

Additional Information

The following financial information of the Former FT Group is not comparable to the basis of presentation as set out in note 2. The consolidated balance sheet of the Company as at 31 December 2003 and the consolidated income statement, consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and selected notes set out below are extracted from the Company's annual report for the year ended 31 December 2003.

(a) Consolidated income statement for the year ended 31 December 2003

	<i>Notes</i>	<i>HK\$'000</i> (Audited)
Turnover	<i>i</i>	81,771
Cost of sales		<u>(77,830)</u>
Gross profit		3,941
Other operating income		2,779
Selling and distribution expenses		(6,523)
Administrative expenses		(25,928)
Other operating expenses		<u>(30,352)</u>
Loss from operations	<i>ii</i>	(56,083)
Finance costs		<u>(7,820)</u>
Loss before taxation		(63,903)
Taxation	<i>iii</i>	<u>–</u>
Loss for the year		<u>(63,903)</u>
Loss per share – Basic	<i>iv</i>	<u>(HK\$3.29)</u>

Additional Information

(a) Consolidated income statement for the year ended 31 December 2003 (continued)

Notes:

- (i) Analysis of the Former FT Group's turnover and contribution to loss from operations, analysed by business and geographical area are as follows:

	Design, manufacture and sale of life-like plants HK\$'000	Production, acquisition and distribution of television programmes and the provision of related multi-media services HK\$'000	Sale of festival gift products through an internet portal HK\$'000	Provision of anti-theft car alarm and tracking services HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
Segment revenue						
Sales to external customers	60,641	14,604	6,314	212	-	81,771
Inter-segment sales	4,538	-	-	-	(4,538)	-
Other operating income	1,266	1,411	14	1	-	2,692
Total revenue	66,445	16,015	6,328	213	(4,538)	84,463
Segment results	(27,222)	(4,875)	(2,359)	(20,190)	-	(54,646)
Unallocated corporate income						87
Unallocated corporate expenses						(1,524)
Loss from operations						(56,083)

	United States of America HK\$'000	Hong Kong HK\$'000	Mainland China HK\$'000	Europe HK\$'000	Others HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
Segment revenue:							
Sales to external customers	52,754	4,106	14,816	9,523	572	-	81,771
Other segment information:							
Segment assets	11,644	166,098	42,165	311	-	(40,625)	179,593
Capital expenditure	347	25	1,118	-	-	-	1,490

- (ii) Loss from operations is arrived at after charging:

	HK\$'000
Depreciation of property, plant and equipment	5,710
Amortisation of deferred development expenditure	774
Loss on disposal and write-off of property, plant and equipment	26,556
Impairment of property, plant and equipment	1,898

- (iii) No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Former FT Group did not have any assessable profits for the year.

- (iv) The calculation of basic loss per share is based on the Former FT Group's loss for the year of HK\$63,903,000 and the revised weighted average number of 19,447,390 ordinary shares in issue, as retrospectively adjusted for the effect of share consolidation of the Company which became effective on 30 December 2004.

Additional Information

(b) Consolidated statement of changes in equity for the year ended 31 December 2003

	Share capital	Share premium	Contributed surplus	Revaluation reserve	Exchange reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2003	34,550	59,306	24,041	37,023	166	(47,290)	107,796
Issue of ordinary shares	30,232	64,781	-	-	-	-	95,013
Expenses on issue of ordinary shares	-	(6,961)	-	-	-	-	(6,961)
Reduction of capital	(38,869)	-	38,869	-	-	-	-
Reduction of contributed surplus transferred to accumulated losses	-	-	(38,869)	-	-	38,869	-
Realisation of exchange reserve on discontinued operation	-	-	-	-	(135)	-	(135)
Surplus on revaluation	-	-	-	412	-	-	412
Realisation of exchange reserve shared by minority interest	-	-	-	-	(31)	-	(31)
Loss for the year	-	-	-	-	-	(63,903)	(63,903)
At 31 December 2003	25,913	117,126	24,041	37,435	-	(72,324)	132,191

(c) Consolidated cash flow statement for the year ended 31 December 2003

	HK\$'000 (Audited)
Net cash used in operating activities	(29,218)
Net cash used in investing activities	(5,939)
Net cash from financing activities	82,514
Increase in cash and cash equivalents	47,357
Cash and cash equivalents at beginning of the year	4,198
Cash and cash equivalents at end of the year	51,555
Being:	
Cash and bank balances	52,510
Bank overdrafts	(955)
	51,555

Additional Information

(d) Consolidated balance sheet at 31 December 2003

	Notes	HK\$'000 (Audited)
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NON-CURRENT ASSETS		
Property, plant and equipment		78,774
Deferred development expenditure		991
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		79,765
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CURRENT ASSETS		
Inventories		6,840
Television programmes and sub-licensing rights		14,799
Trade receivables	v	11,737
Prepayments, deposits and other receivables		3,942
Fixed deposit		54,000
Cash and bank balances		8,510
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		99,828
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CURRENT LIABILITIES		
Accounts payable	vi	4,959
Accruals		16,561
Other loans, unsecured		19,634
Bank loans and overdrafts, secured		3,229
Finance lease payables		615
Taxation		463
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		45,461
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NET CURRENT ASSETS		54,367
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TOTAL ASSETS LESS CURRENT LIABILITIES		134,132
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NON-CURRENT LIABILITIES		
Non-interest-bearing other loans		411
Bank loans and overdrafts, secured		392
Finance lease payables		238
Deferred taxation		900
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		1,941
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		132,191
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CAPITAL AND RESERVES		
Share capital		25,913
Reserves		106,278
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		132,191
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Additional Information

(d) Consolidated balance sheet at 31 December 2003 (continued)

Notes:

(v) The aged analysis of trade receivables is as follows:

	<i>HK\$'000</i>
0 to 90 days	7,757
91 to 180 days	4
Over 180 days	<u>3,976</u>
	<u>11,737</u>

(vi) The aged analysis of accounts payable is as follows:

	<i>HK\$'000</i>
0 to 90 days	899
91 to 180 days	3,002
Over 180 days	<u>1,058</u>
	<u>4,959</u>