



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

專心 · 專注 · 專業

**UNSWERVING COMMITMENT  
DRIVEN TO EXCEL**

Annual Report **2004** 年報

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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之市場，尤其在創業板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之資料。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方作出，並以公平及合理的基準與假設為基礎。

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## Mission Statement

使命

OUR MISSION IS TO PROVIDE  
BEST-IN-CLASS SERVICE WITH THE  
BEST VALUE TRANSPORT RELATED  
OUTDOOR MEDIA NETWORK IN  
MAINLAND CHINA

透過我們於中國內地的最佳  
交通工具戶外媒體網絡為客戶  
提供卓越的廣告服務

# Outdoor Advertising Business

## 戶外廣告業務



METRO  
ADVERTISING  
地鐵廣告



No. 1 Metro Media  
Provider  
地鐵媒體至尊



Prime Sites with  
Promising Returns  
黃金地段帶動  
理想回報



BILLBOARD  
廣告牌



BUS  
ADVERTISING  
巴士廣告

PREMIER SERVICE  
PRIME CHOICE OF MEDIA  
服務之尊 媒體卓見之選



Unparalleled Cross Cities  
Coverage  
無可比擬之跨城市網絡



# Corporate Information

## 企業資料

### BOARD OF DIRECTORS

#### Non-executive Director

Gerald Lokchung CHAN  
(Chairman)

#### Executive Directors

George Ka Ki CHANG  
(Vice Chairman)

Winnie Pik Shan TO  
(Chief Executive Officer)

Tony Cheung Kin AU-YEUNG

#### Independent Non-executive Directors

Philip Tit Hon HUNG

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

Philip Tit Hon HUNG

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

### AUDITORS

KPMG

### PRINCIPAL BANKERS

Bank of East Asia, Limited

Banque Nationale de Paris

China Construction Bank  
Corporation

CITIC Ka Wah Bank, Limited

DBS Bank (Hong Kong) Limited

### SHARE REGISTRAR

#### Tengis Limited

Ground Floor  
BEA Harbour View Centre  
56 Gloucester Road  
Wanchai, Hong Kong

### INVESTORS RELATIONS CONSULTANT

Strategic Financial Relations Limited

### STOCK CODE

8072

### REGIONAL OFFICES

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

##### MPI Hong Kong

15th Floor, Rooms 1506-10  
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

##### Shanghai MPI

8 Gao An Road, Shanghai  
Postcode: 200030

##### Beijing Branch

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

##### Guangzhou Office

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

#### Wuhan Office

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

#### OTHER OFFICES IN MAINLAND CHINA

##### Chengdu MPI Public Transport Advertising Co. Ltd.

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

##### Chongqing MPI Public Transportation Advertising Co. Ltd.

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

##### Nanjing Media Partners International Public Transport Advertising Co. Ltd.

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

##### Shenzhen Media Partners International Advertising Limited

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

##### Guangzhou Yong Tong Metro Advertising Company Limited

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

##### Shanghai Metro-ads Advertising Co. Ltd.

Rooms 8A, 8B & 15B, Qi Hua Tower  
1375 Huai Hai Road (C), Shanghai  
Postcode: 200031

##### Shanghai Zhongle Vehicle Painting Co. Ltd.

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

## 董事會

### 非執行董事

陳樂宗 (主席)

### 執行董事

張家騏 (副主席)

杜碧珊 (行政總裁)

歐陽長健

### 獨立非執行董事

洪鐵漢

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

洪鐵漢

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

## 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

中國建設銀行股份有限公司

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

## 投資者關係顧問

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

香港媒體伯樂

香港銅鑼灣百德新街 2-20 號

恒隆中心 15 樓 1506-1510 室

### POAD

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

上海梅迪派勒

上海市高安路 8 號

郵編：200030

### 北京公司

北京市建國門外大街 22 號

賽特大廈 1401 室

郵編：100022

### 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

## 武漢辦事處

武漢市漢口建設大道 709 號

建銀大廈 23 樓 1 室

郵編：430015

## 中國內地其他城市之辦事處

成都媒體伯樂公交廣告有限公司

成都市營門口路 188 號

人和逸景 1 棟 A 座 18 樓

郵編：610031

重慶媒體伯樂公交廣告有限公司

重慶市渝中區鄒容路 68 號

大都會商廈 12 樓 1208 室

郵編：400010

南京梅迪派勒公交廣告有限公司

南京市漢中路 89 號

金鷹國際商城 22 樓

郵編：210029

深圳媒體伯樂廣告有限公司

深圳市振華路 6 號

航天立業華庭 2901 室

郵編：518031

廣州地鐵永通廣告有限公司

廣州市西湖路 12 號

廣州百貨大廈 29 樓 2910 室

郵編：510030

上海華智地鐵廣告有限公司

上海市淮海中路 1375 號

啓華大廈 8 樓 8A-8B 及 15 樓 15B

郵編：200031

上海中樂汽車油漆噴塗製作有限公司

上海市宜山路 2032 號

郵編：201103

Unrivalled market  
presence underpinning  
superior achievements

一枝獨秀 綻放豐盛成就

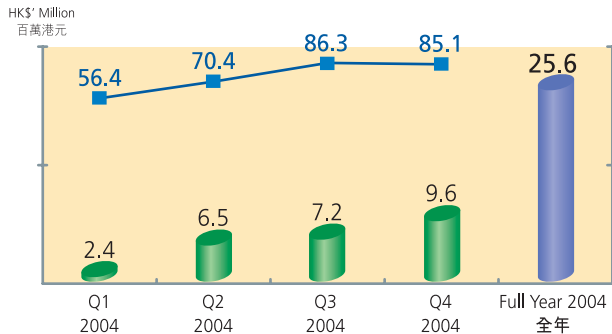






# Financial Highlights

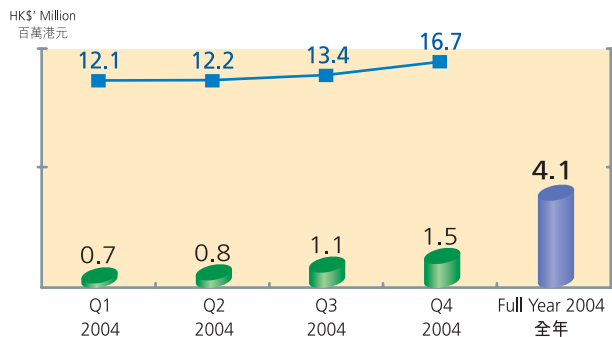
## 財務摘要



### Mainland China 中國內地

**Achieved growth in net profit quarter by quarter with full year net profit at record high of HK\$25.6 million**

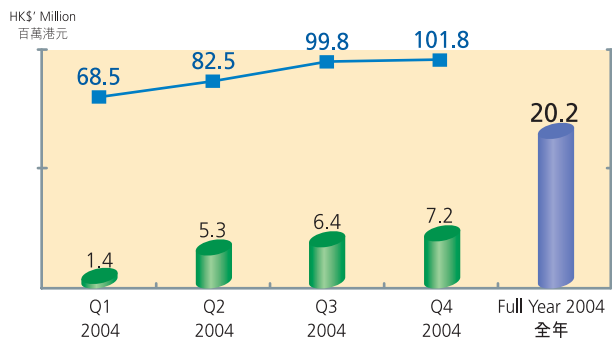
每一季度之純利皆有所增長，全年純利創新高達25,600,000港元



### Hong Kong 香港

**Achieved growth quarter by quarter with full year net profit at HK\$4.1 million**

每一季度皆有所增長，全年純利為4,100,000港元



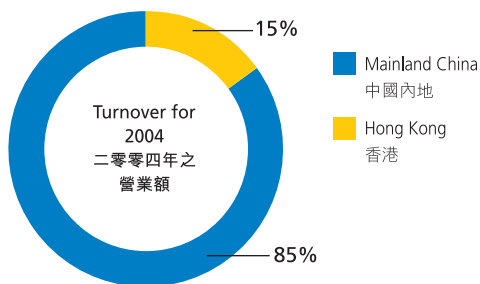
### Group Total\* 集團總計

**Achieved growth quarter by quarter with full year net profit at HK\$20.2 million**

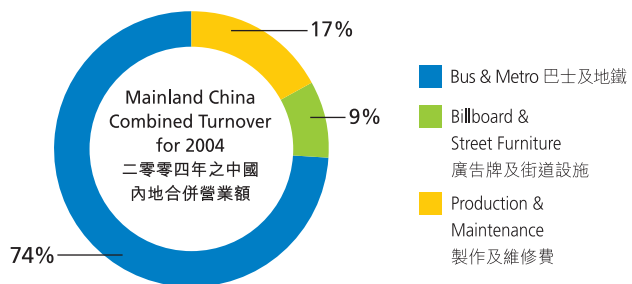
每一季度皆有所增長，全年純利為20,200,000港元

■ Quarterly Net Profit 每季純利  
■ Full Year Net Profit 全年純利  
—■— Turnover 營業額

\* The Group's net profit includes net profit generated from Mainland China and Hong Kong operations and after deduction of the corporate expenses  
 \* 本集團之純利包括從中國內地及香港業務所得之純利，扣除企業開支。



Focus in Mainland China  
中國內地為重點



Focus in Transports related media  
in Mainland China  
交通工具媒體為中國內地的重點

# Group Events

## 集團紀事

# 2004

### JAN 1

- Being included in the S&P/HKEx GEM Index  
被納入標普香港創業板指數

- Secured an additional 4,000 new bus bodies advertising rights in Shanghai

額外獲取於上海 4,000 輛巴士車身的媒體使用權



### SEP 9

- Secured exclusive advertising rights within Shanghai Metro Line 4  
獲取上海地鐵四號綫之獨家的媒體使用權

### OCT 10

- Shanghai MPI, the Group's operation headquarter in Mainland China, was converted from a joint venture to a wholly foreign owned enterprise

本集團之中國內地營運總部上海梅迪派勒，由一間合營企業轉型為一間外商獨資企業

### MAY 5

- The extension line of Shanghai Metro Line 1-Xin Min Line started advertising sales

上海地鐵一號綫之伸延綫－莘閔綫開始其廣告銷售



### JUL 7

- Secured exclusive advertising rights for a term of 18 years within Nanjing Metro

獲取為期十八年之南京地鐵的獨家的媒體使用權

### NOV 11

- Received the Best Corporate Governance Disclosure Awards 2004 (Diamond Award – Growth Enterprise Market Category) organized by the Hong Kong Institute of Certified Public Accountants

榮獲香港會計師公會二零零四年度「最佳公司管治資料披露大獎」創業板公司組別之鑽石大獎



# Corporate Profile

## 企業簡介

**Media Partners International Holdings Inc.**, together with its subsidiaries, associated companies and jointly controlled entities (“MPI” or the “Group”), is a leading outdoor advertising media network provider in 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 31st 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 Group extended its business to Mainland China.

Headquartered in Shanghai, MPI Group has established a wholly-owned subsidiary, seven joint ventures and three offices in Mainland China. The Group’s core business focuses on Mainland China’s transport sector and the Group’s transport related advertising media network now through its own media and agency arrangements, extends to most 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（以下簡稱「媒體伯樂」或「本集團」），於中國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）。

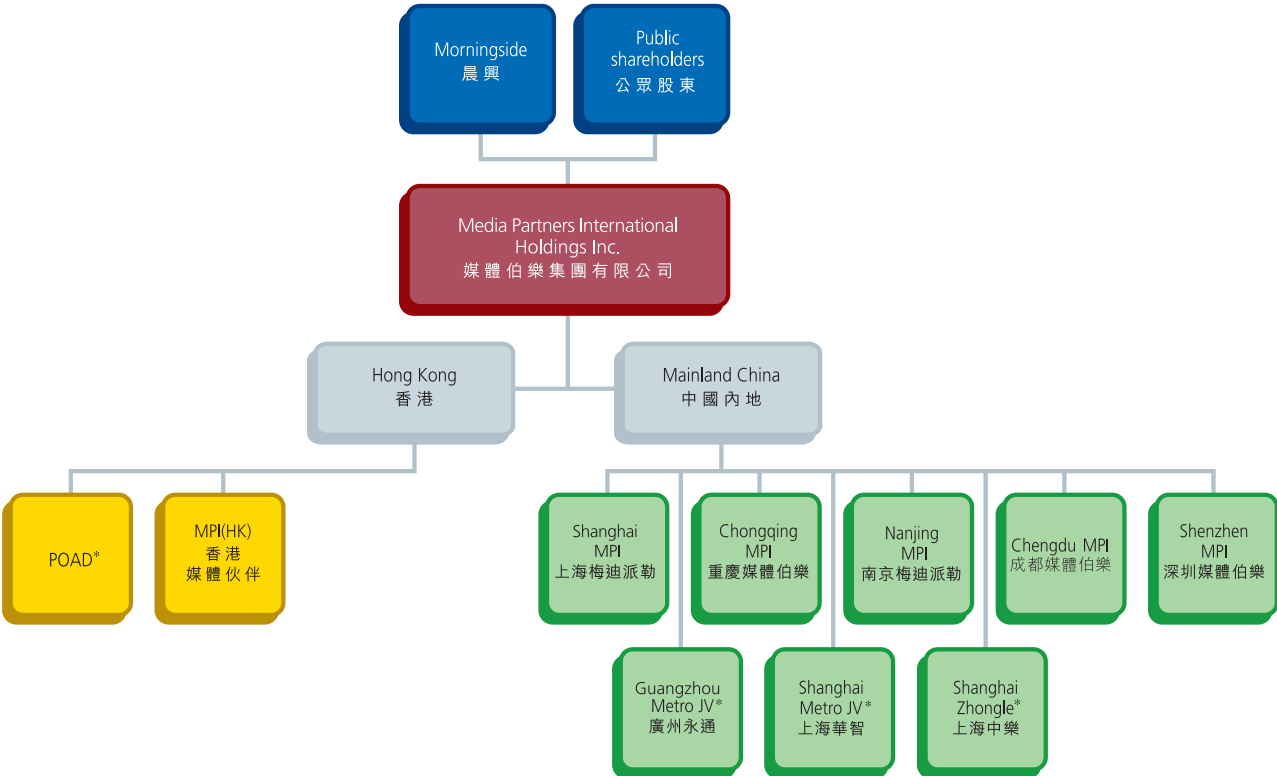
本集團主要股東為陳氏家族於一九八六年在香港成立的晨興集團。陳氏家族亦為香港恒隆集團的創辦人。本集團於香港的戶外廣告業務始於一九九零年及已建立鞏固的媒體覆蓋範圍。媒體伯樂集團於一九九四年把業務拓展至中國內地。

媒體伯樂的總部設於上海，並在中國內地成立了一間全資附屬公司，七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，覆蓋中國內地大多數之主要城市。



# Group Structure

## 集團架構



Note : This is a simplified group chart.  
 註：此乃簡化之集團架構。

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





Dedicated to our clients  
with the most optimal  
media solutions

一心一意 提供優質媒體之選



DEC 中恒™

THE BEST DIGITAL

做中国数码专家

# Chairman's Statement

## 主席報告書

Year 2004 marks an important milestone for MPI. We turned around to a net profit of HK\$20.2 million and our business in the Mainland China was stronger than ever with a net profit of HK\$25.6 million. We made steady progress with our long-term strategies, steadily building up our media network in bus media and metro media, and increased our overall financial strength. Underlying our success is our commitment to providing our customers with premium and integrated outdoor advertising services, encompassing the best in media location, media planning, production and after-sales advertising services.

We received highly favorable customer feedback to and strong demand for our advertising services during the year. What was particularly pleasing – to the Board and to MPI's management – was that the demand for our outdoor advertising services continued to grow.

This year we enjoyed phenomenal success in transport advertising business. Progresses we made in the segment will present us with new and quality opportunities to grow our business. We extended our metro coverage and network by securing exclusive advertising rights within major metro lines in the affluent city like Nanjing. We also secured the advertising rights of an additional 4,000 buses in Shanghai in the year which further enhanced our dominance in Shanghai. These enabled us to offer our customers unparalleled advertising coverage in Mainland China. Looking forward, we will continue to focus and capitalize on the outdoor advertising business in the Mainland China.

Mainland China is unquestionably one of the fastest growing markets in the world, and one of the largest advertising markets in Asia. Its outdoor advertising industry has seen fast expansion in recent years. According to China's State Administration of Industry and Commerce, the Compound Annual Growth Rate of outdoor advertising from 1994 to 2002 was about 19%. Currently, outdoor advertising is the third largest advertising medium after TV and the print media, and is expected to play a yet more important role in the future.

二零零四年標誌著媒體伯樂的一個重要里程碑。年內媒體伯樂錄得純利20,200,000港元，而中國內地業務更創下純利25,600,000港元的紀錄。建基於本集團長遠的發展策略，一一落實業務發展計劃，以及巴士及地鐵的媒體網絡逐步建立，整體財務狀況亦得以加強。我們之所以取得成功，全賴對客戶提供卓越綜合戶外廣告服務的承諾，包括安排最佳的廣告位置，全面的廣告策劃與製作，以及售後服務。

年內，客戶對我們的廣告服務需求殷切，而且作出高度評價。令董事局及媒體伯樂管理層尤感欣喜的，是客戶對我們的戶外廣告服務需求繼續增加。

本年度我們的交通工具廣告業務成績顯赫。這方面的進展帶來嶄新及可觀的商機，促使業務增長。我們透過取得繁榮城市如南京等之主要地鐵路綫的獨家的媒體使用權，以擴大地鐵的覆蓋網絡。此外，我們亦在上海額外獲取4,000輛巴士的媒體使用權，進一步鞏固本集團在當地的領導地位。這些舉措使我們得以為客戶在中國內地提供無與倫比的廣告覆蓋範圍。展望未來，我們將繼續專注於發展中國內地戶外廣告業務。

毋庸置疑，中國內地是全球其中增長最快的一個市場，亦是亞洲其中一個最大的廣告市場。近年國內的戶外廣告行業急速發展。據中國國家工商行政管理總局的資料，戶外廣告於一九九四年至二零零二年間的複合年增長率約為19%。戶外廣告是目前緊隨電視及印刷媒體後第三大廣告媒體，預期未來戶外廣告業將會擔當更重要的角色。



Mainland China's advertising industry is looking at a rosy future. With Chinese consumers gaining purchasing power, and the advent of the 2008 Beijing Olympics and the 2010 Shanghai World Expo stimulating advertising demand, the high growth of the Mainland China's outdoor advertising is expected to continue.

Our success depends on the strengths of our management. While we will continue our efforts to improve our management depth and breadth, I am happy to report that the Group received the Best Corporate Governance Disclosure Awards 2004 (Diamond Award) from the Hong Kong Institute of Certified Public Accountants ("HKICPA"). MPI's annual report was accredited for its clarity, extensive presentation and disclosures, and readability, demonstrating the Group's emphasis on information transparency and good governance. The HKICPA stated that MPI's annual report could serve as reference for other companies hoping to improve corporate governance. The award is an encouragement and reminder for us to continue our pursuit of the highest governance standards.

As we celebrate the Group's achievements in the financial year, I also want to express my sincere thanks to our employees who made it all possible. I am also grateful to my fellow directors for their support and advice. Together we have strengthened the Group's platform for growth. I am confident that MPI will prosper on this platform, moving yet closer to its goal of becoming the leading outdoor advertising media provider in the Mainland China.

**Gerald Chan**

*Chairman*

15 March 2005

中國內地的廣告行業前景一片光明。隨著中國內地消費者購買力提高，二零零八年北京奧運會及二零一零年上海世界博覽會帶動廣告需求，中國內地戶外廣告可望維持增長。

完善的管理是我們取得成功的要素。我們在繼續竭力加強管理深度與闊度的同時，本人欣然宣布本集團獲香港會計師公會(以下簡稱「香港會計師公會」)頒發二零零四年最佳企業管治披露大獎(鑽石大獎)。媒體伯樂的年報以披露全面、清晰易讀備受嘉許，顯示本集團十分著重資料的透明度及優良的企業管治。香港會計師公會指出，媒體伯樂的年報可作為其他公司希望提升管治水平的借鏡。該個獎項對我們來說是一大鼓勵，同時提醒我們繼續追求最高的企業管治水平。

在慶祝本集團於本財政年度取得出色成就的同時，本人謹此向所有付出努力的員工致以深切謝意，亦感謝各董事的支持和提出寶貴意見。在我們攜手合作下，本集團的增長基礎得以鞏固，本人深信媒體伯樂的業務將會蓬勃發展，逐步達致成為中國內地首屈一指的戶外廣告媒體供應商的目標。

主席

**陳樂宗**

二零零五年三月十五日

## CEO's Statement

行政總裁報告書

TOP TIER IN  
OUTDOOR ADVERTISING  
戶外廣告界的翹楚



“ MPI is able to stand in their customers' shoes and customize outdoor advertising solutions for them. We have a deep appreciation for their professionalism and will recommend them to any corporations.

媒體伯樂能夠從客戶觀點出發，提供針對性的戶外宣傳解決方案。我們對媒體伯樂的專業精神深感滿意，並誠意推介予各企業。”

太極集團有限公司

I am pleased to report that the Group achieved growth quarter by quarter in 2004 and ended the year with a net profit of HK\$20.2 million.

## MARKET REVIEW

The advertising industry in Mainland China experienced healthy growth in 2004 supported by the recovering consumer market. Improving corporate profits and the strong national economic growth of 9.5% boosted advertising expenditure. Riding on the marked upturn, the Group has benefited from the economic growth and the growing demand for outdoor advertising in both Mainland China and Hong Kong, and its results have achieved substantial improvement in 2004.

The outdoor advertising industry in Asia had a booming year in 2004. Outdoor advertising, in particular, benefited from the reviving consumer market and proactive marketing approaches adopted by international and national brands.

Mainland China ranked the fifth place in the world in terms of annual advertising expenditures. According to surveys, the country's annual advertising expenditure in 2004 increased significantly by 32% year on year, totalling USD 18.9 billion, and it is expected that the net value of the country's advertising market would rise to second place

本人欣然宣佈，本集團於二零零四年各個季度均有所增長，全年純利錄得20,200,000港元。

## 市場回顧

鑑於消費市場復甦，廣告業於二零零四年錄得良好增長。企業溢利上升以至國家經濟增長達9.5%均刺激廣告開支上升。種種復甦跡象令本集團得以從經濟增長中獲益，中國內地以及香港方面的戶外廣告需求增加，致使本集團的業績於二零零四年有大幅改善。

二零零四年為亞洲戶外廣告業豐盛的一年。戶外廣告尤其從復甦的消費市場以及國際與本地品牌所採取的積極市場策略中獲益。

就年度廣告開支而言，中國內地排行全球第五位。根據調查資料顯示，中國於二零零四年的廣告開支的年度增長大幅上升32%，相當於18,900,000,000美元，預計未來數年，中國的廣告市場將緊隨美國之後，全球排行第二。中國



## CEO's Statement

### 行政總裁報告書

after the United States in the years to come. Mainland China is clearly and strategically vital to the growth and earnings prospects of advertising businesses worldwide.

In Hong Kong, the recovery of the economy and the relaxed "Individual Traveller" scheme which brought a huge pool of Mainland tourists supported the upturn of the retail sector, which, in turn, presented the advertising market with unparalleled business opportunities.

內地對於全球廣告業務之增長及盈利前景將舉足輕重。

香港方面，隨著經濟復甦及放寬「個人遊」計劃，吸引了大批中國內地的遊客，帶動零售業的銷售增長，並進一步為廣告市場呈現前所未有的商機。

## BUSINESS REVIEW

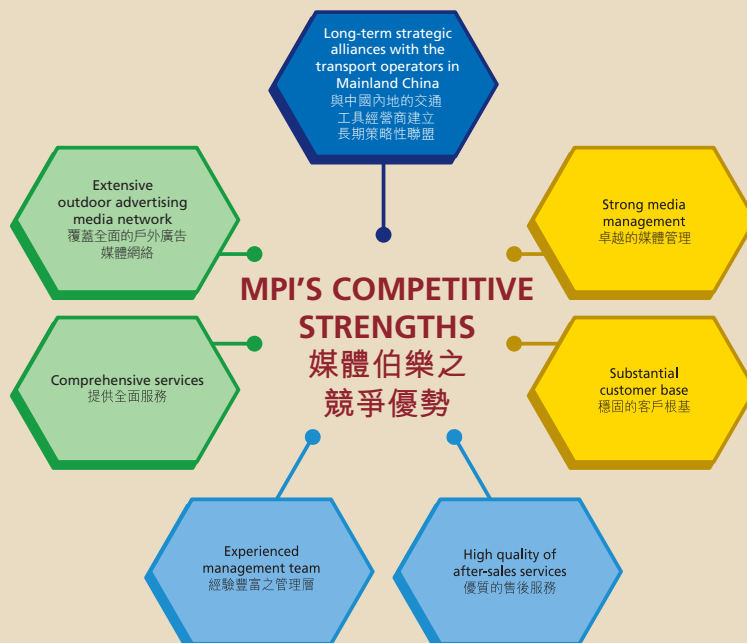
We are a leading outdoor advertising media network provider in Mainland China and Hong Kong focusing on **transport-related media**, in particular, **bus** advertising and **metro** advertising. We have secured **long-term** and **exclusive** advertising rights at **prime locations** and hold a **dominant** position in many of the major cities in Mainland China and in Hong Kong. We offer our clients **one-stop outdoor advertising solutions** entailing **cross-city advertising media packages**.

## 業務回顧

本集團為中國內地及香港的著名戶外廣告媒體網絡供應商，集中發展交通工具之相關媒體，尤以巴士廣告及地鐵廣告為主。本集團取得中國內地及香港多個黃金地段的長期及獨家的媒體使用權，於當地佔有領導地位。本集團為客戶提供一站式廣告的解決方案，當中更包括跨城市戶外廣告媒體組合計劃。

### MPI'S COMPETITIVE STRENGTHS

#### 媒體伯樂之競爭優勢



For bus advertising, we now dominate the bus media market in Shanghai, Nanjing, Chongqing and Chengdu. For metro advertising, we are the **No. 1 metro advertising media provider** in Mainland China having a network of metro advertising rights in Shanghai, Guangzhou, Beijing, Nanjing and Hong Kong. Although billboard advertising is not our major focus, we have separately formed alliances with Shanghai Tulip Advertising Co., Ltd., (“Tulip”) and POAD, billboard advertising players in Shanghai and Hong Kong, to enhance our ability to provide comprehensive outdoor advertising media packages to clients.

To better support our growing metro and bus advertising businesses, during the year, we established two separate divisions to specialize in bus and metro media. This restructuring not only improved internal coordinations and more efficient operations, but also allowed us to enhance clients’ servicing and relationship.

## Metro Systems

Our metro advertising business has shown continued improvement – both in revenue and earnings – in 2004. The growth is principally attributable to an increase in demand for metro advertising and an increase in advertising rates which was a consequence of an overall increase in metro passenger flow.

During the year under review, we have further consolidated our leading position in Shanghai with the addition of exclusive advertising rights on the Xin Min Line, an extension of Shanghai Metro Line 1, which commenced operations in May 2004. We have further secured exclusive advertising rights on the Shanghai Metro Line 4, which should become operational by the end of 2005.

“ We offer our clients one-stop outdoor advertising solutions entailing cross-city outdoor advertising media packages.

本集團為客戶提供一站式廣告的解決方案，當中更包括跨城市戶外廣告媒體組合計劃。 ”

在巴士廣告方面，現時本集團主導上海、南京、重慶及成都的巴士媒體市場。在地鐵廣告方面，本集團為中國內地**地鐵媒體供應商之翹楚**，於上海、廣州、北京、南京及香港擁有地鐵媒體使用權的網絡。雖然廣告牌廣告並非本集團的重點發展業務，但本集團已分別與上海及香港的廣告牌廣告公司上海郁金香廣告有限公司(以下簡稱「上海郁金香」)及POAD結盟，藉此提升本集團向客戶提供全面的戶外廣告媒體組合的能力。

本集團為了更有效地發展地鐵及巴士廣告業務，年內，本集團已成立兩個獨立部門，專責巴士及地鐵媒體。有關重組不但改善內部溝通並確保其有效經營，更提升本集團與客戶之服務與關係。

## 地鐵系統

於二零零四年，本集團的地鐵廣告業務在收入及盈利方面均持續錄得增長。該項增長主要由於地鐵乘客人數整體上升，致使地鐵廣告需求增加及廣告價格上升所致。

於回顧年內，本集團透過獲取上海地鐵一號綫之伸延綫莘閔綫(已於二零零四年五月開始運作)的獨家的媒體使用權，進一步鞏固其於上海的領導地位。此外，本集團更獲取上海地鐵四號綫(將於二零零五年年底開始運作)的獨家的媒體使用權。



## CEO's Statement

### 行政總裁報告書



In 2004, occupancy rate of our metro advertising continued to increase.

於2004年，本集團地鐵廣告登掛率持續增長。



In July 2004, we secured exclusive advertising rights on the Nanjing Metro Line 1 for 18 years. This metro line has 16 stations linking across Nanjing City and is expected to be operational in the fourth quarter of 2005.

During the year, in addition to expanding the advertising media network, we also brought in various media formats such as stickers, LEDs, "train wraps", etc. to increase the overall advertising income from the metro systems. These new formats did not just expand our revenue sources but also provided our clients with attractive new media format.

### Buses

In 2004, we successfully secured exclusive advertising rights to an additional 4,000 bus bodies in Shanghai, bringing the aggregate number of bus bodies in the city on which we have exclusive advertising rights to approximately 5,000. With this media acquisition, we have substantially increased our dominance of bus advertising business in Shanghai.

於二零零四年七月，本集團獲取南京地鐵一號綫為期十八年的獨家的媒體使用權。該地鐵綫設有十六個車站，貫穿整個南京市，並預期於二零零五年第四季度開始運作。

年內，本集團除擴展廣告媒體網絡外，亦引進多項媒體種類，諸如標貼、電子顯示螢幕、「列車車身廣告」等，以增加地鐵系統整體的廣告收入。此等嶄新的媒體種類不僅增加本集團的收益，更能有效地提供具吸引力的新媒體種類予客戶。

### 巴士

於二零零四年，本集團已成功於上海額外獲取4,000輛巴士車身的獨家的媒體使用權，令本集團在該市擁有總數約5,000輛巴士車身的獨家的媒體使用權。透過此項媒體收購，本集團已增加其於上海巴士廣告業務的領導地位。



“ With the help of MPI, we are very happy with their one-stop service. MPI is our trusted outdoor advertising agency.

我司對媒體伯樂的一站式服務深感滿意，媒體伯樂是我司完全信賴的廣告代理商。”

C'estbon Food & Beverage (Chengdu) Co., Ltd.  
華潤食品飲料(成都)有限公司

“ Putting your marketing message on the road.  
讓你的市場訊息在路上傳送。 ”



Our bus advertising network commands a dominant presence in Shanghai, Nanjing, Chongqing and Chengdu and covers certain prime routes in Beijing, Guangzhou, Dalian and Wuhan. At the end of 2004, we owned advertising rights to over 18,000 bus bodies in Mainland China. Our bus advertising network delivers cross-city coverage.

### Billboards

Working with Tulip, during the year, we have been involved in the planning, development, management and marketing of billboards, neon signs, unipoles and large-scale LED displays in Shanghai. These billboards are located along Pudong International Airport highway and in the Lujiazui and Xujiahui areas.

本集團的巴士廣告網絡分別於上海、南京、重慶及成都均佔有領導地位並覆蓋北京、廣州、大連及武漢的主要路線。於二零零四年年底，本集團於中國內地擁有超過一萬八千輛巴士車身的媒體使用權，使本集團能達到跨城市的網絡。

### 廣告牌

透過年內與上海郁金香合作，本集團在上海從事廣告牌、霓虹燈廣告牌、單立柱及大型電子顯示螢幕的設計、發展、管理及市場推廣工作。此等廣告牌位於浦東國際機場的高速公路、陸家嘴及徐家匯地區。



In Hong Kong, we focusing on the profitable prime sites improved our operational efficiency and profitability.

我們在香港專注拓展利潤較高之黃金地段，以提升本集團之營運效率及溢利。

## CEO's Statement

### 行政總裁報告書

In Hong Kong, we have focused our resources on managing large billboards, neons at prime locations and the Airport Express Line. We terminated certain less profitable sites during the year under review. The termination of less profitable sites and an improvement in the Hong Kong economy have enabled our Hong Kong operations to achieve a profit in 2004.

### Clients

The macro-economic austerity program announced by the Mainland China Government in early 2004 cast a negative shadow on the heavy industry and property sector. However, due to our diversified client portfolio, we have managed to maintain continuous growth in both revenue and profit. Our client portfolio covers many industries including food and beverages, telecommunications, properties, consumer electronic appliances, banking, insurance, etc.

在香港，本集團致力管理位於黃金地段之大型廣告牌及霓虹燈廣告牌及機場快綫。於回顧年內，本集團結束了若干較低利潤的廣告位置，再加上香港廣告市場得以改善，帶動香港業務於二零零四年錄得盈利。

### 客戶

中國內地政府於二零零四年年初頒佈的宏觀調控措施，對重工業及房地產造成負面影響。然而，由於本集團擁有多元化的客戶組合，在收入及盈利兩方面得以持續錄得增長。本集團的客戶涵蓋各行各業，包括飲食、電訊、房地產、家用電器、銀行及保險等。

Well Diversified Client Base  
多元化客戶分佈



Revenue by Client base  
收入按客戶行業分佈





“ MPI is a professional outdoor advertising agency which provides dedicated and reliable services. We recommend MPI to any corporations for their outdoor advertising campaigns.

媒體伯樂是一間專業的戶外廣告代理商，為我司提供了可靠及周到的服務。我誠意推介媒體伯樂予各企業籌辦各樣的戶外廣告活動。 ”

Sunflower Travel Service Limited  
新華旅遊有限公司

New forms of sponsorship programs are also becoming more popular in Mainland China. For example, in October 2004, we were appointed as the sole outdoor media sponsor at the Heineken Tennis Open, one of the largest sports events in Mainland China. We perceive this kind of corporate sponsorship as an effective promotional medium, which further enhanced our corporate identity and revenue bases.

新形式的贊助項目在中國內地越見普及，例如，於二零零四年十月，本集團獲授權成為中國內地最大型運動項目喜力網球公開賽（Heineken Tennis Open）的唯一戶外廣告贊助商。本集團視這種企業贊助為一項有效的宣傳途徑，並可進一步鞏固本集團的企業形象及收入來源。

## CORPORATE RECOGNITION

We are very pleased with the industry recognition that the Group continues to enjoy. Further to a Best Corporate Governance Disclosure Award awarded by the Hong Kong Institute of Certified Public Accountants in 2003, the Group was again accredited the Best Corporate Governance Disclosure Awards (Diamond Award – Growth Enterprise Market Category) in 2004. This award underscores MPI's ongoing commitment to enhancing corporate transparency. MPI is the only company and the first Diamond Award Winner in the GEM Category, and was deemed a benchmark for reference by other companies

## 企業認同

對於本集團繼續受到業界認同，我們感到十分欣喜。除了於二零零三年曾獲得香港會計師公會頒發的最佳公司管治資料披露大獎外，本集團再次獲得創業板組別的最佳公司管治資料披露之鑽石大獎，進一步加強媒體伯樂矢志繼續提高企業的透明度的決心。媒體伯樂是首家亦是唯一一家創業板公司榮獲鑽石大獎之得獎公司，並被視為其他公司的一個參考指標。



## CEO's Statement

### 行政總裁報告書



“ MPI is a reliable and helpful partner and has helped us to promote our products successfully. We are very happy with the services of MPI and appreciate the contribution from MPI staff.

媒體伯樂是我司絕對信賴的廣告夥伴，它成功及流暢地助我們推廣產品。我司對媒體伯樂的服務感到十分滿意，尤其對其員工的服務態度表示欣賞。 ”

Carat Media Services Hong Kong Ltd  
凱絡媒體香港有限公司

## OUTLOOK

The overall economic picture for Mainland China's advertising industry is optimistic. With consumers' purchasing power continuing to grow in Mainland China and the bolstering effect of the impending 2008 Beijing Olympics Games, the 2010 Shanghai World Expo and the 2010 Asian Games in Guangzhou, Mainland China's outdoor advertising market is expected to grow at a pace faster than before. Although the Beijing Olympics is three years away, foreign and domestic brands have started signing lucrative sponsorship deals with the organisers. Massive advertising and marketing campaigns are likely to flood the market as the Games approach. This presents the Group with opportunities for further growth.

As a condition of joining the World Trade Organization (WTO), Mainland China has committed to allow wholly foreign ownership of outdoor advertising companies in Mainland China starting from the end of 2005. With the relaxation of legal barriers to entry, foreign companies are likely to accelerate their penetration into Mainland China's lucrative advertising market. Nevertheless, leveraging on our established presence in various cities in Mainland China which has created barriers of entry for new players, we are confident of our ability to maintain our leading position through service quality and extensive media network coverage.

## 展望

中國內地廣告業的整體經濟展望樂觀。隨著國內消費者購買力持續上升，加上臨近二零零八年北京奧運會、二零一零年上海世界博覽會及二零一零年廣州亞運會帶來的增長效應，預期中國內地之戶外廣告市場將會加快增長步伐。儘管距離北京奧運會舉行時間尚有三年，但外國及本地品牌皆急不及待跟主辦單位簽署可觀利潤的贊助協議。當大型運動會越來越接近，大量廣告及市場推廣活動將會充斥市場，為本集團帶來發展商機。



中國內地加入世界貿易組織(以下簡稱「世界貿易組織」)其中一個條件乃是由二零零五年年底起，中國內地將允許外資企業在中國內地擁有外商全資之戶外廣告公司。鑑於法律屏障放寬，外資公司將會加快進軍中國內地這個利潤豐厚的廣告市場的步伐。然而，憑藉本集團在中國內地多個城市建立之穩固基礎，無疑已豎立一道屏障予新的廣告商。我們有信心能夠透過優質服務及廣泛的媒體網絡覆蓋，繼續穩佔市場的領導地位。

## APPRECIATION

Our business is successful because of the passion and talents of our employees at all levels of the organization. I am proud of our ability to attract and retain the best people in the industry. Our workforce shares our desire to constantly improve and presents to us a valuable mix of profound experience and fresh energy.

For myself and on behalf of the Board of Directors, I would like to express my sincere thanks to all of our shareholders, customers and business partners for their relentless support throughout the year. I also wish to take this opportunity to thank all MPI staff for their dedicated efforts that enabled us to grow promisingly in both profits and market expansion last year.

**Winnie To**

*Chief Executive Officer*

Hong Kong, 15 March 2005

## 致謝

有賴本公司各員工的熱誠與才幹，本集團的業務才得以成功。本人對本集團能夠吸引及保留行內最佳人才深感驕傲。全體員工與本集團共同致力不斷作出改善，為我們提供寶貴經驗及新能量。

本人及代表董事會謹對所有股東、客戶及業務夥伴整年內對我們不斷的支持深表謝意。本人亦藉此機會謹對所有媒體伯樂員工的貢獻及努力致以衷心謝意，致使本集團於去年的盈利及市場擴展得以不斷增長。

**杜碧珊**

*行政總裁*

香港，二零零五年三月十五日

Offering a comprehensive  
spectrum of expertise

一門多傑 匯聚各方精英





奥运发展 e 路

e 时代的

# FAQ

## 常問問題

### 1. What challenges and opportunities are brought to the advertising industry and MPI by China's accession to the WTO?

Pursuant to China's accession to WTO, its advertising industry will be further relaxed and foreign majority controlled advertising companies will be permitted to enter the market.

With the increasing participation of foreign counterparts, severe competition is expected to emerge in the local advertising market. The advertising industry as a whole, may also undergo a period of consolidation.

Being the dominant player, and one of the early birds in the Mainland China's outdoor advertising industry, MPI is well equipped for the industry's integration and to face the market volatile environment. Capitalizing on our Metro No. 1 position in the market, together with our profound experience in the domestic market, as well as our exclusive long-term advertising rights, we have secured clear advantage in lead-time over our foreign counterparts. Viewing these elements as barriers to entry, we are fully confident in enhancing our market dominance and leadership position in the years ahead.

### 2. Please comment on the prospects of outdoor advertising industry in the next 3-5 years.

Outdoor advertising has proved to be one of the most powerful and cost-effective means of presenting products and images to quality target groups that advertisers hope to reach. With a population of over 1.3 billion, Mainland China remains as the business focus of MPI and advertisers from around the world. Banking on the gradual economy recovery and promising GDP growth, many domestic and international brands have been investing heavily in advertising and marketing campaigns associated with impending international events, namely the Olympic Games, World Expo and Asian Games to be held in Mainland China in the next few years. Such an increase in advertising spending is set to create an advertising boom in the country in the years ahead.

### 1. 中國加入世界貿易組織對廣告業及媒體伯樂帶來甚麼挑戰和機遇？

根據中國加入世界貿易組織的協定，國內之廣告業將進一步放寬，將會批准成立以外資控股的廣告公司打入市場。

隨著更多外資同業的積極進軍中國內地市場，估計國內廣告市場的競爭會愈趨激烈，而整體廣告業亦將經歷整固期。

作為中國內地戶外廣告市場的領導者及業界先驅，媒體伯樂已作好準備，面對行業的整合及變化不定的營商環境。憑藉本集團在地鐵廣告市場的領導地位、加上在當地市場的豐富營商經驗及擁有獨家及長期的媒體使用權，我們較其他外國投資者更具先行者之優勢。以上種種因素均會對新競爭者造成進入市場的障礙，因此，我們對於未來數年繼續維持在市場的領導地位充滿信心。

### 2. 請評論戶外廣告業在未來三至五年的前景。

毋庸置疑，戶外廣告已成為廣告商向優質目標客戶推廣產品最有效及成本效益最佳的方法之一。中國內地人口超逾十三億，必然是媒體伯樂及全球廣告商的市場焦點所在。隨著市場經濟逐漸復甦及預期國民生產總值保持增長勢頭，未來數年將有不少國際盛事在中國內地舉行，如奧運會、世界博覽會及亞運會等，不少本地及國際品牌都投放大量資源在這些國際盛事相關的宣傳推廣活動上。這些廣告開支的增長締造中國內地廣告業在未來數年間迅速發展。

### 3. What is your business strategy for the next 3-5 years?

Securing long-term and exclusive advertising rights at prime locations, and building dominant position in major cities, have always been our core expansion strategy. While seeking rewarding opportunities prudently, we are committed to replicating this transport related model in other target cities. Metro and bus media, in particular, would continue to be our strategic focus with promising synergies in sight. We focus on what our customers are looking to achieve in their media plan.

In the metro sector, we see more and more lucrative opportunities in the years ahead, we will devote every effort based on our established foundation and reputation in the market to bring rewarding results and returns to our customers and shareholders.

In the bus sector, we see the enlarged bus fleet in 2004 which empower MPI to seize a lot of business opportunities. In the years ahead, we will continue to explore and identify opportunities conducive to our goal of achieving market leadership, and further enhancing our bus advertising performance.

### 4. This is the second year that the Company has been accredited in the Best Corporate Governance Disclosure Awards. What underlies your achievement?

We are extremely pleased have been accredited by the Hong Kong Institute of Certified Public Accountants for two consecutive years. Upholding strong corporate governance has been one of our prime emphases ever since our listing. This is an encouragement to the management in maintaining high level of transparency when it comes to corporate information disclosure.

The awards also recognized our commitment, concrete efforts and success in implementing good corporate governance and disclosure practices. In the future, we will continue to maintain a high degree of transparency to ensure that all our stakeholders gain a clear and thorough understanding of the Group's business and operations.

### 3. 請闡述媒體伯樂未來三至五年的業務策略？

我們以爭取在黃金地段獲取長期及獨家的媒體使用權，及在各主要城市建立領導地位，是我們一貫的核心擴展策略。在審慎尋求具回報潛力機會的同時，我們將以交通工具相關媒體業務的相同模式拓展其他目標城市。地鐵及巴士媒體尤具龐大協同效益，將繼續成為我們的核心策略。我們並會著重幫助客戶達成他們的媒體計劃。

我們察覺到未來數年地鐵範籌將提供更多利潤豐厚的商機，我們將憑藉在市場上已確立的穩固基礎及聲譽，致力為客戶及股東帶來理想的業績及回報。

在巴士範籌方面，我們於二零零四年擴大巴士車隊，為媒體伯樂帶來無限商機。未來數年，我們將繼續尋求及開拓商機以達成我們在市場上之領導地位，及進一步增強巴士廣告業務的表現。

### 4. 媒體伯樂已連續第二年獲頒發最佳企業管治披露大獎，你們的成功之道是什麼？

我們十分高興連續第二年獲香港會計師公會頒發最佳企業管治披露大獎。我們自上市以來，一直貫徹實行嚴謹的企業管治。獲得這個獎項將鼓勵管理層在企業資訊披露方面繼續保持其高透明度。

這個獎項亦印證了我們在實行卓越企業管治及披露守則方面的承擔、努力及成就。今後，我們將繼續維持高透明度，以確保所有股東對本集團的業務及營運有更清晰及全面的了解。



Constantly listening and  
striving to exceed expectations

一直聆聽 客戶所想所思





# ...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
<b>TRANSPORT 交通工具</b>		
Bus Bodies 巴士車身	Mainland China 中國內地	Over 逾 18,400
Metro Systems 鐵路系統	Mainland China and Hong Kong 中國內地及香港	Over 逾 35,600
Taxis 的士	Hong Kong 香港	Over 逾 400
<b>BILLBOARDS &amp; STREET FURNITURE 廣告牌及街道設施</b>		
Billboards & Street Furniture 廣告牌及街道設施	Mainland China and Hong Kong 中國內地及香港	Over 逾 2,400
<b>TOTAL 總額</b>		Over 逾 56,800



# One-Stop Total Solutions

## 一站式全面服務

Quality outdoor advertising solutions and a complete package of professional services

優質的戶外媒體解決方案及全程專業服務

### 'ONE-STOP' SOLUTIONS CONCEPT 一站式全面服務新概念

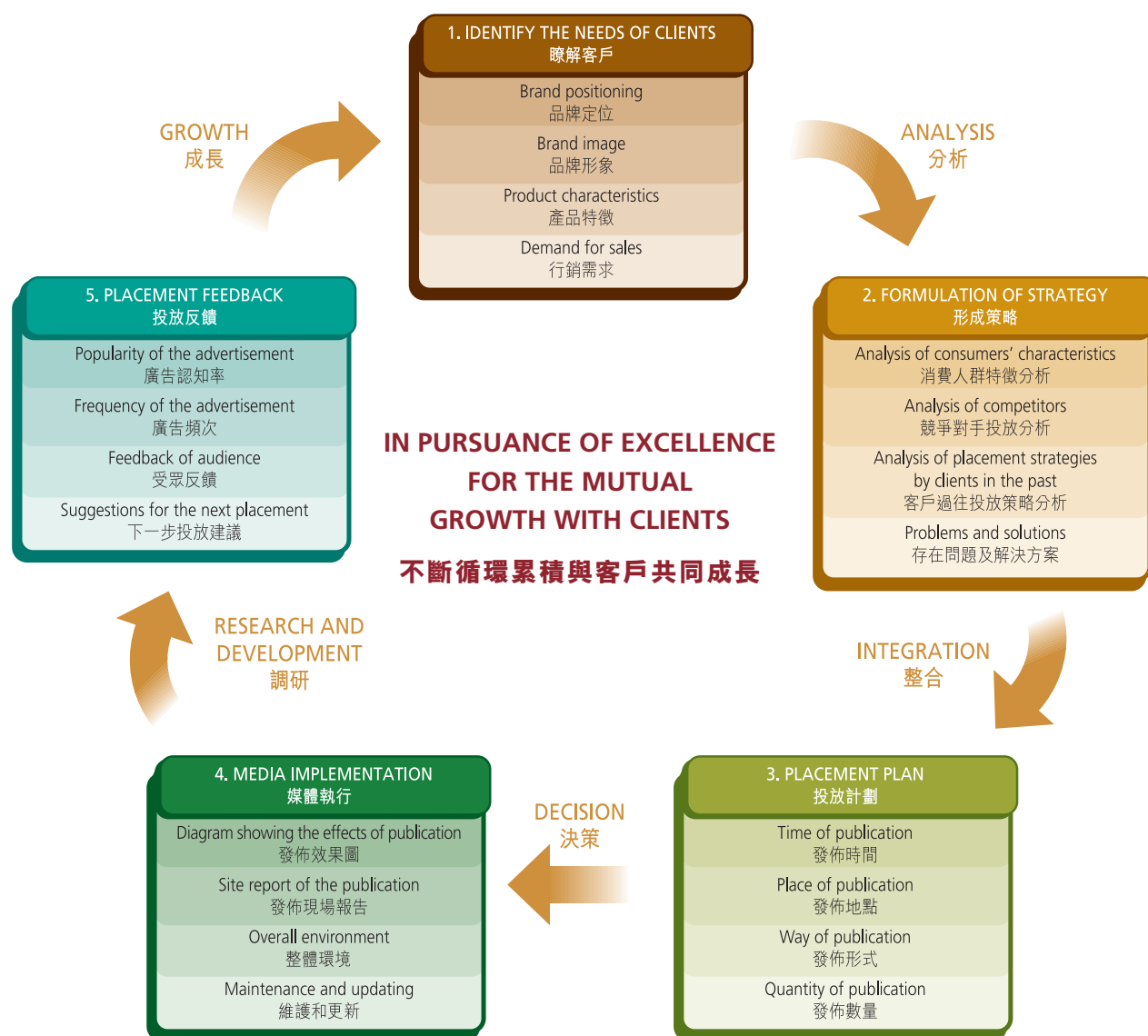


# The execution and flow of media advertising strategy

## 媒體投放策略形式流程

MPI's superb professional media plan accompanies the growth of our clients' brand name

MPI優質專業的媒體計劃伴隨客戶品牌的成長



# 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 04 二零零四年 三月 三十一日 HK\$'000 千港元	30 Jun 04 二零零四年 六月 三十日 HK\$'000 千港元	30 Sep 04 二零零四年 九月 三十日 HK\$'000 千港元	31 Dec 04 二零零四年 十二月 三十一日 HK\$'000 千港元	31 Dec 04 二零零四年 十二月 三十一日 HK\$'000 千港元	31 Dec 03 二零零三年 十二月 三十一日 HK\$'000 千港元
<b>Mainland China 中國內地</b>						
Turnover 營業額	56,407	70,370	86,349	85,072	298,198	217,143
Profit/(loss) attributable to shareholders 股東應佔溢利／(虧損)	2,421	6,456	7,167	9,598	25,642	(9,963)
<b>Hong Kong 香港</b>						
Turnover 營業額	12,095	12,179	13,441	16,724	54,439	60,062
Profit/(loss) attributable to shareholders 股東應佔溢利／(虧損)	726	802	1,115	1,478	4,121	(6,745)
<b>Corporate 企業</b>						
Turnover 營業額	-	-	-	-	-	-
Profit/(loss) attributable to shareholders 股東應佔溢利／(虧損)	(1,732)	(1,983)	(1,913)	(3,900)	(9,528)	(5,066)
<b>Total 總計</b>						
Turnover 營業額	68,502	82,549	99,790	101,796	352,637	277,205
Profit/(loss) attributable to shareholders 股東應佔溢利／(虧損)	1,415	5,275	6,369	7,176	20,235	(21,774)

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

#### Summary

The Group's turnover was HK\$352.6 million for 2004, representing an increase of 27% compared with 2003. The Group's net profit attributable to shareholders for 2004 was HK\$20.2 million, representing an improvement of HK\$42.0 million compared with 2003. The net profit generated from the Mainland China operations and the Hong Kong operations was HK\$25.6 million and HK\$4.1 million respectively while corporate expenses totalled HK\$9.5 million for 2004.

#### Turnover

Benefiting from growing demand for outdoor advertising and management's efforts to improve sales efficiency, the Group's turnover achieved growth in each quarter of 2004 and reached HK\$352.6 million for the year, representing an increase of 27% compared with 2003. The Group's turnover for the fourth quarter was HK\$101.8 million, representing an increase of 34% compared with the corresponding quarter in 2003. For 2004, turnover generated from the Mainland China operations and the Hong Kong operations amounted to HK\$298.2 million (2003: HK\$217.1 million) and HK\$54.4 million (2003: HK\$60.1 million) respectively.

The Mainland China operations continued to be the focus of the Group and the turnover from the Mainland China operations for 2004 accounted for 85% of the Group's turnover (2003: 78%).

### 財務回顧

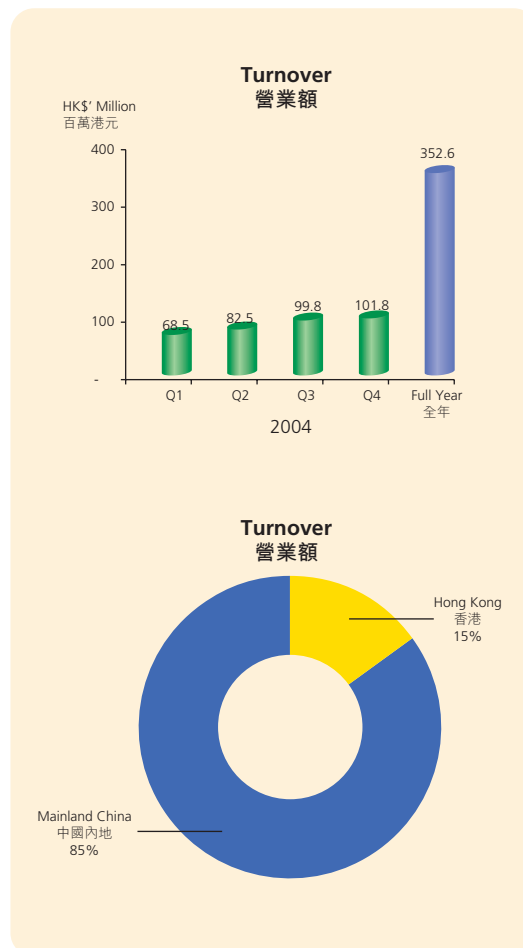
#### 總結

本集團於二零零四年的營業額為352,600,000港元，較二零零三年上升27%。二零零四年股東應佔純利為20,200,000港元，較二零零三年有42,000,000港元的改善。二零零四年中國內地及香港業務分別為本集團帶來25,600,000港元及4,100,000港元純利，而企業開支則為9,500,000港元。

#### 營業額

受惠於市場對戶外廣告需求增加及管理層努力改善銷售效率，本集團的營業額於二零零四年每一季度均有所增長，二零零四年營業額達352,600,000港元，較二零零三年上升27%。本集團第四季度的營業額為101,800,000港元，較二零零三年同期上升34%。二零零四年中國內地業務及香港業務的營業額分別為298,200,000港元（二零零三年：217,100,000港元）及54,400,000港元（二零零三年：60,100,000港元）。

中國內地業務繼續成為本集團之發展重點，佔本集團二零零四年度營業額的85%（二零零三年：78%）。



Combined turnover of the Group for 2004, including the turnover of the three jointly controlled entities (Shanghai Metro JV, Guangzhou Metro JV and Shanghai Production JV) and the associate (POAD), amounted to HK\$701.3 million representing an increase of 35% compared with 2003. Combined turnover of the Group for the fourth quarter of 2004 was HK\$204.7 million, an increase of 41% compared with the corresponding quarter of 2003.

Within the outdoor advertising industry, the Group's focus is on transport-related media, in particular, bus advertising and metro advertising. Advertising income and related production income generated from bus bodies and in metro systems for 2004 together represented 69% of the combined turnover (2003: 66%).

### Gross profit and gross margin

Gross profit of the Group, being turnover less site rentals, amortisation of advertising rights and other direct costs, amounted to HK\$83.1 million for 2004 which was double that for 2003. Gross profit of the Group for the fourth quarter of 2004 was HK\$25.0 million, representing a growth of 5% and 41% respectively compared with the third quarter of 2004 and the fourth quarter of 2003.

The gross margin of the Group for 2004 was 24% (15% for 2003). The gross margin of the Group's Mainland China operation was 26% (2003: 19%). The improvement in gross margin was principally attributable to a greater percentage of revenue being derived from the Group's exclusive owned media from which a higher profit can be earned during the year. The gross margin of the Hong Kong operations was 11% (2003: 1%).

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)及其聯營公司(POAD)計算，二零零四年之合併營業額為701,300,000港元，較二零零三年上升35%。二零零四年第四季度的合併營業額為204,700,000港元，較二零零三年同期上升41%。

在云云戶外廣告業中，本集團的重點發展是交通工具媒體，尤以巴士廣告及地鐵廣告為主。二零零四年之巴士車身及地鐵系統所收的廣告收入及有關製作之收入共佔合併營業額的69% (二零零三年：66%)。

### 毛利及毛利率

本集團於二零零四年的毛利(即營業額扣除廣告位租金、媒體使用權攤銷及其他直接成本)達83,100,000港元，是二零零三年之二倍。本集團於第四季度的毛利為25,000,000港元，分別較二零零四年第三季度及二零零三年第四季度上升5%及41%。



本集團於二零零四年的毛利率為24% (二零零三年：15%)。本集團中國內地業務的毛利率為26% (二零零三年：19%)。毛利率的改善主要由於年內大部份的收入主要來自本集團自置獨家的媒體，從而獲取更多利潤。香港業務之毛利率為11% (二零零三年：1%)。

# Management Discussion and Analysis

## 管理層討論及分析

### Other revenue

Other revenue included mainly bank interest income, incentives from local governments in Mainland China and consultancy service income. The decrease of HK\$1.1 million in other revenue was mainly due to a decrease in incentives from local governments in Mainland China during the year under review.

### Operating expenses

Site rentals, being the single largest component of the Group's operating expenses, amounted to HK\$117.6 million for 2004, representing an increase of 14% compared with 2003. The increase was mainly due to certain newly secured additional bus bodies advertising concessions in Shanghai. Out of the total site rentals, 34% (2003: 32%) was variable site rental. As a percentage of turnover, site rentals for 2004 represented 33% of turnover (2003: 37%).

Other direct costs are mainly variable costs and comprised media buying, business tax and production costs. Other direct costs amounted to HK\$115.1 million for 2004, representing an increase of 18% compared with 2003. The increase was in line with the increase in turnover. As a percentage of turnover, other direct costs for 2004 represented 33% of turnover (2003: 35%).

Staff costs, including directors' fees, of the Group for 2004 amounted to HK\$34.1 million, representing an increase of 14% compared with 2003. Such increase was mainly due to an average 7% salary increment and an increase in headcount in the Mainland China operations, and a management bonus for the year.

The total number of employees at 31 December 2004 was 294 (2003: 269). The number of employees in Hong Kong at 31 December 2004 was 19 (2003: 20). The number of employees in Mainland China increased by 26 from 249 at 31 December 2003 to 275 at 31 December 2004. Most of the new employees were recruited to strengthen the sales force and to upgrade the media management system. As a percentage of turnover, staff costs represented 10% (2003: 11%) of turnover. The percentage for the Mainland China operations was 9% for 2004 (2003: 11%) and the percentage for the Hong Kong operations was 8% for 2004 (2003: 10%).

### 其他收入

其他收入主要包括銀行利息收入、中國內地市政府提供之獎勵津貼，以及顧問服務收益。其他收入減少1,100,000港元，主要由於中國內地市政府提供之獎勵津貼在年內減少。

### 經營開支

廣告位租金乃本集團單一的最大經營開支。二零零四年廣告位租金為117,600,000港元，較二零零三年上升14%。此增幅主要由於二零零四年新增若干上海巴士車身廣告特許經營權所致。廣告位租金中，變動廣告位租金佔34%（二零零三年：32%）。二零零四年之廣告位租金是營業額的33%（二零零三年：37%）。

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。二零零四年的其他直接成本為115,100,000港元，較二零零三年上升18%，此增幅跟營業額的增幅同步上升。二零零四年其他直接成本是營業額的33%（二零零三年：35%）。

本集團於二零零四年的僱員成本（包括董事袍金）為34,100,000港元，較二零零三年上升14%。上升主要包括於二零零四年中國內地業務薪金平均增長7%，中國內地業務增加僱員人數，以及於年內發放獎金給管理層。

於二零零四年十二月三十一日，僱員總數為294人（二零零三年：269人）。於二零零四年十二月三十一日香港員工佔19人（二零零三年：20人），中國內地員工由二零零三年十二月三十一日的249人增加26人至二零零四年十二月三十一日的275人，大部份新員工乃為增強銷售隊伍及提升媒體管理系統而聘請。僱員成本是營業額的10%（二零零三年：11%）。二零零四年中國內地業務僱員成本是營業額的9%（二零零三年：11%），香港業務僱員成本是營業額的8%（二零零三年：10%）。



Depreciation and amortisation for 2004 slightly increased to HK\$42.1 million (2003: HK\$41.0 million).

Other operating expenses of the Group for 2004 amounted to HK\$37.7 million, representing an increase of 10% compared with 2003. Higher operating expenses were mainly due to increase in office rent in Shanghai and an increase in marketing expenses.

### Finance costs

Finance costs for 2004 amounted to HK\$15.7 million which represented an increase of 14% compared with 2003. Higher finance costs was partly due to the increase in bank loans drawn by the Group's operation headquarters in Mainland China ("Shanghai MPI") during 2004 and partly due to the waiver from the majority shareholder of part of the interest charged on the convertible bond in 2003. In October 2004, the Group successfully converted Shanghai MPI from a joint venture to a wholly foreign owned enterprise ("WFOE") and the registered capital of Shanghai MPI increased from US\$1.8 million to US\$15.3 million. The Group has repaid some of the bank loans in Shanghai MPI from the increased registered capital. This will help to reduce the Group's finance costs in the coming year.

### Profit attributable to shareholders

The profit attributable to shareholders for 2004 amounted to HK\$20.2 million which represented an improvement of HK\$42.0 million compared with 2003. The profit attributable to shareholders for the fourth quarter of 2004 was HK\$7.2 million, representing a growth of 13% compared with the third quarter of 2004 and was four-fold that for the corresponding quarter of 2003 respectively. Such improvement was a combined result of the growing demand for outdoor advertising and the Group's management efforts to strengthen the sale force.

二零零四年的折舊及攤銷稍微上調至42,100,000港元(二零零三年: 41,000,000港元)。

本集團於二零零四年的其他經營開支為37,700,000港元,較二零零三年上升10%。經營開支增加主要由於上海寫字樓的租金增加,以及市場推廣費用提高所致。

### 融資成本

相較二零零三年,二零零四年的融資成本上升14%增加至15,700,000港元。二零零四年融資成本上升部份由於本集團中國內地之營運總部上海梅迪派勒廣告有限公司(以下簡稱「上海梅迪派勒」)增加其銀行貸款,以及主要股東於二零零三年免收部份可換股債券利息所致。於二零零四年十月,本集團成功將上海梅迪派勒從一間合營企業轉型為一間外商獨資企業(以下簡稱「外資企業」)。上海梅迪派勒的註冊資本由1,800,000美元增加至15,300,000美元。本集團運用上海梅迪派勒增加之註冊資本所得的資金以償還部份銀行貸款,故有助減少本集團來年的銀行貸款利息支出。



### 股東應佔溢利

二零零四年的股東應佔溢利為20,200,000港元,相較二零零三年有42,000,000港元的改善。二零零四年第四季度本集團的股東應佔溢利為7,200,000港元,分別較二零零四年第三季度上升13%及為二零零三年同期的四倍。此改善皆因受惠於戶外廣告需求增加及本集團管理層努力增強銷售能力所致。

# Management Discussion and Analysis

## 管理層討論及分析

### SEGMENT ANALYSIS

#### Mainland China operations

The turnover from the Mainland China operations for 2004 was HK\$298.2 million, representing an increase of 37% compared with 2003. The turnover from the Mainland China operations for the fourth quarter of 2004 amounted to HK\$85.1 million, representing a growth of 42% compared with the fourth quarter of 2003.

Combined turnover from the Mainland China operations for 2004, including the turnover of the two metro joint ventures and the production joint venture, amounted to HK\$515.6 million, representing an increase of 39% compared with 2003. Combined turnover from the Mainland China operations for the fourth quarter of 2004 was HK\$149.4 million, representing an increase of 43% compared with the same quarter of 2003. Of the combined turnover for 2004, advertising on bus bodies and metro systems, in aggregate, accounted for 74% (2003: 74%).

#### Bus advertising

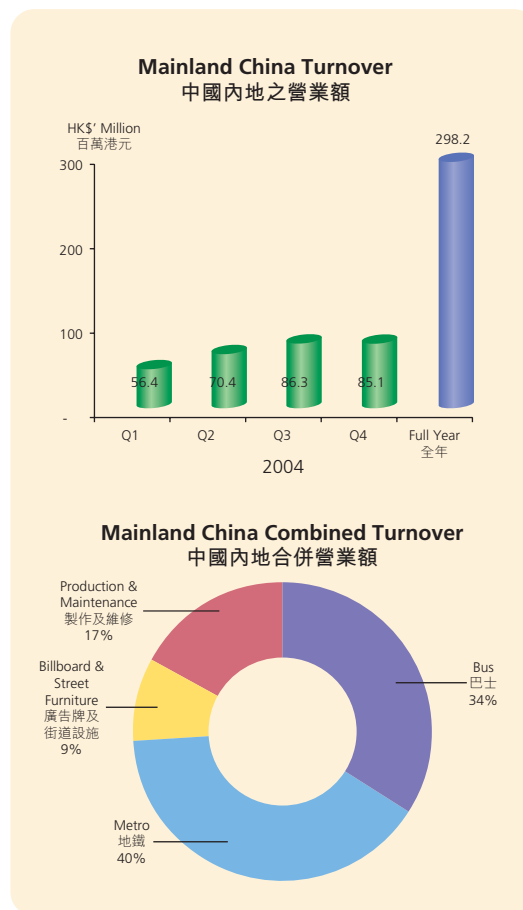
Turnover from bus advertising for 2004 amounted to HK\$177.1 million, representing an increase of 30% compared with 2003. Turnover from bus advertising for the fourth quarter amounted to HK\$50.9 million, representing an increase of 25% compared with the corresponding quarter of 2003.

### 業務分析

#### 中國內地業務

二零零四年的中國內地業務的營業額為298,200,000港元，較二零零三年上升37%。二零零四年第四季度的中國內地業務的營業額為85,100,000港元，較二零零三年第四季度上升42%。

二零零四年的中國內地業務的合併營業額(包括兩間地鐵合營企業及一間製作合營企業)為515,600,000港元，較二零零三年上升39%。二零零四年第四季度的中國內地業務的合併營業額為149,400,000港元，較二零零三年同期上升43%。二零零四年的巴士車身及地鐵系統廣告共佔中國內地業務的合併營業額的74%(二零零三年：74%)。



#### 巴士廣告

二零零四年巴士廣告營業額為177,100,000港元，較二零零三年上升30%。第四季度的巴士廣告的營業額為50,900,000港元，較二零零三年同期上升25%。

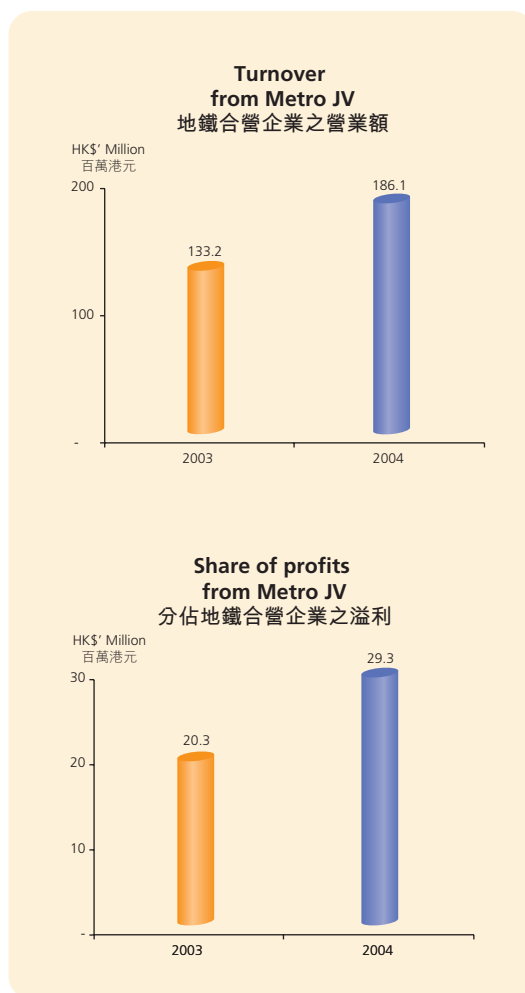
The Mainland China operations achieved an operating profit of HK\$27.3 million for 2004, representing an improvement of HK\$28.1 million compared with 2003. The operating profit from the Mainland China operations for the fourth quarter of 2004 was HK\$7.0 million which represented an increase of 85% compared with the corresponding quarter of 2003.

二零零四年的中國內地業務的經營溢利為27,300,000港元，較二零零三年有28,100,000港元的改善。二零零四年第四季度的中國內地業務的經營溢利為7,000,000港元，較二零零三年同期上升85%。

#### *Metro advertising*

Turnover from the two metro joint ventures for 2004 amounted to HK\$186.1 million (2003: HK\$133.2 million), representing an increase of 40% compared with 2003. Turnover from the two metro joint ventures for the fourth quarter of 2004 amounted to HK\$54.3 million which represented an increase of 37% compared with HK\$39.5 million for the corresponding quarter of 2003. Various media formats such as stickers, "train wraps" and LEDs were introduced to boost the revenue from metro advertising. The growth in the metro advertising business was also through both an improvement in occupancy rates and an increase in prices.

The Group's share of profits from the two metro joint ventures for 2004 amounted to HK\$29.3 million, an increase of 44% compared with 2003.



#### *地鐵廣告*

二零零四年本集團兩間地鐵合營企業的營業額為186,100,000港元，較二零零三年上升40%（二零零三年：133,200,000港元）。二零零四年第四季度的兩間地鐵合營企業的營業額為54,300,000港元，較二零零三年同期的39,500,000港元上升37%。多元化的媒體形式諸如標貼、「列車車身」廣告及電子顯示螢幕催使地鐵廣告收入增加。地鐵廣告業務之增長亦由於登掛率提高及價格上調所致。

二零零四年本集團分佔兩間地鐵合營企業的溢利為29,300,000港元，較二零零三年上升44%。

# Management Discussion and Analysis

## 管理層討論及分析

### Operating expenses

Compared with 2003, staff costs for the Mainland China operations for 2004 increased by 14% to HK\$26.3 million. The increase was partly due to an overall 7% salary increment and partly due to the increase in headcount from 249 at 31 December 2003 to 275 at 31 December 2004. The new employees were recruited to strengthen the sales force and to upgrade the Group's media management system.

Other operating expenses for 2004 amounted to HK\$31.6 million, including a provision for bad and doubtful debts of HK\$5.8 million. As a percentage of turnover, the provision for bad and doubtful debts was 1.9% (2003: 2.7%). Other operating expenses, excluding the provision for bad and doubtful debts for 2004, increased by 12% or HK\$2.7 million compared with 2003. Higher operating expenses were mainly due to increase in office rent in Shanghai and an increase in marketing expenses.

### Net profit

The Group's Mainland China operations achieved a net profit of HK\$25.6 million for 2004 which represented an improvement of HK\$35.6 million compared with a net loss of HK\$10.0 million for 2003. The net profit of the Mainland China operations for the fourth quarter of 2004 was HK\$9.6 million which represented a growth of 34% compared with the third quarter of 2004 and was four-fold that for the corresponding quarter of 2003 respectively. The net profit of the Mainland China operations managed to achieve growth quarter by quarter in 2004.

### 業務開支

二零零四年中國內地業務之僱員成本較二零零三年上升14%至26,300,000港元。此增幅部份由於薪金平均增長7%，而部份原因乃由於僱員數目從二零零三年十二月三十一日的249人增加至二零零四年十二月三十一日的275人所致。新員工乃為強化銷售隊伍及提升本集團的媒體管理系統而聘請。

二零零四年其他業務開支為31,600,000港元，包括呆壞賬撥備5,800,000港元。呆壞賬撥備是營業額的1.9%（二零零三年：2.7%）。其他業務開支（撇除二零零四年度之呆壞賬撥備）較二零零三年增加12%或2,700,000港元。業務開支增加主要由於上海寫字樓租金及市場推廣費用增加所致。

### 純利

二零零四年本集團的中國內地業務的純利為25,600,000港元，較二零零三年的10,000,000港元虧損有35,600,000港元的改善。二零零四年第四季度的中國內地業務的純利為9,600,000港元，分別較二零零四年第三季度有34%的增長及是二零零三年同期的四倍。中國內地業務的純利於二零零四年每一季度均有所增長。



## Hong Kong operations

Turnover from the Hong Kong operations for 2004 amounted to HK\$54.4 million, a decrease of 9% compared with 2003. This was because the Group terminated certain less-profitable media sites.

Staff costs and other operating expenses for 2004 were HK\$4.6 million (2003: HK\$5.8 million) and HK\$1.5 million (2003: HK\$2.2 million) respectively. The decrease was a result of continuing tight cost control measures.

The Hong Kong operations, which included the Group's share of results of POAD, achieved a net profit of HK\$4.1 million for 2004, representing an improvement of HK\$10.9 million compared with a net loss of HK\$6.7 million for 2003. The net profit from the Hong Kong operations for the fourth quarter was HK\$1.5 million, representing a 33% increase and a 69% increase respectively compared with the third quarter of 2004 and the fourth quarter of 2003.

The Group considers that lower guaranteed payments for advertising sites and a reduction in overheads has helped to maintain its competitive edge in Hong Kong.

## 香港業務

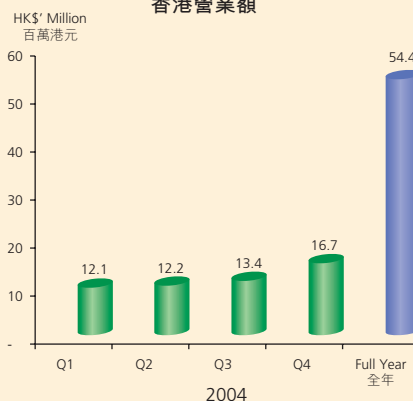
二零零四年香港業務的營業額為54,400,000港元，較二零零三年下跌9%。此乃由於本集團終止一些利潤較低的媒體位置所致。

由於持續採取緊縮成本控制措施，致使本集團於二零零四年之僱員成本及其他經營開支下降分別至4,600,000港元（二零零三年：5,800,000港元）及1,500,000港元（二零零三年：2,200,000港元）。

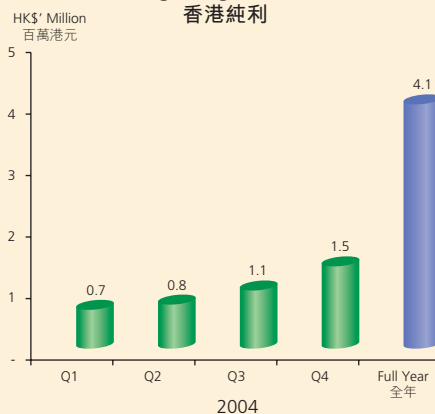
二零零四年香港業務（包括本集團分佔POAD的業績），純利達到4,100,000港元，較二零零三年的6,700,000港元的虧損有10,900,000港元的改善。香港業務第四季度的純利為1,500,000港元，分別較二零零四年第三季度及二零零三年第四季度有33%及69%的增長。

本集團相信透過減低廣告位之保證金及減少經常費用，將有助維持本集團在香港之競爭優勢。

Hong Kong Turnover  
香港營業額



Hong Kong Net Profit  
香港純利



# Management Discussion and Analysis

## 管理層討論及分析

### Corporate

Corporate expenses for 2004 amounted to HK\$9.5 million, representing an increase of HK\$4.5 million compared with 2003. The corporate expenses in 2004 was higher mainly because there was a waiver of the interest charged on the convertible bond and a waiver of the directors' fees in 2003, and an increase in professional fees incurred for discloseable transactions and a management bonus in 2004.

### 企業

二零零四年企業開支為9,500,000港元，較二零零三年增加4,500,000港元。二零零四企業開支較高乃由於於二零零三年可換股債券利息及董事袍金獲得部份豁免，以及於二零零四年支付須予披露交易之專業費用增加和發放管理層獎金所致。

## 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止 年度	
	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Cash generated from operations 經營業務所得現金	70,542	21,594
Tax paid 已付稅項	(7,660)	(5,719)
Net cash generated from operating activities 經營業務所得現金淨額	62,882	15,875
Investment in a subsidiary 投資於一集團旗下附屬公司	596	597
Dividends received from a jointly controlled entity 從一共同控制實體收取之股息	14,116	11,443
Interest paid net of interest received 已付利息減已收利息	(12,238)	(10,229)
Dividends paid to minority shareholders 已付少數股東股息	(269)	(492)
Acquisition of fixed assets and advertising rights, investment and deposits paid 購置固定資產、媒體使用權、投資及已付按金	(50,749)	(57,124)
(Decrease)/increase in bank loans (減少)/新增銀行貸款	(36,930)	25,249
Increase in entrusted loan from a jointly controlled entity 新增由一共同控制實體提供之委託貸款	19,387	-
Decrease/(increase) in pledged deposits 減少/(增加)已抵押存款	71,594	(5,742)
Net cash generated from/(used in) financing and investing activities 融資及投資活動現金所得/(動用)淨額	5,507	(36,298)
Increase/(decrease) in cash and cash equivalents 增加/(減少)現金及等同現金項目	68,389	(20,423)
Cash and cash equivalents at 1st January 一月一日之現金及等同現金項目	140,288	161,409
Effect of foreign exchange rate changes 匯率變動之影響	-	(698)
Cash and cash equivalents at 31st December 十二月三十一日之現金及等同現金項目	208,677	140,288

The Group continues to be in a healthy and stable financial position. Cash generated from operations for 2004 amounted to HK\$70.5 million, being three-fold that for 2003. Free cash flow (i.e. cash from operations net of tax, interest, capital expenditure and investments) for 2004 amounted to HK\$14.3 million (2003: negative HK\$39.9 million). Cash and bank balances at 31 December 2004 amounted to HK\$208.7 million (2003: HK\$140.3 million). Pledged deposits with banks for banking facilities made available to the Group at 31 December 2004 amounted to HK\$130.6 million (2003: HK\$202.2 million). At 31 December 2004, the Group had bank loans of HK\$220.5 million (2003: HK\$257.4 million) and a Convertible Bond of HK\$85.0 million (2003: HK\$85.0 million) issued to the majority shareholder. The maturity date of the Convertible Bond is 31 December 2007. At 31 December 2004, the Group's net cash balance, being cash and cash equivalents plus pledged bank deposits less bank loans amounted to HK\$118.8 million (31 December 2003: HK\$85.1 million).

As at 31 December 2004, the current ratio was 141% with HK\$492.3 million of current assets against HK\$349.5 million of current liabilities. The consolidated net asset value of the Group as at 31 December 2004 was HK\$448.5 million or HK\$0.53 per share.

During 2004, the Group paid capital expenditure of HK\$6.3 million principally for additional computer systems and equipment in Shanghai, HK\$30.7 million for advertising media contracts and HK\$13.7 million as a further investment in the outdoor advertising alliance with Tulip.

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.

本集團持續保持穩健及健康之財務狀況。二零零四年之經營業務所得現金為70,500,000港元，是二零零三年的三倍。二零零四年自由資金流量（即從經營所得現金扣除稅項、利息、資本開支及投資）為14,300,000港元（二零零三年：負39,900,000港元）。於二零零四年十二月三十一日之現金及銀行結餘為208,700,000港元（二零零三年：140,300,000港元），於二零零四年十二月三十一日，本集團所獲銀行信貸而抵押予銀行之已抵押存款為130,600,000港元（二零零三年：202,200,000港元）。於二零零四年十二月三十一日，本集團之銀行貸款為220,500,000港元（二零零三年：257,400,000港元），以及一項向主要股東發行之可換股債券為85,000,000港元（二零零三年：85,000,000港元），可換股債券之到期日為二零零七年十二月三十一日。於二零零四年十二月三十一日，本集團之現金結餘淨額（即現金及等同現金項目加上已抵押之銀行存款，扣除銀行貸款）為118,800,000港元（二零零三年十二月三十一日：85,100,000港元）。

於二零零四年十二月三十一日，流動比率為141%，即492,300,000港元流動資產與349,500,000港元流動負債之比例。於二零零四年十二月三十一日，本集團之綜合資產淨值為448,500,000港元或每股綜合資產淨值0.53港元。

於二零零四年，本集團分別支付為數6,300,000港元資本開支以主要增加上海辦事處新增之電腦系統及設備、為數30,700,000港元之廣告媒體協議及與上海郁金香進行戶外廣告聯盟而進一步投入為數13,700,000港元之資金。

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。

# Management Discussion and Analysis

## 管理層討論及分析

The debt maturity profile of the Group at 31 December 2004 is analysed as follows:

本集團於二零零四年十二月三十一日之債務還款期分析如下：

Type of debt 債務類別	Debt maturity 還款期	HK\$ Million 百萬港元	% 百分比
Short term bank loans 短期銀行貸款	Repayable within 1 year 須於一年內償還	220.5	72
Convertible Bond 可換股債券	Repayable after 1 year but within 3 years 須於一年後但三年內償還	85.0	28
Total 總計		305.5	100

Out of the total borrowings at 31 December 2004 of HK\$305.5 million, HK\$170.5 million was denominated in Renminbi and HK\$135.0 million was denominated in Hong Kong dollars. Bank loans of HK\$220.5 million at 31 December 2004 were secured by cash deposits of HK\$128.2 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% to 105% of the lending rate of the People's Bank of China.

於二零零四年十二月三十一日之借貸總額為305,500,000港元，當中170,500,000港元以人民幣為單位，而135,000,000港元則以港元為單位。於二零零四年十二月三十一日之銀行貸款為220,500,000港元，以128,200,000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借貸利率百分之九十至百分之一百零五不等。

Interest was paid on the Convertible Bond, which expired on 31 December 2004, at a rate of 2.5% per annum. A new Convertible Bond was issued to Morningside CyberVentures Holdings Limited ("MSCV"), the controlling shareholder of the Company, on 31 December 2004 with a term of three years to 31 December 2007 at zero coupon rate. The Company shall repay, unless previously converted or repaid, the outstanding principal amount under the new Convertible Bond plus a redemption premium of 3% of the principal amount to MSCV on 31 December 2007.

可換股債券於二零零四年十二月三十一日到期，所支付的利息為2.5%年息率。於二零零四年十二月三十一日，本公司發行一項新的可換股債券予本公司之控股股東，Morningside CyberVentures Holdings Limited(以下簡稱「MSCV」)，為期三年至二零零七年十二月三十一日止，無年息。於二零零七年十二月三十一日，本公司將根據新可換股債券，向MSCV償還尚未償還之本金加上贖回溢價3%(已轉換或已償還除外)。



## 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 assess the liquidity profile of the Group's assets, liabilities and commitments and to ensure that the Group can meet its future funding requirements.

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 for the past few years. During 2004, the Group generally 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 the subsidiaries and joint ventures operate. The Group does not currently engage in hedging to manage possible exchange rate risk as the Group considers the cost associated with such hedging arrangements would exceed the benefits. However, management will continue to monitor the possible exposure to exchange rate risk 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 2004, the Group had contingent liabilities totalling HK\$13.3 million (2003: HK\$4.5 million) in respect of bank guarantees given to independent third parties in the ordinary course of business to ensure the due performance and observance of the obligations of a subsidiary and a jointly controlled entity to certain agreements.

At 31 December 2004, guarantees given by the Company to banks to secure banking facilities made available to the subsidiaries amounted to HK\$229.3 million. (2003: HK\$132.2 million)

## 財務政策

本集團採納保守的財務政策。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，以確保本集團的資產、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所需。

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。於二零零四年，本集團一般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需要時採取相應措施。

本集團應收賬款平均收款期維持低於60天。

## 或然負債

於二零零四年十二月三十一日，本集團之或然負債合共13,300,000港元(二零零三年：4,500,000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及一間共同控制實體妥善履行及遵守若干協議規定該附屬公司及該共同控制實體之責任。

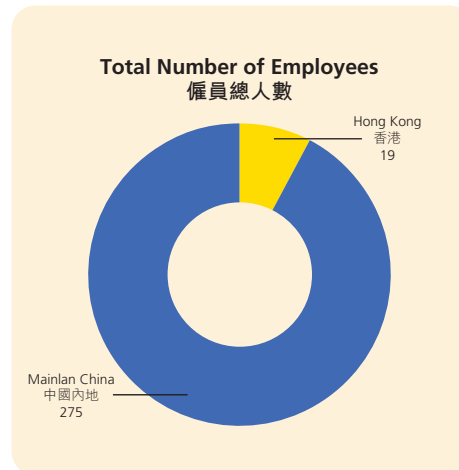
於二零零四年十二月三十一日，本公司就銀行向若干附屬公司提供之銀行信貸所作之擔保為229,300,000港元(二零零三年：132,200,000港元)。

# Management Discussion and Analysis

## 管理層討論及分析

### EMPLOYEE INFORMATION

At 31 December 2004, the Group had a total of 294 (31 December 2003: 269) employees, of which 275 (31 December 2003: 249) were located in Mainland China and 19 (31 December 2003: 20) in Hong Kong. Total salaries and related costs incurred for 2004 including directors' emoluments, amounted to HK\$34.1 million (2003: HK\$30.1 million).



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 for the purpose of recognising employees' contribution and encouraging employees' continuous contribution to the Group.

### SIGNIFICANT INVESTMENTS AND ACQUISITIONS

In June 2004, the Group made a further capital investment of HK\$13.7 million (RMB14.5 million) to strengthen the alliance with Shanghai Tulip Advertising Co., Ltd. in Shanghai, in the development of outdoor advertising media including billboards, neon signs, unipoles and large scale LED display screens in Shanghai.

In July 2004, the Group entered into an agreement with Nanjing Metro Company to secure exclusive long term advertising rights within Nanjing Metro Line 1 for a term of 18 years for a payment of HK\$113.2 million (RMB120

### 僱員資料

於二零零四年十二月三十一日，本集團共有294名僱員（二零零三年十二月三十一日：269名），其中275名（二零零三年十二月三十一日：249名）駐於中國內地，19名（二零零三年十二月三十一日：20名）駐於香港。二零零四年之薪金總額及相關成本（包括董事袍金）合計達34,100,000港元（二零零三年：30,100,000港元）。

本集團給予僱員之薪酬及福利均達到市場競爭能力水平，而僱員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以認同僱員所作之貢獻，並鼓勵僱員繼續為本集團作出貢獻。

### 重大投資及收購

於二零零四年六月，本集團再次投入13,700,000港元（14,500,000元人民幣）以作資本，從而增強與上海市上海郁金香廣告有限公司進行聯盟，以發展戶外廣告媒體，包括上海市內之廣告牌，霓虹燈廣告牌、單立柱及大型顯示螢幕。

於二零零四年七月，本集團與南京地下鐵道公司簽訂協議，以代價113,200,000港元（120,000,000元人民幣）及加上變動之廣告位租金開支，獲取就南京地鐵一號綫為期十八年的

million) plus a variable media site rental cost. The Group will form a joint venture with Nanjing Metro Company to operate advertising concessions within Nanjing Metro Line 1. The registered capital of the joint venture will be HK\$56.6 million (RMB60 million). Details of this transaction were disclosed in the Company's announcement dated 23 July 2004.

In September 2004, the Group entered into an agreement with a view to secure the exclusive advertising rights within Shanghai Metro Line 4. Subsequent to the year end, the Group has formed a joint venture with Shanghai Donghu Decoration Company Limited on 17 January 2005 to operate the advertising concessions within Shanghai Metro Line 4. The registered capital of the joint venture is HK\$9.4 million (US\$1.2 million). Details of this transaction were disclosed in the Company's announcement dated 2 September 2004.

## POST BALANCE SHEET EVENTS

The following events occurred subsequent to 31 December 2004 up to the date of approval of the financial statements by the board of Directors:

In September 2004, a wholly-owned subsidiary of the Group and an independent third party entered into a joint venture agreement to establish a joint venture named "Shanghai Donghu – MPI Advertising Company Limited" ("Donghu MPI").

The Group obtained the approval for the establishment of Donghu MPI on 13 January 2005. Throughout the joint venture period, the Group is entitled to share 70% of the financial results and net assets of Donghu MPI in accordance with the terms of the joint venture agreement. The joint venture is for a period of 10 years from 17 January 2005 to 16 January 2015.

In January 2005, the Group entered into an agreement with MSCV, the ultimate holding company, for a term loan facility of US\$22 million (HK\$171.6 million). The facility is unsecured and interest bearing at market rates. The loan facility was secured for the purpose of providing additional general working capital to the Group and is repayable within twelve months from the date of advance.

長期的獨家的媒體使用權。本集團將與南京地下鐵道公司共同成立一間註冊資本為56,600,000港元(60,000,000元人民幣)之合營企業，經營南京地鐵一號綫之廣告特許經營權。以上交易之詳情已於本公司二零零四年七月二十三日刊發之公佈中披露。

於二零零四年九月，本集團就獲取於上海地鐵四號綫的獨家的媒體使用權簽訂協議。本集團與上海東湖裝飾有限公司於二零零五年一月十七日共同成立一間合營企業，以經營上海地鐵四號綫的廣告特許經營權，合營企業的註冊資本為9,400,000港元(1,200,000美元)。以上交易之詳情已於二零零四年九月二日刊發之公佈中披露。

## 結算日後事項

以下事件於二零零四年十二月三十一日後直至董事會通過上述財務報表之日期間發生：

於二零零四年九月，本集團一家全資附屬公司及一間獨立第三方訂立一項合作合營企業協議，成立一家名為「上海東湖伯樂廣告有限公司」(以下簡稱「東湖媒體伯樂」)的合營企業。

本集團於二零零五年一月十三日獲准成立東湖媒體伯樂。在經營期限內，本集團有權根據合營企業協議的條款分佔東湖媒體伯樂的財務業績及淨資產的百分之七十。經營期限由二零零五年一月十七日至二零一五年一月十六日止，為期十年。

於二零零五年一月，本集團與最終控股公司MSCV達成22,000,000美元(171,600,000港元)的定期貸款融資信貸，該信貸並無抵押，及以市場利率計息。該項信貸的目的是為本集團提供額外的一般營運資金，須於借款日起計十二個月內償還。





# Transforming goals into results

—— 實踐 每個目標、信念

# Major Business Development

## 主要業務發展

Since listing in early 2002, the Group has been expanding the business gradually in the past few years. We set out below some of the major business developments in the past three years:

自二零零二年上市以來，本集團在過去數年逐漸擴展業務。我們現將過去三年若干主要業務發展詳列如下：

AS PER PROSPECTUS 載列於招股章程	ACTUAL BUSINESS PROGRESS 實際業務發展		
	2002 二零零二年	2003 二零零三年	2004 二零零四年
<b>JOINT VENTURES AND ALLIANCES 成立合營企業及聯盟</b>			
Set up Joint Venture in Shenzhen/Chengdu and set up Production Joint Venture in 深圳/成都成立合營企業及成立生產合營企業	1. Established Chengdu MPI on 20 Mar 2002 二零零二年三月二十日成立成都媒體伯樂  2. Established Shanghai Zhongle on 28 Sept 2002 二零零二年九月二十八日成立上海中樂	1. Established Shenzhen MPI on 7 Apr 2003 二零零三年四月七日成立深圳媒體伯樂  2. Entered agreements with Poster Publicity Ltd & Oricom 與Poster Publicity Ltd及Oricom簽訂協議	Shanghai MPI, headquarters in the Mainland China, converted into a WFOE 將中國內地營運總部—上海梅迪派勒轉營為外商獨資企業。
<b>MEDIA DEVELOPMENT 媒體發展</b>			
<b>Billboards &amp; Street Furniture 廣告牌及街道設施</b>			
Billboards & LED in HK/Shanghai/Beijing/Nanjing 設置於香港/上海/北京/南京的廣告牌及電子顯示屏幕	Secured the entire Cross Harbour Tunnel in Hong Kong 香港獲取全條海底隧道的媒體使用權	Allied with Tulip to develop billboard advertising in Shanghai 與上海郁金香結盟發展上海廣告牌業務	Allied with Tulip, to install a LED in Shanghai 透過與上海郁金香結盟在上海進行安裝電子顯示螢幕
Neon signs 霓虹燈廣告牌	Constructed two neon signs (Hai Tian & Prudential) 建立兩個霓虹燈廣告牌 (海天醬油及保誠)	Constructed 2 neons (Principal & Renesas) 建立兩個霓虹燈廣告牌 (Principal及Renesas)	Entered a new Contract for the "SINOPEC" neon 簽訂「中國石化」霓虹燈廣告牌之新協議
<b>Transports 交通工具</b>			
<b>Metro Systems 地下鐵路系統</b>			
Secure metro advertising concessions in northern/southern/eastern/central/southwestern PRC and in Hong Kong 獲取於中國北部/南部/東部/中部/西南部及香港的地鐵媒體使用權	1. Hong Kong Airport Express Line 香港機場快綫 2. Beijing Light Rail 北京城鐵	Extension line of Shanghai Metro Line 1 – Xin Min Line 上海地鐵一號綫之伸延綫—莘閔綫	1. Nanjing Metro Line 1 南京地鐵一號綫 2. Shanghai Metro Line 4 上海地鐵四號綫
Introduce new media in metro system in PRC 將新媒體引進中國地鐵系統	Introduced window poster, stickers, LEDs, "train wraps" 引入窗口海報廣告，標貼，電子顯示螢幕，「列車車身廣告」		
<b>Bus bodies 巴士車身</b>			
Secure advertising rights in southern/northern/eastern/central PRC 獲取於中國南部/北部/東部及中部之媒體使用權	Secured approximately 3,600 bus bodies covering Beijing, Chengdu, Guangzhou, Shanghai, Shenzhen and Wuhan 獲取約3,600輛巴士分別覆蓋於北京、成都、廣州、上海、深圳及武漢		Secured 4,000 buses in Shanghai 於上海獲取共4,000輛巴士
<b>Taxi 的士</b>			
Taxi-top & body advertising 的士車頂及車身廣告		Introduced taxi-top ad panels in HK 在香港推出的士車頂及車身廣告服務	
<b>OTHERS 其他</b>			
Awards		Received Best Corporate Governance Disclosure 2003 榮獲二零零三年最佳企業管治披露大獎	Received Best Corporate Governance Disclosure Diamond Awards 2004 榮獲二零零四年最佳企業管治披露鑽石大獎

# Business Objectives

## 業務目標

The following is a comparison of the actual business progress for the six months ended 31 December 2004 ("Review Period") and the business objectives as set out in prospectus dated 15 January 2002. Almost all objectives have been achieved by the Company whilst a few are still in progress.

以下概要為截至二零零四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

- Continued expansion of LED advertising network by installing approximately one to two additional LED in Guangzhou and Chongqing respectively.

分別於廣州及重慶額外安裝約一至二台之電子顯示螢幕，繼續拓展電子顯示螢幕之廣告網絡。

- Continued expansion of the existing light rail system network by securing additional concessions to an extension line in northern PRC.

透過額外獲取華北伸延綫之特許經營權，繼續擴展其現有之輕鐵系統網絡。

- Continued expansion of the existing bus advertising network by securing advertising rights to approximately 200 to 300 buses in northeastern PRC, 50 to 100 northwestern PRC and 50 to 100 southwestern PRC.

透過獲取分別位於中國東北部約200至300輛巴士，中國西北部50至100輛巴士及中國西南部50至100輛之巴士媒體使用權，繼續擴展其現有之巴士廣告網絡。

- Expansion of the existing advertising network by securing approximately 200 to 300 new billboards in southern PRC.

透過在中國南部獲取約200至300個新廣告牌以擴展現有之廣告網絡。

- Continued development of new advertising media in the PRC and Hong Kong.

繼續發展中國及香港之新廣告媒體。

### Actual business progress in respect of the six months period ended 31 December 2004

截至二零零四年十二月三十一日止六個月之實際業務發展

During the review period, the Group, through its alliance with Shanghai Tulip Advertising Co., Ltd., has expanded its billboard advertising network and a LED is being installed in Shanghai. Management will take the experience in Shanghai to re-assess the timing for LED installation in other cities.

於回顧期內，本集團透過與上海郁金香廣告有限公司結盟，於上海安裝一台電子顯示螢幕，以擴張其廣告牌之廣告網絡。管理層將會汲取其於上海之經驗，以期重新評估何時於其他城市安裝電子顯示螢幕。

During the review period, the Group has secured the advertising rights within Nanjing Metro Line 1 and Shanghai Metro Line 4, both of which are expected to be operational by the end of 2005.

於回顧期內，本集團獲取南京地鐵一號綫及上海地鐵四號綫的媒體使用權，預期二零零五年底投入運作。

Resulted from the acquisition of advertising rights to approximately 4,000 bus bodies advertising media in Shanghai early of the year, the Group now dominates the bus bodies advertising market in Shanghai and concentrates efforts to enhance the synergies with existing advertising media during the review period.

受惠於年初於上海獲取約4,000輛巴士車身的媒體使用權，本集團現時已主導上海巴士車身的廣告市場，及於回顧期內致力增強與現有的廣告媒體之協同效益。

In view of more attractive opportunities in other advertising media such as metro systems, the timing for expansion of billboards in Mainland China will be reassessed.

鑑於其他廣告媒體，例如地鐵系統商機較為吸引，故於中國內地增加廣告牌乃需要重新評估。

During the review period, the Group concentrated its resources to enhance efficiency of the existing advertising media in Mainland China and Hong Kong. The Group will continue to explore and consider new advertising media in both Mainland China and Hong Kong.

於回顧期內，本集團集中資源以鞏固及增強於中國內地及香港現有之媒體使用權之效能。本集團將會繼續考慮及開拓於中國內地及香港之新媒體。

## Business Objectives

### 業務目標

#### 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 1 January 2004 to 31 December 2004, the Group has incurred the following expenditure to achieve the business objectives as set out in the Announcement of the Company dated 24 January 2002:–

#### 所得款項用途

本集團透過本公司上市時經配售籌集資金約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)至二零零四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 of the Company dated 24 January 2002 刊載於二零零二年一月二十四日發出之公告之款項用途 HK\$ million 百萬港元	Amount utilised as at 31 December 2002 於二零零二年十二月三十一日之實際用款 HK\$ million 百萬港元	Amount utilised as at 31 December 2003 於二零零三年十二月三十一日之實際用款 HK\$ million 百萬港元	Amount utilised during the year from 1 January 2004 to 31 December 2004 於二零零四年一月一日至二零零四年十二月三十一日之實際用款 HK\$ million 百萬港元	Accumulated utilisation at 31 December 2004 於二零零四年十二月三十一日之實際用款 HK\$ million 百萬港元
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	–	–	40
Secure new advertising concessions in the metro and light rail systems in Mainland China (note) 獲取在中國內地地鐵及輕鐵系統的新媒體使用權(註釋)	122	15	10	1	26
Establishment of joint ventures in Shenzhen, Chengdu and Guangzhou 於深圳、成都及廣州成立之合營企業	7	3	1	–	4
Placed as pledged deposits 作為已抵押存款	35	35	–	–	35
General working capital 營運資金用途	9	5	4	–	9
	213	98	15	1	114

The remaining net proceeds have been placed on short term bank deposits in various banks.

Note: The Group will utilise part of the remaining proceeds to set up joint ventures to operate the advertising rights within Nanjing Metro Line 1 and Shanghai Metro Line 4. Details of these transactions were disclosed in the company's announcements dated 23 July 2004 and 2 September 2004 respectively.

餘下之集資淨額已存放於若干銀行作短期存款。

註釋：本集團將會使用餘下部份之淨額來成立合營企業以經營南京地鐵一號綫及上海地鐵四號綫之媒體使用權。以上交易之詳情已分別在本公司於二零零四年七月二十三日及二零零四年九月二日發出之公告中披露。



# Corporate Governance Report

## 企業管治報告

The Board and senior management adhered diligently to the high standards of business ethics and corporate governance during the year.

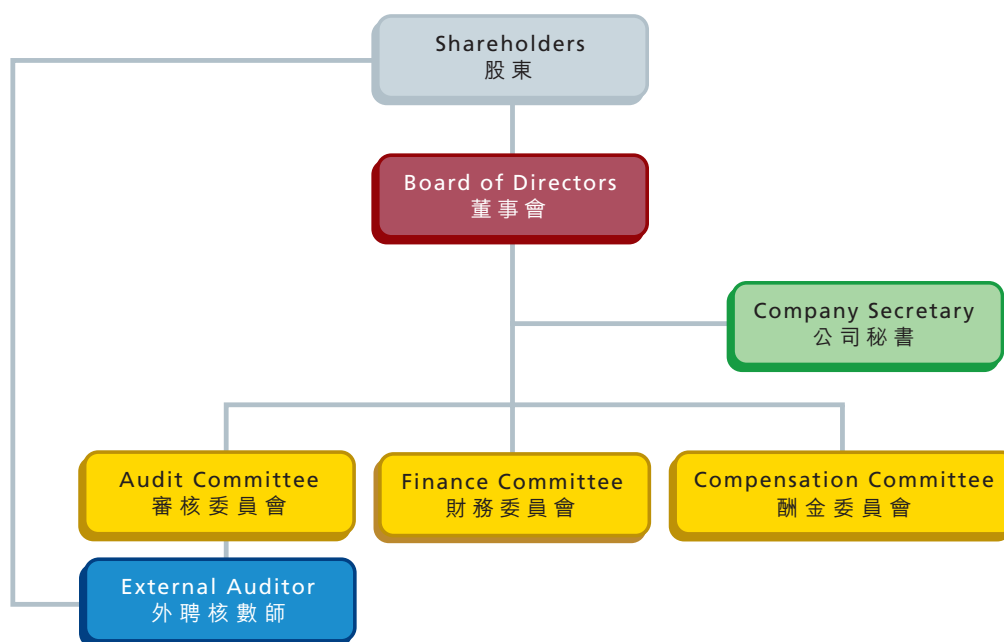
This report describes MPI's main corporate governance practices with reference to the principle of Code of Provision and recommended best practices where appropriate. Unless otherwise stated, these practices were in place for the entire year.

The following chart illustrates the Company's organization structure in relation to corporate governance:-

董事會及高級管理層於年內嚴格遵守高水準之商業操守及企業管治。

本報告闡述媒體伯樂之主要企業管治常規，此乃參考守則條文原則及建議最佳常規而釐訂(如適用)。除另有說明外，該等常規全年有效。

下圖列明本公司之企業管治架構：



## THE BOARD

### a) Function of the Board

Formulating the strategic development of the Company, 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 consent to the seeking of independent professional advice at the Company's expense, ensuring that board procedures, and all applicable rules and regulations, are followed.

## 董事會

### a) 董事會職能

制訂本公司之發展策略、檢討及監察本公司之表現、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共同及個別對股東承擔責任。在適當及需要之情況下，董事將徵詢獨立專業意見，以確保符合董事會程序以及所有適用規則及法規，而有關費用則由本公司支付。

# Corporate Governance Report

## 企業管治報告

### b) Board Composition

The Board currently comprises three executive Directors, one non-executive Director and three independent non-executive Directors with business consultancy, accounting and banking and sales and marketing background, serving the important function of guiding the management. The Directors ensure that the Board maintains high standards in financial and other mandatory reporting and at the same time implements adequate checks and balances to safeguard the interests of shareholders and the Company as a whole.

### c) Independent Non-executive Directors

All independent non-executive Directors are financially independent from the Company and any of its subsidiaries. Each independent non-executive Director is appointed for a specific term and subject to the rule of rotation and re-election at the Annual General Meeting.

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

There is no family relationship between any of our Directors or executive officers. All of them are free to exercise their independent judgment. Every independent non-executive Director has confirmed his independence with the Company (please refer to note 1 for details).

#### Note 1

The independent non-executive director confirmed that he:

- i. is not holding more than 1% of the total issued share capital of the Company;
- ii. has not received an interest in any securities of the Company as a gift, or by means of other financial assistance, from a connected person or the Company itself;

### b) 董事會組成

董事會目前由三位執行董事、一位非執行董事及三位獨立非執行董事組成，彼等之背景包括業務顧問、會計、銀行、市場及銷售。彼等承擔向管理層提供發展策略意見之重要責任。在確保董事會提交高水準之財務及其他法定報告之餘，彼等亦作出充份制衡，以保障股東及本公司之整體利益。

### c) 獨立非執行董事

所有獨立非執行董事於本公司及其任何附屬公司均為財政獨立。每位非執行董事均以特定任期委任，並須於股東週年大會輪席告退及膺選連任。

非執行董事之職能包括參與本公司之董事會會議，對策略、業務表現、資源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，彼等將主持該等會議。

本公司董事或行政人員之間並無任何家族關係。彼等可自由行使其獨立判斷。每位獨立非執行董事已向本公司確認其獨立性（詳情請參照附註一）。

#### 附註一

獨立非執行董事確認其：

- i. 並無持有本公司全部已發行股本1%以上；
- ii. 並無從關連人士或本公司以饋贈形式或其他財務資助，取得本公司任何證券；

- |   |  |
|---|--|
| <p>iii. is not a director, partner or principal of a professional adviser which currently provides or has within one year immediately prior to the date of his proposed appointment provided services to the Company, of its holding or any of their respective subsidiaries or connected persons of the Company;</p>                         | <p>iii. 並非於現在或委任前的一年內擔任向本公司、其控股公司或彼等各自之任何附屬公司或本公司任何關連人士提供服務之專業顧問的董事、合夥人或負責人；</p>           |
| <p>iv. does not have any material interest in any principal business activity of or is involved in any material business dealings with the Company, its holding company or their respective subsidiaries or with any connected persons of the Company;</p>  | <p>iv. 概無於本公司、其控股公司或彼等各自之附屬公司或本公司任何關連人士在任何主要業務活動中擁有任何重大利益，或涉及重大商業交易；</p>                   |
| <p>v. is not on the board specifically to protect the interests of an entity whose interests are not the same as those of the shareholders as a whole;</p>  | <p>v. 加入董事會之目的，並非為保障某個實體，而該實體的利益有別於整體股東的利益；</p>  |
| <p>vi. is not connected with directors, the chief executive, substantial shareholders or management shareholders of the Company within 2 years immediately prior to the date of my proposed appointment;</p>  | <p>vi. 於緊接任何建議委任日期前兩年內與本公司之董事、最高行政人員、主要股東或管理層股東並無任何關連；</p>                                 |
| <p>vii. is not and has not at any time during the 2 years immediately prior to the date of his proposed appointment been, an executive or a director (other than an independent non-executive director) of the Company, of its holding company or of any of their respective subsidiaries or of any connected persons of the Company; and</p> | <p>vii. 並非當時（或於建議其受委任董事日期前之前兩年曾經是）本公司、其控股公司或彼等各自之任何附屬公司或本公司任何關連人士之行政人員或董事（獨立非執行董事除外）；及</p> |
| <p>viii. is not financially dependent on the Company, its holding company or any of their respective subsidiaries or connected persons of the Company.</p>  | <p>viii. 並無在財政上倚賴本公司、其控股公司或彼等各自之任何附屬公司或本公司任何關連人士。</p>                                      |

#### d) Rotation of Directors

In accordance with the Company's Memorandum and Articles of Association, one-third of the Directors subject to retirement by rotation or, if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third shall retire for re-election. The Directors to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment or those who were appointed by the Board during the year to fill any casual vacancy. However, for persons who became or were last re-appointed on the same day, the retiree shall be determined by drawing lots (unless they otherwise agree among themselves).

#### d) 董事之輪席

根據本公司之公司組織章程大綱及章程細則，三分之一董事（或如董事人數並非三或三之倍數，則以最接近惟不超過其三分之一之數為準）須於股東週年大會輪席告退。每年須告退之董事，應為自其於最近一次獲委任或獲重新委任起計算任期最長者，或於年內獲董事會委任以填補任何臨時空缺者。然而，於同日成為或於最近同日獲重新委任成為董事之人士中，卸任者應由抽籤方式決定（除非彼等另行協訂）。

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The Board members for 2004 were:-

二零零四年之董事會成員如下：—

Name of Director 董事名稱	Position 職位	Date of first appointment to the Board 首次獲委任加入董事會之日期	Date of last re-election as Director 最近獲重選為董事之日期	Nature of Appointment 委任性質
Gerald Lokchung Chan 陳樂宗	Chairman 主席	4 June 2001 二零零一年六月四日	Note 1 附註一	Non-executive director 非執行董事
George Ka Ki Chang 張家騏	Vice Chairman 副主席	4 June 2001 二零零一年六月四日	30 April 2003 二零零三年四月三十日	Executive Director 執行董事
Winnie Pik Shan To 杜碧珊	Chief Executive Officer 行政總裁	4 June 2001 二零零一年六月四日	22 April 2002 二零零二年四月二十二日	Executive Director 執行董事
Tony Cheung Kin Au-Yeung 歐陽長健	Director 董事	4 June 2001 二零零一年六月四日	30 April 2003 二零零三年四月三十日	Executive Director 執行董事
Philip Tit Hon Hung 洪鐵漢	Director 董事	1 May 2004 二零零四年五月一日	— —	Independent non-executive Director 非執行董事
Meocre Kwok Wing Li 李國榮	Director 董事	20 December 2001 二零零一年十二月二十日	22 April 2002 二零零二年四月二十二日	Independent non-executive Director 非執行董事
Paul Laurence Saffo Paul Laurence Saffo	Director 董事	11 July 2001 二零零一年七月十一日	30 April 2004 二零零四年四月三十日	Independent non-executive Director 非執行董事
Lawrence Juen Yee Lau 劉遵義	Director 董事	11 July 2001 二零零一年七月十一日	Retired on 30 April 2004 二零零四年四月三十日退任	Independent non-executive Director 獨立非執行董事

Note 1: The chairman of the Board shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year.

附註一：董事會主席於任職期間毋須輪值告退或在決定每年須輪值告退之董事數目時不須計算在內。

### e) Meeting procedures

The Board meets regularly at least four times a year at approximately quarterly intervals. Such regular meetings will normally involve the active participation, either in person or through other electronic means of communication, of a majority of Directors entitled to be present.

Notice of a regular board meeting is usually given at least 14 days in advance to give all Directors an opportunity to attend. An agenda for each Board Meeting will be prepared and normally distributed to the Directors together with necessary Board materials papers at least 4 days before the Board Meeting. Directors are free to add any items on the agenda as they may think fit. The Company Secretary is responsible for recording the matters considered and decisions reached by the Board including any concerns or dissenting views expressed raised by Directors. Minutes of Board Meetings and the Board Committee Meetings will be sent to all Directors for their comments and records as soon as after the board meeting.

Minutes of board meetings and meetings of board committees are kept by the Company Secretary and such minutes are open for inspection within reasonable advance notice.

If a substantial shareholder or a director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will not be dealt with by way of written resolutions or by a committee (except an appropriate board committee set up for that purpose pursuant to a resolution passed in a Board Meeting) but will be resolved in a Board Meeting. Directors who, and whose associates, have no material interest in the transaction will be present at such board meetings.

### e) 會議程序

董事會每年最少定期召開四次會議，每次相隔約三個月。定期會議一般獲大多數有權出席會議之董事（親身或經其他電子通訊方式）積極參與。

召開之董事會定期會議通常發出至少十四天之通知，供所有董事撥冗出席。各董事會會議之議程連同所需董事會資料文件一般至少在董事會會議舉行四天前編制及分送給董事。董事可視乎需要於議程上加入任何新項目。公司秘書負責記錄董事會省覽之事項及達成之決定，包括董事提出之任何關注事項或發表之任何異見。董事會會議及董事委員會會議記錄將在會議後盡早發送予全體董事供其表達意見及存檔。

董事會及董事委員會之會議記錄由公司秘書備存，於事先合理知會情況下可供查閱。

倘有主要股東或董事在董事會將予考慮之事項中，存有董事會認為重大之利益衝突，有關事項將不會以書面決議方式或交由委員會處理（根據董事會會議上通過之決議案而特別就此事項成立之委員會除外），而將會於董事會會議上處理。在交易中本身及其聯繫人均無重大利益之董事將會列席有關之董事會會議。

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### f) Board Meeting

In 2004, the Board:–

- i. reviewed and approved the annual financial statements of the Group as well as the quarterly reports and price sensitive transactions etc.;
- ii. decided on the resolutions to be tabled in the Annual General Meeting;
- iii. addressed the issues to be dealt with by the Board in accordance with respective laws and regulations in the Cayman Islands, Hong Kong and PRC;
- iv. evaluated material acquisitions of assets, investments, capital project, and key human resources issues;
- v. formulated long-term business strategy of the Group;
- vi. ensured effective internal controls were taken by the Group;
- vii. reviewed the performance of the operating divisions and resources used with reference to the agreed budgets and targets;
- viii. arranged for the independent non-executive Directors to visit the Group's operation headquarters in Shanghai and to meet with the Group's senior management based in Shanghai in order to obtain more understanding of the Group's business operation;

### f) 董事會會議

於二零零四年，董事會：—

- i. 審閱及批准本集團之年度財務報表、季度報告和股價敏感交易等；
- ii. 決定於股東週年大會上將予提呈之決議案；
- iii. 根據開曼群島、香港及中國之相關法例及規條處理有關董事會之事項；
- iv. 評估重大之資產收購事項、投資、資本項目及主要人力資源事宜；
- v. 制訂本集團之長遠商業策略；
- vi. 確保有效地執行本集團之內部監控；
- vii. 參考協訂之預算及目標，審閱各營運部門之表現及所用資源；
- viii. 安排獨立非執行董事出訪本集團在上海之營運總部，與本集團位於上海辦事處之高級管理層會面，從中加深了解本集團之業務營運；

ix. reviewed and approved the notifiable transactions/connected transactions as hereinbelow:-

ix. 審閱及批准下列須予公佈之交易／關連交易：

Date of Announcement 公佈日期	Type of Transaction 交易類別	Description 概述
31 December 2003 二零零三年十二月三十一日	Discloseable Transaction 須予披露交易	Shanghai MPI entered into binding agreements with various third parties relating to certain exclusive bus media advertising rights 上海梅迪派勒與數名獨立第三者就有關經營若干交通相關媒體的獨家的媒體使用權訂立具約束力之協議
2 April 2004 二零零四年四月二日	Continuing Connected Transactions 持續關連交易	Shanghai MPI entered into a tenancy agreement with Noble State, a connected person (as defined in the GEM Listing Rules), in respect of the continued use of certain office premises in Shanghai 上海梅迪派勒就使用於上海市之若干辦事處物業而與一名關連人士(定義見創業板上市規則) 港域訂立之租賃協議
23 July 2004 二零零四年七月二十三日	Major Transactions 主要交易	The Group entered into a joint venture agreement with Nanjing Metro Industrial Co., an independent third party, pursuant to which, inter alia, they were to jointly establish a joint venture in Mainland China 本集團與獨立第三者南京地鐵實業公司，訂立中外合作合營協議；根據該協議，除了其他條文之外，雙方共同於中國內地成立合營企業
13 October 2004 二零零四年十月十三日	Connected Transaction 關連交易	The Company entered into a Convertible Bond Agreement with MSCV pursuant to which the Company agreed to issue Convertible Bond in the principal amount of HK\$85,000,000 to MSCV 本公司與MSCV簽訂可換股債券協議，根據該協議，本公司同意向MSCV發行本金為85,000,000港元之可換股債券
13 October 2004 二零零四年十月十三日	Notifiable Transaction 須予通知交易	The authorized capital of the Company was proposed to increase from HK\$100,000,000 to HK\$150,000,000 本公司之法定股本由100,000,000港元建議增加至150,000,000港元
5 November 2004 二零零四年十一月五日	Continuing Connected Transactions 持續關連交易	To consider and approve as appropriate the related annual Caps for the Post 2004 Continuing Connected Transactions as contemplated in the Advertising Agency Agreement made between Chengdu Advertising MPI and the Bus JV 考慮及批准成都媒體伯樂與成都運興簽訂之廣告代理協議項下進行之二零零四年後持續關連交易之相關年度上限

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### g) Board Meeting Records

The following is an attendance record of the meetings held by the Board during 2004 and the attendance at Board meetings:

Board Members		Attendance at meetings held in 2004 二零零四年 出席會議次數	Attendance rate 出席率
<b>Executive Directors</b>	<b>執行董事</b>		
<b>Number of Board Meetings: 5</b>	<b>董事會會議次數：5</b>		
George Ka Ki Chang (Vice Chairman)	張家騏 (副主席)	5/5	100%
Winnie Pik Shan To (CEO)	杜碧珊 (行政總裁)	4/5	80%
Tony Cheung Kin Au-Yeung	歐陽長健	4/5	80%
<b>Non-executive director</b>	<b>非執行董事</b>		
<b>Number of Board Meetings: 5</b>	<b>董事會會議次數：5</b>		
Gerald Lokchung Chan (Chairman)	陳樂宗 (主席)	1/5	20%
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>		
<b>Number of Board Meeting: 5</b>	<b>董事會會議次數：5</b>		
Philip Tit Hon Hung (appointed on 1 May 2004)	洪鐵漢 (於二零零四年 五月一日獲委任)	4/4	100%
Meocre Kwok Wing Li	李國榮	5/5	100%
Paul Laurence Saffo	Paul Laurence Saffo	5/5	100%
Lawrence Juen Yee Lau (retired on 30 April 2004)	劉遵義 (於二零零四年 四月三十日退任)	1/1	100%
<b>Independent Board Committee Meetings</b>	<b>獨立董事委員會會議</b>		
<b>(Number of Meetings: 2)</b>	<b>會議次數：5</b>		
Philip Tit Hon Hung	洪鐵漢	2/2	100%
Meocre Kwok Wing Li	李國榮	2/2	100%
Paul Laurence Saffo	Paul Laurence Saffo	2/2	100%

Where circumstances are considered appropriate, some Board decisions are approved by way of written resolutions passed by all the Directors.

當情況合適時，若干董事會之決定乃透過全體董事通過之書面決議案批准。

### h) Access to Information

Apart from receiving the reports relating to the operational and financial performance of the Group, all the Directors are continually updated on the operation and business of the Group through financial reports, budget reports and strategic plans. A visit to Shanghai was also arranged for the independent non-executive Directors to update them on the business operations of the Group in Mainland China.

### h) 索取資料

除收取有關本集團營運及財政表現之報告外，所有董事可從財務報告、預算報告及策略性規劃持續得悉本集團之最新營運及業務狀況。此外，有關方面亦於年內為獨立非執行董事安排出訪上海，以使彼等了解年內本集團在中國內地之最新業務經營狀況。



The Board has the right to independent access to senior management and the Company Secretary at all times. To assist the Board in fulfilling its responsibilities, Directors and Board Committees, where appropriate, may seek independent professional advice at the expense of the Company. For instance, despite it is not a regulatory requirement, the Company still engage an independent financial adviser and an independent valuer to give opinions on the fairness of the terms of the Tenancy Agreement and whether it was negotiated on an arm's length basis and on normal commercial terms.

#### **i) Continuing Professional Development**

In order to help the directors to understand their responsibilities and duties, all the Directors were continually updated on the latest development or changes in status through materials prepared by external lawyers or the senior management during the year.

The Company will arrange for suitable continuing professional development programmes for all Directors of the Company, if necessary.

#### **j) Indemnification**

In accordance with Article 165 of the Articles of Association, every Director, Company Secretary and other officers shall be indemnified against all costs, charges, losses, expenses and liabilities he/she incurred in the execution and discharge of his/her duties. The Group has also arranged appropriate Directors' and Officers' liability insurance for each of Directors and senior officers.

#### **k) Directors' securities dealing**

The Company adopts standards of conduct regarding Directors' dealing in securities as set out in the GEM Listing Rules. In addition, the Company makes specific enquiries to all Directors on quarterly basis, to ascertain that the Directors of the Company have complied with the required standards.

董事會有權隨時與高級管理層及公司秘書單獨接觸。為協助董事會完成其責任，董事及董事委員會可在適當之情況下徵詢獨立專業意見，有關費用由本公司支付，舉例而言，雖然並非監管規定，本公司仍會委聘獨立財務顧問及獨立估值師就租賃協議之條款之公平程度及是否按一般商業條款進行磋商提供意見。

#### **i) 持續專業發展**

為協助董事理解彼等之責任和職責，所有董事於年內持續透過由外聘律師或高級管理層編製之資料了解最新憲法上的發展及改變。

如有需要，本公司將為本公司所有董事安排合適之持續專業發展計劃。

#### **j) 賠償保證**

根據公司組織章程細則第165條，每位董事、公司秘書及其他行政人員須就彼等因執行及履行其職責而產生之成本、費用、損失、開支及責任作出賠償。本集團已安排替每位董事及高級管理層購買合適之董事及高級職員責任保險。

#### **k) 董事之證券買賣**

本公司已按創業板上市規則之規定，就董事之證券買賣採納一套操守準則。此外，本公司每季均向全體董事作出特別諮詢，以肯定本公司董事是否已遵守規定準則。

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### I) Company Secretary

The Company Secretary is responsible to the Board. He is obliged to ensure 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, prohibitions on dealing in securities and restrictions on the disclosure of price-sensitive information, etc. The Company Secretary also keeps all Minutes of board meetings and meetings of Board Committees, which are open for inspection by any Director of the Company within reasonable advance time.

## BOARD DELEGATION

The Board has determined that certain matters such as strategic planning, significant transactions and budget should be retained for Board's approval. The Board delegated its responsibility to the senior management of the Group to deal with day to day operations.

## SEGREGATION OF ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

As a matter of good corporate governance, segregation of the roles of Chairman and Chief Executive Officer has been implemented within the Company since its listing to avoid the monopoly of power by any one individual or the controlling shareholder 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

Each Board Committee makes decisions on matters within its term of reference and applicable limits of authority. The terms of reference as well as the structure and membership of each committee will be reviewed from time to time.

### I) 公司秘書

公司秘書向董事會負責，並有責任確保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、禁止證券買賣及限制披露價格敏感資料等責任。公司秘書亦負責保存董事會會議及董事委員會會議之所有會議記錄，於事先合理知會下可供本公司任何董事查閱。

## 董事會授權

董事會已決定之若干事項(例如策略部署、重大交易及預算)須留待董事會批准。董事會已將其處理日常運作之責任授權予本集團之高級管理層。

## 主席及行政總裁角色分立

自本公司上市以來，其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由任何一位個別人士或控股股東所壟斷，從而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能之委員會：—

- 審核委員會
- 酬金委員會
- 財務委員會

各董事委員會可在其職能及適用之權力範圍內對事項進行決策，每個委員會成員將不時進行檢討其職能範圍及架構。

Management and other parties will co-opt to these Committees as required. Details include:-

## AUDIT COMMITTEE

The Audit Committee was established in 2002 to provide advice and recommendations to the Board. Its members currently consist of three independent non-executive Directors namely Mr. Meocre Kwok Wing Li, Mr. Philip Tit Hon Hung and Mr. Paul Laurence Saffo. Their duties and responsibilities are set out clearly in the terms of reference which include:-

- i. to discuss with the external auditors before the audit commences, the nature and scope of audit and ensure co-ordination where more than one audit firm is involved.;
- ii. to review the draft Company's annual report and accounts, half yearly and quarterly reports before submission to, and providing advice and comments thereon on to the Board of Directors;
- iii. to consider the appointment of external auditors, their audit fees and questions of resignation or dismissal; and
- iv. to discuss problems and reservations arising from the quarterly reviews and final audits and matters that the external Auditors may wish to discuss.

The Audit Committee met four times during the year to discuss the following matters:-

### Financial Reporting

The Audit Committee meets with the external Auditors to discuss the quarterly and annual financial statements. The auditors, the Chief Financial Officer and the Company Secretary are also in attendance to answer questions on the financial results. 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 2004.

本集團將按需要挑選管理人員及其他人員組成該等委員會，詳情如下：—

## 審核委員會

審核委員會於二零零二年成立，為董事會提供意見及建議。成員目前包括李國榮先生、洪鐵漢先生及Paul Laurence Saffo先生。彼等之職責及責任已清楚載列於職能範圍內，當中包括：—

- i. 在開始審核前先與外聘核數師討論審核性質及範圍，確保工作協調(如涉及超過一間核數師行)；
- ii. 在呈交董事會前先行審閱本公司之年報及賬目、半年及季度報告初稿，並就此向董事會提供建議和意見；
- iii. 考慮委任外聘核數師、其審核費用及辭任或解聘之問題；及
- iv. 討論因季期和末期審核所引致之問題及限制，以及外聘核數師希望討論之事項。

年內，審核委員會曾舉行四次會議討論下列事項：—

### 財務報告

審核委員會與外聘核數師會面商討季度及全年財務報表。核數師、財務總裁及公司秘書亦有出席，解答財務業績上之有關問題。此外，外聘核數師已獲審核委員會指示，檢討本集團於二零零四年十二月三十一日止年度內本集團一間主要附屬公司之若干內部監控制度。

# Corporate Governance Report

## 企業管治報告

The Audit Committee also discusses matters falling within its terms of reference in the presence of the Chief Financial Officer and the Company Secretary and absence of other senior management. 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 Company will prepare analyses of the nature and importance of the issues, presenting the pros and cons of various possible solutions and explaining the reasons for recommending a certain 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.

### External Auditors

The appointment of the external auditors and the audit fee were considered by the Audit Committee and recommendations were made to the Board on the selection of external auditors of the Company.

The following is an attendance record of the meetings of the Audit Committee in 2004 and their attendance at the meetings:

審核委員會亦在財務總裁及公司秘書之出席(及其他高級管理層缺席)的情況下討論其職能範圍內之事項。在編製季度及全年賬目時，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，則本公司須編撰一份分析文件，列出該事件之性質及重要性、多項可行之解決方案之利與弊，以及闡釋向審核委員會建議若干方法之原因。審核委員會與本公司之管理層充分合作，確保其滿意本公司之內部監控。

### 外聘核數師

審核委員會已考慮委任外聘核數師及核數費用，且就甄選本公司外聘核數師向董事會作出建議。

以下是二零零四年內審核委員會會議之出席記錄及該等會議之出席率：

Committee member		Attendance at meetings held in 2004	
委員會成員		二零零四年出席會議之次數	Attendance rate 出席率
<b>Number of Meetings: 4</b>			
Philip Tit Hon Hung (appointed on 1 May 2004)	洪鐵漢 (於二零零四年 五月一日委任)	3/3	100%
Meocre Kwok Wing Li	李國榮	4/4	100%
Paul Laurence Saffo	Paul Laurence SAFFO	4/4	100%
Lawrence Juen Yee Lau (retired on 30 April 2004)	劉遵義 (於二零零四年 四月三十日退任)	1/1	100%
<b>Others Attendants</b>		<b>其他出席者</b>	
Stephen Cheuk Kin Law	羅卓堅	4/4	100%
External auditors	外聘核數師	4/4	100%

## COMPENSATION COMMITTEE

The Compensation Committee was formed on 18 March 2002. Members of the Compensation Committee comprise one executive Director and two non-executive Directors and are:-

Gerald Lokchung Chan  
Tony Cheung Kin Au-Yeung  
Paul Laurence Saffo

Their duties comprise:-

- i. review and make recommendations for (a) the 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. approve any changes to the Provident Fund Scheme of the Company;
- iii. determine 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. make such other decisions or determinations as it deems appropriate in the administration of the Company's Share Option Scheme.

Where circumstances are considered appropriate, some Compensation Committee decisions are approved by way of written resolutions passed by all the Committee members.

In 2005, in order to conform with new GEM Rules, the Compensation Committee will be restructured as the Remuneration Committee with revised terms of reference and majority of its members consisting of independence non-executive Directors.

## 酬金委員會

酬金委員會於二零零二年三月十八日成立，成員包括下述之一名執行董事及二名非執行董事：－

陳樂宗  
歐陽長健  
Paul Laurence Saffo

彼等之職責包括：－

- 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；以及(c)，即日後對(a)及(b)項之調整；
- ii. 批准本公司公積金計劃之任何更改；
- iii. 根據本公司購股權計劃決定可獲授予購股權之僱員人選，及所發出之購股權數目與認購價；
- 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。

當情況合適時，若干酬金委員會之決定乃透過全體委員會之書面決議案批准。

於二零零五年為遵照創業板規則，酬金委員會將予重組為薪酬審員會，致使彼等之職能將作出修改，以及其大部份成員為獨立非執行董事。

# Corporate Governance Report

## 企業管治報告

### REMUNERATION POLICY

Directors' fees for all Directors are determined by reference to the fees paid by other comparable companies, market practice and individual performance. There are no retirement benefit schemes in place for non-executive Directors. No director decides his or her fees. Directors' fees are recommended by the Compensation Committee and are submitted for endorsement by the Board. Directors' fees approved by the Board which are subject to the approval of shareholders at the AGM.

#### Remuneration for Executive Directors and Senior Management

The remuneration policy is to maintain the Company's competitiveness and are as follows:-

- to attract, motivate and retain high-performing executives
- to motivate the staff to achieve financial and operational goals

Reviews on individual performance, relevant comparative remuneration market practices are conducted for staff at all levels, feedback from independent external advisers on human resources management and reward and benefit policies are also taken into consideration.

#### Remuneration components

The remuneration structure for senior management comprises three components – fixed component, variable component and provident fund. The variable component is dependent on the actual achievement of corporate targets and individual performance.

- i) Fixed component  
The base salary should fall within the reasonable level of what is paid by comparable companies in relevant employment markets for similar jobs, but varies with responsibilities, performance, skills and experience that the individual brings to the role. Salaries are reviewed annually in the context of individual and business performance, work contribution, market practices and competitive market pressures.

### 薪酬政策

所有董事之董事袍金乃參巧其他可資比較公司之袍金、市場慣例及個別表現而釐訂。本公司並未為非執行董事設立退休福利計劃。概無任何董事可決定其袍金。董事袍金乃由酬金委員會作出建議，並須提呈董事會予以批准。董事袍金(獲董事會批准)，並須待股東於股東週年大會上批准，方可作實。

#### 執行董事及高級管理層之薪酬

薪酬政策旨在維持本公司之競爭力，目標如下：-

- 吸引、推動及保留表現良好之行政人員
- 推動職員達到主要財務及營運目標

我們會在相關可資比較薪酬之市場慣例下進行檢討各級員工之個別表現，如有需要，我們並會參考獨立外聘顧問就人力資源管理、獎勵及福利政策方面之意見。

#### 薪酬結構

高級管理層之薪酬結構由三個部分組成一固定部分、非固定部分及公積金。非固定部分乃由企業目標及個人表現目標能否實際達成而釐定。

- i) 固定部分  
基本薪金應介乎於相關招聘市場中可資比較公司之同類型工種薪金之合理水平，惟個別人員之薪金會因應其責任、表現、技術及經驗而有所不同。每年的薪金會因應個人及商業上之表現，工作貢獻，市場慣例及市場競爭而作出檢討。

ii) Variable component

Apart from the basic remuneration provided, bonus and share options are offered to qualified employees to reward them for their positive performances and to foster loyalty within the Group. Allowances and benefits are largely determined by local market practices.

The purpose of the Share Option Scheme is to reward the employees or the participants who have contributed to the Group. The Board, 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.

As at 31 December 2004, the total number of outstanding share options yet to be exercised was 15,448,000 shares.

As no share options were granted during the year ended 31 December 2004, no theoretical value of share options is disclosed in this annual report.

iii) Provident Fund

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.

iv) Other Benefits

The Group also provides other benefits to employees such as meal and travel allowances, medical insurance and business travel insurance etc.

Individual Director's remuneration is provided in note 6 in the financial statements.

ii) 非固定部分

除提供基本薪金外，亦會向合資格僱員派發花紅及授予購股權，作為其工作表現之獎勵，並且加強其對本集團之歸屬感。津貼及福利則主要基於當地市場慣例而釐訂。

購股權計劃旨在獎勵對本集團作出貢獻之僱員或參與人士。董事會將全權酌情考慮下列一個或多個準則，決定個別人士是否曾對本集團作出貢獻：

- i. 對本集團發展和表現之貢獻；
- ii. 就履行本集團職務之質素；
- iii. 履行其職務時之主動性和承擔；及
- iv. 在本集團之服務或貢獻年資。

於二零零四年十二月三十一日，已發行但尚未行使之購股權總數為15,448,000股股份。

由於在截至二零零四年十二月三十一日止年度內並無授出購股權，故本年報並無披露購股權之理論價值。

iii) 公積金

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(以下簡稱「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。

iv) 其他福利

本集團亦提供福利予僱員，例如膳食及交通津貼、醫療保險及商旅保險等。

個別董事之酬金載列於財務報表附註6。

# Corporate Governance Report

## 企業管治報告

### SHARE INTERESTS OF SENIOR MANAGEMENT

Following the introduction of the Code on Corporate Governance Practices, it is a recommended practice to disclose the number of the Company's shares held by senior management whose biographical details are disclosed in this annual report. Set out below are the share interests held by senior management, as far as, we are aware as at 31 December 2004.

The share interests held by the senior management (excluding any directors) are within the following bands:-

No. of Shares	股份數目	Number of senior management 高級管理人員數目
100,000 to 150,000	100,000至150,000	1
150,001 to 200,000	150,001至200,000	2
200,001 to 250,000	200,001至250,000	0
250,001 to 300,000	250,001至300,000	1
Over 300,000	超過300,000	1

### FINANCE COMMITTEE

The Finance Committee was established on 18 March 2002 and consists of two executive Directors and the Chief Financial Officer. Its current members comprise of:-

George Ka Ki Chang  
Winnie Pik Shan To  
Stephen Cheuk Kin Law

The Finance Committee is responsible for reviewing, recommending and approving the Group financing related matters 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.

Where circumstances are considered appropriate, some Committees' decisions are approved by way of written resolutions passed by all the committee members.

### 高級管理層之股份權益

自《企業管治常規守則》推出後，披露高級管理層（即年報列載其履歷之人士）於本公司股份之持股量成為了一項建議常規。以下載列（就本公司所知）於二零零四年十二月三十一日止年度高級管理層之股份權益：－

高級管理層（董事除外）持有之股份權益介乎以下範圍：－

### 財務委員會

財務委員會於二零零二年三月十八日成立，成員包括兩位執行董事及財務總監。其現時之成員包括：－

張家騏  
杜碧珊  
羅卓堅

財務委員會負責檢討、建議及審批本集團之財務相關事宜，例如動用盈餘基金進行投資；承擔、釐訂及審批銀行信貸、履約保證金、擔保、賠償保證、按揭及抵押存款；以及與不同財務機構開立及結束銀行賬戶等財務事項。

當情況合適時，若干委員會之決定乃透過全體委員會成員通過之書面決議案批准。



## NOMINATION OF DIRECTORS

The selection and appointment of a director and the Directors' independence are determined by the full Board. The Board will also review the composition (including skills, knowledge and experience), of the Board regularly to ensure the Board has members providing with balanced skills and experiences. The criteria and the nomination procedures of a new director are set out herein below:–

- a) Criteria for prospective candidates for nomination.
  - i) the independence in case of an independent non-executive Director;
  - ii) the skill, knowledge, working experience, the ability to carry out the duties of a Director of the Company;
- b) Process to nominate a prospective candidate
  - i. qualified director candidates will be identified by referral or intermediary agencies;
  - ii. interviews with existing Board members will be conducted with the prospective candidates;
  - iii. the remuneration package of the prospective candidates will be assessed by the Compensation Committee (to be restructured as Remuneration Committee);
  - iv. a Board meeting will be convened to consider and, if thought fit to approve the appointment of the new director; new director will be appointed upon unanimous approval by the Board members.
  - v. an orientation with the senior management and external advisers will be provided by the Company for the new director so that he/she fully understands the background and the business activities of the Company; and

## 董事提名

董事之甄選及委任以及董事之獨立性均由董事會全體董事釐訂。董事會亦將定期檢討董事會之組成(包括技能、知識及經驗)，確保董事會成員之能力及經驗得以均衡。提名新董事之準則及程序載列如下：

- a) 提名準候選人之準則
  - i) 獨立性(倘為獨立非執行董事)；
  - ii) 履行本公司董事職務所需之技能、知識、工作經驗、能力；
- b) 提名準候選人之程序
  - i. 轉介或中介代理機構將物色合資格之董事人選；
  - ii. 董事局成員將與準候選人進行面試；
  - iii. 酬金委員會(將改組的薪酬委員會)將評估準候選人之薪酬建議；
  - iv. 董事會將考慮及酌情批准委任新董事；新董事的委任將一致由董事局通過；而新董事的委任須經董事局成員一致通過；
  - v. 新董事將獲本公司高級管理層及外聘顧問提供介紹性指導，使其充份瞭解本公司之背景及商業活動；及

# Corporate Governance Report

## 企業管治報告

- vi. Information such as Memorandum on the Duties and Responsibilities of a Director of a Company listed on GEM prepared by an external lawyer will be provided to the new director.

In 2004, the appointment of Mr. Philip Tit Hon Hung was unanimously approved by the Board, having gone through the above procedures.

The Board remains satisfied with the current system of Director's appointment such that each new director is unanimously accepted by each Director. The establishment of the nomination committee is therefore not considered necessary by the Company.

## SHAREHOLDERS' RIGHTS

It is the Company's responsibility to ensure shareholder's interest. To do so, the Company maintains on-going dialogue with shareholders to communicate with them and encourage their participation through annual general meetings or other general meetings.

All shareholders should have the right to participate in the meeting, and to be sufficiently informed on, decisions concerning the following important areas:-

- Alteration of the Company's Articles of Association;
- the Company's capital;
- acquisition or disposal of the Company's major/significant fixed asset;
- appointment and removal of auditors;
- Directors' remuneration;
- variation of class rights;
- dividend; and
- winding up.

Registered shareholders are notified by post. The notice of meeting contains the agenda, the proposed resolutions and a postal voting form.

- vi. 新董事將獲由外聘律師提供資料，例如編製之《創業板上市公司董事職責及責任大綱》

於二零零四年，洪鐵漢先生已通過上述的程序及獲董事會一致通過獲委任為董事。

董事會對本公司現時每位新董事委任須獲每位董事一致接納之制度感到滿意，故本公司並不需要成立提名委員會。

## 股東權益

本公司之責任乃確保股東利益受到保障。為此，本公司與股東一直保持對話，透過召開股東週年大會及其他股東大會，與股東溝通並鼓勵其參與。

所有股東均有權參與會議，並獲充分通知有關以下重要範疇之決定：—

- 更改本公司組織章程細則；
- 本公司資本；
- 收購或出售本公司主要／重大固定資產；
- 委任及罷免核數師；
- 董事薪酬；
- 各類別股份權利；
- 股息；及
- 清盤。

登記股東將獲郵寄通知。會議通知載有會議議程、擬提呈決議案及郵遞投票表格。

Any registered shareholders is entitled to attend the annual and extraordinary general meetings, provided that their shares have been recorded in the Register of Shareholders.

Shareholders who are unable to attend a general meeting may complete and return to the Share Registrar the proxy form enclosed with the notice of meeting to give proxy to their representatives, another shareholder or chairman of the meetings.

Shareholders or investors can enquire by putting their proposals with the Company through the following means:-

1. Shareholder hotline no : (852) 2894 9800
2. By e-mail : investor\_relations@mpi.com.hk
3. By post : 22nd Floor, Hang Lung Centre, 2-20 Paterson Street, Causeway Bay, Hong Kong

## HUMAN RESOURCES

During the year under review, the total number of staff were 294 including 275 in Mainland China with the rest in Hong Kong. To attract motivated and experienced staff, the Group offers competitive remuneration and benefits packages to employees.

### Internal Communication

To strengthen internal policy communication, the Group publishes a number of newsletters, e.g. operational information updates, market trends, new staff and internal activities, etc. on a regular basis for employees.

### Social Activities

The Group's policy to encourage friendly relations with the community was reflected in the special outings and sporting activities it organized for its staff and their families. These activities foster a sense of belonging among employees, reinforce staff communication and to promote optimum work relations. In addition, the Group's inter-company visits facilitate exchange of ideas and strengthen inter-office relationships.

任何登記股東均可出席股東週年大會及股東特別大會，條件是其股份已記錄於股東名冊上。

未能出席股東大會之股東，可填妥大會通知隨附之代表委任表格，並交回股份過戶登記處，以委任彼等之代表、另一股東或大會主席作為其代表。

股東或投資者可透過以下方式送交建議予本公司作出查詢：－

1. 股東熱線：(852) 2894 9800
2. 電郵：investor\_relations@mpi.com.hk
3. 郵寄：香港銅鑼灣百德新街  
2-20號恒隆中心22樓

## 人力資源

於回顧年度，僱員總數達294人，其中275名為中國內地僱員，其餘為香港員工。本集團為僱員提供可觀之薪酬及福利計劃，以期吸引及保留資深之員工。

### 內部溝通

本集團定期為僱員刊發內部通訊(如業務表現之最新動向、市場走勢、新聘任之僱員及內部活動等)，以加強本集團之內部政策溝通。

### 社會活動

本集團一直鼓勵在團體內建立友好關係，並透過舉行多次僱員及其家屬專題戶外活動及運動會，加強彼等間之歸屬感、增進職員間之溝通及加強彼此間之工作關係。此外，本集團公司間之相互探訪亦有助促進意見之交流及加強公司間之關係。

# Corporate Governance Report

## 企業管治報告

### Training and Development

The most important asset of our business is our people. The Group will recruit, coach, inspire and unleash the best in our people to benefit our clients, and our businesses and brands. To achieve our objective, we encourage our staff to share and be committed to our beliefs, which will enable them to enjoy constant success in their career with the Group.

In 2004, we organized a series of training programmes aiming to cultivate a self-motivated learning environment that can enhance employees' competitiveness. On regular basis, product knowledge training was provided to strengthen staff understanding of the different media assets of the Group in different cities. In addition to general training, the Group also organized trainings tailored to the requirements of different departments. For example, a special motivational training programme conducted by a professional training organization was arranged for frontline sales staff during the year.

Other specific trainings were also held in the review year, such as a professional forum for staff of the Human Resources Department familiarizing them with the Group's work plan and performance. In addition, some sales management skills workshops were conducted to sales and customer service personnel to help them sharpen their management skills. Functional training like the finance management training and creative training were also provided to middle level management and professional staff. The Group also encourage professional staff members to attend professional development courses organized by recognized programme associations to upgrade their professional knowledge.

### 培訓及發展

人才乃本公司業務最重要之資產。本集團將招聘及訓練本公司之人才，啟發及釋放彼等之潛在實力，致使吾等之客戶、業務及品牌受惠。為達致此等目標，吾等鼓勵員工分享及忠於本公司之信念，讓彼等在本集團發展事業之旅途上屢享成果。

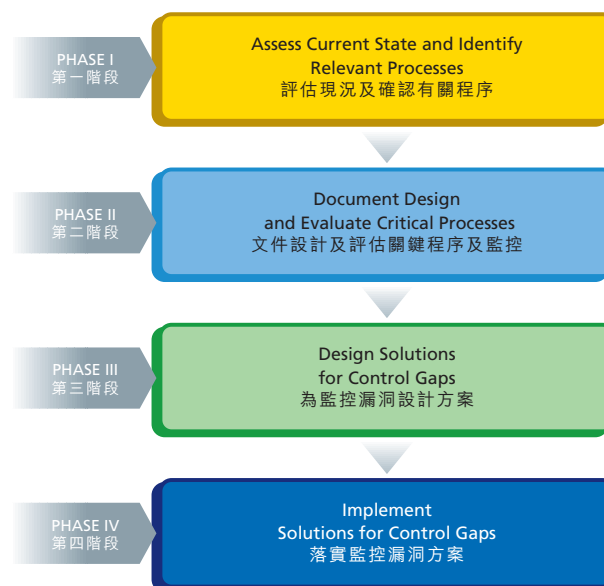
於二零零四年吾等組織了一系列訓練計劃，旨在培養一個可自我推動之學習環境，從而提升僱員之競爭力。本集團亦定期提供產品知識訓練，以加強員工對本集團於不同城市擁有之不同媒體資產之認識。除一般訓練外，本集團亦因應不同部門之需要制訂不同之訓練。例如，就前線銷售人員而言，吾等於本年度已安排由專業培訓組織舉辦其特別推動力之訓練計劃。

於回顧年內，吾等亦舉辦了其他特別訓練，例如為人力資源部員工設立一專業論壇，以助彼等熟習本集團之工作規劃及表現。此外，亦為銷售及客戶服務人員舉辦若干銷售管理技巧工作坊，以提升彼等之管理技巧。就中層管理人員及專業人員而言，吾等亦提供職能訓練，如財務管理訓練及創意培訓。本集團亦鼓勵專業人員出席由認可課程協會組織之專業發展課程，以提升彼等之專業知識。

## INTERNAL CONTROLS

The Board is responsible for ensuring that internal controls are in place to monitor risk, financial controls and compliance to safeguard shareholders' interests. The key internal control approach adopted by us is illustrated as follows:-

### Internal Control – Our Approach



In maximizing the Board's effectiveness, the Group has in place internal controls designed to give reasonable assurance that the Group's assets and resources are effectively applied and safeguarded against unauthorized use or disposition, that transactions are executed in accordance with the management's proper authorization, and that the accounting records of the business are reliable both in their preparation and in their publication. Qualified personnel at all levels in the Group have been assigned to maintain and monitor these internal controls on an ongoing basis.

The Group's internal controls are reviewed and the tasks include:-

- i. access and review selected aspects of the Group's activities and internal controls;
- ii. conduct regular comprehensive reviews of the practices, procedures and internal controls of selected business and supporting units and subsidiaries;

## 內部監控

董事會負責確保內部監控系統對風險、財務監控及遵例進行監察，以保障股東之權益。吾等採納之主要內部監控方式如下：—

### 內部監控－吾等之方式

為盡量提高董事會之有效性，本集團訂立了內部監控，旨在合理地確保及有效地運用本集團之資產及資源和受到保障，避免於未授權下被使用或挪用，並確保交易是根據管理層適當之授權進行，且確保會計記錄之編製及用於披露之可信性。本集團各職級之合資格人員負責持續維持及監察該等內部措施。

本集團之內部監控及審閱範圍包括：—

- i. 對本集團業務及內部監控選定之範疇進行評估及檢討；
- ii. 定期對選定之業務、支援單位及附屬公司之常規、程序及內部監控進行全面檢討；

# Corporate Governance Report

## 企業管治報告

- iii. examine and investigate business ethics, conflicts of interest and other company policy violations; and
- iv. report results of review to the senior management and make recommendation where appropriate.

### Risks Management Policy

The internal controls are aimed at assisting the Board in promoting sound risk management and good corporate governance through assessing the design and effectiveness of controls on key business processes and identifying risks in the overall risk framework of the Group. The risks management policy of the Group comprises financial risks and operation risks.

Financial risks included liquidity risk, funding risk, currency risk, interest rate risk, etc. Analysis reports appraising expected risks of investment are prepared by the management for the Board's consideration and approval. Analysis included cost and benefit assessment and financial assessment of proposed projects.

Significant operational risks were identified and evaluated by the Group during the year. The management and the Audit Committee reviews these controls, evaluates their adequacy, effectiveness and compliance.

The Audit Committee also engaged KPMG, at least once a year, to provide an independent review of certain internal controls relating to operational and information control systems of the Group. KPMG formulated a review plan which is approved by the Audit Committee. The review in 2004 related to the Group's internal control systems over the inter-company and related party transactions.

### 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. Comparison between the of operations results and budgets are reviewed regularly.

- 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. 向高級管理層提交評審結果及提出建議（如適用）。

### 風險管理政策

內部監控旨在透過對本集團整體風險框架內主要業務程序及所確認風險進行監控設計及效用評估，協助董事會推廣穩健風險管理及良好企業管治。本集團之風險管理政策涵蓋財政風險及營運風險。

財政風險包括流動資金風險、融資風險、貨幣風險、利率風險等。衡量預期投資風險之分析報告由管理人員編製，以供董事會省覽及批准。分析包括建議項目之成本和利益評估及財務評估。

年內本集團確認及評估了重大之營運風險。管理層及審核委員會負責檢討該等監控措施，衡量其是否充分、有效及獲得遵守。

審核委員會亦至少每年一次委聘畢馬威會計師事務所對本集團若干內部監控，包括營運、本集團之資訊及監控系統進行獨立審閱。畢馬威會計師事務所已制訂了一個已獲審核委員會批准之檢討計劃。於二零零四年本集團公司間及關連人士之交易進行內部監控系統的檢討。

### 財政紀律及申報

預算案每年制訂一次，對主要資本開支及經常性開支之評審、檢討及審批已有既定之程序。偏離已批核之預算範圍及估計之重大開支計劃，須交由董事會決定，亦會定期審閱經營業績與預算之比較。

## GUIDELINES AND CONDUCT

The Directors have a duty and responsibility to act honestly and, with due diligence and care, discharge their duties as Directors and participate in the decision and policy-making processes of the Company. Every Director during the year received a revised "Memorandum on the Duties and Responsibilities of a Director of a Company listed on GEM" prepared by the Group's external lawyers setting out guidelines on statutory and regulatory requirements.

As regards to the code of conduct, a set of guidelines has been published and is updated from time to time to provide guidance on matters such as employee dealings, ethics and handling the price sensitive information, etc. to the senior management and the employees of the Company.

The Company has also adopted the Recommended Best Practice to check, on periodical basis, the Directorships held by the Directors outside the Group.

## EXTERNAL AUDITORS

Apart from the provision of annual audit services, the Group's external auditors also carried out the review of certain internal controls of the Group, quarterly reviews of the Group's results and provided taxation compliance services.

During the year, KPMG, the external auditors provided the following non-audit services to the Group:-

	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Taxation compliance service	稅項遵守服務	—
Other advisory services	其他諮詢服務	17
	337	200

## COMMUNITY RESPONSIBILITY

Social responsibility has been an essential component of the Group's business philosophy. In 2004, we continued to heed and honor our responsibility as a good corporate citizen. We regularly sponsored charitable advertisements in Beijing, Chongqing and Chengdu, reinforcing the company's culture that emphasizes social responsibility.

The Group also provided financial aid to the "Hope Project", a charitable organization in Mainland China to help children in poverty-stricken areas in Mainland China to receive education.

## 指引及操守

董事有職責及責任以誠實、盡責及審慎態度履行董事職責，以及參與本公司之決策及政策制訂。每位董事於年內亦接獲一份由本集團外聘律師編撰之經修訂《創業板上市公司董事職責及責任大綱》，其中訂明法定及監管規定之指引。

操守守則方面，本公司已向僱員發出一份指引，並不時作出更新，為本公司高級管理層及僱員就僱員買賣、道德及處理股價敏感資料等事項提供指引。

本公司亦已採納《建議最佳常規》定期查核董事於本集團以外擔任之董事職務。

## 外聘核數師

除提供每年核數服務外，本集團之外聘核數師亦檢討本集團之若干內部監控，及每季審閱本集團之業績及提供稅項遵守服務。

年內，本集團之外聘核數師畢馬威會計師事務所為本集團提供以下非核數服務：—

## 社會責任

社會責任為本集團業務宗旨之要素。於二零零四年，吾等繼續謹守及履行作為良好企業公民之責任。吾等於本年度經常在北京、重慶及成都贊助公益廣告，藉此加強重視社會責任之公司文化。

本集團亦為中國內地之慈善組織「希望工程」(Hope Project) 提供資助，協助中國內地貧困地區之兒童接受教育。

# Corporate Governance Report

## 企業管治報告

“ The Group committed to actively participating in community programs and charitable activities. We have sponsored advertising spaces for various charitable organizations reflecting our commitment as a responsible corporate citizen and its care and concern for the communities within which the Group operates.

本集團一向積極參與社區計劃及公益活動，並資助多間慈善機構之廣告位，關心社會，服務社群。”



The Group also made donations to the Overseas Returnee Glory Affairs Committee of Shanghai Xu Hui district. The donations were used to provide financial aids to 700 early returnees who lived in the country side and need for financial support.

本集團亦捐助予上海徐匯區之「海外回國人士光榮事務委員會」(Overseas Returnee Glory Affairs Committee)。該等款項提供財政援助予七百位外地居住並需要財政援助之提早回國人士。

The Group supported victims of the South and East Asia Tsunami Catastrophes through donating to the Hong Kong Red Cross.

本集團亦透過向香港紅十字會捐款，支援南亞及東亞海嘯災難之災民。

The Group was also honoured as a Caring Corporation by the Hong Kong Council of Social Service in December, 2004. The Group sees the need to take good care of its staff and serve the community when the opportunity arises. The “Caring Company” Scheme, in its third year, encourages individuals and companies to engage in social services, such as working with social service organizations to build a more cohesive and caring society. The Group pledges to continue to contribute to the betterment of the Hong Kong community.

本集團於二零零四年十二月亦獲香港社會服務聯會選為「商界展關懷公司」。本集團察覺到員工及社會乃公司成長之關鍵，因而積極爭取機會關心員工及服務社區。「商界展關懷」計劃已踏入第三年，旨在鼓勵個人及公司參與社會服務，例如跟社會服務組織合作建立更具凝聚力之社會及關懷社區之精神。本集團承諾繼續為改善香港社區而作出貢獻。

## ENVIRONMENT

To minimize any adverse impact on the environment, the Group is committed to conducting its business in a manner that promotes sustainable use of natural resources. In addition to pursuing environmental protection measures internally, the Group also encourages staff to use recycle paper and use electronic means for communication where possible. In addition, the Group also used energy saving equipment to achieve energy savings. The Group also published its press releases and internal notices through internet to minimize paper consumption.

## 環境

為盡量減少對環境造成破壞，本集團致力推廣持續使用自然資源作為業務營運之方式。除於內部積極採取環保措施外，本集團亦鼓勵員工善用再造紙張及以電子方式聯絡(如可以)。本集團亦採用其節能設備之儀器達到節約能源的果效，本集團亦透過互聯網刊登其新聞稿及內部通告，以減少紙張消耗。



## INVESTOR RELATIONS

To enhance its transparency, the Company encourages dialogue with institutional investors and analysts. Extensive information about the Company's activities is provided in its Quarterly, Interim and Annual Reports, which are sent to shareholders, analysts and interested parties. The Company also maintains regular communication with the media. The Company's news releases, announcements and publications are circulated timely to all major news media. The same materials are also available on the GEM website and the Company's website. Media briefings are organized from time to time to relay details of the Group's latest business initiatives and market development plans.

Regular meetings are also held with institutional investors and analysts to disseminate financial and other information related to the Group and its business. These activities keep the public aware of the Group's activities and foster effective communication.

The Group was added to the Standard & Poor's/HKEX index in January 2004

During 2004, the following shareholders' meetings were held by the Company:–

Date 日期	Venue 地點	Type of Meeting 會議類別	Particulars 詳情	Voting at the Meeting 會議上投票之方式
30 April 2004  二零零四年 四月三十日	22nd Floor, Hang Lung Centre, 2-20 Paterson Street, Causeway Bay, Hong Kong  香港銅鑼灣百德新街2-20號恒隆中心22樓	Annual General Meeting  股東週年大會	To transact ordinary business at an annual general meeting and to approve the amendments to articles of association  於股東週年大會商議普通事項及批准公司組織章程之修訂。	By show hands and by poll votes  舉手及投票方式
13 December 2004  二零零四年 十二月十三日	22nd Floor, Hang Lung Centre, 2-20 Paterson Street, Causeway Bay, Hong Kong  香港銅鑼灣百德新街2-20號恒隆中心22樓	Extraordinary General Meeting  股東特別大會	i. To approve the increase of authorized share capital ii. To approve the issuance of a convertible bond iii. To approve the annual cap in respect of an advertising agency agreement (connected transaction)  i. 批准增加法定股本； ii. 批准有關發行可換股債券之關連交易； iii. 批准有關廣告代理之年度金額上限（關連交易）	By poll votes  By poll votes  By poll votes  投票方式 投票方式 投票方式

## 投資者關係

為增加透明度，本公司鼓勵與機構投資者及分析員作雙向溝通。本公司向股東、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。本公司亦經常與傳媒保持聯絡，而本公司之新聞稿、公佈及公開資料亦即時發佈予各主要新聞傳媒。相同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市場發展計劃。

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。該等活動讓大眾明瞭本集團之業務及促進有效溝通。

本集團於二零零四年一月被納入標普/港交所指數

於二零零四年，本公司召開之股東大會如下：—

# Corporate Governance Report

## 企業管治報告

### Financial Calendar

### 財經日誌

Event 事項	Proposed Date 建議日期
Announcement of 2004 annual results 公佈二零零四年年度業績	15 March 2005 二零零五年三月十五日
Annual General Meeting 股東週年大會	29 April 2005 二零零五年四月二十九日
Announcement of first quarter results 公佈第一季度業績	mid May 2005 二零零五年五月中
Announcement of second quarter results 公佈第二季度業績	mid August 2005 二零零五年八月中
Announcement of third quarter results 公佈第三季度業績	mid November 2005 二零零五年十一月中

### CHANGE TO MEMORANDUM AND ARTICLES OF ASSOCIATION

To align with changes of the GEM Listing Rules, the Memorandum and Articles of Association were amended accordingly and approved by shareholders at 2004 Annual General Meeting held on 30 April 2004. The relevant amendments of the changes of the Memorandum and Articles of Association can be found on the GEM website and the Company's website.

### 更改公司組織章程大綱及章程細則

為符合創業板上市規則之改動，公司組織章程大綱及章程細則相應作出修訂，並於二零零四年四月三十日舉行之二零零四年度股東週年大會上獲股東批准。公司組織章程大綱及章程細則改動之有關修訂可於創業板網站及本公司網站內找到。

### CAPITAL STRUCTURE AND SHAREHOLDER BASE

As at 31 December 2004, the market capitalization of the Company was HK\$329 million and 853,800,000 shares were in issue, each with a par value of HK\$0.10. The following table summarises the existing shareholding structure of the Company:-

### 資本結構及股東基礎

於二零零四年十二月三十一日，本公司之市值為329,000,000港元，並已發行853,800,000股股份，每股面值0.10港元。下表概述本公司現有股權架構：—

By Category	No. of Shares	% of issued share capital of the Company
按類別	股份數目	本公司已發行股本百分比
Majority Shareholder	626,550,000	73.38%
Director	12,800,000	1.5%
Public Shareholders	214,450,000	25.12%
Total	853,800,000	100%

## CORPORATE GOVERNANCE DISCLOSURE AWARD FROM THE HONG KONG INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

The Company was pleased to have received a Diamond Award (GEM Category) in the Best Corporate Governance Disclosure Awards from the Hong Kong Institute of Certified Public Accountants in 2004. Previously, the Group received a Special Mention Award in the Non-Hang Seng Index Category of the same Award in 2003.

Commendations of the Judges on the Company's 2003 Annual Report were as follows:-

- i. The overall presentation of results and analyses is clear, straightforward and interesting to read. Especially interesting are the comparisons of stated plans and goals with current progress.
- ii. The annual report contains a separate corporate governance statement with a good summary table of the latest corporate governance requirements and best practices and how the group has measured up to and implemented them. The inclusion of a statement to uphold compliance with the new requirements of GEM Listing Rules, information on the various board committees established and a statement on internal controls, all demonstrate the importance placed by the company on good corporate governance.
- iii. The Judges were also impressed by the detailed disclosure of the background of the Directors and voluntary disclosure on a named basis of the emoluments of individual Directors. This information is disclosed in a clear table format, which gives useful information on the breakdown of the nature of the emoluments.
- iv. The annual report of the Company would set a useful benchmark against which other companies in this category could measure themselves in the future.

## 香港會計師公會頒發 之最佳企業管治披露大獎

本公司於二零零四年欣然獲香港會計師公會頒發最佳企業管治披露大獎鑽石大獎(創業板類別)。在此之前，本集團於二零零三年同一項大獎中獲頒非恒生指數類別之特別嘉許獎。

評審者對本公司二零零三年年報之評語如下：—

- i. 業績及分析整體上條理分明、簡單直接，且內容趣味盎然。當中以既定規劃及目標比較目前進度特別具可讀性。
- ii. 年報包括一份獨立之企業管治陳述，當中以表列出最新企業管治規定及最佳常規以及本集團如何致力符合及執行該等規定及常規之概要。本公司在年報內加入遵守創業板上市規則新規定之陳述、不同董事委員會之資料及有關內部監控之陳述，均反映其極為重視良好之企業管治。
- iii. 評審者亦對董事背景之詳盡披露及自願具名列載個別董事酬金之做法留有深刻印象。該等資料以表列方式作清晰披露，對酬金性質之分類提供有用之資料。
- iv. 本公司之年報可作為其他同類型公司之基準，用作日後評估之用。

“ MPI is the first Diamond Award Winner in the GEM Category.

媒體伯樂是首家創業板公司榮獲鑽石大獎之得獎公司。”



# Corporate Governance Report

## 企業管治報告

### CODE ON CORPORATE GOVERNANCE PRACTICES

The Hong Kong Stock Exchange introduced a “Code on Corporate Governance Practices” on 1 January 2005. The Board noted the changes and will apply them to the Company (as applicable).

The Group believes it has adopted and complied with most of the Code on Corporate Governance Practices in Appendix 15 of the GEM Listing Rules and will consider the necessary actions.

### CORPORATE GOVERNANCE BEST PRACTICES

The following table summarizes the Company's compliance with latest major changes to the Corporate Governance Practices and Corporate Governance Report introduced by the Stock Exchange, effective 1 January 2005:–

### 企業管治常規守則

香港聯交所於二零零五年一月一日引入《企業管治常規守則》。董事會注意到其帶來之變動，並會將有關變動應用至本公司。

本集團相信其已大致上採納及遵守創業板上市規則附錄十五《企業管治常規守則》，並將採取一切所需行動以遵守新規定。

### 企業管治最佳常規

下表概述本公司對聯交所引入之企業管治常規及企業管治報告之最新主要變動、(於二零零五年一月一日起生效)的遵守情況：–

Amended GEM Listing Rules (effective on 1 January 2005) 經修訂創業板上市規則(於二零零五年一月一日起生效)	Compliance with the Code 已遵守之常規	Explanatory Notes 註釋
<b>Corporate Governance Report (Mandatory Disclosure Requirements)</b> 企業管治報告(強制披露要求) (Appendix 16 of GEM Listing Rules) (創業板上市規則附錄十六)		
<b>(a) Corporate governance practices</b> 企業管治常規		
Narrative statement of how the Company has applied the principles in the Code 陳述說明本公司如何應用《守則》列載之原則	✓	
A statement as to whether the listed issuer meets the Code 說明上市發行人是否遵守《守則》	✓	
Any deviation from the code provisions set out in the Code 偏離《守則》所載之守則條文	✓	
<b>(b) Directors' securities transactions</b> 董事之證券交易		
the Company has adopted a code of conduct regarding Directors' securities transactions 本公司已就董事進行證券交易採納一套行為準則	✓	
the Directors of the Company have complied with the Code 本公司董事已遵守《守則》	✓	
an explanation of the remedial steps taken by the Company to address such non-compliance provisions set out in the Code 闡釋本公司就不遵守《守則》所載條文採取之任何補救步驟	N/A 不適用	
<b>(c) Board of Directors</b> 董事會		
composition of the board 董事會之組成	✓	
number of board meetings held during the financial year 在財政年度內舉行董事會會議之次數	✓	
individual attendance of each Directors on a named basis at the board meeting 具名列載每名董事於董事會會議之出席率	✓	
a statement of how the board operates 陳述董事會如何運作	✓	
reasons why the Company considers an independent non-executive director to be independent 解釋為何本公司認同獨立非執行董事之獨立性	✓	
relationship, if any, among members of the board 董事會成員之間存有之任何關係(如有)	✓	

Amended GEM Listing Rules (effective on 1 January 2005) 經修訂之創業板上規規則(於二零零五年一月一日起生效)	Compliance with the Code 已遵守之常規	Explanatory Notes 註釋
<b>Corporate Governance Report (Mandatory Disclosure Requirements)</b> 企業管治報告(強制披露要求) (Appendix 16 of GEM Listing Rules) (創業板上規規則附錄十六)		
<b>(d) Chairman and CEO</b> 主席及行政總裁		
identity of the chairman and CEO 主席及行政總裁之身份	✓	
the role of the chairman and CEO are segregated 主席及行政總裁之角色是分開的	✓	
<b>(e) Non-executive Directors</b> 非執行董事		
the term of appointment of non-executive Directors 非執行董事之任期	✓	
<b>(f) Remuneration Committee</b> (Compensation Committee) 薪酬委員會(酬金委員會)		
the role and function of the remuneration committee (if any) or the reason(s) for not having a remuneration committee 薪酬委員會(如有)之角色及職能, 或沒有設立薪酬委員會之原因	✓	The Remuneration Committee is equivalent to the Compensation Committee. Currently, the Company is restructuring the composition of the Committee and the terms of reference in order to comply with the Code provision as set out in GEM Listing Rules. 薪酬委員會即是酬金委員會。為遵照創業板上規規則所載之守則條文, 本公司目前正重組委員會及職能。
the composition of the remuneration committee (majority of independent non-executive Directors) 薪酬委員會之組成(以獨立非執行董事為主)	Please see explanatory note 請參閱註釋	
the number of meetings held by the remuneration committee or the board of Directors 薪酬委員會或董事會舉行會議之次數	✓	
a summary of work done by the remuneration committee during the year 薪酬委員會年內之工作摘要	✓	
	✓	
<b>(g) Nomination of Directors</b> 董事提名		
the role and function of the nomination committee (if any) 提名委員會(如有)之角色及職能	N/A 不適用	The establishment of a nomination committee is not considered necessary for the time being as a new director will be appointed unanimously by the Board members. For the procedures and criteria, please refer to section heading "Nomination of Directors". 由於將予被委任之新董事須獲董事會各成員一致批准, 故目前無需成立提名委員會。有關程序和準則請參閱「董事提名」一節。
the composition of the nomination committee (majority of independent non-executive Directors) 提名委員會之組成(主要為獨立非執行董事)	N/A 不適用	
the nomination procedures and the process and criteria adopted by the nomination committee or the board of Directors (if there is no nomination committee) 由提名委員會或董事會(如沒有設立提名委員會)於年內採用之提名程序及處理過程	✓	
the number of meetings held by the nomination committee or the board of Directors (if there is no Nomination Committee) 提名委員會或董事會(如沒有設立提名委員會)舉行會議之次數	✓	
a summary of work done by the nomination committee or the board of Directors during the year 提名委員會或董事會於年內之工作摘要	✓	
	✓	
	✓	
<b>(h) Auditors' Remuneration</b> 核數師酬金		
an analysis of remuneration in respect of auditors, non-audit services provided by the auditors 有關核數師提供核數及非核數服務所得酬金之分析	✓	
<b>(i) Audit Committee</b> 審核委員會		
the role, function and composition of the committee members 委員會成員之角色、職能及組成	✓	
the number of audit committee meetings held during the year and record of individual attendance 年內審核委員會舉行會議之次數及個別成員之出席率	✓	
a report on the work performed by the audit committee during the year 審核委員會年內之工作報告	✓	
details of non-compliance 未能遵守(如有)之詳情	N/A 不適用	

# Corporate Governance Report

## 企業管治報告

Amended GEM Listing Rules (effective on 1 January 2005) 經修訂之創業板上市規則 (於二零零五年一月一日起生效)	Compliance with the Code 已遵守之常規	Explanatory Notes 註釋
<b>Corporate Governance Report</b> (Recommended Disclosure Requirements) 企業管治報告 (建議披露要求) (Appendix 16 of GEM Listing Rules) (創業板上市規則附錄十六)		
<b>(a) Share interests of senior management</b> 高層管理層之股份權益		
the number of shares held by senior management as disclosed in annual report 於年報披露之高級管理層之持股量	✓	
<b>(b) Remuneration of senior management</b> 高級管理層酬金		
disclose details of any remuneration payable to members of senior management, on an individual and named basis in the annual reports and accounts. 於年報及賬目個別及具名披露應付高級管理層之酬金詳情	✓	As it is sensitive to disclose the remuneration of senior management on a individual name basis, the Company discloses the remuneration of top 5 senior management 由於披露每位高級管理層之薪酬過於敏感，故本公司披露五位最高薪高級管理層之薪酬範圍。
<b>(c) Shareholders' rights</b> 股東權利		
the way for shareholders to convene an extraordinary general meeting 股東召開股東特別大會之方式	✓	
the procedures by which enquiries may be put to the board 股東可向董事會提出查詢之程序	✓	
the procedures for putting forward proposals at shareholders' meetings with sufficient contact details 在股東大會提出建議之程序以及充足之聯絡資料	✓	
<b>(d) Investor Relations</b> 投資者關係		
Any significant changes in the Company's articles of association during the year 年內本公司組織章程細則之任何重大變動	✓	
Details of shareholders by type and aggregate shareholdings 股東類別之詳情及總持股量	✓	
Details of the last shareholders, meeting including the time and venue, major items discussed and particulars as to voting 上一次股東會議之詳情，包括會議時間及地點、會上討論之主要事項以及有關表決之詳情	✓	
Indications of important dates in the coming financial year to shareholders 應屆財政年度之股東重要事項日誌	✓	
Public float capitalization as at the end of the year 有關年度結束時之公眾持股市值	✓	
<b>(e) Internal controls</b> 內部監控		
an explanation of how the system of internal control is defined 闡釋如何釐定內部監控系統	✓	
procedures and internal controls for the handling and dissemination of price sensitive information by the Company 本公司處理及發佈股價敏感資料之程序及內部監控措施	✓	
how often internal controls are reviewed 檢討內部監控之頻次	✓	
the period the review covers 檢討所涵蓋之期間	✓	
significant views or proposals put forward by the audit committee 審核委員會提出的任何重要意見或建議	✓	
a narrative statement of how the Company has complied with the code provisions on internal control during the report period 就本公司如何在報告期內遵守有關內部監控守則條文之敘述聲明	✓	
<b>(f) Management functions</b> 管理功能		
the division of responsibility between the board and management 董事會與管理層間之責任分工	✓	

# Directors and Senior Management

## 董事及高級管理層

### NON-EXECUTIVE DIRECTOR

#### Mr. Gerald Lokchung CHAN

*Chairman – Age: 54*

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 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.

### EXECUTIVE DIRECTORS

#### Mr. George Ka Ki CHANG

*Vice Chairman – Age: 52*

Mr. Chang joined the MPI Group in 1995 and was appointed a Director in June 2001. Mr. Chang plays a pivotal role in advising the MPI Group on its strategic and corporate development. Mr. Chang started 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 Institute of Certified Public Accountants.

#### Ms. Winnie Pik Shan TO

*Chief Executive Officer – Age: 52*

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 18 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

*Executive Director – Age: 56*

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 prominent names such 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 up to become 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.

### 非執行董事

#### 陳樂宗先生

*主席，54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。

### 執行董事

#### 張家騏先生

*副主席，52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及香港會計師公會的會員。

#### 杜碧珊女士

*行政總裁，52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日獲委任為董事。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卡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十八年，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

*執行董事，56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。

# Directors and Senior Management

## 董事及高級管理層

### INDEPENDENT NON-EXECUTIVE DIRECTORS

#### Mr. Philip Tit Hon HUNG

*Independent non-executive Director – Age: 57*

Mr. Hung was appointed as an independent non-executive Director of the Company in May 2004. Mr. Hung has been involved in and held senior management positions within the global fast moving consumer goods industry for over 26 years. Mr. Hung was the President, Asia Pacific Group of the Gillette Company until 2001. Within the 26 working years with Gillette, Mr. Hung took up assignments in Singapore, Australia, Japan, Taiwan, China, Hong Kong, Germany and its Headquarters in Boston, U.S.A. Mr. Hung pioneered the development of Gillette's China business in the very early 80's, including the setting up of multiple business ventures there. Mr. Hung expanded the Braun International business during his tenure of Executive Director of Braun International and President of Braun North America. Mr. Hung was also responsible for product development and business acquisitions in the Gillette Company. Mr. Hung holds a Bachelor of Business Administration degree from the University of Hawaii and a Master of Arts degree from the School of Advanced International Studies of Johns Hopkins University in Washington DC/Bologna, Italy.

#### Mr. Meocre Kwok Wing Li

*Independent non-executive Director – Age: 49*

Mr. Li was appointed 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 in Hong Kong and PRC. 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 member of the Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants, United Kingdom.

#### Mr. Paul Laurence SAFFO

*Independent non-executive Director – Age: 50*

Mr. Saffo was appointed an independent non-executive Director of the Company in July 2001. Mr. Saffo 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 PAXIT, PAXFAN and the Long Now Foundation. Mr. Saffo holds degrees from the Harvard College, Cambridge University and Stanford University.

### 獨立非執行董事

#### 洪鐵漢先生

*獨立非執行董事，57歲*

洪先生於二零零四年五月獲委任為本公司獨立非執行董事。洪先生曾參與及多次擔任全球高消費增長行業的高級管理層成員逾二十六年。洪先生為吉列公司亞太區總裁直至二零零一年。洪先生曾任職於新加坡、澳洲、日本、台灣、中國、香港、德國及美國波士頓吉列總部達二十六年。於八十年代初期，洪先生從事開拓及發展吉列之中國業務，包括成立多種商業投資的項目。洪先生在擔任博朗國際的執行董事及北美博朗的總裁期間，將博朗國際的業務擴展。洪先生於吉列公司亦負責產品發展及業務收購。洪先生持有美國夏威夷大學商業管理學士學位及美國華盛頓首府約翰霍金斯大學的國際學研究院(意大利波洛尼亞分校)文科碩士學位。

#### 李國榮先生

*獨立非執行董事，49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香港及中國的主管合夥人。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。

#### Paul Laurence SAFFO先生

*獨立非執行董事，50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，為廣泛的國際客戶就新興資訊科技對商業及社會的長遠影響提供建議。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、PAXIT, PAXFAN及Long Now Foundation委員會等。Saffo先生持有由多個由Harvard College、劍橋大學及史丹福大學頒授之學位。



## SENIOR MANAGEMENT

### Mr. Stephen Cheuk Kin LAW

*Chief Financial Officer and Company Secretary – Age: 42*

Mr. Law was appointed by the Company in July 2001. He has over 20 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 an international 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 Institute of Certified Public Accountants and a Certified Public Accountant (Practising) in Hong Kong.

### Ms. Nora Wing Chung Li

*Vice President of Metro Division – Age: 47*

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 Group's Metro Division's overall business. 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. Min ZHANG

*Vice President of Bus Division – Age: 36*

Mr. Zhang joined the MPI Group in December 2002. Mr. Zhang is now responsible for the Group's Bus Division. 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.

## 高級管理層

### 羅卓堅先生

*財務總裁及公司秘書，42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。羅先生累積超過二十年會計、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一間國際性會計師行，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執業會計師。

### 李穎中女士

*軌道交通系統副總裁，47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。李女士目前負責本集團之軌道交通系統的整體業務。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。

### 張敏先生

*公交系統副總裁，36歲*

張先生於二零零二年十二月加入媒體伯樂集團，目前負責本集團公交系統業務。在加入本集團之前，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。

## Directors and Senior Management

### 董事及高級管理層

#### Mr. Danny Zi Lin YANG

*Vice President of Finance – Age: 41*

Mr. Yang joined the MPI Group in January 1999. Mr. Yang is responsible for overseeing the finance, accounting and MIS functions of the MPI Group's Mainland China 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. Marcus Kwok Wing MA

*Vice President of Media Development – Age: 55*

Mr. Ma joined the MPI Group in July 1996, in charge of media development operations for the MPI Group in the Mainland China. Mr. Ma has over 30 years of experience in the advertising industry and over 16 years of experience in the Mainland China. 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.

#### Ms. Daisy Wei Wu REN

*Vice President of Human Resources and Administration – Age: 38*

Ms. Ren joined the MPI Group in January 2003. Ms. Ren is responsible for the company's human resources, administration and IT 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: 37*

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 at 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 the United Kingdom and the Hong Kong Institute of Certified Public Accountants.

#### 楊自林先生

*財務副總裁，41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內地業務之財務、會計以及信息系統等事宜。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。

#### 馬國榮先生

*媒體拓展副總裁，55歲*

馬先生於一九九六年七月加入媒體伯樂集團，統管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，並在中國內地積累超過十六年經驗。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 集團正式成立前，馬先生已經為其工作，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。

#### 任瑋吾女士

*人力資源及行政副總裁，38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、行政和資訊科技工作。在加入媒體伯樂集團之前，任女士是上海德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，37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。

# Report of Directors

## 董事會報告

The Directors have pleasure in submitting their annual report together with the audited financial statements of the Company for the year ended 31 December 2004.

### 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 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 Company and its subsidiaries are set out in note 13 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:

		Percentage of the Group's total 佔本集團總額百分比 %
The largest customer	最大客戶	2.45
Five largest customers in aggregate	五大客戶合計	7.46
The largest supplier	最大供應商	5.54
Five largest suppliers in aggregate	五大供應商合計	22.05

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.

### Financial statements

The profit of the Group for the year ended 31 December 2004 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 109 to 183.

The Directors of the Company do not recommend the payment of a dividend for the year ended 31 December 2004.

董事欣然提呈本公司截至二零零四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13。

### 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：

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

### 財務報表

本集團截至二零零四年十二月三十一日止年度之溢利及本公司與本集團於該日之狀況載於財務報表第109至183頁。

本公司董事並不建議派付截至二零零四年十二月三十一日止年度之股息。

# Report of Directors

## 董事會報告

### Fixed assets

Details of the movements in fixed assets of the Group during the year are set out in note 12 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.

### Charitable Donations

Charitable donations made by the Group in 2004 amount to HK\$15,000 (2003: Nil).

### Convertible Bond

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

### 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  
Tony Cheung Kin AU-YEUNG

#### *Non-executive director*

Gerald Lokchung CHAN

#### *Independent non-executive directors*

Philip Tit Hon HUNG (appointed on 1 May 2004)  
Meocre Kwok Wing LI  
Paul Laurence SAFFO  
Lawrence Juen Yee LAU (retired on 30 April 2004)

### 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12。

### 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」一節內。

### 儲備

本集團於年內之儲備變動詳情載於財務報表附註35。

### 慈善捐款

本集團於二零零四年所作之慈善捐款為15,000港元(二零零三年：無)。

### 可換股債券

可換股債券之詳情載於財務報表附註31。

### 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*

洪鐵漢(於二零零四年五月一日委任)  
李國榮  
Paul Laurence SAFFO  
劉遵義(於二零零四年四月三十日退任)

In accordance with Article 87 of the Company's Articles of Association, Mr. Philip Tit Hon Hung and Mr. Meocre Kwok Wing Li will retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

### Remuneration Policy

The remuneration of the Executive Directors and senior management is set on a basis taking into the responsibilities involved, market rates, the financial performance criteria and each individual's contribution. Bonuses are determined based on the individual performance and the Group's profitability. No directors is involved in deciding his own remuneration.

Details of the remuneration policy for the Directors and senior management of the Group are set out in Corporate Governance Report under the heading "Remuneration Policy".

### 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 for the year ended 31 December 2004 are set out in notes 4(b) and 29 to the financial statements.

根據本公司組織章程細則第87條，洪鐵漢先生及李國榮先生將於即將召開的股東週年大會上輪值告退。惟願膺選連任。

### 薪酬政策

執行董事及高級管理層的薪酬，按其承擔的責任、市場酬金、財務表現基準以及各自的貢獻而釐訂。花紅乃根據個人表現及本集團之盈利而釐訂。董事概無參與有關本身酬金的決定。

董事及本公司高級管理層的薪酬政策詳情，載於企業管治報告內之「薪酬政策」一節中。

### 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二零零四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(b)及29。

# Report of Directors

## 董事會報告

### Disclosure of Directors' interests in shares

As at 31 December 2004, 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 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:-

#### (1) Long positions in the shares of the Company

Name of Director	Capacity	Number of Ordinary Shares				Total	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		
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%

### 董事之證券權益披露

於二零零四年十二月三十一日，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(以下簡稱「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5.46至5.67條之規定知會本公司及聯交所的權益或淡倉如下：

#### (1) 於本公司股份之好倉

(2) Long positions 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:-

(2) 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：

Name of Director	Date of grant	Subscription price per share	Aggregate long position in underlying shares of the Company 於本公司相關股份之好倉總額	Approximate percentage of shares in issue 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 August 2002	HK\$0.62	8,538,000 (Notes)	1%
杜碧珊			(附註)	

Notes:

1. The above interest constitutes a long position of the Director in a physically settled equity derivative for the purposes of the SFO.
2. As at 1 January 2004 (being the beginning of the Company's current financial year) and 31 December 2004 (being the financial year end), the outstanding options held by Ms Winnie Pik Shan To under the Company's Share Option Scheme were 8,538,000 shares. 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 may be exercised from 14 August 2003 to 13 August 2012 at an exercise price of HK\$0.62 per share.

附註：

1. 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。
2. 於二零零四年一月一日(即本公司本財政年度開始時)及於二零零四年十二月三十一日(即本財政年度結束時)，根據購股權計劃，杜碧珊女士尚未行使的購股權為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。

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(3) Aggregate long position in the shares and underlying shares of the Company.

(3) 於本公司股份及相關股份之好倉總額

Name of Director	Aggregate number in shares	Aggregate number in 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 and as at 31 December 2004, none of the Directors or chief executive or their respective associate 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 5.46 to 5.67 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，於二零零四年十二月三十一日，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5.46條至5.67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 summarised 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是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上述(a)段所述全權認為對本集團有貢獻之任何本集團任何僱員、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%。

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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 the 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.

(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 an option within 28 days from the date of offer.

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計劃授權上限內。

(d) *個別參與者可獲授予之上限*

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) *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) *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 shall be 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.

**II. Share option**

As at 31 December 2004, the Directors, employees of the Group including its jointly controlled entities and certain participants had been granted options to subscribe for shares of the Company (market value per share at 31 December 2004 is HK\$0.385). Each option

(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內。

**II. 購股權**

於二零零四年十二月三十一日，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（股份於二零零四年十二月三十一日之市價為每股

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gives the holder the right to subscribe for one share of the Company, details of which as at 31 December 2004 are as follows:-

0.385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。有關購股權於二零零四年十二月三十一日之詳情如下：

Type of Grantee	Date of grant	Subscription price per share	Balance as at 1 January 2004 於二零零四年一月一日尚未行使之購股權數目	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	Balance as at 31 December 2004 於二零零四年十二月三十一日尚未行使之購股權數目	Option period 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	5,700,000	-	-	350,000 (Note 2) (附註2)	5,350,000	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	-	-	140,000 (Note 2) (附註2)	1,560,000	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))
Total							15,448,000	

### Notes:

- The number of shares subject to the option shall vest in four equal annual installments.

The timing of vesting of options at HK\$0.62 per share is as follows:-

- The options will vest in four equal annual installment 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 vesting on each of the next three succeeding anniversary dates.

### 附註：

- 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：

- 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。

- |  |   |
|--|---|
| <p>(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.</p>   | <p>(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。</p>               |
| <p>(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.</p> | <p>(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。</p> |
| <p>2. During the year, an aggregate of 490,000 options lapsed upon the participant ceasing to be qualified under the Scheme (e.g. the termination of the relevant employees' employment with the Group.)</p>   | <p>2. 年內合共有490,000份購股權因有關參與者不再符合本購股權計劃（例如：有關僱員與本集團之僱傭關係終止）。</p>   |
| <p>3. At 31 December 2004, the number of shares of the Company available for issue under the Scheme in respect thereof was 85,380,000 shares.</p>  | <p>3. 於二零零四年十二月三十一日，本公司根據購股權計劃可發行85,380,000股股份。</p>   |
| <p>4. No theoretical value of share options is disclosed as no options were granted during the year.</p>   | <p>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。</p>  |

# Report of Directors

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### Substantial shareholders

As at 31 December 2004, 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, together with particulars of any options in respect of such capital:-

### 主要股東

於二零零四年十二月三十一日，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 2004 於二零零四年十二月三十一日 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\$0.50 per share. When fully converted, a total of 170,000,000 shares in the Company will be issued 85,000,000港元可換股債券，可按每股0.50港元轉換為股份。當可換股債券悉數行使，可轉換為本公司合共170,000,000股股份	19.91%
Verrall Limited via MSCV (note b)	Same as MSCV	Same as MSCV
Verrall Limited 透過 MSCV (附註b)	如MSCV	如MSCV
Mdm Chan Tan Ching Fen (note c)	Same as MSCV	Same as MSCV
陳譚慶芬女士(附註c)	如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.

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。

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 2004, 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.

## Sponsor's interest

As at 31 December 2004, 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 received a fee for acting as the Company's sponsor for the period from 31 January 2002 to 31 December 2004.

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，於二零零四年十二月三十一日，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。

## 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。

## 保薦人之權益

於二零零四年十二月三十一日，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，保薦人已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收取費用。

# Report of Directors

## 董事會報告

### 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, either directly or indirectly in which a Director of the Company had a material interest, either directly or indirectly subsisted at the end of the year or at any time during the year.

### Significant contract

On 13 October 2004 the Company entered into a Convertible Bond Agreement with MSCV whereas the Company issued a new Convertible Bond of HK\$85.0 million to MSCV on 31 December 2004 to replace the old Convertible Bond. The coupon rate of the new convertible bond is zero with a redemption premium of 3% on maturity and the conversion price is HK\$0.5 per share. This transaction has been approved in the extraordinary general meeting held on 13 December 2004.

Details of significant related party transactions and continuing connected transactions entered between the Company or one of each subsidiary and a controlling shareholder or any of its subsidiary are set out in note 37 to the financial statement.

Save as disclosed above, there was no contract significance between the Company or its subsidiaries and a controlling shareholder or any of its subsidiaries subsisting during or at the end of the year. Furthermore, there was no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

### Directors' service contracts

#### *Executive Directors*

Mr. George Ka Ki Chang, Mr. Tony Cheung Kin Au-Yeung and Ms. Winnie Pik Shan To, have each entered into a Director's service contract with the Group for an initial period of two years commencing from 1 January 2004 which shall continue thereafter unless otherwise terminated in accordance with the respective provisions set out therein.

### 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直接或間接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。

### 重大合約

於二零零四年十月十三日，本公司與MSCV訂立協議，本公司於二零零四年十二月三十一日發行一項新的可換股債券以取替舊有的可換股債券。新可換股債券的年息為零，於到期日償還之贖回溢價為3%，每股轉換價為0.5港元。此項交易已於二零零四年十二月十三日舉行之股東特別大會中通過。

有關本公司或一間附屬公司與控股股東或其任何附屬公司訂立之關連人士交易及持續關連交易。詳情載於財務報表附註37。

除上文所述外本公司或其附屬公司概無與控股股東或其任何附屬公司於年內或年終時訂立任何重大合約。此外，控股股東或其任何附屬公司向本公司或其任何附屬公司之間均無訂立提供服務的重大合約。

### 董事之服務合約

#### *執行董事*

執行董事張家騏先生、歐陽長健先生及杜碧珊女士已分別與本集團訂立由二零零四年一月一日起計，初步為期二年的董事服務合約，及於其後持續生效，除非根據個別條款終止有關合約為止。



### *Non-Executive Directors*

The service contracts with each of Mr. Gerald Lokchung Chan, Mr. Meocre Kwok Wing Li and Mr. Paul Laurence Saffo is for an initial period of two years commencing from 1 January 2004 which shall continue thereafter unless otherwise terminated in accordance with the respective provisions set out therein.

The service contract with Mr. Philip Tit Hon Hung is for an initial period of two years commencing from 1 May 2004 which shall continue thereafter unless otherwise terminated in accordance with the respective provisions set out therein.

None of the directors 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.

## **Independent Non-Executive Directors**

### *Confirmation of Independence*

The Company has received from each of Messrs. Philip Tit Hon Hung, Meocre Kwok Wing Li and Paul Laurence Saffo an annual confirmation on his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company still considers the Independent Non-Executive Directors to be independent. Likewise, the Company still considers Mr. Philip Tit Hon Hung, who was appointed during the year and has met the independence guidelines set out in Rule 5.09 of the GEM Listing Rules, to be independent.

## **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, neither the Company nor its subsidiaries had purchased, sold or redeemed any of Company's listed securities.

## **Bank loans and other borrowings**

Particulars of bank loans and other borrowings of the Group as at 31 December 2004 are set out in note 25 and 26 to the financial statements.

### *非執行董事*

陳樂宗先生、李國榮先生及Paul Laurence Saffo各自之服務合約自二零零四年一月一日起計，初步為期兩年，並於其後持續生效，除非根據個別條款終止有關合約為止。

洪鐵漢先生之服務合約自二零零四年五月一日起計，初步為期兩年，並於其後持續生效，除非根據個別條款終止有關合約為止。

董事概無與本公司或其附屬公司訂立於一年內須以賠償形式(一般法定賠償除外)方可終止尚未屆滿之服務合約。

## **獨立非執行董事**

### *確認獨立性*

本公司已分別接獲洪鐵漢先生、李國榮先生及Paul Laurence Saffo先生的年度書面確認書，確認彼等遵照創業板上市規則第5.09條所述各項有關其獨立性的因素。本公司仍然認為獨立非執行董事乃屬獨立人士。同樣地，本公司仍然認為年內委任之洪鐵漢先生，已符合創業板上市規則第5.09條所載之獨立指引，其乃屬獨立人士。

## **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**

年內，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。

## **銀行貸款及其他借貸**

本集團於二零零四年十二月三十一日之銀行貸款及其他借貸詳情載於財務報表附註25及26。

# Report of Directors

## 董事會報告

### Financial summary

A summary of the results and of the assets and liabilities of the Group is set out on page 184 and 185 of the annual report.

### Connected transactions

Significant related party transactions entered into by the Group during the year ended 31 December 2004, 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.

#### (1) Connected transactions

On 13 October 2004, the Company entered into a Convertible Bond Agreement with MSCV pursuant to which the Company agreed to issue a Convertible Bond in the principal amount of HK\$85,000,000 to MSCV. Details of the Convertible Bond were disclosed in the circular dated 3 November 2004.

#### (2) Continuing connected transactions

##### *Advertising agency agreement*

On 31 May 2002 a subsidiary of the Company, Chengdu MPI Public Transport Advertising Co. Ltd. ("Chengdu MPI") entered into an Advertising Agency Agreement with 成都運興公交有限公司 ("Bus JV") whereby Chengdu MPI will provide advertising agency and management services to the Bus JV. The annual cap amount for the year ended 31 December 2004 was HK\$29,000,000. The annual cap amount was 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 bus bodies. 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 aggregate consideration paid by the Bus JV to Chengdu MPI in respect of the Advertising Agency Agreement amounted to HK\$6,607,000.

### 財務概要

本集團之業績及資產與負債概要載於本年報第184及185頁。

### 關連交易

本集團於二零零四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載於財務報表附註37。

持續關連交易之詳情載於財務報表附註37。

#### (1) 關連交易

於二零零四年十月十三日，本公司與MSCV簽訂可換股債券協議，根據該協議，同意向MSCV發行一項可換股債券，本金為85,000,000港元。可換股債券詳情已於二零零四年十一月三日刊發之通函中披露。

#### (2) 持續關連交易

##### *廣告代理協議*

於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。截至二零零四年十二月三十一日止之年度上限為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%。此項交易之詳情已載於本公司二零零二年六月二十六日刊發之通函中。上述交易已於本公司二零零二年七月十二日舉行之股東特別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支付予成都運興之金額合為6,607,000港元。

At the extraordinary general meeting of the Company held on 13 December 2004 (the “EGM”), the ordinary resolution approving the Post 2004 Continuing Connected Transactions (as defined and more particularly described in the circular of the Company to its shareholders dated 26 November 2004) was duly passed by the Shareholders in respect of the Continuing Connected Transactions contemplated under the Advertising Agency Agreement for the period after 31 December 2004 up to 31 December 2007. The annual cap amounts for the three years ending 31 December 2005, 2006 and 2007 are HK\$15,000,000, HK\$19,000,000 and HK\$25,000,000 respectively.

The Independent Non-Executive Directors have reviewed the above Continuing Connected Transactions and have confirmed that the 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.

The auditors of the Company have confirmed that the Continuing Connected Transactions 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 the respective cap.

The Company confirms that the Continuing Connected Transactions as disclosed above fall under the definition of continuing connected transactions in Chapter 20 of the GEM Listing Rules and that the Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

## Board practices and procedures

During the year ended 31 December 2004, the Company has complied GEM Rules 5.34 to 5.45 concerning the Board practices and procedures, which applied before the amendment of the GEM Listing Rules relating to the Code on Corporate Governance Practices and Rules on Corporate Governance Report effective on 1 January 2005.

於二零零四年十二月十三日本公司所舉行之股東特別大會(以下簡稱「股東特別大會」)上關於通過二零零四年後持續關連交易(本公司於二零零四年十一月二十六日發給股東之通函中已詳細列明)，股東已通過有關二零零四年十二月三十一日後至二零零七年十二月三十一日此期間之廣告代理協議項下擬進行之持續關連交易。截至二零零五年十二月三十一日、二零零六年十二月三十一日及二零零七年十二月三十一日止三個年度之年度上限分別為15,000,000港元、19,000,000港元及25,000,000港元。

本公司之獨立非執行董事已檢討以上之持續關連交易，並確認該等持續關連交易乃(a)屬於本集團之一般日常及正常業務、(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，交易條款乃屬公平合理，並且合乎股東的整體利益。

本公司之核數師確認，以上之持續關連交易(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。

本公司確認上文所披露的持續關連交易，乃屬於創業板上市規則第20章所界定的持續關連交易，而本公司已符合創業板上市規則第20章之披露規定。

## 董事會常規及程序

於二零零四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5.34至5.45條所述之董事會常規及程序(乃適用於二零零五年一月一日生效之創業板上市規則有關「企業管治常規起守則」及「企業管治報告」修訂前)。

# Report of Directors

## 董事會報告

### Securities transactions by Directors

The Company has complied with Rules 5.46 to 5.67 of the GEM Listing Rules (where applicable) concerning securities transactions by Directors throughout the accounting period covered by this Report and all Directors have complied with the required standard of dealings set out herein.

### Post balance sheet events

Details of significant post balance sheet events are set out in note 38 to the financial statements.

### 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 Rules 5.28 to 5.33 of the GEM Listing Rules.

The primary duties of the audit committee are to review the Company's annual report and financial statements, half-yearly reports and quarterly reports and to provide advice and comments to the Board. The audit committee is also responsible for reviewing the financial reporting process and internal control procedures of the Group.

The audit committee comprises three Independent Non-Executive Directors, Mr. Philip Tit Hon Hung, Mr. Meocre Kwok Wing Li and Mr. Paul Laurence Saffo. The audit committee has met four times during the year.

### Auditors

KPMG retire and being eligible, offer themselves for re-appointment. A resolution for the re-appointment 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, 15 March 2005

### 董事進行之證券交易

於本報告所涵蓋之會計期間，本公司一直遵守創業板上市規則第5.46至5.67條(如適用)所列載有關董事進行證券交易之規定，亦確定所有董事遵守該等規定所載的所需交易標準。

### 結算日後事項

重大結算日後事項詳情，載於財務報表附註38。

### 審核委員會

本公司於二零零二年一月七日成立審核委員會，並根據創業板上市規則第5.28至5.33條之規定制訂其書面職權範圍。

審核委員會之主要職責是審閱本公司之年報及財務報表、中期報告及季度報告，以及就此向董事會提供建議及意見。此外，審核委員會亦負責審核本集團之財務申報程序及內部監控制度。

審核委員會由三位獨立非執行董事洪鐵漢先生、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。

### 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，二零零五年三月十五日

# Auditors' Report

## 核數師報告

**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 109 to 183 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 Institute of Certified Public 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.

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.

**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109至183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。

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。

# Auditors' Report

## 核數師報告

### 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 2004 and of the Group's profit 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, 15 March 2005

### 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二零零四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溢利及現金流量，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，二零零五年三月十五日

# Consolidated Profit and Loss Account

## 綜合損益表

for the year ended 31 December 2004 截至二零零四年十二月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元為單位)

		Note 附註	2004 \$'000 千元	2003 \$'000 千元
<b>Operating revenue</b>	<b>經營收入</b>			
Turnover	營業額	2	352,637	277,205
Other revenue	其他收入	3	14,174	15,280
Other net (loss)/income	其他(虧損)/ 收益淨額	3	(974)	31
<b>Operating expenses</b>	<b>經營開支</b>			
Site rental	廣告位租金		(117,639)	(102,852)
Other direct costs	其他直接成本		(115,081)	(97,242)
Staff costs	僱員成本	4(b)	(34,134)	(30,054)
Depreciation and amortisation	折舊及攤銷		(42,074)	(40,987)
Other operating expenses	其他經營開支		(37,747)	(34,405)
<b>Profit/(loss) from operations</b>	<b>經營溢利/ (虧損)</b>		19,162	(13,024)
Finance costs	融資成本	4(a)	(15,719)	(13,774)
Share of profits less losses of associates	分佔聯營公司溢利 減虧損		6,008	2,155
Share of profits less losses of jointly controlled entities	分佔共同控制實體 溢利減虧損		29,408	20,080
<b>Profit/(loss) from ordinary activities before taxation</b>	<b>經常業務除稅 前溢利/ (虧損)</b>	4	38,859	(4,563)
Income tax	稅項	5	(15,658)	(14,424)
<b>Profit/(loss) from ordinary activities after taxation</b>	<b>經常業務除稅 後溢利/ (虧損)</b>		23,201	(18,987)
Minority interests	少數股東權益		(2,966)	(2,787)
<b>Profit/(loss) attributable to shareholders</b>	<b>股東應佔溢利/ (虧損)</b>	8 & 35(a)	20,235	(21,774)
<b>Earnings/(loss) per share</b>	<b>每股盈利/ (虧損)</b>			
– Basic	– 基本	10(a)	2.4 cents仙	(2.6) cents仙

The notes on pages 117 to 183 form part of these financial statements.

第117至第183頁之附註為財務報表一部份。

# Consolidated Balance Sheet

## 綜合資產負債表

at 31 December 2004 於二零零四年十二月三十一日  
(Expressed in Hong Kong dollars) (以港元為單位)

		Note	2004 \$'000 千元	2003 \$'000 千元
		附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Fixed assets	固定資產	12	14,210	13,873
Interest in associates	聯營公司權益	14	9,365	4,427
Interests in jointly controlled entities	共同控制實體權益	15	68,206	63,054
Amounts due from a jointly controlled entity	應收一間共同控制實體款項	15	18,868	18,868
Advertising rights	媒體使用權	16	249,339	291,583
Other investments	其他投資	17	49,528	35,849
Goodwill	商譽	18	2,235	2,554
Deferred tax assets	遞延稅項資產	32(a)	4,256	–
			<b>416,007</b>	<b>430,208</b>
<b>Current assets</b>	<b>流動資產</b>			
Accounts receivable	應收賬款	19	43,675	32,841
Other receivables, deposits and prepayments	其他應收賬款、按金及預付款項	19	81,457	85,040
Amounts due from jointly controlled entities	應收共同控制實體款項	20	25,348	13,866
Amounts due from minority shareholders	應收少數股東款項	21	2,514	5,851
Amounts due from related companies	應收關連公司款項	22	9	10
Pledged bank deposits	已抵押銀行存款	23	130,594	202,188
Cash and cash equivalents	現金及等同現金項目	24	208,677	140,288
			<b>492,274</b>	<b>480,084</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Bank loans	銀行貸款	25	220,472	257,402
Entrusted loan	委託貸款	26	19,387	–
Accounts payable	應付賬款	27	20,532	49,948
Other payables, deposits and provisions	其他應付賬款、按金及撥備	27	61,896	47,749
Amounts due to jointly controlled entities	應付共同控制實體款項	28	18,416	9,650
Amount due to a related company	應付一間關連公司款項	22	6,401	9,825
Taxation payable	應付稅項	30	2,431	1,387
			<b>349,535</b>	<b>375,961</b>



		Note 附註	2004 \$'000 千元	2003 \$'000 千元
<b>Net current assets</b>	<b>流動資產淨值</b>		142,739	104,123
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		558,746	534,331
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Convertible Bond	可換股債券	31	85,000	85,000
Deferred taxation	遞延稅項	32(a)	45	45
			85,045	85,045
<b>Minority interests</b>	<b>少數股東權益</b>	33	25,229	20,992
			110,274	106,037
<b>NET ASSETS</b>	<b>資產淨值</b>		448,472	428,294
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
Share capital	股本	34	85,380	85,380
Reserves	儲備	35(a)	363,092	342,914
			448,472	428,294

Approved and authorised for issue by the board of directors on 15 March 2005.

經由董事會於二零零五年三月十五日批准及授權刊發。

George Ka Ki CHANG  
張家騏  
Director  
董事

Winnie Pik Shan TO  
杜碧珊  
Director  
董事

The notes on pages 117 to 183 form part of these financial statements.

第117至第183頁之附註為財務報表一部份。

# Balance Sheet

## 資產負債表

at 31 December 2004 於二零零四年十二月三十一日  
(Expressed in Hong Kong dollars) (以港元為單位)

		Note	2004 \$'000 千元	2003 \$'000 千元
<b>Non-current assets</b>	<b>非流動資產</b>			
Investments in subsidiaries	於附屬公司之投資	13	342,804	361,464
<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	19	189	48
Amount due from a jointly controlled entity	應收一間共同控制實體款項	20	213	130
Amount due from a related company	應收一間關連公司款項	22	-	6
Cash and cash equivalents	現金及等同現金項目	24	45,037	33,687
			45,439	33,871
<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	2,723	1,353
<b>Net current assets</b>	<b>流動資產淨額</b>		42,716	32,518
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		385,520	393,982
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Convertible Bond	可換股債券	31	85,000	85,000
			85,000	85,000
<b>NET ASSETS</b>	<b>資產淨值</b>		300,520	308,982
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
Share capital	股本	34	85,380	85,380
Reserves	儲備	35(b)	215,140	223,602
			300,520	308,982

Approved and authorised for issue by the board of directors on 15 March 2005.

經由董事會於二零零五年三月十五日批准及授權刊發。

George Ka Ki CHANG  
張家騏  
Director  
董事

Winnie Pik Shan TO  
杜碧珊  
Director  
董事

The notes on pages 117 to 183 form part of these financial statements.

第117至第183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 2004 截至二零零四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	Exchange reserves	Revenue reserves	Total
		股本	股本 溢價	合併 儲備	其他 資本 儲備	匯兌 儲備	收入 儲備	總計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
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
Movement for the year	本年度之變動	-	-	-	-	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
At 1 January 2004	於二零零四年 一月一日	85,380	233,715	255,366	(61,518)	1,064	(85,713)	428,294
Movement for the year	本年度之變動	-	-	-	-	(57)	-	(57)
Net profit for the year	本年度溢利淨額	-	-	-	-	-	20,235	20,235
At 31 December 2004	於二零零四年 十二月三十一日	85,380	233,715	255,366	(61,518)	1,007	(65,478)	448,472

The notes on pages 117 to 183 form part of these financial statements.

第117至第183頁之附註為財務報表一部份。

# Consolidated Cash Flow Statement

## 綜合現金流量表

for the year ended 31 December 2004 截至二零零四年十二月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元為單位)

	Note	2004		2003	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Operating activities</b>					
Profit/(loss) from operations		19,162		(13,024)	
Adjustments for:					
– Interest income		(3,481)		(3,545)	
– Depreciation and amortisation		42,074		40,987	
– Loss/(profit) on disposal of fixed assets and advertising rights		974		(31)	
– Utilisation of provision for onerous contracts		(998)		(11,121)	
– Exchange gain	27(b)	(57)		–	
<b>Operating profit before changes in working capital</b>		57,674		13,266	
(Increase)/decrease in accounts receivable		(10,834)		13,634	
Decrease/(increase) in other receivables, deposits and prepayments		16,510		(10,163)	
Increase in amounts due from jointly controlled entities		(11,482)		(4,668)	
Decrease/(increase) in amounts due from minority shareholders		4,281		(4,140)	
Decrease in amounts due from related companies		1		449	
(Decrease)/increase in accounts payable		(6,095)		6,516	
Increase in other payables, deposits and provisions		15,145		837	
Increase/(decrease) in amounts due to jointly controlled entities		8,766		(888)	
(Decrease)/increase in amount due to a related company		(3,424)		6,751	
<b>Cash generated from operations</b>		70,542		21,594	
Tax paid					
– Hong Kong profits tax refunded		–		57	
– PRC tax paid		(7,660)		(5,776)	

	Note 附註	2004		2003	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Net cash generated from operating activities</b>			<b>62,882</b>		<b>15,875</b>
<b>Investing activities</b>					
Uplift/(placement) of pledged deposits			71,594	(5,742)	
Payments for the purchase of fixed assets			(6,331)	(4,312)	
Proceeds from disposal of fixed assets			19	236	
Net payments for the purchase of advertising rights			(17,831)	(43,698)	
(Increase)/decrease in deposits in respect of acquisition/use of advertising rights			(12,927)	19,957	
Payments for other investments			(13,679)	(29,307)	
Share capital contributed by minority shareholders			596	597	
Interest received			3,481	3,545	
Dividends received from a jointly controlled entity			14,116	11,443	
<b>Net cash generated from/(used in) investing activities</b>			<b>39,038</b>		<b>(47,281)</b>
<b>Financing activities</b>					
Net (repayments of)/proceeds from bank loans			(36,930)	25,249	
Receipt of entrusted loan			19,387	—	
Finance costs paid			(15,719)	(13,774)	
Dividends paid to minority shareholders			(269)	(492)	

## Consolidated Cash Flow Statement (continued)

### 綜合現金流量表(續)

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

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

	Note 附註	2004		2003	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Net cash (used in)/ generated from financing activities			(33,531)		10,983
Net increase/(decrease) in cash and cash equivalents			68,389		(20,423)
Cash and cash equivalents at 1 January			140,288		161,409
Effect of foreign exchange rates changes			–		(698)
Cash and cash equivalents at 31 December	24		208,677		140,288

The notes on pages 117 to 183 form part of these financial statements.

第117至第183頁之附註為財務報表一部份。

# 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

#### (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 Institute of Certified Public 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 GEM 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.

#### (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.

### 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。

#### (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。

# 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)

#### (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.

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.

### 1. 主要會計政策 (續)

#### (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溢利之方式撇銷，惟以並無減值證據之數額為限。

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。



## 1. Significant accounting policies (Continued)

### (e) Subsidiaries (Continued)

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 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.

### (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 Company and other parties, where the contractual arrangement establishes that the Group or Company and one or more of the other parties share joint control over the economic activities of the entity.

## 1. 主要會計政策 (續)

### (e) 附屬公司 (續)

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。

### (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。

# 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)

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

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 (續)

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 accumulated amortisation and impairment losses (see note 1(k)).

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

Negative goodwill arising from 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)

### 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 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

### 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：

over the terms of the lease

租賃期

over the terms of the contract

合約期

3 years

三年

5 years

五年

4 to 5 years

四至五年

## 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 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.

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.

## 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。

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。

# 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)

#### (j) Other investments

Other investments are stated at cost less 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 (including positive goodwill taken directly to reserves) 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).

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

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable 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.

### 1. 主要會計政策 (續)

#### (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。

##### (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。

## 1. Significant accounting policies (Continued)

### (k) Impairment of assets (Continued)

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

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 consolidated 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.

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.

## 1. 主要會計政策 (續)

### (k) 資產減值 (續)

#### (ii) 減值虧損轉回 (續)

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，且於購入時之到期期限不超過三個月者。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。

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。

# 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)

#### (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.

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.

### 1. 主要會計政策 (續)

#### (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。

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年間轉回，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。



## 1. Significant accounting policies (Continued)

### (n) Income tax (Continued)

#### (iii) (Continued)

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.

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.

## 1. 主要會計政策 (續)

### (n) 所得稅 (續)

#### (iii) (續)

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；而就不可扣稅差異而言，除非該差異在可見將來轉回。

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。

# 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)

#### (n) Income tax (Continued)

(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
  - 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 Company or the Group 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.

### 1. 主要會計政策 (續)

#### (n) 所得稅 (續)

(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
  - 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。

## 1. Significant accounting policies (Continued)

### (o) Provisions and contingent liabilities (Continued)

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.
- (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.

## 1. 主要會計政策 (續)

### (o) 撥備及或然負債 (續)

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。
- (ii) 廣告雜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。

# 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)

#### (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.

#### (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.

### 1. 主要會計政策 (續)

#### (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。

#### (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。

## 1. Significant accounting policies (Continued)

### (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.

### (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.

## 1. 主要會計政策 (續)

### (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。

### (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的影響下，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。

# 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

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.

Segment capital expenditure is the total cost incurred during the relevant 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.

### 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.

### 1. 主要會計政策 (續)

#### (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。

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。

### 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。

## 2. Turnover (Continued)

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:

		2004 \$'000 千元	2003 \$'000 千元
Advertising fees	廣告費	291,978	232,341
Signage production and maintenance fees	廣告牌製作費及維修費	60,659	44,864
		352,637	277,205

## 2. 營業額 (續)

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：

## 3. Other revenue and other net (loss)/income

## 3. 其他收入及其他(虧損)/收益淨額

		2004 \$'000 千元	2003 \$'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	3,458	3,507
Interest income from amounts due from minority shareholders	應收少數股東款項利息收入	23	38
Management fee income from jointly controlled entities	來自共同控制實體之管理費收入	9,517	8,649
Training income from customers	來自客戶之培訓收入	392	395
Forfeited deposits from customers	沒收客戶按金	-	129
PRC Government incentives (note)	中國政府獎勵津貼(附註)	585	2,415
Sundry income	雜項收入	199	147
		14,174	15,280
<b>Other net (loss)/income</b>	<b>其他(虧損)/收益淨額</b>		
(Loss)/profit on disposal of fixed assets and advertising rights	出售固定資產及媒體使用權之(虧損)/溢利	(974)	31

# Notes to the Financial Statements

## 財務報表附註

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

### 3. Other revenue and other net (loss)/income (Continued)

Note: PRC government incentives

- (a) PRC government incentives in 2004 represent amounts received by Chongqing MPI Public Transportation Advertising Co., Ltd ("CQMPI"), a non-wholly owned subsidiary of the Group, in recognition of its business development in Chongqing.
  
- (b) PRC government incentives in 2003 represented amounts received by Nanjing Media Partners International Public Transportation Advertising Co. Ltd ("NJMPI"), a non-wholly owned subsidiary of the Group. NJMPI is classified by the local PRC government as an approved "Technology and Development Entity". Accordingly, the subsidiary received incentives of \$2,415,000 from a department of the local PRC government for the year ended 31 December 2003 which were computed based on 50% of the aggregate foreign enterprise income tax and business tax paid in the previous year subject to certain amounts retained by the PRC government.

### 3. 其他收入及其他(虧損)／收益淨額(續)

附註：中國政府獎勵津貼

- (a) 二零零四年度之中國政府獎勵津貼為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「重慶媒體伯樂」)被重慶政府確認業務發展之已收津貼。
  
- (b) 本集團之非全資附屬公司南京梅迪派勒公交廣告有限公司(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元之獎勵津貼相等於上年度支付之外資企業所得稅與營業稅總和50%，惟中國地方政府可扣除若干金額。



#### 4. Profit/(loss) from ordinary activities before taxation

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

#### 4. 經常業務除稅前溢利／（虧損）

經常業務除稅前溢利／（虧損）已扣除／（計入）下列各項：

		2004 \$'000 千元	2003 \$'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	13,611	12,626
Interest on Convertible Bond (note 31)	可換股債券的利息（附註31）	2,108	1,086
Other borrowing costs	其他借貸成本	-	62
		15,719	13,774
(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）	1,865	2,562
Salaries, wages and other benefits	薪金、工資及其他福利	32,269	27,492
		34,134	30,054
(c) Other items:	(c) 其他項目：		
Exchange loss/(gain)	匯兌虧損／（收益）	80	(260)
Auditors' remuneration	核數師酬金		
- Audit services	- 核數服務	1,417	1,127
- Other services	- 其他服務	337	217
		1,754	1,344
Depreciation of fixed assets	固定資產折舊	4,904	5,433
Amortisation of advertising rights	媒體使用權攤銷	36,851	35,235
Amortisation of goodwill	商譽攤銷	319	319
Provision for bad debts	壞賬撥備	5,814	6,300
Operating lease charges	經營租賃開支		
- properties	- 物業	5,498	5,278
- site rentals	- 廣告位租金	118,637	113,973

# 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

- (a) Taxation in the consolidated profit and loss account represents:

		2004 \$'000 千元	2003 \$'000 千元
Overprovision for Hong Kong Profits Tax relating to prior years	以往年度香港利得稅超額撥備	-	(43)
Provision for Foreign Enterprise Income Tax ("FEIT")	中國外資企業所得稅撥備	8,704	6,938
Share of associates' taxation	應佔聯營公司稅項	1,070	514
Share of jointly controlled entities' taxation	應佔共同控制實體稅項	10,140	6,970
Deferred tax (note 32(a))	遞延稅項(附註32(a))	(4,256)	45
<b>Total income tax expense</b>	<b>所得稅總支出</b>	<b>15,658</b>	<b>14,424</b>

- (b) The provision for Hong Kong Profits Tax has been calculated separately at 17.5% (2003: 17.5%) of the estimated assessable profits for the year ended 31 December 2004 of each subsidiary and associate of the Group with operations subject to Hong Kong Profits Tax.

No provision for Hong Kong Profits Tax has been made in respect of subsidiaries of the Group operating in Hong Kong as these subsidiaries incurred taxable losses during the year ended 31 December 2004.

- (c) Taxation for subsidiaries and jointly controlled entities operating in the PRC, except noted hereinafter, is calculated at 33% (2003: 33%) of the estimated assessable profits of these entities for the year ended 31 December 2004.

### 5. 所得稅

- (a) 綜合損益表之稅項包括：

- (b) 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二零零四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(二零零三年：17.5%)計算。

本集團在香港經營之附屬公司截至二零零四年十二月三十一日止年度內錄得虧損，因而並無為香港利得稅作出撥備。

- (c) 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二零零四年十二月三十一日止年度之估計應課稅溢利按33%之稅率(二零零三年：33%)計算。

## 5. Income tax (Continued)

### (c) (Continued)

Pursuant to the relevant laws and regulations in the PRC, 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.

### (d) Reconciliation between tax expense and profit/(loss) from ordinary activities before taxation at applicable tax rates:

## 5. 所得稅 (續)

### (c) (續)

根據中國有關法例及規定，本集團之非全資附屬公司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%。

### (d) 經常業務除稅前溢利／(虧損)及稅務支出間之調整：

		2004 \$'000 千元	2003 \$'000 千元
Profit/(loss) from ordinary activities before taxation	經常業務除稅前溢利／(虧損)	38,859	(4,563)
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	14,966	1,036
Tax effect on non-deductible expenses	不可扣除費用之稅務影響	8,409	1,184
Tax effect on non-taxable revenue	非課稅收入之稅務影響	(2,120)	(2,706)
Tax effect of temporary differences not recognised	未確認暫時性差異之稅務影響	52	1,340
Tax effect of tax losses not recognised	未確認稅損虧損之稅務影響	608	13,549
Tax effect of prior year's tax losses utilised this year	本年抵銷往年稅損之稅務影響	(2,001)	64
Tax effect of recognition in the current year of prior year's tax losses not previously recognised	本年確認以往年度未確認稅損虧損之稅務影響	(4,256)	-
Over-provision in prior years	往年超額撥備	-	(43)
Actual tax expense	實際稅務支出	15,658	14,424

# 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 the GEM Listing Rules is as follows:

	Note	2004 \$'000 千元	2003 \$'000 千元
Fees	6(a)	579	585
Basic salaries, housing and other allowances and benefits in kind	6(b)	1,967	1,687
Discretionary bonuses	6(b)	650	–
Retirement scheme contributions	6(b)	131	117
		<b>3,327</b>	<b>2,389</b>

Notes:

(a) Independent non-executive directors and non-executive director

For the years ended 31 December 2004 and 2003, the fees paid to independent non-executive and non-executive directors were as follows:

		2004 \$'000 千元	2003 \$'000 千元
Independent non-executive directors	獨立非執行董事		
Mr. Meocre Kwok Wing LI	李國榮先生	140	195
Mr. Paul Laurence SAFFO	Paul Laurence SAFFO先生	140	195
Mr. Philip Tit Hon HUNG	洪鐵漢先生	94	–
Mr. Lawrence Juen Yee LAU	劉遵義先生	65	195
Non-executive director	非執行董事		
Mr. Gerald Lokchung CHAN	陳樂宗先生	140	–
		<b>579</b>	<b>585</b>

During the year ended 31 December 2003, Mr Gerald Lokchung CHAN waived his entitlement to fees of \$97,500 from the Company.

### 6. 董事酬金

根據創業板上市規則披露之董事酬金如下：

	Note	2004 \$'000 千元	2003 \$'000 千元
Fees	6(a)	579	585
Basic salaries, housing and other allowances and benefits in kind	6(b)	1,967	1,687
Discretionary bonuses	6(b)	650	–
Retirement scheme contributions	6(b)	131	117
		<b>3,327</b>	<b>2,389</b>

附註：

(a) 獨立非執行董事及非執行董事

截至二零零四年及二零零三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：

		2004 \$'000 千元	2003 \$'000 千元
Independent non-executive directors	獨立非執行董事		
Mr. Meocre Kwok Wing LI	李國榮先生	140	195
Mr. Paul Laurence SAFFO	Paul Laurence SAFFO先生	140	195
Mr. Philip Tit Hon HUNG	洪鐵漢先生	94	–
Mr. Lawrence Juen Yee LAU	劉遵義先生	65	195
Non-executive director	非執行董事		
Mr. Gerald Lokchung CHAN	陳樂宗先生	140	–
		<b>579</b>	<b>585</b>

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。

## 6. Directors' remuneration (Continued)

Notes: (Continued)

### (b) Executive directors

For the years ended 31 December 2004 and 2003, 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	Discretionary bonuses 酌情 花紅 \$'000 千元	Retirement scheme contributions 退休計劃 供款 \$'000 千元	Total 總計 \$'000 千元
<b>2004</b>	<b>2004</b>				
<i>Executive director and chief executive officer</i>	<i>執行董事兼行政總裁</i>				
Ms. Winnie Pik Shan TO	杜碧珊女士	1,687	650	117	2,454
<i>Executive director and deputy chairman</i>	<i>執行董事兼副主席</i>				
Mr. George Ka Ki CHANG	張家騏先生	140	-	7	147
<i>Executive director</i>	<i>執行董事</i>				
Mr. Tony Cheung Kin AU-YEUNG	歐陽長健先生	140	-	7	147
		1,967	650	131	2,748
<b>2003</b>	<b>2003</b>				
<i>Executive director and chief executive officer</i>	<i>執行董事兼行政總裁</i>				
Ms. Winnie Pik Shan TO	杜碧珊女士	1,687	-	117	1,804
<i>Executive director and deputy chairman</i>	<i>執行董事兼副主席</i>				
Mr. George Ka Ki CHANG	張家騏先生	-	-	-	-
<i>Executive director</i>	<i>執行董事</i>				
Mr. Tony Cheung Kin AU-YEUNG	歐陽長健先生	-	-	-	-
		1,687	-	117	1,804

## 6. 董事酬金 (續)

附註：(續)

### (b) 執行董事

截至二零零四年及二零零三年十二月三十一日止年度，向執行董事支付之酬金如下：

# 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)

Notes: (Continued)

(b) Executive directors (Continued)

During the year ended 31 December 2003, 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 years ended 31 December 2003 and 2004, there were no amounts paid to former directors in connection with their retirement from employment with the Group.

No amounts were paid or payable to directors as an inducement to join or upon joining the Group.

### 7. Individuals with the highest emoluments

Set out below are analyses of the emoluments of the four (2003: four) 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.

### 6. 董事酬金 (續)

附註：(續)

(b) 執行董事 (續)

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。

截至二零零三年及二零零四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。

### 7. 最高薪酬僱員

以下為本集團所聘用之五位最高薪酬人士(包括本集團董事及其他僱員)中，其中四位(二零零三年：四位)非本公司或本集團董事之僱員薪酬分析。

		2004 \$'000 千元	2003 \$'000 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	4,601	4,388
Discretionary bonuses	酌情花紅	964	375
Retirement scheme contributions	退休計劃供款	221	213
		5,786	4,976

## 7. Individuals with the highest emoluments

(Continued)

An analysis of senior management's emoluments by number of employees and emolument ranges is as follows:

		2004 Number of individuals 僱員人數	2003 Number of individuals 僱員人數
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	2	3
\$1,500,001 – \$2,000,000	1,500,001元至2,000,000元	2	1
		4	4

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 2004 and 2003.

以僱員人數及酬金範圍分析高級管理人員酬金如下：

於截至二零零四年及二零零三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. Profit/(loss) attributable to shareholders

The consolidated profit/(loss) attributable to shareholders includes a loss of \$8,462,000 (2003: \$4,394,000) which has been dealt with in the financial statements of the Company.

## 8. 股東應佔溢利／(虧損)

股東應佔綜合溢利／(虧損)包括已在本公司財務報表入賬之虧損8,462,000元(二零零三年：4,394,000元)。

## 9. Dividends

The Company has not declared or paid any dividend for the year ended 31 December 2004 (2003: \$Nil).

## 9. 股息

本公司並無宣派或派付截至二零零四年十二月三十一日止年度之任何股息(二零零三年：無)。

## 10. Earnings/(loss) per share

### (a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit attributable to shareholders of \$20,235,000 (2003: loss of \$21,774,000) and the weighted average of 853,800,000 ordinary shares (2003: 853,800,000 ordinary shares) in issue.

## 10. 每股盈利／(虧損)

### (a) 每股基本盈利／(虧損)

每股基本盈利／(虧損)乃按股東應佔溢利20,235,000元(二零零三年：虧損21,774,000元)及已發行普通股份之加權平均數853,800,000股(二零零三年：853,800,000股普通股)計算。

# Notes to the Financial Statements

## 財務報表附註

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

### 10. Earnings/(loss) per share (Continued)

#### (b) Diluted earnings/(loss) per share

No diluted earnings/(loss) per share for the years ended 31 December 2003 and 2004 has been presented, as there were no dilutive potential ordinary shares during these years.

### 11. 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.

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.

### 10. 每股盈利／(虧損) (續)

#### (b) 每股攤薄盈利／(虧損)

由於截至二零零三年及二零零四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盈利／(虧損)。

### 11. 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。

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。



## 11. Segment reporting (Continued)

### 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.

## 11. 分部呈報 (續)

### 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。

		Year ended 31 December 截至十二月三十一日止年度									
		Hong Kong 香港		Mainland China 中國內地		Inter-segment elimination 分部間撇銷		Unallocated 不劃分		Consolidated 綜合	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Turnover	營業額	54,439	60,062	298,198	217,143	-	-	-	-	352,637	277,205
Other revenue	其他收入	19	202	13,682	14,740	-	-	473	338	14,174	15,280
<b>Total revenue</b>	<b>總收入</b>	<b>54,458</b>	<b>60,264</b>	<b>311,880</b>	<b>231,883</b>	<b>-</b>	<b>-</b>	<b>473</b>	<b>338</b>	<b>366,811</b>	<b>292,485</b>
Segment result and profit/(loss) from operations	分部業績及經營溢利/(虧損)	(694)	(8,251)	27,276	(793)	-	-	(7,420)	(3,980)	19,162	(13,024)
Finance costs	融資成本	(162)	(187)	(13,449)	(12,501)	-	-	(2,108)	(1,086)	(15,719)	(13,774)
Share of profits less losses of associates	分佔聯營公司溢利減虧損	6,008	2,155	-	-	-	-	-	-	6,008	2,155
Share of profits less losses of jointly controlled entities	分佔共同控制實體溢利減虧損	-	-	29,408	20,080	-	-	-	-	29,408	20,080
Profit/(loss) from ordinary activities before taxation	經常業務除稅前溢利/(虧損)	5,152	(6,283)	43,235	6,786	-	-	(9,528)	(5,066)	38,859	(4,563)
Income tax	稅項	(1,070)	(515)	(14,588)	(13,909)	-	-	-	-	(15,658)	(14,424)
Profit/(loss) from ordinary activities after taxation	經常業務除稅後溢利/(虧損)	4,082	(6,798)	28,647	(7,123)	-	-	(9,528)	(5,066)	23,201	(18,987)
Minority interests	少數股東權益	39	53	(3,005)	(2,840)	-	-	-	-	(2,966)	(2,787)
Profit/(loss) attributable to shareholders	股東應佔溢利/(虧損)	4,121	(6,745)	25,642	(9,963)	-	-	(9,528)	(5,066)	20,235	(21,774)
Depreciation and amortisation	折舊及攤銷	491	875	41,583	40,112	-	-	-	-	42,074	40,987
Capital expenditure incurred during the year	年內資本開支/投資	42	506	21,557	110,882	-	-	-	-	21,599	111,388
Utilisation of provision for onerous contracts	合約承擔虧損撥備抵銷	998	11,121	-	-	-	-	-	-	998	11,121

# Notes to the Financial Statements

## 財務報表附註

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

### 11. Segment reporting (Continued)

#### Business segments (Continued)

### 11. 分部呈報 (續)

#### 業務分類 (續)

Year ended 31 December

截至十二月三十一日止年度

		Hong Kong		Mainland China		Inter-segment		Unallocated		Consolidated	
		香港		中國內地		分部間撇銷		不劃分		綜合	
		2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
		\$'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#	48,699	31,412	833,909	795,484	(116,205)	(36,694)	45,439	33,741	811,842	823,943
Interest in associates	聯營公司權益	9,365	4,427	-	-	-	-	-	-	9,365	4,427
Interests in jointly controlled entities	共同控制實體權益	-	-	68,206	63,054	-	-	-	-	68,206	63,054
Amounts due from a jointly controlled entity	應收一間共同控制實體款項	-	-	18,868	18,868	-	-	-	-	18,868	18,868
Total assets	資產總值									908,281	910,292
Segment liabilities#	分部負債#	(183,335)	(63,202)	(277,343)	(346,826)	116,205	36,694	(5,107)	(2,672)	(349,580)	(376,006)
Unallocated liabilities	不劃分之負債							(85,000)	(85,000)	(85,000)	(85,000)
Total liabilities	負債總額									(434,580)	(461,006)
Minority interests	少數股東權益	(126)	(165)	(25,103)	(20,827)					(25,229)	(20,992)

# 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 \$116,205,000 (2003: \$36,694,000) represents inter-segment current accounts.

\* 不同分類交易撇銷之數額116,205,000元(二零零三年:36,694,000元),即不同分部之業務往來賬。

## 12.Fixed assets

### The group

## 12.固定資產

### 本集團

		Leasehold improvements	Advertising displays	Computer equipment	Furniture, fixtures and equipment	Motor vehicles	Total
		租賃 物業裝修	廣告 顯示器	電腦設備	傢俬、 固定裝置 及設備	汽車	總計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Cost:</b>	<b>成本：</b>						
At 1 January 2004	於二零零四年 一月一日	4,408	17,434	10,238	3,015	2,336	37,431
Additions	添置	718	1,543	3,235	174	661	6,331
Disposals	出售	-	-	(1,164)	(80)	(236)	(1,480)
Reclassification	重新分類	-	-	(412)	412	-	-
At 31 December 2004	於二零零四年 十二月三十一日	5,126	18,977	11,897	3,521	2,761	42,282
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>						
At 1 January 2004	於二零零四年 一月一日	3,208	12,564	4,744	1,978	1,064	23,558
Charge for the year	年內撥備	587	1,840	1,769	302	406	4,904
Written back on disposals	出售時撥回	-	-	(218)	(59)	(113)	(390)
Reclassification	重新分類	-	-	(95)	95	-	-
At 31 December 2004	於二零零四年 十二月三十一日	3,795	14,404	6,200	2,316	1,357	28,072
<b>Net book value:</b>	<b>賬面淨值：</b>						
At 31 December 2004	於二零零四年 十二月三十一日	1,331	4,573	5,697	1,205	1,404	14,210
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

# Notes to the Financial Statements

## 財務報表附註

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

### 13. Investments in subsidiaries

### 13. 於附屬公司之投資

		The company 本公司	
		2004 \$'000 千元	2003 \$'000 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	184,728	190,978
Amounts due from subsidiaries	應收附屬公司款項	162,010	174,477
Amounts due to subsidiaries	應付附屬公司款項	(4,034)	(4,091)
		<b>342,804</b>	<b>361,464</b>

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.

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。

The following list contains only the particulars of subsidiaries which principally affect the results or net assets of the Group. The class of shares held is ordinary unless otherwise stated.

下表只載列對本集團業績及淨資產有重大影響之附屬公司。除另有註明外，所持有之股份均為普通股。

All of these are controlled subsidiaries as defined under note 1(e) and have been consolidated into the financial statements.

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。

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 ("MPIL") 梅迪派勒廣告有限公司	Hong Kong 香港	–	100%	\$647 647元	Outdoor advertising agent and investment holding 戶外廣告代理及投資控股

### 13. Investments in subsidiaries (Continued)

### 13. 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		
Shanghai Media Partners International Ltd. (Note 1) 上海梅迪派勒廣告 有限公司 (附註1)	People's Republic of China 中華人民 共和國	—	100%	US\$15,300,000 15,300,000美元	Advertising agent, advertising licensor and licensee, and advertising consultant 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) 南京梅迪派勒公交 廣告有限公司 (附註2)	People's Republic of China 中華人民 共和國	—	87.6%	RMB68,500,000 68,500,000元 人民幣	Advertising agent and advertising consultant 廣告代理及 廣告顧問
Chongqing MPI Public Transportation Advertising Co., Ltd. (Note 3) 重慶媒體伯樂公交 廣告有限公司 (附註3)	People's Republic of China 中華人民 共和國	—	60%	US\$500,000 500,000美元	Advertising agent and advertising consultant 廣告代理及 廣告顧問
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
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
Signmaker Company Limited	Hong Kong 香港	—	100%	\$2 2元	Signage production and maintenance 製作及維修廣告牌

# Notes to the Financial Statements

## 財務報表附註

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

### 13. Investments in subsidiaries (Continued)

Notes:

- (1) Shanghai Media Partners International Ltd. ("SHMPI") was established in the PRC 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 a proposed amendment to the Joint Venture Contract ("JV Contract") and Joint Venture Articles ("JV Articles") of SHMPI.

On 8 September 2004, the Group received approval from State Administration for Industry and Commerce (國家工商行政管理局) to convert SHMPI from a sino-foreign co-operative joint venture to a wholly foreign owned enterprise ("WFOE") and the registered capital of SHMPI was increased by US\$13.5 million (approximately \$105,300,000) to US\$15.3 million (approximately \$119,340,000), while the total investment in SHMPI was 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 certificate of approval was issued by 中華人民共和國商務部 on 13 October 2004.

The equity interest of SHMPI held by the Group was increased from 91.5% to 100.0% following the approval to convert to a WFOE.

- (2) Nanjing Media Partners International Public Transport Advertising Co., Ltd. ("NJMPI") was established in the PRC 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 or losses of NJMPI for the first six years from 22 March 1999. Effective 23 March 2005, the Group will be entitled to 50% of the profits or losses of NJMPI.
- (3) Chongqing MPI Public Transportation Advertising Co., Ltd. ("CQMPI") was established in the PRC 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 or losses of CQMPI for the first eleven years from 23 September 1999. Thereafter, the Group will be entitled to 60% of the profits or losses of CQMPI.

### 13. 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經營企業，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，由一家中外合資經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「合營企業合約」)及合營企業細則(以下簡稱「合營企業細則」)之修訂建議。

於二零零四年九月八日，本集團獲國家工商行政管理局批准將上海梅迪派勒由中外合作經營企業轉為外商獨資企業。上海梅迪派勒之註冊資本增加13,500,000美元(約105,300,000元)至15,300,000美元(約119,340,000元)，而在上海梅迪派勒的總投資額增加43,000,000美元(約335,400,000元)，由2,500,000美元(約19,500,000元)增至45,500,000美元(約354,900,000元)。有關批准證書由中華人民共和國商務部於二零零四年十月十三日發出。

隨著上海梅迪派勒獲批准轉變為一間外商獨資企業，本集團於此公司之股本權益由91.5%增加至100%。

- (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或虧損80%。其後，本集團可分佔南京梅迪派勒之溢利或虧損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或虧損80%。其後，本集團可分佔重慶媒體伯樂之溢利或虧損60%。

### 13. Investments in subsidiaries (Continued)

Notes: (Continued)

- (4) Chengdu MPI Public Transport Advertising Co. Ltd (“CDMPI”) was established in the PRC on 28 May 2002 as a sino-foreign co-operative joint venture with a term of 30 years. The Group is entitled to 50% of profits or losses of CDMPI over the term of co-operative joint venture 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.

### 14. Interest in associates

### 13. 於附屬公司之投資 (續)

附註：(續)

- (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」)於二零零二年五月二十八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或虧損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。

### 14. 聯營公司權益

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Share of net assets other than goodwill	分佔資產淨值(商譽除外)	9,365	4,427

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		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

# Notes to the Financial Statements

## 財務報表附註

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

### 15. Interests in jointly controlled entities

### 15. 共同控制實體權益

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Share of net assets other than goodwill	分佔資產淨值(商譽除外)	68,206	63,054
Amounts due from a jointly controlled entity	應收一間共同控制實體款項	18,868	18,868
		<b>87,074</b>	<b>81,922</b>

Details of the Group's interest in the jointly controlled entities are as follows:

本集團所擁有共同控制實體權益之詳情如下：

Name of company 公司名稱	Form of business structure 業務架構	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
Shanghai Metro-ads Advertising Co., Ltd. (Note a) 上海華智地鐵廣告有限公司(附註a)	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
Guangzhou Yong Tong Metro Advertising Company Limited (Note b) 廣州地鐵永通廣告有限公司(附註b)	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元 人民幣	32.5%	Outdoor advertising agent 戶外廣告代理
Shanghai Zhongle Vehicle Painting Co. Ltd (Note c) 上海中樂汽車油漆噴塗製作有限公司(附註c)	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



## 15. Interests in jointly controlled entities

(Continued)

### (a) Shanghai Metro-ads Advertising Co., Ltd

Shanghai Metro-ads Advertising Co., Ltd. ("Shanghai Metro JV") was established by a subsidiary of the Group and 上海地鐵廣告公司 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 上海地鐵廣告公司 and 上海市地鐵總公司, an entity related to 上海地鐵廣告公司, 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 上海地鐵廣告公司 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.

The Group's interest in Shanghai Metro JV is held through a wholly-owned subsidiary which has contributed 100% of the registered capital.

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.

The following supplementary financial information is disclosed relating to the Group's jointly controlled entity, Shanghai Metro JV, which is extracted from its audited financial statements.

## 15. 共同控制實體權益 (續)

### (a) 上海華智地鐵廣告有限公司

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市地鐵總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。

本集團對上海華智之權益是透過一間全數注資註冊資本之全資附屬公司持有。

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。

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)

### 15. Interests in jointly controlled entities

(Continued)

#### (a) Shanghai Metro-ads Advertising Co., Ltd (Continued)

Results for the years ended 31 December 2004 and 2003

		2004 \$'000 千元	2003 \$'000 千元
Turnover	營業額	123,563	85,033
Profit from ordinary activities before taxation	經常業務除稅前溢利	34,022	24,396
Taxation	稅項	(11,267)	(7,745)
Profit for the year	本年度溢利	22,755	16,651

Assets and liabilities as at 31 December 2004 and 2003

		2004 \$'000 千元	2003 \$'000 千元
Non-current assets	非流動資產	8,184	8,392
Current assets	流動資產	58,267	49,706
Current liabilities	流動負債	(29,025)	(24,539)
		37,426	33,559

### 15. 共同控制實體權益 (續)

#### (a) 上海華智地鐵廣告有限公司 (續)

截至二零零四年及二零零三年十二月三十一日止年度之業績

於二零零四年及二零零三年十二月三十一日之資產及負債

## 15. Interests in jointly controlled entities

(Continued)

### (b) Guangzhou Yong Tong Metro Advertising Company Limited

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.

The Group's interest in Guangzhou Metro JV is held through a wholly-owned subsidiary which has contributed 100% of the registered capital.

Amounts due from the 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 2005 (see note 37 for further details).

### (c) Shanghai Zhongle Vehicle Painting Co. Ltd

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 14 August 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.

The Group's interest in Shanghai Production JV is held through a wholly-owned subsidiary which has contributed 40% of the registered capital.

## 15. 共同控制實體權益 (續)

### (b) 廣州地鐵永通廣告有限公司

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。

本集團對廣州永通之權益是透過一間全數注資註冊資本之全資附屬公司持有。

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，未必會於二零零五年十二月三十一日前支付(其他詳情見附註37)。

### (c) 上海中樂汽車油漆噴塗製作有限公司

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八月十四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。

本集團對上海製作合營企業之權益是透過一間出資40%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)

### 16. Advertising rights

### 16. 媒體使用權

		The group 本集團 \$'000 千元
<b>Cost:</b>	<b>成本：</b>	
At 1 January 2004	於二零零四年一月一日	467,068
Additions	添置	1,589
Disposals	出售	(9,283)
<hr/>		
At 31 December 2004	於二零零四年十二月三十一日	459,374
<hr style="border-top: 1px dashed #000;"/>		
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>	
At 1 January 2004	於二零零四年一月一日	175,485
Charge for the year	本年度撥備	36,851
Written back on disposal	出售時撥回	(2,301)
<hr/>		
At 31 December 2004	於二零零四年十二月三十一日	210,035
<hr style="border-top: 1px dashed #000;"/>		
<b>Net book value:</b>	<b>賬面淨值：</b>	
At 31 December 2004	於二零零四年十二月三十一日	249,339
<hr/>		
At 31 December 2003	於二零零三年十二月三十一日	291,583

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 "profit/(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「經營溢利／（虧損）」項目內。

## 17. Other investments

Other investments represent an amount of \$49,528,000 (equivalent to RMB52,500,000) (2003: \$35,849,000 (equivalent to 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 (i) advertising consultancy fees from the independent third party, being \$11,321,000 (RMB12,000,000) for the year ended 31 December 2003, \$16,509,000 (RMB17,500,000) for the year ended 31 December 2004 and \$17,925,000 (RMB19,000,000) for the year ending 31 December 2005, and (ii) an additional amount per annum (if any) representing 35% 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, the independent third party will undertake to pay 35% 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.

## 17. 其他投資

其他投資額約為49,528,000元(相等於52,500,000元人民幣)(二零零三年: 35,849,000元(相等於38,000,000元人民幣)),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(i)廣告顧問費: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元人民幣);截至二零零四年十二月三十一日止年度為16,509,000元(17,500,000元人民幣),而截至二零零五年十二月三十一日止年度則為17,925,000元(19,000,000元人民幣),以及(ii)每年額外收益(如有)相等於每年源自約定之除稅前溢利之35%,扣除每年之廣告顧問費。

於二零零六年至二零零二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35%。

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)

### 18. Goodwill

### 18. 商譽

		The group 本集團 \$'000 千元
<b>Cost:</b>	<b>成本：</b>	
At 1 January 2004 and 31 December 2004	於二零零四年一月一日 及十二月三十一日	3,059
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>	
At 1 January 2004	於二零零四年一月一日	505
Charge for the year	本年度撥備	319
At 31 December 2004	於二零零四年十二月三十一日	824
<b>Carrying amount:</b>	<b>賬面值：</b>	
At 31 December 2004	於二零零四年十二月三十一日	2,235
At 31 December 2003	於二零零三年十二月三十一日	2,554

Goodwill arose from the acquisition of the remaining 5% interest in Metrolink Investments 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 Investments 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 "profit/(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「經營溢利／(虧損)」項目內。

### 19. Accounts receivable, other receivables, deposits and prepayments

### 19. 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	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Accounts receivable	應收賬款	43,675	32,841	-	-

19. Accounts receivable, other receivables, deposits and prepayments (Continued)

19. 應收賬款、其他應收賬款、按金及預付款項 (續)

		The group 本集團		The company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Other receivables and prepayments	其他應收賬款	11,821	16,149	189	48
Utility and rental deposits	公用服務及租賃按金	56,404	60,598	–	–
Amounts due from joint venture partners	應收合營企業夥伴款項	10,003	5,679	–	–
Others	其他	3,229	2,614	–	–
		<b>81,457</b>	<b>85,040</b>	<b>189</b>	<b>48</b>

The amount of other receivables, deposits, and prepayments of the Group expected to be recovered after more than one year is \$32,676,000 (2003: \$6,886,000). The remaining amount 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32,676,000元(二零零三年: 6,886,000元)。預期所有餘款將於一年內收回。

An ageing analysis of accounts receivable at the year end is as follows:

年底之應收賬款賬齡分析如下:

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Current	即期	25,363	11,781
One to three months overdue	一至三個月	17,490	15,581
More than three months overdue	三個月以上	822	5,479
		<b>43,675</b>	<b>32,841</b>

Debts are due within 30 days from the date of billing.

債項自發票日期起計30日內到期。

# Notes to the Financial Statements

## 財務報表附註

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

### 20. Amounts due from jointly controlled entities

The amounts due from jointly controlled entities are interest free, unsecured and repayable on demand.

### 21. Amounts due from minority shareholders

The amounts due from minority shareholders are non-interest bearing, unsecured and repayable on demand except for amounts of \$1,138,000 (2003: \$1,950,000) which are interest bearing at a rate of 2% (2003: 2%) per annum.

All amounts due from minority shareholders are expected to be recovered within one year.

### 22. Amounts due from/to related companies

The amounts due from/to related companies are interest free, unsecured and repayable on demand.

### 23. Pledged bank deposits

Pledged bank deposits represent deposits placed with banks as security for banking facilities made available to the Group. Of the total pledged deposits, \$128,229,000 (2003: \$199,928,000) was utilised to secure the bank loans set out in note 25.

### 24. Cash and cash equivalents

### 20. 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。

### 21. 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1,138,000元(二零零三年：1,950,000元)之款項則按年利率2厘(二零零三年：2厘)計算利息。

所有應收少數股東款項預期於一年內收回。

### 22. 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。

### 23. 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。其中128,229,000元(二零零三年：199,928,000元)用作擔保附註25之銀行貸款。

### 24. 現金及等同現金項目

		The group 本集團		The company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Deposits with banks and other financial institutions	銀行及其他財務機構存款	68,655	50,883	43,150	30,063
Cash at bank and in hand	銀行及手頭現金	140,022	89,405	1,887	3,624
Cash and cash equivalents in the balance sheet (note (a))	資產負債表之現金及等同現金項目(附註(a))	208,677	140,288	45,037	33,687



## 24. Cash and cash equivalents (Continued)

Notes:

- (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. The subsidiary of the Group agreed to place aggregate cash equivalents of \$75,471,000 (equivalent to 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 2004, the Group had utilised \$26,108,000 (2003: \$24,519,000) in connection with the construction of advertising media. Interest receivable on the bank account amounted to \$1,772,000 (2003: \$909,000). Expenses paid on behalf of Beijing Rail amounted to \$1,594,000 (RMB1,690,000) in 2003. Such expenses were reimbursed in 2004. Cash held by the Group under a jointly controlled bank account of \$51,135,000 (2003: \$50,267,000) is included in cash and cash equivalents of the Group at 31 December 2004.

- (b) Cash and cash equivalents include \$121,929,000 (2003: \$82,562,000) which is denominated in Renminbi (“RMB”) in the amount of RMB129,245,000 (2003: RMB87,516,000). 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.

## 24. 現金及等同現金項目 (續)

附註：

- (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75,471,000元(80,000,000元人民幣)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。

截至二零零四年十二月三十一日，本集團已就廣告媒體建設動用26,108,000元(二零零三年：24,519,000元)。此銀行賬戶可收利息達1,772,000元(二零零三年：909,000元)。於二零零四年已收回於二零零三年暫代支出1,594,000元(1,690,000元人民幣)。本集團在共同控制銀行賬戶所持之現金餘額51,135,000元(二零零三年：50,267,000元)已計入本集團於二零零四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121,929,000元(二零零三年：82,562,000元)之金額，而該金額原以人民幣計算，相等於129,245,000元人民幣(二零零三年：87,516,000元人民幣)。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)

### 25. Bank loans

### 25. 銀行貸款

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Bank loans	銀行貸款		
– unsecured	– 無抵押	–	7,075
– secured	– 有抵押	220,472	250,327
		220,472	257,402

The banking facilities of certain subsidiaries are secured by deposits of \$130,594,000 (2003: \$202,188,000) placed with banks at 31 December 2004. Such banking facilities, amounting to \$421,887,000 (2003: \$516,226,000), were utilised in respect of bank loans and bank guarantees to the extent of \$220,472,000 (2003: \$257,402,000) and \$4,730,000 (2003: \$4,520,000) respectively.

The secured bank loans of \$220,472,000 (2003: \$250,327,000) are secured by term deposits of \$128,229,000 (2003: \$199,928,000) 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二零零四年十二月三十一日之銀行存款130,594,000元(二零零三年：202,188,000元)作為抵押。上述銀行信貸421,887,000元(二零零三年：516,226,000元)其中220,472,000元(二零零三年：257,402,000元)及4,730,000元(二零零三年：4,520,000元)已分別用作銀行貸款及銀行擔保。

有抵押銀行貸款220,472,000元(二零零三年：250,327,000元)均以按予銀行之定期存款128,229,000元(二零零三年：199,928,000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。

## 26. Entrusted loan

Pursuant to an entrusted loan agreement entered into between a subsidiary of the Group and a jointly controlled entity of the Group in August 2004, a designated account with a balance of RMB20,550,000 (equivalent to \$19,387,000) (“designated deposit”) was placed by the jointly controlled entity of the Group as security for a loan of the same amount advanced to the subsidiary of the Group (“entrusted loan”).

The entrusted loan is interest free and is secured by the designated deposit placed by the jointly controlled entity of the Group. The entrusted loan of RMB20,550,000 (equivalent to \$19,387,000) at 31 December 2004 is expected to be settled before 31 December 2005.

## 26. 委託貸款

根據本集團一間附屬公司及本集團一間共同控制實體於二零零四年八月訂立之委託貸款協議，本集團之共同控制實體設立一個結餘共20,550,000元人民幣（相等於19,387,000元）之指定賬戶（「指定存款」），作為墊款予本集團之附屬公司一筆相等金額貸款之抵押（「委託貸款」）。

委託貸款為免息及以本集團之共同控制實體設立之指定存款作抵押。於二零零四年十二月三十一日為數20,550,000元人民幣（相等於19,387,000元）之委託貸款預期於二零零五年十二月三十一日前償還。

## 27. Accounts payable, other payables, deposits and provisions

		The group 本集團		The company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Accounts payable	應付賬款	20,532	49,948	-	-

		The group 本集團		The company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Other payables	其他應付款項	10,093	7,582	33	101
Deferred revenue	遞延收入	2,750	2,979	-	-
Deposits received in advance	預收按金	33,603	23,442	-	-
Accrued expenses	應計費用	14,943	12,241	2,690	1,252
Provision for onerous contracts (note 27(b))	合約承擔虧損撥備 (附註27(b))	507	1,505	-	-
		61,896	47,749	2,723	1,353

## 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 (Continued)

Deferred revenue represents the amounts received before the related work was performed.

Deposits received in advance represent advertising site rental deposits received from advertisers and advances from customers.

The amount of other payables and accrued expenses expected to be settled after more than one year is \$933,000 (2003: \$1,623,000).

(a) Included in accounts payable, other payables, deposits and accruals are accounts payable with the following ageing analysis:

#### 27. 應付賬款、其他應付賬款、按金及撥備 (續)

遞延收入指於進行有關工作前已收取之款項。

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。

預期將於一年後償還之其他應付賬款及應計費用為933,000元(二零零三年：1,623,000元)。

(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：

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Current	即期	2,479	4,087
One to three months	一至三個月	6,343	5,868
More than three months	三個月以上	11,710	39,993
		20,532	49,948

## 27. Accounts payable, other payables, deposits and provisions (Continued)

### (b) Provision for onerous contracts

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Balance at 1 January	於一月一日之結餘	1,505	12,626
Provisions utilised during the year	本年度撥備抵銷	(998)	(11,121)
Balance at 31 December	於十二月三十一日之結餘	507	1,505

## 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

## 28. Amounts due to jointly controlled entities

The amounts due to jointly controlled entities are interest free, unsecured and repayable on demand.

## 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 completing ten years of service, or at a reduced scale of between 10% to 90% after completing one to nine years of service.

## 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. 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。

# 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)

#### (a) Nature of the schemes (Continued)

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 3% to 22% (2003: 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.

#### (b) Retirement benefit costs for the year were as follows:

### 29. 僱員退休福利 (續)

#### (a) 計劃之性質 (續)

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3%至22%（二零零三年：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。

#### (b) 本年度之退休福利成本如下：

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Retirement contributions payable to retirement schemes	應支付退休計劃之退休供款	1,942	2,814
Forfeited contributions refunded to the Group	退還本集團之沒收供款	(77)	(252)
Total net contributions payable to retirement schemes	應支付退休計劃之供款合計淨額	1,865	2,562

### 30. Taxation

### 30. 稅項

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Provision for FEIT in the PRC for the year	本年度中國外資企業所得稅撥備	8,704	6,938
Tax paid during the year	於本年度已付稅項	(6,273)	(5,551)
Taxation payable	應付稅項	2,431	1,387

### 31. Convertible Bond

### 31. 可換股債券

		The group and the company 本集團及本公司	
		2004 \$'000 千元	2003 \$'000 千元
<b>Original Convertible Bond</b>	<b>原可換股債券</b>		
At 1 January	於一月一日	85,000	85,000
Cancelled during the year (note (a))	於本年度註銷「附註(a)」	(85,000)	–
At 31 December	於十二月三十一日	–	85,000
<b>New Convertible Bond</b>	<b>新可換股債券</b>		
At 1 January	於一月一日	–	–
Issued during the year (note (b))	於本年度發行「附註(b)」	85,000	–
At 31 December	於十二月三十一日	85,000	–

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

### 31. Convertible Bond (Continued)

Notes:

(a) *Original Convertible Bond*

The term of the Original Convertible Bond ("Original CB") was for the period from 9 January 2002 to 31 December 2004. Interest was payable at the rate of 2.5% per annum, semi-annually in arrears. The Group obtained a 50% waiver of interest payable to the holder of the Original CB for the period from 9 January 2003 to 8 January 2004.

The holder of the Original CB, Morningside CyberVentures Holdings Limited, ("Bond Holder") had, 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 Original CB into shares of the Company at a price of \$1.21 per share.

Unless previously repurchased, cancelled, redeemed or converted, the Original CB would be redeemed at its principal amount together with any accrued interest on maturity.

The Bond Holder had undertaken not to demand repayment of the principal sum of \$85,000,000 due under the Original CB for a period of 12 months from 31 December 2004.

The Original CB was effectively cancelled upon the issue of the New Convertible Bond as set out in note (b) below.

### 31. 可換股債券 (續)

附註：

(a) *原可換股債券*

原可換股債券(「原可換股債券」)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。本集團獲原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%。

原可換股債券持有人 Morningside CyberVentures Holding Limited (「債券持有人」) 在若干條件之規限下，有權由二零零二年一月三十一日起計之六個月(即二零零二年七月三十一日)屆滿後任何時間以每股1.21元之價格轉換部份或全部原可換股債券為本公司之股份。

除先前購回、註銷、贖回或轉換外，原可換股債券將按本金額連同任何應計利息於到期時贖回。

債券持有人已承諾，由二零零四年十二月三十一日起計之十二個月期間內，不會要求償還原可換股債券之本金額85,000,000元。

按下文附註(b)所載，該批原可換股債券於新可換股債券發行後註銷。



### 31. Convertible Bond (Continued)

(b) *New Convertible Bond*

On 13 October 2004, the Company entered into an agreement with the Bond Holder whereby the Company agreed to issue a new Convertible Bond ("New CB") in the principal amount of \$85,000,000. The New CB was issued to the Bond Holder on 31 December 2004 in return for the cancellation of the Original CB which was expired on 31 December 2004.

The term of the New CB is for the period from 31 December 2004 to 31 December 2007 (the "maturity date"). No interest is payable by the Company to the Bond Holder for the period from 31 December 2004 to 31 December 2007.

The New CB or any part thereof is convertible into the Company's shares at a price of \$0.50 per share (subject to adjustments), at the option of the Bond Holder during the period commencing from 31 December 2004 to 31 December 2007.

Unless previously repurchased, cancelled, redeemed or converted, the New CB will be redeemed by the Company on the maturity date at a redemption amount equal to 103% of the principal amount, which implies a yield to maturity of approximately 0.99% per annum to the Bond Holder.

### 32. Deferred taxation

(a) *Deferred tax (assets)/liabilities recognised:*

The group

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

		Depreciation allowances in excess of the related depreciation 超過相關折舊 的折舊免稅額 \$'000 千元	Future benefit of tax losses 日後稅務 虧損之利益 \$'000 千元	Total 總計 \$'000 千元
At 1 January 2004	於二零零四年 一月一日	45	-	45
Credited to the consolidated profit and loss account (note 5(a))	已計入於綜合損益表 (附註5(a))	-	(4,256)	(4,256)
At 31 December 2004	於二零零四年 十二月三十一日	45	(4,256)	(4,211)

### 31. 可換股債券 (續)

(b) *新可換股債券*

於二零零四年十月十三日，本公司與債券持有人訂立協議，據此本公司同意發行本金額共85,000,000元之新可換股債券（「新可換股債券」）。新可換股債券乃於二零零四年十二月三十一日發行予債券持有人，以註銷於二零零四年十二月三十一日到期之原可換股債券。

新可換股債券之年期由二零零四年十二月三十一日至二零零七年十二月三十一日（「到期日」）。本公司毋須於二零零四年十二月三十一日至二零零七年十二月三十一日內向債券持有人付任何利息。

可換股債券持有人可選擇於二零零四年十二月三十一日至二零零七年十二月三十一日期間，按每股0.50元之價格（可予調整）將新可換股債券之任何部份轉換為本公司之股份。

除先前購回、註銷、贖回或轉換者外，新可換股債券於到期日由本公司按相等於本金額之103%贖回，這表示至到期時，債券持有人每年之孳息率約為0.99%。

### 32. 遞延稅項

(a) *已確認之遞延稅項（資產）／負債：*

本集團

於綜合資產負債表內確認之遞延稅項（資產）／負債部份及於年內之變動如下：

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

### 32. Deferred taxation (Continued)

#### (a) Deferred tax (assets)/liabilities recognised: (Continued)

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Net deferred tax assets recognised in the consolidated balance sheet (note 5(a))	在綜合資產負債表已確認之遞延稅項資產淨值(附註5(a))	(4,256)	-
Net deferred tax liabilities recognised in the consolidated balance sheet	在綜合資產負債表已確認之遞延稅項負債淨值	45	45
		(4,211)	45

At 31 December 2004, the Group recognised deferred tax assets arising from the future benefits of tax losses derived from the PRC operations of \$4,256,000 (2003: Nil). The deferred tax assets are recognised to the extent that the directors consider that it is probable that a subsidiary of the Group in the PRC will generate future taxable profits against which the deferred tax assets can be utilised, prior to their expiry.

- (b) The major component of unprovided deferred taxation of the Group is the future benefit of tax losses of \$7,066,000 (2003: \$18,818,000).

The Group has not accounted for the deferred taxation assets attributable to the future benefit 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 2004. The tax losses of the Hong Kong operations do not expire under current tax legislation.

### 32. 遞延稅項 (續)

#### (a) 已確認之遞延稅項(資產)/負債:(續)

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Net deferred tax assets recognised in the consolidated balance sheet (note 5(a))	在綜合資產負債表已確認之遞延稅項資產淨值(附註5(a))	(4,256)	-
Net deferred tax liabilities recognised in the consolidated balance sheet	在綜合資產負債表已確認之遞延稅項負債淨值	45	45
		(4,211)	45

於二零零四年十二月三十一日，本集團來自中國業務日後稅務虧損之利益產生之遞延稅項資產確認為4,256,000元(二零零三年：無)。遞延稅項資產能否獲得確認，乃視乎董事認為本集團於中國之一間附屬公司將可於遞延稅項資產到期前能否產生日後應課稅溢利而定。

- (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7,066,000元(二零零三年：18,818,000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，原因是於二零零四年十二月三十一日，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。

### 33.Minority interests

### 33.少數股東權益

		The group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Amounts due to minority shareholders	應付少數股東款項	6,845	5,901
Minority shareholders' share of net assets	少數股東應佔資產淨值	18,384	15,091
		25,229	20,992

The amounts due to minority shareholders are interest free, unsecured and are not expected to be settled before 31 December 2005.

應付少數股東款項均為免息及無抵押，並預期不會於二零零五年十二月三十一日前償還。

### 34.Share capital

### 34.股本

		2004		2003	
		Number of shares 股份數目	Amount 金額 \$'000 千元	Number of shares 股份數目	Amount 金額 \$'000 千元
<i>Authorised:</i>	法定股本：				
At 1 January	於一月一日	1,000,000,000	100,000	1,000,000,000	100,000
Increase during the year	於本年度增加	500,000,000	50,000	-	-
At 31 December	於十二月三十一日	1,500,000,000	150,000	1,000,000,000	100,000
<i>Issued and fully paid:</i>	已發行及繳足股本：				
At 1 January and 31 December	於一月一日及十二月三十一日	853,800,000	85,380	853,800,000	85,380

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### 34. Share capital (Continued)

On 13 December 2004, the authorised share capital of the Company was increased from \$100,000,000 to \$150,000,000 by the creation of an additional 500,000,000 shares of \$0.10 each ranking pari passu with the then existing shares in all respects.

#### 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 Scheme, contributed to the Group, may be granted options to subscribe for shares in the Company. Details of the 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 written resolutions 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)

於二零零四年十二月十三日，本公司之法定股本藉額外增設500,000,000股每股每值0.10元之股份，而由100,000,000元增至150,000,000元。該等股份在所有方面與當時現有已發行股份享有同等權益。

#### 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。

### 34. Share capital (Continued)

#### Share option scheme (the "Scheme") (Continued)

##### (a) Movements in share options

		2004 Number 數目	2003 Number 數目
At 1 January	於一月一日	15,938,000	17,328,000
Granted	授出	-	-
Lapsed	失效	(490,000)	(1,390,000)
At 31 December	於十二月三十一日	15,448,000	15,938,000
Options vested at 31 December	於十二月三十一日 可行使購股權	7,661,500	3,984,500

##### (b) Terms of unexpired and unexercised share options at the balance sheet date

Date granted 已授出日期	Exercise period 行使期間	Exercise price 行使價	2004 Number 數目	2003 Number 數目
14 August 2002 二零零二年八月十四日	14 August 2003 to 13 August 2012 二零零三年八月十四日 至二零一二年八月十三日	\$0.62	15,448,000	15,938,000

##### (c) Details of share options granted during the year

No share options were granted during the year ended 31 December 2004 (2003: Nil).

##### (d) Details of share options exercised during the year

No share options were exercised during the year ended 31 December 2004 (2003: Nil).

### 34. 股本 (續)

#### 購股權計劃(「購股權計劃」) (續)

##### (a) 購股權之變動

	2004 Number 數目	2003 Number 數目
At 1 January	15,938,000	17,328,000
Granted	-	-
Lapsed	(490,000)	(1,390,000)
At 31 December	15,448,000	15,938,000
Options vested at 31 December	7,661,500	3,984,500

##### (b) 於年報日未到期及未行使購股權的條款

Date granted 已授出日期	Exercise period 行使期間	Exercise price 行使價	2004 Number 數目	2003 Number 數目
14 August 2002 二零零二年八月十四日	14 August 2003 to 13 August 2012 二零零三年八月十四日 至二零一二年八月十三日	\$0.62	15,448,000	15,938,000

##### (c) 於本年度已授出之購股權詳情

於二零零四年十二月三十一日止年度內並無授出購股權(二零零三年：無)。

##### (d) 於本年度已行使之購股權詳情

於二零零四年十二月三十一日止年度內並無行使購股權(二零零三年：無)。

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### 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 2003	於二零零三年一月一日	233,715	255,366	(61,518)	-	(63,939)	363,624
Movement for the year	本年度之變動	-	-	-	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>
At 1 January 2004	於二零零四年一月一日	233,715	255,366	(61,518)	1,064	(85,713)	342,914
Movement for the year	本年度之變動	-	-	-	(57)	-	(57)
Profit for the year	本年度溢利	-	-	-	-	20,235	20,235
<b>At 31 December 2004</b>	<b>於二零零四年 十二月三十一日</b>	<b>233,715</b>	<b>255,366</b>	<b>(61,518)</b>	<b>1,007</b>	<b>(65,478)</b>	<b>363,092</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.

Merger reserves represent the amount of reserves of subsidiaries that has been capitalised as a result of share-for-share exchanges.

### 35. 儲備

#### (a) 本集團

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。

合併儲備指附屬公司因股換股而撥作資本之儲備額。

		2004 \$'000 千元	2003 \$'000 千元
Profit/(loss) for the year is retained by:	由下列公司於年內保留之溢利／(虧損)：		
- The company and its subsidiaries	- 本公司及其附屬公司	10,145	(25,082)
- Associates	- 聯營公司	4,938	1,641
- Jointly controlled entities	- 共同控制實體	5,152	1,667
		<b>20,235</b>	<b>(21,774)</b>

### 35. Reserves (Continued)

#### (a) The group (Continued)

Included in the figure for revenue reserves at 31 December 2004 are reserves of \$8,995,000 (2003: \$4,057,000) attributable to associates and reserves of \$16,191,000 (2003: \$11,039,000) attributable to the jointly controlled entities.

#### (b) The company

### 35. 儲備 (續)

#### (a) 本集團 (續)

截至二零零四年十二月三十一日之收入儲備包括應佔聯營公司儲備8,995,000元(二零零三年: 4,057,000元)及應佔共同控制實體儲備16,191,000元(二零零三年: 11,039,000元)。

#### (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 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)
At 31 December 2003	於二零零三年十二月三十一日	233,715	(10,113)	223,602
At 1 January 2004	於二零零四年一月一日	233,715	(10,113)	223,602
Loss for the year	本年度虧損	-	(8,462)	(8,462)
At 31 December 2004	於二零零四年十二月三十一日	233,715	(18,575)	215,140

### 36. Commitments and contingencies

#### (i) Commitments under operating leases

At 31 December 2004, the Group had total future minimum lease payments under non-cancellable operating leases payable as follows:

### 36. 承擔及或然項目

#### (i) 經營租賃承擔

於二零零四年十二月三十一日，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：

		2004			2003		
		Property 物業 \$'000 千元	Site rentals 廣告位租賃 \$'000 千元	Total 總計 \$'000 千元	Property 物業 \$'000 千元	Site rentals 廣告位租賃 \$'000 千元	Total 總計 \$'000 千元
Within one year	一年內	4,094	84,646	88,740	2,575	44,439	47,014
After one year but within five years	一年後但五年內	4,228	285,709	289,937	3,525	267,677	271,202
After five years	五年後	1,792	495,886	497,678	2,311	588,665	590,976
		10,114	866,241	876,355	8,411	900,781	909,192

# Notes to the Financial Statements

## 財務報表附註

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

### 36. Commitments and contingencies (Continued)

#### (i) Commitments under operating leases (Continued)

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.

#### (ii) Other commitments

(a) As at 31 December 2004, 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. The agreement is for the period from 1 November 1999 to 22 September 2029. \$7,642,000 (RMB8,100,000) (2003: \$5,377,000) is due within the next twelve months, \$36,792,000 (RMB39,000,000) (2003: \$33,679,000) is due after one year but within five years and \$10,755,000 (RMB11,400,000) (2003: \$21,510,000) is due after five years. The aggregate amount payable by the Group to the PRC joint venture partner up to 31 December 2010 is \$55,189,000 (RMB58,500,000) (2003: \$60,566,000). 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.

### 36. 承擔及或然項目 (續)

#### (i) 經營租賃承擔 (續)

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。

#### (ii) 其他承擔

(a) 於二零零四年十二月三十一日，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7,642,000元(8,100,000元人民幣)(二零零三年：5,377,000元)，於一年後但五年內須支付36,792,000元(39,000,000元人民幣)(二零零三年：33,679,000元)，而於五年後則須支付10,755,000元(11,400,000元人民幣)(二零零三年：21,510,000元)。本集團截至二零一零年十二月三十一日須支付合共55,189,000元(58,500,000元人民幣)(二零零三年：60,566,000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。



## 36. Commitments and contingencies (Continued)

### (ii) Other commitments (Continued)

- (b) As at 31 December 2004, 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. \$529,000 (JPY7,000,000) (2003: \$1,265,000) is payable within one year and \$Nil (2003: \$506,000) is payable after one year but within five years.

The above commitments are not included in the operating lease commitments disclosed in note 36(i) above.

### (iii) Capital commitments

- (a) In July 2004, pursuant to the Joint Venture Agreement and subject to relevant approvals from the related PRC regulatory authorities, which may be subject to such conditions as they may consider appropriate, the Group entered into a sino-foreign co-operative joint venture agreement with an independent third party to establish a joint venture, namely Nanjing Metro Media Partners Advertising Co., Ltd (南京地鐵媒體伯樂廣告有限公司) ("Nanjing Metro MPI") in the PRC which engages in the design, production, dissemination and publishing and act as an agent for the placement of all kinds of advertisements in or outside Mainland China. The Group and the independent third party own 98% and 2% of Nanjing Metro MPI respectively.

The total investment is RMB120 million (\$113.2 million) and the registered capital is RMB60 million (\$56.6 million), whereby the Group will contribute cash of RMB58.8 million (\$55.5 million) and the independent third party RMB1.2 million (\$1.1 million).

The term of Nanjing Metro MPI is for 18 years starting from the date of commencement of official operations of the Nanjing Metro Line 1 (Phase 1). Nanjing Metro MPI has not yet been established as at 31 December 2004.

## 36. 承擔及或然項目 (續)

### (ii) 其他承擔 (續)

- (b) 於二零零四年十二月三十一日，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529,000元(7,000,000日圓) (二零零三年：1,265,000元)，而並無於一年後但五年內到期之應付款項(二零零三年：506,000元)。

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

- (a) 於二零零四年七月，根據合營企業協議及有關中國監管機構批准及認為合適的情況下，本集團與一名獨立第三方訂立一項中外合作經營企業協議，在中國成立一家合營企業南京地鐵媒體伯樂廣告有限公司(「南京地鐵媒體伯樂」)。該公司從事設計、製作、分發及出版各類型廣告並為國內外的廣告發行代理。本集團與該名獨立第三方分別持有南京地鐵媒體伯樂廣告之98%及2%權益。

總投資額為120,000,000元人民幣(113,200,000元)，而註冊資本為60,000,000元人民幣(56,600,000元)，據此本集團及該名獨立第三方將分別注資現金58,800,000元人民幣(55,500,000元)及1,200,000元人民幣(1,100,000元)。

南京地鐵媒體伯樂之年期為由南京地鐵一號綫(一期)正式開始運作日期起計十八年。於二零零四年十二月三十一日，南京地鐵媒體伯樂尚未成立。

# Notes to the Financial Statements

## 財務報表附註

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

### 36. Commitments and contingencies (Continued)

#### (iii) Capital commitments (Continued)

##### (a) (Continued)

Capital commitments in respect of Nanjing Metro MPI which have been contracted for by the Group as at 31 December 2004 are as follows:

		RMB'000 人民幣千元	\$'000 千元
Capital commitments contracted for:	已訂約之資本承擔：		
- Within 90 days from the date of issue of the business licence	- 獲發營業執照 日期起計90天內	29,400	27,736
- In the second year from the date of issue of the business licence	- 獲發營業執照 日期起計第二年	19,600	18,491
- In the third year from the date of issue of the business licence	- 獲發營業執照 日期起計第三年	9,800	9,245

(b) In September 2004, a wholly-owned subsidiary of the Group and an independent third party entered into a joint venture agreement to establish a joint venture named "Shanghai Donghu - MPI Advertising Company Limited" ("Donghu MPI").

The Group obtained the approval for the establishment of Donghu MPI on 13 January 2005. Capital commitments which have been contracted for by the Group as at 31 December 2004 total US\$840,000 (equivalent to \$6,552,000) and are payable before 31 December 2005.

#### (iv) Contingent liabilities

At 31 December 2004, the Group had contingent liabilities amounting to \$13,315,000 (2003: \$4,520,000) in respect of bank guarantees given to independent third parties in the ordinary course of business to ensure the due performance and observance of the obligations of a subsidiary and a jointly controlled entity to certain agreements.

At 31 December 2004, guarantees given by the Company to banks to secure banking facilities made available to the subsidiaries amounted to \$229,340,000 (2003: \$132,170,000).

### 36. 承擔及或然項目 (續)

#### (iii) 資本承擔 (續)

##### (a) (續)

於二零零四年十二月三十一日，本集團就南京地鐵媒體伯樂已訂約之資本承擔如下：

	RMB'000 人民幣千元	\$'000 千元
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(b) 於二零零四年九月，本集團一間全資附屬公司與一名獨立第三方訂立一項合營企業協議，成立一家名為「上海東湖媒體伯樂廣告有限公司」（「東湖媒體伯樂」）之合營企業。

本集團於二零零五年一月十三日取得批准成立上海東湖媒體伯樂。於二零零四年十二月三十一日，本集團已訂約之資本承擔合共840,000美元（相等於6,552,000元），並須於二零零五年十二月三十一日前支付。

#### (iv) 或然負債

於二零零四年十二月三十一日，本集團之或然負債合共13,315,000元（二零零三年：4,520,000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及一間共同控制實體妥善履行及遵守若干協議規定該附屬公司及該共同控制實體之責任。

於二零零四年十二月三十一日，本公司向銀行提供為數229,340,000元之擔保（二零零三年：132,170,000元），使附屬公司可取得銀行信貸。

### 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。

		Note 附註	2004 \$'000 千元	2003 \$'000 千元
<b>Income</b>	<b>收益</b>			
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)	5,557	4,689
– Shanghai Metro-ads Advertising Co., Ltd.	– 上海華智地鐵廣告有限公司	(i)	3,960	3,960
			9,517	8,649
Advertising and other related service fees	廣告及其他相關服務費	(b)		
– POAD	– POAD	(v)	1,236	359
– Guangzhou Yong Tong Metro Advertising Company Limited	– 廣州地鐵永通廣告有限公司	(i)	8,391	619
– Shanghai Metro-ads Advertising Co., Ltd.	– 上海華智地鐵廣告有限公司	(i)	1,121	–
			10,748	978
Loan interest income	貸款利息收益			
– Minority shareholder	– 少數股東	(c)	23	38

# 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)

		Note 附註	2004 \$'000 千元	2003 \$'000 千元
<b>Expenses</b>	<b>開支</b>			
Advertising and other related services	廣告及其他相關服務	(b)		
– Shanghai Zhongle	– 上海中樂	(i)	18,975	12,826
– Guangzhou Yong Tong Metro Advertising Company Limited	– 廣州地鐵永通廣告有限公司	(i)	1,315	726
– POAD	– POAD	(v)	313	763
			20,603	14,315
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)	628	649
– Nobel State Company Limited	– 湛域有限公司	(ii)	1,349	915
			1,977	1,564
Administrative fees	行政費用	(e)		
– MTI Administration Limited	– 晨興科技管理服務有限公司	(ii)	300	400
Consultancy fees	顧問費	(f)		
– Springfield Financial Advisory Limited	– Springfield Financial Advisory Limited	(ii)	156	123
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)	6,607	7,413
Interest on Convertible Bond	可換股債券利息	(h)		
– Morningside CyberVentures Holdings Limited	– Morningside CyberVentures Holdings Limited	31 & (ii)	2,108	1,086

### 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.
- (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) CDMPI pays 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。
- (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%。

# 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)

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 Lokchung 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)

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。

## 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 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 2004, the remaining amount of \$18,868,000 (RMB20,000,000) (2003: \$18,868,000 (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 2004 are set out in the consolidated balance sheet of the Group.

### Entrusted loan advanced by a subsidiary of the Group

Pursuant to an entrusted loan agreement entered into between a subsidiary of the Group and a jointly controlled entity of the Group in August 2004, a designated account with a balance of RMB20,550,000 (equivalent to \$19,387,000) ("designated deposit") was placed by the jointly controlled entity of the Group as security for a loan of the same amount advanced to the subsidiary of the Group ("entrusted loan").

The entrusted loan is interest free and is secured by the designated deposit placed by the jointly controlled entity of the Group. The entrusted loan of RMB20,550,000 (equivalent to \$19,387,000) at 31 December 2004 is expected to be settled before 31 December 2005.

### Contingent liabilities

At 31 December 2004, a subsidiary had contingent liabilities amounting to \$8,585,000 (2003: Nil) in respect of a bank guarantee given to an independent third party in the ordinary course of business to ensure the due performance and the observance of the obligations of a jointly controlled entity to an agreement.

## 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元人民幣)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元人民幣)是以注入資產方式轉讓予廣州永通。於二零零四年十二月三十一日，廣州永通仍須就上述轉讓應付其餘18,868,000元(20,000,000元人民幣)(二零零三年：18,868,000元(20,000,000元人民幣))。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

於二零零四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。

### 本集團一間附屬公司墊款之委託貸款

根據本集團一間附屬公司及本集團一間共同控制實體於二零零四年八月訂立之委託貸款協議，本集團之共同控制實體設立一個結餘為20,550,000元人民幣(相等於19,387,000元)之指定賬戶(「指定存款」)，作為墊款予本集團之附屬公司一筆相同金額貸款之抵押(「委託貸款」)。

委託貸款為免息並以本集團之共同控制實體設立之指定存款作抵押。於二零零四年十二月三十一日，為數20,550,000元人民幣(相等於19,387,000元)之委託貸款預期於二零零五年十二月三十一日前償還。

### 或然負債

於二零零四年十二月三十一日，一間附屬公司之或然負債達8,585,000元(二零零三年：無)。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，以確保一間共同控制實體妥善履行及遵守協議規定該共同控制實體之責任。

# Notes to the Financial Statements

## 財務報表附註

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

### 38. Post balance sheet events

The following events occurred subsequent to 31 December 2004 up to the date of approval of these financial statements by the board of Directors:

- (a) In September 2004, a wholly-owned subsidiary of the Group and an independent third party entered into a joint venture agreement to establish a joint venture named "Shanghai Donghu – MPI Advertising Company Limited" ("Donghu MPI").

The Group obtained the approval for the establishment of Donghu MPI on 13 January 2005. Throughout the joint venture period, the Group is entitled to share 70% of the financial results and net assets of Donghu MPI in accordance with the terms of the joint venture agreement. The joint venture is for a period of 10 years from 17 January 2005 to 16 January 2015. Details of the capital commitments of the Group in this regard are set out in note 36(iii)(b).

- (b) On 15 January 2005, the Group entered into an agreement with Morningside CyberVentures Holdings Limited, the ultimate holding company, for a term loan facilities of US\$22 million (\$171.6 million). The facilities are unsecured and interest bearing at market rates. The loan facilities were secured for the purpose of providing additional general working capital to the Group and are repayable within twelve months from the date of advance.

### 39. Recently issued accounting standards

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 December 2004.

### 38. 結算日後事項

下列事項於二零零四年十二月三十一日後至董事會批核財務報表日期發生：

- (a) 於二零零四年九月，本集團一間全資附屬公司與一名獨立第三方簽訂一項合營企業協議，成立一家名為「上海東湖媒體伯樂廣告有限公司」（「上海東湖媒體伯樂」）之合營企業。

本集團於二零零五年一月十三日取得批准成立上海東湖媒體伯樂。於合營期內，本集團根據該合營企業協議之條款有權分佔上海東湖媒體伯樂之業績及淨資產之70%。合營期由二零零五年一月十七日至二零一五年一月十六日，為期十年。有關本集團資本承擔之詳情載於附註36(iii)(b)。

- (b) 於二零零五年一月十五日，本集團與最終控股公司Morningside CyberVentures Holdings Limited就合共22,000,000美元（171,600,000元）的定期信貸融資訂立協議，該信貸乃無抵押並以市場利率計息。該項信貸融資乃為本集團提供額外營運資金，並須於墊款日期起計十二個月內償還。

### 39. 近期頒佈之會計準則

香港會計師公會已頒佈新訂及經修訂香港財務報告準則及香港會計準則（「新香港財務報告準則」），有關準則於二零零五年一月一日或之後開始之會計期間生效。

本集團於截至二零零四年十二月三十一日止年度之財務報表內並無採納該等新香港財務報告準則。



### 39. Recently issued accounting standards

*(Continued)*

The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

### 40. 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 2004.

### 39. 近期頒佈之會計準則 (續)

本集團已開始評估該等新香港財務報告準則之影響，惟目前未適宜說明該等新香港財務報告準則對其營運業績及財政狀況有否構成重大影響。

### 40. 最終控股公司

本公司董事認為，於二零零四年十二月三十一日，最終控股公司為於英屬處女群島註冊成立之MSCV。

# Financial Summary

## 財務摘要

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

		2004 \$'000 千元	2003 \$'000 千元	2002 \$'000 千元	2001 \$'000 千元	2000 \$'000 千元
<b>Mainland China</b>	<b>中國內地</b>					
Turnover	營業額	298,198	217,143	218,903	171,851	141,977
Profit/(loss) attributable to shareholders	股東應佔溢利／(虧損)	25,642	(9,963)	11,932	17,972	5,115
EBITDA (note 3)	EBITDA (附註3)	68,859	39,318	54,373	59,652	46,198
Adjusted EBITDA (note 4)	經調整EBITDA (附註4)	89,160	54,013	67,362	71,208	51,339
<b>Hong Kong</b>	<b>香港</b>					
Turnover	營業額	54,439	60,062	71,901	87,125	78,484
Profit/(loss) attributable to shareholders	股東應佔溢利／(虧損)	4,121	(6,745)	(35,620)	5,415	4,553
EBITDA	EBITDA	(203)	(7,375)	(36,184)	2,556	6,841
Adjusted EBITDA	經調整EBITDA	4,735	(5,734)	(34,238)	6,946	6,841
<b>Group Total (note 5)</b>	<b>集團總計 (附註5)</b>					
Turnover	營業額	352,637	277,205	290,804	258,976	220,461
Profit/(loss) attributable to shareholders	股東應佔溢利／(虧損)	20,235	(21,774)	(29,941)	23,387	9,668
EBITDA	EBITDA	61,236	27,963	14,014	62,208	51,013
Adjusted EBITDA	經調整EBITDA	86,475	44,299	28,949	78,154	56,154
<b>Assets and liabilities</b>	<b>資產與負債</b>					
Total assets	總資產	908,281	910,292	880,655	583,713	548,318
Total liabilities	總負債	(434,580)	(461,006)	(411,318)	(401,325)	(393,802)
Minority interests	少數股東權益	(25,229)	(20,992)	(20,333)	(22,438)	(17,953)
Net Assets	資產淨值	448,472	428,294	449,004	159,950	136,563

Notes:

附註：

(1) The results of the Group for each of the two years ended 31 December, 2000 and 2001 have been prepared on a proforma combined basis as if the Group structure immediately after the formation of the Group for the purpose of the listing of the Company's shares on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited ("the Reorganisation") had been in existence throughout those years. The results of the Group for year ended 31 December 2000 was extracted from the Company's Prospectus dated 15 January 2002.

(1) 本集團截至二零零零年及二零零一年十二月三十一日止兩年度各年之業績，乃假設本集團因將本公司的股份上市於香港聯合交易所有限公司創業板之目的而組成（「重組」）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。

- |  |  |
|--|--|
| <p>(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 Reorganisation which was completed on 9 January 2002.</p>   | <p>(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現時各公司之控股公司。</p>      |
| <p>(3) EBITDA is defined as earnings before interest expenses, tax, depreciation and amortisation.</p>   | <p>(3) EBITDA指未計利息開支、稅項、折舊與攤銷前之盈利。</p>                               |
| <p>(4) Adjusted EBITDA is defined as earnings before interest expenses, tax, depreciation and amortisation, minority interests and including the Group's share of net profits of associates and jointly controlled entities.</p> | <p>(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共同控制實體之淨溢利。</p> |
| <p>(5) The Group total included results generated from Mainland China and Hong Kong operations and after deduction of the corporate expenses.</p>  | <p>(5) 本集團總計包括從中國內地及香港業務產生之業績，並扣除企業開支。</p>                           |

# Glossary

## 釋義

### “AEL”

Airport Express Line in Hong Kong

### “Board”

board of Directors

### “Company”

Media Partners International Holdings Inc., a company incorporated in the Cayman Islands with limited liability and listed on GEM

### “Chengdu 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

### “Directors”

the directors of the Company

### “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

### 「機場快綫」

香港機場快綫

### 「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及於創業板上上市

### 「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

### 「董事」

本公司董事

### 「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

### 「創業板上上市規則」

聯交所的創業板證券上市規則

**“Guangzhou Metro JV”**

Guangzhou Yong Tong Metro Advertising Company Limited, a sino-foreign CJV established in the PRC

**“Hong Kong” or “HK”**

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

**“MPIL”**

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” or “MSCV”**

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

**「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」或「MSCV」**

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」**

南京梅迪派勒公交廣告有限公司，於中國成立的一間中外合作經營企業

# Glossary

## 釋義

### “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”

the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)

### “Shanghai MPI”

Shanghai Media Partners International Ltd., a WFOE in the PRC

### “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

### “WTO”

the World Trade Organization

### “WFOE”

Wholly foreign owned enterprise

### 「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，於中國成立的外商獨資企業

### 「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

### 「世貿」

世界貿易組織

### 「WFOE」

外商獨資企業