

Notes to the Financial Statements

財務報告附註

For the year ended 31st March, 2004
截至二零零四年三月三十一日止年度

1. GENERAL

The Company was incorporated as an exempted company with limited liability in Bermuda under the Companies Act 1981 of Bermuda with its ordinary shares listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Group is principally engaged in the media-related business, including broadcasting and publishing businesses.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted the Hong Kong Financial Reporting Standard (“HKFRS”) — the revised Statement of Standard Accounting Practice (“SSAP”) 12 “Income Taxes” (“SSAP 12 Revised”), issued by the Hong Kong Society of Accountants (“HKSA”). The term of HKFRS is inclusive of SSAPs and Interpretations approved by the HKSA. The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax. SSAP 12 (Revised) requires the adoption of a balance sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions.

1. 一般事項

本公司為根據百慕達一九八一年公司法於百慕達註冊成立之受豁免有限公司，其普通股在香港聯合交易所有限公司（「聯交所」）上市。

本集團主要從事傳媒相關業務，包括廣播及出版業務。

2. 採納香港財務報告準則

本集團於本年度採納由香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）— 經修訂會計實務準則（「會計實務準則」）第12號「所得稅」（「經修訂會計實務準則第12號」）。香港財務報告準則之條款包括香港會計師公會批准之會計實務準則及詮釋。推行會計實務準則第12號（經修訂）之主要影響涉及遞延稅項。會計實務準則第12號（經修訂）規定，須採納資產負債表負債法，據此，除有限例外情況外，遞延稅項乃就財務報告內之資產及負債賬面值與計算應課稅溢利所使用之相應稅務基礎兩者之所有臨時差額予以確認。

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2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The adoption of this SSAP has had no material effect on the results for the current or prior accounting periods.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain investments in securities and in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are set out as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31st March each year.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant inter-company transactions and balances within the Group have been eliminated on consolidation.

2. 採納香港財務報告準則 (續)

採納本會計實務準則對本會計期間或過往會計期間之業績並無任何重大影響。

3. 主要會計政策

財務報告按歷史成本法根據香港普遍採納之會計原則編撰，並已就重估若干證券投資作出調整。所採納之主要會計政策如下：

綜合基準

綜合財務報告包括本公司及其附屬公司截至每年三月三十一日止之財務報告。

於年內收購或出售之附屬公司之業績由收購生效當日起計或計至出售生效當日止(視乎情況而定)計入綜合收益表。

所有集團內公司間之重大交易及結餘均已於綜合賬目時對銷。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill is capitalised and amortised on a straight line basis over its useful economic life.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss.

Interests in associates

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, interests in associates are stated at the Group's share of the net assets of the associates, less any identified impairment loss.

3. 主要會計政策 (續)

商譽

商譽指收購成本超逾本集團於收購附屬公司當日所佔可分辨資產及負債之公平值權益之數額。

商譽乃撥充資本，並按其可使用經濟年期以直線法攤銷。

於出售附屬公司時，應佔商譽在釐定出售所致盈虧時將列入計算。

附屬公司之投資

附屬公司之投資乃按成本減任何已辨別減值虧損計入本公司之資產負債表。

聯營公司之權益

綜合收益表包括本集團攤佔其聯營公司於本年度之收購後業績。於綜合資產負債表內，聯營公司之權益按本集團攤佔聯營公司之資產淨值扣除任何已辨別減值虧損後列賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Broadcasting advertising fee income is recognised when the relevant advertisements are broadcasted.

Revenue from sub-licensing of programme rights is recognised upon delivery of the pre-recorded audio visual products and other materials for the programme rights to the customers.

Sales of goods are recognised when goods are delivered and title has passed.

Income from the production of television programme is recognised when the production is completed and the master copy has been delivered to the customers.

Sales of newspapers and magazines are recognised when newspapers and magazines are delivered and title has passed.

Advertising revenue is recognised on the relevant publication date of the Group's newspapers and magazines.

Revenue from internet website content sales is recognised on a straight line basis over the contract term if the revenue for the service is fixed.

Services income are recognised when the services are rendered.

3. 主要會計政策 (續)

收入確認

廣播廣告費收入於有關廣告播出時確認。

分銷節目播映權之收入於向客戶移交預先錄製之影視產品及節目播映權之其他資料時確認。

貨品銷售於貨品付運及擁有權移交時確認。

製作電視節目之收入於製作完成及母帶付運予客戶後確認。

報章及雜誌銷售乃於報章及雜誌已派送及所有權已轉移時確認。

廣告收入乃於本集團之報章及雜誌之有關出版日期確認。

如服務之收益可予釐定，互聯網網站內容銷售收入以直線法按合約年期確認。

服務收入於提供服務時確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Rental income, including rental invoiced in advance from machinery under operating leases, is recognised on a straight line basis over the term of the relevant lease.

Interest income from bank deposits is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

Barter transactions

Revenue from barter transaction are recognised at fair value based on the fair value of the goods and services received in the transaction.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and amortisation and accumulated impairment losses.

Leasehold land and buildings are amortised on a straight line basis over the shorter of the lease terms and 25 years.

Depreciation of other assets is provided to write off the cost over their estimated useful lives, using the reducing balance method, at 20% per annum.

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets.

3. 主要會計政策 (續)

收入確認 (續)

租金收入(包括根據經營租賃出租機器而預收之租金)，以直線法按有關租約年期確認。

銀行存款之利息收入，按時間比例根據尚餘本金額及有關利率計算。

以物易物交易

以物易物交易之收益乃根據交易中所收取之貨物及服務之公平值按公平值確認。

物業、機器及設備

物業、機器及設備按成本減累計折舊及攤銷及累積減值虧損入賬。

租賃土地及樓宇以直線法按租約年期及二十五年(以較短者為準)攤銷。

其他資產之折舊乃以其估計可使用年期，採用餘額遞減法每年按20%撇銷成本。

根據融資租約持有之資產按其估計可使用年期採用與自置資產相同之基準折舊。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of any impairment loss is recognised as income immediately.

3. 主要會計政策 (續)

物業、機器及設備 (續)

出售或棄用資產所產生之收益或虧損，乃出售所得款項與資產賬面值之差額，均於收益表確認。

減值

於各個結算日，本集團會審核其有形及無形資產之賬面值，以釐定該等資產可有出現減值虧損。倘出現任何減值跡象，則須估計有關資產之可收回金額，以釐定減值虧損幅度。

倘資產之可收回金額估計少於其賬面值，則有關資產之賬面值會撇減至其可收回金額。減值虧損會即時確認為開支。

倘減值虧損其後撥回，則有關資產之賬面值將增至重新估計之可收回金額，惟所增加之賬面值不得超逾有關資產於過往年度出現減值虧損前所釐定之賬面值，而減值虧損減少之數額須隨即列作收入處理。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Finance leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are capitalised at their fair values at the date of acquisition. The corresponding liabilities to the lessor, net of interest charges, are included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

All other leases are classified as operating leases and the annual rentals are charged to the income statement on a straight line basis over the term of the relevant lease.

Purchased programme rights

Cost, which comprises acquired programme costs in respect of programming license agreements for rights of presentation, is capitalised and charged to the income statement over the shorter of the license period or over the estimated number of future showings and the estimated useful lives. Programme rights with a license period of twelve months or less are classified as current assets.

3. 主要會計政策 (續)

融資租賃

融資租賃乃指有關資產擁有權之絕大部份風險及得益於租約期內實質地轉往本集團之租賃。根據融資租賃持有之資產按收購日期之公平值資本化，而出租人之有關負債(已扣除利息支出)則會計入資產負債表，列作融資租賃承擔。融資成本指租金承擔總額與購入資產公平值之差額，按有關租約年期自收益表扣除，使每個會計期間均可以定額扣除有關承擔之餘額。

所有其他租賃均列作經營租賃，年租按有關租約年期以直線法於收益表扣除。

購入之節目播映權

成本包括就播映權之節目授權協議購入節目之成本將資本化，並按授權期間或預計日後之播映次數及估計可使用年期(以較短者為準)自收益表扣除。授權期為十二個月或以下之播映權均列作流動資產。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Purchased programme rights (Continued)

License fee prepaid for reproduction of multi-media products are stated at cost less accumulated amortisation and any impairment loss. The license fee is amortised on a straight line basis over the license period.

Self-produced programmes

Self-produced programmes are stated at cost less any identified impairment loss. Cost comprises the production cost of the programmes which consists of direct expenditure and an appropriate portion of production overheads. The production costs of the self-produced programmes are charged to the income statement upon the first showing of the programmes.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

Investments in securities

Investments in securities are recognised on a trade date basis and are initially measured at cost.

All securities other than held-to-maturity debt securities are measured at subsequent reporting dates at fair value.

3. 主要會計政策 (續)

購入之節目播映權 (續)

複製多媒體產品之預付授權費按成本值扣除累計攤銷及任何減值虧損後列賬。授權費以直線法於授權期內攤銷。

自製節目

自製節目按成本扣除任何已辨別減值虧損入賬。有關成本指自製節目之製作成本，包括直接開支及部份製作間接費用。自製節目之製作成本乃於節目首播時自收益表扣除。

存貨

存貨按成本與可變現淨值之較低者入賬。存貨之成本以先進先出法計算。

證券投資

證券投資會於交易日確認入賬，並初步按成本計算。

除持至到期之債務證券外，所有證券均於隨後之申報日期按公平值計算。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in securities (Continued)

Where securities are held for trading purposes, unrealised gains and losses are included in net profit or loss for the year. For other securities, unrealised gains and losses are dealt with in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss is included in net profit or loss for the year.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

3. 主要會計政策 (續)

證券投資 (續)

持作買賣用途之證券之未變現收益及虧損，均會計入年內之純利或虧損淨額。而其他證券之未變現收益及虧損則會計入股本，直至出售有關證券或確定減值為止，屆時有關累計收益或虧損將計入年內之純利或虧損淨額。

稅項

所得稅開支指即期應繳稅項及遞延稅項之總和。

即期應繳稅項乃按年內應課稅溢利計算。應課稅溢利與收益表中所報溢利淨額不同，乃由於前者不包括其他年度應課稅或可扣稅之收入或開支，且不包括毋須課稅或不能扣稅之項目。本集團就即期稅項之負債按於結算日已經或大致上已經實施之稅率計算。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項乃就財務報告內之資產及負債賬面值與計算應課稅溢利所使用之相應稅務基礎兩者之差額而預期應付或可收回之稅項，並以資產負債表負債法處理。遞延稅項負債一般會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時確認。倘商譽(或負商譽)或因業務合併以外原因之初步確認其他資產及負債而引致之臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按因於附屬公司及聯營公司之投資而引致之應課稅臨時差額而確認，惟倘本集團可令臨時差額撥回及臨時差額未必於可見將來撥回之情況除外。

遞延稅項資產之賬面值於每個結算日作檢討，並在沒可能於有足夠應課稅溢利恢復全部或部份資產價值時作調減。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Foreign currencies

Transactions in foreign currencies are initially recorded at the rates prevailing on the dates of the transactions or at the contracted settlement rate, if applicable. Monetary assets and liabilities denominated in such currencies are re-translated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in net profit or loss for the year.

On consolidation, the assets and liabilities of the Group's overseas operations are translated to Hong Kong dollars at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the year in which the operation is disposed of.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於收益表中扣除或計入收益表，除非其與直接於股本權益扣除或記入股本權益之項目有關。在此種情況下，遞延稅項亦會於股本權益中處理。

外幣

以外貨幣結算之交易初步按交易日之匯率或合約結算之匯率(如適用)入賬。以有關貨幣計算之貨幣資產及負債按結算日之匯率重新換算。因換算而產生之盈虧均會計入年內之溢利或虧損淨額。

於綜合賬目時，本集團海外業務之資產及負債乃按結算日之適用匯率換算為港幣。收支項目按年內之平均匯率換算為港幣。匯兌差額(如有)均列作股本並撥入本集團之換算儲備。該換算差額乃於業務出售年度確認為收入或開支。

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4. TURNOVER

4. 營業額

		THE GROUP	
		本集團	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Broadcasting business	廣播業務		
— broadcasting advertising fee income	— 廣播廣告費收入	38,243	44,816
— television programme production income	— 電視節目製作收入	23,882	—
— sub-licensing of programme rights	— 分銷節目播映權	17,670	57,184
— advertisement production income	— 廣告製作收入	1,045	1,164
— production facilities income	— 製作設施收入	51	451
— consultancy fee income	— 顧問費收入	47	5,180
		80,938	108,795
Publishing business	出版業務		
— sales of newspapers and magazines	— 銷售報章及雜誌	45,078	11,990
— newspapers and magazines advertising income	— 報章及雜誌廣告收入	33,361	8,780
— sales of multi-media products	— 銷售跨媒體產品	23,996	54,619
— internet website content sales	— 互聯網網站內容銷售	704	305
		103,139	75,694
		184,077	184,489

Included in broadcasting advertising fee income is HK\$4,639,000 (2003: HK\$11,468,000) and income from sub-licensing of programme rights is HK\$1,177,000 (2003: Nil) in respect of barter transactions entered into during the year.

廣播廣告費收入包括於年內訂立數額為港幣4,639,000元(二零零三年:港幣11,468,000元)以及分銷節目播映權收入港幣1,177,000元(二零零三年:無)之以物易物交易。

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財務報告附註

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5. SEGMENT INFORMATION

The Group is currently engaged in media-related business, including broadcasting and publishing businesses. These are the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented below:

Business segments

Results

Segment turnover	分類收入
— External sales	— 對外銷售
Segment results	分類業績
Other operating income	其他經營收入
Gain (loss) on disposal of subsidiaries	出售附屬公司之收益(虧損)
Gain on deemed disposal of a subsidiary	視為出售一間附屬公司之收益
Impairment loss recognised in respect of investments in securities	證券投資之已確認減值虧損
Allowances for bad and doubtful debts	呆壞賬撥備
Finance costs	融資成本
Share of results of associates	攤佔聯營公司業績
Loss before taxation	除稅前虧損
Taxation	稅項
Loss before minority interests	未計少數股東權益前虧損
Minority interests	少數股東權益
Net loss for the year	本年度虧損淨額

5. 分類資料

本集團目前主要從事媒體相關業務，包括廣播及出版業務。有關業務為本集團呈報其主要分類資料之基準。

有關上述業務之分類資料呈列如下：

按業務劃分

業績

	Broadcasting 廣播		Publishing 出版		Consolidated 綜合	
	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Segment turnover	80,938	108,795	103,139	75,694	184,077	184,489
Segment results	(86,387)	(242,177)	(77,407)	(108,140)	(163,794)	(350,317)
Other operating income					4,055	3,254
Gain (loss) on disposal of subsidiaries	17,899	(21,657)	(33,336)	—	(15,437)	(21,657)
Gain on deemed disposal of a subsidiary	—	—	13,541	—	13,541	—
Impairment loss recognised in respect of investments in securities					(37,743)	—
Allowances for bad and doubtful debts					(42,467)	—
Finance costs					(1,526)	(1,661)
Share of results of associates					(4,490)	—
Loss before taxation					(247,861)	(370,381)
Taxation					(353)	(3,222)
Loss before minority interests					(248,214)	(373,603)
Minority interests					17,168	8,739
Net loss for the year					(231,046)	(364,864)

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5. SEGMENT INFORMATION (Continued)

Business segments (Continued)

Balance sheet

5. 分類資料 (續)

按業務劃分 (續)

資產負債表

		Broadcasting 廣播		Publishing 出版		Consolidated 綜合	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Segment assets	分類資產	109,535	200,817	55,278	312,258	164,813	513,075
Investments in associates	聯營公司之投資	50	—	—	—	50	—
Unallocated corporate assets	未分配公司資產					55,897	96,341
						220,760	609,416
Segment liabilities	分類負債	40,118	53,017	26,961	74,282	67,079	127,299
Unallocated corporate liabilities	未分配公司負債					19,223	66,544
						86,302	193,843

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5. SEGMENT INFORMATION (Continued)

Business segments (Continued)

Other information

5. 分類資料 (續)

按業務劃分 (續)

其他資料

	Broadcasting 廣播		Publishing 出版		Unallocated 未分配		Consolidated 綜合	
	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Additions of property, plant and equipment	2,026	6,311	1,676	1,801	—	—	3,702	8,112
Depreciation and amortisation of property, plant and equipment	7,636	16,894	14,069	4,850	—	—	21,705	21,744
Allowances for bad and doubtful debts	7,079	120,000	728	—	42,467	—	50,274	120,000
Allowances for inventories	1,497	—	2,060	1,363	—	—	3,557	1,363
Amortisation of goodwill	6,237	10,856	1,435	4,770	—	—	7,672	15,626
Impairment loss recognised in respect of goodwill	19,180	—	9,000	71,370	—	—	28,180	71,370
Loss on disposal of property, plant and equipment	1,139	1,577	927	5	—	—	2,066	1,582
Impairment loss recognised in respect of investments in securities	—	—	—	—	37,743	—	37,743	—

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財務報告附註

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5. SEGMENT INFORMATION (Continued)

Geographical segments

The following table provides an analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services:

By geographical market:
Hong Kong
Mainland China ("PRC")
Taiwan

按地區市場劃分:
香港
中國大陸(「中國」)
台灣

5. 分類資料(續)

按地區劃分

不計貨物／服務之來源地，只計市場地區劃分之本集團收入分析表列如下：

		Turnover	
		營業額	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		80,405	22,941
		59,836	125,946
		43,836	35,602
		184,077	184,489

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5. SEGMENT INFORMATION (Continued)

Geographical segments (Continued)

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment, by the geographical area in which the assets are located:

		Carrying amount of segment assets		Additions to property, plant and equipment	
		分類資產賬面值		物業、機器及設備添置	
		2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Hong Kong	香港	76,781	348,806	1,657	344
PRC	中國	105,540	192,963	1,642	6,659
Taiwan	台灣	35,612	64,113	403	1,063
Macau	澳門	2,827	3,534	—	46
		220,760	609,416	3,702	8,112

5. 分類資料 (續)

按地區劃分 (續)

按資產所在地劃分之分類資產賬面值及物業、機器及設備添置之分析如下：

6. ALLOWANCES FOR DOUBTFUL DEBTS

During the year, the directors assessed the financial position of the debtors and HK\$50,274,000 (2003: HK\$120,000,000) has been identified as doubtful debts and recognised in the consolidated income statement.

6. 呆賬撥備

年內，董事評估債務人之財務狀況，而港幣50,274,000元（二零零三年：港幣120,000,000元）已辨別為呆賬，並於綜合收益表中確認。

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財務報告附註

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7. LOSS FROM OPERATIONS

7. 經營虧損

		THE GROUP	
		本集團	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Loss from operations has been arrived at after charging (crediting):	經營虧損已扣除(計入):		
Auditors' remuneration	核數師酬金	1,030	1,630
Depreciation and amortisation of property, plant and equipment:	物業、機器及設備之折舊及攤銷:		
Owned assets	自置資產	10,442	18,908
Assets held under finance leases	根據融資租賃持有之資產	11,263	2,836
		21,705	21,744
Directors' remuneration:	董事酬金:		
Fees	袍金	330	381
Other emoluments	其他酬金	5,249	7,475
		5,579	7,856
Other staff costs	其他僱員成本	89,010	48,275
Total staff costs	僱員總成本	94,589	56,131
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	2,066	1,582
Realised and unrealised (gain) loss on investments in securities	證券投資之已變現及未變現(收益)虧損	(459)	1,279
Cost of purchased programme rights included in cost of sales	已計入銷售成本之購入之節目播映權成本	41,873	25,293
Operating lease rentals in respect of:	下列各項之經營租賃之租金:		
rented premises	出租物業	6,460	12,201
plant and equipment	機器及設備	—	2,730
		6,460	14,931
Interest income from bank deposits	銀行存款之利息收入	(300)	(515)

Notes to the Financial Statements

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For the year ended 31st March, 2004
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8. FINANCE COSTS

8. 融資成本

		THE GROUP	
		本集團	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest on:	以下項目之利息：		
Bank loans, overdrafts and borrowings wholly repayable within five years	須於五年內全數償還之銀行貸款、透支及借貸	207	1,008
Other borrowings wholly repayable within five years	須於五年內全數償還之其他借貸	778	505
Finance leases	融資租賃	541	148
		1,526	1,661

9. DIRECTORS' EMOLUMENTS

9. 董事酬金

Details of directors' remuneration are set out below:

董事酬金之詳情如下：

		THE GROUP	
		本集團	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Fees:	袍金：		
Executives	執行董事	—	—
Independent non-executives	獨立非執行董事	330	381
		330	381
Other emoluments:	其他酬金：		
Executives	執行董事		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	5,213	7,433
Retirement benefits scheme contributions	退休福利計劃供款	36	42
		5,579	7,856

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For the year ended 31st March, 2004
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9. DIRECTORS' EMOLUMENTS (Continued)

The remuneration of the above directors fell within the following bands:

	2004 二零零四年 Number of directors 董事人數	2003 二零零三年 Number of directors 董事人數
Nil — HK\$1,000,000	11	13
HK\$1,000,001 — HK\$1,500,000	1	1
HK\$2,000,001 — HK\$2,500,000	1	—
HK\$2,500,001 — HK\$3,000,000	—	1

No emoluments were paid by the Group to the directors as compensation for loss of office, discretionary bonus or an inducement to join or upon joining the Group and none of the directors has waived any emoluments in both years.

9. 董事酬金 (續)

上述董事之酬金分別屬於以下組別：

	2004 二零零四年 Number of directors 董事人數	2003 二零零三年 Number of directors 董事人數
零至港幣1,000,000元	11	13
港幣1,000,001元至 港幣1,500,000元	1	1
港幣2,000,001元至 港幣2,500,000元	1	—
港幣2,500,001元至 港幣3,000,000元	—	1

本集團並無向董事支付任何酬金，作為離職賠償、花紅、加盟本集團或加入本集團時之報酬。在上述兩個年度概無任何董事放棄任何酬金。

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10. EMPLOYEES' EMOLUMENTS

The five highest paid employees during the year included four (2003: three) directors, details of whose remuneration are set out in note 9. The details of the remuneration of the remaining (2003: two) individual is set out below:

Salaries, allowances and benefits in kind	薪金、津貼及實物利益
Retirement benefits scheme contributions	退休福利計劃供款

2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
720	3,824
12	—
732	3,824

The remuneration of the remaining (2003: two) individual fell within the following bands:

Nil — HK\$1,000,000	零至港幣1,000,000元
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元
HK\$2,500,001 to HK\$3,000,000	港幣2,500,001元至 港幣3,000,000元

本年度五名最高薪僱員包括四名(二零零三年：三名)董事，彼等之酬金詳情已載於附註9。其餘一名(二零零三年：兩名)個別人士之酬金如下：

其餘一名(二零零三年：兩名)個別人士之酬金分別屬於以下組別：

2004 二零零四年 Number of employee 僱員人數	2003 二零零三年 Number of employee 僱員人數
1	—
—	1
—	1

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11. TAXATION

No provision for Hong Kong Profits Tax has been made by the Company or its Hong Kong subsidiaries since they had no assessable profit for the year. The charge for the year represents income tax arising in the PRC and in Taiwan which was calculated at the rates prevailing in the respective areas.

The taxation charge for the year can be reconciled to the loss per the consolidated income statement as follows:

11. 稅項

由於本公司或其香港附屬公司於年內並無應課稅溢利，故此並無作出香港利得稅撥備。本年度支出乃指於中國及於台灣產生之所得稅，並按各地之現行稅率計算。

本年度之稅項支出可與綜合收益表之虧損對賬如下：

		THE GROUP	
		本集團	
		2004	2003
		二零零四年	二零零三年
		HK\$	HK\$
		港幣元	港幣元
Loss before taxation	除稅前虧損	(247,861)	(370,381)
Taxation at income tax rate of 17.5% (2003: 16%)	按所得稅稅率17.5% (二零零三年：16%)		
	計算之稅項	(43,376)	(59,261)
Tax effect of expenses not deductible	不可扣減開支之稅務影響	36,549	17,384
Tax effect of income not taxable	毋須課稅收入之稅務影響	(2,422)	(82)
Tax effect of tax losses/deferred tax asset not recognised	未確認稅項虧損／遞延 稅項資產之稅務影響	8,710	43,743
Share of results of associates	攤佔聯營公司業績	786	—
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之 附屬公司之不同稅率 之影響	106	1,438
Taxation for the year	本年度稅項	353	3,222

Details of deferred taxation liabilities (assets) are set out in note 30.

遞延稅項負債(資產)之詳情載於附註30。

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12. DISTRIBUTION

The Board of Directors had distributed 351,257,794 shares of Leadership Publishing Group Limited ("Leadership Publishing") both directly and indirectly held by the Company to all shareholders of the Company during the year. Particulars of the distribution in specie of shares of Leadership Publishing were set out in the Company's circular dated 23rd October, 2003.

13. LOSS PER SHARE

The calculation of the basic loss per share for the year is based on the net loss for the year of HK\$231,046,000 (2003: HK\$364,864,000) and the weighted average number of 13,766,154,000 (2003: 10,749,409,000) ordinary shares in issue during the year.

No diluted loss per share has been presented because the exercise price of the Company's outstanding share options was higher than the average market price for shares for both years and the exercise of the other potential ordinary shares would result in a reduction in loss per share.

12. 分派

董事會年內已向本公司全體股東分派本公司直接和間接持有於現代旗旗出版集團有限公司(「現代旗旗」)之351,257,794股股份。以實物方式分派現代旗旗股份之詳情載於本公司日期為二零零三年十月二十三日之通函內。

13. 每股虧損

本年度每股基本虧損乃根據本年度虧損淨額港幣231,046,000元(二零零三年：港幣364,864,000元)及年內已發行普通股加權平均數13,766,154,000股(二零零三年：10,749,409,000股)計算。

由於本公司未行使購股權之行使價高於股份在該兩個年度之平均市價，而行使其他潛在普通股將導致每股虧損減少，故並無呈列每股攤薄虧損。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、機器及設備

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 港幣千元	Leasehold improvements 租賃物 業裝修 HK\$'000 港幣千元	Plant and machinery 機器 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
THE GROUP	本集團						
COST	成本						
At 1st April, 2003	於二零零三年四月一日	6,179	18,270	155,790	6,709	26,610	213,558
Additions	添置	—	—	905	645	2,152	3,702
Acquisition of subsidiaries	收購附屬公司	—	—	—	88	105	193
Disposals	出售	—	(10,076)	(2,476)	—	(889)	(13,441)
Disposal arising on distribution	因分派產生出售	(473)	(1,223)	(80,875)	(1,153)	(11,745)	(95,469)
Disposal of subsidiaries	出售附屬公司	—	—	(49,081)	(795)	(1,694)	(51,570)
At 31st March, 2004	於二零零四年三月三十一日	5,706	6,971	24,263	5,494	14,539	56,973
DEPRECIATION, AMORTISATION AND ACCUMULATED IMPAIRMENT	折舊、攤銷及累積減值						
At 1st April, 2003	於二零零三年四月一日	3,897	12,880	27,829	1,195	6,178	51,979
Provided for the year	年內撥備	72	1,089	15,749	1,153	3,642	21,705
Eliminated on disposals	出售時撇銷	—	(9,527)	(1,157)	—	(436)	(11,120)
Eliminated on disposal arising on distribution	因分派產生 出售時撇銷	(18)	(220)	(12,923)	(170)	(1,989)	(15,320)
Eliminated on disposal of subsidiaries	出售附屬公司時 撇銷	—	—	(17,322)	(54)	(206)	(17,582)
At 31st March, 2004	於二零零四年三月三十一日	3,951	4,222	12,176	2,124	7,189	29,662
NET BOOK VALUES	賬面淨值						
At 31st March, 2004	於二零零四年三月三十一日	1,755	2,749	12,087	3,370	7,350	27,311
At 31st March, 2003	於二零零三年三月三十一日	2,282	5,390	127,961	5,514	20,432	161,579

At 31st March, 2004, the leasehold land and buildings are situated in Hong Kong and are held under medium-term leases.

於二零零四年三月三十一日，租賃土地及樓宇乃位於香港並按中期租約持有。

At 31st March, 2004, included in property, plant and equipment are assets held under finance leases with net book values of HK\$141,000 (2003: HK\$79,377,000).

於二零零四年三月三十一日，物業、機器及設備包括根據融資租賃持有賬面淨值港幣 141,000 元（二零零三年：港幣 79,377,000 元）之資產。

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15. GOODWILL

15. 商譽

		THE GROUP
		本集團
		HK\$'000
		港幣千元
GROSS AMOUNT	總額	
At 1st April, 2003	於二零零三年四月一日	153,027
Acquisition of subsidiaries	收購附屬公司	11,504
Disposal arising on distribution	因分派產生出售	(42,654)
Disposal of subsidiaries	出售附屬公司	(33,968)
		<hr/>
At 31st March, 2004	於二零零四年三月三十一日	87,909
		<hr/>
ACCUMULATED AMORTISATION AND IMPAIRMENT	累積攤銷及減值	
At 1st April, 2003	於二零零三年四月一日	89,001
Amortised for the year	年內攤銷	7,672
Eliminated on disposal arising on distribution	因分派產生出售時撇銷	(42,654)
Eliminated on disposal of subsidiaries	出售附屬公司時撇銷	(32,204)
Impairment loss recognised	已確認減值虧損	28,180
		<hr/>
At 31st March, 2004	於二零零四年三月三十一日	49,995
		<hr/>
NET BOOK VALUES	賬面淨值	
At 31st March, 2004	於二零零四年三月三十一日	37,914
		<hr/>
At 31st March, 2003	於二零零三年三月三十一日	64,026
		<hr/>

Goodwill is amortised on a straight line basis over a period of 10 years.

During the year, the directors reviewed the carrying amount of goodwill of those subsidiaries with continuous significant operating losses. An impairment loss of HK\$9,000,000 is recognised in the consolidated income statement by reference to the present value of discounted cash flow. The discount rate used is 5%.

商譽以直線法按為期十年攤銷。

年內，董事已審閱該等有持續重大經營虧損之附屬公司之商譽之賬面值。為數港幣9,000,000元之減值虧損經參考折現現金流量之現值後已於綜合收益表內確認。所採用之扣減率為5%。

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15. GOODWILL (Continued)

On 30th December, 2003, the Group entered into a conditional agreement to dispose of 40% interests of Satellite Entertainment Communication Company Limited ("SECC"). An impairment loss of goodwill of HK\$19,180,000 is recognised in the consolidated income statement by reference to the net selling price of the interests of the subsidiary to be disposed of.

16. INVESTMENTS IN SUBSIDIARIES

Unlisted shares, at cost less impairment loss recognised 非上市股份，按成本扣除已確認減值虧損

Amounts due from subsidiaries 應收附屬公司款項

In the opinion of the directors of the Company, the amounts due from subsidiaries will not be repaid within twelve months from the balance sheet date. Accordingly, they are classified as non-current.

15. 商譽

於二零零三年十二月三十日，本集團訂立一項有條件協議以出售40%衛星娛樂傳播股份有限公司（「衛星娛樂」）權益。為數港幣19,180,000元之商譽減值虧損經參考所出售附屬公司權益之淨售價後已於綜合收益表內確認。

16. 附屬公司之投資

THE COMPANY	
本公司	
2004	2003
二零零四年	二零零三年
HK\$'000	HK\$'000
港幣千元	港幣千元
478	121,049
162,164	310,088

本公司之董事認為，應收附屬公司款項將不會於結算日起計十二個月內償還。因此，該等款項被列作為非流動。

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16. INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the Company's principal subsidiaries at 31st March, 2004 are as follows:

16. 附屬公司之投資 (續)

本公司之主要附屬公司於二零零四年三月三十一日之詳情如下：

Name 名稱	Place of incorporation or registration/ operations 註冊成立或 註冊/經營地點	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司持有之已發行 股本/註冊 股本面值比例		Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股股本/ 註冊資本	Principal activities 主要業務
		Directly 直接	Indirectly 間接		
		北京陽光世紀廣告有限公司 (「陽光世紀」) (Note 1) (附註1)	PRC 中國		
北京世紀京文圖書發行有限公司 (「京文圖書」) (Note 2) (附註2)	PRC 中國	—	100%	RMB1,000,000 人民幣1,000,000元	Publication 出版
Beijing Jingwen Multi-media Education Company Limited (「Jingwen Education」) (Note 2) 北京京文多媒體教育有限公司 (「京文教育」) (附註2)	PRC 中國	—	70%	RMB2,000,000 人民幣2,000,000元	Distribution and sales of licensed educational products 分銷及銷售專利教育產品
Evergain Properties Limited 永利物業有限公司	Hong Kong 香港	—	100%	HK\$10,000 港幣10,000元	Property holding 持有物業
Mega Bonus Investments Limited 如豐投資有限公司	Hong Kong 香港	100%	—	HK\$2 港幣2元	Investment holding 投資控股
Profit Trade Developments Limited (「Profit Trade」)	British Virgin in Islands (「BVI」) /Taiwan 英屬處女群島/台灣	—	100%	US\$1 1美元	Investment holding 投資控股

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16. INVESTMENTS IN SUBSIDIARIES (Continued)

16. 附屬公司之投資 (續)

Name 名稱	Place of incorporation or registration/ operations 註冊成立或 註冊/經營地點	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司持有之已發行 股本/註冊 股本面值比例		Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股股本/ 註冊資本	Principal activities 主要業務
		Directly 直接	Indirectly 間接		
SECC (Note 3) 衛星娛樂 (附註3)	Taiwan 台灣	—	60%	NTD100,000,000 新台幣100,000,000元	Provision of cable broadcasting services of programmes 提供有線節目廣播服務
Shanghai New Culture TV And Radio Making Co., Ltd. (Note 1) 上海新文化廣播電視製作有限公司 (附註1)	PRC 中國	—	48%	RMB5,000,000 人民幣5,000,000元	Production of television programmes and sales of multi- media products 電視節目製作及銷售 多媒體產品
SilkOnNet.com Company Limited 華網媒體科技有限公司	Hong Kong 香港	—	60%	HK\$100,000 港幣100,000元	Investment holding 投資控股
STR Media Limited	BVI/Hong Kong 英屬處女群島/香港	—	80%	US\$100 100美元	Investment holding 投資控股
Sun New Media Company Limited (Note 1) 蘇州陽光新媒體有限公司 (附註1)	PRC 中國	—	90%	US\$3,300,000 3,300,000美元	Production of digital transmissions and multi-media development services 製作數碼傳送及多媒體 發展服務
Sun Publishing Holdings Limited	BVI/PRC 英屬處女群島/中國	100%	—	US\$4 4美元	Investment holding 投資控股

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16. INVESTMENTS IN SUBSIDIARIES (Continued)

16. 附屬公司之投資 (續)

Name 名稱	Place of incorporation or registration/ operations 註冊成立或 註冊/經營地點	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司持有之已發行 股本/註冊 股本面值比例		Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股股本/ 註冊資本	Principal activities 主要業務
		Directly 直接	Indirectly 間接		
		Sun Television Cybernetworks Company Limited 陽光文化網絡電視有限公司	Hong Kong 香港		
Sun Television Cybernetworks Developments Limited	BVI/Hong Kong 英屬處女群島/香港	—	100%	US\$1 1美元	Provision and sale of programmes 提供及銷售節目
Sun Television New Media Limited	BVI/Hong Kong 英屬處女群島/香港	—	100%	US\$1 1美元	Boardband development 開發寬頻服務
Sun Television Group Limited	BVI/Hong Kong 英屬處女群島/香港	100%	—	US\$1,000 1,000美元	Investment holding 投資控股
Tianjin City Hai Jin Audio-Video Distribution Company Limited ("Hai Jin") (Note 2) 天津市海津音像發行有限公司 (「海津」) (附註2)	PRC 中國	—	100%	RMB1,000,000 人民幣1,000,000元	Wholesale and retail of audio-video products 批發及零售影音產品

Notes:

- (1) Sino-foreign equity joint venture established in PRC.
- (2) The equity interest is held by individual nominees on behalf of the Company.

Jingwen Education, 京文圖書 and Hai Jin are domestic enterprises in the PRC owned legally by PRC nationals. Due to the various agreements in place, in the opinion of the directors of the Company, the Company has effective control over the operational and financial policies of these enterprises and therefore these enterprises have been included as subsidiaries of the Company since their date of acquisition.

附註:

- (1) 於中國成立之中外合資企業。
- (2) 有關股份權益乃由個別人士作為代理人代本公司持有。

京文教育、京文圖書及海津乃由中國籍人士合法持有之中國國內企業。本公司董事認為，經訂立多項協議，本公司已對該等企業之經營及財務政策擁有實際控制權，而該等企業亦因此自各自之收購日期起被列作本公司之附屬公司。

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16. INVESTMENTS IN SUBSIDIARIES (Continued)

Notes: (Continued)

- (3) Pursuant to a conditional agreement dated 30th December, 2003 ("Agreement") entered into between Profit Trade, a wholly-owned subsidiary of the Company, and Ms. Huang Ming Fen ("Ms. Huang"), Profit Trade will dispose of 40% interests of SECC, a 60% owned subsidiary of the Company at HK\$10,000,000. The consideration will be satisfied in cash according to stipulated terms and conditions of the Agreement and the completion of such disposal will take place after year end.

The directors are of the opinion that a complete list of the particulars of all subsidiaries would be of excessive length and therefore the above list contains only the subsidiaries which principally affect the results or assets and liabilities of the Group.

None of the subsidiaries had any debt securities outstanding during the year or at the end of the year.

17. INVESTMENTS IN ASSOCIATES

Share of net assets

攤佔資產淨值

16. 附屬公司之投資 (續)

附註：(續)

- (3) 根據本公司之全資附屬公司Profit Trade與黃銘芬女士(「黃女士」)於二零零三年十二月三十日訂立之有條件協議(「協議」)，Profit Trade將以港幣10,000,000元出售本公司擁有60%之附屬公司衛星娛樂之40%權益。代價將根據協議之指定條款及條件以現金支付，而有關出售將在年結日後完成。

董事認為載列全部附屬公司之資料將會過於冗長，故此上表只載列對本集團業績或資產與負債有重大影響之附屬公司。

於年內或年終時，各附屬公司概無擁有任何未償還之債務證券。

17. 聯營公司之投資

THE GROUP	
本集團	
2004	2003
二零零四年	二零零三年
HK\$'000	HK\$'000
港幣千元	港幣千元

50

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17. INVESTMENTS IN ASSOCIATES (Continued)

Details of the Group's associates at 31st March, 2004 are as follows:

Name 名稱	Form of business structure 業務結構之形式	Place of incorporation/ operations 註冊成立/ 經營地點	Proportion of nominal value of issued share capital held by the Group 本集團持有之已發行股本面值比例	Principal activities 主要業務
Sun Satellite Television Company Limited ("Sun Satellite") 陽光衛星電視有限公司(「陽光衛星」)	Incorporated 註冊成立	Hong Kong 香港	30%	Provision of satellite television programmes 提供衛星電視節目
Sun Television Cybernetworks Enterprise Limited ("Sun Enterprise") 陽光文化網絡電視企業有限公司(「陽光企業」)	Incorporated 註冊成立	Hong Kong 香港	30%	Management services 管理服務

17. 聯營公司之投資 (續)

本集團之聯營公司於二零零四年三月三十一日之詳情如下：

18. PURCHASED PROGRAMME RIGHTS

		THE GROUP 本集團	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
At 1st April	於四月一日	32,754	28,632
Programme rights acquired	購入之節目播映權	28,686	21,749
Acquisition of subsidiaries	收購附屬公司	—	8,968
Disposal of a subsidiary	出售一間附屬公司	(2,909)	(1,302)
Charged to the income statement	自收益表扣除	(41,873)	(25,293)
At 31st March	於三月三十一日	16,658	32,754
Carrying amount analysed for reporting purposes as: Non-current	為呈報而作出之賬面值分析： 非流動	16,658	32,754

18. 購入之節目播映權

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19. INVESTMENTS IN SECURITIES

19. 證券投資

		Trading securities		Other securities		Total	
		買賣證券		其他證券		總計	
		2004	2003	2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
THE GROUP	本集團						
Equity securities	股本證券						
Listed in Hong Kong	於香港上市	1,055	1,888	—	—	1,055	1,888
Listed in the United States of America (Note)	於美利堅合眾國上市(附註)	—	—	19,060	53,557	19,060	53,557
Unlisted	非上市	—	—	2,247	4,127	2,247	4,127
Unlisted debt securities	非上市債務證券	—	—	31,200	31,200	31,200	31,200
Listed warrants	上市認股權證	—	41	—	—	—	41
		1,055	1,929	52,507	88,884	53,562	90,813
Market values of listed securities	上市證券之市值	1,055	1,929	132,600	608,400	133,655	610,329
Carrying amount analysed for reporting purposes as:	為呈報而作出之賬面值分析：						
Current	流動	1,055	1,929	5,446	—	6,501	1,929
Non-current	非流動	—	—	47,061	88,884	47,061	88,884
		1,055	1,929	52,507	88,884	53,562	90,813
THE COMPANY	本公司						
Equity securities	股本證券						
Listed in Hong Kong	於香港上市	1,055	555	—	—	1,055	555
Listed in the United States of America (Note)	於美利堅合眾國上市(附註)	—	—	2,186	—	2,186	—
Listed warrants	上市認股權證	—	41	—	—	—	41
		1,055	596	2,186	—	3,241	596
Market values of listed securities	上市證券之市值	1,055	596	15,210	—	16,265	596
Carrying amount analysed for reporting purposes as:	為呈報而作出之賬面值分析：						
Current	流動	1,055	596	—	—	1,055	596
Non-current	非流動	—	—	2,186	—	2,186	—
		1,055	596	2,186	—	3,241	596

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19. INVESTMENTS IN SECURITIES (Continued)

Note: The amount represents the Group's and the Company's investment in Asia Premium Television Group, Inc. ("ASTV"), a company incorporated in the State of Nevada of the United States of America with its shares traded on a stock exchange system in the United States of America, with a carrying amount of HK\$19,060,000 and HK\$2,186,000 (2003: HK\$53,557,000 and nil), respectively. The Group's and the Company's investments represent a 21% and 2.4% (2003: 24% and nil) holding of the ordinary shares in ASTV, respectively.

ASTV is not regarded as an associate of the Group because the Group has no significant influence over its operating and financing activities.

Due to narrowness of the market of ASTV's listed shares and in view of the large number of ASTV's listed shares held by the Group, the directors consider that the quoted market price is not a reliable indicator of fair value. Accordingly, the directors determine the fair value of the ASTV's listed shares by reference to the discounted cash flow analysis ("DCF Analysis") provided by ASTV because the directors consider the DCF Analysis reflects the best currently available estimate of the carrying amount of the ASTV's listed shares as at 31st March, 2004. An impairment loss of HK\$36,740,000 is recognised in the consolidated income statement.

20. INVENTORIES

The inventories of the Group represents finished goods which included an amount of HK\$4,063,000 (2003: HK\$33,000) carried at net realisable value at the balance sheet date.

19. 證券投資 (續)

*附註：*該款額乃指本集團及本公司於Asia Premium Television Group, Inc. (「ASTV」) (該公司乃於美國內華達州註冊成立，其股份於美國之證券交易所系統買賣) 賬面值分別為港幣19,060,000元及港幣2,186,000元 (二零零三年：港幣53,557,000元及零) 之投資。本集團及本公司分別持有ASTV普通股之21%及2.4% (二零零三年：24%及零) 權益。

由於本集團對ASTV之經營及融資活動並無重大影響力，故該公司並不視作本集團之聯營公司。

由於ASTV之上市股份之市場狹窄，以及鑒於本集團持有ASTV之大量上市股份，故董事認為所報市價並非公平值之可靠指標。因此，董事經參照ASTV所提供之折現現金流量分析 (「折現現金流量分析」) 釐定ASTV上市股份之公平值，因為董事認為折現現金流量分析可反映ASTV之上市股份於二零零四年三月三十一日之目前最佳可供估計賬面值。減值虧損港幣36,740,000元已於綜合收益表確認。

20. 存貨

本集團之存貨指已製成品，於結算日包括按可變現淨值列賬之數額港幣4,063,000元 (二零零三年：港幣33,000元)。

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21. DEBTORS, PRE-PAYMENTS AND DEPOSITS

The Group allows an average credit period of 30 to 180 days to its trade customers.

The following is an aged analysis of trade debtors at the balance sheet date:

Current	即期
1 — 60 days overdue	逾期1至60日
61 — 90 days overdue	逾期61至90日
Over 90 days overdue	逾期90日以上
Trade debtors	貿易應收賬款
Prepayments and deposits	預付款項及按金

21. 應收賬款、預付款項及按金

本集團給予貿易客戶之信貸期平均介乎三十至一百八十日不等。

以下為於結算日貿易應收賬款之賬齡分析：

THE GROUP	
本集團	
2004	2003
二零零四年	二零零三年
HK\$'000	HK\$'000
港幣千元	港幣千元
11,984	42,507
44	9,641
1,161	1,592
555	6,117
13,744	59,857
25,727	72,454
39,471	132,311

22. AMOUNTS DUE FROM ASSOCIATES

The amounts due from associates of the Group are unsecured, non-interest bearing and have no fixed term of repayment.

22. 應收聯營公司款項

本集團之應收聯營公司款項乃無抵押、免息及無固定還款期。

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23. CREDITORS, DEPOSITS RECEIVED AND ACCRUED CHARGES

The following is an aged analysis of trade creditors at the balance sheet date:

0 — 60 days	0至60日
61 — 90 days	61至90日
Over 90 days	90日以上
Trade creditors	貿易應付賬款
Other creditors, deposits received and accrued charges	其他應付款項、已收按金及應計費用

23. 應付賬款、已收按金及應計費用

以下為於結算日貿易應付賬款之賬齡分析：

		THE GROUP 本集團	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
		2,925	29,429
		390	6,174
		1,190	7,317
		<hr/>	<hr/>
		4,505	42,920
		70,832	92,637
		<hr/>	<hr/>
		75,337	135,557
		<hr/>	<hr/>

24. AMOUNTS DUE TO MINORITY SHAREHOLDERS OF A SUBSIDIARY

The amounts due to minority shareholders of a subsidiary of the Group were unsecured, non-interest bearing and were repaid during the year.

24. 應付一間附屬公司少數股東款項

本集團應付一間附屬公司少數股東款項乃無抵押、免息及已於年內償還。

25. AMOUNTS DUE TO A DIRECTOR/SUBSIDIARIES

The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

25. 應付一名董事／附屬公司款項

該等款項乃無抵押、免息及無固定還款期。

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For the year ended 31st March, 2004
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26. OBLIGATIONS UNDER FINANCE LEASES

26. 融資租賃承擔

		THE GROUP 本集團			
		Minimum lease payments 最低租金		Present value of minimum lease payments 最低租金之現值	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Amounts payable under finance leases	融資租賃下之應付金額				
Within one year	一年內	76	8,380	67	7,681
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	1	10,181	1	9,858
		77	18,561	68	17,539
Less: Future finance charges	減：未來融資費用	(9)	(1,022)	—	—
Present value of lease obligations	租賃承擔之現值	68	17,539	68	17,539
Less: Amount due for settlement within one year (shown under current liabilities)	減：一年內到期應付之數額(列作流動負債)			(67)	(7,681)
Amount due for settlement after one year	一年後到期應付之數額			1	9,858

The Group entered into finance leasing arrangements for certain of its machinery. The average lease term is two years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

本集團就其若干機器訂立融資租賃出租安排。平均租約期為兩年。所有租約均以定額還款基準訂定，並無就或然租金款項訂立安排。

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27. BORROWINGS

27. 借貸

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Borrowings comprise the following:	借貸包括以下各項：				
Bank borrowings:	銀行借貸：				
Bank loans	銀行貸款	3,937	10,829	—	—
Mortgage loans	按揭貸款	283	821	—	—
		4,220	11,650	—	—
Convertible bonds (Note a)	可換股債券 (附註a)	1,560	1,560	1,560	1,560
Other loans (Note b)	其他貸款 (附註b)	—	20,181	—	—
Other borrowing (Note c)	其他借貸 (附註c)	4,000	—	4,000	—
		9,780	33,391	5,560	1,560
Secured	有抵押	4,220	8,052	—	—
Unsecured	無抵押	5,560	25,339	5,560	1,560
		9,780	33,391	5,560	1,560
The bank borrowings are repayable as follows:	銀行貸款須於下列期限償還：				
Within one year	一年內	3,285	11,367	—	—
More than one year but not exceeding two years	一年以上但不超過兩年	935	283	—	—
		4,220	11,650	—	—
Convertible bonds (Note a)	可換股債券 (附註a)	1,560	1,560	1,560	1,560
Other loans (Note b)	其他貸款 (附註b)	—	20,181	—	—
Other borrowing (Note c)	其他借貸 (附註c)	4,000	—	4,000	—
		9,780	33,391	5,560	1,560
Less: amount due within one year classified as current liabilities	減：列作流動負債之一年內到期數額	(7,285)	(11,367)	(4,000)	—
Amount due after one year	一年後到期之數額	2,495	22,024	1,560	1,560

Notes to the Financial Statements

財務報告附註

For the year ended 31st March, 2004
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27. BORROWINGS (Continued)

Notes:

- (a) Pursuant to a subscription agreement dated 6th June, 2002 entered into between the Company and Cosmos Media Investments Limited (“Cosmos Media”) (the “Subscription Agreement”), the Company granted Cosmos Media rights to subscribe for a series of convertible bonds in an aggregate principal amount of up to US\$26,000,000 (equivalent to approximately HK\$202,800,000) in up to 3 tranches. On 9th July, 2002, the subscription of the tranche 1 bonds for the principal amount of US\$6,000,000 (equivalent to approximately HK\$46,800,000) was completed. During the year ended 31st March, 2003, a principal amount of US\$5,800,000 (equivalent to approximately HK\$45,240,000) was converted into 560,630,000 ordinary shares of HK\$0.02 each in the Company. There was no conversion of shares in the current year.

On 27th August, 2002, Cosmos Media agreed to forfeit its rights to the tranche 2 and tranche 3 bonds pursuant to the Subscription Agreement and the Company agreed to grant to Cosmos Media an option (the “Option”) to subscribe for additional new ordinary shares of HK\$0.01 each of the Company for a total value of US\$4,000,000 at any time from 27th August, 2002 up to and including the maturity date of the tranche 1 bonds, 8th July 2005, at any of the actual conversion prices of the tranche 1 bonds which the holder of the tranche 1 bonds has actually adopted as the conversion price of the tranche 1 bonds into the ordinary shares of the Company. Up to 31st March, 2004, none of the Options had been exercised by Cosmos Media.

The bonds is non-interest bearing and unless previously cancelled, redeemed or converted, the convertible bonds would be redeemed at 100% of the principal amount on 8th July, 2005.

27. 借貸 (續)

附註:

- (a) 根據本公司與Cosmos Media Investments Limited (「Cosmos Media」) 於二零零二年六月六日訂立之認購協議 (「認購協議」)，本公司向Cosmos Media授出可認購一系列最多分三批，本金總額最多達26,000,000美元 (約相等於港幣202,800,000元) 之可換股債券。於二零零二年七月九日，本金額6,000,000美元 (約相等於港幣46,800,000元) 之第一批債券已認購完成。於截至二零零三年三月三十一日止年度，5,800,000美元 (約相等於港幣45,240,000元) 之本金額已兌換為560,630,000股本公司每股面值港幣0.02元之普通股。本年度並無兌換任何股份。

於二零零二年八月二十七日，Cosmos Media同意取消其根據認購協議於第二批及第三批債券之權利，而本公司同意向Cosmos Media授出可再認購本公司每股面值港幣0.01元新普通股之認股權 (「認股權」)，總值為4,000,000美元，認購期為二零零二年八月二十七日起至第一批債券到期日 (即二零零五年七月八日) (包括該日) 止任何時間，價格為第一批債券之持有人實際採用作為將第一批債券兌換為本公司普通股之換股價。截至二零零四年三月三十一日，Cosmos Media尚未行使任何認股權。

債券並無計息，而除非經已註銷、贖回或兌換，否則可換股債券將於二零零五年七月八日按本金額100%贖回。

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27. BORROWINGS (Continued)

Notes: (Continued)

- (b) Pursuant to a deed of settlement dated 24th January, 2003, China Strategic Holdings Limited, Hanny Holdings Limited and Star East Holdings Limited (collectively referred to as the "Creditors"), the substantial shareholders of Leadership Publishing Group Limited ("Leadership Publishing") prior to the completion of acquisition of a controlling interest in Leadership Publishing by the Company (the "Completion"), agreed to reduce the total outstanding amount of the loans due from Leadership Publishing and its subsidiary of HK\$104,310,000 to HK\$60,000,000 (the "Reduced Loan") and to waive the remaining outstanding balance.

Pursuant to assignment deeds, the Creditors agreed to assign HK\$40,000,000 out of the Reduced Loan to the Company. The consideration will be satisfied by the issue and allotment of 400,000,000 new ordinary shares of HK\$0.01 each at the expiry of 24 months after Completion, on 24th January, 2003.

At 31st March, 2003, the outstanding principle balance amounted to HK\$20,000,000 was owed by Leadership Publishing to the Creditors. The amount is unsecured, bears interest at Hong Kong prime interest rate per annum and is repayable on the expiry of 30 calendar months after the year end of the first profitable financial year after the Completion provided that the payment date shall not fall after the twentieth anniversary of the date of the Completion. During the current year, this outstanding balance had been disposed of followed the distribution as mentioned in Note 31.

- (c) The loan is unsecured, interest bearing at 5% per annum and is repayable within one year.

27. 借貸 (續)

附註：(續)

- (b) 根據一份於二零零三年一月二十四日訂立之償還契據，中策集團有限公司、錦興集團有限公司及東方魅力集團有限公司(統稱「債權人」)，即現代旗出版集團有限公司(「現代旗旗」)被本公司完成收購現代旗旗控股權益(「完成」)前之主要股東，同意將現代旗旗及其附屬公司結欠之尚未償還貸款總額由港幣104,310,000元削減至港幣60,000,000元(「經削減貸款」)，以及豁免餘下尚未償還之結餘。

根據轉讓契據，債權人同意自經削減貸款轉讓港幣40,000,000元予本公司。代價乃透過於二零零三年一月二十四日之完成後二十四個月屆滿時發行及配發400,000,000股每股面值港幣0.01元之新普通股支付。

於二零零三年三月三十一日，現代旗旗結欠債權人之尚未償還之本金結餘為港幣20,000,000元。該款項乃無抵押、按香港最優惠利率計息，及須於完成後首個獲利財務年度年結日後三十個曆月屆滿時償還，惟付款日期最遲為完成日期起計第二十週年當日。於本年度，該尚未償還結餘已於附註31所述之分派後撇銷。

- (c) 該貸款乃無抵押、按年利率5厘計息，及須於一年內償還。

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For the year ended 31st March, 2004
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28. SHARE CAPITAL

28. 股本

		Notes 附註	Number of shares 股份數目 '000 千	Amount 數額 HK\$'000 港幣千元
Ordinary shares	普通股			
<i>Authorised:</i>	法定：			
At 1st April, 2002, 31st March, 2003, shares of HK\$0.02 each	於二零零二年 四月一日及 二零零三年 三月三十一日， 每股面值港幣0.02元 之股份		33,000,000	660,000
Shares subdivision	股份拆細	a(ii)	33,000,000	—
At 31st March, 2004, shares of HK\$0.01 each	於二零零四年 三月三十一日， 每股面值港幣0.01元 之股份		66,000,000	660,000
<i>Issued and fully paid:</i>	已發行及繳足：			
At 1st April, 2002, shares of HK\$0.02 each	於二零零二年四月一日， 每股面值港幣0.02元 之股份		9,303,606	186,072
Shares issued for acquisition of subsidiaries	為收購附屬公司 發行股份		2,563,056	51,261
Subscription of shares	認購股份		300,000	6,000
Placement of shares	配售股份		940,000	18,800
Conversion of convertible bonds (Note 27(a))	兌換可換股債券 (附註27(a))		560,630	11,213
Exercise of share options	行使購股權		93,500	1,870
At 31st March, 2003, shares of HK\$0.02 each	於二零零三年 三月三十一日， 每股面值港幣0.02元 之股份		13,760,792	275,216
Capital reduction	股本削減	a(i)	—	(137,608)
Shares issued for acquisition of a subsidiary	為收購一間附屬公司 發行股份	b	93,458	934
At 31st March, 2004, shares of HK\$0.01 each	於二零零四年 三月三十一日， 每股面值港幣0.01元 之股份		13,854,250	138,542

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28. SHARE CAPITAL (Continued)

Notes:

(a) Capital reorganisation

Pursuant to a special resolution passed at a special general meeting of the Company held on 5th December, 2003, the Company carried out a capital reorganisation comprised of capital reduction and shares subdivision as follows:

(i) Capital reduction

The nominal value of every issued share was reduced from HK\$0.02 to HK\$0.01 upon the capital reduction (the "Capital Reduction"). On the basis of 13,760,792,000 issued shares of HK\$0.02 each, the issued share capital of the Company was reduced from HK\$275,216,000 to HK\$137,608,000 by cancelling paid-up capital of HK\$137,608,000.

The amount of HK\$137,608,000 arising from the Capital Reduction together with the credit balance of HK\$675,784,000 standing in the share premium account were set off the accumulated losses of HK\$606,000,000 and the balance was transferred to contributed surplus of the Company.

(ii) Shares subdivision

Upon the Capital Reduction, every authorised share of HK\$0.02 each in the capital of the Company were subdivided into two new shares of HK\$0.01 each (the "Shares Subdivision"). Accordingly, on the basis of 33,000,000,000 authorised shares, the Company had authorised share capital of HK\$660,000,000 divided into 66,000,000,000 shares of HK\$0.01 each upon the Shares Subdivision.

28. 股本 (續)

附註：

(a) 股本重組

根據本公司於二零零三年十二月五日舉行之股東特別大會上通過之特別決議案，本公司進行股本重組，包括股本削減及股份拆細如下：

(i) 股本削減

每股已發行股份之面值於股本削減後由港幣0.02元減少至港幣0.01元（「股本削減」）。按13,760,792,000股每股面值港幣0.02元之已發行股份計算，本公司之已發行股本透過註銷已繳足股本港幣137,608,000元，由港幣275,216,000元減少至港幣137,608,000元。

因股本削減所產生之款項為港幣137,608,000元，連同轉撥至股份溢價賬之進賬結餘港幣675,784,000元，已抵銷累計虧損為港幣606,000,000元，而餘額則轉撥至本公司之實繳盈餘。

(ii) 股份拆細

於股本削減後，本公司股本中每股面值港幣0.02元之每股法定股份已拆細為兩股每股面值港幣0.01元之新股份（「股份拆細」）。因此，按33,000,000,000股法定股份計算，本公司之法定股本港幣660,000,000元於股份拆細後已拆細為66,000,000,000股每股面值港幣0.01元之股份。

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28. SHARE CAPITAL (Continued)

Notes: (Continued)

(b) Acquisition of a subsidiary

Pursuant to an agreement dated 17th November, 2003 and a supplementary deed dated 19th December, 2003 entered into among the Company, Mr. Zhu Xi He and Ms. Yang Ping, the Company acquired the entire issued share capital of Hai Jin. The consideration was satisfied by the issue and allotment of 93,457,944 ordinary shares of the Company at HK\$0.029 per share and as to the balance of RMB8,500,000 (equivalent to approximately HK\$7,944,000), in cash.

All the shares being issued during the year rank pari passu in all respects with the then existing shares.

28. 股本 (續)

附註：(續)

(b) 收購一間附屬公司

根據本公司、竺希和先生及楊萍女士於二零零三年十一月十七日訂立之協議及於二零零三年十二月十九日訂立之補充契據，本公司收購海津之全部已發行股本，代價由以每股港幣0.029元發行及配發93,457,944股本公司普通股支付，餘額人民幣8,500,000元（約相等於港幣7,944,000元）則以現金支付。

於年內發行之所有股份與當時之現有股份在各方面均享有同等權益。

Notes to the Financial Statements

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29. RESERVES

29. 儲備

		Share premium 股份溢價 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Translation reserve 匯兌儲備 HK\$'000 港幣千元	Capital reserve 資本儲備 HK\$'000 港幣千元	Other reserve 其他儲備 HK\$'000 港幣千元	Accumulated losses 累計虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
THE GROUP	本集團							
At 1st April, 2002	於二零零二年四月一日	457,955	—	(168)	3,490	—	(243,735)	217,542
Shares issued for acquisition of subsidiaries	為收購附屬公司 發行股份	118,494	—	—	—	—	—	118,494
Subscription of shares	認購股份	24,000	—	—	—	—	—	24,000
Placement of shares, net of expenses	配售股份 (已扣除開支)	35,896	—	—	—	—	—	35,896
Conversion of convertible bonds	兌換可換股債券	34,027	—	—	—	—	—	34,027
Exercise of share options	行使購股權	5,412	—	—	—	—	—	5,412
Shares to be issued (Note 27(b))	將予發行之股份 (附註27(b))	—	—	—	—	40,000	—	40,000
Exchange losses on translation of overseas operations	因換算海外業務 而產生 之匯兌虧損	—	—	(101)	—	—	—	(101)
Net loss for the year	本年度虧損淨額	—	—	—	—	—	(364,864)	(364,864)
At 31st March, 2003	於二零零三年 三月三十一日	675,784	—	(269)	3,490	40,000	(608,599)	110,406
Capital reorganisation (Note 28(a)(i))	股本重組 (附註28(a)(i))	(675,784)	207,392	—	—	—	606,000	137,608
Shares issued for acquisition of a subsidiary	為收購一間附屬公司 發行股份	1,776	—	—	—	—	—	1,776
Reserve released upon disposal of subsidiaries	於出售附屬公司 時撥回之儲備	—	—	101	—	—	—	101
Net loss for the year	本年度虧損淨額	—	—	—	—	—	(231,046)	(231,046)
Distribution	分派	—	(32,525)	—	—	—	—	(32,525)
At 31st March, 2004	於二零零四年 三月三十一日	1,776	174,867	(168)	3,490	40,000	(233,645)	(13,680)

Notes to the Financial Statements

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29. RESERVES (Continued)

29. 儲備 (續)

		Share premium 股份溢價 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Other reserve 其他儲備 HK\$'000 港幣千元	Accumulated losses 累計虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
THE COMPANY	本公司					
At 1st April, 2002	於二零零二年 四月一日	457,955	—	—	(235,023)	222,932
Shares issued for acquisition of subsidiaries	為收購附屬公司 發行股份	118,494	—	—	—	118,494
Subscription of shares	認購股份	24,000	—	—	—	24,000
Placement of shares, net of expenses	配售股份 (已扣除開支)	35,896	—	—	—	35,896
Conversion of convertible bonds	兌換可換股 債券	34,027	—	—	—	34,027
Exercise of share options	行使購股權	5,412	—	—	—	5,412
Shares to be issued (Note 27(b))	將予發行之股份 (附註27(b))	—	—	40,000	—	40,000
Net loss for the year	本年度虧損淨額	—	—	—	(370,977)	(370,977)
At 31st March, 2003	於二零零三年 三月三十一日	675,784	—	40,000	(606,000)	109,784
Capital reorganisation (Note 28(a)(i))	股本重組 (附註28(a)(i))	(675,784)	207,392	—	606,000	137,608
Shares issued for acquisition of a subsidiary	為收購一間附屬公司 發行股份	1,776	—	—	—	1,776
Net loss for the year	本年度虧損淨額	—	—	—	(232,762)	(232,762)
Distribution	分派	—	(32,525)	—	—	(32,525)
At 31st March, 2004	於二零零四年 三月三十一日	1,776	174,867	40,000	(232,762)	(16,119)

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29. RESERVES (Continued)

The contributed surplus of the Group and the Company represents the difference between the net amount arising from the reduction of share premium account, Capital Reduction (as disclosed in note 28(a)(i)) and the transfer to eliminate the Company's accumulated losses of HK\$606,000,000 at 31st March, 2003, after deduction the distribution as mentioned in note 12.

The capital reserve of the Group represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to a group reorganisation in November 1992 and the nominal value of the Company's shares issued in exchange therefor.

The other reserve of the Group and of the Company represents the loan assigned by the Creditors which will be satisfied by the issue and allotment of 400,000,000 new ordinary shares of HK\$0.01 each at the expiry of 24 months after Completion.

At 31st March, 2004, the accumulated losses of the Group include HK\$4,295,000 (2003: nil) retained by associates of the Group.

Pursuant to the Companies Act 1981 of Bermuda, at 31st March, 2004, the Company cannot distribute any of its reserves to the shareholders of the Company. However, the Company's share premium account of HK\$1,776,000 as at 31st March, 2004 can be distributed in the form of fully paid bonus shares.

29. 儲備 (續)

本集團及本公司之實繳盈餘指因削減股份溢價賬所產生之淨額、股本削減(如附註28(a)(i)所披露)及轉撥以抵銷本公司於二零零三年三月三十一日之累計虧損港幣606,000,000元之差額(經扣減附註12所述之分派作為減值)。

本集團之資本儲備指根據一九九二年十一月進行集團重組所收購之附屬公司之股份面值與本公司就此交換之已發行股份面值兩者之差額。

本集團及本公司之其他儲備乃指債權人轉讓之貸款，並將於完成後二十四個月屆滿時透過發行及配發400,000,000股每股面值港幣0.01元之新普通股支付。

於二零零四年三月三十一日，本集團之累計虧損包括本集團聯營公司保留之港幣4,295,000元(二零零三年：零)。

根據百慕達一九八一年公司法，於二零零四年三月三十一日，本公司未能向本公司之股東分派其儲備。然而，本公司於二零零四年三月三十一日之股份溢價賬中之港幣1,776,000元可以繳足紅股之方式作分派。

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30. DEFERRED TAXATION

The following are the major deferred tax liabilities (assets) recognised and movements thereon during the year:

30. 遞延稅項

以下為年內之已確認之主要遞延稅項負債(資產)及其變動：

		Accelerated tax depreciation	Tax losses	Total
		加速稅項折舊	稅項虧損	總計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
At 1st April, 2002	於二零零二年四月一日			
— as previously reported	— 如前呈報	—	—	—
— adjustment on adoption of SSAP 12 (Revised)	— 採納會計準則第12號(經修訂)之調整	15,802	(15,802)	—
— as restated	— 重列	15,802	(15,802)	—
(Credit) charge to income for the year	(計入本年度收入)自本年度收入扣除	(2,632)	2,632	—
At 31st March, 2003	於二零零三年三月三十一日	13,170	(13,170)	—
Charge (credit) to income for the year	自本年度收入扣除(計入本年度收入)	1,613	(1,613)	—
Disposal of subsidiaries	出售附屬公司	(14,405)	14,405	—
Charge (credit) to income for the year arising from change in tax rate	因稅率變動所產生而自本年度收入扣除(計入本年度收入)	1,235	(1,235)	—
At 31st March, 2004	於二零零四年三月三十一日	1,613	(1,613)	—

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30. DEFERRED TAXATION (Continued)

For the purpose of balance sheet presentation, deferred tax assets and liabilities have been offset.

At 31st March, 2004, the Group and the Company has estimated unused tax losses of approximately HK\$183,663,000 (2003: HK\$716,277,000) and HK\$107,936,000 (2003: HK\$79,087,000), respectively, available for offset against future profits. A deferred tax asset has been recognised by the Group in respect of HK\$9,217,000 (2003: HK\$82,313,000) of such losses. No deferred tax asset has been recognised by the Group and the Company in respect of the remaining HK\$174,446,000 (2003: HK\$633,964,000) and HK\$107,936,000 (2003: HK\$79,087,000), respectively, due to the unpredictability of future profit streams. The losses may be carried forward indefinitely.

At 31st March, 2004, the Group has deductible temporary differences of approximately HK\$5,210,000 (2003: HK\$2,642,000). No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

30. 遞延稅項 (續)

就資產負債表呈報而言，已經抵銷遞延稅項資產及負債。

於二零零四年三月三十一日，本集團及本公司分別有估計未動用稅項虧損約港幣183,663,000元（二零零三年：港幣716,277,000元）及港幣107,936,000元（二零零三年：港幣79,087,000元），可予抵銷未來溢利。本集團已就有關虧損之港幣9,217,000元（二零零三年：港幣82,313,000元）確認遞延稅項資產。由於未能預計未來溢利來源，故本集團及本公司並無就餘額港幣174,446,000元（二零零三年：港幣633,964,000元）及港幣107,936,000元（二零零三年：港幣79,087,000元）確認遞延稅項資產。該等虧損可能會被無限期結轉。

於二零零四年三月三十一日，本集團有可扣減臨時差額約港幣5,210,000元（二零零三年：港幣2,642,000元）。由於不大可能出現可利用臨時差額扣稅之應課稅溢利，故並無就該等可扣稅臨時差額確認遞延稅項資產。

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31. DISTRIBUTION OF SHARES OF LEADERSHIP PUBLISHING

On 5th December, 2003, the Company distributed 351,257,794 shares of Leadership Publishing to the shareholders of the Company, which represent the entire shareholding interest of the Company in Leadership Publishing. The net assets disposed of were as follows:

Net assets disposed of:	所出售資產淨值：
Property, plant and equipment	物業、機器及設備
Goodwill	商譽
Interests in associates	聯營公司之權益
Pledged deposit placed with a finance company	存放於財務公司之已抵押存款
Investments in securities	證券投資
Inventories	存貨
Debtors, prepayments and deposits	應收賬款、預付款項及按金
Prepaid airtime	預付廣播時段
Bank balances and cash	銀行結存及現金
Creditors, deposits received and accrued charges	應付賬款、已收按金及應計費用
Obligations under finance leases	融資租賃承擔
Borrowings	借貸
Amounts due to related parties	應付關連人士款項
Minority interests	少數股東權益

Translation reserve realised 已變現匯兌儲備

Distribution in specie 實物分派

Net cash outflow arising on distribution 分派所產生之現金流出淨額
Bank balances and cash disposed of 銀行結存及現金處置

The subsidiary distributed during the year utilised approximately HK\$58 million of the Group's net operating cash flows, contributed HK\$557,000 for investing activities.

31. 分派現代旌旗股份

於二零零三年十二月五日，本公司向本公司股東分派351,257,794股現代旌旗股份，佔本公司於現代旌旗之全部控股權益。所出售之資產淨值如下：

2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
80,149	—
1,764	—
3,597	—
5,000	—
1,565	—
1,470	—
32,167	—
21,603	—
1,592	—
(16,205)	—
(13,630)	—
(20,851)	—
(42,467)	—
(23,238)	—
32,516	—
9	—
32,525	—
(1,592)	—

於年內所分派之附屬公司動用本集團之經營現金流量淨額約港幣58,000,000元，為投資活動帶來港幣557,000元。

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32. DISPOSAL OF SUBSIDIARIES

32. 出售附屬公司

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
NET ASSETS DISPOSED OF	所出售之資產淨值		
Property, plant and equipment	物業、機器及設備	33,988	4,374
Purchased programme rights	購入之節目播映權	2,909	1,302
Inventories	存貨	9,196	—
Debtors, prepayments and deposits	應收賬款、預付款項及按金	53,755	779
Bank balances and cash	銀行結存及現金	13,559	110
Creditors, deposits received and accrued charges	應付賬款、已收按金及應計費用	(34,518)	(11,676)
Bank borrowings	銀行借貸	(5,997)	—
Tax payable	應繳稅項	(2,418)	—
		70,474	(5,111)
Reclassified to investments in associates	改列為聯營公司之投資	(8,137)	—
Translation reserve realised	已變現匯兌儲備	92	—
Attributable goodwill	應佔商譽	—	81,329
Loss on disposal	出售之虧損	(15,437)	(21,657)
		46,992	54,561
SATISFIED BY:	以下列方式支付：		
Investments in securities	證券投資	1,009	54,561
Cash	現金	45,983	—
		46,992	54,561
Analysis of net inflow (outflow) of cash and cash equivalents in respect of the disposal of subsidiaries:	出售附屬公司所產生之現金及等同現金項目流入(流出)淨額之分析：		
Cash consideration	現金代價	45,983	—
Bank balances and cash disposed of	所出售之銀行結存及現金	(13,559)	(110)
		32,424	(110)

The subsidiaries disposed of during the year contributed HK\$2,270,000 (2003: HK\$55,472,000) to the Group's turnover and had loss from operations of HK\$14,940,000 (2003: HK\$104,486,000) up to the date of disposal.

年內所出售之附屬公司為本集團帶來營業額港幣2,270,000元(二零零三年：港幣55,472,000元)，及截至出售日期之經營虧損為港幣14,940,000元(二零零三年：港幣104,486,000元)。

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33. ACQUISITION OF SUBSIDIARIES

During the year, the Group acquired 100% of the issued share capital of Hai Jin for consideration of HK\$10,654,000 and 80% of the issued share capital of 北京中錄音像有限公司 for a consideration of HK\$1,870,000. These acquisitions were completed on 10th March, 2004 and 13th November, 2003, respectively.

33. 收購附屬公司

年內，本集團以代價港幣10,654,000元收購海津全部已發行股本，並以代價港幣1,870,000元收購北京中錄音像有限公司80%已發行股本。該等收購分別已於二零零四年三月十日及二零零三年十一月十三日完成。

		2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
NET ASSETS ACQUIRED	所收購之資產淨值		
Investments in securities	證券投資	232	—
Property, plant and equipment	物業、機器及設備	193	117,725
Pledged deposits placed with a finance company	存放於財務公司之已抵押存款	—	5,000
Purchased programme rights	購入之節目播映權	—	8,968
Inventories	存貨	1,082	15,365
Debtors, prepayments and deposits	應收賬款、預付款項及按金	689	87,810
Prepaid airtime	預付廣播時段	—	24,840
Investments in securities	證券投資	—	5,389
Bank balances and cash	銀行結存及現金	552	48,416
Creditors, deposits received and accrued charges	應付賬款、已收按金及應計費用	(1,701)	(80,966)
Obligations under finance leases	融資租賃承擔	—	(18,641)
Bank loans	銀行貸款	—	(8,793)
Shareholders' loans	股東貸款	—	(20,057)
Taxation payable	應繳稅項	—	(4,246)
Minority interests	少數股東權益	(27)	(36,463)
		1,020	144,347
Goodwill arising on acquisition	收購所產生之商譽	11,504	126,944
		12,524	271,291
SATISFIED BY:	以下列方式支付：		
Cash consideration	現金代價	9,814	51,536
Issue of ordinary shares	發行普通股	2,710	169,755
Other reserve	其他儲備	—	40,000
Other creditors	其他應付款項	—	10,000
		12,524	271,291
Analysis of net outflow of cash and cash equivalents in respect of acquisitions of subsidiaries:	收購附屬公司所產生之現金及等同現金項目流出淨額之分析：		
Cash consideration	現金代價	9,814	51,536
Bank balances and cash acquired	所收購之銀行結存及現金	(552)	(48,416)
		9,262	3,120

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33. ACQUISITION OF SUBSIDIARIES (Continued)

The subsidiaries acquired during the year contributed turnover and loss before taxation of HK\$277,000 (2003: HK\$87,491,000) and HK\$10,000 (2003: HK\$20,077,000), respectively, for the period between the date of acquisition and the balance sheet date.

34. MAJOR NON-CASH TRANSACTIONS

(a) Pursuant to an agreement dated 6th June, 2003 and supplementary agreement dated 10th June, 2003 entered into among the Company, Xiao Yi Wu and Xu Yuan Peng, the Company disposed of its entire interests in the issued share capital of Beijing Jingwen Records Company Limited (北京京文唱片有限公司), a former wholly-owned subsidiary of the Company. The consideration was satisfied by cash of RMB15,000,000 (equivalent to approximately HK\$14,000,000) and was by way of 18,000,000 shares of ASTV at HK\$0.056 per share, amounted to HK\$1,009,000.

(b) During the year, the Company acquired the entire issued share capital of Hai Jin. The consideration was satisfied by the issue and allotment of 93,457,944 ordinary shares of the Company at HK\$0.029 each and as to the balance, in cash.

33. 收購附屬公司 (續)

年內所收購之附屬公司於收購日期起至結算日止期間分別帶來營業額及除稅前虧損港幣277,000元(二零零三年:港幣87,491,000元)及港幣10,000元(二零零三年:港幣20,077,000元)。

34. 主要非現金交易

(a) 根據本公司、蕭易武及許遠鵬於二零零三年六月六日訂立之協議及於二零零三年六月十日訂立之補充協議，本公司已出售其於北京京文唱片有限公司(本公司之前全資附屬公司)之全部已發行股本權益。代價以人民幣15,000,000元(約相等於港幣14,000,000元)現金支付，及以18,000,000股ASTV股份支付，每股作價港幣0.056元，相等於港幣1,009,000元。

(b) 年內，本公司收購海津之全部已發行股本。代價已透過發行及配發93,457,944股每股面值港幣0.029元之本公司普通股支付，而餘額則以現金支付。

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34. MAJOR NON-CASH TRANSACTIONS (Continued)

- (c) During the year, the Company distributed 351,257,794 shares of Leadership Publishing to the shareholders of the Company by way of distribution in specie, effect of which are set out in note 31.
- (d) During the year, one of the debtors, Shanghai Holdeasy Advertising Company Limited has settled the outstanding balance by way of 21,000,000 shares of ASTV at HK\$0.056 per share, amounted to HK\$1,177,000.
- (e) For the year ended 31st March, 2003, pursuant to an agreement entered into among the Company, Macau Media Holdings (“Macau Media”) and Century Capital Group Limited, the controlling shareholder of Macau Media, the Company agreed to dispose to Macau Media of its 51% equity interest in the share capital of TV Viagens (Macau) S.A.R.L. (“TV Viagens”), together with the debts owing by TV Viagens to the Company in an amount of HK\$19,450,000. The consideration was satisfied by the issue and allotment of 4,302,188 new ordinary shares of Macau Media, amounted to HK\$1,004,000.

34. 主要非現金交易 (續)

- (c) 年內，本公司以實物分派之方式，向本公司股東分派351,257,794股現代旌旗之股份，其影響載於附註31。
- (d) 年內，債務人之一上海創陽廣告傳播服務有限公司以21,000,000股每股作價港幣0.056元之ASTV股份支付未償還餘額，相等於港幣1,177,000元。
- (e) 截至二零零三年三月三十一日止年度，根據本公司、澳傳媒控股（「澳傳媒」）及澳傳媒之控股股東Century Capital Group Limited訂立之協議，本公司同意向Macau Media出售其於澳門旅遊衛星電視有限公司（「澳門衛視」）股本中51%之股份權益，連同澳門衛視結欠本公司之債務為數港幣19,450,000元。代價已透過發行及配發澳傳媒之4,302,188股新普通股支付，相等於港幣1,004,000元。

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34. MAJOR NON-CASH TRANSACTIONS (Continued)

- (f) For the year ended 31st March, 2003, pursuant to an agreement entered into between the Company and ASTV, the Company subscribed for 300,000,000 new shares of US\$0.001 each in ASTV, at a purchase price of US\$0.062 (equivalent to approximately HK\$0.484) per share. The consideration was satisfied by way of transferring the entire issued share capital of Capital Channel Limited and Sun Television Cybernetworks Trading Limited, the former wholly-owned subsidiaries of the Company to ASTV.
- (g) For the year ended 31st March, 2003, the Company acquired the entire issued share capital of Jingwen Entertainment Group Limited at a total consideration of HK\$90,000,000 which was satisfied by the issue and allotment of 458,715,596 ordinary shares of the Company at HK\$0.1308 per share and, as to the balance, in cash. As at 31st March, 2003, 355,504,587 ordinary shares of the Company were issued at HK\$0.108 per share. The remaining unpaid consideration were cancelled last year.
- (h) For the year ended 31st March, 2003, the Company acquired the entire issued share capital of Profit Trade. The consideration was satisfied by the issue and allotment of 100,000,000 ordinary shares of the Company at HK\$0.108 per share and, as to the balance, in cash.

34. 主要非現金交易 (續)

- (f) 截至二零零三年三月三十一日止年度，根據本公司與ASTV訂立之協議，本公司認購300,000,000股ASTV每股面值0.001美元之新股份，每股購買價為0.062美元（約相等於港幣0.484元）。代價已透過轉讓本公司之前全資附屬公司Capital Channel Limited及Sun Television Cybernetworks Trading Limited之全部已發行股本予ASTV支付。
- (g) 截至二零零三年三月三十一日止年度，本公司收購京文娛樂集團有限公司之全部已發行股本，代價總額為港幣90,000,000元，乃透過發行及配發458,715,596股本公司普通股支付，每股作價為港幣0.1308元，而餘額則以現金支付。於二零零三年三月三十一日，本公司之355,504,587股普通股已按每股港幣0.108元發行。未支付代價之餘額已於去年註銷。
- (h) 截至二零零三年三月三十一日止年度，本公司收購Profit Trade之全部已發行股本。代價已透過發行及配發100,000,000股本公司普通股支付，每股作價為港幣0.108元，而餘額則以現金支付。

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34. MAJOR NON-CASH TRANSACTIONS (Continued)

- (i) For the year ended 31st March, 2003, the Company acquired 74.99% of the total issued share capital of Leadership Publishing at a total consideration of HK\$126,453,000 which was satisfied by the issue and allotment of 2,107,551,078 ordinary shares of the Company at HK\$0.06 per share.
- (j) For the year ended 31st March, 2003, convertible bonds of US\$5,800,000 (equivalent to approximately HK\$45,240,000) was converted into 560,630,000 ordinary shares of the Company.

34. 主要非現金交易 (續)

- (i) 截至二零零三年三月三十一日止年度，本公司收購現代旗旗全部已發行股本其中74.99%權益，代價總額為港幣126,453,000元，乃透過發行及配發2,107,551,078股本公司普通股支付，每股作價為港幣0.06元。
- (j) 截至二零零三年三月三十一日止年度，價值為5,800,000美元(約相等於港幣45,240,000元)之可換股債券已兌換為560,630,000股本公司之普通股。

35. CONTINGENT LIABILITIES

35. 或然負債

	THE GROUP 本集團		THE COMPANY 本公司	
	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元
Guarantees given to banks in respect of banking facilities granted to subsidiaries (Note)	—	—	3,000	23,000
Guarantees given to outsiders in respect of service agreement signed by an associate/ subsidiaries	—	—	8,169	15,081
	—	—	11,169	38,081

Note: The extent of such facilities utilised by the subsidiaries at 31st March, 2004 amounted to HK\$283,000 (2003: HK\$5,265,000).

附註：截至二零零四年三月三十一日，附屬公司已動用上列信貸其中港幣283,000元(二零零三年：港幣5,265,000元)。

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For the year ended 31st March, 2004
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36. COMMITMENTS

36. 承擔

		THE GROUP	
		本集團	
		2004	2003
		二零零四年	二零零三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Capital expenditure in respect of investments contracted for but not provided in the financial statements	已訂約但未於財務報告內撥備之投資項目資本開支	—	46,935

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

本公司於結算日並無重大承擔。

37. OPERATING LEASE COMMITMENTS

37. 經營租賃承擔

The Group as lessee

本集團作為承租人

At the balance sheet date, the Group had commitments for future minimum lease payments which fall due as follows:

於結算日，本集團須於下列年期到期支付之未來最低租金承擔如下：

		Office premises		Internet leased lines	
		辦公室物業		互聯網租線	
		2004	2003	2004	2003
		二零零四年	二零零三年	二零零四年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Within one year	一年內	1,032	4,153	—	76
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	—	888	—	—
		1,032	5,041	—	76

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37. OPERATING LEASE COMMITMENTS (Continued)

Operating lease payments represent rentals payable by the Group for certain of its office premises and internet leases lines. Leases are negotiated for an average term of 3 years and rentals are fixed throughout the lease period.

The Company had no significant operating lease commitments at the balance sheet date.

The Group as lessor

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments to be received in respect of rented premises:

Within one year

一年內

37. 經營租賃承擔 (續)

經營租賃付款指本集團就其若干辦公室物業及互聯網租線而須支付之租金。租約經磋商釐定之年期平均為三年。租約期內支付固定租金。

於結算日，本公司並無重大經營租賃承擔。

本集團作為出租人

於結算日，本集團與租戶就出租物業將收取之以下未來最低租金訂立合約：

THE GROUP	
本集團	
2004	2003
二零零四年	二零零三年
HK\$'000	HK\$'000
港幣千元	港幣千元
268	—

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38. LITIGATIONS

On 17th December, 2002, Mr. Lee Ping issued a Writ of Summons against Sun Television Cybernetworks Company Limited ("STCC"), a wholly-owned subsidiary of the Company, for (i) the outstanding operation costs incurred by TV Viagens for the sums of US\$300,000, RMB4,300,000 and MOP2,804,000 of which obligation to pay for the said operation costs of TV Viagens undertaken by STCC in the written agreement ("Written Agreement") on 8th August, 2000 signed between Mr. Lee Ping, Mr. Xu Chenghai, Mr. Chen Jianren and Kuok Luen (Macau) Agenta de Programas Televisivos, Limitada as one part and STCC as the other part; (ii) damages for breach of the Written Agreement on the part of STCC for MOP13,627,000 and MOP2,035,000 being loans and director's remuneration, respectively, were waived by Mr. Lee Ping pursuant to the Written Agreement and; (iii) damages, interest and costs.

38. 訴訟

於二零零二年十二月十七日，李平先生發出傳訊令狀，向本公司之全資附屬公司陽光文化網絡電視有限公司（「陽光文化網絡電視」）申索(i)澳門衛視未清繳之營運費用總額300,000美元、人民幣4,300,000元及2,804,000澳門元，乃根據李平先生、徐成海先生、陳健仁先生及澳門國聯節目代理有限公司（作為一方）與陽光文化網絡電視（作為另一方）於二零零零年八月八日簽署之書面協議（「書面協議」），陽光文化網絡電視承諾支付澳門衛視上述營運費用；(ii) 陽光文化網絡電視違反書面協議賠償13,627,000澳門元及2,035,000澳門元（分別為李平先生根據書面協議寬免之貸款及董事酬金）；及(iii)賠償、利息及成本。

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38. LITIGATIONS (Continued)

STCC commenced a third party claim against Macau Media Holdings under High Court Action No. 4716 of 2002 proceeding mentioned above. STCC requires that (i) the above question or issue, namely alleged non-payment, alleged breach of the Written Agreement, alleged damages, interest and costs, should be determined not only as between Mr. Lee Ping and STCC but also as between the either or both of them and Macau Media Holdings as the third party; (ii) claims against Macau Media Holdings an indemnity for Mr. Lee Ping's alleged claims; (iii) claims against Macau Media Holdings damages arising out of the breach of an agreement dated 11th September, 2002 made between STCC and Macau Media Holdings; and (iv) interests and costs. The third party notice was issued on 20th December, 2002. On 17th March, 2003, STCC filed and served a Third Party Statement of Claim and on 14th April, 2003, Macau Media Holdings filed and served a Defence.

There was no progress during the year in respect of the above litigations.

STCC was disposed of on 26th June, 2004, the directors of the Company are of the opinion that the Group will have no liability in connection with the said claims after the disposal of STCC.

38. 訴訟 (續)

陽光文化網絡電視根據上述訴訟(高等法院法律行動二零零二年第4716號)向澳傳媒控股作出第三者申索。陽光文化網絡電視要求：(i) 上述問題或事宜(即未能付款之指控、違反書面協議之指控及指控中之賠償、利息及成本)不應只是由李平先生及陽光文化網絡電視兩者解決，而應由兩者任何一方或雙方與澳傳媒控股(作為第三者)一起解決；(ii) 就李平先生指控中之賠償向澳傳媒控股索取賠償；(iii) 就違反陽光文化網絡電視與澳傳媒控股於二零零二年九月十一日訂立之協議所產生之損失而向澳傳媒控股索取賠償；及(iv) 利息及成本。第三者通知已於二零零二年十二月二十日發出。於二零零三年三月十七日，陽光文化網絡電視提交及送達一份第三者索償申請書，而於二零零三年四月十四日，澳傳媒控股則提交及送達一份抗辯書。

年內，上述訴訟並無任何進展。

陽光文化網絡電視已於二零零四年六月二十六日售出。本公司之董事認為，在出售陽光文化網絡電視後，本集團無須就上述申索承擔責任。

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39. SHARE OPTION SCHEMES

(A) Share option scheme adopted on 10th November, 1992 ("Old Option Scheme")

The major terms of the Old Option Scheme are summarised as follows:

- (i) The purpose was to provide incentives to the participants.
- (ii) The participants included any employees of the Group or directors of the Company.
- (iii) The maximum number of shares in respect of which options might be granted under the Old Option Scheme must not exceed 10% of the issued share capital of the Company from time to time.
- (iv) The maximum number of shares in respect of which options might be granted to a participant, when aggregated with shares issued and issuable under any option granted to the same participant under the Old Option Scheme, must not exceed 25% of the maximum shares issuable under the Old Option Scheme from time to time.
- (v) The exercisable period of an option granted must not exceed a period of 10 years commencing on the date of grant.

39. 購股權計劃

(A) 於一九九二年十一月十日採納之購股權計劃(「原購股權計劃」)

原購股權計劃之主要條款概列如下：

- (i) 旨在向參與者提供獎勵。
- (ii) 參與者包括本集團之任何僱員或本公司之任何董事。
- (iii) 根據原購股權計劃可授出之購股權所涉及股份數目最多不得超過本公司不時之已發行股本之10%。
- (iv) 可向一名參與者授出之購股權所涉及股份數目(連同根據原購股權計劃向同一參與者授出之任何購股權所發行及可發行之股份)最多不得超過根據原購股權計劃不時可發行之股份最多25%。
- (v) 所授出之購股權的可行使期間不得超過授出日期起計為期十年。

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39. SHARE OPTION SCHEMES (Continued)

(A) Share option scheme adopted on 10th November, 1992 ("Old Option Scheme") (Continued)

- (vi) The acceptance of an option, if accepted, must be made within 28 days from the date of grant with a non-refundable payment of HK\$1.00 per grant from the grantee to the Company.
- (vii) The exercise price of an option must be the higher of:
- not less than 80% the average closing price of the share for the 5 trading days immediately preceding the grant; and
 - the nominal value of the share.
- (viii) On 9th November, 2002, the Old Option Scheme was cancelled. However, the options granted under the Old Option Scheme are still exercisable in accordance with the terms of the Old Option Scheme.

39. 購股權計劃 (續)

(A) 於一九九二年十一月十日採納之購股權計劃(「原購股權計劃」)(續)

- (vi) 購股權須於授出日期起計二十八日內接納(倘獲接納)，而承授人須就每次授出購股權向本公司支付不可退回款項港幣1.00元。
- (vii) 購股權之行使價須為以下兩者中之較高者：
- 不低於股份於緊接授出日期前五個交易日之平均收市價之80%；及
 - 股份之面值。
- (viii) 於二零零二年十一月九日，原購股權計劃經已註銷。然而，根據原購股權計劃之條款，根據原購股權計劃授出的購股權仍可行使。

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39. SHARE OPTION SCHEMES (Continued)

(B) Share option scheme adopted on 10th November, 2002 ("New Option Scheme")

Pursuant to an ordinary resolution passed at the special general meeting of the Company held on 29th October, 2002, the Company adopted the New Option Scheme to replace the Old Option Scheme. All the options granted under the Old Option Scheme shall remain valid and unchanged and shall be treated in accordance with the terms under the Old Option Scheme. The major terms of the New Option Scheme are summarised as follows:

- (i) The purpose of the New Option Scheme is to provide incentives to:
- award and retain the participants who have made contributions to the Group; and
 - attract potential candidates to serve the Group for the benefit of the development of the Group.
- (ii) The participants included any employees, suppliers, consultants, advisers or customers of the Group, and any directors and shareholders of the Company.

39. 購股權計劃 (續)

(B) 於二零零二年十一月十日採納之購股權計劃 (「新購股權計劃」)

根據本公司於二零零二年十月二十九日舉行之股東特別大會上通過之普通決議案，本公司採納新購股權計劃以取代原購股權計劃。根據原購股權計劃授出之所有購股權將仍然有效及維持不變，並應根據原購股權計劃之條款處理。新購股權計劃之主要條款概述如下：

- (i) 新購股權計劃旨在：
- 獎賞及挽留曾為本集團作出貢獻之參與者；及
 - 從本集團之發展利益為出發點，吸引具潛質之人士服務本集團。
- (ii) 參與者包括本集團之任何僱員、供應商、諮詢人、顧問或客戶，以及本公司之任何董事及股東。

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39. SHARE OPTION SCHEMES (Continued)

(B) Share option scheme adopted on 10th November, 2002 (“New Option Scheme”)

(Continued)

(iii) The maximum number of shares in respect of which options might be granted under the New Option Scheme must not exceed 10% of the issued share capital of the Company as at the date of approval of the New Option Scheme and such limit might be refreshed by shareholders in general meeting. The maximum number of shares was 994,355,571 shares, representing 10% of the issued share capital of the Company as at the date of the passing of the ordinary resolution. However, the total maximum number of shares which might be issued upon exercise of all outstanding options granted and yet to be exercised under the New Option Scheme and any other share option scheme must not exceed 30% of the shares in issue from time to time.

(iv) The maximum number of shares in respect of which options might be granted to a participant, when aggregated with shares issued and issuable (including exercised and outstanding options and the options cancelled) under any option granted to the same participant under the New Option Scheme or any other share option scheme within any 12 month period, must not exceed 1% of the shares in issue from time to time.

39. 購股權計劃 (續)

(B) 於二零零二年十一月十日採納之購股權計劃(「新購股權計劃」)(續)

(iii) 根據新購股權計劃可授出之購股權所涉及的股份數目最多不得超過本公司於批准新購股權計劃日期之已發行股本之10%，而股東可於股東大會上重新釐定上限。於通過普通決議案日期之本公司已發行股本之10%之股份數目最多為994,355,571股。然而，根據新購股權計劃及任何其他購股權計劃授出及有待行使之所有尚未行使購股權於行使時可能發行之股份總數最多不得超過不時已發行股份之30%。

(iv) 於任何十二個月期間內向一名參與者授出之購股權所涉及股份數目(連同根據新購股權計劃或任何其他購股權計劃向同一參與者授出之任何購股權(包括已行使及尚未行使之購股權及已註銷之購股權)所發行及可發行之股份)最多不得超過不時已發行股份之1%。

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39. SHARE OPTION SCHEMES (Continued)

(B) Share option scheme adopted on 10th November, 2002 ("New Option Scheme") (Continued)

- (v) There was no requirement for a grantee to hold the option for a certain period before exercising the option save as determined by the board of directors and provided in the offer of grant of option.
- (vi) The exercise period should be any period fixed by the board of directors upon the grant of the option but in any event the option period should not go beyond 10 years from the date of offer for the grant.
- (vii) The acceptance of an option, if accepted, must be made within 28 days from the date of grant with a non-refundable payment of HK\$1 per grant from the grantee to the Company.
- (viii) The exercise price of an option must not be lower than the highest of:
- the closing price of the shares on the date of grant which must be a trading day;
 - the average closing price of the shares for the 5 trading days immediately preceding the date of grant; and
 - the nominal value of the share.

39. 購股權計劃 (續)

(B) 於二零零二年十一月十日採納之購股權計劃 (「新購股權計劃」) (續)

- (v) 除董事會釐定及於授出購股權時之規定外，並無規定承授人於行使購股權前須持有購股權若干時間。
- (vi) 行使期間須為董事會於授出購股權時指定之任何期間，惟購股權期間無論如何不得超過提呈授出日期起計十年。
- (vii) 購股權須於授出日期起計二十八日內接納(倘獲接納)，而承授人須就每次授出購股權向本公司支付不可退回款項港幣1元。
- (viii) 購股權之行使價不得低於以下三者中之最高者：
- 股份於授出日期(須為交易日)之收市價；
 - 股份於緊接授出日期前五個交易日之平均收市價；及
 - 股份之面值。

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39. SHARE OPTION SCHEMES (Continued)

(B) Share option scheme adopted on 10th November, 2002 (“New Option Scheme”)

(Continued)

- (ix) The life of the New Option Scheme is effective for 10 years from the date of adoption until 9th November, 2012.

No options pursuant to the New Option Scheme were granted up to 31st March, 2004.

At 31st March, 2004, the number of shares in respect of which options had been granted and remained outstanding under the share option schemes was 744,190,000, representing 5% of the shares of the Company in issue at that date.

39. 購股權計劃 (續)

(B) 於二零零二年十一月十日採納之購股權計劃 (「新購股權計劃」) (續)

- (ix) 新購股權計劃之有效期為採納日期起計十年，直至二零一二年十一月九日止。

截至二零零四年三月三十一日，並無根據新購股權計劃授出購股權。

於二零零四年三月三十一日，根據購股權計劃授出但尚未行使之購股權所涉及之股份數目為744,190,000股，佔本公司於該日期之已發行股份5%。

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39. SHARE OPTION SCHEMES (Continued)

The following table discloses details of the Company's share options under the Old Option Scheme held by the directors of the Company and the employees of the Group and movements in such holdings during the two years ended 31st March, 2004:

39. 購股權計劃 (續)

下表披露本公司之董事及本集團之僱員所持有原購股權計劃項下之本公司購股權及該等購股權於截至二零零四年三月三十一日止兩個年度之變動詳情：

Date of options granted 授出購股權日期	Exercisable period 可行使期間	Notes 附註	Exercise price 行使價	Number of options 購股權數目				Outstanding at 31.3.2003 and 31.3.2004 於二零零三年三月三十一日 及二零零四年三月三十一日 尚未行使
				Outstanding at 1.4.2002 於二零零二年四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled during the year 年內註銷	
Directors 董事								
27.4.2000	27.4.2000 — 26.4.2010		0.176	38,000,000	—	—	—	38,000,000
5.9.2000	5.9.2000 — 4.9.2010		0.241	30,000,000	—	—	—	30,000,000
31.1.2001	31.1.2001 — 30.1.2011		0.152	161,000,000	—	—	—	161,000,000
14.6.2001	14.6.2001 — 13.6.2011		0.129	1,000,000	—	—	—	1,000,000
4.1.2002	4.1.2002 — 3.1.2012		0.109	70,000,000	—	—	—	70,000,000
7.1.2002	7.1.2002 — 6.1.2012	(2)	0.114	25,000,000	—	(10,000,000)	—	15,000,000
8.8.2002	8.8.2002 — 7.8.2012	(3)	0.072	—	91,000,000	(80,000,000)	—	11,000,000
16.9.2002	16.9.2002 — 15.9.2012	(4)	0.071	—	75,000,000	—	—	75,000,000
				325,000,000	166,000,000	(90,000,000)	—	401,000,000
Employees 僱員								
13.10.1997	13.10.1997 — 12.10.2007		0.546	200,000	—	—	(200,000)	—
27.4.2000	27.4.2000 — 26.4.2010		0.176	62,700,000	—	—	(1,800,000)	60,900,000
13.6.2000	13.6.2000 — 12.6.2010		0.231	3,000,000	—	—	—	3,000,000
17.7.2000	17.7.2000 — 16.7.2010		0.220	9,000,000	—	—	(8,000,000)	1,000,000
21.7.2000	21.7.2000 — 20.7.2010		0.241	12,200,000	—	—	(6,200,000)	6,000,000
25.8.2000	25.8.2000 — 24.8.2010		0.224	3,000,000	—	—	(3,000,000)	—
5.9.2000	5.9.2000 — 4.9.2010		0.241	4,800,000	—	—	—	4,800,000
14.11.2000	14.11.2000 — 13.11.2010		0.186	4,200,000	—	—	(1,800,000)	2,400,000
8.12.2000	8.12.2000 — 7.12.2010		0.183	6,600,000	—	—	(600,000)	6,000,000
27.12.2000	27.12.2000 — 26.12.2010		0.151	3,000,000	—	—	—	3,000,000
31.1.2001	31.1.2001 — 30.1.2011		0.152	64,620,000	—	—	(6,040,000)	58,580,000
2.2.2001	2.2.2001 — 1.2.2011		0.151	1,500,000	—	—	(1,500,000)	—
6.3.2001	6.3.2001 — 5.3.2011		0.176	300,000	—	—	(200,000)	100,000
23.4.2001	23.4.2001 — 22.4.2011		0.097	17,000,000	—	—	—	17,000,000
14.6.2001	14.6.2001 — 13.6.2011		0.129	1,000,000	—	—	—	1,000,000
4.1.2002	4.1.2002 — 3.1.2012	(5)	0.109	76,940,000	—	(3,500,000)	(24,480,000)	48,960,000
25.3.2002	25.3.2002 — 24.3.2012		0.152	64,000,000	—	—	—	64,000,000
25.3.2002	25.3.2002 — 24.3.2012		0.176	1,450,000	—	—	—	1,450,000
8.8.2002	8.8.2002 — 7.8.2012		0.072	—	31,000,000	—	—	31,000,000
16.9.2002	16.9.2002 — 15.9.2012		0.071	—	34,000,000	—	—	34,000,000
				335,510,000	65,000,000	(3,500,000)	(53,820,000)	343,190,000
				660,510,000	231,000,000	(93,500,000)	(53,820,000)	744,190,000

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39. SHARE OPTION SCHEMES (Continued)

Notes:

- (1) There was no movement in share options during the year ended 31st March, 2004.
- (2) The closing price of the Company's shares at the date on which the options were exercised was HK\$0.141.
- (3) The closing price of the Company's shares at the date on which the options were exercised was HK\$0.064.
- (4) The balance included 30,000,000 share options granted to a director who resigned on 19th June, 2003 but the options were fully lapsed after 31st March, 2004.
- (5) The closing price of the Company's shares at the date on which the options were exercised was HK\$0.146.

40. RETIREMENT BENEFITS SCHEME

The Group operates Mandatory Provident Fund Scheme ("MPF Scheme") under the rules and regulations of the Mandatory Provident Fund Authority for all qualifying employees of its Hong Kong Subsidiaries. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, which contributions is matched by employees.

The employees of the subsidiaries in the PRC are members of retirement benefits schemes operated by the PRC government. The relevant PRC subsidiaries are required to make contributions to the state retirement schemes in the PRC based on 18% to 22% of the monthly salaries of their current employees to fund the benefits. The only obligation of the Group with respect to the retirement scheme is to make the specified contributions.

The total cost charged to income statement of HK\$2,690,000 (2003: HK\$2,211,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

39. 購股權計劃 (續)

附註：

- (1) 購股權於截至二零零四年三月三十一日止年度並無變動。
- (2) 本公司股份於該等購股權行使日期之收市價為港幣0.141元。
- (3) 本公司股份於該等購股權行使日期之收市價為港幣0.064元。
- (4) 餘額包括授予一名已於二零零三年六月十九日退任之董事之30,000,000份購股權，惟該等購股權已於二零零四年三月三十一日後全數失效。
- (5) 本公司股份於該等購股權行使日期之收市價為港幣0.146元。

40. 退休福利計劃

本集團根據強制性公積金管理局之規則及規例，為其香港附屬公司之所有合資格僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃之資產與本集團之資產分開持有，並由受託人以基金方式管理。本集團向計劃作出有關薪酬成本5%之供款，而僱員亦作出等額供款。

中國附屬公司之僱員為中國政府管理之退休福利計劃之成員。有關中國附屬公司須向中國國家退休計劃作出供款，供款額為彼等現有僱員月薪18%至22%，以為福利提供資金。本集團對退休計劃之唯一責任為作出指定供款。

於收益表扣除之總成本港幣2,690,000元（二零零三年：港幣2,211,000元）乃指本集團就本會計期間應付此等計劃之供款。

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41. PLEDGE OF ASSETS

At 31st March, 2004, leasehold land and buildings with an aggregate net book value of approximately HK\$1.8 million (2003: HK\$1.8 million) and trade debtors of approximately HK\$0.9 million (2003: HK\$0.7 million) were pledged to banks to secure general banking facilities granted to the Group.

At 31st March, 2003, plant and machinery, and furniture and equipment with an aggregate net book value of approximately HK\$17.4 million were pledged to banks to secure general banking facilities granted to the Group and an amount of HK\$5.0 million has been placed with a finance company as security for the repayment of the remaining instalments of finance leases entered into by a subsidiary of the Company. The subsidiary was disposed of during the year.

42. RELATED PARTY TRANSACTIONS

Apart from amounts due to minority shareholders of a subsidiary, director and shareholders' loans of a subsidiary as disclosed in notes 24, 25 and 27 respectively, the Group had the following related party transactions during the year:

- (a) During the year, the Group purchased certain property, plant and equipment of HK\$550,000 from a subsidiary of Sun Stone Media Group Limited, in which Ms. Yang Lan and Dr. Wu Zheng, Bruno, the executive directors of the Company, have beneficial interests. The property, plant and equipment were transferred at their net book values.

41. 資產抵押

於二零零四年三月三十一日，賬面淨值合共約港幣1,800,000元(二零零三年：港幣1,800,000元)之租賃土地及樓宇及約港幣900,000元(二零零三年：港幣700,000元)之貿易應收賬款已抵押予銀行，作為本集團所獲一般銀行信貸之擔保。

於二零零三年三月三十一日，賬面淨值合共約港幣17,400,000元之機器、傢俬及設備已抵押予銀行，作為本集團所獲一般銀行信貸之擔保，而為數港幣5,000,000元之款項已存放於一間財務公司，作為本公司一間附屬公司償還所訂立之融資租賃剩餘分期部份之抵押品。該附屬公司已於年內出售。

42. 關連人士交易

除財務報告附註24、25及27所分別披露應付一間附屬公司少數股東款項、應付一名董事款項及一間附屬公司股東貸款外，本集團於年內訂立下列關連人士交易：

- (a) 年內，本集團向陽光四通媒體(集團)有限公司之附屬公司(本公司之執行董事楊瀾女士及吳征博士擁有實益權益之公司)購入港幣550,000元之若干物業、機器及設備。該等物業、機器及設備已按其賬面淨值轉讓。

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42. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

For the year ended 31st March, 2003, the Group purchased from Sun Stone Media Group Limited and sold to its subsidiary's certain property, plant and equipment of HK\$136,000 and HK\$526,000 respectively. The property, plant and equipment were transferred at their net book values.

(b) For the year ended 31st March, 2003, the Group received management fee income of HK\$103,000 from Sun Stone Media Group Limited.

(c) For the year ended 31st March, 2003, the Group received licensing income of HK\$8,090,000 from 佳訊錄影視聽有限公司, in which Mr. Lien Tai Seung, a director of a subsidiary of the Company, has beneficial interest.

(d) For the year ended 31st March, 2003, the Group paid satellite fee of HK\$1,445,000 to 卜樂視科技股份有限公司 (“卜樂視”), in which Mr. Lien Tai Seung is a director of a subsidiary of the Company and is also a director of 卜樂視.

(e) For the year ended 31st March, 2003, the Group purchased programme rights of HK\$1,954,000 from 東京電視台媒體網路株式會社 (“東京電視台”), where 東京電視台 is a director of a subsidiary of the Company.

42. 關連人士交易 (續)

(a) (續)

截至二零零三年三月三十一日止年度，本公司向陽光四通媒體(集團)有限公司購入並向其附屬公司售出分別為港幣136,000元及港幣526,000元之若干物業、機器及設備。有關物業、機器及設備已按其賬面淨值轉讓。

(b) 截至二零零三年三月三十一日止年度，本集團向陽光四通媒體(集團)有限公司收取管理費收入港幣103,000元。

(c) 截至二零零三年三月三十一日止年度，本集團從佳訊錄影視聽有限公司(本公司附屬公司之董事練台生先生擁有實益權益之公司)收取專利權收入港幣8,090,000元。

(d) 截至二零零三年三月三十一日止年度，本集團向卜樂視科技股份有限公司(「卜樂視」)(本公司附屬公司之董事練台生先生亦為卜樂視之董事)支付衛星費港幣1,445,000元。

(e) 截至二零零三年三月三十一日止年度，本集團從東京電視台媒體網路株式會社(「東京電視台」)(東京電視台乃本公司一間附屬公司之董事)購入港幣1,954,000元之節目播映權。

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42. RELATED PARTY TRANSACTIONS (Continued)

- (f) For the year ended 31st March, 2003, the Group purchased programme rights of HK\$438,000 and property, plant and equipment of HK\$548,000 from 秋航傳播事業有限公司, in which Mr. Wu Chien-Chiang, a director of the Company, has a beneficial interest.
- (g) For the year ended 31st March, 2003, the Group received sponsorship income for a promotion program of HK\$780,000 from SINA Corporation, a substantial shareholder of the Company.

The above transactions were determined in accordance with terms agreed between both parties on normal course of business.

43. POST BALANCE SHEET EVENTS

- (a) Pursuant to a conditional sale and purchase agreement dated 21st May, 2004 entered into between the Company and Mr. Li Hon Sang, the Company agreed to acquire the entire issued share capital of China Sports Media Limited ("China Sports") at a consideration of HK\$42,000,000. The consideration will be satisfied by the issue and allotment of 1,400,000,000 ordinary shares of the Company at HK\$0.03 per share. The acquisition has been completed in July 2004 and China Sports has become a wholly-owned subsidiary of the Company thereafter.

42. 關連人士交易 (續)

- (f) 截至二零零三年三月三十一日止年度，本集團向秋航傳播事業有限公司（本公司董事吳健強先生擁有實益權益之公司）購入節目播映權港幣438,000元及物業、機器及設備港幣548,000元。
- (g) 截至二零零三年三月三十一日止年度，本集團從新浪（本公司之主要股東）收取一個推廣節目之贊助收入港幣780,000元。

上述交易乃按訂約各方於日常業務過程中協定之條款釐定。

43. 結算日後事項

- (a) 根據本公司與李漢生先生於二零零四年五月二十一日訂立之有條件買賣協議，本公司同意按代價港幣42,000,000元收購中國體育傳媒有限公司（「中國體育」）全部已發行股本。代價按每股港幣0.03元發行及配發本公司1,400,000,000股普通股之方式支付。該項收購已於二零零四年七月完成，中國體育隨之成為本公司之全資附屬公司。

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43. POST BALANCE SHEET EVENTS (Continued)

- (b) Pursuant to a conditional sale and purchase agreement dated 2nd June, 2004 entered into among Top Olympic Enterprises Limited (“Top Olympic”), a wholly-owned subsidiary of the Company, Mr. Francis Tjia and Mr. Kenneth Ma Hon Wah, Top Olympic agreed to acquire 60% of the entire issued capital of FRD Holdings Inc. at a consideration of HK\$50,000,000. The consideration will be satisfied by the issue and allotment of 312,500,000 ordinary shares of the Company at HK\$0.032 per share, and as to the balance, in cash. The acquisition has not been completed up to the date of this report.
- (c) On 2nd June, 2004, a conditional placing agreement was made for the placement of up to 1,030,000,000 new ordinary shares of HK\$0.01 each of the Company at a price of HK\$0.028 per share, which represented a premium of 3.7% to the closing price per share of HK\$0.027 per share as quoted on the Stock Exchange on 2nd June, 2004 and a premium of 2.2% to the average closing price of HK\$0.0274 per share as quoted on the Stock Exchange for the last ten trading days. The placement has not been completed up to the date of this report.

43. 結算日後事項 (續)

- (b) 根據本公司之全資附屬公司Top Olympic Enterprises Limited(「Top Olympic」)、Francis Tjia先生及馬漢華先生於二零零四年六月二日訂立之有條件買賣協議，Top Olympic同意按代價港幣50,000,000元收購方程式賽車發展控股有限公司全部已發行股本之60%。代價將按每股港幣0.032元發行及配發本公司312,500,000股普通股之方式支付，而餘額則以現金支付。截至本報告日期，該項收購尚未完成。
- (c) 於二零零四年六月二日，就以每股港幣0.028元之價格配售最多1,030,000,000股本公司每股面值港幣0.01元之新普通股，本公司訂立有條件配售協議，該配售價格較每股股份於二零零四年六月二日於聯交所所報之收市價港幣0.027元溢價3.7%，且較於過去十個交易日聯交所所報之平均收市價每股港幣0.0274元溢價2.2%。截至本報告日期，該項配售尚未完成。