the Company in an aggregate principal amount of HK\$51,000,000.

Major Customers and Suppliers

During the year, the five largest customers of the Group accounted for about 100% of the turnover of the Group and the largest customer accounted for about 72.8% of the total turnover.

The five largest suppliers of the Group in aggregate accounted for about 100% of its operating costs for the year. Purchases from the largest supplier accounted for about 100% of its operating costs.

At no time during the year did a director, an associate of a director, or a shareholder of the Company (which to the knowledge of the directors own more than 5% of the Company's share capital) have any interest in any of the Group's five largest customers or suppliers for the financial year ended 31 December 2005.

All transactions between the Group and its customers were carried out on normal commercial terms.

Retirement Benefit Schemes

The Group strictly complies with the Mandatory Provident Fund Ordinance in making mandatory contributions for its staff in Hong Kong and staff retirement fund for those staff in the People's Republic of China.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which oblige the Company to offer new shares on pro-rata basis to existing shareholders.

5. 根據本公司(作為發行人)及Power Multi Equity No. 3 Investment Partnership (「PME」)(作為認購人)於二零零五年十一月十一日訂立之協議，PME認購本公司所發行本金總額為51,000,000港元之可換股零息債券，因此，根據證券及期貨條例PME擁有187,983,781股股份權益。

主要客戶及供應商

年內，本集團五大客戶佔本集團營業額約100%，而最大客戶佔總營業額約72.8%。

本集團五大供應商合共佔本年度經營成本約100%，而向最大供應商作出之採購佔其經營成本約100%。

於年內任何時間，本公司董事、董事之聯繫人士或股東(就董事所知擁有本公司股本5%以上之股東)概無於本集團截至二零零五年十二月三十一日止財政年度之五大客戶或供應商中擁有任何權益。

本集團與客戶之所有交易均按照一般商業條款進行。

退休福利計劃

本集團嚴格遵照強制性公積金條例，就香港員工作出強制性供款，並為中華人民共和國之員工作出員工退休金供款。

優先購買權

本公司之公司組織章程細則或開曼群島法例並無有關優先購買權之規定，本公司毋須按比例向現有股東提呈新股份。

Competing Interests

None of the directors of the Company and their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited) had an interest in a business which competes or may compete with the business of the Group.

Emolument Policy

The emolument policy of the employees of the Group is set out by the board of directors on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the board of directors, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out in note 24 to the financial statements.

Sufficiency of Public Float

The Company has maintained a sufficient public float throughout the year ended 31 December 2005.

Post Balance Sheet Events

Details of balance sheet events are disclosed in note 32 to the financial statements.

Auditors

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

ISAO MATSUSHIMA

26 April, 2006

競爭性權益

本公司董事及彼等各自之聯繫人士(定義見香港聯合交易所有限公司證券上市規則)概無於對本集團之業務構成或可能構成競爭之業務中擁有權益。

薪酬政策

本集團之僱員薪酬政策乃由董事會按彼等之優點、資歷及能力釐定。

本公司董事之薪酬乃由董事會經考慮本公司經營業績、個別表現以及市場可資比較公司之數據而定。

本公司已採納購股權計劃，以向董事及合資格僱員提供獎勵，計劃詳情載於財務報表附註24。

足夠公眾持股量

本公司於截至二零零五年十二月三十一日止年度內一直維持足夠公眾持股量。

結算日後事項

結算日事項詳情於財務報表附註32披露。

核數師

本公司將於股東週年大會提呈決議案續聘德勤•關黃陳方會計師行為本公司核數師。

代表董事會

松島庸(Isao Matsushima)

二零零六年四月二十六日