



Global Digital Creations Holdings Limited  
環球數碼創意控股有限公司

(Incorporated in Bermuda with limited liability)  
(於百慕達註冊成立之有限公司)

ANNUAL REPORT **2004** 年報



THRU THE HUNCHBACK STRIP



## Characteristics of the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

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

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

### 香港聯合交易所有限公司（「聯交所」）創業板之特色

創業板為帶有高投資風險之公司提供上市之市場。尤其在創業板上市之公司毋須有過往盈利記錄，亦毋須預測未來盈利。此外，在創業板上市之公司可因其新興性質及該等公司經營業務之行業或國家而帶有風險。有意投資人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他經驗豐富之投資者。

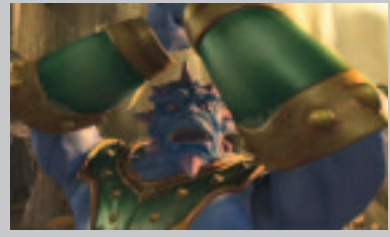
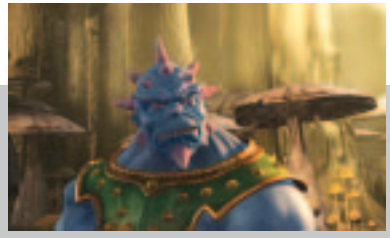
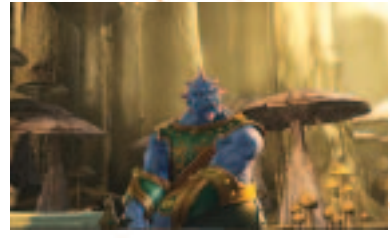
鑒於在創業板上市之公司新興之性質，在創業板買賣之證券可能會較在主板買賣之證券承受較大市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

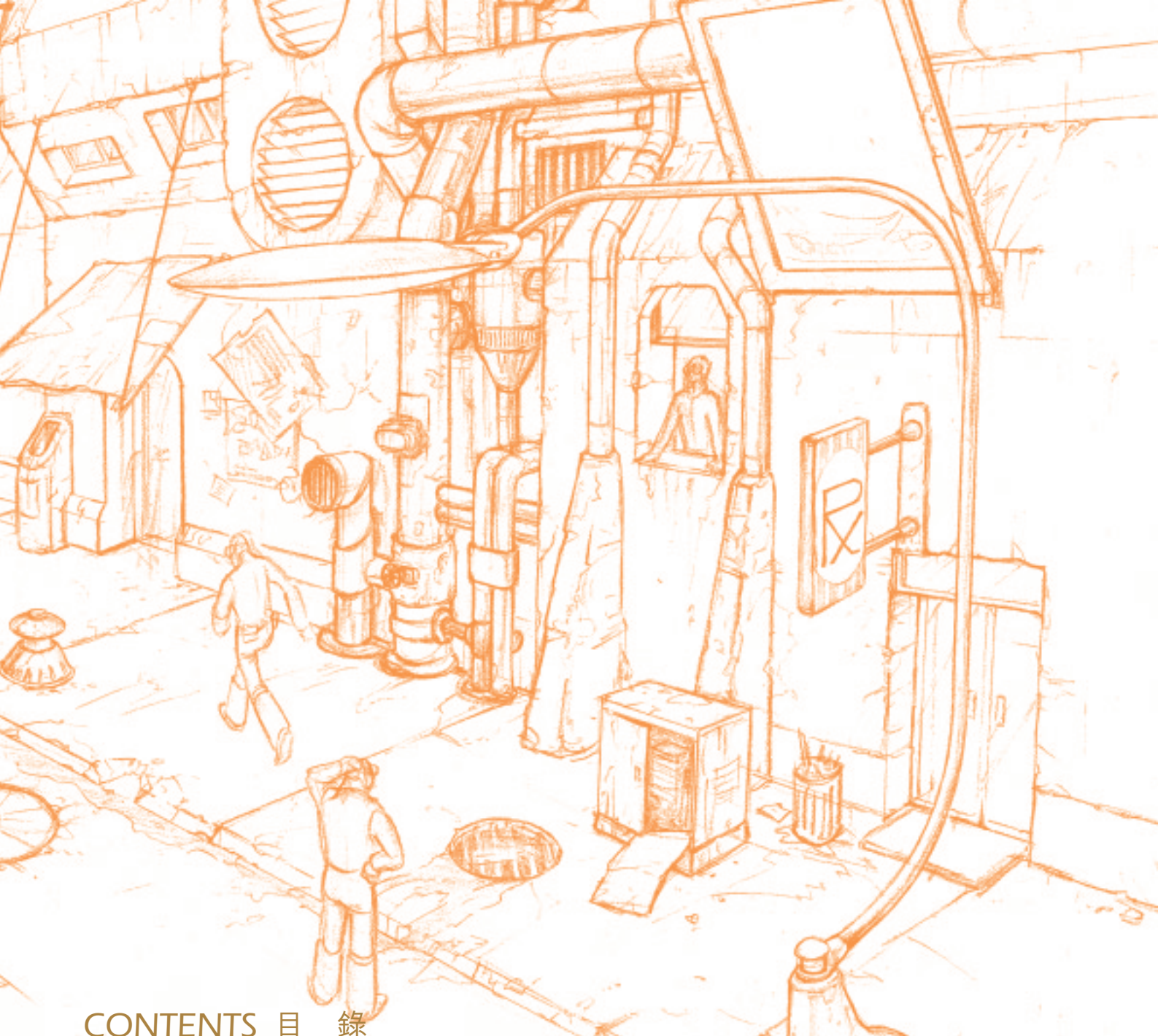
創業板發佈資料之主要方法為在聯交所所設之互聯網網站上刊登。上市公司一般毋須在憲報指定報章刊登付款公佈。因此，有意投資人士應注意彼等須閱覽創業板網站，方能取得創業板上市發行人之最新資料。

聯交所對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或部份內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。

本報告乃遵照聯交所創業板證券上市規則（「創業板上市規則」）的規定而提供有關環球數碼創意控股有限公司（「本公司」）的資料，本公司各董事（「董事」）願共同及個別對此承擔全部責任。董事在作出一切合理查詢後確認，據彼等所知及所信：(i)本報告所載資料在各重大方面均為準確及完整，且無誤導成分；(ii)本報告並無遺漏其他事項足以致使本報告所載任何陳述有所誤導；及(iii)本報告內表達的一切意見乃經審慎周詳考慮後始行作出，並以公平合理的基準和假設為依據。

Where the English and the Chinese texts conflict, the English text prevails.  
本年報備有中英文版本，如有歧義，概以英文版本為準。





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## MISSION STATEMENT 任務與使命

We are the pioneers in a new technology and industry. There are many problems and difficulties in our way. We will conquer and overcome. We believe our future will rest on the people that we train and nurture today.

Together working as a team,  
we will build and lead the digital content  
development industry in Asia.

我們是當今科技及產業的拓荒者，征途漫漫，困難重重，我們將劈荊斬棘，勇往直前。我們深信，人才的培育和今日的努力，就是我們的未來。

萬眾一心，同心同德，發揚團隊精神，  
建立我們在數碼媒體科技領域的領導地位，  
帶領數碼媒體科技工業在亞洲的新發展。

## CORPORATE PROFILE 集團簡介



Headquartered in Hong Kong, Global Digital Creations Holdings Limited, together with its subsidiaries, (hereinafter collectively referred to as the “Group” or “GDC”) is one of the leading groups providing an integrated value chain in the digital content business which encompasses computer graphics (“CG”) creation and production, distribution and exhibitions of digital content, and training of CG artists in the Asia Pacific region.

GDC has built a production pipeline in the city of Shenzhen in the People’s Republic of China\* (the “PRC”) for the production of CG content for animated films, TV series and other CG applications. GDC is currently producing a 3D full feature CG animated film namely, *Thru the Moebius Strip* and co-producing a 52-episode animated TV series programme titled *Panshel’s World*.

To secure a stable supply of CG creation and production staff for CG projects, GDC has organized CG training courses in Shenzhen in co-operation with Shenzhen University since year 2000. Having trained over 400 CG artists, GDC now has a strong CG production team with over 300 animators and artists, the largest in the PRC and in Asia. In September 2003, GDC extended its training services to Shanghai to nurture talents.

Leveraging its proprietary technologies in digital film processing, encryption, compression, storage, delivery and distribution, GDC developed a proprietary 2K x 1K digital cinema solution. In 2002, the Group successfully used its proprietary DSR™ Digital Film Agile Encoder for the premiere of *The Missing Gun*, the PRC’s first digitally released film. The Group has, since early 2003, commercialized its digital cinema solution under the DSR™ range of equipment for supply to digital cinemas worldwide.

Shares of the Company are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (stock code: 8271.HK) and traded on the Regulated Unofficial Markets of Frankfurt, Berlin, and Munich Stock Exchanges (Reuters: 8271.F/8271.BE/8271.MU/8271.DE (XETRA) and Bloomberg: GDC GR EQUITY).

**GDC’s vision is to become a leader in the digital content development industry in the Asia Pacific region.**

\* For the purpose of this annual report, the People’s Republic of China or China mainland excludes Hong Kong and Macau Special Administrative Regions and Taiwan.

總部設於香港的環球數碼創意控股有限公司，連同其附屬公司，（以下統稱「本集團」或「環球數碼」）以領導亞太地區數碼內容產業發展為主旨。本集團主要提供一系列以數碼內容為主的業務，當中包括電腦圖像創作及製作、數碼內容發行及展示，以及電腦圖像的培訓課程。

環球數碼在中華人民共和國\*（「中國」）深圳市建立了一條製作數碼電腦圖像內容的生產線，以製作動畫電影、電視連續劇和其他數碼產品。目前，環球數碼正在製作一部全三維數碼動畫電影*Thru the Moebius Strip*，以及與其他單位聯合製作一套52集電視動畫連續劇*Panshel’s World*。

為了確保在電腦圖像項目創作及製作生產上對員工人數的穩定需求，環球數碼自二零零零年始，在中國深圳市與深圳大學聯合創辦了電腦圖像的培訓課程，並已培養出400多名電腦圖像製作的藝術家。環球數碼現擁有超過300名動畫藝術師，是中國乃至於亞洲最大的電腦圖像製作團隊。在二零零三年九月，本集團更將培訓服務拓展至上海，以增加人才培養。

憑藉在數碼電影加工處理、編碼、壓縮、儲存、傳輸及發送方面的專有技術，環球數碼已開發一個專有2K x 1K 數碼影院解決方案。在二零零二年，中國首家數碼影院運用DSR™數碼影院服務系統首映中國首部膠片源數碼版電影*尋槍*。自二零零三年初期，本集團成功地推廣其數碼影院解決方案，為全球數碼影院提供DSR™數碼影院服務系統。

本公司股份在香港聯合交易所有限公司創業板上市（股份代號：8271.HK）。其股份亦加入法蘭克福證券交易所受管制非官方市場，以及於柏林證券交易所和慕尼黑證券交易所交易（路透社：8271.F/8271.BE/8271.MU/8271.DE（XETRA）及彭博：GDC GR EQUITY）。

環球數碼之使命是成為亞太地區數碼內容發展產業的領導者。

\* 就本年報而言，中華人民共和國或中國大陸不包括香港及澳門特別行政區和台灣。



## COMPANY INFORMATION 公司資料

### BOARD OF DIRECTORS

#### Joint Chairmen (Non-executive Directors):

Mr. Anthony Francis Neoh  
Mr. Cao Zhong

#### Executive Directors

Mr. Raymond Dennis Neoh (Vice-chairman)  
Mr. Chen Zheng (General Manager)

#### Non-executive Director

Dr. David Deng Wei (Vice-chairman)

#### Independent Non-executive Directors

Mr. Gordon Kwong Che Keung  
Professor Japhet Sebastian Law  
Mr. Paul Kwan Yuen Chiu

### CHIEF TECHNOLOGY OFFICER

Dr. Chong Man Nang

### CHIEF FINANCIAL OFFICER & QUALIFIED ACCOUNTANT

Ms. Cheung Kei Yim

### COMPLIANCE OFFICER

Mr. Chen Zheng

### COMPANY SECRETARY

Ms. Cheung Kei Yim  
Mr. Ira Stuart Outerbridge III (Assistant Secretary)

### AUDIT COMMITTEE

Mr. Gordon Kwong Che Keung (Chairman)  
Mr. Anthony Francis Neoh  
Professor Japhet Sebastian Law

### REMUNERATION COMMITTEE

Professor Japhet Sebastian Law (Chairman)  
Dr. David Deng Wei

### DISCLOSURE POLICY COMMITTEE

Mr. Anthony Francis Neoh (Chairman)  
Dr. David Deng Wei  
Mr. Gordon Kwong Che Keung  
Professor Japhet Sebastian Law

### AUTHORISED REPRESENTATIVES

Mr. Raymond Dennis Neoh  
Mr. Chen Zheng

### BERMUDA RESIDENT REPRESENTATIVE

Mr. John C. R. Collis

### BERMUDA DEPUTY RESIDENT REPRESENTATIVE

Mr. Anthony D. Whaley

### 董事會

#### 聯席主席（非執行董事）：

梁定邦先生  
曹忠先生

#### 執行董事

梁定雄先生（副主席）  
陳征先生（總經理）

#### 非執行董事

鄧偉博士（副主席）

#### 獨立非執行董事

鄭志強先生  
羅文鈺教授  
關遠釗先生

### 技術總監

張萬能博士

### 財務總監兼合資格會計師

張祺豔女士

### 監察主任

陳征先生

### 公司秘書

張祺豔女士  
Ira Stuart Outerbridge III 先生（助理秘書）

### 審核委員會

鄭志強先生（主席）  
梁定邦先生  
羅文鈺教授

### 酬金委員會

羅文鈺教授（主席）  
鄧偉博士

### 披露政策委員會

梁定邦先生（主席）  
鄧偉博士  
鄭志強先生  
羅文鈺教授

### 法定代表

梁定雄先生  
陳征先生

### 百慕達駐居代表

John C. R. Collis 先生

### 百慕達副駐居代表

Anthony D. Whaley 先生

# COMPANY INFORMATION

## 公司資料



### WEBSITE ADDRESS

<http://www.gdc-world.com>

### STOCK CODE

8271.HK

Reuters: 8271.F/8271.BE/8271.MU/8271.DE (XETRA)

Bloomberg: GDC GR EQUITY

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 1804-5, Hutchison House  
10 Harcourt Road, Central  
Hong Kong

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### AUDITORS

Deloitte Touche Tohmatsu

### SPONSOR

Goldbond Capital (Asia) Limited

### LEGAL ADVISERS

*As to Hong Kong Laws*  
Gallant Y.T. Ho & Co.

*As to Bermuda Laws*  
Conyers Dill & Pearman

### PRINCIPAL BANKERS

Hang Seng Bank Limited  
The Development Bank of Singapore Ltd.  
Standard Chartered Bank  
Shenzhen Commercial Bank  
Bank of China

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

The Bank of Bermuda Limited  
Bank of Bermuda Building  
6 Front Street  
Hamilton HM 11  
Bermuda

### HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Standard Registrars Limited  
Ground Floor, Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai, Hong Kong

### 網址

<http://www.gdc-world.com>

### 股份代號

8271.HK

路透社: 8271.F/8271.BE/8271.MU/8271.DE (XETRA)

彭博: GDC GR EQUITY

### 香港總辦事處及主要營業地點

香港  
中環夏慤道10號  
和記大廈18樓1804-5室

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 核數師

德勤•關黃陳方會計師行

### 保薦人

金榜融資(亞洲)有限公司

### 法律顧問

香港法律  
何耀棣律師事務所

百慕達法律  
Conyers Dill & Pearman

### 主要往來銀行

恒生銀行有限公司  
星展銀行  
渣打銀行  
深圳市商業銀行  
中國銀行

### 股份過戶登記總處

The Bank of Bermuda Limited  
Bank of Bermuda Building  
6 Front Street  
Hamilton HM 11  
Bermuda

### 香港股份過戶登記分處

標準證券登記有限公司  
香港灣仔  
告士打道56號  
東亞銀行港灣中心地下





## CHAIRMAN'S STATEMENT 主席報告



The Company has progressed steadily from developmental stage to commercialisation stage during the last year. The Film *Thru the Moebius Strip* was completed and although marketing got off to a slow start, it was launched at the American Film Market in the third quarter of 2004, attracting substantial interest. Building on this interest and comments from the market, an enhanced version has been completed and we hope to release the Film within 2005. This marks an exciting chapter in the development of the Group as the quality of the Group's work as can be seen from the Film is already attracting interest from among television and film producers in the United States. The Management of the Group is in discussion with a wide range of prospective clients for computer graphics animation.

I am also pleased that as at the date of this Report, Mr. Steven D. Katz, an accomplished and international prize winning computer graphics director and producer has joined the Group as International Director. It has always been my hope that the Group can have the benefit of someone of his experience to help guide us in the next stage of development. It is also my

於去年，本公司之相關業務已從開發階段平穩發展至商業化階段。影片 *Thru the Moebius Strip* 業已完成，雖然該影片之市場推廣尚較緩慢，但該影片自從於二零零四年第三季度在美國電影市場推出以來，已引起同行的廣泛關注。為進一步鞏固在美國市場所建立之良好聲譽，該影片之升級版亦已完成，我們希望該影片可在二零零五年內正式放映。由於本集團自該影片中所彰顯的製作水平及實力已引起美國眾多電視及電影製作商的興趣，相信該影片將開啟本集團發展的嶄新一頁。本集團之管理層正與數家潛在客戶就電腦圖像動畫製作進行廣泛商討。

本人亦欣然宣佈，於本報告之日期，作為曾榮獲國際獎項的資深電腦圖像專家及製作人 Steven D. Katz 先生已加盟本集團任國際業務之負責人。本人深信，Steven D. Katz 先生於電腦圖像方面的豐富學識及經驗將帶領我們進入新的發展階段。本人亦冀望，基於



## CHAIRMAN'S STATEMENT 主席報告



“ We want to bring about the rebirth of the creative dimension in the Chinese animation industry.

我們定必竭盡全力，振興中國

動畫行業，再創高峰。 ”

Mr. Anthony Francis Neoh, Chairman  
梁定邦先生 主席

hope that building upon Mr. Katz's expertise and his international contacts, the Group will be able attract international strategic partners in its computer graphics production activities. The market for computer graphics animation continues to be vast despite new entrants in the marketplace. The Group's training activities in Mainland China continue to attract talented artists and the attractive cost structure of the Group's computer animation studio combined with the quality of its work will form a formidable platform for a partnership with international strategic partners.

The Digital Cinema side of the business has grown enormously, due to the strong rate of uptake of digital cinemas in China and Europe. Whilst the lack of capital has kept us from franchising more of our own cinemas, the developmental and marketing work undertaken by us in the past three years, has clearly borne fruit and the Group presently enjoys market leadership position in the supply of digital cinema servers and associated equipment. I expect that the trend towards equipping cinemas with digital imaging devices will continue, but there is already keen competition in the marketplace and I expect this competition to

Katz先生的專長及其國際背景，相信本集團將能吸引到於電腦圖像製作業務方面的國際策略夥伴。儘管有新人不斷進入，但電腦圖像動畫市場之前景依然廣闊。本集團於中國內地之培訓業務亦繼續吸引眾多天才橫溢的藝術家，而本集團電腦動畫製作公司所具備之成本優勢及其製作水平與實力將可與國際策略夥伴一道合作建立一個強大的平台。

由於中國及歐洲的數碼影院需求強勁，本集團之數碼影院業務已取得大幅增長，與此同時，雖然資金缺乏令我們無法發出更多自身影院的專利權，而我們所承擔之開發工作及市場推廣活動於過去三年卻已取得實質成果，本集團目前在供應數碼影院伺服器及其相關設備方面佔據市場主導地位。本人預計影院裝備數碼影像設備的趨勢將會繼續，但已受到各地市場的激烈競爭，而有關該項業務之競爭預計將會更趨白熱化。於未來數年



## CHAIRMAN'S STATEMENT 主席報告

intensify rapidly. In the next few years, the Group will either have to spend very substantial sums in research and development and marketing in order to keep up with the intensifying competition in the digital cinema equipment marketplace, or consider disposal of this business and apply the resulting proceeds to concentrate on and expand upon its computer graphics content creation business, and eventually build up its own digital content distribution business, using equipment from among the increasing number of suppliers in the market of which the Group is presently one.

The successful completion of the Voluntary Exchange Offer made by Shougang Concord Grand (Group) Limited in March 2005 has made it the Group's majority shareholder. As a result of the change of control, I share the Chairmanship of the Board jointly with Mr. Cao Zhong and would like to welcome him and his colleague, Mr. Chen Zheng to the Board. This partnership with Shougang Concord Grand (Group) Limited will ensure that the Group will not only have the support of a majority shareholder of substance but also the Group will be assured of access to the extensive commercial network of its substantial shareholder, Shougang Holding (Hong Kong) Limited. At the same time, the assumption of management of the Group by Shougang Concord Grand (Group) Limited, will enable the Group to enjoy a level of management resources not hitherto possible with the limited financial resources available to the Group.

With the support of a financially strong and well connected majority shareholder, the Group is uniquely positioned to pursue its business objective of becoming Asia's leading computer graphics content creator. The computer graphics market internationally is vast, as is the media market in China. Starting a new chapter in its life, the Group can now look forward to steady growth in the future.

裡，本集團將須在研發及市場推廣方面投入巨資，以保持於數碼影院設備市場的競爭優勢，或考慮出售此項業務，並利用出售此項業務之所得款項專注發展及擴充其電腦圖像內容創作業務，及使用眾多供應商（本集團現時亦為其中一份子）所提供的設備逐步建立其自身的數碼內容發行業務。

在首長四方（集團）有限公司於二零零五年三月成功完成自願性股份交換建議後，首長四方（集團）有限公司已成為本集團之主要股東。由於有關控制權已變動，本人與曹忠先生乃共同擔任董事會主席職務，並歡迎曹忠先生及其同事陳征先生加入董事會。與首長四方（集團）有限公司合作，不但可確保本集團得到主要股東之財務支援，而且可確保本集團可使用其主要股東首鋼控股（香港）有限公司之廣闊商業網絡。同時，由首長四方（集團）有限公司管理本集團將可令本集團享有更多管理資源，而本集團迄今僅能動用有限的財務資源狀況將由此得到改觀。

在資金的強力支援及與主要股東的良好關係下，本集團將竭力實現其業務目標，矢志追求成為亞洲領先的電腦圖像內容創作者。國際電腦圖像市場發展前景廣闊，而中國媒體市場亦同樣巨大。我們從此開啟嶄新的一頁，本集團可能於日後取得平穩增長。



## CHAIRMAN'S STATEMENT 主席報告



Finally, I would like to thank Mr. Stephen Scharf, who resigned from the Board on 16 February, 2005 and Mr. Paul Kwan who will retire from the Board at the forthcoming Annual General Meeting of shareholders, for their support and their sterling contribution to the Board's work.

**Anthony Francis Neoh**  
*Joint Chairman*

最後，由於Stephen Scharf先生已於二零零五年二月十六日呈辭董事會，而關遠釗先生亦將於應屆股東週年大會上告退，本人謹此對兩位之支持及對董事會所作出之優秀貢獻表示感謝。

梁定邦  
聯席主席



## EXECUTIVE DIRECTOR'S REVIEW & OUTLOOK 執行董事回顧及展望報告



The Group has emerged from concept to reality in the past 4 years. Starting with 2 digital cinema systems in May 2002 in Shanghai, in 2004 we have deployed over 500 systems worldwide and now has over 60% of the digital and electronic cinema market worldwide servers and associated equipment market share. We have built one of the largest CG studios in China and produced a full CG movie and various CG projects in it. We are also one of the largest full-time CG training providers in China, with over 700 graduates from our institutes in Shenzhen and Shanghai so far. Furthermore, we have developed experience in working in Hollywood special effects production and games production. We have co-produced the first part of a TV series with a French and a German partner. We successfully relaunched "Thru the Moebius Strip" (the "Film") in American Film Market in November 2004. Moreover, we have recruited a new sales agent for distributing "Thru the Moebius Strip" worldwide. 2005 will be the year that we will make a difference in the world content creation/production market.

於過去四年，本集團已逐步將理想變成現實。本集團曾於二零零二年五月首次在上海安裝2套數碼影院系統，而於二零零四年已實現在全球步署超過500套數碼影院系統，及現時佔全球數碼及電子影院市場及其相關設備市場逾60%。本集團已在中國建立首屈一指的電腦圖像製作公司，並在該製作公司製作了一套全部採用電腦圖像技術的電影及多種形形色色的電腦圖像項目。本集團亦是中國最大的全日制電腦圖像培訓機構之一，迄今為止，我們在深圳及上海的培訓中心已培養逾700名學員。另外，本集團已參與荷里活特效製作及遊戲製作。我們已與法國及德國合作夥伴攜手製作電視連續劇之前期部分。我們於二零零四年十一月在美國電影市場成功重新推出影片「Thru the Moebius Strip」（「該影片」）。此外，本集團已委聘新的銷售代理，以在全球發行影片「Thru the Moebius Strip」。二零零五年將成為我們在全球內容創作／製作市場甚為關鍵的一年。



# EXECUTIVE DIRECTOR'S REVIEW & OUTLOOK

## 執行董事回顧及展望報告



Mr. Raymond Dennis Neoh, Vice-chairman and executive director  
梁定雄先生 副主席兼執行董事

The objective for this review is to provide our shareholders with an overview in respect of the Group's three major operations namely, CG content creation and production (including intellectual property development and exploitation), CG training and digital content distribution and exhibitions.

### A. CG CONTENT CREATION AND PRODUCTION

#### 1. Feature CG Film Production

##### *"Thru the Moebius Strip"*

This is the biggest investment GDC has ever made. We have recruited a new sales agent to distribute the Film worldwide. In the meantime, we have sold the exhibition rights of the Film to various territories and we have received offers from major territories around the world. As regards distribution of the Film in North America, we aim to structure a distribution agreement to maximize our potential.

本回顧之目的旨在向本公司股東提供本集團三項主要業務即電腦圖像內容創作及製作(包括發行及開拓知識產權)、電腦圖像培訓及數碼內容發行及展示之概覽。

#### 一. 電腦圖像內容創作及製作

##### 1. 電腦圖像電影長片製作

##### *「Thru the Moebius Strip」*

該影片為環球數碼自成立以來的最大一筆投資。我們已委聘新的銷售代理，以在全球發行該影片。與此同時，本集團已向多個不同地區出售了該影片之放映權，並已收到世界主要地區之建議。考慮到該影片將在北美地區發行，本集團將尋求與有關方簽訂發行協議，從而盡量發揮我們的潛力。



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In addition to the Film, GDC has also entered into 2 co-production agreements with 2 US studios to produce 6 CG feature films in the next 5 years which is contingent on their raising the necessary capital for development and production. To date they have not confirmed success in their capital raising efforts, but we remain hopeful, since these studios are well connected in Hollywood. We have also been approached by other independent producers to produce live action movies with heavy special effects and CG elements and are in discussions with them.

### 2. Television CG series

We have already produced 13 episodes of Panshel's World, our co-production with French Co-producers. Although we are in litigation with them and pending clarification of their rights, we have stopped production, we are hopeful that we can exploit the full economic value of the project in due course. In the meantime, we are in negotiation with several major US CG production companies for co-producing TV series and other "Jobs for Hire" only projects. We plan to commence the production of a high-definition TV series version of the Film in summer 2005 with other co-production partners and already we have various developmental storyboards, stories and artwork.

### 3. Games development and production

We have entered into a co-production agreement with Gameone Online Entertainment Group Limited in Hong Kong to co-develop and co-produce an online game for the China market. In addition, GDC produced "Job for Hire" projects for Turbine, Sony Online, etc.. We are expanding into the games, cinematic, animation and markets. Currently, we are working together with some major games producers from Korea, Japan, France, and the US.

除該影片外，環球數碼亦與2家美國電影公司訂立2份合作協議，以於未來五年內製作6套電腦圖像電影長片，惟須籌得將來開發及製作所需資金。雖然彼等尚無法確定是否能籌得所需資金，但由於該等製作公司與荷里活保持良好關係，故我們仍對此充滿希望。其他獨立製片商亦有接觸本集團，謀求共同製作具大量特效及電腦圖像元素之實況動作電影，並正與該等獨立製片商就相關事宜作進一步商討。

### 2. 電腦圖像電視連續劇

我們已與法國合作方共同製作了13集 Panshel's World。由於有關訴訟仍未了結及彼等之權利尚未理清，我們已停止了製作，但我們希望我們能於適當時候開發該項目的全部經濟價值。同時，我們亦與美國數家著名的電腦圖像製作公司就共同製作電視連續劇及其他只限「出租工作」方案進行協商。本集團正計劃於二零零五年夏季與其他合作夥伴開始製作該影片的高清晰度電視連續劇，而我們已擁有眾多待開發的分鏡圖、故事及插圖。

### 3. 遊戲開發及製作

本集團已與 Gameone Online Entertainment Group Limited 在香港訂立合作協議，攜手開發及共同製作面向中國市場的網上遊戲。此外，環球數碼為 Turbine、Sony Online 等公司製作「出租工作」方案。我們正欲擴展至遊戲、電影、動畫及市場。目前，本集團正與數家韓國、日本、法國及美國的著名遊戲製作商聯手開發及製作遊戲。



## EXECUTIVE DIRECTOR'S REVIEW & OUTLOOK

### 執行董事回顧及展望報告



#### 4. Feature film special effects and commercial

GDC had worked with major Hollywood producers in producing special effects for Hollywood feature films last year. We are actively seeking opportunity through our US marketing agent for special effects productions in live action films. We are also approached by other independent producers to produce CG films which are heavy in special effects this year.

In addition, GDC completed a large format ride film up to 9K x 1.5K resolution for a US client last year. We are actively engaged in the production of amusement park 'Ride Film' and stereoscopic 3D projection movie.

In 2004, GDC entered into the commercial market for TV in China. We have produced several TV commercials and openings for TV series in China and station ID for TV stations.

#### 5. Merchandising and licensing

GDC developed a full line of merchandising and licensing program for the Film. We participated in the New York Licensing Show and the Hong Kong Licensing Show for the past 4 years. We are actively developing new characters for merchandising and licensing.

#### 6. Research and Development

GDC plans to set up a CG research and development laboratory in Singapore to be named "The Digital Acting Lab". The main objective of the laboratory is to provide facilities for research of animation technology, high volume CG production, rendering technology and digital asset management in a high volume production environment. Preliminary discussions have commenced the Singapore Government and we intend to progress with these discussions in 2005.

#### 4. 電影長片特效及廣告製作

環球數碼曾於去年與數家荷里活著名製片商為荷里活電影長片製作特效。本集團正積極透過我們的美國市場推廣代理探索有關實況動作電影特效製作業務之機會。我們於今年亦與其他獨立製片商共同製作具大量特效的電腦圖像影片。

此外，環球數碼曾在去年為一美國客戶完成最大尺寸可達9K X 1.5K的巨幅動感電影方案。我們亦積極從事娛樂公園「動感電影」製作及三維立體投影等業務。

於二零零四年，環球數碼開始參與中國之電視廣告製作市場。我們已於中國製作了數個電視廣告及電視連續劇之片頭及電視台之台號。

#### 5. 商品銷售及專利權

環球數碼已為該影片制訂了一系列完備的商品銷售及專利權規劃。我們於過去四年均參加了紐約專利授權展及香港專利授權展。本集團正積極發展新角色，以供商品銷售及專利授權之用。

#### 6. 研究及開發

環球數碼計劃在新加坡成立電腦圖像研究及開發試驗室，並名為「The Digital Acting Lab」。該試驗室之主要目的乃為研究在高容量製作環境中的動畫技術、高容量電腦圖像製作、圖像運算技術及數碼資產管理提供所需設施。本集團已與新加坡政府進行了初步商討，並擬於二零零五年就相關事宜作進一步協商。



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### B. CG TRAINING

IDMT has expanded its training facilities in Shanghai together with the Shanghai labour department. There are over 240 full-time students enrolling in the CG training courses of our institutes in Shanghai and Shenzhen. We have published 3 new text books last year and we are in the process of finishing 3 more books to be published in 2005. We are also expanding our services to provide long-distance CG training courses in China.

### C. DIGITAL CONTENT DISTRIBUTION AND EXHIBITIONS

Film was invented in the nineteenth century. It remains the medium by which movie is distributed to nearly 150,000 cinemas in the world. Making a release print (of a full feature length movie) costs nearly US\$2,000 per screen and each print is distributed in reels of bulky film, costing money to transport and store and it is difficult to avoid copyright theft. Also, a cinema is restricted to showing a few movies at a time and only movies can be shown in a cinema, restricting the use of cinemas. Digital distribution will change all this. It costs very little to produce a digital print and digital prints can be transported by small hard disks or transmitted by satellite or broadband network. Cinemas can have much choice from central data storage in the cinema multiplex and around the world. More importantly, cinemas will be released from having just to show movies.

Digital cinema ("D-cinema") continues to represent a growth market for GDC Technology Limited and its subsidiary ("GDC Tech") in the year ended 2004 as less than 1% of the world cinemas have converted to digital. The turnover of GDC Tech for the year ended 31 December 2004 was approximately HK\$42.9 million which, when compared with the turnover of GDC Tech for the year ended 31 December 2003 of HK\$8.9 million, represented an increase of approximately 382%.

### 二. 電腦圖像培訓

在上海勞動部門的支持下，環球數碼媒體科技已擴展其在上海的培訓中心。環球數碼媒體科技現在上海及深圳兩處培訓中心招收逾240名電腦圖像培訓課程全日制學員。我們已於去年出版了3套全新教材，而將於二零零五年出版的另外3套教材亦正在製作中。與此同時，本集團亦正在中國擴展有關電腦圖像培訓課程之遙距教學服務。

### 三. 數碼內容發行及展示

電影乃於十九世紀發明。電影現時仍以向全球近150,000家影院發行之方式運作。製作一套電影拷貝片（一套完整的長片電影）的成本為每套近2,000美元，且每套拷貝片又分為體積龐大的電影膠片，運輸及儲存均引致成本，並且拷貝片容易被盜版。此外，影院一次僅限放映數套電影，且影院僅可放映電影，限制了影院的用途。數碼發行將徹底改變此現狀。製作一套數碼拷貝片成本極低，且數碼拷貝片可用小小的硬盤傳輸或用衛星或寬頻網絡傳送。影院可自影院多元化及遍佈全球的中央數據存儲中做眾多選擇。更為重要的是，影院將自僅能放映電影的限制中解放出來。

至於GDC Technology Limited及其附屬公司（「GDC Tech」）之數碼影院（「數碼影院」）業務方面，由於全球僅有不足1%的影院轉變為數碼化，數碼影院市場於截至二零零四年止年度繼續保持增長。GDC Tech截至二零零四年十二月三十一日止年度錄得營業額約42,900,000港元，較GDC Tech截至二零零三年十二月三十一日止年度所錄得營業額8,900,000港元增長約382%。



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At the end of 2004, GDC Tech counted 21 employees in Hong Kong, Singapore and Shenzhen with total expenditure for research and development amounted to less than 10% of sales.

GDC Tech continues its world leadership in D-cinema market share with over 300 servers delivered in 2004. GDC Tech is pleased to announce that in 2004, it captured 100% of the D-cinema server sales in China with orders of 137 units of DSR™ Digital Film Servers. GDC Tech's DSR™ Digital Film Servers now make up for approximately 80% of the total digital cinema market in China. The order of 100 units of Servers from China also includes an integrated server - projector solution from GDC Technology - DFP2000. The DFP2000 integrated digital film projection system is the world's first integrated server and projector all-in-one. GDC's DSR™ Secured Link technology is used in DFP2000 to protect the delivery of content from the server to its integrated projector. DFP2000 also offers additional security by supporting watermark and real-time subtitle rendering that is independent of projector technology.

In 2004, GDC Tech also entered into the European market by winning the order from Europe largest electronic cinema network - CinemaNet Europe after going through an exhaustive evaluation process consisting of 14 server manufacturers and four ranges of projectors. According to the January 2005, Issue 11 of High Definition magazine, CinemaNet Europe has a budget of £20 million for hardware, software and supporting infrastructures for a period of five years with contribution from the European Union's MEDIA programme. GDC Tech has completed delivery of 70 servers to CinemaNet Europe in 2004 and it expects to deliver more than 100 servers to CinemaNet Europe in 2005. In 2004, 180 independent cinemas across Europe were committed to install customised GDC Tech DSR™ Servers alongside DLP™ projectors from Panasonic.

於二零零四年之年終，GDC Tech在香港、新加坡及深圳共聘用21名僱員，連同研究及開發開支總額，合共佔銷售額不足10%。

GDC Tech繼續在數碼影院市場佔據主導地位，於二零零四年提供逾300台伺服器。GDC Tech欣然宣佈，於二零零四年，GDC Tech佔有中國數碼影院伺服器100%的市場份額，並接獲137套DSR™數碼電影伺服器的訂單。GDC Tech的DSR™數碼電影伺服器現約佔中國數碼影院市場總額的80%。在中國的100套伺服器訂單中亦包括一套整合伺服器 — GDC Technology放映機方案 — DFP2000。該套DFP2000整合數碼電影投影系統為全球首台整合伺服器及多功能放映機。DFP2000已運用環球數碼之DSR™安全鏈接技術，以保護內容由伺服器傳輸至其整合放映機。DFP2000亦可透過支持水印及獨立於放映機技術的字幕實時放映，提供額外安全保障。

於二零零四年，GDC Tech亦進軍歐洲市場，經過涉及14家伺服器製造商及四套放映機的詳盡評估程序，GDC Tech成功脫穎而出，贏得歐洲最大電子影院網絡 — CinemaNet Europe的訂單。根據High Definition雜誌於二零零五年一月第11期的報導，CinemaNet Europe將會就硬件、軟件及支援基礎設施提供五年期20,000,000英鎊預算，以及來自歐盟MEDIA計劃之撥款。GDC Tech於二零零四年向CinemaNet Europe完成提供了70台伺服器，並預期在二零零五年向CinemaNet Europe提供超過100台伺服器。於二零零四年，全歐洲超過



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The network went live across Austria, Belgium, France, Germany, The Netherlands, Portugal, Spain, Slovakia and the UK with the premiere of *Peace One Day* on November 12th and 13th, 2004.

GDC Tech has also successfully entered into the US market in 2004; more than 30 D-cinemas theatres were installed in more than 11 states across the US in 2004.

During the year, Mukta Adlabs Digital Exhibition Limited ("Mukta Adlabs") did not meet the target of installing 400 servers for the year ended 31 December 2004. Mukta Adlabs has temporarily stopped the order of new servers until the upgrading of digital projectors from a single chip to 3-chip DLP projectors is completed. GDC Tech continues its discussion with Mukta Adlabs for the order of new servers. However, GDC Tech also expanded its market share in India by retrofitting 5 cinemas in South India with GDC Tech's digital servers.

Overall, GDC Tech has led the digital cinema market in China, Asia and worldwide.

180家獨立影院已配置客戶定制的GDC Tech DSR™伺服器及Panasonic的DLP™放映機。隨著*Peace One Day*於二零零四年十一月十二日及十三日舉行首映，此網絡已在奧地利、比利時、法國、德國、荷蘭、葡萄牙、西班牙、斯洛伐克及英國等各國投入服務。

GDC Tech於二零零四年亦成功打入美國市場，於二零零四年度在全美超過11個州安裝了30多台數碼影院劇場。

於本年度內，由於Mukta Adlabs Digital Exhibition Limited（「Mukta Adlabs」）截至二零零四年十二月三十一日止年度並未達到安裝400台伺服器之目標，故Mukta Adlabs已暫停購置GDC Tech之全新伺服器，直至將單晶片數碼放映機更新為三晶片DLP放映機完成為止。GDC Tech將繼續就供應全新伺服器與Mukta Adlabs進行商討。然而，GDC Tech亦藉著採用GDC Tech數碼伺服器將印度南部5家影院進行翻新而擴大了其於印度市場的佔有率。

總體而言，GDC Tech在中國、亞洲及全球市場的伺服器安裝均保持領先地位。

## EXECUTIVE DIRECTOR'S REVIEW & OUTLOOK 執行董事回顧及展望報告



In the third quarter of 2004, GDC Tech launched a new technology - *synchronized playout* for its line of DSR™ Servers at the International Broadcast Convention ("IBC"), an international exhibition held in Amsterdam, the Netherlands. Traditionally used in theatres only, the server range of products, namely SA1000 DSR™ Digital Film Server and SZ1000 DSR™ Z Server could be the latest digital solution for three-dimensional (3D) films and multi-screen theatre presentation in museums and theme parks with the *synchronized playout* technology. Multiple DSR™ Servers can now be configured as synchronized servers for applications in complex theatrical presentations.

One of the latest additions to GDC Tech's growing list of customers now includes the Deng XiaoPing Memorial Museum in China. Along with the China Research Institute of Film Science and Technology (CRIFST), GDC Tech successfully installed a synchronized, multiple-server system in the museum. This enabled China's first 4k digital cinema theatre comprising multiple projectors synchronized by multiple servers with single frame accuracy. The 4K (3840 X 1024) images, encoded using EN1000 - DSR™ Digital Film Agile Encoder, are projected with 3 DLP Cinema™ projectors (1.3K each) in synchronization on the large screen, using 3 Cinema™ Servers.

### OUTLOOK

#### CG Content Creation and Production and CG Training

The content creation business is based on our ability to create and produce works to our customers' satisfaction. In addition, it depends on our marketing strength. GDC is active in all major international trade shows and exhibitions. We have also appointed our US marketing agent. With the initial response of the launch of our feature film "*Thru the Moebius Strip*" in AFM last year, we will have a successful year ahead of us.

於二零零四年第三季度，GDC Tech在荷蘭阿姆斯特丹舉行之國際展覽會 — International Broadcast Convention (「IBC」) 上為其DSR™伺服器系列推出了一項全新技术 — 同步播放。原本僅在影院使用之伺服器系統 — SA1000 DSR™數碼電影伺服器及SZ1000 DSR™ Z伺服器，如今已憑藉其同步播放技術而成為在紀念館、主題公園等場所播放三維(3D)影片及多幕影院放映之最新數碼方案。目前多套DSR™伺服器亦能升級為同步伺服器，可進行各種複雜的影院放映。

GDC Tech之客戶群不斷壯大，而中國鄧小平紀念館則為其中一名新加盟成員。GDC Tech與中國電影科學技術研究所(CRIFST)聯手為紀念館成功安裝了一套同步多功能播放伺服器系統。該套系統包括多台單幀精確度的伺服器，並透過伺服器同步放映到多台放映機上，使該紀念館成為中國首家4K數碼影院場所，其播放的4K(3840 X 1024)圖像是使用EN1000 - DSR™數碼電影編碼系統編碼製作，使用3台Cinema™伺服器將訊號同步輸送到3台DLP Cinema™放映機(每台1.3K)後，再在超大銀幕上放映。

### 展望

#### 電腦圖像內容創作及製作與電腦圖像培訓

內容創作業務乃基於我們之技術能力，以創作及製作出令客戶滿意之成績，亦有賴於我們的市場推廣力度。環球數碼積極活躍於所有著名國際貿易展銷會及展覽會。我們在美國委任市場推廣代理並開始在美國進行市場推廣。鑑於去年在AFM推出的電影長片「*Thru the Moebius Strip*」取得初步良好反映，我們堅信本集團將會在來年取得佳績。





## EXECUTIVE DIRECTOR'S REVIEW & OUTLOOK 執行董事回顧及展望報告

IDMT, the Group's training arm, has been established as the premium CG training center in China. We have opened up our training facilities in Shanghai and now we are able to secure rent-free training facilities in Shanghai from Changing government. We are expanding our recruitment program in 2005 and expect that our turnover in respect of CG training will increase in 2005.

### Digital Content Distribution and Exhibitions

According to an industrial report prepared by Scenic Wonders Inc. and Digital Cinema Report, the compound annual growth rate (CAGR) in D-cinema installations over the period from 2005 to 2009 will be in the range of approximately 120% to 140%. This prediction is in line with Barco's digital cinema growth in 2004 at 163.9%.

GDC Tech, which launched the D-cinema servers 2 years ago, has sold more than 400 of them in the year ended 2004, but the fact that almost half of these were sold in the fourth quarter of 2004 might suggest a possible avalanche in demand in the coming years.

We shall continue to deliver our DSR™ range of D-cinema equipment to customers around the world, and to increase our market share in the D-cinema market. Today, GDC Tech dominates the world market in D-cinema solution; we have sold over 400 DSR™ Servers in the marketplace and its sales volume is growing. GDC Tech possesses both the high-end D-cinema and economical electronic cinema server technologies and 2005 will see GDC Tech to consolidate its market leadership for both digital and electronic cinema.

本集團之培訓部門環球數碼媒體科技已在中國成立電腦圖像培訓中心。本集團已在上海加設培訓設施，而現時我們在上海長寧區政府的支持下，可取得免費培訓設施。本集團現正於二零零五年擴大招聘計劃，並相信我們在二零零五年於電腦圖像培訓方面之營業額將會錄得增長。

### 數碼內容發行及展示

根據Scenic Wonders Inc.編製的行業報告及數碼影院報告，預期數碼影院安裝業務在二零零五年至二零零九年期間的複合年增長率（CAGR）將達到約120%至140%不等。此預測與Barco於二零零四年的數碼影院增長163.9%相符。

GDC Tech曾於2年前首次推出數碼影院伺服器，並於截至二零零四年止年度已售出超過400台數碼影院伺服器，而事實上其中有近一半是於二零零四年第四季度內售出，此預示著數碼影院伺服器之需求將在未來數年極可能會不斷持續增長。

我們將繼續向全球客戶提供DSR™系列數碼影院設備，以提升我們於數碼影院市場的佔有率。時至今日，GDC Tech已成為全球在數碼影院方案市場的主導者，我們已於各地市場售出逾400台DSR™伺服器，而其銷售量正不斷增長。GDC Tech擁有兩項高端數碼影院及低成本電子影院伺服器技術，相信GDC Tech在二零零五年將繼續鞏固其在數碼及電子影院兩者中的市場領導地位。

## DIRECTORS' AND SENIOR MANAGEMENT PROFILE

### 董事及高級管理人員簡介



#### DIRECTORS

##### Joint Chairmen and Non-executive Directors

**Mr. Anthony Francis Neoh, SC, JP**, aged 58, is the Non-executive Joint Chairman of the Board. Mr. Anthony Francis Neoh together with Mr. Cao Zhong, the other Joint Chairman is responsible for the operational and strategic planning of the Group. In October 1998, at the invitation of the then Premier Zhu Rongji, he became the Chief Advisor of the China Securities and Regulatory Commission in which position he served until June 2004. He was appointed as the Chairman of the Hong Kong Securities and Futures Commission ("SFC") in 1995 in which capacity he served until September 1998. Prior to chairing the SFC, he served 13 years in the Hong Kong Civil Service having served in various directorate appointments before joining the private Bar in 1979. During his time in the private Bar, he was active in public service, serving as a member of many public boards. He is an actively practising Senior Counsel of the Hong Kong Bar and is a member of the California Bar and the English Bar. He was the Chairman of the Technical Committee of the International Organisation of Securities Commissions from 1996 to 1998. He also served as visiting professor in many universities, including Peking, Tsinghua and Harvard Universities. He is Independent Non-executive Director of Bank of China Limited, China Shu Hua Energy Co., Ltd, and Link Management Limited. Mr. Anthony Francis Neoh is the elder brother of Mr. Raymond Dennis Neoh.

**Mr. Cao Zhong**, aged 45, graduated from Zhejiang University, the PRC and Graduate School, The Chinese Academy of Social Sciences with a bachelor degree in engineering and a master degree in economics. He is a non-executive director and the joint chairman of the Company in February 2005. He was appointed as the chairman of Shougang Concord Century Holdings Limited and Shougang Concord Technology Holdings Limited, the deputy chairman and general manager of Shougang Holding (Hong Kong) Limited, the managing director of Shougang Concord International Enterprises Company Limited and the vice chairman of Shougang Concord Grand (Group) Limited. He also acts as the assistant general manager of Shougang Corporation and the chairman of China Shougang International Trade and Engineering Corporation. Mr. Cao has extensive experience in corporate management and operation.

#### 董事

##### 聯席主席兼非執行董事

梁定邦先生，資深大律師，太平紳士，58歲，任董事會非執行聯席主席。梁定邦先生聯同曹忠先生負責本集團之營運及策略計劃。於一九九八年十月，受朱鎔基前總理之邀請，梁先生成為目前中國證券監督管理委員會之首席顧問，直至二零零四年六月。其於一九九五年獲委任為香港證券及期貨事務監察委員會（「證監會」）之主席，任期直至一九九八年九月為止。在成為證監會主席前，梁先生服務於香港公務員隊伍達十三年，歷任各部門首長級，後於一九七九年成為私人執業大律師。在私人執業大律師期間，梁先生積極參與公益事務，乃眾多公益部門之理事。梁先生積極執業為香港大律師公會之資深大律師，同時亦是加利福尼亞州大律師公會及英格蘭大律師公會之會員。其於一九九六年至一九九八年期間擔任國際證券事務監察委員會組織之技術委員會之主席。梁先生曾在多間大學（包括北京大學、清華大學及哈佛大學）擔任客座教授。彼為中國銀行有限公司、China Shu Hua Energy Co., Ltd及領滙神采管理有限公司之獨立非執行董事。梁定邦先生乃梁定雄先生之胞兄。

曹忠先生，45歲，畢業於中國浙江大學及中國社會科學院研究生院，持有工學學士學位及經濟學碩士學位。曹先生於二零零五年二月任本公司之非執行董事兼聯席主席。彼亦為首長寶佳集團有限公司及首長科技集團有限公司之董事長、首鋼控股（香港）有限公司之副董事長兼總經理、首長國際企業有限公司之董事總經理及首長四方（集團）有限公司之副主席。彼亦擔任首鋼總公司之總經理助理及中國首鋼國際貿易工程公司之董事長。曹先生於公司管理及營運方面有豐富經驗。



## DIRECTORS' AND SENIOR MANAGEMENT PROFILE 董事及高級管理人員簡介

### Executive Directors

**Mr. Raymond Dennis Neoh**, aged 54, is the founder of the Group. Mr. Raymond Dennis Neoh is also the Vice-chairman of the Group and the Chief Operating Officer in charge of the CG training, content creation and production business of the Group. Mr. Neoh is also responsible for establish the digital cinema group within the company by recruited Dr. Chong Man Nang as CEO for GDC Technology. Together with Dr. Chong had built GDC Technology to be the world market leader for digital and electronic cinema today. He holds a Bachelor degree in Business Administration from Hawaii Pacific University and Master degree in International Management from the American Graduate School of International Management in May 1976. He has been involved in computer imagining and graphic since early 1980's in California. He is a voting member of the American Computer Machine Association and a member of SIGGRAPH. In 1998, he obtained support from the Hong Kong Government and the City University of Hong Kong to establish Digital Content Development Corporation Limited ("DCDC") and trained over 300 CG artists from 1998 to early 2000. Mr. Raymond Dennis Neoh was an executive director of DCDC between 26 March 1999 and 13 October 2001. Mr. Raymond Dennis Neoh is the younger brother of Mr. Anthony Francis Neoh.

**Mr. Chen Zheng**, aged 44, is an engineer and a senior economist. Mr. Chen holds a bachelor degree in chemical engineering and a master degree in business administration. He is an Executive Director and General Manager of the Company in February 2005. He is also an executive director of Shougang Concord Grand (Group) Limited. Mr. Chen has extensive experience in investing business and corporate management.

### 執行董事

梁定雄先生，54歲，為本集團創辦人。梁定雄先生亦為本集團之副主席兼營運總監，負責本集團電腦圖像培訓、內容創作及製作業務。梁先生亦負責透過招攬張萬能博士擔任GDC Technology行政總裁，成立數碼影院團隊。梁先生與張博士已共同組建GDC Technology，以令其成為當今世界數碼及電子影院市場之領跑者。彼持有夏威夷太平洋大學工商管理學士學位，並於一九七六年五月取得American Graduate School of International Management國際管理碩士學位。彼自八十年代早期在美國加利福尼亞州參與電腦圖像處理，是美國電腦機器協會之遴選會員及SIGGRAPH之成員。於一九九八年，梁定雄先生獲得香港政府及香港城市大學的支持，設立Digital Content Development Corporation Limited（「特思數碼」）及自一九九八年至二零零零年初培訓超過300名電腦圖像美術師。梁定雄先生於一九九九年三月二十六日至二零零一年十月十三日期間曾任特思數碼之執行董事。梁定雄先生乃梁定邦先生之胞弟。

陳征先生，44歲，工程師及高級經濟師。陳先生持有化學學士學位及工商管理碩士學位。陳先生於二零零五年二月獲委任為本公司之執行董事兼總經理。彼亦為首長四方（集團）有限公司之執行董事。陳先生於投資業務及企業管理方面擁有豐富經驗。



## DIRECTORS' AND SENIOR MANAGEMENT PROFILE 董事及高級管理人員簡介



### Non-executive Director

**Dr. David Deng Wei**, male, aged 41, Chairman and Chief Executive Officer of 億陽集團. Dr. Deng holds a bachelor degree in Electronic Engineering, a master degree in Business Administration and a PhD. degree in Economics and is a senior engineer. He was a member of the Ninth and Tenth Committee of the Chinese People's Political Consultative Conference, Executive Committee Member of the National Federation of Industry and Commerce, Standing Committee Member of the National Federation of Youth, Vice Chairman of the Young Entrepreneur Association of the PRC. Dr. Deng was also one of the 'Ten Most Outstanding Youth in the PRC' in its Tenth annual election and received a 'May Labor Day' Excellent National Award.

### Independent Non-executive Director

**Mr. Gordon Kwong Che Keung**, aged 55, was a graduate of the University of Hong Kong in 1972 and qualified as a chartered accountant in England in 1977. Mr. Kwong was a partner of Price Waterhouse Hong Kong from 1984 to 1998. He has served as a part-time panel member of the Hong Kong Government's Central Policy Unit from 1993 to 1995 and was an independent member of the Council of the Stock Exchange from 1992 to 1997 during which time he also acted as convener of both the Compliance Committee and the Listing Committee of the Stock Exchange. Currently, he is also a non-executive director of COSCO Pacific Limited, a Hong Kong listed company, and independent non-executive director of a number of Hong Kong listed companies, including COSCO International Holdings Limited, Tianjin Development Holdings Limited, Beijing Capital International Airport Co. Limited, Vision Century Corporation Limited, NWS Holdings Limited, China Oilfield Services Limited, Concepta Investments Limited, China Chengtong Development Group Limited, Ping An Insurance (Group) Company of China, Limited, Quam Limited, Tom Online Inc., China Power International Development Limited, New World Mobile Holdings Limited, Henderson Land Development Company Limited, Henderson Investment Limited and Henderson China Holdings Limited.

### 非執行董事

鄧偉博士，男，41歲，億陽集團董事長、總裁，持有電子工程學學士、工商管理碩士、經濟學博士及高級工程師。第九屆、第十屆全國政協委員、全國工商聯執委、全國青聯常委、中國青年企業家協會副會長。鄧先生亦是第十屆「中國十大傑出青年」、全國「五一」勞動獎章獲得者。

### 獨立非執行董事

鄺志強先生，55歲，於一九七二年畢業於香港大學，並於一九七七年在英格蘭獲得特許會計師資格。自一九八四年至一九九八年，鄺先生乃羅兵咸會計師事務所的合夥人。自一九九三年至一九九五年，鄺先生為香港政府中央政策小組之兼職成員，一九九二年至一九九七年，其作為聯交所理事會之獨立理事期間，鄺先生擔任聯交所監察委員會及上市委員會之會議召集人。目前，鄺先生乃一家香港上市公司中遠太平洋有限公司之非執行董事及多間香港上市公司之獨立非執行董事，包括：中遠國際控股有限公司、天津發展控股有限公司、北京首都國際機場股份有限公司、威新集團有限公司、新創建集團有限公司、中海油田服務股份有限公司、正奇投資有限公司、中國誠通發展集團有限公司、中國平安保險(集團)股份有限公司、華富國際控股有限公司、Tom Online Inc.、中國電力國際發展有限公司、新世界移動控股有限公司、恒基兆業地產有限公司、恒基兆業發展有限公司及恒基中國集團有限公司。



## DIRECTORS' AND SENIOR MANAGEMENT PROFILE 董事及高級管理人員簡介

**Professor Japhet Sebastian Law**, aged 53, obtained his Ph.D. in Mechanical/Industrial Engineering from the University of Texas at Austin in 1976. He joined the Chinese University of Hong Kong in 1986. He was the Associate Dean and subsequently the Dean of the Faculty of Business Administration of the Chinese University of Hong Kong from 1993 until 2002. Prior to returning to Hong Kong, Professor Law was the Director of Operation Research at the Cullen College of Engineering and Director of Graduate Studies in Industrial Engineering at the University of Houston, and was also involved with the U.S. Space Program in his career with McDonnell Douglas and Ford Aerospace in the United States. Professor Law has acted as a consultant with various corporations in Hong Kong and overseas. He is also active in public services, having served as Member of the Provisional Regional Council of the Hong Kong SAR Government, and various Government and charitable boards and committees. Professor Law is a Professor in the Department of Decision Sciences and Managerial Economics at the Chinese University of Hong Kong.

**Mr. Paul Kwan Yuen Chiu**, aged 64, is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of International Accountants U.K. and has since 1995 been a director and since 1992 the president of Forumax Company Limited which is in management consultancy business. Mr. Kwan was a joint managing director of Playmates International Holdings Limited Hong Kong between 1988 and 1991 and was a director and first executive vice president of a public company in New York City (which subsequently became a division of MCA INC. USA) from 1983 to 1987. Prior to 1983, Mr. Kwan was a director and group controller of the Universal Group Hong Kong, which engaged in manufacturing, marketing and distribution business with subsidiaries in Asia and the Pacific, North America and Europe, for over 10 years.

羅文鈺教授，53歲，於一九七六年獲得德克薩斯州大學奧斯汀分校機械／工業工程哲學博士學位，於一九八六年加入香港中文大學，於一九九三年至二零零二年期間曾先後獲委任為香港中文大學工商管理學院副院長及院長。返港之前，羅教授為侯斯頓大學Cullen College of Engineering運籌學及工業工程研究課程主任，並於美國McDonnell Douglas and Ford Aerospace在職時參與美國太空計劃。羅教授曾擔任香港及海外多間公司之顧問，亦積極參與公共服務及曾為香港特別行政區臨時區域市政局議員，和多個政府及慈善團體董事會及委員會成員。羅教授現為香港中文大學決策科學與企業經濟學系教授。

關遠釗先生，64歲，為香港會計師公會及英國國際會計師協會之資深會員，由一九九五年起擔任Forumax Company Limited (其為管理顧問公司)之董事，並由一九九二年起出任該公司總裁。關先生於一九八八年至一九九一年間出任香港Playmates International Holdings Limited之聯席董事總經理，於一九八三年至一九八七年間任紐約市某上市公司(該公司後來成為MCA INC. USA之部門)之董事及首席執行副總裁。一九八三年前，關先生為Universal Group Hong Kong之董事及集團財務總監超過十年，該公司從事製造、市場推廣及分銷業務，附屬公司遍佈亞洲及亞太區、北美洲及歐洲。

## DIRECTORS' AND SENIOR MANAGEMENT PROFILE

### 董事及高級管理人員簡介



#### Senior Management

**Dr. Man Nang CHONG**, aged 39, is the Chief Executive Officer of GDC Technology Limited, which is a subsidiary of a Hong Kong public listed company – Global Digital Creations Holdings Limited. GDC Technology pioneers digital post-production, delivery and presentation technologies. GDC Technology is a leader in digital cinema products and has an unsurpassed track record of successfully installing more than 400 servers worldwide and half a million perfect screenings of full-length feature films.

Dr. Chong received his B. Eng. (1st Honours) and Ph.D. degrees, both in Electronic and Electrical Engineering from University of Strathclyde, UK in 1988 and 1992, respectively. Prior to joining GDC Technology Limited, he is an associate professor of School of Computer Engineering at Nanyang Technological University, Singapore, from 1992 to 2000. He is also leading the digital film, high definition television and digital TV research in Singapore. Dr. Chong has been actively involved in the field of image processing, video coding, digital cinema and motion picture restoration for over a decade.

In 1996, Dr. Chong led a team to win the worldwide Texas Instruments' Digital Signal Processing Solutions Challenge US\$100,000 award. In 1999, Dr Chong founded Nirvana Digital Pte Ltd, a leading digital signal processing company and was subsequently acquired by Acterna Incorporation (NASDAQ: ACTR) in 2000. Acterna Incorporation is the holding company of Da Vinci Systems Incorporation which is the market leader in providing digital film, HDTV and SDTV colour enhancement technology to the worldwide post-production marketplace. Dr Chong was the Chief Consultant of Da Vinci Technologies from Year 2000-2002. Dr Chong is credited with the architecture, design, and successful commercial release of Nirvana's award-winning REVIVAL DIGITAL® product lines. REVIVAL DIGITAL® has been used to restore a large number of movies.

#### 高級管理層

張萬能博士，39歲，為GDC Technology Limited(一間香港公眾上市公司－環球數碼創意控股有限公司之附屬公司)之行政總裁。GDC Technology乃數碼後期製作、傳輸及放映技術之先鋒。GDC Technology為數碼影院產品之領導者，並已取得在全球成功安裝超過400台伺服器及完美放映五十萬次長片電影之超卓成績。

張博士分別於一九八八年及一九九二年取得英國University of Strathclyde電子及電氣工程專業一級榮譽工程學士學位及博士學位。於加入GDC Technology Limited之前，於一九九二年至二零零零年期間，張博士曾在新加坡南洋理工大學計算機工程學院擔任副教授一職。彼在新加坡亦一直負責帶領數碼電影、高清晰度電視及數碼電視之研究工作。張博士已積極投身於影像處理、視像編碼、數碼影院及底片修復領域逾十年之久。

於一九九六年，在德州儀器舉辦之全球數碼訊號處理解決方案挑戰賽上，張博士曾率隊贏取100,000美元獎金。於一九九九年，張博士創立Nirvana Digital Pte Ltd(一間主要從事數碼訊號處理之公司並隨後於二零零零年被Acterna Incorporation(納斯達克代號：ACTR)收購)。Acterna Incorporation為Da Vinci Systems Incorporation(一間向全球後期製作市場提供數碼電影、高清晰度電視及標準清晰度電視色彩加強技術之著名公司)之控股公司。張博士曾自二零零零年至二零零二年期間擔任Da Vinci Technologies之首席顧問。張博士因參與建造、設計並成功向市場推出Nirvana之獲獎產品REVIVAL DIGITAL®產品線而享譽業界。REVIVAL DIGITAL®已被用於存儲大量影片。





## DIRECTORS' AND SENIOR MANAGEMENT PROFILE

### 董事及高級管理人員簡介

**Ms. Cheung Kei Yim**, aged 34, is the Chief Financial Officer of the Group and Company Secretary of the Company. She is responsible for overseeing the Group's financial and company secretarial operations. She holds a Bachelor's degree of Business Administration in Accounting. She is a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants and a member of the Association of International Accountants. Prior to joining the Company in 2005, she was Vice President, Compliance of Champion Technology Holdings Limited, a company listed on the Main Board of the Stock Exchange in Hong Kong and she was also the Company Secretary of Kantone Holdings Limited, another Hong Kong Listed company. Ms. Cheung has broad knowledge in corporate financial management, accounting, tax planning, corporate governance and compliance, human resources management and corporate administration. Ms. Cheung had also worked for Deloitte Touche Tohmatsu and has broad Assurance and Advisory experience.

**Ms. Ellen Ling Xu**, aged 42, is the Studio Manager of Institute of Digital Media Technology (Shenzhen) Ltd., a wholly-owned subsidiary of the Group. Ms. Xu graduated from Shangdong Teacher's University with a Bachelor of Arts degree in English language and literature. Ms. Xu has over 7 years of experience in the animation industry and was a production manager of Pacific Rim Animation Co. Ltd., an American animation studio in Shenzhen, the PRC from 1992 to 1994 and the producer of the Spanish television series *The Adventure of Professor Thomason*. She also has over 7 years of experience in marketing. She had served as one of the judges for Animation of Golden Eagle Award, the biggest award for TV programs in the PRC and is currently an active member of Cartoon Commission of the Chinese TV Artists Association.

張祺豔女士，34歲，任本集團之財務總監兼本公司之公司秘書。彼負責監管本集團之財務及公司秘書事務。彼持有工商管理會計學學士學位，為香港會計師公會執業會計師及國際會計師公會會員。於二零零五年加入本公司之前，彼曾任冠軍科技集團有限公司（一間於香港聯交所主板上市之公司）之企業監察副總裁，且亦曾任看通集團有限公司（亦為香港上市公司）之公司秘書。張女士於企業財務管理、會計、稅務規劃、企業管治及監察、人力資源管理及企業行政管理方面擁有豐富學識。張女士亦曾任職德勤•關黃陳方會計師行，並擁有豐富審核及諮詢服務經驗。

許翎女士，42歲，任本集團一間全資附屬公司環球數碼媒體科技之製作室經理。其畢業於山東師範大學並持有英國語言及文學學士學位。許女士在動畫製作業方面擁有逾7年之經驗及從一九九二年至一九九四年間擔任 Pacific Rim Animation Co. Ltd.（在中國深圳的一家美國動畫製作室）之製作經理及西班牙電視系列片 *The Adventure of Professor Thomason* 之製片人。許女士亦在市場推廣方面擁有逾7年之經驗。許女士乃動畫片金鷹獎（中國最大的電視節目獎項）評委之一，目前為中國電視藝術家協會卡通藝術委員會之活躍成員。

## DIRECTORS' AND SENIOR MANAGEMENT PROFILE

### 董事及高級管理人員簡介



**Mr. Steven D. Katz** is the author of *Shot by Shot*, a best-selling film-directing textbook that has been translated into five languages. To date, more than 200,000 copies have been sold. His second book, *Cinematic Motion*, is now in a second edition. Both books are standards in dozens of university and film school curriculums. He was partner and writer/director with Pitch, Inc., a New York-based content development and production studio. His short film, *PROTEST*, won the Gold at the Deauville Film Festival in 1999, First Prize and a Special Jury Award at Imagina in 2000, the Horizon Award at the Aspen Film Festival 2000, the Gold Jury award at the Houston Film Festival and 12 other international awards. He is also well known for his work at Curious Pictures where he created and directed Curious Digital, New York's largest computer graphics studio for character animation and effects. His design for the assassination sequence for the Paramount blockbuster, *Clear and Present Danger*, was widely regarded as the most advanced previsualization at the time and has been widely featured in trade publications, books, and on a special segment of *Entertainment Tonight*. This pioneering work is now part of a permanent exhibit at the Museum of the Moving Image in New York City.

**Steven D. Katz**先生是最暢銷電影指導教材並已譯成五種語言的*Shot by Shot*的作者。時至今日，*Shot by Shot*發售量已超過200,000套。其第二部著作*Cinematic Motion*現發行了第二版本。該兩套教材均已成為眾多大學及電影學院課程的指定專用教材。彼為一家位於紐約的內容開發及製作公司Pitch, Inc.的合夥人兼創作者／導師。Katz先生創作的短片*PROTEST*曾在一九九九年法國杜維爾電影節上榮獲金獎、在二零零零年法國Imagina電腦動畫節上獲頒第一名及評審團特別獎、在二零零零年美國Aspen電影節上獲最佳新人獎、獲休斯頓電影節評審團金獎及其他12個國際獎項。Katz先生亦在Curious Pictures工作，並親自指導創建了紐約最大的電腦圖像制作公司Curious Digital（從事角色動畫及效果創作及製作），在業界久負盛名。Katz先生於派拉蒙公司的賣座電影《燃眉追擊》中設計的暗殺情節被公認為當時最先進的預視化技術，該項技術現已廣泛應用於商業刊物、圖書等領域，而娛樂節目*Entertainment Tonight*亦將此項技術用於特別花絮製作。Katz先生所開創的作品現已成為紐約市動態影像博物館永久展品的一部份。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### FINANCIAL REVIEW

Turnover of the Group amounted to approximately HK\$48 million for the year ended 31 December 2004 (2003: HK\$11 million), representing an increase of approximately 318% compared to that of last year. By excluding allowances for production work in progress of HK\$84.6 million and an impairment loss in respect of property, plant and equipment of HK\$14.9 million, details of which are given below, the operating loss for the year ended 31 December 2004 decreased somewhat from HK\$28 million at year end of 2003 to HK\$25.3 million by year end of 2004 representing slight overall improvement in operations. However, with the allowances of HK\$84.6 million and the impairment loss of HK\$14.9 million, the total losses come to HK\$130.3 million, compared to losses of HK\$33 million at year end in 2003. The Board of Directors of the Company (the "Directors" or "Board") do not recommend the payment of a final dividend for the year ended 31 December 2004.

The increase in turnover was mainly derived from the continuous increase in sales of digital cinema servers and associated digital cinema equipment following the successful commercialization of these products last year. Although the potential of the computer graphics side of the Group's business continues to show good promise, revenues have not increased much from 2003, due to the later than expected launch of the Film *Thru the Moebius Strip* in the American Film Market, in 2004. The Group however expects the Film to be released in 2005. The Group expects to enter into various services contracts in 2004 and therefore expect a higher turnover for the computer graphics side of the business in 2005.

During the year under review, allowances of approximately HK\$84.6 million were made for the Group's production work in progress which comprised mainly costs incurred for the film of *Thru the Moebius Strip* (the "Film") and a TV series *Panshel's World* (the "TV series"). Whilst the directors consider that the prospects for full recovery of the investment in the Film remain good, they consider that the most reasonable way forward is to

#### 財務回顧

截至二零零四年十二月三十一日止年度，本集團錄得營業額為約48,000,000港元（二零零三年：11,000,000港元），較去年之營業額增長約318%。不計入與在製項目撥備84,600,000港元及與物業、廠房及設備有關之14,900,000港元減值虧損（詳見下文），截至二零零四年十二月三十一日止年度之經營虧損稍為減少，從二零零三年底之28,000,000港元減少至二零零四年底之25,300,000港元，表示整體營運表現在改善。然而，計入84,600,000港元撥備及14,900,000港元減值虧損，總虧損則130,300,000港元，而二零零三年底則為總虧損33,000,000港元。本公司之董事會（「董事會」）建議不派發截至二零零四年十二月三十一日止年度之末期股息。

營業額增加主要乃源於數碼影院伺服器及與其相關的數碼影院設備成功實現商業化後，令該等產品之銷售額持續增加所致。雖然本集團在電腦圖像方面的業務持續出現向好，惟在二零零四年所帶來的收入未有比在二零零三年大幅增加，此乃因為在美國電影市場推出影片 *Thru the Moebius Strip* 時較預期遲。然而，本集團預計該影片將於二零零五年公映。本集團預期二零零四年訂立多項服務合約，並因此預期電腦圖像方面的業務可在二零零五年帶來較高營業額。

於回顧年度內，本集團就其在製項目作出撥備約84,600,000港元，主要包括因影片 *Thru the Moebius Strip*（「該影片」）及電視連續劇 *Panshel's World*（「該電視連續劇」）而引致之成本。董事認為收回於該影片所作投資之前景仍然樂觀，認為須採取最為合理之政策，僅確認已簽署合約所反映之投資，而預期可



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析



recognise only such part of the investment as is reflected by contracts already signed and revenues which they expect can be recognised in the accounts within the next twelve months. In relation to Panshel, in view of the litigation now underway in France, the directors consider at this stage to provide for the entire amount of HK\$14.6 million of the production work in progress. The directors remain hopeful that there will be a resolution of the disputes between GDC and the French co-producers and work will be proceed to fully exploit the economic value of the television series. Impairment losses recognised in respect of property, plant and equipment of HK\$14.9 million due to a disbursement notice issued by the PRC government to the landlord of the Group's premises in Shenzhen represent loss of the unamortised portion of the cost of fitting out the premises for which the Group has a valid lease to 2010. Discussions are underway for compensation from the landlord. Discussions are also underway with the Shenzhen Municipal Government, which has recognised the Group's Shenzhen Studios as an advanced technology business, for subsidies and free or low rental premises for the move. The directors do not expect that the operations of the studio will be adversely affected by the move.

Following the initial marketing of the film in 2004 when the first cut was completed, various market feedback have been incorporated in an enhanced version of the Film.

在未來十二個月在賬目確認之收入方會入賬。至於Panshel方面，鑑於在法國仍有尚未了結之訴訟，董事認為，現階段應將在製項目所有款額14,600,000港元作出撥備。董事對解決環球數碼與法國合作製作商之間的爭議仍抱有希望，並將繼續全面探索電視連續劇的經濟價值。與物業、廠房及設備有關之減值虧損14,900,000港元是因為中國政府向本集團深圳辦事處之業主發出拆卸通知所致，即配置本集團尚有租期至二零一零年之辦事處所涉成本之不可攤銷部份所引致之虧損。本集團正與業主商討賠償。深圳市政府確認本集團在深圳之製作公司乃先進技術行業，本集團亦與當局協商，討求在搬遷辦公室時可享有補貼或低租金。董事預期製作公司的運作不會受搬遷嚴重影響。

繼該影片首次完成剪輯後於二零零四年作初步市場推廣後，本集團已吸納多項市場反映並將之溶入該影片的加強版。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### BUSINESS REVIEW

Turnover generated from the digital content distribution and exhibition business which comprised sales revenue of D-cinema products, rental income from equipment leasing, and franchise fee from digital cinema amounted to approximately HK\$42.9 million for the year ended 31 December 2004 (2003: HK\$8.9 million), representing an increase of approximately 382% and represented approximately 89% of the Group's turnover during the year under review. The increase was largely due to the finalization of sale contracts the successful commercialization of these products with mainly customers in the PRC and Europe, which negotiation were initiated following the successful commercialization of these products in 2003.

The Group continued to record revenue from the CG training courses in Shenzhen and Shanghai, the PRC which are operating in cooperation with Shenzhen University and University of Shanghai for Science and Technology respectively. Turnover from CG training increased by approximately 96% to approximately HK\$5.1 million for the year ended 31 December 2004 (2003: HK\$2.6 million), represented approximately 11% of the Group's turnover during the year under review. The increase was mainly attributable to the expansion of the Group's CG training centre in Shanghai in terms of the number of students served and courses offered during the year under review.

The Film is due for release in the second half 2005 and it is expected that the Group will begin to be able to recognise income from release of the Film in 2005. With the quality of the Group's CGI production being recognised through the Film, the Group is undertaking discussions with many parties on jobs for hire and co-productions. Two co-production agreements contingent on confirmation of financing by the other contracting party have been signed.

#### 業務回顧

截至二零零四年十二月三十一日止年度，源自數碼內容發行及展示業務之營業額包括銷售數碼影院產品收入、租賃設備之租金收入及數碼影院之專利權費合共約42,900,000港元（二零零三年：8,900,000港元），增長約382%，及佔本集團於回顧年度營業額約89%。營業額增加主要乃由於有關該等產品成功實現商業化之銷售合約最終得以落實所致，有關銷售合約乃本集團與中國及歐洲主要客戶於二零零三年在成功將該等產品實現商業化後經初步協商而訂立。

本集團於深圳及上海之電腦圖像培訓課程繼續錄得收入，有關電腦圖像培訓課程乃分別與深圳大學及上海科技大學合辦。截至二零零四年十二月三十一日止年度，電腦圖像培訓之營業額增長約96%至約5,100,000港元（二零零三年：2,600,000港元），佔本集團於回顧年度之營業額約11%。營業額增加主要乃由於本集團於回顧年度內在在上海擴充了電腦圖像培訓中心，以滿足學員增多及學習課程所需。

該影片將會在二零零五年下半年公映，預計本集團可在二零零五年確認該影片所賺取的收入。透過該影片本集團電腦圖像製質素被廣為確認，本集團正與多方洽談出租工作及共同製作。目前已簽署兩項共同合作協議，能否落實有待訂約方確認融資安排。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析



### Liquidity and Financial Resources

The Group had bank balances and cash and pledged bank deposits of approximately HK\$5.6 million as at 31 December 2004 (2003: HK\$21.9 million) which were mainly denominated in Hong Kong dollars and Renminbi. The decrease was mainly utilized in funding the current year's loss making operations.

The Group's borrowings amounted to approximately HK\$88.6 million as at 31 December 2004 which comprised approximately HK\$68.2 million and HK\$20.4 million repayable within one year and repayable more than one year as at 31 December 2004 respectively. There was no gearing ratio (calculated as bank and other borrowings less bank balances and cash and pledged bank deposits divided by shareholders' fund) presented as the Group recorded capital deficiency as at 31 December 2004 (2003: 58%).

Transactions of the Group were mainly denominated in Hong Kong dollars, Renminbi and United States dollars. In view of the stability of the exchange rate of those currencies, no hedging for the foreign currency transaction had been carried out during the year under review.

### Use of placement proceeds

On 14 May 2004, the Company allotted and issued 20,820,000 new shares of the Company to independent third parties through the placing at HK\$0.42 per share for a cash consideration of HK\$8.7 million pursuant to the placing and subscription agreement entered into by the Company on 3 May 2004. The net proceeds of HK\$8.3 million have been fully applied for general working capital of the Group as originally intended.

### 流動資金及財政資源

於二零零四年十二月三十一日，本集團之銀行結餘及現金及已抵押銀行存款為約5,600,000港元（二零零三年：21,900,000港元），主要以港元及人民幣定值。數額減少主要乃由於為本年度之持續虧損業務提供資金所致。

於二零零四年十二月三十一日，本集團之借貸約88,600,000港元，包括於二零零四年十二月三十一日分別須於一年內及一年以上償還之款額約68,200,000港元及20,400,000港元。於二零零四年十二月三十一日，由於本集團錄得資本虧絀，故並無呈列資本負債率（以銀行及其他借貸減銀行結餘及現金及已抵押存款除以股東資金計算）（二零零三年：58%）。

本集團之交易主要以港元、人民幣及美元定值。由於該等貨幣匯率頗為穩定，故本集團於回顧年度內並無就外幣交易進行任何對沖。

### 配售所得款項之用途

根據本公司於二零零四年五月三日訂立之配售及認購協議，於二零零四年五月十四日，本公司透過配售按每股0.42港元向獨立第三方配發及發行20,820,000股本公司新股，現金代價為8,700,000港元。所得款項淨額8,300,000港元已按原擬用途悉數撥作本集團一般營運資金所需。





## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Charge on assets

As at 31 December 2004, pledged bank deposits, trade receivables and computer equipment and motor vehicles with carrying value of approximately HK\$2 million, HK\$2.5 million and HK\$5.1 million respectively and the Group's entire interests in the registered capital of IDMT (Shenzhen) Limited, a wholly owned subsidiary of the Group, were pledged to certain financial institutions to secured certain financing facilities granted to the Group

#### Capital structure

As at 31 December 2004, the Group recorded capital deficiency of approximately HK\$53.6 million which was mainly financed by internal resources, bank and other borrowings. The capital deficiency was mainly arisen from the loss of approximately HK\$130.3 million incurred during the year under review.

#### Contingent liabilities

The Company has given guarantees to banks and other parties in respect of general facilities granted to its subsidiaries. The extent of such facilities utilised by the subsidiaries at 31 December 2004 amounted to approximately HK\$38.1 million (2003: HK\$36.1 million).

#### Litigation

On 14 May 2003, GDC Entertainment Limited ("GDC Entertainment"), a wholly owned subsidiary of the Company entered into a co-production agreement (the "Co-production Agreement") with West Audiovisual and Multimedia Consultants, Inc. ("WAMC") and Production and Partners Multimedia, SAS ("PPM"), in which the Group has a 25% equity interest, in relation to an animated television series.

#### 資產質押

於二零零四年十二月三十一日，已抵押銀行存款、應收貿易賬款、電腦設備及汽車之面值分別約2,000,000港元、2,500,000港元及5,100,000港元，以及本集團於環球數碼媒體科技(深圳)有限公司(本集團之全資附屬公司)註冊股本中之全部權益均已抵押於若干財務機構，作為本集團所獲授若干融資信貸之保證。

#### 股本結構

於二零零四年十二月三十一日，本集團錄得資本虧絀約53,600,000港元，主要源於內部資源、銀行及其他借貸所需資金。資本虧絀主要乃因於回顧年度內所引致之虧損約130,300,000港元所致。

#### 或然負債

本公司就其附屬公司獲授予之一般信貸向銀行及其他人士作出擔保。該等附屬公司於二零零四年十二月三十一日已動用之信貸額約為38,100,000港元(二零零三年：36,100,000港元)。

#### 訴訟

於二零零三年五月十四日，本公司之全資附屬公司GDC Entertainment Limited(「GDC Entertainment」)與West Audiovisual and Multimedia Consultants, Inc.(「WAMC」)及Production and Partners Multimedia, SAS(「PPM」)(本集團擁有其25%股權)就一套電視動畫連續劇而訂立合作協議(「合作協議」)。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析



In November 2004, PPM issued a summons for summary judgment against WAMC and GDC Entertainment in the Court of Commerce of Angouleme (France), seeking the appointment of an agent who would oversee the co-production.

A hearing was scheduled to take place on 11 January 2005. However, at that time, PPM modified its claims against GDC Entertainment by seeking to substitute a new producer of the “same nationality” in replacement of GDC Entertainment pursuant to the Co-production Agreement, or the appointment of an expert whose task would be basically to assess the parties respective liabilities.

On 13 January 2005, the Group was informed by its French legal advisers that PPM's new claims do not affect accrued rights, as even if the Group were substituted, the monies invested by the Group are recoverable as an account payable under the co-production.

However, on 14 February 2005, PPM further modified its claims which include, inter-alia (i) the enforcement of an article of the Co-production Agreement which provides that in case of substitution of a producer to another one, the monies already invested by the Group shall become an account payable, recoverable from the revenues of the co-production, however, only “in last position with the recovery by the other co-producers of their contribution”, and (ii) that the Group be sentenced to pay PPM the provisional amount of Euro 5 million, as damages, this amount being subject to revision according to the findings of the expert to be appointed by the Court. The claim for damages is totally unparticularised.

於二零零四年十一月，PPM就有關謀求物色一名監管合作事宜之代理而於法國Court of Commerce of Angouleme向WAMC及GDC Entertainment發出簡易判決書。

有關聆訊定於二零零五年一月十一日舉行。然而PPM於當日修改其對GDC Entertainment之申索書，謀求改為根據合作協議與「相同國籍」的新製作商合作以取代GDC Entertainment，或委任一名專業人士為各訂約方所應承擔的責任進行評估。

於二零零五年一月十三日，本集團獲其法國法律顧問知會，根據本集團法國法律顧問的意見，PPM的新申索書並不會對本集團之應計權利產生任何影響，即使本集團被取代，本集團所投入之金額作為應付共同製作賬款將可予收回。

然而，於二零零五年二月十四日，PPM再次將其起訴書作出修改，其中包括（但不限於）(i)執行合作協議之條款，即一旦製作商被取代，本集團經已投入之金額應作為應付賬款，共同制作收益之可收回數額僅根據「其他製作商合作所投入數額可予收回之最後狀況」，及(ii)本集團須向PPM支付暫訂金5,000,000歐元作為賠償金（根據該院所委任專業人士之判決，該筆數額可予重新修訂）。現在無法確定申索之賠償額。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

On 10 March 2005, the Group's French legal adviser advised that the chances to recoup the totality of the investment are uncertain and in any event, the sums owed to GDC Entertainment will be recoupable only in the last position pursuant to the Co-production Agreement.

On 15 March 2005, the French legal adviser advised that the claims by PPM for the aforesaid provisional amount of Euro 5 million, as damages, is out of touch with reality given that (i) PPM does not provide any explanation or detail computation for the claims of Euro 5 million (ii) the amount is more or less equals to the total budgeted costs under the Co-production Agreement and (iii) the claim is still subject to the summary judgment to be rendered. The French legal adviser further advised that in any event, the summary judgment to be rendered shall be very difficult to enforce or even may not be enforceable. Based on the abovementioned legal advice, the Board considers that the claims of Euro 5 million as damages should not have any immediate effect on the Group and no provision for this amount is considered necessary. Consideration is also being given by the directors to launch a counterclaim against PPM in the Hong Kong courts. The Group's Hong Kong legal adviser advised that the Group have good and meritorious causes of action against PPM and the Hong Kong Courts constitute a proper forum for the counterclaim.

#### Employees

As at 31 December 2004, the Group employed 339 (2003: 335) full time employees. The Group remunerated its employees mainly with reference to the prevailing market practice, individual performance and experience. Other benefits such as medical coverage, insurance plan, mandatory provident fund, discretionary bonus and employee share option scheme are also available to employee of the Group.

於二零零五年三月十日，本集團之法國法律顧問認為，補償全部投資額之機會並不明朗，而無論如何，該筆款項將根據合作協議僅在最後狀況方可予收回。

於二零零五年三月十五日，法國法律顧問認為，PPM索償暫訂金5,000,000歐元作為賠償金乃超出事實依據，原因是(i)PPM並未就5,000,000歐元索償提供任何解釋或詳盡估計(ii)根據合作協議，該筆數額是否高於或低於預算總成本尚屬未知及(iii)該索償仍可按將予遞交的簡易判決書所調整。法國法律顧問亦認為，無論如何，將予遞交的簡易判決書將很難付諸執行或根本不可能得到執行。根據上文所述的法律意見，董事會認為，PPM索償5,000,000歐元賠償金對本集團並無任何即時效力，故認為毋須就該筆款項作出任何撥備。董事亦正考慮於香港法院對PPM提出反索償。本集團之香港法律顧問認為，本集團掌握充份及有力理據對PPM提出反索償，而在香港法院提出反索償亦為合適的場所。

#### 僱員

於二零零四年十二月三十一日，本集團僱有339名(二零零三年：335名)全職僱員。本集團主要乃參照市場優先慣例、個人表現及工作經驗而釐定其僱員之薪酬。本集團為僱員提供之其他福利包括醫療保險、保險計劃、強積金、酌情花紅及僱員購股權計劃。



# COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

## 業務目標與實際業務進度比較



Business Objectives from 1 January  
2003 to 31 December 2003 as stated  
in the Prospectus (only limited to those  
which have not been fulfilled in full as  
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所述之尚未全面達成者)

Actual Business Progress  
實際業務進度

### CG creation and production

電腦圖像創作及製作

- |  |  |
|--|--|
| <p>1. Complete <i>Thru the Moebius Strip</i> production and premiere.<br/>完成 <i>Thru the Moebius Strip</i> 製作並首次推出。</p> <p>2. Sign up a US distributor for <i>Thru the Moebius Strip</i>.<br/>就 <i>Thru the Moebius Strip</i> 與美國一發行商簽訂合約。</p> | <p>1. The production of <i>Thru the Moebius Strip</i> was completed in May 2004 and was officially launched in the Cannes Film Festival in the same month.<br/><i>Thru the Moebius Strip</i> 之製作已於二零零四年五月完成並於同月在康城電影節上正式推出。</p> <p>2. GDC entered into a sales agency agreement (which was terminated in the second half of 2004) with Senator International Inc. in respect of the distribution of <i>Thru the Moebius Strip</i> in the US. GDC also received offers for distribution of <i>Thru the Moebius Strip</i> in the US.<br/>環球數碼與 Senator International Inc. 就在美國發行 <i>Thru the Moebius Strip</i> 而訂立一份銷售代理協議(已於二零零四年下半年終止)。環球數碼亦收到有關在美國發行 <i>Thru the Moebius Strip</i> 之建議。</p> |
|--|--|



## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

### 業務目標與實際業務進度比較

Business Objectives from 1 January 2003 to 31 December 2003 as stated in the Prospectus (only limited to those which have not been fulfilled in full as stated in the annual report of the Company for the financial year ended 31 December 2003)

誠如招股章程所述由二零零三年一月一日起至二零零三年十二月三十一日止之業務目標(僅限於在本公司截至二零零三年十二月三十一日止財政年度之年報內所述之尚未全面達成者)

Actual Business Progress  
實際業務進度

- |   |  |
|---|--|
| <p>3. Pre-sell <i>Thru the Moebius Strip</i> to markets other than the US.<br/>向美國以外之市場預售 <i>Thru the Moebius Strip</i>。</p>  | <p>3. GDC pre-sold <i>Thru the Moebius Strip</i> to 7 markets other than the US. GDC also received offers from distributors from the rest of the world.<br/>環球數碼已向美國以外之7個市場預售 <i>Thru the Moebius Strip</i>。環球數碼亦收到該7個市場發行商之建議。</p>  |
| <p>4. Set up a merchandising arm and begin licensing of merchandise in the PRC market and other target markets.<br/>成立商品銷售部，並開始在中國及其他目標市場推廣商品之專利權。</p>  | <p>4. GDC set up a merchandising arm and started to license its products in PRC and other target markets in 2004.<br/>環球數碼已於二零零四年成立商品銷售部，並開始在中國及其他目標市場推廣其商品之專利權。</p>   |
| <p>5. Begin development of prototype of <i>Thru the Moebius Strip</i> and <i>Sandman</i> console games in the US with Equinox.<br/>開始與Equinox合作在美國開發 <i>Thru the Moebius Strip</i>及 <i>Sandman</i> 電視遊戲之初版。</p> | <p>5. GDC commenced the development of <i>Thru the Moebius Strip</i> game in house with other partners including Gameone Online Entertainment Group Limited ("Gameone").<br/>環球數碼已開始與其他合作夥伴(包括Gameone Online Entertainment Group Limited(「Gameone」))共同開發 <i>Thru the Moebius Strip</i> 遊戲。</p> |

# COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

## 業務目標與實際業務進度比較



Business Objectives from 1 January 2003 to 31 December 2003 as stated in the Prospectus (only limited to those which have not been fulfilled in full as stated in the annual report of the Company for the financial year ended 31 December 2003)

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Actual Business Progress  
實際業務進度

- |   |  |
|---|--|
| <p>6. Publish the first issue of CG, games and digital cinema print and e-magazine.<br/>出版有關電腦圖像、遊戲、數碼相機打印及電子雜誌之創刊號。</p>          | <p>6. Instead of publishing the print version of CG, games and e-magazine, GDC started an online forum in relation to these topics. In addition, GDC published three textbooks relating CG in PRC.<br/>環球數碼已放棄出版電腦圖像、遊戲、數碼相機打印及電子雜誌之印刷本，而開始推出有關該等內容之網上論壇。此外，環球數碼已在中國出版三套有關電腦圖像之教材。</p> |
| <p>7. Finalise the appointment of Overseas Chinese Town as merchandising agent of GDC in the PRC.<br/>落實委任華僑城為環球數碼在中國之商品銷售代理。</p> | <p>7. Overseas Chinese Town was appointed as the merchandising agent of GDC in PRC.<br/>華僑城已獲委任為環球數碼在中國之商品銷售代理。</p>  |
| <p>8. Begin pre-production of sequel to <i>Thru the Moebius Strip</i>.<br/>開始<i>Thru the Moebius Strip</i>續集之前期製作。</p>            | <p>8. Not yet begun.<br/>尚未開始。</p>   |





## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

### 業務目標與實際業務進度比較

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Actual Business Progress  
實際業務進度

- |   |   |
|---|---|
| <p>9. Begin first comic strip based on <i>Thru the Moebius Strip</i>.<br/>開始首部以 <i>Thru the Moebius Strip</i> 為<br/>藍本之漫畫。</p>              | <p>9. Not yet begun.<br/>尚未開始。</p>  |
| <p>10. Begin development of next online game<br/>and localization of Korean and Japanese<br/>games.<br/>開始開發全新網上遊戲，並將韓國及日<br/>本網上遊戲本地化。</p> | <p>10. GDC set up a joint venture with<br/>Gameone to develop its next online<br/>game to be released in the third<br/>quarter of 2005.<br/>環球數碼已與Gameone成立合資公<br/>司，以開發全新網上遊戲，並將於二<br/>零零五年第三季度推出該套遊戲。</p> |



## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

### 業務目標與實際業務進度比較

Business Objectives from 1 January  
2004 to 30 June 2004 as stated  
in the Prospectus

誠如招股章程所述由二零零四年一月一日  
起至二零零四年六月三十日止之業務目標

Actual Business Progress  
實際業務進度

#### CG creation and production

電腦圖像創作及製作

- |  |   |
|--|---|
| <p>1. Launch localized Korean and Japanese on-line games in Greater China market.<br/>在大中華地區市場推出本地化之韓國及日本網上遊戲。</p>   | <p>1. Not yet launched.<br/>尚未推出。</p>   |
| <p>2. Complete development of <i>Thru the Moebius Strip</i> and <i>Sandman</i> console games for publisher.<br/>為出版商完成開發 <i>Thru the Moebius Strip</i> 及 <i>Sandman</i> 電視遊戲。</p>      | <p>2. GDC commenced the development of <i>Thru the Moebius Strip</i> game in house with other partners including Gameone.<br/>環球數碼已開始與其他合作夥伴(包括 Gameone) 共同開發 <i>Thru the Moebius Strip</i> 遊戲。</p> |
| <p>3. Begin development of next prototypes.<br/>開始開發全新網上遊戲之初版。</p>   | <p>3. GDC commenced the development of a new online game with Gameone.<br/>環球數碼已開始與 Gameone 共同開發全新網上遊戲。</p>   |
| <p>4. Market DVDs for <i>Thru the Moebius Strip</i>.<br/>推出 <i>Thru the Moebius Strip</i> 之 DVD 版。</p>   | <p>4. Not yet begun.<br/>尚未開始。</p>  |
| <p>5. Complete <i>The New Adventures of Raggedy Ann &amp; Andy</i> series and begin work on next series.<br/>完成 <i>The New Adventures of Raggedy Ann &amp; Andy</i> 系列並開始開發全新系列產品。</p> | <p>5. WAWC did not have the rights of this series and therefore GDC decided not to pursue on development of this series.<br/>WAWC 並無擁有本系列產品之版權，因此，環球數碼已決定放棄開發本系列產品。</p>                             |
| <p>6. Begin production of sequel of <i>Thru the Moebius Strip</i>.<br/>開始製作 <i>Thru the Moebius Strip</i> 之續集。</p>   | <p>6. In progress.<br/>進行中。</p>   |



## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

### 業務目標與實際業務進度比較

#### Business Objectives from 1 January

2004 to 30 June 2004 as stated

in the Prospectus

誠如招股章程所述由二零零四年一月一日

起至二零零四年六月三十日止之業務目標

#### Actual Business Progress

實際業務進度

#### Digital content distribution and exhibitions

數碼內容發行及展示

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|--|---|
| <p>1. Further supply digital cinema equipment to Adlabs.<br/>進一步向Adlabs供應數碼影院設備。</p> | <p>1. As Mukta Adlabs Digital Exhibition Limited ("Adlabs") did not meet the target of installing 400 servers for the year ended 31 December 2004, Adlabs temporarily stopped placing order of new servers from GDC Technology in 2004 until the completion of the upgrade of digital projector from a single chip to a 3-chip DLP projector. GDC Technology continues its discussion with Adlabs in relation to the supply of new servers.</p> |
|--|---|

由於Mukta Adlabs Digital Exhibition Limited (「Adlabs」) 截至二零零四年十二月三十一日止年度並未達到安裝400台伺服器之目標，故Adlabs已於二零零四年暫停購置GDC Technology之全新伺服器，直至將單晶片數碼放映機更新為三晶片DLP放映機完成為止。GDC Technology將繼續就供應全新伺服器與Adlabs進行商討。

由於Mukta Adlabs Digital Exhibition Limited (「Adlabs」) 截至二零零四年十二月三十一日止年度並未達到安裝400台伺服器之目標，故Adlabs已於二零零四年暫停購置GDC Technology之全新伺服器，直至將單晶片數碼放映機更新為三晶片DLP放映機完成為止。GDC Technology將繼續就供應全新伺服器與Adlabs進行商討。

On the other hand, GDC Technology expanded its market share in India by retrofitting 5 cinemas in Southern India with GDC Technology's digital servers in 2004.

另一方面，於二零零四年，GDC Technology因採用GDC Technology之數碼伺服器將位於印度南部之5家電影院翻新，從而擴大了其於印度市場之佔有率。

# COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

## 業務目標與實際業務進度比較



### Business Objectives from 1 January 2004 to 30 June 2004 as stated in the Prospectus

誠如招股章程所述由二零零四年一月一日  
起至二零零四年六月三十日止之業務目標

### Actual Business Progress 實際業務進度

- |   |   |
|---|---|
| <p>2. Continue with research and development for interactive digital cinema.<br/>繼續研發交互式數碼影院。</p>   | <p>2. Ongoing.<br/>繼續進行。</p>  |
| <p>3. Sign up around 80 digital cinemas in the PRC and the rest of Asia, such as Singapore and Hong Kong.<br/>與中國及亞洲其他地區如新加坡及香港共約80家數碼影院簽署合約。</p> | <p>3. The launch of further D-cinemas under the franchise model is currently delayed due to lack of fund. As of 1 March 2005, China Film Group has retrofitted more than 160 digital cinemas and is inviting third party to participate in its D-cinema franchise. One of our competitors, EVS, spun-out XDC and raised £9 million in the fourth quarter of 2004 to deploy the European digital cinema network. Similar to GDC's IPO plan, XDC aims to digitise 500 cinema screens over the next two years. At the same time, XDC plans to enter into Asian and American markets through its subsidiary XDC Inc. 由於資金缺乏，現已延遲有關按特許經營模式推出其他數碼影院。於二零零五年三月一日，中國電影集團將160多家數碼影院進行了翻新，並正誠邀第三方參與其數碼影院特許經營。環球數碼競爭者之一EVS旗下XDC於二零零四年第四季籌得9,000,000英鎊，以部署歐洲數碼影院網絡。與環球數碼之首次公開招股計劃類似，XDC計劃於未來兩年將500家影院銀幕實現數碼化。同時，XDC計劃透過其附屬公司XDC Inc.拓展亞洲及美國市場。</p> |





## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

### 業務目標與實際業務進度比較

Business Objectives from 1 January  
2004 to 30 June 2004 as stated  
in the Prospectus

誠如招股章程所述由二零零四年一月一日  
起至二零零四年六月三十日止之業務目標

Actual Business Progress  
實際業務進度

Provision of CG  
training courses  
提供電腦圖像培訓課程

1. Continue to run the CG training courses in Shenzhen and Shanghai, the PRC.  
繼續在中國深圳及上海開辦電腦圖像培訓課程。

1. GDC continued to run the CG training courses in Shenzhen and Shanghai.  
環球數碼繼續在深圳及上海開辦電腦圖像培訓課程。

Business Objectives from 1 July 2004  
to 31 December 2004 as stated  
in the Prospectus

誠如招股章程所述由二零零四年七月一日  
起至二零零四年十二月三十一日止  
之業務目標

Actual Business Progress  
實際業務進度

CG creation and  
production  
電腦圖像創作及製作

1. Complete production of first part of sequel to *Thru the Moebius Strip*.  
完成製作 *Thru the Moebius Strip* 連續劇之前期部份。
2. Launch further on-line games in Greater China market.  
在大中華地區市場推出其他網上遊戲。
3. Begin pre-production of next film.  
開始全新電影之前期製作。

1. In progress.  
進行中。
2. Not yet launched.  
尚未推出。
3. Not yet begun.  
尚未開始。

# COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

## 業務目標與實際業務進度比較



Business Objectives from 1 July 2004  
to 31 December 2004 as stated  
in the Prospectus

誠如招股章程所述由二零零四年七月一日  
起至二零零四年十二月三十一日止  
之業務目標

Actual Business Progress  
實際業務進度

Digital content  
distribution and  
exhibitions

數碼內容發行及展示

1. Further supply digital cinema equipment to Adlabs.  
進一步向Adlabs供應數碼影院設備。

1. As Adlabs did not meet the target of installing 400 servers for the year ended 31 December 2004, Adlabs temporarily stopped placing order of new servers from GDC in 2004 until the completion of upgrade of digital projector from a single chip to a 3-chip DLP projector. To date, GDC Technology continues its discussion with Adlabs in relation to the supply of new servers.

由於Adlabs截至二零零四年十二月三十一日止年度並未達到安裝400台伺服器之目標，故Adlabs已於二零零四年暫停購置環球數碼之全新伺服器，直至將單晶片數碼放映機更新為三晶片DLP放映機完成為止。目前，GDC Technology繼續就供應全新伺服器與Adlabs進行商討。

On the other hand, GDC Technology expanded its market share in India by retrofitting 5 cinemas in Southern India with GDC Technology's digital servers in 2004.

另一方面，於二零零四年，環球數碼科技因採用GDC Technology之數碼伺服器將位於印度南部之5家電影院翻新，從而擴大了其於印度之市場佔有率。



## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

### 業務目標與實際業務進度比較

Business Objectives from 1 July 2004  
to 31 December 2004 as stated  
in the Prospectus

誠如招股章程所述由二零零四年七月一日  
起至二零零四年十二月三十一日止  
之業務目標

Actual Business Progress  
實際業務進度

- |  |  |
|--|--|
| <p>2. Sign up further digital cinemas to reach a total of around 150 in the PRC and around 100 in rest of Asia, such as Singapore and Hong Kong.</p> <p>與其他數碼影院簽署合約，以達致於中國約150家及亞洲其他地區如新加坡及香港約100家數碼影院之目標。</p> | <p>2. The launch of further D-cinemas under the franchise model is currently delayed due to lack of fund. As of 1 March 2005, China Film Group has retrofitted more than 160 digital cinemas and is inviting third party to participate in its D-cinema franchise. One of our competitors, EVS, spun-out XDC and raised £9 million in the fourth quarter of 2004 to deploy the European digital cinema network. Similar to GDC's IPO plan, XDC aims to digitise 500 cinema screens over the next two years. At the same time, XDC plans to enter into Asian and American markets through its subsidiary XDC Inc. 由於資金缺乏，現已延遲有關按特許經營模式推出其他數碼影院。於二零零五年三月一日，中國電影集團將160多家數碼影院進行了翻新，並正誠邀第三方參與其數碼影院特許經營。環球數碼競爭者之一EVS旗下XDC於二零零四年第四季度籌得9,000,000英鎊，以部署歐洲數碼影院網絡。與環球數碼之首次公開招股計劃類似，XDC計劃於未來兩年將500家影院銀幕實現數碼化。同時，XDC計劃透過其附屬公司XDC Inc.拓展亞洲及美國市場。</p> |
|--|--|

# COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

## 業務目標與實際業務進度比較



Business Objectives from 1 July 2004  
to 31 December 2004 as stated  
in the Prospectus

誠如招股章程所述由二零零四年七月一日  
起至二零零四年十二月三十一日止  
之業務目標

Actual Business Progress  
實際業務進度

3. Continue with research and development of the evolving digital cinema technology and specification (including interactive digital cinema and network-based entertainment system).  
繼續研發拓展數碼影院科技及項目（包括互動式數碼影院及網絡娛樂系統）。

3. Ongoing.  
繼續進行。

### Provision of CG training courses

提供電腦圖像培訓課程

1. Commence the 5th CG training course in Shenzhen, the PRC and the 2nd CG training course in Shanghai, the PRC.  
在中國深圳開始第五期電腦圖像培訓課程及在中國上海開始第二期電腦圖像培訓課程。

1. GDC commenced the 5th CG training course in Shenzhen, the PRC and the 2nd CG training course in Shanghai.  
環球數碼已在中國深圳開始第五期電腦圖像培訓課程及在中國上海開始第二期電腦圖像培訓課程。





## USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

### 本公司首次公開招股所得款項用途

The Directors had explained the reasons for the changes in the application of the net proceeds raised from the listing of the Shares on GEM of the Stock Exchange in August 2003 (the "IPO Proceeds") and in the "Statement of business objectives" in an announcement made by the Company dated 19 August 2004 and the Directors would like to set out below the reasons, as required by the GEM Listing Rules.

The net amount of IPO Proceeds, after deduction of related commission and expenses, amounted to approximately HK\$53.3 million. A comparison of the proposed usage of IPO Proceeds made in the Prospectus against the actual usage for the year ended 31 December 2004 is set out as follows.

董事在本公司於二零零四年八月十九日發表之公佈中，詳述改變本公司在二零零三年八月在聯交所創業板上市以公開發售股份所得款項（「首次公開招股所得款項」）淨額用途及「業務目標陳述」之原因。董事按創業板上市規則之規定在下文載列有關原因。

首次公開招股之所得款項淨額（扣除有關佣金及費用後）約達53,300,000港元。載於招股章程內之首次公開招股所得款項之建議用途與截至二零零四年十二月三十一日止年度之實際用途載列如下：

Application of proceeds		Proposed usage	Actual usage up to 31 December 2004 直至二零零四年 十二月三十一日止	Difference
應用所得款項		建議用途 HK\$ mil 百萬港元	之實際用途 HK\$ mil 百萬港元	差額 HK\$ mil 百萬港元
Strengthening management and international marketing team	增強管理隊伍及 國際市場 推廣隊伍	4.9	4.6	(0.3)
Developing digital cinema distribution network	開發數碼影院 發行網絡	18.5	4.0	(14.5)
Research and development of digital cinema technologies	研究及開發 數碼影院 技術	7.2	8.3	1.1
Production maintenance and co-financing	製作支援及 聯合出資	5.6	31.8	26.2
Working capital	營運資金	2.5	4.6	2.1
Total	總和	38.7	53.3	14.6



## USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

### 本公司首次公開招股所得款項用途

#### Reasons for the decreased usage of IPO Proceeds in developing digital cinema distribution network

Since the publication of the Prospectus, the Group experienced certain changes in the market conditions brought about by technological advancement in the D-cinema marketplace. As stated in the section headed "Statement of business objectives" in the Prospectus, the Group had, under the franchise business model, originally targeted the signing up to around 50 and 25 cinemas in the PRC and the rest of Asia respectively for the supply of digital projection and playback equipment by the end of 31 December 2004. The decrease in the amount spent on developing digital cinema distribution network was due to the Group's delay in the implementation of the franchise business model for D-cinemas in the PRC and the rest of Asia for the reasons set forth below.

The franchise model for D-cinema was based on the use of projectors which carry the technical standard approved by the Hollywood major film distributors. The digital distribution of major films, however, did not accelerate as anticipated but instead, the Digital Cinema Initiative ("DCI") decided in the third quarter of 2003, to raise the bar of D-cinema standard to a resolution of 2K (which requires a projector at the resolution of 1,080 x 2,048 lines). Although the Group's product has already been upgraded to the 2K resolution standard in the third quarter of 2003, projector manufacturers of 2K digital light processor ("DLP") Cinema™ projectors (which is a component in the Group's product, DSR™ servers), could only produce small quantities of the 2K DLP Cinema™ projectors with resolution standard of late last year.

The Group had consequently concentrated its efforts in the sales of its products to India, which does not require such high resolution standard, and the rest of the world rather than waiting for the 2K projectors to become available. For the above reason, the targets as stated in the sector headed "statement of business objectives" of the Prospectus had to be delayed.

#### 減少使用首次公開招股所得款項於發展數碼影院發行網絡之原因

自從招股章程刊發以來，本集團因市場上數碼影院科技進步而經歷一些改變。誠如招股章程內「業務目標陳述」所述，本集團以特許經營模式，初期目標預算在二零零四年十二月三十一日之前分別在中國大陸與約50家影院及在亞洲其他地區與約25家影院簽訂合約，以供應數碼投影及回放設備。用作發展數碼影院發行網絡之款項減少乃因本集團推遲在中國及亞洲其他地區推行特許經營業務模式，原因載於下文。

數碼影院之特許經營業務發展的基礎是源於荷里活電影發行商所認可之技術準則。但是，主要電影之數碼發行，並沒有比預期加快，反而，Digital Cinema Initiative(「DCI」)在二零零三年第三季度決定提升數碼影院之條紋標準至2K解像度(投映機解像度須有1,080 x 2,048行)，縱使本集團之產品在二零零三年第三季度已提升至2K解像度之標準，然而，2K數碼燈光處理器(「數碼燈光處理器」)Cinema™投映機(此乃本集團產品－DSR™服務系統組件)之投映機製造商，只能提供少量於去年底達至解像度標準之2K數碼燈光處理器Cinema™投映機。

本集團因此不再等待2K項目完成，集中將產品銷往並不需要高解像度標準的印度市場及全球其餘地區。基於上述理由，招股章程「業務目標陳述」所載目標不得不延期。



## USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

### 本公司首次公開招股所得款項用途

#### Reasons for increased usage of IPO Proceeds in production maintenance and co-financing

At the time of the IPO, the Directors expected that pre-sale contracts for certain countries/territories in respect of the distribution rights of the Film would have been concluded and completed by 31 December 2003, bringing pre-sale proceeds to finance the production. The increase in the spending on production maintenance and co-financing was due to the delay in the completion of the Film. The marketing and screening of the Film had to be delayed as a result of the delay in its completion, which had consequently affected the timing for the pre-sale of the Film. As set out in the announcement of the Company dated 19 August 2004, the Directors reported that all the production work of the Film had been completed, and intensive marketing of the Film was taking place in the US.

Since the pre-sale revenue of the Film did not materialise in late 2004, the Company had additional cash resources from IPO proceeds (which would have been substantially financed from the pre-sale proceeds of the Film), to inter-alia, carry out the abovementioned work required for the completion of the Film.

#### 增加使用首次公開招股所得款項於製作支援及聯合出資之原因

在首次公開招股期間，董事預期在二零零三年十二月三十一日前，公司製作之電影之發行權可在某國家／地區完結及完成預銷，並將預銷所得款項作生產之資金。用作製作支援及聯合出資之款額增加，是由於延遲完成該影片。該影片之宣傳及試映因該影片延遲完成而須延期，繼以影響到該影片之預銷時間。誠如本公司於二零零四年八月十九日發表之公佈所述，董事已報告該影片之所有製作工作已完成，而該影片之密集式宣傳已於美國進行得如火如荼。

由於在二零零四年預售該影片未有帶來龐大收益，本公司動用首次公開招股所得款項之額外現金資源（原定用作撥資預售該影片）用作（其中包括，但不限於）上文所述完成該影片所需工作。

## REPORT OF THE DIRECTORS 董事會報告



The directors have pleasure in presenting their annual report and the audited financial statements of the Company for the year ended 31 December 2004.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in note 38 to the financial statements.

### RESULTS

The results of the Group for the year ended 31 December 2004 are set out in the consolidated income statement on page 69.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the year are set out in note 12 to the financial statements.

### SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last four financial years, as extracted from the audited financial statements is set out on page 137. This summary does not form part of the audited financial statements.

### SHARE CAPITAL AND RESERVES

Details of movements in the share capital and reserves of the Company and the Group during the year are set out in notes 28 and 30 to the financial statements and in the consolidated statement of changes in equity.

### DISTRIBUTABLE RESERVES

At 31 December 2004, the Company did not have reserves available for distribution, calculated in accordance with the provisions of The Companies Act 1981 of Bermuda (as amended).

董事會欣然呈報本公司截至二零零四年十二月三十一日止年度之年報及經審核財務報表。

### 主要業務

本公司為一間投資控股公司，其主要附屬公司之業務載於財務報表附註38。

### 業績

本集團截至二零零四年十二月三十一日止年度之業績載於第69頁之綜合損益表內。

### 物業、廠房及設備

於本年度內，本集團之物業、廠房及設備之變動詳情載於財務報表附註12。

### 財務資料概要

本集團就最近四個財政年度業已發表之業績及資產及負債之概要(摘錄自各經審核財務報表並已作適當重新分類)載於第137頁。本概要並不構成經審核財務報表之一部份。

### 股本及儲備

於本年度內，本公司及本集團之股本及儲備之變動詳情乃分別載於財務報表附註28及30及綜合權益變動表內。

### 可供分派儲備

於二零零四年十二月三十一日，根據百慕達一九八一年公司法(經修訂)之條文規定計算，本公司並無可供分派儲備。





## REPORT OF THE DIRECTORS 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest suppliers of the Group accounted for about 63.9% of its production costs and the largest supplier accounted for about 22.8% of the total production costs.

During the year, the five largest customers of the Group accounted for about 74.2% of the turnover of the Group and the largest customer accounted for about 39.1% of the total turnover.

None of the directors, their associates, or any shareholder of the Company (which to the knowledge of the directors own more than 5% of the Company's issued share capital) has any interest in the Group's five largest suppliers and customers.

### DIRECTORS

The directors of the Company during the year and up to the date of this report were:

#### Executive directors:

Mr. Chen Zheng (General Manager)	(appointed on 15 February 2005)
Mr. Raymond Dennis Neoh (Vice-Chairman)	
Mr. Richard Yin Yingneng	(resigned on 24 June 2004)

#### Non-executive directors:

Mr. Anthony Francis Neoh (Joint Chairman)	
Mr. Cao Zhong (Joint Chairman)	(appointed on 16 February 2005)
Dr. David Deng Wei (Vice-Chairman)	
Mr. Stephen Scharf	(re-designated from independent non-executive director to non-executive director on 1 April 2004 and resigned on 16 February 2005)

### 主要客戶及供應商

於本年度內，本集團之五大供應商佔其製作成本為約63.9%，而最大供應商佔其製作總成本為約22.8%。

於本年度內，本集團之五大客戶佔本集團營業額為約74.2%，而最大客戶佔其營業總額為約39.1%。

本公司之董事、彼等之聯繫人士或任何股東（就董事所知，為擁有本公司已發行股本超過5%者）概無於本集團之任何五大供應商及客戶中擁有任何權益。

### 董事

本公司於本年度內及直至本報告日期為止之董事如下：

#### 執行董事：

陳征先生（總經理）	（於二零零五年二月十五日獲委任）
梁定雄先生（副主席）	
尹應能先生	（於二零零四年六月二十四日辭任）

#### 非執行董事：

梁定邦先生（聯席主席）	
曹忠先生（聯席主席）	（於二零零五年二月十六日獲委任）
鄧偉博士（副主席）	
Stephen Scharf先生	（於二零零四年四月一日由獨立非執行董事轉任為非執行董事並於二零零五年二月十六日辭任）

## REPORT OF THE DIRECTORS 董事會報告



### Independent non-executive directors:

Mr. Gordon Kwong Che Keung  
Professor Japhet Sebastian Law  
Mr. Paul Kwan Yuen Chiu (appointed on 25 September 2004)  
Dato' Mohd Ibrahim bin Mohd Zain (appointed on 18 January 2004 and resigned on 10 June 2004)

### Alternate directors:

Mr. Zhang Dong Sheng  
(Alternative to Dr. David Deng Wei)  
Mr. Adrian Mak Yau Kee (appointed on 27 April 2004 and resigned on 24 June 2004)  
(Alternative to Mr. Anthony Francis Neoh)

Pursuant to Clauses 86 and 87 of the Company's Bye-Laws, Messrs. Raymond Dennis Neoh, Cao Zhong, Chen Zheng and Paul Kwan Yuen Chiu will retire at the Company's forthcoming Annual General Meeting ("AGM") and, except for Mr. Paul Kwan Yuen Chiu, being eligible, offer themselves for re-election.

In addition to the directors appointed to fill casual vacancies on the Board during the year, one third of the directors shall retire by rotation and shall, if eligible, offer themselves for re-election.

None of the directors being proposed for re-election at the forthcoming AGM has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The non-executive directors and independent non-executive directors are subjected to retirement by rotation in the same manner as the executive directors.

### 獨立非執行董事：

鄭志強先生  
羅文鈺教授  
關遠釗先生 (於二零零四年九月二十五日獲委任)  
Dato' Mohd Ibrahim bin Mohd Zain (於二零零四年一月十八日獲委任並於二零零四年六月十日辭任)

### 替任董事：

張東生先生  
(鄧偉博士之替任董事)  
麥佑基先生 (於二零零四年四月二十七日獲委任並於二零零四年六月二十四日辭任)  
(梁定邦先生之替任董事)

根據本公司之細則第86及87條，梁定雄先生、曹忠先生、陳征先生及關遠釗先生將於本公司之應屆股東週年大會上（「股東週年大會」）退任，惟除關遠釗先生外，彼等合資格並願意膺選連任。

於本年度內，除為填補董事會職位空缺而委任之董事外，三分之一董事須輪值告退，惟合資格並願意膺選連任。

擬於應屆股東週年大會上膺選連任之董事概無與本公司訂立本集團不得於一年內終止而毋須作出賠償（法定賠償除外）之任何服務合約。

非執行董事及獨立非執行董事均須按與執行董事相同之方式輪值告退。



## REPORT OF THE DIRECTORS 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES

As at 31 December 2004, the interests and short positions of the directors and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the Securities and Futures Ordinance (Cap 571) ("SFO") as recorded in the register maintained under Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors as referred to Rule 5.46 of the Rules Governing the Listing of Securities on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "GEM Listing Rule"), were as follows:

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

Name of director 董事姓名		Number of shares 股份數目
Mr. Anthony Francis Neoh	梁定邦先生	124,974,230
Mr. Raymond Dennis Neoh	梁定雄先生	254,315,518
		3,318,450
		<hr/>
		257,633,968
Dr. David Deng Wei	鄧偉博士	20,579,090
		200,000
		<hr/>
		20,779,090
Mr. Gordon Kwong Che Keung	鄺志強先生	200,000
Professor Japhet Sebastian Law	羅文鈺教授	200,000
Mr. Stephen Scharf	Stephen Scharf先生	200,000

### 董事及主要行政人員於股份、相關股份或債券中之權益及淡倉

於二零零四年十二月三十一日，董事及彼等之聯繫人士於本公司或其任何相聯法團（定義見證券及期貨條例（第571章）（「證券及期貨條例」）第十五部）之股份、相關股份及債券中擁有根據證券及期貨條例第十五部第352條存置之登記冊所記錄之權益及淡倉，或根據香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）證券上市規則（「創業板上市規則」）第5.46條所規定之董事買賣準則而須另行知會本公司及聯交所之權益及淡倉如下：

#### (1) 於本公司股份中之好倉

Capacity 身份	Approximate percentage of interest 權益概約百分比
Beneficial owner 實益擁有人	15.61%
Interest in controlled corporations (note 1) 受控制公司之權益 (附註1)	
Family interest (note 2) 家族權益 (附註2)	
	<hr/>
	32.17%
Interest in a controlled corporation (note 3) 受控制公司之權益 (附註3)	
Beneficiary of a trust (note 4) 信託受益人 (附註4)	
	<hr/>
	2.59%
Beneficiary of a trust (note 5) 信託受益人 (附註5)	0.02%
Beneficiary of a trust (note 6) 信託受益人 (附註6)	0.02%
Beneficiary of a trust (note 7) 信託受益人 (附註7)	0.02%

# REPORT OF THE DIRECTORS

## 董事會報告



### Notes:

1. The 214,122,516 of these shares were held by Upflow Holdings Limited, a company incorporated in the British Virgin Islands (the "BVI") with limited liability and wholly-owned by Mr. Raymond Dennis Neoh. The remaining balance of the 40,193,002 shares were held by Forward Strategic Investments Limited, a wholly-owned subsidiary of Global Digital Creations Limited, which is in turn owned as to approximately 32.4% by Upflow Holdings Limited.
2. The 3,318,450 shares were held by Ms. Lau Fung Sim, the spouse of Mr. Raymond Dennis Neoh.
3. The 20,579,090 of these shares were held by Bright Oceans Corporation (HK) Limited, a company incorporated in Hong Kong with limited liability and owned as to 50% by Dr. David Deng Wei.
4. The 200,000 shares were held in a trust account opened in the name of Mr. Adrian Mak Yau Kee in trust for Dr. David Deng Wei.
5. The 200,000 shares were held in a trust account opened in the name of Mr. Adrian Mak Yau Kee in trust for Mr. Gordon Kwong Che Keung.
6. The 200,000 shares were held in a trust account opened in the name of Mr. Adrian Mak Yau Kee in trust for Professor Japhet Sebastian Law.
7. The 200,000 shares were held in a trust account opened in the name of Mr. Adrian Mak Yau Kee in trust for Mr. Stephen Scharf.

### 附註：

1. 當中214,122,516股公司股份由Upflow Holdings Limited(一間於英屬處女群島(「英屬處女群島」)註冊成立之有限公司及由梁定雄先生全資擁有)持有。其餘40,193,002股公司股份由Global Digital Creations Limited之全資附屬公司Forward Strategic Investments Limited持有，而Global Digital Creations Limited則由Upflow Holdings Limited擁有約32.4%權益。
2. 3,318,450股公司股份由梁定雄先生之配偶劉鳳嬋女士持有。
3. 當中20,579,090股公司股份由億陽集團(香港)有限公司(一間於香港註冊成立之有限公司，並由鄧偉博士擁有50%權益)持有。
4. 該200,000股公司股份由麥佑基先生以信託形式代鄧偉博士持有，並存於以麥佑基先生名義開立之信託戶口內。
5. 該200,000股公司股份由麥佑基先生以信託形式代鄭志強先生持有，並存於以麥佑基先生名義開立之信託戶口內。
6. 該200,000股公司股份由麥佑基先生以信託形式代羅文鈺教授持有，並存於以麥佑基先生名義開立之信託戶口內。
7. 該200,000股公司股份由麥佑基先生以信託形式代Stephen Scharf先生持有，並存於以麥佑基先生名義開立之信託戶口內。





## REPORT OF THE DIRECTORS

### 董事會報告

#### (2) Long positions in equity derivatives in, or in respect of, underlying shares of the Company

Name of director 董事姓名	Number and description of equity derivatives 股本衍生工具之數目及概述
Mr. Anthony Francis Neoh 梁定邦先生	32,201,692 options granted under the FS Scheme (note 8) 根據FS計劃授出之32,201,692份購股權(附註8)

#### (2) 股本衍生工具或本公司相關股份涉及之好倉

Number of underlying shares 相關股份數目	Capacity 身份	Approximate percentage of interest 權益概約百分比
32,201,692	Beneficial owner (note 9) 實益擁有人(附註9)	4.02%

#### Notes:

8. On 20 March 2003, the shareholders of Forward Strategic Investments Limited, had by written resolution, adopted a share option scheme (the "FS Scheme") also dated 20 March 2003, wherein its board is entitled to grant options to grantees such that they can purchase a total of 61,015,197 shares of the Company from Forward Strategic Investments Limited pursuant to the terms of the FS Scheme. The exercise price for the 32,201,692 options is HK\$1.00 per share which shall be exercised on or before 19 March 2013.
9. Mr. Anthony Francis Neoh has been granted options under the FS Scheme, once exercised by him, entitle him to subscribe for a total of 32,201,692 shares of the Company.

#### 附註：

8. 於二零零三年三月二十日，Forward Strategic Investments Limited之股東以書面決議案方式採納購股權計劃（「FS計劃」）（購股權計劃之日期亦為二零零三年三月二十日），據此，其董事會有權向承授人授出購股權，使承授人可根據FS計劃條款向Forward Strategic Investments Limited合共購買本公司61,015,197股公司股份。32,201,692份購股權之行使價為每股1.00港元，並須於二零一三年三月十九日或之前行使。
9. 梁定邦先生根據FS計劃獲授購股權，當行使該購股權時，彼有權認購本公司合共32,201,692股公司股份。

# REPORT OF THE DIRECTORS

## 董事會報告



### (3) Short positions in equity derivatives in, or in respect of, underlying shares

Name of director 董事姓名	Number and description of equity derivatives 股本衍生工具之數目及概述
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Mr. Raymond Dennis Neoh 梁定雄先生	40,193,002 (note 10) (附註10)
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Note:

10. Pursuant to the terms of the FS Scheme, the grantees may purchase 61,015,197 shares according to its terms and conditions. On 21 September 2004, nine of the grantees under the FS Scheme had, in aggregate, purchased 20,822,195 shares of the Company from Forward Strategic Investments Limited, leaving a balance of 40,193,002 shares of the Company available for purchases by other grantees under the FS Scheme in future. As Forward Strategic Investments Limited is a wholly-owned subsidiary of Global Digital Creations Limited, which is in turn owned as to approximately 32.4% by Upflow Holdings Limited (which is wholly owned by Mr. Raymond Dennis Neoh), Global Digital Creations Limited, Upflow Holdings Limited and Mr. Raymond Dennis Neoh are accordingly deemed to be interested in the short positions taken by Forward Strategic Investments Limited.

### (3) 股本衍生工具或相關股份所涉及之淡倉

Number of underlying shares 相關股份數目	Capacity 身份	Approximate percentage of interest 益概約權百分比
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40,193,002	Interest in a controlled corporation (note 10) 受控制公司之權益 (附註10)	5.02%
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附註：

10. 根據FS計劃之條款，承授人可根據該計劃之條款及條件購買61,015,197股公司股份。於二零零四年九月二十一日，九位FS計劃下之承授人已向Forward Strategic Investments Limited合共購買本公司20,822,195股公司股份，其尚餘40,193,002股公司股份可供日後其他FS計劃下之承授人購買。由於Forward Strategic Investments Limited為Global Digital Creations Limited之全資附屬公司，Global Digital Creations Limited則由Upflow Holdings Limited（梁定雄先生全資擁有之公司）擁有約32.4%權益。因此，Global Digital Creations Limited、Upflow Holdings Limited及梁定雄先生均被視為於Forward Strategic Investments Limited所持淡倉中擁有權益。



## REPORT OF THE DIRECTORS 董事會報告

Save as disclosed above and the options holding under section headed "Share Options", as at 31 December 2004, none of the directors and the chief executive of the Company nor their associates had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

### SHARE OPTIONS

#### SOTAS Option

On 5 June 2003, the Company granted a share option to Sotas Limited, a company incorporated in the BVI with limited liability and wholly-owned by Morningside CyberVentures Holdings Limited, which is in turn a wholly-owned subsidiary of Verrall Limited in its capacity as trustee of a family trust established by Mrs. Chan Tan Ching Fen, who was taken to be interested in the shares disclosed herein in her capacity as founder of the trust (as defined in the SFO) referred to above upon the listing of the shares on GEM, which entitles Sotas Limited to acquire 8,331,615 shares of the Company within 36 months from the date of listing of the shares, at an aggregate exercise price of US\$600,000.

No share option granted to Sotas Limited was exercised during the year.

#### Share Option Scheme

The Company by shareholders' resolution passed at its special general meeting held on 18 July 2003, has adopted a share option scheme ("Scheme"). The principal purpose of the Scheme is to enable the Company to grant options to eligible participants as incentives or rewards for their contributions to the Group. Details of the Scheme are set out in note 29 to the financial statements.

除上文所披露者外，於二零零四年十二月三十一日，本公司董事及主要行政人員概無於本公司及其相聯法團（按證券及期貨條例第十五部之涵義）之股份、相關股份及債券中擁有登記於根據證券及期貨條例第352條之規定須備存之登記冊內之任何權益及淡倉，或根據創業板上市規則第5.46條須另行知會本公司及聯交所之任何權益及淡倉。

### 購股權

#### SOTAS購股權

於二零零三年六月五日，本公司向Sotas Limited（一間於英屬處女群島註冊成立之有限公司及由Morningside CyberVentures Holdings Limited全資擁有，而Morningside CyberVentures Holdings Limited則由Verrall Limited以陳譚慶芬女士建立之家族信託受託人身份全資擁有之附屬公司，而自股份在創業板上市後，陳譚慶芬女士作為上述信託之創辦人（定義見證券及期貨條例）乃被當作擁有本文所披露之股份之權益）授出購股權，以令Sotas Limited有權於自股份上市日期起計36個月內，以總行使價600,000美元從本公司購買8,331,615股公司股份。

於本年度內，Sotas Limited概無行使任何獲授之購股權。

#### 購股權計劃

本公司已在於二零零三年七月十八日舉行之股東特別大會上通過股東決議案，採納一項購股權計劃（「該計劃」）。該計劃之主要目的為讓本公司可向合資格參與者授出購股權，作為彼等對本集團作出貢獻之獎勵及回報。有關該計劃之詳情載於財務報表附註29。

# REPORT OF THE DIRECTORS

## 董事會報告



The following table discloses movements in the Company's share options during the year:

於本年度內，本公司購股權之變動披露如下：

Name of director	Number and description of equity derivatives	Number of underlying shares	Capacity	Approximate percentage of interest %
董事姓名	股本衍生工具之數目及概述	相關股份數目	身份	權益概約百分比
Dr. David Deng Wei	8,000,000 options under the Scheme	8,000,000	Beneficial owner	1.00
鄧偉博士	按該計劃獲授 8,000,000份購股權		(note 11) 實益擁有人 (附註11)	
Mr. Gordon Kwong	2,100,000 options under the Scheme	2,100,000	Beneficial owner	0.26
Che Keung	按該計劃獲授 2,100,000份購股權		(note 12) 實益擁有人 (附註12)	
Mr. Stephen Scharf	2,100,000 options under the Scheme	2,100,000	Beneficial owner	0.26
Stephen Scharf先生	按該計劃獲授 2,100,000份購股權		(note 12) 實益擁有人 (附註12)	





## REPORT OF THE DIRECTORS 董事會報告

### Notes:

11. Three tranches of 3,000,000, 3,000,000 and 2,000,000 options shall be vested on the date of approval of the grant of option, the first and the second anniversary dates of the approval, respectively. The exercise price for each share is HK\$0.44 which shall be exercisable on or before 17 July 2013.
12. Three tranches of 700,000 options each shall be vested on the date of approval of the grant of option, the first and the second anniversary date of approval. The exercise price for each share is HK\$0.44 which shall be exercisable on or before 17 July 2013.

The closing price of the Company's shares immediately before 21 June 2004, the date of grant of the options was HK\$0.38.

The directors consider that it is not appropriate to disclose a theoretical value of the share options granted during the year since any valuation of the share options would be subject to a number of assumptions which are subjective and uncertain.

As disclosed in note 39 to the financial statements, all the share options granted to Sotas Limited and to the directors of the Company under the Scheme outstanding as at 31 December 2004 have been cancelled subsequently.

### 附註：

11. 該等購股權將分三批按3,000,000份、3,000,000份及2,000,000份分別於批准授出購股權之日期、批准日期後首個週年日及批准日期後第二個週年日授予承授人。行使價為每股0.44港元，並須於二零一三年七月十七日或之前行使。
12. 該等購股權將分三批每批按700,000份分別於批准授出購股權之日期、批准日期後首個週年日及批准日期後第二個週年日授予承授人。行使價為每股0.44港元，並須於二零一三年七月十七日或之前行使。

本公司股份緊接於購股權授出日期即二零零四年六月二十一日前之收市價為0.38港元。

由於購股權之任何價值可能會受多項主觀及不明朗的假設所影響，故董事會認為於本年度內並不適於披露已授出購股權之理論價值。

誠如財務報表附註39所披露，於二零零四年十二月三十一日，所有根據該計劃授予Sotas Limited及本公司董事之尚未行使購股權隨後均被註銷。

## REPORT OF THE DIRECTORS 董事會報告



### INTERESTS DISCLOSEABLE UNDER THE SFO AND SUBSTANTIAL SHAREHOLDERS

As at 31 December 2004, so far as is known to the Directors, the following, not being a director or chief executive of the Company, have an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of Division 2 and 3 of Part XV of the SFO:

Long positions in shares and in equity derivatives in, or in respect of, underlying shares of the Company:

### 根據證券及期貨條例須予披露之權益及主要股東

於二零零四年十二月三十一日，據董事所知悉，下列主要股東（非本公司之董事或主要行政人員）擁有根據證券及期貨條例第十五部第2及3分部之條文而須向本公司披露之股份或相關股份之權益或淡倉：

股份及股本衍生工具或相關股份所涉及之好倉：

Name 名稱	Number of equity derivatives 股本衍生工具之數目	Number of shares 股份數目	Capacity 身份	Approximate percentage of number of shares to total issued shares 權益概約百分比
Sotas Limited	8,331,615	55,544,102	Beneficial owner (note 1) 實益擁有人（附註1）	6.94%
Morningside CyberVentures Holdings Limited	8,331,615	55,544,102	Interest in a controlled corporation (note 1) 受控制公司之權益（附註1）	6.94%
Verrall Limited	8,331,615	55,544,102	Interest in a controlled corporation (note 1) 受控制公司之權益（附註1）	6.94%
Mrs. Chan Tan Ching Fen 陳譚慶芬女士	8,331,615	55,544,102	Founder of a trust (note 1) 信託之創辦人（附註1）	6.94%
Upflow Holdings Limited		254,315,518	Beneficial owner and interest in a controlled corporation (notes 2 & 3) 實益擁有人及受控制公司之權益（附註2及3）	31.76%
Forward Strategic Investments Limited		40,193,002	Beneficial owner (note 2) 實益擁有人（附註2）	5.02%
Global Digital Creations Limited		40,193,002	Interest in controlled corporation (note 2) 受控制公司之權益（附註2）	5.02%



## REPORT OF THE DIRECTORS

### 董事會報告

#### Notes:

1. Of the 63,875,717 shares/equity derivatives, 55,544,102 shares were held by Sotas Limited, a company incorporated in the BVI with limited liability and wholly-owned by Morningside CyberVentures Holdings Limited, which is in turn a wholly-owned subsidiary of Verrall Limited in its capacity as trustee of a family trust established by Mrs. Chan Tan Ching Fen, who was taken to be interested in the shares disclosed herein in her capacity as founder of the trust (as defined in the SFO) referred to above upon the listing of the shares on GEM. On 5 June 2003, the Company granted a share option to Sotas Limited which entitles Sotas Limited to subscribe for 8,331,615 shares within 36 months from the date of listing of the shares on GEM at an aggregate exercise price of US\$600,000 (equivalent to HK\$4,680,000).
2. The 40,193,002 shares were held by Forward Strategic Investments Limited, a wholly-owned subsidiary of Global Digital Creations Limited, which is in turn owned as to approximately 32.4% by Upflow Holdings Limited, which is wholly-owned by Mr. Raymond Dennis Neoh.
3. The 214,122,516 shares were held by Upflow Holdings Limited, which is wholly owned by Mr. Raymond Dennis Neoh.

#### 附註：

1. 於該 63,875,717 股股份／股本衍生工具中，其中 55,544,102 股公司股份由 Sotas Limited (一間於英屬處女群島註冊成立之有限公司及由 Morningside CyberVentures Holdings Limited 全資擁有，而 Morningside CyberVentures Holdings Limited 則由 Verrall Limited 以陳譚慶芬女士建立之家族信託受託人身份全資擁有之附屬公司，而自股份在創業板上市後，陳譚慶芬女士作為上述信託之創辦人(定義見證券及期貨條例)乃被當作擁有本文所披露之股份之權益)持有。於二零零三年六月五日，本公司向 Sotas Limited 授出購股權，令 Sotas Limited 有權自股份於創業板上市日期起三十六個月內，可按行使價總額 600,000 美元(相等於 4,680,000 港元)認購 8,331,615 股本公司股份。
2. 該 40,193,002 股股份由 Global Digital Creations Limited 之全資附屬公司 Forward Strategic Investments Limited 持有，而 Global Digital Creations Limited 則由 Upflow Holdings Limited (梁定雄先生全資擁有之公司)擁有約 32.4% 權益。
3. 該 214,122,516 股公司股份由 Upflow Holdings Limited (由梁定雄先生全資擁有)持有。

# REPORT OF THE DIRECTORS

## 董事會報告



Short positions in shares and equity derivatives in, or in respect of, underlying shares of the Company:

股份及股本衍生工具或相關股份所涉及之淡倉：

Name 名稱	Number and description of equity derivatives 股本衍生工具之數目及概述	Number of underlying shares 相關股份數目	Capacity 身份	Approximate percentage of interest 權益概約百分比
Forward Strategic Investments Limited	40,193,002	40,193,002	Beneficial owner 實益擁有人	5.02%
Global Digital Creations Limited	40,193,002 (note) (附註)	40,193,002	Interest in a controlled corporation 受控制公司之權益	5.02%
Upflow Holdings Limited	40,193,002 (note) (附註)	40,193,002	Interest in a controlled corporation 受控制公司之權益	5.02%

Note: Pursuant to the terms of the FS Scheme, the grantees may purchase the 61,015,197 Shares accounting to its terms and conditions. On 21 September 2004, nine of the grantees under the FS Scheme had in aggregate purchased 20,822,195 shares of the Company from Forward Strategic Investment Limited, leaving a balance of 40,193,002 shares available for purchases by other grantees under the FS Scheme in future. As Forward Strategic Investment Limited is a wholly-owned subsidiary of Global Digital Creations Limited, which is in turn owned as to approximately 32.4% by Upflow Holdings Limited, which is wholly owned by Mr. Raymond Dennis Neoh, Global Digital Creations Limited, Upflow Holdings Limited and Mr. Raymond Dennis Neoh are accordingly demand to be interested in the short positions taken by Forward Strategic Investment Limited.

附註：根據FS計劃之條款，承授人可根據該計劃之條款及條件購買該等61,015,197股公司股份。於二零零四年九月二十一日，九位FS計劃下之承授人已向Forward Strategic Investment Limited合共購買本公司20,822,195股公司股份，其尚餘40,193,002股公司股份可供日後其他FS計劃下之承授人購買。由於Forward Strategic Investment Limited為Global Digital Creations Limited之全資附屬公司，Global Digital Creations Limited則由Upflow Holdings Limited(梁定雄先生全資擁有之公司)擁有約32.4%權益。因此，Global Digital Creations Limited、Upflow Holdings Limited及梁定雄先生均被視為於Forward Strategic Investment Limited所持淡倉中擁有權益。



## REPORT OF THE DIRECTORS 董事會報告

### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Apart from the foregoing and the related party transactions referred to in note 37 to the financial statements, no contracts of significance to which the Company, or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Except for the share option scheme disclosed above, at no time during the year was the Company, or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### CONNECTED TRANSACTIONS

#### Exempt connected transactions

The following exempt connected transactions of financial assistance in nature subsisted during the year.

#### *Loans from Mr. Anthony Francis Neoh*

Mr. Anthony Francis Neoh has advanced various loans to the Group totalling approximately HK\$18,237,000 as at 31 December 2004. Interest is accrued from day to day on the outstanding principal amount of this facility at the best lending rate as quoted by the Hongkong and Shanghai Banking Corporation Limited from time to time plus 3% per annum. This facility is unsecured with no fixed repayment terms. Mr. Anthony Francis Neoh has confirmed that he will not seek repayment from the Group within twelve months from 31 December 2004 or a date upon which such repayment would not have material adverse effect on the operation of the Group. Madam Chan Wing Yee, Betty, the spouse of Mr. Anthony Francis Neoh, has advanced loan to the Group totally HK\$1,000,000 as at 31 December 2004. The loan is unsecured, bears interest at the best lending rate as quoted by the Hongkong and Shanghai Banking Corporation Limited

### 董事於重大合約之權益

除上文所述及財務報表附註37所載之關連人士交易外，於本年度之年終或本年度之任何時間內，本公司或其任何附屬公司概無訂立本公司之董事直接或間接擁有重大權益之任何重大合約。

### 董事購入股份或債券之權利

除上文所披露之購股權計劃外，於本年度之任何時間內，本公司或其任何附屬公司概無訂立任何安排，致使本公司之董事可藉著以購入本公司或任何其他法團實體之股份或債券方式而獲益。

### 關連交易

#### 獲豁免關連交易

下列為於本年度內出現屬財政補助性質之獲豁免關連交易：

#### *梁定邦先生提供之貸款*

於二零零四年十二月三十一日，梁定邦先生向本集團提供之多項貸款合共約18,237,000港元。此信貸乃按尚未償還本金額逐日累算利息，息率為香港上海豐銀行有限公司不時所報之最優惠利率加年率3厘。此信貸乃無抵押且無固定還款期。梁定邦先生已確認，彼將不會自二零零四年十二月三十一日起計十二個期間內任何日期要求本集團償還款項，致使在還款後會對本集團之營運造成重大不利影響。於二零零四年十二月三十一日，梁定邦先生之配偶Chan Wing Yee, Betty女士向本集團提供合共1,000,000港元貸款。該項貸款為無抵押、按香港上海滙豐銀行有限公司不時所報之最優惠利率加年率3厘計息及按通知償還。由於梁定邦先生為本公司之聯席



## REPORT OF THE DIRECTORS 董事會報告



from time to time plus 3% per annum and is repayable on demand. As Mr. Anthony Francis Neoh is the joint chairman of the Company, a non-executive director and an initial management shareholder, as defined under the GEM Listing Rules, a transaction between Mr. Anthony Francis Neoh and the Group constitutes a connected transaction of the Company. However, the transaction is based on normal commercial terms (or better) and should therefore be exempt from reporting, announcement and independent shareholders' approval requirements under Rule 20.65(4) of the GEM Listing Rule.

### *Counter-guarantee given by Mr. Raymond Dennis Neoh in respect of bank loans made to the Group*

As stated on pages 115 and 116 of this annual report, Mr. Raymond Dennis Neoh has given counter-guarantee in favour of 中投信用擔保有限公司 ("CICG"), an independent third party, for the repayment of all the debts incurred by CICG for which CICG is liable under the guarantee given by it in respect of banking facilities of RMB30,000,000 each from Bank of China, Shenzhen Branch and Shenzhen Commercial Bank. No security or consideration has been given by any member of the Group to Mr. Raymond Dennis Neoh for the giving of the counter-guarantee to CICG.

As Mr. Raymond Dennis Neoh is a connected person of the Company and the above-mentioned counter-guarantee given by Mr. Raymond Dennis Neoh constitutes a connected transaction of the Company.

The counter-guarantee given by Mr. Raymond Dennis Neoh has been provided by him for the benefit of the Company on normal commercial terms (or better). The guarantee given should therefore be exempt from reporting, announcement and independent shareholders' approval requirements under Rule 20.65(4) of the GEM Listing Rule.

主席、非執行董事及上市時管理層股東(定義見創業板上市規則)，因此，梁定邦先生與本集團所進行之交易構成本公司之一項關連交易。然而，該等交易乃按一般(或更佳)商業條款進行，故此，根據創業板上市規則第20.65(4)條應獲豁免遵守申報、公佈及取得獨立股東批准之規定。

### *梁定雄先生就本集團所獲授銀行貸款而作出之反擔保*

誠如本年報第115至第116頁所述，梁定雄先生已作出以中投信用擔保有限公司(「中信擔保」)為受益人之反擔保，以清償中信擔保就中國銀行深圳分行及深圳市商業銀行所提供之各人民幣30,000,000元銀行備用額作出之擔保而產生之全部債務。本集團之任何股東概無向梁定雄先生就彼向中信擔保提供反擔保而提供任何抵押或支付代價。

由於梁定雄先生乃本公司之關連人士，故上文所述由梁定雄先生提供之反擔保構成本公司之關連交易。

梁定雄先生所提供之反擔保，乃彼就本公司之利益而按一般(或更佳)商業條款而作出。因此，根據創業板上市規則第20.65(4)條，所作出之擔保應獲豁免遵守申報、公佈及取得獨立股東批准之規定。



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The following exempt continuing connected transactions subsisted during the year:

- (a) On 26 April 2002, GDC China Limited, an indirectly wholly-owned subsidiary of the Company, entered into a lease agreement with Ms. Lau Fung Sim, the spouse of Mr. Raymond Dennis Neoh, for the lease of a residential premise as a Director quarter. The Group paid a monthly rental of HK\$28,000 to Ms. Lau Fung Sim for a period of two years commencing from 7 May 2002 but the lease agreement has been expired during the year.
- (b) The Group leased a staff quarter from Mr. Anthony Francis Neoh for a term of one year commencing from 15 October 2001 at a monthly rental of HK\$8,000. The lease agreement was renewed on 2 October 2002 and 15 February 2004 with similar terms and the lease was extended and expired on 15 October 2004.

The independent non-executive directors of the Company have reviewed the continuing connected transactions and confirmed that the above transactions have been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms; and
- (3) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

以下為於本年度內持續進行之獲豁免持續關連交易：

- (a) 於二零零二年四月二十六日，本公司間接全資擁有之附屬公司環球數碼創意中國有限公司與梁定雄先生之配偶劉鳳嬋女士就租用住宅作為董事宿舍而訂立一項租賃協議。本集團向劉鳳嬋女士支付之月租為28,000港元，租期自二零零二年五月七日起計為期兩年，惟租賃協議已於本年度內到期。
- (b) 本集團向梁定邦先生租用員工宿舍，租期自二零零一年十月十五日起計為期一年，租金為每月8,000港元。該項租賃協議已於二零零二年十月二日及於二零零四年二月十五日按類似之條款續期，而租期則延至二零零四年十月十五日期。

本公司之獨立非執行董事已經審閱有關持續關連交易，並確認上述交易乃：

- (1) 於本集團一般及日常業務過程中訂立；
- (2) 按一般商業條款訂立；及
- (3) 遵照有關監管上述交易之協議訂立，而該等協議之條款屬公平合理，並符合本公司股東之整體利益。

## REPORT OF THE DIRECTORS 董事會報告



### RELATED PARTY DISCLOSURES

As disclosed in note 37 to the financial statements, the following transactions were entered into during the year:

- (a) The Group had rented an office premise in Singapore for a month in January 2004 at a rental charge of S\$1,929 from Solutions Lab Pte. Ltd., a related company of Cyber Prime Developments Limited, a shareholder of the Company.

This transaction does not fall within the definition of a connected transaction because Cyber Prime Developments Limited is neither a substantial shareholder nor a management shareholder of the Company.

- (b) During the year, the Group paid or payable approximately HK\$430,000 (2003: HK\$780,000), for legal and professional services rendered by O'Melveny and Myers LLP, a law firm in the United States of America. Mr. Stephen Scharf, a non-executive Director of the Company, is a partner of O'Melveny and Myers LLP.

This transaction falls within the definition of a connected transaction but as the value of transaction falls below the de-minimis threshold of the higher of (i) each of the percentage ratios (other than the profits ratio) is less than 0.1%; or (ii) each of the percentage ratio (other than the profits ratio) is equal to or more than 0.1% but less than 2.5% and the total consideration is less than HK\$1,000,000, the transaction was exempt from all reporting, announcement and shareholders' approval requirements in accordance with GEM Listing Rule 20.31(2).

### 關連人士披露

誠如財務報表附註37所披露，下列交易乃於本年度內進行：

- (a) 於二零零四年一月，本集團租用本公司股東Solutions Lab Pte. Ltd. (Cyber Prime Developments Limited之關連公司) 於新加坡一辦公室單位，為期一個月，租金為1,929坡元。

由於Cyber Prime Developments Limited並非本公司之主要股東或管理層股東，故是項交易並不構成關連交易。

- (b) 於本年度內，本集團就一美國律師事務所O'Melveny and Myers LLP提供之法律及專業服務而支付約430,000港元(二零零三年：780,000港元)。本公司之獨立非執行董事Stephen Scharf先生乃O'Melveny and Myers LLP之其中一位合夥人。

由於交易價值低於(i)各百分比率(溢利率除外)低於0.1%；或(ii)各百分比率(溢利率除外)相等或高於0.1%但低於2.5%且總代價少於1,000,000港元(以較高者為準)之最低限額，故該項交易構成一項關連交易，而根據創業板上市規則第20.31(2)條，該項交易獲豁免遵守所有申報、公佈及取得股東批准之規定。



## REPORT OF THE DIRECTORS 董事會報告

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, sales or redemption by the Company or any of its subsidiaries, of the Company's listed securities during the year ended 31 December 2004.

### COMPETING INTERESTS

Forward Strategic Investments Limited, a shareholder of the Company interested in approximately 5.02% of the share capital, held approximately 0.22% equity interest in DCDC Limited incorporated in the British Virgin Islands, which in turn held 100% equity interest in Digital Content Development Corporation Limited ("DCDC"), a company incorporated in Hong Kong, which is principally engaged in CG production in Hong Kong. Forward Strategic Investments Limited and its shareholders do not participate in the management of DCDC. The board of Forward Strategic Investments Limited comprising Mr. Raymond Dennis Neoh, Mr. Anthony Francis Neoh and Dr. David Deng Wei who are directors and initial management shareholders of the Company, has confirmed that Forward Strategic Investments Limited will remain a passive investor in DCDC. The directors confirmed that there has not been and will not be any transactions between the Group and DCDC.

Save as disclosed above, none of the directors, the chief executive, substantial shareholders or initial management shareholders of the Company or any of its subsidiaries or any of their respective associates, has an interest in any business, which competes or may compete with the business of the Group.

### 購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司概無於截至二零零四年十二月三十一日止年度內，購買、出售或贖回任何本公司之上市證券。

### 競爭權益

Forward Strategic Investments Limited (於本公司股本擁有約5.02%權益之股東) 擁有 DCDC Limited (一間於英屬處女群島註冊成立之公司) 約0.22%股權，而DCDC Limited 則擁有 Digital Content Development Corporation Limited (「DCDC」) 100%股權，DCDC乃一間於香港註冊成立之公司，主要在香港從事電腦圖像製作。Forward Strategic Investments Limited及其股東並無參與DCDC之管理工作。Forward Strategic Investments Limited之董事會(成員包括梁定雄先生、梁定邦先生及鄧偉博士(彼等均為董事及上市時管理層股東))已確認，Forward Strategic Investments Limited仍將為DCDC之被動投資者。董事確認，本集團與DCDC間從未有過且將來亦不會有任何交易。

除上文所披露者外，本公司或其任何附屬公司之董事、主要行政人員、主要股東或上市時管理層股東或彼等各自之任何聯繫人士概無於與本集團業務構成競爭或可能構成競爭之任何業務中擁有任何權益。

## REPORT OF THE DIRECTORS 董事會報告



### INTEREST ON SPONSOR

As updated and notified by the Company's sponsor (the "Sponsor"), Goldbond Capital (Asia) Limited, as at 31 December 2004, none of the Sponsor itself, its directors, employees or associates (as defined in Note 3 to GEM Listing Rule 6.35) had any interests in the securities of the Company.

Pursuant to the agreement dated 23 July 2003 entered into between the Company and the Sponsor, the Sponsor is entitled to receive an advisory fee for acting as the Company's retained sponsor for the period from 4 August 2003 to 31 December 2005.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-Laws, or articles of association or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### BOARD PRACTICES AND PROCEDURES

The Company has complied with the GEM Listing Rules 5.34 to 5.45 concerning board practices and procedures throughout the year.

### AUDIT COMMITTEE

The Company has an audit committee which was established for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls.

The audit committee, comprising two independent non-executive directors and one non-executive director, met four times during the financial year. During the meetings, the audit committee reviewed the accounting principles and practices adopted by the Group, the interim and annual reports of the Group, connected transactions and discussed with management the auditing, internal control and financial reporting matters.

### 保薦人權益

誠如本公司保薦人金榜融資(亞洲)有限公司(「保薦人」)作出更進及通知，於二零零四年十二月三十一日，保薦人本身、其董事、僱員或聯繫人士(定義見創業板上市規則第6.35條附註3)概無於本公司證券中擁有任何權益。

根據本公司與保薦人於二零零三年七月二十三日訂立之協議，保薦人有權就於二零零三年八月四日起至二零零五年十二月三十一日止期間擔任本公司之延聘保薦人而收取顧問費。

### 優先購買權

本公司之細則或組織章程細則或百慕達法例概無載有任何有關優先購買權之條文，而令本公司須按比例基準向現有股東發售新股。

### 董事會慣例及程序

本公司在本年度內均遵守創業板上市規則第5.34條至5.45條的董事會慣例及程序。

### 審核委員會

本公司成立了審核委員會，以便對本集團之財務申報程序及內部控制作出審閱並提供監督。

審核委員會(由兩位獨立非執行董事及一位非執行董事組成)於本財政年度內舉行了四次會議。於該等會議期間內，審核委員會已審閱本集團所採納之會計原則及慣例、本集團之中期報告及年報、關連交易，並與管理層共同商討有關審核、內部控制及財務申報事宜。





## REPORT OF THE DIRECTORS 董事會報告

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2004.

### POST BALANCE SHEET EVENTS

Details of significant events occurring after the balance sheet date are set out in note 39 to the financial statements.

### AUDITORS

In March 2005, Messrs. PricewaterhouseCoopers resigned and Messrs. Deloitte Touche Tohmatsu were appointed as auditors of the Company to fill a casual vacancy.

A resolution will be submitted to the Annual General Meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors.

On behalf of the Board  
**ANTHONY FRANCIS NEOH**  
JOINT CHAIRMAN

Hong Kong  
15 April 2005

### 足夠公眾持股量

本公司於截至二零零四年十二月三十一日止整個年度內均維持足夠公眾持股量。

### 結算日後事項

於結算日後發生之重大事項之詳情載於財務報表附註39。

### 核數師

於二零零五年三月，羅兵咸永道會計師事務所已辭任本公司之核數師一職，而德勤•關黃陳方會計師行獲委任為本公司之核數師，以填補職位空缺。

本公司擬於應屆股東週年大會上提呈一項決議案，以續聘德勤•關黃陳方會計師行為本公司之核數師。

代表董事會  
聯席主席  
梁定邦

香港  
二零零五年四月十五日

# AUDITORS' REPORT

## 核數師報告



**Deloitte.**  
**德勤**

TO THE SHAREHOLDERS OF GLOBAL DIGITAL CREATIONS  
HOLDINGS LIMITED

*(incorporated in Bermuda with limited liability)*

We have audited the financial statements on pages 69 to 136 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

### Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with Section 90 of The Companies Act of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### Basis of opinion

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

致GLOBAL DIGITAL CREATIONS  
HOLDINGS LIMITED 全體股東

*(於百慕達註冊成立之有限公司)*

本行已完成審核刊載於第69至136頁按照香港普遍採納之會計原則編製之財務報表。

### 董事及核數師各自之責任

貴公司董事負責編製真實兼公平之財務報表。在編製該等提供真實兼公平意見之財務報表時，董事必須採用適當之會計政策，並貫徹應用該等會計政策。

本行之責任是根據審核之結果，對該等財務報表出具獨立意見，並按照百慕達公司法第90條僅向整體股東報告，而本報告不得用於其他用途。本行不會就本報告之內容向任何其他人士負上或承擔任何責任。

### 意見之基礎

本行乃遵照香港會計師公會頒佈之核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評審董事於編製財務報表時所作出之重大估計和判斷，所採用之會計政策是否適合 貴公司與 貴集團之具體情況，及有否貫徹應用並足夠披露該等會計政策。



## AUDITORS' REPORT

### 核數師報告

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

#### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2004 and of the loss and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu  
Certified Public Accountants

Hong Kong  
15 April 2005

本行在策劃和進行審核工作時，均以取得所有本行認為必須之資料及解釋為目標，以便獲得充份憑證，就該等財務報表是否存有重大錯誤陳述，作出合理之確定。在作出意見時，本行亦已評估該等財務報表內所載之資料在整體上是否足夠。本行相信，本行之審核工作已為下列意見建立了合理之基礎。

#### 意見

本行認為上述財務報表均真實兼公平地反映 貴公司與 貴集團於二零零四年十二月三十一日結算時之財務狀況，及 貴集團截至該日止年度之虧損及現金流量，並按照香港公司條例之披露規定妥善編製。

德勤•關黃陳方會計師行  
執業會計師

香港  
二零零五年四月十五日



# CONSOLIDATED PROFIT AND LOSS ACCOUNT

## 綜合損益表

FOR THE YEAR ENDED 31 DECEMBER 2004 截至二零零四年十二月三十一日止年度

		NOTES 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Turnover	營業額	5	47,987	11,478
Cost of sales	銷售成本		(35,278)	(8,428)
Allowances for production work in progress	在製項目撥備	18	(84,615)	–
Gross (loss) profit	(毛損) 毛利		(71,906)	3,050
Other operating income	其他經營收入		101	814
Distribution costs	分銷成本		(4,246)	(1,306)
Administrative expenses	行政開支		(33,847)	(30,603)
Impairment losses recognised in respect of property, plant and equipment	已確認物業、廠房及 設備之減值虧損	12	(14,868)	–
Loss from operations	經營虧損	7	(124,766)	(28,045)
Finance costs	融資成本	9	(5,545)	(5,255)
Loss before income tax	除所得稅前虧損		(130,311)	(33,300)
Income tax (expense) credit	所得稅(開支)抵免	10	(25)	151
Net loss for the year	本年度虧損淨額		(130,336)	(33,149)
			HK cents 港仙	HK cents 港仙
Loss per share	每股虧損	11		
Basic	基本		(16.43)	(4.63)
Diluted	攤薄		N/A 不適用	N/A 不適用



## CONSOLIDATED BALANCE SHEET

### 綜合資產負債表

AS AT 31 DECEMBER 2004 於二零零四年十二月三十一日

		NOTES 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	12	14,000	35,984
Investment securities	投資證券	15	–	–
Deferred tax assets	遞延稅項資產	16	151	151
			14,151	36,135
<b>Current assets</b>	<b>流動資產</b>			
Inventories, at cost	存貨(按成本值)	17	5,523	3,564
Production work in progress	在製項目	18	21,301	75,666
Trade receivables	應收貿易賬款	19	18,011	2,828
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬項		4,435	5,902
Amount due from a related party	應收一關連人士款項	20	–	19
Pledged bank deposit	已抵押銀行存款	26(b)	2,004	–
Bank balances and cash	銀行結餘及現金		3,635	21,889
			54,909	109,868
<b>Current liabilities</b>	<b>流動負債</b>			
Training fees received in advance	預收培訓費		2,168	2,255
Trade payables	應付貿易賬款	21	11,018	2,566
Other payables and accruals	其他應付款項及應計費用		20,798	11,204
Amounts due to directors	應付董事款項	22	3,037	416
Amounts due to shareholders	應付股東款項	22	2,147	–
Amounts due to related parties	應付關連人士款項	23	1,180	–
Tax liabilities	稅項負債		25	–
Loans from shareholders	股東貸款			
– due within one year	– 一年內到期	24	3,157	–
Obligations under finance leases	融資租約承擔			
– due within one year	– 一年內到期	25	6,796	7,354
Bank borrowings – due within one year	銀行借貸 – 一年內到期	26	31,907	14,143
Other loans	其他貸款	27	19,940	7,797
			102,173	45,735
<b>Net current (liabilities) assets</b>	<b>流動(負債額)資產淨值</b>		(47,264)	64,133
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		(33,113)	100,268
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Bank borrowings – due after one year	銀行借貸 – 一年後到期	26	–	14,143
Obligations under finance leases	融資租約承擔			
– due after one year	– 一年後到期	25	2,211	6,147
Loans from shareholders – due after one year	股東貸款 – 一年後到期	24	18,237	11,536
			20,448	31,826
			(53,561)	68,442
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	28	8,008	7,800
Share premium and reserves	股份溢價及儲備		(61,569)	60,642
			(53,561)	68,442

The financial statements on pages 69 to 136 were approved and authorised for issue by the Board of Directors on 15 April 2005 and are signed on its behalf by:

**ANTHONY FRANCIS NEOH**  
Director  
梁定邦  
董事

**RAYMOND DENNIS NEOH**  
Director  
梁定雄  
董事

載於第69至136頁之財務報表已於二零零五年四月十五日獲董事會批准及授權發表，並經由下列人士簽署：



# BALANCE SHEET

## 資產負債表



AS AT 31 DECEMBER 2004 於二零零四年十二月三十一日

		NOTES 附註	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Interests in subsidiaries	於附屬公司之投資	13	10,536	86,408
<b>Current assets</b>	<b>流動資產</b>			
Prepayments, deposits and other receivables	預付款項、按金及 其他應收賬項		731	541
Bank balances and cash	銀行結餘及現金		6	10,839
			737	11,380
<b>Current liabilities</b>	<b>流動負債</b>			
Other payables and accruals	其他應付賬項及應計費用		1,992	581
Amounts due to directors	應付董事款項	22	1,833	—
Amounts due to shareholders	應付股東款項	22	225	—
Loans from shareholders	股東貸款			
– due within one year	— 一年內到期	24	3,157	—
Other loans	其他貸款	27	11,143	—
			18,350	581
<b>Net current (liabilities) assets</b>	<b>流動資產淨值(負債淨額)</b>		(17,613)	10,799
			(7,077)	97,207
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	28	8,008	7,800
Share premium and reserves	股份溢價及儲備	30	(15,085)	89,407
			(7,077)	97,207

ANTHONY FRANCIS NEOH

Director

梁定邦

董事

RAYMOND DENNIS NEOH

Director

梁定雄

董事



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### 綜合權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2004 截至二零零四年十二月三十一日止年度

		Share capital	Share premium account	Share issuance costs	Contributed surplus	Statutory reserve	Exchange reserve	Accumulated losses	Total
		股本 HK\$'000 千港元	溢價賬 HK\$'000 千港元	股份成本 HK\$'000 千港元 (Note a) (附註a)	繳入盈餘 HK\$'000 千港元 (Note b) (附註b)	法定儲備 HK\$'000 千港元 (Note c) (附註c)	匯兌儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2003	於二零零三年一月一日	400	-	(4,465)	40,271	415	48	(31,242)	5,427
Issue of shares to pre-listing investors	向上市前投資者發行股份	32	40,168	-	-	-	-	-	40,200
Issue of shares by placing and public offer	透過配售及公開發售發行股份	663	65,637	-	-	-	-	-	66,300
Capitalisation issue	資本化發行	6,705	(6,705)	-	-	-	-	-	-
Share issuance costs	發行股份成本	-	-	(10,336)	-	-	-	-	(10,336)
Transfer to share premium account	轉撥往股份溢價賬	-	(14,801)	14,801	-	-	-	-	-
Net loss for the year	本年度虧損淨額	-	-	-	-	-	-	(33,149)	(33,149)
Transfer to statutory reserve	轉撥往法定儲備	-	-	-	-	123	-	(123)	-
At 31 December 2003	於二零零三年十二月三十一日	7,800	84,299	-	40,271	538	48	(64,514)	68,442
Exchange differences on translation of overseas operations not recognised in the consolidated income statement	因換算海外業務而產生且未於綜合損益表內確認之匯兌差額	-	-	-	-	-	(14)	-	(14)
Issue of shares by placing	透過配售發行股份	208	8,536	-	-	-	-	-	8,744
Share issuance costs	發行股份成本	-	(397)	-	-	-	-	-	(397)
Net loss for the year	本年度虧損淨額	-	-	-	-	-	-	(130,336)	(130,336)
Transfer to statutory reserve	轉撥往法定儲備	-	-	-	-	142	-	(142)	-
At 31 December 2004	於二零零四年十二月三十一日	8,008	92,438	-	40,271	680	34	(194,992)	(53,561)

#### Notes:

- (a) The share issuance costs were written off against the share premium account upon the listing of the Company's shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.
- (b) The contributed surplus represents the difference between the nominal value of share capital of the Company issued and the aggregate amount of nominal value of share capital of subsidiaries acquired by the Company through an exchange of shares pursuant to a group reorganisation, which was completed on 31 December 2002.
- (c) As stipulated by the rules and regulations in the People's Republic of China (the "PRC"), foreign investment enterprises are required to appropriate part of their after-tax profit (after offsetting prior years' losses) to certain statutory reserves. 環球數碼媒體科技(深圳)有限公司("IDMT Shenzhen") and 環球數碼媒體科技(上海)有限公司, wholly-foreign owned enterprises established in the PRC, are required to appropriate 10% of their after-tax profit (after offsetting prior years' losses) to a general reserve fund until the balance of the fund reaches 50% of their share capital thereafter any further appropriation is optional and is determinable by the companies' board of directors. The statutory reserve as at 31 December 2004 represents general reserve fund of IDMT Shenzhen of approximately HK\$680,000 (2003: HK\$538,000) which can only be used, upon approval by the relevant authority, to offset prior years' losses or to increase capital.

#### 附註:

- (a) 發行股份成本已在本公司股份於香港聯合交易所有限公司創業板上市後於股份溢價賬撇減。
- (b) 繳入盈餘指本公司已發行股本之面值與本公司根據集團重組(於二零零二年十二月三十一日完成)透過股份交換所收購附屬公司股本面值總額之差額。
- (c) 按中華人民共和國(「中國」)相關規則及法規之規定,外商投資企業須將其稅後溢利(經對銷往年虧損後)之適當部份撥作若干法定儲備。於中國成立之兩間外商獨資企業環球數碼媒體科技(深圳)有限公司(「環球數碼媒體科技(深圳)」)及環球數碼媒體科技(上海)有限公司均須提取其稅後溢利(經對銷往年虧損後)之10%作為一般儲備金,直至儲備金數額達至其股本之50%為止,其後,可自願作出進一步撥款並經由各公司之董事會釐定。環球數碼媒體科技(深圳)於二零零四年十二月三十一日之法定儲備即一般儲備金為約680,000港元(二零零三年:538,000港元),而該筆法定儲備金僅可用作(經相關機關批准後)對銷往年虧損或增加股本。

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2004 截至二零零四年十二月三十一日止年度



		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Loss from operations	經營虧損	(124,766)	(28,045)
Adjustments for:	經調整下列各項：		
Allowance for production work in progress	在製項目撥備	84,615	—
Impairment losses recognised in respect of property, plant and equipment	出售物業、廠房及設備之減值虧損	14,868	—
Depreciation	折舊	5,307	4,013
Impairment losses recognised in respect of investment securities	已確認投資證券之減值虧損	117	—
Loss (profit) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損（溢利）	84	(658)
Interest income	利息收入	(17)	(156)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(19,792)	(24,846)
Increase in inventories	存貨增加	(1,959)	(3,564)
Increase in production work in progress	在製項目增加	(23,221)	(25,837)
Increase in trade receivables	應收貿易賬款增加	(15,183)	(2,759)
Decrease (increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少（增加）	604	(4,598)
Decrease in amount due from an officer	應收一高級職員款項減少	—	(3,300)
Decrease in amount due to a shareholder	應付一股東款項減少	—	(12)
Decrease (increase) in amount due from a related party	應收一關連人士款項減少（增加）	19	(19)
(Decrease) increase in training fees received in advance	預收培訓費（減少）增加	(87)	1,133
Increase in trade payables	應付貿易賬款增加	8,452	2,566
Increase in other payables and accruals	其他應付款項及應計費用增加	9,580	3,531
Increase (decrease) in amounts due to directors	應付董事款項增加（減少）	2,621	(182)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>經營活動所用淨現金</b>	<b>(38,966)</b>	<b>(57,887)</b>
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	(2,176)	(10,671)
Increase in pledged bank deposit	已抵押銀行存款增加	(2,004)	—
Purchase of investment securities	購買投資證券	(117)	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	400	976
Interest received	已收利息	17	156
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所用淨現金</b>	<b>(3,880)</b>	<b>(9,539)</b>



# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2004 截至二零零四年十二月三十一日止年度

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Increase (decrease) in loans from shareholders	股東貸款增加(減少)	9,858	(8,110)
Other loans raised	所籌其他貸款	12,143	9,797
Issue of shares	發行股份	8,744	106,500
Increase in amounts due to shareholders	應付股東款項增加	2,147	–
Bank loans raised	所籌銀行貸款	1,565	14,143
Increase (decrease) in amounts due to related parties	應付關連人士增加(減少)	1,180	(70)
Repayment of obligations under finance leases	償還融資租賃承擔	(7,370)	(6,557)
Interest paid	已付利息	(5,334)	(5,841)
Share issuance costs	發行股份成本	(397)	(10,336)
Repayment of other loans	償還其他貸款	–	(10,500)
Redemption of convertible note	贖回可換股票據	–	(7,800)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>融資活動產生之淨現金</b>	<b>22,536</b>	<b>81,226</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值物之(減少)增加淨額</b>	<b>(20,310)</b>	<b>13,800</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>年初之現金及現金等值物</b>	<b>21,889</b>	<b>8,089</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>年終之現金及現金等值物</b>	<b>1,579</b>	<b>21,889</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值物之分析</b>		
Bank balances and cash	銀行結餘及現金	3,635	21,889
Secured bank overdrafts	已抵押銀行透支	(2,056)	–
		<b>1,579</b>	<b>21,889</b>

# NOTES TO THE ACCOUNTS

## 賬目附註



### 1. GENERAL

The Company was incorporated in Bermuda on 9 October 2002 as an exempted company with limited liability under The Companies Act 1981 of Bermuda (as amended). The shares of the Company are listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 4 August 2003.

The Company is an investment holding company. The activities of its principal subsidiaries are set out in note 38.

### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Group incurred significant losses of approximately HK\$130,336,000 for the year ended 31 December 2004 and the Group had net current liabilities of approximately HK\$47,264,000 as at 31 December 2004. Notwithstanding, the directors are of opinion that the preparation of these financial statements under going concern basis is appropriate due to the following considerations:

#### (1) Bank borrowing's restructuring

Up to the date of approval of the financial statements, the Group signed an agreement with a bank to extend the maturity date of a bank loan of RMB13,000,000, or equivalent to approximately HK\$12,257,000, from March 2005 to March 2006.

### 1. 一般事項

本公司是於二零零二年十月九日在百慕達根據百慕達一九八一年公司法(經修訂)而註冊成立之受豁免有限公司。本公司股份乃於二零零三年八月四日在香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市。

本公司為一間投資控股公司，其主要附屬公司之業務載於附註38。

### 2. 財務報表的編製基準

本集團截至二零零四年十二月三十一日止年度錄得重大虧損約130,336,000港元，而本集團於二零零四年十二月三十一日之流動負債淨額為約47,264,000港元。儘管如此，董事認為按持續經營基準編製該等財務報表仍屬適當，其理由如下：

#### (1) 重組銀行借貸之結構

直至該等財務報表獲批准之日為止，本集團與一間銀行簽署協議，以將銀行貸款人民幣13,000,000元(或約相等於12,257,000港元)之到期日由二零零五年三月延至二零零六年三月。





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

##### (1) Bank borrowing's restructuring (Continued)

In addition, another bank loan of RMB15,000,000 or equivalent to approximately HK\$14,143,000 borrowed from Bank of China, Shenzhen branch, details of which are set out in note 26, has to be repaid on 3 November 2005. However, the directors are of the opinion that the maturity date is likely to be extended for a further year.

##### (2) Availability of facility

The amount available to the Group for additional borrowings under the facility granted at 31 December 2004 was approximately HK\$9,157,000. The availability of the facility further increased to approximately HK\$19,157,000 subsequently.

##### (3) Other loan from SCG Finance Corporation Limited ("SCG Finance"), a wholly-owned subsidiary of Shougang Concord Grand (Group) Limited ("SCG")

SCG is incorporated in Bermuda as an exempted company with limited liability with its shares listed on the Stock Exchange. As disclosed in note 39, SCG became the holding company of the Group subsequent to 31 December 2004 and the directors are of the opinion that SCG will provide continuous financial support to the Group.

##### (4) Loans from shareholders

The loan advanced from Mr. Anthony Francis Neoh of approximately HK\$18,237,000 has been confirmed by him that he will not seek repayment from the Group within twelve months from 31 December 2004 or a date upon which such repayment would not have material adverse effect on the operation of the Group.

#### 2. 財務報表的編製基準(續)

##### (1) 重組銀行借貸之結構(續)

此外，中國銀行深圳分行所提供另一筆為數人民幣15,000,000元(或約相等於14,143,000港元)之銀行貸款(其詳情載於附註26)將須於二零零五年十一月三日償還。然而，董事認為該筆貸款之到期日有望再延長一年。

##### (2) 可動用之信貸額

於二零零四年十二月三十一日，本集團所獲授信貸之可動用額外借貸額約為9,157,000港元。可動用之信貸額隨後進一步增至約19,157,000港元。

##### (3) 首長四方(集團)有限公司(「首長四方」)之全資附屬公司首長四方財務有限公司(「首長四方財務」)所提供之其他貸款

首長四方為一間於百慕達註冊成立之受豁免有限公司，其股份在聯交所上市。誠如附註39所披露，首長四方於二零零四年十二月三十一日後成為本集團之控股公司，而董事認為首長四方將對本集團提供持續財務支援。

##### (4) 股東貸款

梁定邦先生提供之貸款為約18,237,000港元，梁定邦先生已確認其將不會尋求本集團由二零零四年十二月三十一日起十二個月內償還該筆貸款，或該筆貸款的還款日期將不會對本集團之經營造成重大不利影響。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 3. POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS

In 2004, the Hong Kong Institute of Certified Public Accountants issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards (hereinafter collectively referred to as "new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 December 2004.

The Group has commenced considering the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs would have a significant impact on how the results of operations and financial position of the Group are prepared and presented. These new HKFRSs may result in changes in the future as to how the results of operations and financial position of the Group are prepared and presented.

### 4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and, in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

#### Basis of consolidation

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

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement 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 have been eliminated on consolidation.

#### Investments in subsidiaries

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

### 3. 最近頒佈之會計準則所產生之潛在影響

於二零零四年，香港會計師公會頒佈多項新增及經修訂之香港會計準則及香港財務申報準則（以下統稱為「新香港財務申報準則」），並於二零零五年一月一日或其後開始之會計期間生效。本集團於截至二零零四年十二月三十一日止年度之財務報表內並無提早採納新香港財務申報準則。

本集團已開始考慮該等新香港財務申報準則之潛在影響，惟尚未能斷定該等新香港財務申報準則會否對本集團所編製及呈列之經營業績及財政狀況造成重大影響。該等新香港財務申報準則可能會令本集團日後須就編製及呈列經營業績及財政狀況作出調整。

### 4. 主要會計政策

本財務報表經已按歷史成本慣例並根據香港普遍採納之會計原則而編製。所採納之主要會計政策如下：

#### 綜合基準

綜合財務報表包括本公司及其附屬公司截至每年十二月三十一日止之財務報表。

於本年度內所收購或出售之附屬公司業績乃由收購生效日期起或直至出售生效日期為止計入綜合損益表內（如適用）。

所有本集團內公司間之重大交易及結餘均已作綜合對銷。

#### 於附屬公司之投資

於附屬公司之投資乃按成本值減任何已確認減值虧損計入本公司之資產負債表內。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Jointly controlled operations

Where a group company undertakes its activities under joint venture arrangements directly, constituted as jointly controlled operations, the assets and liabilities arising from those jointly controlled operations are recognised in the balance sheet of the relevant company on an accrual basis and classified according to the nature of the item. The Group's share of the income from jointly controlled operations together with the expenses that it incurs are included in the income statement when it is probable that the economic benefits associated with the transactions will flow to/from the Group.

##### Revenue recognition

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

Training fee income is recognised over the period of the course. Unearned training fee income received is recorded as training fees received in advance.

Rental income from equipment leasing is recognised on a straight line basis over the relevant lease terms.

Box office receipts are recognised when the digital motion pictures are exhibited.

Franchise fees from digital cinemas for use of equipment are recognised on an accrual basis in accordance with the substance of the relevant franchise agreement.

CG creation and production income is recognised when the film production service is provided.

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

#### 4. 主要會計政策 (續)

##### 共同控制業務

若一間集團公司承諾其業務乃直接根據合營企業安排組成共同控制業務，則該等共同控制業務所產生之資產及負債乃按應計基準於有關公司之資產負債表內確認，並根據各項目性質予以分類。當預知有關交易之經濟利益將會流入／流出本集團時，則本集團所攤佔共同控制業務之收入連同引致之開支乃計入損益表內。

##### 收益確認

貨品銷售額乃當貨品已付運及業權已轉讓時確認。

培訓費收入按培訓過程之期限確認。已收未賺取之培訓費收入乃入賬列為預收培訓費。

設備租賃之租金收入乃以直線法按有關租賃期限確認。

票房收入乃於數碼電影上映時確認。

因使用數碼影院設備而產生之專利權費乃根據有關專利權協議之實質內容按應計基準確認。

電腦圖像創作及製作收入乃於提供電影製作服務時確認。

利息收入乃經參考尚未償還本金額及適用息率後按時間比例基準確認。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation are provided to write off the cost of assets, other than construction in progress, over their estimated useful lives, using the straight line method, at the following rates per annum:

Leasehold improvements	Over the term of the lease
Furniture, fixtures and equipment	5 years
Computer equipment	3 years
Digital film encoders and servers	10 years
Motor vehicles	5 years

Construction in progress represents assets in the course of construction for production, or administrative purposes, or for purposes not yet determined, are carried at cost, less any identified impairment loss. Cost includes all construction expenditure and other direct costs attributable to such projects. Costs on completed construction work are transferred to other appropriate category of property, plant and equipment and depreciation of these assets are charged, on the same basis as other assets when the construction of the related assets is completed.

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

### 4. 主要會計政策 (續)

#### 物業、廠房及設備

物業、廠房及設備 (在建項目除外) 乃按成本值減累計折舊及累計減值虧損列賬。

折舊指按物業、廠房及設備 (在建項目除外) 之估計可使用年期以直線法撇減其資產之成本，所用年率如下：

租賃裝修	按租約期限
傢俬、裝置及設備	5年
電腦設備	3年
數碼電影編碼器及伺服器	10年
汽車	5年

在建項目指尚在製作過程中或作行政用途或使用目的仍未釐定之資產，並按成本值減任何已確認減值虧損入賬。成本包括所有在建項目開支及該等項目之其他直接應佔成本。在建項目完成時之成本乃轉撥至其他物業、廠房及設備之適當類別，並按相同基準於有關資產之興建完成時將該等資產之折舊扣除作其他資產。

按融資租賃持有之資產乃以所擁有資產之相同基準按其估計可使用年期或 (倘較短) 相關租賃期限予以折舊。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 4. 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 sale proceeds and the carrying amount of the asset and is recognised in the income statement.

##### Investments in securities

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

Investments other than held-to-maturity debt securities are classified as investment securities and other investments.

Investment securities, which are securities held for an identified long-term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in net profit or loss for the period.

##### Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an 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. An impairment loss is recognised as an expense immediately.

#### 4. 主要會計政策 (續)

##### 物業、廠房及設備 (續)

因出售或棄置資產而產生之收益或虧損乃釐定為銷售所得款項與資產面值之差額，並於損益表內確認。

##### 於證券之投資

於證券之投資乃按交易日基準確認並初步按成本值計算。

除持至到期日債券以外之投資乃分類作投資證券及其他投資。

投資證券(就既定長期策略目的而持有之證券)乃於日後業績申報日期按成本值計算，並減去任何非暫時性減值虧損。

其他投資乃按公平價值計算，而未變現盈利及虧損乃計入有關期間溢利或虧損淨額內。

##### 減值

於各結算日，本集團會審核其資產之面值，以釐定該等資產是否出現任何減值虧損跡像。若估計資產之可收回數額低於其賬面值，則該資產之賬面值將減至其可收回數額。減值虧損乃即時確認作開支。



# NOTES TO THE ACCOUNTS

## 賬目附註



### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment (Continued)

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 an impairment loss is recognised as income immediately.

#### Film costs and films under production

Films under production is stated at lower of cost and net realisable value. Cost comprises direct production costs, consultancy fees, payment for intellectual property rights and appropriate proportion of production overheads which are allocated on the basis of floor areas occupied by the production unit, proportion of time of production facilities utilised or other systematic allocation methods where the directors consider appropriate.

Production costs are transferred to film costs upon completion. Film costs are stated at the lower of cost less accumulated amortisation, and net realisable value. Film costs, net of allowance, are amortised based on the ratio of the actual gross revenues of the current year to the estimated remaining total gross revenues from all sources on an individual production basis.

### 4. 主要會計政策 (續)

#### 減值 (續)

若減值虧損隨後撥回，則資產之賬面值乃增至其可收回數額之經修訂估計值，惟經增加後之面值不得超過於過往年度資產並無出現任何減值虧損時釐定之面值。撥回之減值虧損乃即時確認作收入。

#### 電影成本及在製電影

在製電影乃按成本值與可變現淨值之較低者列賬。成本包括直接製作成本、顧問費、知識產權費及所佔日常製作費用之適當部份，而日常製制費用乃按製作室所佔樓面面積、所使用製作設備之時間比例或董事認為適宜之其他系統分配方法分攤。

製作成本於製作完成後轉撥至電影成本內。電影成本乃按成本值減累計攤銷與可變現淨值之較低者列賬。電影成本(扣除撥備)乃按本年度之實際總收益與按個別製作基準計算之所有其他製作之估計餘下總收益間之比例攤銷。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Inventories

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

##### 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 income statement items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on 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, 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.

#### 4. 主要會計政策 (續)

##### 存貨

存貨乃按成本值與可變現淨值之較低者列賬。成本按先入先出法計算。

##### 稅項

所得稅開支指本期應付稅項及遞延稅項。

本期應付稅項乃按本年度之應課稅溢利計算。應課稅溢利與損益表中所報純利不同，是因為前者不包括在其他年度應課稅或可扣稅的收入或開支，並且不包括損益表內從未課稅或扣稅之項目。

遞延稅項為就財務報表之資產及負債賬面值與計算應課稅溢利相應稅基之差額而預期需支付或可收回之稅項，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暫時差額予以確認，而遞延稅項資產乃按可能出現可用作抵扣可扣稅暫時差額之應課稅溢利時提撥。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, 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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is 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.

#### 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 value at the date of acquisition. The corresponding liability to the lessor, net of interest charges, is 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 period of the relevant leases so as to produce a constant periodic rate of charge on the remaining balances of the obligations for each accounting period.

### 4. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項負債乃按因投資於附屬公司而產生之應課稅暫時差額確認，惟若本集團可控制暫時差額之撥回及暫時差額可能於可見將來不會撥回之情況則除外。

遞延稅項資產之賬面值會於各結算日作檢討，並在不再可能有足夠應課稅溢利讓全部或部份資產得以收回時作調減。

遞延稅項乃按預期於負債清償或資產變現期間內之適用稅率計算。遞延稅項會於損益表中扣除或計入損益表，惟倘與遞延稅項有關之項目直接於股本權益中扣除或計入，則該遞延稅項亦會於股本權益中處理。

#### 租賃

當租賃條款將有關所有權之絕大部份風險及回報轉予本集團時，租賃乃分類為融資租賃。按融資租賃持有之資產乃於收購日期按公平價值予以資本化。有關出租人之相應負債(扣除利息支出)乃計入資產負債表內作融資租賃承擔。融資成本(即總租賃承擔與所收購資產之公平價值之差額)乃按相關租賃期限於損益表內扣除，以使各會計期間之承擔餘額之定期扣除額維持不變。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Leases (Continued)

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

##### Foreign currencies

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign 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 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 exchange reserve. Such translation differences are recognised as income or as expenses in the year in which the operation is disposed of.

#### 4. 主要會計政策 (續)

##### 租賃 (續)

所有其他租賃均分類為經營租賃，而有關租金乃以直線法按相關租賃年期於損益表內扣除。

##### 外幣

以外幣進行之交易初步乃按交易日之適用匯率換算。以外幣為單位之貨幣資產及負債均按結算日之適用匯率換算。因匯率換算而產生之溢利或虧損乃計入本年度之純利或虧損淨額內。

於綜合賬目時，本集團海外經營業務之資產及負債乃按結算日之適用匯率換算。收入及開支項目乃按年內平均匯率換算。由此產生之匯兌差額（如有）乃分類作股本權益並轉撥至本集團之匯兌儲備。有關換算差額乃於業務被出售之年度內確認作收入或開支。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight line basis over its useful life.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

#### Borrowing costs

Borrowing costs directly attributable to the production of films that necessary takes a substantial period of time to get ready for sale are capitalised as part of the production work in progress. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended sale.

Guarantee fees paid in respect of the Group's bank borrowings are amortised on a straight line basis over the term of bank borrowings.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

#### Retirement benefit costs

Payments to state managed retirement benefit schemes and the Mandatory Provident Fund Scheme are charged as expenses when they fall due.

### 4. 主要會計政策 (續)

#### 研究及開發開支

研究活動開支乃於其產生之期間內確認作支出。

因開發開支而由內部產生之無形資產僅於清晰界定之項目所產生之開發成本預計會透過未來商業活動收回時確認。所產生之資產乃以直線法按其估計使用年期攤銷。

若未能確認內部產生之無形資產，則開發開支乃於產生之期間內確認作支出。

#### 借貸成本

若在製電影需長時間準備方可出售，則電影製作之直接應佔借貸成本須作為在製項目部份撥充資本。當絕大部份資產已可作其原擬定出售，則有關借貸成本將停止撥充資本。

就本集團之銀行借貸而支付之擔保費用乃以直線法按銀行借貸之年期予以攤銷。

所有其他借貸成本乃於其產生之期間內確認作支出。

#### 退休福利成本

向國有退休福利計劃及強制性公積金計劃作出之供款乃於其到期支付時扣除作支出。





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 5. TURNOVER

Turnover represents the amounts received and receivable for goods sold by the Group to outside customers, less returns and trade discounts, revenue arising on training fee, distribution of digital motion pictures and franchise fee, rental income from equipment leasing and CG creation and production income during the year.

An analysis of the Group's turnover is as follows:

#### 5. 營業額

於本年度內，營業額指已收賬款及本集團向外界客戶銷售貨品之應收賬款（減退貨及貿易折讓）；培訓費、發行數碼電影及專利權費產生之收益；設備租賃之租金收入及電腦圖像創作及製作收入。

本集團營業額之分析如下：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Sales of goods	銷售貨品	41,630	8,599
Training fee	培訓費	5,064	2,577
Rental income from equipment leasing	設備租賃之租金收入	1,072	137
Box office receipts from distribution of digital motion pictures	發行數碼電影之 票房收入	93	93
Franchise fee from digital cinema for use of equipment	數碼影院使用設備所產生之 專利權費	76	72
CG creation and production income	電腦圖像創作及製作收入	52	—
		47,987	11,478

# NOTES TO THE ACCOUNTS

## 賬目附註



### 6. BUSINESS AND GEOGRAPHICAL SEGMENTS

#### (a) Business segments

For management purposes, the Group is currently organised into three operating divisions – digital content distribution and exhibitions, the provision of CG training courses and CG creation and production. These divisions are the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented below:

### 6. 業務及地區分部

#### (a) 業務分部

就管理而言，本集團現時分為三個經營分部，包括數碼內容發行及展示、提供電腦圖像培訓課程及電腦圖像創作及製作。該等分部乃本集團呈報其主要分部資料之基準。

有關該等業務之分部資料呈列如下：

		For the year ended 31 December 2004 截至二零零四年十二月三十一日止年度			
		Digital content distribution and exhibitions 數碼內容發行及展示 HK\$'000 千港元	CG training courses 電腦圖像培訓課程 HK\$'000 千港元	CG creation and production 電腦圖像創作及製作 HK\$'000 千港元	Consolidated 合計 HK\$'000 千港元
Turnover	營業額				
External	對外	42,871	5,064	52	47,987
Result	業績				
Segment result	分部業績	1,601	(9,026)	(105,431)	(112,856)
Unallocated corporate income	未分配企業收入				17
Unallocated corporate expenses	未分配企業開支				(11,927)
Loss from operations	經營虧損				(124,766)
Finance costs	融資成本				(5,545)
Loss before income tax	除所得稅前虧損				(130,311)
Income tax expense	所得稅開支				(25)
Net loss for the year	本年度虧損淨額				(130,336)



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

##### (a) Business segments (Continued)

##### OTHER INFORMATION

Capital additions	其他資料 資本增加
Depreciation	折舊
Allowances for production work in progress	在製項目 撥備
Impairment losses recognised in respect of property, plant and equipment	已確認物業、廠房 及設備之 減值虧損
Amortisation of loan guarantee fee	貸款擔保費用之攤銷

#### 6. 業務及地區分部 (續)

##### (a) 業務分部 (續)

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

Digital content distribution and exhibitions 數碼內容 發行及展示 HK\$'000 千港元	CG training courses 電腦圖像 培訓課程 HK\$'000 千港元	CG creation and production 電腦圖像 創作及製作 HK\$'000 千港元	Corporate 對銷 HK\$'000 千港元	Consolidated 合計 HK\$'000 千港元
1,207	182	3,657	6	5,052
2,176	2,108	7,197	203	11,684
–	–	84,615	–	84,615
9,912	4,956	–	–	14,868
–	–	–	863	863

# NOTES TO THE ACCOUNTS

## 賬目附註



### 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

#### (a) Business segments (Continued)

### 6. 業務及地區分部 (續)

#### (a) 業務分部 (續)

		At 31 December 2004 於二零零四年十二月三十一日			
		Digital content distribution and exhibitions 數碼內容 發行及展示 HK\$'000 千港元	CG training courses 電腦圖像 培訓課程 HK\$'000 千港元	CG creation and production 電腦圖像 創作及製作 HK\$'000 千港元	Consolidated 合計 HK\$'000 千港元
<b>BALANCE SHEET</b>	<b>資產負債表</b>				
Assets	資產				
Segment assets	分部資產	28,902	1,944	31,410	62,256
Unallocated corporate assets	未分配企業資產				6,804
Consolidated total assets	綜合總資產				69,060
Liabilities	負債				
Segment liabilities	分部負債	13,415	8,040	8,321	29,776
Unallocated corporate liabilities	未分配企業負債				92,845
Consolidated total liabilities	綜合總負債				122,621



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

##### (a) Business segments (Continued)

#### 6. 業務及地區分部 (續)

##### (a) 業務分部 (續)

For the year ended 31 December 2003

截至二零零三年十二月三十一日止年度

		Digital content distribution and exhibitions 數碼內容 發行及展示 HK\$'000 千港元	CG training courses 電腦圖像 培訓課程 HK\$'000 千港元	CG creation and production 電腦圖像 創作及製作 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 合計 HK\$'000 千港元
Turnover	營業額					
External	對外	8,901	2,577	–	–	11,478
Inter-segment*	分部間*	2,025	–	–	(2,025)	–
Total	總額	10,926	2,577	–	(2,025)	11,478
Result	業績					
Segment result	分部業績	(8,824)	(4,078)	(6,408)		(19,310)
Unallocated corporate income	未分配企業收入					156
Unallocated corporate expenses	未分配企業開支					(8,891)
Loss from operations	經營虧損					(28,045)
Finance costs	融資成本					(5,255)
Loss before income tax	除所得稅前虧損					(33,300)
Income tax credit	所得稅抵免					151
Net loss for the year	本年度虧損淨額					(33,149)

\* Inter-segment transactions are charged at prevailing market prices.

\* 分部間交易以現行市價扣除。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

#### (a) Business segments (Continued)

### 6. 業務及地區分部 (續)

#### (a) 業務分部 (續)

For the year ended 31 December 2003

截至二零零三年十二月三十一日止年度

		Digital content distribution and exhibitions 數碼內容 發行及展示 HK\$'000 千港元	CG training courses 電腦圖像 培訓課程 HK\$'000 千港元	CG creation and production 電腦圖像 創作及製作 HK\$'000 千港元	Corporate 公司 HK\$'000 千港元	Consolidated 合計 HK\$'000 千港元
OTHER INFORMATION	其他資料					
Capital additions	資本增加	3,427	1,409	12,130	893	17,859
Depreciation	折舊	1,829	1,804	5,706	378	9,717
Amortisation of loan guarantee fee	貸款擔保費用 之推銷	-	-	-	743	743





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

##### (a) Business segments (Continued)

#### 6. 業務及地區分部 (續)

##### (a) 業務分部 (續)

At 31 December 2003

於二零零三年十二月三十一日

		Digital content distribution and exhibitions 數碼內容 發行及展示 HK\$'000 千港元	CG training courses 電腦圖像 培訓課程 HK\$'000 千港元	CG creation and production 電腦圖像 創作及製作 HK\$'000 千港元	Consolidated  合計 HK\$'000 千港元
<b>BALANCE SHEET</b>	<b>資產負債表</b>				
<b>Assets</b>	<b>資產</b>				
Segment assets	分部資產	13,125	6,021	101,569	120,715
Unallocated corporate assets	未分配企業資產				25,288
Consolidated total assets	綜合總資產				146,003
<b>Liabilities</b>	<b>負債</b>				
Segment liabilities	分部負債	4,377	4,673	5,741	14,791
Unallocated corporate liabilities	未分配企業負債				62,770
Consolidated total liabilities	綜合總負債				77,561

# NOTES TO THE ACCOUNTS

## 賬目附註



### 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

#### (b) Geographical segments

The Group's three business segments operate in four main geographical areas, namely, the People's Republic of China (the "PRC"), India, Singapore and other regions. The head office of the Group is located in Hong Kong. The Group's CG creation and production centre and the CG training facilities are located in the PRC. Customers of the Group's digital content distribution and exhibitions business are located in the PRC, India, Singapore and other regions.

The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods.

### 6. 業務及地區分部 (續)

#### (b) 地區分部

本集團之三個業務分部主要在四個地區經營，即中華人民共和國（「中國」）、印度、新加坡及其他地區。本集團之總辦事處設於香港，而電腦圖像創作及製作中心及電腦圖像培訓學校則位於中國。本集團數碼內容發行及展示業務之客戶遍佈中國、印度、新加坡及其他地區。

下表為本集團營業額按地區市場之分析而不論產品來源地。

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
The PRC, excluding Hong Kong	中國，不包括香港	29,747	2,814
India	印度	1,905	7,100
Singapore	新加坡	5,653	78
Other regions	其他地區	10,682	1,486
		47,987	11,478



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 6. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

##### (b) Geographical segments (Continued)

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

#### 6. 業務及地區分部 (續)

##### (b) 地區分部 (續)

以下為分部資產之面值及物業、廠房及設備之添置按其資產所在地區之分析：

		Segment assets 分部資產		Additions to property, plant and equipment 物業、廠房及設備之添置	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
The PRC, excluding Hong Kong	中國，不包括 香港	52,897	67,321	3,838	13,691
Hong Kong	香港	2,921	48,129	1,174	4,083
India	印度	1,116	1,485	—	—
Singapore	新加坡	728	115	—	—
Other regions	其他地區	4,594	3,665	40	85
Total	合計	62,256	120,715	5,052	17,859

# NOTES TO THE ACCOUNTS

## 賬目附註



### 7. LOSS FROM OPERATIONS

### 7. 經營虧損

		THE GROUP 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Loss from operations was arrived at after charging:	經營虧損已扣除下列各項：		
Auditors' remuneration	核數師酬金	874	1,035
Depreciation	折舊	11,684	9,717
Less: amounts included in production work in progress	減：計入在製項目之款額	(6,377)	(5,704)
		5,307	4,013
Exchange loss, net	匯兌虧損(淨額)	177	73
Impairment losses recognised in respect of investment securities	已確認投資證券之減值虧損	117	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	84	—
Minimum lease payments under operating leases for land and buildings	經營租賃土地及樓宇之最低租賃付款	6,069	4,708
Less: amounts included in production work in progress	減：計入在製項目之款額	(1,392)	(1,158)
		4,677	3,550
Research and development costs	研究及開發成本	2,275	2,845
Staff costs, including directors' emoluments (note 8(a)):	員工成本，包括董事酬金(附註8(a))：		
– Salaries, wages and other benefits	– 薪金、工資及其他福利	35,590	30,320
– Retirement benefit scheme contributions	– 退休福利計劃供款	1,683	1,101
Total staff costs	總員工成本	37,273	31,421
Less: amounts included in production work in progress	減：計入在製項目之款額	(17,638)	(17,795)
amounts included in research and development costs	計入研究及開發成本之款額	(2,275)	(2,845)
		17,360	10,781
and after crediting:	並計入下列各項：		
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	—	658
Interest income	利息收入	17	156



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 8. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

##### (a) Directors' emoluments

Details of emoluments paid and payable to the directors during the year are as follows:

		Year ended 31 December 2004 截至二零零四年十二月三十一日止年度			
		Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		袍金	薪金及其他福利	退休福利計劃供款	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors:	執行董事：				
Mr. Raymond Dennis Neoh	梁定雄先生	1,200	336	12	1,548
Mr. Richard Yin Yingneng	尹應能先生	–	1,200	6	1,206
		1,200	1,536	18	2,754
Non-executive directors:	非執行董事：				
Mr. Anthony Francis Neoh	梁定邦先生	–	–	–	–
Dr. David Deng Wei	鄧偉博士	300	–	–	300
Mr. Stephen Scharf	Stephen Scharf先生	300	–	–	300
		600	–	–	600
Independent non-executive directors:	獨立非執行董事：				
Mr. Gordon Kwong Che Keung	鄭志強先生	380	–	–	380
Professor Japhet Sebastian Law	羅文鈺教授	380	–	–	380
Mr. Paul Kwan Yuen Chiu	關遠釗先生	–	–	–	–
Dato' Mohd Ibrahim bin Mohd Zain	Dato' Mohd Ibrahim bin Mohd Zain	133	–	–	133
		893	–	–	893
		2,693	1,536	18	4,247

#### 8. 董事及僱員酬金

##### (a) 董事酬金

於本年度內，已付及應付董事酬金之詳情如下：

# NOTES TO THE ACCOUNTS

## 賬目附註



### 8. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

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

Notes:

- (a) Resigned on 24 June 2004.
- (b) Re-designated from independent non-executive director to non-executive director on 1 April 2004 and resigned on 16 February 2005.
- (c) Appointed on 25 September 2004.
- (d) Appointed on 18 January 2004 and resigned on 10 June 2004.

### 8. 董事及僱員酬金 (續)

#### (a) 董事酬金 (續)

附註：

- (a) 於二零零四年六月二十四日辭任。
- (b) 於二零零四年四月一日由獨立非執行董事轉任為非執行董事，並於二零零五年二月十六日辭任。
- (c) 於二零零四年九月二十五日獲委任。
- (d) 於二零零四年一月十八日獲委任並於二零零四年六月十日辭任。

		Year ended 31 December 2003 截至二零零三年十二月三十一日止年度			
		Fees 袍金 HK\$'000 千港元	Salaries and other benefits 薪金及其他福利 HK\$'000 千港元	Retirement benefit scheme contributions 退休福利計劃供款 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Executive directors:	執行董事：				
Mr. Raymond Dennis Neoh	梁定雄先生	–	1,536	12	1,548
Mr. Richard Yin Yingneng	尹應能先生	150	600	3	753
		150	2,136	15	2,301
Non-executive directors:	非執行董事：				
Mr. Anthony Francis Neoh	梁定邦先生	–	–	–	–
Dr. David Deng Wei	鄧偉博士	225	–	–	225
		225	–	–	225
Independent non-executive directors:	獨立非執行董事：				
Mr. Gordon Kwong Che Keung	鄭志強先生	285	–	–	285
Professor Japhet Sebastian Law	羅文鈺教授	285	–	–	285
Mr. Stephen Scharf	Stephen Scharf先生	225	–	–	225
Dato' Mohd Ibrahim bin Mohd Zain	Dato' Mohd Ibrahim bin Mohd Zain	–	–	–	–
		795	–	–	795
		1,170	2,136	15	3,321





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 8. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

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

Mr. Paul Kwan Yuen Chiu waived his emoluments of approximately HK\$75,000 (2003: Nil) for the year ended 31 December 2004. No other directors waived any emoluments for the years ended 31 December 2004 and 2003.

##### (b) Employees' emoluments

During the year, the five highest paid individuals included two directors (2003: two directors), details of whose emoluments are set out above. The emoluments of the remaining three (2003: three) highest paid individuals were as follows:

#### 8. 董事及僱員酬金 (續)

##### (a) 董事酬金 (續)

截至二零零四年十二月三十一日止年度，關遠釗先生放棄其酬金約75,000港元（二零零三年：無）。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，並無其他董事放棄任何酬金。

##### (b) 僱員酬金

於本年度內，五位最高薪人士包括兩位董事（二零零三年：兩位董事），其酬金詳情載於上文。餘下三位（二零零三年：三位）最高薪人士之酬金如下：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	3,867	4,905
Retirement benefits scheme contributions	退休福利計劃供款	32	24
Performance related incentive payments	相關表現獎金	—	390
		3,899	5,319

# NOTES TO THE ACCOUNTS

## 賬目附註



### 8. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

#### (b) Employees' emoluments (Continued)

Their emoluments were within the following bands:

### 8. 董事及僱員酬金 (續)

#### (b) 僱員酬金 (續)

彼等之酬金介乎以下組別：

		Number of employees 僱員數目	
		2004 二零零四年	2003 二零零三年
Nil to HK\$1,000,000	零至1,000,000港元	2	—
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	—	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	—	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	1
		3	3



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 9. FINANCE COSTS

#### 9. 融資成本

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Interest on:	下列各項之利息：		
Bank borrowings wholly repayable within five years	銀行借貸(須於五年內全數償還)	1,895	1,553
Finance leases	融資租賃	1,069	1,330
Loans from shareholders	股東貸款	1,563	1,586
Other loans	其他貸款	807	470
Convertible note	可換股票據	—	134
Amortisation of loan guarantee fee	貸款擔保費用之攤銷	863	743
		6,197	5,816
Less: amounts included in production work in progress	減：計入在製項目之款額	(652)	(561)
		5,545	5,255

# NOTES TO THE ACCOUNTS

## 賬目附註



### 10. INCOME TAX (EXPENSE) CREDIT

### 10. 所得稅(開支)抵免

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
The income tax expense (credit) comprises:	所得稅開支(抵免)包括：		
Current tax	當期稅項		
– PRC Enterprise Income Tax ("EIT")	– 中國企業所得稅 (「中國企業所得稅」)	25	–
Deferred taxation (note 16)	遞延稅項(附註16)		
– Current year	– 現年度	–	(151)
		25	(151)

No provision for Hong Kong Profits Tax has been made in the financial statements for both years as the Group had no assessable profit arising in Hong Kong.

由於本集團未有在香港產生應課稅溢利，故未有在本年度之財務報表內就香港利得稅作出撥備。

Pursuant to the relevant income tax regulations for productive enterprises with foreign investment established in the PRC and being approved by the relevant PRC tax authority, the subsidiaries in the PRC are eligible for an exemption from PRC EIT for two years starting from the first profit-making year after offsetting all tax losses carried forward from the previous five years, followed by a 50% reduction of tax rate in the next three years.

根據適用於在中國成立之外商投資生產企業之有關所得稅法規並經中國有關稅務機關批准，在中國之附屬公司合資格由其抵消過去五年結轉之所有稅務虧損後首個溢利年度起兩個年度，獲豁免繳納中國企業所得稅，並在其後三年獲減免一半稅率。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 10. INCOME TAX (EXPENSE) CREDIT (Continued)

The income tax expense (credit) for the year can be reconciled to the loss per the consolidated income statement as follows:

#### 10. 所得稅(開支)抵免(續)

本年度所得稅開支(抵免)與綜合損益表虧損之對賬如下：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(130,311)	(33,300)
Tax calculated at Hong Kong Profits Tax rate of 17.5% (2003: 17.5%)	按香港利得稅稅率17.5% (二零零三年：17.5%) 計算之稅項	(22,804)	(5,828)
Tax effect of income that are not taxable for tax purpose	就稅務而言不應課稅收入之稅務影響	(1)	(24)
Tax effect of expenses that are not deductible for tax purpose	就稅務而言不予扣稅開支之稅務影響	19,572	2,554
Tax effect of tax losses not recognised	未有確認稅務虧損之稅務影響	5	1,281
Tax effect of temporary differences arising from unrealised profits resulting from intra-group transactions not recognised	集團間未確認交易引致未變現溢利所產生之暫時差異之稅務影響	1,171	1,400
Effect of tax exemptions granted to subsidiaries in the PRC	中國附屬公司獲授稅項豁免之影響	2,114	466
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稅率差異之影響	(32)	—
Income tax expense (credit) for the year	本年度所得稅開支(抵免)	25	(151)

# NOTES TO THE ACCOUNTS

## 賬目附註



### 11. LOSS PER SHARE

The calculation of the basic loss per share is based on the net loss for the year of approximately HK\$130,336,000 (2003: HK\$33,149,000) and the weighted average of 793,197,377 shares (2003: 715,903,027 shares) in issue during the year.

No diluted loss per share has been calculated for the year ended 31 December 2004 as the exercise of the share options would result in a decrease in the loss per share. Diluted loss per share was not presented for the year ended 31 December 2003 because there was no potential ordinary shares in existence for that year.

### 11. 每股虧損

本年度之每股基本虧損乃按本年度虧損淨額約130,336,000港元(二零零三年: 33,149,000港元)及已發行股份之加權平均數793,197,377股(二零零三年: 715,903,027股)計算。

由於購股權獲行使將導致二零零四年度之每股虧損減少, 因此並無呈列截至二零零四年十二月三十一日止年度之每股攤薄虧損。由於截至二零零三年十二月三十一日止年度並無攤薄潛在普通股, 故並無呈列該年度之每股攤薄虧損。

### 12. PROPERTY, PLANT AND EQUIPMENT

		Leasehold improvements	Furniture, fixtures and equipment	Computer equipment	Digital film encoders and servers	Motor vehicles	Construction in progress	Total
		租賃裝修 HK\$'000 千港元	傢俬、 裝置及設備 HK\$'000 千港元	電腦設備 HK\$'000 千港元	數碼電影 編碼器及 伺服器 HK\$'000 千港元	汽車 HK\$'000 千港元	在建項目 HK\$'000 千港元	合計 HK\$'000 千港元
<b>THE GROUP</b>	<b>本集團</b>							
<b>COST</b>	<b>成本</b>							
At 1 January 2004	於二零零四年一月一日	16,909	1,067	30,534	1,914	1,022	4,684	56,130
Additions	添置	16	198	4,838	-	-	-	5,052
Transfer	轉撥	4,684	-	-	-	-	(4,684)	-
Disposals	出售	-	-	(4)	-	(570)	-	(574)
At 31 December 2004	於二零零四年十二月三十一日	21,609	1,265	35,368	1,914	452	-	60,608
<b>DEPRECIATION</b>	<b>折舊</b>							
At 1 January 2004	於二零零四年一月一日	4,215	396	15,016	319	200	-	20,146
Provided for the year	年度撥備	2,157	237	9,047	96	147	-	11,684
Impairment losses	減值虧損	14,868	-	-	-	-	-	14,868
Eliminated on disposals	出售撇銷	-	-	(4)	-	(86)	-	(90)
At 31 December 2004	於二零零四年十二月三十一日	21,240	633	24,059	415	261	-	46,608
<b>NET BOOK VALUES</b>	<b>賬面淨值</b>							
At 31 December 2004	於二零零四年十二月三十一日	369	632	11,309	1,499	191	-	14,000
At 31 December 2003	於二零零三年十二月三十一日	12,694	671	15,518	1,595	822	4,684	35,984





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 12. PROPERTY, PLANT AND EQUIPMENT (Continued)

Due to a disfurnishment notice from the PRC government to the landlord for which the premises were rented by the Group, the directors considered that the relevant leasehold improvements were fully impaired and impairment losses of approximately HK\$14,868,000 (2003: Nil) were identified and charged to the consolidated income statement.

At 31 December 2004, the cost and accumulated depreciation and depreciation charge for the year of computer equipment and digital film encoders and servers of the Group held for use in operating leases are analysed as follows:

#### 12. 物業、廠房及設備(續)

由於有關中國政府已向本集團所租用物業之業主發出搬遷通知，董事考慮將相關租賃裝修作出全數減值，而已確認之減值虧損為約14,868,000港元(二零零三年：無)並於綜合損益表內扣除。

於二零零四年十二月三十一日，本集團用於經營租約之電腦設備及數碼電影編碼器及伺服器之年度成本及累計折舊及折舊支出之分析如下：

		THE GROUP 本集團			
		Computer equipment 電腦設備		Digital film encoders and services 數碼電影編碼器及伺服器	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Cost	成本	583	490	957	957
Accumulated depreciation	累計折舊	(367)	(134)	(256)	(160)
		216	356	701	797
Depreciation charge for the year	年度折舊支出	233	112	96	96

At 31 December 2004, net book values of computer equipment and motor vehicles of the Group included amounts of approximately HK\$4,996,000 (2003: HK\$10,239,000) and HK\$86,000 (2003: HK\$150,000) respectively in respect of assets held under finance leases.

於二零零四年十二月三十一日，就按融資租賃持有之資產而言，本集團電腦設備及汽車之賬面淨值分別包括為數約4,996,000港元(二零零三年：10,239,000港元)及86,000港元(二零零三年：150,000港元)。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 13. INTERESTS IN SUBSIDIARIES

### 13. 於附屬公司之權益

		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	9,892	9,892
Less: Impairment losses recognised (Note)	減：已確認減值虧損 (附註)	(9,892)	—
		—	9,892
Amounts due from subsidiaries, net of allowance of approximately HK\$96,754,000 (2003: Nil)	應收附屬公司款項 (扣除撥備約96,754,000港元) (二零零三年：無)	10,536	76,516
		10,536	86,408

**Note:** During the year, the directors of the Company reviewed the carrying value of the interests in subsidiaries with reference to the recoverable amount, impairment losses of approximately HK\$9,892,000 (2003: Nil) were identified and charged to the Company's income statement.

The amounts due from subsidiaries are unsecured, non-interest bearing and have no fixed repayment terms. In the opinion of directors, the amounts would not be settled within twelve months from the balance sheet date and are accordingly classified as non-current.

Details of the Company's principal subsidiaries at 31 December 2004 are set out in note 38.

**附註：**於本年度內，本公司董事經參考可收回數額後檢討了於附屬公司權益之面值，已確認減值虧損約9,892,000港元（二零零三年：無）並於本公司之損益表內扣除。

應收附屬公司之款項為無抵押、免息及無固定還款期。董事認為，該等款項毋須於自結算日起十二個月內償還，而因此列作非流動資產。

本公司於二零零四年十二月三十一日之主要附屬公司之詳情載於附註38。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 14. JOINTLY CONTROLLED OPERATION

The Group has entered into a jointly controlled operation to undertake a digital content distribution and exhibition contract. At 31 December 2004, the aggregate amounts of assets, turnover and results recognised in the accounts in relation to the Group's interests in the jointly controlled operation are as follows:

#### 14. 共同控制業務

本集團已訂立一項共同控制業務，以進行數碼內容發行及展示合約。於二零零四年十二月三十一日，於本賬目內確認有關本集團於共同控制業務中所佔權益之資產、營業額及業績總額如下：

		THE GROUP 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
<b>RESULTS</b>	<b>業績</b>		
Turnover	營業額		
Box office receipts from distribution of digital motion pictures	發行數碼電影之票房收入	93	74
Franchise fee from digital cinema for use of equipment	數碼影院使用設備所產生之專利權費	76	72
		169	146
Cost of sales – depreciation	銷售成本 – 折舊	(96)	(96)
Group's share of profit for the year	本集團應佔之年度溢利	73	50
<b>NET ASSETS</b>	<b>資產淨值</b>		
Assets	資產		
Property, plant and equipment – digital film encoders and servers	物業、廠房及設備 – 數碼電影編碼器及伺服器	702	798
Trade receivables	應收貿易賬款	268	50
		970	848

# NOTES TO THE ACCOUNTS

## 賬目附註



### 15. INVESTMENT SECURITIES

### 15. 投資證券

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Unlisted equity securities	非上市股本證券	117	—
Less: Impairment losses recognised	減：已確認減值虧損	(117)	—
		—	—

At 31 December 2004, the investment represents investment in a 25% equity interest in Production and Partners Multimedia, SAS, a company incorporated in France. Since the Group did not have any significant influence to the investee, the investment is accounted for in accordance with the Group's accounting policy for investment securities in accordance with Statement of Standard Accounting Practice No. 24 "Accounting for Investments in Securities".

於二零零四年十二月三十一日，有關投資指於一間法國註冊成立之公司 Production and Partners Multimedia, SAS擁有25%股權之投資。由於本集團對該被投資公司並無任何重大影響，故該項投資乃遵照會計實務準則第24條「投資證券之會計處理」按本集團投資證券之會計政策處理。

During the year, the directors of the Company reviewed the carrying value of the investment with reference to the recoverable amount, impairment losses of approximately HK\$117,000 (2003: Nil) is identified and charged to the consolidated income statement.

於本年度內，本公司董事經參考可收回數額後檢討了該項投資之面值，已確認減值虧損約117,000港元（二零零三年：無）並於綜合損益表內扣除。

### 16. DEFERRED TAX ASSETS

The following are the major deferred tax assets recognised by the Group and movements thereon during the current and prior reporting periods:

### 16. 遞延稅項資產

以下為本集團於現年度內及申報期間前已確認之主要遞延稅項資產及其變動：

		THE GROUP 本集團		
		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2003	於二零零三年一月一日	—	—	—
Credit to income statement for the year	計入年度損益表	118	33	151
At 31 December 2003 and 31 December 2004	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	118	33	151



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 16. DEFERRED TAX ASSETS (Continued)

At the balance sheet date, the Group has the following major deductible temporary differences and tax losses, of which no deferred tax assets were recognised due to the unpredictability of the future profit streams:

Unrealised profits resulting from intra-group transactions	集團間交易引致之未變現溢利
Tax losses that may be carried forward indefinitely	可無限結轉之稅項虧損

#### 16. 遞延稅項資產(續)

於結算日，本集團有以下主要可扣暫時差額及稅項虧損，惟由於無法預知日後溢利來源，故並無確認任何遞延稅項資產：

		THE GROUP 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Unrealised profits resulting from intra-group transactions	集團間交易引致之未變現溢利	26,485	19,794
Tax losses that may be carried forward indefinitely	可無限結轉之稅項虧損	7,657	7,634
		34,142	27,428

The Company had no significant unprovided deferred tax for both years or at the balance sheet dates.

本公司於最近兩個年度或於各結算日並無任何重大尚未撥備遞延稅項。

#### 17. INVENTORIES, AT COST

Raw materials	原料
Finished goods	製成品

#### 17. 存貨、按成本值

		THE GROUP 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Raw materials	原料	1,765	938
Finished goods	製成品	3,758	2,626
		5,523	3,564

# NOTES TO THE ACCOUNTS

## 賬目附註



### 18. PRODUCTION WORK IN PROGRESS

### 18. 在製項目

		THE GROUP 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
	Notes		
Movie, net of allowance of approximately HK\$70,000,000 (2003: Nil)	電影，扣除撥備 約70,000,000港元 (二零零三年：無)	(i) 20,340	75,666
Television series, net of allowance of approximately HK\$14,615,000 (2003: Nil)	電視連續劇，扣除撥備 約14,615,000港元 (二零零三年：無)	(ii) —	—
Others	其他	961	—
		21,301	75,666

#### Notes:

- (i) The amount represents production costs incurred for the film titled "Thru the Moebius Strip" (the "Film"), a movie project currently under production by the Group. Having regard to the latest production status of the Film, projected sales estimated by the Group's sales agents and the uncertainty in finalising distribution/licence agreements among the potential markets on a timely basis, the directors have made an allowance of approximately HK\$70,000,000 (2003: Nil) for the year and in their opinion that the production costs incurred as at 31 December 2004, net of allowance, are fully recoverable.
- (ii) The amount represents production costs incurred for the television series titled "Panshel's World" (the "TV Series"). As at 31 December 2004, there was a litigation in relation to the co-production of the TV Series, details of which are set out in note 33, the directors have considered recoverability in these circumstance for the production costs already incurred and a full allowance of approximately HK\$14,615,000 (2003: Nil) was made.

#### 附註：

- (i) 該款項指因影片「Thru the Moebius Strip」(「該影片」)而產生之製作成本，該影片乃本集團現時之在製電影項目。基於該影片最近製作情況、本集團之銷售代理估計的目標銷售額及未能確定專利權發行／許可協議是否能定於潛在市場得到適時落實等因素，董事已為本年度作出撥備約70,000,000港元(二零零三年：無)，而董事亦認為於二零零四年十二月三十一日所引致之製作成本(扣除撥備)將可悉數收回。
- (ii) 該款項指因電視連續劇「Panshel's World」(「該電視連續劇」)而產生之製作成本。於二零零四年十二月三十一日，本集團與合作方因共同製作該電視連續劇而引致訴訟(詳情載於附註33)，董事認為，鑑於因該電視連續劇而經已產生的製作成本是否可予收回仍不明朗，故已就此作出全數撥備約14,615,000港元(二零零三年：無)。





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 19. TRADE RECEIVABLES

The Group allows an average different credit periods to its trade customers depending on the type of products or services provided. The majority of sales of goods are on letter of credit against payment, the remaining amounts are granted with average credit terms of 90 days.

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

Within three months	三個月內
Three to six months	三至六個月
Over six months	六個月以上

#### 19. 應收貿易賬款

本集團乃根據其貿易往來客戶所提供的產品或服務種類而給予彼等不同的平均信貸期。大多數銷售貨品乃按所收到的支付承諾函而定，而其餘款項則給予90日之平均信貸期。

於結算日，本集團應收貿易賬款之賬齡分析如下：

#### THE GROUP 本集團

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
16,545	2,699
1,070	13
396	116
18,011	2,828

#### 20. AMOUNT DUE FROM A RELATED PARTY

The amount was unsecured, non-interest bearing and was fully settled during the year.

#### 20. 應收－關連人士款項

該款項為無抵押、免息及須於本年度內悉數償還。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 21. TRADE PAYABLES

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

Within three months	三個月內
Three to six months	三至六個月
Over six months	六個月以上

### 21. 應付貿易賬款

於結算日，本集團應付貿易賬款之賬齡分析如下：

#### THE GROUP 本集團

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
10,257	2,170
744	396
17	—
11,018	2,566

### 22. AMOUNTS DUE TO DIRECTORS AND SHAREHOLDERS

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

### 22. 應付董事及股東款項

該等款項為無抵押、免息及無固定還款期。

### 23. AMOUNTS DUE TO RELATED PARTIES

The amounts are due to Global Digital Creations Limited ("GDCL") and O'Melveny and Myers LLP ("O'Melveny") and are unsecured, non-interest bearing and repayable on demand. GDCL is a former holding company of the subsidiaries comprising the Group prior to the Reorganisation. Mr. Raymond Dennis Neoh, Mr. Anthony Francis Neoh and Dr. David Deng Wei, who are directors of the Company, and Mr. Richard Yin Yingneng, a former director of the Company, were directors and/or shareholders of GDCL. O'Melveny is a law firm in the United States of America in which Mr. Stephen Scharf, a non-executive director of the Company, is one of the partners of O'Melveny. The amount due to O'Melveny represented legal and professional services rendered to the Group.

### 23. 應付關連人士款項

應付Global Digital Creations Limited (「GDCL」)及O'Melveny and Myers LLP(「O'Melveny」)之款項為無抵押、免息及按通知償還。GDCL為重組前組成本集團各附屬公司之前控股公司。梁定雄先生、梁定邦先生及鄧偉博士(均為本公司董事)及尹應能先生(本公司之前任董事)均為GDCL之董事及／或股東。O'Melveny為美國一律師事務所，本公司之獨立非執行董事Stephen Scharf先生為O'Melveny之合夥人之一。應付O'Melveny之款項指向本集團提供法律及專業服務而須支付之費用。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 24. LOANS FROM SHAREHOLDERS

#### 24. 股東貸款

		THE GROUP 本集團		THE COMPANY 本公司	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Notes 附註					
Repayable within one year: 須於一年內償還：					
Bright Oceans Corporation (HK) Limited	Bright Oceans Corporation (HK) Limited (a)	3,157	—	3,157	—
Repayable after one year: 須於一年後償還：					
Mr. Anthony Francis Neoh	梁定邦先生 (b)	18,237	11,536	—	—
		21,394	11,536	3,157	—

Notes:

附註：

- (a) The loan is unsecured, bears interest at best lending rate as quoted by the Hongkong and Shanghai Banking Corporation Limited ("Best Lending Rate") from time to time plus 3% per annum and is repayable on demand.
- (b) The loan is unsecured, bears interest at Best Lending Rate from time to time plus 3% per annum and is not repayable within twelve months from the balance sheet date.

- (a) 該等貸款為無抵押、按香港上海滙豐銀行有限公司不時所報之最優惠利率（「最優惠利率」）加年率3厘計息及按通知償還。
- (b) 該貸款為無抵押、按不時最優惠利率加年率3厘計息及毋須於自結算日起十二個月內償還。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 25. OBLIGATIONS UNDER FINANCE LEASES

### 25. 融資租賃承擔

		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 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
<b>THE GROUP</b>	<b>本集團</b>				
Amounts payable under finance leases:	按融資租賃之 應付款項：				
Within one year	一年內	6,885	8,217	6,796	7,354
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	2,554	6,437	2,211	6,147
		9,439	14,654	9,007	13,501
Less: future finance charges	減：未來融資支出	(432)	(1,153)	—	—
Present value of lease obligations	租賃承擔之現值	9,007	13,501	9,007	13,501
Less: Amount due for settlement within one year (shown under current liabilities)	減：須於一年內 償還之款項 (列作流動負債)			(6,796)	(7,354)
Amount due for settlement after one year	須於一年後償還 之款項			2,211	6,147

It is the Group's policy to lease certain of computer equipment and motor vehicles under finance leases. The lease terms range from two to five years. For the year ended 31 December 2004, the average effective borrowing rate was 9%. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets.

本集團之政策乃根據融資租賃租用若干電腦設備及汽車。租賃年期介乎二至五年不等。截至二零零四年十二月三十一日止年度，平均實際借貸利率為9%。利率乃於簽約日期釐定。所有租賃均以固定償還為基準且並無就或然租金訂立任何安排。

本集團之融資租賃承擔乃由出租人按租賃資產之質押為抵押。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 26. BANK BORROWINGS

#### 26. 銀行借貸

			THE GROUP 本集團	
			2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
		Notes 附註		
Secured bank loans	已抵押銀行貸款	(a)	28,286	28,286
Secured bank overdrafts	已抵押銀行透支	(b)	2,056	–
Secured factoring loan	已抵押貼現貸款	(c)	1,565	–
			31,907	28,286

The above amounts bear interest at prevailing market rates and are repayable as follows:

上述款項乃按現行市場利率計息，並須於以下年期內償還：

			THE GROUP 本集團	
			2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Within one year	一年內		31,907	14,143
In the second year	第二年內		–	14,143
			31,907	28,286
Less: Amount due for settlement within one year (shown under current liabilities)	減：須於一年內償還之款項 (列作流動負債)		(31,907)	(14,143)
Amount due for settlement after one year	須於一年後償還之款項		–	14,143

# NOTES TO THE ACCOUNTS

## 賬目附註



### 26. BANK BORROWINGS (Continued)

#### Notes:

- (a) On 31 October 2002, banking facilities of RMB30,000,000, or equivalent to approximately HK\$28,286,000, have been obtained by 環球數碼媒體科技(深圳)有限公司 Institute of Digital Media Technology (Shenzhen) Limited ("IDMT Shenzhen") from Bank of China, Shenzhen branch ("BOC Facilities"). The BOC Facilities were renewed and revised to RMB15,000,000 or equivalent to HK\$14,143,000 on 4 November 2004 and the maturity date extended from 31 October 2004 to 3 November 2005. The outstanding loan as at 31 December 2004 was RMB15,000,000 (2003: RMB15,000,000), or equivalent to approximately HK\$14,143,000 (2003: HK\$14,143,000). At 31 December 2004, the BOC Facilities were guaranteed by the Company and 中投信用擔保有限公司("CICG"), an independent third party (the "CICG Guarantee"). The Company and Mr. Raymond Dennis Neoh have given counter-guarantees in favour of CICG and GDC China Limited ("GDC China"), a subsidiary of the Company, has pledged its entire interest in the registered capital of IDMT Shenzhen to CICG ("BOC Asset Pledge") for the repayment of all debts incurred by CICG for which CICG is liable under the CICG Guarantee. The counter-guarantee given by Mr. Raymond Dennis Neoh and the Company and the BOC Asset Pledge remain effective until IDMT Shenzhen has repaid all debts under the BOC Facilities.

### 26. 銀行借貸(續)

#### 附註：

- (a) 於二零零二年十月三十一日，環球數碼媒體科技(深圳)有限公司(「環球數碼媒體科技(深圳)」)向中國銀行深圳分行取得人民幣30,000,000元(相等於約28,286,000港元)銀行備用額(「中國銀行備用額」)。中國銀行備用額已於二零零四年十一月四日修訂為人民幣15,000,000元(或相等於14,143,000港元)並重續，即到期日由二零零四年十月三十一日延至二零零五年十一月三日。於二零零四年十二月三十一日之未償還貸款為人民幣15,000,000元(二零零三年：人民幣15,000,000元)，或相等於約14,143,000港元(二零零三年：14,143,000港元)。於二零零四年十二月三十一日，中國銀行備用額乃由本公司及獨立第三方中投信用擔保有限公司(「中信擔保」)作出擔保(「中信擔保保證」)。本公司與梁定雄先生作出以中信擔保為受益人之反擔保，而本公司之附屬公司環球數碼創意中國有限公司(「環球數碼創意中國」)已向中信擔保質押其於環球數碼媒體科技(深圳)註冊股本中之全部權益(「中國銀行資產質押」)，以清償中信擔保因中信擔保保證而產生之全部債務。由梁定雄先生及本公司所提供之反擔保及中國銀行資產質押將一直生效，直至環球數碼媒體科技(深圳)清償中國銀行備用額的所有債務為止。





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 26. BANK BORROWINGS (Continued)

##### Notes:

On 21 March 2003, another banking facilities of RMB30,000,000, or equivalent to approximately HK\$28,286,000, have been obtained by IDMT Shenzhen from Shenzhen Commercial Bank in Shenzhen ("SCB Facilities"). The outstanding loan as at 31 December 2004 was RMB15,000,000 (2003: RMB15,000,000), or equivalent to approximately HK\$14,143,000 (2003: HK\$14,143,000). The SCB Facilities were guaranteed by CICG (the "SCB Guarantee") and expired on 21 March 2005. The guarantee given by CICG shall be effective for three years after the expiry of the SCB Facilities. The Company and Mr. Raymond Dennis Neoh have given counter-guarantees to CICG and GDC China has pledged its entire interest in the registered capital of IDMT Shenzhen ("SCB Asset Pledge") to CICG for the repayment of all the debts incurred by CICG for which CICG is liable under the SCB Guarantee. The counter-guarantees given by Mr. Raymond Dennis Neoh and the Company and the SCB Asset Pledge provided by GDC China remain effective until IDMT Shenzhen has repaid all the debts under the SCB Facilities.

In March 2005, the SCB Facilities were revised, Shenzhen Commercial Bank extended the maturity date of a portion of the loan amounted to RMB13,000,000, or equivalent to HK\$12,257,000 to March 2006 with guarantee from SCG.

- (b) At 31 December 2004, a short-term deposit of approximately HK\$2,004,000 (2003: Nil) was pledged to a bank to secure the bank overdrafts. In addition, the Company provided a corporate guarantee of HK\$2,000,000 for the overdrafts.
- (c) At 31 December 2004, trade receivable of approximately HK\$2,496,000 (2003: Nil) is pledged to a bank to secure the factoring loan.

#### 26. 銀行借貸(續)

##### 附註：

於二零零三年三月二十一日，環球數碼媒體科技(深圳)向深圳市商業銀行取得另一項為數人民幣30,000,000元(相等於約28,286,000港元)之銀行備用額(「深圳市商業銀行備用額」)。於二零零四年十二月三十一日之未償還貸款為人民幣15,000,000元(二零零三年：人民幣15,000,000元)，或相等於約14,143,000港元(二零零三年：14,143,000港元)。深圳市商業銀行備用額由中信擔保作擔保(「深圳市商業銀行擔保」)，有關擔保將於二零零五年三月二十一日到期。由中信擔保提供之擔保將在深圳市商業銀行擔保屆滿後有效，為期三年。本公司及梁定雄先生已給予中信擔保反擔保，而環球數碼創意中國已質押其於環球數碼媒體科技(深圳)註冊股本中之全部權益(「深圳市商業銀行資產質押」)，以清償中信擔保因深圳市商業銀行保證而產生之全部債務。梁定雄先生及本公司所提供之反擔保以及由環球數碼中國提供的深圳市商業銀行資產質押將一直生效，直至環球數碼媒體科技清償深圳市商業銀行備用額的所有債務為止。

於二零零五年三月，深圳市商業銀行備用額已作出修訂，在首長四方之擔保下，深圳市商業銀行將為數人民幣13,000,000元部份貸款(或相等於12,257,000港元)之到期日延至二零零六年三月。

- (b) 於二零零四年十二月三十一日，短期銀行存款約2,004,000港元(二零零三年：無)已抵押於一間銀行，作為銀行透支之抵押。此外，本公司就該等透支作出公司擔保為2,000,000港元。
- (c) 於二零零四年十二月三十一日，應收貿易賬款約2,496,000港元(二零零三年：無)已抵押於一間銀行，作為該貼現貸款之抵押。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 27. OTHER LOANS

### 27. 其他貸款

			THE GROUP 本集團		THE COMPANY 本公司	
			2004 二零零四年	2003 二零零三年	2004 二零零四年	2003 二零零三年
			HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		Notes 附註				
SCG Finance	首長四方財務	(a)	10,843	–	10,843	–
上海新長寧(集團)有限公司	上海新長寧(集團)有限公司	(b)	7,797	7,797	–	–
Ms. Chan Wing Yee, Betty	Chan Wing Yee, Betty女士	(c)	1,000	–	–	–
Ms. Chu Kwok Ying	Chu Kwok Ying女士	(d)	300	–	300	–
			19,940	7,797	11,143	–

Notes:

附註：

- (a) The loan is unsecured, bears interest at Best Lending Rate plus 3% per annum and is repayable within 90 days from the drawdown date. Pursuant to a renewed loan facility from SCG Finance dated 28 February 2005, the repayment date extended to 29 May 2005.
- (b) The loan is unsecured, bears interest at 6% per annum and with maturity date extended from 30 June 2004 to 30 June 2005 during the year. The loan is guaranteed by the Company.
- (c) The loan is advanced from Ms. Chan Wing Yee, Betty, the spouse of Mr. Anthony Francis Neoh. The loan is unsecured, bears interest at Best Lending Rate plus 3% per annum and is repayable on demand.
- (d) The loan is unsecured, bears interest at best lending rate as quoted by the Hongkong and Shanghai Banking Corporation Limited ("Best Lending Rate") from time to time plus 3% per annum and is repayable on demand.

- (a) 該貸款為無抵押、按最優惠利率加年率3厘計息及於自貸款人提取日起90日內償還。根據SCG Finance於二零零五年二月二十八日重續之貸款備用額，其償還日期延至二零零五年五月二十九日。
- (b) 於本年度內，該貸款為無抵押、按年率6厘計息及到期日由二零零四年六月三十日延至二零零五年六月三十日。該貸款乃由本公司提供擔保。
- (c) 該貸款由梁定邦先生之配偶Chan Wing Yee, Betty女士預付。該貸款為無抵押、按最優惠利率加年率3厘計息及按通知償還。
- (d) 該貸款為無抵押、按香港上海匯豐銀行有限公司不時所報之最優惠貸款利率（「最優惠利率」）加年率3厘計息及按通知償還。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 28. SHARE CAPITAL

#### 28. 股本

			Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
	Notes 附註			
Ordinary shares of HK\$0.01 each		每股面值0.01港元之普通股		
Authorised:		法定：		
At 1 January 2003 and 31 December 2003 and 2004		於二零零三年一月一日及 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	1,200,000,000	12,000
Issued and fully paid:		已發行及繳足：		
At 1 January 2003		於二零零三年一月一日	40,000,000	400
Issue of shares to pre-listing investors		向上市前投資者發行股份 (a)	3,247,992	32
Issue of shares by placing and public offer		透過配售及公開發售發行股份 (b)	66,300,000	663
Capitalisation issue		資本化發行 (b)	670,452,008	6,705
At 31 December 2003		於二零零三年十二月三十一日	780,000,000	7,800
Issue of shares by placing		透過配售發行股份 (c)	20,820,000	208
At 31 December 2004		於二零零四年十二月三十一日	800,820,000	8,008

# NOTES TO THE ACCOUNTS

## 賬目附註



### 28. SHARE CAPITAL (Continued)

Notes:

- (a) On 25 and 26 June 2003, the Company allotted and issued 945,311 and 2,302,681 shares of the Company of HK\$0.01 each to two pre-listing investors at cash considerations of HK\$11,700,000 and HK\$28,500,000, respectively. The excess of the aggregate cash consideration over the nominal value of shares of HK\$40,168,000 was credited to the share premium account of the Company. The shares were issued for the purpose of raising additional capital to finance its operation.

- (b) On 1 August 2003, the Company allotted and issued 66,300,000 shares of the Company of HK\$0.01 each to investors through the placing and public offer at HK\$1.00 per share, for cash consideration of HK\$66,300,000. The excess of the aggregate cash consideration over the nominal value of shares of HK\$65,637,000 was credited to the share premium account of the Company. The shares were issued for the purpose of raising additional capital to finance its operation.

On the same date, 670,452,008 shares were allotted as fully paid at par to the shareholders whose names appeared on the register of members of the Company in proportion to their respective shareholdings at the close of business on 1 August 2003 by way of capitalisation of the sum of approximately HK\$6,705,000 standing to the credit of the share premium account of the Company. The shares were issued for the purpose of raising additional capital to finance its operation.

- (c) On 14 May 2004, the Company allotted and issued 20,820,000 shares of the Company of HK\$0.01 each to investors through the placing at HK\$0.42 per share, for cash consideration of HK\$8,744,000. The excess of the aggregate cash consideration over the nominal value of shares and net of issuance costs of HK\$8,139,000 was credited to the share premium account of the Company. The share were issued for the purpose of raising additional capital to finance its operation.

The new shares issued rank pari passu with existing shares in all respects.

### 28. 股本(續)

附註：

- (a) 於二零零三年六月二十五及二十六日，本公司分別按現金代價11,700,000港元及28,500,000港元向兩位上市前投資者配發及發行945,311股及2,302,681股每股面值0.01港元之本公司股份。總現金代價超出股份面值40,168,000港元乃計入本公司之股份溢價賬內。發行股份旨在籌集額外資金，以應付其營運資金所需。

- (b) 於二零零三年八月一日，本公司透過配售及公开发售以每股1.00港元向數位投資者配發及發行66,300,000股每股面值0.01港元之本公司股份，現金代價為66,300,000港元。總現金代價超出股份面值65,637,000港元乃計入本公司之股份溢價賬內。發行股份旨在籌集額外資金，以應付其營運資金所需。

於同日，本公司根據於二零零三年八月一日營業時間結束時股東各自所持股之比例，以資本化總額約6,705,000港元（計入本公司之股份溢價賬內）方式按面值向名列本公司之股東登記冊之股東配發670,452,008股繳足股份。發行股份旨在籌集額外資金，以應付其營運資金所需。

- (c) 於二零零四年五月十四日，本公司透過配售及公开发售以每股0.42港元向數位投資者配發及發行20,820,000股每股面值0.01港元之本公司股份，現金代價為8,744,000港元。總現金代價超出股份面值（扣除發行成本）8,139,000港元乃計入本公司之股份溢價賬內。發行股份旨在籌集額外資金，以應付其營運資金所需。

本公司所發行之新股於所有方面均與現有股份享有同等地位。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 29. SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed at its Special General Meeting held on 18 July 2003 for the primary purpose of providing incentives or rewards to selected participants for their contribution to the Group. The Scheme will expire on 17 July 2013.

Under the terms of Scheme, the Board of Directors of the Company (the "Board") may grant options to all full-time employees, directors (including independent non-executive directors) and part-time employees with weekly working hours of 10 hours and above, of the Group and any advisor (professional or otherwise) or consultant, distributors, suppliers, agents, customers, joint venture partners, service provider to the Group who the Board considers, in its sole discretion, have contributed or contribution to the Group.

The maximum number of shares which may be issued upon exercise of all options to be granted and yet to be exercised under the Scheme is not permitted to exceed 10% of the shares of the Company in issue which can be refreshed according to the Scheme. The number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised at any time under the Scheme and any other share option schemes of the Company shall not exceed 30% of the issued share capital of the Company from time to time.

#### 29. 購股權計劃

本公司根據於二零零三年七月十八日舉行之股東特別大會上所通過之決議案，採納一項購股權計劃（「該計劃」）。該計劃之主要目的為令本公司可向經選定參與者授出購股權，作為彼等對本集團作出貢獻之獎勵及回報。該計劃將於二零一三年七月十七日屆滿。

根據該計劃之條款，本公司之董事會（「董事會」）可全權酌情向董事會認為已為或將為本集團作出貢獻之本集團所有全職僱員、董事（包括獨立非執行董事）及每週工作時間為10小時及以上之兼職僱員及任何顧問（專業或其他情況）或諮詢者、發行商、供應商、代理、客戶、合營企業夥伴及服務提供者授出購股權。

根據該計劃，待所有將予授出之購股權獲行使後及將予行使時而可予發行之股份最高數目不得超過本公司根據該計劃獲更新後已發行股份之10%。根據該計劃及本公司任何其他購股權計劃，於任何時間待所有已授出但未行使之購股權獲行使後及將予行使時而可予發行之股份數目不得超過本公司不時已發行股本之30%。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 29. SHARE OPTION SCHEME (Continued)

The number of shares in respect of which options may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders in accordance with the Scheme. Where any grant of options to a substantial shareholder or an independent non-executive director or any of their respective associates would result in the shares in the Company issued and to be issued upon exercise of all options to such person in the 12-month period up to and including the date of grant in excess of 0.1% of the shares of the Company in issue and with a value (based on the closing price of the shares of the Company at the offer date of each offer) in excess of HK\$5,000,000, such grant of options must be approved in advance by the Company's shareholders in accordance with the Scheme.

An option may be exercised at any time during the period to be determined and notified by the directors to the grantee and in the absence of such determination, from the date of acceptance of an offer of the grant of such option to the earlier of the date on which such option lapses according to the Scheme and ten years from the date of offer of that opinion. A consideration of HK\$1 is payable upon acceptance the offer.

The exercise price is determined by the directors of the Company, and will not be less than the higher of the nominal value of the share; the closing price of the Company's shares on the date of offer; and the average closing price of the shares for the five business days immediately preceding the date of offer.

### 29. 購股權計劃 (續)

根據該計劃，在未經本公司股東事先批准下，於十二個月期間任何時間內，可向任何個別人士授出之購股權數目不得超過本公司於任何時間已發行股份之1%。根據該計劃，若任何向主要股東或獨立非執行董事或彼等之任何聯繫人士授出之購股權將會導致於直至授出日期(包括該日)為止之十二個月期間內待授予該等人士之所有購股權獲行使後，本公司已發行及將予發行之股份乃超過本公司已發行股份之0.1%及價值(根據本公司股份於各要約日期之收市價計算)超過5,000,000港元，則有關購股權之授出須事先經本公司股東批准。

購股權可於由董事釐定之期間內之任何時間行使，並由董事知會承授人及若董事並無作出有關釐定，則購股權可於由接納有關授出購股權之要約日期起至有關購股權根據該計劃已失效之日及接納有關要約之日期起十年止之日(以較早為準)行使。接納要約後須支付代價1港元。

行使價由本公司之董事釐定，且將不低於(以較高者為準)股份之面值；本公司股份於要約日期之收市價；及股份於緊接要約日期前五個營業日之平均收市價。





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 29. SHARE OPTION SCHEME (Continued)

During the year ended 31 December 2004, 14,300,000 options have been granted under the Scheme to the directors of the Company of which three tranches of 5,100,000, 5,100,000 and 4,100,000 options shall be vested on the date of approval of the grant of the option, the first and the second anniversary dates of the approval, respectively. Such 14,300,000 options may be exercised at any time during the period from 24 June 2004 to 17 July 2013 at an exercise price of HK\$0.44 per each option. No share option granted under the Scheme had been exercised up to 31 December 2004.

No share option was granted under the Scheme for the year ended 31 December 2003 or at 31 December 2003.

The financial impact of share options granted is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recognised in the consolidated income statement in respect of the value of options granted in the year. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

#### 29. 購股權計劃 (續)

於截至二零零四年十二月三十一日止年度內，14,300,000份購股權已根據該計劃授予本公司之董事，購股權乃分三批即5,100,000份、5,100,000份及4,100,000份將分別於批准授出購股權之日期、批准後首個週年日及批准後第二個週年日授予董事。該等14,300,000份購股權可於自二零零四年六月二十四日起至二零一三年七月十七日止期間內之任何時間按行使價每份購股權0.44港元行使。直至二零零四年十二月三十一日為止，並無任何根據該計劃授出之購股權獲行使。

於截至二零零三年十二月三十一日止年度或於二零零三年十二月三十一日，並無根據該計劃授出任何購股權。

直至購股權獲行使之時間為止，本公司或本集團之資產負債表並無記錄已授出購股權之財務影響，及於年內已授出購股權之價值並未於綜合損益表內確認作支出。待購股權獲行使後，所引致之已發行股份乃由本公司按股份面值列作額外股本，及每股行使價超出股份面值之部分乃由本公司列作股份溢價賬。於行使日期前失效或被註銷之購股權則自尚未行使購股權之登記冊內刪除。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 30. SHARE PREMIUM AND RESERVES

### 30. 股份溢價及儲備

		Share premium account 股份 溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元 (Note a) (附註a)	Share issuance costs 股份成本 HK\$'000 千港元 (Note b) (附註b)	Accumulated losses 累計虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>THE COMPANY</b>	<b>本公司</b>					
At 1 January 2003	於二零零三年一月一日	–	9,492	(4,465)	–	5,027
Issue of shares to pre-listing investors	向上市前投資者 發行股份	40,168	–	–	–	40,168
Issue of shares by placing and public offer	透過配售及公開 發售發行股份	65,637	–	–	–	65,637
Capitalisation issue	資本化發行	(6,705)	–	–	–	(6,705)
Share issuance costs	發行股份成本	–	–	(10,336)	–	(10,336)
Transfer to share premium account	轉撥往股份 溢價賬	(14,801)	–	14,801	–	–
Net loss for the year	年度虧損淨額	–	–	–	(4,384)	(4,384)
At 31 December 2003	於二零零三年十二月三十一日	84,299	9,492	–	(4,384)	89,407
Issue of shares by placing	透過配售發行股份	8,536	–	–	–	8,536
Share issuance costs	發行股份成本	(397)	–	–	–	(397)
Net loss for the year	年度虧損淨額	–	–	–	(112,631)	(112,631)
At 31 December 2004	於二零零四年十二月三十一日	92,438	9,492	–	(117,015)	(15,085)



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 30. SHARE PREMIUM AND RESERVES (Continued)

Notes:

- (a) The contributed surplus of the Company represents the difference between the consolidated net assets of the subsidiaries acquired by the Company and the nominal amount of the Company's shares which were issued pursuant to the group reorganisation completed on 31 December 2002. In addition to accumulated profits, the contributed surplus of the Company is also available for distribution to shareholders under Companies Act 1981 of Bermuda (as amended). However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:
- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
  - (ii) 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.
- (b) The share issuance costs were written off against the share premium account upon the listing of the Company's share on GEM.

At 31 December 2004, the Company did not have reserves available for distribution as calculated in accordance with The provisions of the Companies Act 1981 of Bermuda (as amended) (2003: HK\$5,108,000)

#### 30. 股份溢價及儲備(續)

附註：

- (a) 本集團繳入盈餘為本公司收購附屬公司之綜合資產淨值與本集團根據於二零零二年十二月三十一日完成之集團重組而發行之本公司股份之面值兩者之差異。除累計溢利外，本公司之繳入盈餘亦可根據百慕達一九八一年公司法(經修訂)向股東分派。然而，倘若出現下列情況，則本公司不會宣派或支付股息或從繳入盈餘中作出分派：
- (i) 本公司乃(或在支付有關款項後，可能)無法支付到期債項；或
  - (ii) 本公司資產之可變現值可能因此而少於其債項及其已發行股本及股份溢價賬之總和。
- (b) 股份發行成本已於本公司股份在創業板上市時從股份溢價賬中撇銷；或

於二零零四年十二月三十一日，按百慕達一九八一年公司法(經修訂)之條款所述之計算方式，本公司並無可供分派之儲備(二零零三年：5,108,000港元)。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 31. MAJOR NON CASH TRANSACTIONS

During the year, the Group entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of approximately HK\$2,867,000 (2003: HK\$7,188,000).

### 32. CONTINGENT LIABILITIES

The Company has given guarantees to banks and other parties in respect of general facilities granted to its subsidiaries. The extent of such facilities utilised by the subsidiaries at 31 December 2004 amounted to approximately HK\$38.1 million (2003: HK\$36.1 million).

### 33. LITIGATION

On 14 May 2003, GDC Entertainment Limited ("GDC Entertainment"), a wholly owned subsidiary of the Company entered into a co-production agreement (the "Co-production Agreement") with West Audiovisual and Multimedia Consultants, Inc. ("WAMC") and Production and Partners Multimedia, SAS ("PPM"), in which the Group has a 25% equity interest, in relation to an animated television series.

In November 2004, PPM issued a summons for summary judgment against WAMC and GDC Entertainment in the Court of Commerce of Angouleme (France), seeking the appointment of an agent who would oversee the co-production.

A hearing was scheduled to take place on 11 January 2005. However, at that time, PPM modified its claims against GDC Entertainment by seeking to substitute a new producer of the "same nationality" in replacement of GDC Entertainment pursuant to the Co-production Agreement, or the appointment of an expert whose task would be basically to assess the parties respective liabilities.

### 31. 主要非現金交易

於本年度內，本集團已就資產訂立融資租賃安排，租約訂立時之總資本值約為2,867,000港元（二零零三年：7,188,000港元）。

### 32. 或然負債

本公司已就其附屬公司所獲授之一般信貸而向銀行及其他人士作出擔保。於二零零四年十二月三十一日，附屬公司已動用之有關信貸額為約38,100,000港元（二零零三年：36,100,000港元）。

### 33. 訴訟

於二零零三年五月十四日，本公司之全資附屬公司GDC Entertainment Limited（「GDC Entertainment」）與West Audiovisual and Multimedia Consultants, Inc.（「WAMC」）及Production and Partners Multimedia, SAS（「PPM」）（本集團擁有其25%股權）就一套電視動畫連續劇而訂立合作協議（「合作協議」）。

於二零零四年十一月，PPM就有關謀求物色一名監管合作事宜之代理而於法國Court of Commerce of Angouleme向WAMC及GDC Entertainment發出簡易判決書。

有關聆訊定於二零零五年一月十一日舉行。然而PPM於當日修改其對GDC Entertainment之申索書，謀求改為根據合作協議與「相同國籍」的新製作商合作以取代GDC Entertainment，或委任一名專業人士為各訂約方所應承擔的責任進行評估。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 33. LITIGATION (Continued)

On 13 January 2005, the Group was informed by its French legal advisers that PPM's new claims do not affect accrued rights, as even if the Group were substituted, the monies invested by the Group are recoverable as an account payable under the co-production.

However, on 14 February 2005, PPM further modified its claims which include, inter-alia (i) the enforcement of an article of the Co-production Agreement which provides that in case of substitution of a producer to another one, the monies already invested by the Group shall become an account payable, recoverable from the revenues of the co-production, however, only "in last position with the recovery by the other co-producers of their contribution", and (ii) that the Group be sentenced to pay PPM the provisional amount of Euro 5 million, as damages, this amount being subject to revision according to the findings of the expert to be appointed by the Court. The claim for damages is totally unparticularised.

On 10 March 2005, the Group's French legal adviser advised that the chances to recoup the totality of the investment are uncertain and in any event, the sums owed to GDC Entertainment will be recoupable only in the last position pursuant to the Co-production Agreement.

#### 33. 訴訟(續)

於二零零五年一月十三日，本集團獲其法國法律顧問知會，根據本集團法國法律顧問的意見，PPM的新申索書並不會對本集團之應計權利產生任何影響，即使本集團被取代，本集團所投入之金額作為應付共同製作賬款將可予收回。

然而，於二零零五年二月十四日，PPM再次將其起訴書作出修改，其中包括(但不限於)(i)執行合作協議之條款，即一旦製作商被取代，本集團經已投入之金額應作為應付賬款，共同制作收益之可收回數額僅根據「其他製作商合作所投入數額可予收回之最後狀況」，及(ii)本集團須向PPM支付暫訂金5,000,000歐元作為賠償金(根據該法院所委任專業人士之判決，該筆數額可予重新修訂)。現在無法確定申索之賠償額。

於二零零五年三月十日，本集團之法國法建顧問認為，補償全部投資額之機會並不明朗，而無論如何，該筆款項將根據合作協議僅在最後狀況方可予收回。

## NOTES TO THE ACCOUNTS

### 賬目附註



#### 33. LITIGATION (Continued)

On 15 March 2005, the French legal adviser advised that the claims by PPM for the aforesaid provisional amount of Euro 5 million, as damages, is out of touch with reality given that (i) PPM does not provide any explanation or detail computation for the claims of Euro 5 million (ii) the amount is more or less equals to the total budgeted costs under the Co-production Agreement and (iii) the claim is still subject to the summary judgment to be rendered. The legal adviser further advised that in any event, the summary judgment to be rendered shall be very difficult to enforce or even may not be enforceable. Based on the abovementioned legal advice, the Board considers that the claims of Euro 5 million as damages should not have any immediate effect on the Group and no provision for this amount is considered necessary. Consideration is also being given by the directors to launch a counterclaim against PPM in the Hong Kong courts. The Group's Hong Kong legal have advised that the Group have good and meritorious causes of action against PPM and the Hong Kong Courts constitute a proper forum for the counterclaim.

#### 33. 訴訟(續)

於二零零五年三月十五日，法國法律顧問認為，PPM索償暫訂金5,000,000歐元作為賠償金乃超出事實依據，原因是(i)PPM並未就5,000,000歐元索償提供任何解釋或詳盡估計(ii)根據合作協議，該筆數額是否高於或低於預算總成本尚屬未知及(iii)該索償仍可按將予遞交的簡易判決書所調整。法律顧問亦認為，無論如何，將予遞交的簡易判決書將很難付諸執行或根本不可能得到執行。根據上文所述的法律意見，董事會認為，PPM索償5,000,000歐元賠償金對本集團並無任何即時效力，故認為毋須就該筆款項作出任何撥備。董事亦正考慮於香港法院對PPM提出反索償。本集團之香港法律顧問認為，本集團掌握充份及有力理據對PPM提出反索償，而在香港法院提出反索償亦為合適的場所。





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 34. OPERATING LEASES

##### The Group as lessee

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)

#### 34. 經營租賃

##### 本集團作為承租人

於結算日，本集團根據不可撤銷經營租賃而於未來到期應付之最低租金承擔如下：

##### THE GROUP 本集團

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
5,465	6,421
9,251	15,674
14,716	22,095

Operating lease payment represents rentals payable by the Group for certain of its office premises, production studio, training centers, warehouse and staff quarters. Leases for properties are negotiated for a term ranging from one to five years with fixed rentals.

##### The Group as lessor

At the balance sheet date, the Group had contracted with the lessees in respect of computer equipment under non-cancellable operating leases of approximately HK\$114,000 (2003: HK\$260,000) which fall due within one year.

In respect of digital film encoders and servers held in use for operating lease, the lease agreement does not contain a fixed lease term, accordingly, the total minimum lease receipts have not been disclosed in the above.

經營租金指本集團就其若干辦公室單位、製作室、培訓中心、倉庫及員工宿舍而應付之租金。該等物業之租賃年期經協商為一年至五年不等，及須支付固定租金。

##### 本集團作為出租人

於結算日，本集團根據不可撤銷經營租賃就電腦設備與承租人訂立合約，於一年內到期而應收之租金為約 114,000 港元（二零零三年：260,000 港元）。

就以經營租賃方式持有之數碼電影編碼器及伺服器而言，租賃協議並無載有固定租賃期，因此，所收之最低租金總額並無於上文披露。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 35. CAPITAL COMMITMENTS

During the year ended 31 December 2004, the Group entered into a co-production agreement with an independent third party, Gameone Online Entertainment Group Limited for the formation of a joint venture company for the development and production of on-line video games for the PRC market. At 31 December 2004, the Group committed to invest approximately HK\$600,000 to subscribe for 60% equity interest in the joint venture company (2003: Nil).

### 36. RETIREMENT BENEFITS SCHEME

The Group contributes to defined contribution retirement schemes which are available to all employees in Hong Kong and Singapore. The assets of the schemes are held separately from those of the Group in independently administered funds.

Pursuant to the relevant regulations of the government in the PRC, the subsidiaries in the PRC participate in the municipal government contribution scheme whereby the subsidiaries are required to contribute to the scheme for the retirement benefit of eligible employees. The municipal government of the PRC is responsible for the entire benefit obligations payable to the retired employees. The only obligation of the Group with respect to the scheme is to pay the ongoing contributions required by the scheme.

The retirement benefit costs represent gross contributions paid and payable by the Group to the schemes operated in Hong Kong, the PRC and Singapore (collectively the "Retirement Schemes"). Contributions totalling HK\$95,000 (2003: HK\$89,000) payable to the Retirement Schemes at 31 December 2004 are included in other payables and accrued charges. There was no forfeited contribution throughout the year (2003: Nil).

### 35. 資本承擔

於截至二零零四年十二月三十一日止年度，本集團與獨立第三方Gameone Online Entertainment Group Limited為成立合營企業公司而訂立一份合作協議，以為中國市場開發及製作網上視頻遊戲。於二零零四年十二月三十一日，本集團作出投資約600,000港元（二零零三年：無），以取得合營企業公司60%股權。

### 36. 退休福利計劃

本集團須向香港及新加坡所有僱員均可參與之界定供款退休計劃作出供款。該計劃之資產由獨立管理基金管理並與本集團之資產分開持有。

根據中國政府有關規定，中國附屬公司須參與當地市政府之供款計劃，據此，附屬公司須為合資格僱員之退休福利計劃作出供款。中國當地市政府負責支付退休僱員之所有福利承擔。而本集團就該計劃所須承擔之唯一責任乃根據該計劃規定持續作出供款。

退休福利成本指本集團向在香港、中國及新加坡設立之計劃（統稱「退休計劃」）已付及應付之供款總額。於二零零四年十二月三十一日，應向退休計劃支付之供款總額為95,000港元（二零零三年：89,000港元）已計入其他應付款項及應計費用內。於本年度內，本集團並無任何被沒收供款（二零零三年：無）。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 37. RELATED PARTY TRANSACTIONS

During the year, the Company entered into the following transactions with related parties:

			2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
		Notes 附註		
Rental expense paid to Ms. Lau Fung Sim, the spouse of Mr. Raymond Dennis Neoh, in respect of a director quarter	就一董事宿舍向梁定雄先生之配偶劉鳳嫻女士支付之租金開支	(a)	117	336
Rental expense paid to Mr. Anthony Francis Neoh in respect of a staff quarter	就一員工宿舍向梁定邦先生支付之租金開支	(a)	80	96
Rental expense paid to Solutions Lab Pte. Ltd. in respect of an office premise	就一辦公室單位向Solutions Lab Pte. Ltd.支付之租金開支	(a)	8	181
Legal and professional fees paid to O'Melveny	支付予O'Melveny之法律及專業費用	(b)	430	780

Notes:

- (a) The transactions were carried out in accordance with terms of the relevant tenancy agreements.
- (b) The transaction was carried at market price.

附註：

- (a) 該等交易乃根據相關租賃協議條款進行。
- (b) 該項交易乃按市價進行。

# NOTES TO THE ACCOUNTS

## 賬目附註



### 37. RELATED PARTY TRANSACTIONS (Continued)

Besides, interest on loans from shareholders charged at the agreed interest rate disclosed in note 9.

In addition, on 15 January 2000, GDC Entertainment Limited, a subsidiary of the Company, entered into an assignment with Moebius Strip Limited (formerly known as Butterfly Dance Holdings Limited), in which Mr. Raymond Dennis Neoh was one of the shareholders, for the assignment of the copyright and all other rights in and to the Film. Pursuant to the assignment (which was supplemented by a supplemental agreement dated 2 May 2003), the assignment consideration consists of (i) US\$60,000; (ii) deferred net profit from the Group's film production of the Film up to a maximum of US\$240,000 should the Group's film production generates a net profit as defined in the assignment; and (iii) 3% of the net profit from the Group's production of the Film in excess of US\$240,000 from time to time. As at 31 December 2003, the intellectual property rights as referred to in (i) above of approximately HK\$467,000 (equivalent to US\$60,000) was paid and is included in production work in progress. The equity interest held by Mr. Raymond Dennis Neoh was sold to a third party during the year ended 31 December 2003.

Details of balances with related parties as at the balance sheet date are set out in the consolidated balance sheet and in notes 20, 22, 23, 24 and 27, and details of a counter-guarantee given by Mr. Raymond Dennis Neoh are set out in note 26.

### 37. 有關連人士交易（續）

另外，股東貸款之利息乃按互相同意之利率計算（於附註9披露）。

此外，於二零零零年一月十五日，GDC Entertainment Limited（本公司之附屬公司）與Moebius Strip Limited（前稱Butterfly Dance Holdings Limited，梁定雄先生乃Moebius Strip Limited其中一位股東）就轉讓電影之版權及所有其他權利而訂立一項轉讓書。根據該轉讓書（已透過一份於二零零三年五月二日訂立之補充協議加以補充），轉讓代價包括(i)60,000美元；(ii)倘本集團電影製作產生純利（定義見該轉讓書），則本集團來自製作該影片之遞延純利最多達240,000美元；及(iii)本集團製作該影片不時超過240,000美元純利之3%。於二零零三年十二月三十一日，本集團已就上文(i)所述之知識產權支付約467,000港元（相等於60,000美元），該等費用均計入在製項目內。於截至二零零三年十二月三十一日止年度，梁定雄先生所持股權已售予第三方。

於結算日，與關連人士有關的款項乃載於綜合資產負債表內及附註20、22、23、24及27內，而梁定雄先生所給予之反擔保之詳情則載於附註26。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 38. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the subsidiaries at 31 December 2004 are as follows:

#### 38. 主要附屬公司之詳情

於二零零四年十二月三十一日，附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Form of business structure 業務組成模式	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ paid up capital 已發行股本/ 繳足股本之詳情	Attributable equity interest of the Group 本集團 應佔股權		Principal activities and place of operation 主要業務及 經營地點
				directly 直接 %	indirectly 間接 %	
GDC (BVI) Limited	Incorporated	The British Virgin Islands (the "BVI")	521,418,075 ordinary shares of US\$0.01 each	100	—	Investment holding in Hong Kong
GDC (BVI) Limited	註冊成立	英屬處女群島 （「英屬處女群島」）	521,418,075股 每股面值0.01美元 之普通股	100	—	於香港投資控股
GDC Holdings Limited	Incorporated	The BVI	521,418,075 ordinary shares of US\$0.01 each	—	100	Investment holding in Hong Kong
GDC Holdings Limited	註冊成立	英屬處女群島	521,418,075股 每股面值0.01美元 之普通股	—	100	於香港投資控股
GDC Asset Management Limited	Incorporated	The BVI	1 ordinary shares of US\$1	—	100	Investment holding in Hong Kong
GDC Asset Management Limited	註冊成立	英屬處女群島	1股每股面值1美元 之普通股	—	100	於香港投資控股
GDC Capital Limited	Incorporated	Hong Kong	2 ordinary shares of HK\$1 each	—	100	Dormant
GDC Capital Limited	註冊成立	香港	2股每股面值1港元 之普通股	—	100	暫無營業

# NOTES TO THE ACCOUNTS

## 賬目附註



### 38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

### 38. 主要附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Form of business structure 業務組成模式	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ paid up capital 已發行股本/ 繳足股本之詳情	Attributable equity interest of the Group 本集團 應佔股權		Principal activities and place of operation 主要業務及 經營地點
				directly 直接 %	indirectly 間接 %	
GDC China Limited	Incorporated	Hong Kong	2 ordinary shares of HK\$1 each	—	100	Investment holding in Hong Kong
GDC China Limited	註冊成立	香港	2股每股面值1港元 之普通股	—	100	於香港投資控股
GDC Entertainment Limited ("GDC Entertainment")	Incorporated	The BVI	3,510 ordinary shares of US\$1 each	—	100	Animation investment, licensing and merchandising distribution in a worldwide basis
GDC Entertainment Limited ("GDC Entertainment")	註冊成立	英屬處女群島	3,510股每股面值1美元 之普通股	—	100	於全球進行動 畫片之投資、 牌照及商品分銷
GDC Technology Limited	Incorporated	The BVI	1 ordinary shares of US\$1	—	100	Provision of computing solutions for digital content distribution and exhibitions in a worldwide basis
GDC Technology Limited	註冊成立	英屬處女群島	1股每股面值1美元 之普通股	—	100	於全球為數碼 內容發行及展示 提供電腦 解決方案





## NOTES TO THE ACCOUNTS

### 賬目附註

#### 38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

#### 38. 主要附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Form of business structure 業務組成模式	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ paid up capital 已發行股本/ 繳足股本之詳情	Attributable equity interest of the Group 本集團 應佔股權		Principal activities and place of operation 主要業務及 經營地點
				directly 直接 %	indirectly 間接 %	
GDC Technology Pte. Ltd.	Incorporated	Singapore	2 ordinary shares of US\$1	—	100	Provision of solutions for digital computing content distribution and exhibitions in a worldwide basis
GDC Technology Pte. Ltd	註冊成立	新加坡	2股每股面值1美元 之普通股	—	100	於全球為數碼內容 發行及展示提供 電腦解決方案
環球數碼媒體科技(上海) 有限公司 Institute of Digital Media Technology (Shanghai) Limited	Incorporated	The PRC	Registered capital of US\$140,000	—	100	Provision of computer graphics and animation training in the PRC
環球數碼媒體科技(上海) 有限公司	註冊成立	中國	註冊股本140,000美元	—	100	於中國提供電腦 圖像及動畫 製作培訓

# NOTES TO THE ACCOUNTS

## 賬目附註



### 38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

### 38. 主要附屬公司之詳情 (續)

Name of subsidiary	Form of business structure	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ paid up capital 已發行股本/ 繳足股本之詳情	Attributable equity interest of the Group 本集團 應佔股權		Principal activities and place of operation 主要業務及 經營地點
				directly 直接 %	indirectly 間接 %	
環球數碼媒體科技(深圳)有限公司 Institute of Digital Media Technology (Shenzhen) Limited	Incorporated	The PRC	Registered capital of US\$2,000,000	—	100	Provision of computer graphics and animation training, development of multimedia software and hardware, and provision of related technical consultancy services in the PRC
環球數碼媒體科技(深圳)有限公司	註冊成立	中國	註冊股本 2,000,000美元	—	100	於中國提供電腦圖像及動畫製作培訓、開發多媒體軟及硬件及提供相關技術諮詢服務

None of the subsidiaries had issued any debt securities during the year and at the end of the year.

該等附屬公司於本年度內及於年終概無發行任何債券。



## NOTES TO THE ACCOUNTS

### 賬目附註

#### 39. POST BALANCE SHEET EVENTS

On 13 January 2005, SCG issued an offer document in respect of voluntary conditional share exchange offer by DBS Asia Capital Limited on behalf of Upper Nice Assets Ltd. (the "Offeror"), a wholly-owned subsidiary of SCG, to acquire all the issued shares of, and a voluntary conditional cash offer to cancel all the outstanding options of, the Company.

On the closing date of the above mentioned offers on 1 March 2005, the Offeror received valid acceptances in respect of 658,466,023 shares of the Company and 22,631,615 options of the Company (8,331,615 options granted to Sotas Limited and 14,300,000 options granted to the directors of the Company), representing approximately 82.2% of the existing issued share capital of the Company and 100% of the outstanding options of the Company respectively. Hence, SCG became a holding company of the Company and all the outstanding options have been cancelled.

#### 39. 結算日後事項

於二零零五年一月十三日，首長四方就星展融資亞洲有限公司代表首長四方之全資附屬公司Upper Nice Assets Ltd. (「收購人」) 提出自願性有條件股份交換建議以收購本公司所有已發行股份及提出自願性有條件現金收購建議以註銷本公司所有尚未行使購股權而發出了一份建議文件。

於上文所述建議之截止日即二零零五年三月一日，收購人已接獲涉及658,466,023股本公司股份及22,631,615份本公司購股權(8,331,615份購股權授予Sotas Limited及14,300,000份購股權授予本公司董事)之有效接納，分別佔本公司現有已發行股本約82.2%及本公司尚未行使購股權之100%。因此，首長四方成為本公司之控股公司，而所有尚未行使購股權均已被註銷。

# FINANCIAL SUMMARY

## 財務摘要



### CONSOLIDATED RESULTS

### 綜合業績

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

		2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Turnover	營業額	2,240	2,306	11,478	47,987
Loss from operations	經營虧損	(10,235)	(15,633)	(28,045)	(124,766)
Finance costs	融資成本	(82)	(1,796)	(5,255)	(5,545)
Loss before income tax	除所得稅前虧損	(10,317)	(17,429)	(33,300)	(130,311)
Income tax credit (expense)	所得稅抵免(開支)	–	–	151	(25)
Net loss for the year	年度虧損淨額	(10,317)	(17,429)	(33,149)	(130,336)

### CONSOLIDATED ASSETS AND LIABILITIES

### 綜合資產及負債

At 31 December  
於十二月三十一日

		2001 二零零一年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Total assets	總資產	45,029	81,929	146,003	69,060
Total liabilities	總負債	(17,751)	(76,502)	(77,561)	(122,621)
Net assets (liabilities)	資產淨值(負債淨額)	27,278	5,427	68,442	(53,561)

Note: The results for each of the two years ended 31 December 2002 which were extracted from the prospectus dated 23 July 2003 issued by the Company have been prepared as if the Company had always been the holding company of the Group from the beginning of the earliest period presented, using the merger method.

附註：本公司已編製截至二零零二年十二月三十一日止兩個年度各年之業績(摘錄自本公司於二零零三年七月二十三日刊發之招股章程)，猶如本公司自使用合併法呈列業績之最早期間開始起一直為本集團之控股公司一樣。



## CORPORATE GOVERNANCE STATEMENT

### 企業管治聲明

This statement outlines the main corporate governance practices of the Group that were in place during the period after the listing of Shares in August 2003.

#### BOARD OF DIRECTORS

The Board of Directors comprises eight directors, namely Mr. Anthony Francis Neoh (Joint Chairman); Mr. Cao Zhong (Joint Chairman); Mr. Raymond Dennis Neoh (Vice Chairman); Mr. Chen Zheng (General Manager); Mr. David Deng Wei (Vice Chairman); Mr. Gordon Kwong Che Keung; Professor Japhet Sebastian Law and Mr. Paul Kwan Yuen Chiu.

#### AUDIT COMMITTEE

The Audit Committee was established on 3 August 2003 and comprises not less than three members of the Non-executive Directors of the Company, the majority of whom is independent. It acts in an advisory capacity and makes recommendations to the Board on issues such as, the appointment of external auditors; scope of the external audit; the review of internal control systems; and the review of financial statements on their completeness and accuracy before submission to the Board.

During the year ended 31 December 2004, four meetings of the Audit Committee were held, with the presence of the external auditors. The members of the Audit Committee are: Mr. Gordon Kwong Che Keung (Chairman), Mr. Anthony Francis Neoh and Professor Japhet Sebastian Law of whom two are Independent Non-executive Directors and one Non-executive Director.

#### REMUNERATION COMMITTEE

The Remuneration Committee was established on 3 August 2003 and comprises two members. It acts in an advisory capacity on issues such as remuneration of senior executives and bonus and incentives payment.

該聲明概述本集團自股份在二零零三年八月上市後之期間內適時貫徹執行之主要企業管治條例。

#### 董事會

董事會包括八名董事，即梁定邦先生（聯席主席）；曹忠先生（聯席主席）；梁定雄先生（副主席）；陳征先生（總經理）、鄧偉博士（副主席）；鄭志強先生；羅文鈺教授及關遠釗先生。

#### 審核委員會

審核委員會於二零零三年八月三日成立，至少包括本公司三位非執行董事成員，其中大部份為獨立非執行董事。審核委員會以顧問之身份，並就委任外來核數師；外來核數師之審核範圍；審閱內部監控制度；及在向董事會提呈有關財務報表前審核其完整性及準確性等事宜向董事會提供建議。

於截至二零零四年十二月三十一日止年度內，審核委員會召開了四次會議，而外來核數師亦有出席。審核委員會之成員包括：鄭志強先生（主席）、梁定邦先生及羅文鈺教授，其中兩位為獨立非執行董事及一位為非執行董事。

#### 酬金委員會

酬金委員會於二零零三年八月三日成立，包括兩名成員。酬金委員會以顧問之身份，就高級行政人員之酬金及支付之花紅和獎勵等事宜提供諮詢服務。

# CORPORATE GOVERNANCE STATEMENT

## 企業管治聲明



During the year ended 31 December 2004, four meetings of the Remuneration Committee were held. The members of the Remuneration Committee are Professor Japhet Sebastian Law (Chairman), and Dr. David Deng Wei.

### DISCLOSURE POLICY COMMITTEE

The Disclosure Policy Committee was established on 7 November 2003 and comprises Non-executive Directors of the Company. The objective of the Disclosure Policy Committee is to ensure that communications to the investing public about the Company are timely, factual, complete and accurate; and broadly disseminated in accordance with all applicable legal and regulatory requirements. To meeting this objective, it lays down benchmarks for a preliminary assessment of materiality and will determine when developments justify public disclosure.

During the year ended 31 December 2004, no meeting of the Disclosure Policy Committee was held as it was only recently established. The members of the Disclosure Policy Committee are Mr. Anthony Francis Neoh (Chairman), Dr. David Deng Wei, Mr. Gordon Kwong Che Keung, Professor Japhet Sebastian Law, and Mr. Stephen Scharf.

於截至二零零四年十二月三十一日止年度內，酬金委員會召開了四次會議。酬金委員會之現有成員為羅文鈺教授（主席）及鄧偉博士。

### 披露政策委員會

披露政策委員會於二零零三年十一月七日成立，成員均由本公司非執行董事組成。披露政策委員會之宗旨是確保與投資於本公司之公眾人士可及時、真實、完整及準確地進行溝通；並遵照所有適用法例及法規之規定廣泛發佈信息。為達至該宗旨，披露政策委員會就作出初步評估而制訂基準，並將在有關事件進展須向公眾人士披露之情況下釐定有關基準。

由於披露政策委員會於最近才成立，故其於截至二零零四年十二月三十一日止年度內並無召開任何會議。披露政策委員會之成員為梁定邦先生（主席）、鄧偉博士、鄭志強先生、羅文鈺教授及Stephen Scharf先生。





## NOTICE OF ANNUAL GENERAL MEETING 股東週年大會通告

NOTICE IS HEREBY GIVEN that an annual general meeting (the "AGM") of the members of Global Digital Creations Holdings Limited (the "Company") will be held at 33/F Sonata Gemini & Libra Room, Rosedale on the Park • Hong Kong, 8 Shelter Street, Causeway Bay, Hong Kong on 30 May 2005 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 December 2004;
2. To re-elect Directors and to authorise the board of directors ("Board") to fix the Directors' remuneration;
3. To ratify the appointment and re-appoint Deloitte Touche Tohmatsu as auditors and authorise the Board to fix their remuneration;
4. As special business to consider and, if thought fit, pass the following resolution with or without modifications, as Ordinary Resolution:

"**THAT** the Board be authorised from time to time to appoint additional director to the Board and the maximum number of Directors of the Company shall be 11."

5. As special business to consider and, if thought fit, pass the following resolutions with or without modifications, as Ordinary Resolutions:

### ORDINARY RESOLUTIONS

#### (A) "THAT

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase ordinary shares in the capital of the Company on the Growth Enterprise Market (the "GEM") of The Stock

茲通告環球數碼創意控股有限公司(「本公司」)謹訂於二零零五年五月三十日上午十時假座香港銅鑼灣信德街8號香港珀麗酒店33樓協奏坊雙子廳及天秤廳舉行股東週年大會(「股東週年大會」)，藉以處理下列事項：

1. 省覽截至二零零四年十二月三十一日止年度之經審核綜合財務報表、董事會報告及核數師報告；
2. 重選董事及授權董事會(「董事會」)釐定董事酬金；
3. 追認有關委任及續聘本公司核數師德勤•關黃陳方會計師行並授權董事會釐定彼等之酬金；
4. 作為特別事項，考慮並酌情通過下列決議案(不論有否修訂)為普通決議案：

「動議不時授權董事會委任額外董事進入董事會及本公司董事之最高數目應為11名。」

5. 作為特別事項，考慮並酌情通過(不論有否修訂)下列決議案為普通決議案：

### 普通決議案

#### (A) 「動議

- (a) 在本決議案(b)段規限下，一般及無條件批准董事於有關期間(定義見下文)行使本公司所有權力，於香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)或本公司證券可能在此上

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Exchange of Hong Kong Limited (the "Exchange") or on any other stock exchange on which the securities of the Company may be listed and recognized by The Securities and Futures Commission of Hong Kong ("Securities and Futures Commission") and the Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Securities and Futures Commission and the Exchange or any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;

- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution, "Relevant Period" means the period from the passing of this Resolution until whichever is the earlier of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meetings; or
  - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held.";

市及香港證券及期貨事務監察委員會(「證監會」)及聯交所就此認可之任何其他證券交易所購回認可之本公司股本中普通股，惟必須根據及按照所有適用法例及證監會及聯交所或任何其他證券交易所不時修訂之規定及就此而言所有適用法例規定；

- (b) 本公司根據上文(a)段之批准於有關期間購回之股份總面值不得超過本公司於本決議案日期之已發行股本總面值10%，而上述批准亦將以此為限；及
- (c) 就本決議案而言，「有關期間」指由本決議案獲通過之日起至下列最早之日期止之期間：
  - (i) 本公司下屆股東週年大會結束時；
  - (ii) 股東在股東大會上以普通決議案撤銷或修訂本決議案所載授權之日；或
  - (iii) 根據本公司之細則或百慕達任何適用法例本公司須舉行下屆股東週年大會之期間屆滿。」；



## NOTICE OF ANNUAL GENERAL MEETING

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#### (B) "THAT

- (a) subject to the following provisions of this Resolution and pursuant to the Rules Governing the Listing of Securities on the GEM of the Exchange, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a rights issue where shares are offered to shareholders of the Company or any class thereof on a fixed record date in proportion to their then holdings of shares or any class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong); or (ii) the exercise of any options granted under any option scheme or similar

#### (B) 「動議

- (a) 在下文本決議案條款之限制下及根據聯交所創業板證券上市規則，一般及無條件批准董事於有關期間(定義見下文)內行使本公司之一切權力，以配發、發行及處理本公司股本中之額外股份，並作出或授出或須行使上述權力之建議、協議及購股權；
- (b) 本決議案(a)段之授權乃附加予董事之其他權力，並授權董事在有關期間內，或須於有關期間結束後作出要約、訂立協議或授予購股權；
- (c) 董事根據本決議案(a)段之批准所配發或有條件或無條件同意配發(不論是否根據購股權或其他事項而進行)之股本總面額，除根據(i) 配售新股(於指定紀錄日期根據本公司股東當時持有股份或任何類別之股份比例向本公司股東提呈發售之股份或任何類別之股份(惟董事有權就零碎股權或於考慮及香港以外任何地區之法律所訂之限制或責任或當地任何認可管制機構或任何證券交易所之規定後，作出其認為必要或權宜之取消權利或其他安排))；或(ii) 按本公司現行採納之任何購股權計劃或類似安排授出之任何購股權獲行使以向下文

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arrangement for the time being adopted by the Company for the grant or issue to eligible participants thereunder or rights to acquire shares in the capital of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company in force from time to time, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution, "Relevant Period" means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meetings; or
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held.";

(C) "THAT conditional upon Resolution 4(B) above being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with shares and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company since the granting of a general mandate to the Directors to

所述之合資格參加者授出或發行之股份；或 (iii) 任何以股代息計劃或類似安排規定按照本公司不時生效之細則配發股份以代替本公司股份之全部或部分股息外，不得超過於本決議案獲通過之日本公司已發行股本面值總額之20%，而上述批准須受相應限制；及

(d) 就本決議案而言，「有關期間」乃指本決議案獲通過之日起至下列三者中較早日期止之期間：

- (i) 本公司下屆股東週年大會結束；
- (ii) 股東在股東大會上以普通決議案撤銷或修訂本決議案所載授權之日；或
- (iii) 根據本公司之細則或百慕達任何適用法例本公司須舉行下屆股東週年大會之期間屆滿。」；

(C) 「動議待第4(B)項決議案獲得通過後，授予董事一般授權以行使本公司之權力配發、發行及處理股份，並作出或授出或須行使上述權力授出要約、訂立協議及授予購股權，自向董事授出一般授權以行使本公司權力購入上述股份後，透過本公司購回本公司股本中股份而擴大本



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exercise the powers of the Company to purchase such shares, provided that such amount shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”.

公司股本面值總額，惟此等數額不得超過本公司於本決議案通過日期之已發行股本面值總額之10%。」。

By Order of the Board  
**Cheung Kei Yim**  
Company Secretary

承董事會命  
公司秘書  
**張祺豔**

Hong Kong, 28 April 2005

香港，二零零五年四月二十八日

*Head office and principal place of business:*

Suites 1804-05,  
Hutchison House,  
10 Harcourt Road,  
Central,  
Hong Kong

*總辦事處及主要業務經營地點：*

香港  
中環  
夏慤道10號  
和記大廈  
1804-05室

*Notes:*

*附註：*

1. A Shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and on a poll, vote in his stead at the AGM that the appointment shall specify the number and class of shares in respect of which such proxy is so appointed. A proxy need not be a member of the Company.
2. In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of authority, must be lodged with the Company's branch share registrar in Hong Kong, Standard Registrars Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
3. Details of the retiring directors and the change of auditors and explanatory statements setting out further information regarding Resolutions 2 to 5 above will be dispatched to the Shareholders, together with the Annual Report 2004.

1. 有權出席股東週年大會並於會上投票之股東可委任受委代表按其名義出席股東週年大會並於會上投票，委任一事須訂明該受委代表所代表之股份數目及類別。受委代表毋須為本公司股東。
2. 由閣下簽署之代表委任表格及授權書或其他授權文件（如有）或經公證行簽署之授權文件副本，最遲須股東週年大會或其任何續會召開時間48小時前送達本公司之香港股份過戶分處標準證券登記有限公司，地址為香港灣仔告士打道56號東亞銀行港灣中心地下，方為有效。
3. 載有第2至第5項決議案其他資料之退任董事和更換核數師詳情及說明文件連同二零零四年年報將寄發予股東。





