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Innovation Beyond Technology



**Media Partners International Holdings Inc.**  
媒體伯樂集團有限公司

**MPI**

**ANNUAL  
REPORT  
2003** 年報

Action



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”)  
OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to higher market volatility than securities traded on the main board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by The Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM Website in order to obtain up-to-date information on GEM-listed issuers.

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*This Annual Report, for which the directors (the “Directors”) of Media Partners International Holdings Inc. (“MPI” or the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to MPI. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this Annual Report is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this Annual Report misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

香港聯合交易所有限公司（「聯交所」）  
創業板（「創業板」）之特點

創業板乃為帶有高投資風險之公司提供上市的市場，尤其在創業板上上市之公司毋須有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上上市之公司可因其新興性質及該等公司經營業務之行業或國家而涉及風險。有意投資者應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板具有較高風險及其他特點表示創業板較適合專業及其他資深投資者。

由於創業板上上市之公司屬新興性質，在創業板買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

創業板發佈資料之主要方法為在聯交所為創業板而設之互聯網網頁上刊登。上市公司毋須在憲報指定之報章刊登付款公佈披露資料。因此，有意投資者應注意，彼等須閱覽創業板網頁，以便取得創業板上市發行人之最新資料。

聯交所對本年報之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不會就本年報全部或任何部份內容而產生或因依賴該等內容而引致之任何損失承擔任何責任。

本年報（媒體伯樂集團有限公司（「媒體伯樂」）或（「本公司」）各董事（「董事」）願共同及個別對此負全責）乃遵照香港聯合交易所有限公司創業板市場上市規則之規定提供有關媒體伯樂的資料。董事在作出一切合理查詢後確認，就彼等所知及所信，(i) 本年報所載資料在各主要方面均為準確及完備，且無誤導成份；(ii) 並無遺漏任何其他事項致使本年報所載內容有所誤導；及(iii) 本年報所載一切意見乃經審慎周詳考慮後作出，並以公平及合理的基準與假設為基礎。

# MISSION STATEMENT

Capitalising on our business model to secure long-term exclusive advertising rights, an extensive outdoor media network, together with our strong customer base, the MPI Group is positioned as a leading nationwide outdoor advertising media network provider in the Greater China region, providing clients with one-stop comprehensive cross-city advertising solutions.

# 我們的使命

憑藉我們以取得長期及獨家的媒體使用權的業務模式、廣泛的戶外媒體覆蓋網絡及強大的客戶群，媒體伯樂集團能為客戶提供一站式全面的跨城市廣告解決方案，奠定我們在大中華區戶外廣告媒體網絡供應商的領導地位。

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# CORPORATE INFORMATION

## 企業資料

### BOARD OF DIRECTORS

#### Executive Directors

George Ka Ki CHANG  
*(Vice Chairman)*  
Winnie Pik Shan TO  
*(Chief Executive Officer)*  
Tony Cheung Kin AU-YEUNG

#### Non-executive Director

Gerald Lokchung CHAN  
*(Chairman)*

#### Independent non-executive Directors

Lawrence Juen-Yee LAU  
Meocre Kwok Wing LI  
Paul Laurence SAFFO

### COMPLIANCE OFFICER

George Ka Ki CHANG

### CHIEF FINANCIAL OFFICER

Stephen Cheuk Kin LAW  
*(Company Secretary)*

### QUALIFIED ACCOUNTANT

Florence Yuk Lan WONG

### AUDIT COMMITTEE

Lawrence Juen-Yee LAU  
Meocre Kwok Wing LI  
Paul Laurence SAFFO

### REGISTERED OFFICE

Century Yard, Cricket Square  
Hutchins Drive, PO Box 2681 GT  
George Town, Grand Cayman  
British West Indies

### CORPORATE OFFICE

22nd Floor, Hang Lung Centre  
2-20 Paterson Street  
Causeway Bay  
Hong Kong  
Tel: [852] 2894 9800  
Fax: [852] 2577 3509

### SPONSOR

BNP Paribas Peregrine Capital  
Limited

### AUDITORS

KPMG

### PRINCIPAL BANKERS

Bank of East Asia, Limited  
Banque Nationale de Paris  
China Construction Bank  
CITIC Ka Wah Bank, Limited  
DBS Bank (Hong Kong) Limited

### SHARE REGISTRAR

Tengis Limited  
G/F, BEA Harbour View Centre  
56 Gloucester Road  
Wanchai, Hong Kong

### FINANCIAL RELATIONS CONSULTANT

Strategic Financial Relations Limited

### STOCK CODE

8072

## REGIONAL OFFICES

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

#### MPI

15th Floor, Rooms 1506-1510  
Hang Lung Centre  
2-20 Paterson Street  
Causeway Bay, Hong Kong

#### POAD

Suite 2801 Sino Plaza  
255 Gloucester Road  
Causeway Bay, Hong Kong

### PRINCIPAL PLACE OF BUSINESS IN MAINLAND CHINA

8 Gao An Road, Shanghai  
Postcode: 200030

## OTHER OFFICES IN MAINLAND CHINA

### SHANGHAI

Shanghai Metro Joint Venture  
18 Kangping Lu, Shanghai  
Postcode: 200030

### Shanghai Zhongle

No. 2032 Yi Shan Road  
Min Hang Area, Shanghai  
Postcode: 201103

### GUANGZHOU

#### Guangzhou Metro Joint Venture

Room 2910, 29th Floor  
Guangzhou Merchandise Building  
12 Xihu Road, Guangzhou  
Postcode: 510030

### Guangzhou

Rooms 2809-2810, 28th Floor Huihua  
Tower, 80 Xianlie C. Road Guangzhou  
Postcode: 510070

### BEIJING

Room 1401, Scitech Tower  
No. 22 Jian Guo Men Wai Avenue  
Beijing  
Postcode: 100022

### CHENGDU

18th Floor, Renheyijing Building 1A  
No. 188 Yingmenkou Road  
Chengdu  
Postcode: 610031

### CHONGQING

Suite 1208, 12th Floor  
Metropolitan Tower  
68 Zourong Road  
Yu Zhong District, Chongqing  
Postcode: 400010

### NANJING

22nd Floor, Golden Eagle Plaza  
89 Hanzhong Road, Nanjing  
Postcode: 210029

### SHENZHEN

Room 2901, Hangtianliye Building  
Zhenhua Road No. 6  
Shenzhen  
Postcode: 518031

### WUHAN

Room 1, 23rd Floor  
Jian Yin Building  
709 Jianshe Road, Wuhan  
Postcode: 430015



## 董事會

### 執行董事

張家騏 (副主席)  
杜碧珊 (行政總裁)  
歐陽長健

### 非執行董事

陳樂宗 (主席)

### 獨立非執行董事

劉遵義  
李國榮  
Paul Laurence SAFFO

### 監察主任

張家騏

### 財務總裁

羅卓堅 (公司秘書)

### 合資格會計師

黃玉蘭

### 審核委員會

劉遵義  
李國榮  
Paul Laurence SAFFO

### 註冊辦事處

Century Yard, Cricket Square  
Hutchins Drive, PO Box 2681 GT  
George Town, Grand Cayman  
British West Indies

### 公司辦事處

香港銅鑼灣百德新街2-20號  
恒隆中心22樓  
電話：(852) 2894 9800  
傳真：(852) 2577 3509

### 保薦人

法國巴黎百富勤融資有限公司

### 核數師

畢馬威會計師事務所

## 主要往來銀行

東亞銀行有限公司  
法國國家巴黎銀行  
中國建設銀行  
中信嘉華銀行有限公司  
星展銀行(香港)有限公司

## 股份過戶登記處

登捷時有限公司  
香港灣仔告士打道56號  
東亞銀行港灣中心地下

## 財經公關顧問

縱橫財經公關顧問有限公司

## 股份編號

8072

## 地區辦事處

### 香港總辦事處

媒體伯樂  
香港銅鑼灣百德新街2-20號  
恒隆中心15樓1506-1510室

### 博納

香港銅鑼灣告士打道255號  
信和廣場2801室

### 中國內地總辦事處

上海市高安路8號  
郵編：200030

## 中國內地其他 城市之辦事處

### 上海

上海華智地鐵合營公司  
上海市康平路18號  
郵編：200030

### 上海中樂

上海市宜山路2032號  
郵編：201103

### 廣州

#### 廣州永通地鐵合營公司

廣州市西湖路12號  
廣州百貨大廈29樓2910室  
郵編：510030

#### 廣州辦事處

廣州市先烈中路80號  
匯華商貿大廈28樓2809-2810室  
郵編：510070

### 北京

北京市建國門外大街22號  
賽特大廈1401室  
郵編：100022

### 成都

成都市營門口路188號  
人和逸景1棟A座18樓  
郵編：610031

### 重慶

重慶市渝中區鄒容路68號  
大都會商廈12樓1208室  
郵編：400010

### 南京

南京市漢中路89號  
金鷹國際商城22樓  
郵編：210029

### 深圳

深圳市振華路6號  
航天立業華庭2901室  
郵編：518031

### 武漢

武漢市漢口建設大道709號  
建銀大廈23樓1室  
郵編：430015

# CORPORATE PROFILE

## 企業簡介

**Media Partners International Holdings Inc.**, together with its subsidiaries, associated companies and jointly controlled entities, is a leading outdoor advertising media network provider in Greater China, offering comprehensive services in a wide range of outdoor advertising media services, including billboards, street furniture and transport advertising. MPI was listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited on 31 January 2002 (Stock Code : 8072).

The Group is majority owned by the Morningside group, which was established by the Chan family in Hong Kong in 1986. The Chan family also founded the Hang Lung Group in Hong Kong. The Group's outdoor advertising business began in Hong Kong in 1990, and the Group has established a strong presence in Hong Kong since then. In 1994, MPI extended its business to Mainland China.

Headquartered in Shanghai, MPI has established eight joint ventures and three offices in Mainland China. The Group's core business focuses on Mainland China's transport sector and the Group's transit advertising media network now through its own media and agency agreements, extends to major cities in Mainland China.

**媒體伯樂集團有限公司**及其附屬公司、聯營公司及共同控制實體，為大中華區具領導地位的戶外廣告媒體網絡供應商，提供多元化的戶外廣告媒體服務，包括廣告牌、街道設施及交通工具廣告。媒體伯樂於二零零二年一月三十一日在香港聯合交易所有限公司創業板上市（股份編號：8072）。

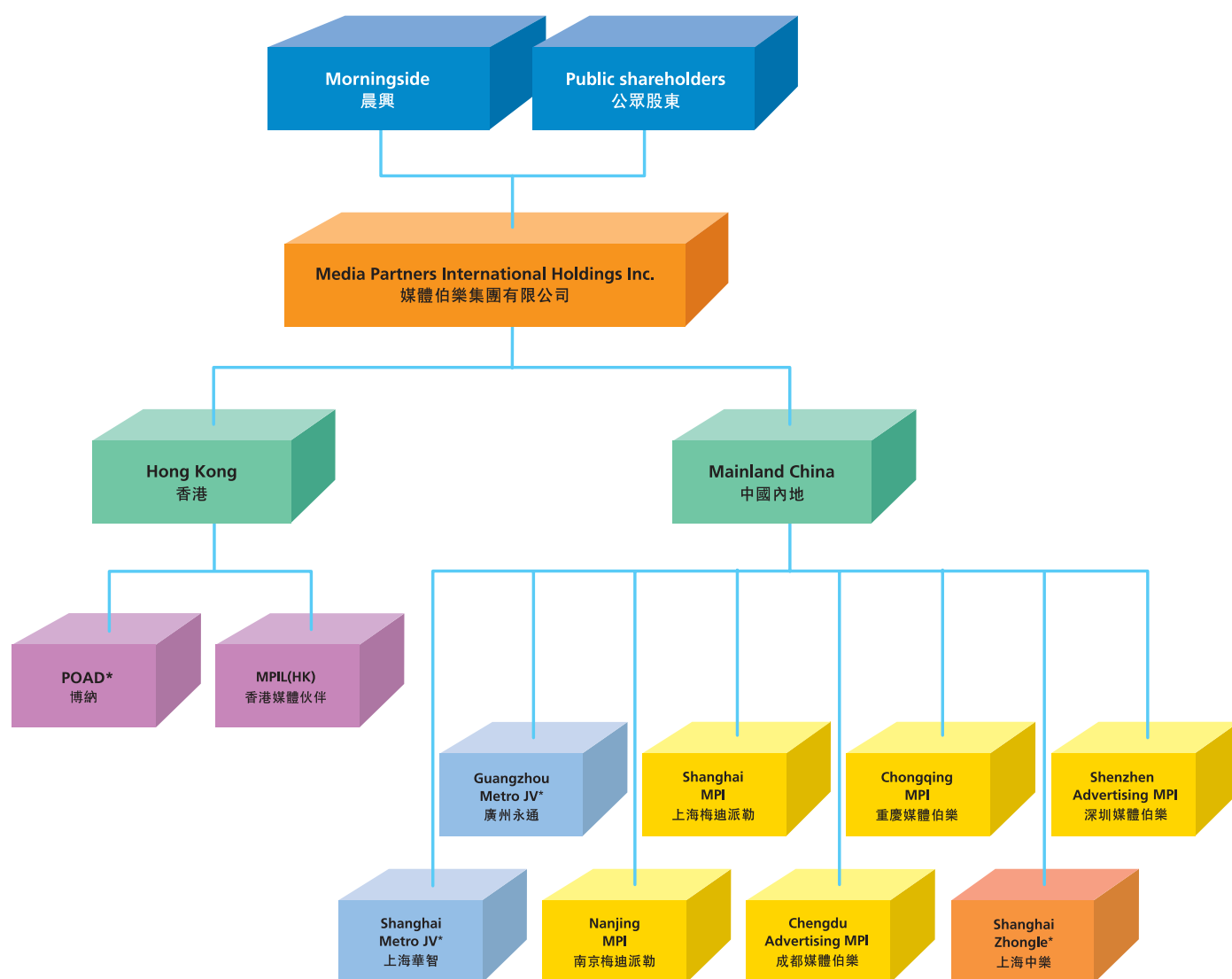
本集團主要股東為陳氏家族於一九八六年在香港成立的晨興集團。陳氏家族亦為香港恒隆集團的創辦人。本集團於香港的戶外廣告業務始於一九九零年，並已建立鞏固的媒體覆蓋範圍。媒體伯樂於一九九四年把業務拓展至中國內地。

媒體伯樂的總部設於上海，並在中國內地成立八間合營企業及三個辦事處。中國內地交通工具媒體廣告為本集團之發展重點，現時本集團透過其自置媒體及安排代理的交通工具廣告媒體網絡覆蓋中國內地之主要城市。



# GROUP STRUCTURE

## 集團架構



\* Jointly Controlled Entity / Associate Company  
共同控制實體 / 聯營公司

Note: This is a simplified corporate chart.  
註：此乃簡化之公司架構。

# GROUP EVENTS

## 集團紀事

### THE FIRST QUARTER

#### 第一季

January to March

一月至三月

# 1

#### January 一月

- Offered comprehensive advertising media solutions within the Beijing Light Rail System, 2,000 buses in Beijing and 300 buses in Guangzhou  
於北京城鐵系統、北京 2,000 輛巴士及廣州 300 輛巴士提供全面的廣告媒體



### THE SECOND QUARTER

#### 第二季

April to June

四月至六月

# 2

#### April 四月

- Shanghai MPI entered into an agreement with Shanghai Tulip Advertising Co., Ltd to develop outdoor advertising media including billboards, neon signs, unipoles and large scale display screens in Shanghai  
上海梅迪派勒與上海郁金香廣告有限公司訂立協議，在上海發展戶外廣告媒體，包括廣告牌、霓虹燈廣告牌、單立柱廣告牌及大型顯示屏幕





## THE THIRD QUARTER

### 第三季

July to September

七月至九月

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#### July 七月

- Secured the exclusive advertising rights for the Xin Min Line, an extension line to Shanghai Metro Line 1, for a term of 10 years  
獲得上海地鐵一號幹線之鐵路伸延線——莘閔線獨家的媒體使用權，為期十年

#### September 九月

- Entered into an advertising agency agreement with Oricom Company Limited  
與 Oricom Company Limited 訂立廣告代理協議
- Entered into an advertising agency agreement with Poster Publicity Limited  
與 Poster Publicity Limited 訂立廣告代理協議



#### November 十一月

- Received an award in the Non-Hang Seng Index Category of the Best Corporate Governance Disclosure Awards 2003 organised by the Hong Kong Society of Accountants  
榮獲香港會計師公會主辦二零零三年度「最佳公司管治資料披露大獎」非恆指成份股公司組別之獎項
- Selected as the only company to discuss the final terms for the exclusive advertising rights for the Nanjing Metro Systems  
獲選為唯一就南京地鐵系統獨家的媒體使用權商討最終條款的公司



#### December 十二月

- Secured the exclusive advertising rights for approximately 4,000 buses in Shanghai with leading bus companies in Shanghai for terms of over 10 years  
獲得上海主要巴士公司授予約 4,000 輛巴士獨家的媒體使用權，年期超過十年



## THE FOURTH QUARTER

### 第四季

October to December

十月至十二月

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# CHAIRMAN'S STATEMENT

## 主席報告書

I am pleased to report that the MPI Group successfully withstood the global and regional challenges that affected most business sectors in 2003. The advertising industry was significantly impacted by the Iraq War and, closer to home, the SARS epidemic in Hong Kong and Mainland China. The Group demonstrated its resilience, innovation and forward planning in weathering these crises. While unable to wholly avoid the negative impact of SARS, the Group's implementation of strict cost-control measures coupled with its rich experience in the outdoor advertising industry enabled it to withstand these challenges during the first two quarters of 2003. As a result, the Group was well-situated when market sentiment and consumer confidence recovered during the third quarter, enjoying a positive turnaround due to renewed spending of advertising dollars. Economic indicators forecast that the rebound will continue into 2004.

Entering 2004 the Group is well-positioned to continue its goal of becoming the leading provider of a comprehensive outdoor advertising media network across the Greater China region. The Group's focus on Mainland China is validated by the ever-increasing growth in China's GDP, which reached 9.1% (GDP per capita of US\$1,090) in 2003. Mainland China's economic success has boosted advertising spending and the resulting rise in tourism has positively impacted the Hong Kong market. Major upcoming events such as the 2008 Olympic Games in Beijing and the 2010 World Expo in Shanghai present exciting

對大部份企業而言，二零零三年是充滿挑戰的一年。本人對本集團能夠克服年內的重重難關而感到非常欣慰。受到伊拉克戰事的影響及非典型肺炎在香港及中國內地爆發，廣告業受到嚴重打擊，但憑著本集團靈活的策略、創意及高瞻遠矚的遠見，各項挑戰均迎刃而解。儘管本集團未能從非典型肺炎的負面影響中獨善其身，但透過嚴格的成本控制措施，加上本集團於戶外廣告媒體之豐富經驗，本集團於二零零三年上半年度成功克服種種挑戰。因此，當第三季度市場氣氛及消費者信心逐漸增加，及隨著客戶重新投放廣告資源，本集團的業績亦因而轉虧為盈。各項經濟指標預測二零零四年經濟情況將持續復甦。

踏入二零零四年，本集團已準備就緒，繼續朝著成為大中華區全面的戶外廣告媒體網絡供應商翹楚的目標進發。中國的國民生產總值於二零零三年經歷歷史性增長，達 9.1%（國民人均生產總值為 1,090 美元），此印證了本集團積極發展中國內地市場的先見之明。中國經濟騰飛，不但刺激廣告支出，蓬勃的旅遊業亦為香港帶來正面影響。展望未來，各項大型活動如二零零八年於北京舉行的奧運會及二零一零年在上海舉行的世界博

opportunities for future growth. With the advent of Mainland China's increased global exposure due to the WTO arrangements and Hong Kong's economic advantages from the CEPA agreement, the Group is poised to reap the benefits of its comprehensive media and related services offered in these geographic markets.

In keeping with the global demand for corporate accountability, the MPI Group is proud to announce that it became the first GEM-listed company to be recognised in the Best Corporate Governance Disclosure Awards of 2003, organised by the Hong Kong Society of Accountants. More recently, the Group was admitted for inclusion in the S&P/HKEx GEM Index by Standard and Poor's and Hong Kong Exchanges and Clearing Limited.

My role over the past year has been immeasurably assisted by the advice and backing of my fellow directors; for this I am extremely grateful. The Group's management and staff have played a significant role in addressing the challenges of the year, and their ongoing confidence and dedication is inspiring. Between us, we have responded to the year's opportunities by creating a robust platform for future growth.

**Gerald Chan**

*Chairman*

*Hong Kong, 17 March 2004*

覽會，將為本集團的業務帶來龐大的發展商機。此外，隨著中國內地加入世界貿易組織後，於國際社會的知名度與日俱增，再加上香港於《更緊密經貿關係的安排》中取得多項經濟優惠，本集團將透過各樣優勢，致力向有關地區提供全面的媒體及相關服務。

提高企業責任為全球之新趨勢，媒體伯樂集團一直積極向有關目標邁進。本集團欣然宣佈我們成為首間創業板上市公司榮獲香港會計師公會二零零三年度「最佳公司管治資料披露大獎」獎項。最近，本集團更獲納入標準普爾及香港交易及結算所有限公司創立之標普香港創業板指數。

本人於過去一年得到各董事給予寶貴意見及支持，對此本人由衷感激。本集團管理層與各員工在應付年內各項挑戰上均擔當重要的角色，而他們對工作的決心及投入，實在令人鼓舞。本人期盼能掌握未來的商機，鞏固現有業務，更積極推動本集團的業務發展。

**陳樂宗**

*主席*

*香港，二零零四年三月十七日*





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國窖·1573

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# UNRIVALLED NATIONWIDE COVERAGE

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OVER 55,000 ADVERTISING  
SPACES STANDING AT THE MOST  
POPULAR DISTRICTS, THE BEST  
WAY TO PRESENT YOUR  
PRODUCTS AND IMAGE IN FRONT  
OF THE QUALITY AUDIENCE

擁有超過 55,000 個位處  
優越地區的廣告位置，  
乃呈現產品與形象予優質目標  
受眾的最佳途徑



# CEO'S STATEMENT 行政總裁報告書

With the uncertainties brought about by the War in Iraq and the outbreak of SARS in the first half of the year, global economies were seriously affected. The advertising industry was hit particularly hard, which was subsequently reflected in the performance of the Company and its subsidiaries ("the Group"). However, as one of the leading outdoor advertising media services providers in Mainland China and Hong Kong, the Group was able to overcome the hard times, and recorded a turnaround in the second half of the year.

## Market Review

The SARS epidemic had a devastating impact on the advertising industry. In view of the static market and repressed consumer sentiment, we responded rapidly to tackle the difficult situation. However, the successful containment of SARS in the second half of 2003, the improving business environment, and the economic recovery in Mainland China and Hong Kong, all stimulated the industry and created opportunities in the outdoor advertising market.

According to industry research, total advertising spending in Mainland China has been growing

環球經濟在本年度上半年受伊拉克戰事和非典型肺炎爆發造成的不明朗因素影響，廣告行業更是首當其衝受到拖累。此種情況其後亦於本公司及其附屬公司（「本集團」）的業績中反映出來。但作為中國內地和香港的戶外廣告媒體服務供應商之翹楚，本集團成功地渡過難關，並且成功於本年度下半年扭轉形勢。

## 市場回顧

非典型肺炎疫症對廣告行業造成沉重打擊。有見市場幾乎陷於靜止狀態，消費信心極度低落，我們對此情況馬上作出回應，並著手解決危機。然而隨著非典型肺炎於二零零三年下半年成功受到控制，加上中國內地和香港經濟反彈，刺激廣告行業復甦，為戶外廣告市場帶來新的商機。

根據市場研究資料，中國內地的廣告開支總額自一九九零年代初期開始即以雙位數字的增長率發展，預測二零零三年廣告開支將增



*"According to industry research, total advertising spending in Mainland China has been growing at double-digit rates since the early 1990s."*

根據市場研究資料，中國內地的廣告開支總額自一九九零年代初期開始即以雙位數字的增長率發展。

at double-digit rates since the early 1990s and forecasts predict that it will reach approximately US\$10 billion in 2003. Mainland China recorded a 9.1% growth in GDP in 2003 despite the various difficulties that the nation faced during the outbreak of SARS, testifying to the fact that it holds vast market potential that is still developing rapidly.

In Hong Kong, market sentiment has been picking up, further stimulated by the continuing influx of tourists from Mainland China, a consequence of the relaxation on travel restrictions for the Mainland tourists. Mainland tourists are willing to spend on consumer products and luxury goods such as mobile phones, digital cameras and brand name products. The recovery of the overall economy is therefore encouraging advertisers to spend more on advertising.

## Business Review

### Business Strategies

Leveraging our solid foundations in the outdoor advertising industry, we have been able to secure **long-term** and **exclusive** advertising rights at **prime locations** in the major metropolitan cities in Mainland China and Hong Kong. Within this well-established and extensive media advertising **network**, we have become a leading nationwide outdoor advertising media network provider in Mainland China and Hong Kong. Offering our clients **one-stop total advertising solutions** with **cross-city advertising media packages**.

至約一百億美元。儘管中國內地爆發非典型肺炎期間面對種種困難，但二零零三年國內生產總值仍錄得9.1%之增長，足證中國內地擁有巨大市場潛力並且持續高速發展。

香港方面，市場氣氛持續改善，在中國內地旅客訪港限制獲得放寬下，大批中國內地遊客不斷湧入，進一步刺激市場復甦。不少內地旅客願意花費購買各類消費品和奢侈品如流動電話、數碼照相機及名牌貨品。整體經濟開始復甦，從而鼓勵商戶增加廣告開支。

## 業務回顧

### 業務策略

憑藉我們於戶外廣告行業的穩固基礎，我們得以爭取在中國內地主要都會及香港**黃金地段的長期及獨家**的媒體使用權。這個完善而廣泛的媒體廣告**網絡**，令我們成為中國內地及香港的主要全國戶外廣告媒體網絡供應商，為客戶提供**一站式全面廣告服務**，並設有**跨城市廣告媒體組合**。



By forming long-term and exclusive partnerships with media owners, we are committed to introducing creative and new media, providing our clients with the best channels to present their advertisements before quality target audiences. We are the only company which has built a comprehensive metro network with a strong presence along the coastline, stretching from the North to the South of Mainland China. In addition to this extensive under-the-ground media network, our on-the-ground bus advertising network also covers most of the major cities in Mainland China and has a dominant position in the industry.

### Strategic Alliances

Our comprehensive networks are built upon our innovative, dedicated and solid relationships with partners and alliances. In 2003, we placed a great deal of effort into establishing more long-term strategic co-operations with media owners, particularly in Mainland China. During 2003, we entered into a long-term agreement with Shanghai Tulip Advertising Co., Ltd. ("STA") to develop billboard advertising media; we secured the advertising rights to approximately 4,000 buses in Shanghai; and we were also selected as the exclusive partner for Nanjing Metro Company to finalise the terms for the advertising rights within the Nanjing metro system.

我們藉著與媒體擁有者建立長遠及獨家的夥伴關係，銳意引入富創造性及嶄新的媒體，為客戶提供最佳渠道，使其廣告展現予目標的優質受眾。我們是唯一一家於中國內地自華南至華北整個沿海地區均建立起具規模的全面地鐵媒體網絡的公司。除了覆蓋範圍廣闊的地鐵媒體網絡外，我們在地面的巴士廣告網絡同樣遍及中國內地大部份主要城市，在業內享有領導地位。

### 策略聯盟

我們覆蓋全面的網絡，是建基於我們與合作夥伴及盟友之間創新、專注而穩固的關係上。於二零零三年，我們繼續集中力量與媒體擁有者（尤其在中國內地）建立長遠策略合作計劃。在二零零三年，我們與上海郁金香廣告有限公司（「上海郁金香」）訂立發展廣告牌廣告媒體的長期協議。我們取得上海市約4,000輛巴士的媒體使用權，並獲選與南京地鐵有限公司落實最終條款的公司，商討南京地鐵系統內的媒體使用權。

# 廣告媒體 MEDIA

Establishes dominance in the outdoor advertising market in Mainland China.  
於中國內地戶外廣告市場穩佔領導地位。





We entered into an advertising agency agreement with Oricom Company Limited ("Oricom"), the leading metro advertising agency in Japan, to become mutual advertising agents in our respective metro advertising networks. Many Japanese manufacturers, including the car, beauty and electrical appliance industries increased their advertising expenditures in Mainland China during the year. The co-operation is expected to further expand our client base. In addition, Oricom will provide a systematic and comprehensive sales management platform encompassing the latest market statistics and analyses on the metro advertising industry, enhancing our competitive edge.

The advertising agency agreement with Poster Publicity Limited, a leading European outdoor advertising specialist in the third quarter of 2003, will also help us to broaden our multinational clientele and enrich our client portfolio. This marks our first step in reaching out to clients and the building of a network outside Mainland China and Hong Kong.

我們與日本著名地鐵廣告代理公司 Oricom Company Limited (「Oricom」) 簽訂廣告代理協議，成為彼此旗下地鐵廣告網絡的代理商。年內，許多日本企業（包括汽車、美容產品和電器用品製造商）於中國內地增加其廣告開支。預料此合作關係將進一步擴大我們的客戶基礎。Oricom亦會提供一個系統化的全面銷售管理平台，包羅地鐵廣告行業的最新市場統計資訊及分析，從而增加我們的競爭優勢。

我們於二零零三年第三季與一間其領導地位的歐洲專業戶外廣告行業翹楚Poster Publicity Limited訂立廣告代理協議，有助我們進一步擴大國際客戶群並豐富客戶組合。該協議亦象徵我們走出中國內地及香港，踏出爭取客戶及建立網絡的第一步。



**"With excellent communication skills, exclusive media resources, after-sale services as well as development of new media channels in response to ever changing market demand, MPI provides significant help to our marketing promotion."**

「媒體伯樂良好的客戶溝通、獨特的媒體資源優勢、週到細緻的售後服務及不斷適應市場需求而開發的新媒體形式，對我司的市場推廣工作給予很大的幫助。」 — *Guangzhou Mobile Communications Co. Ltd.*

廣州移動通信責任有限公司

# THE CHOSEN PARTNER

## 合作夥伴 不作他選

ESTABLISHING LONG-TERM AND EXCLUSIVE RELATIONSHIPS WITH MEDIA OWNERS TO SECURE PROMINENT ADVERTISING RIGHTS WHICH MATCH YOUR ADVERTISING NEEDS

與媒體擁有者建立長遠而獨有的關係，從而獲得主要媒體使用權以配合您的廣告需要







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文化  
艺术

# METRO

## ADVERTISING 地鐵廣告

The only metro advertising media network provider offers long-term and exclusive metro advertising spaces in Beijing, Shanghai, Guangzhou and Hong Kong. 唯一能在北京、上海、廣州及香港提供長期及獨家的地鐵廣告媒體網絡供應商。

### Extensive Media Coverage

#### *Metro Systems*

With the commencement of operations of the Beijing Light Rail System in 2003, we became the only metro advertising network provider capable of offering long-term, exclusive metro advertising spaces in Beijing, Shanghai, Guangzhou and Hong Kong. We provide a strong metro network that offers comprehensive advertising packages to our clients.

Despite the adverse impact brought about by SARS in the first half of 2003, our metro advertising recorded performances better than last year.

### 廣泛的媒體覆蓋面

#### *地鐵系統*

隨著北京城鐵系統於二零零三年開始運作，我們成為唯一一家能在北京、上海、廣州和香港提供長期獨家的地鐵廣告網絡供應商。我們為客戶提供強大的地鐵廣告網絡，給予客戶享用全面廣告配套服務。

儘管於二零零三年上半年受到非典型肺炎造成的負面影響，我們的地鐵廣告業務表現仍較去年為佳。





In view of the encouraging performance achieved in metro advertising, we continued to expand our metro advertising network during the year under review. In July, we secured the exclusive advertising rights for the Extension Line ("Xin Min Line") on Shanghai Metro Line 1 for a term of 10 years.

During 2003, we were selected as the only company to discuss the final terms for the advertising rights for the Nanjing metro system, once again highlighting our leadership in the metro advertising industry and our commitment to operating comprehensive metro networks in the region. With 16 stations running through the centre of Nanjing city, the Nanjing metro system is expected to commence operations in the second half of 2005.

Apart from expanding our metro advertising network, we also introduced innovative media formats such as stickers, LEDs, "wrapping trains", etc. These innovations give our clients a springboard, to demonstrate the creativity of their advertisements to a quality audience with frequent and high exposures.

### **Buses**

It has been our strategy to maintain our dominant market share in second-tier cities where we have already taken up over 90% of the bus media advertising rights. These include Chongqing, Chengdu and Nanjing. Towards the end of 2003, we reached a strategic milestone, as we enlarged our existing bus media portfolio in Shanghai. We reached agreements with leading bus companies in Shanghai, securing the exclusive advertising media rights for over 10 years, commencing January 2004.

鑑於地鐵廣告業務獲得令人鼓舞的成績，我們於回顧年內繼續擴展地鐵廣告網絡。我們於七月獲取上海地鐵一號線的伸延綫（「莘閔綫」）的獨家的媒體使用經營權，為期10年。

於二零零三年，我們成為唯一獲選就南京地鐵系統的媒體使用權商討最終條款的公司，再一次證明我們在地鐵廣告行業的領導地位，亦說明我們以在區內經營覆蓋全面的地鐵網絡之宗旨。南京地鐵系統設有16個車站，連接南京市中心各處，預期將於二零零五年下半年開始運作。

除擴展地鐵廣告網絡外，我們亦致力引進嶄新媒體種類如標貼、電子顯示屏幕、列車車身廣告等。這些嶄新的媒體種類賦予客戶一個黃金機會，向高質素受眾展示其廣告的豐富創意。

### **巴士**

我們的一貫策略是維持在二線城市的主導地位，我們在該等城市已佔有90%以上的巴士媒體廣告使用權，其中包括重慶、成都及南京。於二零零三年年底，我們進一步擴大於上海現有巴士媒體業務，標誌我們達致一個重要的里程碑。我們與上海多家主要巴士公司達成協議，取得其巴士獨家的媒體使用權，由二零零四年一月起計，為期超過10年。

"MPI is a highly professional agency providing full coverage of media support ranging from site sourcing, media booking, advertisement production and logistics support. Their staff are dedicated, professional and willing to explore different opportunities to maximise the advertising value of our advertisements."

「媒體伯樂乃高度專業的媒體代理，為客戶提供全面的媒體支援服務，包括物色地點、媒體訂購、廣告製作以及物資支援等。媒體伯樂的營業代表態度熱誠、專業，積極為我們提升廣告價值。」

— Nestlé Hong Kong Ltd.  
雀巢香港有限公司

As the country's leading financial hub, Shanghai has the highest advertising potential compared with all other cities in the Mainland China. The newly acquired media rights will add a total of approximately 4,000 bus bodies to our market in Shanghai, allowing us to dominate the bus advertising market in the city. Together with our existing coverage of the bus media market in Mainland China, the newly acquired media rights will further strengthen our overall market leadership position, especially within the transport sector.

It is in our interest to secure advertising rights which have high growth potential as they generate synergies with our existing advertising network. By dominating the bus advertising rights in each of these prime locations, we are in an ideal position to provide media planning, placement and management, bringing the most comprehensive and effective media packages to our clients while also enabling us to maximise our resources.

作為全國首要的金融中心，上海市較中國內地所有其他城市擁有更高的廣告銷售潛力。剛取得的媒體使用權將令我們在上海的市場組合共增加約4,000輛巴士車身廣告媒體，讓我們雄據上海巴士廣告市場。連同我們現時在中國內地巴士廣告媒體市場的覆蓋面，新增的媒體使用權將進一步鞏固本集團在整體市場的領導地位，尤指交通工具範疇方面。

爭取高增長潛力的媒體使用權乃符合我們的利益，原因為該等媒體能夠與我們現有的廣告網絡產生協同效益。藉著於該等黃金地段取得更多巴士的媒體使用權，致使我們處於有利位置，從而提供媒體策劃、介紹及管理，為客戶提供最全面而有效的媒體配套計劃，亦讓我們的媒體使用資源得以有效運用。

# BUS 巴士廣告

## ADVERTISING

Ensure dominance in bus advertising market by securing exclusive media advertising rights of prime routes operating in major metropolitan area.

獲得主要城市內主要巴士路線獨家廣告媒體使用權，使我們於巴士廣告市場上獨佔鰲頭。



### Billboards

We are seeking the opportunity to expand our outdoor advertising media network portfolio by investment in, or acquisition of, companies with profitable and sound track records. During the year under review, we entered into an agreement with STA, one of the major outdoor advertising media players in Shanghai, to cooperate in the planning, development, management and marketing of billboards, neon signs, unipoles and large scale displays in Shanghai. Currently, these billboards include those along the Pudong international airport and highway, the Hongqiao airport and highway and in the Lujiazui and Xujiahui areas.

### 廣告牌

我們透過投資或收購有盈利而往績良好的公司，發掘能擴充其戶外廣告媒體網絡業務的商機。於回顧年內，我們與上海市一家主要戶外廣告媒體營運商上海郁金香訂立協議，合作進行策劃、開發、管理及推廣於上海的廣告牌、霓虹燈廣告牌、單立柱廣告牌及大型顯示屏幕。現時，已包括位於浦東國際機場及沿途公路、虹橋機場及沿途公路，以及於陸家嘴區和徐家匯區的廣告牌。

# BILLBOARD 廣告牌



Billboards and street furniture are situated in prime locations, covering major areas in the Mainland China and Hong Kong. 廣告牌及街道設施位處優越位置，覆蓋中國內地及香港主要地區。






DRAGONAIR  
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We're heading into  
an exciting new era  
Dragonair now flies to Bangkok  
港龍歡騰曼谷新天空







# THE MATCHLESS OUTDOOR ADVERTISING NETWORK PROVIDER

無與倫比的  
戶外廣告媒體  
網絡供應商

WIDE SELECTION OF OUTDOOR  
ADVERTISING SPACES RANGING  
FROM TRANSPORTATION,  
BILLBOARD AND STREET  
FURNITURE, CREATING UTMOST  
ADVERTISING CHANNELS

由運輸系統、廣告牌以至街道設施等  
多種戶外廣告位置，為您創造  
無遠弗界的廣告媒介



This strategic move marks a major step forward in the enhancement of our outdoor advertising media network portfolio with diversified outdoor media formats in addition to the transport sector, further strengthening our foothold in the Mainland China market.

### Operational Review

Despite the tough year in 2003, we were able to overcome the challenges with the commitment and efforts of our experienced management and the implementation of a series of cost control measures and the re-packaging of our media portfolio, to enhance our competitiveness and increase occupancies.

### Mainland China

We continued to strengthen the sales force with a series of training and enhanced efficiency programmes. In addition, our emphasis on incentives for staff has proven to be invaluable in driving up sales while maintaining overheads at reasonable levels.

Apart from strengthening the team, we are committed to broadening the customer portfolio with the servicing of new customers. As the market is on its way to recovery, we anticipated an increasing trend of advertising spending among consumer electrical product and cosmetic product, on top of our well-established customer base, such as telecommunication and food and beverage. To further enhance our competitive edge and strengthen our client base, we also provide flexible and tactical nationwide packages to clients, hand-in-hand with effective advertising plans and innovative advertising solutions.

此項策略性步署實為我們增強戶外廣告媒體網絡業務組合踏上重要的一步，在交通工具範疇以外發展更多元化的戶外媒體模式，進一步鞏固我們在中國內地市場的位置。

### 業務回顧

儘管二零零三年營商環境非常艱辛，憑藉經驗豐富的管理層的承擔及努力，及實施一系列成本控制措施，我們終能克服所有衝擊，並重新包裝其媒體網絡組合，以提高競爭力及增加市場佔有率。

### 中國

我們提供一系列訓練及效率提升課程，繼續強化銷售隊伍。此外，在經營開支上維持在合理水平的情況下，我們對獎勵員工的重視，實為銷售額上升的寶貴推動力。

除強化隊伍外，我們亦致力為新客戶服務以擴闊客戶組合。由於市場正在復甦，在我們已成功建立的客戶群，如電訊行業、食物及飲料行業外，我們預期電器產品及化妝品的廣告開支將呈上升趨勢。為進一步提高我們的競爭力及穩固客戶基礎，我們亦為客戶提供靈活及具全面策略的配套服務，其兼具有效的廣告計劃及富創意的廣告服務。



“MPI provides excellent service by designing customised solution from clients’ perspective with outstanding planning and innovative ideas.”  
「媒體伯樂服務到位，能從客戶角度出發提出度身的針對性服務方案，策劃能力強，創意獨到。」

— Guangzhou Postal Services  
廣州市郵政局

## Hong Kong

We have cautiously reviewed expiring and less profitable site rental contracts in Hong Kong, and have managed to reduce certain fixed site rentals. We also managed to maintain staff costs at a competitive level while strengthening the sales team and working hard to lower other operating expenses. With these measures in place, we aim to improve our return from Hong Kong operation.

## Corporate Achievements

In view of our's efforts to maintain transparency and good corporate governance, we were very pleased to receive the Best Corporate Governance Disclosure Awards in 2003, organised by the Hong Kong Society of Accountants. We are the first GEM listed company to achieve this honour.

## Outlook

With improving market sentiment, the outdoor advertising industry has been picking up ever since in the second half of the year. The expected 7-8% growth in GDP in 2004, Beijing's role as host to the 2008 Olympic Games, and Shanghai's hosting of the 2004 Formula One Grand Prix and the 2010

## 香港

我們審慎回顧已到期及利潤較低之香港廣告位租約，並已調低若干廣告位固定租金。我們亦將員工成本維持在具競爭力的水平，同時強化銷售隊伍及努力降低其他經營開支。我們致力採取此等措施改善香港業務的收入。

## 公司成就

由於我們對保持透明度及維持良好企業管治不遺餘力，我們於香港會計師公會舉辦的二零零三年度最佳公司管治資料披露大獎中獲獎。我們為首間獲得此項殊榮的創業板上市公司。

## 展望

隨著市場氣氛轉好，戶外廣告行業於本年度下半年以後持續向好。二零零四年中國國民生產總值預期有7%至8%的增長、北京作為二零零八年奧運會主辦城市、上海主辦二零零四年格蘭披治一級方程式大賽以及二零一



"MPI is an expert of outdoor advertising in professional manner. I have great confidence in recommending the service of MPI to anyone."

「媒體伯樂乃戶外廣告的專家。本人極力推介媒體伯樂予各企業。」

— Media Asia Distribution (HK) Ltd.  
寰亞電影發行（香港）有限公司





World Expo, are all creating strong growth potential for the outdoor advertising business. With widespread experience and strong foothold in the outdoor advertising industry in both the Mainland China and Hong Kong, we are aiming to excel ourselves in the years to come.

### **Mainland China**

Our main growth driver remains within the transport sector in Mainland China. Securing advertising rights in metro systems will continue to be our first priority. We expects to finalise terms for the advertising rights to the Nanjing metro system in 2004. We will continue to evaluate and secure further exclusive advertising rights to metro system in major cities.

In view of our solid foundations and extensive bus advertising network dominating and covering major cities in Mainland China together with our strengthened sales force and the implementation of an effective re-engineering programme last year, we are committed to improving utilisation of media spaces in the future.

To broaden our customer base and extend our client network overseas, we continue to seek strategic alliances with leading overseas outdoor advertising operators to become their preferred outdoor advertising agency in Mainland China. In turn, this will also facilitate our overseas media placements, extending our comprehensive services to our clients in Mainland China and Hong Kong.

### **Hong Kong**

As most of the less profitable site contracts have expired, coupled with the opportunities brought about by the improving Hong Kong

零年世界博覽會，均為戶外廣告業務帶來巨大的增長潛力。憑藉我們於中國內地及香港戶外廣告行業的豐富經驗及穩固地位，我們期望能在來年再創佳績。

### **中國內地**

交通工具範疇的廣告業務乃我們於中國內地的主要增長推動力。爭取地鐵系統的媒體使用權將為我們的首要任務。我們期望於二零零四年能落實於南京地鐵綫之廣告使用權最終條款。我們將繼續發掘及爭取多個主要城市獨家的地鐵媒體使用權。

憑藉我們的穩健根基及擁有覆蓋中國內地主要城市的全面巴士廣告網絡，加上於去年強化的銷售隊伍以及實行有效的重整計劃，我們未來將致力提升媒體登掛率。

為了加強我們之客戶群及伸延我們海外客戶網絡，我們將繼續與海外具領導地位的戶外廣告商組成策略聯盟，讓我們成為它們在中國內地的優先戶外廣告代理商。另外，此舉亦有助我們在海外媒體登掛廣告，可向我們中國內地及香港客戶提供全面的海外戶外廣告服務。

### **香港**

由於大部份利潤較低的廣告位租約經已屆滿，加上香港經濟好轉所帶來的機遇，我們



“MPI provides comprehensive services, helping us to have neon signs standing along the Victoria Harbour. We have great confidence in recommending the service of MPI to anyone.”  
「媒體伯樂提供全面服務，令我司成功於維港兩岸樹立霓虹燈廣告。我司十分滿意媒體伯樂之服務，並誠意推介媒體伯樂予各廣告商戶。」

— **Foshan Hai Tian Food Co. Ltd.**  
佛山市海天調味食品有限公司

economy, we expect the performance of Hong Kong operations to further improve. In addition, the introduction of CEPA and the influx of tourists is also likely to increase the Hong Kong business as witnessed by the continued growth in demand for advertising on the Airport Express Line. In the meantime, we are cautiously seeking further prime advertising sites with potentially better margin which will bring in more returns for us.

Anticipating a better future ahead, we will be marketing more comprehensive advertising solutions covering a diversity of media formats to satisfy the advertising communication needs of our clients. This will not only boost our position in the outdoor advertising industry, but will also allow us to expand our nationwide outdoor advertising media network in Mainland China and Hong Kong.

## Appreciation

I would like to express my sincere thanks to all of our shareholders, customers and business partners for their continuing and loyal support throughout the year. I also wish to take this opportunity to thank our hardworking and committed staff for their dedication and contribution last year.

**Winnie To**

*Chief Executive Officer*

*Hong Kong, 17 March 2004*

預期香港方面的業務表現將可進一步改善。此外，機場快綫廣告的需求持續上升，反映《更緊密經貿關係的安排》及大量旅客訪港對我們業務亦帶有刺激作用。現時，我們正審慎地進一步物色利潤潛力較佳的黃金地段廣告位，以為我們帶來較多收入。

預期未來前景樂觀，我們將推出更全面的廣告服務，覆蓋更多元化的媒體模式，以滿足客戶對廣告的需要。此舉不僅能提升我們於戶外廣告行業的領導地位，同時讓我們能延展其於中國內地及香港的全國戶外廣告媒體網絡。

## 致謝

本人謹此對本集團的股東、客戶及業務夥伴對我們一貫鼎力支持致以由衷感謝。此外我亦希望藉此機會感激各員工去年竭盡所能及對本集團所作出的貢獻。

**杜碧珊**

*行政總裁*

*香港，二零零四年三月十七日*

"I believe MPI is a professional outdoor advertising agency and I have great confidence in recommending the service of MPI to companies seeking for a reliable outdoor advertising agency."

「我們深信媒體伯樂乃專業戶外廣告代理，本人誠意推介媒體伯樂予各正在物色可靠的戶外廣告代理的公司。」

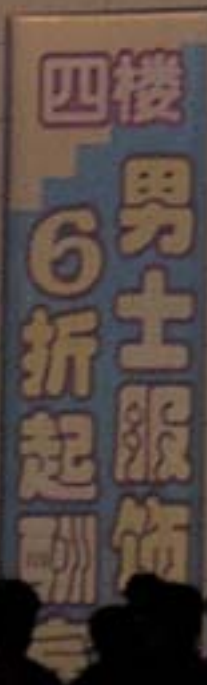
— *The Garden Company Limited*  
嘉頓有限公司



# CUSTOMISED ONE-STOP TOTAL SOLUTIONS

度身設計  
一站式全面服務

PROVIDING COMPREHENSIVE  
CROSS-CITY ADVERTISING MEDIA  
PACKAGES UNDER ONE ROOF  
一站提供跨城市全面廣告媒體組合





的 Midea<sup>®</sup> 空调

二樓三樓

女士服飾  
7折起酬賓

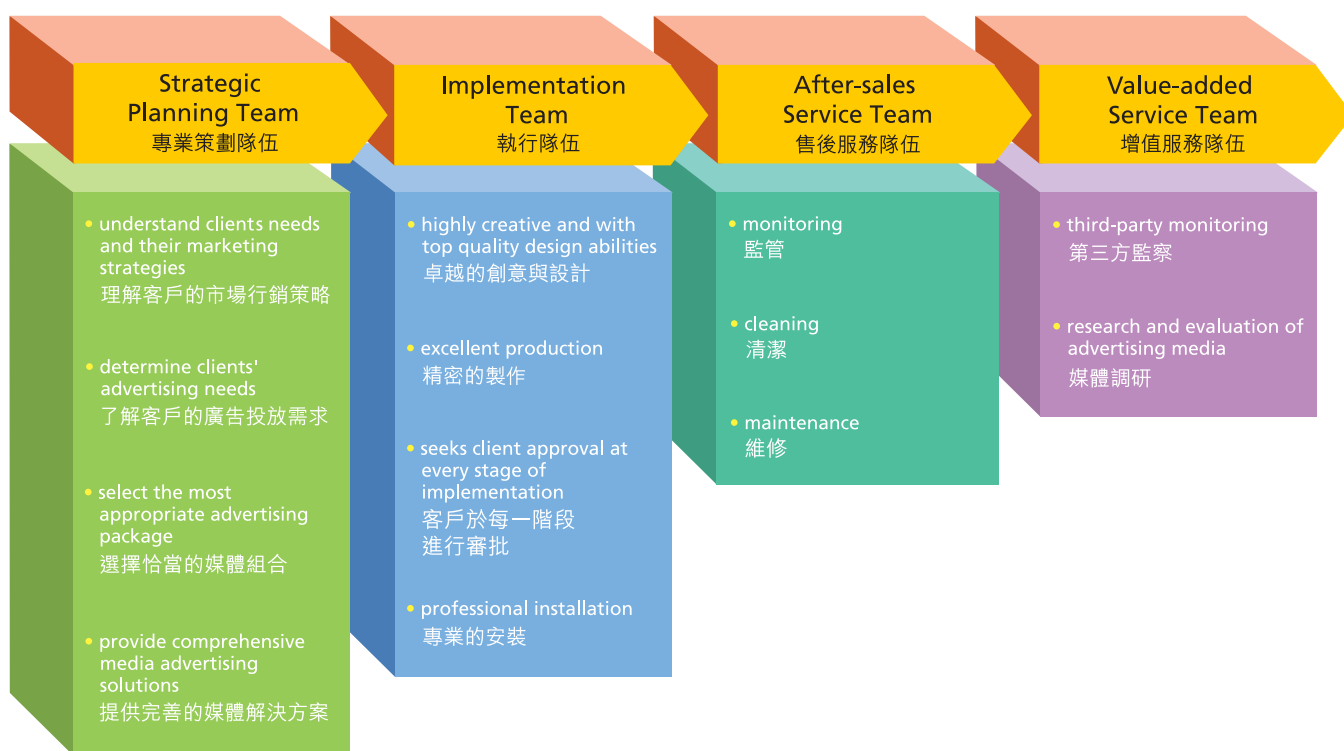
一樓

化妝品女鞋  
夏季新品上

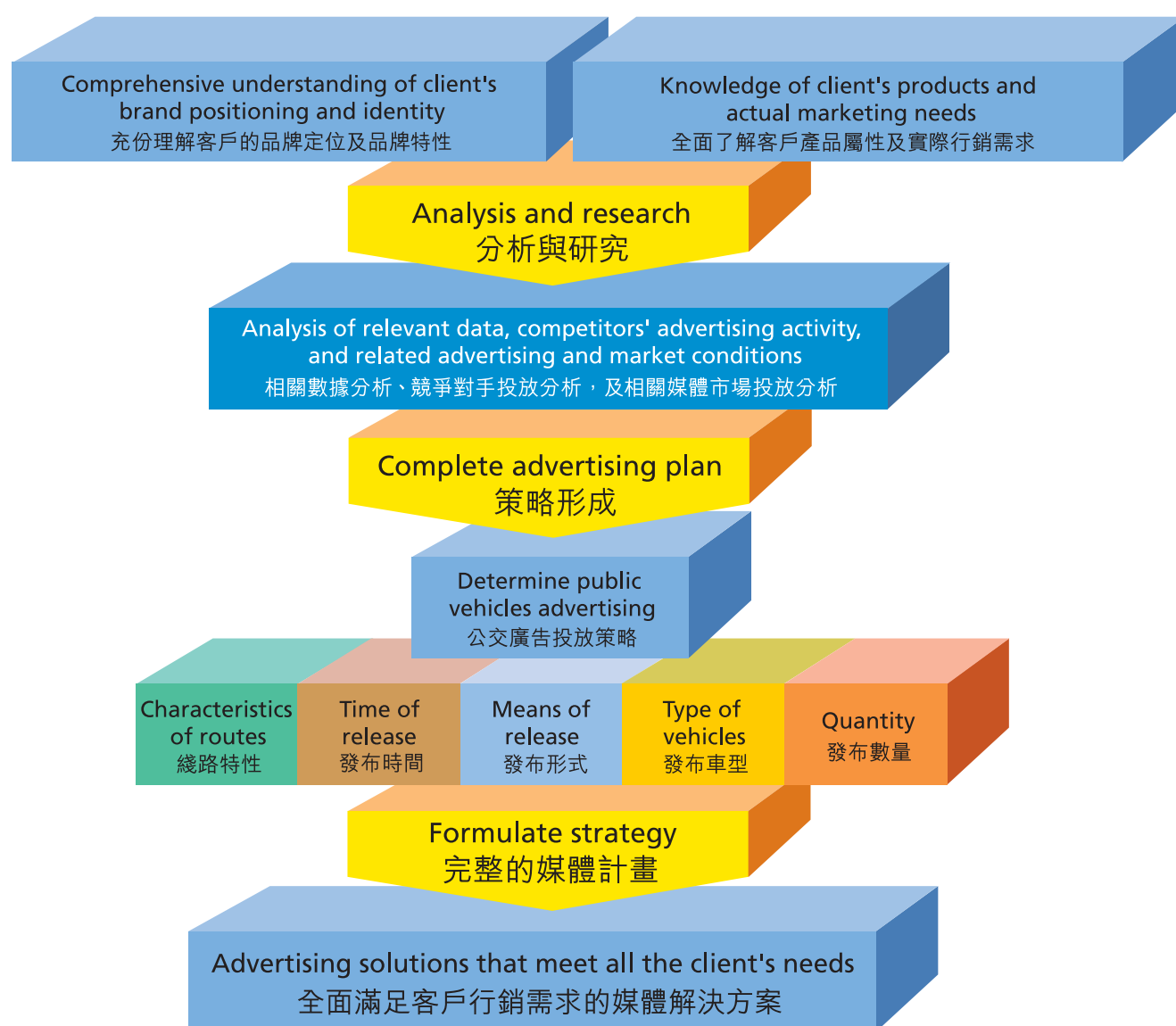
# ONE-STOP TOTAL SOLUTIONS 一站式全面服務

Quality outdoor advertising solutions and a complete package of professional services

## 'One-stop' Solutions Concept 一站式全面服務新概念



## The execution and flow of bus media advertising strategy 公交媒體投放策略形式流程





# ... WITH UNPARALLELED GEOGRAPHICAL NETWORK

## 完善地利網絡

### Types of Media 媒體類別

### Location 位置

### Advertising Spaces 廣告位置數目



### TRANSPORT 交通工具

Bus Bodies  
巴士車身

Mainland China  
中國內地

over  
逾 16,200

Metro Systems

Mainland China  
and Hong Kong  
中國內地及香港

over  
逾 35,300

Taxis  
的士

Hong Kong  
香港

over  
逾 1,000



### BILLBOARDS & STREET FURNITURE 廣告牌及街道設施

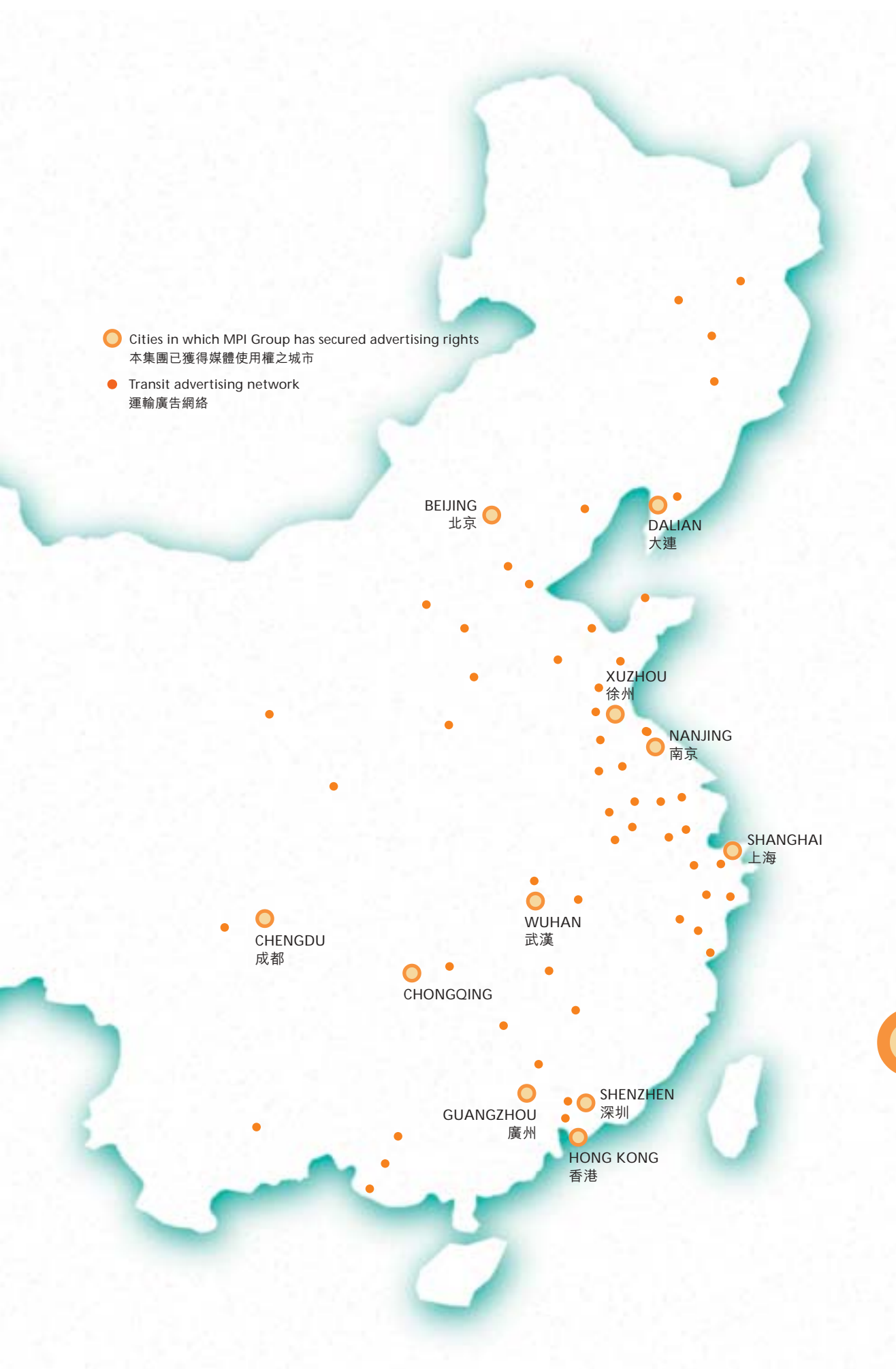
Billboards &  
Street Furniture

Mainland China and  
Hong Kong  
中國內地及香港

over  
逾 2,500

TOTAL  
總數

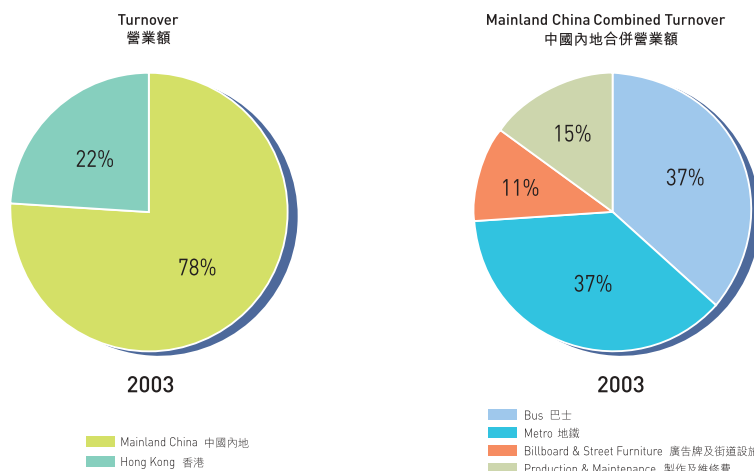
over  
逾 55,000



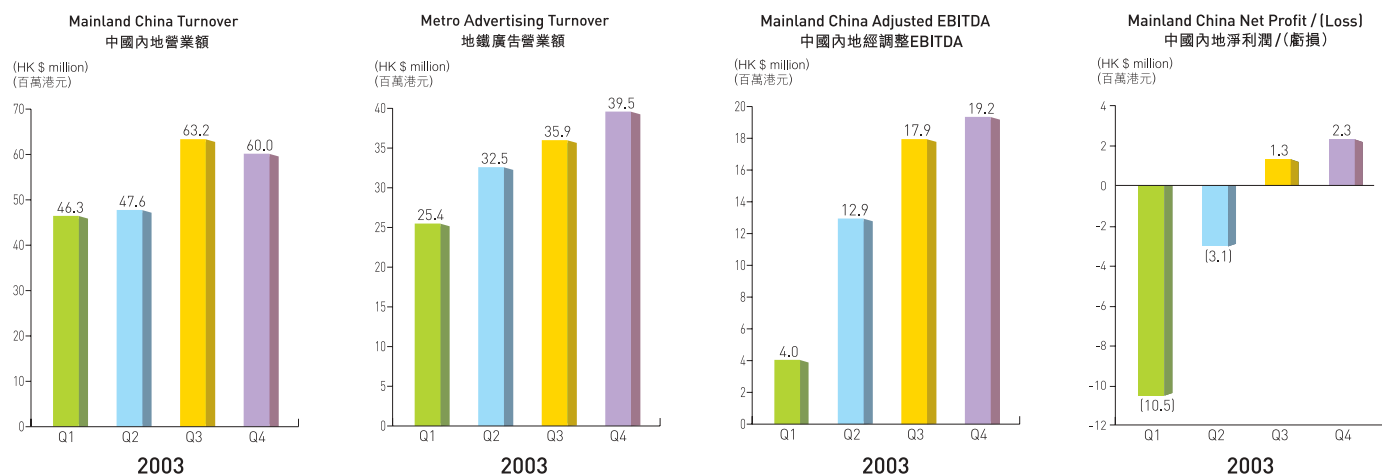
# FINANCIAL HIGHLIGHTS

## 財務摘要

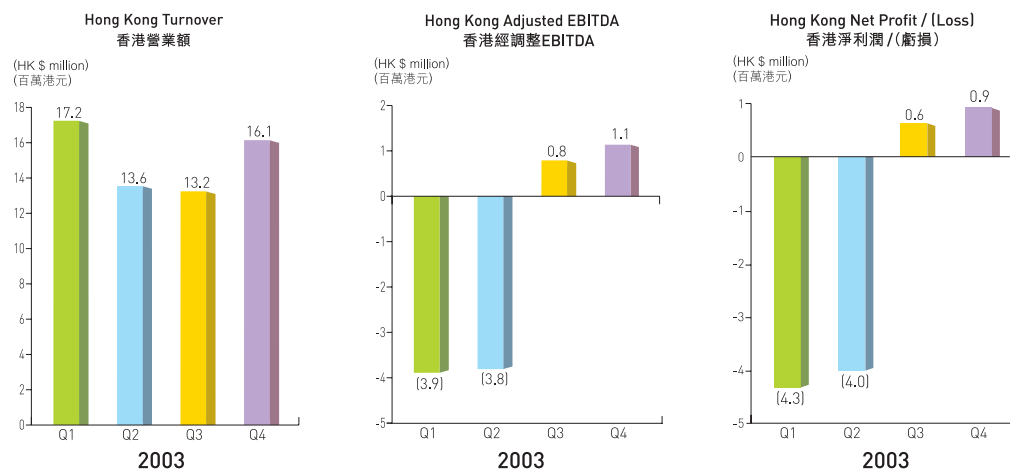
### Turnover 營業額分佈



### Mainland China 中國內地



### Hong Kong 香港





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

	For the three months ended 截至三個月止				For the year ended 截至年度止	
	31 Mar 03 零三年三月三十一日	30 Jun 03 零三年六月三十日	30 Sep 03 零三年九月三十日	31 Dec 03 零三年十二月三十一日	31 Dec 03 零三年十二月三十一日	31 Dec 02 零二年十二月三十一日
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Mainland China 中國內地</b>						
Turnover 營業額	46,314	47,588	63,208	60,033	217,143	218,903
EBITDA <sup>1</sup>	2,457	8,072	13,729	15,060	39,318	54,373
Adjusted EBITDA <sup>2</sup> 經調整之 EBITDA	4,037	12,852	17,896	19,228	54,013	67,362
Profit/(loss) attributable to Shareholders 股東應佔溢利／(虧損)	(10,531)	(3,054)	1,313	2,309	(9,963)	11,932
<b>Hong Kong 香港</b>						
Turnover 營業額	17,227	13,561	13,166	16,108	60,062	71,901
EBITDA	(3,983)	(3,919)	276	251	(7,375)	(36,184)
Adjusted EBITDA 經調整之 EBITDA	(3,850)	(3,827)	841	1,102	(5,734)	(34,238)
Profit/(loss) attributable to Shareholders 股東應佔溢利／(虧損)	(4,281)	(3,965)	629	872	(6,745)	(35,620)
<b>Unallocated 不劃分</b>						
Turnover 營業額	-	-	-	-	-	-
EBITDA	(809)	(1,059)	(985)	(1,127)	(3,980)	(4,175)
Adjusted EBITDA 經調整之 EBITDA	(809)	(1,059)	(985)	(1,127)	(3,980)	(4,175)
Profit/(loss) attributable to Shareholders 股東應佔溢利／(虧損)	(1,071)	(1,347)	(1,253)	(1,395)	(5,066)	(6,253)
<b>Total 合計</b>						
Turnover 營業額	63,541	61,149	76,374	76,141	277,205	290,804
EBITDA	(2,335)	3,094	13,020	14,184	27,963	14,014
Adjusted EBITDA 經調整之 EBITDA	(622)	7,966	17,752	19,203	44,299	28,949
Profit/(loss) attributable to Shareholders 股東應佔溢利／(虧損)	(15,883)	(8,366)	689	1,786	(21,774)	(29,941)

Notes:

附註:

1. EBITDA is defined as earnings before interest expenses, tax, depreciation and amortisation.  
EBITDA 指未計利息支出、稅項、折舊及攤銷前盈利。

2. Adjusted EBITDA is defined as earnings before interest expenses, tax, depreciation and amortisation, minority interests and including the Group's share of profits of jointly controlled entities and associates.  
經調整 EBITDA 指未計利息支出、稅項、折舊、攤銷及少數股東權益前盈利，及包括本集團共同控制實體及聯營公司的分佔溢利。

## Financial Review

### Business Environment

The global economy and overall business environment was seriously hit by the outbreak of SARS in 2003. The Group's advertising business in the first half of 2003, in particular for those newly acquired media in Beijing and Guangzhou, was inevitably affected by the unfavourable market conditions. However, with the successful containment of SARS and the improving market sentiment in the second half of 2003, the Group's Mainland China operations, Hong Kong operations as well as the overall results reverted to a profit in the second half of 2003.

### Turnover

The Group's turnover for the year ended 31 December 2003 amounted to HK\$277.2 million, representing a drop of 5% compared with 2002. The drop was mainly due to the adverse impact brought by the outbreak of SARS in the first half of 2003. The Group's turnover in the second quarter fell to the year's lowest at HK\$61.1 million. Following the containment of SARS and improved market sentiment, the Group's turnover for the post-SARS third quarter increased by 25% compared with the second quarter of 2003. Whilst the turnover for the fourth quarter was maintained at the same level as for the third quarter and amounted to HK\$76.1 million, more revenue was generated from the Group's higher profit margin own media and, as a result, the Group's gross profit increased by 11% and the net profit increased by 159% in the fourth quarter as compared with the third quarter.

The Mainland China operations continued to be the focus of the Group and the turnover from the Mainland China operations for 2003 accounted for 78% of the Group's turnover (2002: 75%).

## 財務回顧

### 營商環境

於二零零三年，環球經濟及整體營商環境受到非典型肺炎所帶來的嚴重打擊。本集團的廣告業務於二零零三年上半年無可避免受到不利的市場環境影響，尤以新收購於北京及廣州之媒體為甚。然而，至二零零三年下半年，當非典型肺炎成功受到控制及市場氣氛開始好轉，本集團的中國內地業務、香港業務以及整體業績得以在下半年恢復盈利。

### 營業額

本集團截至二零零三年十二月三十一日止年度之營業額為277,200,000港元，較二零零二年下跌5%，主要受到二零零三年上半年爆發非典型肺炎之負面影響所致。本集團第二季度之營業額跌至年內谷底之61,100,000港元。隨著非典型肺炎疫情受到控制及市場氣氛改善，本集團於非典型肺炎疫情過後之第三季度營業額較二零零三年第二季度增加25%。儘管第四季度營業額維持於第三季度之水平，為76,100,000港元，但其中較大部分收入乃來自邊際利潤較高之本集團自置媒體，因此，本集團第四季度之毛利率較第三季度增長11%，純利則增加159%。

中國內地業務繼續成為本集團之重點發展，而二零零三年中國內地業務之營業額佔本集團營業額78%（二零零二年：75%）。

Combined turnover of the Group, including the turnover of the three jointly controlled entities (Shanghai Metro JV, Guangzhou Metro JV and Shanghai Zhongle) and the associate (POAD), for the year ended 31 December 2003 amounted to HK\$519.2 million and represented an increase of 9% compared with 2002.

Advertising on bus bodies and in metro systems for the year ended 31 December 2003 together represented 55% of the combined turnover, which is slightly less than the 58% for 2002. This is because the Group's revenues from billboard and street furniture media has increased to 33% (2002: 31%) as a result of the Group's strategic alliance with STA to expand the billboard outdoor advertising business in Shanghai and the increase of production revenue from the Group's newly established production joint venture.

### Gross profit and gross margin

Gross profit, being turnover less direct costs, site rentals and amortisation of advertising rights, of the Group amounted to HK\$41.9 million in 2003 (2002: HK\$30.3 million). In the fourth quarter of 2003, the gross profit from the Mainland China operations was HK\$16.0 million, increased by 12% compared with the third quarter. The increase was achieved as more revenue was generated from the Group's higher profit margin own media. Gross profit from the Hong Kong operations in the fourth quarter of 2003 was HK\$1.8 million, and was slightly higher than the HK\$1.7 million for the third quarter. The increase was mainly due to an increase of 22% in turnover in the fourth quarter compared with the third quarter.

The gross margin of the Mainland China operations in the fourth quarter of 2003 was 27%, higher than the gross margin of 26% in 2002. The gross margin of the Hong Kong operations reverted to a positive 12% in the second half of 2003 as compared with a negative gross margin in the first half of 2003 and in 2002.

### Other revenue and other net income

Other revenue and other net income included mainly bank interest income, incentives from the Nanjing government and consultancy service income. The decrease of HK\$2.0 million in other revenue was mainly due to compensation income received in 2002 from a customer for early termination of contracts, which did not recur in 2003.

連同本集團三間共同控制實體（上海華智、廣州永通及上海中樂）及聯營公司（POAD）之營業額計算，本集團截至二零零三年十二月三十一日止年度之合併營業額為519,200,000港元，較二零零二年增長9%。

截至二零零三年十二月三十一日止年度之巴士車身廣告及地鐵廣告共佔合併營業額之55%，略低於二零零二年之58%，主要由於本集團與上海郁金香廣告有限公司（「上海郁金香」）組成策略聯盟擴展於上海市之廣告牌戶外廣告業務，令廣告牌及街道設施媒體之收入比重增至33%（二零零二年：31%），以及來自本集團新成立之製作合營企業之製作收入增加所致。

### 毛利及毛利率

本集團於二零零三年之毛利（即營業額扣除直接成本、廣告位租金及媒體使用權之攤銷）為41,900,000港元（二零零二年：30,300,000港元）。於二零零三年第四季度中國內地業務之毛利為16,000,000港元，較第三季度上升12%。上升之原因乃較多收入產生自邊際利潤較高之自置媒體。本集團香港業務於二零零三年第四季度之毛利為1,800,000港元，較第三季度之1,700,000港元有輕微上升。上升之主要原因乃第四季度之營業額較第三季度增長22%。

於二零零三年第四季度之中國內地業務毛利率為27%，較二零零二年之26%毛利率為高。香港業務之毛利率由二零零二年及二零零三年上半年之負毛利率改善至二零零三年下半年之正12%。

### 其他收入及其他收益淨額

其他收入及其他收益淨額主要包括銀行利息收入、南京市政府所提供之獎勵津貼，以及顧問服務收益。其他收入減少2,000,000港元，主要原因在於二零零二年一名客戶提前終止合約讓本集團收到一筆補償收益，而二零零三年並無產生有關收益。



## Operating expenses

Site rentals, being the single largest component of the Group's operating expenses, amounted to HK\$102.9 million for the year ended 31 December 2003, increased by 9% compared with 2002. Out of the total site rental, 32% was variable site rental. Other direct costs are mainly variable costs and comprised media buying, business tax and production costs.

Staff costs, including directors' fees, of the Group for the year ended 31 December 2003 amounted to HK\$30.1 million, representing a decrease of 11% compared with 2002. Such decrease was mainly due to a decrease in the number of employees as a result of redundancies in the Hong Kong office and an adjustment made for the over-provision of staff social welfare insurance.

The total number of employees at 31 December 2003 was 269 (2002: 273). The number of employees in Hong Kong decreased by 10 from 30 in December 2002 to 20 in December 2003. The decrease in number of employees in Hong Kong was due to redundancies in the Hong Kong office as a result of the downsizing of the Hong Kong operations. The number of employees in Mainland China increased by 6 from 243 in December 2002 to 249 in December 2003. Most of the new recruits were sales professionals for development of National Key Accounts and new media, including the Beijing Light Rail System which commenced operations this year. As a percentage of turnover, staff costs represented 11% (2002: 12%) of turnover. The percentage for the Mainland China operations was maintained at approximately 11% for both 2003 and 2002 and the percentage for the Hong Kong operations was reduced to approximately 10% for 2003 from 12% for 2002. The average staff cost per employee per month also decreased in 2003.

Depreciation and amortisation for the year ended 31 December 2003 amounted to HK\$41.0 million (2002: HK\$34.8 million). The increase was mainly due to the commencement of amortisation in 2003 for the advertising rights to certain buses in Shanghai secured in 2002 and for the advertising media within the Beijing Light Rail System.

## 經營開支

廣告位租金為本集團最大的經營開支，截至二零零三年十二月三十一日止年度，廣告位租金為102,900,000港元，較二零零二年上升9%。於廣告位租金總額中，其中32%為變動租金。其他直接成本主要為變動成本，包括媒體代理費、營業稅及製作成本。

本集團截至二零零三年十二月三十一日止年度之僱員成本（包括董事袍金）為30,100,000港元，較二零零二年下跌11%。此跌幅主要由於香港辦事處裁減員工造成員工數目減少，以及為員工社會福利保險之超額撥備所作之調整所致。

於二零零三年十二月三十一日，僱員總數為269名（二零零二年：273名）。香港員工從二零零二年十二月的30名減少至二零零三年十二月的20名，人數減少10名。香港員工數目下降主要由於精簡香港業務而導致香港辦事處裁減員工。中國內地員工人數增加6名，由二零零二年十二月的243名增加至二零零三年十二月的249名。大部份新聘任之員工為專注拓展全國之重點客戶及發展新媒體（包括於本年度投入服務的北京城鐵系統）之銷售專才。僱員成本佔本集團營業額約11%（二零零二年：12%）。中國內地業務之有關比例於二零零三年及二零零二年均維持約11%之水平，而香港業務之有關比例則由二零零二年約12%下降至二零零三年約10%。每名員工每月之平均僱員成本於二零零三年則有所下降。

截至二零零三年十二月三十一日止年度之折舊及攤銷為41,000,000港元（二零零二年：34,800,000港元）。上升之主要原因為於二零零三年就二零零二年取得之上海若干巴士之媒體使用權及北京城鐵之廣告媒體開始進行攤銷所致。

Other operating expenses of the Group for the year ended 31 December 2003 amounted to HK\$34.4 million (2002: HK\$29.0 million), including a provision for bad and doubtful debts of HK\$6.3 million (2002: HK\$2.6 million). The provision for bad and doubtful debts for the year ended 31 December 2003 as a percentage to turnover was approximately 2%. Other operating expenses, excluding the provision for bad and doubtful debts for year ended 31 December 2003, amounted to HK\$28.1 million, representing an increase of HK\$1.7 million compared with the year ended 31 December 2002. Higher operating expenses were mainly due to increases in office rentals and marketing expenses.

### Results from operations

Results from operations for the fourth quarter of 2003 amounted to HK\$2.7 million, a further improvement of 19% from the third quarter and an improvement of HK\$9.2 million compared with the second quarter. In comparison with the corresponding quarter of 2002, the results from operations for the fourth quarter of 2003 showed an improvement of HK\$21.1 million. The improvement was partially due to a provision for onerous contracts for the Hong Kong operations made in the fourth quarter of 2002. Excluding such provision in 2002, the results from operations for the fourth quarter of 2003 still showed an improvement of HK\$8.5 million compared with the corresponding quarter of 2002.

Taking into account the Group's attributable share of profits from the jointly controlled entities and the associate, the profit before taxation and interest for the fourth quarter amounted to HK\$10.3 million, a further improvement of 12% from the third quarter and an improvement of HK\$10.5 million compared with the profit before taxation, interest and provision for onerous contracts of the corresponding quarter of 2002.

### Finance costs

Finance costs for the year ended 31 December 2003 increased by HK\$2.5 million to HK\$13.8 million compared with 2002. The increase in finance costs was for the bank loans drawn down by Shanghai MPI. The bank loans are a short term arrangement and upon the increase of registered capital of Shanghai MPI, such bank loans will no longer be required.

截至二零零三年十二月三十一日止年度，本集團之其他經營開支為34,400,000港元。（二零零二年：29,000,000港元），當中包括6,300,000港元之呆壞賬撥備（二零零二年：2,600,000港元）。截至二零零三年十二月三十一日止年度之呆壞賬撥備佔營業額的比例約為2%。撇除呆壞賬撥備後，截至二零零三年十二月三十一日止年度之其他經營開支為28,100,000港元，較截至二零零二年十二月三十一日止年度增加1,700,000港元。經營開支增加主要由於辦公室租金及市場推廣費用增加所致。

### 業務經營表現

於二零零三年第四季度之業務經營表現為2,700,000港元，較第三季度進一步改善19%，及較第二季度有9,200,000港元之改善。相對於二零零二年同期，二零零三年第四季度之業務經營表現有21,100,000港元之改善。經營表現獲得改善，部份原因為集團已於二零零二年第四季度就香港業務之合約承擔虧損作出撥備。撇除於二零零二年作出之有關撥備，二零零三年第四季度之業務經營表現與二零零二年同一季度比較仍有8,500,000港元之改善。

連同本集團分佔共同控制實體及聯營公司之溢利，第四季度之未計利息支出及稅前溢利為10,300,000港元，較第三季度進一步改善12%，及較二零零二年同期之未計利息、合約承擔虧損撥備及稅前溢利有10,500,000港元之改善。

### 融資成本

相對於二零零二年同期，截至二零零三年十二月三十一日止年度之融資成本增加2,500,000港元至13,800,000港元。此增幅主要由於本集團為上海梅迪派勒所借入之銀行貸款所致。該銀行貸款只屬暫時性質，待上海梅迪派勒註冊資本增加後，這項銀行貸款亦隨之取消。

### EBITDA and profit/loss attributable to shareholders

EBITDA and adjusted EBITDA of the Group for the year ended 31 December 2003 were HK\$28.0 million (2002: HK\$14.0 million) and HK\$44.3 million (2002: HK\$28.9 million) respectively. Despite the difficult business environment in the first half of 2003, the Group's full year EBITDA and adjusted EBITDA for the year ended 31 December 2003 still achieved an improvement of HK\$14.0 million and HK\$15.4 million respectively compared with 2002. The improvement was the result of overall improvement in turnover post-SARS and the implementation of cost control measures.

EBITDA and adjusted EBITDA of the Group for the fourth quarter of 2003 were HK\$14.2 million and HK\$19.2 million respectively and represented a further improvement of 9% and 8% respectively compared with the third quarter of 2003 and represented five-fold growth and more than two-fold growth respectively compared with the second quarter of 2003.

The loss attributable to shareholders for the year ended 31 December 2003 amounted to HK\$21.8 million (2002: HK\$29.9 million). The loss was mainly due to the adverse impact brought by the outbreak of SARS in the first half of 2003. The Group's post-SARS recovery enabled the Group's results to revert to an overall quarterly profit in both the third and the fourth quarters of 2003. The Group's profit attributable to shareholders for the fourth quarter of 2003 was HK\$1.8 million, improved by 159% compared with the third quarter of 2003.

## Segment Analysis

### Mainland China operations

The turnover from the Mainland China operations for the year ended 31 December 2003 was maintained at a similar level as for 2002 at HK\$217.1 million (2002: HK\$218.9 million). The Group's turnover in the first half of 2003 was significantly affected by the outbreak of SARS. The Group's turnover from its Mainland China operations in the first half of 2003 dropped by 10% compared with the first half of 2002. To cope with the difficult business environment during the outbreak of the SARS, the Group realigned and restructured its sales force and strengthened its sales force to develop the key accounts. As a result, in the post-SARS third quarter of 2003, turnover from the Mainland China operations increased by 33% compared with

### EBITDA 及股東應佔溢利／虧損

截至二零零三年十二月三十一日止年度，本集團之EBITDA及經調整EBITDA分別為28,000,000港元（二零零二年：14,000,000港元）及44,300,000港元，（二零零二年：28,900,000港元）。儘管二零零三年上半年之營商環境艱難，但本集團截至二零零三年十二月三十一日止年度之EBITDA及經調整EBITDA仍較二零零二年分別上升14,000,000港元及15,400,000港元。此升幅主要由於營業額在非典型肺炎疫情過後整體獲得改善及實施成本控制措施所致。

本集團於二零零三年第四季度之EBITDA及經調整EBITDA分別為14,200,000港元及19,200,000港元，相對二零零三年第三季度分別錄得約9%及8%進一步之增長，及相對二零零三年第二季度分別錄得約五倍及超過兩倍之增長。

截至二零零三年十二月三十一日止年度之股東應佔虧損為21,800,000港元（二零零二年：29,900,000港元）。此虧損主要由於二零零三年上半年爆發非典型肺炎所致。本集團於非典型肺炎疫情過後使其業績轉虧為盈，於二零零三年第三及第四季度達致整體季度溢利之水平。本集團於二零零三年第四季度之股東應佔溢利為1,800,000港元，較二零零三年第三季度上升159%。

## 業務分析

### 中國內地業務

截至二零零三年十二月三十一日止年度中國內地業務之營業額與二零零二年度保持相若水平，為217,100,000港元（二零零二年：218,900,000港元）。本集團於二零零三年上半年之營業額因爆發非典型肺炎而受到嚴重衝擊。本集團之中國內地業務於二零零三年上半年之營業額較二零零二年上半年下跌10%。為了在非典型肺炎肆虐期間從艱難之營商環境下突圍而出，本集團重整及重組其銷售隊伍，並加強其銷售隊伍之實力，藉以拓展重點客戶。因此，於二零零三年第三季度非典型肺炎疫情過後，中國內地業務之營



the second quarter of 2003. Though the turnover from the Mainland China operations for the third quarter and the fourth quarter of 2003 were about the same, as more revenue was generated from the Group's higher profit margin own media, the gross profit from the Mainland China operations increased by 12% and the net profit increased by 76% in the fourth quarter as compared with the third quarter.

Combined turnover, including the turnover of the two metro joint ventures and the production joint venture, for the year ended 31 December 2003 amounted HK\$369.7 million (2002: HK\$337.7 million). Combined turnover for the fourth quarter of 2003 amounted to HK\$104.5 million which was maintained at a similar level as for the third quarter of 2003 and the corresponding quarter of 2002. Of the combined turnover for the year ended 31 December 2003, advertising on bus bodies and metro systems, in aggregate, accounted for 74% (2002: 79%) and advertising on billboards accounted for 7% (2002: 3%).

### **Bus advertising**

Turnover from bus advertising for the year ended 31 December 2003 amounted to HK\$135.7 million, representing a decrease of 9% compared with 2002. The decrease was due to the effect of SARS in the first half of 2003 when services of certain air-conditioned buses were suspended. Post-SARS, turnover of the Group's bus advertising business has improved. Turnover from bus advertising for the third quarter and the fourth quarter amounted to HK\$38.7 million and HK\$40.8 million respectively, representing increases of 37% and 45% respectively compared with the second quarter of 2003 and an increase of 14% and 3% respectively compared with the corresponding quarters of 2002.

The Group's operating profit from the Mainland China operations, which was mainly from the bus advertising business, reverted to a profit of HK\$3.2 million for the third quarter of 2003 and HK\$3.8 million for the fourth quarter. The operating profits from the Mainland China operations for the third quarter and the fourth quarter represented improvements of HK\$4.7 million and HK\$5.3 million respectively compared with the second quarter of 2003 and represented improvements of 47% and 9% respectively compared with the corresponding quarters of 2002.

業額較二零零三年第二季度上升 33%。雖然中國內地業務於二零零三年第三及第四季度之營業額大致相若，由於較多收益來自本集團旗下邊際利潤較高之自置媒體，故中國內地業務於第四季度之毛利及純利分別較第三季度上升 12% 及 76%。

截至二零零三年十二月三十一日止年度之合併營業額（包括兩間地鐵合營企業及一間製作合營企業）為 369,700,000 港元（二零零二年：337,700,000 港元）。於二零零三年第四季度之合併營業額則為 104,500,000 港元，與二零零三年第三季度及二零零二年同期保持相若水平。在截至二零零三年十二月三十一日止年度之合併營業額中，巴士車身廣告及地鐵廣告共佔合併營業額之 74%（二零零二年：79%），而廣告牌廣告則佔合併營業額之 7%（二零零二年：3%）。

### **巴士廣告**

截至二零零三年十二月三十一日止年度巴士廣告之營業額為 135,700,000 港元，較二零零二年下跌 9%。此跌幅主要由於二零零三年上半年爆發非典型肺炎令部份空調巴士暫停服務所致。於非典型肺炎疫情過後，本集團之巴士廣告業務之營業額已見改善。巴士廣告於第三及第四季度之營業額分別為 38,700,000 港元及 40,800,000 港元，較二零零三年第二季度分別上升 37% 及 45%，相對二零零二年同期亦分別上升 14% 及 3%。

本集團中國內地業務之經營溢利主要來自巴士廣告業務，於二零零三年第三及第四季度分別轉虧為盈至 3,200,000 港元及 3,800,000 港元。相對二零零三年第二季度，中國內地業務於第三及第四季度之經營溢利分別有 4,700,000 港元及 5,300,000 港元之改善，並分別較二零零二年同期有 47% 及 9% 之改善。

### **Metro advertising**

Metro advertising was least affected by SARS. Turnover from the two metro joint ventures continued to grow quarter to quarter in 2003 as well as in comparison with 2002. Turnover from the two metro joint ventures for the year ended 31 December 2003 amounted to HK\$133.2 million (2002: HK\$117.5 million), representing an increase of 13%. Turnover from the two metro joint ventures for the fourth quarter of 2003 amounted to HK\$39.5 million which represented an increase of 10% compared with HK\$35.9 million for the third quarter of 2003. The Group's advertising income from the Beijing Light Rail System in the fourth quarter also increased by approximately 65% comparing with the second quarter.

The Group's share of profits from the two metro joint ventures for the year ended 31 December 2003 amounted to HK\$20.1 million, an increase of 27% compared with HK\$15.8 million for 2002. The share of profits from these two metro joint ventures for the fourth quarter amounted to HK\$6.4 million which represented a further growth of 4% compared with the third quarter of 2003 and represented an increase of 32% compared with the corresponding quarter of 2002.

### **Billboard advertising**

Turnover from billboards for the year ended 31 December 2003 amounted to HK\$26.0 million (2002: HK\$9.3 million), an increase of HK\$16.7 million. The increase was principally as a result of the Group's alliance with STA, a major outdoor advertising operator in the billboard sector in Shanghai. The strategic alliance with STA does not only demonstrate the Group's commitment to enriching its media portfolio and strengthening its presence outside its extensive transport media network in Shanghai, but also provides a more comprehensive outdoor advertising media package for the Group's clients. This diversification into other outdoor media formats beyond the transport sector will both expand the clientele of the two companies and maximize synergies.

### **Operating expenses**

Staff costs for the Mainland China operations for the year ended 31 December 2003 amounted to HK\$23.1 million and were maintained at the same level as for 2002.

### **地鐵廣告**

地鐵廣告乃受非典型肺炎影響最少之業務。對比二零零二年，兩間地鐵合營企業之營業額每季持續增長。兩間地鐵合營企業於截至二零零三年十二月三十一日止年度之營業額為133,200,000 港元（二零零二年：117,500,000 港元），升幅為13%。兩間地鐵合營企業於二零零三年第四季度之營業額為39,500,000 港元，較二零零三年第三季度之35,900,000 港元上升10%。本集團於第四季度來自北京城鐵之廣告收入亦較第二季度上升約65%。

截至二零零三年十二月三十一日止年度，本集團分佔該兩間地鐵合營企業之溢利為20,100,000 港元，較二零零二年之15,800,000 港元上升27%。第四季度分佔該兩間地鐵合營企業溢利為6,400,000 港元，較二零零三年第三季度進一步增長4%，並較二零零二年同季上升32%。

### **廣告牌廣告**

截至二零零三年十二月三十一日止年度，廣告牌業務之營業額為26,000,000 港元（二零零二年：9,300,000 港元），增加16,700,000 港元。該升幅主要來自本集團與一間上海主要戶外廣告牌營運商—上海郁金香進行合作聯盟。此項與上海郁金香達成之策略聯盟不單顯示本集團對加強其媒體網絡組合之決心和鞏固其於上海龐大交通媒體網絡以外之媒體覆蓋，亦能為客戶提供一個更全面之戶外廣告配套服務。除交通範疇以外，本集團將業務多元化發展至其他戶外媒體模式，以擴大兩間公司之客戶基礎及加強雙方之協同效益。

### **經營開支**

截至二零零三年十二月三十一日止年度，中國內地業務之僱員成本為23,100,000 港元，與二零零二年同期之僱員成本維持同一水平。

Other operating expenses for the year ended 31 December 2003 amounted to HK\$29.1 million, including a provision for bad and doubtful debts of HK\$5.9 million. Other operating expenses, excluding the provision for bad and doubtful debts for the year ended 31 December 2003, increased by HK\$3.4 million compared with the year of 2002. Higher operating expenses were mainly due to increases in office rental and marketing expenses. Other operating expenses, excluding the provision for bad and doubtful debts for the fourth quarter of 2003, were maintained at the same level as for the third quarter of 2003 and represented a decrease of 14% compared with the first quarter of 2003. The decrease was mainly a result of the adoption of cost control measurements.

### **EBITDA, adjusted EBITDA and Net Profits**

With the implementation of cost control measures by the Group and containment of SARS, the Group's Mainland China operations reverted to net profits for both the third quarter and the fourth quarter which amounted to HK\$1.3 million and HK\$2.3 million respectively, and represented significant improvements compared with a net loss of HK\$3.1 million for the second quarter and a net loss of HK\$10.5 million for the first quarter of 2003.

EBITDA and adjusted EBITDA for the fourth quarter were HK\$15.1 million and HK\$19.2 million respectively, representing an increase of 10% and 7% respectively compared with the third quarter of 2003, and represented an increase of 27% and 23% respectively compared with the corresponding quarter of 2002.

### **Hong Kong operations**

Turnover from the Hong Kong operations for the year ended 31 December 2003 amounted to HK\$60.1 million, a decrease of 16% compared with the year of 2002. The decrease was mainly due to the outbreak of SARS and a decreasing number of media spaces upon expiry of certain site rental contracts. Turnover from the Hong Kong operations for the fourth quarter of 2003 amounted to HK\$16.1 million, an increase of 22% compared with the third quarter of 2003. The increase was due to the overall improvement in turnover after SARS.

The Hong Kong operations achieved a net profit of HK\$0.9 million in the fourth quarter of 2003, representing an improvement of 39% compared with HK\$0.6 million for the third quarter and an improvement of HK\$20.3 million compared with the corresponding quarter of 2002. This was the result of expiry of

截至二零零三年十二月三十一日止年度之其他經營開支為 29,100,000 港元，當中包括 5,900,000 港元之呆壞賬撥備。撇除截至二零零三年十二月三十一日止年度之呆壞賬撥備後，其他經營開支較二零零二年上升 3,400,000 港元。經營開支增加主要由於辦公室租金支出增加及市場推廣費用上升所致。撇除二零零三年第四季度之呆壞賬撥備後，其他經營開支與二零零三年第三季度維持同一水平，較二零零三年第一季度下跌 14%，其跌幅主要是因為實行了成本控制措施所致。

### **EBITDA、經調整 EBITDA 及純利**

隨著本集團採取成本控制措施及非典型肺炎疫情成功受到控制，本集團之中國內地業務於第三及第四季度轉虧為盈，分別錄得純利 1,300,000 港元及 2,300,000 港元，相對二零零三年第二季度之 3,100,000 港元淨額虧損及二零零三年第一季度之 10,500,000 港元淨額虧損已錄得顯著改善。

第四季度之 EBITDA 及經調整 EBITDA 分別為 15,100,000 港元及 19,200,000 港元，較二零零三年第三季度分別上升 10% 及 7%，並較二零零二年同季分別上升 27% 及 23%。

### **香港業務**

截至二零零三年十二月三十一日止年度香港業務之營業額為 60,100,000 港元，較二零零二年下跌 16%。該跌幅主要受到非典型肺炎疫情之影響及部份廣告位租約屆滿而使媒體數目減少。於二零零三年第四季度香港業務之營業額為 16,100,000 港元，較二零零三年第三季度上升 22%，此升幅是由於營業額在非典型肺炎疫情過後整體獲得改善所致。

香港業務於二零零三年第四季度錄得純利 900,000 港元，較第三季度之 600,000 港元上升 39%，並較二零零二年同季有 20,300,000 港元之改善。這主要基於部份錄得利潤較低之廣告位租約屆滿及實施了成本控制措施



certain less-profitable site rental contracts and the implementation of cost reduction measures, including redundancies carried out in the Hong Kong office during the second quarter. The number of employees in the Hong Kong office was reduced by 33% from 30 employees to 20 employees. Staff costs for the fourth quarter of 2003, therefore, were reduced to HK\$1.1 million, a decrease of 34% compared with the second quarter of 2003.

The Group considers that lower guaranteed payments for advertising sites and overheads has helped it to maintain its competitive edge in Hong Kong and will improve the returns in the future.

(包括於第二季度裁減香港辦事處之員工)所致。香港辦事處之員工數目由30名縮減至20名，下調33%，於二零零三年第四季度之僱員成本亦因而減少至1,100,000港元，較二零零三年第二季度下跌34%。

本集團相信透過降低廣告位之保證租金及經常費用，將有助維持本集團於香港之競爭優勢及提高未來之回報。

## Liquidity and Financial Resources

### 流動資金及財務資源

For the year ended 31 December  
截至十二月三十一日年度止

	2003 二零零三年	2002 二零零二年
	HK\$'000 千港元	HK\$'000 千港元
Cash generated from operations 經營業務所得現金	21,594	21,878
Tax paid 已付稅項	(5,719)	(7,167)
Net cash from operating activities 經營業務所得現金淨額	15,875	14,711
Dividends received from POAD and Shanghai Metro JV 已收 POAD 及上海華智股息	11,443	13,267
Dividends paid to minority shareholders 已付少數股東之股息	(492)	(3,796)
Interest paid net of interest received 已付利息減已收利息	(10,229)	(6,679)
Investment in Group companies and related companies 投資本集團旗下公司及相關公司	597	(2,240)
Acquisition of fixed assets, advertising rights and deposits paid 購置固定資產、媒體使用權及已付按金	(57,124)	(89,115)
Net proceeds raised from listing 上市所得款項淨額	—	213,017
Increase in bank loans 新增銀行貸款	25,249	95,845
Increase in pledged deposits 新增已抵押存款	(5,742)	(118,858)
Net cash (outflow)/inflow from financing and investing activities 融資及投資業務現金(流出)/流入淨額	(36,298)	101,441
Net (decrease)/increase in cash and cash equivalents 現金及等同現金項目之(減少)/增加	(20,423)	116,152
Cash and cash equivalents at 1 January 一月一日之現金及等同現金項目	161,409	45,257
Effect of foreign exchange rate change 匯率變動之影響	(698)	—
Cash and cash equivalents at 31 December 十二月三十一日之現金及等同現金項目	140,288	161,409

The Group continues to be in a healthy financial position. Despite sustaining a loss for the year ended 31 December 2003, principally due to SARS, the Group generated cash of HK\$21.6 million from operations for the year ended 31 December 2003. Cash and bank balances at 31 December 2003 amounted to HK\$140.3 million (2002: HK\$161.4 million). Pledged deposits with banks for banking facilities made available to the Group as at 31 December, 2003 amounted to HK\$202.2 million (2002: HK\$196.4 million). The increase in the pledged deposits of HK\$5.8 million was largely due to an increase in deposits pledged with banks for securing bank loans of HK\$35.8 million (RMB38.0 million) for the strategic alliance with STA. As at 31 December 2003, the Group had bank loans of HK\$257.4 million (2002: HK\$232.2 million) and a Convertible Bond of HK\$85.0 million (2002: HK\$85.0 million) issued to the majority shareholder. The maturity date of the Convertible Bond was 31 December 2004. However, Morningside CyberVentures Holdings Limited, the majority shareholder, has issued a letter to the Company undertaking not to demand repayment of the principal sum of HK\$85.0 million due under the Convertible Bond for a period of 12 months from 31 December 2004.

As at 31 December 2003, the current ratio was 128% with HK\$480.1 million of current assets against HK\$376.0 million of current liabilities. The consolidated net asset value of the Group as at 31 December 2003 was HK\$428.3 million or HK\$0.5 per share.

Additions to fixed assets, mainly for the computer equipment, for the year ended 31 December 2003 amounted to HK\$4.3 million and addition to advertising rights, mainly for the buses in Shanghai and Nanjing, amounted to HK\$71.2 million.

The Group expects that internal reserves and cash flows from future operating activities and its available banking facilities will be sufficient to cover its future business operations.

本集團持續保持健康之財務狀況。縱使非典型肺炎令本集團於截至二零零三年十二月三十一日止年度錄得虧損，但截至二零零三年十二月三十一日止年度從經營所得現金為21,600,000港元。二零零三年十二月三十一日之現金及銀行結餘為140,300,000港元（二零零二年：161,400,000港元）。於二零零三年十二月三十一日，本集團為取得銀行信貸而抵押予銀行之已抵押存款為202,200,000港元（二零零二年：196,400,000港元）。已抵押存款增加5,800,000港元乃主要由於就與上海郁金香進行之策略性聯盟備入銀行信貸35,800,000港元（38,000,000元人民幣）而抵押予銀行之存款增加所致。於二零零三年十二月三十一日，本集團之銀行貸款為257,400,000港元（二零零二年：232,200,000港元）及向主要股東發行之85,000,000港元（二零零二年：85,000,000港元）之可換股債券。可換股債券之到期日為二零零四年十二月三十一日，就此而言，主要股東Morningside CyberVentures Holdings Limited向本公司發出一份函件，承諾不會就二零零四年十二月三十一日起計十二個月內要求償還可換股債券下應付之本金額85,000,000港元。

於二零零三年十二月三十一日，流動比率為128%，即480,100,000港元流動資產與376,000,000港元流動負債之比例。本集團於二零零三年十二月三十一日之綜合資產淨值為428,300,000港元或每股0.5港元。

截至二零零三年十二月三十一日止年度，固定資產添置為4,300,000港元，其中主要為電腦設備，而新增之媒體使用權為71,200,000港元，其中主要為上海及南京之巴士。

本集團預期內部儲備、未來經營業務之現金流量及現有銀行信貸足以應付未來業務所需。

The debt maturity profile of the Group as at 31 December 2003 is analysed as follows:-

本集團於二零零三年十二月三十一日之債務到期日分析如下：-

Type of debt 債務種類	Debt maturity 債務到期日	HK\$ Million 百萬港元	%
Short term bank loans 短期銀行貸款	Repayable within 1 year 須於一年內償還	257.4	75
Convertible Bond 可換股債券	Repayable over 1 year to 3 years 須於一年後至三年內償還	85.0	25
Total 總計：		342.4	100

Out of the total borrowings of HK\$342.4 million, HK\$251.6 million was denominated in Renminbi and HK\$90.8 million was denominated in Hong Kong dollars. Bank loans of HK\$257.4 million as at 31 December 2003, were secured by cash deposits of HK\$199.9 million. Interest rates for bank borrowings denominated in Hong Kong dollars were at 0.75% over the bank's funding rate and interest rates for bank borrowings denominated in Renminbi ranged from 90% of the lending rate of the People's Bank of China ("PBOC") to 105% of the lending rate of the PBOC.

借貸總額為342,400,000港元，當中251,600,000港元以人民幣為單位，而90,800,000港元則以港元為單位。於二零零三年十二月三十一日之銀行貸款為257,400,000港元，以199,900,000港元現金存款作為抵押。以港元為單位之銀行借貸息率按銀行貸款利率加0.75厘計算，而以人民幣為單位之銀行借貸息率則介乎於中國人民銀行（「中國人民銀行」）借貸利率百分之九十至百分之一百零五不等。

Interest is payable on the Convertible Bond, at a rate of 2.5% per annum.

可換股債券之應付利息，為年息率2.5厘。

## Treasury Policies

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial condition of its customers. To manage liquidity risk, the Finance Committee closely monitors the Group's liquidity position to ensure the liquidity structure of the Group's assets, liabilities and commitments and to ensure that the Group can meet its funding requirements.

## 財務政策

本集團採納穩健的財務政策。本集團不斷為其客戶的財政狀況進行信貸評估，致力減低所承擔的信貸風險，財務委員會密切監管本集團的流動資金狀況，確保本集團的資產、負債及承擔的流動性結構足以控制其流動風險及應付其營運資金需求。



The Group's assets, liabilities, revenues and expenses are mainly denominated in Hong Kong dollars, United States dollars and Renminbi. The exchange rate between Hong Kong dollars and United States dollars is pegged and the exchange rate between Renminbi and Hong Kong dollars has been very steady in the past few years. During the year ended 31 December 2003, the Group normally used the receipts from customers and bank loans to pay its suppliers and meet its capital requirements. These are denominated in the local currency of the place in which its subsidiaries and joint ventures operate. The Group does not currently engage in hedging to manage possible exchange risk as the Group considers the cost associated with such hedging arrangements would exceed the benefits. However, the management will continue to monitor the relevant circumstances and will take such measures as it deems prudent.

The average outstanding days of the Group's accounts receivable was maintained at below 60 days.

## Contingent liabilities

At 31 December 2003, the Group had contingent liabilities totaling HK\$4,520,000 (2002: HK\$4,703,000) in respect of bank guarantees given to independent third parties in the ordinary course of business to ensure the due performance of a subsidiary and observance of the obligations of the subsidiary to certain agreements.

At 31 December 2003, guarantees given by the Company to banks to secure banking facilities made available to the subsidiaries amounted to HK\$132,170,000. (2002: HK\$166,729,000)

本集團之資產、負債、收入及開支主要以港元、美元及人民幣為單位。港元與美元匯率已掛鈎，而人民幣與港元之匯率在過去數年亦十分穩定。本集團於截至二零零三年十二月三十一日止年度一般以所收客戶款項及銀行貸款用以支付供應商及資本開支。該等收支均以附屬公司及合營企業經營所在地之貨幣進行。由於本集團認為對沖安排之成本高於利益，因此本集團目前並無採取對沖措施控制潛在之匯率風險。然而，管理層會採取審慎態度，不斷監察有關情況並且在有需要時採取相應措施。

本集團應收賬款之平均收款期維持低於 60 天。

## 或然負債

於二零零三年十二月三十一日，本集團之或然負債合共 4,520,000 港元（二零零二年：4,703,000 港元）。該或然負債乃本集團在日常業務中向獨立第三者作出之銀行擔保，以確保一間附屬公司妥善履行及遵守若干協議所規定該附屬公司之責任。

於二零零三年十二月三十一日，本公司就銀行向附屬公司提供之銀行信貸所作出之擔保為 132,170,000 港元（二零零二年：166,729,000 港元）。

## Operating lease commitments

Operating lease commitments due within one year for the Mainland China and Hong Kong segments as at 31 December 2003 and 31 December 2002 are set out below.

Within one year 一年內	Mainland China 中國內地	Hong Kong 香港	Total 合計
	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元
At 31 December 2003 二零零三年十二月三十一日	33.3	13.7	47.0
At 31 December 2002 二零零二年十二月三十一日	28.4	37.1	65.5

Operating lease commitments due within one year at 31 December 2003 for the Mainland China segment remained low and amounted to HK\$33.3 million (2002: HK\$28.4 million). The increase of HK\$4.9 million was due to the advertising rights secured for approximately 4,000 buses in Shanghai at the end of 2003. Securing the exclusive advertising rights to these additional buses in Shanghai is of strategic importance to the Group as Shanghai is the city with the highest advertising spending in Mainland China.

Operating lease commitments due within one year at 31 December 2003 for the Hong Kong operations were reduced to HK\$13.7 million from HK\$37.1 million at 31 December 2002. The decrease was mainly due to the expiration of media sites with fixed and high site rental in 2003.

## Employee Information

At 31 December 2003, the Group had a total of 269 (31 December 2002: 273) employees, of which 249 (31 December 2002: 243) were located in Mainland China and 20 (31 December 2002: 30) in Hong Kong. Total salaries and related costs incurred in the year ended 31 December 2003 including directors' emoluments, amounted to HK\$30.1 million (year ended 31 December 2002: HK\$33.7 million).

## 經營租賃承擔

於二零零三年十二月三十一日及二零零二年十二月三十一日，按中國內地及香港業務分部於一年內之經營租賃承擔如下。

於二零零三年十二月三十一日，中國內地分部之一年內經營租賃承擔維持於 33,300,000 港元（二零零二年：28,400,000 港元）之低水平。4,900,000 港元之增幅乃由於在二零零三年年底於上海獲取約 4,000 輛巴士之媒體使用權所致。由於上海乃中國內地廣告消費最高之城市，於上海增加此獨家的巴士媒體使用權對本集團具重要策略意義。

於二零零三年十二月三十一日，香港業務之一年內經營租賃承擔已由二零零二年十二月三十一日之 37,100,000 港元減少至 13,700,000 港元。下跌原因乃主要由於在二零零三年具有固定及高昂廣告位租金之媒體廣告位經已到期所致。

## 僱員資料

於二零零三年十二月三十一日，本集團共有 269 名僱員（二零零二年十二月三十一日：273 名），其中 249 名（二零零二年十二月三十一日：243 名）駐於中國內地，20 名（二零零二年十二月三十一日：30 名）駐於香港。截至二零零三年十二月三十一日止年度之薪酬總額及相關成本（包括董事酬金）合計為 30,100,000 港元（二零零二年十二月三十一日：33,700,000 港元）。

The salary and benefit levels of the Group's employees are kept at a market competitive level and employees are rewarded on a performance related basis. Staff benefits, including medical coverage and provident funds are also provided to employees. In addition, training and development programmes are provided on an ongoing basis. Social, sporting and recreational activities were arranged during the year for employees.

The Group has adopted a share option scheme whereby selected employees of the Group may be granted share options to subscribe for shares of the Company for the purpose of recognising the contribution made by such employees and retaining the services of the employees who will continue to make a valuable contribution to the Group.

## Significant Investments and Acquisitions

In March 2003, the Group made a capital investment of HK\$1.1 million to fund the establishment of a joint venture in Shenzhen to explore opportunities in the southern part of Mainland China.

In April 2003, the Group entered into a strategic long term alliance with Shanghai Tulip Advertising Co., Ltd., one of the major outdoor advertising media players in Shanghai for co-operation in planning, development, management and marketing of outdoor advertising media including billboards, neon signs, unipoles and large scale display screens in Shanghai.

In December 2003, the Group entered into agreements with various bus companies in Shanghai, securing the exclusive advertising rights to operate and market the advertising media relating to their bus fleets averaging approximately 10 years commencing from 1 January 2004. According to the terms of such agreements, the Group has secured exclusive advertising rights for buses running along routes with high passenger flows in Shanghai.

本集團給予僱員之薪酬及福利均達到具市場競爭力之水平，而僱員的薪酬則按其表現釐定。本集團亦向僱員提供醫療保障、公積金等員工福利。此外，本集團持續提供培訓和發展課程，年內為僱員安排多種社交、體育及康樂活動。

本集團設有購股權計劃，向本集團特選的僱員授予可認購本公司股份之購股權，以認許有關僱員所作之貢獻，並促使其繼續為本集團效力，作出有價值的貢獻。

## 重大投資及收購

於二零零三年三月，本集團作出資本投資1,100,000 港元，為於深圳成立合營企業提供資金，以於中國內地南部物色商機。

於二零零三年四月，本集團與上海其中一家主要戶外廣告媒體公司上海郁金香廣告有限公司訂立長期策略性聯盟，以合作於上海策劃、開發、管理及推廣戶外廣告媒體，包括廣告牌、霓虹廣告牌、單立柱廣告牌及大型顯示屏幕。

於二零零三年十二月，本集團與若干上海巴士公司訂立協議，以確保就有關彼等之巴士隊伍享有獨家的廣告媒體使用權，以經營及推廣廣告媒體，年期平均約為十年。根據該若干協議之條款，本集團享有行走上海高乘客流量路線之巴士獨家的媒體使用權。



# BUSINESS OBJECTIVES

## 業務目標

The following is a comparison of the actual business progress for the six months ended 31 December 2003 ("review period") and the business objectives as set out in the prospectus dated 15 January 2002. Almost all objectives have been achieved by the Company whilst a few are still in progress.

以下概要為截至二零零三年十二月三十一日止六個月（以下簡稱「回顧期」）之實際業務發展與二零零二年一月十五日刊發之招股章程中所列之業務目標比較。本公司基本上已達致所有業務目標，惟尚餘少數項目仍在進行。

Business objectives for the review period as stated in the Prospectus 招股章程所列於回顧期間之業務目標	Actual business progress in respect of the six months period ended 31st December, 2003 截止二零零三年十二月三十一日止六個月之實際業務發展
Addition of advertising concessions in the light rail systems in southwestern Mainland China and central Mainland China. 增加中國西南部及華中之輕鐵媒體使用權。	During the review period, the Group secured the extension line (Xin Min Line) of Shanghai Metro Line 1 for a term of 10 years and was selected as the only company to discuss the final terms of the advertising rights for the Nanjing metro system. 於回顧期內，本集團獲得上海地鐵一號線伸延線（莘閔線）的媒體使用權，為期十年。本集團是唯一一間獲選就南京地鐵系統的媒體使用權商討最終條款的公司。
Continued expansion of the existing bus advertising network by securing advertising rights to approximately 50 to 100 buses in eastern Mainland China, 50 to 100 buses in northern Mainland China and 50 to 100 buses in northeastern Mainland China. 透過取得華東約 50 至 100 輛巴士、華北的 50 至 100 輛巴士及中國東北部的 50 至 100 輛巴士之媒體使用權，不斷擴充現有巴士廣告網絡。	During the review period, the Group secured advertising rights to approximately 4,000 buses in Shanghai to further strengthen the Group's overall market position in the Mainland China. 於回顧期內，本集團在上海獲得約 4,000 輛巴士之媒體使用權，進一步鞏固本集團於中國內地市場的地位。
Continued addition of approximately 800 to 1,000 taxi bodies and approximately 800 to 1,000 taxi-top advertising panels in Nanjing, Chongqing and Chengdu and exploration of opportunities in other parts of the Mainland China. 不斷擴充南京、重慶及成都約 800 至 1,000 輛的士車身及約 800 至 1,000 輛的士車頂廣告位，並在中國內地其他地區發掘機會。	During the review period, the Group, through its associate, POAD, operated taxi-top advertising panels for over 400 taxis in Hong Kong. In Mainland China, in view of more attractive opportunities in other transport segment, the timing for introduction of taxi-top advertising panels is being reassessed. 於回顧期內，本集團於香港透過其聯營公司 POAD 經營超過 400 輛的士車頂廣告位。鑑於中國內地市場上其他交通媒體商機更為吸引，本集團正重新評估引入的士車頂廣告牌的時機。
Continued expansion of the shopping mall digital display advertising system in Hong Kong to one or two new malls. 不斷將香港購物廣場使用的數碼顯示器廣告系統擴充至一個或兩個新型購物廣場。	In view of more attractive opportunities in other advertising media, the timing for expansion of the shopping mall digital display advertising system in Hong Kong and in Mainland China is being reassessed. 鑑於其他廣告媒體更具商機，本集團正重新評估於香港及中國內地發展數碼顯示器廣告系統的時機。

## Use of Proceeds

The Group raised approximately HK\$235 million through the placing of shares upon the listing of the Company. After deducting related expenses, net proceeds were approximately HK\$213 million.

During the period from 31 January 2002 (date of listing) to 31 December 2003, the Group has incurred the following amounts to achieve the business objectives as set out in the Announcement dated 24 January 2002:-

## 所得款項用途

本集團透過本公司上市時籌集資金約235,000,000港元。經扣除相關開支後，集資淨額為213,000,000港元。

於二零零二年一月三十一日（上市日）至二零零三年十二月三十一日止期間，下列為本集團之實際用款，以期達致刊載於二零零二年一月二十四日之公告之業務目標：

	As stated in the Announcement dated 24 January 2002 刊載於二零零二年 一月二十四日 之公告款項用途	Amount utilized as at 31 December 2002 於二零零二年 十二月三十一日 之實際用款	Amount utilized during the year from 1 January 2003 to 31 December 2003 於二零零三年一月 一日至二零零三年 十二月三十一日止 之實際用款	Accumulated utilization at 31 December 2003 於二零零三年 十二月三十一日止 之累計實際用款
	HK\$ million 港幣百萬元	HK\$ million 港幣百萬元	HK\$ million 港幣百萬元	HK\$ million 港幣百萬元
Expand the existing advertising media network and develop new advertising media 擴充現有的廣告媒體網絡及發展新廣告媒體	40	40	0	40
Secure new advertising concessions in the metro and light rail systems in Mainland China 獲取在中國內地地鐵及輕鐵系統的新媒體使用權	122	15	10	25
Establishment of joint ventures in Shenzhen, Chengdu and Shanghai 於深圳、成都及上海成立合營企業	7	3	1	4
Placed as pledged deposits 作為已抵押存款	35	35	0	35
General Working Capital 營運資金用途	9	5	4	9
	213	98	15	113

The remaining net proceeds have been placed on short term bank deposits in various banks.  
餘下之集資淨額已存放於若干銀行作短期存款。

# CORPORATE GOVERNANCE

## 企業管治

The Board and senior management executed high standards of business ethics and corporate governance within the Group throughout the year.

### The Board

The Board supervises the management of the Company. The Board meets, at least four times a year, with a formal schedule of matters reserved for its attention. In addition to receiving information between meetings about the performance and operations of the Group, the Directors also have access to relevant and timely information, obtaining independent professional advice whenever necessary. Every Director gives sufficient time and attention to the affairs of the Company.

Formulating the strategic development of the Group, reviewing and monitoring the performance of the Group as well as approving financial statements, major investments, etc. are the main responsibilities of the Board. The Directors, collectively and individually, are aware of their responsibilities to shareholders, for the manner in which the affairs of the Company are managed and operated. In the appropriate circumstances and as and when necessary, Directors will seek independent professional advice at the Company's expense, ensuring that board procedures, and all applicable rules and regulations, are followed.

Non-executive Directors, consisting of a good mix of business consultant, accountant and economist, serve the important function of advising the management on strategic development.

董事會及高級管理層於整個年度內全面遵行本集團具高水準之商業操守及企業管治。

### 董事會

董事會負責監督本公司之管理工作。董事會每年最少召開四次會議，並就討論之事件制訂正式時間表。除在會議上收集有關本集團業績及營運狀況等訊息外，董事亦查閱一切相關之即時資料，倘有需要時亦會徵求獨立專業意見。每位董事對本公司之事務均投放充裕之時間及精力。

制定本集團之發展策略、檢討及監察本集團之表現，與及審批財務報表及重大投資等，均為董事會之主要職責。董事就本公司事務之管理及營運方式均共同及個別對股東承擔責任。在適當及有需要之情況下，董事將徵詢獨立專業意見，確保符合董事會程序、所有適用規則及法規，而有關費用均由本公司支付。

非執行董事由資深之業務顧問、會計師及經濟學人組成，承擔向管理層提供發展策略意見之重要責任。

They ensure that the Board provide high standards in financial and other mandatory reporting while also implementing adequate checks and balances to safeguard the interests of shareholders and the Company as a whole. They are all financially independent of the Company and any of its subsidiaries.

There is no family relationship between any of the Company's directors or executive officers.

In 2003 the Board:-

- i) reviewed and approved the annual financial statements of the Group as well as the quarterly reports;
- ii) decided on the resolutions to be tabled in the Annual General Meeting;
- iii) reviewed and approved the notifiable transactions and related announcements and circulars;
- iv) addressed the issues to be dealt with by the Board in accordance with respective laws and regulations applicable to the Company;
- v) evaluated the material acquisitions of assets, investments and key human resources issues;
- vi) formulated long-term strategy;
- vii) ensured that effective internal controls take place within the Group; and
- viii) reviewed the performance of the operating divisions.

In accordance with the Company's Memorandum and Articles of Association, the Directors are subject to retirement by rotation and being eligible, may seek for re-election in the forthcoming Annual General Meeting.

The function of non-executive Directors includes their participation in the Company's board meetings, bringing their independent judgment to bear on issues of strategy, performance, resources, key appointments and standards of conduct. In addition, they also take the lead where potential conflicts of interests arise.

The Non-executive Directors receive a reasonable level of remuneration, which is in line with the market rate and their contribution in terms of time, effort and expertise. Individual Director's remuneration is provided in note 6 to the financial statements.

彼等確保董事會提交高水準之財務及其他法定報告，同時亦作出充份制衡，以保障股東與本集團之整體利益。彼等於本公司及任何本公司之附屬公司均為財政獨立。

本公司董事或行政人員之間並無任何家族關係。

於二零零三年，董事會：-

- i) 審閱及批准本集團之全年財務報表及季度報告；
- ii) 決定於股東週年大會上將予提呈之決議案；
- iii) 審閱及批准須予公佈之交易、有關公告及通函；
- iv) 根據適用於本公司之法例及規條處理有關董事會之事項；
- v) 評估重大之資產收購事項、投資及主要人力資源事宜；
- vi) 制定長遠策略；
- vii) 確保有效地執行本集團之內部監控；
- viii) 審閱各營運部門之表現。

根據本公司之公司組織章程大綱及章程細則，董事須於股東周年大會中依章輪席告退，彼等符合資格並膺選連任。

非執行董事之職能包括參加本公司之董事會會議，對策略、業務表現、資源、要員委任及道德操守等事宜提出獨立意見。此外，在發生利益衝突之情況下，彼等必須以身作則，樹立榜樣。

非執行董事按市場價格水平及彼等在時間及專業知識方面之貢獻而收取合理的薪酬。董事薪酬載於財務報表附註 6。



The Company Secretary responsible to the Board and ensures its effective functioning, i.e. that the Board complies with all applicable laws and regulations. These include Directors' obligations relating to disclosures of interests in securities, disclosures of any conflicts of interest, dealing in securities and handling or dealing with the disclosure of price-sensitive information, etc. The Company Secretary also keeps all Minutes of meetings of the board and the committees of the Company.

公司秘書需對董事會負責及確保董事會職能有效地執行，即董事會遵守所有適用法例及規則。該等法例及規則包括有關董事披露證券權益、披露任何利益衝突、證券買賣及處理披露價格敏感資料等責任。公司秘書亦保留本集團董事會及委員會之所有會議記錄。

The Board meets regularly at least four times a year. Such regular meetings will normally involve the active participation, either physically present or through other electronic means of communication, of a majority of directors entitled to be present. The following is an attendance record of the meetings held by the Board during the financial year and the average attendance at Board meetings:-

董事會每年最少四次定期召開會議。有關定期會議一般將由大多數有權出席會議之董事（親身或透過其他電子通訊方式）積極參與。以下是本財政年度內董事會召開會議之出席記錄及董事會會議之平均出席率：-

Attendants at Board Meetings 董事會會議出席者	Number of meetings attended in 2003 二零零三年出席會議之數目	Member's average attendance 成員平均出席率
<b>Executive Directors 執行董事</b>		
George Ka Ki CHANG (Vice chairman) 張家騏（副主席）	4	100%
Winnie Pik Shan TO (CEO) 杜碧珊（行政總裁）	4	100%
Tony Cheung Kin AU-YEUNG 歐陽長健	4	100%
<b>Non-executive Director 非執行董事</b>		
Gerald Lokchung Chan (Chairman) 陳樂宗（主席）	2	50%
<b>Independent non-executive Directors 獨立非執行董事</b>		
Lawrence Juen Yee LAU 劉遵義	3	75%
Meocre Kwok Wing LI 李國榮	4	100%
Paul Laurence SAFFO	4	100%

All business transacted at the respective meetings are documented in the minutes. Some Board decisions are made via written resolutions of all directors.

於各會議上所處理之全部事務均記入會議記錄內。若干董事會決定是透過所有董事的書面決議案而通過。

## Segregation of Chairman and Chief Executive Officer

As a matter of good corporate governance, segregation of the roles of Chairman and Chief Executive Officer have been implemented within the Company since MPI's listing to avoid the concentration of power within any one individual in the decision making process.

## Board Committees

The Board has also established the following committees with defined terms of reference:-

- Audit Committee
- Compensation Committee
- Finance Committee

Management and third parties are co-opted to these Committees as required. Details include:-

## Audit Committee

The Audit Committee has been established since 2002 to provide advice and recommendations to the Board. Its members currently consist of all independent non-executive Directors namely Mr. Meocre Kwok Wing LI, Professor Lawrence Juen Yee LAU and Mr. Paul Laurence SAFFO. The Audit Committee met four times during the year to review developments with senior management and external auditors in the performance of the following duties:-

- i) reviewing the results of the audit on the Company's system of internal accounting controls and the cooperation given by the Company's officers to the external auditors;
- ii) reviewing the financial statements and the auditors' report before their submission to the Board of Directors;
- iii) nominating external auditors for reappointment; and
- iv) monitoring the speed and effectiveness with which the recommendations made by Audit Committee are implemented.

## 主席及行政總裁角色分立

自媒體伯樂集團上市以來，本公司主席及行政總裁職位均由不同人士擔任，以避免在決策時權力過度集中於任何一位個別人士上，以達致良好之企業管治。

## 董事委員會

董事會亦已成立以下具有明確職責之委員會：-

- 審核委員會
- 薪酬委員會
- 財務委員會

本集團按照需要挑選管理層及第三者組成該等委員會，詳情如下：-

## 審核委員會

審核委員會自二零零二年成立，為董事會提供意見及建議。現有成員包括 所有獨立非執行董事李國榮先生、劉遵義教授及 Paul Laurence Saffo 先生。於年內，審核委員會與高級管理層及外聘核數師曾舉行四次會議檢討進展並履行以下職責：-

- i) 檢討審核結果及本公司內部會計管理制度，及本公司行政人員與外聘核數師之工作配合；
- ii) 在呈交董事會前先行審閱財務報表及核數師報告；
- iii) 提名外聘核數師之委任；及
- iv) 監察審核委員會之建議執行進度及效率。

The Audit Committee meets with the external auditors to discuss the quarterly and annual financial statements. The external auditors, the Chief Financial Officer and the Company Secretary are also in attendance to answer questions on reports or the works completed. In addition, the external auditors were instructed by the Audit Committee to undertake a review of certain internal control systems of a major subsidiary of the Group during the year ended 31 December 2003.

The Audit Committee also discusses matters falling within its terms of reference in the presence of the Chief Financial Officer and the Company Secretary without any other senior management being present. In preparing the quarterly and annual accounts where there are questions of interpretation of accounting standards involving choices that are likely to materially impact the accounts, the Group Finance prepare an analysis on the nature and importance of the issue, presenting the pros and cons of various possible solutions and explaining the reasons for recommending a given approach to the Audit Committee. The Audit Committee has full access to, and the co-operation of, the Company's management in ensuring that it is satisfied with the Company's internal controls.

The following is an attendance record of the meetings held by the Audit Committee during the financial year and the average attendance at Audit Committee meetings:-

審核委員會與外聘核數師會晤，以商討季度及全年財務報表。外聘核數師、財務總裁及公司秘書亦有出席，以解答與所完成之報告或工作有關之問題。此外截至二零零三年十二月三十一日止，審核委員會指派外聘核數師審核本集團主要附屬公司的內部監控。

審核委員會亦在財務總裁及公司秘書之出席（並無任何其它高級管理層出席）下討論其職權範圍內之事項。在編制季度及全年賬目時，倘有會計準則詮釋上之問題而所涉及之選擇可能會對賬目造成重大影響，則本集團之財務人員須編撰一份分析文件，列出該事件之性質及重要性、多項可行解決方案之利與弊，以及闡釋向審核委員會建議指定方法之原因。審核委員會與本公司之管理層充份合作，確保其滿意本公司之內部監控。

以下是本財政年度內審核委員會召開會議之出席記錄及審核委員會會議之平均出席率：-

Attendants at Audit Committee Meetings 審核委員會出席者	Number of meetings attended in 2003 二零零三年出席會議之數目	Member's average attendance 委員平均出席率
<b>Independent non-executive Directors 獨立非執行董事</b>		
Lawrence Juen Yee LAU 劉遵義	3	75%
Meocre Kwok Wing LI 李國榮	4	100%
Paul Laurence SAFFO	4	100%
<b>Others Attendants 其他出席者</b>		
Stephen Cheuk Kin LAW 羅卓堅	4	100%
External auditors 外聘核數師	4	100%

## Compensation Committee

The Compensation Committee was formed on 18 March 2002. Members of the Compensation Committee include:-

Gerald Lokchung CHAN  
Tony Cheung Kin AU-YEUNG  
Paul Laurence SAFFO

Their duties consist of:-

- i) reviewing and making recommendations for (a) the Company's Share Option Scheme, (b) the salary, bonus and benefits structure for Company officers and management, and (c) any subsequent adjustments to (a) and (b), to the Board;
- ii) approving any changes to the Provident Fund Schemes of the Company;
- iii) determining which staff members will receive share options under the Company's Share Option Scheme, as well as the number and subscription price of the options awarded;
- iv) making such other decisions or determinations as it deems appropriate in the administration of the Company's Share Option Scheme.

## Finance Committee

The Board's Finance Committee was established on 18 March 2002 and presently consists of two executive Directors of the Board and the Company's Chief Financial Officer being:-

George Ka Ki CHANG  
Winnie Pik Shan TO  
Stephen Cheuk Kin LAW

Within the parameters established by the Board, the Finance Committee is responsible for reviewing, recommending and approving the Group financial matters relating to items such as the investment of surplus funds; undertaking, determining and approving banking facilities, performance bonds, guarantees, indemnities, mortgages, and pledge deposits; as well as the operating and closure of bank accounts with the various financial institutions.

During the year, meetings were held periodically and all members attended the meeting.

## 薪酬委員會

薪酬委員會於二零零二年三月十八日成立，成員包括：-

陳樂宗  
歐陽長健  
Paul Laurence SAFFO

職責包括：-

- i) 檢討及向董事會建議(a)購股權計劃；(b)本公司行政人員及管理層之薪酬、花紅及福利制度；及(c)日後之調整(a)及(b)項等規定；
- ii) 審批本公司公積金計劃之更改；
- iii) 根據本公司購股權計劃決定可獲授予購股權之職員人選，及所發出之購股權數目及認購價；
- iv) 就執行本公司購股權計劃時提出認為適當之其他決定或裁決。

## 財務委員會

董事會之財務委員會於二零零二年三月十八日成立，現時成員包括兩位董事會執行董事及本公司財務總裁：-

張家騏  
杜碧珊  
羅卓堅

按照董事會訂立之常規，財務委員會負責檢討、建議及審批本集團動用盈餘基金進行投資及財務承擔等財務事宜、釐定及審批銀行信貸、履約保證金、擔保、賠償保證、按揭、抵押存款、及與不同財務機構設立及結束銀行賬戶等財務事項。

年內，財務委員會定期召開會議，而所有委員均有出席會議。



## Nomination of Directors

Currently, the appointment of a new director is effective after its appointment is unanimously approved by all the members. The establishment of the Nomination Committee is not considered necessary for the time being. In view of the recent proposed Amendments to the Listing Rules to Corporate Governance Issues, the Board will continue to review the relevant amendments and will take the necessary steps to comply with the new requirements as and when appropriate.

## Shareholders

It is the Company's responsibility to maximize the interest of shareholders. The Board makes an effort to maintain an on-going dialogue with shareholders by using annual general meetings or other general meetings to communicate with shareholders and encourage their participation.

If a poll is required under the circumstances, the Chairman of the meeting will provide the following explanation to the shareholders:-

- the procedures for demanding a poll by shareholders before putting a resolution to the vote on a show of hands; and
- the detailed procedures for conducting a poll and then to answer any questions from shareholders whenever voting by way of a poll is required.

The Chairman of a meeting will announce the result of each resolution after it has been dealt with on a show of hands. The Company will ensure the votes cast are properly counted and recorded.

## 提名董事

現時委任新董事是經過全體董事成員通過方可生效，故現在並無需要成立提名委員會。鑑於近日有建議對上市規則有關企業管治事宜之條文作出修訂，董事會將繼續審閱有關修訂，並於適當時候採取必需步驟以符合新規定。

## 股東

本公司之責任乃爭取最大股東價值利益。為了貫徹與股東之對話，董事會召開股東週年大會及其他股東大會，藉此與股東溝通並鼓勵股東參與。

若於某情況下需進行表決方式投票，大會主席將於大會開始時就下列事項作出解釋：-

- 股東就決定舉手投票前，解釋進行表決方式投票之程序；及
- 詳述有關進行表決投票的程序及於需要時解答股東有關任何以表決方式投票的問題。

大會主席將於每項決議案進行舉手投票後，向大會公佈每項決議案的結果。本公司將確保其妥善點算及記錄所有票數。

## Human Resources

During the year under review, the number of Group employees reached a total of 269 including 249 in Mainland China. The remaining employees are in Hong Kong. To attract motivated and experienced staff and managers, the Group offers competitive remuneration and benefits packages to employees.

### Internal Communication

To strengthen internal policy communication and nurture the Group culture, a number of newsletters e.g. business performance updates, market trends, internal activities, etc. are published within the Group on a regular basis.

### Social Activities

The Group's long-standing policy to encourage friendly relations within the Group was reflected in the organization of a number of special outings and sporting activities for both staff and their families. These activities foster a sense of belonging to the Group and reinforce staff communications. In addition, the different regional offices offered staff a wide range of functions, including site visits to other offices or inter-company visits to ensure the exchange of ideas and develop inter-office relationships among the staff.

### Remuneration Policies and Benefits

Salaries are reviewed annually in the context of individual and business performance, work contribution, market practices and competitive market pressures. Apart from the basic remuneration provided, share options are offered to qualifying employees to reward them for their performances and to foster loyalty within the Group. Allowances and benefits are largely determined by local market practices.

The Group participates in Mandatory Provident Fund ("MPF") schemes operated by an approved MPF trustee for all qualified employees in Hong Kong. In addition, the Group's subsidiaries in Mainland China participate in central pension schemes operated by the local government. These subsidiaries make mandatory contributions to these central pension schemes to fund employees' retirement benefits.

## 人力資源

於回顧年度，本集團僱員總數達 269 名，其中 249 名為中國內地僱員，其餘為香港員工。本集團為僱員提供吸引之薪酬及福利計劃，以期吸引及保留資深的員工。

### 內部溝通

本集團定期刊發內部通訊（如業務表現的最新動向、市場走勢、內部活動等），以加強內部政策溝通以培育集團文化。

### 社會活動

本集團一直鼓勵於企業內建立良好的關係，並通過舉行多次僱員及其家屬專題戶外活動及運動會以加強其對本集團之歸屬感及促進職員間之溝通。此外，各地區主管亦為職員安排各類活動，例如探訪其他辦事處或公司之間的探訪，確保互相交流意見及建立內部溝通與團結精神。

### 薪酬政策及福利

每年就個人及業務表現、工作貢獻、市場慣例及競爭檢討其薪酬。除提供基本薪金外，亦會向合資格僱員授予購股權，作為其工作表現之獎勵，並且加強對本集團之歸屬感。津貼及福利則主要基於本地市場慣例而釐定。

本集團為香港所有合資格僱員參與由認可強積金託管人運作之強制性公積金（「強積金」）計劃。此外，本集團在中國內地之附屬公司已參與地方政府之中央退休計劃。該等附屬公司向中央退休計劃作出強制供款，並支付僱員之退休福利。

## Training and Development

Preparing for a more competitive environment, staff training and development are considered critical in attracting, retaining, encouraging and motivating its workforce. The Group therefore gives due emphasis to staff training and implements a policy of sponsoring staff for job-related training and self-improvement programs. The content of these programs cover senior management development, general competency and compliance training, technical competency, sales and marketing skills, self-development and language skills, outward-bound training, etc. The Group also organises seminars for staff, to enhance their professional know-how, and provide a better understanding of the industry practices. In addition, human resources management training was also provided, laying solid foundations for the Group's recruitment systems, remuneration packages, as well as staff training programs.

## Internal Controls

The Board is responsible for ensuring that internal controls are in place to monitor risk, financial controls and compliance and as a result shareholders' interests are safeguarded. The Group's internal controls have been designed to give reasonable assurance that the Group's assets and resources have been safeguarded against unauthorised use or disposition, that transactions are executed in accordance with the management's proper authorisation that are effectively applied, and that the accounting records of the business are reliable both in their preparation and in the financial information used, as well as in their publication and in maintaining accountability for assets and liabilities. Qualified personnel throughout the Group maintain and monitor these internal controls on an ongoing basis. Regular revision of the Group's internal controls are conducted by a designated person of the Group. The tasks include:-

- i) accessing and reviewing selected aspects of the Group's activities and internal controls;
- ii) conducting comprehensive reviews of the practices, procedures and internal controls of selected business and support units and subsidiaries regularly;
- iii) examining and investigating business ethics, conflicts of interest and other Company policy violations; and
- iv) reporting results of the review to the management and making recommendations.

## 培訓及發展

為了應付日益競爭之營商環境，僱員培訓及發展對吸引、保持、鼓勵及激發僱員之工作能力尤為重要。本集團因此相當重視職員培訓，並且贊助僱員參與在職培訓及個人進修計劃。該等計劃之內容包括高級管理發展、通才及規章訓練、技術培訓、銷售及市場推廣技巧、個人發展及語言技巧、外展訓練等。本集團亦為僱員舉辦研討會，以提高彼等之專業知識，並使彼等對行業之慣例有更深入認識。此外，本集團亦提供人力資源管理訓練，為本集團之招聘制度、薪酬組合及員工訓練計劃奠定穩固之基石。

## 內部監控

董事會負責確保內部監控對風險、財務監控及遵例進行監察，以使股東之權益受到保障。本集團所訂立之內部監控，目的在於合理確保本集團之資產及資源受到保障，避免於未授權下使用或挪用，並確保交易是根據管理層適當之授權進行，且該等授權是獲有效應用，並確保會計記錄之編製及財務資料之使用均屬可靠，及可用於披露及確保資產及負債之可信性。本集團之合資格人員負責持續維持及監察該等內部監控措施。本集團之內部監控是由本集團指定人士定期進行審閱，審閱範圍包括：-

- i) 對本集團業務及內部監控選定之範疇進行評估及審閱；
- ii) 定期對選定之業務、支援單部門及附屬公司之常規、程序及內部監控進行詳細審閱；
- iii) 對業務操守、利益衝突及其他公司政策之違反進行審查及調查；及
- iv) 向管理層提交評審結果及提出建議。

The Audit Committee reviews these controls, evaluates their adequacy, effectiveness and compliance.

During the year under review, the Audit Committee has also engaged KPMG to provide an independent review of certain internal controls relating to operational, information and control systems of a major subsidiary of the Group. KPMG formulated a review plan which was approved by the Audit Committee. The review covered media acquisitions, purchase and payments management, sales and receipts management, representative office cash reserve management and expenses claims management.

### **Budgetary discipline and reporting**

Budgets are prepared annually. There are defined procedures for the appraisal, review and approval of major capital and recurrent expenditures. Proposed significant expenditure outside the scope or estimate of approved budgets is referred to the Board for decision. Operations results against budgets are reported regularly.

### **Guidelines and Conduct**

To enhance the practice of good corporate governance, a set of compliance policies have been published by the Company to provide guidance on matters, such as the dealing in shares both by Directors and employees.

The Directors' responsibility is to safeguard the rights and equitable treatment of shareholders together with the commercial prosperity of the Company.

The Directors have a duty and responsibility to act honestly and with due diligence and care in discharging their duties as Directors and in participating in the decision and policy-making processes of the Company. Every Director also receives a revised "Memorandum on the Duties and Responsibilities of a Director of a Company listed on GEM" prepared by the Group's external lawyer to set guidelines on current statutory and regulatory requirements connected to the business of the Company.

審核委員會負責檢討此等監控措施，衡量其是否充份、有效及獲得遵守。

於回顧年度內，審核委員會委聘畢馬威會計師事務所對本集團主要附屬公司之若干內部監控（營運、資訊及監控系統）進行獨立審閱。畢馬威會計師事務所制訂審閱計劃，並獲審核委員會批准。審閱範圍包括媒體之收購、採購及付款管理、銷售及收款管理、代表辦事處之現金儲備管理及開支申報管理。

### **財政紀律及申報**

預算案每年制定一次，對主要資本開支及經常開支評審、檢討及審批訂下既定程序。偏離已批的預算範圍及估計之重大開支計劃，須交由董事會決定，亦會定期報告經營業績與預算之比較。

### **指引及操守**

為促進良好之企業管治，本公司已制定一套規章政策，為董事及僱員買賣股份等事宜提供指引。

董事負責保障股東之權利及確保其獲公平對待，並負責增進本公司之商業前景。

董事有職責及責任以誠實、盡責及審慎態度履行董事職責，及參與本公司之決定及制定政策。每位董事亦接獲一份由外聘律師編撰之修定「創業板上市公司董事職責及責任大綱」，其中訂明有關本公司業務之現行法定及監管規定之指引。



The Company has adopted a set of conduct standards regarding Directors' securities transactions on terms no less exacting than the required standards set out in the GEM Listing Rules. In addition, the Company makes specific enquiries among all Directors, to ascertain whether the Directors of the Company have complied with or if there has been any non-compliance with the required standards as set out in the Listing Rules.

As regards proper code of conduct, a set of guidelines has been published to provide guidance on matters such as employee dealings in shares, ethics, etc., from time to time, to the employees of the Group.

The Group believe it has adopted practices which meet in some aspects exceed the provisions of the GEM Listing Rules.

## External Auditors

Apart from audit services, the Group's external auditors have conducted reviews of the Group's quarterly results, undertaken a review of certain internal controls of a major subsidiary of the Group and have provided tax compliance services to certain subsidiaries of the Group.

## Community Responsibility

The Group is committed to actively participating in community programs and charitable activities. In 2003, especially during the height of the SARS epidemic, the Group sponsored the "A mask for everyone" campaign by offering free advertising billboards to promote Hong Kong's respect for its medical community.

During the year, The Group also sponsored advertising spaces, such as at tram shelters, for various charitable organisations, including Green Peace, Green Power, The Hong Kong Cancer Fund, Hope Worldwide, ORBIS, Oxfam Hong Kong, World Vision, and World Wide Fund and local government, reflecting the Group's commitment as a responsible corporate citizen and its care and concern for the communities within which the Group operates.

本公司已就董事之證券交易，採納一套操守準則，其條款不低於創業板上市規則之規定標準。另外，本公司向全部董事作出特別諮詢，以肯定本公司董事是否遵守上市規則內載列之規定準則、或有否出現任何不遵守該等準則之情況。

有關操守守則，本集團已向僱員發出一份指引，不時為本集團僱員就僱員買賣股份、道德等事項提供指引。

本集團相信已採納創業板條文內之準則，並在某些範疇上已超越其準則。

## 外聘核數師

除核數服務外，本集團之外聘核數師亦審閱本集團之季度業績，回顧本集團主要附屬公司之內部監控及提供稅務服務予本集團某些附屬公司。

## 社會責任

本集團一向積極參與社區計劃及公益活動。於二零零三年，尤其在非典型肺炎疫情最嚴峻之時期，本集團為向香港醫護人員致敬之宣傳計劃免費提供廣告牌，藉此贊助「一人一口罩」運動。

年內，本集團亦贊助多個慈善機構之廣告位（如有蓋電車站之廣告位），受惠機構包括綠色和平、綠色力量、香港癌症基金會、寰宇希望、奧比斯、樂施會、宣明會及世界自然基金會及地方市政府，足見本集團以作負責任之企業公民為己任，並且關心本集團經營所在地之社會。

## Investor Relations

To enhance its transparency, the Group encourages a two-way dialogue with institutional investors and analysts. Extensive information about the Group's activities is provided in its Quarterly, Interim and Annual Reports, which are sent to shareholders, analysts and interested parties. The Group also maintains regular communications with the media. The Company's news releases, announcements and publications are circulated, to all major news media. These are also available on the GEM website. Media briefings are organised from time to time to detail the Group's latest business initiatives and development plans. These activities keep the public aware of the Group's activities and help to foster effective communications across the Group.

Regular meetings are also held with institutional investors and analysts to disseminate financial and other information relating to the Group and its business.

The Group's has also achieved the following recognition:-

- The Company's shares started trading on the Berlin Stock Exchange in November 2003 (Stock Code: MPD-KYD5958M1050);
- The Group was added to the Standard & Poor's/HKEX GEM Index in January 2004.

Building on the positive feedback received for its investor relations work, the Group will be seeking new ways to enhance investor understanding of its business, operations, and its corporate culture into the future.

## 投資者關係

為增加透明度，本集團鼓勵與機構投資者及分析員之雙向溝通。本集團向股東、分析員及有興趣人士派發之季度、中期及年度報告均提供本公司業務之詳盡資料。本集團亦經常與傳媒保持聯絡，而本集團之新聞稿、公佈及公開資料亦發佈予各主要新聞傳媒。該等資料亦於創業板網站上發佈。本集團更不時舉行新聞簡報會，解釋最新之業務動向及發展計劃。該等活動讓大眾明瞭本集團之業務及於本集團內達致有效之溝通。

本集團亦經常與機構投資者及分析員會面，向彼等發放有關本集團業務之財務及其他資料。

本集團已獲得以下認可：-

- 本公司股份於二零零三年十一月開始在柏林證券交易所買賣（證券代號：MPD-KYD5958M1050）；
- 本集團於二零零四年一月獲納入標普／香港創業板指數。

本集團之投資者關係工作獲得良好回應，本集團日後將開闢新渠道，以進一步增加投資者對本集團業務、營運及企業文化之了解。

### **Best Corporate Governance Disclosure Award from the Hong Kong Society of Accountants (“HKSA”)**

The Company was pleased to have received a Special Mention (Non-Hang Seng Index Category) in the Best Corporate Governance Disclosure Awards from the HKSA in 2003. The Judges’ commendations on the Company’s 2002 Annual Report were as follows:-

- i) The Company’s Annual Report is clear, well presented and interesting to read.
- ii) The quality of the presentation, corporate governance disclosures and underlying practices demonstrate that the Company places considerable emphasis on good governance.
- iii) Although the Company does not have a long track record as a listed company, its annual report represents a good example for GEM listed companies aspiring to improve their own corporate governance standards.

### **Proposed Amendment to Corporate Governance Issues (GEM Listing Rules)**

The GEM Listing Rules, issued by the Hong Kong Stock Exchange, will be amended to ensure effective implementation of Corporate Governance. In view of the proposed amendments to corporate governance issues, the Board will fully monitor and review the Group’s progress in respect of corporate governance standards and uphold compliance with the new requirements of the GEM Listing Rules and good corporate governance practices.

### **香港會計師公會（「會計師公會」）之最佳企業管治披露大獎**

本公司於二零零三年喜獲會計師公會頒發最佳企業管治披露大獎（非恆生指數類別）特別嘉許獎。評審者對本公司二零零二年年報之評語如下：-

- i) 本公司之年報條理分明、鋪陳出色，且內容趣味盎然。
- ii) 其表達、企業管治披露及有關常規之水平，正反映本公司對於良好管治極為重視。
- iii) 雖然本公司成為上市公司之歷史尚短，其年報卻堪為所有銳意改善企業管治水準之創業板上市公司之借鏡。

### **有關企業管治事項之建議修定（創業板上市規則）**

為有效落實諮詢建議書，香港聯交所頒佈之創業板上市規則將予修改。就上市規則關於企業管治事項之修改，董事會將全面注視及檢討本集團在企業管治水準方面之進展，以繼續遵守創業板上市規則之新規定及良好企業管治守則。

The following table summarises as far as the Group is aware the latest Best Corporate Governance Practices carried out by the Group: -

下表乃根據本集團所知，概列本集團最近執行之最佳企業管治守則：-

Listing Rules Requirement 上市規則之規定	Compliance done by MPI 媒體伯樂 已經遵守	To be implemented by MPI 媒體伯樂 將會執行
<b>Corporate governance practices under existing GEM Rules</b> 現行創業板上市規則下之企業管治守則		
Full Board Meetings 全體董事會會議	✓	
Disclose Directors' fees and emoluments of independent non-executive Directors in the Annual Report 在年報披露獨立非執行董事之董事袍金和酬金	✓	
Agenda & board papers should be sent in full to all Directors at least 2 days before meetings 會議議程及董事會文件須於開會前最少兩日前全部送呈所有董事	✓	
Adequate notice is given of a board meeting to all Directors 向所有董事發出召開董事會會議有足夠通知	✓	
All Directors, including non-executive, are entitled to access board papers and materials. Prompt reply to queries raised by non-executive Directors 所有董事（包括非執行董事）均有權取得董事會文件及資料。儘快回覆非執行董事提出之任何查詢	✓	
Full minutes that are open for inspection should be kept by Company Secretary 公司秘書須存置一份完整會議記錄並可供查閱	✓	
Minutes clearly reflect the views of independent non-executive Directors ("INEDs") 會議記錄清楚反映獨立非執行董事之觀點	✓	
INEDs can seek separate professional advice at the company's expense 獨立非執行董事可徵詢獨立專業意見，費用由公司承擔	✓	
If a matter to be considered by the board involves a conflict of interest for a director, a full board meeting should be held by the Company 如董事會即將考慮之事項對某名董事有利益衝突，則應由本公司舉行全體董事會會議決定	✓	
Every non-executive Director can give sufficient time and attention to the affairs of the Company 各非執行董事須能投放足夠時間及注意力於本公司之事務	✓	
New board members should receive an appropriate briefing on the Company's affairs and relevant corporate governance materials 新董事會成員應接收有關本公司事務及相關企業管治資料之適當簡報	✓	
<b>Proposed Mandatory Disclosure Requirements (under consultation)</b> 建議強制披露規定（正進行諮詢）		
<b>Corporate governance practices</b> 企業管治守則		
A narrative statement of how the Company has applied the principles in the Listing Rules 就本公司如何應用上市規則原則之敘述式陳述	✓	
Directors' securities transaction 董事之證券交易		
a) The Company has adopted a set of conduct regarding Directors' securities transaction on terms no less exacting than the required standard set out in the Listing Rules 本公司已採納一套董事證券交易規則，其條款不低於上市規則規定之標準	✓	
b) Having made specific enquiry of all Directors, whether the Directors of the Company have complied with or whether there has been any non-compliance with, the required standard set out in GEM Listing Rules and its code of conduct regarding Directors' securities transactions 已特別向本公司所有董事查詢彼等是否已遵守或有任何不遵守創業板上市規則所規定的標準及董事證券交易規則之情況	✓	
<b>Board of Directors</b> 董事會		
a) The composition of the board 董事會之組成	✓	
b) Number of board meetings held during the financial year 於財政年度內舉行之董事會會議次數	✓	
c) Individual attendance of each Director, on a named basis at the board meetings 各董事於董事會會議之個人出席記錄（具名披露）	✓	
d) A statement of how the board operates, including a high level statement of which types of decisions are to be taken by the board and which are to be delegated to management 關於董事會運作之陳述，包括就某類事項須由董事會決定而某類可交由管理層決定之高度性聲明	✓	
e) Disclose relationships (including financial, business, family or other material/relevant relationship(s)), if any, among members of the board and in particular, between the Chairman and the CEO. 披露董事會成員間之關係（包括財政、業務、家庭或其他重大／相關之關係）（如有），尤其主席及行政總裁之關係	✓	
Segregation of Chairman and CEO roles 主席與行政總裁角色分立	✓	



Listing Rules Requirement 上市規則之規定	Compliance done by MPI 媒體伯樂 已經遵守	To be implemented by MPI 媒體伯樂 將會執行
Proposed Mandatory Disclosure Requirements (under consultation) 建議強制性披露規定（正進行諮詢）		
The appointment of INEDs representing at least 1/3 of the board 所委任的獨立非執行董事最少佔董事會三分之一	✓	
The requirement that INEDs should be financially independent of the issuer, its holding company and any of their respective subsidiaries 要求獨立非執行董事在財政上應獨立於發行人、其控股公司及其各自之附屬公司	✓	
The term of appointment of non-executive Directors 非執行董事委任之條款	✓	
<b>Board of Directors Committee</b> <b>董事委員會</b>		
Remuneration Committee# 薪酬委員會 #		
<ul style="list-style-type: none"> <li>- Role, function and composition of the remuneration committee 薪酬委員會之角色、職能及組成</li> <li>- A summary of work 工作摘要</li> <li>- Policy on Directors' remuneration 董事薪酬政策</li> <li>- Comprising a majority of INEDs 獨立非執行董事佔該委員會之大多數</li> <li>- No. of meetings 會議次數</li> </ul>		✓
Nomination Committee* 提名委員會 *		
<ul style="list-style-type: none"> <li>- Role, function and composition of nomination committee 提名委員會之角色、職能及組成</li> <li>- Majority of INEDs 獨立非執行董事佔大多數</li> <li>- The nomination procedures and the process and criteria adopted by the nomination committee 提名委員會採納之提名程序以及過程和準則</li> <li>- A summary of work 工作摘要</li> <li>- No. of meetings 會議次數</li> </ul>	N/A 不適用	N/A 不適用
Audit Committee 審核委員會		
<ul style="list-style-type: none"> <li>- Role, function and composition of the committee members 角色、職能及委員會成員之組成</li> <li>- Majority of INEDs 獨立非執行董事佔大多數</li> <li>- No. of meetings 開會次數</li> <li>- A report on the work performed by the audit committee during the year and its other duties set out in the GEM Listing Rules 審核委員會年內工作報告及創業板上市規則所載之其他職責</li> </ul>	✓	
<b>Proposed Recommended Disclosures (under consultation)</b> <b>建議推薦披露事項（正進行諮詢）</b>		
Share interests of senior management 高級管理人員之股份權益		✓
Shareholders' rights 股東權利	✓	
Investor relations 投資者關係	✓	
Internal controls 內部監控	✓	
Management functions 管理層功能	✓	

\* The establishment of a Nomination Committee is not considered necessary for the time being as a new director's appointment is unanimously approved by all the board members.  
由於委任新董事需由全體董事同意，故現在並無需要成立提名委員會。

# The Remuneration Committee is equivalent to the Compensation Committee. Currently, the Compensation Committee consists of one executive Director and two non-executive Director and the Company will review the composition of the Committee in view of the latest proposal.  
酬金委員會等同薪酬委員會。現時，薪酬委員會由一名執行董事及兩名非執行董事組成，而本公司將基於最近期之建議書而檢討組成該委員會之委員。

# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層

### Executive Directors

#### Mr. George Ka Ki CHANG

*Vice Chairman - Age: 51*

Mr. Chang joined the MPI Group in 1995 and was appointed as a Director in June 2001. Mr. Chang plays a pivotal role in advising the MPI Group on its strategic and corporate development. Mr. Chang began his professional career in a major international accounting firm and has over eight years' experience in public accounting in Hong Kong and Toronto. Prior to joining the MPI Group, Mr. Chang held senior financial positions in various international manufacturing and trading companies. Mr. Chang received his Bachelor of Business Administration and Master of Business Administration degrees from the University of Wisconsin at Madison and is a member of the American Institute of Certified Public Accountants, Canadian Institute of Chartered Accountants and Hong Kong Society of Accountants.

#### Ms. Winnie Pik Shan TO

*Chief Executive Officer - Age: 51*

Ms. To joined the MPI Group in 1995 and was appointed a Director in June 2001. Armed with extensive experience in managing the sales and marketing of fast-moving consumers goods, Ms. To is responsible for the development and implementation of the overall strategies and policies of the MPI Group. Before joining the MPI Group, Ms. To oversaw the Hong Kong market for Kimberly-Clark and Smithkline Beecham and the PRC and Hong Kong markets for Johnson & Johnson. Ms. To has worked in the PRC for more than 16 years and is a member of the Political Consultative Committee of the City of Chongqing, PRC. Ms. To graduated from the Department of Communication Studies of the Baptist University of Hong Kong.

#### Mr. Tony Cheung Kin AU-YEUNG

*Director - Age: 55*

Mr. Au-Yeung joined the MPI Group in 1998 and was appointed a Director in June 2001. Mr. Au-Yeung advises the MPI Group on organizational and business development matters in the PRC. Mr. Au-Yeung ran the PRC operations for several multinational companies as their general manager over a total of more than 18 years, including 11 years in the PRC for such prominent names as Revlon and Gillette. Prior to joining the MPI Group, Mr. Au-Yeung was the head of Gillette's operations in the PRC and was instrumental in building it into one of the major business units in Gillette's International Division. Mr. Au-Yeung holds a Master of Science degree in Physics and a Master of Business Administration degree from Indiana University.

### 執行董事

#### 張家騏先生

*副主席，51歲*

張先生於一九九五年加入媒體伯樂集團，並於二零零一年六月獲委任為董事。張先生在媒體伯樂集團的策略和企業發展上擔當重要的角色。張先生最初於一間大型國際會計師行開展其專業，在香港及多倫多積逾八年審計和財管顧問的執業會計經驗。在加入媒體伯樂集團之前，張先生曾擔任多間跨國製造及貿易公司的高級財務職位。張先生在美國威斯康辛大學取得工商管理學士及碩士學位，現為美國會計師公會、加拿大特許會計師公會的會員及香港會計師公會的會員。

#### 杜碧珊女士

*行政總裁，51歲*

杜女士於一九九五年加入媒體伯樂集團，並於二零零一年六月獲委任為董事。杜女士於管理推廣及銷售日用消費品方面具有豐富經驗，專責發展及推行媒體伯樂集團的整體策略及政策執行。在加入媒體伯樂集團之前，杜女士專責美國金巴拉克拉克及美國史占的香港市場，及美國強生公司之中國及香港市場之管理工作。杜女士在中國工作超過十六年，現為中國重慶市政治協商委員會成員。杜女士畢業於香港浸會大學傳理系。

#### 歐陽長健先生

*董事，55歲*

歐陽先生於一九九八年加入媒體伯樂集團，並於二零零一年六月獲委任為董事，負責向媒體伯樂集團提供有關中國組織及商業上發展事宜的意見。歐陽先生曾以總經理身份，為多間跨國公司管理中國業務逾十八年，包括其中十一年於國內為多間著名公司，如露華濃及吉列等公司工作。在加入媒體伯樂集團之前，歐陽先生曾任吉列的中國業務主管，協助將吉列的中國業務發展成為其國際部門的主要業務單位。歐陽先生持有印第安納大學的物理學科學碩士學位及工商管理學碩士學位。

## Non-executive Director

### Mr. Gerald Lokchung CHAN

*Chairman - Age: 53*

Mr. Chan joined the MPI Group in 1995 and was appointed a non-executive Director in June 2001. Mr. Chan has been a board member of the Hang Lung Group Limited of Hong Kong since 1986. His focus for many years has been on venture capital and direct investments, both in the US and the PRC. Mr. Chan was previously a research fellow in pathology at Harvard Medical School and the Dana-Farber Cancer Institute. His many non-profit activities include serving on both the Leadership Council and Environmental Health Council at the Harvard School of Public Health and the Board of Councilors of the University of Southern California Annenberg School of Communication. He received his undergraduate training in engineering at the University of California at Los Angeles and his Doctor of Science degree from Harvard University.

## Independent Non-executive Directors

### Mr. Lawrence Juen-Yee LAU

*Independent non-executive Director - Age: 59*

Mr. Lau was appointed as an independent non-executive Director in July 2001. Mr. Lau is the Kwoh-Ting Li Professor of Economic Development, Department of Economics, Stanford University, and a senior fellow of the Hoover Institution on War, Revolution and Peace, the Institute for International Studies, and the Stanford Institute for Economic Policy Research, Stanford University. Mr. Lau received his Bachelor of Science degree in Physics and Economics, with Great Distinction, from Stanford University in 1964 and his Master of Arts and Doctorate of Philosophy degrees in Economics from the University of California at Berkeley in 1966 and 1969 respectively. Mr. Lau joined the faculty of the Department of Economics, Stanford University in 1966 and became a full professor in 1976. In 1992, he was named the first Kwoh-Ting Li Professor of Economic Development at Stanford University. From 1992 to 1996, he served as a Co-director of the Asia/Pacific Research Center, Stanford University. From 1997 to 1999, he was a Director of the Stanford Institute for Economic Policy Research, Stanford University.

### Mr. Paul Laurence SAFFO

*Independent non-executive Director - Age: 49*

Mr. Saffo was appointed as an independent non-executive Director in July 2001. He acts as a forecaster and strategist advising a wide range of global clients on the long-term impact of emerging technologies on business and society. Mr. Saffo also serves on various boards and advisory panels including the Stanford Advisory Council on Science, Technology and Society, the Editorial Advisory Board of Business 2.0, and the boards of Groxis Inc, and the Long Now Foundation. Mr. Saffo holds degrees from Harvard College, Cambridge University and Stanford University.

## 非執行董事

### 陳樂宗先生

*主席，53 歲*

陳先生於一九九五年加入媒體伯樂集團，並於二零零一年六月獲委任為非執行董事。陳先生自一九八六年起，一直擔任香港恒隆集團有限公司董事會成員。陳先生在美國及中國從事多年的創業投資及直接投資等工作。陳先生曾任哈佛醫學院及達納法伯癌症研究院（Dana-Farber Cancer Institute）病理學研究員，並曾參與多項非牟利活動，包括出任哈佛大學公共衛生學院領導會議（Leadership Council）及環境衛生評議會（Environmental Health Council）成員及美國南加州大學安能堡大眾傳播學院（Annenberg School of Communication）委員會成員。陳先生於洛杉磯加州大學修讀工程學學士課程，並在哈佛大學取得科學博士學位。

## 獨立非執行董事

### 劉遵義先生

*獨立非執行董事，59 歲*

劉先生於二零零一年七月獲委任為本公司獨立非執行董事。劉先生為史丹福大學經濟系的李國鼎講座教授，以及為 Hoover Institution on War, Revolution and Peace、Institute for International Studies 及史丹福大學的史丹福經濟政策研究所的高級研究員。劉先生於一九六四年以優異成績獲史丹福大學頒授物理及經濟學的理學士學位，並分別於一九六六年及一九六九年獲加州柏克萊大學頒發經濟學碩士學位及博士學位。劉先生於一九六六年加入史丹福大學經濟系，並於一九七六年升任為正教授。於一九九二年，獲名列為史丹福大學經濟系的第一位李國鼎講座教授。由一九九二年至一九九六年期間，劉先生擔任史丹福大學亞太研究中心的共同所長，並於一九九七年至一九九九年期間，擔任史丹福大學經濟政策研究所的所長。

### Paul Laurence SAFFO 先生

*獨立非執行董事，49 歲*

Saffo 先生於二零零一年七月獲委任為本公司獨立非執行董事。Saffo 先生是一名預測及策略制定專家，負責就新興資訊科技對商業及社會的長遠影響為廣泛的國際客戶提供建議。Saffo 先生並擔任多個委員會及顧問小組成員，包括 Stanford Advisory Council 科學及社會研究中心、Business 2.0 出版委員會、Groxis Inc 委員會及 Long Now Foundation 委員會等。Saffo 先生持有多個由 Harvard College、劍橋大學及史丹福大學頒授之學位。

## Mr. Meocre Kwok Wing Li

*Independent non-executive Director - Age: 48*

Mr. Li was appointed as an independent non-executive Director of the Company in December 2001. Mr. Li is the founder and Chief Executive of Alpha Alliance Finance Holdings Limited. Mr. Li was previously the founder and Chief Executive of ICEA Finance Holdings Limited, the investment banking subsidiary of The Industrial and Commercial Bank of China. Prior to that, Mr. Li was the Chief Executive of NatWest Markets Corporate Finance Asia Limited, and before joining NatWest he was the Managing Partner of an international accountancy firm. Mr. Li holds a Bachelor of Commerce degree from the University of Alberta, Canada and completed the Program for Management Development at the Harvard Graduate School of Business. Mr. Li is a qualified accountant and a member of the Hong Kong Society of Accountants and Association of Chartered Certified Accountants, United Kingdom.

## Senior Management

### Mr. Stephen Cheuk Kin LAW

*Chief Financial Officer and Company Secretary - Age: 41*

Mr. Law was appointed by the Company in July 2001. He has 19 years of experience in accounting, finance, investment and development. Mr. Law is responsible for corporate development, financial management, corporate compliance and investor relations for the MPI Group. Prior to joining the MPI Group, Mr. Law gained extensive corporate finance and media industry experience working for the Wheelock and Wharf Groups for over five years, first, in corporate development and later in corporate finance where he led the dual listing of i-Cable Communications Limited in Hong Kong and the United States. Prior to working for Wheelock, Mr. Law served as regional financial controller for a number of international companies. Mr. Law started his career with a big four accounting firm in the United Kingdom. Mr. Law holds a Bachelor of Science degree from the University of Birmingham and a Masters degree in Business Administration from the University of Hull, United Kingdom. Mr. Law is a member of the Institute of Chartered Accountants in England and Wales, a member of the Hong Kong Society of Accountants and a registered practising Certified Public Accountant in Hong Kong.

### Mr. Danny Zi Lin YANG

*Vice President of Finance - Age: 40*

Mr. Yang joined the MPI Group in January 1999. Mr. Yang is responsible for overseeing the finance and accounting functions of the MPI Group's PRC operations. Prior to joining the MPI Group, Mr. Yang gained extensive industry experience as chief accountant and financial controller of Dentsu, Young and Rubicam (China). Prior to his eight years with Dentsu, Young and Rubicam (China), Mr. Yang served as vice director in the financial department of Shanghai Advertising & Decoration Corp. Mr. Yang graduated from Shanghai Financial & Economy University, as well as Shanghai Business Accounting College and has a Master's in Business Administration from the China Europe International Business School. Mr. Yang is a qualified accountant in the PRC.

### Mr. Min ZHANG

*Vice President of Marketing and Business Development - Age: 35*

Mr. Zhang joined the MPI Group in December 2002. Mr. Zhang is responsible for marketing, media planning, development of national key customer accounts and the establishment of key customer account operation management systems. Prior to joining the MPI Group, Mr. Zhang was senior manager - Global Risk Management Solution for PriceWaterhouseCoopers. From 1995 to 2001, Mr. Zhang worked for Royal Dutch Shell International and was involved in brand management, retail network planning, marketing strategy, sales and investment strategy. Before that, Mr. Zhang was the manager of Welex International Company, Wuhan Branch, and Sales Manager for the Seven Ring Computer Company. Mr. Zhang holds a Bachelor of Economics & Management degree and a Masters in Business Administration from the Norwegian Business School of Economics and Management.

## 李國榮先生

*獨立非執行董事，48歲*

李先生於二零零一年十二月獲委任為本公司獨立非執行董事。李先生現為冠聯金融控股有限公司之總裁及創辦人。李先生曾為中國工商銀行之附屬投資銀行 - 工商東亞金融控股有限公司之創辦人及總裁。在此之前，李先生為西敏證券亞洲有限公司董事總經理。在加入西敏證券之前，李先生曾任一國際會計師行的主管合夥人。李先生擁有加拿大亞伯特省大學一級榮譽商學士學位，並完成了美國哈佛大學工商管理研究院高級管理人員的進修課程。李先生為英國特許會計師公會及香港會計師公會會員。

## 高級管理層

### 羅卓堅先生

*財務總裁及公司秘書，41歲*

羅先生於二零零一年七月獲委任為本公司財務總裁及公司秘書。羅先生累積十九年會計、財務、投資及發展等經驗。羅先生負責媒體伯樂集團之企業拓展、財務管理、企業監察及投資者關係等工作。在加入媒體伯樂集團之前，羅先生曾於會德豐及九龍倉集團工作逾五年，其間累積豐富的企業財務及媒體行業經驗，首先從事企業拓展工作，其後參與企業財務工作，領導有線寬頻通訊有限公司在香港及美國共同上市。在加入會德豐工作之前，羅先生曾擔任多間跨國公司之區域財務總監。羅先生開展其事業於英國四大會計師行之其中一間，持有伯明翰大學理學士學位及英國赫爾大學工商管理碩士學位。羅先生為英格蘭和威爾斯特許會計師公會會員、香港會計師公會會員及香港註冊執業會計師。

### 楊自林先生

*財務副總裁，40歲*

楊先生於一九九九年一月加入媒體伯樂集團，負責媒體伯樂集團中國業務之財務及會計事宜。在加入媒體伯樂集團之前，楊先生曾任(中國)電揚廣告有限公司之總會計師兼財務總監，擁有豐富的行業經驗。在(中國)電揚廣告有限公司服務八年之前，楊先生曾任Shanghai Advertising & Decoration Corp. 財務部副主管。楊先生畢業於上海財經大學及上海商業會計學校，並持有中歐國際工商管理學院之工商管理碩士學位。楊先生為中國合資格的會計師。

### 張敏先生

*市場及業務拓展副總裁，35歲*

張先生於二零零二年十二月加入媒體伯樂集團，負責市場推廣、媒體策劃、拓展全國重點客戶及建立重點客戶營運管理系統。在加入媒體伯樂集團之前，張先生為普華永道全球風險管理服務高級經理。於一九九五年至二零零一年期間，張先生於英荷殼牌總公司工作，工作包括品牌管理、零售網絡管理、市場策劃、銷售及投資策略等。在此之前，張先生曾任Welex 國際貿易公司之武漢分公司經理及七環電子技術公司銷售經理。張先生畢業於挪威經濟管理學院，持有經濟管理學士學位及工商管理碩士學位。



### Mr. Bob Kwai Hang LEUNG

*Vice President of Sales - Age: 47*

Mr. Leung joined the MPI Group in June 1999, in charge of MPI Group's sales operations. Prior to joining the MPI Group, Mr. Leung was the general manager of Gillette Stationery Group in Hong Kong. He was involved in overseeing Gillette's operations in Singapore, Taiwan and Hong Kong. Mr. Leung has over 20 years of experience in sales, marketing and general management with various multi-national corporations such as Gillette, Parker Pen, San Miguel, Vitasoy and Kimberly-Clark.

### Ms. Nora Wing Chung Li

*Vice President of Metro Business Development - Age: 46*

Ms. Li joined the MPI Group in August 1996 and has been seconded to Shanghai Metro JV and is responsible for its daily operation. Ms. Li is currently responsible for the MPI Group's metro marketing and sales management. Prior to her current position, Ms. Li served as general manager for the Guangzhou Yong Tong Metro Advertising Company Limited, sales agent for MPI Group's outdoor media, and Vice President of Metro Sales and Marketing. Before joining the MPI Group, Ms. Li worked as account manager (Hong Kong MTR project) for JC Decaux Pearl & Dean Limited, an international out-of-home media specialist, for four years, followed by a further four years in developing the Shanghai Metro project. From 1980-1988, Ms. Li worked for Asia Television Limited where she was a group sales manager. Ms. Li holds a Bachelor of Arts in Economics from the University of Manitoba, Canada.

### Mr. Marcus Kwok Wing MA

*Vice President of Media Development - Age: 54*

Mr. Ma joined the MPI Group in July 1996, in charge of media development operations for the MPI Group in the PRC. Mr. Ma has over 30 years of experience in the advertising industry and over 14 years of experience in the PRC. Before joining the MPI Group, Mr. Ma worked with Allied Advertising, Harpers, Young and Rubicam, Grey and Bates China. Mr. Ma began working at Grey when the group was founded, serving as media director for 15 years. In 1992, Mr. Ma was appointed by Grey as general manager in Beijing when the company set up a joint venture operation in the PRC. Mr. Ma joined Bates China in 1994 and was appointed general manager of Shanghai in charge of Eastern China.

### Mr. Tony Hong Lin JIN

*Vice President of Information Management and Process Management - Age: 34*

Mr. Jin joined the MPI Group in November 2001. Mr. Jin is responsible for the company's IT system, MIS projects related to overall operational systems and process management of some of the MPI Group's special projects. Prior to joining the MPI Group, Mr. Jin was the general manager of Beijing Century Yaolan Technology Ltd. From 1996 to 1998, Mr. Jin was the investment project manager of Sino-Pacific Fund Management Ltd. and was responsible for overseeing several joint venture investments with multi-national enterprises. Mr. Jin has a unique vision and rich experience in management information data mining with advanced technology tools. Mr. Jin holds a Masters degree from the Beijing Foreign Studies University where he focused on computational linguistics.

### 梁貴鏗先生

*銷售副總裁，47歲*

梁先生於一九九九年六月加入媒體伯樂集團，負責媒體伯樂集團之銷售管理。在加入媒體伯樂集團之前，梁先生為香港吉列公司文儀用品部總經理，負責管理吉列公司於新加坡、台灣及香港等地區文儀用品之業務。梁先生曾任職吉列、派克筆、生力啤酒、維他奶及金巴拉克拉克多間跨國公司，累積逾二十年銷售、市場推廣及全面管理之經驗。

### 李穎中女士

*地鐵業務拓展副總裁，46歲*

李女士於一九九六年八月加入媒體伯樂集團，其後李女士被調往上海華智負責其日常運作。李女士目前負責媒體伯樂集團之地鐵市場和銷售管理。在擔任此職位之前，李女士曾先後擔任廣州地鐵永通廣告有限公司之總經理、媒體伯樂集團戶外媒體之銷售代理，及地鐵銷售暨市場副總裁。在加入媒體伯樂集團之前，李女士曾任一間國際戶外媒體專家德高貝登之客戶經理(香港地鐵項目)達四年，其後四年則負責發展上海地鐵項目。於一九八零年至一九八八年期間，李女士曾於亞洲電視有限公司工作，任職集團銷售經理。李女士持有加拿大馬尼托巴省大學經濟學文學學士學位。

### 馬國榮先生

*媒體拓展副總裁，54歲*

馬先生於一九九六年七月加入媒體伯樂集團，負責媒體伯樂集團在中國媒體之拓展業務，馬先生積逾三十年廣告界經驗，並在中國積累超過十四年經驗。在加入媒體伯樂集團之前，馬先生曾於Allied Advertising、Harpers、Young and Rubicam、Grey及Bates China工作。在Grey集團創立之時，馬先生已經在其中工作，曾任媒介總監達十五年。一九九二年，當Grey在北京設立合營企業時，馬先生被委任為北京之總經理。馬先生於一九九四年加入Bates China，並獲委任為上海總經理，統管中國華東區業務。

### 金洪林先生

*信息管理及業務流程管理副總裁，34歲*

金先生於二零零一年十一月加入媒體伯樂集團，負責公司IT系統、整體營運體系相關之MIS系統及媒體伯樂集團內業務流程管理的一些特別項目。在加入媒體伯樂集團之前，金先生是北京世紀搖籃技術有限公司總經理。於一九九六年至一九九八年期間，金先生任職中太輕工基金管理有限公司投資項目經理，負責跨國企業之合營企業投資項目。金先生不但獨具慧眼，而且於運用先進技術於管理資訊發掘方面均擁有豐富之經驗。金先生持有北京外國語大學碩士學位，專業傾向計算語言學。

### Ms. Daisy Wei Wu REN

*Vice President of Human Resources and Administration - Age: 37*

Ms. Ren joined the MPI Group in January 2003. Ms. Ren is responsible for the company's human resources and administration functions. Prior to joining the MPI Group, Ms. Ren was the Vice President of Business Operations for Shanghai Etang Information and Technology Service Ltd. From 1996 to 2000, Ms. Ren held the position of Regional Human Resources Director later taking on the role of Regional Sales and Operations Director for AVON Products (China) Ltd. Ms. Ren has extensive human resources and training experience. Her experience in sales, customer services and operations gives her a unique perspective in human resources management. Ms. Ren holds a Masters in Business Administration from Fudan University after receiving a Law degree from the same institute.

### Ms. Florence Yuk Lan WONG

*Corporate Controller and Qualified Accountant - Age: 36*

Ms. Wong was appointed by the Company in January 2002. She is responsible for overseeing the Group's corporate finance and accounting functions. Prior to joining the Group, Ms. Wong worked in i-Cable Communications Limited and was responsible for overseeing financial accounting and regulatory reporting. Ms. Wong started her professional career with PriceWaterhouseCoopers, a major international accounting firm. Holding a Professional Diploma in Accountancy and a Masters in Corporate Finance from the Hong Kong Polytechnic University, Ms. Wong is a member of the Association of Chartered Certified Accountants in United Kingdom and the Hong Kong Society of Accountants.

### Mr. Dexter Tak Yin HO

*General Manager of Metro Sales System - Age: 42*

Mr. Ho joined the MPI Group in April 1999. Mr. Ho is responsible for the development and improvement of the metro sales system. Prior to his current position, Mr. Ho was General Manager of South China, in charge of the management of the daily operations and implementation of strategies for the MPI Group's operations in Chengdu, Chongqing, Guangzhou and Shenzhen. Prior to joining the MPI Group, Mr. Ho worked as a regional manager, sales operation manager and area manager for Polaroid Far East Limited in Guangzhou, Shanghai and Chengdu, respectively. With over 16 years experience, Mr. Ho has also held sales positions with Corning Hong Kong Limited, RJ Reynolds Nabisco China Limited and Nestle China Limited. Mr. Ho holds a Bachelor of Business Administration in Marketing from the Chinese University of Hong Kong.

### Mr. March Yeung Ho TSUI

*General Manager of Hong Kong - Age: 34*

Mr. Tsui joined the MPI Group in March 2003. Mr. Tsui is responsible for expanding and optimizing media network for Hong Kong area, as well as developing a professional sales team to achieve Company's agreed sales and profit target. Prior to his current position, Mr. Tsui was General Manager of Guangzhou branch office and Shenzhen Media Partners International Advertising Limited. Mr. Tsui has also worked for MPI Group from 1995 to 1996. Besides his experience in MPI Group, Mr. Tsui served as Sales & Marketing Director in Quam (HK) Ltd., Sales Director in 24/7 Media Asia Ltd and Account Director in Top Result Promotion Ltd. etc. Mr. Tsui accumulates rich experience in sales, marketing and business development, and also possesses expertise in advertising, media, internet and finance fields. Mr. Tsui graduated from Grantham College of Education.

### 任瑋吾女士

*人力資源及行政副總裁 · 37 歲*

任女士於二零零三年一月加入媒體伯樂集團，負責公司整體的人力資源和行政工作。在加入媒體伯樂集團之前，任女士是上海億唐信息技術服務有限公司的業務副總裁。於一九九六年至二零零零年期間，任女士任職雅芳（中國）有限公司，先後擔任區域人力資源總監和區域銷售營運總監。任女士具備豐富的人力資源和培訓經驗，其在銷售、顧客服務及營運等方面的經驗使其在人力資源管理方面擁有全面及獨特的洞察力。任女士畢業於復旦大學，並取得法學學士學位及工商管理碩士學位。

### 黃玉蘭女士

*財務總監及合資格會計師 · 36 歲*

黃女士於二零零二年一月獲委任為本公司的財務總監及合資格會計師，負責管理媒體伯樂集團財務及會計工作。在加入媒體伯樂集團之前，黃女士曾任職於有線寬頻通訊集團有限公司，負責監督財務會計及監管報告。黃女士乃於一家國際會計師行羅兵咸永道會計師事務所開展其專業。黃女士畢業於香港理工大學並取得會計學專業文憑及企業融資碩士學位，亦為英國特許會計師公會及香港會計師公會會員。

### 何德賢先生

*地鐵銷售系統總經理 · 42 歲*

何先生於一九九九年四月加入媒體伯樂集團，負責發展及改善地鐵之銷售系統。在擔任此職務之前，何先生擔任中國南部區域總經理，負責媒體伯樂集團在成都、重慶、廣州及深圳之業務管理，包括日常運作及策略執行。在加入媒體伯樂集團之前，曾分別任職寶麗萊遠東有限公司廣州、上海及成都之區域經理、銷售營運經理及地區經理。何先生亦曾任職於康寧香港有限公司、納貝斯克中國有限公司及雀巢中國有限公司等多個銷售職位逾十六年。何先生持有香港中文大學工商管理市場學學士學位。

### 徐洋號先生

*香港區總經理 · 34 歲*

徐先生於二零零三年三月加入媒體伯樂集團，負責優化統籌及開發香港區的媒體網路，培訓專業化的銷售隊伍以完成公司制定銷售和利潤目標。在擔任此職務之前，徐先生擔任媒體伯樂集團廣州分公司和深圳媒體伯樂廣告有限公司總經理。徐先生亦曾於一九九五年至一九九六年期間在媒體伯樂集團工作。在加入媒體伯樂集團之前，徐先生任職華富財經(香港)有限公司銷售及市場總監、24/7 互動媒體策劃有限公司之銷售總監，及通成推廣有限公司之客戶總監等職。徐先生積累了豐富的銷售、市場推廣及業務拓展經驗，同時亦精通廣告、媒體、互聯網和財務領域。徐先生畢業於葛亮洪教育學院。

## Mr. Hang Jun LIU

*General Manager-Nanjing - Age : 43*

Mr. Liu joined the MPI Group in March 1999. Mr. Liu is responsible for the management of daily operations and the implementation of strategies for Nanjing MPI. Mr. Liu has over 20 years' experience in the transportation and advertising industries in Nanjing. Prior to joining the MPI Group, Mr. Liu worked for the Nanjing Municipal Public Transportation Advertising Company as general manager for 12 years. Mr. Liu was appointed deputy officer of the Public Transportation Advertising Committee of China's Advertising Association and a committee member of Changshu's and Nanjing's advertising committees. Mr. Liu received a diploma in Journalism and Communications from Nanjing University, a diploma from the Economic Management School of Nanjing Agriculture University and a Certificate of Business Administration Studies from the Graduate School of Renmin University in China.

## Mr. Jian Xin WEI

*General Manager - Chongqing - Age: 47*

Mr. Wei joined the MPI Group in November 1999. Mr. Wei is responsible for the management of daily operations and the implementation of strategies for the Chongqing MPI Public Transport Advertising Co., Ltd. Mr. Wei has over 20 years of transportation experience in Chongqing. Prior to joining the MPI Group, Mr. Wei served as the vice manager, Chongqing No. 5 Public Transportation Company Limited. Mr. Wei holds a Bachelor's degree in economic management from Chongqing Administration College as well as a certificate of senior management granted by the Chongqing Municipal Commissioner of Economics.

## Ms. DING Rui Rong

*General Manager - Chengdu - Age: 55*

Ms. Ding joined the MPI Group in July 2003. Ms. Ding is responsible for the business development, including the management of daily operations and the implementation of strategies for Chengdu MPI Public Transport Co., Ltd.. Prior to joining the MPI Group, Ms. Ding was the General Manager of Chengdu Public Transport Group Media Co. and Vice General Manager of Chengdu Public Transport Group Co., Ms. Ding has also worked as a Senior Engineer, Senior Accountant, and Vice Chairman of Expert Committee of City Vehicle of the Chinese Ministry of Construction, Bidding Evaluation Expert of Sichuan Province, Vice Chairman of Public Transport Advertising Committee of Chinese Advertising Association and Vice Chairman of Chengdu Advertising Association etc. Ms. Ding was awarded the Excellent Female Entrepreneur of Sichuan Province in 2001 and Outstanding Female Entrepreneur of China in 2004. Ms. Ding graduated from Sichuan Industry College and holds a Bachelor's Degree of Engineering.

## Ms. Julie Chuan Fang WU

*General Manager - Guangzhou Yong Tong Metro Advertising Company Limited ("Guangzhou Metro JV") - Age: 37*

Ms. WU joined the MPI Group in January 2004. Ms. Wu is responsible for the management of daily operations and the implementation of strategies in Guangzhou Metro JV. Ms. Wu has accumulated rich management experiences in her career. Prior to joining the MPI Group, Ms. Wu was Consultant in GuangZhou ChangYu Group. She also worked as the Director and General Manager of East & Central China in Pan Yu Hop Hing Oils & Fats Co. Ltd, General Manager of GuangZhou HuaLing Household Appliances Co., Ltd., Assistant General Manager of China Refrigeration Industry Co. Ltd., Deputy General Manager of Guangdong Jin Ling Group. Ms. Wu graduated from Nanchang Institute of Aeronautical Technology.

## 劉航軍先生

*南京合作公司總經理，43 歲*

劉先生於一九九九年三月加入媒體伯樂集團，負責管理南京梅迪派勒之日常運作及策略執行等工作，於南京運輸及廣告業積逾二十年經驗。在加入媒體伯樂集團之前，劉先生曾於南京市公共交通廣告公司任職總經理，服務長達十二年。劉先生獲中國廣告協會之公共交通廣告委員會委任為副主席，亦為江蘇省及南京市廣告委員會成員。劉先生獲得南京大學新聞及傳播文憑，南京農業大學經濟管理系文憑及中國人民大學研究生院工商管理課程研修證書。

## 魏建新先生

*重慶合作公司總經理，47 歲*

魏先生於一九九九年十一月加入媒體伯樂集團，負責管理重慶媒體伯樂公交廣告有限公司之日常運作及策略執行，在重慶市積逾二十年運輸業經驗。在加入媒體伯樂集團之前，魏先生曾任重慶市第五公共交通有限公司的副經理。魏先生持有重慶行政學院經濟管理學學士學位，及由重慶市經濟委員會頒授之高級管理資格證書。

## 丁瑞蓉女士

*成都合作公司總經理，55 歲*

丁瑞蓉女士於二零零三年七月加入媒體伯樂集團，負責成都媒體伯樂公交廣告有限公司之業務管理包括日常運作及策略執行。在加入媒體伯樂集團之前，丁女士曾任成都公交集團媒體公司總經理及成都市公共交通集團副總經理；丁女士亦曾任高級工程師、高級會計師、建設部城市車輛專家委員會副主任、四川省評標專家庫專家、中國廣告協會公共交通廣告委員會副主任、成都市廣告協會副會長等職務。於二零零一年丁女士被評為四川省優秀女企業家，並於二零零四年榮獲「中國傑出創業女性」之美譽。丁女士畢業於四川工業學院汽車工程系，並獲得工學士學位。

## 武傳芳女士

*廣州地鐵永通廣告有限公司（「廣州永通地鐵」）總經理，37 歲*

武女士於二零零四年一月加入媒體伯樂集團，負責廣州永通之日常運作及策略執行。武女士積累了豐富的管理經驗，在加入媒體伯樂集團之前，武女士曾擔任廣州長裕集團之顧問、番禺合興油脂有限公司之董事兼華中及華東區總經理、廣州華凌家電企業有限公司之總經理、中國雪櫃實業有限公司助理總經理及廣東金羚集團之副總經理等職務。武女士畢業於江西南昌航空工業學院。

The Directors submit herewith their annual report together with the audited financial statements of Media Partners International Holding Inc. ("the Company") for the year ended 31 December 2003.

## Principal activities

The principal activities of the Company and its subsidiaries, together with its associates and jointly controlled entities, are to manage and operate a prominent network of outdoor advertising media in Mainland China and Hong Kong.

The analysis of the principal activities and geographical locations of the operations of the subsidiaries is set out in note 14 to the financial statements.

## Major customers and suppliers

The information in respect of the Group's sales and purchases attributable to major customers and suppliers, respectively, during the financial year is as follows:

The largest customer	最大客戶	3.36
Five largest customers in aggregate	五大客戶合計	11.50
The largest supplier	最大供應商	6.37
Five largest suppliers in aggregate	五大供應商合計	23.53

At no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had any interest in any of the major customers and suppliers referred to above.

董事謹此提呈媒體伯樂集團有限公司(本公司)截至二零零三年十二月三十一日止年度之年報及經審核財務報表。

## 主要業務

本公司與其附屬公司、聯營公司及共同控制實體之主要業務為在中國內地及香港管理經營一個著名之戶外廣告媒體網絡。

有關附屬公司之主要業務及經營地區分析載於財務報表附註14。

## 主要客戶及供應商

本集團於本財政年度之主要客戶及供應商分別所佔本集團銷售額及採購額之資料如下：

Percentage of  
the Group's total  
佔本集團總額百分比  
%

於年內任何時間，本公司各董事、彼等之聯繫人士及就董事所知持有本公司股本超過5%之股東概無持有上述主要客戶及供應商之任何權益。



### Financial statements

The loss of the Group for the year ended 31 December 2003 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 95 to 172.

The Directors of the Company do not recommend the payment of a dividend for the year ended 31 December 2003.

### Fixed assets

Details of the movements in fixed assets of the Group during the year are set out in note 13 to the financial statements.

### Share capital

Details of the movements in the share capital of the Company during the year are set out in note 34 to the financial statements.

Details of the Company's share option scheme are set out in the section headed "Share Option Scheme" of this report.

### Reserves

Details of movements in the reserves of the Group during the year are set out in note 35 to the financial statements.

### Convertible Bond

Details of the Convertible Bond are set out in note 31 to the financial statements.

### 財務報表

本集團截至二零零三年十二月三十一日止年度之虧損及本公司與本集團於該日之狀況載於財務報表第95至172頁。

本公司董事並不建議派付截至二零零三年十二月三十一日止年度之股息。

### 固定資產

本集團於年內固定資產之變動詳情載於財務報表附註13。

### 股本

本公司於年內股本變動詳情載於財務報表附註34。

有關本公司購股權計劃之詳情載於本報告「購股權計劃」一節。

### 儲備

本集團於年內之儲備變動詳情載於財務報表附註35。

### 可換股債券

有關可換股債券之詳情載於財務報表附註31。

## Directors

The Directors of the Company who held office during the year up to the date of this report were as follows:

### *Executive directors*

George Ka Ki CHANG  
Winnie Pik Shan TO  
Tong Cheung Kin AU-YEUNG

### *Non-executive director*

Gerald Lokchung CHAN

### *Independent non-executive directors*

Lawrence Juen Yee LAU  
Meocre Kwok Wing LI  
Paul Laurence SAFFO

In accordance with Article 87 of the Company's Articles of Association, Professor Lawrence Juen Yee LAU and Mr Paul Laurence SAFFO will retire by rotation at the forthcoming Annual General Meeting. Professor Lawrence Juen Yee LAU has declined to offer himself for re-election while Mr Paul Laurence SAFFO, being eligible, offers himself for re-election.

## Emoluments of Directors and five highest paid individuals

Details of the emoluments of the Directors of the Company and the five highest paid individuals of the Group are set out in notes 6 and 7 to the financial statements.

## Retirement benefit schemes

Details of the retirement benefit schemes of the Group and the costs charged to the consolidated profit and loss account of the Group for the year ended 31 December 2003 are set out in notes 4 and 29 to the financial statements.

## 董事

本公司於年內至本報告日期止任職之董事如下：

### *執行董事*

張家騏  
杜碧珊  
歐陽長健

### *非執行董事*

陳樂宗

### *獨立非執行董事*

劉遵義  
李國榮  
Paul Laurence SAFFO

根據本公司組織章程細則第87條，劉遵義教授及Paul Laurence SAFFO先生將於應屆股東週年大會上告退。劉遵義教授已表示不願膺選連任而Paul Laurence SAFFO乃符合資格，並願膺選連任。

## 董事酬金及五名最高薪酬僱員

本公司董事及本集團五名最高薪酬僱員之酬金詳情載於財務報表附註6及7。

## 退休福利計劃

本集團之退休福利計劃及截至二零零三年十二月三十一日止年度綜合損益表扣除之成本詳情載於財務報表附註4及29。

### Directors' interests in shares

As at 31 December 2003, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to Rules 5.40 to 5.58 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

### 董事之證券權益

於二零零三年十二月三十一日，本公司董事及主要行政人員於本公司或其任何聯營公司（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8部份須知會本公司及聯交所的權益或淡倉（包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券及期貨條例第352條須存置之登記冊內的權益或淡倉，或根據創業板上市規則第5.40至5.58條之規定知會本公司及聯交所的權益或淡倉如下：

#### I. Long positions in the shares of the Company

#### I. 於本公司股份之好倉

Name of Director	Capacity	Number of Ordinary Shares 普通股股數					Approximate percentage of shares in issue 約佔本公司已發行股本之百分比
		Personal interests	Family interests	Corporate interests	Others interests	Total	
董事姓名	身分	個人權益	家族權益	公司權益	其他權益	總數	
Winnie Pik Shan TO 杜碧珊	Beneficial Owner 實益擁有人	12,800,000	–	–	–	12,800,000	1.5%

## II. Long position in the underlying shares of the Company

The interests in the underlying shares of the Company arise from unlisted share options (physically settled equity derivatives) granted to the Directors of the Company under the Company's Share Option Scheme, details of which are as follows:-

Name of Director	Date of grant	Subscription price per share	Aggregate long position in underlying shares of the Company	Approximate percentage of shares in issue
			於本公司 相關股份之 好倉總額	約佔本公司已 發行股本之 百分比
董事姓名	授出購股權日期	每股認購價		
Winnie Pik Shan TO	14 Aug, 2002	HK\$0.62	8,538,000	1%
杜碧珊			(Notes) (附註)	

Notes:

- The above interest constitutes a long position of the Director in a physically settled equity derivative for the purposes of the SFO.
- As at 1 January 2003 (being the beginning of the Company's current financial year) and 31 December 2003 (being the financial year ended), the outstanding options held by Ms Winnie Pik Shan TO under the Company's Share Option Scheme were 8,538,000 shares in the Company. These options were granted on 14 August 2002 and, subject to the terms of the Company's Share Option Scheme, vest over four years and are exercisable from 14 August 2003 to 13 August 2012 at subscription price of HK\$0.62 per share.

## II. 本公司相關股份之好倉

於本公司相關股份之權益乃來自根據本公司之購股權計劃授予本公司董事之非上市購股權(實物結算股本衍生工具)，有關詳情如下：

Aggregate long position in underlying shares of the Company	Approximate percentage of shares in issue
於本公司 相關股份之 好倉總額	約佔本公司已 發行股本之 百分比
8,538,000	1%
(Notes) (附註)	

附註：

- 上述權益就證券及期貨條例而言構成董事於實物結算之股本衍生工具之好倉。
- 於二零零三年一月一日(即本公司本財政年度開始時)及於二零零三年十二月三十一日(即本財政年度)，根據購股權計劃，杜碧珊女士尚未行使的購股權均為8,538,000股股份。該等購股權於二零零二年八月十四日授出，以四年分批生效，可於二零零三年八月十四日至二零一二年八月十三日期間按認購價每股0.62港元認購。



### III. Aggregate long position in the shares and underlying shares of the Company III. 於本公司股份及相關股份之好倉總額

Name of Director	Aggregate number of shares	Aggregate number of underlying shares	Total	Approximate percentage of shares in issue
董事姓名	股份總數	相關股份總數	總數	約佔本公司已發行股本之百分比
Winnie Pik Shan TO 杜碧珊	12,800,000	8,538,000	21,338,000	2.5%

Save as disclosed herein, as at 31 December 2003, none of the Directors or chief executive or their respective associates of the Company had any other interests or short positions 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 to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 or Part XV of the SFO (including interests or short positions which he is taken or deemed to have under such provisions of the SFO) or were required pursuant to section 352 of the SFO, to be entered in the register referred to therein or were required, pursuant to rules 5.40 to 5.58 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

除上述所披露者外，於二零零三年十二月三十一日，本公司各董事或主要行政人員或彼等之聯繫人士於本公司或其任何聯營公司（定義見證券及期貨條例第XV部之任何股份、相關股份或債券中，概無擁有根據證券及期貨條例第XV部第7及8部份須知會本公司及聯交所之權益或淡倉（包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉），亦無擁有根據證券及期貨條例第352條規定須登記於該條例所指登記冊內之權益，或根據創業板上市規則第5.40條至5.58條之規定須知會本公司及聯交所之權益。

## Share Option Scheme

The Company adopted a share option scheme approved by way of written resolution of the Company on 7 January 2002 (the "Scheme"). The major terms of the Scheme are summarized as follows:-

### I. Summary of the Scheme

#### (a) Purpose of the Scheme

The purpose of the Scheme is to reward the participants who have contributed to the Group. The Directors, at their sole discretion, will consider one or more of the following criteria in deciding whether a person has contributed to the Group:

- (i) contribution to the development and performance of the Group;
- (ii) quality of work performed for the Group;
- (iii) initiative and commitment in performing his/her duties; and
- (iv) length of service or contribution to the Group.

#### (b) Participants of the Scheme

Pursuant to the terms of the Scheme, the Company may grant options to any employees, certain consultants and suppliers or customers of the Group who at the sole discretion of the Board, have subject to paragraph (a) above, contributed to the Group.

#### (c) Total number of shares available for issue under the Scheme

The maximum number of shares in respect of which options may be granted under the Scheme must not exceed 30% of total number of shares of the Company in issue from time to time.

## 購股權計劃

本公司於二零零二年一月七日通過書面決議案批准並採納購股權計劃(以下簡稱「購股權計劃」)。購股權計劃之主要條款概述如下：

### I. 購股權計劃概要

#### (a) 購股權計劃之宗旨

購股權計劃旨在回饋對本集團有貢獻之參與者。董事會將考慮以下條件，以全權決定有關人士有否對本集團作出貢獻：

- (i) 對本集團之發展及表現作出貢獻；
- (ii) 在本集團工作之表現；
- (iii) 工作之積極性及投入程度；及
- (iv) 在本集團服務或貢獻之時間。

#### (b) 購股權計劃之參與者

根據購股權計劃之條款，本公司可向董事會按(a)段所述全權認為對本集團有貢獻之任何本集團僱員、若干顧問、供應商或客戶授予購股權。

#### (c) 可根據購股權計劃發行之股份總數

購股權計劃可授予之購股權所涉之股份總數，不得超逾本公司不時已發行股份之30%。

The shares of the Company which may be issued upon exercise of all share options to be granted under the Scheme and any other share option schemes of the Company shall not exceed the Scheme Mandate Limit, being 10% of the shares of the Company in issue on Listing Date ("Scheme Mandate Limit") subject to the renewal of the Scheme Mandate Limit by Shareholders in general meeting from time to time provided the Scheme Mandate Limit as renewed must not exceed 10% of the shares of the Company in issue as at the date of the relevant Shareholders' approval. Share options lapsed in accordance with terms of the Scheme however will not be counted for the purpose of calculating the Scheme Mandate Limit.

*(d) Maximum entitlement of each participant*

The total number of shares issued and to be issued upon exercise of the options granted and to be granted to each participant or grantee (as the case may be) (including both exercised and outstanding options) in any 12-month period up to the date of grant must not exceed 1% of the shares in issue at the date of grant.

*(e) Timing of exercise of options*

Pursuant to the terms of the Scheme, an option may be exercised in accordance with the terms of the Scheme at any time during the option period but may not be exercised after the expiry of ten years from the date of grant of the option. The Directors may provide restrictions on the exercise of an option during the option period including, if appropriate,

- (i) a minimum period during which all or part of an option may be exercised; and
- (ii) performance targets which must be achieved before the options can be exercised.

因悉數行使根據購股權計劃及本公司任何其他購股權計劃授出之購股權而可能發行之本公司股份數目不得超過計劃授權上限，即緊接本公司上市日已發行股份之10%（以下簡稱「計劃授權上限」），惟股東可隨時於股東大會上批准更新計劃授權上限，而更新之計劃授權上限不得超過於有關股東批准之日本公司已發行股份之10%。根據購股權計劃條款失效之購股權將不計入此項計劃授權上限內。

*(d) 個別參與者可獲授之上限*

截至授予購股權日期止之十二個月期間，因行使已經或將授予個別參與者或承受人（視情況而定）之購股權（包括已行使及未行使之購股權）而已經或可發行之股份總數，不得超逾授予日期已發行股份之1%。

*(e) 行使購股權之期限*

根據購股權計劃之條款，購股權可於行使期內隨時按購股權計劃條款行使，惟於購股權授予日期起滿十年後即不可行使。董事會可訂下於行使期內行使購股權之限制，包括（如適用），

- (i) 可行使全部或部分購股權之最短期限；及
- (ii) 行使購股權前須先達到之表現目標。

*(f) Payment on acceptance of an option*

Pursuant to the terms of the Scheme, HK\$1.00 is payable by the grantee to the Company on acceptance of options within 28 days from the date of offer.

*(g) Basis of determining the subscription price*

The subscription price per share under the Scheme is determined by the Directors of the Company and notified to the grantee and shall be no less than the higher of:

- (i) the closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant;
- (ii) the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a share of the Company on the date of grant of the option.

*(h) Duration of the Scheme*

Subject to the terms of the Scheme, the Scheme is valid for a period of 10 years commencing 31 January 2002.

The other principal terms of the Scheme are set out in the Prospectus of the Company dated 15 January 2002.

*(f) 接納購股權應付之費用*

根據購股權計劃之條款，接納購股權之承授人須於購股權授出日期起計28日內向本公司支付1.00港元。

*(g) 認購價之釐定基準*

購股權計劃之每股認購價由本公司董事釐定及知會承授人，並不得低於以下三者之較高者：

- (i) 本公司股份於購股權授予日期在聯交所每日報價表所示之收市價；
- (ii) 本公司股份於緊接購股權授予日期前五個營業日在聯交所每日報價表所示之平均收市價；及
- (iii) 本公司股份於購股權授予日期之面值。

*(h) 購股權計劃之期限*

除購股權計劃條款另有規定外，購股權計劃自二零零二年一月三十一日起計十年內有效。

購股權計劃之其他主要條款刊載於本公司二零零二年一月十五日之招股章程。

## II. Share Option Scheme

As 31 December 2003, the Directors, employees of the Group including its jointly controlled entities and certain other participants had been granted in options to subscribe for shares of the Company (market value per share at 31 December 2003 was HK\$0.55). Each option gives the holder the right to subscribe for one share of the Company. Details as at 31 December 2003 are as follows:

Type of Grantee	Date of grant	Subscription price per share	Outstanding as at 1st January 2003 於二零零三年一月一日 尚未行使之購股數目	Number of options granted during the year 年內授出購股權數目	Exercised during the year 年內行使數目	Cancelled/ lapsed during the year 年內註銷／失效數目	Outstanding as at 31 December 2003 於二零零三年十二月三十一日 尚未行使之購股權數目	Option period
承授人類別	授予日期	每股股份認購價						購股權期間
Director 董事	14 August 2002 二零零二年八月十四日	HK\$0.62	8,538,000	-	-	-	8,538,000	14 August 2002 to 13 August 2012 (Note 1(a)) 二零零二年八月十四日至二零一二年八月十三日 (附註1(a))
Employees 僱員	14 August 2002 二零零二年八月十四日	HK\$0.62	7,090,000	-	-	1,390,000 (Note 2) (附註2)	5,700,000	14 August 2002 to 13 August 2012 (Notes 1(b) and 1(c)) 二零零二年八月十四日至二零一二年八月十三日 (附註1(b)及1(c))
Other participants 其他參與者	14 August 2002 二零零二年八月十四日	HK\$0.62	1,700,000	-	-	-	1,700,000	14 August 2002 to 13 August 2012 (Note 1(b)) 二零零二年八月十四日至二零一二年八月十三日 (附註1(b))
Total 合共							15,938,000	

## II. 購股權計劃

於二零零二年十二月三十一日，本集團（包括其共同控制實體）之董事、僱員及若干其他參與者獲授予可認購本公司股份（股份於二零零三年十二月三十一日之市價為每股0.55港元）之購股權。每一份購股權之持有人可認購一股本公司股份。有關購股權於二零零三年十二月三十一日之詳情如下：



Notes:

1. The number of shares subject to the option shall vest in four equal annual instalments. The timing of vesting of options at HK\$0.62 per share is as follows:
  - (a) The options will vest in four equal annual instalments commencing on the first anniversary date from 14 August 2002 i.e. one-fourth of the shares subject to the option will vest on 13 August 2003 with an additional one-fourth of the shares subject to the option respectively vest on each of the next three succeeding anniversary dates;
  - (b) for those grantees who have worked for the Group including its jointly controlled entities for over one year as at 14 August 2002, one-fourth of the shares subject to the option shall vest on the first anniversary date from 14 August 2002. An additional one-fourth of the shares subject to the option will respectively vest on each of the next three succeeding anniversary dates; and
  - (c) for those grantees who have worked for the Group including its jointly controlled entities for less than one year as at 14 August 2002, one-fourth of the shares subject to the option will vest on the second anniversary date of their respective commencement dates of employment with the Group or its jointly controlled entities. An additional one-fourth of the shares subject to the option will respectively vest on each of the next three succeeding anniversary dates.
2. During the year, an aggregate of 1,390,000 options lapsed upon the termination of the relevant employees' employment with the Group.
3. At 31 December 2003, the number of shares of the Company available for issue under the Scheme was 69,442,000 shares.
4. No theoretical value of share options is disclosed as no options were granted during the year.

附註：

1. 有關購股權所涉股份數目將分為四等份，每年分批生效。購股權生效而可按每股0.62港元之價格認購股份之時間如下：
  - (a) 有關購股權將分為四等份，由二零零二年八月十四日起計滿一周年之日分批生效。即購股權自二零零三年八月十三日起可認購四分之一所涉股份，而於其後三個週年日起各可再認購四分之一所涉股份；
  - (b) 截至二零零二年八月十四日為本集團（包括其共同控制實體）工作滿一年之承授人，可自二零零二年八月十四日起計首個週年日行使購股權認購其中所涉四分之一股份，其後三個週年日起各可分別再認購四分之一所涉股份；及
  - (c) 截至二零零二年八月十四日為本集團（包括其共同控制實體）工作未滿一年之承授人，其購股權將自受僱於本集團或其共同控制實體當日起計第二個週年日生效，可認購有關購股權所涉四分之一股份，其後三個週年日起各可分別再認購四分之一所涉股份。
2. 年內共有1,390,000份購股權因有關僱員與本集團之僱傭關係終止而失效。
3. 於二零零三年十二月三十一日，本公司根據購股權計劃可發行69,442,000股股份。
4. 由於年內並無授予任何購股權，故並未披露購股權之理論價值。

### Substantial shareholders

As at 31 December 2003, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company 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 expected, directly or indirectly, to be 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 member of the Group and set out below are also details of the amount of each of such person's interest in such securities:

### 主要股東

於二零零三年十二月三十一日，就本公司董事或主要行政人員所知，除卻本公司的董事或主要行政人員以外的以下人士，即那些擁有本公司股份及相關股份的權益或淡倉而須根據證券及期貨條例第XV部第2及第3部份向本公司披露的人士的姓名，或那些直接或間接擁有面值10%或以上的任何類別股本（附有在一切情況下在本集團內任何其他成員的股東大會上投票的權利）的人士的姓名，以及每名該等人士擁有該等證券權益的數量，連同任何涉及該等股本的購股權的詳情如下：

Name 名稱	Types of interests held 持有權益類別	Approximate percentage of shares in issue as at the 31 December 2003 於二零零三年十二月三十一日 佔已發行股本概約百分比	
Morningside CyberVentures Holdings Limited ("MSCV") (note a)	1. 626,550,000 shares in the Company; 本公司626,550,000股股份		73.38%
Morningside CyberVentures Holdings Limited 以下簡稱「MSCV」(附註a)	2. HK\$85,000,000 convertible bond exercisable at HK\$1.21 per share. When fully converted, a total of 70,247,933 shares of the Company will be issued 85,000,000港元可換股債券，可按每股1.21港元轉換股份。當可換股債券悉數行使，可轉換為本公司合共70,247,933股股份		8.23%
Verrall Limited via MSCV (note b) Verrall Limited 透過MSCV(附註b)	same as MSCV 如MSCV		Same as MSCV 如MSCV
Mdm Chan Tan Ching Fen (note c) 陳譚慶芬女士(附註c)	same as MSCV 如MSCV		Same as MSCV 如MSCV

All of the above interests of MSCV, Verrall Limited and Mdm Chan Tan Ching Fen constitute long positions under the SFO. The abovementioned convertible bond represents an interest in physically settled equity derivatives.

Notes:

(a) MSCV is wholly-owned by Verrall Limited.

(b) Verrall Limited is the trustee of a discretionary trust established by Mdm Chan Tan Ching Fen, the mother of Gerald Lokchung Chan. None of the discretionary objects of this trust are Directors nor are they otherwise involved in the management of the Group.

(c) Mdm Chan Tan Ching Fen is interested in the shares of the Company in her capacity as founder of the trust (as that term is defined in the SFO) referred to in note (b) above.

Save as disclosed herein and as at 31 December 2003, so far as is known to any Director or chief executive of the Company, no other person (other than a Director or chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company 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 expected, directly or indirectly, to be 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 member of the Group.

### Management shareholders

So far as the Directors are aware, other than MSCV and Verrall Limited as disclosed above, there is no other person who is directly or indirectly, interested in 5% or more of the issued share capital of the Company and who is able, as a practical matter, to direct or influence the management of the Company.

MSCV、Verrall Limited及陳譚慶芬女士之上述所有權益均構成證券及期貨條例之好倉。上述可換股債券乃指於實物結算股本衍生工具之權益。

附註：

(a) MSCV由Verrall Limited全資擁有。

(b) Verrall Limited乃陳譚慶芬女士(陳樂宗先生之母親)設立之全權信託之受託人。此項信託之受益人均非董事，亦無參與本集團之管理。

(c) 根據上述的附註(b)，陳譚慶芬女士以信託創辦人身份持有本公司的股份，定義見證券及期貨條例。

除上文所述外，於二零零三年十二月三十一日，就本公司任何董事或最高行政人員所知，除本公司的董事或最高行政人員以外的每名人士的姓名，概無任何人擁有本公司的股份及相關股份的權益或淡倉而須根據證券及期貨條例第XV部第2及第3部份向本公司披露的人士的姓名，或那些直接或間接擁有面值10%或以上的任何類別股本(附有在一情況下在本集團內任何其他成員的股東大會上投票的權利)的人士的姓名。

### 管理層股東

就董事所知，除上文所披露之MSCV及Verrall Limited外，其他人士並無直接或間接擁有本公司已發行股本5%或以上之權益，亦無實際擁有控制或影響本公司管理之權力。

### Sponsor's interest

As at 31 December 2003, as notified by BNP Paribas Peregrine Capital Limited (the "Sponsor"), neither the Sponsor nor its directors, employees or associates (as referred to in Note 3 to Rule 6.35 of the GEM Listing Rules) had any interest in the securities of the Company.

Pursuant to the agreement dated 15 January 2002 entered into between the Company and the Sponsor, the Sponsor will receive a fee for acting as the Company's sponsor for the period from 31 January 2002 to 31 December 2004.

### Directors' interests in contracts

No contract of significance to which the Company, its holding company or any of its subsidiaries or fellow subsidiaries was a party, in which a Director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

### Directors' service contracts

The executive Directors, Mr. George Ka Ki Chang and Mr. Tony Cheung Kin Au-Yeung, have each entered into a Director's service contract with the Company and Ms. Winnie Pik Shan To has entered into a Director's service contract with Media Partners International Limited, a wholly-owned subsidiary of the Company, whereby each of them has agreed to be appointed as an executive Director of the Company for an initial term of two years commencing on 7 January 2002 which shall continue thereafter unless and until, inter alia, terminated by either party thereto giving to the other not less than three calendar months' prior notice in writing so as to expire no earlier than the end of the second year.

### 保薦人權益

於二零零三年十二月三十一日，按法國巴黎百富勤融資有限公司（以下簡稱「保薦人」）通知，保薦人及其董事、僱員及聯繫人士（定義見創業板上市規則第6.35條附註3）概無擁有本公司任何證券權益。

根據本公司與保薦人於二零零二年一月十五日訂立之協議，保薦人將於二零零二年一月三十一日至二零零四年十二月三十一日期間擔任本公司保薦人而收取費用。

### 董事之合約權益

董事概無於本公司、其控股公司、任何附屬公司或同系附屬公司於年結或年內任何時間訂立而對本公司關係重大之任何重大合約中擁有重大權益。

### 董事之服務合約

執行董事張家騏先生及歐陽長健先生已分別與本公司訂立董事服務協議，而杜碧珊女士則與本公司之全資附屬公司梅迪派勒廣告有限公司訂立董事服務協議。據此，彼等各自同意獲委任為本公司執行董事自二零零二年一月七日起計，初步為期兩年，並於其後持續生效除非及直至（其中包括）任何一方不少於三個月前向對方發出書面通知要求（以免合約期早於第二年結束之前屆滿）終止有關合約為止。

The non-executive Director, Mr. Gerald Lokchung Chan, and independent non-executive Directors, Professor Lawrence Juen Yee Lau, Mr. Paul Laurence Saffo and Mr. Meocre Kwok Wing Li, each have entered into a Director's service contract with the Company for an initial term of two years commencing on 7 January 2002 which shall continue thereafter unless and until, inter alia, terminated by either party thereto giving to the other not less than three calendar months' prior notice in writing so as to expire no earlier than the end of the second year.

Except for the above, none of the Directors proposed for re-election at the forthcoming Annual General Meeting has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

### Directors' interests in competing business

None of the Directors, the management shareholders or the substantial shareholders of the Company, or any of their respective associates, have engaged in any business that competes or may compete with the business of the Group or has any other conflict of interest with the Group.

### Purchase, sale or redemption of the Company's listed shares

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

### Bank loans

Particulars of bank loans of the Group as at 31 December 2003 are set out in note 26 to the financial statements.

### Financial summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 173 of the annual report.

非執行董事陳樂宗先生及獨立非執行董事劉遵義教授、Paul Laurence Saffo先生及李國榮先生各自與本公司訂有董事服務合約，自二零零二年一月七日起計，初步為期兩年，並於其後持續生效，除非及直至（其中包括）任何一方向另一方發出不少於三個曆月之事先書面通知（以免合約期早於第二年結束之前屆滿）終止有關合約為止。

除上述者外，在應屆股東週年大會上候選連任之董事概無與本公司或其附屬公司訂立一年須以賠償形式（一般法定賠償除外）方可終止尚未屆滿服務合約。

### 董事之競爭業務權益

本公司各董事、管理層股東、主要股東或彼等各自之聯繫人士概無經營任何與本集團業務競爭或可能競爭之業務，亦與本集團並無其他利益衝突。

### 買賣或贖回本公司上市證券

於截至二零零三年十二月三十一日止年度內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

### 銀行貸款

本集團於二零零三年十二月三十一日之銀行貸款詳情載於財務報表附註26。

### 財務概要

本集團過往五年之業績及資產與負債概要載於本年報第173頁。



### Connected transactions

Significant related party transactions entered into by the Group during the year ended 31 December 2003, which do not constitute connected transactions under the GEM Listing Rules are disclosed in note 37 to the financial statements.

Details of the continuing connected transactions are also set out in note 37 to the financial statements.

### Continuing connected transactions

During the year under review, the Group has entered into the following transactions and arrangements as described below with persons who are “connected persons” for the purposes of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

#### (i) Administrative Services Agreement

On 9 January 2002, the Company entered into an administrative services agreement with MTI Administration Limited, a wholly owned subsidiary of MSCV, the ultimate holding company, to provide or procure the provision of administration services to the Group, which include but are not limited to the following:

(a) company secretarial and corporate development work;

(b) legal services; and

(c) administrative services incidental to the above.

(together hereinafter referred to as the “Administrative Services”)

### 關連交易

本集團於截至二零零三年十二月三十一日止年度訂立而根據創業板上市規則不屬於關連交易之重大關連人士交易披露於財務報表附註37。

持續關連交易之詳情載於財務報表附註37。

### 持續關連交易

本集團在本年度內曾與下文所述之人士（即就香港聯合交易所有限公司（「香港聯交所」）創業板證券上市規則（「創業板上市規則」）而言屬「關連人士」）達成交易及安排：

#### (i) 管理服務協議

於二零零二年一月九日，本公司與晨興科技管理服務有限公司（最終控股公司MSCV之全資附屬公司）訂立管理服務協議，為本集團提供或安排管理服務，包括但不限於以下各項：

(a) 公司秘書及企業發展工作；

(b) 法律服務；及

(c) 以上兩項之相關管理服務。

（以下統稱「管理服務」）

The Company agreed to pay MTI Administration Limited, on a monthly basis, a proportion of the monthly total staff costs in relation to the above Administrative Services rendered by such persons supplied by MTI Administration Limited by reference to their timesheets for the amount of time they have spent on matters for the Group as a proportion to their total working time. MTI Administration Limited has agreed to unconditionally and irrevocably waive the management fees to be paid by the Group for each quarter to the extent that they exceed the amount of HK\$100,000 during the period 1 January 2003 to 31 December 2003 provided that all other terms and conditions of the Administrative Services Agreement remains unchanged. During the year, the amount paid or payable by the Company to MTI Administration Limited in respect of the Administrative Services was HK\$400,000 which have not exceed the Cap of \$2,937,000.

The Administrative Services constitute non-exempt continuing connected transactions and, therefore, under Rule 20.26 of the GEM Listing Rules, are subject to the announcement requirements set out in Rule 20.35 of the GEM Listing Rules and the shareholders' approval requirements set out in Rule 20.36 of the GEM Listing Rules. The Company has obtained from the Stock Exchange a waiver from the strict compliance with Rules 20.35 and 20.36 of the GEM Listing Rules in respect of such continuing connected transactions for a period of three years ending on 31 December 2004 provided that, among other things, the consideration in respect of the Administrative Services Agreement does not exceed relevant caps of the respective years.

本公司同意根據晨興科技管理服務有限公司人員提供管理服務的工作時間表，按彼等為本集團服務所佔總工作時間之比例，每月向晨興科技管理服務有限公司支付有關部分之僱員總成本。晨興科技管理有限公司已同意無條件及不可撤回地豁免本集團由二零零三年一月一日至二零零三年十二月三十一日期間每季應付100,000港元以上之管理費，惟管理服務協議所有其他條款及條件須維持不變。年內，本公司就管理服務向晨興科技管理服務有限公司支付或應付之代價合共400,000港元，而此代價並無超逾上限2,937,000港元。

由於管理服務屬於非獲豁免之持續關連交易，故根據創業板上市規則第20.26條，須遵守創業板上市規則第20.35條所訂之公佈規定及創業板上市規則第20.36條所訂之股東批准規定。本公司已就該等持續關連交易取得聯交所豁免，於截至二零零四年十二月三十一日止之三個年度內毋須嚴格遵守創業板上市規則第20.35及20.36條，惟於回顧年度就管理服務協議支付之代價並無超逾有關年度之上限。

### *(iii) Advertising Agency Agreement*

On 31 May 2002, a subsidiary of the Company, Chengdu MPI Public Transport Advertising Co. Ltd. ("Cheugdu MPI"), entered into an Advertising Agency Agreement with 成都運興公交有限公司 ("Bus JV") whereby Chengdu Advertising MPI provides advertising agency and management services to the Bus JV. The annual cap amount for the year ended 31 December 2003 and the year ending 31 December 2004 are HK\$21,000,000 and HK\$29,000,000 respectively. These annual cap amounts were determined with reference to the projected amount payable to the Bus JV by Chengdu MPI in the relevant year, which shall be 70% of the amount received by Chengdu MPI for the placement of advertisements on the buses bodies owned by Bus JV. Details of this transaction were set out in the circular dated 26 June 2002 issued by the Company. The aforesaid transaction was approved by the independent shareholders of the Company at an extraordinary general meeting of the Company held on 12 July 2002. During the year, the total amount paid or payable to the Bus JV by Chengdu MPI in respect of the Advertising Agency Agreement amounted to HK\$7,413,450.

As the cap amounts for the above continuing connected transaction are greater than the higher of HK\$10,000,000 or 3% of the net tangible assets of the Group, the continuing connected transaction and the cap amounts are subject to review and re-approval by the independent shareholders of the Company at the forthcoming Annual General Meeting of the Company.

The independent non-executive directors of the Company have reviewed the connected transactions as referred to under (i) and (ii) above and have confirmed that these continuing connected transactions have been entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and (c) 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.

### *(iii) 廣告代理協議*

二零零二年五月三十一日，本公司附屬公司成都媒體伯樂公交廣告有限公司（以下簡稱「成都媒體伯樂」）與成都運興公交有限公司（以下簡稱「成都運興」）訂立廣告代理協議，由成都媒體伯樂向成都運興提供廣告代理及管理服務。有關協議截至二零零二年十二月三十一日止年度之交易額上限為15,000,000港元，而截至二零零三及二零零四年十二月三十一日止兩個財政年度之上限則分別為21,000,000港元及29,000,000港元。有關年度上限乃參考成都媒體伯樂於有關年度應付成都運興之預計費用而釐定，相當於成都媒體伯樂安排巴士車身廣告所獲收入之70%。此項交易之詳情載於本公司二零零二年六月二十六日之通函。上述交易已於本公司二零零二年七月十二日舉行之特別股東大會上獲獨立股東之批准。年內，成都媒體伯樂就廣告代理協議而付予成都運興之金額合共7,413,450港元。

由於上述持續關連交易之上限超逾10,000,000港元或本集團有形資產淨值之3%（以較高者為準），因此有關交易及交易額上限須由本公司獨立股東於本公司應屆股東週年大會上檢討及重新批准。

本公司之獨立非執行董事已檢討上文第(i)及(ii)項所述之關連交易，並確認該等持續關連交易乃(a)於本集團之一般日常及正常業務內、(b)根據一般正常商業條款或不遜於本集團與獨立第三者交易之條款及(c)根據相關協議條款的規定而進行，交易條款乃公平合理，並且合乎股東的整體利益。

The auditors of the Company have confirmed that the connected transactions as referred to under (i) and (ii) above (a) have received the approval of the Board of Directors of the Company; (b) are in accordance with the pricing policies of the Group where transactions involve provision of goods and services by the Group; (c) have been entered into in accordance with the relevant agreements governing the transactions; and (d) have not exceeded their respective caps.

### Board practices and procedures

During the year ended 31 December, 2003, the Company has complied with the board practices and procedures as set out in Rules 5.28 to 5.39 of the GEM Listing Rules of The Stock Exchange of Hong Kong Limited.

### Audit committee

The Company established an audit committee on 7 January 2002 with written terms of reference in compliance with the requirements as set out in Rule 5.23 of the GEM Listing Rules.

The primary duties of the audit committee are to review the financial reporting process and internal control system of the Group and provide advice and comments to the Board of Directors of the Company.

The audit committee comprises three independent non-executive directors, Professor Lawrence Juen Yee LAU, Mr Meocre Kwok Wing LI and Mr Paul Laurence SAFFO. The audit committee met four times during the year.

本公司之核數師確認，上文第(i)及(ii)項所述之關連交易(a)已獲得本公司董事會批准；(b)符合本公司之定價政策(如交易涉及由本集團提供貨物及服務)；(c)乃根據規範該等交易之相關協議而進行；及(d)並無超過其各自之上限。

### 董事會常規及程序

於截至二零零三年十二月三十一日止年度內，本公司一直遵守創業板上市規則第5.28至5.39條所列之董事會常規及程序。

### 審核委員會

本公司於二零零三年一月七日成立審核委員會，並根據創業板上市規則第5.23條之規定制訂其書面職權範圍。

審核委員會之主要職責在於檢討本集團之財務申報程序及內部監控制度，並向本公司董事會提供意見及建議。

審核委員會由三位獨立非執行董事劉遵義教授、李國榮先生及Paul Laurence SAFFO先生所組成。審核委員會於年內曾舉行四次會議。

### Auditors

KPMG retire and being eligible, offer themselves for reappointment. A resolution for the reappointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Board

**Stephen Cheuk Kin LAW**

*Company Secretary*

Hong Kong, 17 March 2004

### 核數師

畢馬威會計師事務所將會退任，惟符合資格並願意接受續聘。在應屆股東週年大會上將提呈決議案，續聘畢馬威會計師事務所為本公司之核數師。

承董事會命

公司秘書

**羅卓堅**

香港，二零零四年三月十七日



**Auditors' report to the shareholders of**

**Media Partners International Holdings Inc.**

*(Incorporated in the Cayman Islands with limited liability)*

We have audited the financial statements on pages 95 to 172 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

**Respective responsibilities of directors and auditors**

The Company's directors are responsible for the preparation of the financial statements which give a true and fair view. In preparing financial statements which give a true and fair view, it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates are made which are prudent and reasonable and that the reasons for any significant departure from applicable accounting standards are stated.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

**Basis of opinion**

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

致媒體伯樂集團有限公司各股東

(於開曼群島註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核刊於第95至172頁按照香港公認會計原則編撰經審核財務報表。

**董事及核數師的責任**

貴公司董事須負責編撰真實而公允的財務報表。在編撰真實而公允的財務報表時，必須選擇及貫徹採用合適的會計政策，作出審慎及合理的判斷和估計，並說明任何重大背離適用會計準則的原因。

我們的責任是根據我們審核工作的結果，對這些財務報表提出獨立意見，並只向作為法人團體的股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

**意見的基礎**

我們按照香港會計師公會頒佈的《核數準則》進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編撰財務報表時所作的主要估計和判斷、所採用的會計政策是否適合貴公司及貴集團的具體情況，以及有否貫徹運用並足夠披露該等會計政策。

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

### Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2003 and of the Group's loss and cash flows for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**KPMG**

Certified Public Accountants

Hong Kong, 17 March 2004

我們在策劃和進行審核工作時，是以取得一切我們認為必須的資料及解釋為目標，以能獲得充分憑證，就財務報表是否存在重大錯誤陳述作合理的確定。在提出意見時，我們亦已衡量財務報表所載資料在整體上是否足夠。我們相信，我們的審核工作足以作為我們意見的合理基礎。

### 意見

我們認為，財務報表能真實與公允地反映貴公司及貴集團於二零零三年十二月三十一日的財政狀況和貴集團截至該日止年度的虧損及現金流量，並已按照香港《公司條例》之披露規定而適當地編撰。

**畢馬威會計師事務所**

執業會計師

香港，二零零四年三月十七日

# Consolidated Profit and Loss Account

## 綜合損益表

for the year ended 31 December 2003 截至二零零三年十二月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元為單位)

			2003	2002
		Note	\$'000	\$'000
		附註	千元	千元
<b>Operating revenue</b>	<b>經營收入</b>			
Turnover	營業額	2	277,205	290,804
Other revenue	其他收入	3	15,280	17,305
Other net income	其他收益淨額	3	31	205
<b>Operating expenses</b>	<b>經營開支</b>			
Site rental	廣告位租金		(102,852)	(94,266)
Other direct costs	其他直接成本		(97,242)	(124,746)
Staff costs	僱員成本	4(b)	(30,054)	(33,691)
Depreciation and amortisation	折舊及攤銷		(40,987)	(34,843)
Other operating expenses	其他經營開支		(34,405)	(28,971)
Provision for onerous contracts	合約承擔虧損撥備	27(b)	-	(12,626)
<b>Loss from operations</b>	<b>經營虧損</b>		<b>(13,024)</b>	<b>(20,829)</b>
Finance costs	融資成本	4(a)	(13,774)	(11,293)
Share of profits less losses of associates	分佔聯營公司溢利減虧損		2,155	2,276
Share of profits less losses of jointly controlled entities	分佔共同控制實體溢利減虧損		20,080	15,847
<b>Loss from ordinary activities before taxation</b>	<b>經常業務除稅前虧損</b>	4	<b>(4,563)</b>	<b>(13,999)</b>
Income tax	稅項	5	(14,424)	(12,564)
<b>Loss from ordinary activities after taxation</b>	<b>經常業務除稅後虧損</b>		<b>(18,987)</b>	<b>(26,563)</b>
Minority interests	少數股東權益		(2,787)	(3,378)
<b>Loss attributable to shareholders</b>	<b>股東應佔虧損</b>	8 & 35(a)	<b>(21,774)</b>	<b>(29,941)</b>
<b>Loss per share</b>	<b>每股虧損</b>			
- Basic	- 基本	10(a)	(2.6) cents 仙	(3.6) cents 仙

The notes on pages 103 to 172 form part of these financial statements.

第103至第172頁之附註為財務報表一部份。

# Consolidated Balance Sheet

## 綜合資產負債表

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

at 31 December 2003 於二零零三年十二月三十一日  
(Expressed in Hong Kong dollars) (以港元為單位)

			2003 \$'000 千元	2002 \$'000 千元
	Note 附註			
<b>Non-current assets</b>		<b>非流動資產</b>		
Fixed assets	13	固定資產	13,873	15,067
Interest in associates	15	聯營公司權益	4,427	2,786
Interest in jointly controlled entities	16	共同控制實體權益	63,054	61,595
Amounts due from a jointly controlled entity	16	應收一間共同控制實體款項	18,868	18,692
Advertising rights	17	媒體使用權	291,583	253,929
Other investments	18	其他投資	35,849	-
Goodwill	19	商譽	2,554	2,873
			<b>430,208</b>	<b>354,942</b>
<b>Current assets</b>		<b>流動資產</b>		
Accounts receivable	20	應收賬款	32,841	46,475
Other receivables, deposits and prepayments	20	其他應收賬款、按金 及預付款項	85,040	107,980
Amounts due from jointly controlled entities	21	應收共同控制實體 款項	13,866	9,198
Amounts due from minority shareholders	22	應收少數股東款項	5,851	3,746
Amounts due from related companies	23	應收關連公司款項	10	459
Pledged bank deposits	24	已抵押銀行存款	202,188	196,446
Cash and cash equivalents	25	現金及等同現金項目	140,288	161,409
			<b>480,084</b>	<b>525,713</b>
<b>Current liabilities</b>		<b>流動負債</b>		
Bank loans	26	銀行貸款	257,402	232,153
Accounts payable	27	應付賬款	49,948	22,507
Other payables, deposits and provisions	27	其他應付賬款、按金及撥備	47,749	57,641
Amounts due to jointly controlled entities	28	應付共同控制實體款項	9,650	10,340
Amounts due to related companies	23	應付關連公司款項	9,825	3,074
Taxation payable	30	應付稅項	1,387	603
			<b>375,961</b>	<b>326,318</b>
<b>Net current assets</b>		<b>流動資產淨值</b>	<b>104,123</b>	<b>199,395</b>
<b>Total assets less current liabilities</b>		<b>總資產減流動負債</b>	<b>534,331</b>	<b>554,337</b>

# Consolidated Balance Sheet (continued)

## 綜合資產負債表 (續)

at 31 December 2003 於二零零三年十二月三十一日  
(Expressed in Hong Kong dollars) (以港元為單位)

		Note	2003 \$'000 千元	2002 \$'000 千元
		附註		
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Convertible Bond	可換股債券	31	<b>85,000</b>	85,000
Deferred taxation	遞延稅項	32	<b>45</b>	–
			<b>85,045</b>	85,000
<b>Minority interests</b>	<b>少數股東權益</b>	33	<b>20,992</b>	20,333
			<b>106,037</b>	105,333
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>428,294</b>	449,004
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
<b>Share capital</b>	<b>股本</b>	34	<b>85,380</b>	85,380
<b>Reserves</b>	<b>儲備</b>	35	<b>342,914</b>	363,624
			<b>428,294</b>	449,004

Approved and authorised for issue by the board of directors on 17 March 2004.

經由董事會於二零零四年三月十七日批准及授權刊發。

George Ka Ki CHANG  
張家騏  
Director  
董事

Winnie Pik Shan TO  
杜碧珊  
Director  
董事

The notes on pages 103 to 172 form part of these financial statements.

第103至第172頁之附註為財務報表一部份。



# Balance Sheet

## 資產負債表

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

at 31 December 2003 於二零零三年十二月三十一日  
(Expressed in Hong Kong dollars) (以港元為單位)

		Note	2003 \$'000 千元	2002 \$'000 千元
		附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Investments in subsidiaries	於附屬公司之投資	14	<b>361,464</b>	340,748
<b>Current assets</b>	<b>流動資產</b>			
Other receivables, deposits and prepayments	其他應收賬款、按金及預付款項	20	<b>48</b>	62
Amount due from a jointly controlled entity	應收一間共同控制實體款項	21	<b>130</b>	–
Amount due from a related company	應收一間關連公司款項	23	<b>6</b>	6
Cash and cash equivalents	現金及等同現金項目	25	<b>33,687</b>	59,346
			<b>33,871</b>	59,414
<b>Current liabilities</b>	<b>流動負債</b>			
Other payables, deposits and provisions	其他應付賬款、按金及撥備	27	<b>1,353</b>	1,786
<b>Net current assets</b>	<b>流動資產淨額</b>		<b>32,518</b>	57,628
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>393,982</b>	398,376
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Convertible Bond	可換股債券	31	<b>85,000</b>	85,000
			<b>85,000</b>	85,000
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>308,982</b>	313,376
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
<b>Share capital</b>	<b>股本</b>	34	<b>85,380</b>	85,380
<b>Reserves</b>	<b>儲備</b>	35	<b>223,602</b>	227,996
			<b>308,982</b>	313,376

Approved and authorised for issue by the board of directors on 17 March 2004.  
經由董事會於二零零四年三月十七日批准及授權刊發。

George Ka Ki CHANG  
張家騏  
Director  
董事

Winnie Pik Shan TO  
杜碧珊  
Director  
董事

The notes on pages 103 to 172 form part of these financial statements.  
第103至第172頁之附註為財務報表一部份。

# Consolidated Statement of Changes in Equity

## 股權變動綜合報表

for the year ended 31 December 2003 截至二零零三年十二月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元為單位)

		Share capital	Share premium	Merger reserves	Other capital reserves 其他資本 儲備	Exchange reserves 匯兌儲備	Revenue reserves 收入儲備	Total
		股本 \$'000 千元	股本溢價 \$'000 千元	合併儲備 \$'000 千元	儲備 \$'000 千元	匯兌儲備 \$'000 千元	收入儲備 \$'000 千元	總計 \$'000 千元
At 1 January 2002	於二零零二年一月一日	-	-	255,466	(61,518)	-	(33,998)	159,950
Capitalisation of shareholders' loans	股東貸款資本化	63,900	42,078	-	-	-	-	105,978
Issue of placing shares	發行配售股份	21,380	213,800	-	-	-	-	235,180
Share issue expenses	發行股份開支	-	(22,163)	-	-	-	-	(22,163)
Movements arising from the Reorganisation	重組所產生之變動	100	-	(100)	-	-	-	-
Net loss for the year	本年度虧損淨額	-	-	-	-	-	(29,941)	(29,941)
At 31 December 2002	於二零零二年十二月三十一日	85,380	233,715	255,366	(61,518)	-	(63,939)	449,004
At 1 January 2003	於二零零三年一月一日	85,380	233,715	255,366	(61,518)	-	(63,939)	449,004
Movements arising from changes in exchange rate	匯兌改變所產生之變動	-	-	-	-	1,064	-	1,064
Net loss for the year	本年度虧損淨額	-	-	-	-	-	(21,774)	(21,774)
At 31 December 2003	於二零零三年十二月三十一日	85,380	233,715	255,366	(61,518)	1,064	(85,713)	428,294

The notes on pages 103 to 172 form part of these financial statements.

第103至第172頁之附註為財務報表一部份。

# Consolidated Cash Flow Statement

## 綜合現金流量表

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

for the year ended 31 December 2003 截至二零零三年十二月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元為單位)

		2003		2002	
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
<b>Operating activities</b>	<b>經營業務</b>				
Loss from operations	經營(虧損)	(13,024)		(20,829)	
Adjustments for:	就下列項目作出調整：				
– Interest income	– 利息收入	(3,545)		(4,614)	
– Depreciation and amortisation	– 折舊及攤銷	40,987		34,843	
– Profit on sales of fixed assets	– 出售固定資產溢利	(31)		(205)	
– (utilisation of provision)/provision for onerous contracts	– 合約承擔虧損撥備(撥備抵銷)/撥備	(11,121)		12,626	
<b>Operating profit before changes in working capital</b>	<b>營運資金變動前之經營溢利</b>	<b>13,266</b>		21,821	
Decrease/(increase) in accounts receivable	應收賬款減少/(增加)	13,634		(3,579)	
Increase in other receivables, deposits and prepayments	其他應收賬款、按金及預付款項增加	(10,163)		(1,545)	
Increase in amounts due from jointly controlled entities	應收共同控制實體款項增加	(4,668)		(6,815)	
Increase in amounts due from minority shareholders	應收少數股東款項增加	(4,140)		(894)	
Decrease in amounts due from related companies	應收關連公司款項減少	449		34	
Increase in accounts payable	應付賬款增加	6,516		4,461	
Increase in other payables, deposits and provisions	其他應付賬款、按金及撥備增加	837		1,591	
(Decrease)/increase in amounts due to jointly controlled entities	應付共同控制實體款項(減少)/增加	(888)		3,730	
Increase in amounts due to related companies	應付關連公司款項增加	6,751		3,074	
<b>Cash generated from operations</b>	<b>經營所得現金</b>	<b>21,594</b>		21,878	
Tax paid	已付稅項				
– Hong Kong profits tax refunded	– 香港利得稅退回	57		152	
– PRC tax paid	– 已付中國稅項	(5,776)		(7,319)	
<b>Net cash generated from operating activities</b>	<b>經營業務所得現金淨額</b>	<b>15,875</b>		14,711	

# Consolidated Cash Flow Statement (continued)

## 綜合現金流量表 (續)

for the year ended 31 December 2003 截至二零零三年十二月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元為單位)

		2003		2002	
	Note	\$'000	\$'000	\$'000	\$'000
	附註	千元	千元	千元	千元
<b>Investing activities</b>	<b>投資活動</b>				
Increase in pledged deposits	已抵押存款增加	(5,742)		(118,858)	
Payments for the purchase of fixed assets	購買固定資產款項	(4,312)		(6,483)	
Proceeds from sales of fixed assets	出售固定資產所得款項	236		239	
Payments for the purchase of advertising rights	購買媒體使用權款項	(43,698)		(26,716)	
Decrease/(increase) in deposits in respect of acquisition/use of advertising rights	減少／(增加)購買／使用媒體使用權之按金	19,957		(56,155)	
Payments for other investments	收購其他投資款項	(29,307)		–	
Payment for the purchase of remaining shares in a subsidiary	收購一間附屬公司餘下股份之款項	–		(3,500)	
Share capital contributed to a jointly controlled entity	向一間共同控制實體注資	–		(936)	
Share capital contributed by minority shareholders	來自少數股東之注資	597		2,196	
Interest received	已收利息	3,545		4,614	
Dividends received from an associate	已收一間聯營公司股息	–		3,920	
Dividends received from a jointly controlled entity	已收一間共同控制實體股息	11,443		9,347	
<b>Net cash used in investing activities</b>	<b>投資活動所動用現金淨額</b>		<b>(47,281)</b>		<b>(192,332)</b>
<b>Financing activities</b>	<b>融資活動</b>				
Proceeds on issue of placing shares	發行配售股份所得款項	–		235,180	
Share issue expenses	發行股份開支	–		(22,163)	
Proceeds from new bank loans	新增銀行貸款	25,249		95,845	
Interest paid	已付利息	(13,774)		(11,293)	
Dividends paid to minority shareholders	已付少數股東股息	(492)		(3,796)	

# Consolidated Cash Flow Statement *(continued)*

## 綜合現金流量表 (續)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

for the year ended 31 December 2003 截至二零零三年十二月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元為單位)

			2003		2002	
		Note	\$'000	\$'000	\$'000	\$'000
		附註	千元	千元	千元	千元
Net cash generated from financing activities	融資活動所得現金淨額			10,983		293,773
Net (decrease)/increase in cash and cash equivalents	現金及等同現金項目(減少)／增加淨額			(20,423)		116,152
Cash and cash equivalents at 1 January	一月一日之現金及等同現金項目			161,409		45,257
Effect of changes in foreign exchange rates	匯兌變動之影響			(698)		-
Cash and cash equivalents at 31 December	十二月三十一日之現金及等同現金項目	25		140,288		161,409

The notes on pages 103 to 172 form part of these financial statements.  
第103至第172頁之附註為財務報表一部份。



### 1. Significant accounting policies

#### (a) The Company

The Company was incorporated in the Cayman Islands on 14 May 2001 as an exempted company with limited liability under the Companies Law (2000 Revision) of the Cayman Islands.

The Company obtained a Listing on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited on 31 January 2002.

#### (b) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which includes all applicable Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Society of Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

#### (c) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is historical cost.

The Company became the holding company of the Group on 9 January 2002 pursuant to a group Reorganisation. Details of the Reorganisation were set out in the Company's prospectus dated 15 January 2002. Accordingly, the consolidated financial statements have been prepared using the merger accounting methodology on the basis of historical costs and as if the subsidiaries had been part of the Group throughout the periods presented, except for any acquisitions or disposals subsequent to the Reorganisation, which are accounted for under the acquisition basis of accounting.

### 1. 主要會計政策

#### (a) 本公司

本公司根據開曼群島公司法(二零零零年修訂本)於二零零一年五月十四日在開曼群島註冊成立為獲豁免有限公司。

本公司於二零零二年一月三十一日取得在香港聯合交易所有限公司創業板(「創業板」)上市資格。

#### (b) 遵例聲明

財務報表乃按香港會計師公會頒佈之所有適用之香港財務報告準則，(包括所有相關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撰。財務報表亦符合香港聯合交易所有限公司創業板證券上市規則之相關披露規定。本集團採納的主要會計政策簡列如下。

#### (c) 財務報表之編撰基準

編撰財務報表時乃採用過往成本作為計算基準。

本公司透過集團重組，於二零零二年一月九日成為本集團之控股公司。重組詳情載於二零零二年一月十五日之招股章程內。據此，綜合財務報表乃使用合併會計法並按過往成本基準編撰，並假設各附屬公司在呈報期間一直屬於本集團，惟於重組後任何收購或出售項目則按收購會計準則計算。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 1. Significant accounting policies (continued)

#### (d) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31 December each year. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from or to the date of their acquisition or disposal, as appropriate. All material intra-group transactions and balances are eliminated on consolidation.

#### (e) Subsidiaries

A subsidiary is an enterprise controlled by the Company. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities.

An investment in a subsidiary is consolidated into the consolidated financial statements, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Group, in which case, it is stated in the consolidated balance sheet at fair value with changes in fair value recognised in the consolidated profit and loss account as they arise.

Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

### 1. 主要會計政策 (續)

#### (d) 綜合賬目基準

綜合財務報表包括本公司及其所有附屬公司截至每年十二月三十一日之財務報表。年內收購或出售之附屬公司業績分別視乎情況而自收購日期起或截至出售日期止計入綜合損益表。所有集團內公司間之重大交易及結餘均已於綜合賬目時互相對銷。

#### (e) 附屬公司

附屬公司為本公司控制之公司。倘若本公司具有權力直接或間接監管該公司之財務及經營策略，透過其業務獲益，即本公司對附屬公司有控制權。

對附屬公司之投資計入綜合財務報表，而收購及持有附屬公司之目的僅在於不久後出售，或在長期嚴格限制下經營導致難以將資金調撥至本集團者則除外。在此情況下，有關附屬公司會按公允價值計入綜合資產負債表，而公允價值之變動出現時會在綜合損益表確認。

集團公司間之結餘與交易及任何集團公司間交易產生之未變現溢利，均於編撰綜合財務報表時悉數撇銷。集團公司間交易產生之未變現虧損同樣以未變現盈利之方式撇銷，惟以並無減值證據之數額為限。

### 1. Significant accounting policies (continued)

#### (e) Subsidiaries (continued)

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet separately from liabilities and the shareholders' equity. Minority interests in the results of the Group for the year are also separately presented in the consolidated profit and loss account.

Where losses attributable to the minority exceed the minority's interest in the net assets of a subsidiary, the excess, and any further losses attributable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. All subsequent profits of the subsidiary are allocated to the Group until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 1(k)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Company, in which case, it is stated at fair value with changes in fair value recognised in the profit and loss account as they arise. The results of subsidiaries are accounted for by the Company on the basis of dividends declared or approved in the Company's accounting period.

### 1. 主要會計政策 (續)

#### (e) 附屬公司 (續)

於結算日之少數股東權益(指並非本公司直接或間接透過附屬公司擁有之股本權益應計之該部分附屬公司淨資產)，乃與負債及股東權益分開於綜合資產負債表內呈列。本集團本年度業績內之少數股東權益乃呈列於綜合損益表。

當少數股東應佔虧損超過少數股東於附屬公司淨資產之權益時，超出之數額及少數股東應佔之任何進一步虧損乃與本集團之權益對銷，除非少數股東負有具約束力責任兼有能力對虧損作出補償。附屬公司其後所有溢利乃分配予本集團，直至先前由本集團承擔之少數股東攤佔虧損已予收回為止。

本公司資產負債表所示對附屬公司之投資，乃按成本減去任何減值虧損(見附註1(k))入賬，而收購及持有附屬公司之目的僅在於不久後出售，或在長期嚴格限制下經營導致難以將資金調撥至本集團者則除外。在此情況下，有關附屬公司會按公允價值計入本公司資產負債表，而公允價值之變動會於出現時在綜合損益表確認。本公司以本身會計期間所獲宣佈派發或批准之股息作為計算附屬公司業績基準。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 1. Significant accounting policies (continued)

#### (f) Associates and jointly controlled entities

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A jointly controlled entity is an entity which operates under a contractual arrangement between the Group or the Company and other parties, where the contractual arrangement establishes that the Group or the Company and one or more of the other parties share joint control over the economic activity of the entity.

An investment in an associate or a jointly controlled entity is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's or the jointly controlled entity's net assets, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investor or venturer, in which case it is stated at fair value with changes in fair value recognised in the consolidated profit and loss account as they arise. The consolidated profit and loss account reflects the Group's share of the post-acquisition results of the associates and jointly controlled entities for the year, including any amortisation of positive or negative goodwill charged or credited during the year in accordance with note 1(g).

Unrealised profits and losses resulting from transactions between the Group and its associates and jointly controlled entities are eliminated to the extent of the Group's interest in the associate or jointly controlled entity, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the consolidated profit and loss account.

### 1. 主要會計政策 (續)

#### (f) 聯營公司及共同控制實體

聯營公司指本集團或本公司可以對其管理層發揮重大影響力的實體，包括參與其財務及經營決策，但不是控制或共同控制其管理層。

共同控制實體指本集團或本公司與其他人士根據合約安排經營，而有關合約安排確定本集團或本公司與一位或多位其他人士可共同控制該實體之經濟活動。

對聯營公司或共同控制實體之投資根據權益法記入綜合財務報表，初期按成本入賬，其後就本集團所佔聯營公司或共同控制實體之資產淨值於收購後出現之變更作出調整，而收購及持有之目的僅在於不久後出售，或在長期嚴格限制下經營導致難以將資金調撥至投資者或合營者則除外。在此情況下，將按公允價值計入綜合資產負債表，而公允價值之變動會於出現時在綜合損益表確認。綜合損益表可顯示本集團所佔聯營公司及共同控制實體於年內之收購後業績，其中包括根據附註1(g)所述年內扣除或入賬之正商譽或負商譽。

本集團與聯營公司及共同控制實體交易所得之未變現盈虧，其中本集團所佔聯營公司或共同控制實體權益比例之部份撇銷，惟未變現虧損有證據顯示所轉讓資產出現減值時，則減值將即時在綜合損益表確認。

### 1. Significant accounting policies (continued)

#### (g) Goodwill

Positive goodwill arising on consolidation represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired. In respect of controlled subsidiaries and associates and jointly controlled entities:

- for acquisitions before 1 January 2001, positive goodwill is eliminated against reserves and is reduced by impairment losses (see note 1(k)); and
- for acquisitions on or after 1 January 2001, positive goodwill is amortised to the consolidated profit and loss account on a straight-line basis over its estimated useful life which does not exceed 20 years. Positive goodwill is stated in the consolidated balance sheet at cost less any accumulated amortisation and any impairment losses (see note 1(k)).

In respect of acquisitions of associates and jointly controlled entities, the cost of positive goodwill less any accumulated amortisation and any impairment losses (see note 1(k)) is included in the carrying amount of the interest in associates or jointly controlled entities.

Negative goodwill arising on acquisitions of controlled subsidiaries, associates and jointly controlled entities represents the excess of the Group's share of the fair value of the identifiable assets and liabilities acquired over the cost of the acquisition. Negative goodwill is accounted for as follows:

- for acquisitions before 1 January 2001, negative goodwill is credited to a capital reserve; and

### 1. 主要會計政策 (續)

#### (g) 商譽

綜合賬目所產生之正商譽即收購成本高於本集團佔所收購可分辨資產與負債公允價值之差額。就受控制附屬公司、聯營公司及共同控制實體而言：

- 對於二零零一年一月一日之前所作出的收購，正商譽與儲備抵銷，並且減去減值虧損（見附註1(k)）；而
- 對於二零零一年一月一日或之後作出的收購，正商譽是按其預計可用年限但不超過20年，以直線法在綜合損益表內攤銷。正商譽是按成本減去任何累計攤銷及任何減值虧損記入綜合資產負債表（見附註1(k)）。

收購聯營公司及共同控制實體正商譽成本，在扣減任何累計攤銷及任何減值虧損（見附註1(k)）後，計入聯營公司或共同控制實體權益之賬面值。

收購受控制附屬公司、聯營公司及共同控制實體時所產生之負商譽，指本集團佔所收購可分辨資產與負債公允價值高於收購成本之差額。負商譽按下列方式入賬：

- 對於二零零一年一月一日前所作出的收購，負商譽計入資本儲備；而



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 1. Significant accounting policies (continued)

#### (g) Goodwill (continued)

- for acquisitions on or after 1 January 2001, to the extent that negative goodwill relates to an expectation of future losses and expenses that are identified in the plan of acquisition and can be measured reliably, but which have not yet been recognised, it is recognised in the consolidated profit and loss account when the future losses and expenses are recognised. Any remaining negative goodwill, but not exceeding the fair values of the non-monetary assets acquired, is recognised in the consolidated profit and loss account over the useful life of those non-monetary assets that are depreciable/amortisable. Negative goodwill in excess of the fair values of the non-monetary assets acquired is recognised immediately in the consolidated profit and loss account.

On disposal of a controlled subsidiary, an associate or a jointly controlled entity during the year, any attributable amount of purchased goodwill not previously amortised through the consolidated profit and loss account or which has previously been dealt with as a movement on Group reserves is included in the calculation of the profit or loss on disposal.

#### (h) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation and any impairment losses (see note 1(k)).

Depreciation is calculated to write off the cost of fixed assets on a straight-line basis over their estimated useful lives as follows:

Leasehold improvements

租賃物業裝修

Advertising displays

廣告顯示器

Computer equipment

電腦設備

Furniture, fixtures and equipment

傢俬、裝置及設備

Motor vehicles

汽車

over the term of the lease

租賃期

over the term of the contract

合約期

3 years

三年

5 years

五年

4 to 5 years

四至五年

### 1. 主要會計政策 (續)

#### (g) 商譽 (續)

- 對於在二零零一年一月一日或之後作出的收購，假如負商譽關乎已在收購計劃中確定及可以可靠地計算，但尚未確認的預計未來虧損和支出，便會在未來虧損和支出確認時，在綜合損益表內確認。任何尚餘的負商譽(但以所收購非貨幣資產公平價值為限)則按應計折舊／攤銷的非貨幣資產的加權平均可用年限，在綜合損益表內確認。然而，如尚餘的負商譽數額高於所收購非貨幣資產公平價值，這部份負商譽便會立即在綜合損益表內確認。

如於年內出售受控制附屬公司、聯營公司或合營公司，以往未在綜合損益表攤銷或以往作為集團儲備變動處理的應佔購入商譽的數額，均在計算出售的溢利或虧損時包括在內。

#### (h) 固定資產及折舊

固定資產按成本減累計折舊及任何減值虧損入賬(見附註1(k))。

折舊乃以直線法按以下固定資產之估計可使用期撇銷其成本：

### 1. Significant accounting policies (continued)

#### (h) Fixed assets and depreciation (continued)

Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing assets, will flow to the enterprise. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated profit and loss account on the date of retirement or disposal.

#### (i) Advertising rights

Advertising rights represent fees paid to secure exclusive rights to sell advertising space on certain specified assets or at certain specified locations for a specific period of time.

Advertising rights are stated at cost less accumulated amortisation and any impairment losses (see note 1(k)).

Amortisation is calculated on a straight-line basis over the agreed periods of use of the advertising rights, which range from 5 to 20 years, starting from the date of commencement of the commercial use of the advertising rights.

### 1. 主要會計政策 (續)

#### (h) 固定資產及折舊 (續)

倘日後可能為企業帶來經濟利益，並超過現有資產原估計表現水平時，則已入賬固定資產之其後開支加入該資產之賬面值。所有其他入賬後開支於出現期間確認為開支。

棄用或出售固定資產之盈虧，即按估計出售所得款項淨額與資產賬面值之差額，於棄用或出售當日於綜合損益表確認。

#### (i) 媒體使用權

媒體使用權即取得在指定期間銷售若干指定資產或若干指定地點廣告位之獨家的媒體權所支付之費用。

媒體使用權以原值減累計攤銷及任何減值虧損(見附註1(k))入賬。

攤銷以直線法按媒體使用權之協定期限計算，年期由媒體使用權開始作商業用途起計五至二十年不等。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 1. Significant accounting policies (continued)

#### (i) Advertising rights (continued)

Subsequent expenditure on advertising rights after their purchase or their completion is recognised as an expense when it is incurred unless it is probable that this expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and this expenditure can be measured and attributed to the asset reliably. If these conditions are met, the subsequent expenditure is added to the cost of the advertising rights.

#### (j) Other investments

Other investments are stated at cost less any impairment losses (see note 1(k)).

#### (k) Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

##### (i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

### 1. 主要會計政策 (續)

#### (i) 媒體使用權 (續)

購買或完成媒體使用權後之開支於出現時確認為開支，惟該項開支可為資產帶來日後經濟利益，並超過原估計表現水平，且該項開支可以計算並屬於該資產者則除外。倘若符合上述條件，則其後開支將加入媒體使用權之原值。

#### (j) 其他投資

其他投資按成本減去任何減值虧損入賬(見附註1(k))。

#### (k) 資產減值

每逢結算日均審核內部及外來資料，衡量是否有跡象顯示固定資產已出現減值或先前已確認者經已不再存在或已減少。

倘出現任何該等跡象，則會估計資產之可收回數額。當資產賬面值超逾可收回數額時，便會確認減值虧損。

##### (i) 計算可收回數額

資產的可收回數額以其銷售淨價和使用價值兩者中的較高數額為準。在評估使用價值時，會使用除稅前折讓率將估計未來現金流量折讓至現值。該折讓率應是反映市場當時所評估的貨幣時間價值和該資產的獨有風險。如果資產所產生的現金流入基本上不獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產類別(即現金產生單位)來釐定可收回數額。

### 1. Significant accounting policies (continued)

#### (k) Impairment of assets (continued)

##### (ii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the consolidated profit and loss account in the year in which the reversals are recognised.

#### (l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

#### (m) Jointly controlled assets

Jointly controlled assets are held under a contractual arrangement whereby the Group and at least one other party undertake an economic activity which is subject to joint control and none of the parties involved unilaterally has control over the economic activity.

### 1. 主要會計政策 (續)

#### (k) 資產減值 (續)

##### (ii) 減值虧損轉回

倘若用以釐定可收回數額的估計發生有利的變化，便會將資產減值虧損轉回；但商譽除外。至於商譽的減值虧損，倘若虧損是由性質獨特及預計不會再出現的特殊外界因素所造成，而且可收回數額的增加明顯是與該特殊因素轉回有關，才會將減值虧損轉回。

所轉回的減值虧損以假設沒有在往年確認減值虧損而應已釐定的資產賬面金額為限。所轉回的減值虧損在確認轉回的年度內計入損益表。

#### (l) 現金及等同現金項目

現金及等同現金項目包括銀行及手頭現金、銀行及其他財務機構之通知存款，以及短期而易於套現且價值轉變風險甚低之投資，而該等投資可隨時兌換成可知數額之現金，且於購入時之到期時限不超過三個月者。就現金流量表而言，現金及等同現金項目亦包括即期償還及為本集團現金管理主要部份之銀行透支。

#### (m) 共同控制資產

共同控制資產乃根據合約安排持有，而本集團及不少於一位其他訂約方共同進行經濟活動，該活動受雙方共同控制，任何一方均沒有單方面之控制權。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 1. Significant accounting policies (continued)

#### (m) Jointly controlled assets (續)

The Group's share of jointly controlled assets, and its share of any liabilities incurred in relation to the jointly controlled assets are recognised in the balance sheet and classified according to the nature of the relevant item. Income from the sale or use of the Group's share of the output of the jointly controlled assets, together with its share of any expenses incurred in relation to its interests in the jointly controlled assets, are recognised when it is probable that economic benefits associated with the transactions will flow to or from the Group, as applicable.

#### (n) Income tax

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the profit and loss account except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

### 1. 主要會計政策 (續)

#### (m) 共同控制資產 (續)

本集團分佔共同控制資產及有關共同控制資產所產生之任何負債均於資產負債表確認，並根據有關項目性質分類。出售或使用本集團共同控制資產所得收益，連同本集團所佔共同控制資產權益所產生之任何開支，將視乎情況在有關交易使本集團有經濟利益流入或流出時確認。

#### (n) 所得稅

- (i) 本年度所得稅包括本期及遞延稅項資產和負債的變動。除該項目應在股東權益內直接入賬的數額外，本期稅項及遞延稅項資產和負債的變動計入損益賬內。
- (ii) 本期稅項為年度對應課稅收入按結算日已生效或基本上已生效的稅率計算的預計應付稅項，並已包括以往年度的應付稅項的任何調整。
- (iii) 遞延稅項資產及負債是因納稅基礎計算的資產及負債與其賬面值之間的差異而分別產生的可扣稅及應課稅的暫時性差異。遞延稅項資產也包括未使用的稅損及稅項抵免。



### 1. Significant accounting policies (continued)

#### (n) Income tax (continued)

##### (iii) (continued)

Apart from certain limited exceptions, all deferred tax liabilities and all deferred tax assets, to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, negative goodwill treated as deferred income, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

### 1. 主要會計政策 (續)

#### (n) 所得稅 (續)

##### (iii) (續)

除了某些有限的例外情況外，所有遞延稅項負債及未來可能有應課稅溢利予以抵銷的遞延稅項資產均予確認。因可扣稅的暫時性差異產生未來可能支持確認遞延稅項資產的應課稅溢利包括因現有應課稅暫時性差異轉回而產生的該等應課稅溢利，惟有關差異必須為關於同一稅務機關及同一應課稅實體，並預期於可扣稅暫時性差異預期轉回的同一期間轉回，或於產生自遞延稅項資產的稅損可追計或結轉的期間。當嘗試釐定現有應課稅暫時性差異是否支持確認未使用稅損及抵免所產生的遞延稅項資產時，亦採用同一準則，即假如差異乃關於同一稅務當局及同一應課稅實體，並預期於稅損或抵免將予實現之期間轉回，則予入賬。

在有限例外情況，不確認遞延稅項資產及負債的暫時性差異包括不可扣稅的商譽、開始時已確認的資產或負債而不影響會計及應課稅溢利(須不是商業合併的一部分)、及有關投資附屬公司的暫時性差異，就應課稅差異而言，不超過本集團可控制該差異轉回的時間而該差異在可見將來不會轉回；而就可扣稅差異而言，除非該差異在可見將來轉回。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 1. Significant accounting policies (continued)

#### (n) Income tax (continued)

##### (iii) (continued)

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

(iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or

### 1. 主要會計政策 (續)

#### (n) 所得稅 (續)

##### (iii) (續)

確認遞延稅項的金額是根據該資產及負債的賬面值之預期收回及結算的方式，按在結算日已生效或基本上已生效的稅率計算。遞延稅項資產及負債不作折讓。

於各結算日，本行將重新審閱有關的遞延稅項資產的賬面金額，對預期不再有足夠的應課稅溢利以實現相關稅務利益予以扣減。被扣減的遞延稅項資產若於預期將來出現足夠的應課稅溢利時，應予轉回。

由派發股息引起的額外所得稅在有關股息的支付責任獲確立時確認。

(iv) 本期稅項與遞延稅項結餘及其變動之數額會分別列示而不會相互抵銷。本公司或本集團只在有合法權利對本期稅項資產及負債抵銷及符合以下附帶條件的情況下，才對本期及遞延稅項資產及負債作出抵銷：

- 就本期稅項資產及負債而言，本公司或本集團計劃支付淨額或同時收回資產及償還負債；或
- 有關的遞延稅項資產及負債為同一稅務機關對以下機構徵收所得稅所產生：
  - 同一個應課稅實體；或

### 1. Significant accounting policies (continued)

#### (n) Income tax (continued)

##### (iv) (continued)

- different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

#### (o) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

#### (p) Recognition of income

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the consolidated profit and loss account as follows:

- (i) Advertising and other advertising-related fees are recognised in the year in which the services are provided.

### 1. 主要會計政策 (續)

#### (n) 所得稅 (續)

##### (iv) (續)

- 不同的應課稅實體：在未來每一個預計實現重大遞延稅項的期間，該實體計劃以淨額形式結算本期稅項資產及負債或兩者同時收回及償還。

#### (o) 撥備及或然負債

倘若本公司或本集團須就已發生的事件承擔法律或推定義務，而履行該義務預期會導致含有經濟效益的資源外流，並可作出可靠的估計，便會就該時間或數額不定的負債計提撥備。如果貨幣時間價值重大，則按預計履行義務所需資源的現值計列撥備。

倘若含有經濟效益的資源外流的可能性較低，或是無法對有關數額作出可靠的估計，便會將該義務披露為或然負債；但假如這類資源外流的可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否的潛在義務，亦會披露為或然負債；但假如這類資源外流的可能性極低則除外。

#### (p) 收益確認

收入是在經濟效益可能會流入本集團，以及能夠可靠地計算收入和成本（如適用）時，根據下列方法在綜合損益表內確認：

- (i) 廣告及其他相關費用於提供服務之年度確認入賬。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 1. Significant accounting policies (continued)

#### (p) Recognition of income (continued)

- (ii) Signage production and maintenance service fees are recognised in the year in which the services are provided.
- (iii) Management fee income is recognised in the year in which the services are provided.
- (iv) Interest income is accrued on a time apportioned basis on the principal outstanding and at the rate applicable.
- (v) Government incentives are recognised when the right to receive such incentives is established and receipt thereof is probable.
- (vi) Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

#### (q) Translation of foreign currencies

The consolidated financial statements are prepared in Hong Kong dollars.

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the consolidated profit and loss account.

The results of foreign enterprises are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

On disposal of a foreign enterprise, the cumulative amount of the exchange differences which relates to that foreign enterprise is included in the calculation of the profit or loss on disposal.

### 1. 主要會計政策 (續)

#### (p) 收益確認 (續)

- (ii) 廣告標誌製作費及保養服務費於提供服務之年度確認入賬。
- (iii) 管理費收入在提供服務之年度確認入賬。
- (iv) 利息收入按未償還本金及相關利率以時間比例計算。
- (v) 政府獎勵津貼當確定具有收取之權利及可能收取時確認入賬。
- (vi) 來自非上市投資之股息收入在確定股東有權收取時確認入賬。

#### (q) 外幣換算

綜合財務報表以港元為單位。

年內進行之外幣交易按交易日期之匯率換算為港元。以外幣計算之貨幣資產與負債按結算日之匯率換算為港元。匯兌盈虧計入綜合損益表。

外資企業之業績按年內之平均匯率換算為港元，而資產負債表項目則按結算日之匯率換算為港元，因此出現之匯兌差額列作儲備變動。

出售外資企業而計算出售盈虧時，亦包括外資企業相關匯兌差額之累計數額。

### 1. Significant accounting policies (continued)

#### (r) Operating leases

Rentals payable under operating leases are accounted for in the consolidated profit and loss account on a straight-line basis over the periods of the respective leases, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised in the consolidated profit and loss account as an integral part of the aggregate net lease payments payable.

Contingent rentals are charged to the consolidated profit and loss account in the accounting period in which they are incurred.

#### (s) Employee benefits

- (i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.
- (ii) Contributions to Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and central pension schemes operated by the local governments in the People's Republic of China ("PRC"), are recognised as an expense in the consolidated profit and loss account as incurred.
- (iii) When the Group grants to employees options to acquire shares in the Company at nominal consideration, no employee benefit cost or obligation is recognised at the date of grant. When such options are exercised, shareholders' equity is increased by the amount of the proceeds received.

### 1. 主要會計政策 (續)

#### (r) 經營租賃

根據經營租賃應付之租金以直線法按有關租期在綜合損益表入賬，惟以其他方式更能反映租賃資產所產生之利益模式則除外。租務優惠在綜合損益表確認，列入應付總租金淨額。

或然租金於出現之會計期間在綜合損益表中扣除。

#### (s) 僱員福利

- (i) 本集團僱員所享有薪酬、年終花紅、有薪年假、假期旅遊津貼及本集團非貨幣福利之費用在任職之年度入賬。倘若付款或結算遞延而出現重大影響，則該等數額按現值列賬。
- (ii) 根據香港強制性公積金計劃條例作出之強制公積金供款及中華人民共和國(以下簡稱「中國」)所管理之中央退休金計劃之供款，於支出時在綜合損益表確認作開支。
- (iii) 當本集團以象徵式代價向僱員授予可認購本公司股份之購股權時，概無任何僱員福利成本或承擔於授予日期確認入賬。當行使該等購股權時，股東資金將按所得款項相應增加。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 1. Significant accounting policies (continued)

#### (t) Borrowing costs

Borrowing costs are expensed in the consolidated profit and loss account in the year in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

#### (u) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

#### (v) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen geographical segment information as the primary reporting format and business segment information as the secondary reporting format for the purpose of these financial statements.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

### 1. 主要會計政策 (續)

#### (t) 借貸成本

借貸成本在動用年度之綜合損益表中列作開支，惟與收購、建設或生產須經過一段時間方可投入既定用途或出售之資產直接有關之部份則撥作資本。

#### (u) 關連人士

就本財務報表而言，如果本集團能夠直接或間接監控另一方人士或對另一方人士的財務及經營決策發揮重大的影響力，或另一方人士能夠直接或間接監控本集團或對本集團的財務及經營決策發揮重大的影響力，或本集團與另一方人士均受制於共同的監控或共同的重大影響下，有關人士即被視為本集團的關連人士。關連人士可以是個別人士或其他實體。

#### (v) 分部呈報

分部是指本集團內可明顯區分的組成部分，並且負責提供單項或一組相關的產品或服務（業務分部），或在一個特定的經濟環境中提供產品或服務（地區分部），並且承擔着不同於其他分部的風險和回報。

按照本集團的內部財務報告模式，本集團選擇以地區分部為報告分部信息的主要形式，而業務分部則是次要的分部報告形式。

分部收入、支出、經營成果、資產及負債包含直接歸屬某一分部，以及可按合理的基準分配至該分類的項目的數額。分部收入、支出、資產及負債包含須在編製綜合財務報表時抵銷的集團內部往來的餘額和集團內部交易；但同屬一個分部的集團企業之間的集團內部往來的餘額和交易則除外。分部之間的轉移事項定價按與其他外界人士相若的條款計算。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 1. Significant accounting policies (continued)

#### (v) Segment reporting (continued)

Segment capital expenditure is the total cost incurred during the year to acquire segment assets (both tangible and intangible) that are expected to be used for more than one year.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings from the ultimate holding company, corporate and financing expenses and minority interests.

### 2. Turnover

The principal activities of the Group comprise acting as an advertising agent and advertising licensor and licensee, providing consultancy services related to outdoor advertising, the production of advertisement signage and the provision of signage maintenance services.

Turnover represents income from advertising and other advertising-related services rendered to customers during the year, net of returns and discounts allowed, after eliminating intra-group transactions. The amount of each significant category of revenue recognised in turnover during the year is as follows:

### 1. 主要會計政策 (續)

#### (v) 分部呈報 (續)

分部資本開支是指在本年內購入預計可於超過一個年度使用的分類資產 (包括有形和無形資產) 所產生的成本總額。

未能分配至分部的項目主要包括財務及企業資產、帶息借款、借款、企業和融資支出及少數股東權益。

### 2. 營業額

本集團之主要業務包括作為廣告代理、廣告媒體出租及承租、提供有關戶外廣告之顧問服務、廣告牌製作及提供廣告牌維修服務。

營業額即年內向客戶提供廣告及其他相關服務所得收益扣除退貨及折扣之數額，並已撇銷集團內公司間之交易。本年度確認之各主要類別收入如下：

		2003 \$'000 千元	2002 \$'000 千元
Advertising fees	廣告費	232,341	244,533
Signage production and maintenance fees	廣告牌製作費及維修費	44,864	46,271
		<b>277,205</b>	290,804

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 3. Other revenue and other net income

### 3. 其他收入及其他收益淨額

		2003 \$'000 千元	2002 \$'000 千元
<b>Other revenue</b>	<b>其他收入</b>		
Interest income from bank deposits	銀行存款利息收入	3,507	4,544
Interest income from amounts due from minority shareholders	應收少數股東 款項利息收入	38	70
Management fee income from jointly controlled entities	來自共同控制實體 之管理費收入	8,649	8,271
Training income from customers	來自客戶之培訓收入	395	440
Forfeited deposits from customers	沒收客戶按金	129	306
Compensation income (note a)	賠償收入 (附註a)	–	1,146
PRC Government incentives (note b)	中國政府獎勵津貼 (附註b)	2,415	2,000
Sundry income	雜項收入	147	528
		<b>15,280</b>	<b>17,305</b>
<b>Other net income</b>	<b>其他收益淨額</b>		
Profit on sales of fixed assets	出售固定資產溢利	31	205

Notes:

(a) Compensation income

Compensation income for the year ended 31 December 2002 represented agreed settlement from customers in respect of early termination of contracts.

附註：

(a) 賠償收入

賠償收入指截至二零零二年十二月三十一日止年度就提早終止合約而與客戶協定之賠償金額。

### 3. Other revenue and other net income (continued)

Notes: (continued)

(b) PRC Government incentives

Nanjing Media Partners International Public Transport Advertising Co., Ltd. ("NJMPI"), a non-wholly owned subsidiary of the Company, is classified by the local PRC government as an approved "Technology and Development Entity". Accordingly, the subsidiary received incentives from a department of the local PRC government amounting to \$2,415,000 during the year ended 31 December 2003 (2002: \$2,000,000). For the years ended 31 December 2002 and 2003 and the year ending 31 December 2004, the subsidiary is entitled to incentives which are computed based on 50% of the aggregate foreign enterprise income tax ("FEIT") and business tax paid in the previous year subject to certain amounts retained by the PRC government. For each of the years ending 31 December 2005, 2006 and 2007, the subsidiary will be entitled to incentives computed based on 50% of the FEIT paid in the previous year subject to certain amounts retained by the PRC government.

### 3. 其他收入及其他收益淨額 (續)

附註：(續)

(b) 中國政府獎勵津貼

本公司之非全資附屬公司南京梅迪派勒公共交通廣告有限公司(以下簡稱「南京梅迪派勒」)獲當地中國政府列為認可之「技術及發展實體」，因此該附屬公司於截至二零零三年十二月三十一日止年度獲得中國地方政府提供2,415,000元(二零零二年：2,000,000元)之獎勵津貼。截至二零零二年十二月三十一日，二零零三年及二零零四年十二月三十一日止年度，該附屬公司可享有相等於上年度支付之外資企業所得稅(以下簡稱「外資所得稅」)與營業稅總和50%之獎勵津貼，惟中國地方政府可扣除若干金額。截至二零零五年、二零零六年及二零零七年十二月三十一日止各年，該附屬公司將可獲得相等於上年度已付外資所得稅50%之獎勵津貼，惟中國政府可扣除若干金額。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 4. Loss from ordinary activities before taxation

Loss from ordinary activities before taxation is arrived at after charging/(crediting):

### 4. 經常業務除稅前虧損

經常業務除稅前虧損已扣除／(計入)下列各項：

		2003 \$'000 千元	2002 \$'000 千元
(a) Finance costs:	(a) 融資成本：		
Interest on bank advances and other borrowings repayable within five years	須於五年內償還之銀行貸款及其他借貸的利息	12,626	9,066
Interest on Convertible Bond (note 31)	可換股債券的利息(附註31)	1,086	2,078
Other borrowing costs	其他借貸成本	62	149
		<b>13,774</b>	<b>11,293</b>
(b) Staff costs:	(b) 僱員成本：		
Contributions to defined contribution retirement schemes (note 29)	既定供款退休計劃之供款(附註29)	2,562	2,714
Salaries, wages and other benefits	薪金、工資及其他福利	27,492	30,977
		<b>30,054</b>	<b>33,691</b>
(c) Other items:	(c) 其他項目：		
Exchange (gain)/loss	滙兌(收益)／虧損	(260)	143
Auditors' remuneration	核數師酬金		
– Audit services	– 核數服務	1,127	548
– Other services	– 其他服務	217	217
		<b>1,344</b>	<b>765</b>
Depreciation of fixed assets	固定資產折舊	5,433	5,541
Amortisation of advertising rights	媒體使用權攤銷	35,235	29,116
Amortisation of goodwill	商譽攤銷	319	186
Provision for bad debts	壞賬撥備	6,300	2,629
Operating lease charges	經營租賃開支		
– properties	– 物業	5,278	4,497
– site rentals	– 廣告位租金	113,973	94,266

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 5. Income tax

Taxation in the consolidated profit and loss account represents:

### 5. 所得稅

綜合損益表之稅項包括：

		2003 \$'000 千元	2002 \$'000 千元
<b>Current tax – Provision for Hong Kong Profits Tax</b>	<b>本期稅項 – 香港利得稅撥備</b>		
Over-provision in respect of prior years	以往年度超額撥備	(43)	(70)
<b>Current tax – Provision for PRC Foreign Enterprise Income Tax ("FEIT")</b>	<b>本期稅項 – 中國外資企業所得稅撥備</b>		
Tax for the year	本年度稅項	6,938	6,397
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences	暫時性差異產生及轉回	45	(49)
<b>Share of associates' taxation</b>	<b>應佔聯營公司稅項</b>	514	330
<b>Share of jointly controlled entities' taxation</b>	<b>應佔共同控制實體稅項</b>	6,970	5,956
<b>Total income tax expense</b>	<b>所得稅總支出</b>	<b>14,424</b>	<b>12,564</b>

The provision for Hong Kong Profits Tax has been calculated separately at 17.5% (2002: 16%) of the estimated assessable profits for the year ended 31 December 2003 of each subsidiary and associate of the Group with operations subject to Hong Kong Profits Tax.

In March 2003, the Hong Kong Profits Tax rate has been increased from 16% to 17.5%.

Taxation for subsidiaries and jointly controlled entities operating in the PRC, except noted hereinafter, is calculated at 33% (2002: 33%) of the estimated assessable profits of these entities for the year ended 31 December 2003.

Pursuant to the relevant laws and regulations in the PRC, Chongqing MPI Public Transportation Advertising Co., Ltd. ("CQMPI"), a non-wholly owned subsidiary of the Group is entitled to a reduction in the applicable rate of PRC FEIT from 33% to 30% for two years commencing from its first profit-making year of operations (i.e. for the years ended 31 December 2002 and 2001) and thereafter, it is entitled to a reduction in the applicable rate of PRC FEIT from 33% to 31.5% for the following three years, with effect from the year ended 31 December 2003.

香港利得稅準備乃根據業務須繳納香港利得稅之本集團各附屬公司及聯營公司於截至二零零三年十二月三十一日止年度之預計應課稅溢利按17.5%之稅率(二零零二年：16%)計算。

於二零零三年三月，香港利得稅率由16%提高至17.5%。

除下文附註所述者外，在中國經營之附屬公司及共同控制實體之稅項以該等公司截至二零零三年十二月三十一日止年度之估計應課稅溢利按33%之稅率(二零零二年：33%)計算。

根據中國有關法例及規定，本集團之非全資附屬公司重慶媒體伯樂公交廣告有限公司(「以下簡稱「重慶伯樂」)於首個經營獲利年度起計之兩年度(即截至二零零二及二零零一年十二月三十一日止年度)之中國外資企業所得稅之適合稅率由33%減至30%，而其後由截至二零零三年十二月三十一日止年度起計三年之中國外資企業所得稅則由33%減至31.5%。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 5. Income tax (continued)

Reconciliation between tax expense and loss from ordinary activities before taxation at applicable tax rates

### 5. 所得稅 (續)

經常業務除稅前稅務支出及虧損間之調整

		2003 \$'000 千元	2002 \$'000 千元
Loss from ordinary activities before taxation	經常業務除稅前虧損	(4,563)	[13,999]
Notional tax, calculated at the rates applicable to profits in the countries concerned	名義稅項按有關國家的應課稅率計算	1,036	3,512
Tax effect on non-deductible expenses	不可扣除費用之稅務影響	1,184	2,689
Tax effect on non-taxable revenue	非課稅收入之稅務影響	(2,706)	[2,983]
Tax effect of temporary differences not recognised	未確認暫時性差異之稅務影響	1,340	4,532
Tax effect of tax losses not recognised	未確認稅損虧損之稅務影響	13,549	4,867
Tax effect of prior year's tax losses utilised this year	本年抵銷往年稅損之稅務影響	64	17
Over-provision in prior years	往年超額撥備	(43)	[70]
Actual tax expense	實際稅務支出	14,424	12,564

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 6. Directors' remuneration

Directors' remuneration disclosed pursuant to section 18.29 of the GEM Listing Rules is as follows:

		Note	2003 \$'000 千元	2002 \$'000 千元
		附註		
Fees	袍金	6(a)	585	672
Basic salaries, housing and other allowances and benefits in kind	基本薪金、房屋及其他津貼與實物利益	6(b)	1,687	2,070
Retirement scheme contributions	退休計劃供款	6(b)	117	136
			<b>2,389</b>	2,878

### 6. 董事酬金

根據創業板上市規則第18.29條披露之董事酬金如下：

#### (a) Independent non-executive directors and non-executive directors

For the years ended 31 December 2003 and 2002, the fees paid to independent non-executive and non-executive directors were as follows:

			2003 \$'000 千元	2002 \$'000 千元
Independent non-executive directors	獨立非執行董事			
Mr. Lawrence Juen Yee LAU	劉遵義先生		195	192
Mr. Meocre Kwok Wing LI	李國榮先生		195	192
Mr. Paul Laurence SAFFO	Paul Laurence SAFFO先生		195	192
Non-executive director	非執行董事			
Mr. Gerald Lokchung CHAN	陳樂宗先生		—	96
			<b>585</b>	672

#### (a) 獨立非執行董事及非執行董事

截至二零零三年及二零零二年十二月三十一日止年度，向獨立非執行董事及非執行董事支付之袍金如下：

Mr. Gerald Lokchung CHAN waived his entitlement to fees of \$97,500 from the Company during the year ended 31 December 2003.

陳樂宗先生於截至二零零三年十二月三十一日止年度放棄收取其應得之97,500港元袍金。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 6. Directors' remuneration (continued)

#### (b) Executive directors

For the years ended 31 December 2003 and 2002, the remuneration paid to executive directors was as follows:

		Basic salaries, housing and other allowances and benefits in kind 基本薪金、 房屋及其他 津貼與實物利益 \$'000 千元	Retirement scheme contributions 退休計劃 供款 \$'000 千元	Total 總計 \$'000 千元
<b>2003</b>				
Executive director and chief executive officer Ms. Winnie Pik Shan TO	執行董事兼行政總裁 杜碧珊女士	1,687	117	1,804
Executive director and deputy chairman Mr. George Ka Ki CHANG	執行董事兼副主席 張家騏先生	-	-	-
Executive director Mr. Tony Cheung Kin AU-YEUNG	執行董事 歐陽長健先生	-	-	-
		1,687	117	1,804
<b>2002</b>				
Executive director and chief executive officer Ms. Winnie Pik Shan TO	執行董事兼行政總裁 杜碧珊女士	1,686	116	1,802
Executive director and deputy chairman Mr. George Ka Ki CHANG	執行董事兼副主席 張家騏先生	192	10	202
Executive director Mr. Tony Cheung Kin AU-YEUNG	執行董事 歐陽長健先生	192	10	202
		2,070	136	2,206

Mr. George Ka Ki CHANG and Mr. Tony Cheung Kin AU-YEUNG waived their entitlement to fees of \$390,000 (US\$50,000) each from the Company during the year ended 31 December 2003 (2002: \$192,000 (US\$25,000) each).

During the years ended 31 December 2002 and 2003, there were no amounts paid to former directors in connection with their retirement from employment with the Group.

No amount were paid or payable to directors as an inducement to join or upon joining the Group.

### 6. 董事酬金 (續)

#### (b) 執行董事

截至二零零三年及二零零二年十二月三十一日止年度，向執行董事支付之酬金如下：

		基本薪金、 房屋及其他 津貼與實物利益 \$'000 千元	退休計劃 供款 \$'000 千元	總計 \$'000 千元
<b>2003</b>				
執行董事兼行政總裁 杜碧珊女士		1,687	117	1,804
執行董事兼副主席 張家騏先生		-	-	-
執行董事 歐陽長健先生		-	-	-
		1,687	117	1,804
<b>2002</b>				
執行董事兼行政總裁 杜碧珊女士		1,686	116	1,802
執行董事兼副主席 張家騏先生		192	10	202
執行董事 歐陽長健先生		192	10	202
		2,070	136	2,206

張家騏先生及歐陽長健先生於截至二零零三年十二月三十一日止年度均各自放棄收取390,000元(50,000美元)之袍金(二零零二年：各為192,000元(25,000美元))。

截至二零零二年及二零零三年十二月三十一日止年度，並無就前董事退任本集團職務而向彼等支付任何金額。

概無向董事支付或應付任何款項，作為彼等加入本集團之獎金。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 6. Directors' remuneration (continued)

The remuneration of the directors is within the following bands:

Not more than \$1,000,000	不超過1,000,000元
\$1,000,001 – \$1,500,000	1,000,001元至1,500,000元
\$1,500,001 – \$2,000,000	1,500,001元至2,000,000元

### 6. 董事酬金 (續)

董事酬金介乎下列範圍：

2003	2002
Number of directors	Number of directors
董事數目	董事數目
6	6
–	–
1	1
7	7

The above emoluments exclude the value of 8,538,000 share options granted to a director under the Company's share option scheme as estimated at the date of grant during the year ended 31 December 2002. The theoretical value of these options granted to a director amounted to \$2,151,000 which was calculated using the Black-Scholes option pricing model as at the date of the grant of the options during the year ended 31 December 2002. The details of these benefits in kind are disclosed under the paragraph "share option scheme" in the directors' report and note 34 to the financial statements.

上述酬金不包括一名董事於截至二零零二年十二月三十一日止年度根據本公司之購股權計劃獲授之8,538,000份購股權於授予當日估計之價值。以柏力克－舒爾斯購股權定價模式計算，該董事所獲授購股權於截至二零零二年十二月三十一日止年度內之授出購股權當日之理論價值為2,151,000元。該等實物利益之詳情載於董事會報告「購股權計劃」一段及財務報表附註34。

### 7. Individuals with the highest emoluments

Set out below are analyses of the emoluments of those employees of the Group who, not being directors of the Company or its subsidiaries, were among the top five paid individuals (including directors and other employees of the Group) employed by the Group.

### 7. 最高薪酬僱員

以下為本集團所聘用之五位最高薪酬僱員（包括本集團董事及其他僱員）中並非本公司或其附屬公司董事之僱員薪酬分析。

		2003	2002
		\$'000	\$'000
		千元	千元
Basic salaries, housing and other allowances and benefits in kind	基本薪金、房屋及其他津貼與實物利益	4,388	5,072
Discretionary bonuses	酌情花紅	375	150
Retirement scheme contributions	退休計劃供款	213	208
		4,976	5,430

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 7. Individuals with the highest emoluments (continued)

An analysis of senior management's emoluments by number of employees and emolument ranges is as follows:

Not more than \$1,000,000	不超過1,000,000元
\$1,000,001 – \$1,500,000	1,000,001元至1,500,000元
\$1,500,001 – \$2,000,000	1,500,001元至2,000,000元

No amounts were paid or payable to senior management as an inducement to join the Group or as compensation for loss of office during the years ended 31 December 2003 and 2002.

### 8. Loss attributable to shareholders

The consolidated loss attributable to shareholders includes a loss of \$4,394,000 (2002: \$5,606,000) which has been dealt with in the financial statements of the Company.

### 9. Dividends

The Company has not declared or paid any dividend for the year ended 31 December 2003 (2002: \$Nil).

### 10. Loss per share

#### (a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to shareholders of \$21,774,000 (2002: \$29,941,000) and the weighted average of 853,800,000 ordinary shares (2002: 822,221,918 ordinary shares) outstanding.

### 7. 最高薪酬僱員 (續)

以僱員人數及酬金範圍分析高級管理人員酬金如下：

2003	2002
Number of individuals	Number of individuals
僱員人數	僱員人數
–	–
3	3
1	1
4	4

於截至二零零三年及二零零二年十二月三十一日止年度並無支付亦毋須支付任何款項予高級管理人員，作為彼等加入本集團之獎金或離職之補償。

### 8. 股東應佔虧損

股東應佔綜合虧損包括已在本公司財務報表入賬之虧損4,394,000元(二零零二年：5,606,000元)。

### 9. 股息

本公司並無宣派或派付截至二零零三年十二月三十一日止年度之任何股息(二零零二年：無)。

### 10. 每股虧損

#### (a) 每股基本虧損

每股基本虧損乃按股東應佔虧損21,774,000元(二零零二年：29,941,000元)及已發行普通股份之加權平均數853,800,000股(二零零二年：822,221,918股普通股)計算。

### 10. Loss per share (continued)

#### (b) Diluted loss per share

No diluted loss per share for the years ended 31 December 2002 and 2003 has been presented, as there were no dilutive potential ordinary shares during these years.

### 11. Changes in accounting policies

In prior years, deferred tax liabilities were provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1 January 2003, in order to comply with Statement of Standard Accounting Practice 12 (revised) ("revised SSAP 12") issued by the Hong Kong Society of Accountants, the Group adopted a new policy for deferred tax as set out in note 1 (n). The adoption of the revised SSAP 12 has no material effect on the financial statements of the Group for the years ended 31 December 2002 and 31 December 2003.

### 12. Segment reporting

Segment information is presented in respect of the Group's geographical segments. Information relating to geographical segments based on the location of the advertisements placed by customers and the location of the provision of advertising and related services rendered to customers is chosen as the reporting format because this is considered by management to be more relevant to the Group in making operating and financial decisions.

#### Geographical segments by the location of customers and by the location of assets

The Group's business can be subdivided into the Mainland China and Hong Kong markets.

### 10. 每股虧損 (續)

#### (b) 每股攤薄虧損

由於截至二零零二年及二零零三年十二月三十一日止年度之普通股並無潛在股份攤薄效應，故此並無呈列上述期間之每股攤薄虧損。

### 11. 更改會計政策

在往年，遞延稅項負債是因會計及稅務對收支處理引起的所有重大時差，預計在可見未來可能引致的稅項責任，按負債法提撥準備。遞延稅項資產不會入賬，除非有充足理由確定其是可以實現。由於需符合香港會計師公會頒布的《會計實務準則》第12號(修訂)（「會計實務準則第十二條修訂版」），由2003年1月1日起，本集團採用一項詳載於附註1(n)的新的會計政策計算遞延稅項。採納《會計實務準則》第12號(條訂)對本集團截至二零零二年十二月三十一日及二零零三年十二月三十一日止年度之財務報表並無重大影響。

### 12. 分部呈報

分部資料乃按本集團之地區分部而呈報。有關地區分部之資料基於客戶刊登廣告之地點及為客戶提供廣告及相關服務之地點作為分部準則，原因在於管理階層認為以上分部與本集團之經營及財務決策較為相關。

以客戶地點及資產地點作出地區分部

本集團之業務以中國內地及香港市場劃分。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 12. Segment reporting (continued)

#### Geographical segments by the location of customers and by the location of assets (continued)

The Group's geographical segments are classified according to the location of the advertisements placed by customers and the location of the provision of advertising and related services rendered to customers. No separate disclosure of the Group's geographical segments according to the location of assets has been made as there is no material difference between the Group's geographical segments classified by location of customers or by location of assets.

Management consider that all items in the consolidated profit and loss account and assets included in the consolidated balance sheet can be reasonably allocated to each geographical segment.

#### Business segments

No information has been disclosed in respect of the Group's business segments as the Group operates only one business segment which is the provision of advertising and related services.

### 12. 分部呈報 (續)

#### 以客戶地點及資產地點作出地區分部 (續)

本集團之地區分部乃根據客戶刊登廣告之地點及向客戶提供廣告及相關服務之地點而劃分。由於以客戶地點或資產地點劃分之本集團地區分類資料並無重大差異，故此並無另行披露本集團以資產地點劃分之分類資料。

管理層認為綜合損益表內所有項目及綜合資產負債表內所有資產均可合理地分配至各地區分部。

#### 業務分類

由於本集團僅經營提供廣告及相關服務一類業務，故此並無披露本集團之業務分類資料。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 12. Segment reporting (continued)

### 12. 分部呈報 (續)

Year ended 31 December

截至十二月三十一日止年度

		Hong Kong		Mainland China		Inter-segment elimination		Unallocated		Consolidated	
		香港	2002	中國內地	2002	分部間撇銷	2002	不劃分	2002	綜合	2002
		2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Turnover	營業額	60,062	71,901	217,143	218,903	-	-	-	-	277,205	290,804
Other revenue	其他收入	202	1,479	14,740	14,227	-	-	338	1,599	15,280	17,305
Total revenue	總收入	60,264	73,380	231,883	233,130	-	-	338	1,599	292,485	308,109
Segment result and (loss)/profit from operations	分部業績及經營(虧損)/溢利	(8,251)	(37,449)	(793)	20,795	-	-	(3,980)	(4,175)	(13,024)	(20,829)
Finance costs	融資成本	(187)	(262)	(12,501)	(8,953)	-	-	(1,086)	(2,078)	(13,774)	(11,293)
Share of profits less losses of associates	分佔聯營公司溢利減虧損	2,155	2,276	-	-	-	-	-	-	2,155	2,276
Share of profits less losses of jointly controlled entities	分佔共同控制實體溢利減虧損	-	-	20,080	15,847	-	-	-	-	20,080	15,847
(Loss)/profit from ordinary activities before taxation	經常業務除稅前(虧損)/溢利	(6,283)	(35,435)	6,786	27,689	-	-	(5,066)	(6,253)	(4,563)	(13,999)
Taxation	稅項	(515)	(211)	(13,909)	(12,353)	-	-	-	-	(14,424)	(12,564)
(Loss)/profit from ordinary activities after taxation	經常業務除稅後(虧損)/溢利	(6,798)	(35,646)	(7,123)	15,336	-	-	(5,066)	(6,253)	(18,987)	(26,563)
Minority interests	少數股東權益	53	26	(2,840)	(3,404)	-	-	-	-	(2,787)	(3,378)
(Loss)/profit attributable to shareholders	股東應佔(虧損)/溢利	(6,745)	(35,620)	(9,963)	11,932	-	-	(5,066)	(6,253)	(21,774)	(29,941)
Depreciation and amortisation	折舊及攤銷	875	1,265	40,112	33,578	-	-	-	-	40,987	34,843
Capital expenditure/investment incurred during the year	年內資本開支/投資	506	1,275	110,882	27,457	-	-	-	-	111,388	28,732
Utilisation of provision /(provision) for onerous contracts	合約承擔虧損撥備抵銷/(撥備)	11,121	(12,626)	-	-	-	-	-	-	11,121	(12,626)

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 12. Segment reporting (continued)

### 12. 分部呈報 (續)

Year ended 31 December

截至十二月三十一日止年度

		Inter-segment									
		Hong Kong		Mainland China		elimination*		Unallocated		Consolidated	
		香港		中國內地		分部間撇銷		不劃分		綜合	
		2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Segment assets #	分部資產#	31,412	47,797	795,484	721,194	(36,694)	(30,823)	33,741	59,414	823,943	797,582
Interest in associates	聯營公司權益	4,427	2,786	-	-	-	-	-	-	4,427	2,786
Interest in jointly controlled entities	共同控制實體權益	-	-	63,054	61,595	-	-	-	-	63,054	61,595
Amounts due from a jointly controlled entity	應收共同控制實體款項	-	-	18,868	18,692	-	-	-	-	18,868	18,692
Total assets	資產總值									910,292	880,655
Segment liabilities #	分部負債#	(63,202)	(71,149)	(346,826)	(284,206)	36,694	30,823	(2,672)	(1,786)	(376,006)	(326,318)
Unallocated liabilities	不劃分之負債									(85,000)	(85,000)
Total liabilities	負債總額									(461,006)	(411,318)
Minority interests	少數股東權益	(165)	(219)	(20,827)	(20,114)	-	-	-	-	(20,992)	(20,333)

# Segment assets and liabilities are before elimination of inter-segment balances.

# 分部資產及負債未撇銷分部間交易之結餘。

\* Inter-segment elimination of \$36,694,000 (2002: \$30,823,000) represents inter-segment current accounts.

\* 不同分類交易撇銷之數額36,694,000元(二零零二年: 30,823,000元)，即不同分部之業務往來賬。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 13. Fixed assets

#### The group

### 13. 固定資產

#### 本集團

		Leasehold improvements	Advertising displays	Computer equipment	Furniture, fixtures and equipment 傢俬、固定 裝置及設備	Motor vehicles	Total
		租賃物業裝修	廣告顯示器	電腦設備	裝置及設備	汽車	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
<b>Cost:</b>	<b>成本：</b>						
At 1 January 2003	於二零零三年 一月一日	3,454	17,354	7,826	2,862	2,293	33,789
Additions	添置	1,048	-	2,649	142	473	4,312
Disposals	出售	(121)	(57)	(294)	-	(448)	(920)
Exchange adjustments	匯兌調整	27	137	57	11	18	250
At 31 December 2003	於二零零三年 十二月三十一日	4,408	17,434	10,238	3,015	2,336	37,431
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>						
At 1 January 2003	於二零零三年 一月一日	2,797	10,005	3,130	1,740	1,050	18,722
Charge for the year	年內撥備	510	2,493	1,790	233	407	5,433
Written back on disposals	出售時撥回	(121)	-	(193)	-	(401)	(715)
Exchange adjustments	匯兌調整	22	66	17	5	8	118
At 31 December 2003	於二零零三年 十二月三十一日	3,208	12,564	4,744	1,978	1,064	23,558
<b>Net book value:</b>	<b>賬面淨值：</b>						
At 31 December 2003	於二零零三年 十二月三十一日	1,200	4,870	5,494	1,037	1,272	13,873
At 31 December 2002	於二零零二年 十二月三十一日	657	7,349	4,696	1,122	1,243	15,067

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 14. Investments in subsidiaries

### 14. 於附屬公司之投資

		The company	
		本公司	
		2003	2002
		\$'000	\$'000
		千元	千元
Unlisted shares, at cost	未上市股份，按成本	100	100
Loans to subsidiaries	向附屬公司提供之貸款	190,978	190,978
Amounts due from subsidiaries	應收附屬公司款項	174,477	154,718
Amounts due to subsidiaries	應付附屬公司款項	(4,091)	(5,048)
		361,464	340,748

The loans to subsidiaries and the amounts due from/(to) subsidiaries are non-current as these are not expected to be receivable/(payable) within the next twelve months.

All of these are controlled subsidiaries as defined under note 1(e) and have been consolidated into the financial statements.

由於預期向附屬公司提供之貸款及應收／(應付)附屬公司之款項不會於未來十二個月內收取／(支付)，故該等款項均為非即期。

根據附註1(e)之定義，下列所有附屬公司均為受控制附屬公司，並已綜合載入財務報表。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 14. Investments in subsidiaries (continued)

### 14. 於附屬公司之投資 (續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊／成立 及營業地點	Proportion of attributable equity interest held 所佔股權比例		Issued share capital/ registered capital 已發行股本／ 註冊資本	Principal activities 主要業務
		directly 直接	indirectly 間接		
Polyland Holdings Limited	British Virgin Islands 英屬處女群島	100%	–	US\$1 1美元	Investment holding 投資控股
Media Partners International Limited	Hong Kong	–	100%	\$647 647元	Outdoor advertising agent and investment holding 戶外廣告代理及投資控股
梅迪派勒廣告有限公司	香港				
Shanghai Media Partners International Ltd. (Note 1)	People’s Republic of China	–	91.5%	US\$1,800,000	Advertising agent, advertising licensor and licensee, and advertising consultant
上海梅迪派勒廣告有限公司（附註1）	中華人民共和國			1,800,000美元	廣告代理、廣告媒體出租及承租，以及廣告顧問
Nanjing Media Partners International Public Transport Advertising Co., Ltd. (Note 2)	People’s Republic of China	–	87.6%	RMB68,500,000	Advertising agent and advertising consultant
南京梅迪派勒公交廣告有限公司(附註2)	中華人民共和國			68,500,000人民幣	廣告代理及廣告顧問
Chongqing MPI Public Transportation Advertising Co., Ltd. (Note 3)	People’s Republic of China	–	60%	US\$500,000	Advertising agent and advertising consultant
重慶媒體伯樂公交廣告有限公司(附註3)	中華人民共和國			500,000美元	廣告代理及廣告顧問



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 14. Investments in subsidiaries (continued)

### 14. 於附屬公司之投資 (續)

Name of company	Place of incorporation/ establishment and operation	Proportion of attributable equity interest held		Issued share capital/ registered capital	Principal activities
公司名稱	註冊／成立及營業地點	所佔股權比例		已發行股本／註冊資本	主要業務
		directly 直接	indirectly 間接		
Chengdu MPI Public Transport Advertising Co., Ltd. (Note 4) 成都媒體伯樂公交廣告有限公司(附註4)	People's Republic of China 中華人民共和國	–	50%	US\$500,000  500,000美元	Advertising agent and advertising consultant 廣告代理及廣告顧問
Shenzhen Media Partners International Advertising Limited (Note 5) 深圳媒體伯樂廣告有限公司(附註5)	People's Republic of China 中華人民共和國	–	49%	US\$300,000  300,000美元	Advertising agent and advertising consultant 廣告代理及廣告顧問
Best Reward Venture Limited	British Virgin Islands 英屬處女群島	–	75%	US\$3,000  3,000美元	Advertising agent 廣告代理
Metrolink Investments Ltd.	British Virgin Islands 英屬處女群島	–	100%	US\$200  200美元	Investment holding 投資控股
Metro-ads International Limited 華智廣告國際有限公司	Hong Kong 香港	–	100%	\$500,000  500,000元	Investment holding 投資控股
Shanghai Metroads Advertising Company Limited 上海華智地鐵廣告有限公司	Hong Kong 香港	–	100%	\$2  2元	Dormant 暫無營業
Chalkwell Limited	British Virgin Islands 英屬處女群島	–	100%	US\$1  1美元	Investment holding 投資控股
Media Partners International (Hong Kong) Limited 香港媒體伙伴有限公司	Hong Kong 香港	–	100%	\$2  2元	Outdoor advertising agent 戶外廣告代理

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 14. Investments in subsidiaries (continued)

### 14. 於附屬公司之投資 (續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊／成立 及營業地點	Proportion of attributable equity interest held 所佔股權比例		Issued share capital/ registered capital 已發行股本／ 註冊資本	Principal activities 主要業務
		directly 直接	indirectly 間接		
Signmaker Company Limited	Hong Kong 香港	–	100%	\$2 2元	Signage production and maintenance 製作及維修廣告牌
Intercontinental Outdoor Advertising (H.K.) Limited	Hong Kong 香港	–	100%	\$20 20元	Outdoor advertising agent 戶外廣告代理
Sports and Outdoor Media (HK) Limited	Hong Kong 香港	–	100%	\$2 2元	Dormant 暫無營業
Beron Limited	British Virgin Islands 英屬處女群島	–	100%	US\$1 1美元	Investment holding 投資控股
Media Partners International Group Limited	Hong Kong 香港	–	100%	\$2 2元	Investment holding 投資控股
Livebrand Networks Limited	Hong Kong 香港	–	51%	\$500,000 500,000元	Audio-visual equipment development and application 影音設備開發及應用
Mei Ti Bo Le Group Limited	Hong Kong 香港	–	100%	\$2 2元	Dormant 暫無營業
Media Partners International Production Limited 媒體伯樂製作有限公司	Hong Kong 香港	–	100%	\$2 2元	Dormant 暫無營業
Media Partners International Holdings Limited	Hong Kong 香港	100%	–	\$2 2元	Dormant 暫無營業

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 14. Investments in subsidiaries (continued)

Notes:

- (1) Shanghai Media Partners International Ltd. ("SHMPI") was established in the People's Republic of China on 28 December 1995 as a sino-foreign equity joint venture with a term of 15 years. In July 2000, SHMPI changed its legal structure from a sino-foreign equity joint venture to a sino-foreign co-operative joint venture.

On 11 November 2002, the Group submitted an application to the relevant PRC government authorities for approval of the proposed amendment to the Joint Venture Contract ("JV Contract") and Joint Venture Articles ("JV Articles") of SHMPI.

Pursuant to the proposed amendment to the JV Contract and JV Articles, the registered capital of SHMPI would be increased by US\$13.5 million (approximately \$105,300,000) from US\$1.8 million (approximately \$14,040,000) to US\$15.3 million (approximately \$119,340,000) whilst the total investment in SHMPI would be increased by US\$43 million (approximately \$335,400,000) from US\$2.5 million (approximately \$19,500,000) to US\$45.5 million (approximately \$354,900,000). The proposed increased amount of US\$13.5 million (approximately \$105,300,000) in the registered capital of SHMPI would be contributed by Media Partners International Limited pursuant to the proposed amendment to JV Contract and JV Articles of SHMPI.

As at 31 December 2003, the application has not yet been approved.

- (2) Nanjing Media Partners International Public Transport Advertising Co., Ltd. ("NJMPI") was established in the People's Republic of China on 22 March 1999 as a sino-foreign co-operative joint venture with a term of 15 years. The Group is entitled to 80% of the profits of NJMPI for the first six years from 22 March 1999. Thereafter, the Group will be entitled to 50% of the profits of NJMPI.
- (3) Chongqing MPI Public Transportation Advertising Co., Ltd. ("CQMPI") was established in the People's Republic of China on 23 September 1999 as a sino-foreign co-operative joint venture with a term of 30 years. The Group is entitled to 80% of the profits of CQMPI for the first eleven years from 23 September 1999. Thereafter, the Group will be entitled to 60% of the profits of CQMPI.

### 14. 於附屬公司之投資 (續)

附註：

- (1) 上海梅迪派勒廣告有限公司(以下簡稱「上海梅迪派勒」)於一九九五年十二月二十八日在中華人民共和國成立為一家中外合資合營企業，年期為15年。於二零零零年七月，上海梅迪派勒改變其法定架構，由一家中外合資合營企業改為一家中外合作經營企業。

於二零零二年十一月十一日，本集團向中國政府有關當局遞交申請，徵求批准上海梅迪派勒之合營企業合約(以下簡稱「合營合約」)及合營企業細則(以下簡稱「合營細則」)之修訂建議。

根據建議對合營合約及合營細則之修訂，上海梅迪派勒之註冊資本將由1,800,000美元(約14,040,000元)增加13,500,000美元(約105,300,000元)至15,300,000美元(約119,340,000元)，而上海梅迪派勒之總投資額將由2,500,000美元(約19,500,000元)增加43,000,000美元(約335,400,000元)至45,500,000美元(約354,900,000元)。建議增加之上海梅迪派勒註冊資本13,500,000美元(約105,300,000元)將由梅迪派勒廣告有限公司根據修訂建議之上海梅迪派勒合營合約及合營細則出資。

於二零零三年十二月三十一日，申請尚未獲批。

- (2) 南京梅迪派勒公交廣告有限公司(以下簡稱「南京梅迪派勒」)於一九九九年三月二十二日在中華人民共和國成立為一家中外合作經營企業，年期為15年。於一九九九年三月二十二日起計首六年，本集團可分佔南京梅迪派勒之溢利80%。其後，本集團可分佔南京梅迪派勒之溢利50%。
- (3) 重慶媒體伯樂公交廣告有限公司(以下簡稱「重慶媒體伯樂」)於一九九九年九月二十三日在中華人民共和國成立為一家中外合作經營企業，年期為30年。於一九九九年九月二十三日起計首十一年，本集團可分佔重慶媒體伯樂之溢利80%。其後，本集團可分佔重慶媒體伯樂之溢利60%。

### 14. Investments in subsidiaries (continued)

Notes:

- (4) Chengdu MPI Public Transport Advertising Co., Ltd ("CDMPI") was established in the People's Republic of China on 20 March 2002 as a sino-foreign co-operative joint venture with a term of 30 years. The Group is entitled to 50% of profits of CDMPI over the term of co-operative joint venture agreement and is entitled to appoint five out of nine directors on the board of directors. The Group has accounted for the financial results of CDMPI as a subsidiary, notwithstanding that the Group's equity interest is only 50% as, in the opinion of the directors of the Company, the Group is able to exercise effective control over the financial and operating decisions of CDMPI.
- (5) Shenzhen Media Partners International Advertising Limited ("SZMPI") was established in the People's Republic of China on 7 April 2003 as a sino-foreign co-operative joint venture with a term of 20 years. The Group is entitled to 49% of profits of SZMPI over the term of co-operative joint venture and is entitled to appoint three out of five directors on the board of directors. The Group has accounted for the financial results of SZMPI as a subsidiary, notwithstanding that the Group's equity interest is only 49% as, in the opinion of the directors of the Company, the Group is able to exercise effective control over the financial and operating decisions of SZMPI.

### 14. 於附屬公司之投資 (續)

附註：

- (4) 成都媒體伯樂公交廣告有限公司(以下簡稱「成都媒體伯樂」)於二零零二年三月二十日在中華人民共和國成立為一家中外合作經營企業，年期為30年。本集團可根據合作經營企業協議之條款分佔成都媒體伯樂之溢利50%，並可在董事會就九位董事成員中委派其中五位。本集團已將成都媒體伯樂的財務業績計入為一間附屬公司。儘管本集團僅有50%股本權益，本公司董事認為本集團能有效控制成都媒體伯樂之財政及經營決策。
- (5) 深圳媒體伯樂廣告有限公司(以下簡稱「深圳媒體伯樂」)於二零零三年四月七日在中華人民共和國成立為一家中外合作合營企業，年期為20年。本集團可於合作合營企業年內分佔深圳媒體伯樂之溢利49%，及可在董事會就五位董事成員中委派其中三位。本集團已將深圳媒體伯樂的財務業績計入為一間附屬公司。儘管本集團僅有49%股本權益，本公司董事認為本集團能有效控制深圳媒體伯樂之財政及經營決策。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 15. Interest in associates

### 15. 聯營公司權益

		The group 本集團	
		2003 \$'000 千元	2002 \$'000 千元
Share of net assets other than goodwill		4,427	2,786

Name of company 公司名稱	Place of incorporation/ operation 註冊／ 營業地點	Issued share capital/ registered capital 已發行股本／ 註冊資本	Attributable proportion of equity interest 所佔股權比例		Principal activities 主要業務
			directly 直接	indirectly 間接	
POAD Group Limited ("POAD")	Hong Kong 香港	\$1,000	–	49%	Provision of advertising production and agency services 提供廣告製作 及代理服務

### 16. Investments in jointly controlled entities

### 16. 於共同控制實體之投資

		The group 本集團	
		2003 \$'000 千元	2002 \$'000 千元
Share of net assets other than goodwill	分佔資產淨值(商譽除外)	63,054	61,595
Amounts due from a jointly controlled entity	應收一間共同控制實體款項	18,868	18,692
		81,922	80,287

### 16. Investments in jointly controlled entities (continued)

Details of the group's interest in the jointly controlled entities are as follows:

Name of company	Form of business structure	Place of incorporation/ establishment and operation 註冊／成立及營業地點	Particulars of registered capital 註冊資本詳情	Group's share of profits or losses 本集團分佔溢利或虧損	Principal activities 主要業務
Guangzhou Yong Tong Metro Advertising Company Limited 廣州地鐵永通廣告有限公司	Co-operative joint venture 合作經營企業	People's Republic of China 中華人民共和國	RMB23,400,000 23,400,000 人民幣	# 32.5%	Outdoor advertising agent 戶外廣告代理
Shanghai Metro-ads Advertising Co., Ltd 上海華智地鐵廣告有限公司	Co-operative joint venture 合作經營企業	People's Republic of China 中華人民共和國	US\$2,100,000 2,100,000 美元	* 90%	Outdoor advertising agent 戶外廣告代理
Shanghai Zhongle Vehicle Painting Co. Ltd 上海中樂汽車油漆噴塗製作有限公司	Equity joint venture 合資經營企業	People's Republic of China 中華人民共和國	US\$300,000 300,000 美元	** 40%	Vehicle signage production 汽車廣告標誌製作

# Held through a wholly-owned subsidiary which has contributed 100% of the registered capital.

The Group's interest in Guangzhou Yong Tong Metro Advertising Company Limited ("Guangzhou Metro JV") is held under a joint venture agreement dated 26 August 1999. The Group obtained the approval for the establishment of Guangzhou Metro JV on 9 March 2000. Throughout the joint venture period, the Group is entitled to share 32.5% of the financial results and net assets of Guangzhou Metro JV in accordance with the terms of the joint venture agreement. The joint venture is for a period of 10 years from 10 May 2000 to 10 May 2010.

\* Held through a wholly-owned subsidiary which has contributed 100% of the registered capital.

### 16. 於共同控制實體之投資 (續)

本集團所擁有共同控制實體權益之詳情如下：

Name of company	Form of business structure	Place of incorporation/ establishment and operation 註冊／成立及營業地點	Particulars of registered capital 註冊資本詳情	Group's share of profits or losses 本集團分佔溢利或虧損	Principal activities 主要業務
Guangzhou Yong Tong Metro Advertising Company Limited 廣州地鐵永通廣告有限公司	Co-operative joint venture 合作經營企業	People's Republic of China 中華人民共和國	RMB23,400,000 23,400,000 人民幣	# 32.5%	Outdoor advertising agent 戶外廣告代理
Shanghai Metro-ads Advertising Co., Ltd 上海華智地鐵廣告有限公司	Co-operative joint venture 合作經營企業	People's Republic of China 中華人民共和國	US\$2,100,000 2,100,000 美元	* 90%	Outdoor advertising agent 戶外廣告代理
Shanghai Zhongle Vehicle Painting Co. Ltd 上海中樂汽車油漆噴塗製作有限公司	Equity joint venture 合資經營企業	People's Republic of China 中華人民共和國	US\$300,000 300,000 美元	** 40%	Vehicle signage production 汽車廣告標誌製作

# 透過全數註冊資本之全資附屬公司持有。

本集團乃根據於一九九九年八月二十六日訂立之合營企業協議持有廣州地鐵永通廣告有限公司(以下簡稱「廣州永通」)之股權。本集團已於二零零零年三月九日獲准成立廣州永通。於合營期間，本集團可根據合營企業協議之條款分佔廣州永通之32.5%財務業績及資產淨值。合營期限由二零零零年五月十日起至二零一零年五月十日止，為期十年。

\* 透過全數註冊資本之全資附屬公司持有。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 16. Investments in jointly controlled entities (continued)

Shanghai Metro-ads Advertising Co., Ltd. ("Shanghai Metro JV") was established by a subsidiary of the Group and Shanghai Metro-Advertising Co., Ltd. under a joint venture agreement dated 2 July 1993. Throughout the joint venture period, 3% and 22% of the total net sales of Shanghai Metro JV are to be paid to Shanghai Metro-Advertising Co., Ltd. and Shanghai Metro Operation Co., Ltd., an entity related to Shanghai Metro-Advertising Co., Ltd., respectively, as a guaranteed return. The profit or loss after taxation of Shanghai Metro JV, after payment of the guaranteed return, is shared by the subsidiary of the Group and Shanghai Metro-Advertising Co., Ltd. in the ratio of 90:10, respectively. The joint venture is for a period of 18 years from 7 December 1993 to 6 December 2011.

Notwithstanding the contribution of 100% of the registered capital and the profit sharing arrangements of Shanghai Metro JV, the Group accounts for this investment as a jointly controlled entity as it only has joint control of the board of directors.

**\*\*** Held through a wholly-owned subsidiary which has contributed 40% of the registered capital.

Shanghai Zhongle Vehicle Painting Co. Ltd ("Shanghai Production JV") was established by a subsidiary of the Group and 上海德天汽車油漆噴塗有限公司 under a joint venture agreement in 2002. The Group obtained the approval for the establishment of Shanghai Production JV on 28 September 2002. Throughout the joint venture period, the Group is entitled to share 40% of the financial results and net assets of Shanghai Production JV in accordance with the terms of the joint venture agreement. The joint venture is for a period of 15 years from 28 September 2002 to 27 September 2017.

Amounts due from a jointly controlled entity of \$18,868,000 are non-interest bearing, unsecured and have no fixed terms of repayment. These amounts represent part of the total cost of purchase of a property in Guangzhou and may not be settled before 31 December 2004 (see note 37 for further details).

The following supplementary financial information is disclosed relating to the Group's jointly controlled entity, Shanghai Metro JV, which is extracted from the audited financial statements.

### 16. 於共同控制實體之投資 (續)

上海華智地鐵廣告有限公司 (以下簡稱「上海華智」) 乃根據於一九九三年七月二日訂立之合營企業協議由本集團一間附屬公司及上海地鐵廣告公司共同成立。於合營期間，上海地鐵廣告公司及其關連公司上海地鐵運營有限公司將分別獲支付上海華智銷售淨額之3%及22%，作為保證回報。上海華智之除稅後溢利或虧損於支付保證回報後，將由本集團之附屬公司及上海地鐵廣告公司按90:10之比例攤分。合營期由一九九三年十二月七日起至二零一一年十二月六日止，為期18年。

儘管全數注資註冊資本，而且有上海華智之溢利分配安排，但由於本集團僅對董事會有共同控制權，故將該項投資列為共同控制實體入賬。

**\*\*** 透過出資40%註冊資本之全資附屬公司持有。

上海中樂汽車油漆噴塗製作有限公司 (以下簡稱「上海製作合營企業」) 乃根據於二零零二年訂立之合營企業協議由本集團一間附屬公司及上海德天汽車油漆噴塗有限公司共同成立。本集團已於二零零二年九月二十八日獲批准成立上海製作合營企業。於合營期間，本集團可根據合營企業協議之條款分佔上海製作合營企業之40%財務業績及資產淨值。合營期由二零零二年九月二十八日起至二零一七年九月二十七日止，為期15年。

應收共同控制實體之款項18,868,000元為免息及無抵押，且無固定還款期。該等款項為購買廣州物業之部份總成本，未必會於二零零四年十二月三十一日前支付 (其他詳情見附註37)。

以下有關本集團共同控制實體上海華智之補充財務資料，乃根據該公司之財務報表而編撰。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 16. Investments in jointly controlled entities (continued)

#### Shanghai Metro JV

Results for the years ended 31 December 2003 and 2002

### 16. 於共同控制實體之投資 (續)

#### 上海華智

截至二零零三年及二零零二年十二月三十一日止年度之業績

		2003 \$'000 千元	2002 \$'000 千元
Turnover	營業額	85,033	70,101
Profit from ordinary activities before taxation	經常業務 除稅前溢利	24,396	21,082
Taxation	稅項	(7,745)	(6,618)
Profit for the year	本年度溢利	16,651	14,464

Assets and liabilities as at 31 December 2003 and 2002

於二零零三年及二零零二年十二月三十一日之資產及負債

		2003 \$'000 千元	2002 \$'000 千元
Non-current assets	非流動資產	8,392	9,521
Current assets	流動資產	49,706	39,390
Current liabilities	流動負債	(24,539)	(21,130)
		33,559	27,781

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 17. Advertising rights

### 17. 媒體使用權

		The group 本集團 \$'000 千元
<b>Cost:</b>	<b>成本：</b>	
At 1 January 2003	於二零零三年一月一日	393,666
Additions	添置	71,227
Exchange adjustments	匯兌調整	2,175
		<hr/>
At 31 December 2003	於二零零三年十二月三十一日	467,068
		<hr/>
<b>Accumulated amortisation:</b>	<b>累計折舊：</b>	
At 1 January 2003	於二零零三年一月一日	139,737
Charge for the year	本年度撥備	35,235
Exchange adjustments	匯兌調整	513
		<hr/>
At 31 December 2003	於二零零三年十二月三十一日	175,485
		<hr/>
<b>Net book value:</b>	<b>賬面淨值：</b>	
At 31 December 2003	於二零零三年十二月三十一日	291,583
		<hr/>
At 31 December 2002	於二零零二年十二月三十一日	253,929
		<hr/>

Pursuant to agreements signed between certain subsidiaries of the Group and various companies in the PRC, the Group has acquired exclusive advertising rights to certain bus routes, billboards and street furniture in major cities in the PRC. The cost of advertising rights represents fees paid to secure exclusive advertising rights over fixed periods of time which normally range from 5 to 20 years.

The amortisation charge for the year is included in "loss from operations" in the consolidated profit and loss account.

根據本集團若干附屬公司與多間中國內地公司簽訂之協議，本集團收購中國主要城市若干巴士路線、廣告牌及街道設施之獨家的媒體使用權。媒體使用權之成本指本集團所獲得於一段固定期間（一般介乎5至20年不等）內之獨家的媒體使用權之費用。

年內攤銷撥備列入綜合損益表中「經營虧損」項目內。

### 18. Other investments

Other investments represent an amount of approximately \$35,849,000 (RMB38,000,000) paid by a subsidiary of the Company to an independent third party in respect of a commercial arrangement for the planning, development and marketing of certain existing and future advertising media in Shanghai ("the Arrangement").

The term of the Arrangement is for the period of 20 years from 1 November 2002 to 31 October 2022. For the period from the effective date of the Arrangement to December 2005, the independent third party warrants that the subsidiary shall receive advertising consultancy fees from the independent third party as follows, \$11,321,000 (RMB12,000,000) for the year ended 31 December 2003, \$14,151,000 (RMB15,000,000) for the year ending 31 December 2004 and \$10,377,000 (RMB11,000,000) for the year ending 31 December 2005, and (ii) an additional amount per annum (if any) representing 30% of the annual pre-tax operating profit derived from the Arrangement after deducting the advertising consultancy fees.

For each year of the remainder of the Arrangement between 2006 and 2022, the independent third party will undertake to pay 30% of the annual pre-tax operating profit derived from the Arrangement to the subsidiary.

Barring unanticipated developments, it is the present intention of the Group to replace the current Arrangement by establishing a joint venture with the independent third party in the foreseeable future subject to and in compliance with the prevailing PRC legislation and government policies.

### 18. 其他投資

其他投資額約為35,849,000元(38,000,000人民幣)，由本公司之附屬公司向一名獨立第三者支付，以作訂立商業約定之費用。該項約定為在上海進行策劃、開發及推廣若干現有及未來之廣告媒體(「約定」)。

約定之條款期由二零零二年十一月一日起至二零零二年十月三十一日止，為期20年。由約定日期起至二零零五年十二月止之期間內，獨立第三方保證附屬公司可自獨立第三方收取的廣告顧問費如下：截至二零零三年十二月三十一日止年度為11,321,000元(12,000,000人民幣)；截至二零零四年十二月三十一日止年度為14,151,000元(15,000,000人民幣)，而截至二零零五年十二月三十一日止年度則為10,377,000元(11,000,000人民幣)，以及(iii)每年額外收益(如有)相等於每年源自約定之除稅前溢利之30%，扣除每年有關之廣告顧問費。

於二零零六年至二零二二年期間約定期餘下之年期各年，獨立第三方將承諾向附屬公司支付源自協議之每年除稅前經營溢利30%。

除非有不可預計之發展，在符合中國現有法律及政府的政策下，本集團現時的意向是於可見的未來與獨立第三者成立一間合營企業，以取代現有的約定。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 19. Goodwill

### 19. 商譽

		The group 本集團 \$'000 千元
Cost:	成本：	
At 1 January 2003 and 31 December 2003	於二零零三年一月一日 及十二月三十一日	3,059
Accumulated amortisation:	累計折舊：	
At 1 January 2003	於二零零三年一月一日	186
Charge for the year	本年度撥備	319
At 31 December 2003	於二零零三年十二月三十一日	505
Carrying amount:	賬面值：	
At 31 December 2003	於二零零三年十二月三十一日	2,554
At 31 December 2002	於二零零二年十二月三十一日	2,873

Goodwill arose from the acquisition of the remaining 5% interest in Metrolink Investment Ltd. ("Metrolink") from the minority shareholders for a consideration of \$3,500,000 in 2002.

於二零零二年增加之商譽乃按3,500,000元代價向少數股東收購Metrolink Investment Ltd. (「Metrolink」) 餘下5%權益而獲得。

Goodwill is amortised on a straight-line basis over a period of 9.5 years. The amortisation charge for the year is included in "loss from operations" in the consolidated profit and loss account.

商譽按九年半之期間以直線法攤銷。年內攤銷撥備列入綜合損益表中「經營虧損」項目內。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 20. Accounts receivable, other receivables, deposits and prepayments

### 20. 應收賬款、其他應收賬款、按金及預付款項

		The group 本集團		The company 本公司	
		2003 \$'000 千元	2002 \$'000 千元	2003 \$'000 千元	2002 \$'000 千元
Accounts receivable	應收賬款	32,841	46,475	-	-
		The group 本集團		The company 本公司	
		2003 \$'000 千元	2002 \$'000 千元	2003 \$'000 千元	2002 \$'000 千元
Other receivables	其他應收賬款	16,149	12,149	48	62
Deposits for the acquisition of advertising rights	購買媒體使用權之按金	-	34,579	-	-
Utility and rental deposits	公用服務及租賃按金	60,598	52,925	-	-
Amounts due from joint venture partners	應收合營企業夥伴款項	5,679	2,910	-	-
Others	其他	2,614	5,417	-	-
		85,040	107,980	48	62

The amount of other receivables, deposits, and prepayments of the Group expected to be recovered after more than one year is \$6,886,000 (2002: \$14,639,000). All of the balance is expected to be recovered within one year.

預期於一年後收回本集團之其他應收賬款、按金及預付款項為6,886,000元(二零零二年：14,639,000元)。預期所有餘款將於一年內收回。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 20. Accounts receivable, other receivables, deposits and prepayments (continued)

An ageing analysis of accounts receivable at the year end is as follows:

		The group 本集團	
		2003 \$'000 千元	2002 \$'000 千元
Current	即期	11,781	15,968
1 to 3 months	一至三個月	15,581	16,164
More than 3 months	三個月以上	5,479	14,343
		<b>32,841</b>	<b>46,475</b>

Debts are due within 30 days from the date of billing. Customers with balances that are more than 6 months overdue are requested to settle all outstanding balances before any further credit is granted.

### 20. 應收賬款、其他應收賬款、按金及預付款項 (續)

年底之應收賬款賬齡分析如下：

		The group 本集團	
		2003 \$'000 千元	2002 \$'000 千元
Current	即期	11,781	15,968
1 to 3 months	一至三個月	15,581	16,164
More than 3 months	三個月以上	5,479	14,343
		<b>32,841</b>	<b>46,475</b>

債項自發票日期起計30日內到期。賬款逾期六個月之客戶，需先償還其所有賬款才能獲得日後之信貸。

### 21. Amounts due from jointly controlled entities

The amounts due from jointly controlled entities are interest free, unsecured and repayable on demand.

### 21. 應收共同控制實體款項

應收共同控制實體款項均為免息及無抵押，並須於要求時償還。

### 22. Amounts due from minority shareholders

The amounts due from minority shareholders are non-interest bearing, unsecured and repayable on demand except for amounts of \$1,950,000 (2002: \$2,674,000) which are interest bearing at a rate of 2% per annum.

### 22. 應收少數股東款項

應收少數股東款項均為免息及無抵押，並須於要求時償還，惟其中1,950,000元(二零零二年：2,674,000元)之款項則按年利率2厘計算利息。

All amounts due from minority shareholders are expected to be recoverable within one year.

所有應收少數股東款項預期於一年內收回。

### 23. Amounts due from/to related companies

The amounts due from/to related companies are interest free, unsecured and repayable on demand.

### 23. 應收／應付關連公司款項

應收／應付關連公司款項均為免息及無抵押，並須於要求時償還。

### 24. Pledged bank deposits

Pledged bank deposits represent deposits placed with banks as security for banking facilities made available to the Group (note 26).

### 24. 已抵押銀行存款

已抵押銀行存款指作為本集團用作擔保銀行信貸之銀行存款(附註26)。

### 25. Cash and cash equivalents

### 25. 現金及等同現金項目

		The Group		The Company	
		本集團		本公司	
		2003	2002	2003	2002
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Deposits with banks and	銀行及其他				
other financial institutions	財務機構存款	50,883	117,890	30,063	56,809
Cash at bank and in hand	銀行及手頭現金	89,405	43,519	3,624	2,537
Cash and cash equivalents	資產負債表之				
in the balance sheet (note (a))	現金及等同				
	現金項目 (註(a))	140,288	161,409	33,687	59,346

Notes:

附註：

- (a) In July 2002, a subsidiary of the Group entered into an agreement with Beijing Urban Transit Railway Co., Ltd ("Beijing Rail") to secure the exclusive rights to operate and market the advertising media within the Beijing Light Rail System for a term of 18 years commencing from January 2003. A subsidiary of the Group has agreed to place aggregate cash equivalents of \$74,766,000 (RMB80,000,000) into a jointly controlled bank account for the construction of advertising media facilities within the Beijing Light Rail System.

As at 31 December 2003, the Group had utilised \$24,499,000 (2002: \$15,054,000) in connection with the construction of advertising media facilities. The remaining cash held by the Group under a jointly controlled bank account of \$50,267,000 (2002: 59,712,000) is included in cash and cash equivalents of the Group at 31 December 2003.

- (b) Cash and cash equivalents include \$82,562,000 (2002: \$79,054,000) which is denominated in Renminbi ("RMB") in the amount of RMB87,516,000 (2002: RMB84,588,000). RMB is not freely convertible into foreign currencies. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, in certain circumstances the Group is permitted to exchange RMB for foreign currencies through banks authorised to conduct foreign exchange business.

- (a) 於二零零二年七月，本集團一間附屬公司與北京城市鐵路股份有限公司(以下簡稱「北京城鐵」)訂立協議，取得北京城鐵系統廣告媒體之獨家經營及推廣權，自二零零三年一月起計，為期18年。本集團之附屬公司同意將總值74,766,000元(80,000,000人民幣)之等同現金項目存入聯名銀行賬戶，作為在北京城鐵系統建設廣告媒體設施之用。

截至二零零三年十二月三十一日，本集團已就廣告媒體建設動用24,499,000元(二零零二年：15,054,000元)。本集團在共同控制銀行賬戶所持之現金餘額50,267,000元(二零零二年：59,712,000元)已計入本集團於二零零三年十二月三十一日之現金及等同現金項目。

- (b) 現金及等同現金項目包括82,562,000元(二零零二年：79,054,000元)之金額，而該金額原以人民幣計算，相等於87,516,000人民幣(二零零二年：84,588,000人民幣)。人民幣不得自由兌換為外幣。根據中國外匯管制條例及結匯、付匯及售匯管理規定，在若干情況下，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為外幣。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 26. Bank loans

### 26. 銀行貸款

		The group 本集團	
		2003	2002
		\$'000	\$'000
		千元	千元
Bank loans	銀行貸款		
– unsecured	– 無抵押	7,075	7,010
– secured	– 有抵押	250,327	225,143
		<b>257,402</b>	<b>232,153</b>

The banking facilities of certain subsidiaries are secured by deposits of \$202,188,000 (2002: \$196,446,000) placed with banks at 31 December 2003. Such banking facilities, amounting to \$516,226,000 (2002: \$509,252,000), were utilised in respect of bank loans and bank guarantees to the extent of \$257,402,000 (2002: \$232,153,000) and \$4,520,000 (2002: \$4,703,000) respectively.

The secured bank loans of \$250,327,000 (2002: \$225,143,000) are secured by term deposits of \$199,928,000 (2002: \$194,094,000) pledged with banks and guarantees granted by the Company.

All the bank loans are repayable within one year or on demand.

若干附屬公司之銀行信貸以二零零三年十二月三十一日之銀行存款202,188,000元(二零零二年：196,446,000元)作為抵押。上述銀行信貸516,226,000元(二零零二年：509,252,000元)其中257,402,000元(二零零二年：232,153,000元)及4,520,000元(二零零二年：4,703,000元)已分別用作銀行貸款及銀行擔保。

有抵押銀行貸款250,327,000元(二零零二年：225,143,000元)均以按予銀行之定期存款199,928,000元(二零零二年：194,094,000元)及本公司所提供之擔保作為抵押。

所有銀行貸款均須於一年內或於要求時償還。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 27. Accounts payable, other payables, deposits and provisions

### 27. 應付賬款、其他應付賬款、按金及撥備

		The group 本集團		The company 本公司	
		2003	2002	2003	2002
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Accounts payable	應付賬款	49,948	22,507	-	-
		The group 本集團		The company 本公司	
		2003	2002	2003	2002
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Other payables	其他應付款項	7,582	6,633	101	-
Deferred revenue	遞延收入	2,979	4,502	-	-
Deposits received in advance	預收按金	23,442	17,452	-	-
Accrued expenses	應計費用	12,241	16,428	1,252	1,786
Provision for onerous contracts (note 27(b))	合約承擔虧損 撥備(附註27(b))	1,505	12,626	-	-
		47,749	57,641	1,353	1,786

Deferred revenue represents the amounts received before the related work was performed.

遞延收入指於進行有關工作前已收取之款項。

Deposits received in advance represent advertising site rental deposits received from advertisers and advances from customers.

預收按金指已收取廣告商之廣告位按金及客戶之預付款項。

The amount of other payables and accrued expenses expected to be settled after more than one year is \$1,623,000 (2002: \$1,613,000).

預期將於一年後償還之其他應付賬款及應計費用為1,623,000元(二零零二年: 1,613,000元)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 27. Accounts payable, other payables, deposits and provisions *(continued)*

(a) Included in accounts payable, other payables, deposits and accruals are accounts payable with the following ageing analysis:

		The group 本集團	
		2003 \$'000 千元	2002 \$'000 千元
Current	即期	4,087	6,211
1 to 3 months	一至三個月	5,868	5,364
More than 3 months	三個月以上	39,993	10,932
		49,948	22,507

### (b) Provision for onerous contracts

		The group 本集團	
		2003 \$'000 千元	2002 \$'000 千元
Balance at 1 January	於一月一日之結餘	12,626	–
Additions during the year	本年度增加	–	12,626
Provisions utilised during the year	本年度撥備抵銷	(11,121)	–
Balance at 31 December	於十二月三十一日之結餘	1,505	12,626

### 27. 應付賬款、其他應付賬款、按金及撥備 (續)

(a) 計入應付賬款、其他應付賬款、按金及應計費用之應付賬款賬齡分析如下：

### (b) 合約承擔虧損撥備

### 27. Accounts payable, other payables, deposits and provisions *(continued)*

#### (b) Provision for onerous contracts *(continued)*

At 31 December 2002, the Directors considered that certain of the Group's advertising contracts in Hong Kong had become onerous when taking into consideration the market demand for the advertising space in respect of these contracts, the anticipated future income from these contracts and the general economic climate in Hong Kong. Accordingly, a provision for onerous contracts in the amount of \$12,626,000 was made based on the excess of the least net loss of terminating these contracts over the expected economic benefits to be derived therefrom in accordance with Statement of Standard Accounting Practice No. 28 "Provisions, contingent liabilities and contingent assets".

The expiry/early termination of the said contracts during the year ended 31 December 2003 has utilised provisions in the amount of \$11,121,000.

### 28. Amounts due to jointly controlled entities

The amounts due to jointly controlled entities are unsecured, interest free and repayable on demand.

### 27. 應付賬款、其他應付賬款、按金及撥備 (續)

#### (b) 合約承擔虧損撥備 (續)

於二零零二年十二月三十一日，經考慮本集團若干香港廣告合約之廣告位市場需求、預計該等合約日後收益及香港整體經濟狀況後，董事認為該等合約承擔大於收益。因此，根據會計實務準則第28號「撥備、或然負債及或然資產」規定，按終止該等合約之最低虧損淨額超逾預期有關經濟利益之差額作出合約承擔虧損撥備12,626,000元。

由於上述合約在截至二零零三年十二月三十一日止年度內屆滿／提前終止，因而須抵銷11,121,000元之撥備。

### 28. 應付共同控制實體款項

應付共同控制實體款項均為免息及無抵押，並須於要求時償還。



## 29. Employee retirement benefits

Set out below are certain particulars of defined contribution retirement schemes operated by the Group.

### (a) Nature of the schemes

The Group participates in Mandatory Provident Fund ("MPF") schemes operated by an approved MPF trustee. All employees of the Group's subsidiaries in Hong Kong make monthly contributions to the MPF schemes at 5% of the employees' monthly salaries and the Group makes monthly contributions to the MPF schemes at 5% to 10% of the employees' monthly salaries. The Group's mandatory contributions which comply with the minimum requirements of the Mandatory Provident Fund Schemes Ordinance will be fully and immediately vested in the employees' accounts as their accrued benefits in the schemes. In respect of the Group's voluntary contributions to the MPF schemes for the employees, the employees are entitled to receive 100% of the Group's contributions and accrued interest thereon upon retirement or upon leaving the Group after completion ten years of service, or at a reduced scale of between 10% to 90% after completing one to nine years of services.

The employees of the Group's subsidiaries in the PRC, are members of central pension schemes operated by the local governments in the PRC and these subsidiaries make mandatory contributions to these central pension schemes to fund the employees' retirement benefits. The retirement contributions paid by the PRC subsidiaries are based on certain percentages of the employees' salaries cost in accordance with the relevant regulations in the PRC, which range from 9% to 22% (2002: 9% to 22%), and are charged to the consolidated profit and loss account as incurred. The Group discharges its retirement obligations upon payment of the retirement contributions to the central pension schemes operated by the local governments in the PRC.

## 29. 僱員退休福利

以下為本集團所安排定額供款退休計劃之若干詳情。

### (a) 計劃之性質

本集團已參加由認可強制性公積金（以下簡稱「強積金」）受託人管理之強積金計劃。本集團香港附屬公司之所有僱員每月須按月薪5%向強積金計劃作出供款，而本集團亦須每月按僱員月薪5%至10%向強積金計劃作出供款。本集團之強制性公積金供款符合強制性公積金計劃條例之下限規定，該等強制供款將即時全數撥入僱員賬戶，作為彼等根據計劃之應得利益。至於本集團為僱員向強積金計劃作出之自願供款，僱員於退休或服務滿十年後離開本集團時亦可獲得本集團全部自願供款及累計利息，而服務滿一年至九年則按比例可獲僱主供款及累計利息10%至90%不等。

本集團中國附屬公司之僱員已參加由中國地方政府管理之中央退休計劃，而該等附屬公司須向中央退休計劃作出強制供款，以支付僱員之退休福利。中國附屬公司所支付之退休供款乃根據中國有關規定按僱員薪金成本指定百分比計算，介乎9%至22%（二零零二年：9%至22%）不等，當動用時在綜合損益表扣除。向中國地方政府管理之中央退休計劃供款後，本集團即獲免除有關退休福利之責任。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 29. Employee retirement benefits (continued)

(b) Retirement benefit costs for the year were as follows:

		2003 \$'000 千元	2002 \$'000 千元
Retirement contributions payable to retirement schemes	應支付退休計劃之退休供款	2,814	2,840
Forfeited contributions refunded to the Group	退還本集團之沒收供款	(252)	(126)
Total net contributions payable to retirement schemes	應支付退休計劃之供款合計淨額	2,562	2,714

### 29. 僱員退休福利 (續)

(b) 本年度之退休福利成本如下：

### 30. Taxation

		The group 本集團 2003 \$'000 千元	2002 \$'000 千元
Provision for FEIT in the PRC	中國外資企業所得稅撥備	1,387	634
Tax payable relating to prior years	有關過往年度之應付稅項	-	(31)
Taxation payable	應付稅項	1,387	603

### 30. 稅項

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 31. Convertible Bond

### 31. 可換股債券

		The group and the company 本集團及本公司	
		2003	2002
		\$'000	\$'000
		千元	千元
Convertible Bond	可換股債券	85,000	85,000
<p>The term of the Convertible Bond is for the period from 9 January 2002 to 31 December 2004. Interest is payable at the rate of 2.5% per annum, semi-annually in arrears. The Group has obtained a 50% waiver of interest payable to the Bond holder of the Convertible Bond for the period from 9 January 2003 to 8 January 2004.</p>			
<p>The holder of the Convertible Bond ("Bond Holder") have, subject to certain conditions, the right at any time following the expiry of six months from 31 January 2002 (i.e. 31 July 2002) to convert part or all of the Convertible Bond into shares of the Company at a price of \$1.21 per share.</p>			
<p>Unless previously repurchased, cancelled, redeemed or converted, the Convertible Bond will be redeemed at its principal amount together with any accrued interest on maturity.</p>			
<p>The Bond Holder has undertaken not to demand repayment of the principal sum of \$85,000,000 due under the Convertible Bond for a period of 12 months from 31 December 2004,</p>			
		<p>可換股債券之年期由二零零二年一月九日至二零零四年十二月三十一日，利息按年率2.5厘計算，每半年支付前期利息。本集團獲可換股債券持有人豁免就二零零三年一月九日至二零零四年一月八日期間應付利息之50%。</p>	
		<p>在符合若干條件下，可換股債券持有人可於二零零二年一月三十一日起計六個月後（即二零零二年七月三十一日後）隨時將全部或部份可換股債券兌換為本公司股份，兌換價為每股1.21元。</p>	
		<p>除非先前已購回、註銷、贖回或兌換，否則可換股債券將於到期按本金加任何應計利息贖回。</p>	
		<p>債券持有人承諾由二零零四年十二月三十一日起計十二個月內不追討可換股債券到期之本金額85,000,000元。</p>	

### 32. Deferred taxation

- (a) Provision for deferred taxation of \$45,000 (2002: \$Nil) was made in respect of depreciation allowances in excess of the related depreciation.
- (b) The major component of unprovided deferred taxation of the Group is the future benefit of tax losses of \$18,818,000 (2002: \$10,012,000).

The Group has not accounted for the deferred taxation assets attributable to the future benefits of tax losses generated from the Hong Kong operations as the availability of future taxable profits from the Hong Kong operations against which the assets can be utilised is uncertain at 31 December 2003. The tax losses of the Hong Kong operations do not expire under current tax legislation.

The Group has not accounted for the deferred taxation assets attributable to the future benefits of tax losses in respect of the Mainland China operations as it is not certain the relevant Mainland China operations will generate future taxable profits before the accumulated tax losses expire. The tax losses of the relevant Mainland China operations expire five years after the relevant accounting year end date.

### 32. 遞延稅項

- (a) 遞延稅項撥備45,000元(二零零二年：無)是按相關超額折舊數值之折舊免稅額而計算。
- (b) 本集團未撥備之遞延稅項主要包括日後稅務虧損之利益18,818,000元(二零零二年：10,012,000元)。

本集團並無將香港業務產生日後稅務虧損之利益應計遞延稅項資產入賬，原因是於二零零三年十二月三十一日，不能確定會有香港業務產生之日後應課稅溢利可供該等資產抵銷。根據現時稅制，香港業務產生之稅務虧損沒有限期。

本集團並無將中國內地業務相關之日後稅務虧損之利益應計遞延稅項資產入賬，原因是不能確定有關之中國內地業務將會於累積稅務虧損到期前產生日後應課稅溢利。中國內地業務相關之稅務虧損於相關的會計年度五年後到期。

### 33. Minority interests

Amounts due to minority shareholders	應付少數股東款項
Minority shareholders' share of net assets	少數股東應佔資產淨值

### 33. 少數股東權益

The group 本集團	
2003 \$'000 千元	2002 \$'000 千元
5,901	5,331
15,091	15,002
<b>20,992</b>	<b>20,333</b>

The amounts due to minority shareholders are unsecured, interest free and are not expected to be settled before 31 December 2004.

應付少數股東款項均為免息及無抵押，並預期不會於二零零四年十二月三十一日前償還。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 34. Share capital

The following is a summary of movements in the authorised and issued share capital of the Company.

### 34. 股本

以下為本公司法定及已發行股本之變動概要。

		Notes 附註	Number of shares 股份數目	Amount 金額 \$'000 千元
<b>Authorised:</b>		<b>法定股本：</b>		
At 1 January 2002	於二零零二年一月一日		50,000	50
Increase in authorised share capital	法定股本增加	(a)	99,950,000	99,950
Subdivision of ordinary shares into \$0.10 each	將普通股拆細為 每股0.10元	(b)	900,000,000	–
At 31 December 2002 and at 31 December 2003	於二零零二年 十二月三十一日 及二零零三年 十二月三十一日		1,000,000,000	100,000
<b>Issued and fully paid:</b>		<b>已發行及繳足股本：</b>		
At 1 January 2002	於二零零二年一月一日		1	–
Subdivision of ordinary shares into shares of \$0.10 each	將普通股拆細 為每股0.10元	(b)	9	–
Shares issued upon Reorganisation	重組時發行股份	(c)	999,990	100
Loan capitalisation	貸款資本化	(d)	639,000,000	63,900
New issue and Placing of shares	發行新股及配售股份	(e)	213,800,000	21,380
At 31 December 2002 and at 31 December 2003	於二零零二年 十二月三十一日 及二零零三年 十二月三十一日		853,800,000	85,380

### 34. Share capital (continued)

Notes:

- (a) On 7 January 2002, the authorised share capital of the Company was increased from \$50,000 to \$100,000,000 by the creation of an additional 99,950,000 shares of \$1.00 each ranking pari passu with the then existing shares in all respects.
- (b) On 7 January 2002, by means of a sub-division of share capital, the par value to the shares of the Company was reduced from \$1.00 each to \$0.10 each, and every issued and unissued share of \$1.00 was subdivided into 10 shares (the "Subdivision"). Immediately after the Subdivision, the authorised share capital of the Company became \$100,000,000 comprising 1,000,000,000 shares of \$0.10 each of which 10 shares were in issue.
- (c) On 9 January 2002, the Company acquired 1 share of US\$1.00 in Polyland, representing the entire issued share capital of Polyland from MTI in consideration for the issue and allotment of 999,990 shares to MTI. The Company became the holding company of the Group with effect from 9 January 2002.
- (d) On 9 January 2002, the Company entered into an agreement with MSCV, the ultimate holding company such that, an amount of \$105,978,176 represented unsecured loans due to MSCV at 30 November 2001 was capitalised and 639,000,000 shares were allotted and issued to MSCV.
- (e) Pursuant to the listing of the shares of Company on GEM on 31 January 2002, 213,800,000 shares of the Company were issued by way of a Placing. The excess of the issue price over the par value of the shares issued has been credited to the share premium account of the Company.
- (f) All shares both issued and unissued rank pari passu in all respects at 31 December 2003.

### 34. 股本 (續)

附註：

- (a) 於二零零二年一月七日，本公司新增99,950,000股每股面值1.00元之股份，將法定股本由50,000元增至100,000,000元。上述新股在各方面均與當時已發行股份享有同等權利。
- (b) 於二零零二年一月七日，本公司以拆細股本方式將股份面值由每股1.00元減至0.10元，並將每股面值1.00元之已發行及未發行股份拆細為10股股份（以下簡稱「股份拆細」）。於完成股份拆細當時，本公司之法定股本為100,000,000元，分為1,000,000,000股每股面值0.10元之股份，其中10股為已發行股份。
- (c) 於二零零二年一月九日，本公司向MTI收購Polyland 1股面值1.00美元之股份（即Polyland全部已發行股本），並向MTI發行及配發999,990股股份作為支付代價。本公司自二零零二年一月九日起成為本集團之控股公司。
- (d) 於二零零二年一月九日，本公司與最終控股公司MSCV訂立協議，將二零零一年十一月三十日應付MSCV之無抵押貸款105,978,176元撥充資本，並向MSCV配發及發行639,000,000股股份。
- (e) 根據二零零二年一月三十一日本公司股份在創業板上市，本公司以配售方式發行213,800,000股股份。發行價超過已發行股份面值之差額已計入本公司之股本溢價賬。
- (f) 於二零零三年十二月三十一日，所有已發行及未發行股份在各方面均享有同等權利。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 34. Share capital (continued)

#### Share option scheme (the “Scheme”)

The Company conditionally adopted the Scheme on 7 January 2002 whereby any employees (whether or not full-time or part-time and, for the avoidance of doubt, including the Directors of the Group except Mr Gerald Lokchung Chan) who, at the sole discretion of the Directors have, subject to the terms of the share option scheme, contributed to the Group, may be granted options to subscribe for shares in the Company. Details of the share option scheme are disclosed in the Directors’ Report.

The maximum number of shares in respect of which options may be granted under the Scheme must not exceed 30% of the total number of shares of the Company in issue from time to time.

Pursuant to a written resolution of all the members of the Compensation Committee dated 20 May 2002 and 13 August 2002 respectively and the minutes of a directors’ meeting dated 13 August 2002, the Company granted options to subscribe for a total of 18,448,000 shares of the Company at exercise price of \$0.62 per share which are exercisable during the period from 14 August 2003 to 13 August 2012, both dates inclusive.

### 34. 股本 (續)

#### 購股權計劃 (「購股權計劃」)

本公司於二零零二年一月七日有條件地採納購股權計劃，董事可全權酌情根據購股權計劃之條款向對本集團有貢獻之全職或兼職僱員 (謹此說明包括陳樂宗先生以外之本集團董事) 授予可認購本公司股份之購股權。購股權計劃之詳情載於董事會報告。

根據計劃可授出之購股權所涉股份總數不得超逾本公司不時已發行股份總數之30%。

根據薪酬委員會全體成員分別於二零零二年五月二十日及二零零二年八月十三日通過之書面決議案及二零零二年八月十三日董事會議紀錄，本公司已授予可按行使價每股0.62元認購合共18,448,000股本公司股份之購股權。該等已授予之購股權可於二零零三年八月十四日至二零一二年八月十三日 (包括首尾兩日) 期間行使。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 34. Share capital (continued)

(a) Movements in share options

		2003 Number 數目	2002 Number 數目
At 1 January	於一月一日	17,328,000	–
Granted	授出	–	18,448,000
Lapsed	失效	(1,390,000)	(1,120,000)
At 31 December	於十二月三十一日	15,938,000	17,328,000
Options vested at 31 December	於十二月三十一日可行使購股權	3,984,500	–

(b) Terms of unexpired and unexercised share options at balance sheet date

Date granted	Exercise period	Exercise price	2003 Number 數目	2002 Number 數目
已授出日期	行使期間	行使價		
14 August 2002	14 August 2003 to 13 August 2012	\$0.62		
二零零二年八月十四日	二零零三年八月十四日至二零一二年八月十三日		15,938,000	17,328,000

(c) Details of share options granted during the year, all of which were granted for nominal consideration

Exercise period	Exercise price	2003 Number 數目	2002 Number 數目
行使期間	行使價		
14 August 2003 to 13 August 2012	\$0.62	–	18,448,000
二零零三年八月十四日至二零一二年八月十三日			

(d) Details of share options exercised during the year

No options were exercised during the year ended 31 December 2003 (2002: Nil).

### 34. 股本 (續)

(a) 購股權之變動

(b) 於年報日未到期及未行使購股權的條款

(c) 於本年度已授出之購股權詳情，所有購股權已按象徵代價授出

(d) 於本年度已行使之購股權詳情  
於二零零三年十二月三十一日年度內並無行使購股權 (二零零二年：無)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 35. Reserves

#### (a) The group

		Share premium 股本溢價 \$'000 千元	Merger reserves 合併儲備 \$'000 千元	Other capital reserves 其他資本儲備 \$'000 千元	Exchange reserves 匯兌儲備 \$'000 千元	Revenue reserves 收入儲備 \$'000 千元	Total 總計 \$'000 千元
At 1 January 2002	於二零零二年一月一日	-	255,466	(61,518)	-	(33,998)	159,950
Capitalisation of shareholders' loans	股東貸款資本化	42,078	-	-	-	-	42,078
Share premium arising on issue of placing shares	配售股份所產生 之股本溢價	213,800	-	-	-	-	213,800
Share issue expenses	發行股份開支	(22,163)	-	-	-	-	(22,163)
Movements arising from the Reorganisation	重組所產生之變動	-	(100)	-	-	-	(100)
Loss for the year	本年度虧損	-	-	-	-	(29,941)	(29,941)
<b>At 31 December 2002</b>	<b>於二零零二年 十二月三十一日</b>	<b>233,715</b>	<b>255,366</b>	<b>(61,518)</b>	<b>-</b>	<b>(63,939)</b>	<b>363,624</b>
At 1 January 2003	於二零零三年一月一日	233,715	255,366	(61,518)	-	(63,939)	363,624
Movements arising from changes in exchange rate	匯兌改變所產生 之變動	-	-	-	1,064	-	1,064
Loss for the year	本年度虧損	-	-	-	-	(21,774)	(21,774)
<b>At 31 December 2003</b>	<b>於二零零三年 十二月三十一日</b>	<b>233,715</b>	<b>255,366</b>	<b>(61,518)</b>	<b>1,064</b>	<b>(85,713)</b>	<b>342,914</b>

Other capital reserves represent the excess/shortfall of the cost of investments in subsidiaries and associates over the appropriate share of the fair value of the net tangible assets acquired by the Group at the date of acquisition.

其他資本儲備指於附屬公司及聯營公司之投資成本，高於／低於本集團應佔於收購當日所購入有形資產淨值之公允價值。

### 35. Reserves (continued)

#### (a) The group (continued)

Merger reserves represent the amount of reserves of subsidiaries that has been capitalised as a result of share-for-share exchanges. The movement in merger reserves during the year ended 31 December 2002 represented the excess of the par value of the shares of the subsidiaries which the Company acquired over the par value of the Company's shares issued in consideration thereof.

Loss for the year	由下列公司於年內保留之
is retained by:	虧損：
- The company and its subsidiaries	— 本公司及其附屬公司
- Associates	— 聯營公司
- Jointly controlled entities	— 共同控制實體

Included in the figure for revenue reserves at 31 December 2003 are reserves of \$4,057,000 (2002: \$2,416,000) attributable to associates and reserves of \$11,039,000 (2002: \$9,372,000) attributable to the jointly controlled entities.

### 35. 儲備 (續)

#### (a) 本集團 (續)

合併儲備指附屬公司因股換股而撥作資本之儲備額。於二零零二年十二月三十一日止年度之合併儲備變動指本公司所收購附屬公司股份面值超過本公司作為代價之已發行股份面值之差額。

2003	2002
\$'000	\$'000
千元	千元
(25,082)	(28,511)
1,641	(1,974)
1,667	544
(21,774)	(29,941)

截至二零零三年十二月三十一日之收入儲備包括應佔聯營公司儲備4,057,000元(二零零二年：2,416,000元)及應佔共同控制實體儲備11,039,000元(二零零二年：9,372,000元)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 35. Reserves (continued)

#### (b) The company

### 35. 儲備 (續)

#### (b) 本公司

		Share premium 股本溢價 \$'000 千元	Revenue reserves 收入儲備 \$'000 千元	Total 總計 \$'000 千元
At 1 January 2002	於二零零二年一月一日	–	(113)	(113)
Capitalisation of shareholders' loans	股東貸款資本化	42,078	–	42,078
Share premium arising on issue of placing shares	配售股份所 產生之股本溢價	213,800	–	213,800
Share issue expenses	發行股份開支	(22,163)	–	(22,163)
Loss for the year	本年度虧損	–	(5,606)	(5,606)
<b>At 31 December 2002</b>	<b>於二零零二年 十二月三十一日</b>	<b>233,715</b>	<b>(5,719)</b>	<b>227,996</b>
At 1 January 2003	於二零零三年一月一日	233,715	(5,719)	227,996
Loss for the year	本年度虧損	–	(4,394)	(4,394)
<b>At 31 December 2003</b>	<b>於二零零三年 十二月三十一日</b>	<b>233,715</b>	<b>(10,113)</b>	<b>223,602</b>

### 36. Commitments and contingencies

#### (i) Commitments under operating leases

At 31 December 2003, the Group had total future minimum lease payments under non-cancellable operating leases payable as follows:

		2003			2002		
		Property	Site	Total	Property	Site	Total
		物業	廣告位租賃	總計	物業	廣告位租賃	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Within one year	一年內	2,575	44,439	47,014	1,962	63,572	65,534
After one year but	一年後						
within five years	但五年內	3,525	267,677	271,202	320	117,622	117,942
After five years	五年後	2,311	588,665	590,976	–	380,564	380,564
		8,411	900,781	909,192	2,282	561,758	564,040

The Group leases a number of properties and advertising sites under operating leases. The leases typically run for an initial period of one to eighteen years. Certain leases contain an option to renew upon expiry when all terms are renegotiated. Certain leases contain a contingent rental element which is based on advertising fees receivable from customers.

### 36. 承擔及或然項目

#### (i) 經營租賃承擔

於二零零三年十二月三十一日，本集團根據不可撤銷經營租賃而須於下列期間支付之最低租金總額列示如下：

本集團根據經營租賃租用多項物業及廣告位。該等租賃一般初步為期一至十八年，若干租賃可於租賃屆滿時選擇續約，有關條款均會重新協定。若干租賃訂有或然租金，乃按應收客戶廣告費用而釐定。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 36. Commitments and contingencies (continued)

#### (ii) Other commitments

As at 31 December 2003, CQMPI, a subsidiary of the Group was a party to an agreement with its PRC joint venture partner to pay an annual fee in respect of the granting of certain bus media rights of \$5,377,000 (RMB5,700,000). The agreement is for the period from 1 November 1999 to 22 September 2029. \$5,377,000 (RMB5,700,000) (2002: \$5,327,000) is due within the next twelve months, \$33,679,000 (RMB35,700,000) (2002: \$28,037,000) is due after one year but within five years and \$21,510,000 (RMB22,800,000) (2002: \$31,963,000) is due after five years. The aggregate amount payable by the Group to the PRC joint venture partner up to 31 December 2010 is \$60,566,000 (RMB64,200,000) (2002: \$65,327,000). For the years from 2011 and onwards, the annual fee will be determined through commercial negotiation between CQMPI and its PRC joint venture partner. In view of the above, the commitments mentioned above have not taken into account the annual fee to be payable by CQMPI to its PRC joint venture partner during the years from 2011 to 2029 as the amounts payable cannot be reasonably estimated.

As at 31 December 2003, Media Partners International Holdings Limited, a subsidiary of the Group had entered into an agreement with an independent third party in respect of the provision of advertising agency services and the enhancement of the Group's metro advertising management system. The terms of the agreement are for the period from 5 September 2003 to 4 September 2008. \$1,265,000 (JPY17,500,000) is due payable within one year and \$506,000 (JPY7,000,000) is due payable after one year but within five years.

### 36. 承擔及或然項目 (續)

#### (ii) 其他承擔

於二零零三年十二月三十一日，本集團一間附屬公司重慶媒體伯樂與其中國合營夥伴訂立協議，就所獲若干巴士媒體使用權支付5,377,000元(5,700,000人民幣)年費。協議期由一九九九年十一月一日至二零二九年九月二十二日。於未來十二個月須支付5,377,000元(5,700,000人民幣)(二零零二年：5,327,000元)，於一年後但五年內須支付33,679,000元(35,700,000人民幣)(二零零二年：28,037,000元)，而於五年後則須支付21,510,000元(22,800,000人民幣)(二零零二年：31,963,000元)。本集團截至二零一零年十二月三十一日須支付合共60,566,000元(64,200,000人民幣)(二零零二年：65,327,000元)予該中國合營夥伴。由二零一一年起，年費將由重慶媒體伯樂與其中國合營夥伴經商業磋商釐定。由於並不可合理預計該金額，故上述承擔並無計及重慶媒體伯樂將由二零一一年至二零二九年向其中國合營夥伴支付之年費。

於二零零三年十二月三十一日，Media Partners International Holdings Limited(本集團之附屬公司)與獨立第三方就廣告代理服務及增強本集團之地鐵廣告管理系統而訂立協議。協議期由二零零三年九月五日起至二零零八年九月四日止。於一年內到期之應付款項為1,265,000元(17,500,000日圓)，而於一年後但五年內到期之應付款項則為506,000元(7,000,000日圓)。

### 36. Commitments and contingencies (continued)

#### (ii) Other commitments (continued)

The above commitments are not included in the operating lease commitments disclosed in note 36(i) above.

#### (iii) Capital commitments

At 31 December 2003 and 31 December 2002, the Group had capital commitments in respect of the acquisition of fixed assets and advertising rights not provided for in the consolidated financial statements as follows:

		2003 \$'000 千元	2002 \$'000 千元
Contracted for	已訂約	-	42,178
Authorised but not contracted for	已批准但未訂約	-	-
		-	42,178

#### (iv) Contingent liabilities

At 31 December 2003, the Group had contingent liabilities amounting to \$4,520,000 (2002: \$4,703,000) in respect of bank guarantees given to independent third parties in the ordinary course of business to ensure the due performance of a subsidiary and observance of the obligations of the subsidiary to certain agreements.

At 31 December 2003, guarantees given by the Company to banks to secure banking facilities made available to the subsidiaries amounted to \$132,170,000. (2002: \$166,729,000).

### 36. 承擔及或然項目 (續)

#### (ii) 其他承擔 (續)

上述承擔並不包括於上文附註36(i)所披露之經營租賃承擔。

#### (iii) 資本承擔

於二零零三年十二月三十一日及於二零零二年十二月三十一日，本集團在綜合財務報表並無作出撥備有關收購固定資產及媒體使用權之資本承擔：

#### (iv) 或然負債

於二零零三年十二月三十一日，本集團之或然負債合共4,520,000元(二零零二年：4,703,000元)。該或然負債乃本集團在日常業務中向獨立第三者作出之銀行擔保，以確保一間附屬公司妥善履行及遵守若干協議規定該附屬公司之責任。

於二零零三年十二月三十一日，本公司向銀行提供為數132,170,000元之擔保(二零零二年：166,729,000元)，使附屬公司可取得銀行信貸。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 37. Material related party transactions

The following transactions represent material and significant related party transactions between the Group and related parties identified by management:

In the Directors' opinion, the transactions noted below were entered into in the ordinary course of business and on normal commercial terms.

### 37. 重大關連人士交易

據管理層表示，下列為本集團與關連人士訂立重大及重要之關連人士交易：

董事認為，下列交易乃在日常業務中按一般商業條款訂立。

			2003 \$'000 千元	2002 \$'000 千元
Income	收益	Notes 附註		
Management fees and other related service fees	管理費用及其他相關服務費用	(a)		
– Guangzhou Yong Tong Metro Advertising Company Limited	– 廣州地鐵永通廣告有限公司	(i)	4,689	4,311
– Shanghai Metro-ads Advertising Co., Ltd.	– 上海華智地鐵廣告有限公司	(i)	3,960	3,960
			<b>8,649</b>	8,271
Advertising and other related service fees	廣告及其他相關服務費	(b)		
– POAD	– POAD	(v)	359	–
– Market Catalyst International (Hong Kong) Limited	– 卓進市場策動(香港)有限公司	(ii)	–	79
			<b>359</b>	79
Loan interest income	貸款利息收益			
– Minority shareholder	– 少數股東	(c)	38	70

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

### 37. Material related party transactions (continued)

### 37. 重大關連人士交易 (續)

		Notes	2003 \$'000 千元	2002 \$'000 千元
Expenses	開支	附註		
Advertising and other related services	廣告及其他相關服務	(b)		
– Shanghai Zhongle	– 上海中樂	(i)	12,826	1,318
– Market Catalyst International (Hong Kong) Limited	– 卓進市場策動(香港)有限公司	(ii)	–	277
– POAD	– POAD	(v)	763	510
			13,589	2,105
Office rentals	辦公室租金	(d)		
– Hang Lung Real Estate Agency Limited	– 恒隆地產代理有限公司	(iv)	649	555
– Nobel State Company Limited	– 湛域有限公司	(ii)	915	789
			1,564	1,344
Administrative fees	行政費用	(e)		
– MTI Administration Limited	– 晨興科技管理服務有限公司	(ii)	400	832
Consultancy fees	顧問費	(f)		
– Springfield Financial Advisory Limited	– Springfield Financial Advisory Limited	(ii)	123	180
Advertising fees	廣告費	(g)		
– 成都運興公交有限公司	– 成都運興公交有限公司	(iii)	7,413	3,491
Interest on Convertible Bond	可換股債券利息	(h)		
– Morningside CyberVentures Holdings Limited	– Morningside CyberVentures Holdings Limited	31 & (ii)	1,086	2,078

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 37. Material related party transactions (continued)

Notes:

**Nature and the basis of the related party transactions are set out below:**

- (a) Management fees for accounting, administration and other related service fees are calculated based on the pre-determined rates specified in the underlying management fee agreements signed between the Group and the jointly controlled entities.
- (b) Advertising and other related service fees are charged based on the amounts agreed between the Group and the related parties by reference to similar transactions with outside customers.
- (c) Loan interest income received from the minority shareholder of Best Reward Venture Limited is calculated at a rate of 2% per annum on the outstanding loan advanced to the minority shareholder.
- (d) Office rentals are payable at a pre-determined amounts per month by reference to market rates in accordance with the terms of the tenancy agreements signed by the Group and the related parties.
- (e) On 9 January 2002, the Company entered into an administrative services agreement with MTI Administration Limited ("MTI"), a wholly owned subsidiary of MSCV, the ultimate holding company, to provide or procure the provision of administrative services to the Group. The Company agreed to pay MTI, on a monthly basis, a proportion of the monthly total staff costs in relation to such administrative services.

For the year ended 31 December 2003, MTI agreed to restrict the charges payable for such administrative services to \$100,000 per quarter.

- (f) Consultancy fees are charged based on the services provided to the Group by the related party by reference to similar transactions with outside customers.
- (g) Chengdu Advertising MPI pays the 成都運興公交有限公司 ("Bus JV") 70% of the amounts received by it for the placement of advertisements on the buses owned by Bus JV and retains the remaining 30% to cover its agency fees and management fees.
- (h) Interest on the Convertible Bond payable to MSCV is calculated at a rate of 2.5% per annum, semi-annually in arrears. For the period from 9 January 2003 to 8 January 2004, MSCV agreed to waive 50% of the interest payable by the Group in respect of the Convertible Bond.

### 37. 重大關連人士交易 (續)

附註：

關連人士交易之性質及基準載列如下：

- (a) 會計及行政管理費用及其他相關服務費，乃根據本集團與共同控制實體簽訂之基本管理協議中列明之預定收費計算。
- (b) 廣告及其他相關服務費，乃根據本集團與關連人士經參考與外界客戶進行之類似交易而協定之款額計算收費。
- (c) 已收Best Reward Venture Limited少數股東之貸款利息收益，乃根據給予少數股東之未償還貸款按年息2厘計算。
- (d) 辦公室租金須根據本集團與關連人士簽訂之租約條款，並參考市值，每月按預定額支付。
- (e) 於二零零二年一月九日，本公司與晨興科技管理服務有限公司(「晨興科技」)(最終控股公司MSCV之全資附屬公司)訂立管理服務協議，為本集團提供或安排管理服務。本公司同意每月就上述管理服務向晨興科技管理服務有限公司支付有關部分之僱員總成本。

截至二零零三年十二月三十一日止年度，晨興科技同意將上述之管理服務費之應付費用以每季100,000元為限。

- (f) 關連人士向本集團提供服務之有關顧問費乃參考與外界客戶進行之類似交易計算收費。
- (g) 成都媒體伯樂向成都運興公交有限公司(「成都運興」)支付成都運興巴士車身廣告所獲取收入之70%，並保留其餘30%作為代理費及管理費。
- (h) 應付予MSCV之可換股債券利息乃根據年息2厘半計算，並每半年支付前期利息。由二零零三年一月九日至二零零四年一月八日止期間，MSCV同意放棄本集團就可換股票據應付利息之50%。

### 37. Material related party transactions (continued)

Notes: (continued)

**Details of the relationship between the related parties and the Group are set out below:**

- (i) Jointly controlled entities of the Group.
- (ii) Part of the Morningside group, companies controlled by various trusts established by Madam Chan Tan Ching Fen, the mother of Mr Gerald Lockchung Chan (the non-executive director of the Company) for the benefit of certain members of her family and other charitable objects, excluding Hang Lung Group Limited ("Hang Lung") and its subsidiaries.
- (iii) Bus JV, a PRC sino-foreign co-operative joint venture where the foreign partner, MPI Transportation Company Limited, is part of the Morningside group and contributed 64% of the registered capital.
- (iv) A member of Hang Lung which is controlled by the trustees of trusts established by Madam Chan Tan Ching Fen, the discretionary objects of one of which includes an Associate (as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited) of Mr Gerald Lokchung Chan, the non-executive director of the Company.
- (v) Associate of the Group.

### 37. 重大關連人士交易 (續)

附註：(續)

關連人士與本集團之關係載述如下：

- (i) 本集團之共同控制實體。
- (ii) 晨興集團之部份公司由本公司非執行董事陳樂宗先生母親陳譚慶芬女士為其若干家族成員及其他慈善機構而設立之多項信託所控制(不包括恒隆集團有限公司(以下簡稱「恒隆」)及其附屬公司)。
- (iii) 中國中外合作合營企業成都運興之外資方MPI Transportation Company Limited為晨興集團之一部份，已注入64%註冊資本。
- (iv) 由陳譚慶芬女士所設立信託之受託人控制之恒隆集團成員公司，而其中一項信託的全權受益人之一乃本公司非執行董事陳樂宗先生之一名聯繫人士(定義見香港聯合交易所有限公司創業板證券上市規則)。
- (v) 本集團之聯營公司。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars) (以港元為單位)

MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

### 37. Material related party transactions (continued)

Notes: (continued)

#### Transfers of assets from the Group to Guangzhou Metro JV

The Group holds the legal title of a property in Guangzhou, the PRC. The property was transferred to Guangzhou Metro JV pursuant to an agreement signed between the Guangzhou Metro Corporation and MPIL on 26 August 1999. The agreement was signed in respect of the establishment of Guangzhou Metro JV. The property is currently occupied as an office by Guangzhou Metro Corporation, the PRC partner of Guangzhou Metro JV and 廣州地鐵實業有限公司, a subsidiary of Guangzhou Metro Corporation, whereas Guangzhou Metro JV currently occupies a property as an office being held by the PRC partner in the same building. Such occupancy arrangements were determined after arm's length negotiation. The property was transferred at a value of \$27,830,000 (RMB29,778,000), being the original cost to MPIL, with no profit or loss was incurred on disposal by MPIL. Of the \$27,830,000, \$9,138,000 (RMB9,778,000) was transferred to Guangzhou Metro JV by way of an asset injection. As at 31 December 2003, the remaining amount of \$18,868,000 (RMB20,000,000) (2002: \$18,692,000 (RMB20,000,000)) was due from Guangzhou Metro JV in respect of the above transfer which amount is non-interest bearing, unsecured and has no fixed terms of repayment.

#### Amounts due to and from related parties

Amounts due to and from related parties at 31 December 2003 are set out in the consolidated balance sheet of the Group.

### 38. Comparative figures

Certain comparative figures of (a) site rental and (b) other direct costs have been reclassified and separately disclosed in the consolidated profit and loss account in order to conform with the current year's presentation.

### 39. Ultimate holding company

The directors of the Company consider MSCV, a company incorporated in the British Virgin Islands, to be the ultimate holding company at 31 December 2003.

### 37. 重大關連人士交易 (續)

附註：(續)

#### 本集團轉讓資產予廣州永通

本集團持有中國廣州一項物業之法定業權。根據廣州市地下鐵總公司與梅迪派勒於一九九九年八月二十六日簽訂之協議，該物業已轉讓予廣州永通。該協議乃就成立廣州永通而簽訂。該物業現由廣州永通之中方夥伴廣州市地下鐵總公司及其附屬公司廣州地鐵實業有限公司用作辦公室，而現時廣州永通則佔用同一大廈內由中方夥伴持有之物業作為辦公室。該等佔用安排均經公平磋商釐定。該物業乃按27,830,000元(29,778,000人民幣)之價格(即梅迪派勒原來承擔之成本)予以轉讓，而梅迪派勒在出售時並無產生任何盈虧。27,830,000元其中9,138,000元(9,778,000人民幣)是以注入資產方式轉讓予廣州永通。於二零零三年十二月三十一日，廣州永通仍須就上述轉讓應付其餘18,868,000元(20,000,000人民幣)(二零零二年：18,692,000元(20,000,000人民幣))。該筆款項乃免息、無抵押及無固定還款期。

#### 應付及應收關連人士款項

於二零零三年十二月三十一日應付及應收關連人士款項載於本集團之綜合資產負債表。

### 38. 比較數字

(a)廣告位租金及(b)其他直接成本之若干比較數字已予重新分類並分別在綜合損益表內披露，以符合本年度之呈報方式。

### 39. 最終控股公司

本公司董事認為，於二零零三年十二月三十一日，最終控股公司為於英屬處女群島註冊成立之MSCV。

		2003 \$'000 千元	2002 \$'000 千元	2001 \$'000 千元	2000 \$'000 千元	1999 \$'000 千元
Turnover	營業額	277,205	290,804	258,976	220,461	149,184
(Loss)/profit attributable to shareholders	股東應佔(虧損)/溢利	(21,774)	(29,941)	23,387	9,668	(28,114)
EBITDA (note 3)	EBITDA(附註3)	27,963	14,014	62,208	51,013	(522)
Adjusted EBITDA (note 4)	經調整EBITDA(附註4)	44,299	28,949	78,154	56,154	(522)

### Assets and liabilities 資產與負債

Total assets	總資產	910,292	880,655	583,713	548,318	379,469
Total liabilities	總負債	(461,006)	(411,318)	(401,325)	(393,802)	(414,759)
Minority interests	少數股東權益	(20,992)	(20,333)	(22,438)	(17,953)	(15,670)
Capital and reserves	資本及儲備	428,294	449,004	159,950	136,563	(50,960)

#### Notes:

- (1) The results of the Group for each of the three years ended 31 December 1999, 2000 and 2001 have been prepared on a proforma combined basis as if the Group structure immediately after the Group Reorganisation had been in existence throughout those years. The results of the Group for each of the two years ended 31 December 1999 and 2000 were extracted from the Company's Prospectus dated 15 January 2002.
- (2) The Company was incorporated in the Cayman Islands on 14 May 2001 and became the holding company of the companies now comprising the Group as a result of the Group Reorganisation which was completed on 9 January 2002.
- (3) EBITDA is defined as earnings before interest expenses, tax, depreciation and amortisation.
- (4) Adjusted EBITDA is defined as earnings before interest expenses, tax, depreciation and amortisation, minority interests and including the Group's share of profits of an associate, POAD Group, and a jointly controlled entity, Shanghai Metro JV but excluding losses of the jointly controlled entities, Guangzhou Metro JV and Shanghai Zhongle.

#### 附註：

- (1) 本集團截至一九九九年、二零零零年及二零零一年十二月三十一日止三年度各年之業績，乃假設本集團於重組完成後之架構於有關年度一直存在而按備考合併基準編撰。本集團截至一九九九年及二零零零年十二月三十一日止兩年度之業績，乃節錄自本公司二零零二年一月十五日之招股章程。
- (2) 本公司於二零零一年五月十四日在開曼群島註冊成立，當二零零二年一月九日重組完成後成為本集團現時各公司之控股公司。
- (3) EBITDA指未計利息開支、稅項、折舊與攤銷前之盈利。
- (4) 經調整EBITDA指未計利息開支、稅項、折舊與攤銷及少數股東權益之前已計及本集團分佔聯營公司POAD集團與共同控制實體上海華智之溢利，但不計分佔共同控制實體廣州永通及上海中樂之虧損。

### “Adjusted EBITDA”

earnings before interest expenses, tax, depreciation and amortisation, minority interests and including the MPI Group's share of profits of a jointly controlled entity, Shanghai Metro JV and the associate, POAD

### “Administrative Services Agreement”

an agreement dated 9 January 2002 entered into between the Company and MTI Administration Limited, pursuant to which MTI Administration Limited has agreed to provide or procure the provision of support services to the MPI Group

### “AEL”

Airport Express Line

### “Associate(s)”

has the meaning ascribed to it in the GEM Listing Rules

### “Board”

board of Directors

### “Company”

Media Partners International Holdings Inc., a company incorporated in the Cayman Islands with limited liability

### “Chengdu Advertising MPI”

Chengdu MPI Public Transport Advertising Co. Ltd., a sino-foreign CJV established in the PRC

### “Chongqing MPI”

Chongqing MPI Public Transportation Advertising Co., Ltd., a sino-foreign CJV established in the PRC

### “CJV”

co-operative joint venture

### “Combined Turnover”

turnover of MPI Group together with the turnover of the three jointly controlled entities and an associate

### “Companies Law”

the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands

### “CPM”

cost per thousand reached, a standard measurement of the cost effectiveness of an advertising medium

### “Directors”

the directors of the Company

### “EBITDA”

earnings before interest expense, tax, depreciation and amortisation

### “EJV”

equity joint venture

### “GDP”

gross domestic product is a measure of the total value of production of all resident producing units of a country or territory in a specified period. GDP can be measure during different approaches. For the PRC, GDP is compiled using the production approach and the income approach. For Hong Kong, GDP is compiled using the expenditure approach and the production approach

### “GEM”

the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited

### “GEM Listing Rules”

the Rules Governing the Listing of Securities on the GEM of Stock Exchange

### 「經調整EBITDA」

未計利息支出、稅項、折舊及攤銷、少數股東權益前盈利及包括媒體伯樂集團之共同控制實體(上海華智)及聯營公司(POAD)的分佔溢利

### 「管理服務協議」

本公司與晨興科技管理服務有限公司於二零零二年一月九日訂立的一項協議。據此，晨興科技管理服務有限公司已同意向媒體伯樂集團提供或促使提供支援服務

### 「機場快綫」

機場快綫

### 「聯營公司」或「聯繫人」

具有創業板上規規則所賦予的涵義

### 「董事會」

董事會

### 「本公司」

媒體伯樂集團有限公司(\*僅供識別)，於開曼群島註冊成立的有限公司

### 「成都媒體伯樂」

成都媒體伯樂公交廣告有限公司，於中國成立的一間中外合作經營企業

### 「重慶媒體伯樂」

重慶媒體伯樂公交廣告有限公司，於中國成立的一間中外合作經營企業

### 「合作經營企業」

合作經營企業

### 「合併營業額」

媒體伯樂集團的營業額，包括其三間共同控制實體及一間聯營公司

### 「公司法」

開曼群島一九六一年第三條法例第22章公司法(綜合及修訂版)

### 「千人成本」

接觸每一千個人的成本，是衡量廣告媒體的成本效益的標準方法

### 「董事」

本公司董事

### 「EBITDA」

未計利息支出、稅項、折舊及攤銷前盈利

### 「合資經營企業」

合資經營企業

### 「國內生產總值」或「本地生產總值」

國內生產總值或本地生產總值是計算於指定期內，國家或地區的所有居民生產單位的生產價值。國內生產總值可透過不同方法計算。就中國而言，國內生產總值是結合生產及收入兩種方法計算。就香港而言，本地生產總值則以開支及生產方法計算

### 「創業板」

香港聯合交易所有限公司創業板

### 「創業板上規規則」

聯交所的創業板證券上市規則

**“Greater China”**

for the purpose of this Annual Report, means the Mainland China, Hong Kong, Macau and Taiwan

**“Guangzhou Metro JV”**

Guangzhou Yong Tong Metro Advertising Company Limited, a sino-foreign CJV established in the PRC

**“Hong Kong”**

Hong Kong Special Administrative Region of the PRC

**“HKD” and “HK Cents”**

Hong Kong Dollars and Hong Kong Cents, the lawful currency of Hong Kong

**“JCE”**

jointly controlled entity

**“JV”**

joint venture

**“LEDs”**

liquid electronic displays

**“Mainland China” or “PRC”**

the People’s Republic of China, which, for the purpose of this Annual Report, excludes Hong Kong, Macau and Taiwan

**“MPI Group” or “the Group”**

the Company and its subsidiaries

**“MPI”**

Media Partners International Limited, a company incorporated in Hong Kong with limited liability

**“MPI(HK)”**

Media Partners International (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability

**“Morningside”**

Morningside CyberVentures Holdings Limited, a private company incorporated in the British Virgin Islands with limited liability

**“Morningside Group”**

collectively, companies controlled by the Chan Family excluding Hang Lung and its subsidiaries

**“Nanjing MPI”**

Nanjing Media Partners International Public Transport Advertising Co., Ltd., a sino-foreign CJV established in the PRC

**“Prospectus”**

the prospectus of the Company dated 15 January 2002

**“POAD”**

POAD Group Limited, a company incorporated in Hong Kong with limited liability, an associate company of the Group

**“RMB”**

Renminbi, the lawful currency of the PRC

**“SFO and Future”**

the Securities Ordinance [Chapter 571 of the laws of Hong Kong]

**“Shanghai MPI”**

Shanghai Media Partners International Ltd., a sino-foreign CJV established in the PRC

**「大中華區」**

就本年報而言，指中國內地、香港、澳門及台灣

**「廣州永通」**

廣州地鐵永通廣告有限公司，於中國成立的一間中外合作經營企業

**「香港」**

中國香港特別行政區

**「港元」及「港仙」**

港元及港仙，香港法定貨幣

**「共同控制實體」**

共同控制實體

**「合營企業」**

合營企業

**「電子顯示熒幕」**

液晶體電子顯示熒幕

**「中國內地」或「中國」**

中華人民共和國，就本年報而言，不包括香港、澳門及台灣

**「媒體伯樂集團」或「本集團」**

本公司及其附屬公司

**「梅迪派勒」**

梅迪派勒廣告有限公司，在香港註冊成立的有限公司

**「香港媒體伙伴」**

香港媒體伙伴有限公司，於香港註冊成立的有限公司

**「Morningside」**

Morningside CyberVentures Holdings Limited，於英屬處女群島註冊成立的私人有限公司

**「晨興集團」**

泛指陳氏家族所控制的公司，不包括恒隆及其附屬公司

**「南京梅迪派勒」**

南京梅迪派勒公共交通廣告有限公司，於中國成立的一間中外合作經營企業

**「招股章程」**

於二零零二年一月十五日刊發的本公司招股章程

**「POAD」**

POAD Group Limited，於香港註冊成立的有限公司，本集團之聯營公司

**「人民幣」**

人民幣，中國法定貨幣

**「證券及期貨條例」**

香港法例第571章證券及期貨條例

**「上海梅迪派勒」**

上海梅迪派勒廣告有限公司，於中國成立的中外合作經營企業

**“Shanghai Zhongle”**

Shanghai Zhongle Vehicle Painting Co. Ltd., a sino-foreign EJV established in the PRC

**“Shanghai Metro JV”**

Shanghai Metro-ads Advertising Co., Ltd., a sino-foreign CJV established in the PRC

**“Share(s)”**

share(s) of HK\$0.1 each in the capital of the Company

**“Shareholder(s)”**

holder(s) of the Shares

**“Shenzhen MPI”**

Shenzhen Media Partners International Advertising Limited, a sino-foreign EJV established in the PRC

**“Stock Exchange”**

The Stock Exchange of Hong Kong Limited

**“the Sponsor”**

BNP Paribas Peregrine Capital Hong Kong Limited

**“WTO”**

the World Trade Organization

**「上海中樂」**

上海中樂汽車油漆噴塗製作有限公司，於中國成立的中外合資經營企業

**「上海華智」**

上海華智地鐵廣告有限公司，於中國成立的中外合作經營企業

**「股份」**

本公司股本中每股面值0.10港元的股份

**「股東」**

股份持有人

**「深圳媒體伯樂」**

深圳媒體伯樂廣告有限公司，於中國成立的中外合資經營企業

**「聯交所」**

香港聯合交易所有限公司

**「保薦人」**

法國巴黎百富勤融資有限公司

**「世貿」**

世界貿易組織





