

# Notes to the Accounts

## 賬目附註

### 1 Principal accounting policies

The principal accounting policies adopted in the preparation of these accounts are set out below:

#### (a) Basis of preparation

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). They have been prepared under the historical cost convention.

#### (b) Impact of recently issued Hong Kong Financial Reporting Standards

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1st January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31st December 2004.

The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

#### (c) Group accounting

##### (i) Consolidation

The consolidated accounts include the accounts of the Company and all its subsidiaries made up to 31st December. Subsidiaries are those entities in which the Company, directly or indirectly, controls more than one half of the voting power, has the power to govern the financial and operating policies, to appoint or remove the majority of the members of the board of directors, or to cast the majority of votes at the meetings of the board of directors.

### 1 主要會計賬政策

編製該等賬目採納之主要會計政策載列如下：

#### (a) 編製基準

該等賬目乃根據香港普遍採納之會計準則及香港會計師公會頒佈之會計準則編製。該等賬目乃按歷史成本法編製。

#### (b) 近期頒佈之香港財務報告準則之影響

香港會計師公司已頒佈多項新訂及經修訂《香港財務報告準則》及《香港會計準則》（「新香港財務報告準則」），一般對二零零五年一月一日或之後開始之會計期間生效。本集團並無於截至二零零四年十二月三十一日止年度之財務報表中提早採納該等新香港財務報告準則。

本集團已開始評估採納該等新香港財務報告準則之影響，惟目前尚未能確定該等新香港財務報告準則對編製及呈列其經營業績及財務狀況會否造成重大影響。

#### (c) 集團會計

##### (i) 綜合賬目

綜合賬目包括本公司及其所有附屬公司截至十二月三十一日止之賬目。附屬公司指本公司直接或間接控制一半以上投票權，有權控制其財務及營運政策、委任或免任多數董事會成員或在其董事會會議上投多數票之實體。

## 1 Principal accounting policies (Continued)

### (c) Group accounting (Continued)

#### (i) Consolidation (Continued)

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

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill which was not previously charged or recognised in the consolidated profit and loss account.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

In the Company's balance sheet the interests in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

#### (ii) Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the profit and loss account.

## 1 主要會計政策 (續)

### (c) 集團會計 (續)

#### (i) 綜合賬目 (續)

年內收購或出售之附屬公司由其收購生效日期起或截至其出售生效日期止(如適用)之業績已載於綜合損益賬內。

所有集團內公司間之重大交易及結餘均已於編製綜合賬目時抵銷。

出售一間附屬公司產生之收益或虧損乃指出售所得收入與本集團所佔該公司之淨資產連同未從綜合損益表中扣除或確認未經攤銷之商譽之差額。

少數股東權益乃指外部股東在附屬公司內應佔經營業績及淨資產之權益。

在本公司之資產負債表內，於附屬公司之權益乃按成本值減去減值虧損撥備列賬。附屬公司之業績由本公司按已收及應收股息入賬。

#### (ii) 外幣換算

外幣交易乃按交易日之適用匯率進行換算。於結算日，以外幣列賬之貨幣資產及負債乃按結算日之適用匯率換算入賬。因換算而產生之差額撥入損益賬內處理。

**1 Principal accounting policies (Continued)**

**(c) Group accounting (Continued)**

**(ii) Translation of foreign currencies (Continued)**

The balance sheets of subsidiaries and jointly controlled entities expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the profit and loss accounts are translated at an average rate. Exchange differences are dealt with as a movement in reserves. Upon disposal of a foreign entity the accumulated related exchange difference is taken to the consolidated profit and loss account as part of the gain or loss on disposal.

**(d) Jointly controlled entities**

A jointly controlled entity is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

The consolidated profit and loss account includes the Group's share of the results of jointly controlled entities for the year, and the consolidated balance sheet includes the Group's share of the net assets of the jointly controlled entities.

The Group recognizes the portion of gains or losses on the sale of assets by the Group to the jointly controlled entities that is attributable to the other venturers.

In the Company's balance sheet, the investment in a jointly controlled entity is stated at cost less provision for impairment losses. The results of a jointly controlled entity is accounted for by the Company on the basis of dividends received and receivable.

**1 主要會計政策 (續)**

**(c) 集團會計 (續)**

**(ii) 外幣換算 (續)**

附屬公司及共同控制實體以外幣列值之資產負債表乃按結算日之適用匯率換算，而盈利及虧損則按平均匯率換算。因換算而產生之差額在儲備賬內列作變動處理。當本集團出售此類海外經濟實體時，相關累計之兌換差額，應入出售權益產生之盈利或虧損，並於綜合損益表內確認。

**(d) 共同控制實體**

共同控制實體為一合約安排，透過此安排本集團及其他方可共同從事經濟活動，且任一參與方均無權獨立控制該等經濟活動。

綜合損益賬包括本集團分佔共同控制實體本年度之業績，而綜合資產負債表則包括本集團分佔共同控制實體之資產淨值。

當本集團出售資產予共同控制實體時，本集團將體現合營者應佔之收益或虧損。

在本公司之資產負債表內，於控制實體之投資乃按成本值減去減值虧損撥備列賬。共同控制實體之業績由本公司按已收及應收股息入賬。

## 1 Principal accounting policies (Continued)

### (e) Fixed assets

#### (i) Fixed assets

Fixed assets, comprising leasehold improvements, furniture and fixtures, office equipment, network equipment and toolings and motor vehicles are stated at cost less accumulated depreciation and accumulated impairment losses.

Fixed assets are depreciated at rates sufficient to write off their cost less accumulated impairment losses over their estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold improvements	Over the terms of the lease
Furniture and fixtures	18% to 30%
Office equipment	18% to 25%
Network equipment and toolings	25% to 33.3%
Motor vehicles	18% to 33.3%

The cost of the network comprises assets and equipment of the digital broadcasting systems purchased at cost, together with direct payroll and overhead attributable to the cost of construction and installation of the system. Depreciation of the network commenced from the date of commencement of the network.

Network under construction is stated at cost less accumulated impairment losses. No depreciation is provided for that part of the network under construction, including equipment therein.

Improvements are capitalised and depreciated over their expected useful lives to the Group.

## 1 主要會計政策 (續)

### (e) 固定資產

#### (i) 固定資產

固定資產包括租賃物業裝修、傢俬及裝置、辦公設備、網絡設備及模具以及汽車，按成本值減累計折舊及累計減值虧損列賬。

固定資產乃按估計可使用年限以直線法撇銷其成本（已減去累計減值虧損）計提折舊。主要折舊年率如下：

租賃物業裝修	按租約年期
傢俬及裝置	18%至30%
辦公設備	18%至25%
網絡設備及模具	25%至33.3%
汽車	18%至33.3%

網絡成本包括按成本購買之數碼廣播系統之資產及設備，及應歸入系統建設及安裝成本之直接工資與管理費用。網絡折舊自網絡開始運作之日起計。

在建網絡以成本減累計減值虧損列賬。在建網絡（包括其設備）並無作出任何折舊。

物業裝修乃於其預計對本集團可使用年期撥充資本及作出折舊。

## 1 Principal accounting policies (Continued)

### (e) Fixed assets (Continued)

#### (ii) Impairment and gain or loss on sale

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that assets included in fixed assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account.

The gain or loss on disposal of a fixed asset is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the profit and loss account.

### (f) Intangibles

#### (i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions is included in intangible assets and is amortised using the straight-line method over its estimated useful life.

## 1 主要會計政策 (續)

### (e) 固定資產 (續)

#### (ii) 減值及出售之盈利或虧損

於各結算日，所有內部及外部信息資源均已用作評估否是有跡象表明固定資產所包含之資產已減值。倘有任何該等跡象存在，則評估有關資產之可收回金額，並相應確認減值虧損以將資產減至其可收回金額。該等減值虧損乃於損益表內確認。

出售固定資產產生之盈利或虧損乃指有關資產之出售所得收益淨額與面值之差額，並於損益表內確認。

### (f) 無形資產

#### (i) 商譽

商譽乃指收購成本超逾收購當日本集團應佔所收購附屬公司淨資產之公平價值之部份。收購商譽乃包括在無形資產並按估計可使用年限以直線法攤銷。

## 1 Principal accounting policies (Continued)

### (f) Intangibles (Continued)

#### (ii) Research and development costs

Research costs are expensed as incurred. Costs incurred on development projects are recognised as an intangible asset where the technical feasibility and intention of completing the product under development has been demonstrated and the resources are available to do so, costs are identifiable and there is an ability to sell or use the asset that will generate probable future economic benefits. Such development costs are recognised as an asset and amortised on a straight-line basis over a period of not more than 5 years to reflect the pattern in which the related economic benefits are recognised. Development costs that do not meet the above criteria are expensed as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

#### (iii) Film rights

Expenditure incurred for the acquisition of film rights is capitalised. The film rights is included in intangible assets and is amortised either using the sum-of-digit method over the terms of the licencing period or on a straight-line basis over 20 years for the perpetual film rights.

#### (iv) Impairment of intangible assets

Where an indication of impairment exists, the carrying amount of any intangible asset, is assessed and written down immediately to its recoverable amount.

## 1 主要會計政策 (續)

### (f) 無形資產 (續)

#### (ii) 研究和開發成本

研究成本於產生時作為費用入賬。就開發項目而言，若已表明技術上具可行性，具完成所開發產品之明確目標，且擁有可完成此項目之可動用資源，開支可清楚界定，並可售出或使用該資產，而該資產日後有望產生經濟利益，則可將開發項目成本確認為無形資產。該等開發成本可確認為一項資產，並可按直線法於不超過五年之期間攤銷，以反映有關經濟利益獲確認之情況。未能符合上述標準之開發成本於產生時作為費用入賬。先前確認為費用之開發成本不可在期後確認為一項資產。

#### (iii) 影片權益

購買影片權益產生之開支撥充資本。影片權益計入無形資產，並按使用年數合計法於電影版權期限內攤銷，或按直線法基準於影視權二十年（不限電影版權期限）內攤銷。

#### (iv) 無形資產減值

如有跡象顯示出現減值，則無形資產之賬面值，均需評估及即時撇減至可收回價值。

## 1 Principal accounting policies (Continued)

### (g) Investments securities

Investment securities are stated at cost less any provision for impairment losses.

The carrying amounts of individual investments are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When a decline other than temporary has occurred, the carrying amount of such securities will be reduced to the fair value. The impairment loss is recognised as an expense in the profit and loss account. This impairment loss is written back to the profit and loss account when the circumstances and events that led to the write-downs or write-offs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

### (h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated on the first-in, first-out basis. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

### (i) Work in progress

Work in progress is recorded at the amount of cost incurred to date less foreseeable loss.

### (j) Accounts receivable

Provision is made against accounts receivable to the extent they are considered to be doubtful. Accounts receivable in the balance sheet are stated net of such provision.

## 1 主要會計政策 (續)

### (g) 投資證券

投資證券按成本減去任何減值虧損撥備列賬。

個別投資之賬面金額每次於結算日期均須覆核，以評估其公允價值是否已跌至賬面值以下。若發生非短期性質之減值，則該等證券之賬面值須減至其公允價值。減值虧損列入損益表。當出現導致撇減或撇銷之情況或事件不再存在，而且有具說服力之證據顯示新情況或事件將會在可見未來持續存在，則是項減值虧損將撥回損益表。

### (h) 存貨

存貨按成本及可變現淨值兩者中較低者入賬。成本以先進先出基準計算。可變現淨值以預期銷售所得款項減去估計銷售費用計算。

### (i) 在建工程

在建工程按當日產生之成本值減去可預見之虧損列賬。

### (j) 應收貿易賬款

凡被視為屬呆賬之應收貿易賬款均需提撥備。在資產負債表內列賬之應收貿易賬款已扣除有關之撥備。

## 1 Principal accounting policies (Continued)

### (k) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and bank balances.

### (l) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

### (m) Employees' benefits

#### (i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

#### (ii) Bonus plans

The expected cost of bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

## 1 主要會計政策 (續)

### (k) 現金及現金等價物

現金及現金等價物按成本列入資產負債表。就為編製現金流量表之目的而言，現金及現金等價物包括手頭現金及銀行賬目餘額。

### (l) 撥備

若本集團因過往事項須承擔現時法定或推定責任，且可能需要資源流出履行該等責任，並可就有關金額作出準確估算時，則可確認為撥備。

### (m) 僱員福利

#### (i) 僱員休假權利

僱員享受之年假及長期服務假期於僱員獲得該等權利時確認。直至結算日，僱員服務所產生之年假及長期服務假期之估計負債已作出撥備。

僱員享有之病假及產假於休假時方確認。

#### (ii) 紅利計劃

當本集團因僱員提供服務而擁有現有合法或建設性責任且該責任能可靠估計時確認紅利支付之預期成本。

紅利計劃之負債將於12個月內清償，按預期於清償時支付之數額計算。



## 1 Principal accounting policies (Continued)

### (m) Employees' benefits (Continued)

#### (iii) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all those employees who are eligible to participate in the Scheme. The Scheme became effective from 1st December 2000. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the rules of the Scheme. The assets of the Scheme are held separately from those of the Group in an independent administered fund. The Group's employer contributions vest fully with the employees when contributed into the Scheme except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the Scheme.

The Company's subsidiaries in Mainland China are members of the state-managed retirement benefits scheme operated by the Government of Mainland China. The retirement scheme contributions, which are based on a certain percentage of the salaries of the subsidiaries' employees, are charged to the profit and loss account in the period to which they relate and represent the amount of contributions payable by these subsidiaries to the scheme.

## 1 主要會計政策 (續)

### (m) 僱員福利 (續)

#### (iii) 退休金負債

本集團根據強積金條例，為合資格之僱員設立定額供款強積金退休福利計劃（「計劃」）。該計劃自二零零零年十二月一日開始生效。強積金供款按照供款時僱員基本薪金某個百分比支付，於根據計劃之規則應付時於損益賬內扣除。該計劃之資產與本集團之資產分開持有，由獨立管理之基金保管。根據強積金計劃之規則，本集團之僱主供款於向計劃供款時悉數歸屬僱員，惟若僱員在到期有權領取全數供款前離任，僱主自願供款部份將歸還予本集團。

本公司在中國內地之附屬公司均參與中國內地政府部門推行之退休福利計劃。退休計劃供款按附屬公司之僱員之某個薪金百分比計算，並於所涉及之期間在損益表中支銷，而款額即為該等附屬公司向計劃應付之供款。

## 1 Principal accounting policies (Continued)

### (m) Employees' benefits (Continued)

#### (iv) Equity compensation benefits

Share options are granted to directors and to employees at a price determined in accordance to the Company's share option scheme on the date of the grant and are exercisable at that price, no compensation cost is recognised. When the options are exercised, the proceeds received net of any transaction costs are credited to share capital and share premium.

### (n) Deferred taxation

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

### (o) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

## 1 主要會計政策 (續)

### (m) 僱員福利 (續)

#### (iv) 股權酬勞福利

本公司之購股權按授出日期所釐訂之價格授予董事及僱員且可按該市價行使。酬勞成本不予確認。當購股權獲行使時，已收款項扣除任何交易成本後計入股本及股份溢價。

### (n) 遞延稅項

遞延稅項採用負債法就資產負債之稅基與它們在賬目之賬面值兩者之間之臨時差額作全數撥備。遞延稅項採用在結算日前已頒佈或實質頒佈之稅率釐定。

遞延稅項資產乃按可使用未來應課稅溢利以抵銷臨時差額而予以確認。

遞延稅項乃就於附屬公司、聯營公司及合營企業之投資所產生之臨時差額而予以確認，惟倘撥回時差之時間可予控制且臨時差額將不會於可預見將來撥回則除外。

### (o) 或然負債及或有資產

或然負債乃因過往事件可能產生之責任，其存在與否僅可根據一件或多件日後不確定事項是否發生而確定，且該等事項並不完全受本集團控制。或然負債亦可能因過往事項而引至現有責任，概因該事件可能不需要經濟資源流出或無法可靠計算有關責任所涉及之金額而未有記賬。

## 1 Principal accounting policies (Continued)

### (o) Contingent liabilities and contingent assets (Continued)

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that the outflow becomes probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

Contingent assets are not recognised but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

### (p) Assets under leases

#### (i) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased assets or the present value of the minimum lease payments. Each lease payment is allocated between the capital and finance charges so as to achieve a constant rate on the capital balances outstanding. The corresponding rental obligations, net of finance charges, are included in liabilities. The finance charges are charged to the profit and loss account over the lease periods.

Assets held under finance leases are depreciated over the shorter of their estimated useful lives or the lease periods.

## 1 主要會計政策 (續)

### (o) 或然負債及或有資產 (續)

或然負債不予確認，惟於賬目附註內作出披露。若資源流出之可能性有所改變引致可能出現資源流出，則將獲確認為撥備。

或有資產乃過往事項可能產生之資產，其存在與否僅可根據一件或多件日後不確定事項是否發生而確定，且該等事項並不完全受本集團控制。

若一項經濟利益有可能流入時，或有資產不予確認，惟於賬目附註中予以披露。若經濟利益流入獲實質確定，則可確認為資產。

### (p) 租賃資產

#### (i) 融資租賃

所持資產之風險及回報幾乎全部轉移予本集團之租約視為融資租賃。融資租賃於設立時按租賃資產之公平價值或最低租金現值之較低者而予以資本化。每項租賃租金乃在資本及融資開支之間作出分配，以使在達致未償資本結餘之固定比率。相關之租金責任（扣除融資開支後）乃計入負債。融資開支於租約期內在損益賬中支銷。

以融資租賃持有之資產乃按估計可使用年期或租約期之較短者予以折舊。

## 1 Principal accounting policies (Continued)

### (p) Assets under leases (Continued)

#### (ii) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the profit and loss account on a straight-line basis over the lease periods.

### (q) Revenue recognition

Revenue from the sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed.

Revenue from the services and design, integration and installation of platforms for digital broadcasting systems is recognised upon the satisfactory completion of each installation and acceptance by the customers.

Service fee income for provision of international financial market information and selective consumer data is recognised on a straight-line basis over the period of the service contract.

Revenue from the leasing of digital broadcasting network equipment and technical know-how and related software is recognised on an agreed proportion of net subscription income received from ultimate customers of the lessee in accordance with the respective agreements.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

## 1 主要會計政策 (續)

### (p) 租賃資產 (續)

#### (ii) 經營租賃

所持資產之風險及回報幾乎全部由租賃公司承擔之租約視為經營租約。根據經營租約支付之款項減除租賃公司應收之任何獎金，於租賃期間按直線法自損益表內支銷。

### (q) 收入確認

貨品銷售收入乃於擁有權之風險及回報轉讓時(通常與貨品交付予顧客及所擁有權轉移時間一致)確認入賬。

服務、研發、集成及裝設數碼廣播系統產生之收入於各安裝工程完成並獲取客戶認可時予以確認入賬。

就提供國際市場資訊及精選消費者數據獲得之服務費收入於服務合約期間按直線法予以確認入賬。

租賃數碼廣播網絡設備、技術訣竅及有關軟件產生之收入乃根據有關協議按自承租人之最終客戶收取之淨收視費收入按協定比例確認入賬。

利息收入乃根據未償還本金及實際利率按時間比例基準確認入賬。

## 1 Principal accounting policies (Continued)

### (r) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

All other borrowing costs are charged to the profit and loss account in the year in which they are incurred.

### (s) Segment reporting

In accordance with the Group's internal financial reporting the Group has determined that business segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

Unallocated income and costs represent corporate income and expenses (including provision against investments). Segment assets consist primarily of intangible assets, fixed assets, inventories, receivables and operating cash, and mainly exclude investment securities and investment in a jointly controlled entity. Segment liabilities comprise operating liabilities. Capital expenditure comprises additions to fixed assets (note 12) and intangible assets (note 13).

In respect of geographical segment reporting, sales are based on the country in which the customer is located. Total assets and capital expenditure are where the assets are located.

## 1 主要會計政策 (續)

### (r) 借貸成本

就直接與收購、建造或生產某項須經過頗長時間籌備以作擬定用途或出售之資產有關之借貸成本，均資本化為資產之部份成本。

所有其他借款費用均於發生年度於損益賬扣除。

### (s) 分部報告

根據本集團內部財務申報程序，本集團決定業務分部資料作為主要報告格式，而地區分佈資料則以次要報告格式呈列。

未分配收入及開支即企業收入及費用（包括投資撥備）。分部資產主要為無形資產、固定資產、存貨、應收款及經營現金（不包括證券投資及共同控制實體投資）。分部負債包括經營負債。資本支出包括固定資產添置（附註12）及無形資產增加（附註13）。

就地理分部報告而言，銷售額以客戶所在國家為基準。總資產及資本支出以有關資產所在地計算。

## 2 Turnover and revenue

The Group is principally engaged in the services and design, integration and installation of digital broadcasting systems and development of related software and products and provision of international financial market information and selective consumer data.

## 2 營業額及收入

本集團主要從事數碼廣播服務，系統集成、研發、裝設及相關軟件及產品的開發，以及提供國際金融市場資訊及精選消費者數據服務。

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Turnover	營業額		
Sales of digital broadcasting systems and related software and products	銷售數碼廣播系統及有關軟件及產品	148,646	56,335
Leasing income	租賃收入	4,160	2,670
Provision of financial and consumer data	提供金融及消費者數據	16,430	14,247
		169,236	73,252
Other revenue	其他收入		
Interest income from bank balances	銀行結餘之利息收入	1,266	910
Total revenues	總收益	170,502	74,162

### 3 Segment information

#### Primary reporting format – business segments

The Group is organised into two main business segments:

- (i) Services and design, integration and installation of digital broadcasting systems and development of related software and products; and
- (ii) Provision of international financial market information and selective consumer data

There are no sales between business segments.

### 3 分部資料

#### 主要呈報形式—業務分部

本集團業務主要分為以下兩類：

- (i) 數碼廣播服務、系統集成、研發、裝設及相關軟件及產品的開發；及
- (ii) 提供國際金融市場資訊及精選消費者數據服務

業務分部之間並無任何銷售。

### 3 Segment information (Continued)

#### Primary reporting format – business segments (Continued)

### 3 分部資料 (續)

#### 主要呈報形式—業務分部 (續)

		2004 二零零四年		
		Services and design, integration and installation of digital broadcasting systems and development of related software and products HK\$'000 數碼廣播服務· 系統集成·研發· 裝設及相關軟件 及產品的開發 千港元	Provision of international financial market information and selective consumer data HK\$'000 提供國際 金融市場資訊 及精選消費者 數據服務 千港元	Total HK\$'000 總計 千港元
Turnover	營業額	152,806	16,430	169,236
Segment results	分部業績	(54,867)	2,535	(52,332)
Unallocated costs	未分配成本			-
Operating loss	經營虧損			(52,332)
Finance costs	融資成本			(1,060)
Share of loss of a jointly controlled entity	分佔共同控制 實體之虧損			(1,032)
Loss before minority interests	扣除少數股東權益前虧損			(54,424)
Minority interests	少數股東權益			502
Loss for the year	本年度虧損			(53,922)
Preference dividends	優先股股息			(5,812)
Loss attributable to ordinary shareholders	普通股股東 應佔虧損			(59,734)
Segment assets	分部資產	267,697	8,103	275,800
Unallocated assets	未分配資產			6,685
Total assets	資產總額			282,485
Segment liabilities	分部負債	126,886	8,948	135,834
Total liabilities	負債總額			135,834
Capital expenditure	資本支出	16,274	38	16,312
Depreciation	折舊	18,861	92	18,953
Amortisation	攤銷	4,729	-	4,729
Other non-cash expenses	其他非現金費用	22,189	69	22,258



**3 Segment information (Continued)****Primary reporting format – business segments**  
(Continued)**3 分部資料 (續)****主要呈報形式—業務分部 (續)**

		2003 二零零三年		
		Services and design, integration and installation of digital broadcasting systems and development of related software and products HK\$'000 數碼廣播服務· 系統集成·研發· 裝設及相關軟件 及產品的開發 千港元	Provision of international financial market information and selective consumer data HK\$'000 提供國際 金融市場資訊 及精選消費者 數據服務 千港元	Total HK\$'000 總計 千港元
Turnover	營業額	59,005	14,247	73,252
Segment results	分部業績	(113,330)	(2,063)	(115,393)
Unallocated costs	未分配成本			(20,280)
Operating loss	經營虧損			(135,673)
Finance costs	融資成本			(1,087)
Share of loss of a jointly controlled entity	分佔共同控制 實體之虧損			(1,340)
Loss before minority interests	扣除少數股東權益前虧損			(138,100)
Minority interests	少數股東權益			3,847
Loss for the year	本年度虧損			(134,253)
Preference dividends	優先股股息			(5,812)
Loss attributable to ordinary shareholders	普通股股東 應佔虧損			(140,065)
Segment assets	分部資產	246,018	1,724	247,742
Unallocated assets	未分配資產			7,717
Total assets	資產總額			255,459
Segment liabilities	分部負債	105,453	4,355	109,808
Total liabilities	負債總額			109,808
Capital expenditure	資本支出	16,317	68	16,385
Depreciation	折舊	17,529	282	17,811
Amortisation	攤銷	5,261	–	5,261
Impairment charge – allocated	減值費用—已分配	50,561	–	50,561
Impairment charge – unallocated	減值費用 – 未分配			20,280
Other non-cash expenses	其他非現金費用	10,756	–	10,756

### 3 Segment information (Continued)

#### Secondary reporting format - geographical segments

The Group's two business segments operate in three main geographical areas:

- (i) Mainland China – Services and design, integration and installation of digital broadcasting systems and development of related software and products;
- (ii) Hong Kong – Services and design, integration and installation of digital broadcasting systems and development of related software and products and provision of international financial market information and selective consumer data; and
- (iii) Other Southeast Asian countries – Provision of international financial market information and selective consumer data

There are no sales between geographical segments.

### 3 分部資料 (續)

#### 次要呈報形式—地區分部

本集團兩類業務於三個主要地區經營：

- (i) 中國內地—數碼廣播服務、系統集成、研發、裝設及相關軟件及產品的開發；
- (ii) 香港—數碼廣播服務、系統集成、研發、裝設及相關軟件及產品的開發及提供國際金融市場資訊及精選消費者數據；及
- (iii) 其他東南亞國家—提供國際金融市場資訊及精選消費者數據。

該等地區之間並無進行銷售。

**3 Segment information (Continued)****Secondary reporting format - geographical segments**  
(Continued)**3 分部資料 (續)****次要呈報形式—地區分部 (續)**

		2004 二零零四年			
		Turnover HK\$'000 營業額 千港元	Segment results HK\$'000 分部業績 千港元	Total assets HK\$'000 資產總額 千港元	Capital expenditure HK\$'000 資本支出 千港元
Mainland China	中國內地	150,927	(54,077)	190,046	11,355
Hong Kong	香港	13,527	15	84,958	4,957
Other Southeast Asian countries	其他東南亞 國家	4,782	1,730	796	-
		<u>169,236</u>	<u>(52,332)</u>	<u>275,800</u>	<u>16,312</u>
Unallocated costs	未分配成本		<u>-</u>		
Operating loss	經營虧損		<u>(52,332)</u>		
Unallocated assets	未分配資產			<u>6,685</u>	
Total assets	資產總額			<u>282,485</u>	

### 3 Segment information (Continued)

#### Secondary reporting format - geographical segments (Continued)

### 3 分部資料 (續)

#### 次要呈報形式—地區分部 (續)

		2003 二零零三年			
		Turnover	Segment	Total	Capital
		HK\$'000	results	assets	expenditure
		營業額	分部業績	資產總額	資本支出
		千港元	千港元	千港元	千港元
Mainland China	中國內地	58,996	(113,340)	160,201	8,469
Hong Kong	香港	11,008	(2,217)	86,935	7,916
Other Southeast Asian countries	其他東南亞國家	3,248	164	606	—
		<u>73,252</u>	<u>(115,393)</u>	<u>247,742</u>	<u>16,385</u>
Unallocated costs	未分配成本		<u>(20,280)</u>		
Operating loss	經營虧損		<u>(135,673)</u>		
Unallocated assets	未分配資產			<u>7,717</u>	
Total assets	資產總額			<u>255,459</u>	

**4 Operating loss**

Operating loss is stated charging the following:

**4 經營虧損**

經營虧損已扣除下列各項：

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Cost of inventories sold	出售存貨成本	116,650	48,218
Cost of provision of financial and consumer data	提供金融及消費者數據成本	3,550	5,323
Depreciation	折舊	18,953	17,811
Auditors' remuneration	核數師酬金	990	870
Staff costs (including directors' emoluments) (note 5)	員工成本(包括董事酬金)(附註 5)	29,059	24,150
Operating lease rentals on land and buildings	土地及樓宇經營租賃租金	4,612	5,411
Other operating expenses including:	其他經營開支包括：		
Amortisation of deferred development costs	遞延開發成本攤銷	4,729	2,727
Amortisation of film rights	影片權益攤銷	-	2,534
Provision for impairment loss on investment securities	證券投資減值撥備	-	20,280
Provision for impairment loss on long-term deposits	長期按金減值撥備	-	18,692
Provision for impairment loss on intangible assets	無形資產減值撥備	-	31,869
Provision against inventories	存貨撥備	6,878	3,263
Provisions against deposits, trade and other receivables	按金、應收貿易賬款及其他應收款項撥備	15,357	7,298
Write-off of deferred development costs	遞延開發成本撇銷	-	14
Net loss on disposal of fixed assets	出售固定資產淨虧損	23	181

## 5 Staff costs

## 5 員工成本

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Wages and salaries	工資及薪金	36,416	37,209
Unutilised annual leave	未使用之年假撥備	68	207
Contributions to the defined contribution schemes	界定供款計劃供款	1,516	1,934
Termination benefits	離職福利	12	417
Long service payment	長期服務金撥備	1,237	–
Less: costs capitalized	減：資本化成本	(10,190)	(15,617)
		29,059	24,150

## 6 Finance costs

## 6 融資成本

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Interest on bank loans	銀行貸款利息	1,053	1,082
Finance lease expenses	融資租賃支出	7	5
		1,060	1,087

**7 Taxation**

No provision for Hong Kong and overseas profits tax has been made in the accounts as the Group did not have any assessable profit for the year (2003: Nil).

The taxation on the Group's loss before taxation differs from the theoretical amount that would arise using the domestic taxation rate in each of the Group companies as follows:

**7 稅項**

由於本集團年內並無任何應課稅溢利(二零零三年:無),故於賬目上未就香港或海外利得稅作出撥備。

本集團除稅前虧損之稅項與利用本集團內各公司之本土國家之稅率計算產生之理論金額之差額分析如下:

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Loss before taxation	除稅前虧損	(54,424)	(138,100)
Notional tax calculated at the rates applicable in the countries concerned	以有關國家適用之稅率計算之名義稅項	(6,331)	(15,353)
Tax at preferential rate	稅務優惠	2,088	6,268
Income not subject to taxation	毋須繳稅收入	(18)	(1)
Expenses not deductible for taxation purposes	不可作寬免稅項之開支	585	392
Temporary difference not recognised	未確認之臨時差額	2,213	4,816
Utilisation of previously unrecognised tax losses	使用之前未確認之稅務虧損	(1,997)	(1,479)
Tax losses not recognized	未確認之稅務虧損	3,460	5,357
Taxation charge	稅項開支	-	-

## 8 Preference dividends

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Dividends on 5% exchangeable preference shares issued by DVN (Group) Limited, a wholly-owned subsidiary of the Company (note 29 and 32(a)(ii))	本公司之全資附屬公司天地數碼(集團)有限公司發行之5%可交換優先股之股息(附註29及32(a)(ii))	5,812	5,812

## 9 Loss attributable to ordinary shareholders

The loss attributable to ordinary shareholders is dealt with in the accounts of the Company to the extent of HK\$6,743,000 (2003 : loss of HK\$93,393,000).

## 10 Loss per share

The calculation of the basic loss per share is based on the Group's loss attributable to ordinary shareholders of HK\$59,734,000 (2003: HK\$140,065,000) and on the weighted average number of 485,992,615 (2003: 395,227,977) ordinary shares in issue during the year.

No diluted loss per share is shown for the two years ended 31st December 2004 and 2003 as the share options and exchangeable preference shares outstanding had an anti-dilutive effect on the basic loss per share for both years.

## 8 優先股股息

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Dividends on 5% exchangeable preference shares issued by DVN (Group) Limited, a wholly-owned subsidiary of the Company (note 29 and 32(a)(ii))	本公司之全資附屬公司天地數碼(集團)有限公司發行之5%可交換優先股之股息(附註29及32(a)(ii))	5,812	5,812

## 9 普通股股東應佔虧損

已計入本公司賬目中之普通股股東應佔虧損為6,743,000港元(二零零三年:虧損93,393,000港元)。

## 10 每股虧損

每股基本虧損乃根據本集團普通股股東應佔虧損59,734,000港元(二零零三年:140,065,000港元)及年內已發行普通股之加權平均數(即485,992,615股)(二零零三年:395,227,977股)計算。

由於截至二零零四年及二零零三年十二月三十一日止兩個年度內未行使之購股權及可換股優先股對每股基本虧損具反攤薄作用,故未有列出該兩個年度之每股攤薄虧損。



**11 Directors' and senior management's emoluments****(a) Directors' emoluments**

The aggregate amounts of emoluments payable to directors of the Company during the year are as follows:

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Fees:	袍金:		
Independent non-executive directors	獨立非執行董事	180	-
Other emoluments:	其他酬金:		
Executive directors	執行董事		
Basic salaries, housing benefits, other allowances and benefits in kind	基本薪金、住房福利、其他津貼及實物利益	2,040	2,025
Discretionary bonus	酬情花紅	80	80
Contributions to defined contribution Mandatory Provident Fund	定額供款 強制性 公積金供款	12	12
		<b>2,312</b>	<b>2,117</b>

During the year ended 31st December 2004, no (2003: 7,500,000) share options were granted to directors of the Company under the Share Option Scheme approved by the shareholders at a Special General Meeting on 26th June 2002.

**11 董事及高級管理人員酬金****(a) 董事酬金**

年內應向本公司董事支付之酬金總額如下:

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Fees:	袍金:		
Independent non-executive directors	獨立非執行董事	180	-
Other emoluments:	其他酬金:		
Executive directors	執行董事		
Basic salaries, housing benefits, other allowances and benefits in kind	基本薪金、住房福利、其他津貼及實物利益	2,040	2,025
Discretionary bonus	酬情花紅	80	80
Contributions to defined contribution Mandatory Provident Fund	定額供款 強制性 公積金供款	12	12
		<b>2,312</b>	<b>2,117</b>

於截至二零零四年十二月三十一日止年度，本公司並無根據股東於二零零二年六月二十六日召開之特別股東大會上通過之購股權計劃，向本公司董事授予任何購股權（二零零三年：7,500,000份）。

## 11 Directors' and senior management's emoluments (Continued)

### (a) Directors' emoluments (Continued)

The emoluments of the directors fell within the following bands:

Emolument bands	酬金幅度	Number of directors 董事人數	
		2004 二零零四年	2003 二零零三年
Nil – HK\$1,000,000	零至1,000,000港元	8	7
HK\$1,000,001 – HK\$2,500,000	1,000,001 港元至2,500,000港元	1	1

During the year, no directors of the Company waived any emoluments. There was no arrangement under which a director waived or agreed to waive any remuneration.

No emoluments were paid by the Group to the directors as an inducements to join or upon joining the Group, or as compensation for loss of office.

## 11 董事及高級管理人員酬金 (續)

### (a) 董事酬金 (續)

董事酬金介乎下列幅度：

	Number of directors 董事人數	
	2004 二零零四年	2003 二零零三年
Nil – HK\$1,000,000	8	7
HK\$1,000,001 – HK\$2,500,000	1	1

於本年內，本公司各董事均無放棄任何酬金，亦無有關董事放棄或同意放棄任何酬金之安排。

本集團概無向董事支付酬金，作為其加入本集團或於加入本集團時之獎勵金或作為離職補償。

**11 Directors' and senior management's emoluments** (Continued)**(b) Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group for the year include one (2003: one) director, whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining four (2003: four) individuals during the year are as follows:

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	2,976	3,086
Discretionary bonus	酬情花紅	141	119
Contributions to defined contribution Mandatory Provident Fund	定額供款強制性公積金供款	48	47
		3,165	3,252

The emoluments fell within the following bands:

酬金介乎下列幅度：

		Number of individuals 人數	
		2004 二零零四年	2003 二零零三年
Emolument bands	酬金幅度		
Nil – HK\$1,000,000	零至1,000,000港元	3	4
HK\$1,000,001 – HK\$1,500,000	1,000,001 港元至1,500,000港元	1	–

**11 董事及高級管理人員酬金** (續)**(b) 五位最高薪人士**

年內本集團五位最高薪人士包括一位董事(二零零三年:一位),其酬金分析載於上文。年內應付予其餘四位(二零零三年:四位)人士之酬金如下:

## 11 Directors' and senior management's emoluments (Continued)

### (b) Five highest paid individuals (Continued)

No emoluments were paid by the Group to the four (2003: four) individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

During the year ended 31st December 2004, no (2003: 8,000,000) share options were granted to the highest paid, non-director employees. 580,000 (2003: nil) share options granted have been exercised during the year.

## 11 董事及高級管理人員酬金 (續)

### (b) 五位最高薪人士 (續)

本集團概無於該四位人士(二零零三年:四位)支付酬金,作為其加入本集團或於加入本集團時之獎勵金或離職補償。

截至二零零四年十二月三十一日止年度,並無向非董事之最高薪僱員授予任何購股權(二零零三年:8,000,000份)。年內580,000份授出之購股權獲行使(二零零三年:無)。

## 12 Fixed assets

## 12 固定資產

		Group 本集團						
		Network under construction	Leasehold improvements	Network equipment and toolings	Office equipment	Furniture and fixtures	Motor vehicles	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		在建網絡 千港元	租賃 物業裝修 千港元	網絡設備 及模具 千港元	辦公設備 千港元	傢俬及裝置 千港元	汽車 千港元	總計 千港元
Cost:	成本:							
At 1st January 2004	於二零零四年一月一日	29,336	2,888	56,086	11,523	2,257	4,304	106,394
Additions	添置	-	985	9,558	504	213	-	11,260
Transfer	轉讓	(18,288)	-	(2,088)	-	-	-	(20,376)
Disposals	出售	-	-	-	(3)	-	-	(3)
At 31st December 2004	於二零零四年十二月三十一日	11,048	3,873	63,556	12,024	2,470	4,304	97,275
Accumulated depreciation:	累計折舊:							
At 1st January 2004	於二零零四年一月一日	-	1,834	30,484	8,555	1,144	2,609	44,626
Charge for the year	本年度扣除	-	561	15,204	2,145	387	656	18,953
Transfer	轉讓	-	-	(2,645)	-	-	-	(2,645)
Disposals	出售	-	-	-	(2)	-	-	(2)
At 31st December 2004	於二零零四年十二月三十一日	-	2,395	43,043	10,698	1,531	3,265	60,932
Net book value:	賬面淨值:							
At 31st December 2004	於二零零四年十二月三十一日	11,048	1,478	20,513	1,326	939	1,039	36,343
At 31st December 2003	於二零零三年十二月三十一日	29,336	1,054	25,602	2,968	1,113	1,695	61,768
Net book value of leased assets:	租賃資產 賬面淨值:							
At 31st December 2004	於二零零四年十二月三十一日	-	-	-	101	-	-	101
At 31st December 2003	於二零零三年十二月三十一日	-	-	-	145	-	-	145

As at 31st December 2004, no fixed assets was pledged as security in relation to the Group's bank loan (2003: HK\$18,479,000).

於二零零四年十二月三十一日，並無固定資產被抵押作為本集團銀行借貸之擔保（二零零三年：18,479,000 港元）。

## 12 Fixed assets (Continued)

## 12 固定資產 (續)

		Company 本公司		
		Office equipment HK\$'000 辦公設備 千港元	Network equipment HK\$'000 網絡設備 千港元	Total HK\$'000 總計 千港元
Cost:	成本:			
At 1st January 2004 and at 31st December 2004	於二零零四年一月一日及 二零零四年十二月三十一日	18	939	957
Accumulated depreciation:	累計折舊:			
At 1st January 2004 and at 31st December 2004	於二零零四年一月一日及 二零零四年十二月三十一日	18	939	957
Net book value:	賬面淨值:			
At 31st December 2004	於二零零四年十二月三十一日	-	-	-
At 31st December 2003	於二零零三年十二月三十一日	-	-	-

## 13 Intangible assets

## 13 無形資產

		Group 本集團			
		Deferred development			
		Goodwill	costs	Film rights	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		商譽	遞延 開發成本	影片權益	總計
		千港元	千港元	千港元	千港元
<b>Year ended</b>	<b>截至二零零四年</b>				
<b>31st December 2004</b>	<b>十二月三十一日止年度</b>				
At 1st January 2004	於二零零四年一月一日	–	27,752	–	27,752
Addition	添置	–	5,052	–	5,052
Amortisation charge	攤銷支出	–	(4,729)	–	(4,729)
At 31st December 2004	於二零零四年十二月三十一日	–	28,075	–	28,075
<b>At 31st December 2004</b>	<b>於二零零四年十二月三十一日</b>				
Cost	成本	95,905	49,017	49,309	194,231
Accumulated amortisation and impairment losses	累計攤銷及 減值虧損	(95,905)	(20,942)	(49,309)	(166,156)
Net book value	賬面淨值	–	28,075	–	28,075
<b>At 31st December 2003</b>	<b>於二零零三年十二月三十一日</b>				
Cost	成本	95,905	43,965	49,309	189,179
Accumulated amortisation and impairment losses	累計攤銷及 減值虧損	(95,905)	(16,213)	(49,309)	(161,427)
Net book value	賬面淨值	–	27,752	–	27,752

## 14 Interests in subsidiaries

## 14 於附屬公司之投資

		Company 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Unlisted investments, at cost	非上市投資·按原值計	67,732	67,732
Provision for impairment loss	減值撥備	(67,732)	(67,732)
		-	-
Loan to a subsidiary	向一間附屬公司作出之貸款	25,284	25,284
Amounts due from subsidiaries	應收多間附屬公司款項	480,855	396,840
Provision for amounts due from subsidiaries	應收附屬公司 欠款撥備	(423,011)	(422,124)
		83,128	-

The balances with subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

附屬公司欠款結餘均為無抵押及免息·且並無固定還款期限。

Particulars of the principal subsidiaries are set out in note 35.

有關主要附屬公司之詳情載於附註35。



**15 Long-term deposits**

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Deposits for purchasing of film rights	購買影片權益之按金	18,692	18,692
Provision for impairment loss	減值虧損撥備	(18,692)	(18,692)
		-	-

**15 長期按金****16 Investment securities**

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Unlisted shares outside Hong Kong, at cost	香港以外地區非上市股份，按原值計	35,000	35,000
Provision for impairment loss	減值虧損撥備	(35,000)	(35,000)
		-	-

**16 投資證券**

The Group held 990 ordinary shares, representing approximately 9.9% equity interest, in a company as at 31st December 2004.

二零零四年十二月三十一日，本集團持有一間公司之990股普通股股份，佔其股本權益約9.9%。

## 17 Investment in a jointly controlled entity

## 17 於一間共同控制實體之投資

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Share of net assets	應佔資產淨值	6,685	7,717
		Company 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Unlisted investment outside Hong Kong, at cost	香港以外地區非 上市投資·按原值計	14,200	14,200

**17 Investment in a jointly controlled entity**  
(Continued)

Particulars of the jointly controlled entity are as follows:

Name 名稱	Business structure 業務架構	Place of operation and incorporation 經營及 註冊成立地點	Percentage 百分比			Principal activities 主要業務
			Ownership interest 所有權權益	Voting power 投票權	Profit sharing 溢利分成	
Jiangsu Hongtian Broad Communication Co., Ltd 江蘇宏天寬頻視訊有限公司	Corporate 法團	People's Republic of China ("PRC") 中華人民共和國 (「中國」)	50%	50%	50%	Services and design, integration and installation of digital broadcasting systems and sales of related products 數碼廣播服務、 系統集成、研發、裝設及 相關軟件產品開發

**17 於一間共同控制實體之投資**  
(續)

該共同控制實體詳情如下：

**18 Inventories**

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Raw materials 原材料		23,669	5,906
Finished goods 製成品		18,819	18,604
		42,488	24,510

At 31st December 2004, the carrying amount of inventories that are carried at net realisable value amounted to HK\$6,172,000 (2003: HK\$4,044,000).

於二零零四年十二月三十一日，以可變現淨值列賬之存貨之賬面值合共6,172,000港元（二零零三年：4,044,000港元）。

## 19 Work in progress

At 31st December 2004, the carrying amount of work in progress that are carried at net realisable value amounted to HK\$3,073,000 (2003: nil).

## 20 Trade receivables

At 31st December 2004, the aging analysis of the trade receivables is as follows:

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
0 - 30 days	0至30天	42,027	7,787
31- 60 days	31至60天	1,016	59
61 - 90 days	61至90天	576	—
Over 90 days (note 32(c))	超過90天(附註 32(c))	9,954	8,923
		53,573	16,769

Credit period of 30 to 60 days is normally granted to customers.

## 21 Prepayments, deposits and other receivables

Prepayments, deposits and other receivables include a deposit of HK\$10 million, in relation to film distribution rights which was fully provided during the year.

## 19 在建工程

於二零零四年十二月三十一日，以可變現淨值列賬之在建工程之賬面值合共3,073,000港元（二零零三年：無）。

## 20 應收貿易賬款

於二零零四年十二月三十一日，應收貿易賬款之賬齡分析如下：

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
0 - 30 days	0至30天	42,027	7,787
31- 60 days	31至60天	1,016	59
61 - 90 days	61至90天	576	—
Over 90 days (note 32(c))	超過90天(附註 32(c))	9,954	8,923
		53,573	16,769

本集團通常給予客戶30至60天之信貸期。

## 21 預付款、按金及其他應收款

預付款、按金及其他應收款包括有關影片發行權利之按金10,000,000港元，已於年內作出全數撥備。

**22 Trade payables****22 應付貿易款**

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
0 - 30 days	0至30天	18,889	6,543
31- 60 days	31至60天	18,005	277
61 - 90 days	61至90天	1,142	580
Over 90 days (note 32(c))	超過90天 (附註 32(c))	16,622	12,783
		54,658	20,183

**23 Long-term liabilities****23 長期負債**

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Obligations under finance leases	融資租賃之責任	116	152
Current portion of long-term liabilities	長期負債 即期部份	(36)	(36)
		80	116

## 23 Long-term liabilities (Continued)

At 31st December 2004, the Group's finance lease liabilities were repayable as follows:

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Within one year	一年內	43	43
In the second year	第二年	43	43
In the third to fifth years	第三至第五年	54	97
		140	183
Future finance charges on finance leases	融資租賃之未來 融資開支	(24)	(31)
Present value of finance lease liabilities	融資租賃 負債現值	116	152

The present value of finance lease liabilities is as follows:

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Within one year	一年內	36	36
In the second year	第二年	36	36
In the third to fifth years	第三至第五年	44	80
		116	152

## 23 長期負債 (續)

於二零零四年十二月三十一日，本集團須於下列期間償還之融資租賃負債如下：

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Within one year	一年內	43	43
In the second year	第二年	43	43
In the third to fifth years	第三至第五年	54	97
		140	183
Future finance charges on finance leases	融資租賃之未來 融資開支	(24)	(31)
Present value of finance lease liabilities	融資租賃 負債現值	116	152

融資租賃負債現值如下：

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Within one year	一年內	36	36
In the second year	第二年	36	36
In the third to fifth years	第三至第五年	44	80
		116	152

**24 Bank loans, secured****24 有抵押銀行貸款**

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Short-term bank loans	短期銀行貸款	4,739	42,654

As at 31st December 2003, the Group pledged the digital broadcasting system located at Suzhou as the security for the guarantee provided by an independent third party company in relation to one of the bank loans amounted to RMB40 million. Such loan has been repaid during the year and the pledge was released accordingly.

於二零零三年十二月三十一日，本集團將位於蘇州之數碼廣播系統作抵押，以就其中一筆銀行貸款人民幣40,000,000元取得獨立第三者公司提供之擔保。該筆貸款已於年內償還，而有關抵押已因而解除。

## 25 Share capital

## 25 股本

		Authorised 法定股本			
		5% redeemable preference shares 5%可贖回優先股		Ordinary shares of HK\$0.10 each 面值0.10港元普通股	
		Number of shares 股份數目	HK\$'000 千港元	Number of shares 股份數目	HK\$'000 千港元
At 1st January 2003 and 31st December 2003	於二零零三年一月一日及 二零零三年十二月三十一日	83,250,000	124,875	800,000,000	80,000
At 1st January 2004	於二零零四年一月一日	83,250,000	124,875	800,000,000	80,000
Reclassification in share capital (note(a)(ii))	於股本重新分類 (附註(a)(ii))	(83,250,000)	(124,875)	1,248,750,000	124,875
Increase in share capital (note(a)(iii))	股本增加 (附註(a)(iii))	-	-	951,250,000	95,125
31st December 2004	於二零零四年十二月三十一日	-	-	3,000,000,000	300,000
		Issued and fully paid 已發行及已繳足			
		5% redeemable preference shares 5%可贖回優先股		Ordinary shares of HK\$0.10 each 面值0.10港元普通股	
		Number of shares 股份數目	HK\$'000 千港元	Number of shares 股份數目	HK\$'000 千港元
At 1st January 2003	於二零零三年一月一日	-	-	376,734,826	37,673
Issue of shares	發行股份	-	-	75,000,000	7,500
At 31st December 2003	於二零零三年十二月三十一日	-	-	451,734,826	45,173
At 1st January 2004	於二零零四年一月一日	-	-	451,734,826	45,173
Issue of shares (note (a)(ii))	發行股份 (附註 (a)(ii))	-	-	58,500,000	5,850
Exercise of share options (note 26)	行使購股權 (附註 26)	-	-	6,140,997	614
At 31st December 2004	於二零零四年十二月三十一日	-	-	516,375,823	51,637



## 25 Share capital (Continued)

### (a) Ordinary shares

- (i) Pursuant to the Subscription Agreement entered into between the Company and Motorola-Dragon Investment, Inc. ("Motorola-Dragon") on 18th May 2004 (the "Subscription Agreement"), Motorola-Dragon has conditionally agreed to subscribe for the Company's new ordinary shares in up to four tranches for a cash consideration up to a maximum of US\$33 million (equivalent to approximately HK\$257.4 million). Pursuant to the ordinary resolutions passed on 8th July 2004, the Subscription Agreement was approved, confirmed and ratified, and the Whitewash Waiver, the granting of which was a condition of the First Tranche Completion, was approved. Upon the completion of the First Tranche of the Subscription Agreement on 15th July 2004, the Company issued to Motorola-Dragon 58,500,000 new ordinary shares at a consideration of US\$7.5 million. Details of Subscription Agreement was set out in the Circular dated 23rd June 2004. The Second Tranche was completed on 14th January 2005 and the details are set out in note 33(a).
- (ii) Pursuant to the ordinary resolutions passed on 8th July 2004, the authorised preference share capital of HK\$124,875,000 divided into 83,250,000 convertible preference shares, none of which are issued, was reclassified into authorised ordinary share capital of HK\$124,875,000 divided into 1,248,750,000 ordinary shares such that the authorised share capital of the Company was HK\$204,875,000 divided into 2,048,750,000 ordinary shares. Upon the reclassification, the Company's authorised ordinary share capital was further increased to HK\$300,000,000 divided into 3,000,000,000 ordinary shares by creation of an additional 951,250,000 ordinary shares.

## 25 股本 (續)

### (a) 普通股

- (i) 根據本公司與Motorola-Dragon Investment, Inc. (「Motorola-Dragon」)於二零零四年五月十八日訂立之認購協議(「認購協議」), Motorola-Dragon有條件同意認購本公司新普通股, 以上股份認購最多分四期進行, 現金代價最高可達33,000,000美元(相當於約257,400,000港元)。根據於二零零四年七月八日通過之普通決議案, 該認購協議已獲批准、確認及追認, 而清洗豁免(為第一期完成之條件)亦已獲批准, 認購協議第一期於二零零四年七月十五日完成後, 本公司向Motorola-Dragon發行58,500,000股新普通股, 作價7,500,000美元。認購協議詳情載於二零零四年六月二十三日之通函。第二期認購於二零零五年一月十四日完成, 詳情載列於附註33(a)。
- (ii) 根據於二零零四年七月八日通過之普通決議案, 將法定優先股本124,875,000港元(分為83,250,000股可換股優先股(均為未發行))重新分類為本公司法定股本124,875,000港元(分為1,248,750,000股普通股), 致使本公司之法定股本204,875,000港元, (分為2,048,750,000股普通股)。重新分類後, 本公司之法定普通股本透過增設951,250,000普通股, 進一步增加至300,000,000港元, (分為3,000,000,000股普通股)。

## 25 Share capital (Continued)

### (b) Preference shares

Pursuant to the ordinary resolutions passed on 8th July 2004, the authorised preference share capital of HK\$124,875,000 divided into 83,250,000 convertible preference shares, none of which are issued, was reclassified into authorised ordinary share capital of HK\$124,875,000 divided into 1,248,750,000 ordinary shares.

## 26 Share options

Pursuant to a share option scheme of the Company adopted on 26th June 2002, the Company may grant options to Qualified Persons as defined in the Scheme.

The exercise in full of the share options, under present capital structure of the Company, would result in the issue of an additional 45,914,003 (2003: 52,055,000) ordinary shares.

## 25 股本 (續)

### (b) 優先股

根據於二零零四年七月八日通過之普通決議案，法定優先股本為124,875,000港元，分為83,250,000股可兌換優先股(均未有發行)，重新分類為法定普通股本124,875,000港元，分為1,248,750,000股普通股。

## 26 購股權

根據本公司於二零零二年六月二十六日採納之購股權計劃，本公司可將購股權授予該計劃中所限定之合資格人士。

根據本公司現行股本架構，全面行使購股權將導致額外多發行45,914,003股(二零零三年：52,055,000股)普通股。

**26 Share options (Continued)**

The details of options granted under the Scheme are described below:

Date of share options granted 購股權授出日期	Number of shares outstanding as at 1st January 2004 於二零零四年一月一日尚未行使之購股權數目	Number of share options exercised during the year 年內行使之購股權數目	Number of share options lapsed during the year 年內失效之購股權數目	Number of share options outstanding as at 31st December 2004 於二零零四年十二月三十一日尚未行使之購股權數目	Exercise period 行使期	Exercise price per share 每股行使價格 港元
23rd July 2002 二零零二年七月二十三日	14,575,000	(1,324,333)	-	13,250,667	24/7/2002 - 23/7/2005	1.47
10th December 2003 二零零三年十二月十日	37,480,000	(4,816,664)	-	32,663,336	1/1/2004 - 31/12/2006	0.824

**26 購股權 (續)**

根據該計劃，已授出之購股權詳情如下：

## 27 Reserves

## 27 儲備

		Group 本集團				
		Share premium HK\$'000 股本溢價 千港元	Contributed surplus HK\$'000 實繳盈餘 千港元	Exchange reserve HK\$'000 匯兌儲備 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 總計 千港元
At 1st January 2003	於二零零三年一月一日	102,123	222,122	(122)	(253,132)	70,991
Issue of ordinary shares	發行普通股	54,000	-	-	-	54,000
Share issue expenses	股份發行費用	(4,026)	-	-	-	(4,026)
Exchange difference	匯兌差額	-	-	1,315	-	1,315
Loss for the year	年內虧損	-	-	-	(140,065)	(140,065)
<b>At 31st December 2003</b>	<b>於二零零三年十二月三十一日</b>	<b>152,097</b>	<b>222,122</b>	<b>1,193</b>	<b>(393,197)</b>	<b>(17,785)</b>
At 1st January 2004	於二零零四年一月一日	152,097	222,122	1,193	(393,197)	(17,785)
Issue of ordinary shares	發行普通股	52,650	-	-	-	52,650
Share issue expenses	股份發行費用	(2,925)	-	-	-	(2,925)
Exercise of share options	行使購股權	5,301	-	-	-	5,301
Exchange difference	匯兌差額	-	-	(254)	-	(254)
Loss for the year	年內虧損	-	-	-	(59,734)	(59,734)
<b>At 31st December 2004</b>	<b>於二零零四年十二月三十一日</b>	<b>207,123</b>	<b>222,122</b>	<b>939</b>	<b>(452,931)</b>	<b>(22,747)</b>
At 31st December 2004	於二零零四年十二月三十一日					
Company and subsidiaries	本公司及附屬公司	207,123	222,122	939	(449,722)	(19,538)
Jointly controlled entity	共同控制實體	-	-	-	(3,209)	(3,209)
		207,123	222,122	939	(452,931)	(22,747)
At 31st December 2003	於二零零三年十二月三十一日					
Company and subsidiaries	本公司及附屬公司	152,097	222,122	1,193	(391,020)	(15,608)
Jointly controlled entity	共同控制實體	-	-	-	(2,177)	(2,177)
		152,097	222,122	1,193	(393,197)	(17,785)

## 27 Reserves (Continued)

## 27 儲備 (續)

		Company 本公司			
		Share premium HK\$'000 股本溢價 千港元	Contributed surplus HK\$'000 實繳盈餘 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 總計 千港元
At 1st January 2003	於二零零三年一月一日	102,123	152,786	(208,640)	46,269
Issue of ordinary shares	發行普通股	54,000	-	-	54,000
Share issue expenses	股份發行費用	(4,026)	-	-	(4,026)
Loss for the year	年內虧損	-	-	(93,393)	(93,393)
At 31st December 2003	於二零零三年十二月三十一日	152,097	152,786	(302,033)	2,850
At 1st January 2004	於二零零四年一月一日	152,097	152,786	(302,033)	2,850
Issue of ordinary shares	發行普通股	52,650	-	-	52,650
Share issue expenses	股份發行費用	(2,925)	-	-	(2,925)
Exercise of share options	行使購股權	5,301	-	-	5,301
Loss for the year	年內虧損	-	-	(6,743)	(6,743)
At 31st December 2004	於二零零四年十二月三十一日	207,123	152,786	(308,776)	51,133

The contributed surplus of the Company and of the Group arose from a scheme of arrangement that took place on 31st October 1989. Pursuant to section 54 of the Companies Act 1981 of Bermuda (the "Act"), a company incorporated in Bermuda is not permitted to pay dividends while there are reasonable grounds for believing that the company is, or would after the payment be, unable to pay its liabilities as they become due; or the realisable value of the company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account. Under the Act (as amended), the Company's contributed surplus may be distributed to shareholders upon fulfilment of the aforementioned condition of the Act.

本公司及本集團之實繳盈餘由於一九八九年十月三十一日生效之協議計劃而產生。根據百慕達一九八一年公司法(「公司法」)第54條，於百慕達註冊成立之公司在下述情況下不將派發股息：如有足夠理由相信有關公司於派發股息後將會或可能未能償還到期債務，或有關公司資產之可變現值會因此低於其負債、已發行股本及股份溢價賬之總額。根據公司法(修訂版)，本公司之實繳盈餘可於達致上述公司法之條件下分派予股東。

## 28 Deferred taxation

### (a) Deferred tax assets

The movements in the deferred tax assets are as follows:

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
At 1st January	於一月一日	7,622	7,223
(Charged)/credited to profit and loss account (note c)	於損益表(支銷)／ 撥回(附註c)	(86)	399
At 31st December	於十二月三十一日	7,536	7,622
Amount to be recovered after more than one year	逾一年後將 收回之數額	7,536	7,622

### (b) Deferred tax liabilities

The movements in the deferred tax liabilities are as follows:

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
At 1st January	於一月一日	7,622	7,223
(Credited)/charged to profit and loss account (note c)	於損益表(撥回)／ 支銷(附註c)	(86)	399
At 31st December	於十二月三十一日	7,536	7,622
Amount to be recovered after more than one year	逾一年後將 收回之數額	7,536	7,622

## 28 遞延稅項

### (a) 遞延稅項資產

遞延稅項資產之變動如下：

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
At 1st January	於一月一日	7,622	7,223
(Charged)/credited to profit and loss account (note c)	於損益表(支銷)／ 撥回(附註c)	(86)	399
At 31st December	於十二月三十一日	7,536	7,622
Amount to be recovered after more than one year	逾一年後將 收回之數額	7,536	7,622

### (b) 遞延稅項負債

遞延稅項負債之變動如下：

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
At 1st January	於一月一日	7,622	7,223
(Credited)/charged to profit and loss account (note c)	於損益表(撥回)／ 支銷(附註c)	(86)	399
At 31st December	於十二月三十一日	7,536	7,622
Amount to be recovered after more than one year	逾一年後將 收回之數額	7,536	7,622

**28 Deferred taxation (Continued)****(c) Deferred taxation (credited)/charged to profit and loss account**

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Deferred tax assets (note a)	遞延稅項資產(附註 a)	(86)	(399)
Deferred tax liabilities (note b)	遞延稅項負債(附註 b)	86	399
Deferred taxation credit to profit and loss account (note 7)	於損益表撥回之遞延稅項(附註 7)	-	-

**(d) Movements in deferred tax assets and liabilities (prior to offsetting of balances within the same jurisdiction) during the year****Deferred tax assets**

		Tax losses 稅務虧損	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
At 1st January	於一月一日	7,622	7,223
(Charged)/credited to profit and loss account	於損益表(支銷)/撥回	(86)	399
At 31st December	於十二月三十一日	7,536	7,622

**28 遞延稅項 (續)****(c) 於損益表(撥回)/支銷之遞延稅項****(d) 於年度內之遞延稅項資產及負債(於抵銷同一司法權區結餘之前)之變動****遞延稅項資產**

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses at 31st December 2004 of HK\$345,718,000 (2003: HK\$288,962,000) to carry forward against future taxable income, these tax losses will not expire.

遞延所得稅資產於有關稅務利益可透過未來應課稅溢利變現時，就承前之稅務虧損而予以確認。本集團於二零零四年十二月三十一日之未確認稅務虧損為345,718,000港元(二零零三年：HK\$288,962,000港元)，以就未來應課稅收入進行結轉，該等稅務虧損並沒有期限。

## 28 Deferred taxation (Continued)

### (d) Movements in deferred tax assets and liabilities (prior to offsetting of balances within the same jurisdiction) during the year (Continued)

#### Deferred tax liabilities (Continued)

		Accelerated tax depreciation 加速稅項折舊		Deferred development costs 遞延開發成本		Total 合計	
		2004 HK \$'000 二零零四年 千港元	2003 HK \$'000 二零零三年 千港元	2004 HK \$'000 二零零四年 千港元	2003 HK \$'000 二零零三年 千港元	2004 HK \$'000 二零零四年 千港元	2003 HK \$'000 二零零三年 千港元
At 1st January	於一月一日	3,311	4,042	4,311	3,181	7,622	7,223
Charged/(credited) to profit and loss account	於損益表支銷/ (撥回)	(1,054)	(731)	968	1,130	(86)	399
At 31st December	於十二月三十一日	2,257	3,311	5,279	4,311	7,536	7,622

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet:

## 28 遞延稅項 (續)

### (d) 於年度內之遞延稅項資產及負債 (於抵銷同一司法權區結餘之前) 之變動 (續)

#### 遞延稅項負債 (續)

倘有權合法將流動稅項資產抵銷流動稅項負債，而遞延所得稅與同一稅務機構有關時，遞延所得稅資產及負債可予以對銷。以下為於綜合資產負債表列示並作出適當對銷後釐定之數額：

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Deferred tax assets	遞延稅項資產	7,536	7,622
Deferred tax liabilities	遞延稅項負債	(7,536)	(7,622)
		—	—



## 29 Minority interests

Included in minority interests is US\$15,000,000 (equivalent to HK\$116,250,000) preference shares issued by DVN (Group) Limited, a wholly-owned subsidiary of the Company. The preference shareholder has the right at any time starting from 1st July 2000 to exchange all (but not part) of its preference shares into ordinary shares of the Company at the exchange price which has been adjusted from HK\$4.69 per share to HK\$4.40 per share, pursuant to the announcement dated 15th July 2004. The board of directors of the Company has the right, at its discretion, to require the compulsory exchange of the preference shares at the exchange price at any time from 1st July 2000, provided that the average of the closing market prices of the Company's ordinary shares for the 20 trading days ending on the trading day immediately the date of giving notice of such compulsory exchange is not less than HK\$10.

For the year ended 31st December 2004, preference dividend payable was accrued at HK38.75cents (2003: HK38.75cents) per share totaling HK\$5,812,000 (2003: HK\$5,812,000).

## 29 少數股東權益

包括在少數股東權益中有15,000,000美元(相等於116,250,000港元)之由本公司全資附屬公司·天地數碼(集團)有限公司·所發行之優先股。在二零零零年七月一日後任何時間·優先股股東有權把全部(而非部份)優先股交換本公司之普通股股份(根據二零零四年七月十五日公佈之公告·可交換優先股之兌換價已自每股4.69港元調整至每股4.40港元)。同時在二零零零年七月一日後任何時間·如本公司之普通股之平均收市價於緊接發出強制交換通告之日前20個交易日不低於10港元·本公司之董事有權隨時要求按兌換價強制交換上述之優先股。

於二零零四年十二月三十一日·應付優先股股息以每股38.75港仙(二零零三年: 38.75港仙)計提總數為5,812,000港元(二零零三年: 5,812,000港元)。

### 30 Notes to the consolidated cash flow statement

### 30 綜合現金流量表附註

#### (a) Reconciliation of operating loss to net cash outflow from operations

#### (a) 經營虧損與經營業務之現金流出淨額調節表

		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Operating loss	經營虧損	(52,332)	(135,673)
Interest income	利息收入	(195)	(910)
Depreciation	折舊	18,953	17,811
Amortisation of intangibles	無形資產攤銷	4,729	5,261
Impairment loss	減值虧損	-	70,841
Loss on disposal of fixed assets	出售固定資產之虧損	23	181
Write-off of deferred development costs	遞延開發 成本撇銷	-	14
Exchange differences	匯兌差額	(254)	1,315
Operating loss before working capital change	營運資金變動前之 經營虧損	(29,076)	(41,160)
Increase in inventories	增加存貨	(12,226)	(8,582)
(Increase)/decrease in trade receivables, prepayments deposits and other receivables	應收貿易賬款、預付款、 按金及其他應收款之 (增加)/減少	(30,281)	5,287
Increase in trade payables, accruals and other payables	應付貿易賬款、應計負債及 其它應付款之增加	59,529	2,534
Net cash outflow from operations	經營活動產生之現金流出淨額	(12,054)	(41,921)

### 30 Notes to the consolidated cash flow statement (Continued) 30 綜合現金流量表附註 (續)

#### (b) Analysis of changes in financing during the year

#### (b) 本年度融資變動分析表

		Share capital and share premium HK\$'000 股本及 股本溢價 千港元	Minority interests HK\$'000 少數 股東權益 千港元	Balances with related companies HK\$'000 關連公司 之結餘 千港元	Pledged bank deposits HK\$'000 已抵押 銀行存款 千港元	Bank loans HK\$'000 銀行貸款 千港元	Finance lease liabilities HK\$'000 融資 租賃負債 千港元	Preference shares dividend payable HK\$'000 應付 優先股股息 千港元
At 1st January 2003	於二零零三年一月一日	139,796	122,110	(893)	(1,950)	1,896	-	10,314
Net cash inflow	現金流入淨額	57,474	-	2,257	1,950	40,758	152	-
Share of loss	分佔虧損	-	(3,847)	-	-	-	-	-
Provision for preference dividends	優先股股息 撥備	-	-	-	-	-	-	5,812
At 31st December 2003	於二零零三年十二月三十一日	197,270	118,263	1,364	-	42,654	152	16,126
At 1st January 2004	於二零零四年一月一日	197,270	118,263	1,364	-	42,654	152	16,126
Net cash inflow/(outflow)	現金流入/(流出)淨額	61,490	-	(1,973)	(7,800) <sup>(i)</sup>	(37,915)	(36)	-
Share of loss	分佔虧損	-	(502)	-	-	-	-	-
Provision for preference dividends	優先股股息 撥備	-	-	-	-	-	-	5,812
At 31st December 2004	於二零零四年十二月三十一日	258,760	117,761	(609)	(7,800)	4,739	116	21,938

(i) As at 31st December 2004, DVN had bank deposit amounted to HK\$7.8 million which was pledged as securities for bank credit facilities.

(i) 於二零零四年十二月三十一日，天地數碼把一筆為數7,800,000港元之銀行存款作抵押以作銀行信貸之用。

### 30 Notes to the consolidated cash flow statement (Continued)

#### (c) Major non-cash transactions

During the year, the Group had transferred fixed assets to inventory in the amount of HK\$17,706,000 (2003: Nil) and had no transfer of inventory to fixed assets (2003: HK\$6,907,000).

- (d) Included in bank balances and cash of the Group is HK\$33,075,000 (2003: HK\$14,615,000) which represent bank balances denominated in Renminbi and are placed with banks in the PRC. Renminbi is not a freely convertible currency.

### 31 Commitments

#### (a) Commitments under operating leases

At 31st December 2004, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

		Land and buildings 土地及樓宇	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Not later than one year	一年以內	2,876	3,626
Later than one year and not later than five years	一年以後， 五年以內	2,420	4,743
		5,296	8,369

The Company did not have any commitments under operating lease at 31st December 2003 and 2004.

### 30 綜合現金流量表附註 (續)

#### (c) 主要非現金交易

年內，本集團將一批數額達17,706,000港元(二零零三年:無)之固定資產轉入存貨，本年並沒有(二零零三年:6,907,000港元)任何存貨轉入固定資產。

- (d) 在本集團中現金及銀行結餘中包括一筆為數33,075,000港元(二零零三年:14,615,000港元)之款項，該筆款項以人民幣為單位存放於中國境內銀行。人民幣乃不能自由兌換之貨幣。

### 31 承擔

#### (a) 經營租約承擔

於二零零四年十二月三十一日，本集團就下列不可撤銷經營租約日後須支付之最低租金合計如下：

		Land and buildings 土地及樓宇	
		2004	2003
		HK\$'000	HK\$'000
		二零零四年	二零零三年
		千港元	千港元
Not later than one year	一年以內	2,876	3,626
Later than one year and not later than five years	一年以後， 五年以內	2,420	4,743
		5,296	8,369

本公司於二零零三年十二月三十一日及二零零四年十二月三十一日均無任何經營租約承擔。

**31 Commitments****(b) Financial commitments**

At 31st December 2004, the Group and the Company had financial commitments in respect of registered capital contributions to one (2003: one) subsidiary, one associate (2003: nil) and one (2003: one) jointly controlled entity in the PRC as described below:

		Group 本集團		Company 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Subsidiary (note (i))	附屬公司(附註 (i))	8,830	8,830	-	-
Jointly controlled entity (note (ii))	共同控制實體 (附註 (ii))	28,436	28,436	28,436	28,436
Associate (note (iii))	聯營公司(附註 (iii))	2,133	-	-	-
		39,399	37,266	28,436	28,436

(i) Included in the financial commitment in respect of registered capital contributions to a subsidiary is an amount of RMB5,316,000 (approximately HK\$5,039,000) (2003: RMB 5,316,000 (approximately HK\$5,039,000)) that was paid before balance sheet date but the capital verification process has not been completed. The remaining balance has been overdue for capital injection (2003: same).

(ii) Included in financial commitment in respect of registered capital contributions to a jointly controlled entity is an amount of RMB15,000,000 (approximately HK\$14,218,000) (2003: Nil) that has been overdue for capital injection.

**31 承擔 (續)****(b) 財務承擔**

於二零零四年十二月三十一日，本集團及本公司須就於中國投資一間（二零零三年：一間）附屬公司、一間（二零零三年：無）聯營公司及一間（二零零三年：一間）共同控制實體之財務承擔如下：

(i) 包括在此財務承擔中，本集團於結算日前已向一間附屬公司支付註冊資本投入人民幣5,316,000元（約5,039,000港元）（二零零三年：人民幣5,316,000元（約5,039,000港元）），惟相關驗資程序尚未完成。餘額則已到期支付（二零零三年：同等數額）。

(ii) 此財務承擔中包括已到期向一間共同控制實體支付之註冊資本投入人民幣15,000,000元（約14,218,000港元）（二零零三年：無）。

## 31 Commitments (Continued)

### (b) Financial commitments (Continued)

- (iii) On 17th December 2004, Digital Video Networks (Shanghai) Company Limited ("DVN Shanghai"), a wholly-owned subsidiary in the PRC and 包頭市信息化促進中心, an independent third party establishment in the PRC, entered into a joint venture agreement ("Baotou JV Agreement") to establish a joint venture ("Baotou JV") in the PRC. Pursuant to the Baotou JV Agreement, the total registered capital of the Baotou JV will be RMB10 million (approximately HK\$9.5 million) and DVN Shanghai and 包頭市信息化促進中心 hold 22.5% and 77.5% interest and profit sharing, respectively. DVN Shanghai will contribute RMB2.25 million (approximately HK\$2.1 million) into the Baotou JV. The Baotou JV has 30-year term and will focus on developing the digital broadcasting and related business in Baotou City.

### (c) Capital commitments

The Group and the Company has no significant capital commitments at 31st December 2004 and 2003.

## 31 承擔 (續)

### (b) 財務承擔 (續)

- (iii) 於二零零四年十二月十七日,天栢寬帶網絡科技(上海)有限公司(「天栢(上海)」)(一間中國全資附屬公司)與包頭市信息化促進中心(一中國獨立第三方機構)訂立合營協議(「包頭合營協議」),以於中國成立合營公司(「包頭合營公司」)。根據包頭合營協議,包頭合營公司之註冊資本總額將為人民幣10,000,000元(約9,500,000港元),天栢(上海)與包頭市信息化促進中心分別持有及攤分22.5%及77.5%權益及溢利。天栢(上海)將向包頭合營公司注資人民幣2,250,000元(約2,100,000港元)。包頭合營公司之經營年期為三十年,將在包頭市專注於開發數碼廣播及相關業務。

### (c) 資本承擔

本集團及本公司於二零零四年十二月三十一日及二零零三年十二月三十一日並無重大資本承擔。

**32 Related party transactions**

- (a) During the year, the Group has entered into the following related party transactions in addition to those disclosed elsewhere in these accounts:

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Sales of digital broadcasting equipment and related products to a jointly controlled entity (note (i))	向共同控制實體出售數碼廣播設備及相關產品(附註(i))	-	1,918
Purchase of digital broadcasting equipment and related products from a jointly controlled entity (note (i))	向共同控制實體購買數碼廣播設備及相關產品(附註(i))	5,678	1,882
Purchase of digital broadcasting equipment and related products from a major shareholder's group company (note (i))	向主要股東之集團公司購買數碼廣播設備及相關產品(附註(i))	1,611	-
Preference dividend payable to a related company (note (ii))	應付予關聯公司之優先股股息(附註(ii))	5,812	5,812

- (i) The price and conditions in relation to the sales and the purchase were made under the same terms as it trades with other non-related customers and suppliers respectively.

- (ii) Included in accruals and other payables is the preference dividend payable to a related company amounted to HK\$21,938,000 (2003: HK\$16,126,000).

- (b) The amounts due from/to related companies are unsecured, interest-free and have no fixed term of repayment.

**32 有關連人士交易**

- (a) 年內，除本賬目其他處所作披露之外，本集團亦進行下列有關連人士交易：

- (i) 有關出售及購買之價格及條件與其他非關連客戶及供應商進行交易之條款相同。

- (ii) 在應計負債及其他應付款中包括一筆21,938,000港元(二零零三年：16,126,000港元)應付一關聯公司之優先股股息。

- (b) 應收／應付關連公司之款項為無抵押、免息及無固定還款期限。

### 32 Related party transactions (Continued)

- (c) Included in the trade payable and the trade receivable of the Group are amounts due to and due from a jointly controlled entity of HK\$61,000 and HK\$1,327,000, respectively (2003: trade payables of HK\$1,550,000 and trade receivable of HK\$1,378,000). The amounts are unsecured, interest-free and payable in accordance with the terms set out in the agreements.

### 33 Subsequent events

- (a) Pursuant to the Subscription Agreement entered into between the Company and Motorola-Dragon Investment, Inc. ("Motorola-Dragon") on 18th May 2004, the Second Tranche of the Subscription was completed on 14th January 2005. Accordingly, the Company issued to Motorola-Dragon 58,500,000 new shares at a consideration of HK\$58,500,000.
- (b) On 28th March 2005, DVN Shanghai, a wholly-owned subsidiary in the PRC, entered into a joint venture agreement ("Wuxi JV Agreement") with three independent third party companies in the PRC, namely 無錫廣電產業投資發展公司, 無錫九龍公共交通股份有限公司 and 深圳力合數字電視有限公司 to establish a joint venture ("Wuxi JV") in the PRC. Pursuant to the Wuxi JV Agreement, the total registered capital of the Wuxi JV will be RMB20 million (approximately HK\$19.0 million) and DVN Shanghai, 無錫廣電產業投資發展公司, 無錫九龍公共交通股份有限公司 and 深圳力合數字電視有限公司 hold 30%, 51%, 5% and 14% interest and profit sharing, respectively. DVN Shanghai will contribute RMB6 million (approximately HK\$5.7 million) into the Wuxi JV. The Wuxi JV has 20-year term and will focus on developing the digital broadcasting and related business in the PRC.

### 32 有關連人士交易 (續)

- (c) 在本集團應收及應付款中分別包括了一應收及應付一共同控制實體貨款61,000港元及1,327,000港元(二零零三:應付貿易賬款為1,550,000港元;應收貿易賬款為1,378,000港元)。根據協議所載條款,有關款項為無抵押、免息及須根據協議之條款償還。

### 33 結算日後事項

- (a) 根據本公司與Motorola-Dragon Investment, Inc. (「Motorola-Dragon」)於二零零四年五月十八日訂立之認購協議,第二期認購於二零零五年一月十四日完成。因此,本公司向Motorola-Dragon以58,500,000港元發行58,500,000股新股。
- (b) 於二零零五年三月二十八日,於中國之全資附屬公司天栢(上海)與三間中國獨立第三方公司,即無錫廣電產業投資發展公司、無錫九龍公共交通股份有限公司及深圳力合數字電視有限公司訂立合營協議(「無錫合營協議」),以於中國成立合營公司(「無錫合營公司」)。根據無錫合營協議,無錫合營公司之註冊資本總額將為人民幣20,000,000元(約19,000,000港元),天栢(上海)、無錫廣電產業投資發展公司、無錫九龍公共交通股份有限公司及深圳力合數字電視有限公司分別持有及攤分30%、51%、5%及14%權益及溢利。天栢(上海)將向無錫合營公司注資人民幣6,000,000元(約5,700,000港元)。無錫合營公司之經營年期為二十年,將在中國專注於開發數碼廣播及相關業務。



**34 Approval of accounts**

The accounts were approved by the board of directors on 15th April 2005.

**35 Particulars of principal subsidiaries**

The table below lists out the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Name 名稱	Place of incorporation and kind of legal entity 註冊地點及 法定地位	Nominal value of ordinary share/ preference share/ registered capital 普通股／優先股／ 註冊資本面值	Interest held 所持權益	Principal activities and place of operation 主要業務及經營地點
DVN (Group) Limited 天地數碼(集團)有限公司	BVI 英屬處女群島	US\$10 ordinary US\$15,000,000 preference 10美元之普通股 15,000,000美元之 優先股	100%	Investment holding 投資控股
DVN (Management) Limited 天地數碼(管理)有限公司	Hong Kong 香港	HK\$2 ordinary 2港元之普通股	100%	Provision of administrative services in Hong Kong 於香港提供行政服務
Dynamic Network Limited	BVI 英屬處女群島	US\$1 ordinary 1美元之普通股	100%	Investment holding 投資控股

**34 賬目批准**

該等賬目已於二零零五年四月十五日獲董事會批准。

**35 主要附屬公司詳情**

董事認為，下表列出者均為對本年度業績構成主要影響或佔本集團大部份淨資產之本公司附屬公司。為避免資料過於冗長，董事認為無需列出其他附屬公司之詳情。

### 35 Particulars of principal subsidiaries (Continued)

### 35 主要附屬公司詳情 (續)

Name 名稱	Place of incorporation and kind of legal entity 註冊地點及 法定地位	Nominal value of ordinary share/ preference share/ registered capital 普通股／優先股／ 註冊資本面值	Interest held 所持權益	Principal activities and place of operation 主要業務及經營地點
DVN Technology Limited 天地數碼科技有限公司	Hong Kong 香港	HK\$2 ordinary 2港元之普通股	100%	Services and design, integration and installation of digital broadcasting systems and development of related software and products in Hong Kong and Southeast Asian countries 於香港及東南亞國家 進行數碼廣播服務、 系統集成、研發、裝設 及相關軟件及產品的開發
Digital Video Networks Limited 天地數碼網絡有限公司	Hong Kong 香港	HK\$2 ordinary 2港元之普通股	100%	Holding of patents 持有專利權
Cyber Cinema Technology Company Limited 天地數碼技術有限公司	Hong Kong 香港	HK\$2 ordinary 2港元之普通股	100%	Investment holding 投資控股
Campus.Net Technology Company Limited 天地三辰技術有限公司	Hong Kong 香港	HK\$2 ordinary 2港元之普通股	100%	Investment holding 投資控股
Whizz Kid Limited	BVI 英屬處女群島	US\$1 ordinary 1美元之普通股	100%	Investment holding 投資控股

35 Particulars of principal subsidiaries  
(Continued)

## 35 主要附屬公司詳情 (續)

Name 名稱	Place of incorporation and kind of legal entity 註冊地點及 法定地位	Nominal value of ordinary share/ preference share/ registered capital 已發行普通股/ 優先股/註冊資本面值	Interest held 所持權益	Principal activities and place of operation 主要業務及經營地點
DVB Technology (Suzhou) Company Limited 天地數碼技術(蘇州)有限公司	PRC, equity joint venture 合營合資公司	RMB100,000,000 registered capital 100,000,000元人民幣 註冊資本	70%	Trading of digital broadcasting equipment and related products in the PRC 於中國之數碼廣播 設備相關產品交易
DVN Technology (Shenzhen) Co. Limited 天地數碼科技(深圳)有限公司	PRC, wholly- owned foreign investment enterprise 中國·外商獨資企業	HK\$6,000,000 registered capital 6,000,000港元 註冊資本	100%	Development of hardware and software in relation to digital broadcasting in the PRC 於中國之數碼廣播 相關硬件及軟件開發
Digital Video Networks Company Limited 天栢寬帶網絡科技 (蘇州)有限公司	PRC, wholly- owned foreign investment enterprise 中國·外商獨資企業	US\$8,000,000 registered capital 8,000,000美元 註冊資本	100%	Design, integration and installation of digital broadcasting systems and development of related software and products in the PRC 於中國進行數碼廣播服務· 系統集成·研發·裝設及 相關軟件及產品的開發
Digital Video Networks (Shanghai) Company Limited 天栢寬帶網絡科技 (上海)有限公司	PRC, wholly- owned foreign investment enterprise 中國·外商獨資企業	US\$5,000,000 registered capital 5,000,000美元 註冊資本	100%	Design, integration and installation of digital broadcasting systems and development of related software and products in the PRC 於中國進行數碼廣播服務· 系統集成·研發·裝設及 相關軟件及產品的開發

### 35 Particulars of principal subsidiaries (Continued)

### 35 主要附屬公司詳情 (續)

Name 名稱	Place of incorporation and kind of legal entity 註冊地點及 法定地位	Nominal value of ordinary share/ preference share/ registered capital 已發行普通股/ 優先股/註冊資本面值	Interest held 所持權益	Principal activities and place of operation 主要業務及經營地點
Telequote Data International Limited 電資訊國際有限公司	Hong Kong 香港	HK\$10,000 ordinary 10,000港元之普通股	100%	Provision of international financial market information and selective consumer data in Hong Kong 於香港提供國際金融市場 資訊及精選消費者數據服務
Telequote Network (Singapore) Pte. Limited	Singapore 新加坡	SGD2 ordinary 2新加坡元之普通股	100%	Provision of international financial market information and selective consumer data in Singapore 於新加坡提供國際金融 市場資訊及精選 消費者數據服務
Show Case International Limited	BVI 英屬處女群島	US\$1 ordinary 1美元之普通股	100%	Holding of film rights in the PRC 於中國持有影片權
Victory Beat Limited	BVI 英屬處女群島	US\$1 ordinary 1美元之普通股	100%	Investment holding 投資控股
Step Success Trading Company Limited	BVI 英屬處女群島	US\$1 ordinary 1美元之普通股	100%	Investment holding 投資控股

<sup>1</sup> Shares held directly by the Company.

<sup>1</sup> 股份直接由本公司持有。